



A Study On Awareness And Perception Of Taxpayers Towards Goods And Services Tax Implementation With Special Reference To Pollachi Taluk

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ABSTRACT

The Goods and Services Tax (GST) is a major indirect tax reform introduced in India with the objective of simplifying the tax structure and creating a unified national market. This study focuses on assessing the level of awareness and perception of taxpayers towards the implementation of GST with special reference to Pollachi Taluk. The research aims to understand how far taxpayers are informed about GST provisions, rates, filing procedures, and compliance requirements. Primary data were collected from taxpayers through a structured questionnaire, and the study adopted a descriptive research design. The analysis reveals that while most respondents possess basic awareness of GST, there are noticeable gaps in their understanding of technical aspects such as input tax credit and return filing. The perception of GST implementation varies among taxpayers depending on factors such as education, nature of business, and experience with the tax system. Many respondents perceive GST as a beneficial reform that promotes transparency, whereas some consider it complex and compliance-oriented. The study highlights the need for continuous awareness programmes and training sessions to improve taxpayers' understanding. Overall, the findings provide insights into taxpayer behavior and suggest measures to enhance effective GST implementation in Pollachi Taluk.

Keywords: Goods and Services Tax, GST Implementation, Taxpayer Awareness, Taxpayer Perception, Pollachi Taluk, Indirect Tax System

1.1 INTRODUCTION

The Goods and Services Tax (GST) represent one of the most significant tax reforms introduced in India with the aim of creating a unified and transparent indirect tax system. Implemented on 1st July 2017, GST replaced multiple indirect taxes levied by the central and state governments, thereby simplifying the tax structure. The introduction of GST was intended to eliminate tax cascading, improve compliance, and promote ease of doing business. Taxpayer awareness and perception play a crucial role in the successful implementation of any tax reform. Without adequate understanding, taxpayers may face difficulties in compliance and develop negative attitudes toward the system. In semi-urban and rural regions, awareness levels may vary due to differences in education and access to information. Pollachi Taluk, known for its commercial and agricultural activities, consists of a diverse group of taxpayers. Studying their awareness and perception towards GST helps in understanding ground-level challenges. Such an analysis provides valuable insights for policymakers to improve outreach and support mechanisms. Hence, this study attempts to analyze the awareness and perception of taxpayers towards GST implementation with special reference to Pollachi Taluk.

1.2 REVIEW OF LITERATURE

Niyas A. (2019) The "Products and Services Tax" specifically was investigated, and it was determined that GST is basically a value-added indirect tax levied at each stage of the supply of goods and services, based on the amount of value mostly added. It really aims to minimise inefficiencies in the tax system that, for the most part, lead to "tax on tax," also known as "cascading of taxes. GST specifically is a destination- based tax, which actually means that it only applies where the products or services are actually consumed in a pretty major way.

Vikram Sandhu and Heena Atwal (2019) It is imposed at each stage of the production process as a multi-staged tax, but it is intended all parties engaged in the various stages of production, save the ultimate customer, will receive a reimbursement, and collected as a destination-based tax from the point of consumption rather than the point of origin, as previous taxes were. The paper definitely focuses on the benefits of GST to the Indian economy as well as different concerns, issues, and challenges that GST would specifically face, definitely contrary to popular belief.

Abhishek Kumar Yadav (2018) According to this study, the urban poor will gain directly from increased economic activity, which will result in increased growth and a variety of job opportunities. This is fairly contrary to popular belief. Furthermore, the GST regime ensures that by exempting fundamentally daily consumption commodities from GST and lowering the price of goods, it contributes to the country's economic growth, contrary to popular belief.

Pooja S. Kawle (2017) GST implementation in the Indian context, as described, will essentially mostly lead to economic development. As further mentioned, GST, as further mentioned, will literally encourage foreign investment, the "Make in India" campaign, export/manufacturing activities, and the creation of pretty much more jobs, resulting in, for all intents and purposes, lower poverty and definitely higher GDP growth, which essentially is quite significant.

1.3 OBJECTIVES OF THE STUDY

- To study the level of awareness of taxpayers about the Goods and Services Tax (GST) in Pollachi Taluk.
- To analyze the perception of taxpayers towards the implementation of GST.
- To examine the impact of GST on business operations and compliance practices of taxpayers.
- To identify the problems faced by taxpayers in understanding and complying with GST provisions.
- To suggest suitable measures to improve GST awareness and effective implementation among taxpayers.

1.4 STATEMENT OF THE PROBLEM

The implementation of the Goods and Services Tax (GST) marked a significant change in the indirect tax system in India, requiring taxpayers to adapt to new rules, procedures, and compliance mechanisms. Despite several years since its introduction, many taxpayers continue to face difficulties in understanding GST provisions, filing procedures, and compliance requirements. Lack of adequate awareness and clarity often leads to confusion, errors in return filing, and negative perceptions towards the tax system. In regions like Pollachi Taluk, where taxpayers come from diverse educational and occupational backgrounds, the level of awareness and perception towards GST may vary considerably. These variations can affect compliance behavior and overall acceptance of the tax reform. Hence, there is a need to examine the awareness and perception of taxpayers towards GST implementation in Pollachi Taluk to identify existing gaps, challenges, and areas requiring improvement.

1.5 METHODOLOGY

1.5.1 RESEARCH DESIGN

From the objective we have studied the concept of GST. To analyze this different data, have to be collected from consumers such as in what way the gst plays a vital role and what are the barriers to implement this concept also been discussed.

1.5.2 SAMPLING DESIGN

The population for the study was made up of consumers in Chennai, and simple random sampling methods were used. A sample of 200 of consumers of textile industries were questioned data has been collected.

1.5.3 DATA COLLECTION METHODS

Primary data collection method comprised survey method while primary data collection instruments was structured questionnaire namely IMPLEMENTATION OF GST QUESTIONNAIRE in forms such as GST and its implementation, Percentage hike in tax, Burden of Taxation, Implications and effects of Gst.

1.6 STATISTICAL TOOLS

The main tools used for statistical analysis were percentages, chi square.

1.6.1 AREA OF RESEARCH

The research design consists of population size of 200 people in the location of Pollachi taluk, targeted people are consumers.

1.6.2 CONCEPTUAL FRAMEWORK

The conceptual framework of impacts of GST was based upon research gap and exhaustive review of literature into 4 variables of the study such as,

- a) GST and its implementation
- b) Percentage hike in tax
- c) Burden of Taxation
- d) Implications and effects of Gst

1.7 HYPOTHESIS QUESTIONS

H0: There is no relationship between GST and its implementation and Percentage hike tax.

H1: There is a relationship between GST and its implementation and Percentage hike tax.

H0: There is no relationship between GST and its implementation and Burden of taxation.

H1: There is a relationship between GST and its implementation and Burden of taxation.

H0: There is no relationship between GST and its implementation and Implications and effects of GST.

H1: There is a relationship between GST and its implementation and Implications and effects of GST.

1.7.1 DATA ANALYSIS

Awareness shaping the GST implementation the respondents were rate the GST implementation which create the satisfaction to customer. The attributes comprise of

- a) GST and its implementation
- b) Percentage hike in tax
- c) Burden of Taxation
- d) Implications and effects of Gst

The rating table comprises of 5 points with the 1 for lowest rating and 5 for highest rating. The responses statistical analysis is represented in table 1 to table 4.

1.8 STATISTICAL ANALYSIS

CHI SQUARE

1.8.1 GST AND ITS IMPLEMENTATION AND BURDEN OF TAXATION

H0: There is no association between GST and its implementation and Burden of taxation.

H1: There is an association between GST and its implementation and Burden of taxation.

| | | Chi-square and df | Fishers Exact Test | Total |
|--------------------|----------------|-------------------|--------------------|-------|
| | | Pearson | Sig 2 sided | |
| Burden of taxation | Strongly agree | 5.0 & 5.5 | .001 | 60 |
| | Agree | 5.0 & 5.5 | .001 | 140 |
| Total | | | | 200 |

Table 1.8.1 Representing the chi square between GST and its implementation and Burden of taxation

INTERPRETATION:

From the table, it is interpreted that the significance value is .001, Which was less than 0.5. So, the null hypothesis rejected, and alternative hypothesis got accepted with the chi square value 5.0 and 5.5. Thus, there is an association between GST and its implementation and Burden of taxation.

1.8.2 GST AND ITS IMPLEMENTATION AND IMPLICATIONS AND EFFECTS OF GST

H0: There is no association between GST and its implementation and implementation and Implications and effects of GST.

H1: There is an association between GST and its implementation and implementation and Implications and effects of GST.

| | | are and df | rs Exact Test | Total |
|---------------------------------|----------------|------------|---------------|-------|
| | | Pearson | Sig 2 sided | |
| Implications and effects of GST | Strongly agree | 7.5 & 6.5 | .001 | 110 |
| | Agree | 7.5 & 6.5 | .001 | 90 |
| Total | | | | 200 |

Table 1.8.2 Representing the chi square between GST and its implementation and Implications and effects of GST

INTERPRETATION:

From the table, it is interpreted that the significance value is .001, Which was less than 0.5. So, the null hypothesis rejected, and alternative hypothesis got accepted with the chi square value 7.5 and 6.5. Thus, there is an association between GST and its implementation and Implications and effects of GST.

1.8.3 GST AND ITS IMPLEMENTATION AND PERCENTAGE HIKE TAX

H0: There is an association between GST and its implementation and Percentage hike tax.

H1: There is no association between GST and its implementation and Percentage hike tax.

| | | are and df | rs Exact Test | Total |
|---------------------|----------------|------------|---------------|-------|
| | | Pearson | Sig 2 sided | |
| Percentage hike tax | Strongly agree | 6.0 & 4.8 | .001 | 90 |
| | Agree | 6.0 & 4.8 | .001 | 110 |
| Total | | | | 200 |

Table 1.8.3 Representing the chi square between GST and its implementation and percentage hike tax

INTERPRETATION:

From the table, it is interpreted that the significance value is .001, Which was less than 0.5. So, the null hypothesis rejected, and alternative hypothesis got accepted with the chi square value 6.0 and 4.8. Thus, there is an association between implementation and Percentage hike tax.

CONCLUSION

The study concludes that the Goods and Services Tax has brought significant changes to the indirect tax system and has influenced the way taxpayers carry out their tax-related activities. The findings reveal that while a majority of taxpayers in Pollachi Taluk possess basic awareness about GST, there is still a lack of in-depth understanding of its technical aspects such as return filing procedures and input tax credit. The perception towards GST implementation is mixed, with some taxpayers appreciating its transparency and uniform tax structure, while others find the system complex and compliance-intensive. Factors such as education level and nature of business play an important role in shaping awareness and perception. The study highlights the need for continuous awareness programmes, training sessions, and effective support mechanisms to enhance taxpayers' understanding and confidence. Overall, improving awareness and simplifying compliance procedures will contribute to better acceptance and successful implementation of GST in Pollachi Taluk.

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