

A SYUDY ON AWARENESS LEVEL OF INDIVIDUAL TAX
PAYERS TOWARDS E-FILING WITH REFERENCE TO
VADAKKANTHARA, PALAKKAD DISTRICT

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ABSTRACT

India is in the path of digitalization. As a part of digitalization, there is a change in traditional tax filing into e-filing. E-filing stands for electronic filing. E-filing is the process of submitting documents to the Income tax department through the internet. Tax payers need not submit any paper documents. Individual tax payers can use various tax return software with various capabilities or through websites or tax professionals for this purpose.

In previous years tax filing was a difficult task because a tax payer has to go through a long process but now it is very easy task. In the digitalised world the tax payers must have the knowledge about how to file tax returns or what are the procedures for e-filing. For this it is essential to aware the public about the importance of tax filing and the procedures required to complete the tax filing. So it is essential to study the awareness level of individual tax payers about the e-filing.

INTRODUCTION

Everyone who earn income above the tax slab need to give tax on their income in India. Tax imposed on individuals varies with their respective income. The Income Tax Act 1961, and the Income Tax Rules 1962, obligates citizens to file returns with Income Tax Department at the end of every financial year. These returns should be filed before the specified date. Income Tax Returns vary depending upon the criteria of the source of income of the assessee and the category of the assessee. With the advancement of technology and use of internet in global world necessitated the changes in the income tax returns in India also. Because of this necessity Income Tax Department in India introduce E-filing system. E-FILING is a system for submitting tax documents to the income tax department through the internet or direct connection, usually without the need to submit any paper documents. E-filing is the term for electronic filing or sending IT returns from tax software via internet to the tax authority. Various tax return preparation software with e-filing capabilities are available at standalone commercial use. Now no longer have to stand in long queue and no waiting for deposits. Customized return forms have been devised by the Income tax authority which is available on the site of the department. It helps to reduce duplication and reducing time for processing income tax returns. The proper use of e-filing system is necessary for the successful tax returns for the individual tax payers. For this it is necessary to create an awareness among the tax payers. This study is conducted to identify the awareness level of individual tax payers about the e-filing process of Income Tax Department.

OBJECTIVES

- To find out the general awareness about tax filing
- To study the awareness of e-filing procedure and rules.

STATEMENT OF THE PROBLEM

In previous years tax filing was a difficult task because a tax payer has to go through a long process but now it is very easy task. In the digitalised world the tax payers must have the knowledge about how to file tax returns or what are the procedures for e-filing. For this it is essential to aware the public about the importance of tax filing and the procedures required to

complete the tax filing. So it is essential to study the awareness level of individual tax payers about the e-filing.

RESEARCH METHODOLOGY

The research have adopted descriptive methodology for this study. Research has been placed on primary data and secondary data. Primary data has been collected from questionnaire. Secondary data sources such as books, journals, newspapers and online data.

ANALYSIS

Table 1: Sex- wise classification

Sex	No. of respondents	Percentage
Male	65	65
Female	35	35
Total	100	100

Interpretation: Sex- wise classification of individual tax payers reveals that 65% of the respondents are male. Majority of individual tax payers are male.

Table 2: Age - wise classification of individual tax payers

Category of respondents	No. of respondents	Percentage
Below 30	16	16
30-40	45	45
40-50	24	24
Above50	15	15
Total	100	100

Interpretation: Age-wise classification of individual tax payers reveals that majority of individual tax payers are under the age of 30-40.

Table 3: Educational qualification

Educational Qualification	No. of respondents	Percentage
Below SSLC	4	4
Diploma	6	6
Professional Degree	38	38
Bachelor Degree	22	22
Postgraduates	30	30
Total	100	100

Interpretation: 38% of the respondents were qualified Professional Degree. 30% of respondents are postgraduate and 22% respondents were qualified bachelor degree.

Table 3: Awareness level on the basis of Age

Category of respondents	No. of respondents	Percentage
Below 30	22	22
30-40	44	44
40-50	24	24
Above50	10	10
Total	100	100

Interpretation: 44% of the respondents between 30-40 age categories have good knowledge about the e-filing process. The age level of above 50 category lack awareness of e-filing.

Table 4: Income – wise classification

Level of Income	No. of respondents	Percentage
2 – 3 lakhs	28	28
3 - 5 lakhs	40	40
5 – 10 lakhs	20	20
Above 10 lakh	12	12
Total	100	100

Interpretation: 40% of the individual tax payers have income level between 3-5 lakhs. 28% of the individual tax payers have income level between 2-3lakhs. 20% of the individual tax payers have income between 5-10lakhs.

Table 5: Source of awareness

Source of awareness	No. of respondents	Percentage
News paper	6	6
Friends	3	3
Tax consultants	38	38
Advertisement	34	34
Website	16	16
Media	3	3
Total	100	100

Interpretation: 6% of the individual tax payers have awareness form newspaper. 38% of the individual tax payers have awareness form tax consultants. 34% of the individual tax payers have awareness form advertisement done by the Income Tax Department.

FINDINGS

- The majority of individual tax payers are male (65%)
- 45% of the number of respondents are between 30-40 age category
- The age level of above 50 category lack awareness of e-filing.
- 38 % of the individual tax payers are professional degree holders

- Most of the individual tax payers have an income level between 3 lakh-5 lakh.
- Majority of the tax payers get the awareness about the tax returns form there tax consultants and from the advertisement provided by the income tax department.
- Most of the tax payers are satisfied with the system available for the tax filing.

SUGGESTION

- Increase the level of awareness among senior citizens.
- Conduct public seminars, media publications to increase the level of awareness.

CONCLUSION

Income tax is the main source of income to our economy. Tax payers are required to file their tax returns to improve the economic conditions. So awareness about tax filing is important to ensure the tax returns. E-filing is very easy to handle and time saving process. The process of submitting tax returns over the internet using the software is fast accessing by the tax payers because they can file their returns anytime and from anywhere. It saves issues like record keeping and accuracy of tax calculations. It also enables faster processing of returns.

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