



A Study on Awareness of Tax Payer Regarding Tax Planning And E-Filing of Income Tax Returns Through Internet.

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ABSTRACT

E-filing of income tax refers to successful filing of Income Tax Returns through the internet. The e-governance has developed the concept of e-filing of Income Tax Returns through the internet. New technologies are emerging day by day with improved and fast speed in all the fields. Internet has changed the present scenario of working by reducing the work load from manual to sitting on chair.

Keywords: - Tax Planning, E-Filing ITR, E-documenting, Suitable for Developing Country or not, Tax Calculations, Individual Appraisal Structure.

1.1 INTRODUCTION

E-filing of income tax is understood as successful filing of income tax return through the internet. The e-governance has developed the concept and strategies of e-filing of income tax return through the internet. Thus the income tax department has facilitated the taxpayers with defining the provisions to be followed, which can be filed and how to file the income tax for the benefit of tax payers as well as the Government. Now there are 92 intermediaries performing this function in 61 cities throughout India. The e-filing of income tax returns has its own limitations like, slow processing, frequent crashes etc., but the government has taken necessary steps like, employing 5000 unemployed people to perform as tax return preparers after getting training from National Institute of Information Technology (NIIT). They will perform in 100 centres in 80 cities across the country. For the best e-filing, the government is modifying provisions every year for the convenience of both beneficiaries. In the current world step by step new advancements are presented and improved quick on the whole fields.

1.2 OBJECTIVES OF THE STUDY

- To study the concept and need for E-filing system of income tax.
- To know whether the new system of E-filing is a welcoming note for developing country.
- To investigate whether the tax payer have problem while using E-filing system.

1.3 STATEMENT OF PROBLEM

The government has said that more than 700 emails dealing with 2000 issues including 90 unique issues/problems in the new income tax e-filing portal have been received from various stakeholders. These issues were reported by various stakeholders including tax professionals, Institute of Chartered Accountants of India (ICAI) and taxpayers. This was stated by the minister of state for finance Pankaj Chaudhary in a written reply in Rajya Sabha on July 20, 2021. While replying, the government further said that: "Infosys has acknowledged the technical issues in the functioning of the portal and have informed that technical issues noticed in the functioning of the portal are continuously being resolved. Some of the initial issues experienced by the taxpayers regarding the slowness of the portal, non-availability of certain functionalities or technical issues in functionalities have been mitigated.

1.4 RESEARCH METHODOLOGY

The accompanying sections clarify the philosophy continued in this study.

TYPE OF RESEARCH

The research study is an empirical in nature, led to realize the proposed study expects to contemplate the issues and prospects of E-filing of annual government forms.

1.5 SCOPE OF THE STUDY

The proposed study intends to consider the issues and prospects of E-Filing of individual appraisal structures. For this reason, it is proposed to contemplate the different variables identifying with E-recording and furthermore its commitment to Economy.

STATISTICAL TOOL

Two Methods are used as a research tool.

➤ Percentage Analysis.

➤ Rank Analysis.

1.6 LIMITATIONS OF TAX PLANNING

E-filing is an easy task for trained professionals or tax agents. However, the use of e-filing software is not taught everywhere and hence can be complicated to use for tax-paying units that file their own taxes without using the services of a tax agent or a trained professional. The process involves the storage of highly sensitive financial data electronically.

2.1 REVIEW OF LITERATURE

1. Preeti (2018) Preeti argues that in order to increase the net wealth of an individual by increasing the rate of return on their investment, knowledge of various deductions and exemptions plays an extremely important role.
2. Monika Arora and Gupta (2017) Monika Arora and Gupta felt the need to come up with new investment opportunities which are more tax savvy and create a balance between risk and returns. They also suggested that there is a need to have more deductions under chapter VIA which would exclusively benefit salaried individuals.
3. Jyothi Arora, (2016) "E-recording of Income Tax Return in India", he broke down in this examination, manages the advantages, cycle, patterns and features (ITRS) of E-filing among the occupants of country. In the current world new data innovation is being presented quick altogether fields.
4. Dr. Samir Vohra(2015) "E-Filing New Revolution in Taxation of India". Analysed that the Income charge division has presented E-filing of Income assessment forms to make the documenting interaction simpler for citizens which will result into decrease of time and desk work. India is in the period of progressive changes in data innovation which eventually gives greater support in E-documenting of Income expense form. The examination shows that the E-recording is the new successful technique for documenting Income expense form through on the web and make E-Filing of assessment.
5. Mukesh Kumar and Mohammed Anees (2014) "E-Filing Creating New Revolution in Taxation of India" as they would see it that changing situation in Income charge because of usage of E-Filing. India is in the period of progressive changes in data innovation which additionally gives incredible headway in Efilling field of Income charge office.

3.1 DATA ANALYSIS AND INTERPRETATION

PERCENTAGE ANALYSIS

It refers to a special kind of rates, percentage are used in making comparison between two or more series of data. A percentage is used to determine relationship between the series.

$$\text{Percentage} = \frac{\text{No. Of Respondents}}{\text{Total No. Of Respondents}} \times 100$$

Particulars	No of respondents	percentage
Gender		
Male	61	60%
Female	40	40%
Age		
18-25 Years	83	82%
26-35 Years	13	13%
36-45 Years	3	3%

46 Years And Above	2	2%
Annual Income		
Less Than 2,00,000	50	49%
2,01,000-3,00,000	25	25%
3,01,000-5,00,000	16	16%
More Than 5,00,000	10	10%
Educational Qualification		
Higher Secondary Level/ Diploma/ITI	14	14%
Under Graduate	62	61%
Post Graduate	16	16%
Professional	9	9%
Kind Of Work You Do		
Agriculturalist	6	6%
Private employee	16	16%
Business person	10	10%
Government employee	6	6%
House wife	2	2%
Student	61	60%
Tax Payer		
Salaried Person	55	54%
Own Business	36	36%
Professional	10	10%
Income Tax Rates in India Are Comparatively Low		
Strongly Disagree	13	13%
Disagree	17	17%
Neither Agree Nor Disagree.	48	47%
Agree.	20	20%
Strongly Agree	3	3%
Income Tax Can File Electronically Without Digital Signature		
True	56	55%
False	45	45%
Tax Calculations		
Yes	58	57%
No	43	43%
Problems Facing In E-Filing Income Tax Returns		
Network Problem During Peak Hours.	41	40%
Difficulty To Remember Password While Logging Into E- Filing Portal.	21	21%
Website Of Income Tax Filling Is Not User Friendly.	23	23%
Payment Procedure Is Difficult.	16	16%
Head Of Income Becomes Your Tax		

Income From Salary	49	48%
Income From House Property	10	10%
Profits And Gain From Business And Profession	23	22%
Income From Other Sources	12	12%
Capital Gain	7	7%
Refund Will Get It Within Six Months Of Tax Filing		
yes	32	32%
No	14	13%
Not Sure	46	45%
Not Applicable	9	9%

RANK ANALYSIS

THE RATINGS OF AWARENESS REGARDING VARIOUS INCOME TAX ASPECTS ON A SCALE OF 1 TO 5 (INCOME EXEMPTED FROM TAX)

INCOME TAX ASPECTS	1	2	3	4	5	TOTAL	RANK
Fully Not Aware	29	13	28	17	14	277	4
Not Aware	23	29	25	15	9	261	5
Neither Aware Nor Aware	19	13	41	19	9	289	3
Aware	14	14	33	27	13	314	2
Fully Aware	17	14	23	25	22	324	1

5. FINDINGS AND SUGGESTIONS

5.1 FINDINGS

- Majority 60% of the respondents are male.
- Majority 82% of the respondents are 18-25 years.
- Majority 49% of the respondents are less than 2,00,000.
- Majority 61% of the respondents are under graduate.
- Majority 60% of the respondents are student.
- Majority 54% of the respondents are salaried person.
- Majority 47% of the respondents are neither agree nor disagree.
- Majority 55% of the respondents are true.
- Majority 57% of the respondents are no.
- Majority 40% of the respondents are Network Problem During Peak Hours.
- Majority 48% of the respondents are Income From Salary.
- Majority 45% of the respondents are not sure about the refund.

5.2 SUGGESTIONS

- Planning one's tax obligations involves analysing one's financial situation in a way that does not run awful of the law.it helps assessors save money on taxes by making the most of all available credits, deductions ,and refund.
- Assesses plan their tax payments annually because they must make annual payments to the government.
- This results in annual savings, which contributes to increased personal wealth for taxpayers. There is evidence that taxpayers understand that paying their fair share of taxes is an integral part of being a good citizen.
- As a result, it is suggested that the tax department and other key stakeholders launch widespread awareness-raising initiatives to educate ordinary taxpayers about tax processes.

5.3 CONCLUSION

The E-filing of income tax return notes can help make taxation easier. One can complete the process online without leaving their room. It also promotes timely returns. People are inclined to pay taxes and follow the rules as they don't have to wait in lines. The E-filing of income tax returns is also instrumental for keeping records. The government and individuals can understand tax obligations and easily keep records. It helps avoid discrepancies and tax avoidance in public.

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