A Study Analyzing the Acceptance and Impact of Property Tax on the Property Owners in Bengaluru City

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Abstract
Property tax is an integral part of the urban local tax in India due to its reference made in the 7th schedule of the Constitution. The onus of giving a structure and design to the house tax in India lies with the local self-governments in every state. It is one of the largest source of revenue in Municipal Corporation contributing to the revenue of the state government. The system existing in each state in collecting tax from the public faces huge challenge as there is chaos in the minds of the people. But the Karnataka state government brought in the new self-assessment scheme after they felt this system would be transparent and clear to the common man. To understand this, the present study is undertaken. The present paper aims at analyzing awareness, acceptance and impact of New SAS on the tax payers. Structural Equation Modeling (SEM) is used to analyze the data. All the criteria for model fit indices are satisfied by the model proposed. Model can be extended to the successful implementation of schemes in a district and its contribution in national development.

I. Introduction
1.1 Property Tax
Community forms the basis of development around the world. People living in a particular set-up, having a unique social system are termed as a community. Globally every system relies on the society for its development and sustainability, without which the system will eventually fail. Property tax represents the largest source of income in local governments. House or Property tax is a tax that a property owner is liable to pay on the property value. Property Tax in India is taxed on residents by local Municipal Corporation to maintain and upkeep the basic civic services in the city. Universally, property taxes are commonly used as the integral source of locally generated revenue. In Bengaluru city, property taxes are levied and collected under new self-assessment scheme by the BBMP.

1 Presented at FI International Research Conference (August 8th, 2020)
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Submitted July 2020; Accepted December 2020
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Annexure

Table A1

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<th>Abbreviations used in SEM</th>
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