

Tax Planning Measures - A Study of Awareness and Satisfaction Level of Salaried Assesseees of Amritsar District in Punjab

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Abstract

The present study is an attempt to evaluate the satisfaction level and awareness level of the salaried assesseees of Amritsar district in Punjab regarding different tax planning measures adopted by them. In particular, the study focuses on the timing of adopting different tax planning measures during a year, awareness level of the respondents about various deductions available under the income tax act, respondent's savings, their preferred investment options and their satisfaction level about different tax planning measures adopted by them during the assessment year 2015-2016. Findings reveal that the respondents are highly aware about deductions available under the gross total income (80C to 80U) and save up to 20 per cent of their annual income by adopting different tax planning measures. On the other hand, it was also observed that they mainly prefer to invest their money in fixed deposits in bank, insurance policy and post office.

I. Introduction

INCOME TAX REQUIRES significant attention in a developing country like India as it is one of the major source of government revenue and contribute to the growth and development of the economy. Various committees have been formed from time to time for improvement in the income taxation system of the country. Different policy makers have suggested various types of tax planning measures from time to time. Tax planning implies the arrangements of financial affairs in such a way that without violating any provisions of tax law, full benefit is taken of all the tax deductions and exemptions. Tax planning measures adopted by the various assesseees to save their tax liability includes various deductions, exemptions, rebates and reliefs available

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- Findings revealed that though, respondents are satisfied with the tax planning measures adopted by them but still they are not fully satisfied. Therefore, there is a need to implement some other tax planning measures also so that taxpayers could avail maximum benefit of all provisions available under the Income Tax Act. This would also boost their morale to pay their tax liability.

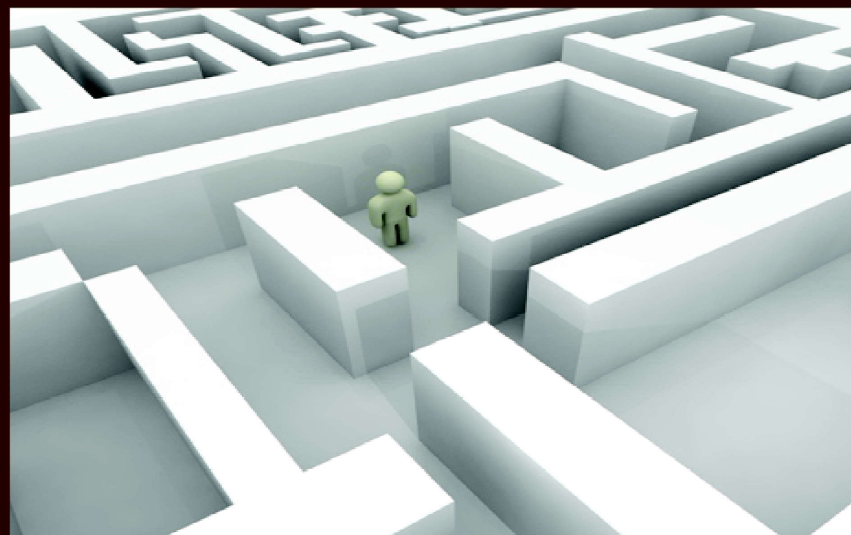
VIII. Scope for Further Research

The present study is limited to only particular area i.e. Amritsar district in the state of Punjab. The further research could cover other geographical region of the country and other categories of assesseees i.e. businessman and corporate assesseees besides the salaried assesseees. On the other hand the study between the government/ public sector employees and private sector employees could also be studied for the purpose of the further research.

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Capital Structure Decisions



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