

THE PERCEPTION OF TAXPAYERS TOWARD GOODS AND SERVICES TAX (GST) IMPLEMENTATION

A Thesis submitted to the Graduate School in partial fulfillment of the requirement for the degree of Master of Science (International Accounting)

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ABSTRAK (BAHASA MELAYU)

Kajian ini dijalankan untuk menerokai hubungan antara niat tingkah laku pembayar cukai jualan tempatan, iaitu ‘pengeluar’, untuk mematuhi cukai barangan dan perkhidmatan di negeri Kedah dan Perlis. Tingkah laku pengilang dikaji dengan menggunakan teori gelagat terancang (“Theory of Planned Behavior”) yang terdiri daripada pembolehubah seperti sikap pengilang, norma subjektif dan kawalan gelagat ditanggap. Selain itu juga, kajian ini telah menambah satu lagi pembolehubah baru iaitu undang-undang dan penguatkuasaan. Sebanyak 103 responden dari kalangan 150 pengilang mengambil bahagian dalam kajian ini. Data dikumpulkan dan dianalisa dengan menggunakan teknik regresi berganda. Keputusan kajian mendapati hanya norma subjektif dan undang-undang dan penguatkuasaan mempengaruhi niat gelagat keputusan cukai jualan tempatan. Manakala sikap dan kawalan gelagat ditanggap tidak mempengaruhi niat gelagat keputusan cukai jualan tempatan. Pembolehubah-pembolehubah dalam kajian dapat menerangkan sebanyak 22% varian dalam niat gelagat.

Kata kunci: Sikap; norma subjektif; kawalan gelagat ditanggap; undang-undang dan penguatkuasaan; niat; cukai barangan dan perkhidmatan

ABSTRACT

This study was conducted to explore the relationship between local sales taxpayers', i.e. manufacturers', behavioral intention to comply with Goods and Service Tax (GST) in Kedah and Perlis. The manufacturers' behavioral intention was studied using Theory of Planned Behavior, consisting of variables such as attitudes, subjective norms, and perceived behavioral control. This study also added another variable i.e. law and enforcement. A total of 103 manufacturers participated in this study. Data collected and analyzed by using a multiple regression technique. Results of the study showed that only subjective norms and laws and enforcement affect behavioral intention to comply with local sales tax, while attitudes and perceived behavioral control did not affect behavioral intentions of local sales tax results. Variables in the study could explain 22% variance in behavioral intention.

Keywords: Attitude; subjective norm; perceived behavioral control; law and enforcement; intention; Goods and Service Tax (GST)

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Sincerely

Nordiana binti Ramli

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LIST OF ABBREVIATIONS

ATT	Attitude
ITT	Intention
GST	Goods and Service Tax
PBC	Perceived Behavioral Control
SN	Subjective Norm
LE	Law and Enforcement
TPB	Theory of Planned Behavior
TRA	Theory of Reasoned Action
RMCD	Royal Malaysian Custom Department

THE PERCEPTION OF TAXPAYERS TOWARD GOODS AND SERVICES TAX (GST) IMPLEMENTATION

CHAPTER ONE

1.0 Introduction

Malaysian taxation system is generally divided into two: direct taxes and indirect taxes. Indirect taxes are administered by the Royal Malaysian Custom Department (RMCD) and it consists of four components i.e. customs duties, excise duty, sales tax and service tax. Direct taxes are under the jurisdiction of the Inland Revenue Board of Malaysia (IRBM). The IRBM is responsible for all policies relating to direct taxes such as income tax (individual and business), petroleum income tax, real property gains tax, and stamp duty. From the government perspective, taxation is a vital economic tool because it can be employed to regulate the economy, to revitalize economic growth through the granting of fiscal incentives as a principal aim of implementing tax policies and to provide funds for development projects (JeyapalanKasipillai, 2005). Table 1.1 shows that the contribution of direct taxes and indirect taxes to government revenue in 2009 amounted to RM78.375 billion (49.4%) and RM28.129 billion (17.73%), respectively. The table shows that taxation contributes more than 60% to the Malaysian government revenue.

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