

Tax Awareness among the Tax Payers: A Study of Gram Panchayat Taxes in Ananthapuramu District of Andhra Pradesh

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Abstract: This Paper deals with the opinion of the tax payers on payment of various taxes and the resource mobilization of the sample Gram Panchayats of in Anantapur district of Andhra Pradesh. Opinions of tax payers on these items play a crucial role, because, the tax payers are the real contributors to Gram Panchayat Revenues. The resource mobilization in Gram Panchayat is possible only with the cooperation of the tax payers. In this regard, tax payers were selected on random basis to react on the payment of taxes and for the resource mobilization of Gram Panchayat revenues. The same has spread over different socio-economic backgrounds like, age, caste, Religion, Landholding size, Occupation, Literacy and Income level of the respondents.

Keywords: Tax payers, Awareness, Gram Panchayats, Anantapur

INTRODUCTION

Generally it believes that development will be possible only with the participation of people at all levels of Governmental machinery which is intended to accomplish the democracy and development task[1]. As India lives in her villages, development depends to a large extent on the active involvement of the rural population in administration. To realize this objective, the Panchayati Raj Institutions were established in India in 1959[2]. After Independence, Community Development Programmes and National Extension Programmes were launched in India in 1952 and 1953 respectively for the development of rural areas[3].

But the performance failed to achieve their objectives mainly because of lack of public participation which is considered as one of the crucial variables in the achievement of development goals. It is felt that no Amount of money spent on rural development by the government can do for the people than what people can do themselves. The creation of Panchayati Raj in 1959, with a view to entrusting the authority and responsibility of rural development to rural people is considered not only an innovation but also a revolution[2].

Importance of Gram Panchayats:

The Gram Panchayats have to play a crucial role in achieving overall development of rural areas. But the Gram Panchayats are endowed with inadequate tax powers and multiple functional responsibilities. The Gram Panchayats are unable to achieve many of their objectives because of lack of funds.

Inevitably gram panchayats cannot perform satisfactorily the developmental functions that are bestowed on them unless they have command over larger financial resources.

The Importance Of The Study:

It is necessary to study the finances of Gram Panchayats, which have to play an increasingly important role in the democratic life of the country. The inadequacy of the financial resources of Gram Panchayats is at present the most serious obstacle to the progress of Gram Panchayats. The successful functioning of Gram Panchayats, however, depends on adequate financial resources. But in India, in almost all States, Gram Panchayats have been suffering with inadequate financial resources. They have also inadequate powers to levy taxes. Tax revenues of gram panchayats include the tax revenues like house tax, water tax, vehicle tax, advertisement tax, katarusum, tax on vacant lands, etc.. As gram panchayats are now saddled heavily with ever growing functional responsibilities, the need to mobilize more financial resources by the Gram Panchayats is greater than before.

Scope of the study:

The present study attempts a detailed enquiry into the tax awareness among the tax payers of selected gram Panchayat in Anantapur district of Rayalaseema region in Andhra Pradesh. The emphasis of the present study is on the various tax resources of Gram Panchayats.

OBJECTIVES OF THE STUDY

1. To understand and analyse the tax resources of sample gram panchayat,
2. To examine the awareness of tax payers on house taxes of the selected gram panchayat;
3. To analyse the various in the awareness among different group of tax payers,
4. To undertake the opinion of tax payers on the levy of own tax revenues of gram panchayat.

METHODOLOGY OF STUDY

In view of large number of Gram Panchayats in the State and their wide geographical dispersal, the area of the study is confined to a certain Geographical periphery. Anantapur district of Rayalaseema region has been selected for the study. Relevant information was collected from the officials and non-officials of the Gram Panchayat. Secondary data was gathered from several published reports and administrative reports of gram panchayats to the extent of their availability.

Classification Of Tax Payers:

To analyze the awareness of tax payers on Gram panchayat financial resources in Anantapur district of Andhra Pradesh, 150 tax payers were selected on random basis. Tax payers were classified on the basis of various socio-economic factors like, age, caste, religion, and literacy, levels of the respondents among the tax payers in the selected Gram Panchayat. For this purpose 150 respondents were selected from Mudigubba Gram Panchayat, of kadiri revenue division in Anantapur district of Rayalaseema region in Andhra Pradesh[4].

Following the table reveals the caste particulars of the tax payers. Out of 150 sample respondents, 30 (20%) belongs to scheduled caste, 15(10%) belongs to scheduled tribe, 40 (27%) from backward class tax payers and 65 (43%) are from other communities.

Regarding to age of the respondents, three percent of the respondents are below 25 years of age, 18% are in the age group of 26 – 40 years, 33% of the respondents are in the age group of 41 to 50 years similarly, another 33% of the sample tax payers are in the age group of 50 to 60 years and the remaining 13% respondents are above 60 years of age group.

Awareness about House Tax :

The house tax is a major source of revenue to Mudigubba Gram panchayat in Anantapur district in general and in Kadiri revenue division in particular. In this regard, two questions were posed relating to awareness of paying of house tax to gram panchayat. The awareness of the tax payers was examined and analysed on various socio-economic factors.

Cast-Wise Tax Payers Awareness about House Tax

Table-1 shows that out of 150 sample respondents in Mudigubba Gram panchayat, 82 respondents are aware about house tax. Out of 82 respondents from different communities, 18.29% of the scheduled caste respondents, 6.10% of the scheduled tribes, 26.83% of the backward caste respondents and about 49% of the other community respondents are aware about house tax in their Gram Panchayat.

Table-1: Caste-Wise Tax Payers Awareness about House Tax

S. No.	Awareness about House Tax	Caste				Total
		SC	ST	BC	OC	
1	Aware	15	05	22	40	82
	%	18.29	6.10	26.83	48.78	100.00
2	Unaware	10	08	10	15	43
	%	23.26	18.60	23.26	34.88	100.00
3	No Answer	05	02	08	10	25
	%	20.00	8.00	32.00	40.00	100.00
	Total	30	15	40	65	150

Source: field survey

It may also observed that out of 43 sample tax payers who are unaware about house tax about 23% belongs to Scs, nearly 19% of the respondents from ST, 23% from backward caste and the remaining 35% of them are from other communities. Out of 150 respondents, 25 were not answered for the question. From these 25 respondents, 20% are from Sc community, eight percent from ST respondents, 32% are backward caste respondents and 40% are other

caste.

Age-Wise Tax Payers Awareness about House Tax

In the 47 sample respondents are unaware about house tax. Of them two percent are in the age group of less than 25 years, nearly 15% are in the age group of 26–40 years, about 28% are between 41–50 years of age, about another 40% are in the age group of 51–60 years and the remaining 15% of the respondents

who are unaware about house tax are above 60 years of age.

It may also noticed that 22 sample tax payers were not responded for the question and they represents about five per cent in the age group of less than 25 years of age, about 14% in the age group of 26–40 years, around 18% from 41–50 years of age, another 45% are in the age group of 51–60 years and the rest have above 60 years of age.

Literacy-Wise Tax Payers Awareness about House Tax:

The literacy-wise tax payers awareness about house tax is shown in table-2. It reveals that out of 150

sample respondents of Mudigubba gram panchayat, 90 respondents are aware about house tax and among them 10% are illiterates, nearly 48% are upto primary education, about 28% of the respondents have high school education and 14% have college education.

It may also noticed out of 39 respondents who are unaware about house tax, 33% are illiterates, nearly 36% are upto primary school education, 26% have high school education and five per cent have college education. It may also revealed that out of 21 sample tax payers who were not answered from the question 38% each from illiterates, and primary educational level and nearly 24% have high school education.

Table-2: Literacy-Wise Tax Payers Awareness about House Tax

S.No.	Awareness about House Tax	Literacy Level				Total
		Illiterate	Primary	High School	College	
1	Aware	09	43	25	13	90
	%	10.00	47.78	27.78	14.44	100.00
2	Unaware	13	14	10	02	39
	%	33.33	35.90	25.64	5.13	100.00
3	No Answer	08	08	05	0	21
	%	38.10	38.10	23.81	0.00	100.00
Total		30	65	40	15	150

Source: Field Survey

Religion-Wise Tax Payers Awareness about House Tax

As shown in table-3, 84% of Hindu respondents, nearly 10% of Muslim tax payers and five percent of Christian sample respondents are aware about house tax in their gram panchayat. It may also noticed that out of 41 sample respondents who are unaware about house tax, about 85% are from Hindus, Nearly 10% are from Muslim tax payers and another

five percent of the sample respondents belongs to Christian community.

Out of 26 sample respondents who were not responded for the question, nearly 77% of the respondents from Hindus, about 12% from Muslims and another 12% from Christian sample tax payers of the selected gram panchayat.

Table-3: Religion-Wise Tax Payers Awareness about House Tax:

S. No.	Awareness about House Tax	Religion			Total
		Hindu	Muslim	Christian	
1	Aware	70	08	05	83
	%	84.34	9.64	6.02	100.00
2	Unaware	35	04	02	41
	%	85.37	9.76	4.88	100.00
3	No Answer	20	03	03	26
	%	76.92	11.54	11.54	100.00
Total		125	15	10	150

Source: Field Survey

FINDINGS AND SUGGESTIONS:

The resource mobilization of Gram Panchayats depends on the awareness and co-operation of tax payers of the respective gram panchyats. Out of 150 sample respondent tax payers, 20% are SCs, 10% are STs, 27% are BCs and 43% are from other communities.

The respondents of the tax payers are also classified on the basis of their age, religion,, literacy levels, and occupation at the time field investigation in the sample Gram panchayat. It may be observed that a majority of 49% of other community respondent tax payers were aware about house tax and only six percent of STs are aware on the same. Out of 81 respondents who were aware on house tax 41% to 50 years and only three percent from less than 25 years of age group. It may also notice that a majority of literates having primary educational standards were more awareness (48%) about house tax. Comparatively with the other religion, more Hindus (84%) were aware about house tax.

Regarding occupation wise tax payers awareness, a majority of cultivators (56%) were aware about house tax and only four percent of the allied sector was aware on the same. It may also observed that the awareness about house tax is more among the small land holders (30.86%) comparatively with the large farmers (18.52%), The awareness on water tax is also more among the age group of 41–50 years (36.36%) and less (3.03%) among the age group of less than 25 years.

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