

**A STUDY ON AWARENESS AND SATISFACTION ON E-FILING OF INCOME TAX  
RETURN IN MESHANA DISTRICT**

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**Abstract**

E-tax filing refers to successful internet filing of revenue tax returns. The e-government has developed the concept of e-tax returns via the internet. Day after day, in all areas new technologies emerge with improved and quick speed. By reducing the workload from manual to sitting on chairs, the Internet has changed the current scenario. In order to achieve this, the Department of Revenue Tax has accelerated the process of filing income tax returns for income tax payers and government, by defining the provisions to be observed that are to be followed. But awareness and use of these technologies is one thing that lacks in emerging technologies in the new era. This paper therefore covers the level of awareness of individual taxpayers regarding e-filing to measure how satisfied respondents are with e-filing. A field survey covering different levels of employees was conducted in Mehsana District. The data were collected by means of questionnaires and analysed using SPSS.

**Keywords:** Tax-Payers, E-Filing, Awareness Level, Satisfaction Level

**INTRODUCTION**

Income tax is a yearly tax on the assessee's income. In accordance with Section 4 of the Indian Income Tax Act, 1961, the income tax for the corresponding assessment year is charged at the rates laid down by the Financial Law of that evaluation year for the previous year, which is the same for all individuals. In addition, section 14 of the Income Tax Act states that all income is classified under the following income headings for the purpose of charge of income tax and calculation of total income:

- Income from Salaries,
- Income from House Property,
- Profits and Gains from Business or Profession,
- Income from Capital Gains,
- Income from Other Sources.

In accordance with the provisions of the Income - tax Act of 1961 for each head as at 1 April of a financial year, the total income of all five heads of revenue will be calculated. The competence and justice of any administration in the collection of fiscal revenues are government priorities.

The Department of income Tax is responsible for all taxation activities. The Department of Income Tax is governed by the Central Board of Direct Taxes (CBDT) of the Ministry of Finance of the Government of India and divides the Ministry of Revenue.

The Income Tax Department of India introduced the Income Tax Returns eTax Returns system because direct taxation generates the lion's income share of the country. The e-taxation system for all assessments for improving the remittance filing system was one of the "action lines" established in Indian tax machinery in A.Y. 2006-07. The overall goal of e-taxation is to substitute collaboration, efficient, process driven and secure Online delivery for cumbersome manual and bureaucratic service systems.

The electronic filing system is a means for transmitting tax documents via the internet or direct connection to the income tax department, usually without any paperwork. As standalone commercial use, a variety of e-filing software for tax return preparation is available. E-file is a term for electronic submission or transmission to the tax authority of your tax ITR through Internet.

E-filing Online Income tax return refers to the process of electronically filing the income tax. Now they must not wait for deposits and not stand in long queues. The income tax authority, which is available on the department's website, developed customised return forms. The forms are so detailed that taxpayers do not have to file supporting documents.

The department wanted a system which would facilitate the process of filing tax returns for taxpayers and decrease the time required for data entry when the income tax declarations are received. The most viable answer to the needs of the department was to enable the filing of income tax returns over the internet. Although the facility is of benefit to the taxpayers, the department needs to develop an environment in which the user will feel safe to file his income tax returns online. E-filing contributed to the provision of income tax returns through authorised intermediaries called e-return brokers. Response times have been significantly cut to process income tax returns and claim reimbursement. These intermediaries have eliminated duplication of efforts and, above all, taxpayers need not be physically present for filing their returns in the online process.

## **REVIEW OF LITERATURE**

In their study, Azmi et al (2010) explained who accepted the e-filing system about the taxpayer's response. E-filing is one of Malaysia's major e-government services. The study proposed a three-build model that showed utility, perceived ease of use and perceived risk. Two hundred participants sample size. Questionnaires have been circulated by e-mail. The survey tool was based on the questionnaire of a 7-point likert scale.

AGeetha et al. (2012) focused on the perceptions of the income tax return e-filing. To evaluate the tax payer's perception, the study used a 200-person questionnaire to learn the results of the e-filing of income tax returns.

Mamta (2012) said he felt e-filing system was easy to use. To check if there were problems/ (or facilities) for tax payers in using the e-filing system. 300 people and their results were recorded in order to analyse the situation. It can be concluded that most of the taxpayers have sufficient facilities to use e-Filing at home or at work. This makes online returns easy and easy to use..

#### A. Objectives of the study

- 1) To assess the perception and awareness of tax-payers on gender basis towards e-filing of income tax returns
- 2) To study the satisfaction level of tax-payers on gender basis towards e-filing of income tax returns

#### B. Objectives of the study

H01: There is no significant relationship between gender and awareness of tax-payers towards e-filing of income tax return.

H02: The satisfaction level of tax-payers towards e-filing, accessibility of e-filing and easiness of e-filing of income tax return is very high.

### METHODOLOGY

In order to examine the research design, the target population was service classes in various levels and classes of government and private organisations in the Mehsana district. The study is a descriptive research design. A 5-point lickert scale, ANOVA, Independent sample t-test, factor analysis, and chi-square test were also utilised to examine the results with 130 filled questionnaires from the respondents (79 male and 51 female) using a mean values for the ranking. In order to get accurate information, main data was collected through personal interviews and the use of questionnaires. Accessible sources of data, including text books, journals, online articles, local newspaper data and Internet search engines collected secondary data.

### FINDINGS AND RESULTS

Table 1: Responses of Demographic Profile

Particulars	No. of Respondents	%
<b>Age</b>		
Below 30 Years	16	12.31
31 Years to 40 Years	62	47.69
41 Years to 50 Years	32	24.62
51 Years to 60 Years	20	15.38
Above 60 Years	0	0.00
<b>Gender</b>		
Male	79	60.77
Female	51	39.23

<b>Education</b>		
12th Pass	19	14.62
Graduate	43	33.08
Under Graduate	3	2.31
Post Graduate	54	41.54
Ph. D.	4	3.08
Professional Degree	7	5.38
<b>Employment</b>		
Government Employee	54	41.54
Private Employee	64	49.23
Other	12	9.23
<b>Designation</b>		
Teacher	34	26.15
Professor	16	12.31
Officer	36	27.69
Assistant	7	5.38
Other	37	28.46
<b>Income</b>		
Below Rs. 250,000	14	10.77
Rs. 250,000 to Rs. 500,000	50	38.46
Rs. 500,000 to Rs. 750,000	38	29.23
Rs. 750,000 to Rs. 1,000,000	25	19.23
Above Rs. 1,000,0000	3	2.31
<b>Place of Resident</b>		
Urban	63	48.46
Semi – Urban	52	40.00
Rural	15	11.54
<b>Taluka of Mehsana District</b>		
Becharaji	10	7.69
Kadi	20	15.38
Kheralu	9	6.92
Mehsana	27	20.77
Satlasana	9	6.92
Unjha	10	7.69
Vadnagar	10	7.69
Vijapur	20	15.38
Visnagar	15	11.54
<b>Source of Awareness</b>		
TV Advertisement	13	16.90

Friends & Colleagues	62	80.60
News Paper & Megazines	37	48.10
Internet	18	23.40
Tax Department	0	0.00

(Source: Primary Data)

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
E-Filing of Tax	Equal variances assumed	.654	.421	.411	73	.682	.029	.069	-.110	.167
	Equal variances not assumed			.349	15.208	.732	.029	.082	-.145	.202
Procedure of E-Filing	Equal variances assumed	4.027	.048	-.934	73	.353	-.065	.069	-.202	.073
	Equal variances not assumed			-2.051	61.000	.045	-.065	.031	-.127	-.002
Terms of E-Payment	Equal variances assumed	2.857	.095	-.802	73	.425	-.048	.060	-.169	.072
	Equal variances not assumed			-1.700	61.000	.083	-.048	.027	-.107	.007

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Website Information	Equal variances assumed	.102	.751	.161	73	.873	.012	.077	-.141	.166
	Equal variances not assumed			.149	16.259	.883	.012	.083	-.164	.188
Digital Signature	Equal variances assumed	.202	.655	-.221	73	.826	-.020	.090	-.199	.159
	Equal variances not assumed			-.232	18.305	.819	-.020	.086	-.200	.160
E -Payment Criteria	Equal variances assumed	.858	.357	-.455	73	.650	-.016	.035	-.087	.054
	Equal variances not assumed			-.1000	61.000	.321	-.016	.016	-.048	.016
Filing of Challan or Payment	Equal variances assumed	.202	.655	-.221	73	.826	-.020	.090	-.199	.159
	Equal variances not assumed			-.232	18.305	.819	-.020	.086	-.200	.160
ITR Forms	Equal variances assumed	4.192	.044	1.073	73	.287	.089	.083	-.077	.255
	Equal variances not assumed			.821	14.265	.425	.089	.109	-.144	.322
E-Forms	Equal variances assumed	1.805	.183	-.649	73	.518	-.032	.050	-.131	.067
	Equal variances not assumed			-.1426	61.000	.159	-.032	.023	-.077	.013
Safety of E-Filing	Equal variances assumed	.102	.751	.161	73	.873	.012	.077	-.141	.166

	Equal variances not assumed			.149	16.259	.883	.012	.083	-.164	.188
E-Filing Acknowledgement	Equal variances assumed	6.029	.016	1.233	73	.222	.061	.049	-.037	.159
	Equal variances not assumed			.774	13.073	.453	.061	.079	-.109	.230
E-Filing Help Line	Equal variances assumed	6.802	.011	-1.164	73	.248	-.097	.083	-.262	.069
	Equal variances not assumed			-2.557	61.000	.013	-.097	.038	-.172	-.021
E-Filing OTP	Equal variances assumed	6.029	.016	1.233	73	.222	.061	.049	-.037	.159
	Equal variances not assumed			.774	13.073	.453	.061	.079	-.109	.230

(Source: Primary Data, \*Sig 0.05)

Satisfaction Level	Frequency Distribution & Weightage						Total	Mean	X - Value	Accepted / Rejected
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree					
Satisfaction Towards E-Filing	N	0	1	33	35	61	130	4.20	0.006	<b>Rejected</b>
	%	0	0.76	25.38	26.92	46.92				
Satisfaction Towards Accessibility of E-Filing	N	0	0	19	95	16	130	3.98	0.002	<b>Rejected</b>
	%	0	0	14.61	73.07	12.30				
Satisfaction Towards Easiness of E-Filing	N	0	0	56	54	20	130	3.72	0.135	Accepted
	%	0	0	43.07	41.53	15.38				
Satisfied with the functioning of e-filing website	N	0	8	44	48	30	130	3.77	0.087	Accepted
	%	0	6.15	33.8	36.92	23.07				

				4						
Satisfaction with computer software for e-filing	N	1	6	27	64	32	13	3.9	0.25	Accepted
	%	0.76	4.61	20.76	49.23	24.61				
Satisfaction regarding e-payment facility provided by bank	N	0	6	16	66	42	13	4.1	0.10	Accepted
	%	0	4.61	12.30	50.76	32.30				
Satisfied with e-intermediaries services	N	2	2	31	66	29	13	3.9	0.49	Accepted
	%	1.53	1.53	23.84	50.76	22.30				
E-filing Procedure	N	1	9	37	58	25	13	3.7	0.05	Accepted
	%	0.76	6.92	28.46	44.61	19.23				
Website of Income tax Department	N	0	3	36	57	34	13	3.9	0.69	Accepted
	%	0	2.30	27.69	43.84	26.15				
Time limit given for E-Filing	N	0	1	13	50	66	13	4.3	0.43	Accepted
	%	0	0.76	10	38.46	50.76				

(Source: Primary Data, \*Sig 0.05)

		Sum of Squares	df	Mean Square	F	Sig.
Satisfaction Towards E-Filing	Between Groups	3.099	1	3.099	4.422	<b>.037</b>
	Within Groups	89.701	128	.701		
	Total	92.800	129			
Satisfaction Towards Accessibility of E-Filing	Between Groups	.153	1	.153	.563	.455
	Within Groups	34.778	128	.272		
	Total	34.931	129			
Satisfaction Towards Easiness of E-Filing	Between Groups	8.134	1	8.134	17.982	<b>.000</b>
	Within	57.897	128	.452		



	Groups					
	Total	66.031	129			
Satisfied with the functioning of e-filing website	Between Groups	4.827	1	4.827	6.555	<b>.012</b>
	Within Groups	94.250	128	.736		
	Total	99.077	129			
Satisfaction with computer software for e-filing	Between Groups	.037	1	.037	.053	.819
	Within Groups	91.193	128	.712		
	Total	91.231	129			
Satisfaction regarding e-payment facility provided by bank	Between Groups	3.563	1	3.563	5.928	<b>.016</b>
	Within Groups	76.930	128	.601		
	Total	80.492	129			
Satisfied with e-intermediaries services	Between Groups	.003	1	.003	.004	.949
	Within Groups	84.890	128	.663		
	Total	84.892	129			
E-filing Procedure	Between Groups	10.517	1	10.517	15.279	<b>.000</b>
	Within Groups	88.106	128	.688		
	Total	98.623	129			
Website of income tax Department	Between Groups	10.294	1	10.294	18.502	<b>.000</b>
	Within Groups	71.214	128	.556		
	Total	81.508	129			
Time limit given for E-Filing	Between Groups	.292	1	.292	.596	.442
	Within Groups	62.700	128	.490		
	Total	62.992	129			

(Source: Primary Data, \*Sig 0.05)

<b>Table 5: KMO and Bartlett's Test<sup>a</sup></b>	
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.475

Bartlett's Test of Sphericity	Approx. Chi-Square	161.472
	df	45
	Sig.	.000

a. Only cases for which Source of Awareness = 2 are used in the analysis phase.

(Source: Primary Data, \*Sig 0.05)

**Table 6: Rotated Component Matrix<sup>a,b</sup>**

	Component			
	1	2	3	4
<b>Satisfied with the functioning of e-filing website</b>	.746		.386	-.148
Satisfaction with computer software for e-filing	.711		-.383	-.124
Website of income tax Department	.657	.167		
<b>Time limit given for E-Filing</b>		.744	.128	-.128
Satisfaction Towards Accessibility of E-Filing	.214	.734		.259
Satisfaction regarding e-payment facility provided by bank	-.127	.558	-.494	
<b>Satisfaction Towards Easiness of E-Filing</b>	.107	.227	.805	.217
Satisfaction Towards E-Filing		.553	-.663	.227
<b>Satisfied with e-intermediaries services</b>	-.215	.166		.897
E-filing Procedure	.603	-.266	.200	.604
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization. <sup>a,b</sup>				
a. Rotation converged in 10 iterations.				
b. Only cases for which Source of Awareness = 2 are used in the analysis phase.				

## CONCLUSION

New technologies are being introduced in all areas in the current world. For online filing of their income tax returns, tax payers were entitled to new technology. The highest degree of website security is income tax e-filing. The new effective way to file an income tax return online and make an electronic payment tax is through e-filing. It saves time, power and costs and lessens our strain as well. The tax payer is therefore required to make use of e-filing and electronic payment services. The survey has shown the current user satisfaction with the e-filing facility, so that most taxpayers in Mehsana are aware of this e-filing.

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