

A Study on Assessee's Perception towards E-Filing of Income Tax Returns

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Abstract

Income tax Department has adopted IT to make the filing of returns faster, easier and to reduce the administrative cost. Adoption of e-filing in India has shown a positive growth over the years due to its intrinsic advantages. However, it is still very low in many states. The paper attempts to understand the level of awareness and adoption of e-filing of ITRs in India. The paper studies the perception of assessee towards e-filing system and the level of satisfaction. Both primary and secondary data were used based on 385 completed questionnaires received from the income tax payers in Karnataka. Statistical techniques like Mean, standard deviation, Chi-Square test, Phi and Cramer's V have been calibrated. Major difficulties and the level of satisfaction have been highlighted. E-filing procedure further needs simplification, to educate and adopt aggressive, countrywide campaign for creating awareness along with making e-filing mandatory for all assessee irrespective of tax liability.

1. Introduction

INFORMATION TECHNOLOGY (IT) is one of the prominent, remarkable scientific developments during the last few decades. IT has greatly impacted the life style of human being around the world. Governments in many countries are effectively leveraging this technology to provide improved quality of services to the public in a more innovative fashion and for better public administration. One of the prominent e-governance initiatives which have been launched by a number of governments is in the form of online Income Tax Return filing.

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- Of the total respondents of the study, 31.7 % file Income tax returns online without taking others help, while 27% depend on Chartered Accountants, 19 % take the help of tax consultants, and only five per cent depend on TRPs. The number of TRPs needs to be raised in every District or Ward so that assessees get the services of TRPs easily and find less pressure on e-filing their returns.
- Options such as Getting password, uploading XML returns, knowing outstanding tax demand, knowing rectification status seems to be most difficult operations. These areas need critical modification in favor of Assesseees to make e-filing more userfriendly.
- Filers do not find any difficulty in the case of knowing ITR-V receipt status, knowing AOs, viewing 26AS and accessibility of ITR-V receipt acknowledgement do not seem to be difficult.
- Necessary steps shall be taken to improve the e-filing adoption in few states where the response is less. The Income Tax Department has to take Aggressive propaganda and encouragement by educating the filers, and making e-filing procedure little easier.

VI. Conclusion

Income Tax Department of India has initiated implementing recommendations of various committees on Income Tax reforms. E-filing of Income Tax Returns has received an overwhelming response over the years and still it is not completely adopted in many states. In order to avail the benefits of Technology intervention in filing of income tax returns the department has to make the web based services more users friendly and make sure that the privacy and security of the users of web services are protected. It is also required to further simplify the areas such as Password, retrieving ITR-V receipts, acknowledgements, and viewing the receipts and tax credit. When the assesseees find no troubles in using information technology in the process of filing their Income Tax Returns it is sure that all the tax payers would rather voluntarily adopt and make the Department's Project more successful.

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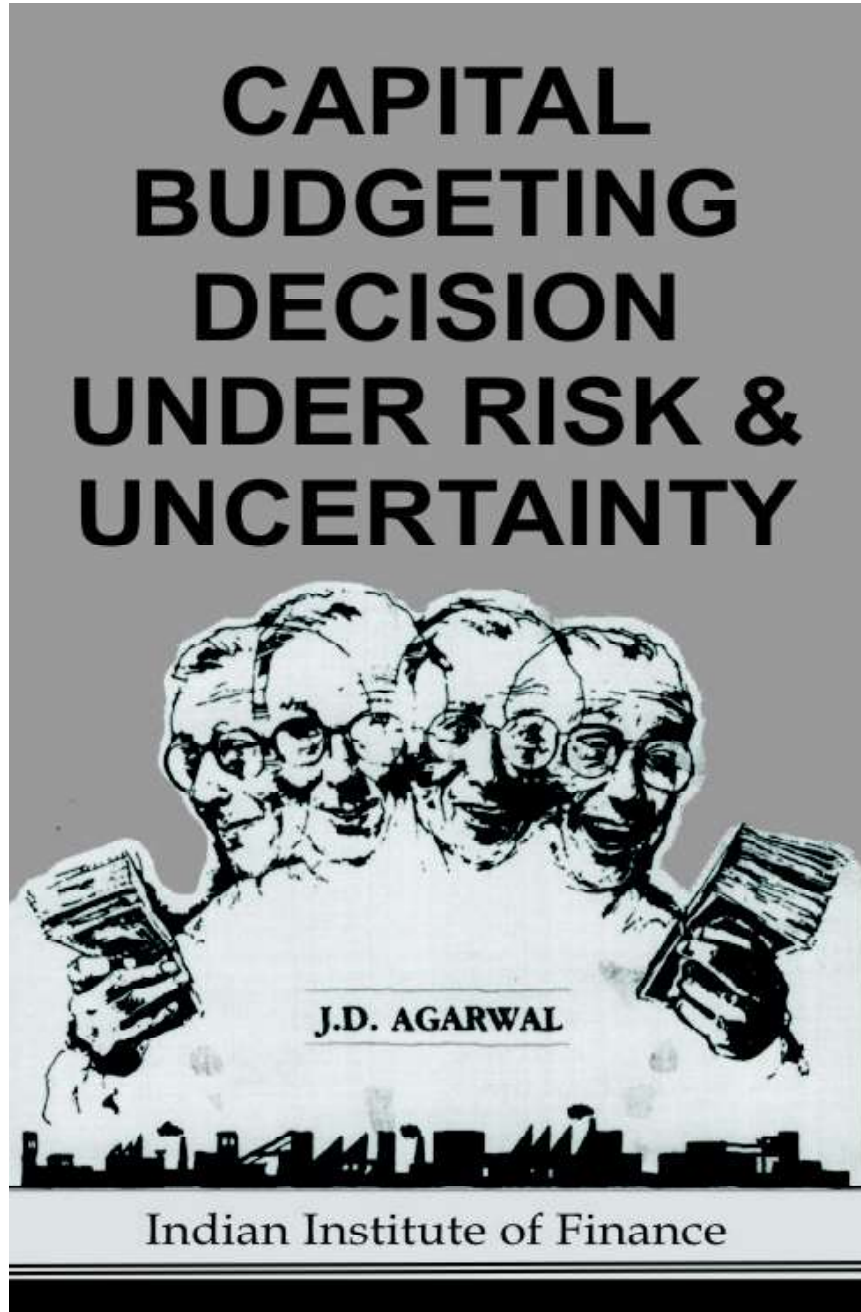
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