



A Study on Awareness of Income Tax Planning Among Women with Special Reference to Panvel Region

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<p>CC License CC-BY-NC-SA 4.0</p>	<p style="text-align: center;">Abstract</p> <p>Based on a number of factors, including knowledge of the basic exemption limit, interest and penalties for nonpayment, deductions, rebates, TDS, loopholes, and alternative income-saving techniques, it can be determined that the majority of women in the Panvel region are aware of income tax planning. The unit is sampled using a simple random sampling technique. The data is collected from 118 respondents in the Panvel region. A descriptive Research Design is used to understand the variables that impact the income tax planning. Average mean descriptive statistics method using excel is used to analyze the data.</p> <p>Key words: Tax awareness, Tax planning, Income tax, Assessee.</p>
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Introduction:

The process of analyzing a financial scenario or plan to make sure everything is in place to enable you to pay the lowest taxes possible is known as tax planning. A tax-efficient approach is one that reduces your overall tax liability. A financial strategy for an individual investor should include tax planning as a crucial component. Success mostly depends on reducing tax obligations and optimizing retirement plan contributions. The timing of income, size, purchase timing, and expense planning are all factors we have to be considered in tax planning. One can save tax by taking various deductions given under Chapter VI A of Income Tax Act, 1961.

Entry 82 of the Union List of the Seventh Schedule to the Constitution of India governed Income tax in India. It empowers the central government to tax non-agricultural income, agricultural income is defined in Section 10(1) of the Income-tax Act, 1961. Income-tax law consists Income Tax Act, 1961, Income Tax Rules 1962, Notifications and Circulars issued by the Central Board of Direct Taxes (CBDT), Annual Finance Acts, and judicial support from the Supreme and high courts.

Income tax is progressive in nature as if income is increased, then income tax also be increased. Income tax is a type of direct tax which is directly paid to the government that means tax will pay by those who will earn the income. There are mainly five heads of income namely, Income from salary, Income from house property, Income from business or profession, Income from capital gain and Income from other sources. One can save their tax by taking benefits of various deductions given by the Government of India through Income Tax Act, 1961 and use that funds for there investment which will be beneficial for their future growth.

For each individual assessee, the most important aspect of tax planning is tax awareness.

Tax awareness is the degree to which an individual is aware of the provisions of the income tax laws, including exemptions, allowances, deductions from 80C to 80U, changes in income tax rates, rebates, education cess,

non-payment penalty, TDS, loophole knowledge, payment of advance tax, tax saving strategies, penalty, and interest charged. If an assessee's income surpasses a specific threshold set by law, they are all required to pay taxes. For this purpose, effective tax planning is crucial.

Literature Review:

Kalgutkar, P. (2018). This study examines the individual assessee's personal financial circumstances. A key element of tax planning is tax awareness. In India, the majority of earned income is deducted from personal income taxes. This paper aims to investigate the correlation between tax awareness and planning regarding the creation of wealth for individual assessees through various investments, as mandated by income tax laws. An individual assessee invests their hard-earned money in legally mandated investment avenues in order to save taxes. As a result, each assessee gains wealth in the form of a healthy future return. Here, an effort has been made to understand how tax planning and awareness assist individual assessees in assembling an effective investment portfolio that ultimately generates wealth for them.

Mansuri, S., & Dalvadi, Y. (2012). For each individual assessee, tax planning must include tax awareness. A significant portion of an assessee's hard-earned money is taken away by income taxes. Since each assessee who earns more than the maximum amount allowed by income tax law is required to pay taxes. For this reason, tax planning is crucial. Understanding the most recent tax laws and regulations is essential for better tax planning on the part of the individual. Tax planning is simply placing money wisely to maximise benefits for each individual assessee, it does not imply not paying taxes. Here, an effort has been made to learn about the tax planning practices and awareness of a chosen group of assesses. This study will shed light on why assessments aren't being made correctly.

Alam, M. (2017). In the end, taxes are what we have to pay in exchange for the rights to participate in a structured society. Every government in a civilized nation owes it to its people to ensure their welfare. For this reason, taxes constitute a substantial and important source of income for the government. For each individual assessee, tax planning must include tax awareness. A significant portion of an assessee's hard-earned money is taken away by income tax. Since each individual assessee who earns more than the maximum amount allowed by income tax law is required to pay taxes. Over time, tax planning yields significant advantages. However, when the assessee is a salaried employee, they frequently fail to seek professional advice. Business entities and businessmen seek professional advice, particularly when they are facing a tax audit. This study attempts to evaluate the efficacy and efficiency of the relatively new electronic return filing mode, which has been a welcomed change in return filing procedures. In addition, the study assists in determining whether the assessee is aware of the different tax provisions that are available to them and whether they have utilised them.

Vyas, Y., & Gondaliya, V. R. (2020). This study's primary goal is to assess each participant's understanding of tax planning and management by measuring it using demographic data. The study's main focus is on expert assistance and guidance with tax planning and return filing. Using a Google Doc, a structured questionnaire has been used to gather primary data. Convenience sampling is used to gather data from 250 salaried assessees in the Bardoli region. Chi-square test has been used in statistical analysis. The study's conclusions demonstrate how salaried individuals' demographic characteristics impact their understanding of tax planning. According to the analysis, those with higher incomes require professional assistance in managing their taxes, although qualified individuals already possess the necessary knowledge. The respondents are aware of the 80C and 80D tax deductions and invest accordingly, but they do not take out student loans or claim charitable contributions as deductions.

Research Gap:

Observations have shown that various studies have been taken on awareness of income tax planning but particularly to study on awareness of income tax planning among women with special reference to Panvel region is newly confined in this research proposal.

Research Methodology:

In order to collect data for this study, primary and secondary sources were utilized. Primary sources like questionnaires, interviews, and observation have been used in data collection. Additional secondary sources have been used including books, journals, magazines, etc. On-probability Simple Random sampling technique is used for sampling the unit. A descriptive Research Design is used to understand the variables that impact the income tax planning. Average mean descriptive statistics method using excel is used to analyze the data.

Objectives:

1. To study awareness of income tax planning among women in Panvel region
2. To know whether awareness campaigns related to income tax planning will be required or not in Panvel region.

Data Analysis & Interpretation:

Table 1: Demographic Study

Gender	Frequency	percentage
Female	118	100
Total	118	100

(Source: Own Survey)

Table 2: Respondents view about awareness about income tax planning

Are you aware about income tax planning?	Result
Yes	76%
No	24%

(Source: Own Survey)

Here, the data has been collected from 118 respondents from the Panvel region.

Table 3: Mean Ranking

Sr. No	Elements that affect income tax planning	Mean Average	Ranking
1.	Awareness of basic exemption limit	4.7	1
2.	Awareness of deductions (80C to 80U)	3.2	3
3.	Awareness of penalty and interest for non-payment of tax on time	3.9	2
4.	Awareness of Rebate	2.1	5
5.	Awareness of TDS	2.6	4
6.	Awareness of loopholes	1.3	6
7.	Awareness of tax saving techniques	0.9	7

(Source: Own Survey)

Here, the awareness of income tax planning among women is described using average mean descriptive statistics. According to the analysis, the following factors influence the ranking: " Awareness of basic exemption limit" which has a mean average score of 4.7 first among the other factors;, followed by factors like "Awareness of penalty and interest for non-payment of tax on time" to 3.9 i.e. 2nd Mean Rank, further " Awareness of deductions (80C to 80U)" contributes to 3.2 points average mean score which is 3rd Rank, then "Awareness of TDS" average score is 2.6 which is 4th mean rank, then "Awareness of rebate" mean average score is 2.1 that contributes to 5th mean rank.

Conclusion and Suggestions:

Hence, it is concluded that most of the women are aware about income tax planning in the Panvel region based on the different parameters like awareness of basic exemption limit, penalty and interest on non-payment, deductions, rebate, TDS, loopholes and various income saving strategies.

It is suggested that still awareness campaigns will be required for providing the proper guidance about the income tax planning.

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