



**COMPARISON ON CUSTOMER PERCEPTION ON GOODS AND SERVICES TAX (GST)
OF LOWER AND MIDDLE INCOME EARNERS IN KOTA BHARU AND KUALA
TERENGGANU**

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JUNE 2014



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ACKNOWLEDGEMENT

“In the name of Allah, The Merciful, The Beneficent”

Assalamualaikum w.b.t.

Alhamdulillah, praise to Allah, Almighty for giving us a good health, patience, skill and strength throughout this semester which indirectly assist us to complete this research paper. Apart from that, ‘No task is single man’s effort’. We are sure, the research paper cannot be accomplished without the assistance of others.

In relation with that, we would like to express our warmest gratitude to individual who give advice and encouragement upon the completion on this research paper. First of all, a special thanks to Madam Nadia Farleena Binti and Dr Nik Naziman for their effort in assist and manage all practical students involved solving any related-problem during practical training.

Other than that, our warmest appreciation goes to our parents who always give encouragement and moral support to us. Next appreciation goes to our entire classmate BM222 6A who contribute a lot in giving opinion or sharing knowledge together.

In addition, we also would like to convey a millions thanks to our advisor, Madam Nadia Farleena because of her continuous support and guidance plus her personal attention in order for us to complete this research paper. Not to forget, thanks for our second examiner for the valuable comments and suggestions.

Last but not least, expressions of our million thanks to anybody who contribute whether directly or indirectly in assisting us to complete this research paper.

ABSTRACT

Good and Services Tax (GST) is a consumption tax imposed to taxpayers. Many developed countries such as the United States, United Kingdom, Singapore and Australia had been implementing the GST. At the early stage of the introduction of GST, many people from various income classes would be disagree as they perceived that the prices of the basics needs as well as many items would increase. The national budget of Malaysia 2014 had been tabled in Parliament on 27 October 2013 proposing that GST would be implemented commencing on 1 April 2015 at 6% which is 2% higher than expected. Many people especially from lower income earners were afraid of their purchasing capabilities when GST is implemented. Therefore, this paper aims to examine comparison of the consumer readiness, knowledge, awareness and perception of GST in Kota Bharu and Kuala Terengganu if it is implemented in Malaysia. The paper will focus on middle and lower income as this group of people would be affected more compared to other income earners group. This paper involves 200 respondents; 100 respondents from Kota Bharu and other 100 respondents from Kuala Terengganu.

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