



**A STUDY ON FACTORS THAT INFLUENCE THE  
COLLECTED INDIRECT TAX IN MALAYSIA  
(SERVICE TAX)**

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**APRIL 2011**



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**‘DECLARATION OF ORIGINAL WORK’**

I, TENGKU ISMAIL BIN TENGKU IBRAHIM, (I/C Number: 890111065155)

Hereby, declare that:

- This work has not previously been accepted in substance for any degree, any locally or overseas, and is not being concurrently submitted for this degree or any other degrees.
- This project paper is the result of my independent work and investigation, except where otherwise stated.
- All verbatim extracts have been distinguished by quotation marks and sources of my information have been specifically acknowledged.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## **ACKNOWLEDGEMENT**

“In the name of Allah SWT, the Merciful and Beneficent”

Praise be to Allah S.W.T for the blessing and giving me the strength and health to complete this project paper. First and foremost, I would like to thank you my kindness advisor, Encik Yusof bin Ramli and my second examiner Encik Azim Izzudin Bin Mohamad for their invaluable advice, comments and constant guidance during the progress of my project paper.

Sincere appreciations to my beloved family, especially my parents Encik Tengku Ibrahim Bin Tengku Ismail and Puan Juriah Binti Mohd Haini who are give full supports and encouragement in the process to finish this project paper. Last but not least, special thanks to all beloved friends who are shared their experiences, time and commitment in finishing this report.

No such valuable words than “Thank You” to appreciate your eagerness and kindness. More than words could express on paper or could be spoken in words. Hopefully this research project would be guidance in future. Therefore to remember your kindness would always be my pleasure.

Thank You.

Tengku Ismail Bin Tengku Ibrahim

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## **ABSTRACT**

This research was conducted to determine the factors influenced the collected Indirect tax in economy Malaysia. The main objective of this research is to study on the factors influenced the service tax collection in Malaysia regarding the government's budget and spending. This research to indicate the relationship for each independent variable (Gross National Product, Unemployment and Inflation Rate) to ensure the positive relationship between them.

This study was conducted based on the case study also known as secondary data collection and quantitative research method. Furthermore, the data collection has been calculated using SPSS software in order to show the relationship between all the variables for this research.

Therefore, from this finding, we can say that service tax has related with the independent variables and shows the relationship between them. So, the two from three independent variables actually are part of the service tax collection because these are related with the research. Otherwise one independent variable is not related with the study and getting negative relationship.