



**THE IMPACT OF GOODS AND SERVICES TAX (GST) TOWARDS
ECONOMIC GROWTH IN DEVELOPING COUNTRIES**

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DECLARATION OF ORIGINAL WORK



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- This work has not previously been accepted in substance for any 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.

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TABLE OF CONTENTS

ITEMS	PAGE
TITLE PAGE	i
DECLARATION OF ORIGINAL WORK	ii
LETTER OF SUBMISSION	iii
ACKNOWLEDGEMENT	iv
TABLE OF CONTENTS	v
LIST OF TABLES AND FIGURES	viii
LIST OF ABBREVIATIONS	ix
ABSTRACT	x
CHAPTER ONE: INTRODUCTION	
1.1 Research Background	1-4
1.2 Problem Statement	4-7
1.3 Research Objectives	7
1.4 Significant of Study	
1.4.1 Body of Knowledge	7
1.4.2 The Government	8
1.4.3 The Investor	8
1.5 Scope and Limitation of Study	
1.5.1 Scope of Study	8
1.5.2 Limitations of Study	9
CHAPTER TWO : LITERATURE REVIEW	
2.1 Introduction	10
2.2 Theory Associated to this study	10-13
2.3 Literature Review	
2.3.1 Goods and Services Tax	13-16
2.3.2 Population Growth	16-17
2.3.3 Foreign Direct Investment	17-18
2.3.4 Consumption Expenditure	18-19

LIST OF TABLES AND FIGURES

Table:		Page
Table 1.1	Selected Countries and Current Rate of GST for each developing country	2-3
Diagram 2.2.1	Laffer Curve Diagram	11
Table 4.2.1	Descriptive Statistics of Variables	40
Table 4.2.2	Correlation Matrix Analysis between GDP per Capita Growth and Independent Variables	43
Table 4.3.1	Result of Panel Unit Root Test	44
Table 4.4.1	Result of Breusch Pagan Lagrange Multiplier (BPLM) Test	46
Table 4.5.1	Result of Hausman Test	48
Table 4.5.2	Data on Fixed-Effect Regression	50
Table 4.6.1	Wooldridge Test (Autocorrelation)	53
Table 4.6.2	Heteroscedasticity Result (Heteroscedasticity)	53
Table 4.6.3	VIF Test (Multicollinearity)	54
Table 4.7.1	Result Analysis (Robust Standard Error)	55

ABSTRACT

This project paper sets out to examine the impact of the implementation of Goods and Services Tax (GST) towards economic growth in developing countries by using the robust static panel data analysis (fixed effects) with the robust standard errors. This project paper also are conducted based on panel data where 24 selected developing countries and the period of time selected is 11 recent years which is from 2006 until 2016. The empirical result revealed that GST is positively and statistically significant correlated with gross domestic product per capita in developing countries. Therefore, researcher concludes that GST is a good indirect tax reform by the government in developing countries, where the revenue from GST will help the government to provide more facilities for people's benefits and the most important thing is it can generate higher economic growth to a country. Hence to ensure people trust for GST implementation, government should promote the tax awareness to citizens and also utilized their tax revenue in a good way.