



THE IMPACT OF GOODS AND SERVICES TAX (GST)  
TOWARDS HOUSEHOLD INCOME EARNER

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DECLARATION OF ORIGINAL WORK



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## TABLE OF CONTENTS

	PAGE	
TITLE PAGE	i	
DECLARATION OF ORIGINAL WORK	ii	
LETTER OF TRANSMITTAL	iii	
ACKNOWLEDGEMENT	iv	
TABLES OF CONTENT	v-vi	
LIST OF FIGURES	vii	
LIST OF TABLES	viii	
LIST OF ABBREVIATIONS	ix	
ABSTRACT	x	
<b>CHAPTER 1</b>	<b>INTRODUCTION</b>	
1.0	INTRODUCTION	1
1.1	PROBLEM STATEMENT	2-3
1.2	RESEARCH OBJECTIVES	3
1.3	SIGNIFICANT OF RESEARCH	3-4
1.4	SCOPE AND LIMITATION	4-5
<b>CHAPTER 2</b>	<b>LITERATURE REVIEW</b>	
2.0	INTRODUCTION	6
2.1	THEORETICAL FRAMEWORK	6-9
2.2	LITERATURE REVIEW	9-11
2.3	CONCEPTUAL FRAMEWORK	11-12
2.4	RESEARCH HYPOTHESIS	12-13
2.5	RESEARCH QUESTION	13

## LIST OF TABLES

<b>TABLE:</b>		<b>PAGES</b>
TABLE 3.1.0	List of selected countries	14
TABLE 4.1.1	Levin-Lin-Chu Test	23
TABLE 4.1.2	Breitung Test	25
TABLE 4.1.3	Im-Pesaran-Shin	27
TABLE 4.2.1:	Breusch-Pagan Lagrange Multiple	28
TABLE 4.2.2	Hausman Test	28
TABLE 4.2.1	Independent variable and dependent variable coefficient correlation.	29
TABLE 4.3.1	Durbin Watson result	30
TABLE 4.3.2.1	Independent variable analysis.	31
TABLE 4.3.2.2	Independent variable after drop 1 variable	32

## ABSTRACT

This research is about the study of how goods and services tax (GST) impact on household income earner. Due to the issues arising from the implementation of the GST which government believes that its can reduce the tax evasion and caused the existence of level of society according to their level income, increasingly in consumer price index (CPI) rate revert to long term average, regarding to the growth of small medium industry (SME) and GST also dealing in sales and service model of business. The significant of this study is to know the impact, increasing or decreasing the standard of living of household and also the benefits will gain from the implementation of GST. This study has run panel unit root test, breusch pagan godfrey and diagnostic check method with regression model  $GDPPC=1.9307- 0.0871POP- 0.0431GOV+0.0582PIT- 0.2726RIR+ 0.1165GST+ \varepsilon$  to test the hypothesis of this study. How government control and consumer understanding is the most important to develop this kind of new tax introduced.