

ACCEPTANCE TOWARDS GOODS AND SERVICES
TAX (GST) AND SALES AND SERVICES TAX (SST)
AMONG LOCAL BUSINESS COMMUNITIES IN
CHERAS AREA: A COMPARISON STUDY

BY

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LIST OF ABBREVIATIONS

ATT	Attitude
AWN	Awareness
GST	Goods and Services Tax
SD	Standard Deviation
SPSS	Statistical Package for Social Science
SST	Sales and Services Tax
TPB	Theory of Planned Behaviour
UDS	Understanding

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PREFACE

Goods and Services Tax (GST) and Sales and Services Tax (SST) are the hot topic in Malaysia in this recent years. These taxes are expected to contribute to the nation revenue and bring massive impact to Malaysia's economic. In 1 June 2018, GST was abolished and replaced with SST again starting 1 September 2018. From this, there will be various feedbacks and opinions from the public especially the business communities as the tax system would affect their business performances.

The research objective for this study is to study the factors that influence the acceptance level towards GST and SST among local business communities in Cheras area. The overall researches consist of three independent variables which include awareness, understanding, and attitude. The target respondent of this research will be the business communities in Cheras area. In the end of this research, it could help the tax authority to accurately identify the way of improving the tax system by examining and analysing the relationship between 3 independent variables (awareness, understanding, and attitude) and 2 dependent variables (acceptance level towards GST, acceptance level towards SST) via interview method. Therefore, the tax authority can generate some effective methods to improve the tax system in order to improve taxpayer compliance behaviour.

ABSTRACT

This research aim to study the factors which include awareness, understanding and attitude that influence the level of acceptance towards Goods and Services Tax (GST) as well as Sales and Services Tax (SST) among business communities in Cheras area.

Throughout this study, non-probability sampling technique was applied to collect the data. In order to ensure the research data are reliable, primary data (questionnaire) and secondary data were adopted in this study. A total of 3 analysis comprises of descriptive analysis, reliability test and inferential analysis (Multiple Linear Regression) was obtained through the Statistical Package for Social Science (SPSS) version 23.0. The result obtained from the analysis has been tabulated and discussed in details in the Chapter 4 of this study. In the end of the study, the limitations encountered by researchers and recommendations were suggested for further improvement has been discussed in chapter 5.

In the end of this research, it has shown that understanding towards GST and attitude towards SST has significant effect toward the level of acceptance towards GST and SST respectively. Whereas the awareness and attitude toward GST, awareness and understanding towards SST have insignificant relationship with acceptance level towards GST and SST respectively. In conclusion, it hoped that this research finding able to provide some useful information for Malaysia's tax authority in order to improve the implementing tax system in Malaysia which can help to maintain country economic stability.

CHAPTER 1: RESEARCH OVERVIEW

1.0 Introduction

This research is aimed to determine the level of acceptance towards Goods and Services Tax (GST) and Sales and Services Tax (SST) based on awareness, understanding and attitude among local business communities in Cheras area. This research outlined background, objectives, problem statement, questions, hypothesis and importance of the study.

1.1 Research Background

Taxation is an important source of revenue to government which is used to finance government expenditure (Roshaiza and Nanthakumar, 2008). Government spends on public investment such as constructing public hospitals and schools. Next, government consumption spending to produce market and non-market goods for military purpose or educational purpose. The third government spending is public social spending which government provides transfer payment such as unemployment compensation, survivors supports and disability benefits (Michael and Cheng, 2016).

Taxation divided into direct and indirect taxes (Muhammad, Arslan, Adeel, Shabbir, Kanwal and Sehrish, 2011). According to Muhammad et al (2011), direct taxes are those the burden of which is directly born by tax payer. The burden of tax for indirect taxes is transferred to third party. GST and SST are familiar among all of the indirect taxes in Malaysia. Soliha, Normah and Zuraidah (2015) defined GST is a consumption tax sets on products at more than one stage of business while SST sets at a single entry.

According to Rosiati, Rizal, Palil, Syuhada and Fariq (2015), SST had been implemented on wide range of products in Malaysia since 1975. However, Malaysian is moving from SST to GST during 1 April 2015 after an announcement by Dato Seri Najib Bin Tun Abdul Razak, Minister of Finance and Prime Minister of Malaysia (Noormahayu, Ashimah, Nor and Zu, 2015). This is due to government's plan to become a high income nation while achieving Vision 2020. As stated by Soliha et al (2015), implementation of GST was once mentioned in budget 2014 and 2015.

Matthew and Junaid (2014) mentioned the reason Malaysia implements GST is over dependence on revenue from oil industry. The government sees the implementation of GST as a sustainable source of income by widening the tax based. GST is to improve the efficiency and effectiveness of the tax system in order to replace the disadvantages brought by SST (Noormahayu et al, 2015).

Soliha et al (2015) said that this tax system can reduce tax collection leakage that has happened years ago and to reduce transfer pricing manipulation.

SST was governed by Sales Tax Act 1972 and Service Tax Act 1975 for the past decades (Nor and Azleen, 2013). Good and Services Tax Act 2014 is to replace both of the acts starting 1 April 2015. Irene (2018) explained that sales tax imposes on taxable goods either produced in Malaysia or imported into Malaysia for domestic consumption. Refers to Sales Tax Act 1972, Malaysian licensed manufacturers are not entitled to pay sales tax with the qualification of annual sales turnover less than RM100,000.

This research is conducting during the implementation of SST after the abolition of GST. However, this research also to determine whether business communities in Cheras, Malaysia, registered under GST system for the respective business before.

1.2 Problem Statement

Implementation of GST in Malaysia has caused many arguments from taxpayers on how GST affects the prices of inputs and goods. The biggest concern of GST and SST is the impacts on businesses. This is most probably because businesses require a well managed accounting system to document GST collected and paid correctly while complying with rules and regulations of this tax (Krystle, 2015). Implementation of GST does take some time to become a natural part of business operation in Malaysia since GST reporting and payment system is complicated for businesses that do not have a good accounting system. This period of time will influence the acceptance of businesses as well as business communities toward GST and SST.

Before the official implementation of GST in Malaysia, general public is concerned that this tax would decrease real income (Munusamy, and Zainal, 2016). Most of the Malaysians concerned that GST will increase commodities price which will impact on poorer party the most. Refers to Muhammad and Nurul (2014), proponents of GST agreed this tax does provides a transparent system of tax administration for government. With SST in place, some businesses pay higher levels of tax-on-tax and not claimable (Emmanuel, 2015). However, Munusamy and Zainal (2016) mentioned GST should be implemented at an appropriate time. Amanuddin et al. (2014) stated that Malaysian was in a period of uncertainty during 2014. There are different views of point toward these taxes. Therefore, this research is conducted to test awareness, understanding and attitude of business communities toward GST and SST.

1.3 Research Objectives

1.3.1 General Objective

Research objective for this study is to study the variables that influence the acceptance level towards GST and SST among local business communities in Cheras area. The overall research consists of three independent variables and two dependent variables. Independent variables are awareness, understanding and attitude. Dependent variables are acceptance level towards GST and SST.

1.3.2 Specific Objective

There are six objectives in this research to determine the relationship between each of the variables that influencing the acceptance level towards GST and SST among local business communities in Cheras area.

- To determine relationship between awareness and the acceptance level of business communities in Cheras towards GST.
- To determine relationship between understanding and the acceptance level of business communities in Cheras towards GST.
- To determine relationship between attitude and the acceptance level of business communities in Cheras towards GST.
- To determine relationship between awareness and the acceptance level of business communities in Cheras towards SST.
- To determine relationship between understanding and the acceptance level of business communities in Cheras towards SST.
- To determine relationship between attitude and the acceptance level of business communities in Cheras towards SST.

1.4 Research Question

There are six research questions to study in this research:

- i. Does awareness influences the acceptance of business communities in Cheras towards GST.
- ii. Does understanding influences the acceptance of business communities in Cheras towards GST.
- iii. Does attitude influences the acceptance of business communities in Cheras towards GST.
- iv. Does awareness influences the acceptance of business communities in Cheras towards SST.
- v. Does understanding influences the acceptance of business communities in Cheras towards SST.
- vi. Does attitude influences the acceptance of business communities in Cheras towards SST.

1.5 Hypothesis of the Study

Six hypotheses are created to study this research:

H1: Awareness has a positive significant relationship with the acceptance of business communities in Cheras towards GST.

H2: Understanding has a positive significant relationship with the acceptance of business communities in Cheras towards GST.

H3: Attitude has a positive significant relationship with the acceptance of business communities in Cheras towards GST.

H4: Awareness has a positive significant relationship with the acceptance of business communities in Cheras towards GST.

H5: Understanding has a positive significant relationship with the acceptance of business communities in Cheras towards GST.

H6: Attitude has a positive significant relationship with the acceptance of business communities in Cheras towards GST.

1.6 Significance of the Study

In term of theoretical perspective, this research provides some valid information for other researchers on how local business communities react to GST and SST in Malaysia. Research done by Shahariah, Sabariah, and Nur (2017) evidenced that awareness and attitude influence the acceptance towards GST. It suggested that related education should be given to improve implementation effectiveness of GST. Arlinah, Azlina, and Rohana (2016) found that acceptance affected the feeling towards GST while knowledge does not. Ling, Osman, Arman, Muhammad, and Rana (2016) tested price stability, government subsidies, income inequality, and readiness towards the acceptance and compliance of GST. The research showed that government subsidies and readiness have a positive relationship towards the acceptance and compliance of GST.

According to the research by Ling et al. (2016), readiness has positive relationship towards the acceptance of GST. Zainol, Munusamy, Chek, Kamil and Norsiah (2016) further studied that preparedness is significantly influenced attitude towards proposed GST among business communities. Government needs to educate Malaysian citizens about taxes as a preparation to comply with the rules and regulation of taxes in Malaysia. Furthermore, Shahariah et al. (2017) mentioned that understanding of people towards these taxes is not deep enough. GST would takes at least a year in educating the people with the necessary procedures in place (Amanuddin, Muadzam, Muhammad, and Nurul, 2014). Government advertising and campaigns open to public are effective in transmitting information to local citizens.

1.7 Conclusion

This chapter provides a brief introductions related to this report. Background of the research, problem statement, research objectives and questions, hypotheses and importance of the study are discussed.

CHAPTER 2: LITERATURE REVIEW

2.0 Introduction

Chapter 2 defined the factors that affect the acceptance level towards GST and SST. Conceptual framework and six hypotheses are developed. The Theory of Planned Behaviour is studied in this chapter.

2.1 Review of Literature

2.1.1 Goods and Services Tax (GST)

2.1.1.1 Introduction of GST

GST is a multi-stage consumption tax charged on all domestic taxable goods and services. Importation of goods and services also carried GST charges. GST has been introduced in Malaysia to improve the efficiency of indirect tax collection. Indirect taxes such as Goods and Services Tax (GST) is a tax that could be switched to other parties. (Asmuni, Yusoff and Ses, 2017)

2.1.1.2 Implementation of GST

GST was implemented on 1st April 2015 at 6% tax rate. (Asmuni et al, 2017) Goods and services sold at all stages including the manufacturing, wholesale and retail had the imposition of GST. Businesses that exceed RM500,000 annual taxable turnover required to be registered under GST system. GST is incurred on input of business and claimable from the government. (Rashid, Hanif, and Kamaruddin, 2016)

Businesses have to absorb the cost of GST or otherwise will be paid by customers. This means the businesses are facing the consequences such as cash flow problems, increasing employee training costs and slow in generating income. GST would provide a transparent tax administration system and management. (Asmuni et al, 2017)

2.1.2 Sales and Service Tax (SST)

2.1.2.1 Introduction of SST

According to Boon (2003), since the early 1980s, SST was implemented in Malaysia. SST is the tax that levied at a single stage. For example, sales tax imposed on the manufacturer's or importer's level. Service tax is imposed on provider's level.

Sales tax is the tax which charged on taxable goods that are imported into or manufacture in Malaysia and it has rated of 5% and 10%. The sales tax is entitled to be exempted if it is paid on the production input and raw materials.

Service tax is the 6% tax that imposed on specific prescribed services such as hotels, restaurants, domestic flights etc provided by a taxable person or a business. (Deloitte, 2018) Imported and exported services have no imposition of service tax. (Jabatan Kastam Diraja Malaysia, 2018)

2.1.2.2 Implementation of SST

The manufacturers and taxable service provider are liable to register in MySST system when the annual taxable sales value and annual taxable service provided exceeded RM500,000 respectively. The registered taxable person are needed to maintain and submit a proper records and account for the tax every two months to Royal Malaysian Customs Department. (Jabatan Kastam Diraja Malaysia, 2018).

SST may cause the shortfall in government revenue when the abolishment of GST started from 1 June 2018. There will be a slightly decrement of price around 3% for the consumer items such as food and beverage. Property prices are expected to decrease slightly as they are save from input cost. (Dhesi, 2018)

2.1.3 Awareness

2.1.3.1 Definition and conceptualization of awareness

Bidin and Marimuthu (2016) stated that the ability to feel, perceive, be conscious of events or objects can be view as awareness. Rahayu, Setiawan, and Troena (2017) stated that “taxpayer awareness is an effort or action accompanied by self-encouragement and willingness to perform the rights and obligations of taxation in accordance with the regulations.” Taxpayer awareness is being understood when the taxation regulation has been known and obeyed.

2.1.3.2 Taxpayer awareness influence taxpayer compliance

Savitri and Musfialdy (2016) stated that there are some form of consciousness of paying taxes that encourage the taxpayer to participate in the process of paying taxes. The taxpayer have to realize that paying taxes is a way to support the development of country. Taxpayer need to be aware of delaying in tax payment and reduction of the tax burden may cause the lack of financial resources and could lead to delay in country development. This create an awareness for taxpayer compliance. Tax is set to be legislative and can be enforced. Citizen must have the realization of tax payment is own duty.

2.1.4 Understanding

2.1.4.1 Definition and conceptualization of understanding

According to Aziz, Bidin, and Marimuthu (2017), understanding is a psychological process related to an abstract or physical object such as people, message or situation whereby the person is able to consider and use concept to deal with the object. Comprehension can be defined as a process of passage of a person's knowledge. (Hasan, Gusnardi, and Muda, 2017) The taxpayer understanding of tax law is the way of taxpayer comprehend the existing tax rules. (Nurkhin, Novanty, Muhsin, and Sumiadji, 2018). Nugroho and Zulaikha's study (as cited in Rahayu et al, 2017) stated that the taxation knowledge and understanding is aimed to make the taxpayers to understand the General Provisions and Procedure of Taxation.

2.1.4.2 Taxpayer understanding influence taxpayer compliance

Taxation understanding will affect taxpayer compliance level. Taxpayer noncompliance behaviour could cause by the lack of understanding on taxation knowledge. (Saad, 2014; Nurkhin et al, 2018) Nurkhin et al (2018) found that the compliance of taxpayer could be measured through how much the taxpayer understand all dominant tax laws and regulations, and how taxpayers can conduct the procedure of submitting the tax correctly.

2.1.5 Attitude

2.1.5.1 Definition and conceptualization of attitude

According to Asmuni et al (2017), attitude can be defined as the feeling and opinion of a person toward something that leads the person to act either in a good way or bad way. Asmuni et al (2017) found that people have positive attitudes towards GST if the person think that they are clear on the implementation of GST system. According to Nugent (2013), the tax law complexity such as the punishment for law-breaking may affect the attitude of taxpayer.

2.1.5.2 Taxpayer attitude influence taxpayer compliance

Lozza, Kastlunger, Tagliabue and Kirchler (2013) found that the attitude toward taxes is a factor of tax compliance. When a person is aware and understand the system of taxes, this means that they have positive attitude toward the tax and this will help to improve the consumers' willingness to pay taxes. Bidin and Shamsudin (2013) found that the tax compliance behaviour is positively influenced by the attitude towards tax system. Tax compliance would increase if the taxpayer have positive attitude that come from a favourable perception towards tax system.

2.1.6 Level of acceptance

2.1.6.1 Definition of level of acceptance

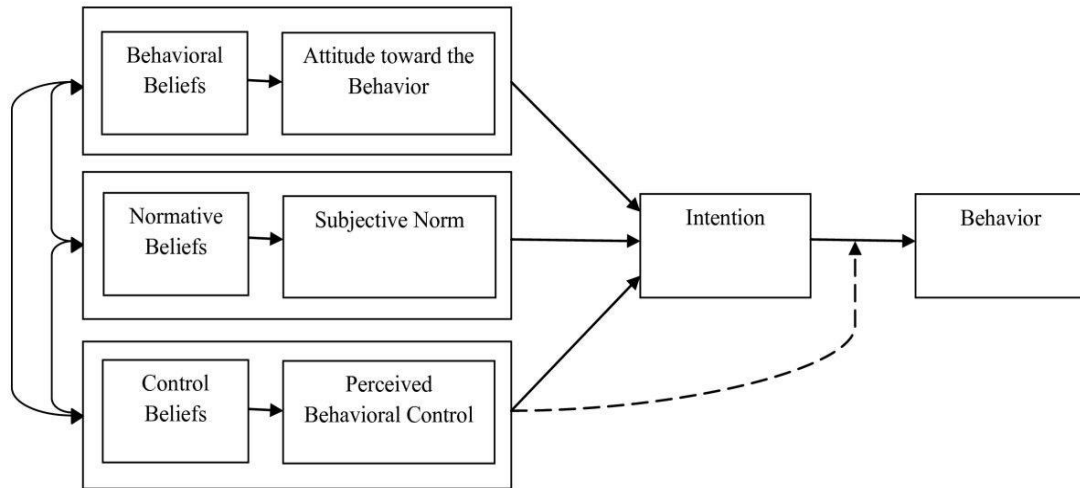
Level of acceptance can be defined as the level of intention to accept.
(Shamsuddin et al, 2014)

2.1.6.2 Past studies of level of acceptance

According to Yamin and Lee (2010), attitude, social influence, behavioural intention etc constitute level of acceptance. Moreover, the level of acceptance of the adoption or not of alternative methods of travelling is differs between each person's background such as gender and income, the travel behaviour, and the household characteristic. (Politis, Gavanas, Pitsiava–Latinopoulou, Papaioannou, and Basbas, 2012). Yoo, Huang, and Kwon (2015) found that the acceptance of learner is a significant factor that affects the successful implementation of e-learning.

2.2 Review of Theory of Planned Behaviour

Figure 2.1: Theory of Planned Behaviour (TPB)



Source: Ajzen, I (1985). The theory of planned behaviour

The theory of planned behaviour (TPB) explained the effect of attitude on behaviour, subjective norms, and perceived behavioural control on people intention and behaviour.

Ajzen (1985) stated that a person will do something when he or she thinks that it is a positive behaviour (attitude towards behaviour), when the people who are considered important are encouraging the person to do so (subjective norms), and when the person has a belief to do so (perceived behavioural control).

Attitude towards behaviour is the positive or negative evaluation of certain behaviour or intention of a person and it is caused by the behavioural beliefs. The person will possess a positive attitude when the behaviour caused positive outcome and vice versa. (Sudiartana and Mendra, 2018).

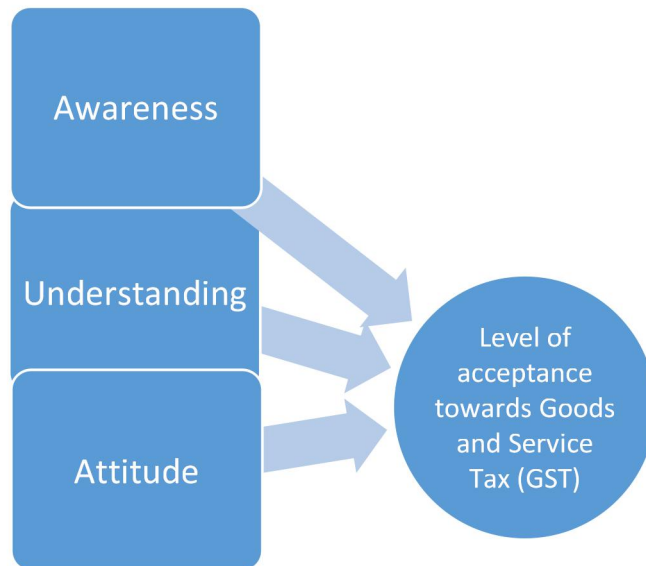
According to Ajzen (1985), the subjective norms are a person's perception of social pressure put on him or her to perform or not perform the behaviour. The beliefs underlying subjective norm are normative belief. People intend to perform a behaviour when the behaviour is considered positive and when the person believe that significant others such as family member, friends, and neighbours think they should perform the behaviour. (Conner and Armitage, 1998)

According to Ajzen (1985), PBC is the perception of an individual of the extent to which the behavioural performance is simple or tough. The beliefs that stimulate or inhibit the behaviour can be referred as control belief, concerning whether possess necessary resources and opportunities to perform the behaviour influenced the judgement of PBC. (Conner and Armitage, 1998). Madden, Ellen, and Ajzen (1992) stated that the more resources and opportunities the individual possess, the higher the perceived behavioural control over their behaviour.

Based on this theory, the theoretical framework of this research is formed and further explained below.

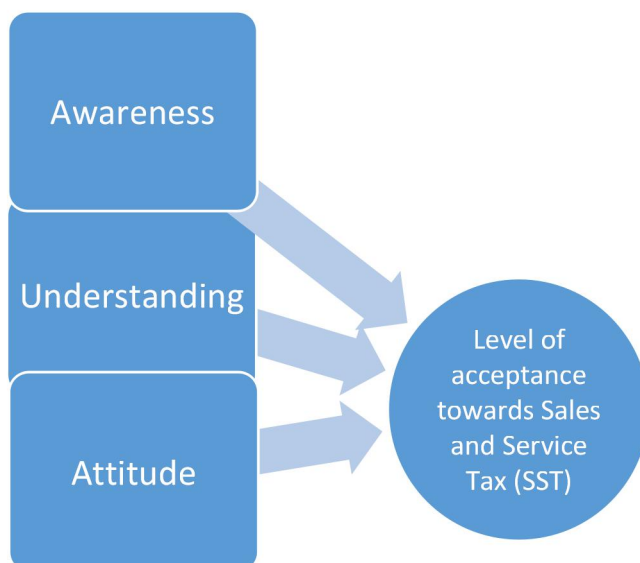
2.3 Proposed Theoretical/ Conceptual Framework

Figure 2.2: Proposed Theoretical Framework of Level of Acceptance towards Goods and Service Tax (GST).



Source: Developed for the research

Figure 2.3: Proposed Theoretical Framework of Level of Acceptance towards Sales and Service Tax (SST).



Source: Developed for the research

The conceptual framework of this study was developed based on the TPB.

Roth (2016) stated that thinking of acceptance allows people to appeal to the role of intention in practical reasoning and action to have better understanding. According to Bhuasiri, Zo, and Ciganek (2016), even there is less existing studies that examine intention to use e-government service, the user acceptance of e-tax filing and payment system is still can be understood. This can prove that there is a relationship between the behavioural intention and acceptance level.

Normative or social motivation from social pressure caused awareness of rules and willingness to comply. However, if the regulated entities is lack of the financial capacity to comply, the social pressure are insufficient to bring about compliance with regulation. (Winter and May, 2001). This can assume that social pressure can lead to the intention to comply with tax system and affecting compliance decision.

Madden et al (1992) stated that the greater the perceived behavioural control over their action is caused by the more resources and opportunities the individual gained. There is low level of awareness and acceptance due to insufficient and unclear information provided by the government. (Shamsuddin et al, 2014). In short, the insufficient resource provided by government for understanding of tax may cause the acceptance level toward tax decrease.

Hanno and Violette (1996) stated that attitudes had a close relationship with the intention of tax compliance. The taxpayer have positive attitudes towards the tax system when they have a favourable perceptions on the tax system. This encourages the taxpayer compliance. (Bidin, Faridahwati, Shalihen, and Mohd Zainudin, 2011)

2.4 Hypotheses Development

According to Bidin, Marimuthu, Derashid, Idris and Ahmad (2016), the level of awareness of GST among business community is able to increase a higher rate of voluntary compliance among taxpayers. Cullis and Jones's study (as cited in Shamsuddin et al, 2014) stated that increase awareness on new tax initiative is necessary to gain public acceptance. According to Asmuni et al (2017), awareness was found to have a significant relationship with acceptance level of GST among business community. Based on the previous study, this study would like to develop a hypotheses:

H1: Awareness towards GST has positive significant relationship with level of acceptance towards GST.

According to Nurkhin et al (2018), taxpayer compliance could be measured through their understanding level of tax system. Bidin et al (2016) stated that the voluntary taxpayer compliance rate of business community can be enhanced through the understanding of GST. According to Hambali and Kamaluddin (2017), GST acceptance and GST literacy have a significant relationship between each other. The following hypotheses for this study is developed as below:

H2: Understanding towards GST has positive significant relationship with level of acceptance towards GST.

Bidin and Shamsudin (2013) found that there would be the taxpayer compliance if they have a positive attitude towards the tax system. Asmuni et al (2017) found that attitude have significant effect on the acceptance level among business people towards GST. According to Aziz et al (2017), there is a relationship between the attitude towards the GST implementation and satisfaction which can affect the level of acceptance towards GST. The following hypothesis is formed:

H3: Attitude towards GST has positive significant relationship with level of acceptance towards GST.

Reich (1978) stated that New Jersey Sales and Use Tax Act has imposed two separate taxes which are sales tax and use tax. This concept is similar to the Sales and Service tax in Malaysia as it is also imposing two separate taxes, which are sales tax and service tax. According to Liu (2012), increasing awareness of penalties or detection is a factor that potentially influence sales and use tax compliance. The use tax compliance of the construction industry in Washington State is significantly influenced by the sanction awareness. (Sanders, Reckers, Iyer, 2008). This study would like to form a hypothesis below:

H4: Awareness towards SST has positive significant relationship with level of acceptance towards SST.

A better understanding of tax salience can help in the improvement in designing tax policy which will affect the level of acceptance of tax. (Goldin, 2012). According to Jones (2009), knowledge is the information required for taxpayer compliance of use-tax laws. People will understand the way to comply with tax system and also the reason of tax existence when they have greater knowledge of use tax. The following hypothesis for this study is developed:

H5: Understanding towards SST has positive significant relationship with level of acceptance towards SST.

According to Kirchler (1999), the tax morale and attitudes toward taxes affected acceptance level of tax. Positive attitude with regards to acceptance level of new system implementation can be lead by higher level of involvement in pre-implementation stage. (Sanusi, Md Noor, Omar, Sanusi, and Alias, 2017). The improved SST system may consider a new system. Therefore, the hypothesis for this study is developed as below:

H6: Attitude towards SST has positive significant relationship with level of acceptance towards SST.

2.5 Conclusion

This study focuses on taxpayer's awareness, understanding and attitude in Cheras area toward GST and SST implementation in Malaysia. Theory of planned behaviour (TPB) is studied in this chapter. In conceptual framework, acceptance level towards GST and SST is the dependent variable whereas the independent variables are awareness, understanding, and attitude toward GST and SST.

CHAPTER 3: METHODOLOGY

3.0 Introduction

This chapter describes methods used to carry out this research. Research methodology is systematic procedures used to analyse, interpret and apply to a study. Chapter 3 consists of design of the research, primary and secondary data collection methods, sampling method, research instrument used, scales of measurement, data processing steps and methods of data analysis.

3.1 Research Design

Research design is a plan used to structure a research by gathering, measuring and analyzing data to address the central research questions (Jane, 2016).

Nature of a business research consists of two categories, namely qualitative and quantitative research. Stefan (2016) explained qualitative research used to find answers to solve questions by generating numbers and facts while quantitative research further explores a research question by collecting data in the forms of words or objects. In this study, quantitative research is used to collect data by distributing survey questionnaire to target respondents, business communities.

Basically, research designs comprise three types of research design that play an essential role in every business research which are exploratory, descriptive and causal research. Refers to USC Libraries (2018), Descriptive research describes the subject of a research without knowing the reason of the results occurred. In this study, descriptive research is used to determine whether there is a relationship between the acceptance level of business communities toward GST and SST in Malaysia and factors such as awareness, understanding and attitude.

3.2 Data Collection Methods

Data collection methods are procedures required to obtain data and information from two sources, namely primary and secondary sources.

3.2.1 Primary Data

Primary data refers to data collected for the first time by the researchers. This data collected is factual and original. Primary data can be obtained through several sources such as experimentation, observation, questionnaires, surveys and so on (Victor, 2017). Survey questionnaire method is used to obtain accurate real time data. This method is used because of time constraint and cost saving. This survey contains 66 questions which respondents have to answer yes or no. 33 questions are representing both taxes, GST and SST respectively.

3.2.2 Secondary Data

Victor (2017) explained secondary data is the information already collected by other researches or third parties. This data is known as information after the analysis and interpretation of the primary data. Secondary data can be obtained through several sources such as directories, government publications, journal articles, periodicals and so on. This study is more depending on journal articles and government publications to collect information about GST and SST.

3.3 Sampling Design

Stephen, Cathy, Jenny and Kibbon (2015) sampling is used to overcome the difficulty in collecting data and generalizing the characteristics of a large population. Sampling design in this study determines five sampling characteristics.

3.3.1 Target population

Nestor, Henry and Eric (2017) defines target population as the group of individual with specific attributes of relevance. The targeted population of this study includes of business communities in Cheras, Malaysia. According to Department of Statistics Malaysia (2017), food and beverages industry in Malaysia recorded a highest growth of 3.3%, following by education, health and real estate industry from 2016 to 2017. Contribution of these industries is due to the business communities. This party has catches the attention of government as a large group of taxpayer. Refers to appendix 3.1.

3.3.2 Sampling Frame and Sampling Location

Stephen et al. (2015) discussed sampling frame is a list of sampling units in the pool available to be chosen as a sample. Sampling frame for this research is business community who address in Cheras, Malaysia. Cheras is a city that is developing rapidly due to the contribution of business communities in this location. Cheras is moving up through status ladder. Today, it is a city with population around 800,000 is holding a large middle class population (Thean, 2014). This can be seen with the shopping centers that located in the area.

3.3.3 Sampling Elements

Sampling element refers to characteristics of respondents that will take part in this study. Business communities such as entrepreneurs, hawkers and shop owners in Cheras, Malaysia, will be approached by researchers. The parties mentioned are eligible as long as the person either has a company that registered under GST system or without a company that pays GST after purchasing goods for reprocess and resale purpose. Moreover, the survey questionnaires distributed are written in English, respondents who cannot understand English will be translated by researchers.

3.3.4 Sampling Technique

Non-probability sampling technique is selected to carry out this study. Non-probability sampling is the process of using non-random procedures to select specific elements from a targeted population (Ilker and Kabiru, 2017). This research preferred only convenience sampling because of time and transportation constraint. Ilker and Kabiru (2017) defined convenience sampling as sample selection is by the convenient door of researches. In this research, researches will approach business communities in Cheras, Malaysia, as respondents of this study.

3.3.5 Sample Size

The random sample needs to be in adequate size in order to prevent sampling biases or errors. Pirooska (2014) mentioned that most researches agree that the minimum sample size to get satisfied result is 100. The sample size of this study is decided to set at 100 respondents.

3.4 Research Instrument

Measurement device used in this research is survey questionnaire. In this study, determinant-choice questions are provided in the questionnaire and separated into two sections. Section A is created to collect the demographic information from respondents while section B is formed to test respondents' perception toward GST and SST. Determinant-choice questions is selected for convenience answering by respondents without further explanation or comment needed from respondents.

Section A of the questionnaire contained four questions regarding to the demographic profile of the respondents. Those four questions are industry that belongs to, whether respondents registered their business under GST system, monthly turnover and operation period which is compulsory for respondents to select one answer from the options given. This data allows researches to group respondents more specifically.

Section B of the questionnaire contained 66 questions regarding to respondents' awareness, understanding, attitude and acceptance toward GST and SST in Malaysia. Each tax is represented by 33 questions related to three independent variables (awareness, understanding and attitude) and one dependent variable (acceptance level). This section requires respondents to answer in 4-point Likert scale. It ranges from 1 to 4 where 1 represents "Strongly Disagree" to 4 represents "Strongly Agree". This data allows researches to acquire the viewpoints of respondents about GST and SST in Malaysia. Refers to appendix 3.2.

3.5 Construct Measurement

Nominal scale and ordinal scale are the primary scales of measurement in designing the questionnaires. Nominal scale refers to categorical data that used as identifier that represent categories of data. Ordinal scale is set of categories that are ordered from least to most (Hamid, Marjan , Peyman and Dario, 2014). In addition, 4- point Likert scale is the only scaling technique employed in designing questionnaires.

3.5.1 Independent Variables

3.5.1.1 Awareness

Awareness is something keeping reminds an individual about something, without actually trying to look for that information (Wolfgang, Christian, Peter and Handrik, 2015). The measurement of awareness is initiated by Yayuk et al. (2017) and Shahariah et al. (2017). This construct comprises 16 questions related to GST and SST in Malaysia. A higher scale indicates GST and SST in Malaysia has a better recognition among business communities. The first question in this section will start with ‘I am aware that this tax would affect my clients’ business technically’.

3.5.1.2 Understanding

David (2013) explained understanding is the ability of an individual to demonstrate a skill or knowledge when a person knows something. The measurement of understanding was originated by Susan (2016). This construct contains 16 questions relevant to GST and SST in Malaysia. A higher scale shows that business community is knowledgeable about GST and SST in Malaysia. One of the sample question is ‘this tax is replaced the previous tax system’.

3.5.1.3 Attitude

Attitude refers to a mental position with respect to a fact or an object (John, 2012). Attitudes characterized as a person feelings that accompany their beliefs. The measurement of attitude was developed by Emre and Sevgi (2014). This construct includes of 12 questions referred to GST and SST in Malaysia. A higher scale means that business community has a positive view towards GST and SST in Malaysia. The sample question of this variable is ‘My company happy to pay this tax’.

3.5.2 Dependent Variable

3.5.2.1 Acceptance

Acceptance can be explained by a system that is good enough to fulfill satisfaction of the users (Emeli, 2014). . The measurement of acceptance was developed by Boris, Emanuelle, François and Jordan (2018). This construct has 22 questions in relation to GST and SST in Malaysia. A higher scale explained that GST and SST do not bring much significant impact on respondents’ business. The sample item in this scale is ‘This tax will result in higher price for goods and services’.

3.6 Data Processing

This section includes of data checking, data editing, data coding and transcribing.

3.6.1 Data Checking

Data checking process conducted before distributing and when collecting back the questionnaires distributed. Before distributing to respondents, researchers to certify the questions at a quality level and minimize errors (Kimberly and Larry, 2018). During collecting back the questionnaires, data checking to ensure all questions are completely answered without missing out a single question. Corrective action will be taken place immediately when data errors occurred.

3.6.2 Data Editing

After data checking, researches start to conduct data editing process by editing out or correcting errors found in the questionnaires. Sahifa (2014) suggested researches should make some omissions in the data collected to see relevant mistakes made by respondents. Data errors such as questions are not answered by respondents or respondents ticked multiple answers for a single question could appear during surveying. However, these errors can become appropriate if researches make the adjustment immediately.

3.6.3 Data Coding

Data coding transfers the data collected into numerical data. Coding allows researches summarizing findings meaningfully (Sahifa, 2014). Nominal scale will be used to code data. Data coding allows data collected be categorized more systematically in computer.

The answer in section A is coded as table below:

Question	Demographic Item	Code
1	Industry	<ul style="list-style-type: none"> ❖ “Food and beverages” is coded as 1. ❖ “Beauty and Cosmetics” is coded as 2. ❖ “Retail” is coded as 3. ❖ “Telecommunication” is coded as 4. ❖ “Transportation” is coded as 5. ❖ “Entertainments and recreation” is coded as 6. ❖ “Apparel & Accessory” is coded as 7. ❖ “Others” is coded as 8.
2	GST system	<ul style="list-style-type: none"> ❖ “Registered” is coded as 1. ❖ “Not registered” is coded as 2.
3	Monthly turnover	<ul style="list-style-type: none"> ❖ “Less than RM 5,000” is coded as 1. ❖ “RM 5,001 to RM 10,000” is coded as 2. ❖ “RM 10,001 to RM 20,000” is coded as 3. ❖ “RM 20,001 to RM 30,000” is coded as 4. ❖ “RM 30,001 to RM 40,000” is coded as 5. ❖ “More than RM 40,001” is coded as 6.
4	Operation period	<ul style="list-style-type: none"> ❖ “Less than one year” is coded as 1. ❖ “1-2 years” is coded as 2. ❖ “2-4 years” is coded as 3. ❖ “4-6 years” is coded as 4. ❖ “More than 6 years” is coded as 5.

The answer in section B are coded as below:

- ❖ “Strongly Disagree” is coded as 1.
- ❖ “Disagree” is coded as 2.
- ❖ “Agree” is coded as 3.
- ❖ “Strongly Agree” is coded as 4.

Refers to appendix 3.3.

3.6.4 Data Transcribing

This process requires the researches to use Statistical Package for Social Science (SPSS) software to continue interpret the coded data to conduct further analysis. Refers to appendix 3.4.

3.7 Data Analysis

Data analysis is to make the findings more visible and easy for comparison (Sahira, 2014). Data analysis can be done in three methods such as descriptive analysis, measurement scale and inferential analysis by using SPSS software.

3.7.1 Descriptive Analysis

Section A and B of questionnaire used this analysis to transform raw data collected into descriptive statistics that provide variation to describe the characteristics of entire population interest. Under section A, descriptive statistics such as frequency, percentage and cumulative percentage are employed to analyze the data using nominal and ordinal scale of measurement. This data is presented with visual summary in table and pie chart form. Data in section B are showed in table form which consists values of mean, standard deviation and variation.

3.7.2 Scale Measurement

This research preferred Cronbach's alpha to measure internal consistency of data. Cronbach's alpha serves as an assessment to determine whether the questions in a set are positively or negatively correlated to each other (Mohsen and Reg, 2011). Coefficient alpha value will reveal the consistency between set of data. Refers to Mohsen and Reg (2011), alpha coefficient value ranging from 0.70 to 0.95 is considered as acceptable reliable. However, a study by Ralf, Michiel, Helen, Perry, Nigel, Nasser, Ayse and Saouma (2014) articulated that values ranging from 0.60 to 0.70 is considered as lower limit of acceptability.

3.7.3 Inferential analysis

Inferential analysis is the uses of statistics to determine the relationship between the sample of measurements and that particular corresponding population (Peter and Miroslav, 2015). Multiple regression analysis is used to conducted this study.

3.7.3.1 Multiple Linear Regression Analysis

Multiple linear regression analysis is a statistical equation that analyze the effect of two or more independent variables with one dependent variable (Zikmund, Carr, Mitch, John, 2013). This analysis provides a better view on which independent variable contributes affect the most on a dependent variable. Therefore, this section is to test relationship between independent variables (awareness, understanding and attitude) and dependent variables (GST and SST). Two equations applied in this study is as below:

$$\text{GST} = \beta_0 + \beta_1(\text{Awareness}) + \beta_2(\text{Understanding}) + \beta_3(\text{Attitude})$$

$$\text{SST} = \beta_0 + \beta_1(\text{Awareness}) + \beta_2(\text{Understanding}) + \beta_3(\text{Attitude})$$

3.8 Conclusion

Chapter 3 listed out types of research design used, two data collection methods, research sampling and instrument, scales of measurement, four steps of data processing and methods to analyse data. SPSS version 23 is preferred to produce statistical analysis for further interpretation of the hypotheses.

CHAPTER 4: DATA ANALYSIS

4.0 Introduction

Chapter 4 contain analysis of data collected through primary data collection. SPSS version 23 is used to interpret results. Descriptive analysis presents the overall respondents' demographic background and central tendency measurement of variables. Reliability test for each variable provided in scale measurement. Lastly, inferential study studies the relationship between each independent variable and dependent variable.

4.1 Descriptive Analysis

4.1.1 Respondent Demographic Profile

This section requires respondents to answer four questions which comprises industry, GST system, monthly turnover and operated period. The results will be presented using tables and pie chart as well as interpreting each result.

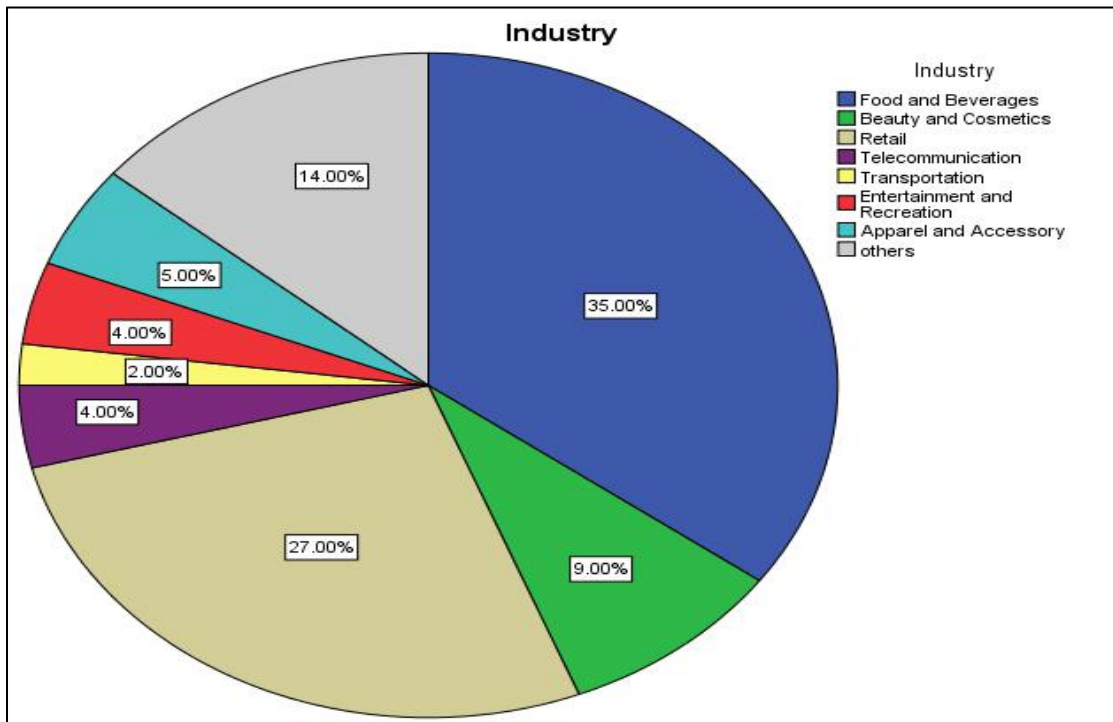
4.1.1.1 Industry

Table 4.1: Industry

	Frequency	Percent	Cumulative Percent
Valid Food and beverages	35	35.0	35.0
Beauty and cosmetics	9	9.0	44.0
Retail	27	27.0	71.0
Telecommunication	4	4.0	75.0
Transportation	2	2.0	77.0
Entertainment and recreation	4	4.0	81.0
Apparel and Accessory	5	5.0	86.0
others	14	14.0	100.0
Total	100	100.0	

Source: Developed from SPSS.

Figure 4.1: Industry



Source: Developed from SPSS.

Table 4.1 and Figure 4.1 present the industry of business communities belong to in this survey questionnaire. Majority are from food and beverages industry with a result of 35 person, retail industry with a result of 27 person and others with a result of 14 person. Most of the respondents of this survey are hawkers and owners of retail stores. Next, followed by 9 person from beauty and cosmetics industry, 5 person from apparel and accessory industry, 4 person from telecommunication and entertainment industry respectively and 1 person from transportation industry.

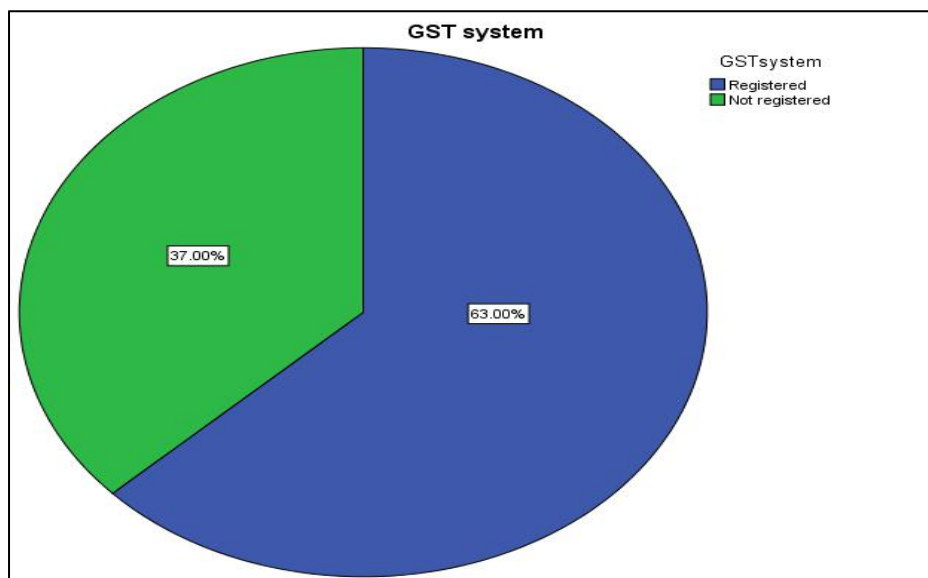
4.1.1.2 GST system

Table 4.2: GST System

	Frequency	Percent	Cumulative Percent
Valid Registered	63	63.0	63.0
Not registered	37	37.0	100.0
Total	100	100.0	

Source: Developed from SPSS.

Figure 4.2: GST System



Source: Developed from SPSS.

Table 4.2 and Figure 4.2 show whether business community registers to GST system during the implementation period of GST. Through this survey questionnaire, 63 person of respondents were registered to GST system while 37 person do not registered. Most of the respondents were registered to GST system even though most of the business community recorded an annual turnover lower than RM500,000.

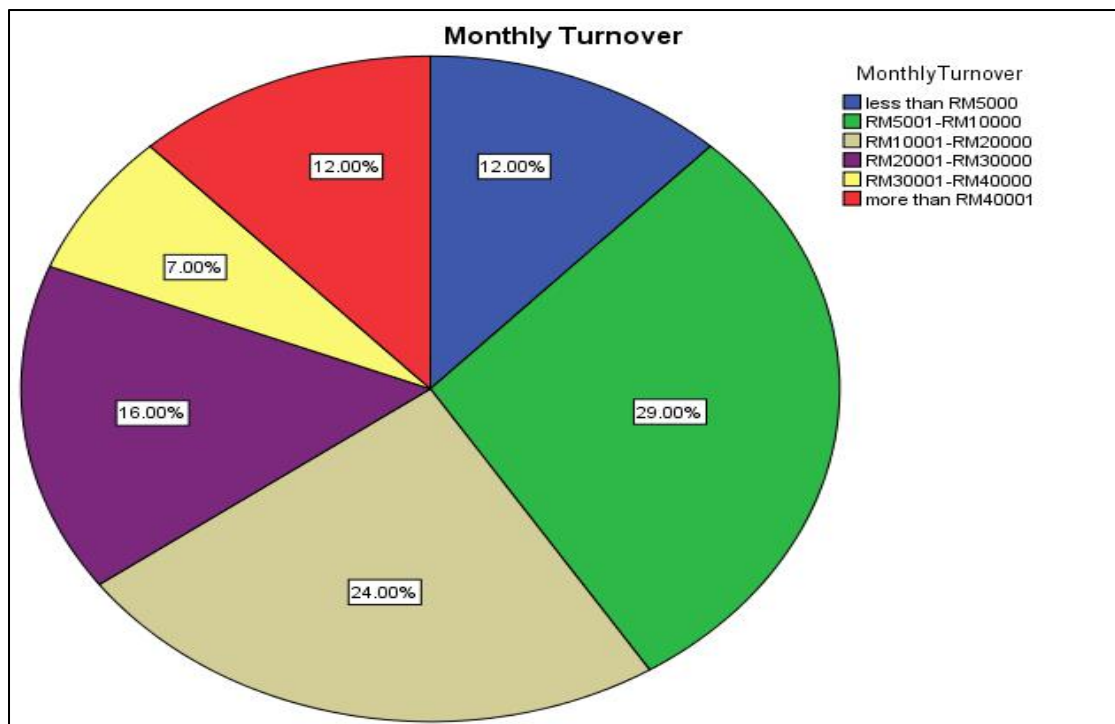
4.1.1.3 Monthly Turnover

Table 4.3: Monthly Turnover

	Frequency	Percent	Cumulative Percent
Valid less than RM5000	12	12.0	12.0
RM5001-RM10000	29	29.0	41.0
RM10001-RM20000	24	24.0	65.0
RM20001-RM30000	16	16.0	81.0
RM30001-RM40000	7	7.0	88.0
more than RM40001	12	12.0	100.0
Total	100	100.0	

Source: Developed from SPSS.

Figure 4.3: Monthly Turnover



Source: Developed from SPSS.

Table 4.3 and Figure 4.3 recorded estimated amount of monthly turnover for each business community. Majority have a monthly turnover ranged from RM5,001 to RM10,000 which stands 29 person. The second highest is ranged from RM10,001 to RM20,000 as much as 24 person, followed by 16 person ranged from RM20,001 to RM30,000, 12 person less than RM5,000 and more than RM40,001 respectively. Lastly, only 7 person with a monthly turnover ranged from RM30,001 to RM40,000.

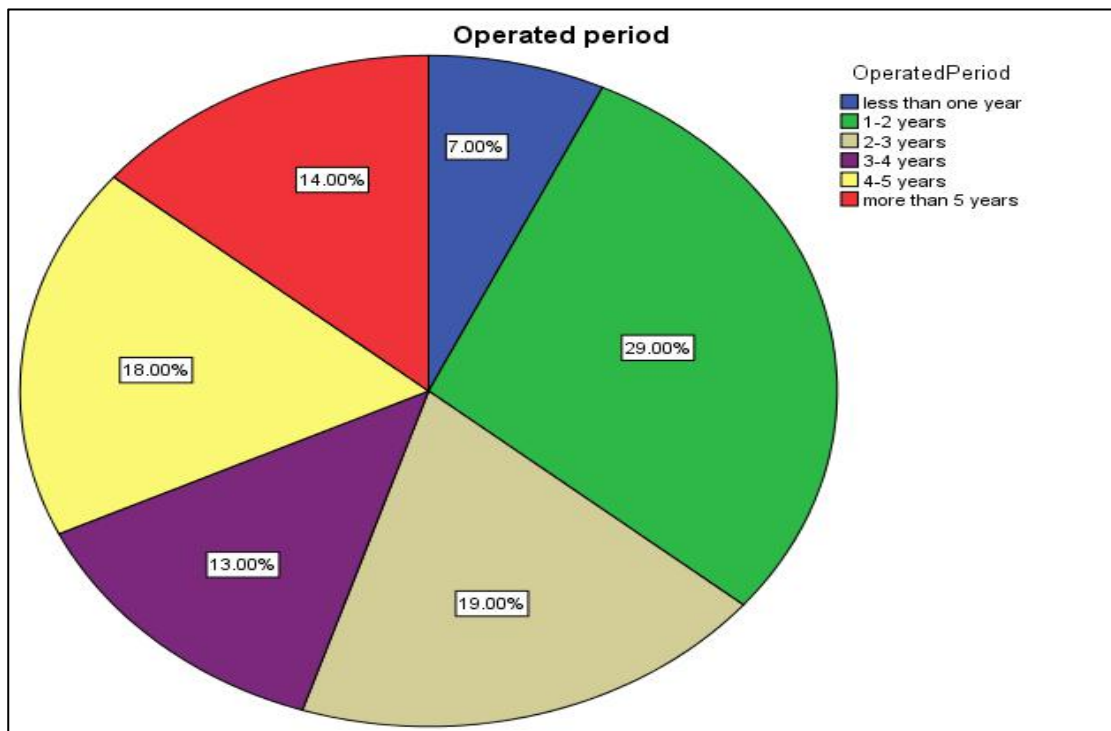
4.1.1.4 Operated Period

Table 4.4: Operated Period

	Frequency	Percent	Cumulative Percent
Valid less than one year	7	7.0	7.0
1-2 years	29	29.0	36.0
2-3 years	19	19.0	55.0
3-4 years	13	13.0	68.0
4-5 years	18	18.0	86.0
more than 5 years	14	14.0	100.0
Total	100	100.0	

Source: Developed from SPSS.

Figure 4.4: Operated Period



Source: Developed from SPSS.

Table 4.4 and Figure 4.4 represent the operated period of premise owned by business community. Most of the respondents operated their respective premise for one to two years as much as 29 person. Next, the second highest respondents operated around two to three years with a result of 19 person, followed by 18 person who operated for four to five years, 14 person who operated more than five years and 13 person operated around three to four years. Lastly, only 7 person operated less than one year.

4.1.2 Central Tendencies Measurement of Constructs

This part provides the mean score for eight constructs that include of awareness, understanding, attitude, acceptance level towards GST and SST respectively. The values of mean, standard deviation and variance for each construct are acquired and measured by tapping on a four-point Likert scale.

Table 4.5: Central Tendencies Measurement of Variables

Variables	N	Mean	Standard Deviation (SD)	Variance
Awareness (GST)	100	2.6775	0.5633	0.317
Understanding (GST)	100	3.1025	0.5664	0.321
Attitude (GST)	100	2.8220	0.5210	0.271
Acceptance level (GST)	100	3.0211	0.4398	0.193
Awareness (SST)	100	2.6629	0.4583	0.210
Understanding (SST)	100	2.6414	0.4488	0.201
Attitude (SST)	100	2.7533	0.5209	0.271
Acceptance level (SST)	100	2.7955	0.3838	0.147

Source: Developed from SPSS.

Refers to Table 4.5, understanding towards GST has the highest value of mean, standard deviation and variance of 3.1025, 5.6640 and 0.3210 respectively. The second highest mean value is 3.0211, represented by acceptance level towards GST with SD of 0.5210. Next, attitude towards GST recorded the third highest mean value of 2.8220 with SD of 0.5210. Acceptance level towards SST ranked the fourth highest mean value of 2.7955 with the least SD value of 0.3838. Besides, attitude towards SST showed the fifth highest mean value of 2.7533 with SD of 0.5209. Moreover, followed by awareness towards GST has a mean value of 2.6775 with SD of 0.5633. While awareness towards SST ranked the sixth highest mean value of 2.6629 with SD of 0.4583. last but not least, understanding towards SST has the lowest mean value of 2.6414 with SD of 0.4488.

4.2 Scale Measurement

4.2.1 Internal Reliability Test

Table 4.6: Summary of Reliability Test

No.	Variable	No. of Items	Cronbach's Alpha	Strength of Association
1	Awareness (GST)	4	0.622	Moderate
2	Understanding (GST)	4	0.679	Moderate
3	Attitude (GST)	5	0.662	Moderate
4	Acceptance level (GST)	10	0.656	Moderate
5	Awareness (SST)	7	0.637	Moderate
6	Understanding (SST)	8	0.657	Moderate
7	Attitude (SST)	4	0.703	Good
8	Acceptance level (SST)	11	0.665	Moderate

Source: Developed from SPSS.

Refers to Mohsen and Reg (2011), alpha coefficient value is between 0 and 1, the lower the value, the weaker the strength of association. Raft et al. (2014) articulated that Cronbach's alpha values ranging from 0.60 to 0.70 is considered as lower limit of acceptability. Lower reliability is acceptable because this research is exploratory in relating to latest tax system trend. This would affect respondents' perception towards the questions. A study by Raft et al (2014) further stated that adding more items under each construct, Cronbach's alpha value tends to increase. Since the questionnaire used contains 66 questions, adding more items can confuse respondents while answering questions.

Initially, the Cronbach's alpha value in pilot study for awareness, understanding, attitude and acceptance level towards GST is 0.400, 0.398, 0.590 and 0.583 respectively. Under the construct of awareness, four items starting from question 1 to 4 are deleted to achieve Cronbach's value of 0.622. For understanding towards GST, item 9, 13, 15 and 16 are eliminated to achieve Cronbach's value of 0.679. Next, item 21 and item 30 are removed under attitude and acceptance towards GST respectively, achieving Cronbach's value of 0.662 and 0.656 respectively.

In terms of SST, the initial Cronbach's value in pilot study for awareness, understanding, attitude and acceptance level towards SST is 0.579, 0.657, 0.554 and 0.643 respectively. Item 4 is eliminated under the construct of awareness to achieve Cronbach's value of 0.637 while item 22 is deleted under the construct of attitude to achieve Cronbach's value of 0.703.

4.3 Inferential Analysis

4.3.1 Multiple linear regression

Table 4.7: Model Summary of GST

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.528 ^a	.279	.256	3.620276991

a. Predictors: (Constant), AWN, UDS, ATT

Source: Developed from SPSS.

The r-value of 0.528 in table 4.7 has shown the existing positive relationship between each independent variable (awareness, understanding and attitude toward GST) and dependent variable (level of acceptance towards GST). The adjusted R squared of 0.256 showed that 25.6 % of the total variability in level of acceptance towards GST is explained by awareness, understanding and attitude toward GST while the remaining 74.4% variation in level of acceptance towards GST is explained by unknown predictors.

Table 4.8: ANOVA of GST

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	486.025	3	162.008	12.361	.000 ^b
	Residual	1258.215	96	13.106		
	Total	1744.240	99			

a. Dependent Variable: ACC

b. Predictors: (Constant), AWN, UDS, ATT

Source: Developed from SPSS.

The F-value of 12.361 shown in table 4.8 is significant at $p=0.000$, where p is less than 0.01. Thus, the fitness of the model is confirmed. In conclusion, all independent variable (awareness, understanding, and attitude) in this study perform well in forecasting the acceptance level of GST.

Table 4.9: Coefficients of GST

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	16.653	2.777		5.996	.000
AWN	-.063	.180	-.034	-.348	.729
UDS	.817	.183	.441	4.457	.000
ATT	.258	.172	.160	1.498	.137

a. Dependent Variable: DVGST

Source: Developed from SPSS.

Refers to table 4.9, the linear equation for this study is formed as below:

$$Y = 16.653 - 0.063AWN + 0.817UDS + 0.258ATT$$

Where,

AWN = Awareness towards GST

UDS = Understanding towards GST

ATT = Attitude towards GST

Table 4.9 explained that there is a direct positive relationship between understanding and acceptance level of GST where the p-value is less than 0.01. The independent variable of awareness has insignificant negative impact on acceptance level where p-value is 0.729 which is greater than 0.01. Attitude has insignificant positive influences on level of acceptance where the variables has the p-value of 0.137 which are greater than 0.01.

Based on the equation formed, it can be interpreted as 1 unit increases in awareness will decrease 0.063 unit of level of acceptance of GST when other predictors remain unchanged. Under the condition that other predictors remain unchanged, the acceptance level towards GST will increase 0.817 unit if there is 1 unit increasing in understanding. If there is 1 unit of attitude increase, it will contribute extra 0.258 unit in acceptance level in GST with the condition that other predictors remain the same.

Understanding gives the highest impact on the level of acceptance towards GST as this variable possessed the highest standardized coefficient beta value of 0.441.

Table 4.10: Model Summary of SST

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.534 ^a	.285	.263	3.625569968

a. Predictors: (Constant), AWN, UDS, ATT

Source: Developed from SPSS.

Table 4.10 showed the r-value of 0.534 revealing that there is a positive relationship between each independent variable and dependent variable. The adjusted R squared of 0.285 showed that 28.5% of the total variability in level of acceptance towards SST is explained by awareness, understanding and attitude toward SST while the remaining 71.5% variation in level of acceptance towards SST is explained by unforeseen predictors.

Table 4.11: ANOVA of SST

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	502.853	3	167.618	12.752	.000 ^b
	Residual	1261.897	96	13.145		
	Total	1764.750	99			

a. Dependent Variable: ACC

b. Predictors: (Constant), AWN, UDS, ATT

Source: Developed for the research

Refers to table 4.11, the F-value of 12.752 is significant at $p=0.000$, where p is less than 0.01. Thus, the fitness of the model is confirmed. In conclusion, all independent variable (awareness, understanding, and attitude) in this study perform well in forecasting the acceptance level of SST.

Table 4.12: Coefficients of SST

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	15.394	2.612		5.894	.000
AWN	.171	.152	.130	1.128	.262
UDS	.204	.135	.171	1.513	.134
ATT	.544	.141	.363	3.843	.000

a. Dependent Variable: ACC

Source: Developed for the research

Refer to table 4.12, the linear equation for this study is formed as below:

$$Y = 15.359 + 0.171AWN + 0.204UDS + 0.544ATT$$

Where,

AWN = Awareness towards SST

UDS = Understanding towards SST

ATT = Attitude towards SST

As shown in the table 4.12, the p-value of attitude is less than 0.01. It has shown that attitude has a direct positive relationship towards the acceptance level of SST. The p-value of variables of awareness is 0.262 and understanding is 0.134 which are greater than 0.01. This has shown that both variables have insignificant positive influences on the acceptance level towards SST.

Refer to the equation formed, it has shown that if there is 1 unit increasing in awareness, it will lead to increase in 0.171 unit of level of acceptance of SST with the condition that other predictors remain unchanged. Furthermore, 1 unit increasing in understanding will contribute extra 0.204 unit in level of acceptance in SST with the condition that other predictors remain unchanged. Moreover, 1 unit increasing in attitude will lead to increase in 0.544 unit of acceptance level towards SST with the condition that other predictors remain unchanged.

Attitude gives the highest impact on the level of acceptance towards SST as this variable possessed the highest standardized coefficient beta value of 0.363.

4.3.2 Hypothesis Testing

This research is aimed to study the factors that influence the level of acceptance towards GST and SST in Malaysia. The conceptual frameworks have shown in Figure 2.2 and Figure 2.3 in order to accomplish the aim of this study. There are total 6 hypotheses developed as stated below to examine this study:

H1: Awareness has positive significant relationship with level of acceptance towards GST.

H2: Understanding has positive significant relationship with level of acceptance towards GST.

H3: Attitude has positive significant relationship with level of acceptance towards GST.

H4: Awareness has positive significant relationship with level of acceptance towards SST.

H5: Understanding has positive significant relationship with level of acceptance towards SST.

H6: Attitude has positive significant relationship with level of acceptance towards SST.

The outcome resulted from MLR analysis is adopted to test whether the proposed hypotheses are being supported or not. In short, there are 2 out of 6 hypotheses being supported whereas the remaining 4 hypotheses are insignificant in this study. The hypothesized relationships are tabulated as below.

Table 4.13: Summary of hypothesized relationships

Hypotheses	Outcome	Determination
H1: Awareness towards GST has positive significant relationship with level of acceptance towards GST.	Multiple linear regression result: Significant value: 0.729, $p \leq 0.01$	Not supported
H2: Understanding towards GST has positive significant relationship with level of acceptance towards GST.	Multiple linear regression result: Significant value: 0.000, $p \leq 0.01$	Supported
H3: Attitude towards GST has positive significant relationship with level of acceptance towards GST.	Multiple linear regression result: Significant value: 0.137, $p \leq 0.01$	Not supported
H4: Awareness towards SST has positive significant relationship with level of acceptance towards SST.	Multiple linear regression result: Significant value: 0.262, $p \leq 0.01$	Not supported
H5: Understanding towards SST has positive significant relationship with level of acceptance towards SST.	Multiple linear regression result: Significant value: 0.134, $p \leq 0.01$	Not supported
H6: Attitude towards SST has positive significant relationship with level of acceptance towards SST.	Multiple linear regression result: Significant value: 0.000, $p \leq 0.01$	Supported

Source: Developed for the research

4.4 Conclusion

All the data have been gathered and analysed by using the SPSS version 23.0. The data are collected from 100 respondents and discussed in descriptive analysis and inferential analysis. All results and findings in this chapter will be further discussed in next chapter.

CHAPTER 5: DISCUSSION, CONCLUSION, AND IMPLICATIONS

5.0 Introduction

In this chapter, there is the summary of statistical analysis from the previous chapter. The implications of this study will be discussed. Limitation will be delivered in order to improve future researches. The recommendation and conclusion will be addressed.

5.1 Summary of Statistical Analysis

Most of the respondents are from retail as well as food and beverages industry. More than half of the respondents of this study were registered to GST system. 53% of respondents recorded a monthly turnover between the range of RM5001 to RM20000. 93 out of 100 person of respondents have operated their business more than one year.

In terms of central tendencies of measurement, understanding towards GST has the highest value of mean and standard deviation, recorded 3.1025 and 0.5664 respectively. On the other hand, understanding towards SST recorded lowest mean value of 2.6414 while acceptance level towards GST showed lowest standard deviation value of 3.0211.

Under the section of scale measurement, the variables of understanding and acceptance level towards SST has no questions being deleted and achieved Cronbach's alpha value of 0.657 and 0.665 respectively. However, the construct of attitude towards SST obtained the highest Cronbach's alpha value of 0.703 and a good strength of association after eliminated two questions.

According to the MLR analysis, the results show that understanding has the greatest effect on the level of acceptance towards GST, followed by the attitude and awareness towards GST. Attitude towards SST has the greatest effect on the level of acceptance towards SST, followed by the understanding and awareness towards SST.

5.2 Discussion on Major Findings

5.2.1 Awareness towards GST

Research Objective To determine the relationship between awareness towards GST and the acceptance level towards GST.

Hypothesis, H1 Awareness towards GST has positive significant relationship with level of acceptance towards GST.

The analyzed result from chapter 4 has shown that awareness towards GST has negative and insignificant relationship with level of acceptance towards GST. This outcome is inconsistent with the previous research done by Asmuni et al (2017) that indicate that awareness of GST were found to be significant to determine the acceptance level towards GST.

Siti Nudela's study (as cited in Hasan et al, 2017) has mentioned that awareness has no impact on the willingness on paying taxes while a good perception on the tax system effectiveness have a significant impact on the willingness to pay taxes. Ahmad, Ismail, and Halim (2016) found that majority of respondent from Kuala Kangsar have moderate level of awareness towards GST and they possessed negative perception to the impact of GST implementation. Business communities may tend to have low acceptance due to they aware of the perceived drawbacks of GST. The lower revenue businesses felt that GST system is burdensome and therefore lead to low acceptance level. Furthermore, the enterprise also have low level of readiness as they perceived GST implementation would lead to high compliance cost. (Hambali and Kamaluddin, 2017). In short, perceived drawbacks of GST may lead to negative and insignificant relationship between awareness and acceptance level of GST.

5.2.2 Understanding towards GST

Research Objective To determine the relationship between understanding towards GST and the acceptance level towards GST.

Hypothesis, H2 Understanding towards GST has positive significant relationship with level of acceptance towards GST.

From the result in Chapter 4, it has proved that understanding towards GST has positive significant relationship with the acceptance level of GST. Hasan et al (2017) has stated that understanding taxation significantly effect on tax compliance. Hambali and Kamaluddion (2017) found that GST literacy level on GST implementation is positively affect the acceptance level. In short, understanding of GST system influences the acceptance level towards GST.

According to Evans and Durrant (1995), there is a positive relationship between the understanding of science and support level of science. This can indicate that understanding on GST would affect the acceptance level towards GST. Aziz et al (2017) also stated that an understanding contributes to the prediction of satisfaction in GST among the business community. A study from Hasan et al (2017) also revealed that the higher the understanding of taxpayer on the tax system, the taxpayer will be more likely to follow rules and thus increasing the level of taxpayer compliance.

5.2.3 Attitude towards GST

Research Objective To determine the relationship between attitude towards GST and the acceptance level towards GST.

Hypothesis, H3 Attitude towards GST has positive significant relationship with level of acceptance towards GST.

The outcome from chapter 4 showed that attitude towards GST has positive but insignificant relationship with level of acceptance towards GST. A research by Bidin and Shamsudin (2013) mentioned that there is a positive relationship between attitude on GST and behavioral intention of GST compliance. This research has shown that a positive relationship between attitude and level of acceptance towards GST does exist.

Rahayu et al (2017) stated that willingness to pay taxes is affected by taxpayers' awareness in which also influenced by attitude of themselves. Allingham and Sandmo's study (as cited in Engida and Baisa, 2014) founded that penalties has impact on tax compliance. The higher the penalty awareness, the greater the encouragement for potential tax compliance. The increase in penalty rates and magnitude is potential in decreasing the tax evasion and increase the tax compliance level through its deterrent effect. (Benk et al, 2011). In short, tax penalty may induce the tax compliance even if taxpayer possessed negative attitude towards the GST system. This can show that attitude towards tax is insignificant to affect the level of acceptance towards GST.

5.2.4 Awareness towards SST

Research Objective To determine the relationship between awareness towards SST and the acceptance level towards SST.

Hypothesis, H4 Awareness towards SST has positive significant relationship with level of acceptance towards SST.

The result from chapter 4 has suggested that awareness towards SST has positive but insignificant relationship with level of acceptance towards SST. Awareness taxpayer positive effect on tax compliance which means the person has high awareness, clear of the function and tax benefits, the person is voluntarily pay taxes and thus increase in taxpayer compliance. (Hasan et al, 2017). Cullis and Jones's study (as cited in Shamsuddin et al, 2014) stated that increase awareness is able to gain public acceptance.

The business owners follow the taxation rules only when they obtain a business permit or deal with banks, not because of their awareness. (Sudiartana and Mendra, 2018). This can show that awareness is not significant to affect the tax compliance as well as the acceptance level towards SST. Taxpayers' compliance behaviour is not solely affected by awareness and hence this caused the awareness becomes insignificant in this study. Jimenez and Iyer (2016) found that social norm, trust in government, and perceived fairness have significant influence on tax compliance.

5.2.5 Understanding towards SST

Research Objective To determine the relationship between understanding towards SST and the acceptance level towards SST.

Hypothesis, H5 Understanding towards SST has positive significant relationship with level of acceptance towards SST.

The result from table 4.12 revealed that understanding of SST and acceptance level towards SST have a positive but insignificant relationship. This result is incongruent with the previous researches from Hasan et al (2017) and Nurkhin et al (2018) that suggest understanding taxation has positive and significant impact on taxpayer compliance. Another study conducted by Siti Nudela (as cited in Hasan et al, 2017) stated that understanding has no effect on the willingness on paying tax.

According to Fadzilan, Mustafa and Putri (2017), taxpayer compliance can be affected by internal factor such as tax understanding and also by external factors such as the quality of tax services and tax sanctions. Thus, this might be the reason caused insignificant relationship between understanding and acceptance level towards SST. The inconsistency of result may also be caused by the low educational level of business owner as some of the respondents of this research are just the hawker or small business owner. This may result in the low understanding on the questionnaire or tax knowledge and thus they might provide the less accurate answer and cause insignificant relationship.

5.2.6 Attitude towards SST

Research Objective To determine the relationship between attitude towards SST and the acceptance level towards SST.

Hypothesis, H6 Attitude towards SST has positive significant relationship with level of acceptance towards SST.

The result in chapter 4 has shown that there is a positive and significant relationship between attitude on SST and level of acceptance towards SST. Attitude adopted by the society shape the tax compliance intention. (Benk et al, 2011). The intention to obey or disobey the rules is encouraged by the attitude towards tax compliance. Attitudes of taxpayer towards tax compliance have positively affect the intention to comply with tax system. (Sadiartana and Mendra, 2018).

There will be a positive effect on overall tax compliance as the higher trust in the country might improve the positive attitudes and taxpayers' commitment toward paying taxes. (Alm, Martinez, and Torgler, 2006). Attitude is among the important determinant that affects the tax evasion and tax compliance behaviour. (Ling et al, 2016). There is a significant relationship between attitude and tax compliance behaviour (Bidin et al, 2016). Thus, it can be concluded that attitude is positively and significantly influencing the acceptance level towards SST.

5.3 Implication of the Study

5.3.1 Managerial implication

The tax authorities might improve communication channel so that the business communities can access more information about GST and SST. This also can assist the tax authorities in making improvement on GST and SST system after obtaining the feedback from the business communities. Tax agents can carry out their duty more comprehensively after gaining feedback from the business communities. The tax agent companies may provide more services to help the business communities to solve the problem facing and thus gaining more income.

The authorities should focus on the adequate method and activities to improve the awareness among the business communities. This can prevent misunderstanding on the tax system as the public may perceive the tax system possessed drawbacks to their businesses and thus result in low acceptance level. This also remind the business communities to be aware on the news and information about GST and SST in order to reduce the problems when doing business.

Attitude towards GST and understanding towards SST are insignificant but also have positive relationship with acceptance level. This indicate that the tax authorities have to educate the business communities to possess the positive attitude and correct understanding towards GST and SST in order to improve the level of acceptance towards these taxes.

5.4 Limitations

The limitation in this research project will be the restriction of findings and results within the context of Cheras. The finding or result from this research are only applicable to the government to obtain the response from the business communities within Cheras area. Furthermore, by referring to this research, the success of implementing the GST and SST system in other nation is low as the findings are only justifiable within Cheras area.

Next, the limitation is the time and cost constraint. The convenient sampling which is one of the non-probability sampling method is used in this research study. It is a cost-effective method to ensure that the data and information can be collected within a short period of time. However, the results collected through non-probability sampling method may not be as fit as probability sampling methods. Besides, face-to-face survey questionnaire requires more time to collect data compared to online survey questionnaire. This constraint has limited researches to distribute more set of questionnaire to respondents.

Next, the respondents' demographic profile is less diversified. For example, a majority of respondents are from the industry of food and beverages followed by the respondent from retail industry. It is hardly to obtain an equal amount of responses from every sub-group of industry. Thus, the result of this research project might contain lesser opinion from other industry group as the sample distribution is not standard.

5.5 Recommendations

Future researches are suggested to conduct related research in other countries regions rather than only Malaysia. Some aspects may differ between two countries in terms of awareness and understanding towards the tax system implemented. For example, people in a country might have better awareness and understanding due to the education level offered by government. In order to solve this problem, researches are recommended to carry out a research that involves two different countries from same region. The results will be more applicable for government of a country on how to improve perception of business communities towards the tax system.

Researches should target respondents who have common knowledge about tax system by using non-random sampling to improve the reliability of data collected within limited time. For example, researches can target respondents with same characteristic such as registered GST system. Due to time constraint, researches are suggested not to choose face-to-face to collect primary data. Online survey questionnaire are encouraged because more set of questionnaire can be distributed.

Researches can divide sample size equally according to the industries provided to diversify respondents' demographic profile. For example, 100 respondents are divided equally into four industries such as apparel and accessory, food and beverages, telecommunication and retail. Hence, feedback of respondents from all industries are well received and data collected are more appropriate.

5.6 Conclusion

There is only the independent variable of understanding towards GST has positive and significant relationship with the dependent variable (acceptance level towards GST). Awareness is found to have negatively insignificant relationship while attitude found to be positive but insignificant to the acceptance level towards GST.

The independent variable of attitude towards SST is positively and significantly affecting the acceptance level of SST while awareness and understanding found to be positive but insignificant to the level of acceptance towards SST.

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Appendices

Appendix 3.1

Table A. Services Producer Price Index (2010=100) First Quarter of 2017

Subsector	Index			% change	
	Q1 2016	Q4 2016	Q1 2017	Q1 2017/ Q4 2016	Q1 2017/ Q1 2016
SPPI (2010=100)					
TOTAL	106.8	106.8	107.4	0.6	0.6
Transportation	104.8	103.1	102.8	-0.3	-1.9
Accommodation & Food and Beverage Service Activities	120.1	122.3	124.1	1.5	3.3
Information and Communication	100.6	100.6	100.6	0.0	0.0
Real Estate Activities	119.3	121.1	121.2	0.1	1.6
Professional	102.0	102.7	102.8	0.1	0.8
Education	108.8	110.1	111.7	1.5	2.7
Health	102.0	102.9	104.6	1.7	2.5
Arts, Entertainment & Recreation	101.8	99.0	98.9	-0.1	-2.8



UNIVERSITI TUNKU ABDUL RAHMAN
FACULTY OF ACCOUNTANCY AND MANAGEMENT
BACHELOR OF INTERNATIONAL BUSINESS (HONS)

Dear respondents,

We are undergraduate students of UTAR and currently pursuing a bachelor's degree in International Business (HONS). We would like to conduct a research study upon the subject of Research Project (UKMZ3016) concerning to the "Acceptance towards Goods and Services Tax (GST) and Sales and Services Tax (SST) among local business communities in Cheras area : A comparison study". The purpose of this study is to examine the factors influencing acceptance level towards GST and SST among business communities in Cheras.

This questionnaire comprises of TWO (2) sections which are Section A and Section B. It may take approximately 10 minutes to complete it. We appreciate if you can complete every part of the questionnaire as your responses are extremely important for us.

Please take note that all information or data collected will be kept strictly PRIVATE & CONFIDENTIAL as this questionnaire is for academic purpose only. We appreciate your precious time and efforts in completing this questionnaire.

Thank you for your participation and cooperation.

Group members:

Name	Student ID
Khoo Khim Hoong	16UKB06721
Yong Chin Yee	15UKB02390

Section A: Demographic profile.

Ticks **one** answer only.

1. Industry:

- | | | | |
|----------------------|--------------------------|-------------------------------|--------------------------|
| Food and beverages | <input type="checkbox"/> | Transportation | <input type="checkbox"/> |
| Beauty and Cosmetics | <input type="checkbox"/> | Entertainments and recreation | <input type="checkbox"/> |
| Retail | <input type="checkbox"/> | Apparel & Accessory | <input type="checkbox"/> |
| Telecommunication | <input type="checkbox"/> | Others | <input type="checkbox"/> |

2. GST system:

- | | | | |
|------------|--------------------------|----------------|--------------------------|
| Registered | <input type="checkbox"/> | Not registered | <input type="checkbox"/> |
|------------|--------------------------|----------------|--------------------------|

3. Monthly turnover:

- | | | | |
|------------------------|--------------------------|------------------------|--------------------------|
| Less than RM 5,000 | <input type="checkbox"/> | RM 20,001 to RM 30,000 | <input type="checkbox"/> |
| RM 5,001 to RM 10,000 | <input type="checkbox"/> | RM 30,001 to RM 40,000 | <input type="checkbox"/> |
| RM 10,001 to RM 20,000 | <input type="checkbox"/> | More than RM 40,001 | <input type="checkbox"/> |

4. Operated period:

- | | | | |
|--------------------|--------------------------|----------------------|--------------------------|
| Less than one year | <input type="checkbox"/> | 3-4 years | <input type="checkbox"/> |
| 1-2 years | <input type="checkbox"/> | 4-5 years | <input type="checkbox"/> |
| 2-3 years | <input type="checkbox"/> | More than five years | <input type="checkbox"/> |

Section B: Hypothesis testing.

Ticks **one** answer only. (Note: 1 is “strongly disagree”, 2 is “disagree”, 3 is “agree” and 4 is “strongly agree”.)

1. Testing awareness of GST and SST in Malaysia.

	GST	SST
a) This tax would affect my business.	-- ----- -- ----- -- ----- -- -----	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/>
b) This tax has standard rate, zero rate and exemption.	-- ----- -- ----- -- ----- -- -----	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/>
c) Tax agent’s services are needed when this tax is implemented.	-- ----- -- ----- -- ----- -- -----	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/>
d) Government needs public opinion on this tax.	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/>	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/>
e) Training is needed for their employees regarding this tax.	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/>	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/>
f) No time frame given when this tax would be implemented.	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/>	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/>
g) This tax was supposed to be implemented in 2011.	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/>	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/>

2. Testing understanding towards GST and SST in Malaysia.

	GST	SST
a) Which tax is replaced the previous tax?	-- ----- -- ----- -- ----- -- -----	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/>
b) This tax is a consumption tax.	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/>	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/>
c) This tax is is a transaction based taxation.	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/>	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/>
d) The collection and payment of this tax is on self-assessment basis.	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/>	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/>
e) Government needs public opinion on this tax.	-- ----- -- ----- -- ----- -- -----	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/>
f) This tax is a stage by stage taxation.	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/>	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/>
g) No time frame given when this tax would be implemented.	-- ----- -- ----- -- ----- -- -----	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/>

h) This tax was supposed to be implemented in 2011.

GST				SST			
--	-----	--	-----	--	-----	--	-----
1	<input type="checkbox"/>	2	<input type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>

3. Testing attitude towards GST and SST in Malaysia.

- a) Government must educate the business community on this tax.
- b) I would acquire more information if encountered problem about this tax.
- c) I would pay this tax if getting back the input tax credit from tax authority.
- d) I will comply with this tax requirement.
- e) I prefer this tax.
- f) I am happy to pay this tax.

GST				SST			
1	<input type="checkbox"/>	2	<input type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>
1	<input type="checkbox"/>	2	<input type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>
1	<input type="checkbox"/>	2	<input type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>
1	<input type="checkbox"/>	2	<input type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>
--	-----	--	-----	--	-----	--	-----
1	<input type="checkbox"/>	2	<input type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>
--	-----	--	-----	--	-----	--	-----

4. Testing acceptance level towards GST and SST in Malaysia.

- a) This will result in higher price for goods and services.
- b) This tax has a better tax rate structured.
- c) This tax will increase revenue for the country.
- d) This tax protects the interests of low income earners.
- e) I prefer increasing income tax rate rather than implementation of this tax.
- f) This tax rate is too high.
- g) This tax will burden the people.
- h) This tax system is easy to understand.

GST				SST			
1	<input type="checkbox"/>	2	<input type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>
1	<input type="checkbox"/>	2	<input type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>
1	<input type="checkbox"/>	2	<input type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>
1	<input type="checkbox"/>	2	<input type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>
1	<input type="checkbox"/>	2	<input type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>
1	<input type="checkbox"/>	2	<input type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>
1	<input type="checkbox"/>	2	<input type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>
1	<input type="checkbox"/>	2	<input type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>
--	-----	--	-----	--	-----	--	-----
1	<input type="checkbox"/>	2	<input type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>

- i) This tax will increase the cost of doing business.
- j) This tax's implementation encourages people to cheat.
- k) This tax will benefit government more than the taxpayers.

GST

1 2 3 4

1 2 3 4

1 2 3 4

SST

1 2 3 4

1 2 3 4

1 2 3 4

Appendix 3.3

The screenshot shows the IBM SPSS Statistics Data Editor interface. The main window displays a list of variables in Variable View. A dialog box titled 'Value Labels' is open, showing the configuration for the variable 'Industry'. The dialog box contains a list of value labels and their corresponding labels, with buttons for 'Add', 'Change', and 'Remove'. The 'Spelling...' button is also visible.

Name	Type	Width	Decimals	Label	Values	Missing	Columns	Align	Measure	Role
1	Industry	Numeric	8	0	{1, Food an...	None	8	Right	Nominal	Input
2	GSTsystem	Numeric	8	0	{1, Register...	None	8	Right	Nominal	Input
3	MonthlyTurn...	Numeric	8	0	{1, less tha...	None	8	Right	Nominal	Input
4	OperatedPe...	Numeric	8	2	{1.00, less t...	None	8	Right	Nominal	Input
5	AWNGST1	Numeric	8	2						
6	AWNGST2	Numeric	8	2						
7	AWNGST3	Numeric	8	2						
8	AWNGST4	Numeric	8	2						
9	AWNGST5	Numeric	8	2						
10	AWNGST6	Numeric	8	2						
11	AWNGST7	Numeric	8	2						
12	AWNGST8	Numeric	8	2						
13	AWNSST1	Numeric	8	2						
14	AWNSST2	Numeric	8	2						
15	AWNSST3	Numeric	8	2						
16	AWNSST4	Numeric	8	2						
17	AWNSST5	Numeric	8	2						
18	AWNSST6	Numeric	8	2						
19	AWNSST7	Numeric	8	2						
20	AWNSST8	Numeric	8	2						
21	UDSGST1	Numeric	8	2						
22	UDSGST2	Numeric	8	2						
23	UDSGST3	Numeric	8	2						
24	UDSGST4	Numeric	8	2	{1.00, SD}...	None	8	Right	Nominal	Input
25	UDSGST5	Numeric	8	2	{1.00, SD}...	None	8	Right	Nominal	Input
26	UDSGST6	Numeric	8	2	{1.00, SD}...	None	8	Right	Nominal	Input
27	UDSGST7	Numeric	8	2	{1.00, SD}...	None	8	Right	Nominal	Input
28	UDSGST8	Numeric	8	2	{1.00, SD}...	None	8	Right	Nominal	Input
29	UDSSST1	Numeric	8	2	{1.00, SD}...	None	8	Right	Nominal	Input

The 'Value Labels' dialog box shows the following list:

- 1 = "Food and Beverages"
- 2 = "Beauty and Cosmetics"
- 3 = "Retail"
- 4 = "Telecommunication"
- 5 = "Transportation"
- 6 = "Entertainment and Recreation"
- 7 = "Apparel and Accessory"
- 8 = "others"

The dialog box also includes buttons for 'Add', 'Change', 'Remove', 'OK', 'Cancel', 'Help', and 'Spelling...'.

Appendix 4.1: SPSS Output

SPSS Output: Respondent Demographic Profile

Industry

	Frequency	Percent	Cumulative Percent
Valid Food and beverages	35	35.0	35.0
Beauty and cosmetics	9	9.0	44.0
Retail	27	27.0	71.0
Telecommunication	4	4.0	75.0
Transportation	2	2.0	77.0
Entertainment and recreation	4	4.0	81.0
Apparel and Accessory	5	5.0	86.0
others	14	14.0	100.0
Total	100	100.0	

GST System

	Frequency	Percent	Cumulative Percent
Valid Registered	63	63.0	63.0
Not registered	37	37.0	100.0
Total	100	100.0	

Acceptance Towards Goods and Services Tax (GST) and Sales and Services Tax (SST) Among Local Business Communities In Cheras Area: A Comparison Study

Monthly Turnover

	Frequency	Percent	Cumulative Percent
Valid less than RM5000	12	12.0	12.0
RM5001-RM10000	29	29.0	41.0
RM10001-RM20000	24	24.0	65.0
RM20001-RM30000	16	16.0	81.0
RM30001-RM40000	7	7.0	88.0
more than RM40001	12	12.0	100.0
Total	100	100.0	

Operated Period

	Frequency	Percent	Cumulative Percent
Valid less than one year	7	7.0	7.0
1-2 years	29	29.0	36.0
2-3 years	19	19.0	55.0
3-4 years	13	13.0	68.0
4-5 years	18	18.0	86.0
more than 5 years	14	14.0	100.0
Total	100	100.0	

Appendix 4.2: SPSS Output

SPSS Output: Central Tendencies Measurement of Variables

Central Tendencies Measurement of Variables

Variables	N	Mean	Standard Deviation (SD)	Variance
Awareness (GST)	100	2.6775	0.5633	0.317
Understanding (GST)	100	3.1025	0.5664	0.321
Attitude (GST)	100	2.8220	0.5210	0.271
Acceptance level (GST)	100	3.0211	0.4398	0.193
Awareness (SST)	100	2.6629	0.4583	0.210
Understanding (SST)	100	2.6414	0.4488	0.201
Attitude (SST)	100	2.7533	0.5209	0.271
Acceptance level (SST)	100	2.7955	0.3838	0.147

Appendix 4.3: SPSS Output

SPSS Output: Summary of Reliability Test

Summary of Reliability Test

No.	Variable	No. of Items	Cronbach's Alpha	Strength of Association
1	Awareness (GST)	4	0.622	Moderate
2	Understanding (GST)	4	0.679	Moderate
3	Attitude (GST)	5	0.662	Moderate
4	Acceptance level (GST)	10	0.656	Moderate
5	Awareness (SST)	7	0.637	Moderate
6	Understanding (SST)	8	0.657	Moderate
7	Attitude (SST)	4	0.703	Good
8	Acceptance level (SST)	11	0.665	Moderate

Appendix 4.4: SPSS Output

SPSS Output: Multiple Linear Regression for GST

Model Summary of GST

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.528 ^a	.279	.256	3.620276991

ANOVA of GST

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	486.025	3	162.008	12.361	.000 ^b
	Residual	1258.215	96	13.106		
	Total	1744.240	99			

Coefficients of GST

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	16.653	2.777		5.996	.000
	AWN	-.063	.180	-.034	-.348	.729
	UDS	.817	.183	.441	4.457	.000
	ATT	.258	.172	.160	1.498	.137

Acceptance Towards Goods and Services Tax (GST) and Sales and Services Tax (SST) Among Local Business Communities In Cheras Area: A Comparison Study

SPSS Output: Multiple Linear Regression for SST

Model Summary of SST

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.534 ^a	.285	.263	3.625569968

ANOVA of SST

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	502.853	3	167.618	12.752	.000 ^b
	Residual	1261.897	96	13.145		
	Total	1764.750	99			

Coefficients of SST

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	15.394	2.612		5.894	.000
	AWN	.171	.152	.130	1.128	.262
	UDS	.204	.135	.171	1.513	.134
	ATT	.544	.141	.363	3.843	.000