

Incidence of Indirect Taxation in India 1973-74

This book attempts to measure the incidence of indirect taxes levied by the Centre and the States in India for the year 1973-74. As these taxes account for about 80 per cent of the taxes levied by the Centre and States, their incidence is of crucial importance and is a subject matter of wide-spread interest.

While this study employs the same basic approach as the earlier studies by the Taxation Enquiry Commission (1953-54) and the Ministry of Finance, it incorporates several methodological improvements. The treatment of indirect taxes falling on general government consumption, for example, represents an important innovation. Similarly, the allocation of taxes falling on inputs has been done on a far more scientific basis than in the earlier studies. The availability of more disaggregated consumption as well as tax data and the use of input-output information have enabled a much more accurate allocation of tax burden than was attempted or possible earlier. And for the first time, the detailed methodology has been presented for information and evaluation. In terms of conceptual refinement and methodological rigour, the present study can be said to make a great advance over earlier studies.

The book will be of interest not only to policy makers and professional research workers in applied economics, but also to teachers and students of economics at the post-graduate level in all developing countries.