

Tax Management in Modern Society

Dr. Bheem Sen Yadav

Associate Professor, Department of Accounts and Law, A.K. (PG) College, Shikohabad, Firozabad, Uttar Pradesh

ABSTRACT

Tax management is said to be the method that is used for planning of the process that could be used for proper management of tax that will further help in avoiding the total involvement of payments that is due to the management of interest and paying of penalty. This research will help in providing the uses of tax management so that it serves the function of reduction of the overall management of taxes. Further, this research will help in discussing the functions that the management of tax provides and the process that is involved in the conduction of the different processes of tax management.

Keywords: *Tax management, tax mechanism, Information economy, Tax administration.*

INTRODUCTION

The term tax management stands for the planning of any kind of affair in such a manner that the obligation of tax could be managed properly. The major objective of tax management is to comply with the management of income tax provisions and the different laws and suits that are aligned to the laws of tax management. Further, the practice of tax management helps in accessing any kind of interest payment or any kind of penalty, or any kind of prosecution. This research will focus on discussing how tax management helps in management and accounts in an organization and how it is useful. This research will further focus on reviewing existing literature for getting a proper understanding of Tax management and how it is conducted.

REVIEW OF LITERATURE

According to Vandina *et al.* 2018, the research focuses on the different applications that tax management provides to an organization and that help in the stimulation of the formation that is conducted by the economy of a country or an organization. The authors in this research have focused on the development and compilation of the tax mechanism that helps in the management of the formation of the different information that is achieved for the economy management in the modern society (Vandina *et al.* 2018). This research is completely based on the country of Russia. The author of this research further provides a statistical analysis method and formalization that helps in the production of different graphical data. The author of this research further discusses how informatization helps in optimizing the economical activities that help in the sustainable development of the country or an organization in modern society. Further, the methods help in the manufacturing of different products that are new and using means of promotion that are more efficient and produce more sales.

According to Vazquez *et al.* 2017, the research helps in surveys the recent trends that research in the administration of tax and management of tax with focusing on the major goal of the study is to indemnify the lessons for improving the efficiency of the collection of revenue and also for increasing the efficiency in the enforcement of the tax. Further, the research helps in providing a review of the impact that is caused by globalization that is caused due to the use of the global economy (Vazquez *et al.* 2017). This research also helps in the latest trends that are followed in taxation and the efficiency in the management of those trends towards tax administration. Further, the author describes the fundamental role of the administration of tax that is followed around the globe that follows the present laws of tax. This could be useful for any developed country or any developing country.

According to Sholpanbaeva *et al.* 2017, the tax could be defined as the compulsory contribution to the finance of a state for the establishment of a proper legal system that is established by the government for the representation of bodies that are duly authorized. The tax is considered to be the main source of revenue for the government in the current society and the division of the government is done into two major groups that are constituting income that is conducted from the nature of private law (Sholpanbaeva *et al.* 2017). Along with the improvement activities that the authorities of tax have adopted, that is based on the different international practices that are focused on the system of information and the problems that are required to be addressed. The SMEs face a lot of competition when compared to the economic results and therefore proper management of tax might help in achieving better results for the SMEs.

MATERIALS AND METHODOLOGY

Management of tax and information on the economy is one of the most popular subjects that is used in the scientific research in the modern time, it helps in providing various management methods of tax and also for preparation of different techniques that help in the reduction of the overall amount of taxes that are to be paid in the current time and in the future time.

Research Approach

This research is based on a deductive approach that is used for the collection of all the information regarding the management of tax that is required to be carried out for improving the various methods that are used for the management of tax and enhancing the methods that will further help in the reduction of the amount of tax that is to be paid in the current time and for the future time.

Research philosophy

This research has followed the positive philosophy method as the outcomes of the research are based on analyzing the questions that could be developed from the research (Shaidurova and Homokyová, 2017). Further, this research follows the qualitative method of research approach that has helped in the collection of data for the form already present sources which has further helped in the development of the design of the research and helped in the collection of data on the different processes that are used for analyzing the different techniques of tax management and reduce the overall amount of tax that is to be paid.

Data collection method

This is considered to be one of the most important methods that are required for the successful conduction of methods (Vyas and Gondaliya, 2017). This research has followed the secondary method of data collection which is the collection of information from previously conducted resources and with the help of scholarly articles and websites which helps in the collection of information on tax management and reduction of the amount of tax that is payable.

RESULTS AND DISCUSSION

Table 1: Tax Management calculation

SL no	Minimum Income in \$	Maximum income	Flat Tax Amount	Additional tax rate	Amount over
1		9225	922.5	10%	
2	9226	37450	5156.2	15%	9225
3	37451	90750	18480.5	25%	37450
4	90751	411500	119401.2	28%	90760
5	41151	413300	119996.2	30%	411600
6	41331				

(Source: Self-made on MS Excel)

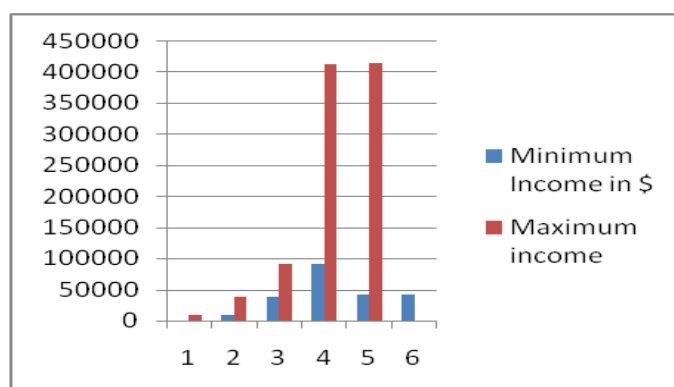


Figure 1: Minimum income vs Maximum Income
(Source: Self-made on MS Excel)

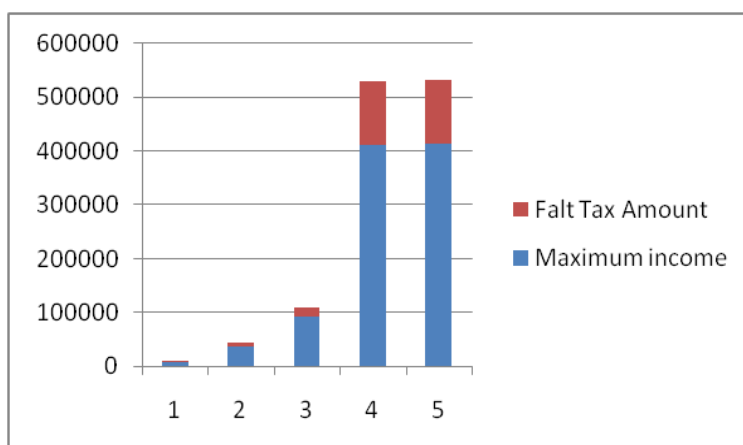


Figure 2: Flat tax amount vs Minimum Income
(Source: Self-made on MS Excel)

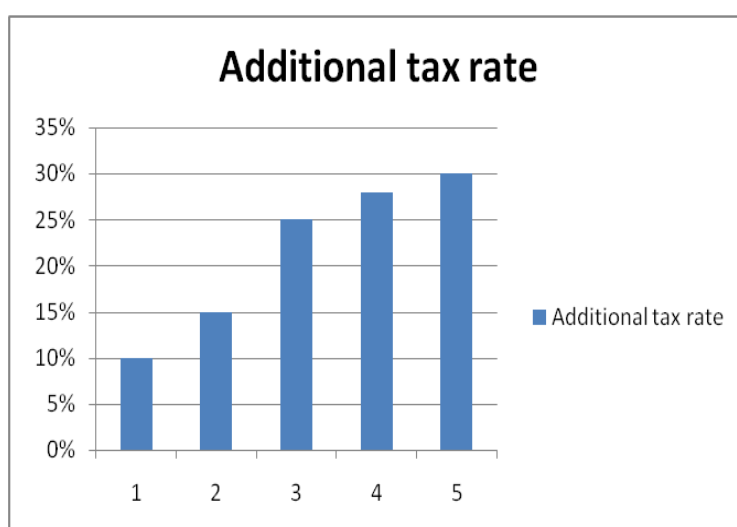


Figure 3: Rate of additional tax
(Source: Self-made on MS Excel)

CONCLUSION AND FUTURE SCOPE

This research has concluded the use of methods of tax management and the different functions of tax management that might be used for the reduction of the overall tax amount that is to be paid. The research has further discussed the different articles that are being used for the collection of the data on tax management.

The planning for tax activity helps in making the best use of available deductions and the available allowances. That means the method of tax management helps in the future analysis of the point of view of taxation.

REFERENCES

- [1]. Vandina, O., Mkrtychan, Z., Denisov, I. and Vechkinzova, Y., 2018. The tax mechanism of managing the process of formation of the information economy in modern Russia. *Entrepreneurship and Sustainability Issues*, 6(2), p.830.
- [2]. Martinez-Vazquez, J., Sanz-Arcega, E. and Tránchez-Martín, J.M., 2017. Tax Revenue Management and Reform in the Digital Era in Developing and Developed Countries. *International Center for Public Policy Working Paper Series, at AYSPS, GSU*, (paper2201).
- [3]. Sholpanbaeva, K.Z., Apysheva, A.A. and Duseмбаeva, S.K., 2017. Importance of tax regulation of SME innovations in the economic management. *Opción: Revista de Ciencias Humanas y Sociales*, (35), pp.272-306.
- [4]. Shaidurova, N. and Homokyová, M., 2016. The Methodology of Tax Records for the Support of Tax Management. *Multidisciplinary Aspects of Production Engineering*, 3.

- [5]. Vyas, Y. and Gondaliya, V.R., 2017. Tax planning and tax management of salaried individuals: A study of Bardoli Region. *VISION: Journal of Indian Taxation*, 7(1), pp.34-48.
- [6]. Singh, A. and Kanga, S., 2017. Digital Data Creation for Property Tax Management. Balogun, T.F., 2016. Development and Implementation of Gis-Based Property Tax Management System for Benin City, Nigeria. *African Journal on Land Policy and Geospatial Sciences*, 2(3), pp.97-112.
- [7]. Pysarenko, V., Bezkrivnyi, O. and Mysnyk, T., 2018. CORPORATE TAX MANAGEMENT AS A BASIS FOR ENSURING FINANCIAL SECURITY OF THE ENTERPRISE. *MANAGEMENT OF THE 21ST CENTURY: GLOBALIZATION CHALLENGES*, p.103.
- [8]. Rahman, M.M., Rahman, M.S. and Deb, B.C., 2017. Impact of Corporate Governance on Tax Management: Evidence from DSE listed Banks.