

GOVERNMENT OF INDIA



INCIDENCE OF INDIRECT TAXATION

1958-59

MINISTRY OF FINANCE
Department of Economic Affairs
Public Relations Division (Tax Research Unit)
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PREFACE

This study prepared in the Tax Research Unit of the Department of Economic Affairs attempts a comparative analysis of the distribution of money burden of indirect taxes among different expenditure groups of rural and urban households in 1958-59 and 1953-54. The object of the analysis is to bring out the change in the distribution of tax burden produced by the step-up in indirect taxation during the period between the mid-points of the First and the Second Five Year Plan.

2. The concepts, coverage and method of the study are explained in Section II and the major findings presented in Section III. These findings, it may be stressed, indicate only the order and direction of change since the results of the present study like those of other studies in this field also suffer from a certain lack of precision. This is attributable to the data used, the assumptions involved and the methods followed for estimating the relevant magnitudes.

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