

AN INVESTIGATION INTO THE IMPACT OF TAXATION ON INTERNET TRANSACTION: A PERSPECTIVE FROM USERS

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ABSTRACT

The use of Internet increases the efficiency of transaction, and creates new types of service and products such as MP3, digital books, shareware etc. The revenues boosting in online marketplace also raise the taxing issue for government and companies. Our study investigated the impact of taxation associated with Internet transaction. We used web-based questionnaire to gather data for hypothesis testing. Totally, 1162 respondents completely answered the survey. The results found that the discrepancy between original- and Internet tax law affected individuals' intention toward online transaction and tax evasion. Our finding has considerable implication for government and accountants. Finally, the paper concludes with a recommendation for Internet taxation.