

Impact of VAT for Wholesalers and Retailers of Tourism Industry in Galle, Sri Lanka

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According to the current situation, new reform of Value Added Tax is a common problem for wholesalers and retailers of tourism industry in Galle area. There are many researches studies done about the Value Added Tax. However, there are no proper studies done to reveal the impact of VAT. Especially there are no researches done about impact of VAT for wholesalers and retailers in Galle area related to the tourism industry. Hence, the problem of study: what are the effective factors for wholesalers and retailers in tourism industry from VAT. Then, the objective of the study is to examine and analyze the impact of VAT for wholesalers and retailers to go to the digital transformations in the modern world. Wholesalers and retailers were the sample of the study and sampling method was stratified sampling. The responses were selected from 4 Grama Niladhari Divisions in Galle area like waliwatte, pettigalawatte, galwadugoda and thalapitiya. There were 20 questions from different variables asked from the sample and primary data were analysed by using EXCEL sheets. In this study, eight key variables were identified to help to find wholesalers and retailers of tourism industry view about VAT and to investigate how it will effect for businesspersons. According to the research findings, factors like attitudes, government new policies, educational level and VAT rate. The study has given an insight into the understanding about new reform of Value Added Tax. However, study has identified that there is a high impact of VAT for wholesalers and retailers in tourism industry and researcher mentioned that the positive view about the VAT. Finally, study has mentioned some recommendations to minimize the impact of VAT for wholesalers and retailers of Tourism Industry in Galle, Sri Lanka by digitising methods.

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