

CHAPTER – 25

WELFARE STATE AND TAXING SYSTEM OF GOVERNANCE

Tax is levied on the citizens who are benefitted from the government endeavor. Tax is a source of money from various business activities and professional practices for investment into other developmental folds. Tax liability should be duly incurred by the citizens such that government accountability of funds in various activities can be withheld to large extent. Taxing system of governance should be congenial to the people such that duty of the taxes can be easily paid. Welfare state policy of taxing system would be disparity between rich and poor reduces with the success of each new economic process in the country. We will discuss welfare state policy of taxing system in a way which highlights the basic principles of taxing money in the country.

There should be positive outlook of business streams extending through the minds of the people for vast economic process to develop. Those businesses which are congenial to the population thus satisfy the heart and soul of the public should be allowed to prosper in the country. The effect of businesses should be duly felt by the people such that businesses will extend their effect from one person to other for vast economic process. Positivity of business stream should be measured by the needs it satisfies and accountability it holds for the vast economic process. Welfare state policy can thus be easily implemented on grounds of fair social behavior and perspective of growth it would associate in societal folds.

Welfare state policy requires mass participation in economic activities for large tax base to act. Mass participation in economic activity would generate large amount of money to its fold such that taxing system can be enacted in various channels of business activity. Once taxing system can be enacted in various channels the source of money would itself become a resource for generation in other government activities and widen the prospects of various channels of business activity. Solely it requires legal procedures for success in business activity with legal favor from government towards business activity to channel it fairly and smoothly.

Taxes are levied primarily to bring about uniformity in economic processes. Growth should excel quality in various economic processes. Taxes are important because it prevents situations where some commodity may generate disproportional money from the markets. Correct rank and file of the product should generate correct viable account in the markets thus generate proportional money from the market such that growth prospects of other trades are not unduly affected.

Tax base can be broadened only through divestment of resources towards lower strata of the population such that progressive prospects in societal folds are generated. Divestment of resources towards lower strata of population requires investment in various activities which affect the lower or poor strata of population. When equanimity is achieved in societal fold stability in economic processes is achieved which widens the tax base of the country. Hence when there is equanimity in the societal understanding then an atmosphere of confidence is built up which improves the participation of lower strata of populations. The taxes deployment brings about equanimity in the life of the people by clauses of judicious approach to development thus enhancing the confidence of the people. Lower strata of the population can then become ensured of participating in economic processes and can help the tax base to widen.

After discussing basic principle of welfare state policy for taxing system we can define the jargon in few words. Welfare state policy for taxes would be that such types of business prosper in the country which broadens the tax base to cater to more people through taxes as a constant endeavor. Taxes should be progressively increasing with the success of each new economic process. Tax base will serve to various developmental needs such as poverty removal, employment generation and transformation in social life.

Taxes of various kinds are levied to deepen the effect of curtailing the liberties to large extent and implementing the effect of strict disciplinary business life for constant flowing results. Taxes of various kinds are levied to remind the population that they are social animal. Attachment to professional life increases the effect of improving the service quality of the system and man behaves as a social animal. In the absence of taxes luxuries increase and dismantle the social system out of liberties it generates to its fold. Peculiarity of taxing system should be it is binding on every person to pay taxes if he is brought under tax net. Tax liability should be duly accepted by the people such that accounts of money in the country can be authenticated with full confidence for developmental purposes.

Equanimity in society can be held only through progressive tax structure. Taxes should be progressively increasing to serve more people as a constant endeavor which will grant equanimity to society. Ingenuity with purpose in taxing system will be it generates vast economic process by being congenial to societal folds and progression withholds through general ingenuity of business principles. Ingenuity in taxing system would be to levy reasonable taxes in various channels of the economic process in stages such that growth of economic process is not hampered by heavy taxes and progressively increasing sales see a generation of vast economic process. Progressive standards should be measured by the amount of taxes paid by various channels at various stages such that tax payment itself becomes a cause of growth for economic process.

Taxes should be progressively increasing with success of each new economic process. An economic process once adapted to economic prosperity should pay the exchequer in increasing amounts such that business stability of economic process itself becomes a cause for development of the country. An economic process once adapted to economic prosperity should generate revenue in such measures that transgression in societal values does not take place in lower or poor strata of population. Economic process should ensure stability of its business by being virtuous to personal enlistment and do not generate transgression in lower or poor class of population. Such type of behavior should be peculiarity of technology intensive products.

Technology intensive products in countries like India should be sold by being suitable to personal enlistment and vast economic process should be generated only by propagation of general ingenuity in public. This will withhold the purpose of taxing money in the country. Peculiarity of taxing system should be it is binding on every person to pay taxes if he is brought under tax net. Tax liability should be duly accepted by the people such that accountability of money in the country can be withheld in all rightness for developmental purposes.

On the taxing front there are different types of taxes levied on the population. All these taxes are levied out of the government effort to provide necessities to the citizens. It is imperative that levying taxes should generate large amount so that we can serve other developmental policies as well. Thus to see government should ensure mass participation in economic activity and associate need oriented policies such that business streams thus other professions run on high front hence lead the developmental policies by way of large collection of taxes. On the taxing front it is highly desirous that there is mass participation in economic activity to ensure large collection of taxes.

Excise duty, custom duty, sales tax, municipality tax etc. are taxes levied on business streams. The responsibilities of tax payment can be ensured only by mass participation of people in economic activity. So only those businesses which are fruitful to the citizens can be allowed to prosper in the country. Income tax which is levied on the net income accredited to the personal folds after all obligations of tax payment can be ensured only by way of mass participation in economic activity. House tax, property tax, water tax, electricity tax, telecom service tax are taxes levied on provisions of necessities provided to the citizens by the government endeavor. So tax obligations can be fulfilled only when citizens are in clause with needs in life. Grossly explained when citizens are in clause with needs they would ensure mass participation in economic activity.

Validity of taxing system would hold only when the whole system of governance is geared to serve the mankind in totality. There should be organized precepts in governance for the people and taxing front should lead into the welfare for the people by way of organized precepts of life.