

THE CONSUMER RESPONSE IN IMPLEMENTING INDIRECT TAX IN BRUNEI DARUSSALAM

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ABSTRACT

Brunei Darussalam is a developing country depends mainly on its non-renewable resource. The general idea of this dissertation is to enlighten the types of indirect taxes which are relevant and are impose in many other countries expect for Brunei Darussalam. Secondly, a brief understanding on why and how an indirect tax is important to the economy of Brunei Darussalam. Secondly, a brief understanding on why and how an indirect tax is important to the economy of Brunei leads to possible welfare gains and minimize welfare losses with the use of external factors. Followed by the different types service utilized by consumer in different industries are deemed to be tax legally. Lastly, to examine whether the indirect tax implemented will have great impact on Brunei consumer.

The purpose of introducing indirect tax may benefit the society and the government because it tends to help in the improvement of a country economy through public facilities, university and hospitals. Due to satisfying short-term consumer wants with the scarce resources, it is to help the residents in Brunei to cope with the understanding of different services utilize in different industries are taxable and broaden the knowledge of the residents. Lastly, it is to enhance the attractiveness of the business environment since there are relatively competitive.

As a result of this research, excise tax, VAT/GST shows that it is a good and effective tax law to be implemented because it will raise the revenue for the economy and able to discourage certain behavior of societies. In addition, it will preserve the incentives to work and encourage as well as motivate the development of new business.