

# A COMPARATIVE ANALYSIS OF TAX SAVING PATTERN AMONG PUBLIC AND PRIVATE SECTOR EMPLOYEES

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**Abstract:** Tax is defined as a payment without quid pro qua. Tax planning is an important part of one's financial planning. An efficient Tax planning helps in reducing the tax burden to the minimum. The study on comparative analysis of Tax saving pattern among Private and Public sector employees. The aim of this paper is to explore the major differences among the tax saving pattern of private and public sector employees. And to get knowledge about the exemptions, deductions, allowances, and tax rebates under the Income Tax Act 1961. This paper will be helpful to know how to reduce the tax payment in lawful ways.

**Keywords:** Tax, Tax Planning

## INTRODUCTION

Every salaried individual wants to pay only a minimum amount of tax. For that tax planning helps in a better way. Efficient Tax planning helps in paying a minimum amount of tax and it reduces the tax burden to certain extent.

## TAX PLANNING

Tax planning referred to as an arrangement of one's financial affairs in such a way that without violating in any way the legal provisions, full advantage is taken of all exemptions, deductions, concessions, rebates, allowances and other reliefs and benefits permitted under the Income Tax Act. Tax planning does not mean Tax evasion or Tax avoidance but reducing the burden of tax. Tax planning helps an individual to enjoy the advantages of all deductions available and Tax planning requires a complete knowledge of tax laws.

## TAXATION

Taxation may be considered as a complex matter that affects the financial planning of every individual income tax payer. It should be a helping hand for the overall development of our nation.

## OBJECTIVES OF THE STUDY

1. To know about the most preferred investment avenue.
2. To find out the most preferred Tax rate.
3. To analyze the similarities and differences among private and public sector employee's Tax saving pattern.

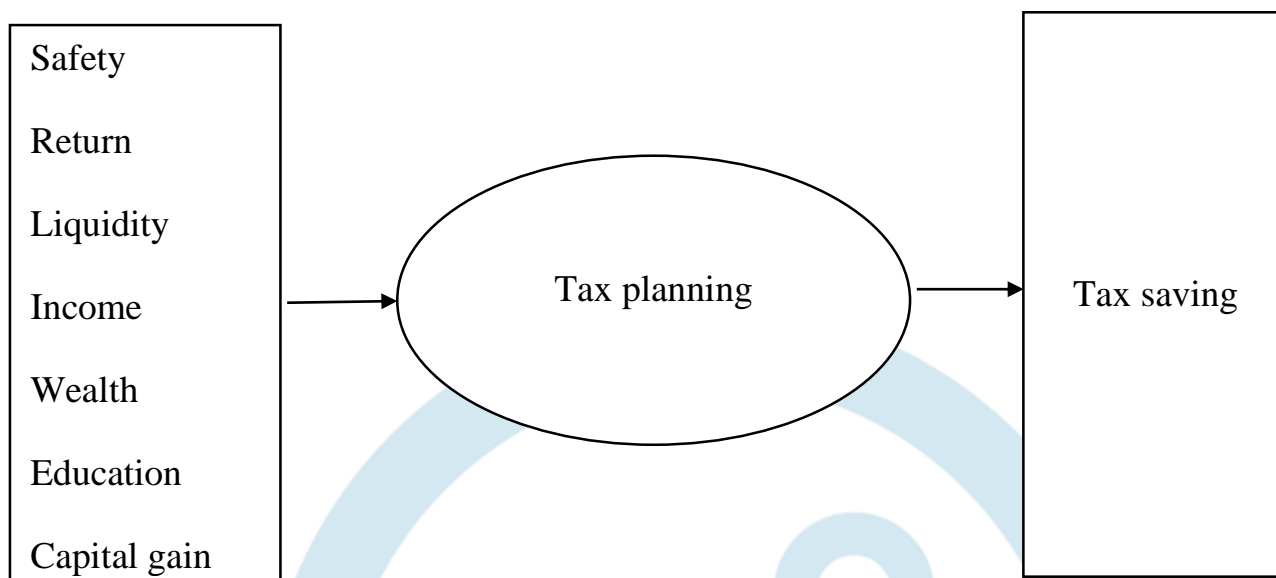
## NEED OF THE STUDY

To find out the most preferred Investment Avenue for Private and Public sector employees.

## SCOPE OF THE STUDY

The scope of this study is only limited to the comparative analysis of saving and investment pattern with regard to Tax planning among Private and Public sector employees. It also covers their preference towards old and new tax rate. It explores the most preferable investment avenue of Private and Public sector employees. And it explores how they will allocate their investment in different investment avenues.

## MODEL OF THE STUDY



## HYPOTHESIS

1. There is no significant difference among employees of Private sector and Public sector with regard to their preference towards the gain from investment.
2. There is no significant difference among the Private and Public sector employees with regard to their preference towards different tax rates.
3. There is no significant difference among the Private and public sector employees with regard to their preference towards investment in different types of assets that lead to tax planning.
4. There is no association between the demographic profile and their preference towards different tax rates.
5. There is no significant difference among the public and private sector employees with regard to their preference over different factors of investment.
6. There is no significant difference among the public and private sector employees with regard to their preference over different objectives of investment.

## RESEARCH METHODOLOGY

The research type of this study is descriptive in nature. The sampling design of the study is Quota sampling. The sample size is 200. In that sample size 100 respondents are Private sector employees and another 100 respondents are Public sector employees. This study uses Primary as well as secondary data. The primary data collected through a structured questionnaire from 200 respondents. And the secondary data collected from books and websites.

## TOOLS USED

For the purpose of analysing the data the software called SPSS has been used. Chi square test has used to test the association between different variables. Mann-whitney U test has been used to analyse the difference between ranked variables. Percentage analysis has been used to analyse their preference over the variables.

## ANALYSIS

1. **H<sub>0</sub>** - There is no significant difference among the public and private sector employees with regard to their preference towards the gain from investment.

**TABLE1.1** Descriptive statistics between the types of income they prefer to get from investment and the two sector employees**Descriptive Statistics**

	N	Mean	Std. Deviation	Minimum	Maximum	Percentiles		
						25th	50th (Median)	75th
Income type	200	1.2000	.40100	1.00	2.00	1.0000	1.0000	1.0000
Sector	200	1.5000	.50125	1.00	2.00	1.0000	1.5000	2.0000

**TABLE 1.2** Mann-whitney U test between the type of income they prefer to get from investment and the two sector employees**MANN-WHITNEY U TEST**

	Income type
Mann-Whitney U	4200.000
Wilcoxon W	9250.000
Z	-2.821
Asymp. Sig. (2-tailed)	.005

**INTERPRETATION**

From the table 1.2 it is inferred that the significant value 0.005 is less than the critical value 0.05. So the null hypothesis is getting rejected.

**INFERENCE**

Therefore there is a significant difference between the public and private sector employees with regard to their preference towards gain from the investment.

**2. Ho** -There is no significant difference among the Private and Public sector employees with regard to their preference towards different tax rates.

**TABLE 2.1** Descriptive statistic between different tax rates they prefer and the two sector employees**Descriptive Statistics**

	N	Mean	Std. Deviation	Minimum	Maximum	Percentiles		
						25th	50th (Median)	75th
which tax rate you prefer	200	1.4800	.50085	1.00	2.00	1.0000	1.0000	2.0000
Sector	200	1.5000	.50125	1.00	2.00	1.0000	1.5000	2.0000

**TABLE 2.2** Mann-whitney U test between different tax rates they prefer and the two sector employees

Mann-whitnet U test	
	which tax rate you prefer
Mann-Whitney U	3400.000
Wilcoxon W	8450.000
Z	-4.518
Asymp. Sig. (2-tailed)	.000
<b>INTERPRETATION</b> From the table 2.2 it is inferred that the significant value 0.000 is less than the critical value 0.05. So the null hypothesis is getting rejected.	
<b>INFERENCE</b> Therefore there is a significant difference between the public and private sector employees with regard to their preference towards different tax rates.	

**3. Ho** - There is no significant difference among the Private and public sector employees with regard to their preference towards investment in different types of assets that lead to tax planning

**TABLE 3.1** Descriptive statistic between the different types of assets they prefer to invest and the two sector employees

Descriptive Statistics								
	N	Mean	Std. Deviation	Minimum	Maximum	Percentiles		
						25th	50th (Median)	75th
in what kind of asset do you prefer to invest	200	1.4200	.63689	1.00	3.00	1.0000	1.0000	2.0000
sector	200	1.5000	.50125	1.00	2.00	1.0000	1.5000	2.0000

**TABLE 3.2** Mann-whitney U test between the different types of assets they prefer to invest and the two sector employees**Mann-whitney U test**

	In what kind of asset do you prefer to invest
Mann-Whitney U	3770.000
Wilcoxon W	8820.000
Z	-3.606
Asymp. Sig. (2-tailed)	.000

**INTERPRETATION**

From the table 3.2 it is inferred that the significant value 0.000 is less than the critical value 0.05. So the null hypothesis is getting rejected.

**INFERENCE**

Therefore there is a significant difference between the public and private sector employees with regard to their preference towards investment in different types of assets that lead to tax planning.

**4. Ho** – There is no association between gender and the preference of public sector employees towards different tax rates

**TABLE 4.1** Cross tab between the gender and the tax rate they prefer**Crosstab**

		douprefertopaytaxatoldrateorneurrate		Total
		old rate	new rate	
gender	male	29	50	79
	female	10	11	21
Total		39	61	100

**TABLE 4.2** Chi square test between the gender and the tax rate they prefer**Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	.830 <sup>a</sup>	1	.362	.452	.253
Continuity Correction <sup>b</sup>	.435	1	.510		
Likelihood Ratio	.818	1	.366		
Fisher's Exact Test					
Linear-by-Linear Association	.822	1	.365		
N of Valid Cases	100				

**INTERPRETATION**

From the table 4.2 it is inferred that the significant value 0.253 is greater than the critical value 0.05. So the null hypothesis is accepted.

**INFERENCE**

Therefore There is no association between gender and the preference of public sector employees towards different tax rates

**5.Ho** - There is no association between age and the preference of public sector employees towards different tax rates

**TABLE 5.1** Cross tab between the age and the tax rate they prefer**Crosstab**

		douprefertopaytaxatoldrateorneurrate		Total
		old rate	new rate	
Age	between 20 and 30	1	0	1
	between 30 and 40	7	1	8
	between 40 and 50	19	42	61
	between 50 and 60	12	18	30
Total		39	61	100

**TABLE 5.2** Chi square test between the age and the tax rate they prefer**Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	11.068 <sup>a</sup>	3	.011
Likelihood Ratio	11.667	3	.009
Linear-by-Linear Association	2.523	1	.112
N of Valid Cases	100		

**INTERPRETATION**

From the table 5.2 it is inferred that the significant value 0.112 is greater than the critical value 0.05. So the null hypothesis is accepted.

**INFERENCE**

Therefore there is no association between age and the preference of public sector employees towards different tax rates.

**6.Ho** - There is no association between residence and the preference of public sector employees towards different tax rates

**TABLE 6.1** Cross tab between the residence and the tax rate they prefer

**Crosstab**

		douprefertopaytaxatoldrateornewrate		Total
		old rate	new rate	
residence	Rural	13	19	32
	urban	23	38	61
	semi urban	3	4	7
Total		39	61	100

**TABLE 6.2** Chi square test between the residence and the tax rate they prefer

**Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	.122 <sup>a</sup>	2	.941
Likelihood Ratio	.122	2	.941
Linear-by-Linear Association	.008	1	.929
N of Valid Cases	100		

**INTERPRETATION**

From the table 6.2 it is inferred that the significant value 0.929 is greater than the critical value 0.05. So the null hypothesis is accepted.

**INFERENCE**

Therefore there is no association between residence and the preference of public sector employees towards different tax rates

**7.Ho** - There is no association between income and the preference of public sector employees towards different tax rates

**TABLE 7.1** Cross tab between the income and the tax rate they prefer

**Crosstab**

		douprefertopaytaxatoldrateornewrate		Total
		old rate	new rate	
incomeofindividual	5 to 7.5lakh	29	53	82
	7.5 to 10 lakh	8	7	15
	10 to 12.5 lakh	2	1	3
Total		39	61	100

**TABLE 7.2** Chi square test between the income and the tax rate they prefer

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	2.716 <sup>a</sup>	2	.257
Likelihood Ratio	2.655	2	.265
Linear-by-Linear Association	2.674	1	.102
N of Valid Cases	100		

**INTERPRETATION**

From the table 7.2 it is inferred that the significant value 0.102 is greater than the critical value 0.05. So the null hypothesis is accepted.

**INFERENCE**

Therefore there is no association between income and the preference of public sector employees towards different tax rates

**8.Ho** - There is no association between gender and the preference of private sector employees towards different tax rates

**TABLE 8.1** Cross tab between the gender and the tax rate they prefer**Crosstab**

		which tax rate do you prefer 1		Total
		old rate	new rate	
gender 1	male	34	19	53
	female	34	13	47
Total		68	32	100

**TABLE 8.2** Chi square test between the gender and the tax rate they prefer**Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	.768 <sup>a</sup>	1	.381		
Continuity Correction <sup>b</sup>	.438	1	.508		
Likelihood Ratio	.771	1	.380		
Fisher's Exact Test				.400	.255
Linear-by-Linear Association	.760	1	.383		
N of Valid Cases	100				

**INTERPRETATION**

From the table 8.2 it is inferred that the significant value 0.255 is greater than the critical value 0.05. So the null hypothesis is accepted.

**INFERENCE**

Therefore there is no association between gender and the preference of private sector employees towards different tax rates

**9. Ho** - There is no association between age and the preference of private sector employees towards different tax rates

**TABLE 9.1** Cross tab between the age and the tax rate they prefer

**Crosstab**

		which tax rate do you prefer		Total
		old rate	new rate	
age1	between 20 and 30	29	15	44
	between 30 and 40	33	16	49
	between 40 and 50	6	1	7
Total		68	32	100

**TABLE 9.2** Chi square test between the age and the tax rate they prefer**Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	1.107 <sup>a</sup>	2	.575
Likelihood Ratio	1.262	2	.532
Linear-by-Linear Association	.569	1	.451
N of Valid Cases	100		

**INTERPRETATION**

From the table 9.2 it is inferred that the significant value 0.451 is greater than the critical value 0.05. So the null hypothesis is accepted.

**INFERENCE**

Therefore there is no association between age and the preference of private sector employees towards different tax rates

**10. Ho** - There is no association between residence and the preference of private sector employees towards different tax rates

**TABLE 10.1** Cross tab between the residence and the tax rate they prefer**Crosstab**

		which tax rate do you prefer		Total
		old rate	new rate	
residence1	rural	21	16	37
	urban	38	11	49
	semi urban	9	5	14
Total		68	32	100

**TABLE 10.2** Chi square test between the residence and the tax rate they prefer



**Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	4.292 <sup>a</sup>	2	.117
Likelihood Ratio	4.321	2	.115
Linear-by-Linear Association	1.319	1	.251
N of Valid Cases	100		

**INTERPRETATION**

From the table 10.2 it is inferred that the significant value 0.251 is greater than the critical value 0.05. So the null hypothesis is accepted.

**INFERENCE**

Therefore there is no association between residence and the preference of private sector employees towards different tax rates

**11. Ho** - There is no association between income and the preference of private sector employees towards different tax rates

**TABLE 11.1** Cross tab between the income and the tax rate they prefer**Crosstab**

		which tax rate do you prefer		Total
		old rate	new rate	
income of the individual	2.5 to 5 lakh	25	15	40
	5 to 7.5 lakh	37	15	52
	7.5 to 10 lakh	5	2	7
	15 lakh and above	1	0	1
Total		68	32	100

**TABLE 11.2** Chi square test between the income and the tax rate they prefer**Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	1.302 <sup>a</sup>	3	.729
Likelihood Ratio	1.593	3	.661
Linear-by-Linear Association	1.153	1	.283
N of Valid Cases	100		

**INTERPRETATION**

From the table 11.2 it is inferred that the significant value 0.283 is greater than the critical value 0.05. So the null hypothesis is accepted.

**INFERENCE**

Therefore there is no association between income and the preference of private sector employees towards different tax rates

**12. Ho** - There is no significant difference among the Private and public sector employees with regard to their preference over the factor safety.

**TABLE 12.1** Descriptive statistics between their preference over the factor safety and the two sector employees**Descriptive Statistics**

	N	Mean	Std. Deviation	Minimum	Maximum	Percentiles		
						25th	50th (Median)	75th
Preference over the factor safety	200	1.5350	.90713	1.00	4.00	1.0000	1.0000	2.0000
Public sector	200	1.5000	.50125	1.00	2.00	1.0000	1.5000	2.0000

**TABLE 12.2** Mann-whitney U test between their preference over the factor safety and the two sector employees

Mann – whitney U Test	
	preference over the factor safety
Mann-Whitney U	3201.500
Wilcoxon W	8251.500
Z	-5.310
Asymp. Sig. (2-tailed)	.000

**INTERPRETATION**

From the table 12.2 it is inferred that the significant value 0.000 is less than the critical value 0.05. So the null hypothesis is getting rejected.

**INFERENCE**

Therefore there is a significant difference between the public and private sector employees with regard to their preference over the factor safety.

**13.Ho** - There is no significant difference among the Private and public sector employees with regard to their preference over the factor return.

**TABLE 13.1** Descriptive statistics between their preference over the factor return and the two sector employees

Descriptive Statistics								
	N	Mean	Std. Deviation	Minimum	Maximum	Percentiles		
						25th	50th (Median)	75th
their preference over the factor return	200	2.4050	.91387	1.00	4.00	2.0000	2.0000	3.0000
sector	200	1.5000	.50125	1.00	2.00	1.0000	1.5000	2.0000

**TABLE 13.2** Mann-whitney U test between their preference over the factor return and the two sector employees

Mann – whitney U test	
	their preference over the factor return
Mann-Whitney U	4744.500
Wilcoxon W	9794.500
Z	-.656
Asymp. Sig. (2-tailed)	.512

**INTERPRETATION**

From the table 13.2 it is inferred that the significant value 0.512 is greater than the critical value 0.05. So the null hypothesis is accepted.

**INFERENCE**

Therefore there is no significant difference between the public and private sector employees with regard to their preference over the factor return.

**14.Ho** - There is no significant difference among the Private and public sector employees with regard to their preference over the factor liquidity.

**TABLE 14.1** Descriptive statistics between their preference over the factor liquidity and the two sector employees

## Descriptive Statistics

	N	Mean	Std. Deviation	Minimum	Maximum	Percentiles		
						25th	50th (Median)	75th
liquidity	200	2.7750	1.62096	1.00	22.00	2.0000	3.0000	3.0000
sector	200	1.5000	.50125	1.00	2.00	1.0000	1.5000	2.0000

TABLE 14.2 Mann-whitney U test between their preference over the factor liquidity and the two sector employees

## Mann whitnet U test

	liquidity
Mann-Whitney U	4878.000
Wilcoxon W	9928.000
Z	-.316
Asymp. Sig. (2-tailed)	.752

## INTERPRETATION

From the table 14.2 it is inferred that the significant value 0.752 is greater than the critical value 0.05. So the null hypothesis is accepted.

## INFERENCE

Therefore there is no significant difference between the public and private sector employees with regard to their preference over the factor liquidity.

**15.Ho** - There is no significant difference among the Private and public sector employees with regard to their preference over the factor tax saving.

TABLE 15.1 Descriptive statistic between their preference over the factor tax saving and the two sector employees

## Descriptive Statistics

	N	Mean	Std. Deviation	Minimum	Maximum	Percentiles		
						25th	50th (Median)	75th
ir preference over the tor return	200	2.4050	.91387	1.00	4.00	2.0000	2.0000	3.0000
tor	200	1.5000	.50125	1.00	2.00	1.0000	1.5000	2.0000

TABLE 15.2 Mann whitney U test between their preference over the factor tax saving and the two sector employees

## Mann whitney U test

	their preference over the factor return
Mann-Whitney U	4744.500
Wilcoxon W	9794.500
Z	-.656
Asymp. Sig. (2-tailed)	.512

## INTERPRETATION

From the table 15.2 it is inferred that the significant value 0.512 is greater than the critical value 0.05. So the null hypothesis is accepted.

## INFERENCE

Therefore there is no significant difference among the Private and public sector employees with regard to their preference over the factor tax saving.

**16.Ho** - There is no significant difference among the Private and public sector employees with regard to their preference over the objective retirement plan.

TABLE 16.1 Descriptive statistic between their preference over the objective retirement plan and the two sector employees

## Descriptive Statistics

	N	Mean	Std. Deviation	Minimum	Maximum	Percentiles		
						25th	50th (Median)	75th
their preference over the objective retirement plan	200	2.5500	1.65566	1.00	6.00	1.0000	2.0000	4.0000
sector	200	1.5000	.50125	1.00	2.00	1.0000	1.5000	2.0000

**TABLE 16.2** Mann whitney U test between their preference over the objective retirement plan and the two sector employees

## Mann whitney U test

	their preference over the objective retirement plan
Mann-Whitney U	2863.500
Wilcoxon W	7913.500
Z	-5.433
Asymp. Sig. (2-tailed)	.000

**INTERPRETATION**

From the table 16.2 it is inferred that the significant value 0.000 is less than the critical value 0.05. So the null hypothesis is getting rejected .

**INFERENCE**

Therefore there is a significant difference between the public and private sector employees with regard to their preference over the objective retirement plan.

**17.Ho** - There is no significant difference among the Private and public sector employees with regard to their preference over the objective children education.

**TABLE 17.1** Descriptive statistic between their preference over the objective children education and the two sector employees

## Descriptive Statistics

	N	Mean	Std. Deviation	Minimum	Maximum	Percentiles		
						25th	50th (Median)	75th
their preference over the objective children education	200	2.7600	1.47420	1.00	6.00	2.0000	2.0000	3.0000
sector	200	1.5000	.50125	1.00	2.00	1.0000	1.5000	2.0000

**TABLE 17.2** Mann whitney U test between their preference over the objective children education and the two sector employees

## Mann whitney U test

	their preference over the objective children education
Mann-Whitney U	2475.500
Wilcoxon W	7525.500
Z	-6.420
Asymp. Sig. (2-tailed)	.000

**INTERPRETATION**

From the table 17.2 it is inferred that the significant value 0.000 is less than the critical value 0.05. So the null hypothesis is getting rejected .

**INFERENCE**

Therefore there is a significant difference between the public and private sector employees with regard to their preference over the objective children education.

**18.Ho** - There is no significant difference among the Private and public sector employees with regard to their preference over the objective children marriage.

**TABLE 18.1** Descriptive statistic between their preference over the objective children marriage and the two sector employees

Descriptive Statistics								
	N	Mean	Std. Deviation	Minimum	Maximum	Percentiles		
						25th	50th (Median)	75th
their preference over the objective children marriage	200	3.2850	2.35404	1.00	32.00	2.0000	3.0000	4.0000
sector	200	1.5000	.50125	1.00	2.00	1.0000	1.5000	2.0000

**TABLE 18.2** Mann whitney U test between their preference over the objective children marriage and the two sector employees

Mann whitney U test	
	their preference over the objective children education
Mann-Whitney U	2475.500
Wilcoxon W	7525.500
Z	-6.420
Asymp. Sig. (2-tailed)	.000

**INTERPRETATION**

From the table 18.2 it is inferred that the significant value 0.000 is less than the critical value 0.05. So the null hypothesis is getting rejected .

**INFERENCE**

Therefore there is a significant difference between the public and private sector employees with regard to their preference over the objective children marriage.

**19.Ho** - There is no significant difference among the Private and public sector employees with regard to their preference over the objective medical expenses.

**TABLE 19.1** Descriptive statistic between their preference over the objective medical expenses and the two sector employees

Descriptive Statistics								
	N	Mean	Std. Deviation	Minimum	Maximum	Percentiles		
						25th	50th (Median)	75th
their preference over the objective medical expenses	200	3.5800	1.28525	1.00	6.00	3.0000	4.0000	4.0000
sector	200	1.5000	.50125	1.00	2.00	1.0000	1.5000	2.0000

**TABLE 19.2** Mann whitney U test between their preference over the objective medical expenses and the two sector employees

Mann whitney U test	
	their preference over the objective medical expenses
Mann-Whitney U	4969.500
Wilcoxon W	10019.500
Z	-.078
Asymp. Sig. (2-tailed)	.938

**INTERPRETATION**

From the table 19.2 it is inferred that the significant value 0.938 is greater than the critical value 0.05. So the null hypothesis is accepted .

**INFERENCE**

Therefore there is no significant difference between the public and private sector employees with regard to their preference over the objective medical expenses.

**20.Ho** - There is no significant difference among the Private and public sector employees with regard to their preference over the objective tax minimization.

**TABLE 20.1** Descriptive statistic between their preference over the objective tax minimization and the two sector employees

Descriptive Statistics								
	N	Mean	Std. Deviation	Minimum	Maximum	Percentiles		
						25th	50th (Median)	75th
their preference over the objective tax minimisation	200	4.2300	1.57145	1.00	6.00	3.0000	5.0000	5.0000
sector	200	1.5000	.50125	1.00	2.00	1.0000	1.5000	2.0000

**TABLE 20.2** Mann whitney U test between their preference over the objective tax minimization and the two sector employees

Mann whitney U test	
	their preference over the objective tax minimization
Mann-Whitney U	3306.000
Wilcoxon W	8356.000
Z	-4.363
Asymp. Sig. (2-tailed)	.000

#### INTERPRETATION

From the table 20.2 it is inferred that the significant value 0.000 is less than the critical value 0.05. So the null hypothesis is getting rejected.

#### INFERENCE

Therefore there is a significant difference between the public and private sector employees with regard to their preference over the objective tax minimisation

**21.Ho** - There is no significant difference among the Private and public sector employees with regard to their preference over the objective capital growth.

**TABLE 21.1** Descriptive statistic between their preference over the objective capital growth and the two sector employees

Descriptive Statistics								
	N	Mean	Std. Deviation	Minimum	Maximum	Percentiles		
						25th	50th (Median)	75th
their preference over the objective capital growth	200	3.8300	2.21487	1.00	6.00	1.0000	4.5000	6.0000
sector	200	1.5000	.50125	1.00	2.00	1.0000	1.5000	2.0000

**TABLE 21.2** Mann whitney U test between their preference over the objective capital growth and the two sector employees

Mann whitney U test	
	their preference over the objective capital growth
Mann-Whitney U	4302.000
Wilcoxon W	9352.000
Z	-1.815
Asymp. Sig. (2-tailed)	.069

## INTERPRETATION

From the table 21.2 it is inferred that the significant value 0.069 is greater than the critical value 0.05. So the null hypothesis is accepted.

## INFERENCE

Therefore there is no significant difference between the public and private sector employees with regard to their preference over the objective capital growth.

## FINDINGS

From the analysis it has found out that there is no difference between the public and private sector employees with regard to their preference towards the type of gain from investment.

Public and private sector employees differ from their preference towards different tax rates. Public and private sector employees differ from their preference towards investment in different types of assets. There is no association between the demographic profile of public sector employees and their preference over tax rates. There is no association between the demographic profile of private sector employees and their preference over tax rates. Public and private sector employees differ from their preference over the factor safety. There is no difference between public and private sector employees with regard to their preference over the factors return, liquidity and tax saving. Public and private sector employees differ from their preference over the objectives retirement plan, children education, children marriage and tax minimization. There is a difference between them with regard to their preference over the objectives medical expenses and capital growth.

## CONCLUSION

It is concluded that the most preferred tax rate is old tax rate. In accordance with the changes in the union budget 2020 most of them prefer not to change their investment and savings pattern. The most preferred type of asset to invest is financial assets second is physical assets and the last one is marketable assets. And the most preferred type of income is revenue income.

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