

RESPONSIVENESS AND PRODUCTIVITY OF NEPALESE TAX SYSTEM

A Thesis

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LETTER OF RECOMMENDATION

This thesis entitled **“RESPONSIVENESS AND PRODUCTIVITY OF NEPALESE TAX SYSTEM”** has been prepared by Mr. Yubaraj Chudal under my supervision. I hereby recommend this thesis for examination to the Thesis Committee as a partial fulfillment of the requirements for the Degree of MASTER OF ARTS in ECONOMICS.

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APPROVAL SHEET

We clarify that this thesis entitled "**RESPONSIVENESS AND PRODUCTIVITY OF NEPALESE TAX SYSTEM**" submitted by Mr. Yubaraj Chudal to the Central Department of Economics, Faculty of Humanities and Social Sciences, Tribhuvan University, in partial fulfillment of the requirements for the Degree of Masters of Arts in Economics has been found satisfactory in scope and quality. Therefore, we accept this thesis as a part of the said degree.

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Despite my sincere efforts and utmost care, I bear the full responsibility for any errors and discrepancies that might have occurred during the course of preparation of the thesis.

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ABBREVIATIONS & ACRONYMS

A. D.	Anno Domini
ASYCUDA	Automated System for Custom Data
CD	Custom Duties
CIT	Corporate Income Tax
DANIDA	Danish International Development Assistance
DC	Discretionary Change
DDCs	District Development Committee
DT	Direct Tax
ED	Export Duties
EXD	Excise Duties
FY	Fiscal Year
GDP	Gross Domestic Product
GNI	Gross National Income
GNP	Gross National Product
GoN	Government of Nepal
GSDP	Gross State Domestic Product
GTZ	German Agency for Technical Cooperation
IDS	Integrated Development System
IDT	Indirect Tax
IMD	Import Duties
IMF	International Monetary Fund
IT	Income Tax

LDCs	Least Developed Countries
MDGs	Millennium Development Goals
MoF	Ministry of Finance
MPC	Marginal Propensity to Consume
NPC	National Planning Commission
NRB	Nepal Rastra Bank
NTR	Non-Tax Revenue
OLS	Ordinary Least Square
PIT	Personal Income Tax
Rs.	Rupees
ST/VAT	Sales Tax/Value Added Tax
TR	Total Revenue
TXR	Tax Revenue
UNDP	United Nation Development Programs
VDCs	Village Development Committee
WB	World Bank