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TREND AND STRUCTURE OF GOVERNMENT REVENUE IN NEPAL

TREND AND STRUCTURE OF GOVERNMENT REVENUE IN NEPAL

A Thesis

**Submitted to the Central Department of Economics,
Tribhuvan University, Kirtipur, Kathmandu, Nepal
in Partial Fulfillment of the Requirements**

**for the Degree of
MASTER OF ARTS
in
ECONOMICS**

By

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LETTER OF RECOMMENDATION

This thesis entitled “TREND AND STRUCTURE OF GOVERNMENT REVENUE IN NEPAL” has been prepared by Babita Gautam under my supervision. I hereby recommend this thesis for approval by the thesis committee as the partial fulfillment of the requirements for the Degree of MASTER OF ARTS in ECONOMICS.

Mr. Naveen Adhikari
Lecturer
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APPROVAL SHEET

We certify that this thesis entitled “TREND AND STRUCTURE OF GOVERNMENT REVENUE IN NEPAL” submitted by Babita Gautam to the Central Department of Economics, Faculty of Humanities and Social Sciences, Tribhuvan University, in partial fulfillment of the requirements for the Degree of MASTER 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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ACKNOWLEDGEMENT

Taxation is an important instrument for fiscal policy which can be used for mobilization resources for capital formation in the public sector. An important merit of taxation is that it is not only a good instrument of resources mobilization for development. Therefore revenue mobilization is challenging proposition in an economy like Nepal where contribution of taxes in economic growth is too important.

I hope this thesis will help to understand the present situation of taxes specially its structure and contribution in economic growth. This thesis is prepared for the partial fulfillment of the requirements for the Master of Arts (Economic) degree; I have thought that it will contribute to fill up the latter objective of the research.

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ABBREVIATION

AGI	=	Adjusted Gross Income
CBS	=	Central Bureau of Statistics
CD	=	Custom Duties
ED	=	Excise Duties
FY	=	Fiscal Year
GDP	=	Gross Domestic Product
GoN	=	Government of Nepal
IT	=	Income Tax
LDCs	=	Least Developed Countries
NG	=	Nepal Government
NPC	=	National Planning Commission
NRB	=	Nepal Rastra Bank
TDT	=	Total Direct Tax
TIT	=	Total Indirect Tax
TNR	=	Total Non-Tax Revenue
TR	=	Total Revenue
TT	=	Total Tax
TTR	=	Total Tax Revenue
TU	=	Tribhuvan University
UDCs	=	Under Developed Countries
VAT	=	Value Added Tax