

A survey of the impact of value added tax on buying behaviour of consumers in Kenya: a case of employees in large companies in Kenya

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Abstract:

This study assessed the impact of value added Tax on goods and services on the buying behaviour of consumers in Kenya. It analyzed the changes that consumers in Kenya have made in their buying behaviour as a result of imposition of the Value Added Tax (VAT). It also assessed the possible and appropriate measures that need to be put in place to safeguard the welfare of consumers in Kenya. The findings of the study show that most consumers' feel that the imposition of VAT on goods and services make them cost higher. As a result, the study shows that, most consumers have had to buy fewer Suppliers on regular basis. They also have had to compromise on the quality of supplies they buy regularly in order to manage their budget. The consumers suggested a number of recommendations. The majority of them feel that VAT rates should be reduced. They also feel that the VAT department/government should broaden the tax base to have more taxpayers brought into the tax net.