

## **Tax Practices in Sri Lanka: Evidence from Tax Payer's Perception**

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Tax payer plays a major role in the economy. The main purpose of this research was to identify taxpayer's perception of current tax practices in Sri Lanka. The taxpayer perception is one of the most powerful variables affected for the current practice of taxation in Sri Lanka. Taxpayer's perception is one of the sources of making decisions about the current practice of taxation in Sri Lanka. It is with the help of taxpayer's perception that the current practice of taxation in Sri Lanka can be reviewed more clearly and decisions made from such reviews. In Sri Lanka there are some population groups. We can categorize them as religion, age and race. These different population groups may have differing perceptions about current tax practices in Sri Lanka. Tax payer's perception is also may depends on some economic factors of the business such as number of years, monthly income of the business and etc. Other factors are taxpayer's knowledge about taxation and taxpayer's behavior and attitudes. This research was attempted to review current practice of taxation in Sri Lanka; a research of taxpayer perception by using the questionnaire, given to businessman's in Colombo district. This research will help to the Department of Inland Revenue to identify taxpayer perception about current tax practices in Sri Lanka. Then Department of Inland Revenue can get future decisions about future tax practices in Sri Lanka.

**Keywords:** Taxation, Tax payer, Perception, Tax practices, Economic factors