Comparative Analysis of the Popular Websites used for Electronic Filing (E-Filing) of Taxes in India

Dr. Renu Verma¹ Dr. Reena Dadhich² Nivedita Roy³
¹Associate Dean ²Head of Department ³Ph.D. Student
¹,²,³Department of Computer Science
¹IBS Business School, Gurgaon, Haryana, India ²University of Kota, Kota (Raj.), India ³Banasthali University, Rajasthan, India

Abstract— The portals used for providing any e-governance service to the citizens are very crucial. They serve as an interface to provide and use the services. So, these portals need to be carefully designed and developed to meet the requirements of the users. Studies have been done to understand the factors which contribute to the successful adoption of e-governance initiatives. Some of the important constructs identified for this are navigation, design, content and information and responsiveness. In this paper, these constructs have been used to do a comparative analysis of some of the popular websites used for electronic filing (E-Filing) of taxes in India. 

Key words: E-governance, E-Filing, E-Filing Portals, Search Engine Optimization (SEO), Navigation, Responsiveness

I. INTRODUCTION

The interface used for any web based system is one of the most crucial aspects. In a virtual environment of this kind of a system, the users interact with the service provider only through this interface. So it is very important to develop and design an effective interface to meet all the requirements of the users. This holds true for any e-governance initiatives as well. When it comes to paying of taxes, it is one of the most dreaded obligations for the taxpayers. From the tax payers’ outlook, filing of tax returns has always been perceived as a bane. This can mainly be attributed to the cumbersome process and systems in place since a long time. On the top of this, the stresses that the taxpayers have to go through to get the right paperwork done to fulfill the tax obligations are nightmarish. To make the experience of taxpayers hassle free, having an effective web portal to provide all required services is crucial. It is one of the critical success factors for any internet based system. Over a period of time, lot of modifications have been made to these portals to enhance and improve the features and make the experience of taxpayers better.

II. OBJECTIVE OF THE STUDY

Even though e-filing of tax returns were introduced in 2006, the rate of adoption of this system has been quite slow as compared to some other parts of the world. One of the major reasons is that most of the tax payers are guided by some of the myths which still prevail in their mindsets³. The Income tax Department (ITD) has created a centralised system to meet all the necessities of taxpayers. But the taxpayers don’t need to restrict themselves to use only this portal of the department. Apart from the official website of the income tax department designated as web-based tax filing system, there are a couple of other registered intermediaries which can be used for fulfilling the requirements of e-filing. The look and feel of these e-filing portals and the services offered by the intermediaries vary. These features affect the users’ decision to use any of these systems. The objective of this study is to do a comparative analysis of some of the popular portals used for filing of income tax returns by the individual tax payers.

III. RESEARCH METHODOLOGY

The research conducted by Palmer reports on a series of three studies that develop and validate website usability, design and performance metrics, including download delay, navigability, site content, interactivity, and responsiveness². The findings of these studies indicate that the success of a website success is a first-order construct. The success of website is significantly associated with web site download delay (speed of access and display rate within the Web site), navigation (organization, arrangement, layout, and sequencing), content (amount and variety of product information), interactivity (customization and interactivity), and responsiveness (feedback options and FAQs). The speed of access and the display rate within the website is used for determining website download delay. The way the website is organised, the arrangement of contents within the website, layout and sequencing are used for assess the navigation aspect of a website. How much of customisation and interactivity is provided in a website determines how interactive a website is. To make a website more responsive, feedback options and FAQs become quite significant. These features along with those developed by Turkish Court of Account (TCA) in 2006 were used to analyse the tax filing websites of South Korea and Turkey³. Trust is another aspect which is very significant in the e-governance systems⁴. This trust in e-government websites is positively related to information quality, system quality, and service quality. There are numerous menace and doubts in using any online system. Typical website features like quality of information, system quality, and service quality perceptions, are generally considered as key success factors which have impact on the ultimate goal of e-governance. This trust factor is also dependent on the trusting relationship between users and the government.

Based on the above past studies, four main constructs namely navigation, content, design and responsiveness have been used in this study to do a comparative analysis of five popular e-filing sites which includes incometaxefiling.co.in, cleartax.in, Taxspanner.com, Taxsmile.com and myITReturn.com were analysed. These five portals have been selected based on the search results of Google. Search Engine Optimization (SEO) has been used effectively by all these five service providers and they appear as the top five options based on ‘e-filing India’ Google search. Performance metrics have been
defined for each of these four constructs to evaluate the websites on specific parameters. Six performance metrics have been used to evaluate the navigation construct. Content and information being a very important construct, fourteen aspects have been used to assess this. Four metrics have been used for measuring responsiveness and ten have been used for evaluating the design. These five portals have been critically evaluated on these four constructs based on the personal experiences of the researchers.

IV. A BRIEF ABOUT EACH OF THE FIVE SELECTED E-FILING PORTALS

A. Income Tax Department (ITD) E-Filing Website

If someone has no clue of the website to be used for filing returns online, the easiest way is to use Google to search for Income Tax Department. This comes back with the home page of the Income Tax Department (ITD) on the top of the search results along with the quick link for filing returns online. Subsequently, home page of the e-filing website is available to take the user straight to the e-filing website and then to the login page. This shows that all efforts have been made to make best use of the concept of Search Engine Optimisation (SEO) for the benefit of the users to make the website available even though the user might not be aware of the exact address of the page to file returns online.

The website of the department is developed and maintained by Taxmann Publications Pvt. Ltd. Once the user is on the home page of the ITD, the link to file returns online is available on the home page which cannot go unnoticed. As this link is used, the users are directed to https://incometaxindiaefiling.gov.in/ which is a dedicated website separate to the home page of the department. The home page is presented as Fig. 1. Apart from this, the other important links provided here are for PAN, TAN, TDS, Form 16A, Pay Taxes Online, View Your Tax Credit, Status of Tax Refund, Tax Return Preparer Scheme (TRPS) and others. Tax Return Preparer Scheme is a unique initiative launched in 2006-07 by ITD with an intention to assist small and marginal taxpayers in preparing and filing their tax returns by creating a pool of trained ‘Tax Return Preparer (TRPs). The website has a link to the FAQs, quick link to other required services and a site map for easy navigation. High level of security is provided through this site and security certifications have been issued by Entrust. This ensures the identity of a remote computer. There is one single window for getting any kind of help which is very convenient for the users. The home page of this site is shown below.

B. ClearTax

Cleartax.in, created by ClearSharp Technology Pvt. Ltd. is one of the private organisations authorised by Government of India for e-filing. They claim that the individual taxpayers can prepare and file their Income Tax Returns in the shortest possible time while maximising their tax deductions. With the aim to delight their customers with simplicity, accuracy and getting rid of the notion that taxes are complex, they provide a host of tax filing services to their clients. They have partnered with Microsoft BizSpark in this effort. However, the design and layout of the site is quite confusing for the users and lacks proper structure. But in spite of this, as a result of search option with ‘e-filing India’ search, it is displayed as one of the top options to file returns online after the Income Tax Department. This shows that like ITD, even this organization has made best use of Search Engine Optimisation (SEO) and comes back with all direct links to the services most likely to be used. The website can be accessed at http://cleartax.in/.

ClearTax offers both free and paid services. The users have the choice to use this site to file their returns on their own without a need for any paid services. For this, the option of Free Self e-filing is available for the users. Alternatively, if the assesses do not want to go through the hassles on their own, they may opt for CA Assistant e-filing. Both these choices are highlighted on the homepage. The details of the plans and services are made available for the clients to make an informed decision for the required service. The users make use of the help and support options and tax tools to assist them in tax filing. Fig 2 shows the Home Page of ClearTax.

C. Taxsmile

Created by Taxsmile.com India Private Limited in 2007, this is yet another popular registered e-Return Intermediary. Taxsmile.com is authorized by Income Tax Department to electronically lodge tax returns to the Income Tax Department using web services they provide. Having served the clients since 2008, this is rated as one of the top three e-return intermediaries in India. The clients have the option of availing individual or corporate solutions as per their requirements. This organization is a part of eMudhra Consumer Services Ltd group of company which is a Licensed Certifying Authority under Ministry of Information & Technology, Government of India for issuing digital signatures. With this background in online security,
great care has been taken to ensure security while making use of this site, thus increasing confidence of the users of this site. It uses ‘Trust redefined’ as its punch line. They use 128-bit encryption Secure Sockets Layer (SSL) technology for data protection. Taxsmile servers are secured with firewalls and are monitored round-the-clock for any denial of service or intrusion attacks. Maintaining international quality security standards, Taxsmile servers are hosted at ISO27001. Besides, rigorous security policies are in place for data protection against unauthorized access and to maintain privacy. Most of the time, users are quite concerned about the security and this has been taken care appropriately by emphasizing on it in multiple ways.

The website can be accessed at http://www.taxsmile.com/. Fig. 3 below shows the home page of Taxsmile. The site has been meticulously planned to have included most of the features the users might look for. Right on the home page some of the striking support features have been added to entice the users and bring them back to the site repeatedly. This site comes as the next top option as a result of ‘e-filing India’ search, after ITD and ClearTax. Quick support features are available on this site with links to the most sought after services, for getting help and for post filing support. There is a knowledge centre with all possible details which may the helpful to the users. It claims to provide complete solutions for individual and corporate needs of the clients.

**D. Taxspanner**

Established in 2007, Taxspanner has been authorized by the Income Tax department of the Government of India as an e-return intermediary. It operates from Delhi and Bangalore. Money Today and Mint have ranked Taxspanner as best online tax preparer in the year 2009 and 2010 respectively. This website can be accessed at http://www.taxspanner.com/. Fig. 4 below shows the home page of Taxspanner. Some of the top employers recommend this to their employees based on the benefits of compliance, confidentiality and ease-of-use. Employees of 1000+ companies use Taxspanner services. The list includes most of the Fortune 500 companies operating in India, as well as top IT/ITES companies in India. As far as the security and confidentiality is concerned, the organisation uses SSL encryption to ensure that all information is highly secured. As mentioned by them, TaxSpanner.com is the only tax website certified by the Cert-in empanelled consultants. They say their servers are locked down and guarded. They use 256-bit encryption and automatically back up all your valuable data. These are highlighted right on the home page of the site. The company also claims to make the filing of tax returns easy and hassle free in ten ways. Links are available for all types of e-filing options. The Help and Demo options which gives details like FAQs, Product tours and Glossary of terms. There are links to different types of calculators, vast pool of information and live chats. Getting the e-mail and mobile updates related to IT department tax records is one the unique features of this site.

**E. myITreturn**

Started in year 2006, myITreturn is India’s foremost provider of tax filing and related services for Individuals, Professionals and Small Businesses. It is a subsidiary of Skorydov Systems Private Limited with the expertise in providing software related to tax, compliance and office solutions. With 8, 88,193 (accessed on May 11, 2015) users of their services, myITreturn claims to be India’s largest e-return intermediary. Like other e-return intermediaries, myITreturn also offers free and assisted filing service, which is offered at a price. The home page of myITreturn and its product offerings are given in Fig. 5.

**V. COMPARATIVE ANALYSIS OF THE FIVE TAX FILING PORTALS**

As has been mentioned above, four main constructs have been used to compare the five chosen web portals. This section presents the comparative analysis of these portals on each of these four constructs.

**A. Navigation:**

Having a site map on any website helps the users in navigating through the site. So it is an important feature. Out of the five websites, only IT department e-filing website and
Comparative Analysis of the Popular Websites used for Electronic Filing (E-Filing) of Taxes in India
(IJSRD/Vol. 3/Issue 09/2015/198)

All rights reserved by www.ijsrd.com

Taxsmile had the site map on their websites. Having a link on each page to get back to the Home Page is another important feature for easy navigation. Only IT department e-filing website and Taxspanner have this feature. Menu/submenu structure on all the sites provides easy navigation except for cleartax.in. There is no problem in navigating across the pages using the backward and forward in all the five portals. The IT department portal provides link to other relevant sites like UTI and NSDL to apply for PAN/TAN. MyITreturn.com provides link to the site of IT department for details. The links of all the five portals were checked many times during the research and all the links worked fine for all the portals every time. Based on the six performance metrics used to measure the construct of Navigation of the five portals, https://incometaxindiaefiling.gov.in/ comes out to be the best. The details of this analysis is presented next in Table 1.

<table>
<thead>
<tr>
<th>Performance Metrics/ e-filing website</th>
<th>incometaxindiaefiling.gov.in</th>
<th>clearar.in</th>
<th>taxsmonline.com</th>
<th>taxspanner.com</th>
<th>myITreturn.com</th>
</tr>
</thead>
<tbody>
<tr>
<td>Security of site</td>
<td>Secured site using HTTPS protocol.</td>
<td>No HTTPS</td>
<td>No HTTPS</td>
<td>No HTTPS</td>
<td>Secured site using HTTPS protocol.</td>
</tr>
<tr>
<td>There is a contact number to report problems and to get support</td>
<td>Yes.</td>
<td>Yes.</td>
<td>No.</td>
<td>Yes.</td>
<td>Yes.</td>
</tr>
<tr>
<td>Contact e-mail address is available for support</td>
<td>No.</td>
<td>Yes.</td>
<td>Yes.</td>
<td>Yes.</td>
<td>Yes.</td>
</tr>
<tr>
<td>Live chat option to get support</td>
<td>No.</td>
<td>Yes.</td>
<td>No.</td>
<td>Yes.</td>
<td>Yes.</td>
</tr>
<tr>
<td>It is easy to locate contact information on the website</td>
<td>Yes. Details are quite prominently visible on the home page and also as an option on the top right corner on home page under Contact.</td>
<td>Yes. It is only available under contact.</td>
<td>Yes. Available on each page.</td>
<td>Yes. Available on each page.</td>
<td>Yes. Contact us.</td>
</tr>
<tr>
<td>The site provides details of organisation's activities</td>
<td>Yes.</td>
<td>Yes.</td>
<td>No.</td>
<td>Yes.</td>
<td>Yes.</td>
</tr>
<tr>
<td>The site provides information about the agency's blog</td>
<td>Yes.</td>
<td>Yes.</td>
<td>No.</td>
<td>Yes.</td>
<td>Yes.</td>
</tr>
<tr>
<td>The site provides information about the agency's blog</td>
<td>Yes.</td>
<td>Yes.</td>
<td>No.</td>
<td>Yes.</td>
<td>Yes.</td>
</tr>
<tr>
<td>The site has an option of using another language</td>
<td>Yes. Apart from English, option to use Hindi is available.</td>
<td>No.</td>
<td>It is available only in English.</td>
<td>No.</td>
<td>No.</td>
</tr>
<tr>
<td>The relevant documents are available in more than one file format</td>
<td>Yes. Available as EFile Utility and ITR Utility.</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>The site provides the option for user registration</td>
<td>Yes. Most of the services require registration of user.</td>
<td>Yes. Most of the services require registration of user.</td>
<td>Yes. Most of the services require registration of user.</td>
<td>Yes. Most of the services require registration of user.</td>
<td>Yes. Most of the services require registration of user.</td>
</tr>
<tr>
<td>The site has an online search engine</td>
<td>Yes. Contains in the top right corner on all the pages.</td>
<td>Na</td>
<td>Na</td>
<td>Na</td>
<td>Na</td>
</tr>
<tr>
<td>The site has training videos and materials to help the user</td>
<td>Yes.</td>
<td>Yes.</td>
<td>Yes.</td>
<td>Yes.</td>
<td>Yes.</td>
</tr>
<tr>
<td>The last update is available on the site</td>
<td>Yes. The last update date was July 3, 2018*</td>
<td>Na</td>
<td>Na</td>
<td>Na</td>
<td>Na</td>
</tr>
</tbody>
</table>

Table 1: Comparative Analysis of Websites on Navigation

B. Content and Information:
Of all the five service providers studied, only the portals of IT department and myITreturns.com are secured site using secured Hyper Text Transfer Protocol (HTTPS) making them more secure. However, Taxspanner uses SSL encryption to ensure that all information is highly secured. Contact information is quite prominently visible on the home page of the IT department portal and under the contact option. These details are easily accessible under support and contact options in myITreturn.com and taxspanner.com on taxsmile.com, the contact details are available on each page. The option to use another language is available only on IT department portal. Others just have the offer details in English. All the five portals have the agency’s logo and provide details of organisational activities. The option of in-site search engine is there in all the portals except cleartax.in and taxsmile.com. On the basis of fourteen performance metrics used to measure the Content and Information construct, https://incometaxindiaefiling.gov.in/ appears to be the best of all five portals. Detailed comparative analysis is given in Table 2.
C. Responsiveness:
Using four performance metrics to measure responsiveness, Taxspanner.com comes out to be most responsive with the facilities of providing feedback, FAQs for quick and easy reference, providing mobile and e-mail alerts to registered users and presence on all major social networking sites. IT department does not have presence on any of the social networking sites. Details of comparison of the portals are given in Table 3.

D. Design:
In terms of design, once again the portal of IT department seems to meet almost all the criteria. It has a neat home page which is clear and understandable. The layout is quite consistent across pages of all the five portals except for cleartax.in satisfactory information is available in all of them and every window opens with a title. None of them have unnecessary objects and links in pages except Taxsmile.com which has links for commercial purposes. Details are presented in Table 4 given below. Regarding the background colour, font size of text, most of the sites need to work on them to improve the readability. This aspect is much better in the website of IT department and Taxsmile.com.

VI. CONCLUSION
In spite of being most eco-friendly consumers in the world as per a survey conducted by the National Geographic Society, large Indian masses still prefer the physical route to file their income tax returns as against filing electronically. Apart from other reasons for the slow uptake of this system, the belief that e-filing is not safe, it is not easy to use and there is no help and support around the system are some of the myths which needs to be dispelled. Service providers need to make best use of technology to make the systems more user-friendly and easy to navigate. Myths around the e-filing system need to be removed by making use of the social networking sites. Having demonstration videos and other reference materials to educate the tax payers can be very beneficial. The layout and design of the webpages are also very critical and need to be worked on to improve the experience of tax payers in using the e-filing system.

REFERENCES
Information Review Vol. 32 No. 6, 2008 pp. 842-859 q
Emerald Group Publishing Limited

