Analysis of the Impact of the New Tax on the Middle Class from the Perspective of Big Data

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Abstract. Tax reform related to the vital interests of each of us, life is closely related to our income. This paper will explore the impact of the new tax on the middle class in big data perspective, in order to promote the overall reform and improve the personal income tax system. In this paper, through a questionnaire survey on the employees of some enterprises and units in the middle class in City A, it is found that 92.50% of the people think that the new basic tax reform "basic deduction + special deduction + special additional deduction" is a superimposed deduction model of costs, which is more concerned. People's livelihood issues can enjoy the benefits of personal tax reform to a greater extent; 87.10% of people agree with optimal adjustment of the rate structure, reducing the tax burden; However, some believe that middle-class taxpayers in different parts of the taxpayer unified exemption amount is not fair, you should consider regional differences, where appropriate, to enhance the relevance and quantification system hierarchy. This paper can be seen through a new tax to reduce the burden on middle-class people, well-being has improved, but there is still room for improvement.

Keywords: Big Data, New Taxes, Middle Class, Different Income Groups

1. Introduction

Throughout the historical development of the world, there are great differences in the level of economic development and political and legal systems between countries, as well as in the design and reform of individual income tax system [1-2]. The individual income tax revenue presents a development trend of gradually increasing and occupies a place in the total tax revenue of China [3-4]. With the development of the economy, individual income tax cannot fully play the function of tax regulating income distribution, and the income gap among taxpayers is widening day by day, so the continued use of classified income tax model is unable to meet the changing social needs [5-6]. China's traditional taxation model has been unable to fulfill its historical mission of adjusting income
distribution and narrowing the gap between the rich and the poor.

Tax reform is the inevitable trend of social and economic development. Due to the lack of seriousness and rationality of the original classified tax model, it not only causes insufficient adjustment of individual income by the state, but also affects the performance of individual income tax [7,8]. At the same time, the significant changes in the conditions of the tax system mode also mean that there is a big gap between China and the actual needs of the world's economic development, which cannot meet the objective requirements of the economic society. The socio-economic basis on which the traditional classified income tax model relies has changed, and the individual income tax model also needs to be adjusted in time [9]. Internationally, most countries have reformed their personal income tax system. Because of this, in order to meet the needs of China's economic development and the international situation, it is necessary to carry out a thorough reform of China's individual income tax taxation model [10].

Through the questionnaire survey of some enterprises and unit personnel in A city that meet the requirements of the middle class, it can be seen that the middle class has a high recognition of the new personal tax reform, which improves the happiness of the middle class, reduces the tax burden and increases the well-being of the people. But any reform can one pace reaches the designated position, some middle-class taxpayers should consider regional differences and promote target and level of quantitative system, tax reform still has the perfect space.

2. Method

2.1. Highlights of the New Individual Income Tax Reform

In this reform, initially withheld and paid by the unit to increase the personal tax declaration and clearing of way, the wages and salaries, labor remuneration, remuneration and royalty four labor income into comprehensive tax tax on a yearly basis. Personal income tax threshold from 3500 yuan per person to 5000 yuan a month. This will reduce the burden on low- and middle-income earners. For the first time, six additional special deductions were set up, namely, children's education, continuing education, medical treatment for serious diseases, interest on housing loans, housing rent and support for the elderly. The real burden of adjustment according to different taxpayers and family, embodies the fairness and rationality of the tax system.

2.2. Middle Class

In China, what is a "middle class", China's official referred to in the "middle class" and "middle class" of western society and media reports are often compared to mention "middle-income groups", there are also differences. The middle class and the middle class are not exactly the same. Some middle-income people is who became rich overnight by some social factors, although income is quite high, but from the spirit, culture and values, is not exactly the middle class. So the middle class is a concept of degree, not just income. Most generous income for the middle class through their own struggle with certain social status, through continuous efforts to improve their personal and family life and work conditions, they have positive values, the success of the middle class and personal status and the change of living environment, can through the media as a model for each person, play an exemplary role. The middle class has the avant-garde consumption concept, which can drive the
development of high-tech industry in the whole society. They pursue life taste, attach importance to investment and financial management, and focus on education, tourism and cultural consumption. Whether middle class or middle class, appellation is different, it is just for our nation a relatively vague concept. In conclusion, the author believes that in the modern sense China's middle class could be such a group, most of them are engaged in mental labour through legal means of personal efforts to gain wealth, has certain economic foundation, generally received a good education, have good accomplishment, in the field of personal skills or professional knowledge have strong ability.

3. Experiment

For a more complete understanding of the impact of the new tax reform on the middle class, this paper empirical analysis. In the perspective of big data, according to the actual situation of economic development A city considered, the middle class A city defined criteria: per capita annual income of more than 60,000, more than 140,000 annual household income, well-educated, mostly engaged in mental work. Based on the A city of some enterprises and institutions who conducted a questionnaire survey, this 800 questionnaires were returned of 786, the recovery rate 98.25%, 712 valid questionnaires, accounting for 90.59 percent recovery of the questionnaire. In the 712 questionnaires, covering 8 areas of city A, it spans a wide range of regions, with typical representativeness and universality. The interviewees come from different groups and different ages. Among them, the main group has staff from institutions, including civil servants, media workers, art workers; Medical workers with health systems; Managers with commerce and enterprise systems; Engineers with financial industry, public security personnel, lawyers; White-collar workers in various industries staff. The majority of age groups are 565 young people, accounting for 71.88%.

4. Discuss

4.1. Survey Results and Analysis

By conducting a questionnaire survey on the impact of the new tax reform on the middle class in the middle class in City A, and sorting out the results of the questionnaire, we can see the impact of the new tax reform on the middle class in A The situation is shown in Table 1 and Figure 1.

Table 1. What the new tax reform brings to the middle class in City A

| Impact situation                                                                 | Percentage |
|----------------------------------------------------------------------------------|------------|
| Individual tax reforms enhance purchasing power, improve quality of life, and increase happiness. | 79.30%     |
| "Basic deduction + special deduction + special additional deduction" is a superimposed deduction model of expenses, which pays more attention to people's livelihood and enhances people's livelihood. | 92.50%     |
| Optimized adjustment of tax rate structure reduces the tax burden.                | 87.10%     |
I'm not very satisfied with the tax reform, and I expect higher basic deductions. 52.80%

| Percentage | 50.00% | 60.00% | 70.00% | 80.00% | 90.00% | 100.00% |
|------------|--------|--------|--------|--------|--------|----------|
| I'm not very satisfied with the tax reform, and I expect higher basic deductions. |        |        |        |        |        |          |
| Optimized adjustment of tax rate structure reduces the tax burden. |        |        |        |        |        |          |
| "Basic deduction + special deduction + special additional deduction" is a superimposed deduction model of... |        |        |        |        |        |          |
| Individual tax reforms enhance purchasing power, improve quality of life, and increase happiness. |        |        |        |        |        |          |

**Figure 1.** What the new tax reform brings to the middle class in City A

It can be seen that 79.30% of people believe that the tax reform has enhanced purchasing power, improved the quality of life, and increased happiness. 92.50% of people think that the deduction model of special additional deductions in the new tax reform is more concerned about people's livelihood, and to what extent residents can enjoy the benefits brought by the tax reform. 87.10% agreed with the optimization and adjustment of the tax rate structure, reducing the tax burden. However, 52.80% of the people are not very satisfied with the tax reform, and the expected basic deduction standard is higher. They believe that regional differences should be considered as appropriate to enhance the pertinence and level of the quantitative system.

4.2. Analysis of the Impact of the New Tax Reform on the Middle Class

(1) The adjustment of tax rate structure helps to improve the happiness of the middle class

The best adjustment of the tax rate structure is mainly reflected in the adjustment of the comprehensive income tax rate and operating income tax rate. Taking the comprehensive income as an example, the revised comprehensive income tax rate is based on the progressive tax rate from the initial seven levels of tax revenue, with the focus on expanding the low tax zone of 3%, 10% and 20%, and increasing the average tax rate by 25%. The personal tax burden for taxpayers with an average annual taxable income of less than 300,000 yuan, especially for all taxpayers who initially adopted the 20% tax rate and some taxpayers who initially adopted the 25% tax rate, has greatly reduced their personal taxes, increasing the middle class happiness.

(2) Special additional deductions reduce the tax burden of the middle class and enhance the well-being of the people

Six special additional deductions, each of which implements precise treatment of the public’s...
"pain points". The amendment pays more attention to the personalized factors of individuals and families and the livelihood of the people, reflecting the fairness and rationality of the tax system. The fee deduction system can directly reduce the tax burden of middle-class taxpayers and enjoy the benefits of personal tax reform.

(3) A sound personal income tax system, according to the taxpayer's situation, detailed classification

The new threshold has comprehensively considered factors such as the increase in the level of consumption expenditure of the people to a certain extent, but if the GDP growth rate is compared with the growth rate of the threshold, it can be seen that the threshold is still low, and the individual income tax threshold the adjustment is far from being synchronized with GDP growth. This means that a large number of low- and middle-income individuals pay personal income tax faster than their personal income. At the same time, regional differences should be considered as appropriate to enhance the pertinence and level of the quantitative system. The economic development of the eastern and western regions of China is very different, and people's income and consumption levels are also different. It should be refined according to regional conditions.

5. Conclusion

No reform can be achieved overnight. All practical and environmental experiences are summed up to obtain more ideal and scientific methods and systems. The new tax reform has brought tremendous influence to the middle class, emphasizing changes and significant changes. Place. It is expected that the tax system will be improved and the taxpayer's situation will be divided in more detail to better promote individual tax equity.

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