

# The Effects of Taxation on Consumer Behaviour

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**Abstract:** *Taxation is a crucial economic tool used by governments to generate revenue and influence economic activities. This research paper examines the effects of taxation on consumer behavior, exploring how different types of taxes impact spending, saving, and investment decisions. The study utilizes empirical data, theoretical frameworks, and case studies to provide a comprehensive analysis of taxation's role in shaping consumer choices.*

**Keywords:** Taxation, consumer behaviour, price elasticity, consumer purchasing power, household budgeting