Successful implementation of tax comprehensive plan from the perspective of tax agency employees in Kermanshah

*Dr. Seyed Mirbakhsh Kamrani Mousavi
Department of Accounting, Collage of Humanities, Kermanshah Science and Research Branch, Islamic Azad University, Kermanshah, Iran
*Corresponding Author: kamrani@chmail.com

Reza Mehrabi
Department of Accounting, Collage of Humanities, Kermanshah Branch, Islamic Azad University, Kermanshah, Iran
Reza.mehrabi56@yahoo.com

Abstract
The aim of this study was to examine the relationship between individual factors of tax culture and the successful implementation of the tax comprehensive plan from the perspective of the tax agency employees in Kermanshah. This study is based on a survey type of descriptive method. It used 15-item researcher-made questionnaire to collect data. The reliability of the questionnaire was obtained 0.856 and as Cronbach's alpha of questionnaire is higher than 0.7, the questionnaire had high reliability. Population of study includes all 230 employees of the tax agency in Kermanshah that 140 of tax agency employees of Kermanshah city were selected as sample based on Morgan table. Finally, complemented questionnaires were analyzed. This study uses one main hypothesis and five sub-hypotheses as follows:
The main hypothesis: there is significant relationship between individual factors of tax culture and successful implementation of tax comprehensive plan from the perspective of tax agency employees in Kermanshah.
First sub-hypothesis: there is significant relationship between taxpayers' educational level and successful implementation of tax comprehensive plan from the perspective of tax agency employees in Kermanshah.
Second sub-hypothesis: there is significant relationship between taxpayers' motivation for social participation and successful implementation of tax comprehensive plan from the perspective of tax agency employees in Kermanshah.
Third sub-hypothesis: there is significant relationship between taxpayers' knowledge of tax rules and successful implementation of tax comprehensive plan from the perspective of tax agency employees in Kermanshah.
Fourth sub-hypothesis: there is significant relationship between taxpayers' positive attitude to tax function and successful implementation of tax comprehensive plan from the perspective of tax agency employees in Kermanshah.
Fifth sub-hypothesis: there is significant relationship between taxpayers' political trust to government and successful implementation of tax comprehensive plan from the perspective of tax agency employees in Kermanshah.

Keyword: Tax, tax individual culture, a tax comprehensive plan, the tax agency employees in Kermanshah.
Introduction

Tax revenues are the best and most healthy sources of governments to achieve economic and social goals in society. Tax is people participation in supplying public costs and social cost that people pay in exchange for using government services. In fact, it is a tool for fair distributing of national wealth and accurate and timely taking of it leads to reduced class gap. Tax paid in Iran is equivalent to 25 percent of the budget, while Americans pay 97% of budget, Austrians pay 94% of budget, and European Union pays 93% of the budget of governments (Jafari, 2010). Research has shown that there is direct relationship between increased revenue level and rate of direct tax evasion and people wants to pay less tax by hiring expert advisors. Therefore, in recent years, government has taken big and important steps to changes view on tax by computerizing the tax system on car business and estate businesses, E-making tax cases and returns, establishing of an integrated information system, making effort to reduce the tax proceedings, establishing value added tax (VAT) and tax comprehensive plan implementation. These statistics also suggest lack of success compared to other countries.

Problem statement

Freedom from volatile and unreliable revenues arising from the sale of crude oil and finance the government budget through tax revenues is one of the key objectives of the tax system of the country. A glance at tax system performance of country during past years shows that despite important measures done in the first to fourth economic, social, and cultural development plans of country to modify tax system in various aspects, including modifying tax rules, modifying tax rates and exemptions, Iran’s tax system has no appropriate status compared to other countries.

One of the main problems in the tax system is lack of scientific forecasting in tax revenues (Aghaee and Komijani, 2003).

Cultural component elements of tax include (Khanjan, 2004):

1. The amount of lessons people learning from history, that is, how much people learn from past experiences reach for them chest to chest from past periods through hand-written notes.

2- Trust in government and politics governing on society indicate the effects of governing policies on society and tax culture according to this famous saying "people of the rulers of society".

3- Depending on the fact that if population is old or young, structure and education level of population, knowledge of laws and regulations, incentives for teamwork and positive attitude are among the factors affecting the culture tax. Employment or unemployment rate are also other important factors in this regard.

4- Scientific thinking and reasoning as a criterion to distinguish right from false in decision-making; this is not possible just by thinking deeply on works of past and current scholars of world and using positive aspects of their guidelines.

5- Cultural system (potential) governing on religious society, that is, those active values directing actions and behavior of people. Factors creating and strengthening the tax culture in people must be according to public want. All individuals and organizations must be motivated to play role in this movement. The movement goals must be developed logically since to promote culture of paying tax is a national movement. The practical methods and procedures should be simple as possible to allow public participation to promote it.
Importance of study

Problems in tax system of country led authorities to think deeply on tax system. In other words, shortcomings and the disruptions in policies, inefficient tax systems and processes, failure to provide appropriate services and insufficient information to taxpayers and weak culture in paying tax lead to increased operating costs, increased complaints, and increased volume of tax evasions. Finally, these problems led to reduced tax revenues and increased discontents. In addition, based on the above-mentioned cases, shortcomings and limitations in information, processes, implementation, and rules of tax required comprehensive plan of tax since tax comprehensive system is one of the pillars of the economic system of every country (Ahmadi, 2013). In the field of transformation and structural reforms in the economy, we should not neglect the complex and influential role of culture in creating profound and fundamental changes in the structures and systems. Therefore, the promotion of tax culture is a strategic approach in tax system nowadays. Accordingly, improving the tax system and its dynamic structure seems to be impossible without developing and implementing long-term and strategic plans in the areas of tax culture. Tax is the most important part in supplying budget revenues and duty of an efficient tax system is to provide costs of government and move towards economic stability. Reform in tax as the major supplier of budget revenues is not realized without making culture in society and changing the view of taxpayers to this issue. In addition, we should pave the way to increase tax revenues through tax culture and responding to people doubts in the regard (Mansfield, 1987).

Goals of study

Main goal
The main goal of this study to investigate the relationship between individual factors of tax culture and successful implementation of tax comprehensive plan from the perspective of tax agency employees in Kermanshah Secondary goals
1. To investigate relationship between taxpayers’ educational level and successful implementation of tax comprehensive plan from the perspective of tax agency employees in Kermanshah
2. To investigate relationship between taxpayers’ educational level and successful implementation of tax comprehensive plan from the perspective of tax agency employees in Kermanshah
3. To investigate relationship between taxpayers’ knowledge of tax rules and successful implementation of tax comprehensive plan from the perspective of tax agency employees in Kermanshah
4. To investigate relationship between taxpayers’ positive attitude to tax function and successful implementation of tax comprehensive plan from the perspective of tax agency employees in Kermanshah
5. To investigate relationship between taxpayers' political trust to government and successful implementation of tax comprehensive plan from the perspective of tax agency employees in Kermanshah

Conceptual model of study:

Based on investigation conducted, studying individual tax factors, tax comprehensive plan, and by guidance of my supervisor, model used in this study can be shown as follows:
Hypotheses of study

Based on goals of study, one main hypothesis and five sub-hypotheses were developed in the study:

The main hypothesis: there is significant relationship between individual factors of tax culture and successful implementation of tax comprehensive plan from the perspective of tax agency employees in Kermanshah.

First sub-hypothesis: there is significant relationship between taxpayers' educational level and successful implementation of tax comprehensive plan from the perspective of tax agency employees in Kermanshah.

Second sub-hypothesis: there is significant relationship between taxpayers’ motivation for social participation and successful implementation of tax comprehensive plan from the perspective of tax agency employees in Kermanshah.

Third sub-hypothesis: there is significant relationship between taxpayers' knowledge of tax rules and regulations and successful implementation of tax comprehensive plan from the perspective of tax agency employees in Kermanshah.

Fourth sub-hypothesis: there is significant relationship between taxpayers' positive attitude to tax function and successful implementation of tax comprehensive plan from the perspective of tax agency employees in Kermanshah.

Fifth sub-hypothesis: there is significant relationship between taxpayers' political trust to government and successful implementation of tax comprehensive plan from the perspective of tax agency employees in Kermanshah.
Domain of study

Locational domain
Locational domain of this study is tax affairs agency of Kermanshah city.

Time domain of study
The data of this study related to period of 2015.

Subject domain
The current study subject domain is to examine the relationship between individual factors of tax culture and successful implementation of tax comprehensive plan from the perspective of employees in Kermanshah.

Importance of implementation of tax comprehensive plan

Problems in tax system of country led authorities to think deeply on tax system. In other words, shortcomings and the disruptions in policies, inefficient tax systems and processes, failure to provide appropriate services and insufficient information to taxpayers and weak culture in paying tax lead to increased operating costs, increased complaints, and increased volume of tax evasions. Finally, these problems led to reduced tax revenues and increased discontents. In addition, based on the above-mentioned cases, due to shortcomings and limitations in information, processes, implementation, and rules of tax, a tax comprehensive plan was required. These shortcomings can be shown in Diagram 1-2 in brief (ibid, 17).

Diagram 1-2: Tax affairs agency status of country before implementation of tax comprehensive plan

According to the mentioned cases, tax comprehensive plan in this system is very important. This plan has distinctive features compared to similar plans. Economic value, social influence, participation of internal and external consultants and contractors groups in it increased technical complexity of the plan led to special sensitivity and accuracy at all stages of its implementation. By implementing tax comprehensive plan and establishing information...
technology systems in tax affairs agency of country, all important economic activities were integrated and tax evasion reduced significantly (Rezaee, 2011).

Strategies to achieve tax comprehensive plan goals

In order to achieve stated goals, several measures should be done that the most important of them are as follows (Askari, 2011):

Solution to achieve increased satisfaction of interest groups
- reengineering of organization processes
- using information technology
- creating tax justice and dissemination of tax culture
- Easy, quick, accurate and integrated implementation of tax affairs
- integrated tax system implementation
- improving service for taxpayers
- improving job satisfaction of staff

Diagram 2-2- Solutions to achieve tax comprehensive plan goals (Askari, 2011)

1. Integrated tax system axis
2. Infrastructure axis
3. Human resources axis
4. Interest groups axis
5. Plan management axis

Diagram 2-3- five axes of tax comprehensive plan (Askari, 2011)

In order to measure the reliability, Cronbach’s alpha was performed using SPSS software. For this purpose, an initial sample contains 30 pre-tested questionnaires were pretested among the population and reliability was calculated using data obtained by questionnaires and using Spss software. Results will be provided below.
As you can see, Cronbach's alpha test of test questionnaire and its components is higher than 0.7, indicating that reliability of questionnaire is high.

The absolute and relative frequency distribution of the sample in terms of gender

Table 4-1: absolute and relative frequency distribution of the sample in terms of gender

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>absolute frequency percentage</th>
<th>relative frequency percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>110</td>
<td>78</td>
<td>78</td>
</tr>
<tr>
<td>Female</td>
<td>30</td>
<td>22</td>
<td>100</td>
</tr>
<tr>
<td>Total</td>
<td>140</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

Table 4-1 suggests that about 78% of participants are male and 22% of them are female.

The absolute and relative frequency distribution of the sample in terms of marriage status

Table 4-2: absolute and relative frequency distribution of the sample in terms of marriage status

<table>
<thead>
<tr>
<th>Marriage status</th>
<th>Frequency</th>
<th>absolute frequency percentage</th>
<th>relative frequency percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Married</td>
<td>120</td>
<td>85</td>
<td>85</td>
</tr>
<tr>
<td>Single</td>
<td>20</td>
<td>15</td>
<td>100</td>
</tr>
<tr>
<td>Total</td>
<td>140</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

Table 4-2 suggests that about 85% of participants are married and 15% of them are single.

The absolute and relative frequency distribution of the sample in terms of education level

Table 4-3: absolute and relative frequency distribution of the sample in terms of education level
Table 4-3 suggests that about 2% of participants had diploma and lower, 82% of them had associate and BA, and 16% of them had master and higher level of education. There is significant relationship between individual factors of tax culture and successful implementation of tax comprehensive plan from the perspective of tax agency employees in Kermanshah.

Statistical hypothesis of this study is as follows:

- Null hypothesis: \( H_0 : \rho = 0 \)
- Alternative hypothesis: \( H_1 : \rho \neq 0 \)

Results of two-way Pearson correlation test for main hypothesis is as follows:

Table 4-5 Pearson correlation between individual factors of tax culture and successful implementation of tax comprehensive plan

<table>
<thead>
<tr>
<th>Variable</th>
<th>N</th>
<th>M</th>
<th>SD</th>
<th>Coefficient of correlation</th>
<th>Significance level</th>
</tr>
</thead>
<tbody>
<tr>
<td>individual factors of tax culture</td>
<td>140</td>
<td>2.62142</td>
<td>4.19131</td>
<td>0.712</td>
<td>sig= 0.000</td>
</tr>
<tr>
<td>successful implementation of tax comprehensive plan</td>
<td>140</td>
<td>1.42341</td>
<td>4.71074</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Based on coefficient of correlation obtained (r= 0.712) and significance level (sig= 0.000), null hypothesis is rejected at the 99% confidence level. It means that there is significant relationship between individual factors of tax culture and successful implementation of tax comprehensive plan from the perspective of tax agency employees in Kermanshah. Pearson coefficient of correlation between these two variables is 0.712, indicating positive and significant correlation between them.
Rank mean of five dimensions

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Political trust of taxpayers in government</td>
<td>3/63</td>
</tr>
<tr>
<td>Positive attitude of taxpayers to tax functions</td>
<td>3/17</td>
</tr>
<tr>
<td>Motivation for social participation</td>
<td>2/94</td>
</tr>
<tr>
<td>Knowledge of tax rules and regulations</td>
<td>2/91</td>
</tr>
<tr>
<td>Education level</td>
<td>2/36</td>
</tr>
</tbody>
</table>

Therefore, the order of dimensions is as follows in terms of importance.
- Political trust of taxpayers in government
- Positive attitude of taxpayers to tax functions
- Motivation for social participation
- Knowledge of tax rules and regulations
- Education level

As Table 4-12 shows taxpayers’ political trust in government ranked first (the most important) from the perspective of tax agency employees of Kermanshah, followed by positive attitude of taxpayers to tax functions, taxpayers’ motivation for social participation, knowledge of tax rules, and education level of taxpayers (the less important), respectively.

Table 4-12 shows the significance results of Freedman test. Obtained results show that as significance level (0.000) is lower than Alpha level 5%, therefore, with 95% confidence, it can be said that the mean of obtained ranks for five dimensions indicates importance level of variables from great to small.

Table (4-12): significance test of five dimensions

<table>
<thead>
<tr>
<th>N</th>
<th>140</th>
</tr>
</thead>
<tbody>
<tr>
<td>chi-square test</td>
<td>247/357</td>
</tr>
<tr>
<td>Degree of freedom</td>
<td>5</td>
</tr>
<tr>
<td>Significance level</td>
<td>./...</td>
</tr>
</tbody>
</table>

Recommendations based on hypotheses

Recommendations based on first sub-hypotheses test (education level of taxpayers):

Results of this study indicate that there is significant relationship between education level of taxpayers and successful implementation of tax comprehensive plan. Therefore, it can be said that: in an educated society, implementation of tax comprehensive plan will be more successful. Therefore, by improving literacy, education, and increasing qualitative and quantitative role of universities and higher education centers, facilitating entrance to these centers, and improving quality of these centers, successful implementation of tax
comprehensive plan might be achieved. To enhance the tax culture, it is recommended that some materials on tax to be included in schools and university books.

Recommendations based on second sub-hypotheses test (taxpayers’ motivation for social participation):

Results of this study indicate that there is positive relationship between taxpayers’ motivation for social participation and successful implementation of tax comprehensive plan. It is important to note that people in society have active participation in social issues. To reach to a point that shapes people belief on tax is very important and people require mutual belief by government and people to work together.

Recommendations based on third sub-hypotheses test (taxpayers’ knowledge of tax rules and regulations):

Results of this study indicate that there is positive relationship between taxpayers’ knowledge of tax rules and regulations and successful implementation of comprehensive tax plan. Other tax system problem regarding taxpayers is that tax rules are not only transparent, many of taxpayers have no knowledge of current rules and they do not know how to do on issues happening on taxes. It seems that trade unions play important roles in making the taxpayers aware of tax rules.

Recommendations based on fourth sub-hypotheses test (taxpayers’ positive attitudes to tax function)

Results of this study indicate that there is positive relationship between taxpayers’ positive attitudes to tax function and successful implementation of tax comprehensive plan.

As taxpayers must reach a belief for tax action, government also should provide complete information on tax so that taxpayers have positive attitude of tax and paying it.

Recommendations based on Fifth sub-hypotheses test (taxpayers’ political trust in government):

Results of this study indicate that there is positive relationship between taxpayers’ political trust in government and successful implementation of tax comprehensive plan. Perhaps, it can be said that the most important factor in paying tax and financial support of government by taxpayers is that taxpayers must have a political trust in government. There should be unity and solidarity between them so that taxpayers can support government. Therefore, shaping and strengthening political trust is one of the factors increase tax culture.

Recommendation for further studies:

1. To conduct similar studies in tax agencies in other provinces so that the results can be generalizable to other cases
2. To conduct studies regarding ethnic and cultural factors and their impact on the implementation of the tax comprehensive plan
3. To conduct studies investigating the factors affecting the tax culture in different jobs and to compare and analyze the results
4. To conduct studies on investigation of external organizational factors such as mechanical doing of tax affairs, comprehensive information system of tax, to provide information on tax, transparency of tax rules to improve tax culture and the successful implementation of tax comprehensive plan.
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