STUDYING FACTORS INFLUENCING THE ATTITUDE OF THE TAXPAYERS TO PAY THE TAX IN KERMAN

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ABSTRACT
Taxes are the most important sources of income in many countries. If the tax culture is implemented effectively in society many problems of the state in serving the people can be overcome. Peoples' attitude towards the tax and their mentality to the notion can play an important role in their willingness or lack of willingness to pay taxes, therefore, this paper examines the factors that influence the attitude of the tax payers. 22 factors have been extracted in the studies and the results show the importance of "the mentality of people towards taxes consumption" to other factors and other factors have been ranked based on peoples' view. Detailed information on the use of tax resources can play a fundamental role in developing a positive attitude toward taxes.

Keywords: Tax, Tax Evasion, Attitude and Fairness in the Tax System

INTRODUCTION
The government's job is to maximize social welfare. Reducing unemployment, increasing income, reducing inflation, securing, delivering public goods and services, etc are among the duties of the state in terms of maximizing the welfare of the communities. On the other hand, tax accounts for the bulk of state's revenue (Kiaiel and Noca, 2002). One of the most common and most important methods of financing in the world is taxation. So until the government of Iran does not acquire such a resource it cannot obtain social development, social welfare and promoting economic indicators. Changing negative views of Iran society and taxation culture revival requires creating a mutual belief among the public and government. In an ideal world all taxpayers willingly and voluntarily pay their taxes. But the reality is that most people are reluctant to pay taxes and at the end of the financial year they think about how they can pay less tax (Murphy, 2004).

Undoubtedly, in process of tax collection, tax payers are one of the factors affecting the tax system. Hence, their cooperation and satisfaction to the voluntary compliance is one of the principle strategies. But one of the main problems of taxation in Iran is that people have negative feelings about the issue of taxation. Taxpayers consider tax agents as people who have been appointed by the government to take their money from them. This is certainly an unfavorable view of the historical record. Although this negative view may not be transferred to language but the memory of the society has continued this attitude, so that taxes can be considered a form of bullying (Agha, 2010). In fact, people cooperation with tax system and their willingness to pay taxes depends on the degree of social development and people's belief in the mission of the tax system. Therefore, the tax system should think about measures to increase people's faith and confidence in the tax system to provide their trust.

If the tax is regarded as a national and Islamic value and this would be in the belief of the tax payers, it can allow public participation in identifying and collecting taxes (Aghaie, 2000).

Tax
Tax is a kind of social cost that citizens of a society must pay for using public facilities and services (Noori, 2002). In another definition tax is the financial and legal commitment of the entity to the government. In fact, tax is a social right on the shoulders of those who are living and working in the shadow of the social blessings or the tax is some share of the work and efforts of people awarded to the Society. The higher level of government spending is financed by the tax the cohesion of the tax system will be more (Ghorbani, 2010). Tax is fund that government agents take according to the law from property, land, real estate owners, etc. so the country can afford the public interest or can pay its debts.
(Moien, 1981). Tax is a part of the people income or property (natural and legal persons) that is collected to pay public spending and implementing the state fiscal policies in order to maintain economic, social and political interests and due to legislation and by administrative levers of government (Alizadeh, 2006). Tax, the social and economic phenomenon, is resulted from the 'state' formulation from the first case to present case. Overview of tax changes over time suggests that its role is broader and more efficient during the time. This role, especially during the last two centuries has been determinant in all facets of social life. And even although in the present day governments' functionality of industrialized societies is reducing in the economic affairs; but it seems government involvement in the interests of financial institutions to finance the office of public affairs is increased (Salami, 1991).

The Importance of the Tax System
Taxation is one of the important economic issues in any society. Tax laws, are considered as mother laws in economic fields and perhaps it is the most important element of the government's economic policies and everyone would agree on the sensitivity of this issue. There are many objectives in implementing a tax system, some of them include: 1- Limiting private use and transferring resources from consumption to investment, 2- Increasing savings and investing, 3- Transferring resources from the public to the government to invest in the construction of economic and social units, 4- Reforming the investment, 5- Reducing economic disparities among the masses of people, 6- Creating an economic surplus (Gharabaghian, 1992).

Culture of Taxation
Culture of taxation in the sense culture of commitment to tax obligations, is a goal that all tax systems in the world wish to achieve. Achieving this objective depends on the culture of voluntary taxpaying in taxation (Arab and Shayani, 1996). In other words, the tax culture is people's belief in tax the necessity of paying taxes. "Tertet" has defined taxation culture as tax mentality including attitudes, and peoples' behavior patterns that people have to tax and government. "Burger Nerer” explains that tax culture of a particular country is the integration of all relevant formal and informal institutions related to its tax system and its practical implementation and historically is located in the culture of the country. Constituent elements of the tax culture "Ner" opinion include taxpayers, policymakers, experts, educators and tax authorities. Interaction occurs between different groups and between members of a group. Interaction and interdependence of social relations are formed in the long time, which would form the bulk of the tax culture of the country. As a result culture of the tax includes a concept more than culture of taxation and culture of tax payment. Simply tax culture is a set of attitudes, insights, perceptions and aspirations, social values, current legislation and public awareness of tax (Jalalabadi and Azizkhani, 2005).

Reasons for Non-Payment of Taxes in Iran
Although most people are aware of the importance of taxation, but are not willing to pay, here we describe some of the reasons. Incentives of tax evasion are in social, political, economic and even religious background of a country. One of the important factors in this context is the lack of efficient mechanisms to track and identify and record levels of revenues in their generating levels, lack of sufficient awareness of all members of society about the importance and necessity of tax and its role in the economy and low tax culture in our country that is one of the reasons of tax evasion. Some religious beliefs from the past, before the Islamic Revolution have also strengthened the incentives for tax evasion. Before the Islamic Revolution and the establishment of the Islamic Republic it was believed that because of the government's oppression on the country, paying tax is helping to strengthen it, so religious authorities and religious scholars prohibited people from giving tax. So the motive of tax evasion as a form of religion was established and became part of the culture and habits of the people, so the idea is already there, however, is weaker.

In addition to the above reasons, conflict and lack of understanding and trust between agents and taxpayers is another reason for tax evasion. Some taxpayers believe that even if their actual income is legally registered in the books, documents and records in accordance with the facts and write actual income tax in their tax declarations it is not also accepted by the tax authorities. They consider inaccuracy
of this statement. For this reason, they try to adjust their legal offices and commented on it so that
detection agents are unable to achieve the reality. On the other hand tax officers also believe that the
taxpayers don’t believe in paying taxes and they try to conceal their true revenue and it would do the trick
and even some of them have special offices to regulate for the Ministry of Economic and Finance Affairs.
High final rates of tax are also another reason that has led to the development of an underground economy
(Aghaie, 2000).

Tax fairness is another reason. The fairness of the tax system is not a technical-economy issue, but it is a
human philosophy, therefore we cannot provide a specific definition of tax fairness, and limit it to a
certain condition (Mohandes and Taghavi, 2004). Tax fairness is very important and the tax must be taken
in accordance with the public and economic actors' afford. The question is always that when public
employees pay their tax immediately and tax will be deducted from their pay stubs; why others delay in
paying tax until three or four years and further? Economic actors must be dealt with so that tax would be
in accordance with their revenues and profits and to be taken timely to not to see tax evasion and delay in
paying taxes (Shamshiri, 2007).

A Review of the Tax and the Tax System in Iran
Since the creation of human societies and the governments constructing and the society administration
costs and creating order and security against foreign invasion, taxation has been mentioned. Despite the
long history of the tax in Iran that refers to Hakhamaneshian, and taking into consideration the fact that
Islam has considered taxes in many different types, so Iran tax system is still grappling with numerous
structural problems. Appropriate culture and lack of proper awareness of the public toward services
provided by the state, a small tax base, extended tax exemptions, and underdeveloped administrative
systems are some of the problems cause fading share of taxes in the budget. In Iran's economy that is
based on revenues from natural resources (including oil and gas), or in general is single-product, tax has
been unable to play its role to balance the spending and tax revenues, and play economic fluctuations
properly, and it is unlikely that in the current situation, tax revenues could be replaced by oil revenues. In
Iran, the ratio of tax revenues to GDP (which determines the power and efficiency of the tax system) in
1342, was at its highest level that was 10.1 percent, since then, with fluctuations with a decreasing trend,
it got to the lowest level of 3.9% in 1995 and reached 7.3 percent in 2009. Comparing the ratio of tax
revenues to GDP (7.3%) in several countries in 2009 it can be found that the lowest percentage belongs to
our country. While, this proportion for developed countries such as France, England and Germany has
been 49, 36 and 40% respectively and for countries like Syria 11%, Pakistan 10.6%, India 17.8%, Bolivia
2.2%, Kenya (18%), and Venezuela 25%, respectively (Davani, 2010).

Tax Evasion in Iran
Tax evasion has been defined as intentional illegal behavior or violation of the law of direct taxes to avoid
paying taxes. Reporting less income is an intentional sample of tax evasion (Circle of International Fiscal
Documentation, 2001). Tax evasion is a wrong action whereby taxpayers are trying to use illegal means,
to reduce their tax liability. According to Farayola (1987) tax evasion is fraud, trickery, deliberate
distortion or hiding the numbers for the purpose of avoiding or reducing the amount of tax. Some tax
evasion ways in Iran are the following ways: Documenting fraudulent transactions (for example, having
two offices for the registration of transactions, one for tax payer that shows the transactions properly and
one for tax authorities, removing items of income (for example, recording sales as deposit by partners);
Higher costs (using appropriate titles for unacceptable costs, giving incorrect addresses for establishment
of the company; dissolve and re-Recording the firms in succession, no registration rental properties in
offices and etc; but any form of tax evasion can be an indication of the inability of the Tax Administration
of Taxation, or people indifference toward the tax system (Moradi et al., 2013).

Attitude
Attitude can be defined in terms of learning theories and cognitive approaches. In each of these theories
the concept of attitude is defined differently and it emphasizes the different aspects of the attitude.
Gordon (1935) defines the attitude as: "attitude is a mental and neural readiness state that is organized
through experience and affects individual reactions to the issues and opportunities related to attitudes

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directly and dynamically." In this definition that mainly is based on learning theory; past experiences impact on organizing the attitudes and also responding to a situation has been considered. On the other hand, "Krach and Krachfelder" (1948), who had mainly cognitive perspectives, defined attitudes as follows: 'Attitude is stable organization of motivational, emotional, cognitive and perceptual processes in relation to some aspects of the individual's world.' the origin of the attitude is not mentioned in the definition but present tense has been emphasized (Pasha, 2002).

**Research Article**

**Research Method**

Questionnaire proportionate to the objectives of the research to gather needed information was designed in accordance with theoretical research principles. This questionnaire has been designed in two categories. The first part included questions about respondents' demographic characteristics (age, gender, salary, education) and the second part of the questionnaire included 22 items from the titles of theoretical research. In this section, respondents showed the extent of their agreement or disagreement with the factors with mark (totally disagree, disagree, no idea, agree, strongly agree). To assess scientifically and ensure of the absence of any ambiguity in the questions, the present questionnaire was confirmed by professors and experts. Initially, 30 questionnaires were distributed to the pre-test that their Cronbach's alpha value was more than 76%. So we can assume that the questionnaire has good reliability.

The expected community has been formed of different classes of employees and other tax payers in Iran. Since it was not possible to study all of the expected community, a sample was selected. Samples were selected randomly. Sample size of 384 was determined considering infinity of the community by Morgan table. A total of 400 questionnaires were distributed, of which 198 questionnaires were returned.

**Experimental Results and Analysis**

**Descriptive Statistics**

Descriptive statistics is about the demographic variables as follows: mean of gender variable is 1.48 and indicates that almost half of the respondents are male and half are female. Mean of age variable is 35 years. In terms of education, respondents are as follows: The under diploma 11%, diploma 26%, associate degree, bachelor's 28.6%, and master's degrees 30.4 and above 4%. The average income of people was 146 million dollars per year.

Analysis of the results suggests that the importance of factors considering focus of taxpayers and checking their feedback scores is as follows:

- improper use of tax
- Inadequacy of staff education
- Not true record revenue
- Inappropriate tax system
- Inequality due to tax exemption
- Knowing tax as a religious duty
- Unfairness in the tax exemption
- The unfairness of the tax system
- Insufficient financial audit
- Uncertainty of tax law
- Constantly changing tax laws
- High tax rates
- Tax not deterring crime
- Failure to pay the actual tax by tax payers
- Inadequacy of tax staff
- the most popular perception that all escape taxation
- Mismatch of tax with the ability of tax payers
- affected by the absence of the others' tax commitment
- Lack of attention to the needs of taxpayers in tax policy
- Mismatch of tax system with technological advances

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Payment of taxes as a sign of loyalty to the state
- inappropriate relations among tax employees and tax payers

**Table 1: Descriptive statistics of data**

<table>
<thead>
<tr>
<th>Standard deviation</th>
<th>max</th>
<th>Average</th>
<th>Median</th>
<th>min</th>
<th>variable</th>
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<td>1</td>
<td>1</td>
<td>gender</td>
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<tr>
<td>9.141</td>
<td>57</td>
<td>35.85</td>
<td>35</td>
<td>17</td>
<td>age</td>
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<td>1.092</td>
<td>5</td>
<td>2.91</td>
<td>3</td>
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<td>education</td>
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<tr>
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<td>415</td>
<td>146</td>
<td>120</td>
<td>30</td>
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<tr>
<td>1.697</td>
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<td>3</td>
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<td>High tax rates</td>
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<tr>
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<td>Payment of taxes as a sign of loyalty to the state</td>
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</table>

**CONCLUSIONS AND RECOMMENDATIONS**

Based on the results it can be concluded that there is pessimism towards the consumption of tax in the country that can be removed by the proper information on the consumption tax and more and accurate expert reviews to use the tax properly to eliminate this suspicion. The other factors should be evaluated more accurately and if the mentality of people is wrong distrust factors should be eliminated through informing properly about process and use of tax and if this mentality is correct the necessary reforms should be done. In the discussion of teaching tax officials it is a necessary matter. Taking step towards the implementation of a strong information system should be in government programs. Strong monitoring of the implementation of tax rules and avoiding legal gaps in this field is among other measures so that justice is established. Necessary steps should be taken to create a correct culture of tax and until the
implementation of strong supervision in this area it should be continued. A conclusion can be reached with the following recommendations:

- The use of experts and expertise work to reform the tax code
- Complete and clear publish of guidelines on tax and informing through the media and related and secured channels
- Implementation of new technologies for the tax to be easier and faster
- Establishing heavy penalties for tax evasion and firmly pursue the enforcement of penalties
- Determination of tax rate based on payer ability
- Creating powerful database to prevent tax evasion and receiving tax fairly
- spending justly and expertly resources and information through the media and other channels
- Culture promotion of the tax and its impact on social welfare, especially from the lower levels and lower ages, including schools and universities.

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