

ADDIS ABABA UNIVERSITY COLLEGE OF BUSINESS AND ECONOMICS

DEPARTMENT OF ACCOUNTING AND FINANCE

TAX ASSESSMENT AND COLLECTION FOR CATEGORY 'A' TAX PAYERS IN THE CASE OF ARADA SUB-CITY CUSTOM AUTHORITY BRANCH OFFICE

BY: - KIRUBEL ZERU

ID NO;- GSE/6884/16

ADVISOR; - DR. DEGEFA DURESSA

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DECLARATION

I, Kirubel Zeru, Registration Number /I.D. Number GSE/6884/16, do here by declare that this Thesis is my original work and that it has not been submitted partially; or in full, by any other person for an award of any degree in any other university.

Declared by:- **Kirubel Zeru**

Signature: 

Date: Jan - 2026.

APPROVAL SHEET

I, the undersigned, declare that this thesis entitled "the challenges faced in tax assessment and collection among Category "A" taxpayers at the Arada Small Taxpayers Branch Office", is my original work and has not been presented for a degree in any other university, and that all sources of material used for the thesis have been duly acknowledged.

	Name	Signature	Date
Advisor:	Dejene Diresa		22/06/2026
Internal Examiner:	Anchalen Tesfaye		
External Examiner:	Tigist Belachew (PhD)		18/06/2026

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List of Acronyms and Abbreviations

CCRA: Canada Customs and Revenue Agency

GDP: Gross Domestic Product

GAAP: Generally Accepted Accounting Principles

ERCA: Ethiopian Revenue and Customs Authority

FDRE: Federal democratic republic of Ethiopia

IFRS: International Financial Reporting Standards

IMF: International Monetary Fund

MOFED: Ministry Of Finance and Economic Development

MOR: Ministry of Revenue

SAS: Self-Assessment System

SIGRAS: Standard Integrated Government Tax Administration System

SIRMS: Standard Integrated Revenue Management

ABSTRACT

This study examined the challenges of tax assessment and collection for Category "A" taxpayers in the Arada Sub-City Revenue and Customs Authority Branch Office, Addis Ababa, Ethiopia. The main objective of the study was to identify the major administrative, institutional, legal, and taxpayer-related factors affecting effective tax assessment and revenue collection. The study employed a descriptive research design with a mixed research approach combining quantitative and qualitative methods. Both primary and secondary data sources were used. Primary data were collected through self-administered questionnaires, document analysis, and semi-structured interviews, while secondary data were obtained from books, journals, government reports, and other relevant publications. A stratified random sampling technique was employed to ensure adequate representation of different taxpayer groups. The study population consisted of 3,475 Category "A" taxpayers registered in Arada Sub-City, and a sample of 120 respondents, comprising 100 taxpayers and 20 tax officials, was selected for the study. Reliability and validity of the research instrument were verified using Cronbach's Alpha and KMO and Bartlett's tests, confirming that the questionnaire was appropriate for data collection. The findings revealed that tax assessment and collection are hindered by unclear tax laws and regulations, inadequate administrative capacity, limited technological integration, insufficient taxpayer awareness, weak transparency and accountability, and frequent legislative changes. The study also found that government tax policies and poor communication of policy changes negatively affect tax compliance and revenue collection. The research concludes that improving tax administration requires simplifying tax regulations, strengthening institutional capacity, expanding digital tax systems, enhancing taxpayer education, and improving transparency and accountability. The study contributes to the existing body of knowledge by providing empirical evidence on the challenges facing Category "A" taxpayers in Arada Sub-City and offers practical recommendations for policymakers and tax authorities to improve tax administration and domestic revenue mobilization in Ethiopia.

Keywords: Tax assessment, Tax collection, Category "A" taxpayers, Tax administration, Tax compliance, Taxpayer awareness, Revenue collection, Arada Sub-City, Ethiopia.

CHAPTER ONE

1. INTRODUCTION

1.1 BACKGROUND OF THE STUDY

Tax is defined as a "a compulsory contribution payable by an economic unit to a government without expectation of direct and equivalent return from the government for the contribution made ” (Bhatia, 2003).

Taxes are fundamental to the existence of governments, for the tax revenues help to finance the bulk of services that governments provide including education, welfare, public safety, infrastructure and other basic public services (Tilahun and Yidersal, 2014). These public expenditures are meant for public goods and services that are very essential for the development and well-being of the society (Asamnew, 2011).

Financial resources are limited for developing and transitional governments to invest in basic infrastructure. Due to a lack of resources, emerging nations have not yet provided their inhabitants with the necessary level of fundamental services including health care, education, potable water, housing, employment opportunities, law enforcement, and public order. This is due to the fact that, on the one hand, the rapidly expanding population necessitates an equivalent expansion in such services, and on the other, these governments are burdened further by their limited financial resources. Governments therefore look for funding from both domestic and foreign sources to address such issues (Bhatia, 1976).

These foreign funding sources are inconsistent and subject to several obligations; governments prioritize domestic revenue sources, such as taxes. As the primary source of government revenue, taxes have long been a crucial tool for funding government expenditures. Every nation uses taxes to generate enormous sums of money for the government. Because taxes are a mandatory levy, those who are subject to them must pay the amounts regardless of whether the government returns products or services in exchange (Bhatia, 1976).

Administration of taxes involves identifying tax liabilities under existing tax laws assessing these liabilities and enforcing collection through measures such as prosecution and penalties against non-compliant taxpayers. It encompasses various activities including taxpayer registration, assessments, return processing, collections, and audits (Kangave, 2005).The objective of tax administration should

be to enhance legislation concerning taxpayer registration, revenue assessment, and collection, while maximizing a country's taxation potential (World Bank, 1991). The main funding source for the government is taxes revenue and effective taxation policies are influenced by a country's socioeconomic and political context. In Ethiopia, the origins of taxation date back to the formation of the state, although specific documentation on its initial implementation is lacking.

Furthermore, Akalu (2016) looked at how big corporate taxpayers complied with tax laws and found ten important factors that affected compliance: tax compliance costs, business sector, business size, tax liability, business age, length of operation, and tax-related attitudes like tax complexity, tax rate structure, severity of tax deterrent sanctions, fairness of the tax system, and perceived psychological costs. When taken as a whole, these studies show how intricately structural elements and personal beliefs interact to influence tax compliance in Ethiopia.

The ongoing challenges in tax assessment and collection represent a critical obstacle to local governance and development. Effective tax collection is essential for financing public services and infrastructure, yet systemic issues hinder these efforts. The interplay of administrative inefficiencies, low taxpayer compliance, and socio-economic factors creates a perfect storm that satisfy revenue generation, ultimately impeding the sub-city's growth and the well-being of its residents (Fiyori, 2017). Addressing these issues is not just a matter of improving fiscal health; it is essential for promoting equitable development and enhancing citizen trust in governance. However, the studies focus on individual determinants without examining their cumulative effects on tax compliance and governance or its tends to focus on isolated factors rather than examining their cumulative impact, suggesting a need for comprehensive analysis. (Fiyori, 2017).

The root cause of these issues is an ineffective tax administration system that is marked by a lack of personnel and training. Tax officials frequently find it difficult to properly identify, register, and assess taxpayers due to a shortage of skilled staff. The capacity to use current tax administration methods like SIGTAS (Standard Integrated Government Tax Administration System) is directly affected by inadequate human resources, as(Fiyori, 2017) points out.

The government's earnings is far lower than its expenditures in the majority of developing nations, including Ethiopia. The only explanation for this poor tax revenue return is that tax laws are not

adequately implemented, either due to administrative difficulties or direct collusion between taxpayers and the tax administration.(Addis Ababa Chamber of Commerce, Ethiopian Tax History, September 1996, unpublished Handout). The availability of the government, both domestic and foreign creditors and donors, an effective tax system, and public awareness of the use of tax payments for government and their contribution to the growth of the nation's economy are all necessary for the government to collect money from the available sources of revenue.(Fiyori, 2017)

On 17 July, 2025, the House of peoples' Representatives passed the income tax amendment proclamation number 1395/2025, which introduces significant amendments to the Federal income Tax proclamation number. 979/2016. According to the new amended income tax regulation tax payers are categorized in to category "A" and category "B". Those which have annual turnover exceeds birr 2,000,000 they will be category "A" and those which have annual turnover less than 2,000,000 they will be category "B" income tax payer. The amendment aimed to introduce substantial change at modernizing Ethiopia's tax system, simplifying administrative procedures, improving compliance and revenue collection, and also expanding the tax base to cover emerging and digital business sector.

The Ethiopian Revenue and Customs Authority (ERCA) is the institution responsible for administering federal taxes and customs duties in the country. In Addis Ababa, tax administration activities are carried out through sub-city branch offices, one of which is the Arada Sub-City Revenue Branch Office. Arada Sub-City is one of the major commercial and business centers of Addis Ababa, hosting a large number of registered business taxpayers.(Yesegat & Fjeldstad, 2016; Zenebe Chake, 2019). The branch office is responsible for taxpayer registration, tax assessment, collection, auditing, investigation, and enforcement of tax laws. Despite these responsibilities, the office faces various administrative and operational challenges that may reduce the effectiveness of tax assessment and revenue collection.

This study specifically focuses on Category "A" taxpayers operating in Arada Sub-City. These taxpayers are legally required to maintain proper books of accounts and supporting documents for taxation purposes (Council of Ministers, 2002). Because of their relatively large business volume and significant contribution to government revenue, effective administration of this taxpayer category is essential for improving domestic revenue mobilization. However, problems related to tax administration, taxpayer compliance, institutional capacity, and the implementation of tax policies continue to affect the assessment and collection process.

Although previous studies have examined individual factors influencing tax compliance in Ethiopia, many of them have focused on isolated issues and have not adequately addressed the combined effects of administrative, legal, institutional, and taxpayer-related challenges. Therefore, this study was initiated to investigate the challenges of tax assessment and collection among Category "A" taxpayers in Arada Sub-City and to provide recommendations that can contribute to improving tax administration and enhancing government revenue collection.

1.2 Statement of the problem

Taxation is one of the principal sources of government revenue and plays a significant role in financing public services and promoting economic development. Tax revenue enables governments to provide essential public goods and services such as education, healthcare, infrastructure, security, and social welfare programs. In addition to generating revenue, a sound tax system contributes to economic stability, equitable income distribution, and sustainable national development. However, tax administration in many developing countries is challenged by poor administrative capacity, low taxpayer compliance, corruption, weak institutional frameworks, and inefficient tax collection systems (Tanzi, 2000). As a result, governments often fail to generate sufficient revenue to meet their increasing expenditure requirements.

In many developing countries, the demand for public services continues to increase because of rapid population growth, urbanization, and expanding economic activities. However, governments often face financial constraints due to inadequate domestic revenue mobilization. Although external borrowing and foreign aid can supplement government resources, these sources are uncertain and frequently associated with various conditions. Consequently, strengthening domestic tax collection has become an important policy objective for many countries seeking sustainable economic development and fiscal independence.(Bhatia, 1976).

Like many developing countries, Ethiopia faces difficulties in mobilizing adequate domestic revenue to support economic growth and public service delivery. Although the government has introduced various tax reforms to improve tax administration and broaden the tax base, tax revenue collection remains below expectations. Factors such as limited taxpayer awareness, negative attitudes toward taxation, complicated tax laws and procedures, weak tax administration, tax evasion, and inadequate

enforcement mechanisms continue to affect the effectiveness of tax assessment and collection (Tadele, 2010; Zenebe Chake, 2019). These challenges reduce government revenue and limit the country's capacity to finance development projects and public services.

To address these challenges, the Ethiopian government has implemented several tax reforms aimed at modernizing the tax administration system, improving voluntary tax compliance, and enhancing revenue collection. In particular, reforms have focused on strengthening legal frameworks, expanding the tax base, improving taxpayer services, and introducing modern tax administration practices. Despite these efforts, practical challenges remain in implementing tax laws effectively and ensuring that taxpayers comply with their legal obligations.(Tadele, 2010; Zenebe Chake, 2019).

Previous empirical studies have identified several determinants of tax compliance in Ethiopia. Yesegat and Fjeldstad (2016) reported that taxpayer attitudes, perceived fairness of the tax system, corruption, audit probability, and satisfaction with tax administration significantly influence tax compliance behavior. Similarly, Fiyori (2017) emphasized that corruption and lack of transparency weaken public trust and reduce voluntary compliance. Other studies have also indicated that administrative inefficiency, inadequate taxpayer education, and limited institutional capacity negatively affect the effectiveness of tax assessment and collection.

Despite these studies, there is limited empirical evidence that examines the combined effects of administrative, legal, institutional, technological, and taxpayer-related factors on tax assessment and collection among Category "A" taxpayers at the local level. Most previous studies have concentrated on individual determinants of tax compliance without adequately investigating how these factors collectively influence revenue collection performance and tax administration efficiency.

In the Arada Sub-City Revenue Branch Office, effective tax assessment and collection are affected by several practical challenges. These include unclear tax laws and regulations, inadequate administrative capacity, shortage of skilled personnel, low taxpayer awareness, weak transparency and accountability, limited use of modern technology, and the negative effects of government tax policies and legislative changes. In addition, weaknesses in communication between tax authorities and taxpayers, insufficient training opportunities, and operational inefficiencies may reduce taxpayer confidence in the tax

administration system. These problems contribute to low tax compliance and limit the government's ability to collect adequate revenue for public services and development activities.

Category "A" taxpayers are among the major contributors to government revenue and are legally required to maintain proper books of accounts and financial records. Because of their significant economic role and relatively high tax obligations, efficient tax assessment and collection within this category is essential for strengthening domestic revenue mobilization. Inefficiencies in administering this taxpayer category can lead to substantial revenue losses and undermine the effectiveness of the overall tax system.

Although the Ethiopian government has undertaken various tax reforms to modernize the tax system and improve revenue administration, challenges in tax assessment and collection continue to exist, particularly among Category "A" taxpayers, who contribute a significant portion of government revenue. Therefore, identifying these challenges is essential for improving tax administration, enhancing taxpayer compliance, strengthening public confidence in the tax system, and increasing domestic revenue mobilization.

Accordingly, this study was undertaken to investigate the challenges of tax assessment and collection among Category "A" taxpayers in the Arada Sub-City Revenue Branch Office and to provide recommendations that may improve tax administration, enhance revenue collection, and contribute to the existing body of knowledge on tax administration and taxpayer compliance in Ethiopia.

1.3 Research questions

The purpose of this investigation was to address the study's subsequent questions:-

1. What are the main challenges in tax assessment and collection for Category “A” taxpayers in Arada Sub City?
2. What administrative problems affect tax collection efficiency in Arada Sub City?
3. How does taxpayers’ awareness influence tax revenue collection?
4. How do tax policies and legal issues affect tax collection in Arada Sub City?
5. What key problems need improvement in the tax collection system?

1.4 Objective of the study

1.4.1 General objective

The main goal of this study paper is to examine the issues that taxpayers and the tax collecting party will face regarding the tax assessment and collection procedures for Category "A" taxpayers in Arada Sub-City.

1.4.2 Specific Objectives

1. To identify challenges in tax assessment and collection for Category “A” taxpayers in Arada Sub City.
2. To examine administrative and operational problems in tax collection.
3. To assess taxpayers’ knowledge and compliance levels.
4. To evaluate the clarity of tax laws and regulations.
5. To analyze the effect of assessment procedures on tax compliance.

1.5 Significance of the study

The study's findings provide a clear picture of the issues at hand and how taxpayers and administrators are addressing them. With this information, the government is able to put into action a comprehensive plan to increase tax income and address the problems in tax administration that have been discovered. A comprehensive understanding of the tax assessment and collection procedure becomes clear. The revenue authority uses this data to enhance its tax assessment and collection procedures. The findings also provide future researchers in this field with a helpful tool.

1.6 Scope of Study

The research focuses on the tax assessment and collection problems faced by Category "A" taxpayers in Arada Sub-City. To investigate the issue thoroughly, the study limits its scope to a manageable size. Therefore, this research is confined to Category "A" taxpayers in Arada Sub-City to ensure a comprehensive and reliable analysis of the challenges related to tax assessment and collection.

1.7 Limitation of the study

The study of Arada Sub City's tax assessment and collection is expected to encounter several limitations that may affects its findings. Methodologically, the research approach, which may not fully capture the complexities of the tax processes, In particular, the one reliance on surveys may lead to response bias. Geographically, the study focuses only on Arada Sub-City category 'A' tax payers it restrict the generalizability of the results to other regions, sub- cities, and categories (B &C) with different economic, cultural, or administrative contexts. The representatives of the selected sample may pose a challenge, if the sample does not adequately reflect the diverse population of Category A taxpayers, leading to skewed results that could hinder comprehensive conclusions.

Furthermore, limitations related to data availability and the reliability from tax authorities may affect the depth of analysis and the robustness of insights regarding compliance and assessment challenges. Lastly, time constraints may limit the investigation into the complex factors influencing tax assessment and collection efficiency, necessitating careful acknowledgment of these limitations in the research findings.

1.8 Organization of the paper

There are five chapters in this research report. The study's background, problem statement, goal, research design and methodology, significance, scope and limitations, and data analysis techniques are all presented in the first chapter. The relevant literature is reviewed in the second chapter. The research design and methodology are presented in the third chapter. The presentation, analysis, and interpretation of the data are the main topics of chapter four. A summary, conclusion, and study suggestions will be included in the last chapter.

CHAPTER TWO

2. LITERATURE REVIEW

2.1 Definition of Tax

"A tax is a liability imposed up on the tax obligation who may be individuals, groups of individuals, or other legal entities," according to Bhatia (1996). Due to the fact that the tax requirement has a minimum income from specific physical or intangible property or that they engage in certain economic activities that have been subject to taxation, they are required to pay a certain amount. According to Lymer and Oats (2009), a tax is "a mandatory levy, imposed by government or other tax raising body, on income, expenditure, or capital assets, for which the taxpayer receives nothing specific in return."

"A mandatory charge imposed by the Government without any expectation of direct return in benefit" is the definition of a tax. To put it another way, a tax is an obligatory payment or contribution made by citizens to the government for which they do not receive a direct reimbursement (Bhatia, 2003). If a person is liable to pay taxes, they have a personal obligation to do so. The general public should pay taxes based on their financial situation; that is, individuals in similar financial situations should pay taxes equally and without distinction.

A tax is a mandatory financial charge imposed by a government on individuals, businesses, or property, collected to fund public expenditures and services. It is a means for governments to generate revenue necessary for maintaining public infrastructure, providing social services, and ensuring the overall functioning of society. This means that everyone must pay it, regardless of age, sex, caste, color, or creed. The third feature of taxes is that there are penalties for not paying them or for paying them late. . (Bhatia, 2003).

Additionally, taxes impose a personal commitment. It implies that the taxpayer has an obligation to pay it and should never consider avoiding it. The lack of a direct benefit or "quid pro quo" between the people and the state is another aspect of taxes. To put it another way, although taxpayers receive several benefits from public authorities, they are not entitled to any direct benefits simply because they are paying taxes. Taxes are also payments made to cover costs that are in the best interests of all citizens. (Bhatia, 2003).

Public utility items must be supplied by governments. The governments must spend enormous sums of money on this. In order for everyone to share the cost, taxes are levied on all citizens. Certain taxes are imposed with specific goals in mind, such as taxing gasoline to lower consumption and taxing luxury to redirect funds toward the manufacture of necessities..(Bhatia, 2003).

Taxation is a fundamental system that enables governments to raise revenue necessary for their operations, and it plays a critical role in maintaining national sovereignty and integrity. Critics may argue that taxes impose a burden on citizens, yet this perspective overlooks the essential functions that taxation fulfills. Governments rely on tax revenue to fund core responsibilities, including national defense, which is paramount for protecting the country from external threats. Without a robust tax system, the government would struggle to finance its defense initiatives, potentially jeopardizing national security. Moreover, taxation supports various public services and infrastructure necessary for societal stability and growth (Bhatia, 2003). Therefore, rather than viewing taxation as a mere financial obligation, it should be recognized as a vital investment in the safety and well-being of the nation.

Maintaining law and order is a critical function of government, as failure to do so can expose the country to conflicts among different social groups and destabilizing forces. To achieve this stability, governments must invest in socioeconomic development by providing essential social amenities such as education, healthcare, and sanitation facilities (Tilahun & Yidersal, 2014).

Additionally, public utilities like electricity and clean water, along with infrastructure development—including roads, dams, and communication networks—are vital for fostering economic growth and enhancing the quality of life for citizens. Social welfare programs, including support for the disadvantaged and unemployment insurance, further underscore the government's role in promoting equity and stability. However, all these functions require significant funding, which is primarily sourced through taxation. Critics may argue that taxes are a burden on citizens; yet, it is through this system of taxation that governments can effectively support essential services and infrastructure, ultimately benefiting society as a whole. Thus, taxation should be viewed not merely as a financial obligation but as a necessary investment in the collective well-being and progress of the nation.(Misrak,2011).

The primary goal of taxing the people is to raise money for government spending (Singh, 1999; Shanmugam, 2003; Lymer and Oats, 2009). But according to Lymer and Oats (2009), taxes can also

serve other purposes, such as reducing inequality by redistributing wealth and income to make the difference between the rich and the poor less pronounced. Tax systems are also intended to serve social goals, such as preventing certain actions that are deemed undesirable and safeguarding the environment. For example, excise taxes on tobacco and alcohol are (at least partially) used to reduce use and promote a healthy way of life (Lymer and Oats, 2009).

2.2 The Basics and Elements of a Good Tax

The idea of a good, equitable, and effective tax system is described in Adam Smith's (1776) canons of taxation. Effective taxes increase revenue without causing negative distortion, such as lowering investment for businesses and work incentives for individuals. Economic welfare may be negatively impacted by indirect taxes. An economy could boost its productive capacity and attain a faster rate of economic growth if a competent tax system is built on a suitable set of principles, such as equality and clarity. (Bhatia, 1998,).

In his book "The Wealth of Nations," renowned British economist Adam Smith (1776) listed four taxation cannons. These ideas are extremely important and they hold true today just as they did when he was alive.

The interests of tax officials and taxpayers should be balanced in the tax system. These canons continue to be considered to be traits or qualities of an effective tax system.

They are as follows:-

1. Equity: - The goal of these principles is to give individuals social and economic fairness. This idea states that everyone should contribute to the government in accordance with their financial capacity.

Taxes need to be commensurate with income, meaning that each citizen should pay taxes based on the amount of money they get from the state.

2. Certainty: - This idea states that a person's tax liability should be fixed rather than arbitrary. It should be clear to the taxpayer how much tax he must pay, when he must pay it, and how to submit the payment to the government. A sound tax structure also guarantees that the government knows exactly how much money will be collected in taxes.

3. Convenience: - Taxpayers should be able to pay their taxes whenever and however it is most convenient for them. People will be more inclined to pay taxes and tax revenue will rise with a convenient tax system.

4. Economy: - According to this notion, tax administration should be economical. The amount of tax collected should exceed the expense of collecting it. If the taxes levied are extensive yet hard to administer, it could be pointless. Therefore, if a tax is hard to manage, it would be pointless to apply it.

Accordingly, the modern economists like John Maynard Keynes (1936), Paul Samuelson (1947), Karl Marx (1848) etc. provided the additional taxation canons listed below. They are: -

A.: Productivity: - Another name for it is the fiscal adequacy canon. According to this theory, the government shouldn't have to use deficit financing since the tax system should be able to generate adequate money for the treasury. This is a sensible rule to abide by in a developing economy.

B. Elasticity: - This canon states that any taxes levied by the government must be flexible. To put it another way, tax revenue should be flexible enough to change based on the needs of the nation. For instance, the tax should be able to generate extra revenue by an increase in its rate if the government needs more money during a crisis.

C. Flexibility: - is a taxation principle as well. According to this theory, the government should make it simple to modify the tax system's coverage and rates in order to adapt it to the shifting needs of the economy.

D. Simplicity: - There should be no complexity in the tax system. This leads to issues with interpretation and disagreements and makes it challenging to comprehend and administrate.

E. Diversity: - According to this theory, rather of focusing on a single revenue source, the government should collect taxes from a variety of sources. Any decrease in tax revenue due to a single factor will inevitably be minimal if the revenue is derived from a variety of sources (Misrak Tesfaye, 2008).

2.3 Perspective of tax collection

Taxes are the main source of funding for governments' infrastructure and vital public services, they are crucial to the operation of modern society. Fundamentally, taxes are a representation of the social agreement between the people and the government and go beyond simple financial obligations.

According to this agreement, citizens must give the government a percentage of their income or wealth. The government is then in charge of upholding law and order, supplying public goods, and ensuring the welfare of its citizens (Levi, 1988). The public's confidence in government agencies and their perception of the ethical and efficient use of tax dollars are key factors in this system's efficacy (Feld & Frey, 2002).

From an economic perspective, tax collection affects a wide range of actions, such as patterns of investment, consumption, and saving. The ideal tax structure that ensures adequate revenue generation while minimizing distortion in economic decision-making is a topic of frequent discussion among economists (Mirrlees et al., 2011). In order to encourage equity and minimize economic inequality, progressive tax systems—where the tax rate grows as income rises—are commonly promoted (Piketty, 2014). On the other hand, critics argue that high tax rates may discourage investment and labor, therefore impeding economic expansion (Friedman, 1962). Thus, a key topic in discussions on tax policy continues to be striking a balance between efficiency and equity.

The social implications of tax collection are equally profound. Taxes are often viewed through the lens of fairness and justice, prompting discussions about who bears the burden of taxation and how these burdens are distributed across different socio-economic groups (Rawls, 1971). A regressive tax system, where lower-income individuals pay a higher percentage of their income in taxes compared to wealthier individuals, can exacerbate existing inequalities and foster social unrest (Klein, 2014). Conversely, a fair tax system that ensures contributions align with individuals' ability to pay can enhance social cohesion and trust in government (Bahl & Martinez-Vazquez, 2006).

Moreover, compliance depends on the integrity of tax collection. When citizens believe that the tax system is fair and transparent, they are more likely to pay their taxes. Widespread tax evasion and avoidance can result from a system that is seen as corrupt or inadequately managed, which compromises the government's ability to deliver necessary services (Yesegat & Fjeldstad, 2016). Enhancing compliance and cultivating a culture of civic responsibility can be greatly aided by educational programs that raise knowledge of the value of taxes and their contributions to society (Fiyori, 2017).

Ultimately, the perspective of tax collection is multifaceted, intertwining economic, social, and ethical dimensions that reflect a society's values and priorities. At its core, tax collection is essential for funding public goods and services, such as education, healthcare, infrastructure, and social welfare programs, which are vital for the overall functioning of a society. It reflects a society's values and priorities, shaping how resources are allocated and how equity is pursued (Stiglitz, 2000).

As global challenges evolve, so too must the discourse surrounding tax collection, prompting ongoing reflection and reform to ensure that tax systems serve the common good while promoting fairness and economic vitality. In this way, tax collection remains a critical topic of discussion and analysis in the ongoing quest for a just and prosperous society (Piketty, 2014).

The administration of tax collecting will be reinforced to enable more efficient tax collection by staff training, awareness campaigns, and computerization's, according to Adam Smith's (1776) analysis of the following possibilities of tax collection. The government should keep making sure that tariffs allow our regional businesses to compete. In particular, strong measures should be implemented to prevent tax leakage from bulk and light-duty commodities. (Adam smiths, 1776)

2.3.1 Problems of tax collection

The challenges of tax collection represent a critical issue that significantly impacts governments' ability to fund essential public services and maintain economic stability. One of the most pressing concerns is tax evasion, which undermines revenue collection and leads to substantial financial losses for governments (Slemrod, 2007). It is unreasonable to expect a functioning society when a significant portion of potential tax revenue is lost to evasion, particularly in developing countries where the informal economy thrives (Schneider & Enste, 2000). Thus, addressing tax evasion must be a priority for any government seeking to maintain its fiscal health.

According to Lawal (1982), referenced in Chinyere (2000), tax collecting issues include the following: Lawal (1982) inadequate personnel or manpower to do the task effectively, which has led to the state's poor revenue generation. Mismanagement of tax collection: people do not donate their riches to the state because taxes obtained have not been used for the intended purpose.

Moreover, a challenge that cannot be ignored is the complexities of tax systems. Businesses and people are frequently confused by the complex nature of tax laws, which results in unintentional non-compliance (McCaffery, 1994). Governments must simplify the tax code to cut down on administrative burdens and confusion if they genuinely want citizens to comply by tax regulations (Slemrod & Bakija, 2008).

Again, tax codes that are too hard to understand can make it hard for people to pay their taxes fairly, and people can take advantage of gaps in the code and Inequalities in wealth can affect tax collection because people with lower incomes may find it hard to pay their taxes, while people with higher incomes may use complex tactics to lower their taxable income.so, It is crucial to consider why governments keep up complicated tax structures that simply serve to frustrate and confuse taxpayers.

Equity in taxation is another contentious issue. A fair tax system should distribute the tax burden equitably across different income groups; however, many systems exhibit regressive characteristics (Piketty, 2014). It is unjust for lower-income individuals to pay a higher percentage of their income in taxes compared to wealthier individuals, exacerbating income inequality (Klein, 2014). Governments must prioritize tax reforms that address these disparities, as failing to do so will only further erode social trust and public support for tax policies.

The legitimacy of tax systems is also paramount for ensuring compliance. Citizens are more inclined to meet their tax obligations when they perceive the system as fair and transparent (Torgler, 2007). The question arises: why should citizens comply with a system they perceive as corrupt or unjust? A lack of trust in government institutions can lead to widespread tax evasion, undermining the very fabric of societal cooperation (Feld & Frey, 2002). Nowadays, tax collectors' personal interests have taken precedence over their official interests in carrying out their tasks, which has an impact on the state's ability to generate income. Delinquency and tax avoidance, evasion are caused by taxpayers' attitudes and lack of voluntary compliance. Inadequate accounting records are a result of professional traders' failure to maintain accurate records of their earnings and expenses. Inadequate facilities: There are not enough vehicles or motorcycles to do the task efficiently.

Globalization complicates the tax collection landscape, particularly concerning multinational corporations and digital economies. The ability of these entities to engage in base erosion and profit shifting poses significant challenges to traditional tax frameworks (OECD, 2015). It is imperative for

governments to recognize that international cooperation is necessary to combat these practices; failing to act will only result in a race to the bottom, where countries compete for investment at the expense of public revenue (Zucman, 2014).

The urgency of establishing fair taxation practices cannot be overstated. Additionally, The rise of the digital economy has created challenges in tax collection, particularly in capturing revenue from online transactions and Many tax authorities lack the necessary resources and technology to effectively monitor and enforce tax laws, leading to gaps in compliance and collection.(Slemrod & Bakija, 2008).

Furthermore, the administrative capacity of tax authorities directly impacts effective tax collection. Many developing countries lack the necessary resources and expertise to enforce tax compliance effectively (Bird & Zolt, 2005). and many tax collection methods are inefficient and have a lot of administrative paperwork that makes things take longer than they should. This can make people less likely to pay their taxes. It is unacceptable for governments to ignore the need for capacity-building initiatives and technological investment in their tax administrations (Martinez-Vazquez & Torgler, 2009). Strengthening tax administration is not merely a recommendation; it is a fundamental necessity for enhancing revenue collection and ensuring taxpayer compliance.

Tax incentives and exemptions also warrant scrutiny, as they can lead to significant revenue losses if poorly designed (Hasseldine et al., 2007). While the intention may be to stimulate economic growth, governments must critically evaluate the effectiveness of these incentives. It is not enough to implement tax breaks without considering their long-term impact on revenue collection.

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Additionally, economic fluctuations pose inherent risks to tax collection efforts. Economic downturns can lead to decreased tax revenues as individuals and businesses experience reduced income (OECD, 2020). Governments must be adaptive and responsive, revising tax policies during such periods to maintain revenue and support economic recovery. A rigid tax system that does not account for economic realities is bound to fail.

The importance of educational initiatives in improving taxpayer understanding cannot be overstated. Programs aimed at enhancing tax literacy empower individuals to navigate complex tax systems effectively (Martinez-Vazquez & Torgler, 2009). Increasing awareness of the role taxes play in funding public services can bolster public support for compliance. If governments truly wish to improve tax collection, they must invest in education and outreach efforts to promote understanding among citizens.

In conclusion, the problems surrounding tax collection are complex and multifaceted, requiring urgent attention from governments. The literature clearly prioritizes issues such as tax evasion, system complexity, equity, legitimacy, globalization, administrative capacity, and public perception. If governments fail to address these challenges through comprehensive policy reforms and active public engagement, they risk undermining their ability to serve the common good and maintain economic stability.

2.4 Theoretical Review of Tax Administration

Tax administration is a fundamental pillar of any government's fiscal policy, yet it remains riddled with challenges that hinder its effectiveness. While various theoretical frameworks exist to explain how tax authorities operate, it is imperative to critically evaluate these theories to identify their strengths and weaknesses. A robust understanding of tax administration is crucial not only for improving systems but also for enhancing compliance and maximizing revenue generation (Kangave, 2005; World Bank, 1991).

2.4.1 Economic Deterrence Theory

The economic deterrence theory states that taxpayers' behavior is influenced by factors such as the tax rate determining the benefits of evasion, and the probability of detection and penalties for fraud which determine the costs (Sandmo, 1972).

Economic variables, often known as deterrence theory, include tax rates, tax audits, and In terms of tax compliance, perceptions of government expenditure relate to activities that are linked to the advantages and disadvantages of carrying out the actions (Loo, 2006).
Economic theories, according to Trivedi and Shehata (2005), suggest that taxpayers "play the audit lottery," that is, they weigh the financial implications of various complying options, such as whether or not to avoid taxes, the likelihood of detection, and the repercussions. Thus, select the option that optimizes their anticipated post-tax return/profit (perhaps after accounting for the appropriate degree of risk).

2.4.1.1 Social and Psychology model Theory

The social/fiscal psychological model focuses on psychological variables which include moral values and the perception of fairness of the tax system and the tax authorities (Devos, 2014).

According to Yesegat and Fjeldstad (2016), the social psychology model addresses the connection between social interactions and conventions and tax compliance, in contrast to the economic deterrence model. According to one part of this idea, an individual's peer groups' actions may have an impact on their views and perceptions of a tax system as well as their compliance behavior. It is anticipated that the perceptions and compliance choices of others will be influenced by the compliance behavior of peer groups, such as friends, neighbors, and family. More precisely, peer groups' noncompliant choices can lower others' tax compliance levels.

According to Trivedi and Shehata (2005), psychological theories of tax compliance make the assumption that moral and ethical considerations, among other psychological factors, are significant to taxpayers and that they may comply even in situations when there is little chance of an audit. As

mentioned, their psychology research focuses on altering people's perceptions of the tax system rather than audits and penalties.

Demographic considerations also have an impact on compliance. Age groups, urban/rural location, gender, education levels, occupation, ethnicity, religion, and so forth may all have different perspectives on taxes (Fjeldstad et al. 2012).

Scholars have classified elements into three categories: social, economic, and psychological (Jackson & Millron, 1986; Fischer, Wartick & Mark, 1992; Fischer, 1993; Alm, 1999; Kirchler, 2007; Devos, 2008). Understanding the elements that influence tax compliance is crucial to resolving tax non-compliance concerns and influencing each taxpayer's choice to abide by the tax laws. Early studies on tax compliance focused mainly on economic considerations and examined tax rates, penalties, and discovery probability as the primary factors influencing taxpayers' compliance behavior (Allingham & Sandmo, 1972).

The following studies were known to incorporate the social and psychological factors that were found to have a significant impact on taxpayers' decision-making (Jackson & Millron, 1986; Fischer, 1993; Wenzel, 2004; Jabbar, 2009).

2.4.1.2 Institutional Theory

According to the institutional theory, an organization's formal structure can be significantly influenced by its institutional context. The term "institutional" was used in early sociological analyses of organizations to refer broadly to aspects of organizations involved in mediating relations with external constituencies, and more specifically to securing favorable perceptions of an organization by constituents as a way, ultimately, of ensuring flows of necessary resources.

In the first issue of the Administrative Science Quarterly, Talcott Parsons (1956), a leading proponent of structural-functionalist theory, developed a "cultural institutional" view of organizations. According to Parsons (1956), organizations must exhibit "basic acceptance of the more generalized values of the superordinate system" (p. 67) because they are parts of a broader society. He identified three major

organizational levels in this environment, each with specific roles: institutional (managing external relations), managerial (coordination and control), and technical (production operations) (Parsons, 1960).

According to Parsons, the institutional level was essential for explaining how an organization's stated objectives relate to how society as a whole operates. According to Helmke and Levitsky (2004), p. 727, "socially shared rules, usually unwritten, that are created, communicated and enforced outside of officially sanctioned channels" are examples of informal institutions, while formal institutions are the laws and regulations that specify the legal rules of the game.

Because the formal rules of the game will be entirely aligned with the values, norms, and beliefs of taxpayers, higher tax collection will result when these are fully aligned. However, engagement in tax non-compliance will increase when the formal and informal institutions/rules of the game are not aligned, which can be measured by the level of tax morale (Williams, 2018). The Theory of Institutional is pertinent to this study because it acknowledges the organizational capacity in response to external (taxpayers). This theory postulates that institutional failure contributes to a decline in revenue collection.

2.4.1.3 Theory of Technological Determinism

The theory known as technological determinism (TD) holds that any style of operation is altered by technology, which also determines a society's cultural values, social structure, and history. The American humanist and financial analyst Thorstein Veblen (1857–1929) first put forth the idea, but it was further developed by others, including as Karl Marx.

According to this reductionist theory, technology is a social force that propels change. According to Hauer (2017), technical innovation is the driving force behind the inevitable direction of societal progress. The two main ideas of technological determinism are as follows: first, technological development itself follows a predictable, traceable path that is independent of cultural or political influences; and second, technology organizes society in a way that allows it to continue developing (Mardiana & Daniels, 2019). According to Kelvin (2017).

The theory of technological determinism is based on two hypotheses: 1) the idea that a society's technical foundation is the fundamental factor influencing all social patterns; and 2) the idea that technological change is the single most significant source of social change. It is a moderate approach that emphasizes the autonomy of technological change and the technological shaping of society (Acosta & Holbrook, 2008).

Technological determinism is the idea that technology has important effects on people's lives. technological changes have a major impact on the way people run their businesses. The use of One of the technologies that has made it easier to multitask in a variety of tasks is computers and the internet (Wood, 2004).

Because it acknowledges the significance of technology use for organizations and society, the notion of technological determinism is pertinent to this subject. This idea postulates that using the newest technology has an effect on raising revenue collection levels. (Wood, 2004).

2.4.1.4 The Expediency Theory of Taxation

According to the expediency theory of taxes, any proposal for tax revenue collection must satisfy the test of practicability, which should be the only factor taken into account by the national government. The idea is that since it is pointless to have a tax that cannot be effectively imposed and collected, the government's social and economic goals should be disregarded. Nonetheless, political, social, and economic organizations are exerting pressure. Every group seeks to safeguard and advance its own interests, and the county government is frequently compelled to alter the tax code to meet these demands (Bhartia, 2009).

2.4.2 Efficiency of Tax Administration

The effectiveness of tax administration is crucial for the financial stability of any nation, as it significantly influences revenue generation and the allocation of resources. Research has shown that efficient tax systems are correlated with higher levels of compliance and public trust (Bird & Zolt, 2003). An efficient tax administration is marked by streamlined processes, effective communication,

and the strategic use of technology. However, numerous tax authorities face inefficiencies that impede their ability to collect taxes successfully.

A tax structure that minimizes distortions, strictly enforces tax exemptions, and eliminates disparities in the tax treatment of specific economic sectors are essential prerequisites for effective tax administration. The operational role of the tax administration is significantly complicated by poorly designed or unduly complex tax structures, whilst a straightforward and transparent tax structure may have the opposite effect. Therefore, the simplification of the tax system may be the primary cause of the rise in tax administration efficiency (Mansfield, 1990).

The complexity of tax laws is a significant obstacle as it can cause administrative errors and confusion for taxpayers. Complex tax systems frequently lead to higher compliance costs and lower overall compliance rates, according to the OECD (2018). Excessive complexity in tax rules makes compliance difficult and raises expenses for both individuals and tax authorities. These codes may be made clearer and more compliant, which will eventually increase revenue collection.

Depending on the type of taxpayers, taxes, and economic activities, tax administration in developing nations may be structured according to functional principles such as collection, recording, auditing, and enforcement rather than being based on the type of tax or taxpayers. Instead, tax administration should be organized around core activities such as recording and auditing. In general, there is a need for more effective tax assessment, collection, and recording (Kangave, 2005; World Bank, 1991).

The effectiveness of a tax system depends not only on proper legislative regulations but also on the integrity and efficiency of tax administration. Low levels of public revenue collected in many developing countries can be attributed to corruption or the inability of tax administrations to fulfill their responsibilities. No matter how well tax laws are designed, disputes between tax authorities and taxpayers will always exist (Tanzi, 2000).

The most crucial need for realizing the state's "tax potential" is tax administration with a knowledgeable and accountable workforce. It is well known that tax administration is just as important as tax legislation and policies (Kaldor, 1980).

Additionally, the integration of technology within tax administration can significantly boost efficiency. Digital platforms for filing and payments can decrease processing times and reduce errors. The World

Bank (2020) highlights that countries that have adopted electronic tax systems have seen improvements in both efficiency and taxpayer satisfaction. Investing in technology not only streamlines operations but also promotes transparency, cultivating greater public trust in the tax system. E-filing platforms, for instance, offer taxpayers a convenient method for submitting returns and managing their tax affairs, while AI can enhance data analysis capabilities for identifying compliance risks (Brondolo et al., 2010).

Furthermore, the problem of tax evasion is still an important concern, made worse by a lack of effective enforcement measures. The intentional misrepresenting of a taxpayer's circumstances in order to lower their tax burden is a common component of tax evasion. Tax evasion may be discouraged and all taxpayers' duties can be fulfilled by an efficient tax administration with effective auditing capabilities. Effective audits have been shown to dramatically raise compliance rates (Slemrod, 2007).

Unfortunately, a lack of resources frequently leads to insufficient supervision, which permits non-compliance to continue.

In conclusion, the effectiveness of tax administration depends on an intricate connection among resource management, technology innovation, legal clarity, and enforcement capacities. In order for governments to effectively fund public services and infrastructure that are necessary for the well-being of society, it is imperative that these factors be addressed in order to create a tax system that is both equitable and efficient.(World Bank, 1991; Kangave, 2005).

2.4.3 Improving Tax Administration

Improving tax administration is essential for improving revenue collection and ensuring compliance among taxpayers. Numerous scholars and institutions have highlighted key strategies that can significantly contribute to this goal.(World Bank, 1991; Kangave, 2005).

One of the primary strategies involves simplifying tax codes to reduce complexity. Research by Gale and Holtzblatt (2000) emphasizes that simpler tax provisions often lead to lower compliance costs and higher taxpayer adherence. When tax codes are straightforward, taxpayers are less likely to encounter confusion, which can lead to unintentional non-compliance. As noted by the OECD (2018), clarity in

the tax code is essential to prevent sophisticated taxpayers from exploiting ambiguities, thereby improving overall compliance rates.

Technology integration in tax administration is a further important strategy. According to data from the World Bank (2020), nations that have adopted electronic tax systems such as digital payment methods and e-filing platforms—have seen notable increases in productivity and taxpayer satisfaction. Technology improves openness while simplifying processes and reducing mistakes. Additionally, tax authorities may more efficiently examine large databases, spot irregularities, and forecast compliance concerns by utilizing data analytics and artificial intelligence (Brondolo et al., 2010).

It's also critical to invest in resources and personnel training. Tax authorities that seek continuous professional development are better able to enforce tax rules and provide better services to taxpayers. A 2019 International Monetary Fund research found that well-trained employees may greatly improve tax administrations' responsiveness and efficiency, which in return improves compliance rates.(International Monetary Fund [IMF], 2019).

Finally, fostering a culture of trust and cooperation between tax authorities and citizens is essential. Research indicates that respectful treatment of taxpayers, clear communication regarding tax obligations, and accessible dispute resolution mechanisms can help build trust (Bahl & Wallace, 2008). The World Bank emphasizes that enhancing the perceived legitimacy of tax authorities is critical for promoting voluntary compliance.

Improving tax administration requires a multifaceted approach that includes simplifying tax codes, leveraging technology, investing in human resources, and building trust with taxpayers. By prioritizing these strategies, governments can create a more efficient and equitable tax system, ultimately benefiting society as a whole.(Bahl & Wallace, 2008)

2.4. 3.1 Tax Administration in Ethiopia

Ethiopia's tax administration is a complex system that, despite its historical relevance, has major challenges that limit its usefulness in the contemporary economy.(Lencho Taddese, 2008) The historical significance of taxes in government is shown by the development of Ethiopia's tax system, which started with customary customs during the Axumite kingdom and evolved into a more structured

system under Emperor Haile Selassie I (Schwab, 1968). However, serious shortcomings in the tax administration's current structure and operation necessitate immediate revision.

The federal structure of Ethiopia's tax system presents inherent challenges, as the division of tax powers between the federal government and regional states complicates the administration of tax laws. (Ifs report 2019/20) .The federal government's monopoly over key taxes, such as import and export duties, has led to inconsistencies and inefficiencies in tax collection. This is further exacerbated by the complexity of the tax code and the lack of a coherent strategy to unify tax policies across regions.(Wikipedia access on oct,2025) .

Addis Ababa has a Federal City Administration as well. Therefore, federal tax rules govern the City's tax administration system and tax structure. The Income Tax Proclamation (as revised by Proclamation No. 608/2008) is Ethiopia's primary income tax statute.Nine. (FDRE, 2002) In compliance with the directives granted to it by the Proclamation, the Council of Ministers has also released the Income Tax Regulations. (FDRE Council of Ministers, 2002) The primary legal tool for assessing and collecting taxes from a variety of sources, including revenue from company operations, is the Income Tax Proclamation. Therefore, it is essential that Ethiopia re-evaluates its federal tax structure to enhance coherence and efficiency, ultimately leading to increased revenue collection.

Ethiopia is still struggling with a low tax-to-GDP ratio, which was 7.5% in 2022–2023—much lower than the median for sub-Saharan Africa, which is 13.2%—despite efforts to reform the tax system. (IMF, 2023)This concerning figure emphasizes how urgently structural changes that increase compliance and widen the tax base are needed. Ethiopia must diversify its tax revenue streams since the system is especially sensitive to economic fluctuations due to its reliance on import-related and public-sector taxes.

Another crucial issue that needs urgent attention is tax compliance. The variation between expected and actual tax income indicates serious non-compliance problems, which are caused by things like poor taxpayer education, ineffective tax authorities, and unfavorable public opinions of the tax system. The government must put in place a complete strategy that incorporates tax education, builds confidence between taxpayers and authorities, and streamlines the tax system to promote voluntary compliance in order to address these problems.(Adem, Mohammed, 2023)

Furthermore, recent measures to modernize the tax system, including the rollout of the Integrated Financial Management Information System (IFMIS) and the introduction of electronic cash registers, show promise but require more robust implementation. (Desta Temotewos, 2025**).**These technologies can enhance transparency and improve revenue collection, but only if they are effectively integrated into the broader tax administration framework. (Fetiya Ahmed & Meskerem Legesse, 2019)Therefore, it is imperative for the Ethiopian government to commit to these modernization efforts fully, ensuring that they yield tangible benefits for both the administration and taxpayers.

2.4.3.2 Challenges in Tax Administration in Ethiopia

The systematic strategy and set up of components for tax collection and other related duties or operations by the federal and state tax authorities is referred to as tax administration. A competent administration, tax laws or rulesthat oversee the tax administration system, and a management system that facilitates the administration of taxes are all components of a good and effective tax administration (Misrak, 2008).

According to a recent report that the Ethiopian government commissioned, there are several significant issues with the revenue sector overall and the tax administration system specifically.(FDRE-MOCS, 2015) The prevalence of complicity among some of the industry's executives, the numerous specialists and taxpayers looking to obtain illicit benefits, and the disciplinary problems resulting from such attitudes and behaviors are some of the major challenges. (FDRE-MOCS, 2015)

The prevalence of "tax evasion, corruption, ineffective tax administration, [and] weaknesses in the structure of the tax system," gaps in "the assessment and enforcement of VAT..." profit taxes, presumptive tax and excise duties," and high compliance costs for small businesses have all been criticized by the private sector as major obstacles to tax compliance. The insufficient level of 50 accountability within the tax administration has made this rent-seeking conduct worse (Abdella and Clifford 2010, 1 and 40). The most important source of complaints for businesses is not the tax system but rather the tax administration.

According to Abdella and Clifford (2010), another common issue in the revenue sector is that the tax authority's staff and leadership are not assigned according to their qualifications and leadership potential. When combined with the lack of focus on capacity building programs, this has resulted in gaps in mid-level management's knowledge, abilities, and attitudes regarding decision-making, putting

substantive laws into practice and guiding their review, and putting tools into effect. (FDRE-MOCS 2015, 84) This has resulted in low taxpayer satisfaction, gaps in the establishment of a lawful and equitable tax administration system, and ineffective revenue collection.

Studies aimed at the business community have revealed a low evaluation of the Tax Authority's ability to administer the pertinent legislation in a fair and impartial manner, which supports this conclusion.

According to Abdella and Clifford's 2010 government report, there are significant gaps in the quality and accessibility of tax education and communication, as well as a pervasive tendency among taxpayers to evade taxes and obtain illegal benefits, which results in low levels of self-initiated compliance. For example, according to FDRE-MOCS 2015, 84, a study that included 700 businesses in Addis Ababa, Adama, Bahir Dar, Dire Dawa, Hawassa, and Mekelle, approximately 45% of businesses feel that the tax system is "lacking in transparency," primarily because implementation directives are not readily available or accessible, and there are gaps in the timely provision of information for taxpayers.

Abdella and Clifford. 2010, According to this report, the great majority of taxpayers are not informed about changes to the tax regime, even though the Tax Authority notifies state companies and a few significant corporations. The business community has also given the Tax Authority's media campaigns and other tax awareness and education events a similarly negative assessment, with more than half of participants saying they are not easily accessible or substantive.

According to Clifford and Abdella (2010), in addition to having a detrimental impact on revenue collection, this way of thinking has led to problems with the interactions between taxpayers and tax collectors as well as challenges in putting the tax system into place. Tax officials usually blame widespread taxpayer non-compliance, potential taxpayers' refusal to register, and an attitude that refrains from disclosing all of one's income to the tax authorities for the large disparity between the tax base and actual tax collected. Clifford and Abdella (2010) The leadership's inability to engage the public and stakeholders has exacerbated the tax administration system's poor implementation capacity.

According to studies, the business sector has not been sufficiently consulted in tax reform initiatives up to this point, and the Tax Authority hardly ever invites taxpayers to participate in consultation for modifications and implementation of the tax system. According to Abdella and Clifford (2010), these difficulties and deficiencies in tax administration have generally had a negative effect on the

establishment of a just tax system and the gathering of funds to support government development initiatives.(Abdella and Clifford ,2010)

2.4.4 Profit Tax Administration

ERCA has five years to change the assessment if a taxpayer has filed a statement of income in the time and format specified in the proclamation. The five-year evaluation period begins on the declaration's due date. The Tax Authority makes the tax assessment if the taxpayer has either not disclosed their income or has made a false declaration.(Council of Ministers, 2002).

The following information should be included in every assessment notification: gross income and any applicable deductions; taxable income; rates applicable or percentage; taxes paid and due; any penalties or interest; the taxpayer's name, address, and TIN; a brief explanation of the assessment; and a statement of the taxpayer's rights..(Council of Ministers, 2002).

If a category "A" taxpayer fails to maintain accurate books of account, records, and other documentation for a particular tax year, they will be subject to a penalty equal to 20% of the tax charged. The licensing authority will suspend the taxpayer's license upon notification if the Tax Authority determines that the taxpayer has neglected to maintain accurate books of account, records, and other documentation for two years in a row. .(Council of Ministers, 2002).

A Category "A" taxpayer faces penalties of 10% of the understatement if the understated amount of tax is deemed not substantial, or 50% of the understatement if the understated amount is deemed substantial, if the amount of income tax shown on a tax declaration is less than the amount of income tax actually required. Nevertheless, there is no specified criterion to determine whether a certain amount is significant or not. .(Council of Ministers, 2002).

As a result, it is based on individual impressions, which are very subjective and subject to unwanted bargaining and complaints, which actually made the administration of such matters extremely challenging and complex.

2.5 Tax Compliance and Voluntary Compliance

The extent to which a taxpayer conforms (or does not comply) with his nation's tax laws is known as tax compliance. It is generally acknowledged that encouraging voluntary tax compliance using all available means, including fines, is the aim of an effective tax administration. The goal of tax administration is not to punish tax evaders or pursue past-due taxpayers; nevertheless, if people feel that the tax administration can successfully identify and penalize noncompliance, this might encourage voluntary compliance. Webley and associates (2002:1)

2.6 Tax Assessment

In compliance with quality requirements, a tax analyst is in charge of creating and maintaining the assessment and tax rolls as well as collecting taxes. Among the primary duties of the service are (Kangave, 2005; World Bank, 1991):

1. Generating yearly market value evaluations for every property.

2. Creating the valuations for the business assessments for each location.

3.keeping up-to-date ownership and property details on all real estate accounts.

4. Maintaining ownership of all business accounts and correct business information

5. Answering questions and inquiries for tax-related information and assessment

6. Creating and sending yearly tax and assessment reminders to taxpayers who submit assessment rolls and attend yearly audits.

2.6.1 Self-Assessment System (SAS)

A taxpayer must use a tax return form to determine his tax liability in an SAS, where he must disclose his gross income, allowed deductions, and other information. After that, this tax return and payment for the tax liability calculated in it must be submitted to the tax authority. The fundamental characteristic of an SAS is that the taxpayer, not the tax authority, is in charge of determining the tax

liability. When contrasted to an official evaluation system, an SAS has clear advantages.(World Bank, 1991; Kangave, 2005).The main advantages are:-

1. Increased Compliance:- Self-assessment encourages taxpayers to take responsibility for their own tax reporting and payments. This proactive approach often leads to higher compliance rates, as individuals and businesses are more likely to report accurately when they understand their obligations. (Yuswar, 2017)

2. Increased Transparency:- Self-evaluation encourages the tax system to be more transparent. Requiring taxpayers to disclose their earnings and deductions promotes an honest and accountable society. Public confidence in the tax system may increase as a result of this transparency. (OECD, 2018).

3.Timely Revenue Collection:- Since taxpayers are in charge of figuring out and filing their taxes, self-assessment allows for timely tax payments. Governments may see an improvement in cash flow as a result, which would enable better resource allocation and financial planning. (World Bank, 2020).

4. Reduce Administrative Burden: - Tax authorities can reduce their administrative tasks by giving taxpayers more control over tax calculation and reporting. Tax authorities may now concentrate on higher-priority duties like audits and enforcement.(IMF, 2019)

5. Encouragement of Voluntary Compliance: - Self-assessment promotes voluntary compliance by giving taxpayers the ability to evaluate their own responsibilities. This strategy may result in fewer hostile encounters and a more cooperative relationship between taxpayers and tax officials. (Brondolo and associates ,2010).

2.7 Audit and Examination

Verifying the accuracy of the data that taxpayers provide to tax authorities is the purpose of tax audits and exams. Simple field and desk audits as well as thorough audits are among the several types of audits.(Kangave, 2005; World Bank, 1991).

The Screening Process: - During this process, most audit cases are chosen.

In this case, information from a taxpayer's current and prior years' returns is compared to that of taxpayers who work in similar industries or professions. When discrepancies are found, CCRA authorities set aside the returns for potential auditing, and particular returns are chosen for auditing. In addition to saving resources, the meticulous and selective examination raises the likelihood of identifying evasion.(Kangave, 2005; World Bank, 1991).

Auditing Projects: - CCRA evaluates a specific group of taxpayers' compliance under these programs. Members of the group may be audited if the test results indicate that the group is not in compliance.

Leads: - To choose cases for audit, the CCRA occasionally uses data from investigations or outside sources, like informants. Cases of noncompliance will almost certainly be found because these audits are not carried out indiscriminately.

Secondary Files: - In this case, a file is chosen for audit due to its connection to another file that has already been selected for audit. For example, if the CCRA chooses to audit one taxpayer, it may choose to audit every other taxpayer in the same location and under the same direction.

Random Audits: - The CCRA occasionally selects returns for audit at random. After then, these returns are routinely audited to see if the audits have any effect on compliance. Gorman (2001).

2.8. Procedures for Tax Collection

People are expected to pay taxes in proportion to their income, and they must do so. On the other hand, tax collection should be convenient and time-efficient, and it shouldn't be too expensive to deter business.(Tanzi, 2001).

On the other hand, this means that the optimal tax system in developing nations should provide necessary revenue without requiring excessive government borrowing, without discouraging economic activity, and without significantly departing from other nations' tax systems (Tanzi, 2001).

2.8.1. Collection and enforcement

The tax authority has several options for enforcing payment when the taxpayer fails to pay by the deadline and refuses to dispute the amount of the tax. The Commissioner has the authority to file a lawsuit against the taxpayer, force the person who is owed or holding the money to pay the taxpayer on

a given date, or start distress proceedings against the taxpayer's assets. In more general terms, the problem of enforcement encompasses taxpayer offenses and the associated sanctions. (OECD, 2017; Tanzi & Zee, 2001).

Generally speaking, the review of the literature on the theoretical side of taxes has been the main emphasis of the talks thus far. taxation, tax administration, tax collection, tax assessment, tax evasion and avoidance. The empirical data on tax administration and its issues from the viewpoint of developing nations—Ethiopia in particular—is presented in the section that follows. (OECD, 2017; Tanzi & Zee, 2001).

2.9 Empirical Studies and Knowledge Gap

Empirical literature on tax assessment and collection challenges in Ethiopia, particularly within the Arada Sub-City Custom Branch Office, reveals a consistent set of obstacles hindering effective revenue mobilization. Several studies highlight the intertwined issues of administrative inefficiency, lack of taxpayer knowledge, and corruption as key impediments.

According to Fiyori Fisseh in their study on Arada Sub-City, identified inefficiency and an insufficient number of tax assessment and collection personnel as significant constraints, further compounded by inadequate facilities and a lack of business orientation among employees. Similarly,(Fiyori Fisseh ,2017& Yeneneh ,2016) found that a significant problem was system connectivity issues and a lack of tax knowledge among taxpayers in Arada sub city, leading to delays and improper payments. These findings are echoed in a broader study by (Misrak Tesfaye ,2014), which notes that complex and outdated tax laws, coupled with weak tax administration, pose considerable challenges to tax assessment and collection throughout Ethiopia.

Further research emphasizes the critical role of taxpayer awareness and voluntary compliance. Studies in other regions of Ethiopia, such as Bahir Dar City, have shown that a Insufficient justice and fairness in tax assessment, complex tax rules, and negative perceptions of tax evasion significantly affect tax collection (Tumoro & Pandya, 2025). These issues are not unique to specific locations but reflect systemic problems within the Ethiopian tax administration. Moreover, the corrupt behavior of tax

officials and negative attitudes towards the government exacerbate the challenges, creating a climate of distrust that undermines compliance (Abera Aynekulu, 2019)

The topic of tax administration in Uganda was covered by Kangave (2005). The tax system in Uganda was then covered structure, the problems faced in administering taxes, and it gave possible solutions to the problems the author identified in his research.According to the author's research, issues with tax administration that have made it more difficult to meet targeted revenue targets include corruption, tax evasion, insufficient resources for tax administration, poor audit quality, and inadequate support for tax administration.(Kangave ,2005)

The author did not claim to have addressed every issue. It also doesn't aim to thoroughly address the root causes of these issues. Rather, it highlights the issues. Additionally, the Canadian tax administration system was used to inform the author's suggestions for resolving the issues with tax administration. The researcher does not think that the Canadian tax administration system should not be used as a benchmark for evaluating the system's effectiveness. Additionally, the author relied on secondary sources and conducted interviews with tax officials. To obtain more data for this study, the author may have also collected replies from the target taxpayers.(Kangave ,2005)

In Mekelle City, Ethiopia, Taddese and Goitom (2014) investigated the factors influencing taxpayers' adherence to the tax code. The research design employed in the study was a cross-sectional survey approach. An ordered probit was used to investigate factors influencing tax compliance in Mekelle City, Ethiopia, given the scaled ranking data of the dependent variable. (Taddese and Goitom ,2014).

The study's findings from a survey of 102 respondents in Mekelle show that changes in government policy, budgetary limitations, and the likelihood of being audited all had an impact on tax compliance. The findings also showed that, at the time of this study, there was no significant correlation between tax compliance and other variables like perceptions of government spending, justice and fairness, fines, roles of the tax authority, and tax expertise.(Taddese and Goitom ,2014).

Yesegat and Fjeldstad (2016) looked at what influences Ethiopian businesspeople's opinions about paying taxes. The study finds a statistically significant relationship between tax-compliance attitude

and variables like the perception of audit probability, corruption, satisfaction with tax administration, peer influence, gender, and education, based on data from a survey of business taxpayers in Addis Ababa. The study highlights the need for a deeper comprehension of the reasons behind taxpayers' discontent with the tax administration, especially their suspicions of corrupt activities.(Yesegat and Fjeldstad ,2016)

Government services, perceptions of tax rates, penalties, and audits, perceptions of others' and peers' compliance, perceptions of how the government treats taxpayers (perceptions of discrimination by the tax administration), trust in the administration, and satisfaction with the tax administration are all included in a study by Yesegat and Fjeldstad (2016) on business people's attitudes toward paying taxes in Ethiopia. However, this particular study places emphasis on institutional aspects rather than individual factors. Furthermore, compared to studies conducted in other developing nations, Ethiopia has relatively few studies on the factors that influence tax compliance, which calls for more study to eradicate noncompliance..(Yesegat and Fjeldstad ,2016)

Although previous studies have examined taxpayer compliance and tax administration in Ethiopia, most have concentrated on individual determinants such as corruption, taxpayer awareness, audit probability, and administrative efficiency. Limited attention has been given to the combined effects of administrative, legal, institutional, technological, and taxpayer-related factors on tax assessment and collection, particularly among Category "A" taxpayers at the sub-city level (Bird & Zolt, 2008; Tanzi & Zee, 2001).

Furthermore, much of the existing literature focuses on taxpayer compliance behavior rather than the practical challenges faced by tax authorities in implementing assessment and collection procedures. There is also a scarcity of empirical studies that evaluate the impact of recent tax reforms and legislative changes on tax administration performance in Ethiopia (OECD, 2017; International Monetary Fund [IMF], 2015).

In addition, previous studies have largely relied on either taxpayers' perspectives or tax officials' opinions, with limited efforts to integrate both viewpoints in a single analysis. This creates a knowledge gap regarding the interaction between institutional capacity, taxpayer behavior, and government policies in affecting tax assessment and collection outcomes (World Bank, 1991).

Moreover, there is little empirical evidence focusing specifically on the Arada Sub-City Revenue Branch Office and Category "A" taxpayers, despite their significant contribution to government revenue. Therefore, a comprehensive investigation of the challenges affecting tax assessment and collection in this context is necessary.

In general, it is evident that the empirical research conducted thus far has not paid much attention to potential issues with tax assessment and collection. Since tax administration largely involves assessment and collection activities, its success have an impact on a nation's ability to raise money.

As a result, this study is not only pinpoint the issues facing the Arada Sub-city branch office, but it also provide a thorough understanding of the nature and practice of issues linked to tax assessment and collection in the study area. This is due to the researcher's belief that identifying current tax assessment and collection processes in the sample sub-city can serve as a guide for future researchers and provide suitable solutions for all parties involved.

2.10 Conceptual Framework of the Study

The conceptual framework of this study is developed based on the existing literature on tax administration, tax compliance, and revenue collection. It illustrates the relationship between the independent variables and the dependent variable of the study. The framework assumes that the effectiveness of tax assessment and collection is influenced by several interrelated factors, including administrative and operational challenges, taxpayers' knowledge and awareness, the clarity of tax laws and regulations, government tax policies, and tax assessment procedures.

Administrative inefficiencies such as inadequate skilled manpower, limited institutional capacity, and weak technological infrastructure may reduce the effectiveness of tax assessment and collection. Similarly, low taxpayer awareness and insufficient knowledge of tax obligations can negatively affect voluntary compliance and revenue generation. The clarity and consistency of tax laws and regulations are also expected to influence the efficiency of tax administration, while government tax policies and legislative changes may either facilitate or hinder tax collection performance. In addition, tax assessment procedures play a significant role in shaping taxpayers' compliance behavior.

Accordingly, this study assumes that improvements in these factors will enhance the effectiveness and efficiency of tax assessment and collection among Category "A" taxpayers in the Arada Sub-City Revenue Branch Office.

CHAPTER THREE

3. RESEARCH DESIGN AND METHODOLOGY

3.1 Introduction

In this chapter, all research methodology and procedures discussed, including the research design, research approach, study population, and sampling. Data types and data sources, data analysis techniques, and ethical considerations also be covered.

3.2 Research Philosophy

This study adopted the pragmatism research philosophy because it focuses on solving practical problems by using the methods that best address the research objectives. Pragmatism allows the integration of both quantitative and qualitative approaches, enabling the researcher to gain a comprehensive understanding of the challenges affecting tax assessment and collection among Category "A" taxpayers in Arada Sub-City (Saunders et al., 2019; Creswell & Creswell, 2018).

3.3 Research Design

According to Kothari, (2004) a research design informs decisions concerning a research study and arrangement of conditions for collection and analysis of data so as to combine relevance to the research.it is not just a work plan. A work plan details what has to be done to complete the project but the work plan flow from the project's research design.

The function of a research design is to ensure that the evidence obtained enables us to answer the initial question as unambiguously as possible. Research design is the blueprint for fulfilling research objectives and answering research questions.(Adams, Khan, Reside and White, 2007). A research design is a strategy for carrying out a study. It describes the objectives of the research, the procedures for gathering and evaluating data, and the interpretation of the results. Descriptive, experimental, correlational, diagnostic, and explanatory are the five primary categories of study designs.

The nature of the study, data collection methods, population of the study and its purpose determine the type of research design to be employed. This study aims to assess challenges in tax assessment and

collection for category ‘A’ tax payers in Arada sub- city custom authority branch office .Thus, to do this, the study adopted descriptive research design.

The goal of descriptive research is to characterize the current state of affairs. It is a theory-based design created by gathering, analyzing, and presenting data. After that, the researcher explains the how and why of their study. This aids others in comprehending the importance of the study. Descriptive research also includes surveys and other fact-finding questions. Descriptive research's main objective is to characterize the current state of affairs.

Descriptive research the aim is to accurately and systematically describe a phenomenon. It can answer the question when, where, what, and how. Descriptive research can use a wide variety of research methods to investigate one or more variables it also don’t want the researcher to manipulate any of the variables but only observes and measure them.(Kothari, 2004).

This research design emphasizes determining the frequency with which a phenomenon occurs and describing its characteristics (Saunders et al., 2009). In this study, a descriptive research design was employed to describe the existing challenges of tax assessment and collection among Category “A” taxpayers and the management efficiency of the Arada Sub-City Revenue and Customs Office. The study primarily utilized quantitative data, which were analyzed using descriptive statistics such as frequencies and percentages to summarize and present the findings in a clear and systematic manner.

By using both quantitative and qualitative methodologies, this research attempted to help the researcher better understand the issue. The structure provide relevant information at a suitable level to for additional analysis. While the qualitative data are crucial in understanding participants' attitudes and expectations about the initial study topics, the quantitative data is anticipated to show current trends and status.

3.4 Research Approach

A research approach is a strategy and procedure that covers everything from broad ideas to in-depth data gathering, analysis, and interpretation.

The researcher is employed mixed approach research methodology to benefit from both qualitative and quantitative research .and the researcher is prefer to employ both methods because one method leaves a hole that the other will fill.

Quantitative research is the process of collecting and analyzing numerical data. It can be used to describe variables, identify patterns, and summarize findings in a systematic manner. This approach is based on measurement and quantification of phenomena and involves producing data that can be statistically analyzed (Kothari, 2004). Quantitative research is advantageous because it allows the researcher to collect objective numerical data and apply statistical techniques to describe relationships among variables.

This survey is conducted using a self-administered questionnaire that are distributed to taxpayers and tax officials for the reason of its simplicity in obtaining response and its evaluation of the responses. The responses of these taxpayers and tax officials help to understand the factors that affect tax revenue collection. Using mixed approach is suitable to support results that can be obtained through qualitative and quantitative methods. Mixed approach is stronger than a single approach to draw strong conclusion about the issue of the study. As a result, this study is intended to employ mixed approach.

The integration of the quantitative and qualitative approaches was achieved through a convergent mixed-methods design. Quantitative data were collected using structured questionnaires administered to taxpayers and tax officials to generate numerical information regarding the challenges of tax assessment and collection. Qualitative data were collected through semi-structured interviews and document analysis to obtain detailed explanations and practical insights into the issues identified. Both sets of data were analyzed separately and then integrated during the interpretation stage. The qualitative findings were used to explain, support, and validate the quantitative results, thereby providing a more comprehensive understanding of the research problem. The use of both approaches enhanced the reliability and validity of the findings by allowing triangulation of evidence from multiple sources (Creswell & Creswell, 2018; Saunders et al., 2019).

3.5 Measurement of Variables

The variables included in this study were measured using structured questionnaire items developed from previous literature on tax administration and taxpayer compliance. Responses were measured using a five-point Likert scale ranging from 1 = Strongly Disagree to 5 = Strongly Agree.

1. Administrative and Operational Challenges

This variable refers to the efficiency of tax administration in terms of human resources, institutional capacity, availability of technology, and service delivery. It was measured using indicators such as adequacy of skilled personnel, administrative efficiency, technological support, and organizational capacity (Kangave, 2005; World Bank, 1991).

2. Taxpayers' Knowledge and Awareness

Taxpayer knowledge and awareness refer to the extent to which taxpayers understand tax laws, procedures, rights, and obligations. This variable was measured through respondents' understanding of tax regulations, filing procedures, record-keeping requirements, and tax education programs (Yesegat & Fjeldstad, 2016; Devos, 2014).

3. Tax Laws and Regulations

This variable measures the clarity, simplicity, consistency, and accessibility of tax laws and regulations. Indicators include the ease of understanding tax rules, the frequency of legislative changes, and the transparency of tax regulations (OECD, 2018; Mansfield, 1990).

4. Government Tax Policies and Legislative Issues

Government tax policies refer to the effectiveness of tax reforms, policy implementation, and legislative frameworks that influence tax assessment and collection. The variable was measured through indicators related to policy consistency, fairness, and the effectiveness of legislative changes (Tanzi & Zee, 2001; IMF, 2015).

5. Tax Assessment Procedures

Tax assessment procedures refer to the processes used by the tax authority to assess tax liabilities, conduct audits, and enforce tax laws. This variable was measured through indicators such as

fairness of assessment, audit effectiveness, transparency, and efficiency of the assessment process (Kangave, 2005; OECD, 2017).

Dependent Variable:- Effectiveness of Tax Assessment and Collection

The dependent variable refers to the ability of the tax authority to accurately assess tax liabilities, collect tax revenues efficiently, and improve taxpayer compliance. It was measured using indicators such as revenue collection efficiency, timeliness of tax collection, compliance level, and taxpayer satisfaction with tax administration services (World Bank, 1991; Bird & Zolt, 2008).

3.6 Types and Sources of Data

Both primary and secondary sources of data are used in the study.. The main sources of data were budget Arada sub- city custom office employees and volunteer tax payers. The primary data are gathered through the use of questionnaire, document analysis and semi-structured interview. But secondary data are obtained from published materials such as reports of custom office, journals, internet sources, research papers, books etc.

3.7 Population and Sampling Techniques

The target population for this study are consist of all Category 'A' taxpayers registered with the Arada Sub-City Revenue and Custom Office. This group is defined by specific criteria, including their annual revenue levels and the types of business activities conducted.

A stratified random sampling technique is employed to ensure that various subgroups within the Category 'A' taxpayers are adequately represented. The strata are determined based on factors such as business size, industry type, and compliance history. This approach enable a comprehensive understanding of the challenges faced by different segments within the taxpayer population.

The sample size is determined using statistical methods to ensure sufficient power for quantitative analysis while allowing for meaningful qualitative insights. By employing this sampling technique, the study aims to capture a diverse range of experiences and challenges related to tax assessment and collection, providing a well-rounded perspective on the issues at hand.

The sample size for this study was determined using the Yamane (1967) simplified formula for finite population sampling. The formula is stated as:

$$\textbf{Sample Size (n)} = \frac{N}{1 + N(e\,2)}$$

Where *n* is the sample size, *N* is the population size, and *e* is the level of precision (margin of error). The study population consists of 3,475 Category "A" taxpayers registered in Arada Sub-City Revenue and Customs Office. A 9% margin of error (0.09) was used in order to determine a manageable yet statistically acceptable sample size. Substituting the values into the formula:

$$n = \frac{3475}{1 + 3475(0.09^2)}$$

$$n = \frac{3475}{1 + 3475(0.0081)}$$

$$n = \frac{3475}{29.1475}$$

$$n = 119.2 \approx 120$$

Therefore, the final sample size was approximately 119, which was rounded to 120 respondents for ease of data collection and analysis.

This study adopted a 9% margin of error due to practical and contextual constraints.The population is relatively large and geographically dispersed making full coverage difficult within the available time frame and resource limitations. Additionally,the study aiming to identify general patterns and challenges in tax assessment and collection rather than produce highly generalized statistical estimates. However, 120 sample size is still statistically valid for my population.

At the moment, Arada sub city has 3,475 Category "A" taxpayers. To achieve comprehensive and reliable insights, the researcher proposes to conduct a survey involves 100 taxpayers and 20 employees from the revenue department. This sample size is designed to provide a balanced perspective, allowing for a thorough analysis of taxpayer experiences and administrative practices.

3.8 Data collection method

This study employ a mixed-methods approach to collect data on the challenges faced in tax assessment and collection for Category 'A' taxpayers at the Arada Sub-City Revenue and Custom Office.

Quantitative Data Collection: - A Semi- structured survey is administered to a sample of Category 'A' taxpayers to quantify their experiences and perceptions regarding the tax assessment process. The survey include questions on compliance issues, understanding of tax obligations, and satisfaction with the services provided by the tax authority, it also include open-ended questions. to allow respondents to express their views in their own words, providing richer data on their experiences and perceptions.

Qualitative Data Collection: - In-depth interviews are conducted with tax officials and selected Category 'A' taxpayers to gather detailed insights into the specific challenges encountered in tax assessment and collection. These interviews was focused on open dialogue, encouraging respondents to voice their concerns and suggestions freely. Additionally, focus group discussions may be organized to facilitate dialogue among taxpayers, allowing for the exploration of common issues and collective experiences. This approach emphasizes listening to respondents, ensuring that their voices shape the understanding of the challenges faced in tax assessment and collection.

This comprehensive approach is provide a robust understanding of the challenges in tax assessment and collection, informing strategies for improvement at the Arada Sub-City Revenue and Custom Office.

3.8.1 Construction of the Questionnaire

The questionnaire used in this study was carefully constructed to collect relevant and reliable data on the challenges of tax assessment and collection among Category “A” taxpayers in Arada Sub-City. The design of the instrument followed established guidelines in survey research to ensure clarity, validity, and consistency of measurement.

According to Kothari (2004) Research Methodology, a questionnaire is a structured set of written questions used to obtain factual information and opinions from respondents in a systematic and standardized manner. Similarly, Saunders, Lewis and Thornhill (2019) Research Methods for Business Students emphasize that questionnaire design should be closely aligned with research objectives,

ensuring that each item contributes directly to answering the research questions.(Kothari, 2004 &Lewis and Thornhill ,2019))

In this study, the questionnaire was developed based on the specific objectives and variables of the research, including administrative and operational challenges, taxpayer knowledge and awareness, tax laws and regulations, government tax policies, and tax assessment procedures. The instrument was structured into two main sections. The first section contained demographic information of respondents, such as business type and general characteristics. The second section consisted of close-ended questions measured using a five-point Likert scale ranging from “Strongly Disagree (1)” to “Strongly Agree (5)”. This scale was used to measure respondents’ perceptions and attitudes toward tax administration issues in a quantifiable manner.

The use of Likert scale items is supported by Likert (1932) A Technique for the Measurement of Attitudes, who argues that it allows for the measurement of attitudes in a structured numerical form suitable for statistical analysis. In addition, Bryman (2016) Social Research Methods notes that structured questionnaires improve reliability, comparability of responses, and facilitate descriptive statistical analysis using tools such as SPSS. (Bryman, 2016)

Furthermore, the questionnaire items in this study were adapted from previous empirical studies on tax administration and taxpayer compliance to enhance content validity. These include works by Devos (2014) Factors Influencing Individual Taxpayer Compliance Behaviour, Bird and Zolt (2008) Tax Policy in Developing Countries, and OECD tax administration reports (OECD). Adapting items from established studies ensures that the instrument measures relevant constructs consistently with prior research.(Devos,2014 &Bird and Zolt ,2008))

To improve clarity and reduce ambiguity, the questionnaire was carefully reviewed and refined with the assistance of the supervisor. A pilot test was also conducted on a small group of respondents to identify unclear items and improve question wording. This process helped enhance the reliability and validity of the instrument before the final data collection.

Overall, the structured design, use of Likert scaling, adaptation from established literature, and pilot testing ensured that the questionnaire was suitable for collecting accurate and meaningful data for the study.

3.9 Data analysis method

Mosby (2009) defines data analysis as the process of coding, categorizing, and tabulating information necessary to carry out quantitative or qualitative analysis in accordance with the research strategy and pertinent to the data. The Ethiopian Customs and Revenue Authority's tax administration procedures and the issues surrounding tax assessment and collection for Category "A" taxpayers are examined descriptively utilizing both source and secondary data.

Questionnaires collected from respondent are tallied, organized, coded, and prepared for analysis. A Descriptive approach is used in the analysis. The data is described and summarized using descriptive statistics, such as, cross tabulation, frequency, and percentage, which are help in meaningfully describing the distribution of respondent. For this purpose, statistical software package called SPSS (for descriptive part) is employed.

The qualitative data collected through semi-structured interviews and document analysis were analyzed using thematic analysis. The interview responses were first organized and transcribed, after which they were carefully reviewed to identify recurring ideas, patterns, and issues related to tax assessment and collection challenges. Similar responses were grouped into common themes and categories based on the objectives of the study. The findings from the qualitative analysis were then presented narratively and used to support, explain, and complement the quantitative results. The integration of qualitative and quantitative findings provided a more comprehensive understanding of the research problem and enhanced the validity of the study (Creswell & Creswell, 2018; Braun & Clarke, 2006)..

Descriptive analysis is crucial as it summarize and highlight the main features of the data set, thereby making complex information more accessible. It is enable the identification of patterns and trends, allowing organizations to identify relationships and irregularities within the data. This understanding supports informed decision-making, empowering stakeholders to make choices based on solid evidence. Additionally, descriptive statistics establish benchmarks for comparing current performance against historical data, facilitating effective reporting and communication of findings. The findings from this analysis inform the development of recommendations aimed at improving tax administration practices within the Ethiopian Customs and Revenue Authority.

3.10 Reliability and Validity Test

Both validity and reliability tests were carried out prior to the actual data analysis in order to guarantee the quality, consistency, and accuracy of the research instrument. Validity refers to the degree to which the instrument measures what it is intended to measure, whereas reliability refers to the degree to which the research instrument produces stable and consistent results (Kothari, 2004; Creswell, 2014).

It was crucial to confirm that the questionnaire was suitable for gathering reliable information regarding the challenges of tax assessment and collection practices among Category "A" taxpayers. Validity is the degree to which the instrument measures what it is supposed to assess, whereas reliability is the degree to which the research tool yields steady and consistent results (Kothari, 2004; Creswell, 2014). It was essential to carry out these tests in order to verify that the questionnaire was suitable for gathering reliable data about the challenges associated with tax assessment and collection procedures among Category "A" taxpayers.

3.10.1 Reliability Test

The Cronbach's Alpha coefficient approach was used for reliability study. One of the most used statistical methods for assessing the internal consistency of survey questions is Cronbach's Alpha. It assists in determining if each variable's elements consistently measure the same concept.

For this study, reliability analysis was conducted on the major variables included in the questionnaire. The questionnaire items were grouped into categories such as challenges in tax assessment and collection, tax rules and regulations, taxpayer knowledge and awareness, and government tax policies and legislative issues.

The reliability test results are presented below:-

Variables	Number of Items	Cronbach's Alpha	Interpretation
Challenges in tax assessment and collection	6	0.81	Good Reliability
Tax Laws and Guidelines	6	0.79	Acceptable Reliability
Taxpayer Knowledge and	4	0.84	Good Reliability

Awareness			
Legislative Issues and Government Tax Policies	4	0.77	Acceptable Reliability
Overall Reliability	20	0.80	Good Reliability

All of the variables in the earlier table had Cronbach's Alpha values higher than 0.70. This indicates that the questionnaire items were reliable for measuring the intended research variables and had adequate internal consistency.

3.10.2 Validity Test

Validity is the degree to which a research instrument measures what it is intended to measure (Kothari, 2004; Creswell, 2014). In this study, validity was evaluated using content validity, construct validity, and statistical validity tests through Kaiser-Meyer-Olkin (KMO) and Bartlett's Test of Sphericity. Validity tests were carried out prior to the actual data analysis to ensure that the research instrument accurately measured the intended research variables. The degree to which a research tool assesses what it is supposed to measure is known as validity (Kothari, 2004; Creswell, 2014). Content validity, construct validity, and statistical validity tests employing Kaiser-Meyer-Olkin (KMO) and Bartlett's Test of Sphericity were used in this work to evaluate validity.

The results of the KMO and Bartlett’s tests are presented below:-

Test	**Value**	**Interpretation**
(KMO) Measure of Sampling Adequacy	0.782	Good Sampling Adequacy
Bartlett’s Test Approx. Chi-Square	624.315	Significant
Degree of Freedom (df)	190	-
Significance Level (p-value)	0.000	Valid for Factor Analysis

The sample size and questionnaire items were sufficient to measure the research variables, according to the KMO value of 0.782. In a similar vein, the significant value obtained via Bartlett's Test of

Sphericity was 0.000, below the conventional cutoff value of 0.05. This indicates that the variables in the study have adequate correlation.

3.10.3 Pilot Test of the Questionnaire

A pilot test was given to a subset of respondents prior to the actual survey to assess the questionnaire's efficacy. The pilot study assisted the researcher in identifying ambiguous statements, recurring inquiries, and potential challenges with responses. The majority of the questionnaire items were understood by the respondents, according to the findings of the pilot test. A few minor adjustments were made in response to the pilot test's comments. The questionnaire's validity, dependability, and clarity were all enhanced by this procedure.

3.11. Data Processing, Cleaning and Data Analysis

After collecting the completed questionnaires, the data were coded, entered, and analyzed using the Statistical Package for Social Sciences (SPSS). Prior to analysis, data cleaning was conducted to ensure the accuracy, completeness, and reliability of the dataset.

The data cleaning process involved checking for missing values, incomplete responses, and data entry errors. Questionnaires with significant missing or invalid responses were excluded from the analysis to maintain data quality. In addition, the dataset was reviewed for inconsistent or suspicious response patterns such as straight-lining, where respondents select the same response option across all items. Outliers and unusual responses were also examined to ensure data accuracy.

After the data were cleaned, only descriptive statistical analysis was conducted using SPSS. This included the use of frequencies and percentages to summarize respondents' characteristics and to describe the distribution of responses for each study variable. The descriptive results were presented in tables to clearly show patterns and trends in the data. Overall, the use of SPSS descriptive statistics ensured systematic data organization and facilitated clear interpretation of the findings based on frequency distribution and percentage values.

3.12 Ethical issues and Consideration

Ethical considerations were applied in this study by protecting the privacy of respondent and organization information. Furthermore, the collected data is only be used for this study; it is not be passed to another party or used for any other reason. Additionally, when answering the questionnaire, respondents are advised not to provide any identifying information, such as their name or personal codes.

CHAPTER FOUR

4. DATA PRESENTATION, ANALYSIS AND DISCUSSION

4.1 Introduction

The study's analysis, conclusions, and discussions are presented in this chapter in accordance with the research methodology and goal. This study's primary goal is to investigate category "A" taxpayers' tax assessment and collection difficulties in the context of the Arada sub-city taxpayers' branch office. This chapter presents and discusses the findings derived from the information gathered from respondents.

The data collected from respondents regarding tax assessment and collection issues is used to handle the quantitative portion of the analysis. Statistical tools like frequency count and percentage are used to assess the questionnaires' closed-ended questions. In contrast, the data from interviews and open-ended questionnaire questions are methodically integrated into the second element of the study, which is the qualitative portion. Thematic analysis is used as the qualitative data analysis approach since the goal of this study is to evaluate the tax assessment and collection issue.

According to Lindlof, T. R. & Taylor, B. C. (2002), thematic analysis concentrates on the coding of qualitative data, grouping texts with related meanings, and often searching for the main themes that encapsulate the essence of the phenomenon under study.(Lindlof, T. R. & Taylor, B. C. ,2002)

4.2 Response Rate

Fowler (2014) states that the response rate quantifies the number of sample participants that make up the final data set. It is computed by multiplying the result by 100 after dividing the overall sample size—which includes those who declined to participate and those who were unavailable—by the number of interviewees.

Table No. 4.1 Response rate of respondents

Kinds of respondents	Total Number of distributed questionnaires	Returned questionnaires	Answers in percent
Tax employees	20	20	100%
Taxpayers	100	89	89%
Total	**120**	**109**	**90.8%**

Source: -Own Survey result, 2026

As can be seen from 4.1 above, the repliers' answer fee indicates that all of the tax officers' questionnaires, 89% of the taxpayers' questionnaires, and 100% of the tax officials' questionnaires were completed.

Therefore, the collected data was adequate and capable of addressing the objective of the research. It is collected from the concerned representing party and reliable party and as a result it was possible to proceed to data analysis and interpretation.

4.2.1 General Information of The Respondents

Table 4.2 Profile of tax payers and Revenue Office Employees

Table 4.2.1 Profile of tax payers

Variables	**Description**	**Responses of Tax payers**	
		Frequency	**Percentage**
Gender	Male	55	61.8
	Female	34	38.2
	Total	89	100

Age	Below 20 years	---	----
	21-30	8	9
	31-40	39	43.8
	41-50	33	37
	Above 50	9	10.2
	Total	**89**	**100**

Academic Qualification	Illiterate	------	------
	General secondary school or less	28	31.4
	TVET/Certificate	5	5.6
	Diploma	32	36
	First degree and above	24	27
	Total	**89**	**100**
How long have you been involved with category' 'A'' tax matters	Less than one year	2	2.3
	1-3 year	27	30.3
	4-6 year	49	55
	7+	11	12.4
	Total	**89**	**100**
Types of business /industry	Trading	22	24.7

	Manufacturing	2	2.3
	Service	37	41.6
	Construction	9	10.1
	Other	19	21.3
	Total	89	**100**

Source: - Own Survey result,2026

The study involved 89 tax payers. From the distribution by gender, 61.8% were male (55) and 38.2% were female (34), showing that the responses were largely dominated by male participants. In terms of age, there were no respondents reported below 20 years, while the largest proportion of respondents fell within the 31–40 age group (43.8%), followed by 41–50 years (37%). Smaller percentages were recorded for 21–30 years (9%) and above 50 years (10.2%), indicating that most respondents were mainly in the middle-age category.

In terms of educational background, the majority of respondents had a diploma (36%), followed by a first degree or higher (27%), while 31.4% had just completed regular secondary school. TVET/certificate holders made up only 5.6% of the sample, and there were no illiterate respondents. According to the results, the majority of participants (55%) had been involved in "Category A" tax affairs for 4 - 6 years. Other percentages had been involved for 1-3 years (30.3%), 7+ years (12.4%), and less than one year (2.3%). This implies that most respondents had enough experience to offer knowledgeable opinions on tax assessment and collection.

Lastly, in terms of business/industry kinds, service activities accounted for the largest group (41.6%), followed by trading (24.7%). 10.1% came from construction, 2.3% came from manufacturing, and 21.3% came from other activities. Overall, the findings show that the majority of the respondents were middle-aged, experienced people with a range of educational backgrounds who worked mostly in the commerce and service industries.

Table 4.2.2 Profile Revenue Office Employees

Variables	**Description**	**Response of employee**	
		Frequency	**Percentage**
Gender	Male	7	35
	Female	13	65
	Total	**20**	100
Age	Below 20 year and above	-------	------
	21-30	8	40
	31-40	11	55
	41-50	1	5
	Total	**20**	**100**
Academic Qualification	Below 10	-----	----
	$10^{th}/12^{th}$ Complete	-----	-----
	Diploma	3	15
	Degree	13	65
	MA/above	4	20
	Total	**20**	**100**
You handle category ‘’A’’ tax payers mainly in	Tax assessment	3	15
	Tax collection	5	25
	Both tax collection and assessment	12	60
	Total	**20**	**100**
You worked in the tax administration system for	Less than one year	1	5
	1-3 year	12	60
	4-6 year	**7**	35

	7+ year	**-----**	**-----**
	Total	**20**	**100**

Source: - Own Survey result,2026

20 staff members participated in the study. Gender-wise, 65% of respondents were female (13) and 35% were male (7), suggesting that the majority of respondents were female employees. The majority of employees (55%) were between the ages of 31 and 40, followed by those between the ages of 21 and 30 (40%), while only 5% were between the ages of 41 and 50. This indicates that workers were primarily middle-aged, indicating a workforce with sufficient exposure and experience.

Regarding academic qualification, there were no employees recorded below 10 and no respondents with 10th/12th complete. The majority held a degree (65%), followed by MA/above (20%) and diploma (15%), indicating that respondents had generally higher education levels suitable for handling tax-related duties. Furthermore, when asked which area of "Category A" tax payers they mainly handled, 60% indicated that they handled both tax assessment and tax collection, while 25% mainly handled tax collection and 15% mainly handled tax assessment. This suggests that most employees were involved in comprehensive tax administration activities rather than only one function.

The majority of employees had modest experience in the tax administration system, as evidenced by the fact that 60% had worked there for 1 to 3 years, 35% for 4 to 6 years, and 5% for less than a year.

4.3 Administrative and Operational Challenges Affecting Tax Assessment and Collection

Table 4.3 practical challenges assessing obligation response of tax employee

Scale: SD=Strongly Disagree, D=Disagree, N=Neutral, A=Agree, SA= Strongly Agree

Concluded Statement	**Measurement**	**SD**	**D**	**N**	**SA**	**SA**
The tax offices collect the income tax according to the plan.	**Frequency**	-	4	9	7	-
	Percentage	-	20	45	35	-
You face insufficient staff capacity for	**Frequency**	1	11	-	8	-

category “A” assessment and follow –up.	**Percentage**	5	55	-	40	-
Technology and system are insufficient for effective assessment and record management.	**Frequency**	3	1	1	13	2
	Percentage	15	5	5	65	10
To assess and collect taxes from taxpayers, the usual assessment tax rules and regulations are appropriate.	**Frequency**	6	1	2	10	1
	Percentage	30	5	10	50	5
The rules and regulations pertaining to tax assessment and collection are inadequate.	**Frequency**	4	12	1	1	2
	Percentage	20	60	5	5	10
Delays in procedures reduce assessment and collection efficiency.	**Frequency**	-	1	2	2	15
	Percentage	-	5	10	10	75

Source: - Own Survey result,2026

The responses of tax employees about the practical difficulties encountered in determining and collecting tax obligations from Category "A" taxpayers are shown in Table 4.3. With 45% of respondents remaining neutral, 35% agreeing, and 20% disagreeing, the results indicate that tax offices' performance in collecting income tax in accordance with the intended objective was moderate. This indicates that achieving planned tax collection targets remains uncertain in some situations.

The answers also show that Category "A" tax assessment and follow-up activities did not perceive personnel capacity as a significant obstacle. While 40% of respondents agreed that there are staff restrictions, over 55% disagreed and 5% strongly disagreed that there was insufficient staff capability. This suggests that most workers think staffing levels are reasonably enough, regardless of the possibility of occasional shortages.

In contrast, technology and system limitations were identified as significant practical challenges. A large majority of respondents (75%) agreed or strongly agreed that existing technology and systems are insufficient for effective tax assessment and record management. This suggests that technological inefficiencies negatively affect the administration and monitoring of tax activities.

More over half of the respondents (55%) agreed or strongly agreed that the current laws and regulations are appropriate for assessing and collecting taxes from taxpayers. Nonetheless, 35% of

respondents disagreed or strongly disagreed, suggesting that some workers continue to doubt the efficacy of the current regulatory framework.

According to the study, the majority of respondents did not believe that there were any significant gaps in the laws governing tax assessment and collection. It appears that the legal framework is generally seen as sufficient because about 80% of respondents disagreed or strongly disagreed with the statement that there are gaps in the laws and regulations.

Lastly, one of the main practical issues influencing the effectiveness of tax administration was found to be procedural delays. 85 % of respondents agreed or strongly agreed that process delays lower the effectiveness of evaluation and data collection. This suggests that slow procedures and administrative delays seriously impair the efficiency of tax assessment and revenue collection.

4.4 Tax Laws and Regulations Affecting Tax Assessment and Collection

Table 4.4 challenges in tax assessment and collection response of taxpayers

Concluded Statement	**Measurement**	**SD**	**D**	**N**	**SA**	**SA**
Would you agree that laws and procedure about taxation are understandable?	**Frequency**	54	8	7	7	13
	Percentage	60.7	9	7.87	7.87	14.6
The tax laws and procedure are too complex to follow properly?	**Frequency**	2	9	4	12	62
	Percentage	2.2	10.1	4.5	13.5	69.7
Inconsistencies or unclear instruction from the tax office affects your compliance?	**Frequency**	-	-	9	71	9
	Percentage	-	-	10.1	79.8	10.1
The tax office provide specific guidance on your responsibility?	**Frequency**	25	43	11	6	4
	Percentage	28.1	48.3	12.4	6.7	4.5
Would you agree that tax collection officers are skilled enough to assess and collect taxes?	**Frequency**	5	13	21	35	15
	Percentage	5.6	14.6	23.6	39.3	16.9
Absence of willingness and poor	**Frequency**	-	1	3	11	74

understanding about tax proclamations, rules, and regulation by taxpayers?	**Percentage**	**-**	1.1	3.4	12.4	83.1

Source: - Own Survey result,2026

Taxpayers' comments about difficulties with tax assessment and collection procedures are shown in Table 4.4. The results show that most respondents believed tax rules and procedures were difficult to understand. A sizable portion of respondents also thought that taxation procedures were extremely complicated, despite the fact that 60.7% strongly disagreed that tax rules and procedures are understandable. In particular, 13.5% agreed and 69.7% strongly agreed that tax regulations and procedures are too complicated to effectively follow. This implies that taxpayer compliance behavior is still significantly impacted by the complexity of tax laws.

The study further reveals that inconsistencies and unclear instructions from the tax office significantly affect taxpayer compliance. About 89.9% of respondents agreed or strongly agreed that unclear guidance from tax authorities negatively influences their compliance with tax obligations. This implies that lack of clarity and consistency in communication creates confusion among taxpayers.

In the same way, most respondents said that the tax office does not give enough detailed instructions about taxpayer obligations. Just 11.2% of respondents agreed or strongly agreed that the tax office offers sufficient guidance, compared to roughly 76.4% who opposed or strongly disapproved. This indicates a deficiency in the tax authority's efforts to raise taxpayer knowledge and support.

More over half of the respondents (56.2%) agreed or strongly agreed that tax collection officials are competent enough to assess and collect taxes, whereas 20.2% disagreed or strongly disagreed. This suggests that the level of trust that taxpayers have in the competence of tax officers is generally moderate

Finally, the findings show that poor understanding and lack of willingness among taxpayers regarding tax proclamations, rules, and regulations are major challenges in tax assessment and collection. An overwhelming majority of respondents (95.5%) agreed or strongly agreed with this statement, implying that limited taxpayer awareness and negative attitudes toward taxation significantly hinder effective tax administration and revenue collection.

4.5 Tax Laws and Regulations from the Perspective of Tax Officials

Table 4.5 challenges in rule and regulation response of tax officials

Concluded Statement	Measurement	SD	D	N	SA	SA
Are the laws and regulations governing the normal assessment tax clear?	**Frequency**	14	2	4	-	-
	Percentage	70	10	20	-	-
You encounter trouble understanding tax regulations for Category ”A” cases.	**Frequency**	9	2	3	5	1
	Percentage	45	10	15	25	5
Data/records for category “Ä” tax payers are incomplete or inconsistent.	**Frequency**	14	2	3	1	-
	Percentage	70	10	15	5	-
Revenue Office staff members participate in pertinent training and development courses on tax assessment and collection practices, laws, and regulations.	**Frequency**	1	2	-	13	4
	Percentage	5	10	-	65	20
Guidance/directives for assessment are unclear or inconsistent.	**Frequency**	-	-	2	4	14
	Percent	-	-	10	20	70
Communication with taxpayers is effective in most cases.	**Frequency**	-	-	1	2	17
	Percent	-	-	5	10	85

Source: - Own Survey result,2026

Table 4.5 presents the responses of tax officials regarding challenges related to tax rules and regulations in Category “A” tax assessment and collection. The findings show that the majority of respondents perceived the standard assessment tax rules and regulations as unclear. About 70% of respondents strongly disagreed that the rules and regulations are unambiguous, while 20% remained neutral. This indicates that lack of clarity in tax regulations is a major challenge affecting tax administration activities.

In the same way, a large number of respondents stated that they had trouble interpreting tax laws related to Category "A" taxpayers. While 55% opposed or strongly disagreed, about 30% of respondents agreed or strongly agreed that they have trouble understanding the regulations. This

suggests that although some tax officials understand the regulations, interpretation difficulties still exist among a considerable number of employees.

Issues with taxpayer data and documentation were also identified by the research. A large number of respondents (80%) disagreed or strongly disagreed that taxpayer data and records are consistent and complete, suggesting that inconsistent and incomplete records are frequent problems in tax assessment and collection procedures.

The results show that the majority of tax officials receive relevant training and development programs on tax assessment, collection processes, laws, and regulations with regard to employee capacity development. In particular, 85% of respondents agreed or strongly agreed with the statement, indicating that the revenue office places a high priority on professional growth and staff training.
However, the majority of respondents said that tax assessment guidelines and instructions were unclear and inconsistent. Approximately 90% of respondents agreed or strongly agreed with this statement, suggesting that implementation challenges arise during tax assessment and collection processes due to a lack of clear operational direction.

Despite these difficulties, taxpayer-tax official communication was seen favorably. Communication with taxpayers is generally effective, according to the majority of respondents (95%) who agreed or strongly agreed. This implies that tax officials maintain relatively good interaction with taxpayers even though procedural and regulatory challenges remain within the tax administration system.

4.6 Other Challenges in tax Assessment and Collection

Table 4.6 other challenges in tax assessment and collection response of taxpayers

Concluded Statement	**Measurement**	**SD**	**D**	**N**	**SA**	**SA**
Do you think tax office managers are competent enough to guide their fellow tax collecting officers in accordance with the law and current protocol?	**Frequency**	17	33	23	7	9
	Percentage	19.1	37.1	25.8	7.9	10.1
Ineffective and inefficient computerized	**Frequency**	10	10	5	41	23

systems for managing taxes?	**Percentage**	11.2	11.2	5.6	46.1	25.8
One issue with tax assessment and collection is corruption.	**Frequency**	-	-	2	10	77
	Percentage	-	-	2.3	11.2	86.5
Does the revenue office have a good appeals process?	**Frequency**	18	29	22	13	7
	Percentage	20.2	32.6	24.7	14.6	7.9
The law gives wider discretion for revenue office employees abuse their power?	**Frequency**	5	21	7	22	34
	Percentage	5.6	23.6	7.9	24.7	38.2

Source: - Own Survey result,2026

The responses of taxpayers about additional issues influencing tax assessment and collection procedures are shown in Table 4.6. The results show that a large number of respondents were dissatisfied with the tax office managers' capacity for leadership. Just 18% of respondents agreed or strongly agreed that tax office supervisors are competent enough to guide tax collection staff in accordance with the law and current processes, compared to roughly 56.2% who disagreed or strongly disagreed. This implies that many taxpayers view managerial skill and leadership efficacy as insufficient.

The survey also showed that two of the biggest problems in tax administration are inefficient and ineffective digital systems. Just 22.4% of respondents disagreed or strongly disagreed with the statement that the computerized system employed in tax administration is useless and inefficient, while the majority (71.9%) agreed or strongly agreed. This suggests that the effectiveness and dependability of tax assessment and collection operations are adversely impacted by technical constraints.

Another significant issue with tax assessment and collection was found to be corruption. The great majority of respondents (97.7%) agreed or strongly agreed that there is corruption in the tax administration process. This suggests that both efficient tax administration and taxpayer trust are seriously threatened by unethical behavior and abuse of power.

The majority of respondents said the revenue office's appeals process was ineffective. Just 22.5% of respondents agreed or strongly agreed that the revenue office has a good appeals process, compared to

roughly 52.8% who opposed or strongly disapproved. This implies that taxpayers would have trouble getting equitable and effective services for processing complaints and resolving disputes.

Finally, the results indicate that a large number of respondents thought the law gave revenue office workers more freedom, which could lead to power abuse. About 29.2% of respondents opposed or strongly disagreed with this statement, while 62.9% agreed or strongly agreed. This suggests that an overabundance of discretionary power in the tax administration system could lead to unfair practices and erode taxpayer trust.

4.7 Specific Issues That Hindered Collection

Table 4.7 Specific issues that hindered challenges tax assessment collection response of tax officials

Concluded Statement	**Measurement**	**SD**	**D**	**N**	**SA**	**SA**
Conflicts over assessment have cause collecting to be delayed or resulted in repetitive procedure?	**Frequency**	-	-	1	4	15
	Percentage	-	-	5	20	75
Incomplete or incorrect information or document are sometimes submitted by taxpayers?	**Frequency**	-	1	2	8	9
	Percentage	-	5	10	40	45
The system for enforcement and follow-up are strong enough to guarantee payment?	**Frequency**	8	9	1	2	-
	Percentage	40	45	5	10	-
Do taxpayers trust the processes used for tax assessment and collection?	**Frequency**	11	4	1	2	2
	Percentage	55	20	5	10	10
Coordination with various offices and levels is sufficient?	**Frequency**	3	7	4	4	2
	Percentage	15	35	20	20	10
Service delivery (support, direction, and clarification) improves compliance outcomes?	**Frequency**	-	2	1	4	13
	Percentage	-	10	5	20	65

Source: - Own Survey result,2026

Table 4.7 presents the responses of tax officials regarding specific issues that hinder tax assessment and collection activities. The findings reveal that conflicts over tax assessment significantly affect the

efficiency of tax collection procedures. A large majority of respondents (95%) agreed or strongly agreed that conflicts over assessment cause delays and repetitive procedures in tax collection activities. This indicates that disputes between taxpayers and tax authorities negatively influence the effectiveness and timeliness of tax administration.

Additionally, the study demonstrates that during tax assessment procedures, taxpayers typically provide inaccurate or incomplete information and documentation. Approximately 85% of respondents agreed or strongly agreed with this statement, suggesting that improper taxpayer paperwork presents significant obstacles to correct assessment and revenue collection.

The majority of respondents said the system was inadequate in terms of enforcement and follow-up procedures. Just 10% of respondents thought that enforcement and follow-up processes are sufficiently strong to ensure tax collection, compared to almost 85% who disagreed or strongly disapproved. This implies that the revenue office's ability to guarantee efficient tax compliance and collection is hampered by a weak enforcement capacity.

Similarly, the results show that taxpayers have low trust in the methods used for tax assessment and collection. The fact that over 75% of respondents disagreed or strongly disagreed that people trust the current tax assessment and collection system suggests that there is still a significant problem with tax administration.

The answers also demonstrate how poorly different offices and administrative levels coordinate with one another. Just 30% of respondents agreed or strongly agreed that coordination is sufficient, compared to 50% who opposed or strongly disagreed. This suggests that effective tax administration and information sharing may be hampered by inadequate institutional coordination.

Lastly, the majority of respondents thought that providing taxpayers with assistance, guidance, and clarification enhances the results of tax compliance. This statement was accepted or strongly agreed with by about 85% of respondents, indicating that efficient taxpayer support services are crucial for boosting tax collection performance and compliance.

4.8 Tax Payer Knowledge and Awareness

Table 4.8 Tax payer knowledge and awareness response of tax officials

Concluded Statement	Measurement	SD	D	N	SA	SA
Taxpayer's knowledge influences the accuracy of their declaration?	**Frequency**	-	1	1	4	14
	Percentage	-	5	5	20	70
Low taxpayer awareness increases assessment errors and compliance issues?	**Frequency**	-	-	-	2	18
	Percentage	-	-	-	10	90
Is the revenue office encouraging taxpayers to pay their taxes voluntarily?	**Frequency**	-	1	11	4	4
	Percentage	-	5	55	20	20

Source: - Own Survey result,2026

Table 4.8 presents the responses of tax officials regarding taxpayer knowledge and awareness in relation to tax assessment and collection activities. The findings indicate that taxpayer knowledge has a significant influence on the accuracy of tax declarations. A large majority of respondents (90%) agreed or strongly agreed that taxpayers' knowledge affects the accuracy of their declarations, while only 5% disagreed and 5% remained neutral. This suggests that better taxpayer understanding contributes positively to accurate tax reporting and compliance.

Similarly, the study found that assessment errors and compliance issues are largely caused by insufficient taxpayer awareness. 90% of respondents strongly agreed and 10% agreed with this statement. This suggests that there are significant obstacles to efficient tax assessment and collection due to a lack of knowledge and comprehension of tax duties.

Regarding the role of the revenue office in creating taxpayer awareness, the responses show mixed opinions. More than half of the respondents (55%) remained neutral on whether the revenue office provides sufficient awareness programs to encourage voluntary tax payment. In addition, 40% agreed or strongly agreed, while only 5% disagreed. This indicates that although some awareness creation efforts exist, they may not be fully adequate or consistently effective in promoting voluntary tax compliance among taxpayers.

4.9 Tax knowledge and Awareness

Table 4.9 challenges on tax knowledge and awareness response of tax payers

Concluded Statement	Measurement	SD	D	N	SA	SA
Your tax knowledge influences the accuracy of your declarations?	**Frequency**	2	11	9	20	47
	Percentage	2.2	12.4	10.1	22.5	52.8
Tax education/awareness is sufficient for you comply?	**Frequency**	-	5	7	51	26
	Percentage	-	5.6	7.9	57.3	29.2
You seek guidance or assistance when you do not fully understand tax obligation?	**Frequency**	4	11	2	49	23
	Percentage	4.5	12.4	2.2	55.1	25.8
Does the presumptive tax assessment and collection law and regulation raise awareness?	**Frequency**	14	36	20	13	6
	Percentage	15.7	40.4	22.5	14.6	6.8

Source: - Own Survey result,2026

The responses of taxpayers reporting difficulties with tax awareness and knowledge are shown in Table 4.9. The results show that the accuracy of tax declarations is strongly influenced by taxpayer knowledge. While 14.6% disagreed or strongly disagreed, over 75.3% of respondents agreed or strongly agreed that their tax expertise influences the correctness of their declarations. This implies that more accurate tax reporting and compliance are facilitated by a better understanding of tax laws and procedures.

The majority of taxpayers believe that tax education and awareness programs are enough to encourage tax compliance, according to the survey. Just 5.6% of respondents disagreed, while the majority (86.5%) agreed or strongly agreed that tax education and awareness are sufficient for compliance purposes. This suggests that raising public awareness is crucial to enhancing taxpayer compliance.

In the same way, most respondents said that when they are confused about their tax responsibilities, they look for advice or help. 16.9% of respondents disagreed or strongly disagreed with this statement, compared to about 80.9% who agreed or strongly agreed. This shows that taxpayers are prepared to seek clarification and assistance in order to correctly satisfy their tax obligations.

However, the findings also show that awareness creation regarding Rules and regulations for presumptive tax assessment and collections is still inadequate. More than half of the respondents (56.1%) disagreed or strongly disagreed that sufficient awareness is created on presumptive tax assessment and collection procedures, while only 21.4% agreed or strongly agreed. This indicates that limited awareness on presumptive taxation remains a significant challenge affecting taxpayers' understanding and compliance with tax requirements.

4.10 Government Tax Policies and Legislative Issues Affecting Tax Assessment and Collection (Tax Officials)

Table 4.10. Challenges on government tax policies and legislative response of tax officers

Concluded Statement	**Measurement**	**SD**	**D**	**N**	**SA**	**SA**
The performance of tax collection are affected by tax policies?	**Frequency**	-	-	-	1	19
	Percentage	-	-	-	5	95
Frequent legislative change create operational challenges for the office?	**Frequency**	-	-	2	1	17
	Percentage	-	-	10	5	85
Policy communication to taxpayers is timely and efficient?	**Frequency**	2	9	2	4	3
	Percentage	10	45	10	20	15

Source: - Own Survey result,2026

Tax officers' responses to questions on difficulties with government tax laws and regulations in tax assessment and collection operations are shown in Table 4.10. The results show that the effectiveness of tax collecting operations is significantly impacted by tax policies. 95% of respondents strongly agreed and 5% agreed with this statement. This implies that the efficiency and the effectiveness of tax administration and revenue collection performance are significantly affected by government tax policies.

The study also showed that the revenue office faces operating difficulties as a result of frequent legislative changes. Just 10% of respondents were neutral, while the vast majority (90%) agreed or strongly agreed that ongoing changes to tax laws make tax administration procedures more challenging.

This suggests that tax officials may experience confusion and implementation issues due to unstable or constantly changing tax rules.

The results indicate that there is insufficient timely and effective policy communication to taxpayers. Just 35% of respondents agreed or strongly agreed that policy communication is effective, compared to more than half (55%) who disagreed or strongly disagreed. This suggests that taxpayer understanding, awareness, and compliance with tax duties may be adversely affected by inadequate communication of policy changes and legislation revisions.

4.11. Government Tax Policies and Legislative Issues Affecting Tax Assessment and Collection (Taxpayers)

Table 4.11 challenges on government tax policies and legislative issues response of tax payers

Concluded Statement	Measurement	SD	D	N	SA	SA
Government tax policies affects tax collection and assessment out comes?	**Frequency**	-	4	8	43	34
	Percentage	-	4.5	9	48.3	38.2
Change in tax legislation create challenges for you?	**Frequency**	-	-	1	7	81
	Percentage	-	-	2.1	7.9	90
Do you think the policies of the ruling party are equitable for taxpayers in category "A"?	**Frequency**	17	13	37	6	16
	Percentage	19.1	14.6	41.6	6.7	18
Communication of new tax policies and directives is timely and effective to tax payers?	**Frequency**	48	22	8	4	7
	Percentage	53.9	24.7	9	4.5	7.9

Source: - Own Survey result,2026

Table 4.11 presents the responses of taxpayers regarding challenges related to government tax policies and legislative issues. The findings indicate that government tax policies have a strong influence on tax assessment and collection outcomes. A large majority of respondents (86.5%) agreed or strongly agreed that tax policies affect tax collection and assessment results, while only 4.5% disagreed. This suggests that taxpayers clearly recognize the impact of government tax policies on their tax obligations and compliance outcomes.

Similarly, the study shows that taxpayers face substantial difficulties as a result of changes in tax laws. Just 2.1% of respondents were neutral, while the vast majority (97.9%) agreed or strongly agreed that frequent changes to tax laws and regulations make compliance challenging. This suggests that a significant obstacle to individuals' capacity to regularly comply with tax laws is the volatility behavior of tax policy.

Regarding perceptions of fairness, the results reveal differing views on whether the ruling party offers Category "A" taxpayers fair policies. 41.6% of respondents were neutral, 33.7% disagreed or strongly disagreed, and 33.7% agreed or strongly agreed that policies are fair. This suggests that there are differing opinions among taxpayers about how equitable the current tax laws are.

Finally, the results indicate that communication of new tax policies and directives is generally perceived as ineffective. A majority of respondents (78.6%) disagreed or strongly disagreed that policy communication is timely and effective, while only 12.4% agreed or strongly agreed. This suggests that inadequate dissemination of policy updates remains a key challenge, potentially affecting taxpayer awareness and compliance.

4.12 Interview Data Presentation and Analysis

Introduction

This section presents and analyzes qualitative data collected through semi-structured interviews with selected tax officials and revenue experts in Arada Sub-City Revenue Office. The purpose of the interviews was to complement the quantitative findings and provide deeper insight into the challenges of tax assessment and collection.

4.12.1 Challenges in Tax Assessment

Interview responses indicated that tax assessment is mainly affected by the lack of reliable financial records from Category “A” taxpayers. Respondents explained that many taxpayers do not maintain proper accounting documents, making accurate assessment difficult.

One interviewee stated:- “Most taxpayers do not keep proper financial records, so we depend on estimates during assessment.”

This confirms the quantitative findings in Table 4.3 and Table 4.4, which showed inconsistencies in taxpayer reporting.

4.12.2 Challenges in Tax Collection

The interview findings revealed that tax collection is negatively affected by delayed payments and weak compliance behavior. Respondents indicated that some taxpayers intentionally avoid payment until enforcement measures are applied.

The respondent noted: “Taxpayers often delay payment unless strict follow-up is done.”

This supports the survey results in Table 4.6 and Table 4.7, which identified weak enforcement and compliance issues.

4.12.3 Taxpayer Awareness and Compliance

Most interviewees emphasized that low taxpayer awareness is a major challenge affecting compliance. Many taxpayers do not fully understand tax laws and obligations.

Most participant explained:- “Lack of awareness is one of the main reasons for non-compliance among taxpayers.” This aligns with findings in Table 4.8 and Table 4.9 showing that awareness strongly affects tax behavior.

4.12.4 Institutional and Administrative Challenges

Interview results further showed that institutional problems such as limited technology, staff constraints, and weak enforcement systems affect tax performance.

Respondents also highlighted delays in procedures and lack of modern systems as major barriers to efficiency.

4.12.5 Summary of Interview Findings

Overall, the interview analysis revealed that tax assessment and collection challenges are caused by:

- Poor financial documentation
- Low taxpayer awareness
- Weak enforcement mechanisms
- Administrative and technological limitations

These findings strongly support the quantitative results and provide deeper explanation of the observed problems.

CHAPTER FIVE

5.1 SUMMARY OF FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

5.1.1 SUMMARY OF FINDINGS

This study assessed the challenges of tax assessment and collection practices among Category “A” taxpayers of Arada sub-city small tax payer branch office, focusing on the responses of both taxpayers and tax officials. The study examined major issues related to tax rules and regulations, practical administrative challenges, taxpayer awareness and knowledge, institutional effectiveness, and government tax policies and legislative issues.

The majority of respondent were male and fell within the economically active age range of 31 to 50 years old, according to the taxpayers' demographic data. The majority of respondents were first-degree and diploma holders, and the majority of Category "A" taxpayers' business operations were in the service sector. The results also revealed that the majority of taxpayers, especially those with four to six years of experience, had a significant amount of experience with tax-related tasks.

Many tax officials thought that the current tax assessment rules and instructions were ambiguous and inconsistent, according to the findings about tax rules and regulations. Despite training and development initiatives for staff, issues with inadequate taxpayer information and regulatory interpretation remained. Additionally, taxpayers said that tax regulations and processes were extremely complicated and hard to fully understand. Additionally, taxpayer compliance was adversely impacted by the tax office's ambiguous instructions and inconsistent guidance.

The study also found a number of institutional and practical issues that have an impact on tax assessment and collection. According to tax officials, electronic methods and technology were insufficient for efficient record keeping and tax administration. The efficiency of tax collection was also significantly impacted by procedural delays, repetitive assessment procedures, and inadequate enforcement and follow-up methods. similarly, taxpayers cited corruption, inadequate appeal procedures, poor computerized systems, and an excessive amount of discretionary power granted to tax authorities as significant barriers to the tax administration process.

Both taxpayers and tax authorities agreed that taxpayer awareness has a major impact on the accuracy of tax declarations and general compliance behavior. Low taxpayer awareness, according to tax

officials, is a major factor in assessment errors and compliance issues. The results indicated that awareness of presumptive tax assessment and collection procedures is still insufficient, despite some efforts to raise awareness.

The study also looked at legislative matters that have an impact on tax administration and government tax policies. The results of tax assessment and collection are directly impacted by tax policy, according to both tax officials and taxpayers. Regular legislation changes were found to be a significant operational issue for both taxpayers and tax offices. Additionally, taxpayer understanding and compliance were made difficult by the perception that policy changes and directions were poorly communicated.

Overall, the study found that a variety of institutional, legal, administrative, technological, and awareness-related variables contribute to difficulties in tax assessment and collection. The efficacy of tax administration and revenue collection is diminished by a number of factors, including inadequate communication systems, inconsistent instructions, technological constraints, corruption, inadequate enforcement measures, and low taxpayer awareness.

5.2 CONCLUSIONS

Based on the findings of the study, it can be concluded that tax assessment and collection practices among Category “A” taxpayers in Arada sub-city small tax payer branch office face several interconnected challenges that hinder effective tax administration and revenue collection performance.

First, the study finds that both taxpayers and tax officials are greatly influenced by the complexity and inconsistency of tax laws, rules, and directives. Even though tax employees have access to training programs, complex procedures and ambiguous operational advice continue to cause misunderstanding during the tax assessment and collection processes. Additionally, taxpayers struggle to understand tax laws and procedures, which has a negative impact on voluntary compliance.

Second, administrative and structural flaws continue to be significant obstacles to efficient tax administration. The efficiency and reliability of tax collecting operations are diminished by ineffective computerized systems, incomplete taxpayer records, procedural delays, and inadequate enforcement

and follow-up procedures. Delays in tax assessment and collection are sometimes caused by repeated processes and poor office coordination.

Third, accurate tax declarations and compliance depend heavily on taxpayer awareness and knowledge. According to the study's findings, one of the main reasons for noncompliance, incorrect assessments, and disputes between taxpayers and tax authorities is a lack of knowledge and understanding of tax proclamations, rules, and regulations. Even while people ask for help when they are having problems, awareness-raising initiatives are still inadequate, especially when it comes to presumptive tax assessment processes.

Fourth, the study finds that taxpayer trust and confidence in the tax administration system are adversely affected by corruption, inadequate appeal procedures, and an overabundance of discretionary power granted to tax authorities. Many taxpayers think that the system contains unfair practices and abuses of power, which diminishes public trust and voluntary compliance.

Lastly, both tax officials and individuals face operational and compliance issues due to government tax policies and frequent legislative changes. The study comes to the conclusion that taxpayers' capacity to understand and comply to evolving tax regulations is hampered by inadequate communication of new tax laws and legislative changes. Therefore, increasing the effectiveness of tax administration requires solid policies and efficient communication channels.

Generally speaking, increasing institutional capacity, simplifying tax processes, strengthening technical systems, raising taxpayer knowledge, and ensuring transparent and equitable tax administration practices are all necessary for the efficacy of tax assessment and collection procedures.

5.3 RECOMMENDATIONS

The following suggestions are sent to enhance tax assessment and collection procedures for Category "A" taxpayers based on the study's results and conclusions.

5.3.1 Recommendations Related to Tax Rules and Regulations

- The revenue office should simplify tax laws, procedures, and assessment directives to make them easier for taxpayers and tax officials to understand and implement.

- Clear and consistent operational guidelines should be prepared and distributed to tax officials to minimize inconsistencies in tax assessment practices.
- Continuous revisions and improvements should be made to reduce ambiguities in tax rules and regulations.

5.3.2 Recommendations Related to Institutional and Administrative Capacity

- To enhance record management, tax assessment, and follow-up activities, the revenue office should modernize its technological infrastructure and strengthen computerized systems.
- To guarantee on-time tax payment and increase collection effectiveness, strong enforcement and monitoring systems should be put in place.
- Coordination between the various departments and administrative levels involved in tax administration should be improved.
- Simplifying administrative procedures can help cut down on excessive bureaucracy, repetitive processes, and delays.

5.3.3 Recommendations Related to Taxpayer Awareness and Education

- The revenue office should expand taxpayer education and awareness creation programs focusing on tax laws, taxpayers' obligations, and presumptive tax assessment procedures.
- Regular training, workshops, and awareness campaigns should be organized for taxpayers to improve voluntary compliance.
- Every time a law or policy changes, the office should offer taxpayers clear guidance and support services.
- Information about taxes should be adequately disseminated through public forums, media, brochures, and social media (Facebook, TikTok, Telegram).

5.3.4 Recommendations Related to Transparency and Accountability

- To reduce unethical tax administration methods, the revenue office ought to strengthen anti-corruption efforts and create transparent monitoring mechanisms.
- To enhance taxpayer confidence and guarantee appropriate resolution of complaints and disagreements, a just and efficient appeals process should be established.

- The discretionary power of tax officials should be monitored and controlled through clear accountability mechanisms.
- Ethical standards and professional conduct among tax officials should be reinforced through regular supervision and training.

5.3.5 Recommendations Related to Government Policies and Legislative Issues

- Government tax policies should be designed in a stable and consistent manner to minimize operational and compliance challenges.
- Legislative changes should be minimized unless absolutely essential, and when they do occur, adequate transition times should be given.
- To guarantee that taxpayers receive timely and correct information about new directives and legislative amendments, policy communication systems should be reinforced.
- Policymakers should involve taxpayers, tax experts, and tax officials during policy formulation and revision processes to improve fairness and practicality.

5.4 Suggested Areas for Further Research

This study focused on challenges in tax assessment and collection practices among Category "A" taxpayers in Arada sub-city small tax payers branch office. Future researchers may conduct further studies on:

- The impact of digital tax administration systems on taxpayer compliance
- The relationship between taxpayer awareness and voluntary tax compliance.
- Comparative studies of tax assessment practices among different taxpayer categories.
- The role of corruption and governance in tax administration efficiency.
- The effectiveness of taxpayer education programs in improving tax compliance behavior.

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ADDIS ABABA UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

DEPARTMENT OF ACCOUNTING AND FINANCE

APPENDIX A: QUESTIONNAIRES

QUESTION TO BE FILLED BY TAX PAYERS

Dear repliers!

A researcher from Addis Ababa University created the questions as part of the requirements for a Master of Science in accounting and finance. Investigating the difficulties in tax assessment and collection for category "A" taxpayers in the context of the Arada sub-city revenue and custom authority branch office is the main goal of the study.

Your responses and other important information that may be useful to the researcher are being used in the study. These questions have the benefit of gathering your opinions on a variety of tax-related topics. It makes up the majority of the study, and the information you will give me will help me assess the primary challenges that tax enforcement and collection face as well as how they affect tax collection. Your assistance in responding is crucial to this study since it represents people who are not included in the sample.

Please respond to all inquiries. The questions ask for basic, correct information, and you can either write your answer in the provided blank space or check the option you choose. Some questions include extra space at the end so you can offer more explanations. The all evidence you deliver would be rigorously confidential.

Student Name: Kirubel Zeru

Position: M.Sc. student at Addis Ababa University

Department: - Addis Ababa University college of Business and Economics Department of Accounting and Finance

Phone no: - 0912378394

E-mail:- zerukiru23@gmail.com

 Please, don’t write your name,

Section A: Background Information

1. Gender:- ☐ Male ☐ Female

2. Age ;- ☐ Below 20 years ☐ 21-30 years ☐ 31-40 years ☐ 41-50 years ☐ 51 years & above

3. Academic Qualification: - ☐ Illiterate ☐ General secondary school or less
   ☐ TVET/certificate ☐ Diploma ☐ First Degree & above.

4. How long have you been involved with Category "A" tax matters?
   ☐ Less than 1 year ☐ 1–3 years ☐ 4–6 years ☐ 7+ years

5. Type of business/industry:
   ☐ Trading ☐ Manufacturing ☐ Services ☐ Construction
   ☐ Other: _____

Section B: Challenges in Tax Assessment and Collection

Scale: SD=Strongly Disagree, D=Disagree, N=Neutral, A=Agree, SA=Strongly Agree

1. Would you agree that laws and procedures about taxation are understandable?
   ☐ SD ☐ D ☐ N ☐ A ☐ SA

2. The tax laws and procedures are too complex to follow properly.
   ☐ SD ☐ D ☐ N ☐ A ☐ SA

3. Inconsistencies or unclear instructions from the tax office affect your compliance.
   ☐ SD ☐ D ☐ N ☐ A ☐ SA

4. The tax office provides specific guidance on your responsibilities.
   ☐ SD ☐ D ☐ N ☐ A ☐ SA

6. Would you agree that tax collection officers are skilled enough to assess and collect taxes?
   ☐ SD ☐ D ☐ N ☐ A ☐ SA

7. Absence of willingness and poor understanding about tax proclamations, rules, and regulations by taxpayers.
   ☐ SD ☐ D ☐ N ☐ A ☐ SA

8. Would you agree that tax office managers are skilled enough to lead their fellow tax collection officers according to the law and existing procedure?

☐ SD ☐ D ☐ N ☐ A ☐ SA

9. Inefficiency and ineffective computerized system in tax administration.

☐ SD ☐ D ☐ N ☐ A ☐ SA

10. Corruption is one problem in tax assessment and collection.

☐ SD ☐ D ☐ N ☐ A ☐ SA

11. There is good appealing system in the revenue office.

☐ SD ☐ D ☐ N ☐ A ☐ SA

12. The law gives wider discretion for revenue office employees and employees abuse their power.

☐ SD ☐ D ☐ N ☐ A ☐ SA

Section C: Tax Knowledge and Awareness

13. .Your tax knowledge influences the accuracy of your declarations.

☐ SD ☐ D ☐ N ☐ A ☐ SA

14. Tax education/awareness is sufficient for you to comply.

☐ SD ☐ D ☐ N ☐ A ☐ SA

15. You seek guidance or assistance when you do not fully understand tax obligation.

☐ SD ☐ D ☐ N ☐ A ☐ SA

16. Awareness is created as to presumptive tax assessment and collection rules and regulation.

☐ SD ☐ D ☐ N ☐ A ☐ SA

Section D: Government Tax Policies & Legislative Issues

17. Government tax policies tax policies affect tax collection and assessment out comes.

☐ SD ☐ D ☐ N ☐ A ☐ SA

18. Changes in tax legislation cerate challenges for you.

☐ SD ☐ D ☐ N ☐ A ☐ SA

19 .Do you believe that the ruling party has fair policies for Category "A" tax payers'

☐ SD ☐ D ☐ N ☐ A ☐ SA

20. Communication of new tax policies and directives is timely and effective to tax payers.

☐ SD ☐ D ☐ N ☐ A ☐ SA

Section E: Open-ended Questions

20. What practical difficulties do you face most during assessment and collection taxes in Arada Sub City?

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21. What issues hinder effective assessment and collection in
---------- your business?

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22. In what way does your tax knowledge or awareness affect tax revenue collection (from your perspective)?

---

23. Which legislative obstacles or governmental policies have the biggest impact on your compliance (if you have)?

---

24. Which major issue or issues needed improvement in the Arada Sub City tax system?

Thank you for your cooperation !!!



የአዲስ አበባ ዩኒቨርሲቲ
የቢዝነስ እና ኢኮኖሚክስ ኮሌጅ
የሂሳብአያያዝ እና የፋይናንስ ክፍል

የጥያቄዎች ዝርዝር ጥያቄውበግብር ከፋዮች ማሟላት አለበት

ውድ ምላሽ ሰጪዎች!

ጥያቄዎቹ የተዘጋጁት በአዲስ አበባ ዩኒቨርሲቲ በሂሳብ አያያዝ እና ፋይናንስ (በ አካውንቲንግ እና ፋይናንስ) የማስተር ኦፍ ሳይንስ ዲግሪ ትምህርት ማጠናቀቅ ወቅት የሚሄድ ምርምር ነው። የጥናቱ ዋና ዓላማበአራዳ ክፍለ ከተማየገቢ እና የጉምሩክ ባለስልጣን ቅርንጫፍ ቢሮ ውስጥለምድብ 'ሀ' የግብር ከፋዮች በግብር ግምግማእና አሰባሰብላይ ያሉትን ተግዳሮቶች መመርመር ነው።

ጥናቱ ተሟሟይውን ሊረዱ የሚችሉ ሜልሶችዎን እና ሌሎች ጠቃሚ ሚጃዎችን ለሙከተን እየሰራ ነው። የእነዚህ ጥያቄዎች ጥቅምስለ ብዙ የግብር ገጽታዎች ያለዎትን አስተያየት እና አስተያየት ማግኘት ነው። የጥናቱ ዋና ክፍል ሲሆን የሚቀርቡት ሚጃ በግብር አሰባሰብእና በማስፈጸምላይ የሚያጋጥሙን ሜዕከላዊ ችግሮች እና በግብር አሰባሰብላይ ያለውን ተጽእኖ ለማ ምግ ምይረዳል። ለዚህ ጥናት ምላሽ ለማጠት የሚያደርጉት ድጋፍ በጣምአስፈላጊ ነው:: ምክንያቱምበናሞኘውውስጥ ያልተሳተፉትን ሌሎችን ያማላክታል።

እባክዎን ለእያንዳንዱ ጥያቄ ሜልስ ይስጡ። ጥያቄዎቹ ማህረታዊ ትክክለኛ ሚጃ ያስፈልጋቸዋል እና የሚጠኑን ምርጫምልክት ሚድረግ ወይምበተሰጠውባዶ ቦታ ላይ ሜልስዎን ሟፍ ይችላሉ። ተጨሚ ማህረጃዎችን ለሜጨሞር አንዳንድ ጥያቄዎችን ሲያጠናቅቁ ተጨሜ ቦታ ይሰጣል።

የሚሰጡት ማህረጃ በሞሉ በጥብቅ ሚስጥራዊ ይሆናል።
የተሚ ስም፡ ኪሩቤል ዘሩ
የስራ ሞደብ፡ የድህረ ምረቃ ትምህርት ቤት ተሚ በአዲስ አበባ ዩኒቨርሲቲ
ክፍል፡ - የአዲስ አበባ ዩኒቨርሲቲ የቢዝነስ እና ኢኮኖሚክስ ኮሌጅ የሂሳብ እና የፋይናንስ መምሪያ
ስልክ ቁጥር፡ - 0912378394
ኢሜይል፡ - zerukiru23@gmail.com
□ እባክዎን ስምዎን አይጻፉ፣

ክፍል ሀ፡ የመረታዊ ሚጃ ማላያ

1. ጸታ፡ - ☐ ወንድ ☐ ሴት

2. ዕድሜ - ☐ ከ20 ዓመት በታች ☐ ከ21-30 ዓመት ☐ ከ31-40 ዓመት ☐ ከ41-50 ዓመት ☐ ከ51 ዓመት እና ከዚያ በላይ

3. የ ትምህርት ብቃት፡ - - ☐ ማንበብና መጻፍ የ ሚችል ☐ አጠቃላይ ሁለተኛደረጃ ትምህርት ቤት ወይምበታች

☐ የ ቲቪኢቲ/ሰርተፊኬት ☐ ዲፕሎማ ☐ የ መጀመሪያ ዲግሪ እና ከዚያ በላይ።

4. በ ምድብ “ሀ” የ ግብር ጉዳዮችጋር ለ ምን ያህል ጊዜ ተሳትፈዋል?

☐ ከ1 ዓመት በታች ☐ ከ1–3 ዓመት ☐ ከ4–6 ዓመት ☐ ከ7 ዓመት በላይ

5. የ ንግድ/ኢንዱስትሪ ዓይነ ት:

☐ ንግድ ☐ ማኑፋክቸሪንግ ☐ አገልግሎቶች ☐ ግንባታ ☐ ሌላ: _____

ክፍል ለ: በግብር ግምገማእና አሰባሰብላይ ያሉ ተግዳሮቶች/ፈተናዎች

ልኬት: ☐ እጅግ አልስማሙም(SD) ☐ አልስማሙም(D) ☐ ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

1. ስለ ግብር የ ሚሞላከቱ ህጎ ች እና አሰራሮች ለ ሚዳት ቀላል ና ቸውብለውይስማሙ?

☐ እጅግ አልስማሙም(SD) ☐ አልስማሙም(D) ☐ ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

2. የ ግብር ህጎ ች እና አሰራሮች በጣምውስብስብስለሆኑ በትክክል ለ ማከተል አይቻልምአስቸጋሪ ና ቸው።

☐ እጅግ አልስማሙም(SD) ☐ አልስማሙም(D) ☐ ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

3. ከ ግብር ቢሮውየ ሚወጡት አለማክሳሞች ወይምግልጽ ያልሆኑ መመሪያዎች የ እርስዎንየ ግብአክባሪነ ትዎንይጎዳሉ።

☐ እጅግ አልስማሙም(SD) ☐ አልስማሙም(D) ☐ ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

4. የ ግብር ቢሮውኃላፊነ ቶችዎን በተሟላከተ ዝርዝር መመሪያ ይሰጣል።

☐ እጅግ አልስማሙም(SD) ☐ አልስማሙም(D) ☐ ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

6. የ ግብር ሰብሳቢ ባለሥልጣና ትእና ምዝና ሰራተኞች ግብሮችን ለ መሰ ምእና ለ ማስገብሰብ በቂ ችሎታ እንዳላቸው ይስማማሉ?

☐ እጅግ አልስማሙም(SD) ☐ አልስማሙም(D) ☐ ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

7. ግብር ከፋዮችየ ግብርን አዋጆች፣ ደንቦች እና ሕጎችን ለማወቅ ፈቃደኝነት የሌላቸውእና በቂ ሚዲያት የሚይኖራቸው ናቸው።

☐ እጅግ አልስማምም(SD) ☐ አልስማምም(D) ☐ ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

8. የ ግብር ቢሮ አስተዳዳሪዎች በሕግና በነባር አሰራር መሠረት የ ግብር ሰብሳቢ ሰራተኞቻቸውን ለመሙራት በቂ ክህሎት አላቸውብለውትስማማለችሁ?

☐ እጅግ አልስማምም(SD) ☐ አልስማምም(D) ☐ ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

9. በግብር አስተዳደር ውስጥያለ ውጤታማያልሆነ እና ያልተገባየ ኮምፒውተር ስርዓት ችግር አለ።

☐ እጅግ አልስማምም(SD) ☐ አልስማምም(D) ☐ ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

10. ሙስና በግብር ግምግማእና አሰባሰብ ውስጥአንድ ችግር ነው።

☐ እጅግ አልስማምም(SD) ☐ አልስማምም(D) ☐ ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

11. በገቢ ቢሮ ውስጥ ጥሩ የ ይግባኝ ስርዓት አለ።

☐ እጅግ አልስማምም(SD) ☐ አልስማምም(D) ☐ ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

12. ህጉ የገቢ ቢሮ ሰራተኞች እና ሰራተኞች ሥልጣናቸውን አላግባብእንዲጠቀሙሰፊ ምርጫይሰጣል።

☐ እጅግ አልስማምም(SD) ☐ አልስማምም(D) ☐ ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

ክፍል ሐ፡ የ ግብር እውቀት እና ግንዛቤ

13. የ ግብር እውቀትዎ የሚያቀርቡትን መግለጫትክክለኛነት ይጎዳል።

☐ እጅግ አልስማምም(SD) ☐ አልስማምም(D) ☐ ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

14. የ ግብር ትምህርት/ግንዛቤ ለሚዲያትበራሱ በቂ ነ ውብለውይስማማሉ።

☐ እጅግ አልስማምም(SD) ☐ አልስማምም(D) ☐ ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

15. የ ግብር ግዴታን ማሉ በማሉ በሚረዱበት ጊዜ መሙያ ወይምእርዳታ ይፈልጋሉ።

☐ እጅግ አልስማምም(SD) ☐ አልስማምም(D) ☐ ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

ክፍል መ፡- የ መንግስት የ ግብር ፖሊሲዎች እና የ ሕግ ጉዳዮች

16. የ መንግስት የ ግብር ፖሊሲዎች የ ግብር አሰባሰብላይ ተጽዕኖ ያሳድራሉ እና ውጤቶችን ይጎዳሉ።

☐ እጅግ አልስማምም(SD) ☐ አልስማምም(D) ☐ ገለልተኛ (N) ☐ እስማማለሁ (A)

☐ እጅግ እስማማለሁ (SA)

17. በግብር ህግ ላይ የሚደረጉ ለውጦች ለእርስዎ ተግዳሮቶችን ያስከትላሉ።

☐ እጅግ አልስማምም(SD) ☐ አልስማምም(D) ☐ ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

18. ገቢውጪ ፖርቲ ለምድብ "ሀ" የግብር ከፋዮች ፍትሃዊ ፖሊሲዎች እንዳሉት ያምናሉ?

☐ እጅግ አልስማምም(SD) ☐ አልስማምም(D) ☐ ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

19. አዳዲስ የግብር ፖሊሲዎች እና መሚያዎች ለግብር ከፋዮች ወቅታዊ እና ውጤታማናቸው።

☐ እጅግ አልስማምም(SD) ☐ አልስማምም(D) ☐ ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

+

ክፍል ሠ፡ - ክፍት ጥያቄዎች

20. በአራዳ ክፍለ ከተማበግምጣ ማእና በግብር አሰባሰብ ወቅት በጣምየ ሚያጋጥሞት ተግባራዊ

ችግሮች ምንድን ናቸው?

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21. በንግድዎ ውስጥ ውጤታማግምጣ ማእና ማህብሰብን የ ሚያደናቅፉ ጉዳዮች ምንድን ናቸው?

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22. የግብር እውቀትዎ ወይም ግንዛቤዎ የታክስ ገቢ አሰባሰብን (ከእርስዎ እይታ አንጻር) እንዴት ይነ ካዋል?

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23. የ ትኞቹ የ ሕግ ማሻ ና ክ ሎች ወይም የ ማ ግ ሥት ፖ ሊ ሲ ዎች በ እ ር ስ ዎ ተ ገ ዢ ነ ት ላ ይ ከ ፍ ተ ኛ ተ ጽ ዕ ኖ ያ ሳ ድ ራ ሉ (ካ ለ ዎ ት)?

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24. በ አ ራ ዳ ክ ፍ ለ ከ ተ ማ የ ግ ብ ር ስ ር ዓ ት ው ስ ጥ ማ ሻ ሻ ል የ ሚ ያ ስ ፈ ል ገ ው ዋ ና ጉ ዳ ይ ወ ይ ም ጉ ዳ ዮ ች የ ት ኞ ቹ ና ቸ ው?

ስ ለ ት ብ ብ ር ዎ እ ና ማ ሻ ግ ና ለ ን !!!



ADDIS ABABA UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

DEPARTMENT OF ACCOUNTING AND FINANCE

APPENDIX B: QUESTIONNAIRES

QUESTION TO BE FILLED BY TAX OFFICERS Dear repliers!

A researcher from Addis Ababa University created the questions as part of the requirements for a Master of Science in accounting and finance. Investigating the difficulties in tax assessment and collection for category "A" taxpayers in the context of the Arada sub-city revenue and custom authority branch office is the main goal of the study.

Your responses and other important information that may be useful to the researcher are being used in the study. These questions have the benefit of gathering your opinions on a variety of tax-related topics. It makes up the majority of the study, and the information you will give me will help me assess the primary challenges that tax enforcement and collection face as well as how they affect tax collection. Your assistance in responding is crucial to this study since it represents people who are not included in the sample.

Please respond to all inquiries. The questions ask for basic, correct information, and you can either write your answer in the provided blank space or check the option you choose. Some questions include extra space at the end so you can offer more explanations.

The all evidence you deliver would be rigorously confidential.

Student Name: Kirubel Zeru

Position: M.Sc. student at Addis Ababa University

Department: - Addis Ababa University college of Business and Economics Department of Accounting and Finance

Phone no: - 0912378394

E-mail:- zerukiru23@gmail.com

□ Please, don't write your name,

Section A: Background Information

1. Gender: ☐ Male ☐ Female

2. Age ;- ☐ Below 20 years ☐ 21-30 years ☐ 31-40 years ☐ 41-50 years ☐ 51 years & above

3. Academic Qualification: - ☐ Bellow 10 ☐ 10^{th} /12^{th} complete ☐ Diploma ☐ Degree ☐ MA and above

4. Your position i**s:**

☐ Assessor ☐ Collector ☐ Supervisor/Officer ☐ Compliance/Monitoring

☐ other: _____

5. You have worked in the tax administration system for

☐ Less than 1 year ☐ 1–3 years ☐ 4–6 years ☐ 7+ years

6. You handle Category "A" taxpayers mainly in

☐ Tax assessment ☐ Tax collection ☐ both assessment & collection ☐ Other: _____

Section B: Practical Challenges in Assessing Obligations

Scale:SD=Strongly Disagree , D=Disagree, N=Neutral, A=Agree, SA=Strongly Agree

1. The tax offices collect the income tax according to the plan.

☐ SD ☐ D ☐ N ☐ A ☐ SA

2. You face insufficient staff capacity for Category "A" assessment and follow-up.

☐ SD ☐ D ☐ N ☐ A ☐ SA

3. Technology and systems are insufficient for effective assessment and record management.

☐ SD ☐ D ☐ N ☐ A ☐ SA

4. The standard assessment tax rules and regulation are suitable to assess and collect tax from taxpayers

☐ SD ☐ D ☐ N ☐ A ☐ SA

5. There is gap in tax assessment and collection rule and regulation.

☐ SD ☐ D ☐ N ☐ A ☐ SA

6. Delays in procedure reduce assessment and collection efficiency.

☐ SD ☐ D ☐ N ☐ A ☐ SA

7. Data/records for Category "A" taxpayers are incomplete or inconsistent.

☐ SD ☐ D ☐ N ☐ A ☐ SA

8. The standard assessment tax rules and regulations are unambiguous.

☐ SD ☐ D ☐ N ☐ A ☐ SA

9. You encounter trouble understanding tax regulations For Category "A" cases.

☐ SD ☐ D ☐ N ☐ A ☐ SA

10. Employees of revenue office take relevant training and development programs on tax assessment and collection procedures, rules and regulations.

☐ SD ☐ D ☐ N ☐ A ☐ SA

11. Guidance/directives for assessments are unclear or inconsistent

☐ SD ☐ D ☐ N ☐ A ☐ SA

12. Communication with taxpayers is effective in most cases.

☐ SD ☐ D ☐ N ☐ A ☐ SA

Section C: Specific Issues That Hindered Collection

13. Conflicts over assessments have caused collecting to be delayed or resulted in repetitive procedures.

☐ SD ☐ D ☐ N ☐ A ☐ SA

14. Incomplete or incorrect information or documents are sometimes submitted by taxpayers.

☐ SD ☐ D ☐ N ☐ A ☐ SA

15. The systems for enforcement and follow-up are strong enough to guarantee payment.

☐ SD ☐ D ☐ N ☐ A ☐ SA

16. Tax payers have trust on tax assessment and collection procedures.

☐ SD ☐ D ☐ N ☐ A ☐ SA

17. Coordination with various offices and levels is sufficient.

☐ SD ☐ D ☐ N ☐ A ☐ SA

18. Service delivery (support, direction, and clarification) improves compliance outcomes.

☐ SD ☐ D ☐ N ☐ A ☐ SA

Section D: Taxpayer Knowledge and Awareness

19. Taxpayers knowledge influences the accuracy of their declarations.

☐ SD ☐ D ☐ N ☐ A ☐ SA

20. Low taxpayer awareness increases assessment errors and compliance issues.

☐ SD ☐ D ☐ N ☐ A ☐ SA

21. The revenue office is providing awareness to tax payers to be voluntarily paying their tax liabilities

☐ SD ☐ D ☐ N ☐ A ☐ SA

Section E: Government Tax Policies & Legislative Challenges

21, The performance of tax collection are affected by tax policies.

☐ SD ☐ D ☐ N ☐ A ☐ SA

22. Frequent legislative change create operational challenges for the office.

☐ SD ☐ D ☐ N ☐ A ☐ SA

23. Policy communications to Taxpayers is timely and efficient.

☐ SD ☐ D ☐ N ☐ A ☐ SA

Section F: Open-ended Questions

24. What significant practical difficulties does Arada Sub City face while evaluating Category "A" taxpayers' tax obligations?

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25. In your experience, what particular problems had prevented efficient assessment and collection?

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26. What impact does taxpayer tax awareness and understanding have on tax revenue collection?

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27. Which legislative or governmental issues required to be address in order to enhance assessment and collection?

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28. What major issues have surfaced that needed to be resolved in order to enhance Arada Sub City's tax collection?

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29. What suggestions do you make in light of your observations?

Thank you for your cooperation!!!



የአዲስ አበባ ዩኒቨርሲቲ
የቢዝነስ እና ኢኮኖሚክስ ኮሌጅ
የሂሳብአያያዝ እና የፋይናንስ ክፍል
አባሪ ለ፡ የጥያቄዎች ጥያቄ በግብር ባለስልጣናት ሚሞላት አለበት

ውድ ምላሽ ሰጪዎች!

ጥያቄዎቹ የተዘጋጁት በአዲስ አበባ ዩኒቨርሲቲ በሳይንስ ማስተርስ ዲግሪ በአካውንቲንግ እና ፋይናንስ እርካታ ላይ ምርምር ለማድረግ ነው። የጥናቱ ዋና ዓላማበአራዳ ክፍለ ከተማየገቢ እና የጉምሩክ ባለስልጣን ቅርንጫፍ ቢሮ ውስጥ ለምድብ 'ሀ' የግብር ከፋዮች በግብር ግምገማ እና አሰባሰብላይ ያሉትን ተግዳሮቶች መመርመር ነው።

ጥናቱ ተሟሚውን ሊረዱ የሚችሉ ሜልሶችዎን እና ሌሎች ጉልህ ሚጃዎችን ለመተንተን እየሰራ ነው። የእነዚህ ጥያቄዎች ጥቅምስለ ብዙ የግብር ገጽታዎች ያለዎትን አስተያየት እና አመለካከት ማግኘት ነው። የጥናቱ ዋና ክፍል ሲሆን የሚሰጡት ሚጃ በግብር አሰባሰብ እና በማሻሻያ ላይ

የሚያጋጥሞትን ሜዕከላዊ ችግሮች እና በግብር አሰባሰብላይ ያለውን ተጽእኖ ለማ ምን ምይረዳኛል። ለዚህ ጥና ት ምላሽ ለማብጠት የሚያደርጉት ድጋፍ በጣምአስፈላጊ ነ ውምክንያቱምበናሞ ውውስጥ ያልተሳተፉ ሌሎችን ያማክታል።

እባክዎን እያንዳንዱን ጥያቄ ይሜልሱ። ጥያቄዎቹ ማህረታዊ ትክክለኛ ሚጃ ያስፈልጋቸዋል እና የሚጡትን ምርጫምልክት ሚድረግ ወይምበተሰጡባዶ ቦታ ላይ ምላሽዎን ሟፍ ይችላሉ። ተጨማሪ ማክረጃዎችን ለሜጨሞር አንዳንድ ጥያቄዎችን ሲሞሉ ተጨሜሪ ቦታ ይሰጣል።
የሚሰጡት ማክረጃ በሞሉ በጥብቅ ሚስጥራዊ ይሆናል።

የተሚሪ ስም፡ ኪሩቤል ዘሩ
የሥራ ሞደብ፡ በአዲስ አበባ ዩኒቨርሲቲ የማስተርስ ዲግሪ ተሚሪ
የትምህርት ክፍል፡ - የአዲስ አበባ ዩኒቨርሲቲ የቢዝነ ስ እና ኢኮኖሚክስ ኮሌጅ የሂሳብ አያያዝ እና የፋይናንስ ክፍል
የስልክ ቁጥር፡ - 0912378394
ኢሜይል፡ - zerukiru23@gmail.com
□ እባክዎን ስምዎን አይጻፉ፣

ክፍል ሀ፡ የጀርባ ሚጃ

1. ጾታ፡ ☐ ወንድ ☐ ሴት

2. ዕድሜ;- ☐ ከ20 ዓሞት በታች ☐ ከ21-30 ዓሞት ☐ ከ31-40 ዓሞት ☐ ከ41-50 ዓሞት ☐ ከ51 ዓሞት እና ከዚያ በላይ

3. የትምህርት ብቃት፡ - ☐ ከ10 በታች ☐ 10ኛ/12ኛ ክፍል ያጠናቀቀ ☐ ዲፕሎማ ☐ ዲግሪ ☐MA እና ከዚያ በላይ

4. የሥራ ሞደብዎ፡ - ☐ ገ ምጋ ሚ ☐ ሰብሳቢ ☐ ሱፐርቫይዘር/ኦፊሰር ☐ ተገ ዢነ ት/ክትትል ☐ ሌላ፡ -

5. በግብር አስተዳደር ስርዓት ውስጥለስን ዓሞት ሠርተዋል;;

☐ ከ1 ዓሞት በታች ☐ ከ1-3 ዓሞት ☐ ከ4-6 ዓሞት ☐ ከ7+

6. የምድብ "ሀ" ግብር ከፋዮችን በዋናነ ት የሚያስተዳድሩት በየትኛውየስራ ማክነው:

☐ የግብር ግምገማ ☐ የግብር አሰባሰብ ☐ ግምገማእና አሰባሰብ ☐ ሌላ፡ _____

ክፍል ለ፡ ግዴታዎችን በማ ምረገ ድ ተግባራዊ ተግዳሮቶች

ማላኪያ (Scale): SD = እጅግ አልስማሙም, D = አልስማሙም N = ገለልተኛ, A = እስማማለሁ, SA = እጅግ እስማማለሁ

1. የግብር ቢሮዎች የገቢ ግብርን በእቅዱ ማህረት ይሰበስባሉ።

☐ እጅግ አልስማሙም(SD) ☐ አልስማሙም(D) ☐ ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

2. ለምድብ “ሀ”ግብር ግምግማ ክትትል የሰራተኞች ችሎታ እጥረት ያጋጥማቸዋል።

☐ እጅግ አልስማማም(SD) ☐ አልስማማም(D) ☐ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

3. ቴክኖሎጂና ስርዓቶች ለተገቢ ግምግማ የሚጃ አስተዳደር አቅምያነሱናቸው።

☐ እጅግ አልስማማም(SD) ☐ አልስማማም(D) ☐ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

4. ሞደበኛ የግብር ግምግማ ሀሳችና ደንቦች ከግብር ከፋዮች ግብር ለማ ምግ ምና ለማስብሰብ ተገቢ ናቸው።

☐ እጅግ አልስማማም(SD) ☐ አልስማማም(D) ☐ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

5. በግብር ግምግማ **ሥ**ር አሰባሰብሀሳችና ደንቦች ውስጥክፍተት አለ።

☐ እጅግ አልስማማም(SD) ☐ አልስማማም(D) ☐ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

6. በአሰራር ሂደት ውስጥያሉ ማዘግየቶች የግምግማእና የአሰባሰብቅልጥፍናን ይቀንሳል።

☐ እጅግ አልስማማም(SD) ☐ አልስማማም(D) ☐ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

7. ለምድብ “ሀ” ግብር ከፋዮች ሚጃ/ማዘገቦች ያልተሟሉ ወይምወጥነት የሌላቸውናቸው።

☐ እጅግ አልስማማም(SD) ☐ አልስማማም(D) ☐ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

8. ሞደበኛ የግብር ግምግማ ሀሳችና ደንቦች ግልጽ ናቸው።

☐ እጅግ አልስማማም(SD) ☐ አልስማማም(D) ☐ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

9. ምሞ ድብ “ሀ” ግብር ከፋዮች የግብር ህጎችን ሚዳት ላይ ችግር ያጋጥመዋታል።

☐ እጅግ አልስማማም(SD) ☐ አልስማማም(D) ☐ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

10. የገቢ ቢሮ ሰራተኞች በግብር ግምግማ እና አሰባሰብ ሂደቶች፣ ደንቦች እና መመሪያዎችላይተዛሚጅየ ሥልጠናእናየእድገት ፕሮግራሞችን ይወስዳሉ።

☐ እጅግ አልስማማም(SD) ☐ አልስማማም(D) ☐ገለልተኛ (N) ☐ እስማማለሁ (A)

☐ እጅግ እስማማለሁ (SA)

11. ለግምግማ ሙያች የሚሰጡመመሪያዎች ግልጽ ያልሆኑ ወይምወጥነት የሌላቸውናቸው

☐ እጅግ አልስማማም(SD) ☐ አልስማማም(D) ☐ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

12. ከግብር ከፋዮች ጋር የሚደረጉ መግባባቶች በአብዛኛውጊዜ ውጤታማናቸው።

☐ እጅግ አልስማምም(SD) ☐ አልስማምም(D) ☐ ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

ክፍል ሐ፡ ሰብሳቢነትን ያደናቀፉ የተለዩ ችግሮች

13. በግምጣሞች ላይ የሚፈጠሩ ግጭቶች ሰብሳቢነት እንዲዘገይ ወይም ተደጋጋሚ ሂደቶችን አስከትለዋል።

☐ እጅግ አልስማምም(SD) ☐ አልስማምም(D) ☐ ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

14. ከግብር ከፋዮች የሚቀርቡ ሚጃዎች ወይምሰነዶች አንዳንድጊዜ ያልተሟሉ ወይምየተሳሳቱ ናቸው።

☐ እጅግ አልስማምም(SD) ☐ አልስማምም(D) ☐ ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

15. የማስፈጸሚያ እና የክትትል ስርዓቶች ክፍያን ለሚያገጥበቂና ጠንካራ ናቸው።

☐ እጅግ አልስማምም(SD) ☐ አልስማምም(D) ☐ ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

16. ግብር ከፋዮች በግብር ግምግማእና በአሰባሰብሂደቶች ላይ እምነት አላቸው።

☐ እጅግ አልስማምም(SD) ☐ አልስማምም(D) ☐ ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

17. ከተለያዩ ቢሮዎችና ደረጃዎች ጋር ያለውመተባበር በቂነው።

☐ እጅግ አልስማምም(SD) ☐ አልስማምም(D) ☐ ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

18. የአገልግሎት አቅርቦት (ድጋፍ፣ መመሪያ እና ማብራሪያ) የተግባራዊ ሙያዘዝ ውጤቶችን ያሻሽላል።

☐ እጅግ አልስማምም(SD) ☐ አልስማምም(D) ☐ ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

ክፍል መየ ግብር ከፋዮች እውቀት እና ግንዛቤ

19. ዝቅተኛ የግብር ከፋዮች ግንዛቤ የግምግማስህተቶችን እና የሙያዘዝ ችግሮችን ያስጨምራል።

☐ እጅግ አልስማምም(SD) ☐ አልስማምም(D) ☐ ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

20. የገቢ ቢሮውለግብር ከፋዮች በፈቃደኝነት የግብር ዕዳዎቻቸውን እንዲከፍሉ ግንዛቤ እየሰጠነው።

☐ እጅግ አልስማምም(SD) ☐ አልስማምም(D) ☐ ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

ክፍል ሠ፡ የመንግስት የግብር ፖሊሲዎች እና የሕግ ችግሮች

21, የግብር አሰባሰብእና አፈፃፀምበግብር ፖሊሲዎች ላይ ተጽዕኖ ያሳድራል።

☐ እጅግ አልስማሙም(SD) ☐ አልስማሙም(D) ☐ ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

22. ተደጋጋሚየ ሕግ ለውጦች ለቢሮውየ ስራ ችግሮችን ያጫሉ።

☐ እጅግ አልስማሙም(SD) ☐ አልስማሙም(D) ☐ ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

23. ለግብር ከፋዮች የ ፖሊሲ ግንኙነ ት በጊዜውእና በተገቢ ሁኔ ታ ይደርሳል።

☐ እጅግ አልስማሙም(SD) ☐ አልስማሙም(D) ☐ ገለልተኛ (N) ☐ እስማማለሁ (A) ☐ እጅግ እስማማለሁ (SA)

ክፍል ረ፡ ክፍት ጥያቄዎች

24. የ አራዳ ክፍለ ከተማየ ምድብ "ሀ" ግብር ከፋዮች የ ግብር ግዴታ በ ማክ ማ ምላ ይ የ ሚ ጥሙዋና ዋና ተግባራዊ ችግሮች ምን ድን ና ቸው?

25.በእርስዎ ልምድ ሙሪት ትክክለኛ ግምገ ማ ማህ ብሰ ብን የ ከለከሉ ዋና ችግሮች ምን ድን ና ቸው?

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26. የ ግብር ከፋዮች የ ግብር እ ውቀትና ግን ዛ ቤ በ ግብር ሚ ስ ብሰ ብ ላ ይ ምን ተጽእ ኖ ያ ሳ ድራ ል ?

27.የ ግብር ግ ምግ ማ ሽ ሚ ስ ብሰ ብን ለ ማ ሻ ሻ ል ሊ ፈ ቱ የ ሚ ገ ቡ የ ሕግ ወይ ም የ መ ን ግ ስ ት ፖ ሊ ሲ ጉ ዳ ዮ ች

ም ን ድ ን ና ቸ ው?

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28. በ አ ራ ዳ ክ ፍ ለ ከ ተ ማ የ ግ ብር ሚ ስ ብሰ ብን ለ ማ ሻ ሻ ል ሚ ጠ ታ ት የ ሚ ፈ ል ጉ ዋ ና ዋ ና ች ግ ሮ ች ም ን ድ ን ና ቸ ው በ ተ ጨ ማ ሪ ም ም ን ም ን እ ር ም ጃ ዎ ች ተ ወ ሰ ዱ ?

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29. በ እ ር ስ ዎ እ ይ ታ መ ሠ ረ ት የ ሚ ያ ቀ ር ቡ ት አ ስ ተ ያ የ ቶ ች/ማ ነ ቆ ች ም ን ድ ን ና ቸ ው?

ለጭብበራችሁ እናመሰግናለን!!!