



THE IMPACT OF COMPUTER INFORMATION SYSTEMS IN THE REDUCTION OF THE TAX EVASION / EXPLORATORY STUDY IN JORDANIANS FIRMS

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ABSTRACT

This paper examines how the computer information system affects in the reduction of tax evasion in Jordanians firms. The Increased phenomenon of tax evasion recently which is one of the phenomena that limit the performance and effectiveness of the Income Tax Departments in Jordanians firms, and with the tremendous development, technology and scientific progress obviously increased the importance of the development of computer information systems that help in tax evasion reduction.

it should be noted the need for attention to computer information system by the Income Tax Departments and the staff and the estimated training has on this technology because it increases the efficiency and effectiveness of tax collection

Keywords: *Tax evasion, computer information system, Jordanian firms ,*

1. INTRODUCTION

Information systems play important roles in all working institutions to promote and assist in solving a lot of obstacles and problems that faced or will face them in the information field [1]. Taxation can be defined as the imposition by government of compulsory contributions or levies on the citizens, property, income, commodities, transactions and so forth [2]. In general government is responsible of providing some basic infrastructures for her citizens. Among these are the provisions of Schools, Hospitals, construction Roads, Bridges, etc More so is the security of the life and properties of the citizens in the country against foreign and or local aggression.[3] Moreover the Understanding of how to avoid tax evasion adds extra costs is the key point, because the costs affect how harmful the activity is from a social point of view, and therefore how much it should be discouraged[4]. Increased the phenomenon of tax evasion recently which is one of the phenomena that limit the performance and effectiveness of the Income Tax Department, and with the tremendous development, technology and scientific progress obviously increased the importance of the development of computer information systems used to keep abreast of these developments on the one

hand and to solve the problem of the income tax department to prove tax evasion and discovered the largest quickly as possible, and to provide human efficiencies to activate the use of computers and various software, and computer information systems, accounting Allotment an active role through the provision of management information to assist them in achieving their goals is the reduction of tax evasion of the most important objectives, hence emerged the importance of studying the role of accounting information systems in the reduction of tax evasion[5].

The problem can be formulated elements of the study by answering the following questions: -

1-The effectiveness of the accounting information system contributes greatly to the reduction of the phenomenon of tax evasion. Is the accounting information system used is characterized by the Income Tax Department effective enough to curb tax evasion?

2-To provide accurate and sufficient information to reach the most important control requirements is essential. Does the computer information system used to provide this information?

3-The computerization of the accounting information system and the development of the things that lead to the reduction of tax evasion



dramatically. Are qualified human resources available for the use of this advanced system?

4-The appropriate human and material resources to contribute significantly to the reduction of the phenomenon of tax evasion. Is it available in the computer information system user?

5-In some cases, non-financial information in the discovery of the role of tax evasion. Is the computer information system used to address non-financial information?

6-Do you contribute to activating the role of public and private institutions in providing accurate accounting information to the Income Tax Department in reducing the phenomenon of tax evasion?

7-Do computer information systems used and applied in the Income Tax Department to reduce the role of tax evasion?

2. STUDY IMPORTANCE:

Enables the importance of the study of the role of computer information systems used in the Income Tax Department to provide management relevant, accurate, adequate and objective information, which in turn is based on the reduction of tax evasion and determining the tax base accurately and objectively and thus determine the tax amount accurately and objectively, and this is done through the accounting information system effective and its distinctive characteristics his efficiency and human resources used for system.

The foregoing it will lead to an increase in taxpayers subject to the tax department and thus increase intake. Through all sources of income statement and try to discover reduced, and because of the role played by accounting information systems in providing the revenue in the general budget and that contribute to the coverage or reduce the budget deficit and support the national economy in general, It can illustrate the importance of the role of computer information systems in reducing tax evasion through the following: -

- The emergence of the role and the possibility of computer information system used in the income tax in reducing tax evasion through the availability of the necessary features in this system, and that its presence contributes greatly to the reduction of tax evasion, and focus on the gaps exploited by taxpayers to avoid paying the tax, and work to address these

gaps to reduce the proportion of tax evasion.

- Income tax operates in an environment there are many financial institutions, which in turn helps to provide inputs to the system of accounting is thorough and comprehensive, and then processing the information provided by financial institutions through the information system of accounting used in the Income Tax Department.
- That the most important goals of modern computer information system is to improve the performance and effectiveness of the Income Tax Department and the fight against tax evasion and increase the collection rate and raise the effectiveness of the tax system.

3. STUDY OBJECTIVES: -

The study aims primarily to know the role of computer information systems in reducing tax evasion and, therefore, the study aims to set of objectives are summarized as follows: -

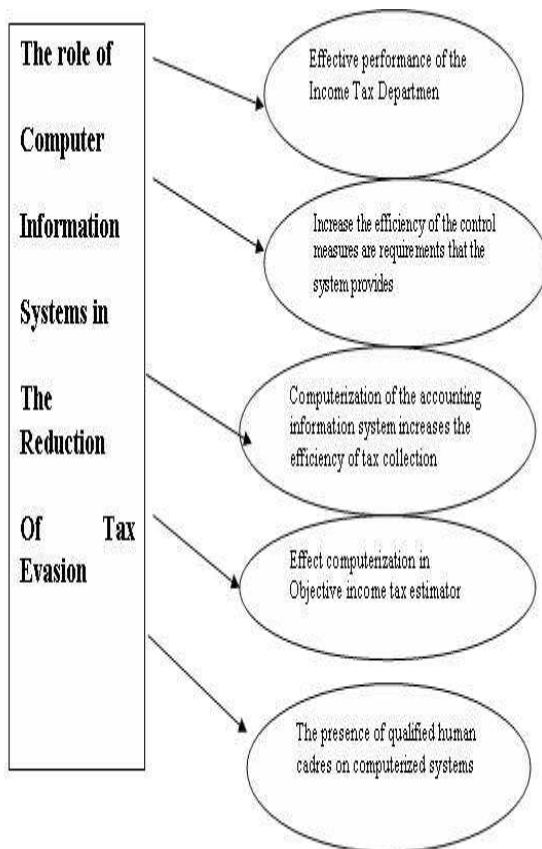
1. If a statement of computer information system used in the income tax is characterized by high efficiency and performance.
2. Statement of whether the computer information system to an active role in combating and reducing tax evasion.
3. Statement of whether the computer information system provides the user requirements and control procedures to reduce tax evasion.
4. If the statement of computer information systems provide human and material cadres to contribute to the reduction of tax evasion.
5. Substantive statement in Estimator income tax decisions through the accounting information system user.

4. STUDY HYPOTHESES:

- First hypothesis: not characterized by the computer information system used in the efficiency of income tax.

- Second hypothesis: There is no role for the computer information system in reducing tax evasion
- Third hypothesis: does not provide the user computer information system procedures and control requirements to reduce tax evasion.
- Fourth hypothesis: that the provision of human and material cadres in computer information systems used does not contribute to the reduction of tax evasion.
- Fifth hypothesis: There is no objectively Estimator Income Tax decisions.

5. STUDY MODEL:



6. STUDY SAMPLE:

The study population of the Income Tax Department officials in Jordan, the study sample

contained of the Income Tax Department staff in each of Karak , Amman , Tafila and Zarqa, questionnaire was distributed to all employees of these departments. The following table shows the number of employees and the estimated in each department is made up:

Income Tax Department Name	No of Estimator and Employee
Karak	20
Amman	45
Zarqa	27
Tafila	18

Were distributed 110 questionnaires were retrieved by a questionnaire which 100 (90.99%) were excluded 8 questionnaires unfit for analysis and reached the number of valid questionnaires for the analysis of 92 underwent a questionnaire where all of the statistical analysis.

The questionnaire contained 25 questions on each of the objectives of the study was devoted to him 5 questions as in the following table:

Subject	Questions No
Effective performance of the Income Tax Department.	5
Increase the efficiency of the control measures are requirements that the system provides.	5
Computerization of the accounting information system increases the efficiency of tax collection.	5
Effect computerization in Objective income tax estimator.	5
The presence of qualified human cadres on computerized systems.	5

Has been conducting tests on the following descriptive questionnaire on demographic variables



7.RELIABILITY TEST:

Reliability

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***** Method 1 (space saver) will be used for this analysis *****

RELIABILITY ANALYSIS - SCALE (ALPHA)

Reliability Coefficients

N of Cases = 61.0      N of Items = 5

Alpha = .692
    
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Statistics

		GENDER	AGE	QUALIFIC	EXPERIEN	JOBTITLE
N	Valid	61	61	61	61	61
	Missing	0	0	0	0	0
Mean		1.3115	2.8525	3.1311	3.3607	3.4098
Std. Error of Mean		5.979E-02	.1141	5.949E-02	.1423	.1201
Std. Deviation		.4669	.8914	.4646	1.1110	.9377

Frequency Table

GENDER

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid male	42	68.9	68.9	68.9
female	19	31.1	31.1	100.0
Total	61	100.0	100.0	

AGE

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid >25	5	8.2	8.2	8.2
25-35	14	23.0	23.0	31.1
35-45	27	44.3	44.3	75.4
<45	15	24.6	24.6	100.0
Total	61	100.0	100.0	

We note that the figure through Cronbach's alpha value is 692. It is higher than the minimum scale of 60%, which demonstrates the reliability and validity of the questionnaire.

- The Arithmetic mean and Standard deviation of the test:



QUALIFIC

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid master	3	4.9	4.9	4.9
Bachelor	47	77.0	77.0	82.0
Diploma	11	18.0	18.0	100.0
Total	61	100.0	100.0	

EXPERIEN

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid <5	10	16.4	16.4	16.4
7-10	9	14.8	14.8	31.1
>10	42	68.9	68.9	100.0
Total	61	100.0	100.0	

JOBTITLE

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Manager	5	8.2	8.2	8.2
Estimated	4	6.6	6.6	14.8
Head of	13	21.3	21.3	36.1
Officer	39	63.9	63.9	100.0
Total	61	100.0	100.0	

Assumption Test:

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.942 ^a	.920	.901	.2205

a. Predictors: (Constant), SUB, EPH, RCP, CPH

ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	11.675	4	1.919	36.506	.000 ^a
	Residual	9.548	54	.177		
	Total	21.223	58			

a. Predictors: (Constant), SUB, EPH, RCP, CPH

b. Dependent Variable: AIS

To make sure of the validity of the study sample was used regression analysis where they were relying on the value of F Which amounted to (36.50) and the level of morale and that means testing the validity of the study sig=(0.00).

We note that explains what rate of 0.92 from the dependent variable and therefore the test result indicates rejection of hypotheses in asymptomatic variables, which states that there is no effect between variables. Accordingly, we can say that there is the impact of computer information systems on the dependent variables. And note the existence of this effect by the following table:

Assumption	T value	Sig value
First assumption	4.194	0.000
Second assumption	2.081	0.042
Third assumption	2.254	0.038
Fourth assumption	2.177	0.034
Fifth assumption	0.706	0.043

Through the previous table, which Shows the results of the regression testing hypotheses clear to us the following things:

- 1) Note that the value of (sig=0.000) It is not characterized in the first hypothesis of this senseless reject the hypothesis which states that computer information system used in the efficiency of income tax systems. We accept the alternative hypothesis is that the computer information system used in the income tax systems effectively.
- 2) Note that the value of (sig=0.042) It is not characterized in the second hypothesis of this senseless reject the hypothesis which states that computer information system Increase the efficiency of the control measures are requirements that the system provides. We accept the alternative hypothesis is that the computer information system Increase the efficiency of the control measures are requirements that the system provides.
- 3) Note that the value of (sig=0.038) It is not characterized in the third hypothesis of this senseless reject the hypothesis which states that computer information system Computerization of the accounting information system increases the efficiency of tax collection. We accept the



- alternative hypothesis is that the computer information system Computerization of the accounting information system increases the efficiency of tax collection.
- 4) Note that the value of (sig=0.034) It is not characterized in the fourth hypothesis of this senseless reject the hypothesis which states that computer information system Effect computerization in Objective income tax estimator. We accept the alternative hypothesis is that the computer information system Effect computerization in Objective income tax estimator.
 - 5) Note that the value of (sig=0.043) It is not characterized in the fifth hypothesis of this senseless reject the hypothesis which states that computer information system The presence of qualified human cadres on computerized systems. We accept the alternative hypothesis is that the computer information system used the presence of qualified human cadres on computerized systems.
5. linking software and old applications with new software and applications that allow us to consult about the old our databases line to extract information that is mixed with other information provided by the new regulations Information, for example, the overall analysis of tax returns information and this in turn leads to a revolution in the performance of auditors our attic is to improve the interactive planning in the field work for adjusters our taxes.
 6. Finally, the technology allows us to control and administrative control over the results of the administrative processes, it is our duty to promote the transition to this technology.

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8. RECOMMENDATION:

Over the years, and tax administrators interested in constantly on the development of new ways to improve organizational performance by increasing the effectiveness of tax control and the provision of services to taxpayers , which may allow them to better compliance in order to pay tax obligations. When we refer to the new technologies, and we are talking mainly about infrastructure Communications and software appropriate equipment that allows high-speed response and products here it should be noted the need for attention to this technology by the Income Tax Department and the staff and the estimated training has on this technology because it increases the efficiency and effectiveness of tax collection for the Foundation, through:

1. Connectivity with different databases in all state institutions, public or private, in order to increase the tax credit.
2. The interest in new technology, such as tax administrations, etc., this technology is the mobile phone technology.
3. Mainstream idea Messaging Connectivity Systems, which operates a real-time system.
4. Provide the necessary software to taxpayers and tax administrations linked with significantly improves the performance of tax and by providing software that calculate data and prepare their returns and settle their taxes and allows them to comply with the tax pay.