FACTORS AFFECTING ACCEPTANCE OF THE ONLINE TAX SYSTEM IN KENYA: A CASE OF THE KENYA REVENUE AUTHORITY ITAX SYSTEM

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DECLARATION

This research project report is my original work; it has not been presented elsewhere for a degree or any other award.

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DEDICATION

I sincerely dedicate this research work to my mother Serah Mutinda for her support.

ACKNOWLEDGEMENT

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

ABBREVIATIONS

BI	Behavioural Intention
DOI	Diffusion of Innovation
EFD	Electronic Fiscal Devices
ETR	Electronic Tax Receipts
ICT	Information and Communication Technology
IT	Information Technology
KRA	Kenya Revenue Authority
LAC	Latin America and Caribbean
NACOSTI	National Commission for Science and Technology
PAYE	Pay As You Earn
PEOU	Perceived Ease of Use
PIN	Personal Identification Number
PU	Perceived Usefulness
SME	Small and Medium Enterprises
SPSS	Statistical Package for Social Sciences
TAM	Technology Acceptance Model
TIN	Tax Identification Number
TIS	Taxpayer Identification System
TPB	Theory of Planned Behavior
TRA	Tanzania Revenue Authority
VAT	Value Added Tax

ABSTRACT

Due to globalization and streamlining, revenue authorities have responded to implementing strategies by managing tasks through projects and enhance quality of taxpayer services, optimize resources within limited budgets and complete them within timelines and budgets. In recent years, Kenya Revenue Authority has introduced iTax system, which enables taxpayers to declare their tax payable by themselves at the comfort of their homes and offices. The reason for undertaking this research was to establish the factors that affect acceptance of the iTax system in Kenya Revenue Authority. The study variables included system coverage, technology suitability, security of system and taxpayers' attitude towards technology. The research design was descriptive with the target population comprising of the landlords in Eastlands region of Nairobi and who are registered with the KRA as rental income taxpayers. The population of the study was 5330 taxpayer property owners in Eastlands, Nairobi. A sample of 98 respondents was selected using Yamane's sampling formula. The sampling formula used was: $n=N/(1+Ne^2)$. Primary data was gathered by use of a questionnaire that was piloted to determine its reliability and validity prior to being administered to the respondents. The research attained a response rate of 79%. The findings show that the iTax system is widely accepted because the taxpayers believe that it has a wide coverage and is reliable, its technology is user-friendly and taxpayers have a positive attitude towards it. However, acceptance of the iTax system is still low because of the belief that it is not very secure. Majority of respondents believe that the iTax system provides fast and reliable answers to their tax enquiries. Majority of respondents strongly agreed that technology used in iTax has been easily adopted by taxpayers and that they do not encounter difficulties when filing tax returns online. Most of the respondents agreed that the online iTax system has simplified the filing of tax returns and that it save them a lot of time. The results of the correlation analysis showed that all the four variables have positive correlation with the independent variable but at different strengths. Technology suitability, attitude towards technology and system coverage had strong positive correlation with Acceptance of iTax at 0.871, 0.888 and 0.827 respectively. System security had a low positive relationship of 0.399 with acceptance of iTax system. The recommendations put forward are that iTax awareness seminars should be held for taxpayers in order to create a positive attitude by taxpayers towards the system. The capacity of the KRA web portal needs to be improved so that cases of system congestion are minimized or eliminated. The security features of the iTax system should be enhanced in order to assure taxpayers of the confidentiality of the information they provide online. Taxpayers' usernames and passwords should be should be protected and secured from unauthorized access. In order to expand the knowledge on iTax system a research on the impact of iTax system on tax revenues should be undertaken in order to shed light on how KRA has improved tax revenues because of the iTax System. According to the findings, it was established that the ICT department of the KRA should continually develop softwares that can be used to upgrade the itax system in order to cope with increased and varied demands of the taxpayers. Such upgrades when undertaken should be seamless and cause no interruptions to the users of the system.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

There has been a general trend towards automation of processes in organizations. Modern trends have a huge impact on performance of organizations especially those that embrace technology resulting in great transformation. The provision of public services by governments is financed through taxation. The efficient application of taxes, transparency in tax systems, allocation of resources result in improved fiscal performance, good governance and equitable distribution of public amenities and lastly it strengthens state legitimacy (KRA Annual Report, 2012).

Kenya Revenue Authority is always under pressure by government to intensify tax collection and meet the parliament-approved budget every financial year. The taxman has launched tax system in order to simplify taxpayers' registration and as well enable them to file returns from wherever they are.ITax is a designed system which is feasible, prolific and sustainable towards financing multi-government expenditures due to its efficiency and transparency (KRA, 2012).

Just like in Kenya, most developed countries likethe Netherlands has a closed tax system whereby the taxation laws are regulated by the Act of Parliament. Before the inception of iTax system, KRA carried out a benchmark in Netherlands a country with one of the best online tax systems in the world. Citizens in Netherlands file their returns and make payments digitally via the Belastingdiens website that is equivalent to the iTax system in Kenya accessed via the KRA website (KRA, 2012).

Globally, great attention and focus has been given to the online tax system through information technology development. This has affected tax administration system positively with the resultant revenue increase. Adeyemi (2013) noted that With the progress made in information and communication technologies, revenues authorities are now able enhance the systems of tax administration by addressing the ignorance of most taxpayers about the tax structure.Technology makes services offered to the citizen more effective and efficient (Egowan, 2011).

In Kenya and other developing countries there is a mismatch between the planned revenues and actual collections and this shortfall has been blamed on the challenges faced by tax authorities in collecting revenue. The challenges include failure to embrace new technology and inefficient tax payments methods that contribute to revenue loss (Muita, 2011).

Even though electronic tax systems have been operational for many years, it is regrettable that it has taken a long time for taxpayers the new tax technologies (Cobham, 2010). As a public service entity, the Kenya Revenue Authority (KRA) has an electronic tax administration strategy that aims to realise its key mandate of revenue collection for the government of Kenya.

According to Atika (2012) the key part of the revenue collection reforms by the KRA is technology. The motive of the KRA's reforms was to enhance tax collections and improve tax efficiency. Because of the reforms, tax collections have been steadily rising due to the improved economic climate in the country. This has been a very big step for KRA to instil the new system, accommodate it and work within it and by it.

1.1.1 Technology Suitability and taxation

Because of the technological changes, possibilities and challenges facing tax systems are comparable in both the developed as well as the developing countries. The challenge of difficult operating environment and inadequate resources is common in developing countries. In Kenya, statistics show that many taxpayers are still computer illiterate and are unable to use the online tax system. Piracy, benefits/costs of public/private partnerships (PPP) and fraud are additional factors, even though their significance varies from country to country. Developing countries place significance on the way the design and administration of taxes should be influenced by new technology (Bird and Zolt, 2008).

1.1.2 The security concerns of the taxpayers and online taxation

Security is the most significant aspect of e-filing system. Taxpayers details are secured by personal identification number (PIN) and this ensures that the system is secure and difficult to get unauthorized access to taxpayers' details. For the KRA to improve the acceptance of the itax system it needs to employ a strategy that assures taxpayers of the security of their details. The approach should also recognize that all taxpayers rely on self-assessment taking note that a system that reviews every transaction that has tax implications is too intrusive and time

consuming. The online system should be based on risk management and responds fast to circumstances. There is evidence that taxpayers will adopt the itax system if they are sure that the actions of the revenue authority are fair, reasonable and transparent (Lai, Siti and Kameel, 2004).

1.1.3 Attitude of taxpayers towards an online taxation system

Davis et al. (2003) and Chang, Li, Hung and Hwang (2005) agree that attitude has a significant influence on the behaviour intentions of using online system. They noted that the level of taxpayers' behavior intention is influenced by attitude. The KRA shifted to e-Filingand decided to go for paperless transactions. In general e-Filing process is not only convenient but it is also fast, accurate and secure. The four stages in e-filing are; taxpayers' enrolment using pin and password, entry of gross income, personal relief and allowed deductions. After these entries, the iTax system will automatically calculate the payable tax and the tax form will be received at the KRA electronically.Finally, the tax return form will be sent by email back to the taxpayer after being verified.

Technological challenges standards, integration of data and privacy are key factors that impede the uptake of e-filing and e-government in general (Mohsin &Raha, 2007). Despite the challenges, taxpayers in Malaysia have given positive feedback about the e-filing system.Lai, Siti and Kameel (2004) did a research on the state of technology preparedness by tax practitioners in Malaysia and their intents to use e-Filing system. They established that 31.3% of the respondents were somehow technologically prepared and 9.4% of the respondents were highly techno-ready. They concluded that while tax practitioners are optimistic on the new e-filing system, they take caution on the security of Internet technology. The study established the presence of a significant positive relationship between the level of technology preparedness and intent to use the system.

Lai et al (2004) further noted that the desire the quick tax refund was the leading factor that contributed towards embracing of the e-filing system. This has been the case in Kenya whereby taxpayers complain of longer time in releasing tax refunds. Others do not believe the refund system even works. There is great potential for the use of e-filing by many taxpayers and tax agent however they are discouraged by the lack of assurance in the administrative capability of the tax authority. The tax authority can address this negative perception by convincing taxpayers on the advantages of using e-filing.

1.1.4 Reliability of the online taxation system

Over time, the taxpayers using this e-Filing system for filing tax returns have continued to increase. There is also a marked increase in the value of tax collected by the KRA.The encouraging increase in the tax collections is a clear indication that the KRA is using the e-filing system effectively. Meanwhile many taxpayers complain of system down time especially on due dates that is 9th of every month (PAYE due date), 20th of every month (VAT due date) and 30 June of every year (Individual return due date).

1.2 Statement of the Problem

When the Kenya Revenue Authority introduced the iTax system several years ago, the aim was to ease the filing of tax returns and to capture more taxpayers in the tax bracket. This would have resulted in the increase of tax revenues and meeting or surpassing revenue collection targets.Reports of missed revenue collection targets by the KRA and evasion of tax by potential large tax players is a clear indication that the introduction of iTax system has not fulfilled the purpose for which it was intended. This calls for research as to why the iTax system has not realized its principle objective.

Duncan (2000)established that the structure of information technology, Information technology competencies and robust orientation of the taxpayers are key factors that can support the adoption of online tax system. Kamau (2014) examined the influence of technology adoption as a strategic tax compliance improvement tool. The research used large taxpayers registered with the Kenya Revenue Authority. He concluded that technology adoption aids large taxpayers to be tax compliant. While the two studies cited above have looked at tax systems and technology, there is no specific research that had been undertaken for the purpose of examining factors that influence the acceptance of this iTax system in Kenya.

1.3. Purpose of the Study

To establish the factors affecting the acceptance of the iTax system in Kenya, under case study of the iTax system in Nairobi region.

1.4 Research Objectives

i.   To establish the influence of the technology Suitability on the acceptance of the iTaxsystem.

ii.   To determine the influence of the security of system on acceptance of the iTaxsystem.

iii.   To assess the influence of taxpayers' attitude towards technology on the acceptance of the iTax system.

iv.   To examine the system coverage to the taxpayers as a factor to determine the acceptance of the iTax system.

1.5 Research Questions

i.   How does technology suitabilitydetermine the acceptance of the iTax in the Nairobi region?

ii.   In what ways does security of system determine acceptance of the tax system in the Nairobi region?

iii.   How does the attitude towards technology determine acceptance of the iTax system in the Nairobi region?

iv.   In what ways does the system's coverage determine its acceptance in the Nairobi region?

1.6 Significance of the Study

The research is helpful the Kenya Revenue Authority in formulating a policy on areas that have projected resistance to the system. Other revenue authorities across the globe will also benefit for their own benchmark in policy formation. The study provides a platform for research to explore further the area of technology suitability and particularly in development of new software in tax collection, which are efficient and effective. The findings of the study would be of use to the management of Kenya Revenue Authority. The KRA management will use the research findings to aid them in knowing the areas that need consideration when adopting any technology in order for the technology adopted to have wide acceptance to wide majority in the given time scope.

The taxpayers may get to participate and learn the findings of the research and be more acquainted with this system, learn on how to deal with the demerits and embrace its merits in order to improve tax compliance. The research is helpful to tax practitioners and the academia as it help in expanding existing knowledge in the area of new technology acceptance in projects in general. The research may also be used by researchers as a source of secondary information for their research work.

1.7 Limitations of the Study

The respondentsfeared that the KRA may victimise them for sharing confidential information with the researcher. This initially made the respondents reluctant to share information with the researcher. There was also the challenge of elicit information from the respondents because of the confidential nature of the information he researcher was seeking. These challenges were overcome after the researcher explained that the research was for the purpose of fulfilling academic requirements and the research was authorised by the KRA management.

1.8 Delimitations of the Study

The research was restricted to the scope of the study, which was to establish the factors affecting the acceptance of the iTax system in Kenya, under case study of the iTax project in Nairobi region. While the registered taxpayers are spread across, the country and they are in various tax categories. The research was restricted to Nairobi County and more specifically landlords in Eastland's Region.

1.9 Assumptions of the Study

For the research to be successful, it was assumed that the respondents would be cooperative and open in giving the information he researcher was seekingin terms of the technology suitability. The researcher had to explain to the respondents the importance of the research in order to get their cooperation; the researcher explained to them the importance of the research. It was assumed that the Kenya Revenue Authority would offer the support needed by the researcher to get the data on taxpayers. It was expected that the respondents who took part in the piloting of the research instrument would be cooperative and respond to the questionnaires for as long as the researcher requires it. The study was premised on the assumption that the tax system used as the case study would yield adequate information leading to the attainment of the four research objectives.

1.10 Definition of Significant Terms

ITax: An electronic and online tax management system administered by the Kenya Revenue Authority and used by taxpayers to file tax returns and enquiries.

Attitude towards technology: the taxpayers' feelings and thinking about new technology and which determines whether the technology will be acceptable or not.

System Security: system security refers to protective measures taken by the system administrators, the KRA, in ensuring that the system is fool proof and users feel secure when filing tax returns and making tax enquiries.

Technology Suitability: this is the acceptance and usage of new technology by users. It is the action of consenting to and using new technology.

System coverage: this refers to the areas where the system is available for users. A system with wide geographical coverage ensures that users can access it from anywhere in the country.

1.11 Organization of the study

Chapter One provides the background information, particularly highlighting the meaning, introduction and development of itax as an e-filing system. The problem statement, research questions and objectives are presented in this first chapter. Chapter Two outlines the various schools of thought that have been brought forth with regard to electronic filling. The research variables are discussed with reference to previous research undertaken by other researchers. Chapter Three is about the research methodology and includes the research design, population, sample size, sampling technique, data collection tools and data analysis. Chapter Four contains, presentation and interpretation of the findings while Chapter Five provides a summary, discussion, conclusion and recommendations. The final part of this thesis presents the references and appendices.

CHAPTER TWO
LITERATURE REVIEW

2.1 Introduction

This second chapter highlights the findings of different authors, on the factors affecting acceptance of iTax, presenting the results of their studies. The chapter also identifies the different theories put across by various academicians in relation to adoption of technology in taxation.

2.2 Technology Suitability and tax acceptance

A research in Kenya by Makanga (2010) examined technology adoption as a tool for improving tax compliance. The study used taxpayers like ministries and corporations whose turnovers were at least seven hundred and fifty million Kenya shillings. The study examined the role of technology in the improvement of compliance among large taxpayers. The research established that technology has become a key part of taxation in the fast changing business environment and that KRA must embrace modern technology in order to enhance efficiency and compliance.

A study by Babatope (2007) in a research in South Western Nigeria, focused on factors that make adult learners apprehensive when learning how to use computers and to offer solutions on how to design the appropriate methods that can assist the learners to realize their computer literacy skills. The researcher used Six hundred adultrespondents from sixlocations in Southwestern Nigeria. The research established the phobia to use computers among adult learners is not caused by the possibility of causing the system to malfunction. It was also established that gender is a paramount factor that determines the acceptance of technology.

A research by Amitabh, Sahu and Gupta (2009) focused on the experiences of young Indian professionals in their use of paperless income tax filing. The researchers' objective was to look at how the professional would embrace paperless or online tax filing with the intention of improving compliance. Using regression analysis, it was established that the embracing of paperless tax filing by professionals was influenced by how easy it was to use the online system, the relative advantage it has over manual system and performance of the e-filing service. For online tax systems to realise acceptance and be successful, they must be easy to use, and accessible to all cadres of taxpayers.

Carter & Belanger (2004) noted that ease of use has been highlighted by many researchers to have a significant influence on technology use. Ojha et al. (2009) established that perceived ease of use (PEOU) determines the efforts by young Indian professional in their use of e-tax filing system. Gatotoh (2017) in his research on m-learning concluded that the type of technology in use plays an important role in influencing adoption of mobile learning. He further noted that the challenges of poor network and system down time affected the delivery of content and therefore the m-learning process.

A key lesson emanating from various countries is that the simplification of tax system is a condition for tax administration reforms. This simplification is meant to make sure that the system is applied to improve the system in developing countries where tax compliance is still low.Examples from Cambodia and Chile have shown that tax reforms have led to the improvement in tax administration with less severe, but effectively simplified tax policy. In these countries, the reduction in income tax deductions allowed the elimination filing requirements for most wage earners and this resulted in the reduction of administrative burden (Bird and Zolt, 2008).

2.3 Security concerns and iTax acceptance

The findings of Owigar (2013) pointed out that while user/citizens generally think that provision of e-government services is a good idea, there is dissatisfaction with the complexity of the said e-government service. Consequently, users had the intention to use the iTax service. The challenge to adoption came about when they did not believe that KRA could provide adequate technical and organizational infrastructure to support their use of the system.

In identifying the factors and ground issues in e-filing system, Ambali (2009) showed that users must believe in the usefulness, easiness, security and friendliness of the technology. The researcher suggested the provision of incentives to the tax paying public in order to encourage their use the e-filing. The study raised a valid concern with regard to government staff, and in this regard, the revenue agency staff. It noted that for e-filing to be successful an elaborate capacity building program for the tax agency staff must be undertaken in order to enable readiness of the taxpayers to use the system. Glaring gaps in the information technology infrastructure can demotivate people from continuous use of the e-filing system.

When the implementation of e-filing began in Malaysia in 2006, the tax filing deadline was extended and taxpayers were promised quicker tax refunds if they opted to use the e-filing system for tax returns filing. However, despite the extension and the promise for quick tax refunds, a mere 3% of the registered individual taxpayers had opted to use e-filing. The reasons adduced to this failure were discomfort about e-filing technology, taxpayers' perceived insecurity of e-filing, lack of Internet familiarity and skills (Lai Ming Ling, 2008).

Orio (2016) agreed that the advantages of iTax over manual tax filing system are obvious and need not be over-emphasized. He noted that it was premature to terminate the manual tax returns system and would work against the good intentions KRA. The iTax system crashed when it was fully launched and this was attributed to the traffic overload. In order to avoid future systems crashes the KRA must have expanded its server capacity in order to ensure that iTax System is stable even at peak traffic demand.

Concerns over security issues or perceived risks on the usage of the online filing services inhabit its adoption. Ramoo (2006) argues that perceived risk influences the adoption and usage of the online filing. The taxpayers using the online system were concerned on whether their personal tax details could be accessed by unauthorized persons without their knowledge. (Geetha&Sekar, 2012). The failure of the system to deliver on its objectives due to either technical issues or other reasons affects the potential users' adoption of the system.

2.4 Attitude towards technology adoption and iTax acceptance

Kipkemoi (2015) undertook a research on Itax system and service delivery at the Kenya Revenue Authority using a sample derived from employees working at the Nairobi Stations of the KRA. The research had the objective of determining the effect of Itax on service delivery. The study established that employees' opinion about iTax had a statistically significant influence on service delivery to customers. It found that a better understanding and knowledge of the tax system and access to internet does improve customer service delivery significantly.

Nyasha et al, (2013) study on employees' attitude towards using fiscalised electronic devices (FEDs) in the calculation of value added tax (VAT) had the objective of examining the attitude of employees in Zimbabwe motor industry towards fiscal electronic device. The population of the study was 500 employees from five motor vehicle companies. A sample of 50 respondents was used. The research established the use of fiscal electronic devices had a

positive influence in tax collection in the Zimbabwe motor industry. It also established that the use of FED could reduce corruption through time saving, minimal contact between taxpayers and tax agency employees. The use of FEDs was a challenge to employees with low education level. The use of FEDs was perceived negatively by employees because they unaware of the method and some of them are just resistance to change.

Many of the researches investigating tax behavior have centered on measurement of attitudes, with many of them assuming that attitudes of taxpayers are suggestive of behaviour. While it is acknowledged that attitudes can assist in understanding the behavior of taxpayers,situations under which attitudes can be more or less applicable in predicting behavior must also be understood. Onu (2016) noted that many researchers on tax behaviours focus on effect of attitudes on compliance decisions, it is equally important to study the value of attitude and maximize their importance in understanding how they are linked to compliance decisions.

Fatimah (2007) in a survey on the reasons for choosing to use e-filing, foundthat 59% of the e-filers indicated that convenience was the main reason.The findings showed that eighteen percent of respondents used e-filing because of the speed it offers in filing tax returns, 7.5% e-filers used e-filing in the hope of getting faster tax refunds. A notable 4.4% of e-filers used the system simply because the tax filing deadline was extended that year while 1.1% chose e-filingbecause they wanted to get to know how to use the new system. The researcher concluded that convenience, speed of tax filing and speedy tax refunds were the main reason taxpayers used e-filing instead of manual tax filing system.

2.5 System Coverage and iTax acceptance

Wamathu (2013) established that since the inception of itax system in Kenya there had been prompt filing of tax returns and that the audit period had reduced. The research further revealed that respondents were quite knowledgeable, there was less system failure during login, the system was user friendly and reliable, itax system cost effective. She recommended that in order to address the problem of system failure, the KRA should invest in technology because system failure affects system logins.

Bird and Zolt (2008) observed that in developing countries new technology should influence the design and administration of a country's tax system. Technological changes have posed

new challenges for tax systems in developing countries. Tough conditions and inadequate resources in developing countries are the challenges facing tax authorities and taxpayers.

2.6 Taxpayers personal characteristics and iTax acceptance

Ilias, Razakand and Yasoa (2009) in their study in three higher learning institutions, on Taxpayers' Attitude on the use of e-Filing established that there were considerable differences between experienced and non-experienced taxpayers in their use of the e-filing system. They established that attitude towards e-filing is strongly influenced the easiness of using the system, how useful the system is, how credible the system is and information quality of the system. The implication of these findings I that the revenue authority can improve taxpayers' attitude towards e-filing by using awareness creation programs that target non-experience taxpayers.

Wenzel (2004) noted that gender, age, education level, moral direction,personality, circumstances, and personal assessment of risk are factors that influence behaviour. Compliance rates will be low for taxpayers who believe 'the system' is unfair or who have personal experiences of 'unfair' treatment. A taxpayer will opt for non-compliance the opportunity presents itself and if the taxpayer believes that, the chances of being detected are minimal.This accounts for under-reporting of certain income types and resistance to the use of online system. Because salaries and wages are normally reported by the taxpayer and the employer, they are highly visible to tax authorities.

2.7 Acceptance of the iTax system

Braithwaite (2009) carried out a research in Australia where he examined variation in attitudes to tax policy like goods and services tax. The attitudes that the community hold to taxation policy and reforms are commonly understood from the perspective of self- interest. The analysis of his study suggested that if there are values underlying tax reform processes operate through party politics and not through considerate debate about the best options of achieving both specific and broader goals. The study concluded that tax policy and reforms may not arouse public interest to the same extent as the environment reform or health reform or security reform, but it is not the case that the processes by which individuals evaluate policies and reforms in these other areas are different from the processes involved in evaluating tax policy and reform. The result after evaluation of any reform by an individual taxpayer determines his/her of such reform.

Martinez-Vazquez and Alm (2007) acknowledged that most people evade revenue enhancements and therefore, it is difficult for revenue enhancement authorities to impose and accumulate revenue enhancements in any place or at any time. This study was carried out to examine taxation and tax compliance in Latin America and Caribbean (LAC) countries and beyond. Their approach relied upon the economic science of crime methodology pioneered applied to revenue enhancement abidance. The findings were that the impact of social norms on compliance behavior is a ground for understanding why people evade paying taxes.

2.7.1 Tax Collection and Electronic Tax System

Waweru (2016) noted that the purpose of iTax is to improve tax compliance among taxpayers by balancing between quality service delivery and enforcement. The improvement of tax revenues collection measures and stoppages of tax revenue leakages was the main reason why the KRA was established. KRA was also required to institute measures that would permit digitally controlled movement of goods and services in order to enhance and speed up trade. In order to realise enhanced tax collection and leakages stoppage, KRA has introducedinternal auditing, stringent authorization process, digital controlled records and passwords us as controls and measures.

2.7.2 Electronic Tax Filing

Researchers have studied the relationship between electronic tax filing and taxation factors like efficiency, revenue collection and workload reduction. Kuznetova (2010) in a research undertaken in Finland established that the diffusion of online tax return filing depends on perceived attributes of the online system, interpersonal communication, performance of related services and the effort put in by the tax administrator.

Anna and Yusniza (2009) researched on the relationship of perceived risk with e-filing in Malaysia. The research was premised on the argument that e-government is becoming increasingly significant in the modern world because of its effectiveness and applicability in various sectors of the economy. Electronic filing of tax returns has been introduced by many developed countries in order to encourage the public to take their responsibility of paying tax using online systems. Even though e-filing has been implemented in many countries, reliable and integrated online tax system is yet to be established.

Lubua (2014) in a research, Influencing Tax Compliance in SMEs withICTs observed that efficient revenue collection is important for economies of many countries. When governments collect enough revenues through taxation they are able to finance their administrative and development operations. The purpose of the research was to demonstrate that the challenge of non-compliance among SMEs could be addressed by e-transparent services. The study established that awareness of tax legislation, business expertise, employees' integrity, infrequent visitation by tax officials and training needs influence voluntary tax compliance. The researcher recommended to the Tanzanian Revenue Authority the use relevant ICT tools for the purpose of positively promoting the voluntary filing of tax returns by taxpayers.

Muita (2010) used large taxpayers to examine the requisite skills that are required for electronic tax filing, the technology needed and the readiness of Kenya Revenue Authority in improving the uptake of electronic tax filing. The study established that for electronic tax filing to effective system users' skills, infrastructure and a conducive business environment must be in place.

2.7.3 Challenges of Using the Electronic Tax System

Dowe (2008) observed that in order for the implementation of electronic filing and electronic payments systems to be successful, there must be reliable and accessible internet service, the actors in the financial sector must be cooperative and the public must be oriented towards information technology. What is important is that the development of e-filing and e-payments systems must be part of a country's wider design, development and implementation strategy. All key stakeholders must be involved and have a stake in this strategy.

In Uganda, Akello (2014) reported that irregular power supply and internet downtime are some of the challenges that the Uganda Revenue Authority had to contend with/ the URA has instituted contingency plans to address these challenges to make the online system available around the clock. The plans include hosting the central server at their URA headquarters in Kampala to avoid the effect of power or network outages. Many taxpayers still get confused with the e-filing process because they cannot understand some tax terms.Sheikh (2015) explained that any new system has numerous teething challenges. It is problematic to have both the manual and iTax systems without either system recognizing and complementing the other.

The emails received by taxpayers from the integrated tax management system creates inconsistencies in the records of taxpayers especially the regarding payment of tax obligations and submission of returns. An example is if a taxpayer uses manual system to pay taxes, it will not be recognised by the itax system. Instead, the system will generate penalties and interests on the ''missing' tax payments. The other shortcoming of the itax system is the lack of historical records of taxpayers. The system only stores records of a taxpayer from the time when the taxpayer registered in the system (Sheikh, 2015).

Lubua (2014) underscores the important roles employees play a vital role in ensuring that the revenue authority collects its tax from clients at the right time. They also ensure that clients have the right knowledge of business taxation. The tax collection efforts of the tax authority are often hampered by the low integrity among taxpayers. The adoption of ICTs in the Tanzanian revenue authority has addressed the challenge of corruptive behaviour by employees and in custom department, clients are able to conduct own assessments. There is however still lower usage of ICTs in the domestic revenue department low. Clients depend on employees for assessment and this assessment depends on employees' rational ability and integrity. The use of ICTs for self-assessment addresses the challenge of the integrity of employees and promotes voluntary compliance (Sheikh, 2015).

The importance of training is the provision of skills to clients that enable them to alter their attitudes towards becoming complaint with the tax systems in place. The employs of Tanzanian revenue authority used seminars and workshops to educate stakeholders on the advantages of voluntary tax compliance. Some respondents reported that they had never attended any workshops organized by the Tanzanian Revenue Authority and this was partly blamed to the inadequate number of staff at the revenue authority (Lubua, 2014).

2.8 Theoretical Framework

The theoretical framework is the structure that can hold or support a theory of a research study. Swanson (2013) stated that theories are formulated to explain, predict, and understand phenomena and to challenge and extend existing knowledge within the limits of critical bounding assumptions.

2.8.1 Technology Acceptance Model (TAM)

The Technology Acceptance Model (TAM) states that an individual intention of using a system depends on several factors. The factors include perceived convenience of using the

system, perceived ease of use (PEOU), the probability that using the system will improve performance of the user and the degree to which the use of the system is free of effort. These factors mediate the effects of external variables like system design on behavioural intention (BI).In predicting usage of a system, TAM models might be useful within and across organizations for evaluating applications or technologies, or to make comparisons between user groups or applications. The limitation of TAM is that it is not applicable beyond the work place because the fundamental constructs of TAM do not fully reflect the variety of user task environment and constraints (Davis et al, 2003).

Paul, John and Collerette (2003) observed that while TAM is a useful theoretical model it has to be has to be combined with a theory like he Theory of Planned behaviour (TPB) which include human and social variables. The TAM is relevant to this study as it tries to explain the perceived usefulness of technology to an organization and the determining factors of its acceptance. In other words, a new technology being introduced into an organization can only gain acceptance among the organization staff if it is seen by employees of the organization to be useful and can contribute to improving employee performance.

2.8.2 Consumer Acceptance Theory

When consumers make judgments about products and service they use past experience and attitudes. According to Fiske (1982) and Sujan (1985) that past behaviours are associated with category-based effect, an effective association related to the category of behaviors. They further propose that when a stimulus matches expectations, it triggers this stored category-based effect. Such a generalized attitude has been supportedempirically in terms of its influence on situations that are new to consumers, yet similar to their prior experiences.In addition, various demographic, psychographic, and socioeconomic factors that might affect consumer attitudes toward technology and their adoption to use the technology.

Attitudes towards using technological products may provide answers as to why some consumers do while other do not embrace new technology. If consumers' attitudes towards using technology are unfavourable, they are less likely to take up the new technology this will further affect their attitudes toward system based technology like itax(Wang, 2008).This theory points that consumers' attitude affects their acceptance to new changes. Thus, this theory is relevant to the study.

2.8.3 Diffusion of Innovation Theory

Diffusion of Innovation (DoI) theory supposes that innovation is an agent that causes behavior change. Innovation is an idea, practice, or object that is thought to be new (Rogers 2003).If follows that the perceived attributes of an innovation, rather than the adopters' characteristics greatly determines its rate of adoption. According to DoI theory, behaviour will change quickly if innovations are seen to be better than previous options (relative advantage) and consistent with the existing values, experiences and needs of potential adopters (compatibility), if they are easy to understand (complexity), testable via limited trials (trialability)consistently good in quality or performance(reliability) and their results are visible (observability). Different information exchange relationships (communication channels) have specific impacts in terms of innovation diffusion.

The DoI theory stresses the roles of 'mass media' and 'interpersonal' channels in awareness creation among probable adopters. According to DoI 'mass media' creates awareness among adopters while 'interpersonal" channel persuade the actual adoption. The nature of diffusion requires the presence of at least some level of dissimilarity. The diffusion of innovation requires time. Basically for the new iTax system to be well embraced, it will take time for the system to fully diffused to all the taxpayers. The new system must go through the innovation-diffusion process, with the adopters of the new system going through the knowledge stage, persuasion stage, decision stage, implementation stage and confirmation stage.

The relevance of the DoI Theory is because it places emphasis on the perception of the innovation (new system) and if it offers relative advantage as compared to the system that was in place before the introduction of the new system. The iTax system is a new system that replaced the manual tax system and has gained positive perception among taxpayers and this has contributed to its wide acceptance across all cadres of taxpayers.

2.9 Conceptual Framework

A conceptual framework is a schematic representation of how the research variables relate to each other. The electronic taxation conceptual framework components comprise of dependent and independent variables. The conceptual model belowshows the relationship of the various research variables.The independent variables (technology Suitability, system security, attitude towards technology, system coverage) influence the dependent variable (acceptance

of tax system). All the four independent variables will influence how taxpayers accept the use of the iTax system.

Independent Variables

TECHNOLOGY SUITABILITY
- User friendly
- Accessibility
- IT literacy
- Dialogue between KRA and public

Moderating Variables

Personal Characteristics
- Age
- Education levels
- Ability to file returns

SECURITY OF SYSTEM
- Personal basic information
- Finances details
- Security of Business information
- Safety of tax filing

Dependent Variable

ACCEPTANCE OF THE ITAX SYSTEM
- Increase in no. of taxpayers
- Over time simplicity of Operation
- Taxpayers' compliance
- Taxpayers requirements& Ease of use

ATTITUDE TOWARDS TECHNOLOGY ADOPTION
- Towards new technology
- Towards tax collection
- tax system is easy to learn
- Simplified tax filing

SYSTEM COVERAGE
- Expenses of accessing the system
- System Availability/downtime
- Response to enquiries

Figure 2.1: Conceptual Framework

2.10 Research Gap

A study Owigar (2013) indicated that the main point for both the government and the users is the speed of connectivity. Users of e-government services agree that the provision of the service is good; the complication of the e-government services makes users dissatisfied with them. The researcher concluded that to for the government to increase the uptake of e-government, it should direct its strategies on the users' needs, user attitudes towards the services and it needs to respond appropriately to these needs. Other Scholars have conducted various researches as pertains to tax reforms and administration. Based on the above empirical studies among others, it was evident that scanty research is available on the acceptance of iTax system in Kenya and specifically researching widely on the factors affecting acceptance of the iTax system. This study therefore sought to address this knowledge gap by answering the question: What are the factors affecting acceptance of the iTax system in Kenya?

Table 2.1Summary of Knowledge Gap

Author(s)/Year	Study Title	Finding	Knowledge Gap
Kipkemoi (2015)	*i*-Tax system and service delivery by Kenya Revenue Authority	Employees' perception towards iTax is statistically significant in influencing customer service delivery. A clear understanding and knowledge of the itax system and access to internet can significantly improve customer service delivery	The study focused on *i*-tax system and service delivery basing its study on KRA employees as the target group and does not look into the user (taxpayers) to determine their perception towards the system. The current study will focus on the taxpayers to determine the aspects affecting aacceptance of the *i*-tax system

Makanga (2010)	Adoption of technology as a strategic tool for enhancing tax compliance in Kenya. The case study was based on Large Taxpayers	Technology has become a major factor for business growth in the rapidly evolving business world. This calls for the KRA and large tax payers to employ modern technology in order to improve tax compliance efficiency.	The study failed to narrow down to the current technology in use in Kenyan taxation. The current study will focus on *i*-tax system and will also use the taxpayers as the main unit of analysis.
Wamathu (2013)	Effects of electronic taxation on financial performance of audit firms in Kenya	The filing of tax returns on a timely basis has improved and the audit period has reducedsince the introduction of iTax system.	The study focused on audit firms as the unit of analysis and does not look into all the target users of the system. The current study will focus on all taxpayers as the study target group.
Amitabh et al. (2009)	Antecedents of paperless income tax filing by young professionals in India.	In order for online systems like iTax to be successful for all categories of taxpayers, innovativeness and accessibility must be part of the system	The study focused on the young professionals. The study is beset by problems of adopter bias since it draws conclusion from a small age group. This study will consider a wide age group for data gathering and analysis.
Yusuf et.al (2012)	Factors affecting user satisfaction in the Malaysian Income tax e-filing system.	The quality of Information and service considerably affects trust building, perception of service, flexibility. Accuracy contributes to user satisfaction in tax e-filing system in the northern region of Malaysia.	This study is skewed towards system quality and does not look into the aspects of the system quality for instance, system's security concerns. This study will narrow down to the aspects of system quality among them being system coverage and security concerns.

2.11 Summary of Literature Review

This chapter has reviewed pertinent literature based on the independent and dependent variables. This included research work that previous scholars have conducted in the area of online tax system. This was followed by a review of theories like the DoI, CAM and TAM that are related to area of research. An illustration of how the research variables relate to one another is shown in the conceptual diagram. Finally the research gap and summary of the knowledge gap are given. Chapter three present the methodology that the researcher employed in conducting the research.

CHAPTER THREE
RESEARCH METHODOLOGY

3.1 Introduction

This chapter explains the method the researcher used in conducting the research. This includes the research design, target population, sampling technique and procedure, data collection instruments as well as data collection method.

3.2 Research Design

The research adopted the descriptive survey design in order to examine whether iTax system has been accepted by taxpayers or not. According to Kothari (2004) stated that descriptive research determines the state of affairs as they exist at the time of conducting the research. The justification for descriptive research design is because it is normally the best method for collecting information that demonstrates relationships and describes the relationships between different elements as they are. The elements under study were attitude towards technology, system security, technology suitability and system coverage.

3.3 Target Population

Target population is the group of individuals or objects that the researcher has interest that the researcher wishes to investigate and from which a representative sample is drawn from (Burns and Grove, 2003). The population of interest for this study will comprise of taxpayer landlords in Eastlands, Nairobi. According to the KRA records there are 5,330 landlords in Eastlands that are registered and paying rental income to the KRA. (KRA ICT, 2017). This study focused on 5,330 registered landlords in Eastlands, Nairobi County. The taxpayers registered on KRA tax system were the target respondents in the study.

3.4 Sample Size and Sampling Procedure

Kothari (2004) defined a sample as the selected respondents that are representative of the population from which it was selected. A good sample must meet the needs for efficiency, representativeness, reliability and flexibility. Given that as of June 2017 there were 5,330 landlords in Eastlands and registered on theiTax system in Nairobi County (KRA ICT, 2017). Sampling is the process of choosing a representative sample from a population. Determining sample size is an important exercise in research methodology. Choosing a large sample will result in time and resource wastages. Selecting a small sample may lead to inaccurate and invalid results (Kothari, 2004). Sample selection should be done carefully using

appropriatesampling methods and formulas. According to Yamane (1967) a simplified formula for calculating sample size from a population and for for a 95% confidence level should be:

$$n = \frac{N}{1 + Ne^2}$$

Where n=sample size, N=population size, e=the error of sampling (assumed to be 0.1 or 10%).

In this research work, with a population of 5,330, the sample size

$$n = \frac{5,330}{1 + 5330(0.1)^2}$$

$$n = \frac{5,330}{54.3} = 98.158$$

n, (sample size) = 98.

Using the records of the rental income taxpayers available at the KRA, the researcher contacted the 98 respondents using their email addresses and telephone numbers to inform them of the research and sent the questionnaires to them using email.

3.5 Data collection Instruments

The research tool used in the collection of the research data was the questionnaire.The questionnaire consisted of one section for demographic data and another section with likert-scale type questions with questions that were aimed at answering the research questions. Likert scale is used to measure the degree of agreement or disagreement of the respondent to the statement. For the measurement of perception, attitude, values and behaviours likert scale questions are preferred. The Likert scale allows for the conversion of qualitative responses into quantitative data (Upagade&Shende, 2012, Zikmund, Babin, Carr&Griffin, 2010).

3.5.1 Instrument Validity

The research instrument is deemed to be valid if the questions in the questionnaire are relevant to the research variables (Kothari, 2004). The researcher performed a pilot test with a randomly selected sample of ten landlords in Nairobi region. The ten landlords were contacted using their telephone and email records at the KRA. The expert opinion of the research supervisor also contributed to the determination of the validity of the instrument.

3.5.2 Instrument Reliability

Cooper (2003) defined reliability as a measure of the consistency of results when the research instrument is used repeatedly over time. The reliability is determined by taking several measurements from the same group. The test-retest technique was used to determine the reliability of the research instrument used in this study. This was done by issuing ten questionnaires to a group of ten randomly selected rental income taxpayers, the same was repeated three more times over a period of three weeks. The scores from the tests were correlated using *Pearson Product-Moment Correlation(r)* formula to obtain the coefficient of reliability or stability.

$$r = \frac{n(\Sigma xy) - (\Sigma x)(\Sigma y)}{\sqrt{[n\Sigma x^2 - (\Sigma x)^2] - [n\Sigma y^2 - (\Sigma y)^2]}}$$

After the test-retest exercise, which was done three times, using three different samples of 10 respondents, a coefficient of 0.71 was achieved and which was considered adequate for the questionnaire's reliability as it is above the recommended reliability coefficient of 0.6. (Buley, 2000).

3.6 Data collection

The questionnaires were self-administered by the researcher to the taxpayers. The respondents were required to acknowledge receipt of the letter and questionnaire. The taxpayers were allowed ample time of two weeks within which to fill in the questionnaire. Theywere requested to fill the questionnaires and the researcher collected them after two weeks.

3.7 Data Analysis

The data analysis process entailed translating the answers in the questionnaires into a form that could be manipulated and entered into a statistical analysis software (SPSS) to produce statistics. The research data was coded, edited, entered into the analysis software and monitored during the data processing procedure (Hyndmann, 2008).

The received questionnaires were checked for completeness. The researcher then coded the respective responses as per the research questions using the Statistical Package for Social Sciences (SPSS) to derive the desired output on the adopted Likert scale. The results of the analysis are presented using descriptive statistics (frequencies and percentages).The

dependent variable (iTax acceptance) was correlated with the independent variables (attitude towards technology, system security, technology suitability and system security) for the purpose of establishing the strength and direction of the relationship between them.

3.8 Ethical Considerations

This researcher sought and secured the consent from the respondents.This was done by explaining the research objectives to the respondents. The researcher maintained high degree of professionalism and confidentiality with the information gathered and the data was onlyused for academic purposes. Consequently, identity of the taxpayers remained anonymous.As a statutory requirement, the researcher sought consent from the National Commission for Science Technology and Innovation (NACOSTI). Once the research permit was secured from NACOSTI the researcher went ahead with the data collection.

3.9 Operationalization of variables

The measurement of variables in the study and relationship between the variables and the survey questions are illustrated in Table 3.1

Table 3.1 Operationalizationof Variables

Operationalization of variables Objective	Variable	Indicator	Measurement Scale	Data collection method	Type of Analysis
TechnologySuitability	Independent	• Ease of use • Accessibility • IT Literacy	• ordinal	• Questionnaire	• Descriptive statistics • Inferential Statistics
Security of System	Independent	• Personal information • Finance details • Business information	• ordinal	• Questionnaire	• Descriptive statistics • Inferential Statistics
Attitude toward technology adoption	Independent	• Attitude towards iTax system • Attitude towards tax collection • Attitude towards new technology	• ordinal	• Questionnaire	• Descriptive statistics • Inferential Statistics
System Coverage	Independent	• Expenses of accessing the system • Availability of system • Internet enabled areas	• ordinal	• Questionnaire	• Descriptive statistics • Inferential Statistics
Personal Characteristics	Moderating	• Age • education levels • ability to file returns	• Nominal • Ordinal	• Questionnaire	• Descriptive statistics
Acceptance of iTax system	Dependent	• Increase in no. of taxpayers • Over time simplicity of system • Improvement of quality service	• ordinal	• Questionnaire	• Descriptive statistics • Inferential Statistics

CHAPTER FOUR
PRESENTATION OF FINDINGS

4.1 Introduction

The presentation and discussion of the findings are contained in this fourth chapter.The data analysis results presented in form of tables and charts with brief explanations.

4.2 Response Rate

Table 4.1 show the response rate attained.

Table 4.1 Response Rate

Category	Frequency	Percentage
Response	78	79
Non Response	21	21
Total	98	100

The researcher did analysis of the responses received from the respondents in order to determine the response rate as depicted in Table 4.1. From the ninety eight (98) questionnaires that were issued to respondents, 78 questionnaires representing 79% were returned. Twenty-one percent (21%) of the questionnaires were unreturned. The response rate is 79% which is considered a high response rate. High response rate is necessary in research as it helps in validating the research findings. Richardson (2005) suggested that response rates of 60% or more are desirable.

4.3 Demographic Statistics

4.3.1 Gender

The study sought the gender of the respondents. The results are shown in Table 4.2.

Table 4.2 Gender

Gender	Frequency	Percentage
Male	48	62
Female	30	38
Total	78	100

The results in Table 4.2 show that male respondents represented 62% of the respondents while 38% were female respondents. From the findings, it was evident that the majority of the respondents were men. It is also an indication that most of the landlords are male taxpayers.

4.3.2 Age

Findings of the age composition of the respondents was undertaken and the results are presentedin Table 4.3

Table 4.3 Age

Category	Frequency	Percentage
Below 20 years	10	13
21-35 years	19	25
36-50 years	37	47
51 years &above	12	15
Total	78	100

Many of the respondents were between36-50 years of age at 47%. Respondents are aged between the ages of 21-35 years were 25%. Those aged 51 years and above were 15%. Those aged below 20 years were 13%. The analysis show that respondents aged between 36 and 50 years were the majority at 47%. This implies a possibility that majority of the taxpayers in Kenya fall in the age bracket of 36 to 50 years.

4.3.3 Highest Level of Education

The highest education level of the respondents is shown in Table 4.4.

Table 4.4 Highest Level of Education

Category	Frequency	Percentage
Primary Level	0	0
Secondary Level	12	15
Certificate Level	15	19
Diploma Level	24	31
Degree Level	19	25
Post Graduate Level	8	10
Total	78	100

Many of the respondents (31%) had Diploma level education. Respondents with degree qualification made up 25% of the respondents. Respondents with certificate qualifications made up 19% of respondents, postgraduate degree holders comprised of 10% of respondents. 15% of respondents were had secondary level education. The findings show that 66% of respondents have a minimum of college level education.

4.4 Mode of PIN Registration

The study was also interested in establishing how each respondent registered as a taxpayer.

Table 4.5 Mode of PIN Registration

Category	Frequency	Percentage
Registered on the K.R.A website	20	26
Visited a K.R.A office for assistance	28	36
Assistance from a cyber café attendant	30	38
Total	78	100

Majority (38%) of the respondents sought the assistance of cyber café attendants to register as taxpayers. Respondents that visited KRA offices to register as taxpayers represented 36%. The other 26% of respondents used the KRA website and registered on their own as taxpayers.

4.5 How long have you been a tax payer?

The respondents were required to indicate how many years they have been registered taxpayers. The findings were as shown in Table 4.6.

Table 4.6 How long have you been a tax payer

Category	Frequency	Percentage
Less than 3 years	6	8
4-6 years	11	14
7-9 years	29	37
Over 10 years	32	41
Total	78	100

Table 4.6 shows the responses from the respondents on how long they have been registered as taxpayers. The analysis of the responses show that many of respondents (41%) had been taxpayers for over ten years. This is followed by those who have been taxpayers for between 7 and 9 years at 37%. Respondents who have been taxpayers for between 4 and 6 years represented 14%, while 8% of respondents had been registered taxpayers for less than three years.

4.6 Do you file tax returns yourself?

The study sought to establish from the respondents if they filed tax returns on their own. The responses are as analysed in Table 4.7.

Table 4.7Do you file tax returns yourself?

Category	Frequency	Percentage
Yes	32	41
No	46	59
Total	78	100

The findings shown in Table 4.7 indicate that most of the respondents (59%) do not file tax returns on their own but they have to seek assistance from other people that are conversant with the tax returns procedures. The other 41% of respondents seem to be well conversant with the procedures of filing tax returns and therefore do not seek assistance. This is generally true as it is the practice of most Kenyan taxpayers to file returns in cyber cafes with assistance from cyber café attendants. Corporate, medium-sized companies and micro enterprises either use their accountants or seek assistance from tax consultants to file their tax returns.

4.7 Technology Suitability

To measure the level of technology suitability descriptive analysis was conducted. The descriptive results are presented in Table 4.8.

Table 4.8 Technology Suitability

Item	SA		A		N		D		SD	
	f	%	f	%	F	%	f	%	f.	%
The technology used on tax is easy to adopt	47	60	12	15	0	0	12	15	7	10
There was inadequate dialogue between KRA & public on tax technology	31	40	8	10	23	30	12	15	4	5
The iTax system is easily accessible	35	45	23	30	0	0	12	15	8	10
Considerable time is saved because of use of iTax system	56	72	11	14	0	0	5	6	6	8
ITax technology is easily understandable by IT literate taxpayers	61	78	17	22	0	0	0	0	0	0

Table 4.8 shows the findings of the responses on technology suitability. Majority of respondents (60%) strongly agreed and 15% of respondents agreed that the technology is easy to adopt. Fifteen percent of respondents disagreed and 10% strongly disagreed. The results above confirm the technology used in iTax has been easily adopted by the taxpayers and that they do not encounter difficulties when filing tax returns online.

31

Was there was inadequate dialogue between KRA and the public on the technology to use on iTax? This was the question posed to the respondents and their responses are as analysed in Table 4.8. Respondents that strongly agreed represented 40% while 10% of the respondents agreed. Thirty percent of respondents were neutral. Respondents that disagreed and strongly disagreed were 15% and 5% respectively. The findings indicate that dialogue between KRA and the public on technology used in iTax was inadequate. Even though KRA ran a public awareness campaign when they introduced the iTax system it is considered by the public that the awareness was inadequate and this explains why many taxpayers still face challenge when using the online iTax system.

The study sought to establish whether the respondents think that the iTax system is easily accessible. The analysis show that most of respondents (45%) strongly agreed, 30% of respondents agreed. The respondents that disagreed and strongly disagreed represented 15% and 10% of respondents respectively. The results show that iTax system is easily accessible. A personal computer and internet access is all that is needed by a taxpayer to access the KRA website and the iTax system, even taxpayers with no personal computer or laptops can easily access the iTax system from the many cyber cafes spread across the country.

The study sought to establish whether the iTax system offers time saving to taxpayers. The findings of the responses are shown in Table 4.9. Majority of respondents (72%) strongly disagreed, 14% of respondents agreed. The respondents that disagreed and strongly disagreed represented 6% and 8% of respondents respectively. The results above show the use of iTax system has resulted in considerable time saving for taxpayers. This is unlike the time when tax returns were filed manually at the KRA offices and taxpayers had to spend long hours on queues to file their tax returns.

Table 4.8 also show responses to the question on whether the iTax technology is easily understandable by taxpayers. The analysis show that majority of respondents (78%) strongly agreed and 22% of respondents agreed. It is clear that taxpayers find the iTax technology easy to understand. This explains why many taxpayers are able to register as taxpayers using the KRA web portal and personally file their tax returns. A system that is easy to understand and use will gain acceptance among the majority of taxpayers.

4.8 Security of System

To measure the level of System Security descriptive analysis was conducted and the results are presented in Table 4.9.

Table 4.9 System Security

Item	SA		A		N		D		SD	
	f	%	f	%	f	%	f	%	f.	%
I do not consider it safe to file my returns online	47	60	8	10	0	0	23	30	0	0
I do not consider it secure to give out bank account details over a computer	31	40	23	30	22	27	2	3	0	0
I do not believe it safe to perform tax transactions on an online system without confirmation by a tax officer.	12	15	16	20	0	0	27	35	23	30
I do not consider it safe to do tax enquiries about my business online	14	18	13	17	0	0	30	38	21	27

Table 4.9 shows the responses when the respondents were asked whether they felt safe while filing tax returns online. Sixty percent (60%) and 10%of the respondents strongly agreed and agreed respectively that it is safe to file tax using the online iTax system. The other 30% of respondents were unsure whether the online iTax system is safe and secure to use.

The requirement to provide bank account details is there when registering as a taxpayer or when updating the taxpayers' details. In this regard, the respondents were asked to indicate whether they felt safe to give their bank details online. Forty percent of respondents (40%) strongly agreed, 30% of them agreed, 27% of respondents took a neutral position and only 3% of respondents disagreed. These results sown rated the effect as moderate. Only 3% said the effect is low. From the analysis presented in Table 4.9 it is clear that most of the taxpayers consider the iTax system to be safe and secure to use and they can actually give sensitive information like bank account details for purposes of tax returns.

The study sought to establish the respondents' views on whether they believe it is secure to perform tax transaction on an online system without confirmation from a tax officer. The findings show that majority of respondents (35%) disagreed, 30% of respondents strongly disagreed. The respondents that agreed and disagreed represented 15% and 20% of respondents respectively. The results above show that the safety of performing online tax transactions is not in question by many taxpayers

The study sought to establish the respondents' views on whether it is safe to perform tax enquiries using an online system like iTax. The findings of the responses a shown in Table 4.9.The findings show that most of the respondents (38%) agreed, 27% of respondents strongly disagreed. The respondents that strongly agreed represented 18% of respondents and those that agreed represented 17%. The results above show that most of taxpayers can perform online tax enquiries without doubting the safety of the system

4.9 Attitude towards Technology Adoption

To measure the level of attitude towards technology descriptive analysiswas conducted. The descriptive results are presented in Table 4.10.

Table 4.10 Attitude towards Technology Adoption

Item	SA		A		N		D		SD	
	f	%	f	%	f	%	f	%	f.	%
Using the online system is a good idea	39	50	8	10	0	0	19	25	12	15
The online system is easy to learn	17	22	16	35	27	30	12	13	0	0
I feel that the online system has made it easy for me to file my tax returns	37	47	41	53	0	0	0	0	0	0
The idea of submitting my tax return online makes me uncomfortable.	29	37	18	23	0	0	12	15	19	25

Table 4.10 above show the findings of the responses of whether using the online system is a good idea. The findings show that 50% of the respondents strongly agreed and 10% of respondents agreed. Twenty five percent (25%) and 15% of respondents disagreed and strongly disagreed respectively. These results clearly show that most of the taxpayers agree that using the online system to perform tax transactions is a good idea.

The researcher wanted to establish if the iTax online system is easy to learn. The results presented in Table 4.10 shows that 22% of the respondent strongly agreed, 35% agreed, 30% of respondents were neutral and 13% disagreed. These findings further confirm that to many taxpayers the iTax system is easy to learn and use. Thestudy sought to establish from the respondents on whether the iTax system has made it easy for them to file tax returns. The analysis of the responses is shown in Table 4.10. The findings show that majority of respondents (53%) agreed and 47% of respondents strongly agreed. The results above show most taxpayers believe that the online iTax system has simplified the filing of tax returns and that it saves them a lot of time.

The study sought to establish from the respondents if the filing of tax returns online makes them feel uncomfortable. The findings of the responses are shown in Table 4.10. The findings show that majority of respondents (37%) agreed and 23% of respondents strongly agreed. Fifteen percent (15%) and 25% of respondents disagreed and strongly disagreed respectively. The results above show while some taxpayers feel uncomfortable using online tax system, the other taxpayers do not feel uncomfortable.

4.10 System Coverage

To measure the level of System Coverage descriptive analysis was conducted. The descriptive results are presented in Table 4.11.

Table 4.11 System Coverage

Item	SA		A		N		D		SD	
	f	%	f	%	f	%	f	%	f.	%
The iTax system is expensive to use	8	10	4	5	0	0	0	0	66	85
The iTax system provides information that is useful to me.	36	40	28	40	0	0	7	10	7	10
Response to iTax enquiries is usually fast and reliable	21	27	18	23	26	33	13	17	0	0
I have never missed any filing and payment deadline	35	45	33	42	0	0	10	13	0	0
The iTax system is highly affected by power outages.	9	12	22	28	0	0	13	42	14	18

Table 4.11 shows that the findings of the respondents' views on whether the iTax system expensive for taxpayers to use. From the findings presented above, a total of 10% of the respondents strongly agreed and 5% agreed and 85% of respondents strongly disagreed. The findings prove that taxpayers do not think that the iTax system is expensive to use.

Table 4.11 shows that the findings of the respondents' views on whether the iTax system provides useful information that is useful to taxpayers. From the findings presented above a total of 40% of the respondents strongly agreed and 40% agreed that claims settlement affects insurance sales. Only 20% of respondents were of the opinion that the iTax system does not provide useful information. The findings are proof that many taxpayers believe that the iTax system provides useful information.

The Table 4.11 shows the findings of the responses on the whether they think online tax enquiries are fast and reliable. The findings show that 27% of the total respondents strongly agreed, 23% of respondents agreed, 33% of respondents neither agreed nor disagreed and 17% of respondents disagreed. From the findings, it is evident that many taxpayers believe that the iTaxsystem provides fast and reliable answers to their tax enquiries.

The researcher wanted to establish from the respondents if they have never missed filing and payment deadline for their tax returns. The findingsof the responses are shown in Table 4.11.

The findings show that 45% and 42% of respondents strongly agreed and agreed respectively. Only 13% of respondent agreed that they had missed tax returns and payments deadlines. It is evident from the findings,majority of taxpayers file and make payments for their tax returns on time. This can be because the KRA usually notifies taxpayers on the tax returns deadlines.

The researcher wanted to establish from the respondents on whether the iTax system is usually affected by power outages. The findingsof the responses are shown in Table 4.11.The findingsshow that 12% and 28% of respondents strongly agreed and agreed respectively. 42% and 18% of respondents disagreed and strongly disagreed respectively. According to the findings,tax system is rarely affected by power outages and even when power outages occur it normally last for short periods.

4.11 Acceptance of iTax System

To measure the level of acceptance of iTax system both descriptive analysis was carried out. The descriptive results are presented in Table 4.12.

Table 4.12 Acceptance of iTax system

Item	SA		A		N		D		SD	
	f	%	f	%	f	%	f	%	f.	%
iTax system comply with the taxpayers' requirements of ease of use	62	80	16	20	0	0	0	0	0	0
I believe adoption of iTax service has enhanced compliance among taxpayers	66	85	12	15	0	0	0	0	0	0
iTax greatly simplifies and facilitates filing of tax returns.	53	68	20	25	0	0	5	7	0	0
Resistance towards iTax online service is high among Landlords	14	18	20	25	0	0	44	57	0	0
The iTax system has increased number of landlords who file returns online	14	14	15	19	0	0	49	63	0	0

Table 4.12 above show the analysis of the responses of whether the iTax system meets user requirement for ease of use. Based on the study findings 80% of the total respondents strongly agreed and 20% of respondents agreed. The fact that none of the respondents disagreed is a pointer that a majority of taxpayers find the iTax system easy to use.

The study also sought to establish from the respondents whether they thought that the iTax system has improved compliance by taxpayers. The results are as presented in Table 4.12 shows that 85% of the respondents strongly agreed and 15% agreed respectively that compliance has improved because of the iTax system. The ease of use and availability of the iTax system has ensured that many people register as taxpayers and regularly file their tax returns on time.

The researcher sought to establish if the iTax system simplifies and facilitates the filing of tax returns. The analysis of the responses is shown in Table 4.12. The findings show that majority of respondents (68%) strongly agreed and 25% of respondents agreed. Seven percent (7%) of respondents disagreed. The results above show the iTax system has made the filing of tax returns simple and this has encouraged many taxpayers to file their annual tax returns.

The study sought to establish if there is high resistance towards the iTax system among landlords. The analysis of the responses is shown in Table 4.12. The findings show that many of the respondents (57%) disagreed, 18% of respondents strongly agreed and 25 7% of respondents agreed. The results above show that there is minimal resistance towards the iTax system and that the majority of landlords have embraced the online tax system.

The study sought to establish if the iTax system has increased the number of landlords that file returns online. The findingsin Table 4.12 showthat majority of respondents (63%) disagreed, 18% of respondents strongly agreed and 19% of respondents agreed. The results above show most of the landlords have not embraced the iTax online tax system. This can also be explained by the fact that many landlords still avoid paying rental income tax and that is why they have not registered as taxpayers in the iTax system.

4.12 Correlation Analysis

Pearson correlation analysis was conducted and the results are presented in Table 4.13. Correlation analysis was undertaken in order to determine the strength of the relationship

between the dependent variable (acceptance of iTax system) and each of the four independent variables (Technology Suitability, system security, attitude towards technology and system coverage).

Table 4.13 Correlation Results

			Correlations				
			1	**2**	**3**	**4**	**5**
1	Acceptance of iTax	Pearson Correlation					
		Sig. (2-tailed)					
		N	78				
2	Technology Suitability	Pearson Correlation	.871**				
		Sig. (2-tailed)	.000				
		N	78	78			
3	System Security	Pearson Correlation	.399**	.461**			
		Sig. (2-tailed)	.000	.000			
		N	78	78	78		
4	Attitude towards technology	Pearson Correlation	.888**	.938**	.449**		
		Sig. (2-tailed)	.000	.000	.000		
		N	78	78	78	78	
5	System Coverage	Pearson Correlation	.827**	.887**	.547**	.919**	
		Sig. (2-tailed)	.000	.000	.000	.000	
		N	78	78	78	78	78

**. Correlation is significant at the 0.01 level (2-tailed).

The results of the analysis show that all the four variables have positive correlation with the independent variable but at different strengths. Technology suitability, attitude towards technology and system coverage had strong positive correlation with Acceptance of iTax with correlations coefficients of 0.871, 0.888 and 0.827 respectively. System security had a low positive relationship with acceptance of iTax system with a correlation coefficient of 0.399. The positive coefficients of the four independent variables mean that the independent variable will increase, as each of the four variables increases.The results also show that the correlation was significant because the p-value is less than 0.05, which implies the probability of getting the correlations coefficients obtained by chance is very low at less than five times out of one hundred.

SUMMARY, DISCUSSION, CONCLUSION & RECOMMENDATIONS

5.1. Introduction

The chapter summarizes the findings in relation to the research objectives, conclusions from the responses are also presented. Some recommendations have been put forward and suggestion for further research are also provided

5.2 Summary of Findings

The following section gives the summary of the research findings based on the research objectives.

5.2.1 Influence of the technology Suitability on the acceptance of the iTax system.

The research findings show that the iTax system has gained acceptance among taxpayers since the Kenya Revenue Authority introduced it. The wide acceptance of iTax system is partly because it simplifies the filing of tax returns by taxpayers. The technology used in the iTax system was also easily understood and adopted by taxpayers. The other reason that contributed to the acceptability of the iTax system by taxpayers is that the KRA made adequate preparation in introducing the taxpayers to the new system. Adequate time was provided by the KRA for the taxpayers to switch from the manual system to the online system of filing tax returns. The KRA also held several iTax training workshops across major towns of Kenya to introduce the new system to the public. Even though the public complained that the   public awareness campaign was inadequate, over the years the system has been accepted by the taxpayers and the manual filing of tax returns has been eliminated.

The findings show that the success and acceptance of the iTax system is due to its easy accessibility and how easy it is to learn how to use the system. A personal computer and internet access is all that is needed by a taxpayer to access the KRA website and the iTax system. Taxpayers with no personal computer or laptops can easily access the iTax system from the cyber cafes spread across the country. The iTax system also offers time saving benefits to taxpayers as they can file their tax returns and make enquiries about their tax status from the comfort of their homes or offices. This is unlike the time when tax returns were filed manually at the KRA offices and taxpayers had to spend long hours queuing to file their tax returns.

5.2.2 Influence of the security of system on acceptance of the iTax system.

Issues of security and confidentiality of information is of concern to taxpayers and determine the level of acceptance of the iTax system by taxpayers. The findings have shown that taxpayers do not doubt the security and confidentiality of their tax information when using iTax to file returns. Majority of taxpayers consider the iTax system to be safe and secure to use and they can actually give sensitive information like bank account details for purposes of tax returns. The safety and security standards that are built in the iTax system are what have contributed to the wide acceptance by taxpayers.

5.2.3 Influence of taxpayers' attitude towards technology on the acceptance of the iTax system.

The findings show that taxpayers have a positive attitude towards the iTax system. This clearly shows that most taxpayers agree that using the online system to perform tax transactions is a good idea and that the iTax system is simple to use. Taxpayers also believe that the online iTax system has simplified the filing of tax returns and that it saves them a lot of time.

The many advantages offered by the iTax system have contributed to the positive attitude that taxpayers have towards the iTax system. This positive attitude has in turn contributed to the acceptance of the system by taxpayers in Nairobi and Kenya in general.

5.2.4 Influence of system coverage to the taxpayers as a factor to determine the acceptance of the iTax system.

For any system to be accepted and successfully implemented, it must prove to the reliable in the sense that it is always available to the users. The research findings show that the iTax systems meet the accepted standards of reliability. Many taxpayers believe that the iTax system provides useful information and that it provides fast and reliable answers to their tax enquiries. Because of the reliability of the iTax system, majority of taxpayers file and make payments for their tax returns on time. This can be due to the fact that the KRA usually notifies taxpayers on the tax returns deadlines. The findings also point to the fact that the iTax system is rarely affected by power outages and even when power outages occur, it normally last for short periods. The iTax system is available from the KRA web portal on a 24-hour basis and can be accessed by taxpayers at any time of the day.

5.3 Discussion of Findings

The following is the discussion of the research findings based on each of the independent variables.

5.3.1 Technology Suitability

The acceptance of any new system is dependent upon how suitable the users find the system. The iTax system had managed to gain acceptability across the different cadres of taxpayers for the simple reason that taxpayers have found it suitable for the filing of tax returns and making other tax enquiries. But for the KRA to make the iTax system acceptable to taxpayers, a lot of time and resources were devoted to educating the taxpayer public. The dialogue between the KRA and the public aimed highlighting the key benefits of the system and to gain the taxpayers interest in the system. The easy accessibility of the iTax system has also contributed to the acceptance by taxpayers. The KRA has made it easy for taxpayers to access the iTax system through its web portal that is available on the Internet around the clock. The iTax system only requires basic IT skills to access it. The iTax system has however failed taxpayers at some times when the system has gone down due to congestions. This failure has been experienced during the time when taxpayers try to file their tax returns at the last minute in order to beat the deadline for filing returns.

The findings are in agreement with Makanga (2010) who established that technology has become a key factor contributing to business growth in the rapidly evolving business. He observed that Large Taxpayers and the Tax authority must take up modern technology in order to improve efficiency in tax compliance. The findings are also consistent with the Technology Acceptance Model (TAM) which states that a user's acceptability of a new system is determined by the perceive usefulness of the system and whether the new system will facilitate the user to improve his/her performance.

5.3.2 System Security

The iTax system has also proved to be a secure system and the initial fears by taxpayers that the system was insecure have been allayed. The security features built into the iTax system have contributed to the wide acceptance of the system by taxpayers. The findings have shown that taxpayers find the iTax system safe to perform tax transactions, tax enquiries and filing of tax returns.

The findings concur with the findings of Lai et al (2005) in a research that looked into user intentions, attitudes, perceptions and compliance considerations on e-filing system by Malaysian tax practitioners. They established that despite strong intentions to use the system, taxpayers are suspicious of the security of the e-filing system.

5.3.3 Attitude Towards Technology

For any system to get acceptance it is imperative that the users have a positive attitude towards the system being introduced. It was the duty of the KRA to ensure that they created a positive attitude from the taxpayers towards the iTax system. Failure to do this at the initial stages of the implementation would have resulted in the rejection of the iTax system by taxpayers. It is evident that the KRA worked extra hard to ensure that the taxpayers had a positive attitude towards the system. This was achieved by educating the taxpayers that the iTax system is easy to use and that it simplifies the filing tax returns.

This supports the Consumer Acceptance Models which according to Wang (2008) noted that consumers' attitude affects their acceptance to new changes. A favourable taxpayers' attitude towards itax goes a long way in contributing to its acceptability. The findings on Attitude support the findings of Kipkemboi (2015) that employees' perception towards iTax is statistically significant in influencing customer service delivery. It found that a better understanding and knowledge of the tax system and access to internet do improve customer service delivery significantly.

5.3.4 System Coverage

The KRA has ensured that the iTax system is available across the country and beyond the borders as long as taxpayers have internet access. This wide coverage and availability of the iTax system has contributed to the acceptance of the system by taxpayers. Taxpayers enquiries using the iTax system are also responded to promptly. The results agree with the findings of Muita (2010) who found that for e-filing system to effectively take off there is need to develop the infrastructure that will widen the coverage of the electronic tax system.

5.4 Conclusion

This section presents the concluding remarks of the study.

5.4.1 Technology Suitability

Taxpayers find the iTax system suitable for filing tax returns and making other tax transactions. It is obvious that the iTax has revolutionized the way tax transactions are conducted by Kenyan taxpayers. Since its introduction, the tax system has ensured that many taxpayers now comply with tax requirements and file their annual or monthly returns on time.

5.4.2 System Security

The iTax system has also proven to be a secure system over the years and little complains have been raised about security breaches. This has also contributed to increase in tax revenues collected by the KRA every year. The tax revenues have been rising over the years courtesy of the security of the iTax system, which has simplified the filing of tax returns. It is not in doubt that the iTax system has received wide acceptance by taxpayers across the country.

5.4.3 Attitude Towards Technology

The positive attitude of taxpayers towards the iTax has greatly contributed to the acceptance of the system. This acceptance is due to the many benefits that accrue to taxpayers when using the iTax system. The key benefits that have contributed to the wide acceptance of the iTax system are; the iTax system is simple and easy to use; the iTax system is reliable and provides round the clock service to taxpayers, the iTax system is secure and confidentiality of taxpayers' information is guaranteed.

5.4.4 System Coverage

The iTax system coverage is wide and caters for all cadres of taxpayers in Kenya. Whether is the individual taxpayers, corporate taxpayers or the rental income taxpayers, the iTax system is convenient to all. The wide system coverage of iTax system ensures that all taxpayers have access to the system and can do tax transactions from anywhere and anytime as long has they have internet access. This wide coverage of the iTax system is what has contributed to the success of the introduction and implementation of the system.

5.5 Recommendations

The acceptance of the iTax system by taxpayers can be enhanced if the following recommendations are adopted by KRA. The technology used in the iTax system should be reviewed regularly and improved in order to meet the growing number of taxpayers using the system. From the study, it is clear the capacity of the KRA web portal should be increased so that cases of system congestion are minimized or eliminated. The security features of the iTax system need to be enhanced in order to assure taxpayers of the confidentiality of the information they provide online. Taxpayers' usernames and passwords should be protected and secured from unauthorized access.

The findings are consistent with the fact that KRA should take measures that will ensure that the taxpayers' attitude towards the iTax system is always positive. This can be done by organizing tax seminars where the benefits of iTax system are made known to the taxpayers. Reliability of the iTax system should be enhanced so that the system should always be available to taxpayers at all times. The ICT department of the KRA should continually develop softwares that can be used to upgrade the itax system in order to cope with increased and varied demands of the taxpayers. According to consumer acceptance model such upgrades when undertaken should be seamless and cause no interruptions to the users of the system.

5.6 Suggestion for further research

This research focused on factors that affect acceptance of iTax system in Kenya. While the introduction of iTax system was to simplify filing of tax returns, it is also believed that it has impacted tax collection by the KRA. In order to expand the knowledge on iTax system a research study on the impact of iTax system on tax revenues can be carried out.

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APPENDICES
APPENDIX I: LETTER OF TRANSMITTAL

Celestine Mutinda

P.O Box 43844-00100

Nairobi, Kenya.

celestinemutinda@yahoo.com

Dear Respondent,

I am a student of the University of Nairobi pursuing a Master of Arts Degree in Project Planning and Management. I am conducting an academic research on the Factors affecting the acceptance of the iTax system in Nairobi. This letter serves as an invitation for your participation in the research by filling the attached questionnaire.

My research focuses on attitude towards the iTax system, security concerns towards iTax system, the perceived usefulness and friendliness of the system, and the reliability of the iTax system. Your participation in the research is voluntary and the questionnaire is completely anonymous.

The information you provide will be treated with utmost confidentiality. Your ability to answer all the questions comprehensively and to the best of your knowledge will be highly appreciated.

I look forward to your support.

Thank you.

Yours Sincerely,

Mutinda Celestine.

Tel: 0716-530286

APPENDIX II: RESEARCH QUESTIONNAIRE

This questionnaire has three sections. Section A is for obtaining general information about the respondent. Section B is for obtaining information on the iTax project. Section C is for generating information on challenges facing the iTax project. NB: The information obtained will be strictly treated in confidence. Your assistance in completing this questionnaire will be highly appreciated.

Kindly respond to the following questions by ticking on the appropriate box [√] or filling in the answer in the blank spaces.

SECTION A: RESPONDENT'S PERSONAL INFORMATION
Section A: Demographic Data (Please tick as appropriate)

1) Please specify your gender

    Male   []

    Female   []

             Others………………………………………………….

2) Please specify your age

    a. Below 20yrs   []

    b. 21 to 35yrs   []

    c. 36-50 years   []

    d. 51 years and above []

3) Please indicate your level of education

    Primary Level   []

    Secondary Level   []

    Certificate Level   []

    Diploma Level   []

    Degree Level   []

    Post Graduate Level []

Other specify) …………………………….

4) Do you have a Personal Identification Number (PIN)?

        Yes   []

        No   []

5) If yes, how did you register for the PIN?

      I did it myself on the K.R.A website   []

      I visited a K.R.A office for assistance   []

      A cyber café attendant did it for me   []

6) How long have you been a taxpayer?

      Less than 3 years   []

      4-6 years   []

      7-9 years   []

      Over 10 years   []

7) Do you file your tax returns yourselves?

      Yes   []

      No   []

SECTION B: FACTORS AFFECTING ACCEPTANCE OF iTax SYSTEM

SECTION A: TECHNOLOGY SUITABILITY

This subsection is concerned with understanding the perceived usefulness of the iTax system.

Use the following Likert Scale; Strongly Agree=5 Agree=4 Neutral= 3 Disagree=2 Strongly Disagree=1

Please tick in the box which best describes your agreement or disagreement with the statement.

No	Statement	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
a)	The technology used on iTax is easy to adopt					
b)	There was inadequate dialogue between KRA and the public on the technology to use on iTax					
c)	The iTax system is easily accessible					
d)	The technology can be easily understandable by taxpayers who are IT illiterate.					

53

In your own opinion, has KRA curbed system downtime experiences in the past? Explain..

....

....

....

SECTION B: SECURITY OF SYSTEM

This subsection is concerned with understanding the security concerns towards the iTax system. Use the following Likert Scale; Strongly Agree=5 Agree=4 Neutral= 3 Disagree=2 Strongly Disagree=1

Please tick in the box which best describes your agreement or disagreement with the statement

No	Statement	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
a)	I do not consider it safe to file my tax returns online					
b)	I do not consider it secure to give out my bank account details over a computer					
c)	I do not believe it safe to perform tax transactions on an online system without confirmation by a tax officer.					
d)	I do not consider it safe to do tax enquiries about my business online					

Do you think its secure providing your personal information on iTax? Support your answer…………………………………………………………………………………………

……………………………………………………………………………………………………

……………………………………………………………………………………………………

SECTION C: ATTITUDE TOWARDS TECHNOLOGY ADOPTION

This subsection is concerned with understanding the attitude towards iTax system. Use the following Likert Scale; Strongly Agree=5 Agree=4 Neutral= 3 Disagree=2 Strongly Disagree=1

Please tick in the box which best describes your agreement or disagreement with the statement

No	Statement	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
a)	Using the online system is a good idea					
b)	The online system is easy to learn					
c)	I feel that the online system has made it easy for me to file my returns and pay taxes					
d)	The idea of submitting my tax return online makes me uncomfortable.					

e) In comparison to the manual system of tax registration and submission of tax returns, do you find iTax as a better option to file returns? Explain

……………………………………………………………………………………………

……………………………………………………………………………………………

…………………………………………………………………………………............

SECTION E: SYSTEM COVERAGE

This subsection is concerned with understanding the reliability of the iTax system. Use the following Likert Scale; Strongly Agree=5 Agree=4 Neutral= 3 Disagree=2 Strongly Disagree=1

Please tick in the box which best describes your agreement or disagreement with the statement

No	Statement	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
a)	It is expensive to access the iTax system					
b)	Response to iTax enquiries is usually fast and reliable					
c)	I have never missed any filing and payment deadline					
d)	The iTax system is highly affected by power outages.					

Would you describe *iTax* as a system that is user friendly and reliable? Support your answer……………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
....

SECTION E: ACCEPTANCE OF ITAX SYSTEM

This subsection is concerned with rating the acceptance of the iTax system. Use the following Likert Scale; Strongly Agree=5 Agree=4 Neutral= 3 Disagree=2Strongly Disagree=1

Please tick in the box which best describes your agreement or disagreement with the statement

No	Statement	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
a)	iTax system comply with the taxpayers' requirements of ease of use					
b)	I believe adoption of iTax online servicehas enhanced compliance amongst landlords					
c)	ITax greatlysimplifies and facilitates filing of tax returns.					
d)	The iTax online service has increased the number of landlords who file returns online.					

e) Do you think the iTax online service is the best way to file your tax returns?
Why?...
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