

PRINT MEDIA REPORTING OF TAXATION ISSUES IN KENYA

BY

MAXIMILLA ACHIENG' ONYANGO

K50/82144/2012

**A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILLMENT OF THE
REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER OF ARTS IN
COMMUNICATION STUDIES, SCHOOL OF JOURNALISM AND MASS
COMMUNICATION, UNIVERSITY OF NAIROBI**

2014

DECLARATION

This research project is my original work and has not been presented for the award of a degree in any other university.

Signature Date.....

Maximilla Achieng' Onyango

K50/82144/2012

This research project has been submitted for examination with my approval as the University Supervisor.

Signature Date.....

Dr. Hezron Mogambi

M.A Coordinator: School of Journalism and Mass Communication

The University of Nairobi

ACKNOWLEDGEMENT

The completion of this project was an uphill task. The author relied on the cooperation and assistance of many hands. I first thank the Almighty God to have given me strength and seen me through. I acknowledge my Supervisor Dr. Mogambi, M.A. Coordinator School of Journalism, University of Nairobi for his patience, sharp critic and his enabling support.

I would also like to acknowledge the support and encouragement from my loving husband Chris Murunga and my son Haim Shiyonzo, my MA classmates and relatives whose dedication throughout my project work was incredible. May God bless them.

DEDICATION

My study is dedicated to my loving family for their prayers and patience during the entire period. For their encouragement and support towards successful completion of this course. Finally I pay glowing appreciation to my husband Chris for understanding and giving me direction during the entire period.

Thank you and may the Almighty God bless you abundantly.

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LIST OF ABBREVIATIONS

DN – Daily Nation

EARA – East Africa Revenue Authorities

IMF – International Monetary Fund

KRA – Kenya Revenue Authority

SD – Standard

VAT – Value Added Tax

ABSTRACT

Tax education is an essential issue that needs attention for any country working towards National development. The media has a role in educating and creating awareness on policy matters pertaining taxation to the society. In Kenya's mass media system and the editors have legitimate powers to decide on print content and placement. Kenya enjoys a more diverse and liberalized media than any other African country and therefore a good chance in in-depth reporting of taxation. Taxation policies exist in our country but they need to be educated and sensitized to the public. Taxation enjoys placement in the business pullouts and also enjoys personality focus.

The study sought to find out how taxation is reported in the print media in Kenya a case of the Daily Nation and the Standard newspapers. The period taken was June to December 2013; during the budget reading, post budget review and after the 1st revenue quarter. A content analysis of the daily newspapers (Monday to Friday) publications specifically Nation and Standard was done. The population of this study comprised 360 publications within the six months period. Analysis of the findings was done with the help of a code sheet.

From the findings, the study concludes that taxation reporting in the print media is sensational and seasonal. Media houses are primarily profit making organizations. They focus their reporting to news that will sale and hence report taxation prominently when it touches on top government officials. The study recommends that the media as an informational tool should give taxation prominence in their reporting and must play a watch dog role in highlighting government projects that are implemented using the government tax.

CHAPTER ONE

INTRODUCTION TO THE STUDY

1.0 Introduction

This chapter gives an introduction to the study. It examines the background to taxation, taxation in Kenya, problem statement, objectives, research questions, rationale and justification, significance of the study and finally the operational definition of terms.

1.1 Background

Taxation is a means by which governments finance their expenditure by imposing charges on citizens and corporate. Governments use taxation to encourage or discourage certain economic decisions (*Johnsson et al 2004*).

People rely on the media for information, education and entertainment. Journalists play a vital role in the society since the public depends on what is communicated through the media to make decisions. Taxpayer education in Kenya is done through the media and the responsibility is vested on the media to give the public responsible information about taxation.

This study will investigate how the media has been reporting taxation. This will be done by finding out the prominence the media has given taxation, the kind of news articles that the media provides to the public, the frequency taxation is given and the patterns that the media uses to highlight taxation. The researcher will study the sources of taxation articles to the public and to find out whether the body that has the mandate to educate the public about taxation does it.

1.2 Taxation in Kenya

Taxation in Kenya began with the arrival of the Portuguese. The Portuguese arrived at the Kenyan coast and took over from the Arabs. They recorded a treaty which involved a form of taxation in 1502. The Sultan Ibrahim of Malindi was held hostage and accepted defeat during negotiation on Vasco da Gamma's boats. The Portuguese violence led to a complete failure to use equity in the creation and levy of taxes and this led to riots. These led to civil disobedience and wide spread cases of tax evasion and avoidance. (The *Kenya Law Review Oct 2012*)

At the end of the Arab and Portuguese rule at the coast, the British came in and inherited a capitation tax payable per head of slave exported and customs revenue shared equally between the Arabs and Portuguese. The tax base was, however, limited to traders only.

The British colonial tax policy developed on grounds that Britain needed to support its own economy by creating foreign markets and sources of raw materials for its industries, hence obtain maximum gains with minimum input. The British taxes included; Hut and Poll Tax: The 1901 Hut Tax Regulation imposed a tax of one rupee, payable in kind or through labour, upon every native hut in British East Africa. Land Tax: The levying of a graduated land tax on individual holdings was introduced by the British as a sound basis for land policy in East Africa. The protectorate government in East Africa argued in early 1908 for preserving the means of obtaining some share of any future appreciation in the value of the land, particularly because much of the land acquired by settlers was not being developed. Graduated Personal Tax: The Graduated Personal Tax was introduced in 1933. The Act was modeled on the Colonial Income Tax Ordinance which itself was a 'simplified synthesis' of the United Kingdom Income Tax Act of 1920.

This tax was applied for the first time in 1934 at rates graduated according to the taxpayer's income with certain amendments. Income tax: It was first introduced in Kenya in 1921, in 1954; the rates of personal income tax were set at Kshs. 20 for anyone earning less than £60, for earnings between £ 60- 120 charges of Kshs. 40 and for earnings over £120 a charge of Kshs. 60.

As Kenya gained independence, taxation was formulated by Acts of parliament and these acts offer guidelines of how the taxes should be administered.

1.3 Objectives

1.3.1 General objective

The overall objective of this study is to find out the print media reporting of taxation issues in Kenya.

1.3.2 Specific objectives

- 1) To find out the taxation issues that are reported by the print media in Kenya.
- 2) To find out the frequency of reporting of taxation issues in the print media in Kenya.
- 3) To establish the prominence given to stories on taxation by the print media in Kenya.

1.4 Research questions

The overall research question of this study is; how has the print media reported taxation issues in Kenya?

1.4.1 Specific Research questions

- 1) What are the taxation issues that are commonly reported by the print media in Kenya?
- 2) What is the frequency of reporting of the taxation issues in the print media in Kenya?
- 3) What prominence is given to taxation issues in the print media in Kenya?

1.5 Statement of the problem

The media play an important role of educating the public about taxation in Kenya. However, for a long time, the KRA has accused the print media of either poor or unfair coverage of tax-related issues. More often than not, the KRA has ended up reprimanding the media over what it perceives as bad coverage or unfair criticism. Despite these accusations, there have been no deliberate academic researches that can show the trends of the coverage. This study seeks to fill this research gap by investigating how the print media reports about taxation issues in Kenya through the eyes of two of the country's largest print media, *Nation* and *Standard*. It will identify the prominence that taxation is given in the media apart from the patterns of media reporting of taxation issues.

1.6 Justification

This study is therefore important in the sense that it helps bring out the issues the media cover regarding tax and how they cover them. Findings of this study can guide the KRA on its planning regarding how to frame the tax issues for them to get adequate coverage. It will also help the media to know areas where they have been putting more emphasis in reporting, the tone of their reporting and how they can make their coverage better.

The study can be helpful because policy makers and the taxman will be able to evaluate how the print media reports taxation. This study will also help the media to analyze their reporting trends in taxation. Being the leading print media in Kenya, it is important to understand how the media reports and educates the public on important taxation issues.

1.7 Scope and Limitations of the Study

The scope of this study is limited to the *Nation* and the *Standard* newspapers and its reporting of taxation issues providing news and information to taxpayers. Thus the study focuses on how the *Nation* and the *Standard* newspapers reported on taxation issues for a period of six months. The study will focus on the *Nation* and the *Standard* newspapers for a period of six months. It will not analyse other newspapers which are published over the weekends by the same companies but only the week day newspaper (Monday to Friday papers).

1.8. Operational Definition of Terms

Tax	Is a compulsory contribution to state revenue, levied by the government on workers' income and business profits or added to the cost of some goods and services.
Print media	Print media refers to forms of media that disseminates printed material, they include newspapers and magazines. In this research, print media means the <i>Daily Nation</i> and the <i>Standard</i> Newspaper.
Story	Is a narrative or tale of real or fictitious events. In this research a story means the news items published in the <i>Daily Nation</i> and <i>Standard</i> .
Tone	Is the general character or attitude towards an audience in a piece of writing or a situation.
Data	Data is a collection of facts, such as values or measurements. It can be numbers, words, measurements, observations or even just descriptions of things.
Sample	A sample is a subset of a population that is used to represent the entire group as a whole.
Act of parliament	Is a law passed by Parliament

CHAPTER TWO

LITERATURE REVIEW AND THEORETICAL FRAMEWORK

2.0 Introduction

This chapter gives an analysis of literature which deals with taxation and the media on one hand and the other hand, the theoretical foundations for the study.

2.1 Media and Public Education

The media in Kenya has various roles it plays. These are surveillance role, Information role, education and entertainment role. For example the media provides information for jobs, vocational information and consumer information. The media provides sufficient access to citizens' access to communication systems.

At independence in 1963, Kenyan leaders were determined that the gained political independence would help them map out their destiny and this would be done by having a free press (Odero 2000). This made the circulation of the existing papers at that time; the *Nation* and the *Standard* to widen since many people wanted to know and get information about the independent Kenya. The mass media can be utilized to create a sense of national identity and foster attitude favourable to modernization. Schramm (1964) discussed ways of how the mass media can foster attitudes geared towards national development. That these attitudes can be used to fulfill goals of campaigns such as political ideologies, family planning, diseases control nutrition and agricultural development. Schramm argued that through development support

communication the mode of communication chosen will support the development goals of a given nation.

The mass media provides an entertainment role to the public; this is also called the diversion function of the media because it moves people from the real world. Entertainment role is in three categories i.e. stimulation, relaxation and release. This provides soothing and meditating after a tired day and releasing the day's tension, anger and hostilities. Entertainment has always been part of the society and increasing so in a society that people have greater amounts of leisure time. Mass media promotes culture in the society. This is the socialization role. It transmits values within a society especially the modeling of appropriate behavior and attitude. The media provides images of society within which viewers, readers and listeners can learn and adopt. This helps create a stable society that has common social values. This role also gives people a topic for discussion, the media sets the agenda for the day i.e. the topic for discussion now is the ODM elections that aborted.

The media also plays a surveillance role. Surveillance role refers to the news media providing information about pending threats such as floods, military attacks, terrorism, disease break outs and depressed economic condition. Surveillance can also be instrument. This is the role that the media in surveillance provides information about news products, entertainment guides and stock market.

The media also provides the interpretation role to the public. This refers to the provision of context for news information to give it new meaning. For example the print media does this through the opinion and editorial pages.

Education is also a role that the media fundamentally plays to the public. This is done through running programmes that help people gain knowledge, for example running test papers for school children, Television shows like 'Know zone' that passes knowledge to the lower primary school children and Television exchange programmes for the University students.

2.2 Types of Taxes

There are two types of taxes that the Kenyan Government administers. These are Income Tax and Value Added Tax which are formulated by an Act of parliament. The taxes are levied on Income, services and some goods (*Kenya Revenue Authority 2010*).

2.2.1 Income Tax

Taxation of Income in Kenya is governed by the provisions of the Income Tax Act (Cap. 470), which became effective on 1st January 1974.

Income Tax is a direct tax on income and is charged for each year of income upon all the income of a person, whether resident or non-resident, which accrued in or was derived from Kenya (*Kenya Revenue Authority 2010*). There are various types of Income chargeable on Tax. These are; Business Income from any trade or profession, Income from employment or from services

rendered, Rent Income, Pensions Income and Investment Income - dividends and interest among others.

There is also the Income from Business. This is the income where a business is carried on partly within and partly outside Kenya by a resident person, the whole of the gains or profits from that business shall be deemed to have accrued in or to have been derived from Kenya.

Another type of Income Tax is the Income from Employment. This is the amount paid to a Resident person in respect of any employment or services rendered by him in Kenya or outside Kenya; or an amount paid to a Non Resident person in respect of employment or services rendered to an employer who is resident in Kenya or the permanent establishment in Kenya of an employer who is not so resident shall be deemed to have accrued in or to have been derived from Kenya (*Kenya Revenue Authority 2010*).

2.2.2 Value Added Tax

Value Added Tax (VAT) is a consumer tax levied on taxable goods and taxable services supplied in Kenya and or imported into Kenya. The tax is paid by the end consumer and is collected at designated points by VAT registered persons who act as the agents of the Government. VAT on imported services is paid by the importer (*Kenya Revenue Authority 2010*). The VAT Law is contained in Value Added Tax Act Cap 476 Laws of Kenya and the regulations stemming from it.

2.2.3 How VAT works

The VAT works under the Input/ Output Tax system. Input tax refers to VAT charged on purchases of taxable goods and taxable services incurred in furtherance of taxable supplies.

Output tax refers to the VAT charged on the sales of taxable goods or taxable services rendered.

Tax payable is the difference between the Output tax and the Input tax.

Tax Payable = Output Tax – Input Tax

2.2.4 Who taxes?

The appointed agent of the government of Kenya to collect tax on behalf of the government is Kenya Revenue Authority. Kenya Revenue Authority (KRA) is a government parastatal which was established by an Act of Parliament, of the laws of Kenya, and became effective on 1st July 1995(*Kenya Revenue Authority 2010*).. The Authority is charged with the responsibility of collecting revenue on behalf of the Government of Kenya. A Board of Directors, consisting of both public and private sector experts, makes policy decisions to be implemented by KRA Management. The Chief Executive of the Authority is the Commissioner General who is appointed by the Minister for Cabinet Secretary for the National Treasury.

2.2.5 Mandate of KRA

Kenya Revenue Authority is charged with the Mandate of Assessing, Collecting, Administrating and Enforcement of laws relating to revenue. KRA also accounts for all revenues in accordance with the written laws and the specified provisions of the written laws and to perform such other functions in relation to revenue as the Cabinet Secretary may direct (*Kenya Revenue Authority 2010*).

2.3 Taxation Theory

Taxation is the largest source of revenue in Kenya (*Kenya Revenue Authority 2010*). Revenue is collected from various sources to provide public services and to finance transfer payments.

There are several theories that exist in taxation in public economics (*IMF FAD 2001*).

Governments at all levels (national and county) need to raise revenue from a variety of sources to finance public-sector expenditures. Taxation is guided by two principles; who will benefit, and who can pay (*IMF FAD 2001*).

Under the benefit theory, tax levels are automatically determined; because taxpayers pay proportionately for the government benefits they receive (*IMF FAD 2001*). In other words, the individuals who benefit the most from public services pay the most taxes. In analyzing the benefit approach the Priming theory and media will be used in this research.

2.3.1 Priming Theory

The priming theory states that media images stimulate related thoughts in the minds of the audience. (*Iyenger et al 1987*). For example, if a person were to see a character play a trick that inflicts pain or injury on another character, without permanent consequences, it could make that person more likely to repeat the violent action in real life.

This theory is grounded in cognitive psychology, that media priming is derived from the associative network model of human memory, in which an idea or concept is stored as a node in the network and is related to other ideas or concepts by semantic paths. Priming refers to the

activation of a node in this network, which may serve as a filter, an interpretive frame, or a premise for further information processing or judgment formation (Jacobs et al 1994).

Priming is the process by which "mass media can shape the considerations that people take into account when making judgments about political candidates (Jacobs & Shapiro 2000), economic status or any other issue in daily life. Priming is therefore something that can occur over a period of time after exposure to a given media segment.

In using this theory the researcher determined the trends of the public after print media education. This determined the levels of voluntary taxpaying, education will also increase the revenue base and it will determine the economic growth of the Nation.

The researcher analysed the newspaper articles and make a conclusion using the priming theory to understand the behaviour of the audience towards taxation and taxation issues. The researcher therefore made conclusion after getting the findings of the study made from the *Daily Nation* and the *Standard* newspapers based on the collected data.

This findings will help the tax collector to know how the media has helped in tax collection and how the media has contributed to taxpayer education , it will also help the media itself to know the role it plays in building the nation and areas that the media needs to give emphasis and it will give the Policy makers a clear picture of the role of the media in tax collection and probably prompt their mind on how to partner with the media for purposes of the national economic growth and cohesiveness.

CHAPTER THREE

METHODOLOGY

3.0 Overview

This chapter covers the research methodology method used to conduct the research. It discusses the population, sampling and sampling methods and the nature of data for this study. Besides, it gives an outline of the data analysis and presentation method that were utilised under this study.

3.1 Research Design

This is a content analysis study design that will involve a comparative study of how the print media in Kenya cover taxation issues. Although there are five nationally circulating newspapers, *Nation, Standard, People, Star and Business Daily*, this research only picked out *Nation* and *Standard* newspapers. The key reason behind this was that the two newspapers are the largest circulating in the country (CBC 2008). As mentioned in Chapter Two the two newspapers are also the oldest in the country and have (see Figure 1 in Chapter Two).

Data for this study will be collected through content analysis of the articles published in the two newspapers before drawing the findings of the research.

3.2 Population and Sampling

Population encompasses the total collection of all units of analysis about which the researcher wishes to make specific conclusions (Moyo, 2013). It is also defined as the full set of cases from which a sample is taken, a group of potential participants to whom the researcher wants to

generalize results of a study. In this research, the population entailed the entire *Nation* and the *Standard* newspaper articles for the period of six months (between June to December 2013) that were on taxation. Articles covered during the weekend newspapers were not part of the population. The sampling frame will thus be the listing of all the articles on taxation that will be collected from the newspapers. The units of analysis were the individual articles that will be obtained as part of the population.

3.2.1 Sampling

This study utilised Purposive sampling. Purposive sampling is a non-representative subset of some larger population, and is constructed to serve a very specific need or purpose (source). In this study, for example, the researcher had a specific group of items to study in mind, that is, the *Daily Nation* and the *Standard* newspaper articles on taxation. In purposive sampling the researcher zeroed in on a specific group, which is considered appropriate to provide relevant data. Purposive sampling demands that a researcher should think critically about the parameters of the population and choose a sample case carefully. It involves choosing a case because it illustrates features in which the researcher is interested in.

The population in this research will be the total number of taxation articles contained in the 360 newspapers that were published within the week days of the period of this study. These are the daily newspapers that were published between June to December 2013. The reasoning behind the dates arose from the fact that the financial period for the year starts in June when the Cabinet Secretary presents the Budget before Parliament. It is around this period running into December that the activities around taxation measures, a major component of government revenue are

discussed. The six months were also considered adequate to provide a good sample so that the researcher can obtain varied data that can provide a variety of information upon analysis. Articles about taxation will be sampled out from these papers to form the units of analysis.

3.3 Data Collection Instruments

This study utilized two types of data collection instruments that provided both primary and secondary data:

3.3.1 Documents

One strong advantage of documents as a source of data in qualitative research is that they enhance the credibility of the study, which is an important aspect of trustworthiness (Jwan & Ong'ondo). In the case of my study, choosing to select taxation news stories from *Nation* and *Standard*, two of Kenya's most highly circulating newspapers were certainly helpful in boosting the credibility of this research as well.

Documents, referring to the stories of the two newspapers, formed the main primary data for this study. Therefore, the data from this strategy was mainly qualitative/descriptive in nature. The data was collected and captured using a code sheet (see Appendix 1).

3.3.2 Interview

Another data generation strategy the researcher used in this study was face-to-face structured interview with the head of Marketing and Communications at the KRA, the Business editors for the *Daily Nation* and the *Standard*. The interviews contained only four open ended questions to help gather detailed response from the head of Communication. In doing this, I borrowed from

Conners (2007) who, in carrying out a study, found out those conducting interviews helped ascertain further insights into the documents under study.

The researcher deliberately decided to conduct the interviews after she had selected, categorised and analysed stories for this study. The aim for this was to ensure that the perspectives of the stories did not influence the analysis. Conducting the interviews after the analysis was ideal since the officials were not meant to influence interpretation during the analysis. The interviews only helped to provide additional insights into the study besides acting as a source of internal validity. The research instrument for generating data for this is shown in Appendix 2.

The personal interviews provided an opportunity for an interpersonal role situation in which the interviewer asked the respondents questions designed to elicit answers pertinent to the research to help provide a context during the analysis. In qualitative research, semi-structured interviews allow for deeper exploration of responses by participants. According to Franfort-Nachmias and Nachmias (1996), this type of data collection has key advantages, including the flexibility in the questioning process since questions can range from highly structured to non-structured. The interviewer had a chance to clarify responses and probe for additional information. After the interview, responses from tape recorders were immediately transcribed and captured in a tabular format to pave the way for analysis.

3.4 Data Analysis and presentation

3.4.1 Data analysis

There are several methods of analyzing data in a research. In this research the researcher will analyse the data by thematic analysis. Thematic analysis is the search for themes of relevance to the research topic under which large amounts of data from different sources such as observations, interviews and documents can be organized Hamersley et al (2001). Clarke and Braun (2006) say that thematic analysis is a method for identifying, analyzing and reporting patterns within data. It describes data in detail and interprets various aspects of the research topic.

The study analysed the newspaper articles that touched on taxation for the specified period (June to December 2013). The following points of analysis were utilized;

3.4.2 Categories of Data Analysis

- 1) Story Placement – Front page, inside or Back.
- 2) Size of the story
- 3) Source of the articles - KRA, National Treasury, and NGO
- 4) Type – News, Feature, Special Report
- 5) Prominence – Lead, Second Lead, Filler
- 6) Main event – KRA organized event, National Treasury, World Bank event
- 7) Main actor – Main focal point/person of the story e.g KRA Commissioner General, Cabinet Secretary of National Treasury or President.

All the articles were pieced together to form the research data that the researcher used to build a valid argument in the data presentation and conclusion. The researcher analysed news stories

reported about taxation only. The researcher did not analyse opinions, supplements, adverts, pictorials, editorials or letters to the editor.

3.5 Data Presentation

In this research the data was presented by both qualitative and quantitative methods including tabulations, frequency tables and charts.

3.5.1 Narrative and Graphs

The researcher presented the data in a narrative or textual form that composed of a summary of the findings. It also has direct quotations of how some of the taxation articles have been reported in the two newspapers. The presentation will also have the implication of the study and how the media brought out taxation.

The researcher also presented the research through bar graphs and pie charts. The graphs and pie charts presented a clear and organised data of how the print media in particular the *Daily Nation* and the *Standard* Newspapers reported taxation issues. The graphs and pie charts utilized easy analysis and interpretation of the data.

3.5.2 Categorization and Generation of Themes

The researcher classified the data in various forms. The data was presented in various forms of categories, depending on the selected themes. The researcher read through the content of the news stories and formed themes for the stories according to the information provided in the content, for example if the story is about smuggling of goods into to the country or diverting

transit goods back to the country, then the theme for the story was Tax evasion because the ultimate goal for smuggling goods or diverting transit goods back to the country is to evade paying taxes and if the story content will be about citizens complaining of taxation on common goods like Unga, milk, bread, the theme for the story was taxation on commodities. The themes were then categorized according to the newspaper in which the article appeared thus *Standard (SD)* or *Daily Nation (DN)*.

After the researcher had identified the themes of the news stories and the newspaper in which the story appeared, the data was then classified according to the date which the story was published. This will make it easy for the users of this research document to locate the news story in case anybody wants to refer to it. For example if the story appeared in the *Daily Nation* on tenth of July the cord will appear as (DN10).

The date identification was then followed by the identification of the month in which the news story appeared. The months will be identified within the six months period of the research; for example June, August or October coded as 06, 08 or 10 for example if the story appeared in the *Daily Nation* on tenth of August, the cord will appear as(DN1008).

After the researcher has read through the news stories and generated themes as found in the content; the themes were coded in the alphabet letters from A to the last letter of which the themes ended; for example if the theme Tax evasion was the first to appear on the table of themes, the cord letter for the theme was **A** because letter **A** is the first letter of the alphabet for

example if a news story appeared in the *Daily Nation* on tenth of August and the theme is tax evasion, the coding for news story was (DN1008A).

Table 3.1 Below shows how the researcher categorized the stories in this research.

Newspaper	Daily Nation (DN)	Standard (SD)
Date	01, 25, 19, 05	01, 25, 19, 05
Month	06, 08, 10,11	06,08,10,11
Theme	Tax evasion, Tax refund, Tax clearance A, B, C, D, E	Tax evasion, Tax refund, Tax clearance A, B, C, D, E

Table 3.1 shows the categorization and coding of the news stories in the two newspapers

These coding and classifying according to date and month will help the readers of this research document to locate the stories within the research period without difficulties. The coding will give a clear picture and location of where the stories are; what the stories are about; when the stories appeared and in what newspaper the stories are found.

CHAPTER FOUR

DATA ANALYSIS AND INTERPRETATION

4.0 Introduction

This chapter presents the data that was collected using the methodology described in the previous section. The data were then analysed and presented and interpreted using statistical means accepted in research. The analysis was based on the seven main points of analysis as stipulated in Chapter Three of this research.

4.1 Frequency of Taxation Issues Reported in the Print Media

In this section, the study sought to establish the number of articles covered by each medium each month. Here, the researcher flipped through every page of each issue of the newspaper to document the appearance of stories on tax in any of the sections. These were then photocopied and documented.

The articles collected were grouped separately based on each month and isolated for each of the two newspapers. Findings obtained from this exercise were classified and tabulated into a frequency table (Table 4.1).

Table 4.1: Frequency of coverage of taxation issues per newspaper (June – December 2013)

MONTH	DN	SSD
June	18	24
July	21	26
August	2	2
September	17	20
October	8	16
November	5	18
December	5	4
Total	76	110

Source: Researcher 2014

From Table 4.1 above, it can be observed that the *Standard* covered issues of taxation more frequently than the *Nation* during the period covered by the study. During the research period, the *Standard* published 110 stories while the *Nation* covered 76 stories. The likely reason for this variance could have been the fact that Kenya Revenue Authority (KRA) was, at the time in a bad relation with the *Nation*, these was established in an interview with the head of Marketing and Communication at the Kenya Revenue Authority Mr. Ezekiel Maru. Mr. Maru confirmed that he had a directive from the Commissioner General instructing him not to engage the *Nation* media Group on any business related activities with the media house at the period of the research.

At the time, KRA had censored the *Daily Nation* accusing the newspaper of consistent negative coverage and denying it coverage. This was confirmed in an interview with the Business editor for the *Daily Nation* Mr. Wachira Kangaru. Mr. Kangaru said that it was normal for an organization to censor a media house. He said that KRA censors media houses upon any publicity they consider negative and this affects the coverage of that media house towards taxation. The *Standard* at that time was in cordial relationship with KRA as it was confirmed by the Business editor for the *Standard* newspaper Mr. Hussein Mohamed in an interview with the researcher. KRA had given the *Daily Nation* a black out in media coverage due to the negative publicity that the *Daily Nation* had been giving taxation.

According to Table 4.1, June and July recorded the highest print media coverage on tax-related issues. The *Nation* published 18 stories in June and 21 stories in July. On its part, the *Standard* published 24 stories in June and 26 in July. Overall, July had the highest number of tax-related stories in both papers. These could be because, as noted earlier, there is a lot of focus on the budget in the month of June. During the period, there is a lot of focus on the following financial year's estimates and the whole country is keen to see how the Exchequer plans to spend on all sectors of the economy. At the time, citizens are keen to see if common taxation measures for the new financial year could have an effect on commodity prices. Additionally, July records a high number of stories most likely because of the post budget review. This is usually the time the new budget is reviewed sparking interest from various groups who come up to analyse the budget in the interest of the citizens. During the interview with the Business editors, they confirmed that this is one area and season when tax related issues interest the media since the

public is interested with the budget and post budget reviews so that they get to know what areas of the budget will affect them.

It can also be observed that August had the lowest print media coverage of taxation issues. The *Nation* had two stories, the same as for the *Standard*. This is most likely because the government's financial year would just have begun, meaning that work plans in various departments are being put in place while budget votes are being loaded with the budgeted funds. Usually, little is done in most government offices and KRA is not an exception. This was confirmed by Mr. Maru in his interview. He said that at this time, nothing much happens since the financial votes normally have no funds and the funds are loaded during this month. It therefore makes government departments process their in house requirements in readiness to operation.

As can be observed, September recorded a high number of taxation reporting coming third after June. The *Nation* had 17 stories while the *Standard* had 20 stories. The KRA holds September as the end of the first revenue quarter. This is the month that KRA announces revenue performance for the first quarter and this could explain why there were a high number of tax-related stories in the dailies.

Table 4.1 shows that October was relatively active in coverage of taxation issues. During the month, *Nation* published eight stories while the *Standard* had 16 stories. The relatively high numbers of stories were a confirmation that so many activities are usually carried out in the month of October at the KRA. October is also the month within which the East African Revenue

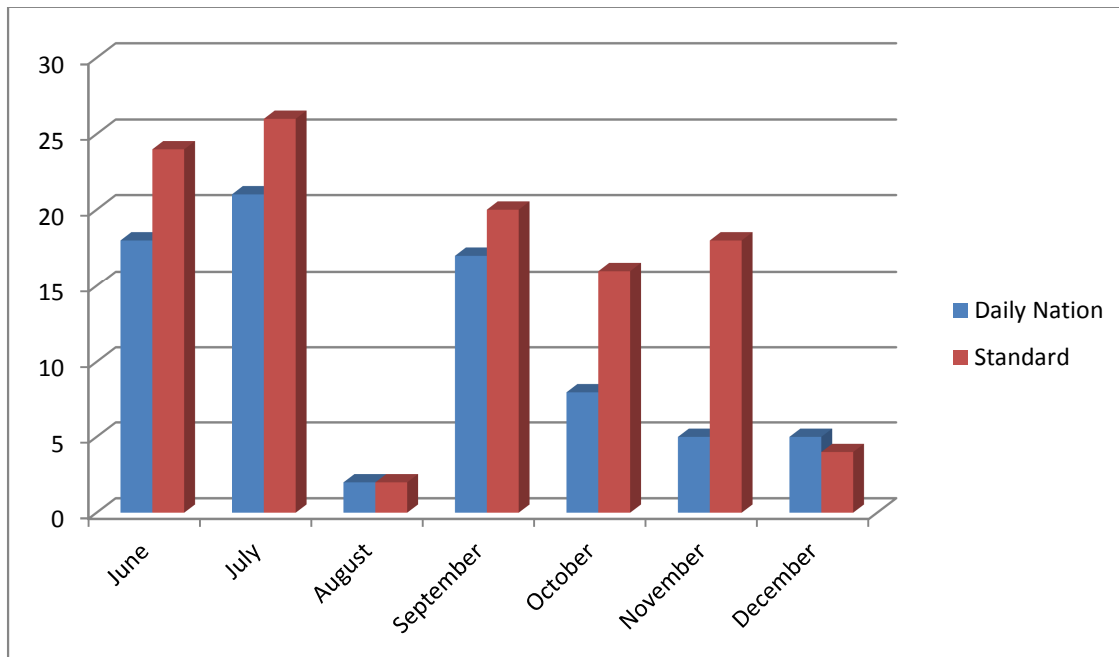
Authorities meet to deliberate on various taxation issues within the East African region. This research took place on the year and period when the East African Revenue Authorities meeting was held in Kenya, this was elaborated by Mr. Maru in his interview with the researcher. Mr. Maru explained that East Africa Revenue Authorities meet yearly to deliberate on matters related to taxation in the region and this could have been the reason why the two newspapers was relatively active in covering taxation.

Reporting on taxation issues was low in November for the *Nation* but high in the *Standard*. The *Nation* had five stories while the *Standard* had 18 stories. There was no clear explanation of the disparity.

December was the second lowest month of taxation reporting in the entire period of research. The *Nation* had five stories while the *Standard* had four. It should be noted that December is a short month in the calendar of most companies. The month has several holidays and organisations close for the festive season for a week or so thus affecting taxation. This could explain why there are fewer stories on taxation. In the interview with the business editors they confirmed that despite the holidays, there are areas which interest the public a lot during this time as opposed to taxation. That the media sometimes deliberately ignore tax related functions during this season.

Based on the frequency table, the study sought to present a graphical image of how frequency of tax stories varied from month to month. Results of the comparisons are presented in bar graph 4.1.

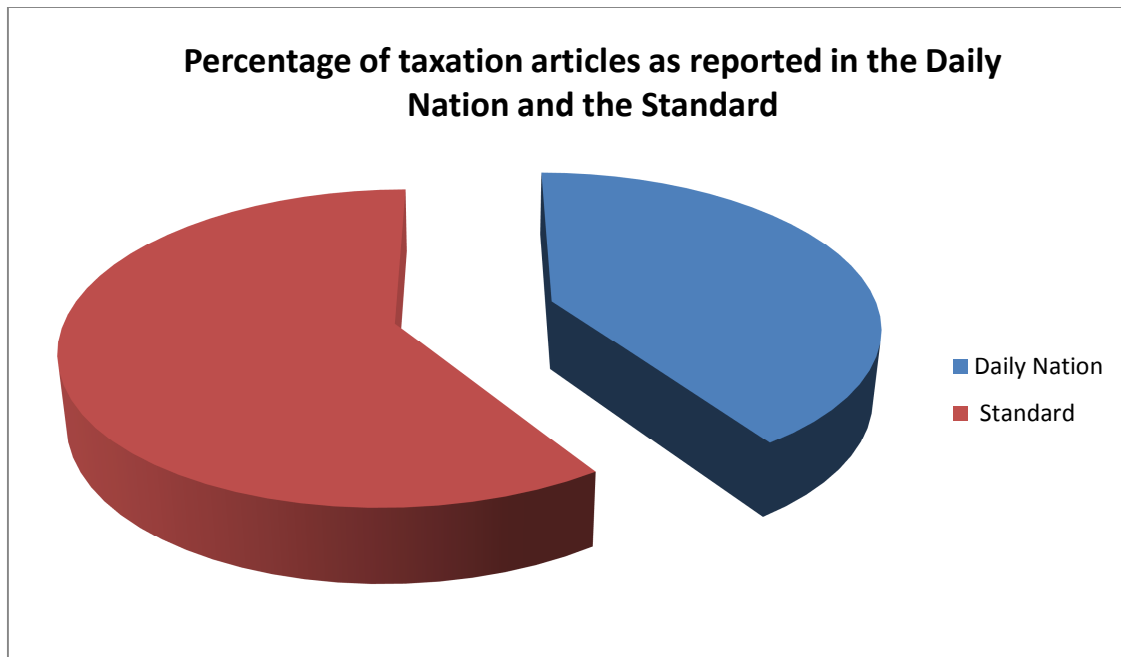
Fig. 4.1: Analysis of frequency of taxation reporting for *Nation* and *Standard*



Source: Researcher 2014

This study went further to establish how each of the two newspapers contributed to the total share (186) of articles published between them during the period, before representing them as shown in Figure 4.1. Figure 4.1 shows that the *Nation* had **40.98% (76)** of articles reported about taxation while the *Standard* had **59.02% (110)** of articles reported about taxation.

Fig 4.2: Percentage composition of taxation in the Nation and the Standard



Source: Researcher 2014

4.2 Thematic Presentation

After analysing the frequency of taxation stories in both the *Nation* and the *Standard*, the researcher grouped the articles according to the relevant themes. It should be noted that the themes were not conceptualized earlier but were allowed to emerge from the data that was collected (*posteriori*). Jwan and Ong'ondo (2011) observe that the *posteriori* or inductive type of categorization is considered more consistent with qualitative research. Using this approach, the study came up with 14 themes and the frequency of coverage as shown in Table 4.1. Table 4.1: Major themes representing taxation stories and frequency as published in *Nation* and *Standard*

Table 4.2 below shows the thematic representation of taxation stories the Nation and Standard

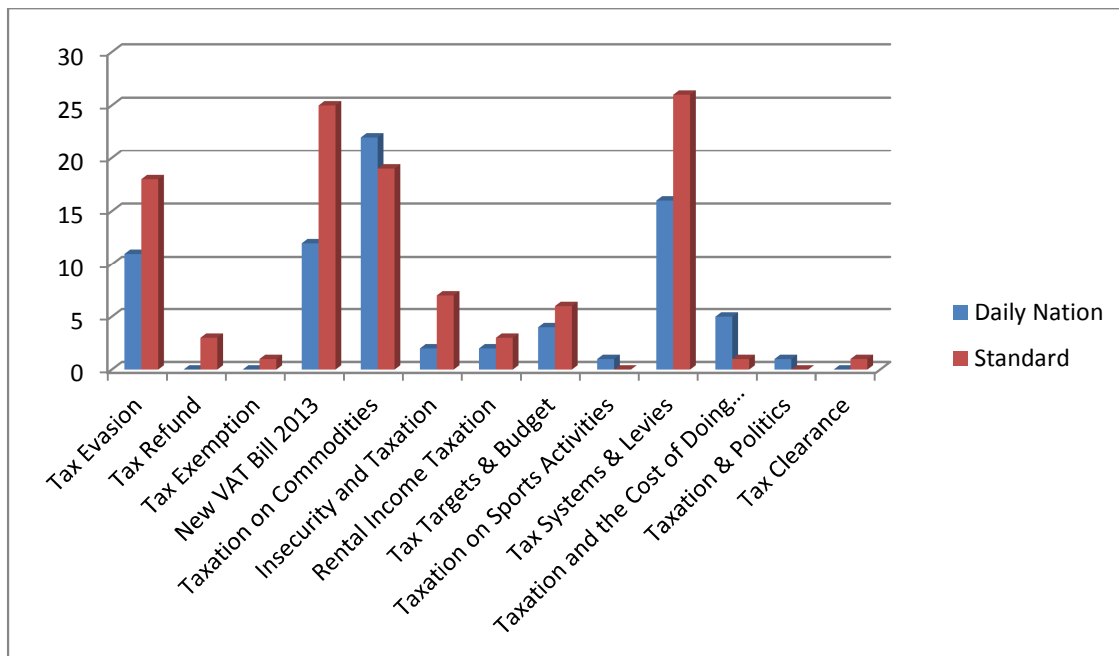
THEME	DN	SD
Tax evasion (A)	11	18
Tax refund (B)	0	3
Tax exemption (C)	0	1
New VAT Bill 2013 (D)	12	25
Taxation on commodities (E)	22	19
Insecurity and Taxation (F)	2	7
Rental Income Taxation (G)	2	3
Tax targets & budget (H)	4	6
Taxation on sports activities (I)	1	0
Tax systems and levies (J)	16	26
Taxation and the cost of doing business (K)	5	1
Taxation and politics (L)	1	0
Tax clearance (M)	0	1

Source: Researcher 2014

It can be observed from Table 4.2 that the two newspapers reported about the various themes on taxation in a markedly different manner. It is also clear from the table that some themes account for more newspaper stories than others. With 26 articles, the theme on tax systems and levies was the most commonly covered followed by the VAT Bill 2013 which produced 25 stories. It should be noted that the Bill was heavily criticized explaining why the theme received much coverage. The specific analysis of each theme was considered necessary to explain details of coverage as shown in the following section.

To show the graphic representation of thematic representation of the coverage, this study came up with Fig 4.3.

Fig. 4.3 Thematic representation of taxation coverage in the *Nation* and *Standard*



Source: Researcher 2014

4.2.1 Thematic Analysis

4.2.1.1 Taxation on Commodities

This theme generated the highest number of stories in both papers during the study period. In total, there were 41 articles published that fell under this theme. Of these, the *Nation* published 22 while the *Standard* had 19 stories during the period of study. These are stories that are derived from news on how the KRA taxes commodities like food items and other commonly used basic items. These items include flour, milk, bread and sanitary towels.

Taxation on commodities stories were published mainly as main heads and second leads. Some, however, formed fillers and briefs in both of the papers. The key striking feature of the stories collected under this section was that the majority were focusing on opposition to the Taxation Bill, 2013, which sought to tax food. As a result, most of the stories were those covering lobby groups and politicians trying to oppose the law. The debates were vicious prompting the government to exclude food prices from taxation as earlier proposed under the Bill.

An example of the stories in this category that which was used as second lead story on page one of the *Nation*, July 2, 2013 (DN0207C), underlined the importance of this story when it announced that the debate was headed to Parliament. Under the headline, “Battle over tax on bread and flour”. From the tone and adjectives used in the article, it is clear that the *Nation* is keen to persuade MPs not to pass the Bill, a clear indication that it is against the proposed law. More than three quarters of the articles on this theme in both *Nation* and *Standard* are opposing the Bill.

4.2.1.2 Tax Evasion

Tax evasion (coded A) was the fourth highest contributor of taxation stories in the two newspapers. The *Nation* had 11 stories on tax evasion while the *Standard* published 18 stories during the period of this research. Some of the stories that were covered under this theme had content on smuggling, lack or half declaration of goods imported, diversion of transit goods, bad record keeping (either intentional or local) and tax ignorance. All these lead to evading payment of tax which usually costs the country a lot of revenue.

Stories about tax evasion were evenly distributed (placed) in all pages of the newspapers. The majority of them were however used as page leads while others were commonly used in the newspapers as cover stories on the business pages. A closer look at the articles gives an impression that the media were biased against people or organizations accused of tax evasion. For example, the *Standard* of December 4, 2013 (SD0412B0) entitled “Pilot sues KRA over impounded aircraft” stops short of stating that the owner of the aircraft was on the wrong.

4.2.1.3 Tax Systems and Levies

This theme generated a high number of stories published in either of the papers. Sixteen stories published in the *Nation* fell into this theme while 26 others fell in the *Standard*. The majority of these stories seemed balanced as they did not appear to be hard-hitting either to KRA or the players in the taxation industry. For example, the *Standard* of June 25, 2013 (SD2506G) attempts to explain the importance of a new clearance system under the headline “Mixed reactions as KRA rolls out cargo clearance system”. From the headline, it is clear that the newspaper was

walking the middle path in its view to present the news on the new system by using the word “mixed reactions” in its main head.

4.2.1.4 The VAT Bill 2013

This study covered the period when the VAT Bill 2013 was introduced in Kenya’s Parliament. Both of the newspapers covered under this study put a lot of emphasis in covering debates and discussions on the proposed law with the aim of creating awareness to readers. For that reason, the theme had the fourth highest number of relevant stories for this study. The *Nation* had 12 stories while the *Standard* had 25 stories during the period of the study. The stories were published in virtually all sections of the papers ranging from news, business and special reports.

The majority of the articles covered by *Nation* appeared to favour the public which was against the Bill becoming law on the grounds it will lead to a rise in commodity prices. For example, the back page of the *Nation* of Monday July 8, 2013 (DN0807D) ran a banner headline “Lobby protests at bid to increase food prices”. The story clearly seems to support the protests by the *Bunge la Mwananchi* group, which essentially is seldom given much coverage on other issues. The fact that the newspaper decided to allocate a prominent space of the page to the lobby group is a clear indication that the newspaper could have been intent on supporting the course to defeat the Bill. The majority of the articles under this theme appeared to favour the public mood with the exception of a few.

However, there are cases where the newspaper carried stories containing views of the government which was pushing the Bill, although the tone of the articles was more neutral. For

example, in the *Nation* of July 2, 2013 carried a story (DN0207A) under the headline “VAT to boost State purse, says Rotich”. It is clear that the headline of the story is not as strong as those that are hard-hitting like was the one published in the *Nation* of July 11, 2013 (DN1107A), which stated: “VAT Bill biased against women, says lobby”.

4.2.1.5 Tax Refund

This theme is one of those that attracted the smallest number of stories during the period of study. The *Nation* had no story during the period of research while the *Standard* had only three stories during the research period. The stories appeared on a variety of pages, although none appeared on the front page.

4.2.1.6 Tax Exemption

The tax exemption theme recorded a small number of stories during the period of study. The *Nation* did not publish any story under this theme while the *Standard* only had one during the period of study. The story appeared on page fifteen of the *Standard* as a lead story. The likely reason for this reporting trend could be due to the low number of tax activities that are carried out targeting this theme.

4.2.1.7 Insecurity and Taxation

Broadly, this theme comprised articles that focused on how security issues were affecting taxation. The *Standard* had seven articles on this theme compared to the *Nation* that had two stories during the period of the study. None of these stories were published on the front page. Most of them were in the inside pages, with some emerging as page leads.

4.2.1.8 Rental Income Taxation

This theme also realised a limited number of stories during the period of study. The *Nation* had two stories while the *Standard* had three. The *Standard* stories appeared on pages three, seven and 12 of the business segment while the *Nation* carried the stories on pages 32 and 34 as lead and filler stories.

4.2.1.9 Tax Targets and Budget

The *Nation* published four articles on this theme while the *Standard* had six stories during the period of study under this theme. In the *Standard*, the stories were evenly distributed during the period and were mainly used as either leads and or second leads on various pages.

One of the biggest stories published on this date, on the *Nation* of June 12 (DN1206), the newspaper brought out the aspect of missed revenue collection targets. The story, covering a presentation by the Cabinet Secretary for Finance Hon. Henry Rotich to Parliament, revealed that KRA was not going to miss the targets. In essence, the story was negative on the KRA showing that the authority was perhaps failing in its work. One could argue that this is just one of those negative stories that newspapers always blow out of proportion as can be seen in the its use as the lead of the newspaper's business pages.

On June 14, the day that followed the budget presentation of in Parliament by the Treasury, the *Nation*'s main head, "Tax and Spend budget" (DN1406N) shows how tax news is given priority in the newspapers given that it has a direct relationship with commodity prices and cost of services.

4.3 Sub themes

4.3.1 Taxation on Sports Activities

During the period of study, this theme generated only one story, a second lead in the *Nation*. The *Standard* did not have any story during the period of study under this theme. The story appeared on page 26 of the *Nation*.

4.3.2 Taxation and Cost of Doing Business

This theme generated one story in the *Standard* and five stories in the *Nation* during the period of the research. The *Standard* story appeared on page two as a lead story. The story “How Kenya exports hundreds of jobs” (SD21006K) was an investigative report that showed the country was spending billions of shillings to import basic products like sugar and wheat yet they can be produced locally. The report therefore seeks to show that the cost of doing business locally is too expensive, perhaps because of a high taxation regime, thus the need to imports goods which ends up being cheaper. In the *Nation*, the stories appeared on inside pages, 36, 29, 7 and two as fillers, lead and second lead.

4.3.3 Taxation and Politics

This theme did not generate much content as reflected by the fact that only one article was published during the period of research. The theme had one story in the *Nation* and none in the *Standard*. The story was published on page 20 of the *Nation* as a lead story on September 20 2013 (DN2020L).

From the story as used as a page lead under the main head, “PIC threatens to deny taxman cash”. The committee argued that KRA had not responded to the auditor general’s queries since 2002 and the authority needed to do so in seven weeks. From the tone of the story, there is evidence that the newspaper was keen to project the negative story over its consequences. The committee had warned that failure by KRA to respond to the audit queries would have led it to be punished through denial of a two per cent administrative fee.

4.3.4 Tax Clearance

During the period of research, this theme generated only one story in the *Standard* while the *Nation* published none. The story was published on page 12 of the *Standard* as second lead.

4.4 Placement of the Articles

4.4.1 Daily Nation

It was generally observed that news articles on the tax targets and budget were mainly published on the front pages (main heads) or as page leads on other sections. Additionally, news articles about the VAT Bill 2013 were widely spread out in the *Nation*, many of them either used as front page items or as page leads in other sections.

News articles about taxation and doing business were also spread out in the *Nation*. These news articles were often placed on inside pages such as seven, 29 and 36. Rental income articles were often placed in the inside pages like 32 and 34, sections that are usually devoted to business. Taxation on commodities also was given prominence as related stories were placed on the front pages, inside business pull outs, and the back pages. News articles about tax evasion were also

placed on various pages of the Nation, mainly in the business section. News articles about Insecurity and its effects on taxation were mostly covered in the middle pages.

4.4.2 The Standard

In the *Standard*, taxation was covered widely. News articles including those on tax exemptions and tax clearance are reported in the inside pages. Taxation targets and the national budget are given prominence on top news pages, including pages 2, 10, 11 and 12.

Tax evasion stories are given the mid pull out of newspapers that focus on business.

4.5 Main Actor

This study identified some of the main actors in the taxation stories as the National Treasury, Office of the President, Kenya Revenue Authority, Audit firms like Deloitte, politicians and Members of Parliament and House committees. Others were Courts, Traffic Police, Tourism industry, property developers, tax agents and other government parastatals. Other actors are blogs and archives, the civil society and lobby groups, publishers and education sector, Parliamentary house diary, Insurances and Saccos '. The study classified the stories according to the main actors to establish those that received the most coverage. Results of this classification were presented in Table 4.3.

Table 4.3: How main actors contributed to taxation stories for the Nation and Standard.

Main Actor	DN	SD
National Treasury	13	10
Presidency	6	5
Parliament/ Politicians	15	15
Kenya Revenue Authority	6	20
Courts	8	5
Tourism industry	2	6
Tax agents	8	3
Civil Society & lobby groups	8	18
Insurance, banks, audit firms and Saccos	2	8
Others (blogs, archives, reader forums, sports e.t.c.)	9	18

Source: Research 2014

The study carried out an analysis of how main actors in the two dailies contributed to taxation reporting during the period of research.

4.5.1 Parliament/Politicians

This was the most popular actor in taxation stories for the two newspapers during the period of study. During the period covered by this study, the *Nation* had 15 stories, the same number as

the *Standard*. Politicians or Parliamentary sessions provide many taxation debates that are reported by the media. In the *Nation*, parliamentary stories were usually placed on front pages, or as lead stories, on page 19, 11 and 26. In the *Standard*, parliamentary stories were published on prominent pages as well, including pages three, 12 and front. The finding is consonant to the fact that most of the stories related to taxation arise from laws passed in Parliament. Since the laws are also passed by Members of Parliament (politicians) they are more likely to speak about them in various forums hence making these to be the dominant actor.

4.5.2 National Treasury

The National Treasury was the second highest actor in the reporting of taxation issues. Thirteen stories in the *Nation* originated from the National Treasury while 10 stories in the *Standard* originated from the area during the period of study. Stories from the National Treasury were mostly placed on pages two, four as 5 usually as leads. There were also cases where the stories were published in the business pages. The *Daily Nation* had the National Treasury stories appearing on inside pages mainly as leads. The National Treasury is ordinarily the ministry where the KRA reports to. It therefore means that, since it is the mother ministry, it is always more likely to comment on taxation issues more than any ministry hence becoming a big source of taxation stories that are covered in the media.

4.5.3 Presidency

This is another actor that generates articles in the daily newspapers although during the period of the study, the actor contributed only six stories in the *Nation* and five stories in the *Standard*. Articles contributed from the Presidency appeared on pages 11 as lead story, page five as a filler

and page 20 as lead in the *Nation*. In the *Standard*, the stories appeared on page one and inside pages. From the analysis, it can be observed that the presidency stories mainly appear as lead or second lead although a few fillers were published.

4.5.4 Kenya Revenue Authority

The KRA is the government agent in tax collection. The Authority releases revenue performance quarterly and also calls for press conferences to announce new developments in revenue collection. During the period of this study, six stories in the *Nation* were published on KRA and 20 stories in the *Standard*. The likely reason for the *Standard* to have many stories over the *Daily Nation* is most likely the relationship between KRA and the *Nation* as at the time of the research. In the *Standard*, all taxation stories that originated from KRA were placed on the inside pages as leads. This was spread out in the months of study. The *Standard* gave KRA prominence during the time of the research since most of the stories were outlined as lead stories.

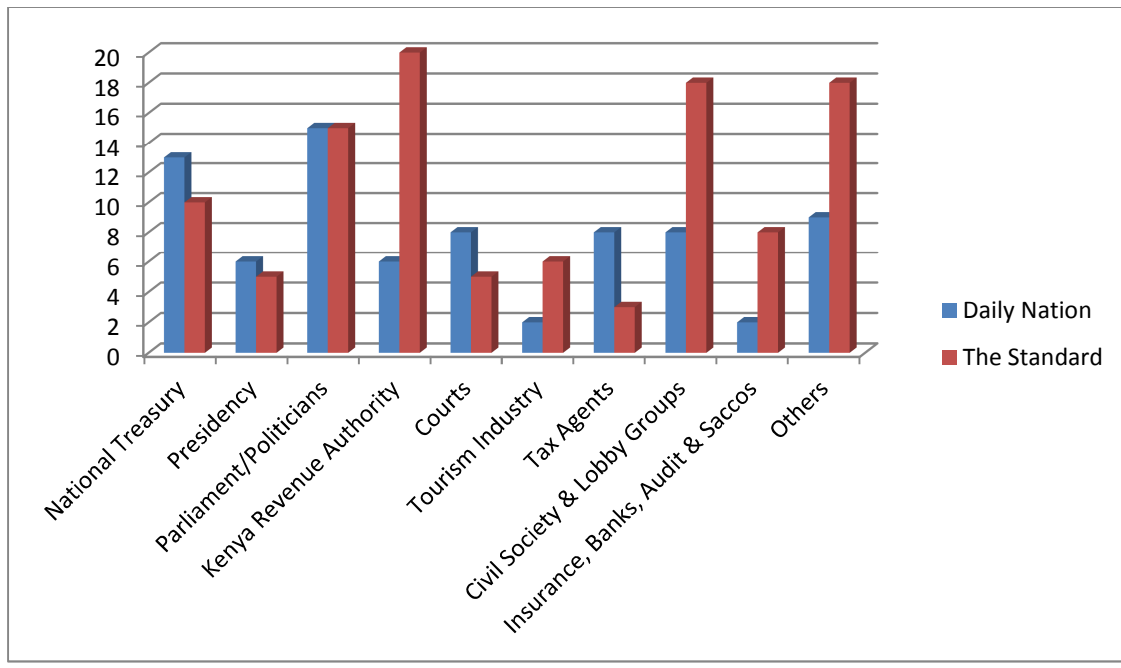
In the *Nation*, KRA stories were placed in the inside pages as a leads. From the analysis, it can be observed that the *Nation* published KRA stories in the mid pages.

4.5.5 Courts

The courts contributed to most of the tax evasion stories. The *Nation* had eight stories while the *Standard* had five stories during the period of research.

The representation of the main actors in terms of taxation reporting was collated and presented in a bar graph as shown in Figure 4.4.

Figure 4.4: Presentation of main actors in taxation reporting in the *Nation* and *Standard*



Source: Researcher 2014

From Figure 4.4, Parliament had a high contribution of taxation articles in overall in both papers. The *Standard* however, showed that KRA was the highest contributor of taxation issues followed by the Civil Society. The National Treasury also had a high number of taxation stories in both the *Nation* and *Standard*.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter gives a summary of the study, the conclusions arising from the analysis and the recommendations based on the objectives of the study. From the analysis and data collected, the following discussions and recommendations were made. These recommendations were based on the objectives of the study. The researcher had intended to find out the taxation issues that are reported in the print media, find out the frequency of reporting of taxation stories and to establish the prominence given to taxation stories, find out key themes reported in the media and offer recommendations that will give direction of how to improve tax education by the print media in Kenya.

5.2 Summary

Reporting of taxation issues by the media is critical not only to educate taxpayers who often complain of lack of adequate information, but also to keep the tax administration focused on the service delivery requirements of the taxpayers and other stakeholders. The results of this study point to a huge desire by the taxpaying public for adequate and timely information on taxation. This is even more desirable given the dynamic nature of taxation. Information relating to taxation changes every time a national budget is read, spelling out new taxation measures for the next fiscal year. The media has a huge civic responsibility to keep taxpayers and other stakeholders abreast of all the developments in taxation and how this will affect them at national and domestic levels.

Provision of relevant, clear and adequate taxation information on a timely basis helps citizens not only to comply with the tax statutes, but also improve their perception and support of the government. In this respect, the media plays a critical role in enhancing patriotism and support for government programmes.

5.2.1 Taxation Articles Reported from June to December

From the findings, the study found out the print media reports taxation albeit sparingly. During the period of research, 360 newspapers were researched and only 186 stories were reported for the period of six months under study focused on taxation reporting. During the month of June and July, much is reported about taxation due to the budget reading and post budget review.

August is a slow month for most government departments since this is the time work plans are being put in place and project votes being loaded with the budgeted funds to facilitate the projects. With the budget funds in place, the study found out that much is reported in the month of September due to the release of the first revenue quarter. 17 articles in the *Daily Nation* and 20 articles in the *Standard* were reported during this month forming 39.9% of the total number of stories 186.

October is a busy month on the taxation calendar. As revealed by the head of Marketing and Communication at KRA, several meetings are held during this month to review, revise and implement both local and regional tax policies. This helps generate high reporting of taxation in the media.

According to Mr. Maru, KRA also celebrates its annual taxpayers' week which generates high publicity throughout the week. October generated 8 stories in the *Nation* and 16 stories in the *Standard*. This is 25% of the total stories studied.

5.2.2 Prominence of Taxation stories

According to the study it appeared that news articles on the taxation were given prominence and considered as prime news articles owing to the placement for both newspapers. Many of them were published on the front pages (main heads) or as page leads on other sections. Other news articles about taxation were widely spread out in the *Nation*, many used either as front page items, inside pages or as page leads in other sections especially areas devoted to business news. As in the *Standard*, taxation was covered widely. News articles about taxation were reported in the inside pages, on top news pages, including pages 2, 10, 11 and 12 as well as the mid pull out of newspapers that focus on business.

On the day that followed the budget presentation in Parliament by the Treasury, the *Nation's* main head, "Tax and Spend budget" (DN1406N) shows how tax news is given priority in the newspapers given that it has a direct relationship with commodity prices and cost of services. This story was on the top page of the *Nation*.

5.2.3 Themes covered

The researcher grouped the articles into main themes and sub themes. The themes are the ones that were reported frequently and given prominence while sub themes had little reporting and not necessarily given prominence but were highlighted to the public.

The study revealed that the key themes that the media covered during the period of the study were mainly Taxation on Commodities forming 44% of the total stories focusing on this. Reporting was mainly on the battle to reduce or oppose the proposals of costs of common food items and essentials with articles such as “Battle over tax on bread and flour”. From the tone used in the article, it is clear that the *Nation* is keen to persuade MPs not to pass the Bill, a clear indication that it is against the proposed law. This was an opposing voice to the then proposed 2013 VAT Bill which if implemented would make the cost of living go up.

Other themes that gained prominence were Tax evasion which contributed to 40.2% of the total articles published during the period of study. Stories about tax evasion were evenly distributed (placed) in all pages of the newspapers. The majority of them were used as page leads while others were used in the newspapers as cover stories on the business pages. A closer look at the articles gives an impression that the media were biased against people or organizations accused of tax evasion. For example, the *Standard* of December 4, 2013 (SD0412B0) entitled “Pilot sues KRA over impounded aircraft” stops short of stating that the owner of the aircraft was on the wrong.

Insecurity and Taxation is one other theme that broadly comprised articles that focused on how security issues were affecting taxation. The *Standard* had seven articles on this theme while the *Nation* that had two stories during the period of the study. These articles were published in the inside pages, with some emerging as page leads.

Some themes attracted a small number of reporting. These are Tax refunds, Tax exemptions, Tax clearance and Politics and Taxation. These were evenly distributed in the two newspapers and had minimum reporting with little said about taxation. They were published in the inside pages as fillers or second lead stories.

Rental Income Taxation and Taxation on sporting activities are the other themes that were reported during the time of study. These themes had little reporting and little was said about them.

5.3 Conclusion

Media is one of the lucrative businesses that tycoons in business venture into. This are run as profit making organizations and that is the reason why the print media go for news that will sell the newspapers. The researcher concluded that taxation reporting in the print media is seasonal even though sensational. The media prefers news that is sensational to increase their sales and make them gain prominence in the market. Taxation is one of the highly sensational news that every Kenyan gives attention. This therefore is the reason why most news touching on the budget and prices of common goods are put on the top page to catch the attention of the readers.

Taxation is reported seasonally. June and July is given a lot of prominence due to the budget release and the post budget review. Citizens are keen during these months in order to be aware of the government changes in the budget. This communicates changes like commodity prices, goods that have been tax waived and any new policies that the government has put in place. During this time, the print media makes profits because their sales increase. August is slow and

little is reported about taxation. The print media therefore concentrate on other news that will generate more attention hence increase their sales.

Controversial news sets the agenda in the public's arena. September is normally controversial for taxation. When the 1st quarter revenue report is released the public and politicians are keen to see the revenue performance. This generates a considerable level of reporting in taxation. The media enjoys reporting news that will develop debates and especially if a government body fails. In taxation, if the authority performs to the target given, the public questions how the taxes have been used and if the authority does not perform the public still questions reasons why this has occurred citing possible reasons why the authority has not performed.

Political orientation of media is reflected in the study. The print media placed stories that had affiliation to the president, the Cabinet Secretary or other top government officials on prominent pages of the newspapers. This appears according to the study that the media in as much as they focus on controversial news, they also focus on personalities to highlight the importance and the magnitude that the story has.

Taxation has able capacity in reporting. It is categorized under the business news and hence devoted business news reporters give it an all round attention. The stories are written by expert journalists who write to inform other than give opinion.

The annual calendar appears to affect taxation reporting as revealed in the study. The annual festivities of the month of December tend to make it quiet for news in taxation. As companies

close early to prepare for the holidays, taxation also go slow hence generates less or no news in reporting. During December, the media houses take the festivities as key and they use this frame to select which information is key and of interest to the public at that the moment. Insecurity is a factor that the world is concentrating on. This interferes with many processes and taxation is not an exemption. This is reported in the entire period as revealed in the study. Insecurity reduces tax collection and causes many people lose jobs, this creates considerable notice for reporting in taxation. The key issues reported according to the study were costs of commodities, tax refunds, tax exemptions, insecurity and taxation, taxation on rental income and politics and taxation. This conclusion clearly shows the argument of the priming theory that information is stored as a node in the network and is related to other ideas by semantic paths.

5.4 Recommendation

The study recommends that the print media as an informational tool should give taxation issues prominence in reporting.

The media should play its watch dog role in highlighting the government projects that are implemented by use of the taxes. This education will promote voluntary compliance.

The media should rely on tax experts to provide reliable and accurate reports in taxation. They should stop relying on lobby groups who would give opinionated reports.

The media habit of focusing on personalities in order to attract public interest should change. The media should stop relying on politicians and instead rely on tax professionals who will provide them with comprehensive information.

The business news unit of the media should train tax experts so as to have in house experts to give accurate reports. The tax journalists will understand and interpret laws and policies related to taxation as opposed to political interpretations. The media should also invest in investigative journalists in realm to taxation. Investing in such interests will generate value added information.

5.5 Suggestion for further research.

A finding of this research reveals that print media coverage of taxation is sensational and seasonal. A similar research on other forms of mass media can be done to establish their performance in flagging of taxation and other tax related issues.

A research can be done to find out the challenges facing media houses in publishing taxation issues.

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APPENDICES

Appendix 1: Code Sheet

Date	Theme	Placement	Prominence	Document Description	Main Message	Target Audience
		Pg 1	Pg1. Lead			
		Pg2	Pg 2. Second Lead			
		Pg 3	Pg 3. Brief			
		Pg 4, others	Pg4.others			

Appendix 2: Interview Questions

Interview guide for the Head of Marketing and Communication at KRA

1. What can well explain the frequency distributions of media reporting of taxations over the six months of this study?
2. What is the likely reason for the variable/disparities of frequency of reporting between the two papers?
3. Why are some themes reported more than others during the period of this study?
4. Did relationship between the media houses and KRA determine the reporting of taxation issues?

Interview guide for the Business editors for the Daily Nation and the Standard.

1. What are the tax issue areas that interest the media most?
2. What are the factors that influence the tax related stories?
3. Are there cases when the media have deliberately decided not to cover KRA functions?