

**EFFECT OF USE OF iTAX ON CORPORATION TAX COMPLIANCE BY
MEDIUM CORPORATE TAXPAYERS IN KENYA**

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DECLARATION

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

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This research project has been submitted for examination with my approval as the university supervisor

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DEDICATION

To my loving mum, Alice Nzili Malonza for ensuring that I went to school despite the fact that she herself, never saw the door of a classroom having been born at a time when education for the girl-child was not considered necessary by her father.

To my dear wife, Vascaline for your unconditional love and support considering the time I commenced my university education when you needed me most.

To my loving children, Jane, James, Eric, Samson and Diana for your encouragement, understanding and acknowledging that education knows no age.

This project is dedicated to you all. May God bless the work of your hands.

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ABBREVIATIONS AND ACRONYMS

DCs:	Developing Countries
ETR:	Electronic Tax Register
ICT:	Information Communication Technology
IRS:	Internal Revenue Services
IT:	Information Technology
ITMS:	Integrated Tax Management System
KNBS:	Kenya National Bureau of Statistics
KRA:	Kenya Revenue Authority
LAC:	Latin America and Caribbean
MIT:	Massachusetts Institute of Technology
PAYE:	Pay As You Earn
PIN:	Personal Identification Number
SPSS	Statistical Package for Social Sciences
TAM:	Technology Acceptance Model
TRA:	Theory of Reason Action

ABSTRACT

*i*Tax is a computer based application system that furnishes a fully-integrated and automated solution for administration of government revenue enhancements. *i*Tax is also used as data bank, monitoring mechanism and control over all taxpayers. *i*Tax is a convenient and efficient way of administering revenue collection because it is a fully integrated modular system. It was introduced in Kenya by Kenya Revenue Authority (KRA) in October 2011, as a system for computing, assessment, collection and accounting for state revenues. It enables the taxpayer to make pin registration online, file returns, make payment booking to allow payments through the bank and also allow the taxpayer to view his/her ledgers concurrently therefore make inquiries and monitor his/her accounts on real time basis. It aims to make taxpayer adherence to KRA regulations easy and remove the cost of visiting KRA offices, enhance tax collection and present taxpayers with a platform that enhances their compliance. This research project aimed to investigate effect of use of *i*Tax on corporation tax compliance by medium corporate taxpayers in Kenya. The study was guided by the following objectives; to determine the relationship between the use of *i*Tax (technology) and corporation tax compliance on medium corporate taxpayers in Kenya and to determine the effect of selected environmental variables on corporation tax compliance by medium corporate taxpayers. The research used a descriptive contrive on medium corporate taxpayers in Kenya. Data collection was done through a structured questionnaire that was dropped or scanned to the taxpayers. The study population was 1507 taxpayers. 75 taxpayers were selected from the population for this study. Data from the field was analyzed in SPSS. The findings showed that use of *i*Tax led to enhanced compliance by medium taxpayers in Kenya. The level of compliance was found to be so high that it calls for further need to investigate why, probably by the use of an interview guide.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

iTax is a computer based application system that furnishes a fully-integrated and automated solution for administration of government revenue enhancements. *iTax* was introduced in Kenya by Kenya Revenue Authority (KRA) in October 2011, as a system for computing, assessment, collection and accounting for state revenues. It is also used as data bank, monitoring mechanism and control over all taxpayers. *iTax* is a convenient and efficient way of administering revenue collection because it is a fully integrated modular system. Despite its introduction, deficits are yet to be eliminated by KRA. (KRA Sixth Corporate Plan 2015/16 – 2017/18).

KRA was formed on 1st July 1995 as a Kenya government agency responsible for tax collection, (KRA Act Cap 469). Since its inception, KRA's revenue collection has continued to grow as a result of various revenue administration reforms from Electronic Tax Register (ETR) in the year 2005, Integrated Tax Management System (ITMS) in the year 2007 and now *iTax* system. Revenue collection in the year 1995/1996 was Kshs. 122 billion, ten years later 2004/2005 it was 274 billion, Waweru, (2006). In the year 2015/2016 the revenue collected was Kshs 1.211 trillion (Business Daily, July 29th 2016, pg 16), after KRA had revamped the existing ITMS to *iTax*.

An *iTax* case study by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, to find out the experience of use of *iTax* in Tanzania and the Philippines found that *iTax* enhances a country's tax collections leading to significant increases of tax revenues, Seelmann, *et al*, (2011).

1.1.1 Use of *iTax*

iTax is a computer based application system that furnishes a fully-integrated and automated solution for administration of government revenue enhancements. *iTax* requires the use of technology (computers and smart phones) to access it. The benefits of an *iTax* system over submitting manual returns to the tax authorities are that the

returns are uploaded directly to the system with negligible possibilities of errors because the system would not allow an upload with an omission or error in any field of the excel form. *iTax* is more advantageous than manual filing due to its secure features, (Ramayah, 2013).

1.1.2 Corporation Tax Compliance

Compliance can be said to encompass efforts to ensure that organizations/individuals abide by both government legislation and industry regulations. Revenue enhancement compliance is an area of concern for all governments and revenue enhancement authorities worldwide, and continues to be an important issue that must be addressed.

The main concern of tax jurisdictions throughout the globe is on how to make tax appraisal systems easy and encourage voluntary compliance. Sarker (2003) defined tax compliance as the extent a taxpayer adheres to his/her country's revenue enhancement regulations. Most tax authorities undertake a mix of processing services, enforcement, litigation, and legislation activities, all aimed at improving taxpayer compliance.

Corporation tax compliance in Kenya involves correct computation of annual tax based on the corporation's income for the year, filing of the information required by tax laws and payment of the due tax quarterly in installments through the *iTax* system. The tax base is the preceding year's tax liability amount plus a ten percent (10%) mark-up or the estimated income for the year, whichever the corporation chooses.

1.1.3 Use of *iTax* and Corporation Tax Compliance

Practice has shown that the old systems of tax administration which involved manual returns and direct contact between the taxpayers and the tax officials resulted in huge tax revenue loss due to corruption and the propensity by the taxpayer to pay less than the due tax. An *iTax* system integrates the processes of tax filing, tax registration and tax payment. *iTax* enables taxpayers to avoid the hassles of visiting the tax offices, wasting time on queues and having direct contact with tax officials.

iTax has made corporation tax compliance simple by ensuring that the annual returns which involve entering substantial data from audited financial statements cannot be submitted with an error as the *iTax* system would not accept the upload and directs the taxpayer to what is wrong with the input record. The taxpayer is able to file

his/her corporation tax, make payment registration on reported tax and prepare payment slip all on *iTax* for submission to the bank for payment in an efficient manner.

In this study, compliance was looked at comprehensively as filing compliance, reporting compliance and payment compliance, quarterly and annually. Filing compliance can be measured through, timely filing, e-return acknowledgement receipt and penalty imposed for non-compliance. Reporting compliance can be measured through the selected tax base by the taxpayer either on preceding year's tax liability or the current year's self assessment estimates. Payment compliance can be measured through payment registration slip based on the reported tax due and bank confirmation receipt.

1.1.4 Medium Corporate Taxpayers in Kenya

KRA records showed that the population of medium taxpayers in the country as at August 2016 was one thousand five hundred and thirty eight (1,538) of which thirty one (31), were individuals who were mainly partners in audit firms, while one thousand five hundred and seven were medium corporate taxpayers. (KRA Website August, 2016). In general, medium corporate taxpayers are considered to be those companies with a turnover of between Kenya Shillings three hundred (300) million and Kenya Shillings seven hundred and fifty (750) million. Medium corporate taxpayers were the target population of this study.

1.1.5 Controlled Independent Variables

In this study, three controlled variables were considered as variables affecting compliance. These were: knowledge for use of *iTax*, KRA system downtime which is the number of times the *iTax* system is unavailable for use by the taxpayer for filing, reporting and payment compliance and KRA/Bank system gateway which is the medium for the banks to remit payments to KRA on behalf of taxpayers.

Power fluctuations may cause breakdowns or downtime of *iTax*. KRA continues to roll out the *iTax* system for all taxpayers to access various tax services online and there is need for training of users of *iTax* in particular in the remote locations of Kenya. Despite the recent technological advancement and the requirement by the Commissioner for Domestic Taxes of KRA for compulsory filing of tax returns on

iTax by taxpayers, the use of technology is now a necessity and its availability to all taxpayers is paramount for compliance and adherence to tax regulations.

National ICT Survey Report of June 2011 by Kenya National Bureau of Statistics (KNBS) showed that the percentage distribution of population with access to computers in the year 2011 was ten percent (10%) males out of a total population of 17 million and eight point two percent (8.2%) females out of total population of 17.5 million, giving a paltry population of those who had access to computers in Kenya. Kenya's skill requirement for e-filing by taxpayers remains a challenge and therefore compliance on *iTax*.

1.2 Research Problem

iTax is a computer based application system that furnishes a fully-integrated and automated solution for administration of government revenue enhancements. It enables the taxpayer to make pin registration online, file returns, make payment booking to allow payments through the bank and also allow the taxpayer to view his/her ledgers concurrently therefore make inquiries and monitor his/her accounts on real time basis. *iTax* being a web-based system requires the use of technology (computers and smart phones) to access it.

The main concern of tax jurisdictions throughout the globe is on how to make tax appraisal systems easy and encourage voluntary compliance. Sarker (2003) defined tax compliance as the extent a taxpayer adheres to his/her country's revenue enhancement regulations. Most tax authorities undertake a mix of processing services, enforcement, litigation, and legislation activities, all aimed at improving taxpayer compliance.

KRA has had several initiatives to improve revenue performance through taxpayers' compliance including the introduction of ETR, ITMS, *iTax* and the latest public notices to file tax returns on *iTax* on a mandatory basis by corporate taxpayers with effect from 15th August 2015 and by individual taxpayers by 30th June 2016. All these initiatives were meant to enhance compliance and therefore revenue performance by KRA. KRA is yet to meet its targets meaning that it has not achieved full compliance.

Practice has shown that the old systems of tax administration which involved manual returns and direct contact between the taxpayers and the tax officials resulted in huge tax revenue loss due to corruption and the propensity for the taxpayer to pay less than the due tax. According to KRA public notice for mandatory filing of returns on iTax by corporate taxpayers with effect from 15th August 2015, corporate taxpayers registered in iTax are expected to enjoy tax services through simple, swift and secure platform. This aspect of simplicity is expected to enhance compliance and revenue.

KRA system downtime which is the number of times the iTax system is unavailable for use by the taxpayer, KRA/Bank gateway which is the medium for the banks to remit payments to KRA on behalf of taxpayers and the lack of expertise required are some of the challenges in use of iTax for improved tax compliance.

Empirical evidence has shown that taxpayers are able to complete filing of tax returns faster and timely if governments provide a more user-friendly on-line tax filing system, Ramayah T, *et al* (2009). People do not like to pay tax liabilities therefore making it difficult for tax authorities to impose and collect taxes anywhere and anytime, Martinez-Vazquez and Alm J. (2007)

A study carried out by Magutu and Wanjohi (2010) on taxpayer attitude, behavior and tax compliance in Kenya, found that the problem of lack of cognition of tax compliance behavior towards a system of tax was an issue on the grounds that it could have contributed to the Kenya Shillings three point four (3.4) billion deficit in 2005/2006 (Daily Nation, August 5, 2006).

Research gaps exist in the integration of tax enhancement systems and they require to be addressed. Ambali (2009), proposed that measures be taken to improve e-filing by Kenya Government departments to ensure conformity to the public e-filers' satisfaction. He noted that e-filing was marginal within taxpayers. The finding was similar to the e-Filing usage reported by Izatuna (2008). Perception towards e-Filing by taxpayers is influenced by the way they identify the usefulness of an e-Filing system, Zaherawati, *et al* (2009).

On the basis of these findings and the KRA public notice for mandatory filing of returns on iTax by corporate taxpayers with effect from 15th August 2015, the current

study sets out to find out the effect of use of *iTax* on corporation tax compliance by medium corporate taxpayers in Kenya.

1.3 Objectives of the study

The main objective of this study is to determine the effect of use of *iTax* on corporation tax compliance by medium corporate taxpayers in Kenya

Specific objectives

1. To determine the relationship between the use of *iTax* (technology) and corporation tax compliance on medium corporate taxpayers in Kenya
2. To determine the effect of selected environmental variables on corporation tax compliance by medium corporate taxpayers.

1.4 Value of the Study

The findings of the study should inform policy makers in formulating policies to provide the relevant infrastructure to address the negative effect of compliance through the use of *iTax*. The study will be useful to KRA in addressing the challenges experienced by users of *iTax* by issuing public notices and carrying out training sessions.

The findings will provide useful insights to all users of *iTax* to enable them deal with the challenges facing them. This will help taxpayers to understand how effective the authority's activities are on the levels of taxpayers' data becoming integrated as to be able to access one system.

The study will furnish resourceful referral material to various stakeholders in the economic system and readers in general interested in gaining more understanding about the impact of *iTax*. Financial institutions and investors in engineering will find the information useful in coming up with more friendly tax systems.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

Theoretical and empirical literature reviews that explain the relationship of tax systems; in this case *iTax* and compliance are covered in this chapter. Empirical studies carried out on the effects of tax management systems in different countries reveal that there is a direct relationship between e-filing and compliance.

2.2 Theoretical Literature

Theories on technology acceptance and economic deterrence are covered under this section.

2.2.1 Theories on Technology Acceptance

Davis, *et al* (1989) observed that, to understand why people apply or reject computers became one of the most challenging themes in researches about information systems. Silva (2006) highlights the importance of not only having a technical view, which means, to direct attention to the requirements offered by technology, to understand the use of information technology, but also to search and comprehend the behavior of its users.

According to Davis (1989), for being so universal, the TRA was modified specifically, to create frameworks of acceptance in information engineering. The intention of the growth of the framework TAM resulted from an IBM Canada contract with the Massachusetts Institute of Technology (MIT), in the 1980s to evaluate the market potential of new products for a brand and to make it possible as an explanation of the determinants of computers use, Davis, *et al*, (1989).

This theory supports this study in that technology acceptance is becoming a useful tool of the twenty first century and beyond due to the faster and timely processing of data using information systems.

2.2.2 Economic Deterrence theory

Becker (1968), developed the Economic Deterrence theory which is a theory under criminology. This theory considers whether to commit a crime or not based on the benefit of the crime itself. Advocates of deterrence theory are of the view that individuals consider whether to adhere to a law or not after considering the gains and costs of their actions.

Allingham and Sandmo (1972) advanced the framework of criminal activity originated by Becker (1968) to the taxation discipline. The framework includes several aspects: Firstly, the individual has some degree of risk aversion, the more risk averse an individual is, the less likely he/she will pay tax liabilities. Secondly, the individual needs to have cognition of the taxation system in place to appraise the probability of being caught, and the extent of the penalizations that may be incurred. Using this framework individuals decide the tax dues to report to the authorities seeking to maximize their gains. The Framework shows that any mechanism in place to catch up with the individual will prevent under-reporting and that the absence of such mechanism will lead to lower levels of reported tax dues.

The theory is relevant to this study in that it explains the moral reasoning behind tax compliance.

2.3 Determinants of Tax Compliance

Tax compliance is a key aspect for all revenue authorities globally. The level of compliance depends on the initiatives put in place and the effort made to achieve full compliance. Use of *iTax* can achieve compliance through, returns filing, reporting obligation, payment of due tax, audits and tax penalties among many other initiatives.

2.3.1 *iTax* Use

iTax is a computer based application system that furnishes a fully-integrated and automated solution for administration of government revenue enhancements. *iTax* requires the use of technology (computers and smart phones) to access it. The benefits of an *iTax* system over submitting manual returns to the tax authorities' are that the returns are uploaded directly to the system with negligible possibilities of errors because the system would not allow an upload with an omission or error in any field

of the excel form. *iTax* is more advantageous than manual filing due to its secure features, Ramayah, (2013).

Ramayah *et al*, (2009), investigated the factors that influence the intention to use e-government service among Malaysians and found that taxpayers are able to complete filing of tax returns faster and timely if the governments provide a more user-friendly on-line tax filing system.

2.3.2 Tax Filing

Plumley A.H, (1996) studied two types of voluntary compliance: filing compliance which entails the correct and timely returns filing and reporting compliance entails the correct declaration and registration on *iTax* of the correct tax liability.

Corporation tax compliance in Kenya involves correct computation of annual tax based on the corporation's income for the year, filing of the information required by tax laws and payment of the due tax quarterly in installments through the *iTax* system. The tax base is the preceding year's tax liability amount plus a ten percent (10%) mark-up or the estimated income for the year, whichever the corporation chooses.

2.3.3 Tax Audits

The theory of economic deterrence shows that individuals study a taxation system that is in place to appraise the probability of being caught, and the extent of the penalizations that may be preferred and then decide the tax dues to report to the authorities seeking to maximize their gains. The Framework shows that any mechanism in place to catch up with the individual will prevent under-reporting and that the absence of such mechanism will lead to lower levels of reported tax dues. Empirical studies carried out show that the frequency of tax audits results in increased compliance.

2.3.4 Financial Knowledge

Training in finance and accounting is an advantage for personnel with IT skills when it comes to the use of *iTax*. When it comes to filing for corporation tax annual returns specialized training, knowledge and induction by KRA becomes a necessity. Practice has shown that most finance managers in Kenya outsource the services of consultants to do filing despite having fully fledged finance and accounting departments.

2.3.5 Reporting Obligation

According to Brown and Mazur (2003) in their paper considered compliance under three sub-headings which were: filing, reporting and payment. Reporting measure looks at the number of true tax declarations that are correctly registered and payment measure looks at the declared and paid tax liabilities on time.

2.4 Empirical Literature

Martinez-Vazquez and Alm J. (2007) acknowledged that most people evade revenue enhancements and therefore, it is difficult for revenue enhancement authorities to impose and accumulate revenue enhancements anywhere and anytime. 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 by Becker (1968) and first applied to revenue enhancement abidance by Allingham and Sandmo (1972). The findings were that the impact of social norms on compliance behavior is a ground for understanding why people evade paying taxes.

An *iTax* case study by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, to find out the experience of use of *iTax* in Tanzania and the Philippines found that *iTax* enhances a country's tax collections leading to significant increases of tax revenues, Seelmann, *et al*, (2011). The reported revenue enhancements in Tanzania grew from US dollars twenty five (25) million per month in 1996 to US dollars three hundred (300) millions per month in 2007 while in the Philippines, Province La Union: real property revenue enhancements rose to over eighty (80) per cent after the introduction of *iTax* in the province.

Public awareness of tax laws through training and publicity as is done by KRA will have a positive influence on the attitude of taxpayers towards compliance. Marti *et al* (2010), found that lack of knowledge of tax laws and the perception that taxpayers were paying more than their fair share determined their non-compliance.

An investigation by Ramayah *et al*, (2009) found that taxpayers are able to complete filing of tax returns faster and timely if governments provide a more user-friendly on-line tax filing system.

Governments all over the world are in the process of simplifying their tax systems with a view to achieving voluntary compliance on matters taxation. Nations in the developing world continue to face challenges of tax compliance mostly because of platforms of tax administration, Sarker (2003). Tax abidance is the willingness of a taxpayer to adhere to or not with tax rules of his/her country, Sarker (2003). Most tax authorities around the world undertake a mix of processing services, enforcement, litigation, and legislation activities, most of which are aimed at improving taxpayer compliance.

Plumley A.H, (1996) studied two types of voluntary compliance: filing compliance which entails the correct and timely returns filing and reporting compliance entails the correct declaration and registration on *iTax* of the correct tax liability. The study was investigating the effect of taxation policies, their administration and Internal Revenue Service (IRS) responsiveness to taxation system. The findings were that the responsiveness of the IRS was weak due to the many records it had to complete thus making tax enforcement cumbersome.

According to Brown and Mazur (2003) in their paper identified compliance under three sub-headings which were: filing, reporting and payment. Reporting measure looks at the number of true tax declarations that are correctly registered and payment measure looks at the declared and paid tax liabilities on time.

Murphy K., (2004) found widespread non-adherence by scheme investors due to the manner in which the Tax Office dealt with their concerns. The lessons from this paper were that regulators will need to move beyond enforcement mechanisms associated with deterrence to avoid widespread opposition against their procedures. She recommended that regulatory authorities should gear themselves towards a more responsive strategy that takes into account that taxpayers are rational and therefore are sometimes motivated by cost and benefits and at other times they are motivated by sense of social responsibility. She found that the beliefs and perceptions held by a sample of scheme participants were not generalizable to the general taxpayers due to their criticism of their country's tax system because of their own peculiar attributes.

Franzoni (1999), in his book *Tax Evasion and Tax Compliance*, states that in order to achieve an enhanced tax abidance a stricter mechanism has to be put in place and the

taxpayer should be made aware of such mechanisms for instance a regular examination of the taxpayer's records by the tax regime.

Richardson & Sawyer, (2001), study offers a wealth of valuable knowledge as to what is currently known about the circumstances and characteristics that affect the decision of taxpayers to adhere or not to adhere with the tax laws. Governments and revenue authorities are able to have greater confidence in developing and administering tax laws that appropriately incorporate and increase the level of compliance.

Higher Pay As You Earn (PAYE) tax cognition has been found to lead to higher PAYE abidance rates, Carnes & Cuccia, (1996).

Eriksen and Fallan (1996), found that more awareness of PAYE tax lead to lower rates of non-tax adherence.

Bird and Jantscher, (1992) observed that effective taxation administration requires some form of technology (Computers). A study carried out in Spain found that successful computerization must be accompanied by a complete restructuring of procedures and systems as the organization undertakes the required reforms.

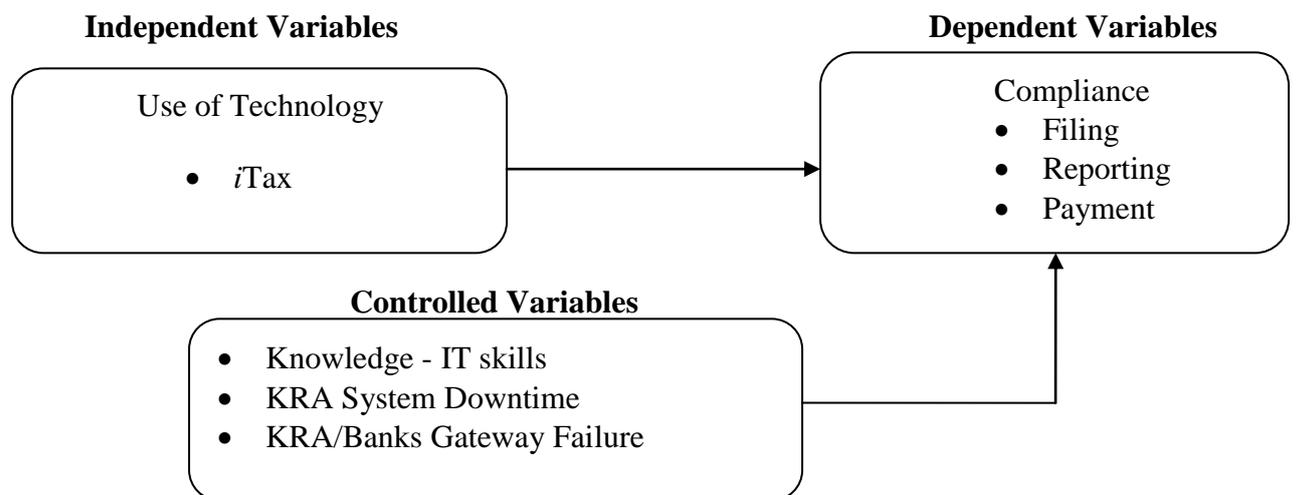
Ambali (2009), proposed that measures be taken to improve e-filing by Kenya Government departments to ensure conformity to the public e-filers' satisfaction. He noted that e-filing was marginal within taxpayers. The finding was similar to the e-Filing usage reported by Izatuna (2008). Perception towards e-Filing by taxpayers is influenced by the way they identify the usefulness of an e-Filing system, Zaherawati, *et al* (2009).

2.5 Conceptual Framework

The purpose of the framework is to assist the reader understand anticipated relationship between variables, Mugenda & Mugenda (2003). In order to investigate the proposed research problem; the following conceptual framework has been adopted. The dependent variable is compliance which is measured by filing compliance, reporting compliance and payment compliance. Filing compliance will be measured through, timely filing, e-return acknowledgement receipt and penalty imposed for non-compliance. Reporting compliance will be measured through installment tax calculations based on audited financial statements if preceding year's tax base is used or current year's self assessment and payment compliance will be measured through payment registration slip based on the reported tax due.

The independent variable is use of *iTax* (technology). This will be measured by environmental factors: knowledge in IT measured by the number of corporate who are able to file return on *iTax*. KRA system downtime measured by the frequency of system unavailability and KRA/ Banks gateway downtime which will be measured by the frequency the banks are unable to make payments on behalf of taxpayers. Figure 2.1: below, summarizes the relationship between the use of *iTax* and compliance.

Figure 2.1



Source: Author 2016

2.6 Summary of Literature Review

Available literature has shown that a number of studies have been carried out on tax systems and tax reforms in Kenya and around the world. These studies have attempted to establish the contribution of tax reforms to compliance and revenue performance. They include the Economic Deterrence theory, developed by Becker (1968), which is a theory under criminology.

Allingham and Sandmo (1972) advanced the framework of criminal activity originated by Becker (1968) to the taxation discipline. The framework includes several aspects: Firstly, the individual has some degree of risk aversion, the more risk averse an individual is, the less likely he/she will pay tax liabilities. Secondly, the individual needs to have cognition of the taxation system in place to appraise the probability of being caught, and the extent of the penalizations that may be incurred.

Martinez-Vazquez and Alm J. (2007) acknowledged that most people evade revenue enhancements and therefore, it is difficult for revenue enhancement authorities to impose and accumulate revenue enhancements anywhere and anytime. Marti *et al* (2010), found that lack of knowledge of tax laws and the perception that taxpayers were paying more than their fair share determined their non-compliance.

Plumley A.H, (1996) studied two types of voluntary compliance: filing compliance which entails the correct and timely returns filing and reporting compliance entails the correct declaration and registration on *iTax* of the correct tax liability.

Franzoni (1999), in his book *Tax Evasion and Tax Compliance*, states that in order to achieve an enhanced tax abidance a stricter mechanism has to be put in place and the taxpayer should be made aware of such mechanisms for instance a regular examination of the taxpayer's records by the tax regime.

In this study emphasis was on the use of *iTax* which is the latest development in DCs, on corporation tax compliance by medium corporate taxpayers in Kenya. The study determined the effect of the use of *iTax* on corporation tax compliance by medium corporate taxpayers in Kenya.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

This chapter presents the method that was used for data collection and analysis and forms the blueprint for conducting the research. It also describes the research design, target population of the study and sampling technique that was used.

3.2 Research Design

Robson (2002) describes a research design as the overall scheme or program of the research. Descriptive research design was adopted with a view to establishing the effect of use of *iTax* (technology) on corporation tax compliance by medium corporate taxpayers in Kenya. According to Sarma and Misar (2006) descriptive research is defined as a fact finding study conducted to establish the state of affairs. In this study, the researcher investigated the relationship between the use of *iTax* (technology) and corporation tax compliance by medium corporate taxpayers in Kenya.

3.3 Population

According to Mugenda & Mugenda (2003), a population refers to an entire group of individuals, events or objects having common observable characteristics. In this study the target population was medium corporate taxpayers who were listed by KRA in their website as at August 2016, totaling one thousand five hundred and seven (1507). The researcher drew a systematic sample from the medium corporate taxpayers.

3.4 Sample Design

This is a strategy for choosing objects (sample) from a given population. According to Mugenda and Mugenda (2003), 10% sample size of a population of 300 and above is adequate whereas a population of less than 300 requires a sample of 30%. The sample in this study consisted of seventy five (75) medium corporate taxpayers being five percent (5%) of the target population. The reduction of the sample from ten percent to five percent was due to a constraint in the time required to administer the research

questionnaire countrywide and the submission deadline to the university. A systematic sample was selected on a sampling interval of twenty (20) from the sampling frame.

3.5 Data Collection

In this study primary data was collected through a self administered questionnaire. A survey design was used to gather data by asking questions to medium corporate taxpayers. The existing options are to make enquiries at a point in time or over time. Most survey studies have used the cross-sectional design, which involves making inquiries at a point, Babbie, (1990). In this study qualitative data was collected.

3.5.1 Questionnaire Design

A structured questionnaire was dropped and picked later from the organization. In some cases emailing of pdf copies of the questionnaire was adopted. The questionnaire was in English language and divided into four sections (Appendix I).

3.6 Data Analysis

Data has to be analyzed for an investigator to be able to construe it and give his/her decisions. The analysis regardless of whether the data is quantitative or qualitative may describe and sum up the data and identify relationships between variables.

Qualitative data collected was coded, entered and cleaned in Microsoft Excel spreadsheet. Statistical Package for Social Sciences (SPSS) was used to analyze the data. Stepwise multiple regressions method was used to predict the effect each of the questions asked (Variables). Percentages and frequency distribution tables and graphs were used to elaborate and to show the effect of the use of iTax on corporation tax compliance.

Table 3.1 : Operationalization of Variables

Objective	Variable	Indicators	Scales	Type of Analysis
To determine the relationship between the use of iTax and corporation tax compliance	Independent variable Use of iTax	Number of returns duly filed and reported tax paid on time	Nominal	Descriptive/ Quantitative statistics
To determine the effect of knowledge in IT	Independent variable Knowledge in IT	Number of corporate with skilled manpower for iTax	Nominal	Descriptive/ Quantitative statistics
To determine the effect of KRA system downtime	Independent variable KRA System downtime	Number of times KRA system is not available for iTax use.	Nominal	Descriptive/ Quantitative statistics
To determine the effect of KRA/Bank gateway failure	Independent variable KRA/ Bank gateway failure	Number of times banks cannot make payments due to KRA/ Bank gateway failure	Nominal	Descriptive/ Quantitative statistics
Corporation tax Compliance	Dependent variable Compliance	Filing Compliance Reporting Compliance Payment Compliance	Nominal	Descriptive/ Quantitative statistics

Source, Author (2016)

3.6.1 Analytical Model

The model used was multiple regressions. Multiple regressions is an extension of simple linear regression. Hair, *et al*, (2006) pointed out that stepwise multiple regressions is the best method used to predict multivariate association.

The regression model used was:

$$Y = B_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon_i$$

Where Y = Compliance

B_0 = Y-Intercept (Constant)

β_1 = Coefficient of X_1

β_2 = Coefficient of X_2

β_3 = Coefficient of X_3

β_4 = Coefficient of X_4

X_1 = Use of *i*Tax (Technology)

X_2 = Knowledge – IT Skills

X_3 = KRA System Downtime

X_4 = KRA/ Banks Gateway Failure

ϵ_i = Error term of the model

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

This chapter presents a qualitative analysis of the primary data collected through self-administered structured questionnaires from medium corporate taxpayers in Kenya to determine the effect of use of *iTax* on tax compliance.

4.2 Response Rate

The population of medium corporate taxpayers in Kenya in August 2016 was one thousand five hundred and seven (1507). Out of which a sample of seventy five (75) taxpayers was drawn using systematic sampling. Of those taxpayers that were sampled, sixty one (61) questionnaires were completed and returned. Fourteen (14) questionnaires were not filled. Nine (9) of those not filled related to respondents who said they did not want to disclose their tax matters to a stranger. The other five (5) respondents were not reached due to lack of information of location details. The study response rate was 81.33% which is highly commendable given the sensitivity of tax matters as evidenced by nine of the declined respondents and response rates of similar studies for instance Ochola J. (2012) where the response rate was 77.5%.

4.3 Descriptive Statistics

This section summarizes the findings of the respondents' answers to the questionnaires, starting from respondents' demographics, use of *iTax* system, skill requirement for use of *iTax* and the effect of selected environmental factors on *iTax*.

Table 4.3.1: Respondent Category

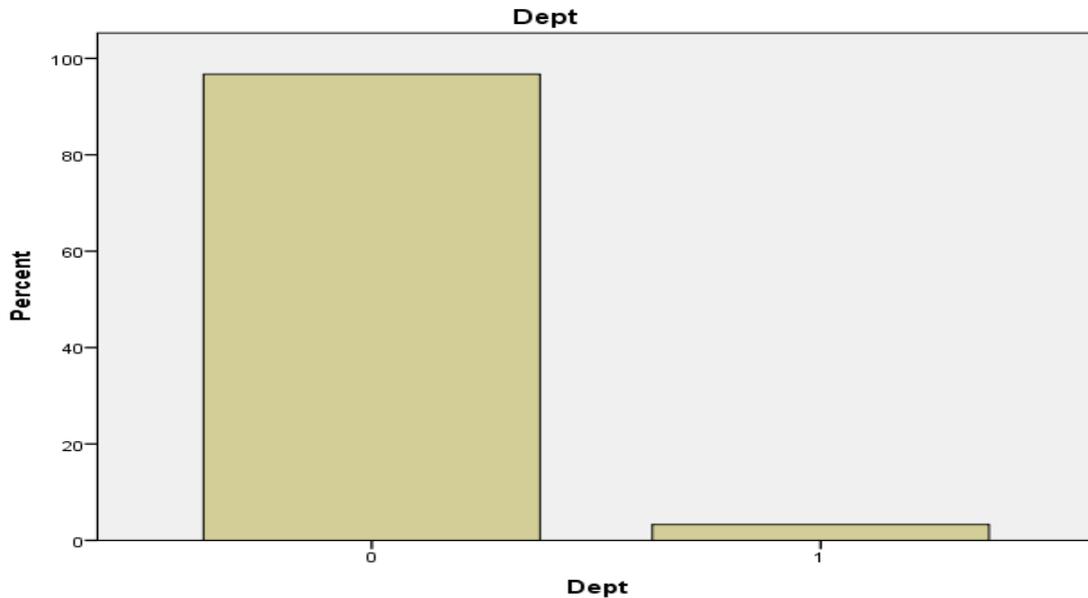
		Dept			
		Frequency	Percent	Valid Percent	Cumulative Percent
	0	59	96.7	96.7	96.7
Valid	1	2	3.3	3.3	100.0
Total		61	100.0	100.0	

Source: Author 2016

0 = HR/ Accounts/Finance departments

1 = Other departments other than IT

Figure 4.3.1: Respondent Category



Source: Author (2016)

The researcher set out to establish the category of the respondents who filled the questionnaires as shown in table 4.3.1 and figure 4.3.1 above. It was found that Human Resource/Accounts/Finance departments represented ninety six point seven percent (96.7%) or fifty nine (59) respondents and other departments excluding IT department represented two respondents (3.3%).

Table 4.3.2: Business Existence

		Age		
	Frequency	Percent	Valid Percent	Cumulative Percent
	1-5 Years	11	18.0	18.0
	11-15 Years	11	18.0	36.1
Valid	6-10 Years	7	11.5	47.5
	Over 15 Years	32	52.5	100.0
	Total	61	100.0	100.0

Source: Author 2016

Data on table 4.3.2 indicates the duration that the businesses have been in operation and the frequencies and percentages represent the number of questionnaires filled by each.

Table 4.3.3 Company Compliance Details

	YES	NO	N
1. Do you do handle your corporation tax returns yourselves?	46(75.4%)	15(24.6%)	61
2. Is your company's corporation tax returns done by tax consultants?	15(24.6%)	46(75.4%)	61
3. Did your company meet all deadlines for Corporation tax returns in the year 2015/2016?			
Filing Compliance	59(96.7%)	2(3.3%)	61
Reporting Compliance	59(96.7%)	2(3.3%)	61
Payment compliance	59(96.7%)	2(3.3%)	61
4. Does your company have a current tax compliance certificate?	57(93.4%)	4(6.6%)	61
5. During your company's existence has KRA denied a tax compliance certificate?	6(9.8%)	55(90.2%)	61

Source: Author (2016)

The researcher set out to establish whether companies handled their tax affairs themselves or they outsourced. The findings revealed that majority of medium corporate companies handle their tax affairs (75.4%). On compliance matters, the respondents showed that compliance is at high levels (96.7%). Although the three types of compliance show the same percentage, those who did not comply were found to be different in each type of compliance.

Table 4.3.4 iTax System

	AGREE	NEUTRAL	DISAGREE	N
1. I find using iTax system quite friendly	42 (69.9%)	8 (13.1%)	11 (18.1%)	61
2. I do not need to be reminded to file all returns	44 (72.1%)	10 (16.4%)	7 (11.5%)	61
3. Given a chance I would not file tax returns	12 (19.7%)	7 (11.5%)	42 (68.8%)	61
4. Our Company's filing and payment of taxes is always on time.	57 (93.5%)	2 (3.3%)	2 (3.2%)	61
5. The headache of long queues experienced at tax offices are no more.	49 (80.4%)	8 (13.1%)	4 (6.5%)	61
6. iTax filing has reduced our company's costs considerably.	29 (47.5%)	10 (16.4%)	22 (36.1%)	61
7. Considerable time is saved because of use of iTax	46 (75.4%)	5 (8.2%)	10 (16.4%)	61

Source: Author 2016

The researcher set out to establish the level of use of iTax system and the effect of the system on time and cost. The respondents were asked to respond by ticking one answer on a five point likert scale and indicate the extent they agree with each statement. The findings were that the use of iTax system is positively high for all questions asked except for reduction of the companies' costs which was 47.5%, indicating that the use of iTax has not reduced their costs.

Table 4.3.5 iTax System – Skill Requirement

	AGREE	NEUTRAL	DISAGREE	N
1. I am an expert in the use of <i>iTax</i> .	36 (59.1%)	22 (36.1%)	3 (4.9%)	61
2. I do not need to be reminded to file all returns.	42 (68.8%)	11 (18.0%)	8 (13.1%)	61
3. I am able to file all tax returns without a hitch.	35 (57.4%)	13 (21.3%)	13 (21.3%)	61
4. We have never failed to file any of our returns.	46 (75.4%)	10 (16.4%)	5 (8.2%)	61
5. Our company uses the assistance of external experts	19 (31.1%)	8 (13.1%)	34 (55.8%)	61
6. <i>iTax</i> system has served to remove our direct contact with the taxman.	27 (44.3%)	16 (26.2%)	18 (29.5%)	61

Source: Author (2016)

The researcher sought to determine the knowledge required for use of *iTax*. The responses by the respondents as shown on table 4.3.5 above reported expertise in use of *iTax* at 59.1%, handling of tax returns without a hitch at 57.4%, those who have never failed to file any of their tax returns at 75.4% and whether *iTax* system has served to remove direct contact with tax officials at 44.3%. The findings though positive show that more training and induction by KRA through seminars may be necessary given the responses of neutral and disagreed respondents.

Table 4.3.6: iTax System – Environmental Variables

	AGREE	NEUTRAL	DISAGREE	N
1. Access to <i>iTax</i> system is always easy for our company.	44 (72.1%)	9 (14.8%)	8 (13.1%)	61
2. <i>iTax</i> system downtime is quite high during deadlines	50 (82.0%)	8 (13.1%)	3 (4.9%)	61
3. We have a reliable source of power at all times	49 (80.3%)	7 (11.5%)	5 (8.2%)	61
4. <i>iTax</i> system is highly affected by power outages.	34 (55.8%)	18 (29.5%)	9 (14.7%)	61
5. We have never missed any payment deadline	45 (73.8%)	11 (18.0%)	5 (8.2%)	61

Source: Author (2016)

The researcher set out to determine the effect of selected environmental factors on use of *iTax*. The responses by the respondents as shown on table 4.3.6 above reported a positive access to *iTax* of 72.1%. *iTax* system downtime was found to be quite high during deadlines at 82%. Corporations with reliable source of power were at 80.3%, probably an indication of availability of alternative source of power by those corporations. The respondents reported that *iTax* system is highly sensitive to power outages at 55.8%. The respondents in this section reported a payment compliance of 73.8%. The findings under this section on payment compliance were different from those on table 4.3.3 where payment compliance was at 96.7%. This variance should be investigated further possibly through an interview guide to establish why the two questions gave inconsistent responses.

Table 4.3.7: Tests of Model Effects

Variable	Chi-Square	Degree of Freedom	Significance P-value
Period of existence	5	3	0.172
Current compliance certificate	19	1	0.001
Compliance certificate denied	11	1	0.001
<i>i</i> Tax friendliness	7.571	4	0.109
Unwillingness to file tax returns	9	4	0.61
Reduced costs due to use of <i>i</i> Tax	7.571	4	0.109
Time saved due to use of <i>i</i> Tax	9	4	0.61
Failure to file	29	4	0.001
Use of external experts	7.571	4	0.109
Access to <i>i</i> Tax system	6.5	4	0.165
Reliable source of power	9	4	0.61
Missing a payment deadline	5	4	0.287

Source: Author 2016

Despite the high level of compliance reported by the respondents, the responses when subjected to the stepwise multiple regression analysis, table 4.3.7 shows variables that were of significance in the use of *i*Tax on compliance. Of all the variables which were investigated, those variables which were significantly associated with filing of returns included: presence of current compliance certificate (p-value <0.001), those firms which had been denied certificate of compliance (p-value= 0.001), and those firms which had failed to file their returns (p-value <0.001).

Other variables which were marginally statistically associated with filing of returns included: access to *i*Tax system, *i*Tax platform being user friendly, reduction of cost

due to use of *iTax* platform, and the age of the firm as represented by its period of existence. There is need for this to be investigated further possibly through an interview guide.

4.4 Interpretation and Findings

In summary this study has found that the use of *iTax* has contributed to high levels of compliance by medium corporate taxpayers as evidenced by the respondents' answers who showed that those with current tax compliance certificates were 93.4% while those who filed on time represented 93.5% with those who felt there was time savings representing 75.4%. In addition among the medium corporate taxpayers 75.4% respondents handle their tax affairs themselves, indicating that the *iTax* system has made compliance easier and the statement by the authority that "Taxpayers can file their returns anywhere any time", can actually be realized if the challenges of *iTax* system downtime and power availability are addressed among other findings of the study.

Of all the variables which were investigated, those variables which were significantly associated with use of *iTax* on compliance included: presence of current compliance certificate (p-value <0.001), those firms which had been denied certificate of compliance (p-value= 0.001), and those firms which had failed to file their returns (p-value <0.001). Other variables which were marginally statistically associated with filing of returns included: access to *iTax* system (p-value <0.165), *iTax* platform being user friendly (p-value <0.109), reduction of cost due to use of *iTax* platform (p-value <0.109), and the age of the firm as represented by its period of existence (p-value <0.172).

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Summary of Findings

The study examined the effect of use of *iTax* on corporation tax compliance by medium corporate taxpayers in Kenya. The findings revealed that *iTax* system use has contributed significantly to compliance by medium corporate taxpayers given the positive responses on all the questions asked in the survey questionnaire.

The study established that there are issues to do with overall *iTax* system administration given the respondents in the questionnaires who were negative and those who were neutral. This is an area which would require a further study preferably an interview guide to give an in-depth understanding of some of the responses. This is because tax compliance being governed by an Act of Parliament here in Kenya, taxpayers ultimately have to comply with any tax system that is introduced, even if they perceive that the system is unfair.

5.2 Conclusion

iTax has made corporation tax compliance simple by ensuring that the annual returns which involve entering substantial data from audited financial statements cannot be submitted with an error as the *iTax* system would not accept the upload and directs the taxpayer to what is wrong with the record. The taxpayer is able to file his/her corporation tax, do payment registration on reported tax and generate payment slip all on *iTax* for submission to the bank for payment. The questions on *iTax* friendliness, filing of returns without being reminded and meeting of deadlines by companies in their filing and payment of taxes support this conclusion.

This study has found that the use of *iTax* has contributed to high levels of compliance by medium corporate taxpayers as evidenced by the respondents' answers who showed that those with current tax compliance certificates were 93.4% while those who filed on time represented 93.5% with those who felt there was time savings representing 75.4%. In addition among the medium corporate taxpayers 75.4% handle their tax affairs themselves indicating that the *iTax* system has made compliance

easier and the statement by the authority that “Taxpayers can file their returns anywhere any time”, can be realized if the negative and neutral responses can be investigated further and addressed.

5.3 Recommendations

The study found that use of *iTax* contributed to high levels of compliance by medium corporate taxpayers. This finding should be used by KRA to provide the relevant infrastructure nearer the taxpayer in order to enhance compliance through the use of *iTax* by having regular training sessions countrywide in particular the remote areas. This training should be done by KRA to both current and potential taxpayers on a continuous basis in order to address new changes and create more awareness of the *iTax* system. Assistance to taxpayers in respect of filing could be provided at the Huduma/*iTax* Centres for those taxpayers without adequate skills free of charge.

KRA should address *iTax* system congestion during deadlines in particular 30th of June of each year when individual tax returns are done as this affects the other taxpayers’ use of *iTax*. For instance KRA can consider having different year ends for individual taxpayers on payroll to coincide with the year ends of the organizations they work for. This is hoped will address the issue of long queues and system breakdowns as was noted by the researcher towards the 30th June 2016.

5.4 Limitations of the Study

It is acknowledged that this study faced some limitations. First, the use of *iTax* questions and the scope of questions asked in the questionnaire were limited to only specific questions which would give a general view of how use of *iTax* affects compliance. A more detailed questionnaire would be necessary to address all aspects of *iTax* use on a face to face basis (interview guide). The researcher should be equipped with an authorization letter from KRA to facilitate acceptance by all taxpayers.

Secondly, the use of a survey questionnaire might be less reliable given some of the verbal reactions received due to the sensitivity of tax issues to some of the taxpayers. The responses received were not subjected to any verification and therefore,

depending on the perception of the taxpayer, the information given might have been inaccurate.

Thirdly, the fact that some sample items selected from the sampling frame did not have location details on Google map implies that taxpayers data is not regularly updated between the taxpayer and the tax authority thus reducing the response rate of the study and therefore affecting generalization of the results.

Fourthly, sampling frame on KRA website might not present the best source of information to determine compliance since any taxpayer within KRA's database will most likely comply for fear of tax audits and penalties.

5.5 Suggestions for Further Studies

This study determined the effect of use of *iTax* on corporation tax compliance by medium corporate taxpayers in Kenya at a point in time. There is a need for further studies to carry out similar tests on a longitudinal design since the inception of *iTax*. In addition, more variables depicting tax compliance should be adopted to uphold the study's findings that indeed *iTax* system influences tax compliance.

The same study should be carried out using an interview guide in order to achieve more detailed responses which can give better analysis results. Due to the importance of having high quality *iTax* system, further studies should explore the areas that relate to infrastructure roll-out countrywide

Further, there is need for a similar study to be conducted on effect of use of *iTax* on individual taxpayers' compliance as the facilities and skill requirements in companies are not likely to be found among individual taxpayers. This type of taxpayer is more likely to be affected by environmental factors than the corporate taxpayer due to resource capability.

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APPENDICES

APPENDIX I: RESEARCH QUESTIONNAIRE

Instructions to respondents:

This questionnaire is to be filled in by Medium Corporate Taxpayers as classified by KRA

Dear respondent,

This questionnaire is designed to collect information on “**The effect of use of iTax on Compliance by Medium Corporate Taxpayers in Kenya**”. The information provided is purely for academic purposes and will be treated with utmost confidentiality.

In order to accomplish this study, you are kindly requested to complete this questionnaire. Your kind cooperation is highly appreciated.

PART A: Corporate details (please tick the appropriate box)

1. Category of respondent

- | | |
|--|--------------------------|
| IT Department | <input type="checkbox"/> |
| HR/ Accounts /Finance | <input type="checkbox"/> |
| Other Category (<i>Please Specify</i>) | <input type="checkbox"/> |

.....

2. For how long has this business been in existence?

- 1-5 years 6-10 years 11-15 years Over 15years

3. Do you do handle your corporation tax returns yourselves?

- Yes No

4. Is your company's corporation tax returns done by tax consultants?

Yes []

No []

5. Did your company meet all deadlines for Corporation tax returns in the year 2015/2016?

Filing Compliance

Yes []

No []

Reporting Compliance

Yes []

No []

Payment compliance

Yes []

No []

6. Does your company have a current tax compliance certificate?

Yes []

No []

7. During your company's existence has KRA denied a tax compliance certificate?

Yes []

No []

PART B: iTax System. Please respond by ticking one answer in each line across as to your view about the iTax system. (1=strongly disagree, 2=disagree, 3=neutral, 4=agree, 5=strongly agree)

	1	2	3	4	5
1. I find using iTax system quite friendly					
2. I do not need to be reminded to file all returns					
3. Given a chance I would not file tax returns					
4. Our Company's filing and payment of taxes is always on time.					
5. The headache of long queues experienced at tax offices are no more.					
6. iTax filing has reduced our company's costs considerably.					
7. Considerable time is saved because of use of iTax					

PART C: iTax System –Manpower. Please respond by ticking one answer in each line across as to your view about the iTax system. (1=strongly disagree, 2=disagree, 3=neutral, 4=agree, 5=strongly agree)

	1	2	3	4	5
1. I am an expert in the use of iTax.					
2. I do not need to be reminded to file all returns.					
3. I am able to file all tax returns without a hitch.					
4. We have never failed to file any of our returns.					
5. Our company uses the assistance of external experts					
6. iTax system has served to remove our direct contact with the taxman.					

PART D: iTax System – Controlled Variables. Please respond by ticking one answer in each line across as to your view about the iTax system. (1=strongly disagree, 2=disagree, 3=neutral, 4=agree, 5=strongly agree)

	1	2	3	4	5
1. Access to iTax system is always easy for our company.					
2. iTax system downtime is quite high during deadlines					
3. We have a reliable source of power at all times					
4. iTax system is highly affected by power outages.					
5. We have never missed any payment deadline					

THANK YOU FOR YOUR CO-OPERATION AND TIME

APPENDIX II: WORK PLAN

Activity	2016				
	July	August	September	October	November
Literature review preparation					
Writing concept paper					
Proposal writing					
Corrections of the proposal					
Defense					
Piloting and data collection					
Data analysis					
Data preparation					
Binding and presentation					

APPENDIX III SAMPLE OF MEDIUM CORPORATES

REF NO.	PIN	TAXPAYER	LOCATION
8	P000591353P	KARACHIWALLA (NBI) LTD	Nbi Bamburi Rd Indaa
28	P000591949X	KONINKLIJE LUCHTVAART MAAT SCHAPPID	NBI JKIA
48	P000592899N	BLACKWOOD HODGE (KENYA LTD	NBI Industrial Area
68	P000593676G	PROPERTY DEVELOPMENT AND MANAGEMENT LIMITED	NBI IPS Building
88	P000594416P	MURIGIAN TRANSPORTERS	N/A
108	P000595270C	MODERN WEAR LTD	NBI Moi Avenue
128	P000596330V	MADA HOLDINGS LTD	NBI, South c opp Red Cross
148	P000597993U	UNITED BAGS MANUFACTURERS LTD	NBI Kikuyu
168	P000599452K	SLUMBERLAND K LTD	NBI Kampala Rd
188	P000600940I	SHANTI INDUSTRIES	NBI JK Foundation Bld 1 st Floor
208	P000601884U	SCHINDLER	NBI Longonot Place 1 st Floor Kijabe Street
228	P000603923N	AZICON KENYA LIMITED	NBI Wilson Airport
248	P000605781D	WARREN ENTERPRISES LTD	NBI Kasarani Mwiki Rd
268	P000607157B	OXFAM U K & IRELAND NAIROBI OFFICE	No Location Contact
288	P000608390G	SYNRESINS LIMITED	NBI Lungalunga RD
308	P000609314R	TRIAD ARCHITECTS	NBI Muthaiga
328	P000611055I	AFRO PLASTICS (K) LTD	NBI Baba Dogo Rd
348	P000612579A	ABCON (K) LIMITED	NBI Bunyala Rd
368	P000614174V	HORTITEC (K) LTD	Naivasha
388	P000615597K	OSHWAL EDUCATION AND RELIEF BOARD	NBI Oshwal Rd
408	P000618740Z	TURTLE BAY HOTELS LTD	MSA Watamu
428	P000619853J	COMBROK LTD	MSA Nyerere Avenue
448	P000621302X	MURANGA FORWARDERS LTD	MSA Moi Avenue
468	P000627071A	SWAN CARRIERS LTD	NBI Industrial Area
488	P000632741Z	ABDULGANI TRADING COMPANY LIMITED	NBI Baba Dogo Rd
508	P000640503D	ANDY FORWARDERS SERVICES LIMITED	NBI Brunei Hse
528	P051092264X	PEPONI HOTEL LAMU LTD	Lamu
548	P051093613N	DINESH CONSTRUCTION LTD	NBI Avocado Bld Tausi Rd
568	P051095780K	MEDECINS SANS FRONTIERES FRANCE	NBI Lavington
588	P051097288R	ALPINE COOLERS LTD	NBI Road A
608	P051100126A	ISEME KAMAU & MAEMA ADVOCATES	NBI 5 th Ngong Ave IKM Place
628	P051103500A	MARUTI OFFICE SUPPLIES	NBI
648	P051105356W	MEDISEL KENYA LIMITED	Thika Industrial Area
668	P051107712N	KESTREL CAPITAL (EAST AFRICA) LIMITED	NBI Westlds Rd Orbit 2 nd Flr
688	P051110528H	TECHNOLOGY TODAY LIMITED	NBI Parklands Rd
708	P051112817I	COAST DATA SYSTEMS LIMITED***	NBI Westlands
728	P051114762V	ECONOMIC INDUSTRIES LIMITED	NBI MSA Rd
748	P051116901Z	DUNHILL BUILDING CONTRACTORS LIMITED	NBI Pop In Centre 2 nd Floor
768	P051118942B	TURACO LIMITED	Nakuru
788	P051121773Q	KARAGO AND ASSOCIATES LIMITED	NBI CBA Bld Std Street
808	P051123639S	TWIN STAR DEVELOPMENT LIMITED	No Location Contact
828	P051125144Q	DELUXE INKS LIMITED	NBI Lungalunga Rd

848	P051128557H	ESQUIRE WHOLESALERS LIMITED	NBI Dunga Rd
868	P051131433E	KORDES ROSES EAST AFRICA LIMITED	NBI Maasai RD
888	P051134139Q	TECHNO STEEL INDUSTRIES	Mombasa
908	P051135924V	ULTRAVETIS EAST AFRICA LTD	NBI Off Lunglunga Rd
928	P051137534X	FILMSTUDIOS EPZ LIMITED	Athi River
948	P051139602U	ASSOCIATED BITUMEN LIMITED	NBI Parklands
968	P051142250L	HIGH CHEM ESSENTIALS LIMITED	NBI Mogadishu Rd Indaa
988	P051144533P	THE COMMODITY HOUSE LIMITED	MSA
1008	P051146807W	NEW ITALYCOR LTD	NBI VaLLEY arcade
1028	P051148463G	PANAL FREIGHTERS LIMITED	MSA, Panal Plaza
1048	P051150421D	KENCONT LOGISTICS SERVICES LTD	MSA Off Mbaraki Rd
1068	P051152152N	AFRICA ECO-CAMPS LTD T/A ILKELIANI MASAI MARA	Nairobi
1088	P051154202G	PEACOCK PRODUCTS	No Location Contact
1108	P051156512Z	TEJ STEEL LIMITED	NBI, Gikomba
1128	P051159242A	AUTOSTEEL & TILES LIMITED	NBI CBD
1148	P051163566A	GOLD F M LIMITED	No Location Contact
1168	P051167851G	WADIA ESTIM CONSTRUCTION CO LIMITED	NBI Westlands
1188	P051171351L	ECHKEN AGENCIES LIMITED	Mombasa
1208	P051175800Q	AFTECH (KENYA) LIMITED	NBI Ameack 2 nd Floor Westlands
1228	P051181016B	ARUBA CAMP & SAFARIS LTD	Narok
1248	P051184995N	CHINA CAMC ENGINEERING CO LTD	Gede Watamu Road
1268	P051189349L	HARDWICK LTD	NBI, GPO
1288	P051193514M	SOLECA COMMUNICATION LTD	NBI Bidii mkt Outering Rd
1308	P051198109A	NOKIA INTERNATIONAL OY	NBI Karen
1328	P051202649V	TESLA SERVICES LIMITED	NBI Riverside Drive Massionette 2
1348	P051209201R	NETSOL KENYA LIMITED	NBI Sarit Centre, Brookside Drive
1368	P051215566G	KASNET AFRICA LIMITED	NBI Parklands Road
1388	P051223728V	FLAME TREE AFRICA LIMITED	NBI JKFP Indaa
1408	P051230231G	SANY HEAVY INDUSTRIES CO (E A)	NBI MSA Rd
1428	P051241888F	ALEXANNA LTD	NBI Limuru Road
1448	P051305788P	SELEX SYSTEM INTEGRATI S.P.A	No Location Contact
1468	P051325063B	REKERO CAMP	Narok, Masai Mara
1488	P051346375M	KAPU LIMITED	NBI Lusaka Road