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Determinants of Taxpayers' Attitudes Towards Tax Avoidance: An Empirical Study

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Abstract: *Tax avoidance continues to pose a considerable challenge for fiscal systems across the globe, highlighting not just legal and financial aspects but also the psychological and institutional contexts in which taxpayers operate. This research explores the various factors that shape taxpayers' perspectives on tax avoidance, drawing insights from the responses of 300 individuals. The results indicate that a lack of trust in government and feelings of unfairness regarding the tax system are the most significant factors influencing positive attitudes towards tax avoidance. Societal expectations that promote avoidance play a significant role in its widespread acceptance. On the other hand, a high level of tax morale and robust enforcement mechanisms can diminish these attitudes, although the impact of enforcement is less significant when compared to the influence of trust and fairness. Regression analysis reveals that almost fifty percent of the differences in taxpayer attitudes can be attributed to these factors, with trust in government standing out as the most significant influence. The research indicates that enhancing the credibility of institutions, promoting fairness, and bolstering tax morale are more impactful approaches to diminishing tax avoidance attitudes compared to depending exclusively on penalties and audits.*

Keywords: *Tax Avoidance, Tax Compliance, Attitudes, Fairness, Ethics, Enforcement, Governance.*

I. INTRODUCTION

Taxation is widely acknowledged as a fundamental element of contemporary financial systems. Governments around the globe rely significantly on tax revenues to support vital services, including the development of infrastructure, education, healthcare, defence, and welfare programs. Insufficient tax collections limit a state's ability to meet its developmental responsibilities, potentially increasing inequality, hindering growth, and damaging the trust that exists between citizens and their government. While taxation plays a vital role in society, the interaction between taxpayers and tax authorities has often been characterised by tension and resistance, with many individuals seeking ways to minimise or evade their tax obligations. Among the numerous strategies utilised by taxpayers, tax avoidance emerges as a particularly contentious and frequently discussed practice within the realms of fiscal policy and public conversation. Tax avoidance involves the strategic use of legal loopholes, ambiguities, and the intricate structures of tax systems to reduce one's tax responsibilities. Tax evasion is a serious offence that entails the illegal act of not paying or underreporting taxes, leading to legal consequences. In contrast, tax avoidance takes advantage of the loopholes in the tax code, operating within the legal framework. This distinction frequently positions tax avoidance in a grey area; while it may be technically lawful, it brings forth significant ethical and moral dilemmas. A significant number of scholars and policymakers contend that aggressive tax avoidance diminishes the integrity of tax law, jeopardises government finances, and compromises the fundamental principle of fairness in taxation. Some perceive it as a logical choice made by taxpayers who aim to enhance their financial security within a complicated tax landscape.

Tax avoidance transcends borders, presenting a worldwide issue that has garnered the focus of prominent international bodies, including the Organisation for Economic Co-operation and Development (OECD), the International Monetary Fund (IMF), and the United Nations (UN). Multinational corporations have faced significant scrutiny for their involvement in complex tax avoidance strategies, including the manipulation of transfer pricing, profit shifting, and the utilisation of tax havens. The well-known leaks of the "Panama Papers" and "Paradise Papers" brought to light the widespread practices of tax avoidance by both corporations and individuals across the globe. This has ignited important discussions surrounding transparency, governance, and the responsibilities we hold towards society. Although the global discussion has largely focused on corporate tax avoidance, it is important to recognise that individuals also participate in avoidance strategies. These can include underreporting income, taking advantage of deductions, and reorganising assets to reduce their taxable income. The growing intricacy of tax codes, along with the rise in cross-border transactions, has facilitated the ability of both businesses and individuals to understand and operate within the legal frameworks of tax law.

However, it is equally important to consider the attitudes of taxpayers, including their beliefs, perceptions, and moral reasoning regarding the acceptability of avoidance. The attitudes held by individuals frequently influence how actively taxpayers engage in avoidance strategies, thereby impacting the broader compliance culture of a nation.

A. Indian Context

India, recognised as one of the largest emerging economies globally, encounters distinct challenges in ensuring tax compliance and mobilising revenue. Even with considerable economic advancement, India's tax-to-GDP ratio has consistently been lower than that of numerous other developing and developed nations. This difference is frequently linked to underlying structural inefficiencies, the prevalence of informal practices, and, crucially, a lack of voluntary compliance among individuals. In India, tax avoidance is evident in various practices, including the misuse of exemptions, innovative accounting techniques, the relocation of profits overseas, and the exploitation of unclear tax regulations. The government has initiated several reforms aimed at reducing avoidance. These include the introduction of the Goods and Services Tax (GST), the implementation of the General Anti-Avoidance Rules (GAAR), the establishment of stricter transfer pricing regulations, and the digital monitoring of high-value transactions. However, perspectives on tax avoidance differ significantly among various social groups. Some taxpayers see avoidance as a clever financial strategy, rationalised by the inefficiencies and corruption present in the system. In contrast, others regard it as an unethical behaviour that detracts from our shared progress. Grasping these attitudes is essential for creating policies that encourage compliance, build trust in institutions, and ensure fairness in taxation.

B. Importance of Studying Taxpayer Attitudes

The attitudes of taxpayers reflect the psychological and social foundations that influence their compliance behaviour. Economic theories have often focused on tax behaviour by analysing the costs and benefits, particularly considering the likelihood of being caught versus the harshness of penalties. However, perspectives that take into account human behaviour and institutions highlight the importance of non-economic factors, including concepts of fairness, trust, ethics, and cultural norms. For example, individuals who view the tax system as unjust might justify their avoidance as a way to express dissent or safeguard their own interests. In a similar vein, when there is a lack of trust in government, taxpayers might rationalise their avoidance of taxes by believing that the funds will not be utilised effectively or with integrity. People's attitudes towards avoidance are influenced by a variety of factors:

- 1) Socio-economic status: Individuals with higher incomes often have more resources and access to sophisticated avoidance schemes, while lower-income groups may perceive avoidance as unfairly benefiting the wealthy.
 - 2) Perceptions of fairness: If tax burdens are perceived as inequitable, avoidance is more likely to be viewed as legitimate.
 - 3) Trust in government: Where governments are transparent, accountable, and efficient in using tax revenues, compliance improves; the opposite encourages avoidance.
 - 4) Tax morale: Moral values and a sense of civic duty strongly influence whether taxpayers regard avoidance as acceptable.
 - 5) Enforcement measures: Audits, penalties, and the probability of detection play a role in shaping behavior but may not be sufficient alone.
 - 6) Cultural and social norms: In societies where avoidance is normalized, individuals feel less social pressure to comply honestly.
- By investigating these factors, this study not only identifies the determinants of attitudes toward tax avoidance but also contributes to the broader understanding of taxpayer psychology and compliance culture.

C. Theoretical Underpinnings

Several theoretical perspectives provide a framework for understanding taxpayer attitudes:

- 1) Economic Deterrence Theory: Suggests that taxpayers are rational actors who calculate the risks and benefits of avoidance. Higher enforcement and penalties reduce the attractiveness of avoidance.
- 2) Equity and Fairness Theory: Argues that perceptions of horizontal equity (equal treatment of equals) and vertical equity (greater burden on those with higher ability to pay) shape compliance. Perceived inequities encourage avoidance.
- 3) Institutional Trust Theory: Emphasizes that trust in government institutions mediates compliance behavior. If taxpayers believe revenues are used for public good, they are more likely to comply voluntarily.
- 4) Social Norms Theory: Highlights the influence of cultural and peer norms in shaping taxpayer behavior. When avoidance is widely practiced and socially accepted, it becomes normalized.
- 5) Tax Morale Theory: Focuses on the intrinsic motivation and ethical values that drive compliance beyond legal enforcement. High tax morale reduces avoidance tendencies.

Theories suggest that attitudes towards tax avoidance are influenced by a combination of economic reasoning as well as individual perceptions, values, and the surrounding institutional environments.

The objectives of this study involve addressing the previously mentioned gaps by carefully exploring the various factors that shape taxpayers' attitudes towards tax avoidance. The specific objectives include analysing the socio-economic factors that influence taxpayers' attitudes towards tax avoidance, examining how perceptions of fairness shape compliance behaviour, evaluating the impact of trust in government institutions on attitudes towards avoidance, assessing the influence of tax morale and ethical values in discouraging avoidance, investigating the role of enforcement mechanisms such as audits and penalties, and exploring the effect of cultural and social norms on taxpayers' justification of avoidance.

This research carries important implications for both theory and practice. This approach brings together various viewpoints from economics, psychology, and sociology, providing a comprehensive understanding of how people perceive tax avoidance. This research offers valuable insights for policymakers, enabling them to create more effective tax policies. These policies can move beyond mere enforcement and penalties, addressing the underlying behavioural and institutional factors that influence compliance. In the context of India, where there is a widespread sense of distrust in institutions and feelings of unfairness, this study provides important insights for encouraging a culture of voluntary compliance. Furthermore, within the worldwide conversation surrounding tax reform, these findings play a significant role in the continuing dialogue about fairness, ethics, and governance in the realm of taxation.

II. LITERATURE REVIEW

Recent studies highlight the complex relationship between socio-economic status, views on fairness, and trust in institutions, all of which shape taxpayers' attitudes towards tax avoidance. The importance of socio-economic factors cannot be understated. Mannan, Farhana, and Chowdhury (2020) discovered that the financial status and job roles of individual taxpayers in Dhaka play a significant role in shaping their compliance behaviour, suggesting that one's economic capacity can affect their likelihood of engaging in avoidance practices. In a comprehensive analysis across the region, Mas'ud, Manaf, and Saad (2019) found that trust and enforcement power play a crucial role in mediating the impact of socio-economic disparities on tax compliance in Asia. The concept of fairness plays a crucial role in understanding compliance. Castañeda (2023) explored how attitudes towards fairness influence compliance in developing contexts, highlighting a significant connection between perceived justice and tax morale. Furthermore, Tajuddin, Muhammad, and Ibrahim (2024) presented a conceptual synthesis indicating that viewing tax administration as fair and respectful encourages individuals to feel intrinsically motivated to comply. Trust in institutions also plays a significant role. Korgaonkar (2022) showed that in India, a greater trust in government was linked to a 1.2–1.45% rise in the number of respondents who believe that tax evasion is never justified. Koumpias, Leonardo, and Martinez-Vazquez (2021) highlighted that in various jurisdictions, institutional trust plays a crucial role in enhancing tax morale. Similarly, Kogler (2023) discovered that increased trust leads to a decrease in participation in the shadow economy. In addition to this, Batrancea (2022) found that for self-employed individuals, trust and perceived power play a significant role in encouraging compliance and diminishing evasion behaviour. Recent empirical and conceptual studies collectively highlight how socio-economic context, perceptions of fairness, and trust in institutions come together to shape taxpayer attitudes towards avoidance in meaningful ways.

Alongside institutional and socio-economic factors, the psychological and cultural aspects—such as tax morale, enforcement, and social norms—are crucial in influencing attitudes towards avoidance. In their 2018 study, Doerrenberg and Peichl explored how normative messaging, when paired with a sense of reciprocity, can enhance intrinsic tax morale by emphasising the advantages of compliance. Tajuddin et al. (2024) conducted a comprehensive conceptual review, reinforcing the idea that fairness and trust are fundamental to shaping moral attitudes regarding tax obligations. Robbins (2020) explored the interplay between moral imperatives and state coercion, ultimately concluding that the alignment of moral values and the perception of coercive power play a more significant role in influencing compliance than reciprocity by itself. The dynamics of enforcement continue to be significant: although the “slippery slope framework” (Kirchler, Hoelzl & Wahl, 2008) was established before 2015, Batrancea (2022) further developed these concepts, demonstrating that both enforcement power and trust play a crucial role in fostering compliance among self-employed individuals. The attitudes towards taxes are shaped by cultural norms and social influences. Sjoberg (2019) found that democratic accountability and the way legitimacy is perceived play a crucial role in fostering voluntary compliance among various groups of people. Castañeda-Rodríguez (2025) discovered that a person's tax morale is influenced by their beliefs regarding both their own compliance and that of others, with fairness and trust perceptions playing a mediating role. Agusti (2023) noted that within SMEs, the use of normalised avoidance tactics—often rationalised by the actions of peers who take advantage of legal loopholes—can foster positive attitudes towards non-compliance.

This collection of research highlights that, in addition to financial motivations, personal ethics, the reliability of enforcement, and the surrounding social environment work together to influence perspectives on tax avoidance. This underscores the need for comprehensive tax policy measures that consider moral, normative, and institutional factors.

While there is an increasing focus on tax compliance in academic circles, there are still notable gaps in our understanding of the attitudes surrounding tax avoidance, especially in developing countries such as India. Previous research has predominantly concentrated on tax evasion, which refers to illegal non-payment, or on the strategies corporations use to avoid taxes. In contrast, there has been relatively limited systematic exploration of individual taxpayers' perceptions and attitudes regarding avoidance (Mannan et al., 2020; Robbins, 2020). The studies examined reveal that factors such as socio-economic conditions, perceptions of fairness, institutional trust, tax morale, enforcement, and cultural norms play a significant role in influencing compliance behaviour (Castañeda, 2023; Korgaonkar, 2022; Koumpias et al., 2021). However, there is a notable lack of empirical evidence that brings together all these variables into a cohesive framework.

Initially, although various studies (Mas'ud et al., 2019; Mannan et al., 2020) have explored socio-economic determinants, there remains a lack of agreement on the direct influence of income, occupation, and financial capacity on attitudes towards avoidance, in contrast to compliance in a broader sense. Furthermore, perceptions of fairness are consistently associated with compliance behaviour (Castañeda, 2023; Tajuddin et al., 2024). However, there is a noticeable lack of studies that explore how inequities in taxation lead taxpayers to justify avoidance, particularly in environments characterised by income disparities. Third, while trust in government appears to be a significant factor influencing tax morale (Korgaonkar, 2022; Kogler, 2023), there is limited understanding of how the strength of institutional trust compares to concepts such as fairness or socio-economic status in shaping attitudes towards tax avoidance.

Furthermore, although tax morale and ethics are recognised as crucial for encouraging voluntary compliance (Doerrenberg & Peichl, 2018; Frey & Torgler, 2007), the ways in which they connect with enforcement mechanisms have not been thoroughly examined. Enforcement studies (Batrancea, 2022) often focus on deterrence; however, they rarely take into account how an overemphasis on penalties can undermine morale or trust, leading to complex effects on avoidance attitudes. Ultimately, cultural and social norms are acknowledged as significant factors (Sjoberg, 2019; Agusti, 2023; Castañeda-Rodríguez, 2025). However, the empirical analyses conducted thus far tend to be fragmented, frequently concentrating on regional or small-scale samples and lacking integration into more comprehensive explanatory frameworks.

The existing literature highlights a notable gap: although individual studies examine socio-economic, institutional, and cultural factors affecting tax behaviour, there is a lack of comprehensive research exploring how these elements collectively influence taxpayers' attitudes towards tax avoidance. This research seeks to address that gap by exploring how socio-economic status, perceptions of fairness, trust in government, tax morale, enforcement mechanisms, and cultural norms collectively influence attitudes towards avoidance. This approach not only deepens our theoretical grasp of taxpayer psychology but also offers practical guidance for policymakers aiming to minimise avoidance by fostering fairer tax systems, building stronger institutional trust, and promoting greater civic responsibility.

III. OBJECTIVES OF THE STUDY

- 1) To examine the socio-economic and psychological determinants of taxpayers' attitudes towards tax avoidance.
- 2) To analyse the role of trust, fairness, and enforcement mechanisms in shaping avoidance tendencies.
- 3) To provide policy recommendations for improving compliance behaviour.

IV. METHODOLOGY

This research employs a quantitative, survey-based approach to explore the various factors that shape taxpayers' attitudes towards tax avoidance. It aims to align with the study's objectives, which emphasise aspects such as socio-economic status, perceptions of fairness, trust in government, tax morale, enforcement, and cultural norms. A structured questionnaire was created, consisting of 28 items assessed on a five-point Likert scale, where responses range from "strongly disagree" (1) to "strongly agree" (5). The items are organised into six independent constructs and one dependent construct. The study examined various independent variables such as socio-economic factors, perceptions of fairness, trust in institutions, tax morale, enforcement mechanisms, and cultural norms. In contrast, the overall attitude of taxpayers towards tax avoidance was identified as the dependent variable. The instrument's content validity was established by incorporating items from scales that have been previously validated in the fields of tax compliance and behavioural studies, such as those by Koumpias et al. (2021), Castañeda (2023), and Robbins (2020). The sample frame included 300 individual taxpayers from a variety of socio-economic and occupational backgrounds.

This group comprised salaried employees, self-employed professionals, and small business owners, representing both urban and semi-urban areas. Participants were chosen through a stratified random sampling method to guarantee that various income levels and job categories were appropriately represented. We gathered data using a combination of online surveys and in-person administration to enhance response rates and minimise sampling bias. The reliability of the instrument was assessed through Cronbach's alpha, with all constructs surpassing the recommended threshold of 0.70, thereby confirming internal consistency. The evaluation of construct validity was enhanced by conducting exploratory factor analysis (EFA). In our analysis, we utilised descriptive statistics to explore the central tendencies and variations in the responses. This was complemented by correlation analysis to uncover the relationships among the variables. We employed Ordinary Least Squares (OLS) regression analysis to explore how various predictors influence avoidance attitudes. To evaluate the fit of our model, we examined the R^2 and F-statistic values. We took great care to address ethical considerations, ensuring that respondents were assured of their confidentiality and anonymity, and that their participation was entirely voluntary. This approach combines behavioural, socio-economic, and institutional viewpoints into one empirical framework, offering strong evidence to comprehend taxpayers' attitudes towards tax avoidance and establishing a dependable foundation for informing policy decisions.

V. FACTORS INFLUENCING ATTITUDES TOWARDS TAX AVOIDANCE

In cultures where tax avoidance is socially tolerated, individuals rationalize avoidance as normal business practice. Table 1 presents the descriptive of data as under:

Table-1: Descriptive

Variable	Mean	SD	Min	Max
SE (Socio-Economic)	3.12	0.74	1.5	4.8
PF (Fairness)	2.78	0.85	1.2	4.9
TG (Trust Gov.)	2.45	0.92	1	4.6
TM (Tax Morale)	3.65	0.68	1.8	4.9
ENF (Enforcement)	3.42	0.71	1.9	4.8
CN (Cultural Norms)	3.05	0.82	1.3	4.7
ATT (Attitude)	3.18	0.69	1.7	4.9

The descriptive statistics highlight significant trends in how taxpayers perceive and feel about tax avoidance. The average score for overall attitude (ATT) was 3.18, indicating a moderate level of acceptance regarding tax avoidance among the respondents. The mean value for trust in government (TG) was found to be 2.45, which is notably low, accompanied by a relatively high standard deviation of 0.92.

This suggests that a significant number of respondents displayed a lack of confidence in government institutions, and there was considerable diversity in their opinions. The perceptions of fairness (PF) were notably low, with a mean score of 2.78, indicating a significant level of dissatisfaction among individuals regarding the equity of the tax system. In contrast, tax morale (TM) exhibited the highest mean ($M = 3.65$, $SD = 0.68$), indicating that a robust sense of ethical responsibility continues to play a significant role in deterring avoidance. The enforcement measures (ENF) garnered a moderately high average score of 3.42, suggesting that participants generally acknowledge the importance of audits and penalties in influencing compliance, though there is some variation in responses. Socio-economic factors and cultural norms were assessed at moderate levels ($M = 3.12$ and $M = 3.05$ respectively), indicating that both financial circumstances and social influences play a role in shaping taxpayers' perceptions of avoidance. The range of scores observed across the variables highlights the existence of respondents who exhibit both high levels of compliance and a tendency to avoid, indicating a diversity in taxpayer behaviour.

A. Correlation Analysis

The correlation analysis is presented in table-2 as under:

Table-2: correlation analysis

Variable	SE	PF	TG	TM	ENF	CN	ATT
SE	1	0.32	0.28	0.15	0.21	0.29	0.35**
PF	0.32	1	0.46	0.19	0.27	0.40**	0.49**
TG	0.28	0.46	1	0.22	0.37	0.31	0.52**
TM	0.15	0.19	0.22	1	0.41	0.18	-0.39**
ENF	0.21	0.27	0.37	0.41	1	0.26	-0.28*
CN	0.29	0.40**	0.31	0.18	0.26	1	0.44**
ATT	0.35**	0.49**	0.52**	-0.39**	-0.28*	0.44**	1

(** $p < 0.01$, * $p < 0.05$)

The correlation analysis offers valuable insights into how the studied variables relate to taxpayers' attitudes regarding tax avoidance. The analysis revealed a positive correlation between attitudes (ATT) and various factors: socio-economic conditions ($r = 0.35$, $p < 0.01$), perceptions of fairness ($r = 0.49$, $p < 0.01$), trust in government ($r = 0.52$, $p < 0.01$), and cultural norms ($r = 0.44$, $p < 0.01$). The findings suggest that individuals are more inclined to rationalise tax avoidance when they view tax policies as inequitable, possess a diminished trust in governmental institutions, or exist within cultural environments where such avoidance is commonly accepted. Conversely, there was a negative correlation between tax morale ($r = -0.39$, $p < 0.01$) and enforcement mechanisms ($r = -0.28$, $p < 0.05$) with avoidance attitudes. This indicates that greater ethical values and more robust deterrent measures tend to diminish the acceptance of non-compliance. The correlations among the variables uncovered significant patterns: perceptions of fairness and trust in government were notably connected ($r = 0.46$), indicating that confidence in governance and equity in taxation are intertwined; enforcement showed a moderate relationship with both trust ($r = 0.37$) and tax morale ($r = 0.41$), suggesting that compliance is shaped by a blend of ethical responsibility and the robustness of institutions. The relationship between cultural norms and fairness ($r = 0.40$) as well as attitudes ($r = 0.44$) underscores the significant impact of social influence on taxpayer behaviour. The findings highlight that trust and fairness serve as the most significant positive influences on avoidance attitudes, whereas tax morale and enforcement function as limiting factors.

B. Regression Analysis (OLS)

The regression analysis for the purpose of measuring determinants of Taxpayers' Attitudes Towards Tax Avoidance is conducted taking Attitude Towards Tax Avoidance (ATT) as Dependent Variable and Socio-Economic, Fairness, Trust Gov., Tax Morale, Enforcement and Cultural Norms as independent variables. The results are presented in table-3 as under:

Table-3: Regression results

Predictor	β (Beta Coefficient)	t-value	p-value
SE (Socio-Economic)	0.18	3.12	0.002**
PF (Fairness)	0.26	4.85	0.000**
TG (Trust Gov.)	0.29	5.42	0.000**
TM (Tax Morale)	-0.21	-4.01	0.000**
ENF (Enforcement)	-0.12	-2.54	0.012*
CN (Cultural Norms)	0.23	4.09	0.000**

The study involving 300 individuals revealed that taxpayers' views on tax avoidance are influenced by a range of socio-economic, institutional, and psychological factors. The regression model demonstrated a satisfactory fit, indicated by a R^2 value of 0.48. This suggests that 48% of the variation in taxpayers' attitudes towards tax avoidance can be explained by the selected predictors. The overall model showed a statistically significant result, highlighted by an F-statistic of 42.7 ($p < 0.001$). Among the predictors, trust in government emerged as the most significant positive factor ($\beta = 0.29$), suggesting that diminished levels of institutional trust are closely associated with more favourable attitudes towards avoidance. The way individuals perceive fairness ($\beta = 0.26$) and the cultural norms they adhere to ($\beta = 0.23$) play a significant role in shaping taxpayers' attitudes. This suggests that when people view tax systems as unjust or when tax avoidance is seen as socially acceptable, they are more likely to justify their decision to not comply. Conversely, tax morale ($\beta = -0.21$) and enforcement measures ($\beta = -0.12$) exhibited a negative correlation with avoidance, suggesting that a sense of ethical responsibility and deterrent strategies contribute to reducing the likelihood of non-compliance. It is important to highlight that enforcement played a smaller role in comparison to the elements of fairness and trust. The socio-economic conditions ($\beta = 0.18$) contributed to shaping attitudes, though their influence was somewhat subtle. The results shared in this study reveal several significant insights: Firstly, the absence of trust in government institutions stands out as a significant factor that affects tax avoidance. Moreover, the way people view fairness in taxation greatly influences their readiness to comply. Moreover, a robust sense of tax morale often reduces the justification for tax avoidance. Although enforcement measures such as audits and penalties can have an effect, they are not as significant as the aspects of fairness and trust in promoting compliance. Ultimately, a societal acceptance of tax avoidance fosters a more forgiving perspective on these practices. The findings reveal that taxpayers' views on tax avoidance are shaped by more than just financial incentives; they are also affected by a combination of trust in institutions, beliefs about fairness, and ethical considerations. The societal inclination to embrace avoidance creates a lenient environment, and the visible misallocation of tax resources prompts individuals to rationalise their non-compliance. Policymakers must strive to achieve a thoughtful balance between enforcement measures and efforts that promote trust and fairness within the system.

VI. CONCLUSION

Tax avoidance continues to pose a considerable challenge for governments around the world. The perspectives of taxpayers regarding avoidance are influenced by a variety of socio-economic, institutional, and cultural elements. To effectively tackle these determinants, it is essential to implement not just legal and administrative reforms, but also initiatives aimed at fostering trust and a sense of moral responsibility among taxpayers. Creating a system that is fairer, more transparent, and accountable is crucial for reducing avoidance and enhancing compliance. This analysis reveals that taxpayers' perspectives on avoidance are influenced not only by financial considerations but also by factors such as trust, fairness, ethics, and cultural context. A comprehensive approach that fosters institutional trust, promotes fairness, and enhances tax morale proves to be more effective than depending exclusively on enforcement measures.

VII. FUTURE IMPLICATION

The results of the study indicate several significant policy considerations for addressing taxpayers' positive perceptions of tax avoidance. To begin with, improving transparency in the utilisation of public funds is essential, as taxpayers tend to be more cooperative when they can clearly observe how their contributions are directed towards development and welfare initiatives. It is essential for governments to focus on fostering transparency and implementing accountability measures in order to restore public trust. Secondly, it is crucial to simplify tax laws, as intricate structures often lead to loopholes that enable avoidance. A simpler system not only limits chances for manipulation but also lowers compliance expenses. Third, implementing a fair distribution of the tax burden via progressive taxation can help alleviate feelings of inequality and promote a stronger sense of justice within the system. Fourth, it is essential to enhance enforcement by implementing balanced deterrence mechanisms. This includes conducting effective audits and applying proportionate penalties, all aimed at discouraging avoidance while preserving voluntary compliance and maintaining taxpayer trust. Ultimately, campaigns focused on awareness and ethics that seek to enhance tax morale have the potential to transform societal perspectives. Through education, initiatives that foster civic responsibility, and strategies for public engagement, taxpayers can come to understand and appreciate the vital role that taxation plays in our shared advancement. These policy measures collectively emphasise that promoting compliance involves more than just legal enforcement; it also necessitates institutional credibility, fairness, and a shared sense of responsibility within the community.

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QUESTIONNAIRE

Section A: Socio-Economic Factors	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1. My income level influences my attitude towards paying or avoiding taxes.					
2. People in higher income groups are more likely to avoid taxes.					
3. Occupation type (business vs. salaried) shapes one's attitude towards tax avoidance.					
4. Tax avoidance is a common practice in my social/business circle.					
Section B: Perceptions of Fairness					
5. The tax system in my country is fair to all income groups.					
6. Tax policies disproportionately burden the middle/lower-income class.					
7. I would be more willing to pay taxes if I believed the tax system was equitable.					
8. Tax avoidance is justified when the tax system is unfair.					

Section C: Trust in Government & Institutions					
9. I trust the government to use tax revenues responsibly.					
10. Lack of transparency in government spending encourages tax avoidance.					
11. If I had more confidence in government accountability, I would be more willing to comply with taxes.					
12. Corruption in public institutions reduces my willingness to pay taxes honestly.					
Section D: Tax Morale & Ethics					
13. Paying taxes is a moral obligation to the nation.					
14. Avoiding taxes is ethically wrong, even if legal.					
15. I would feel guilty if I deliberately avoided paying taxes.					
16. Strong moral values reduce taxpayers' tendency to avoid taxes.					
Section E: Enforcement & Deterrence					
17. Strict penalties discourage tax avoidance.					
18. Tax audits increase taxpayers' willingness to comply.					
19. Many taxpayers avoid taxes because they believe enforcement is weak.					
20. A strong probability of detection would influence me to avoid tax avoidance.					
Section F: Cultural & Social Norms					
21. In my society, tax avoidance is considered acceptable.					
22. People I know consider tax avoidance as a smart financial practice.					
23. Tax compliance depends more on social influence than personal choice.					
24. Cultural acceptance of tax avoidance increases non-compliance.					
Section G: Overall Attitude					
25. Tax avoidance is an acceptable strategy to reduce financial burden.					
26. I would avoid taxes if I had the opportunity and low risk of detection.					
27. Tax avoidance harms the nation's development.					
28. Voluntary tax compliance is better than relying on enforcement alone.					



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