



# AMERICAN JOURNAL OF SOCIETY AND LAW (AJSL)

ISSN: 2835-3277 (ONLINE)

VOLUME 2 ISSUE 2(2023)



PUBLISHED BY  
E-PALLI PUBLISHERS, DELAWARE, USA

## Tax Moral on the Compliance of the Individual Taxpayers in Qardho District, Somalia

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### Article Information

**Received:** July 03, 2023**Accepted:** July 31, 2023**Published:** August 04, 2023

### Keywords

*Tax, Taxpayer, Qardho*

### ABSTRACT

This study assessed the role of knowledge on the compliance of individual taxpayers, as well as impact of tax moral on the compliance of individual taxpayers and explored strategic solutions to cope tax moral on the compliance of individual taxpayers. The study applied a quantitative research method the data was collected sample size of 80 respondents including business owners, employees, local government staff, and unemployed through questionnaires were self-administrated with used likert scale. The procedure selected in this study will be simple random sampling method. The data were analyzed using descriptive statistics by SPSS to determine the demographic information relevant to the study were asked the respondents their ages as the data indicates, a huge number of the participants 24 (29.6%) fall in the 20 and 30 ages range. This means more than 78% of the survey respondents were youth, and it is quite understandable because, according to UN reports, more than 75% of the Somali population is less than 30 years old. The majority respondents Out of the 80 respondents, 47, or 58.0%, were males compared to 32 females, or 39.5%. This indicates a male domination of the study; there are cultural issues in the country that allow male to outnumber females in the job opportunities. The study has pointed up the role of knowledge on the compliance of individual taxpayers were not met a good moral tax administration, that may cause the taxpayers to be lack of coherent social contract and then that encouraged on refuse paying taxes, at the moment the poor tax moral system it that may lead non-compliance, and also emphasized tax administration teams faced more challenges as effected evasion of taxes, corruption, lower of income level, administration sanctions and lack of accountability. The study suggests that the local government should prioritize creating written laws of taxes, also must be done enforcement together efforts of the effectiveness of tax system in both the government and taxpayers, Furthermore government should interest structuring tax laws to minimize non-compliance is essential.

### INTRODUCTION

Around the world tax authorities are facing the challenges of fiscal management pertaining to performance in the collection of tax revenue. The Tax non-compliance is an attitudinal tendency of taxpayers that may lead to tax behavior i.e. tax avoidance and/or tax evasion (Natrah2012).Pakistan is an emerging economy and faces unique tax-related challenges. An International Monetary Fund (IMF) working paper (2016) concluded the challenges faced by

Pakistan regarding tax compliance; firstly; according to the data compiled by the Federal Board of Revenue (FBR) and the Ministry of Finance, the number of active individual tax Filers is 1,156,984, but 5,700,000 people are reportedly earning above the minimum taxable Income threshold.

Taxpayer compliance is a taxpayer's behavior in carrying out tax obligations by applicable regulations. The level of taxpayer compliance is an essential factor in the realization of the tax revenue target. The realization of tax revenue is one of the main problems in taxation in Indonesia. This problem is about the tax ratio in Indonesia, which is still considered low below the standard. It is indicated by the tax ratio, which has fluctuated over the last 5 years (2014-2017). In 2014 the tax ratio was relatively high, up to 13.7%. In 2015 it was at 11.6, and in 2016 it fell again

to 10.8 until, in 2017, it reached 10.7. Although in 2018 the tax ratio increased by 0.1% compared to the previous year, which was 11.5%, and in 2019 it was 11.9%, this figure is still far from the global standard of 15% (Financial Media, 2019). Thus, this reflects the low level of taxpayer compliance in fulfilling their tax obligations.

The South Africa tax environment is characterized by a variety of legislations meant to protect the country's fiscus and the taxpayers. SARS (Who pays Tax?, 2015) lists categories of taxpayers who must pay income tax which includes taxable income from salaries, commissions, fees and other sources. Corporate tax is paid by companies, close corporations and trusts on their annual income. Income Tax (personal and corporate) is regarded as a major part of the fiscus.

The legal taxation history of Somalia began in the colonial era, with Italy and Britain taxing the northern and southern regions of the country differently. Most of the tax laws they Introduced are now outdated and either need to be amended or replaced with new ones so that Modern features can be included. In addition, under the military regime of Siad Barre, the Economy was under the command and control of the state, and there were fewer private sectors Companies in certain sectors. The situation continued in same way until 1991, when the Somali.

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Civil War broke out, Somalia, like other African countries, faces multiple constraints, including a lack of resources with which to provide much-needed public goods and services. The government's ability to raise revenue is weak due to its application of unsuitable, old tax systems, and its lack of modern tax laws, procedures and ICT equipment. As discussed by Isak (2018), some of the challenges that Somalia faces are dealing with "Hard-to-Tax" sectors, poor administrative capacity, insecurity and political instability, the incomplete transition to the federal system, outdated laws and the poor enforcement of those laws, and customs-related problem.

The most important thing in tax collection is that there must be Taxpayer Compliance in paying tax obligations. Compliance with paying tax (tax compliance) is that taxpayers have a willingness to meet their tax obligations in accordance with applicable regulations without the need for inspection, careful investigation, warning, or threat and the application of sanctions both legal and administrative (Simon James *et al.*, 2019). Considering that taxpayer compliance is an important and main factor for increasing tax revenue, it is necessary to continuously examine what factors influence tax compliance, especially individual taxpayers. Moral obligation is another attempt to maximize taxpayer compliance. According to Ajzen (2002), ethics, principles of life, feelings of guilt are moral obligations that each person has in carrying out something. Where this can be associated with compliance with taxpayers in paying taxes. This is in line with research conducted by Aryati (2012) and Ishti (2013) where the level of tax compliance will be higher when taxpayers have stronger moral obligations.

In spite of compliance level of individual taxpayers in Qardho District are not meet good moral tax administrations, that may cause the taxpayers to be lack of coherent social contract and then that encourages on refuse paying taxes. at the moment the poor tax moral system of tax administration teams it reported that may lead non-compliance. (Sagal *et al.*, 2020). with this problem the tax administration teams faces more challenges as affect evasion taxes, corruption, lower of income level, administration sanctions and lack of accountability. Therefore the problem that this study addressed to investigate the strategic solutions to cope tax moral on the compliance of individual taxpayers.

The study was focused by the following objectives; (1) to examine the role of tax knowledge on the compliance of individual taxpayers in Qardho District, (2) to evaluate the impact of tax moral on the compliance of individual taxpayers in Qardho District, (3) to explore the strategic solutions to cope tax moral on the compliance of individual taxpayers in Qardho District.

## LITERATURE REVIEW

### The Role of Tax Knowledge on the Compliance of Individual Taxpayers

Knowledge is known or recognized information, knowledge is something known to be associated with the

learning process, and tax knowledge, in general, is the ability to understand basic tax concepts applied within a country (Alkhatib & Abdul-Jabbar, 2017). Understanding tax policies by taxpayers helps in accepting the tax system and increasing compliance. Tax knowledge is an essential component of voluntary compliance, especially in determining accurate tax Commitment. The Edward and Ambrose (2017) study confirmed that taxpayers lack confidence in their ability to calculate the tax owed correctly, which forced them to hire experts in order to prepare the tax return and submit it to the tax authorities. The study concluded that the technical And cognitive skill in filing tax returns is a factor affecting tax compliance. The learning process is Influenced by various internal factors such as motivation, and other external factors such as the available information means as well as the proposed social and cultural conditions. Without any tax knowledge, taxpayers intend not to comply with the tax regulations with or without intent. As many tax laws and their existing changes usually pay taxpayers for non-compliance with taxes. the more sophisticated the tax system, the higher the cost of compliance.

Kasper *et al.* (2013) claims that tax sophistication produce a negative paradigm toward Current tax law, which reduces the desire for tax compliance, and the relationship between both Tax knowledge and tax compliance is positive. That is, the greater the tax knowledge of the Taxpayer, the greater the tax compliance and this reflects positively on the state treasury. Tax knowledge is, therefore, one of the most influencing factors in determining taxpayer Compliance behavior under the self-assessment system. This was established and supported experimentally by many other studies that include those who have documented that possession of tax knowledge will increase compliance rates. One measure to increase voluntary compliance is to ensure that taxpayers have a certain level of qualifications, ability, and confidence to Exercise their tax liability. According to Oladipupo and Obazee (2016) the level of education is an Important factor affecting tax knowledge. They claim that people with a higher educational level can easily understand the tax requirements. Based on the above, some studies have found that the relationship between tax knowledge and tax compliance is a positive relationship (Eriksen & Fallan, 1996; Kasper *et al.*, 2013; Oladipupo & Obazee, 2016), and a number of other studies have found that the relationship is negative or no relationship (Chan *et al.*, 2000; Manual & Xin, 2016).

### The Impact of Tax Moral on the Compliance of Individual Taxpayers

Ethics imply a moral mind-set which directs the human actions as well as businesses, and shapes a part of the attitude related to the behaviors of people (Al Zeer *et al.*, 2019). Tax morality is defined as the degree of national and cultural awareness prevailing in the state; and so the higher this level among individuals, the more these individuals enjoy a high sense of tax responsibility, and

growing love for the public interest, and a relentless pursuit towards performing their duties, which are determined based on the laws and regulations (Torgler & Schneider, 2009). Among those regulations comes in the first place accepting them to fulfill their tax obligation, as this is one of the methods to preserve the entity of the state and contribute to its progress and advancement, and even help it to provide the best services to all members of society, in light of that very few researchers discussed taxes from the ethical aspects. A different approach of tax compliance ethics was found in a study made by Harun *et al.* (2011), which compared the perception of accounting and business students at a local university in Malaysia. The study found that accounting students thought that non-compliance with tax regulations wasn't ethical, while business students believed that non-tax compliance could be both ethical and unethical according to the circumstances.

This economic crime brings harmful effects on society because it gradually reduces people's confidence in the tax system. Tax compliance behavior also depends on taxpayer perceptions of other people's behavior (Alm & Torgler, 2011). This means that the ethical obligation to comply with tax compliance depends on the ethical behavior, values, and ethical attitudes of other taxpayers according to Nhavira (2016). It is clear that the social-ethical view assumes that taxpayers make their decisions which are related to paying taxes on their ethical beliefs, on the other hand, and from a rational point of view, one can say that self-interest Maximization is the primary driver of tax noncompliance. Many current studies have found that the relationship between ethics and tax compliance is positive. Social norms are closely related to the culture of paying taxes. These standards tend to encourage voluntary compliance, which causes citizens to collaborate with their government when compliance is considered positive and Socially desirable (Frey & Torgler, 2007). These dimensions are especially important for developing countries to consider, as they have limited funds and infrastructure to levy taxes.

McGee and Tyler (2006) noted that students in Korea, Japan, and China found that the level of ethics had a significant positive correlation with the tax compliance process, as it stated that higher-educated students were less tempted to process non-compliance actions, while at the lower educational level they had a greater tendency to oppose taxes. One possible justification for this is that graduate students generally are older and more mature than undergraduate students, add that older citizens are more aware of the consequences if they don't intentionally comply with taxes. Based on the above, most previous studies indicated that the relationship is positive between tax ethics and tax compliance (Alm & Torgler, 2011; Chan *et al.*, 2000; Frey & Torgler, 2007; Riahi-Belkaoui, 2004), other studies have found that the relationship between them is either negative or that there is no relationship at all (Ariel, 2012; Slehat, 2009).

Public services indeed have predetermined standards to

assist taxpayers in fulfilling their obligations. However, each tax service office must have different levels of service so that various perceptions arise from taxpayers (Firnanda, 2017). If the quality of services provided by the tax authorities provides satisfaction and convenience to taxpayers, they will be more obedient in fulfilling their obligations. In contrast, if the quality of services provided does not provide satisfaction, taxpayers tend to avoid taxes. If this happens, the taxpayer will be given sanctions by applicable regulations to deter negligent taxpayers. Sanctions with a high amount will make taxpayers more obedient in fulfilling their tax obligations (Santoso, 2008). Firnanda (2017) proves that service quality can strengthen the relationship between tax sanctions and taxpayer compliance. It shows that the tax authorities can build good trust with taxpayers so that taxpayers comply with tax regulations that have been set by not avoiding taxes.

### **Strategic Solutions to Cope Tax Moral on the Compliance of Individual Taxpayers**

First and foremost Based on Theory of Slippery Slope is a theory which states that tax compliance will be formed because of two things, namely the power of authorities and trust in authorities. The power of authority is the taxpayer's perception of the tax authorities' ability to detect and provide penalties for taxpayers who violate tax regulations. Trust in authority is the opinion of an individual or social group that the tax authority has a dependable performance and works for the good of society. This theory explains that social psychology and deterrence variables can affect tax compliance (Cyan, Koumpias, & Martinez-Vazquez, 2016).

Additionally based on tax simplicity law Slemrod and Bakija (2008) suggest that the ideal tax system should be fair, simple, and enforceable and promote economic prosperity. Chattopadhyay and Das Gupta's (2002) study suggests that the simplification of tax legislation might have a significant impact in encouraging tax compliance behavior amongst taxpayers. Loo (2006) stated that the self-assessment system resultantly increases voluntary compliance and simplify the tax collection system. Taxpayers belong to various backgrounds, with differences in their culture, income, educational background and tax knowledge. Therefore, Richardson (2006) and Palil and Mustapha (2011) stated that simplicity in tax law is significantly related to tax compliance. By simplifying the tax return, taxpayers will consider filing the tax return by themselves rather than deploying it to professionals (Baer and Silvani (1997). Chau and Leung (2009) observed that the complexity of the tax system has for long being determined as one of the main factors of tax evasion. The simplicity of taxes affects your opinion about proposed fair tax policies (Murphy 2009). Evidence shows that one of the factors leading to voluntary compliance is the simplification of tax payments (Saad 2014), which implies that a complex tax system can be a deterrent to voluntary tax compliance. Having tax laws that are consistent and stable in enactment and performance will make the tax

system less complex and can encourage tax compliance (Ahangar *et al.* 2011).

Furthermore based on Perception about government spending, Luther and Singhal (2014) stated that different types of government services which are financed by tax revenues affect an individual's willingness to comply. Voluntary tax compliance will increase if the government spends the national revenue wisely (Palil and Mustapha 2011). Similarly, according to Feld and Frey (2007), taxpayers pay their taxes honestly, if they get valuable public services in exchange. These behaviors could be explained by acknowledging the Social Exchange Theory and Expected Utility Theories. Expected Utility Theory (EUT) states that the decision maker compares the expected utility values and then choose between risky or uncertain prospects and Social Exchange Theory (Homans 1958) explains above observations as the exchange of activity, tangible or intangible, between two parties. Consequently, the tax payers will show compliance when they perceive that the tax amount is being exchanged with valuable public goods. Taxpayer's perception of Government Spending is meaningful in determining their fair compliance behavior (Palil 2010; Kirchgassner 2011). Taxpayer's sense of fairness will be encouraged by sufficient utilization of tax revenue on public goods (Dragojlovic 2008).

## MATERIALS AND METHODS

### Research Design

The Descriptive research design will be used to explore the correlation between the independent and dependent variables and collect any relation between these variables. This type of research design selected for this study is denominated descriptive design; this descriptive design is often used to investigate "what is" by combining quantitative and qualitative research methodologies, descriptive studies employ observational and survey methods to collect descriptive data (Pereira& Gheisari, 2017).

### Target Population

Population targeted will reached up to 100 individual taxpayers in Qardho Somalia because they will be a base of study and provided the relevant answers to the research questions.

### Sample Size

Yamane's formula was bringing used to this study to determine the sample size Yamane's formula to obtaining the sample size. Decocting by the sample size, Yamane's formula is given by

$$n = \frac{N}{1 + N(e)^2}$$

n = sample size  
 n = population size  
 e = margin error  
 $n_0 = 100 \div 1 + 100 * 0.052$   
 $= 100 \div 1 + 100 * 0.0025$   
 $= 100 \div 1 + 0.00 25$   
 $= 80$

### Sample Procedure

This study will be used probability sampling method because of finite and registered population, the procedure selected in this study will be simple random sampling method, because sample random is sampling techniques where every them in the population has an equal chance.

### Research Instrument

This study will be used questionnaire instrument for collection data employed in qauntitative research, questionnaire were self-administrated close ended questions. The sample was carefully selected from the whole population of 80 individual taxpayers and this technique of questionnaire may be defined as technique of data collection in which each person is asked to respond to the same set of questions in predetermined order. The selection of this tool has been guided by the mature of data to be collected, the time available as well as by the objectives of the shady and the overall aim of study is to investigate the relationship between dependent and the independent.

### Data Analysis

The frequency and percentage distribution will be used to determine the profile of respondents in analyzing and using statistical package of social science (SPSS Version 20) to measure the degree of relationship between tax moral and compliance of individual taxpayers in Qardho, Somalia.

### Ethical Considerations

In this study bearing in mind the ethical muses the researcher were provide to the respondents with the necessary information as regards the main purpose of the research, expecting duration and procedures to following, and be in position to keep privacy and not disclose the confidentiality of r espondents a nd researchers responsibility.

## RESULTS AND DISCUSSION

This section presents the analysis and discussion of the findings got f rom t he a dministered questionnaires. It contains the specific objectives of the study.

### Demographic Characteristics of Respondents

As shown in the Table 1 below, five factors were used to collect the demographic information relevant for the study. Gender was the first demographic variable in which the respondents were asked to classify themselves as either males or females. Out of the 80 respondents, 47, or 58.0%, were males compared to 32 females, or 39.5%. This indicates a male domination of the study, but it is understandable since the survey was targeting the literate Somali population, and there are cultural issues in the country that allow male to outnumber females in the business opportunities.

The second demographic variable asked the respondents their age. Out of the 80 respondents,1 (1.2%) were less

**Table1:** Demographic characteristics of the respondents

Variable	Values	Frequency	Percentage%
Gender of the respondent	Male	47	58.0
	Female	32	39.5
Age of the respondent	Below 20	1	1.2
	20-30	24	29.6
	31-40	19	23.5
	41-50	23	28.4
	50 above	13	16.0
Educational background	Illiterate	21	25.9
	Literate	21	25.9
	Diploma	11	13.6
	Bachelor	25	30.9
	Master	2	2.5
Current position	Business owner	39	48.1
	Employee	30	37.0
	Local government staff	9	11.1
	Unemployment	2	2.5
Working experience	1-2 years	16	19.8
	2-4 years	21	25.9
	5-6 years	23	28.4
	7 above years	19	23.5

than 20 years old; 24 (29.6%) were between the ages 20 and 30 years old , and were ages between 31 years and 40 old; 19 (23.5%) were between the ages 41 and 50; 23 (28.4%) were older than 50 years old. As the data indicates, a huge number of the participants fall in the 20 and 30 ages range. This means more than 78% of the survey respondents were youth, and it is quite understandable because, according to UN reports, more than 75% of the Somali population are less than 30 years old.

We also asked the respondents what best described their current position. Out of the 80, 39 respondents (or 48.1%) identified were business owner; 30 respondents, or (37.0%), were employee. 9 of respondents, or (11.1%) were local government staff, 2 respondents, (2.5%) were unemployment More than half of the survey participants were business owners that is indicates most Somali communities are self-employment individuals.

The study also identified the educational background of the respondents. 21 respondents, or (25.9%), were illiterate; 21, or (25.9%), were literate; 11 respondents, or (13.6%), were get Diploma; and 25, of respondents or (30.9%), have finished their bachelor; 2 of respondents (2.5%), degrees of the survey respondents had completed their master education. There are several reasons why the bachelor degree holders have the highest share in the survey. First, it is normal that bachelor graduates prefer to acquire experiences before pursuing the second degrees. As explained in the following paragraph, a large number of bachelors participated in the survey, and most of them have bachelor degrees.

The study also described the work experience of the respondents. Out of 80, 19 respondents or (23.5%) worked above 7 years, 23 respondents, or (28.4%) worked 5-6 years, other respondents of 21 or (25.9%) worked 2-4

**Table 2:** Role of knowledge on the compliance of individual taxpayers

Role of knowledge on compliance of individual taxpayers	Strongly agree	Agree	Natural	Disagree	Strongly Disagree
You are satisfied with the payment of the tax obligations assigned by the government	26	43	3	3	5
	32.2	53.1	3.7	3.7	6.2
The tax collection process is not transparent	20	43	2	12	3
	27.4	53.1	2.5	14.8	3.7
you receive advance notices and warnings before 7 days of the tax payment period	7	24	7	32	10
	8.6	29.6	8.6	39.5	12.3
There is a low working relationship between the tax collection teams and taxpayers	13	44	5	13	5
	16.0	54.3	6.2	16.0	6.2

years, and 16 respondents or (19.8%) worked 1-2 years. as the data results, the most number of the participants fall in the 5-6 years old, 23 of respondents or (28.4%) of worked experience as the result indicates this is causes the stopping and declines of the business opportunities and social initiatives.

**The Role of Knowledge on the Compliance of Individual Taxpayers**

According to the above table.2, presented that the role of knowledge on the compliance of individual taxpayers, was scored 44 of frequency and percentage of 54.3% were agreed this result indicates that the overall, of knowledge

plays a big role on the compliance of individual taxpayers was agreed.

First question of objective one, Shows that the respondents were Agree that You are satisfied with the payment of the tax obligations assigned by the government of 26(32.2%), while respondents were agree That the tax collection process is not transparent of 43(53.1%), followed by that the respondents were disagree that you receive advance notices and warnings before 7 days of the tax payment of 32(39.5%), while the respondents were agree there is a low working relationship between the tax collection teams and taxpayers of 44(54.3%).

**Table 3:** Impact of tax moral on the compliance of individual taxpayers

Impact of tax moral on the compliance of taxpayers	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
Poor tax collection practices cause tax evasion	41	25	3	9	2
	50.6	30.9	3.7	11.1	2.5
Refusal to pay taxes affects your colleagues	11	26	6	31	6
	13.6	32.1	7.4	38.3	7.4
Non-transparent collection actions increase the fear and suspicion of the taxpayer	22	32	13	12	5
	27.2	39.5	16.0	14.8	6.2
You face threats and fines without prior notice	15	34	7	18	6
	18.5	42.0	8.6	22.2	7.4

**Impact of Tax Moral on the Compliance of Individual Taxpayers**

According to the above table.3, presented that the impact of tax moral on the compliance of individual taxpayers, was scored 41 of frequency and percentage of 50.6% were strongly agreed this result indicates that the overall, of impacts tax moral on the compliance of individual taxpayers was strongly agreed.

First question of objective two, shows that the respondents were strongly Agree that Poor tax collection practices cause tax evasion of 41(50.6%), while respondents were disagree That the refusal to pay taxes affects your colleagues of 31(38.3%), followed by that the respondents were agree that non-transparent collection actions increase the fear

and suspicion of the taxpayer of 32(39.5%), while the respondents were agree you face threats and fines without prior notice of 34(42.0%).

**Strategic Solutions to Cope Tax Moral on the Compliance of Individual Taxpayers**

The study also explored the strategic solutions to cope tax moral on the compliance of individual taxpayers data presented in table 4 shows that the respondents were disagreed that there are written taxation rules related to the taxpayer procedure written by the local government of 24(29.6%), while respondents were disagreed that There are opportunities to create understanding and friendships created by the local government of 27(33.3%), followed by that the respondents were disagree that There are

**Table 4:** Strategic solution to cope tax moral on the compliance of individual taxpayers

Strategies to solutions	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
There are written taxation rules related to the taxpayer procedure written by the local government	9	8	17	22	24
	11.1	9.9	21.0	27.2	29.6
There are opportunities to create understanding and friendships created by the local government	2	16	21	27	14
	2.5	19.8	25.9	33.3	17.3
There are local government development services to pay you back	1	6	12	35	26
	1.2	7.4	4.8	43.2	32.1
There is constitutional provision in the constitution of the central government related to taxation	2	5	42	18	13
	2.5	6.2	51.9	22.2	16.0

local government development services to pay you back of 35(43.2%), while the respondents were neutral that

there is constitutional provision in the constitution of the central government related to taxation of 42( 51.2%).

Moreover on strategic solutions to cope tax moral on the compliance of individual taxpayers 24( 29.6%) participants were believed that There are not written taxation rules related to the taxpayer procedure written by the local government, furthermore the most respondents whose participated there is constitutional provision in the constitution of the central government related to taxation were answered had no opinion( neutral ) related for the constitution.

## CONCLUSIONS

This study has pointed up the individual taxpayers in Qardho District were not met a good moral tax administration, that may cause the taxpayers to lack of coherent social contract and then that encouraged on refuse paying taxes.at the moment the poor tax moral system it that may lead to non-compliance, with this problem the tax administration teams faced more challenges as effected evasion of taxes, corruption, lower of income level, administration sanctions and lack of accountability.

During the study, here are some of the challenges that the researcher may face study had no research is conducted before the researcher regarding the issues under study in Somalia, the researcher faces to research which no further foundation or study has been made before in this environment, also lack of enough time to make the research study, furthermore Some of the respondents are not willing to do proper answers, so they give socially acceptable answers to hide the real problems in their Environment. From the findings of this study several recommendations could be forwarded.

The local government should prioritize creating written laws of taxes. Also government must be improved tax system in that increased tax and budget knowledge by taxpayers will help the system to better meet the principles of good tax policy. In addition must be done enforcement together efforts of the effectiveness of tax system in both of the government and taxpayers. There should be also a government piloted theory of Planned Behavior describes a central factor in individual behavior influenced by individual intentions for certain behaviors (behavioral intention); the intention to act is influenced by attitude, subjective norm, and perceived control

behavior. Furthermore, the government should interested in structuring tax laws to minimize non-compliance is essential. More ever local government should promote accessibility and visibility of information on the tax laws and their development, modification and purpose are necessary for taxpayers.

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