

**MTRF Report**

**Relevant Areas for Research to Gain Insight into  
Taxation Issues**

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## EXECUTIVE SUMMARY

This report provides an overview of tax research conducted in Malaysia and Malaysian Tax Research Foundation (MTRF) insights on potential areas for future research. We extracted information on masters and doctoral completions in Institutions of Higher Learning in the field of taxation. Data was also gathered from a questionnaire survey.

We used a **mixed-method** research design in carrying our study stretching over a 3-month period ending 31 December 2013. A mixed method is also known as a triangulation of different data collection strategies involving mixing qualitative and quantitative styles of research and data. This mixed-method involved two phases (**Phase I and II**) of data collection.

In **Phase I**, content analysis method was used. Content analysis offers practical applicability and relevance for research. In this phase, data was collected through visits to at least 15 public and private Institutions of Higher Learning (IHL) in Malaysia that offer Malaysian taxation courses. A total of 32 PhD and 89 Masters theses in the area of direct and indirect taxes were collected from IHLs. We were able to identify and analyse the areas that were researched and obtained abstracts of most of the studies. In a nutshell, our survey findings uncovered the 10 main areas that were researched over the last 12 years in pursuance of masters and doctoral theses, namely:

1. Tax compliance
2. Record keeping compliance
3. Tax education and tax knowledge
4. Indirect taxes
5. Electronic filing and e-payment
6. Zakat compliance and payment
7. Tax system and administration
8. Tax ethics
9. Effective tax rates
10. Tax evasion and audit

In **Phase II**, we gathered the views of prominent leaders in the accounting and academic fraternity, using a survey approach. Data was collected through survey questionnaires distributed to prominent leaders in the accounting and academic fraternity to gather insights on areas that needs to be researched. The survey questionnaire consisted of two sections. Section A gathered respondents' opinion on the topics of taxation where research is considered to be "necessary". The respondents were requested to indicate the extent of research necessity based a 5-point Likert scale ranging from "definitely necessary" to "definitely unnecessary". Section B solicited information on the profile of respondents in terms of age, ethnic background, education level, occupation and monthly salary.

About one-third of the completed dissertations are doctoral theses and the remaining are masters theses. The doctoral theses were completed by academicians and IRB staff in universities mainly located abroad. Most of the masters theses were completed in local institutions of higher learning.

The respondents of the questionnaire survey provided input on potential areas for tax research. As a result of the survey, we are able to recommend the following 10 most potential areas for research:

1. Goods and Services Tax: compliance issues and costs;
2. Compliance behaviour of corporate and individual taxpayers;
3. Dispute resolution arising from tax audit and investigation;
4. Tax education and knowledge of lay taxpayers;
5. Review of Malaysia's income tax legislation;
6. Tax implications on e-commerce;
7. Concealment of income: hidden income / underground economy;
8. The need for bilateral agreements to add certainty to transfer pricing arrangements and cross-border transactions;
9. E-filing; and
10. Expectations of taxpayers and tax agents when dealing with IRB.

Other areas of lesser importance for research recommended by the respondents in the taxation area are:

- (i) Indirect taxes: compliance issues;
- (ii) Transfer pricing: Need for host country to be sufficiently remunerated;
- (iii) Review of Malaysia's Promotion of Investments Act 1986;
- (iv) Indirect taxes: compliance costs;
- (v) Compliance costs of corporations;
- (vi) Tax audit: perception of individual taxpayers;
- (vii) Dispute resolution: exclude appeal to Special Commissioners and beyond;
- (viii) Taxation as a tool for environment sustainability;
- (ix) Review of withholding tax structure in Malaysia;
- (x) Service efficiency of tax advisers; and
- (xi) Need for a presumptive tax.

Our respondents comprised of academicians, auditors, accountants, tax agents/consultants, lawyers, executive and senior administrative officers.

In this report, we enclose six appendices which furnish the following:

- (i) Consent Form and questionnaire (Appendix A)
- (ii) Human Ethics Certificate of approval (Appendix B)
- (iii) Names, titles and topics of Masters and  
Doctoral theses (Appendix C)
- (iv) Tables of findings (Appendix D)
- (v) Compilation of abstracts (Masters theses) (Appendix E)
- (vi) Compilation of abstracts (Doctoral theses) (Appendix F)

## **ACKNOWLEDGEMENT**

The researchers express their sincere gratitude to the Malaysian Tax Research Foundation for the award of research grant in March 2013. We are equally grateful to the Chartered Tax Institute of Malaysia for facilitating and documenting this award.

In executing this research project, we are thankful to various other parties for their direct or indirect assistance. Firstly, we thank the management, particularly librarians of the respective Institutions of Higher Learning for allowing us to extract information on Masters and Doctoral theses in the field of taxation. Secondly, we are grateful to the respondents for providing us insights on potential areas for research in the area of taxation. Thirdly, we duly acknowledge the assistance provided by our research assistants. Last but not least we are thankful to Associate Professor Ho Juan Keng for his insights and assistance in carrying out this MTRF-sponsored research.

## **1.0 Background**

In recent years, Malaysia has modernised its tax system. The change to the self-assessment system and the impending implementation of Goods and Service Tax (GST) would require changes to the enforcement strategies of the Inland Revenue Board of Malaysia (IRBM) and the Royal Malaysia Customs Department (RMCD) respectively. Changes in the compliance strategies of the IRBM and RMCD have resulted in a significant increase in revenue for the Government in 2012 compared to previous years but this increase has to be sustained in an expanding economy.

Tax evasion is a perennial problem in Malaysia and it has to be curtailed. Business sectors where tax evasion are perceived to be high have to be identified for greater tax audit and investigation by tax authorities. In view of the pace of tax system changes and the likelihood of more changes in future years, there is a need not only to understand the compliance behaviour of taxpayers, but also to gain more insights on issues in relation to the implementation of new tax law. This is to ensure that Malaysia has sufficient public funds to finance its ambitious development plans and to achieve its goal of being a fully developed economy by 2020.

Tax research has been conducted by numerous academicians as well as tax and non-tax professionals in Malaysia particularly over the last decade. However, these research findings are not well documented and in most instances rarely made known to the public. Tax authorities too may not be aware of the research that has been conducted which would benefit them and the Government.

### **Outline of report**

This report is organised in the following manner. Upon discussion on the background of study in Section 1, the next section (Section 2) contains an overview of taxation research conducted in Malaysia. The research methodology is developed in Section 3 where content analysis and survey approach are deliberated. Section 4 reports on the findings derived from both research methods (i.e. survey and content analysis). Section 5 provides recommendations for future research.

## **2.0 Overview of tax research**

This report provides an overview of tax research conducted in Malaysia; highlights major findings and outlines its usefulness. **Appendix C** provides a list of the doctoral and masters theses, with the names of the researchers, title of research and area of specialization. Research that is designed to enhance understanding of compliance of Malaysian taxpayers is useful to revenue authorities when implementing tax law. Identifying the causes of non-compliance would provide a sound basis for further research. In particular, causes associated with compliance behaviour under the self-assessment system and how the changes of tax system have influenced the compliance of taxpayers' behaviour would be significantly relevant. In addition, issues related to other tax matters such as transfer pricing, environmental tax and implementation of new tax systems would also shed light for further research.

### **2.1 Relevance to MTRF**

This project would provide detailed insights into tax research in Malaysia. In addition, this project would enable Malaysian Tax Research Foundation (MTRF) to identify gaps in tax knowledge and tax research direction as well as to recommend further research that could benefit the country.

### **2.2 Significance of the project**

It is expected that the findings of this project would provide insights on studies related to taxation over the last 12 years. The findings contribute towards enhancing both the practical and theoretical aspects of taxation. It also provides inputs to policy makers in developing strategies to enhance voluntary compliance as well as the effectiveness of the existing tax system.



### **3.0 Research objectives and methodology employed**

#### **3.1 Research objectives**

The main objective of this research is to ascertain and document tax research conducted in Malaysia since the year 2000, that is, over a 12-year period. Tax research has been carried out in Malaysia and abroad by students pursuing their masters and doctoral studies. Tax and accounting professionals in major accounting/tax firms located in Malaysia too have undertaken research in the tax arena. This study, however has not covered nor has it reported their research work due to logistic reasons. We do not have the capacity to cover a broad area of study.

The secondary objective of this research is to provide the Malaysian Tax Research Foundation a list of topics that could be considered for funding purposes in the future.

#### **3.2 Research methodology**

To address the objectives of this study, a mixed-method research design was employed. The concept of a mixed method approach came from a psychology study by Campbell and Fiske in 1959.<sup>1</sup> A mixed method is also known as a triangulation of different data collection strategies involving mixing qualitative and quantitative styles of research and data.<sup>2</sup> This mixed-method involved two phases of data collection methods.

##### **3.2.1 Phase I of mixed-method**

In Phase I, a content analysis method was used. Content analysis is a method of analyzing written, verbal or visual data.<sup>3</sup> This method also involves analysis of data which allows researchers to test theoretical issues in order to enhance the understanding of the data. By using content analysis, it is possible to distil words into

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<sup>1</sup> Quoted in Creswell, J.W. 2003. *Research Design - Qualitative, Quantitative and Mixed Methods Approach*, 2nd edition, Sage Publications, p15.

<sup>2</sup> Neuman, L.W. 2003. *Social research methods, qualitative and quantitative approaches* (5th ed.). USA: Pearson Education.139; Creswell, 2003, Ibid.

<sup>3</sup> Cole, F.L. 1988. Content analysis: process & application, *Clinical Nurse Specialist*, 2(1).

fewer content-related categories.<sup>4</sup> Content analysis offers practical applicability and relevance for research involving the practice and education of professionals.<sup>5</sup>

In this phase, data was collected by visiting at least 15 public and private Institutions of Higher Learning (IHL) in Malaysia that offer Malaysian taxation degree courses. All universities offering accounting programmes teach at least two to three taxation courses namely Basic Malaysian Taxation, Advanced Malaysian Taxation and either/or Revenue Law and Specialized Taxation.

The researchers had visited relevant IHLs' faculties and libraries to extract information on completed theses, dissertations, published and unpublished reports on tax research in Malaysia. In addition, more data was collected from other sources including IRB's tax academy located in Bangi, Selangor.

A total of 32 PhD and 89 Masters theses in the area of direct and indirect taxes were collected from IHLs. Detailed analyses of the survey findings on the research topics of taxation are presented in Section 4.

### **3.2.2 Phase II of mixed-method**

In Phase II, the researchers gathered the views of prominent leaders in the accounting and academic fraternity, using a survey approach. Surveys are appropriate for research about self-reported beliefs.<sup>6</sup> The main advantage of survey is that it can include many socio-economic and demographic variables.<sup>7</sup> In addition, a survey would be an appropriate method to gather information on factors relating to tax issues by administering questionnaires to a relatively small part of sample of a larger group.<sup>8</sup> Data was collected through survey questionnaires distributed to prominent leaders in

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<sup>4</sup> Elo, S. & Kyngas, H. 2008. The qualitative content analysis process. *Journal of Advanced Nursing*, 62(1), 107-115.

<sup>5</sup> Downe-Wamboldt, B. 1992. Content analysis: method, applications and issues. *Health Care for Women International*, 13, 313-321.

<sup>6</sup> Neuman, 2003, see above n2.

<sup>7</sup> Sekaran, U. 2007. *Research methods for business: A skill building approach*. India: John Wiley; Parmjit, S., Chan, Y.F. & Sidhu, G.K. 2008. *A comprehensive guide to writing a research proposal*. Selangor: Venton Publishing

<sup>8</sup> Sharma, B.A.V., Prasad, D.R. & Satyanarayana, P. 1985. *Research methods in social sciences*. New Delhi: Sterling Publishers; Henn, M., Weinstein, M. & Foard, N. 2006. *A short introduction to social research*. London: SAGE Publications.

the accounting and academic fraternities to gather insights on areas that need to be researched.

#### **3.2.1.1 Research instrument**

The survey instrument consisted of two sections, Section A and Section B. Section A solicited respondents' opinions on the topics of taxation where research is considered to be necessary. The respondents were requested to indicate the extent of the necessity for research based on a 5-point Likert scale ranging from definitely necessary to definitely unnecessary. For the purpose of statistical analysis, the scale was coded as, 1 = definitely necessary, 2 = probably necessary, 3 = neither necessary nor unnecessary, 4 = probably unnecessary and 5 = definitely unnecessary.

Section B solicited information on the profile of respondents in terms of age, ethnic background, education level, occupation and monthly salary.

A Consent Form was enclosed with the questionnaire (see **Appendix A**). We also sought Ethics Clearance from Monash University Australia before carrying out our survey (see **Appendix B** to view the Human Ethics Certificate of approval).

#### **3.2.2.2 Survey period**

The survey was conducted between September and November 2013. Respondents were selected based on convenience sampling. A covering letter was included, describing the nature of the survey and stressing that complete anonymity was guaranteed (see Appendix A).

#### **3.2.2.3 Data analysis**

A total of 400 questionnaires were distributed and 95 were usable for data analysis. The findings from the survey are presented in Section 4.

The data obtained was coded and analysed using SPSS package. Reliability analyses such as Cronbach's Alpha and Bartlett's Test of Sphericity were used to check the internal consistency of the measures and the construct validity of items that were used

in the questionnaire. The data was analysed using both appropriate and relevant descriptive and inferential statistics such as frequency, mean ( $\bar{x}$ ), standard deviation ( $s$ ) and cross tabulation.

## **4.0 Analysis of findings**

The analyses of findings are carried out in two parts. Section 4.1 reports on the findings of the questionnaire survey. Section 4.2 reports on the content analysis based on completion of masters and doctoral theses over the last 12 years.

### **4.1 Findings of Questionnaire Survey**

This section reports on the following:

- (i) Demographic profile of the respondents;<sup>9</sup>
- (ii) Preview of the findings;
- (iii) Report on the findings, based on the analysis in terms of the numbers (n) and percentages (%) of responses to the 26 statements on issues relating to both direct and indirect taxes on which research is considered as necessary or otherwise;<sup>10</sup>
- (iv) Cross-tabulation analysis of the respondents' occupations and their responses on the necessity or otherwise on research pertaining to the 26 tax topics;<sup>11</sup> and
- (v) Presentation of other tax topics on which research is considered as necessary by the respondents.

#### **4.1.1 Demographic Profile**

Data derived from a total of 95 usable questionnaires were analysed. The demographic profile include age, ethnicity, level of education, occupation and monthly gross income.

In terms of age, those who are in the age groups of 30 years and below and 31 to 40 years each respectively made up of about one-fifth of the total respondents. Nearly one-quarter of the respondents are between the age of 46 and 55 years, while 16.8%

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<sup>9</sup> See Appendix D: Demographic Profile of Respondents, Table 1 to Table 5.

<sup>10</sup> See Appendix D, Table 6: Analysis of Tax Areas Considered for Research.

<sup>11</sup> See Appendix D, Table 7: Cross-tabulation of Occupation and Tax Areas Considered for Research.

each are in the age groups of 41 to 45 years and 56 years and above. Only 6.3% of the respondents are between the ages of 36 and 40 years.

Of the total 95 respondents, Malays made up the highest ethnic group at 34.7%, while 20.0% are Chinese. Indians and the Indigenous communities of Sabah and Sarawak each made up of 18.9% and the remaining 7.4% are from the other ethnic groups.

The contact details of the respondents were mainly extracted from the websites of institutions of higher learning, accounting and tax consultancy firms to generate a list of potential participants. In relation to occupation, 46.3% are academicians. Auditors/accountants; tax agents/consultants and lawyers (collectively referred to as “practitioners”) respectively made up of 14.7%; 29.5% and 3.2% of the total respondents. Only 6.3% of the respondents are either executive officers in the private sector (4.2%) or administrative officers in the public sector (2.1%).

In terms of the highest education level completed, 42.1% hold a bachelor degree while 57.9% have a master or higher qualification, including PhD or professional accounting qualifications. As for monthly gross income, 34.7% earned less than RM5,000; 12.6% earned between RM10,500 and RM11,999 and 10.6% earned between RM5,001 and RM7,499, while 24.2% earned RM12,000 and above. Meanwhile, 8.4% earned between RM7,500 and RM8,999 and 9.5% earned between RM9,000 and RM10,499.

#### **4.1.2 Preview**

Our preview is based on the 26 research topics that we listed in the questionnaire. Between 72.6% and 91.6% of the respondents considered research to be necessary<sup>12</sup> for 25 out of the 26 direct and indirect topics listed in the questionnaire. The remaining one topic pertains to presumptive taxation.

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<sup>12</sup> This refers to the “definitely necessary” and “probably necessary” responses that are consolidated and collectively described as “necessary”. Henceforth, in this report any reference to the consolidation of “definitely necessary” and “probably necessary” responses would be described as “necessary”.

For the purpose of cross tabulation analysis, the respondents are classified into three categories; ‘practitioners’,<sup>13</sup> ‘academicians’ as well as ‘executive and administrative officers’. In analysing our data, the responses namely “definitely necessary” and “probably necessary” are consolidated into one category and referred to as “necessary”, while “probably unnecessary” and “definitely unnecessary” responses are collectively considered as “unnecessary”.<sup>14</sup>

Since practitioners and academicians collectively accounted for 93.7% of the total respondents, this report focuses on their views in relation to the needs for research on the tax issues.

Although 47.4% of the respondents are practitioners and 46.3% are academicians,<sup>15</sup> overall, there are more academicians than practitioners who considered research as necessary on 25 out of the 26 tax issues being examined. Only on one issue, namely, dispute resolution (exclude appeal to Special commissioners and beyond) that an equal percentage of 33.7% of practitioners and academicians considered research to be necessary.

Of the 26 tax issues being considered, there are 11 issues on which not more than 6.3% of the respondents answered “don’t know”.<sup>16</sup> As for 14 other issues, none of the respondents indicated “don’t know”. There is only one issue, namely the “need for a presumptive tax” where a relatively higher percentage of 13.7% of the respondents indicated “don’t know”.

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<sup>13</sup> Respondents who are either tax agents/consultants; auditors/accountants and lawyers are collectively categorised as “practitioners” based on the criteria that they are qualified to practise as tax agents.

<sup>14</sup> See Appendix D, Table 7: Cross Tabulation of Occupation with Tax Areas on which research is considered as necessary or unnecessary.

<sup>15</sup> The remaining 6.3% of the respondents are “executive / administrative officers”. Henceforth, in this report, any reference to the findings in the context of respondents’ occupation is restricted to “practitioners” and “academicians”. However the findings in relations to “executive / administrative officers” are presented in the relevant tables in Appendix D.

<sup>16</sup> A “don’t know” response indicates that a respondent does not know whether research is necessary or unnecessary. This is different from a “neither necessary nor unnecessary” response which indicates that a respondent considers research to be neither necessary nor unnecessary.

### **4.1.3 Research on Tax Topics**

The extent of the necessity to carry out research on specific topics is based on the responses solicited from respondents in the questionnaire survey.

#### **4.1.3.1 Transfer Pricing**

The Income Tax (Transfer Pricing) Rules<sup>17</sup> set out the rules to be applied to controlled transactions as referred to in section 154A of the Income Tax Act 1967. The Rules cover transactions associated with issues relating to transfer pricing. The IRBM has also issued guidelines pertaining to transfer pricing.<sup>18</sup> In spite of the transfer pricing rules and guidelines, there are still tax implication issues pertaining to transfer pricing that need to be addressed.

In relation to transfer pricing issues being considered, 41.1% and 36.8% of the respondents respectively considered research as definitely necessary and probably necessary on the need for the host country to be sufficiently remunerated. Meanwhile, on the need for bilateral agreements to add certainty to transfer pricing arrangements, 43.2% and 37.9% respectively considered that research is definitely necessary and probably necessary.

#### **4.1.3.2 Cross-border transactions and e-commerce**

In the era before the advent of e-commerce, there were already complex tax implication issues arising from cross-border transactions. The exponential growth of the internet and online business activities coupled with the incredibly complex growth and pace of change in digital communications are accelerating the complexities of tax implications arising from cross-border transactions. In the context of Malaysia, although the IRBM has issued a guideline on e-commerce, however the guideline merely seeks to provide some guidance on the basic tax issues of income tax treatment, as the complex nature of e-commerce is too wide for the guideline to cover

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<sup>17</sup> Income Tax (Transfer Pricing) Rules 2012: P.U. (A) 132 of 2012.

<sup>18</sup> Inland Revenue Board of Malaysia: Transfer Pricing Guidelines, 20 July 2012.



a broader spectrum of e-commerce tax issues,<sup>19</sup> while e-commerce transactions often give rise to cross-border tax implications.

#### **4.1.3.3 Dispute resolution**

In this study, three aspects of dispute resolution, namely dispute dissolution (exclude appeal to Special Commissioners and beyond); dispute dissolution (arising from tax audit) and dispute dissolution (arising from tax investigation) were considered. The findings reveal that between 41.1% and 51.6% of the respondents considered research to be definitely necessary, while between 31.6% and 40.0% considered research to be probably necessary for all the three aspects of dispute resolution.

#### **4.1.3.4 Review of tax legislation and tax structure**

With regard to the review of tax legislation and structure, between 72.6% and 86.3% of the respondents considered research to be necessary on the following:

- (i) Withholding tax structure in Malaysia;
- (i) Income tax legislations; and
- (ii) Promotion of Investments Act 1986.

#### **4.1.3.5 Indirect taxes**

Compliance issues and compliance costs pertaining to indirect taxes in general and Goods and Services Tax (GST) in particular were considered. Although the current indirect taxes (i.e. Sales Tax and Service Tax) will be replaced with the GST, it is significant to note that 78.9% and 76.8% of those surveyed respectively still considered that research is necessary on compliance issues and compliance costs of indirect taxes. Of those respondents who considered that research is necessary on these two aspects of indirect taxes, two-fifths are academicians while about one-third are practitioners.

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<sup>19</sup> Inland Revenue Board Malaysia: Guidelines on Taxation of Electronic Commerce, 1 January 2013.

Since GST and its impending implementation<sup>20</sup> is currently being widely discussed in the public domain, it is not surprising that 68.4% and 67.4% of the respondents respectively considered it definitely necessary to research on the GST compliance issues and compliance costs, while 23.2% considered research to be probably necessary on both GST compliance issues and compliance costs.

#### **4.1.3.6 Stakeholders expectations**

The topics under this category are expectations of taxpayers and tax agents when dealing with the IRBM as well as service efficiency of tax advisers. Pertaining to the expectations of taxpayers when dealing with the IRBM; 47.4% and 32.6% of the respondents respectively considered research to be definitely necessary and probably necessary. On the expectations of tax agents when dealing with the IRBM, 44.2% and 35.8% of the respondents respectively considered research to be definitely necessary and probably necessary. Regarding service efficiency of tax advisers, 32.6% and 40.0% of the respondents respectively considered research as definitely necessary and probably necessary.

#### **4.1.3.7 Tax compliance and e-filing**

Tax compliance issues being considered are those associated with compliance problems faced by lay tax taxpayers; e-filing concerns; compliance cost of corporations and compliance behaviour of corporate taxpayers. Prior to the 2014 Budget announcement, taxpayers could either practice manual filing or opt to e-file their income tax returns.<sup>21</sup> However, once a taxpayer had exercised e-filing for a particular year of assessment, the IRB prohibits such a taxpayer to revert back to manual filing in future years, even if the taxpayer might have legitimate reasons for doing so. On e-filing, 50.5% and 30.5% of the respondents respectively considered research as definitely necessary and probably necessary. Out of the 81.1% who considered research to be necessary on e-filing, 42.1% are academicians and 34.7% are practitioners.

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<sup>20</sup> GST is to be implemented effective from 1 April 2015.

<sup>21</sup> Effective from the year of assessment 2014, all companies must furnish their income tax returns through e-filing (see section 21, Finance Act 2014, Act 762).

As to the compliance issues faced by lay taxpayers, 60.0% and 27.4% of the respondents respectively considered research as definitely necessary and probably necessary. On the issue of corporate compliance costs, 76.8% of the respondents considered research as necessary. Meanwhile a much higher percentage (90.5%) considered research as necessary on corporate compliance behaviour.

#### **4.1.3.8 Hidden economy, audit and presumptive tax**

According to the IRBM Tax Audit Framework,<sup>22</sup> tax audit is aimed at enhancing voluntary compliance with the tax laws and regulations, and is carried out in a fair, transparent and impartial manner to assist taxpayers in fulfilling their obligations and ascertaining that the right amount of income should be calculated, declared and paid in accordance with the tax laws and regulations. Thus, research on the issue of taxpayers' non-compliance with the tax laws and regulations and their perceptions on tax audit are pertinent in addressing the objective of enhancing voluntary compliance. In this respect, 43.2% and 37.9% of the respondents respectively considered that research is definitely necessary and probably necessary on concealment of income. Of those who considered it necessary to research on the issue of concealment of income, 34.7% and 42.1% of the respondents respectively are practitioners and academicians.

Regarding individual taxpayers' perception of tax audit, 37.9% and 35.8% of the respondents respectively considered research to be definitely necessary and probably necessary. Out of those who considered research to be necessary on individual taxpayers' perceptions on tax audit, 30.5% are practitioners while 38.9% are academicians.

The issue of presumptive taxation is generally associated with that of hidden economy. In the context of income tax, certain categories of income earners can escape their tax obligations more easily than others. Presumptive taxation is based on indirect methods in ascertaining tax liabilities, whereby proxies for income are used as

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<sup>22</sup> Inland Revenue Board Malaysia: Tax Audit Framework - Effective date: 01 April 2013.

the income tax base.<sup>23</sup> Thus, instead of identifying the actual taxable income, some other methodologies are employed as proxies to determine income tax liabilities. The application of presumptive taxation methodologies is generally on the “hard to tax income”, where other than as required by the tax laws, taxpayers are not compelled by other laws or regulations to keep adequate books of account; where transactions are largely in cash and concealment of income is easily done.<sup>24</sup>

On the issue of whether there is a need for a presumptive tax, only 18.9% and 33.7% of the respondents respectively considered that research is definitely necessary and probably necessary. Of the 52.6% who considered that research is necessary, 27.4% and 24.2% respectively are academicians and practitioners.

#### **4.1.3.9 Tax education**

On the issue of tax education and knowledge of lay taxpayers, 61.1% and 25.3% of the respondents respectively considered research to be definitely necessary and probably necessary. Practitioners and academicians respectively made up of 38.9% and 43.2% of those who considered research to be necessary.

#### **4.1.3.10 Taxation as a tool for environmental sustainability**

As to whether research is necessary or otherwise on the issue of “taxation as tool for environment sustainability”, 38.9% and 33.7% of the respondents considered research as definitely necessary and probably necessary.

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<sup>23</sup> Balestrino, A. & Galmarini, U. (2002). Presumptive Taxation, Markets, and Redistribution, Working Papers, Centre For Household, Income, *Labour and Demographic Economics*, 27 May 2002.

<sup>24</sup> Victor, T. (Dec 2003). Presumptive Taxation of the hard-to-tax; International Studies Program Working Paper 03-25, Andrew Young School of Policy Studies, Georgia State University.

#### 4.1.4 Summary<sup>25</sup>

Out of the 26 tax issues being considered, collectively 80.0% or more of the respondents considered research to be necessary on the following 10 tax topics, namely:

- (i) GST: compliance issues and compliance costs;
- (ii) Compliance behaviour of corporate and individual taxpayers;
- (iii) Dispute resolution: arising from tax audit and investigation;
- (iv) Tax education and knowledge of lay taxpayers;
- (v) Review of Malaysia's income tax legislation;
- (vi) Tax implications on e-commerce;
- (vii) Concealment of income: hidden income / underground economy;
- (viii) Need for bilateral agreements to add certainty to transfer pricing arrangements and cross-border transactions;
- (ix) E-filing; and
- (x) Expectations of taxpayers and tax agents when dealing with IRB.

In addition, 20 out of the 95 respondents put forward suggestions on other tax issues on which research is considered to be necessary. These suggestions are highlighted in items (a) to (f).

##### **(a) Tax Authorities' Practices & Services**

- (i) Standard operation procedures (SOP) of the IRB in relation to refunds to taxpayers;
- (ii) Effectiveness of tax audits in enhancing compliance;
- (iii) Study on the efficiency of tax audit processes;
- (iv) Study on the efficiency and effectiveness of service delivery of the tax administration;
- (v) Study on the costs of service delivery of tax administration;
- (vi) Need for IRB to provide more user-friendly; helpful and "no hidden agenda" information and advice to taxpayers;

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<sup>25</sup> The percentages (%) reported are the combination of the "definitely necessary" and "probably necessary" responses.

- (vii) Review the transparency of tax authorities' standard operation procedures and practices in relation to tax officers' responses to taxpayers' enquiries; and
  - (viii) Examine the work ethics and practices of tax officers.
- (b) Tax incentives and exemptions**
- (i) Review on the fairness on the tax exemptions granted to various taxpayers;
  - (ii) Review the impact and implications of granting "tax haven" status; and
  - (iii) Review the effectiveness of current tax incentives available.
- (c) Tax knowledge and education**
- (i) Study on whether programmes of education institutions meet the needs of tax profession; and
  - (ii) Tax knowledge of lay taxpayers, tax agents and IRB officers.
- (d) Review of tax legislations and concepts**
- (i) Review the current tax concepts that were inherited from the British tax system;
  - (ii) Review the complexities of the tax legislations;
  - (iii) Review the provisions of the current tax legislations that are biased against taxpayers; and
  - (iv) Study the impact of retrospective legislations on taxpayers.<sup>26</sup>
- (e) Real Property Gains Tax**
- (i) Review the effectiveness of the current RPGT legislations in achieving the original objectives of introducing the RPGT (i.e. in curbing speculations); and
  - (ii) Study on the impact of RPGT compliance costs.

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<sup>26</sup> For example, the implications of applying the Income Tax (Transfer Pricing) Rules 2012; P.U. (A) 132 which was made on 7 May 2012, but deemed to have come into operation on 1 January 2009.

**(f) Other issues**

- (i) Implications of relevant current tax issues arising from the annual budget proposals;
- (ii) Study on issues of tax evasion; avoidance and anti-avoidance measures;
- (iii) Tax expenditure incurred (impact of tax expenditure incurred on taxpayers' compliance behaviour);
- (iv) A study on the importance of setting up taxpayers NGO to safeguard the interests of taxpayers;
- (v) A study on issues relating to stamp duties; and
- (vi) A study on the impact of consumption taxes on taxpayers.

## **4.2 Content analysis**

This section reports on tax issues in Malaysia upon which research has been conducted. This report is based on 121 completed research<sup>27</sup> for masters and doctoral theses and dissertations<sup>28</sup> which are mainly unpublished.<sup>29</sup> The respective researchers had conducted in-depth studies and analysis pertaining to Malaysian tax issues.<sup>30</sup>

About 80% of the tax issues researched were related to direct taxes, especially income tax, of which most of the research were conducted after the introduction of self assessment.<sup>31</sup> The remaining research issues are on indirect taxes, zakat, real property gains tax, land tax<sup>32</sup> and local government assessment.<sup>33</sup>

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<sup>27</sup> This section reports a summary of the content analysis of the masters and doctoral theses and dissertations.

<sup>28</sup> About one quarter of the theses/dissertations are doctoral dissertations and the remaining are masters theses / dissertations.

<sup>29</sup> There are also numerous published and unpublished research papers on tax issues in Malaysia. However the objective of this assignment is only to locate and to profile the research on Malaysian tax issues at the masters and doctoral levels.

<sup>30</sup> This report only presents the issues upon which research had been carried and not the findings. For the detail findings, readers need to refer to the full text of the respective theses and dissertations.

<sup>31</sup> Self assessment was implemented in 2001 for companies and 2004 for other taxpayers.

<sup>32</sup> This refers to the "land tax or *cukai tanah*" payable to the respective Land Offices.

<sup>33</sup> This refers to the "assessment fees" or "*cukai taksiran*" payable to the Local Government Authorities.

#### **4.2.1. Income tax compliance**

Income tax compliance issues would generally cover three aspects, namely filing, reporting and tax payment compliance. Most research focused on issues relating to reporting compliance, in which appropriate reporting of income and expenses could have bearings on the final tax liabilities. Filing compliance entails filing the appropriate returns forms and submission to the IRBM, while tax payment compliance entails paying the correct amount by specific due dates.

For individual taxpayers, there are basically two deadlines for submission of completed returns to the IRBM, namely 30 April and 30 June respectively for those with income from non-business sources only and those with income from business source. For corporate taxpayers, the deadline for filing of tax returns is not later than the end of the seventh month from the end of their respective accounting periods.

##### *Taxpayer compliance behaviour*

In the context of income tax compliance, taxpayers are expected to fully report the correct amount of tax due and to meet the respective deadlines for filing returns and payment of tax. Research was focused on factors that might have influenced taxpayers' behaviour in relation to their tax compliance obligations. Researchers had also examined the relationships between some of these factors and taxpayers compliance obligations.

Among the determinants of tax compliance behaviour are those associated with monetary and financial issues, for example, compliance costs, amount of income earned, penalties for non-compliance, perception of government spending and taxpayers' financial constraints. In addition, studies also investigated the relationship between compliance behaviour and taxpayers' level of tax knowledge and awareness of their tax obligations. Issues on the determinants that are associated with the tax authority's strategies in relation to tax compliance behaviour are also the subject of research. They include detection rate, certainty and severity of punishments, probability of being audited and IRBM's enforcement activities.



Researchers had also examined the relationship between compliance behaviour and perception of fairness. Dimensions of fairness include perceived exchange with the government, special provision for specific groups, self-interest and fairness of the tax system. Studies on other factors that could have influenced taxpayer's compliance behaviour are tax ethics, morale, culture, influence of reference group and taxpayers' attitudes towards their tax obligations. The questions of whether ethical behaviour, misunderstanding of the tax laws and level of enforcement influenced tax payment compliance were also examined.

Researchers had also investigated the association between taxpayers' compliance behaviour and tax structure as perceived by taxpayers as well as their demographic profiles, such as ethnicity, age, education and income level. The dimensions of tax structure examined include tax rates, tax reliefs and complexity of the tax system.

### *Summary*

A summary of research on issues pertaining to income tax compliance are:

- (i) The element of deterrence through enforcement activities to enhance compliance and the effectiveness of enforcement function as deterrence against non-compliance.
- (ii) Impact of compliance costs on taxpayers' compliance decisions.
- (iii) Impact of the probability of audit detection on reporting compliance.
- (iv) Impact of detection rate; certainty and severity of punishment on compliance decisions.
- (v) Tax ethics and taxpayers' attitudes on compliance behaviour.
- (vi) Taxpayers' perceptions of fairness in the tax rate structure, exchange with the government and self-interest.
- (vii) Association between compliance behaviour and age, education and income level.
- (viii) Association between compliance behaviour and perception on fairness of tax reliefs, penalties and perception on tax ethics.
- (ix) Relationship between compliance behaviour and the understanding of the tax system; tax knowledge and complexity of tax system.

- (x) Nature of the influence of tax knowledge, tax structure features, financial constraints and attitudes towards tax on taxpayers' compliance behaviour.
- (xi) Association of demographic variables such as age, gender, level of education and ethnic background on compliance behaviour.
- (xii) Association between taxpayers' compliance decision and their attitudes towards the tax system, the tax administration and tax officers.
- (xiii) Relationship between tax knowledge, gender and culture towards tax compliance.
- (xiv) Relationship between tax compliance and knowledge on taxpayers' responsibilities, employment income, tax laws, penalties and ICT skills.
- (xv) Effects of attitudes towards tax compliance; perception of tax fairness and tax knowledge on tax compliance behaviour
- (xvi) Extent of ethical behaviour, misunderstanding of the tax laws and level of enforcement in influencing compliance on tax payment.

#### **4.2.2 Record Keeping Compliance**

Proper record keeping in accordance with the requirements of the tax laws, regulations and rulings is associated with reporting compliance, as without proper record keeping it is unlikely that the correct amount of tax liability could be reported. In this context, knowledge on record keeping requirements and practices is essential.

##### *Record keeping by SME business operators*

Researchers had examined the record keeping practices of small and medium size sole proprietorship business operators under the self assessment regime. The research focused on the association between record keeping compliance and the business operators' level of accounting knowledge and compliance costs in terms of expenses incurred and time spent. The other aspects being examined are the relationships between record keeping compliance and the business operators' level of tax knowledge and the preference for engaging the services of practitioners.

## *Summary*

There are studies that investigated the record keeping system of small and medium sized sole proprietorships. The determinants investigated were compliance costs in monetary terms and also in terms of time factor as well as accounting knowledge and their relationships with the practices of keeping adequate records. The level of individual income tax knowledge in relation to record keeping practices and the dependency on tax practitioners in preparing tax returns were also investigated.

### **4.2.3 Tax education and tax knowledge**

Tax education and tax knowledge are essential for enhancing voluntary tax compliance. Generally, there are three aspects of compliance, namely compliance pertaining to filing, reporting and payment of tax. Of these three aspects, probably tax knowledge is particularly essential for tax reporting compliance, as this aspect would involve the proper determination of the correct tax liability.

In the context of tax education and knowledge, based on the research reviewed, the major issues are with regards to formal tax education in general at school or tertiary level, general and specific tax knowledge of lay taxpayers, particularly the impact of tax knowledge on reporting compliance and the tax knowledge expected of graduates entering the tax profession.

#### *Formal tax education for students*

The importance of the implementation of tax education at secondary school level, and the need for formal tax education for non-accounting students<sup>34</sup> at tertiary level were investigated by researchers. In addition, research has also been conducted to assess the state of taxation knowledge of accounting and non-accounting undergraduates. Researchers also sought their respective views on tax education and their perception on their future tax compliance obligations.

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<sup>34</sup> Generally, courses in taxation are taught at tertiary level to accounting students in institutions of higher learning in Malaysia.

### *Tax education and knowledge of taxpayers*

Researchers also examined the tax knowledge of lay taxpayers, their awareness of the implementation of self assessment and the level of understanding of the concept of self assessment, taxpayers' knowledge on specific types of income, such as employment income as well as knowledge pertaining to tax laws and penalties, taxpayers' responsibilities and ICT skills for e-filing purposes. Researchers had also focused on the issue of how the level of tax knowledge influenced tax compliance behaviour, the relationships between tax knowledge and compliance behaviour under self-assessment and between specific tax knowledge dimension and assessment performance. The awareness of tax practitioners of their responsibilities in educating their corporate clients in the form of giving tax advice and tax practitioners' views on tax education at tertiary level were also subjects of research.

### *Tax knowledge expected of fresh graduates*

Another aspect was the research on the issue of the level and types of conceptual tax knowledge and technical ability as expected of fresh accounting graduates by practising tax professionals. Researchers also examined whether fresh accounting graduates' levels of knowledge and technical skills met the expectations of senior tax practitioners. Other aspects of research also examined the issue of fresh accounting graduates' understanding of basic principles and concepts of taxation, tax computation abilities, technical and ICT skills.

### *Summary*

The topics upon which research on tax education and knowledge have been conducted are summarised as follows.

- (i) The importance of tax education at secondary school level.
- (ii) Tax knowledge of academicians in general and of non-accounting academicians in particular.
- (iii) Non-accounting academicians' views on the need for tax education for non-accounting undergraduates.

- (iv) Academicians' views on tax education for undergraduates in general.
- (v) Undergraduates' view on tax education.
- (vi) Non-accounting academicians' awareness and understanding of the implementation and concept of self assessment.
- (vii) Taxpayers' knowledge on their responsibilities, employment income as well as on the tax laws and penalty.
- (viii) Taxpayers' ICT skills and e-filing.
- (ix) Tax practitioners' views on the need for tax education at tertiary level.
- (x) Tax practitioners' awareness of their responsibility in educating their clients.

#### **4.2.4 Electronic Filing and e-Payment**

Electronic filing was introduced subsequent to the implementation of self assessment. Most of the research examined issues that are generally related to the determinants of e-filing practices, e-filing experiences of individual taxpayers and tax agents, confidence in and management of the e-filing system. Besides the issues on e-filing, e-payment of tax was also investigated.

##### *Determinants of e-filing*

Among the e-filing issues that have been researched are determinants that either could enhance or hinder salaried individuals in practising e-filing. Determinants that have been examined are the level of internet self-efficacy, trust, resource and technology-facilitating conditions, perceived ease of use, usefulness, subjective norms, and security of the e-filing system. Other determinants are user friendliness of the e-filing web site design, internet response time, lack of incentives and poor publicity.

##### *Experience with e-filing*

Research also covered salaried taxpayers' experience in using e-filing to fulfil their tax obligations such as success rate in e-filing attempts, convenience, internet response time and ease of e-filing. Other research issues include taxpayers' experience with IRB's online service quality dimensions and technology readiness as possible contributing factors to the taxpayers' satisfaction with the e-filing system. Studies also

focused on tax practitioners' technology readiness, acceptance and compliance considerations of the e-filing system.

One of the areas being researched on is the impact of perceived security and credibility of e-filing system as well as trust in the system on the acceptance of e-filing practices. Tax practitioners' confidence in the tax authority's electronic administrative capabilities, the quest of a speedy tax refund and incentive to motivate the use of the e-filing system have also been studied.

#### *Tax authority's strategies in promoting e-filing*

Factors that probably hindered the practice of e-filing are slow internet response time, perceived insecurity, lack of incentives, poor publicity, lack of trust in the e-filing system and in the tax administrators. In these contexts, research has been conducted to examine the tax authority's strategies in response to these issues. Among the factors that have been investigated are the strategies to stimulate higher adoption of e-filing, speedy tax refunds, faster server, a more interactive system, increasing the range of services on the e-filing system, incentives for early adopters of e-filing and a more user friendly e-filing web site design.

#### *Summary*

There are numerous factors that promote or hinder e-filing by taxpayers. A summary of areas researched are:

- (i) Perceived usefulness, ease, security and internet self-efficacy.
- (ii) Trust, resource and technology-facilitating conditions.
- (iii) Perceived ability of tax authority to manage e-filing system successfully.
- (iv) Internet response time, incentives, motivation and publicity.
- (v) Perceived risk and subjective norms.
- (vi) Promotional strategy.
- (vii) Speed of tax refund by IRB.
- (viii) Taxpayers' experience and satisfaction with e-filing.
- (ix) Taxpayers' technology readiness,

- (x) On online service quality satisfaction in e-filing system.
- (xi) Elements of cost savings, internet response time and e-filing quality.
- (xii) Technological and resource support.
- (xiii) Taxpayers' e-filing successful rates.
- (xiv) Technology readiness of tax practitioners and of taxpayers.
- (xv) Confidence in the electronic administrative capabilities of the IRB.
- (xvi) Security of the internet technology.

With regards to e-payments, the following were researched:

- (i) Determinants of taxpayers' e-payment practices;
- (ii) Perceived ease of use and credibility of the e-payment system; and
- (iii) Acceptance of using online system of making tax payments.

#### **4.2.5 Taxation and Earning Management Practices**

The nature of the relationships between tax revenue and the financial system was researched upon to determine whether tax considerations did have bearings on the financial system and whether the financial system influenced revenue collections. In addition, researchers also examined the impact of taxation and the financial system on the economic growth performance in Malaysia and the role of taxation as a major determinant of an active financial system and strong economic growth. The factors pertaining to finance leases in relation to accounting and tax implications were also investigated.

##### *Earning management and tax gaps*

Other aspects of research were on whether Malaysian public listed companies (PLCs) engaged in earning management by using deferred taxation and discretionary accruals to manage earnings in order to meet earnings targets, to avoid earning declines and to report losses. Research was conducted to address the question of whether Malaysian PLCs managed their earnings in response to tax considerations. The gaps between reported accounting income and chargeable income dissimilarity during the official

assessment and self assessment regimes were also examined. The research also focused on which regime the tax expense was higher as well as on the value relevance of accounting data in providing information on the quality of reported net income during both the official assessment and self-assessment era.

#### *Voluntary contributions and tax deductions*

Voluntary contributions by companies for community projects related to education, health, housing, infrastructure and ICT were investigated in one study. This study analysed the relationships between tax deductions for voluntary contributions and companies' adoption of corporate social responsibility.

#### *Accounting standards and tax base*

A research was conducted to examine the use of accounting standards as the benchmark tax base for corporate income tax expenditures and negative income tax expenditures to determine whether particular corporate income tax expenditures (corporate negative income tax expenditures) should be removed, maintained or modified using the conventional tax expenditure analysis.

#### *Summary*

The impact of financial system and taxation on economic performance were investigated. In addition, financing, accounting and tax implications in relation to finance leases were also subjects of research. There were also studies on public listed companies in relation to their earning management practices, the influence of allowable tax deduction incentives on corporate social responsibility, voluntary contributions and value relevance of accounting data in providing information on the quality of reported net income and chargeable income.

In summary, the research covered the following issues.

- (i) Nexus between taxation revenue and the financial system.
- (ii) Impacts of financial system activities on taxation and vice versa.
- (iii) Impacts of financial system and taxation on economic performance.



- (iv) Tax implications of finance leases.
- (v) The use of deferred taxation as a tool for earnings management purposes.
- (vi) The gap between accounting reported income and chargeable income.
- (vii) The relationship between corporate social reporting and tax deductible contributions for community projects.

#### **4.2.6 Tax System and Administration**

There were studies that focused on reforms to the tax administrative system, particularly in relation to personal taxation, corporate income tax and consumption tax in Malaysia. Other aspects of research focused on taxpayers' perceptions on the tax return forms and the related compliance problems encountered by lay taxpayers. Research were also conducted on the efficiency of the tax administration in the context of tax administrative operating costs, taxpayers' compliance costs and the gestation periods of tax dispute resolutions between taxpayers and tax officers which could have been a source of frustration and disappointment to both taxpayers and tax officials.

Research also focused on taxpayers' perceptions on the assessment systems, particularly the self assessment system, the complexity and fairness of the tax laws, the efficiency and productivity of the tax administrative system and administrative costs that might have hindered voluntary compliance.

##### *Mitigating reinvestment allowance claims*

A study on the effectiveness of the IRBM in mitigating reinvestment allowance manipulations was also carried out. The research examined the techniques adopted by the tax authority to mitigate manipulation of reinvestment allowance claims. The research identified the level of knowledge and experience required by tax officers in order to successfully deal with taxpayers in relation to claims of reinvestment allowances, identified and analyzed the limitations or weaknesses of the IRBM's rules and regulations in preventing the manipulation of reinvestment allowance claims.

### *Automated tax kiosk*

Innovative strategies to enhance voluntary compliance and to improve the efficiency of tax collections were also subjects of research. In this context, the research focused on the proposal of providing services by the establishment of automated tax kiosks as an innovative means to promote greater voluntary compliance, reduce compliance costs for taxpayers and increasing tax collection.

### *Procurement guidelines*

Other areas in relation to research on tax administration were on the perceptions of tax officers on the availability of guidelines pertaining to IRBM's public procurement and to identify if any collusion existed among procurement officers and suppliers that could possibly lead to fraud and corruption.

### *Whistle blowing programme*

The tax administration's views on whistle blowing programme at IRBM were also investigated. The objectives were to investigate (i) whether IRBM's whistle-blowing programme could contribute to increased revenue; (ii) the administration's perceptions on the measures that were most significant in enhancing whistle-blowing programme and (iii) the administration's opinion on other measures to improve the whistle-blowing programme at IRBM. The potential contributing factors in establishing an effective and successful programme including procedure, publicity, reward, funding, culture, whistleblowers protection and motive were subjects of research.

### *Summary*

Generally, studies in the area of tax administration were on the efficiency of the tax administration in provision of services to taxpayers, administrative costs, effective means to enhance voluntary compliance and increase tax collections. There were also studies on enhancing voluntary compliance by way of examining taxpayers' perceptions of tax return forms and the feasibility of providing taxpayers with automated services. Other research was on tax administrative reform with emphasis

on enhancing voluntary tax compliance and on IRBM guidelines pertaining to its procurement practices. Research on the tax system and administration are summarised as follows:

- (i) Taxpayers' perception of tax forms and related compliance problems encountered.
- (ii) The availability of guidelines on public procurement at IRBM and administrative transparency pertaining to the relationships between procurement officers and suppliers.
- (iii) Knowledge and experience required and limitation of IRB's rules to regulate and mitigate manipulative claims for reinvestment allowances.
- (iv) Innovative measures and services to promote greater voluntary compliance to increase tax collections and to reduce compliance costs.
- (v) Efficiency, productivity and performance of the tax administration.
- (vi) Determinants of both taxpayers' and tax officers' frustration and disappointment and their expectations in relation to dispute resolutions.

#### **4.2.7 Corporate tax compliance**

##### *Small Medium Industries (SMI) companies and compliance*

In relation to corporate tax compliance under the self assessment regime, research was conducted on how SMI companies have adapted to self assessment, to examine the necessary reforms to the taxation system with the view to assist in the adoption self assessment and to address the expectations of corporate taxpayers when dealing with the tax authority under the self assessment regime. Other research focused on factors that might have influenced corporate non-compliance behaviour, factors such as compliance costs, business enterprises' characteristics in terms of business size, managerial perceptions about tax fairness, tax complexity, probability of tax audit, and length of the business, business sector, tax rate and tax incentives.

Other research investigated tax compliance complexities facing SMEs and explored their experience of being audited. Other possible factors that could have given rise to compliance complexities were the level of computerization of the firms' accounting systems, difficulties in estimating tax payable, meeting tax deadlines, understanding

and complying with taxation laws, rulings and regulations, delays in the tax refund process and the duration taken in responding to correspondence between taxpayers and tax auditors.

#### *Public listed companies and compliance*

As for PLCs, research had focused on factors that might have influenced compliance behaviour. Among them are tax compliance costs and corporate characteristics such as the length of time companies have been operating, estimated tax liability, perceptions on complexity in the tax systems, psychological costs, firm size, business sector, tax rates structure, tax deterrence sanction and perception of tax law fairness. It should be noted that some of these factors are similar with those being investigated on SMI companies' compliance behaviour.

#### *Summary*

In the case of business enterprises and corporations, among the issues that were researched on are factors that have bearings on compliance behaviour. Among the common factors are compliance costs, perceptions of fairness, probability of tax audit, tax rate, tax incentives, roles of tax agents, tax knowledge, tax complexity and deterrent measures. The relationships between business characteristics and compliance behaviour were investigated. Among the business characteristics are the length of time of business operation, size and sector.

### **4.2.8 Personal taxation and compliance behaviour**

#### *Determinants of tax compliance behaviour*

Tax compliance behaviour of lay taxpayers, particularly salaried earners and sole business operators have been fairly well researched in Malaysia, especially under the self assessment regime. Among the issues are the influence of the introduction of self assessment on compliance behaviour of individual taxpayers in Malaysia, personal income tax non-compliance, perceptions of fairness and taxpayers' judgments of the

self-assessment environment. Other research covered non-compliance evidence based on tax audit cases of individual taxpayers.

Research also involved the investigation into the influence of the introduction of self-assessment system on the compliance behaviour of individual taxpayers in Malaysia. The research focused on factors such as tax knowledge, tax structure features, financial constraints and attitudes towards taxation and the nature of the influence of such factors on taxpayers' compliance behaviour in relation to the introduction of self-assessment. Demographic variables such as age, gender, level of education and ethnic background were also investigated to identify other dimensions for the analysis of compliance behaviour. Other factors that might have influenced individual taxpayers' compliance being investigated included the fear of being tax audited and penalised, taxpayers' attitudes towards the tax system, the tax administration and tax officers. Other research on individual taxpayers' compliance identified the demographic characteristics or profiles of non-compliant individual taxpayers having business income, the methods used by these non-compliant taxpayers to misstate their financial statement for tax reporting.

One other research on individual taxpayers' compliance integrated the economic and behavioural approaches in examining factors affecting tax compliance. The factors examined include perceived probability of detection, prior tax audit activities and sanction, perception of fairness, perceived moral intensity and peer influence.

### *Summary*

The major research pertaining to individual taxpayers' compliance was on factors that might have influenced their compliance behaviour, perception of fairness, level of tax knowledge and tax education, fear of sanctions and detection, financial constraints and attitude towards the tax system, tax administration and tax officers. Other factors influencing individual compliance behaviour being examined were taxpayers' perception on the moral and ethical dimensions as well as peer influence. Besides, researchers also investigated the demographic profiles of non-compliance and the method of non-compliance practices. Other areas of research covered the effects of taxpayers' expectations pertaining to the tax administration and tax officers.

#### 4.2.9 Tax planning

Among the studies on tax planning are the association between corporate governance and tax aggressiveness, ethical judgement and aggressive tax avoidance behaviour.<sup>35</sup> The roles of auditor-provided tax services in tax planning, factors affecting corporate tax avoidance strategies of PLCs and tax planning in an e-commerce environment were also investigated.

##### *Pubic listed companies and tax planning*

Researchers have also investigated the factors affecting corporate tax avoidance strategies of PLCs. Variables that were included as potential elements of tax avoidance activities are political cost, profitability, leverage, foreign activity, capital intensity, dividend and managerial ownership. The importance of various firms' characteristics as determinants of corporate tax avoidance strategies was also investigated to identify the link between corporate tax avoidance and firms' characteristics in an emerging market.

On the issue of tax planning and corporate governance, the focus of the research was to examine whether good corporate governance had lead to a better tax planning strategy as well as to identify relationships between two variables, namely,

- (i) whether greater board independence and institutional ownership would be able to pressure management to engage in tax planning activities that could lead to lower corporate effective tax rate,<sup>36</sup> and
- (ii) whether companies placed high reliance on professional tax agents' assistance rather than top management with regards to the issues on tax planning practices.

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<sup>35</sup> Generally, tax avoidance involves activities to minimise ones tax payable by means that are within the law. Tax evasion on the other hand involves activities to avoid taxes by illegal means. Aggressive tax avoidance would fall within the grey area between well accepted tax avoidance and evasion, which could be caught under the relevant tax statutes' anti-avoidance provisions.

<sup>36</sup> Issues pertaining to effective tax rate are reported in subsequent section of this report.

### *SMEs and tax planning*

With regards to SMEs, studies were on the roles of auditor-provided tax service in tax planning, which examined how auditor-provided tax services influenced the SMEs' level of effective tax rate. The research also took into consideration how enterprises' characteristics, such as size, leverage, capital intensity and profitability influenced the level of tax payments by the SMEs.

### *E-commerce and tax planning*

With regards to tax planning in an e-commerce environment, the research examined tax planning from the perspective of the interpretation of the concept of permanent establishment in the Malaysian context. Other aspects of the research examined the possible dependence on tax consultants in adopting tax planning in an e-commerce environment. In addition, the research also examined organizational characteristics as well as the association between website addresses and tax planning adoption and the relationships between tax planning adoption and tax planning perception.

### *Summary*

In the area of tax planning, among the factors being researched are the association between corporate governance and tax planning activities, the use and influence of professional tax services and the relationship between firms' characteristics and tax planning adoption. Other aspects of research were on tax planning in the e-commerce environment. Tax professionals' ethical judgement towards aggressive tax avoidance and the relationships between corporate governance and aggressive tax planning were also subjects of research.

## **4.2.10. Tax ethics and fairness**

### *Tax ethics and perceptions of fairness*

The relationships between tax ethics as well as perception of fairness and tax compliance were investigated in several studies. Among them are studies on tax ethics

and taxpayers' attitudes; perception of tax fairness and compliance behaviour; taxpayers' judgments in the self-assessment environment and compliance behaviour of individuals.

In relation to tax ethics and perception of fairness, issues that were researched are the relationship between compliance behaviour and the perception of fairness and how the latter could have influenced taxpayers' perceptions on tax ethics.

#### *Perceptions of fairness and compliance behaviour*

Among the tax fairness dimensions being investigated are general fairness, tax rate structure, exchange with the government, self-interest and special provisions for the wealthy. One other research focused on Malaysian academicians' perceptions of tax fairness in relation to compliance behaviour, whereby one of the research objectives was to determine whether there was any difference between individuals' tax compliance behaviour and their age, education level and income level. The other research objective was to determine whether taxpayers' compliance behaviour could have been affected by taxpayers' perceptions on tax fairness, tax reliefs, tax penalties and perception on tax ethics.

#### *Comparative fairness dimensions*

One aspect of research on tax fairness was the investigation into whether similar tax fairness dimensions that exist in western countries also exist in an Asian country. Another research examined the different tax fairness perceptions of individual taxpayers in New Zealand and Malaysian individuals in relation to their respective income e-tax systems. This research investigated the tax implications of individual's perception on compliance behaviour.

#### *Summary*

Research with regards to tax ethics and fairness mainly focused on individual taxpayers' perception and whether such perception could have influenced individual taxpayers' compliance behaviour. There was also research pertaining to a



comparative study on perception on tax ethics and fairness between different tax regimes and different cultures.

#### **4.2.11 Effective Tax Rates**

The effective tax rate (ETR) is based on the actual average tax payable on a taxpayer's pre-tax income, which is different from the statutory tax rate which is imposed on the taxable income. Although different categories of taxpayers are subject to different statutory tax rates,<sup>37</sup> research on effective tax rate mainly focus on PLCs.

##### *Public listed companies and ETRs*

Research was conducted to investigate the pervasiveness of tax planning activities among Malaysian PLCs and to determine whether their tax planning activities could have resulted from the provision of tax incentives and different rules applying to tax reporting and financial reporting. The studies also examined the impact of tax policy and dual reporting systems on corporate ETRs. Studies also examined the determinants of corporate ETRs, the variation of corporate ETRs from the statutory tax rate, the extent of the gap between financial accounting and taxable income, and the value relevance of taxable income as an earnings quality indicator and performance measures.

Research was also carried out to determine the relationships between corporate effective tax rates and corporate attributes of PLCs. Corporate attributes being considered included audit fees, size of company, return on assets, leverage, capital intensity and deferred tax.

Other aspects of research on corporate effective tax rate were effects of company characteristics on the variability of the ETR, the link between the ETR and earnings management and whether the use of accounting choice was in response to anticipated

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<sup>37</sup> Currently, under the Income Tax Act, 1967, the statutory tax rate for a resident company with paid up capital of RM2.5 million and below is 20% on the first RM500,000 chargeable income and 25% on subsequent chargeable income. For other companies, the statutory tax rate is 25%, while for companies taxable under the Labuan Business Activity Tax Act, 1990, the tax payable is either 3% of net profits or RM20,000. Resident individual taxpayers are taxed at incremental tax rates, ranging from zero per cent to 26%.

change in tax policy. The comparative corporate tax rates and statutory tax rates between Malaysian PLCs and those of Singapore and Thailand were also being investigated.

Studies also examined the association between the effective tax rates and the levels of companies' leverage, investments in non-current assets and in inventory during both assessment regimes as well as the comparative effective tax rates among companies in different sectors, such as trading and services, properties and construction sectors.

#### *Corporate governance and ETRs*

One of the research touching on effective tax rate is on whether good corporate governance could lead to a better tax planning strategy, thus resulting in lower corporate effective tax rate. Other research include the studies on the macroeconomic effects of corporate income tax rate reductions, relationship between tax rates and tax revenue and policy implications, corporations' effective tax rates under the official assessment and self-assessment regimes, value relevance of financial reporting and determinants of effective tax rate.

#### *Financial reporting standards and ETRs*

Other research on effective tax rate was in relation to the investigation on the gap between book income and taxable income (that is book-tax difference) resulting from the implementation of International Financial Reporting Standards (IFRS). The research focused on the determination of the value relevance of tax information which was proxied by corporate effective tax rates and on whether information regarding ETRs would influence shareholders' perception in making investment decisions and on how shareholders perceived tax planning during implementation of IFRS.

#### *Summary*

The research on effective tax rates covered a wide range of issues that are associated with corporate governance, tax planning, tax gap, income management, value relevance of accounting data, tax audit, investigation and compliance behaviour.

Other issues are the macroeconomic effects of effective tax rates and the impact of effective tax rates on revenue yield and fiscal policy. Among the determinants investigated that could have an impact on corporate effective tax rates are audit fees and firm size. Other research areas covered are:

- (i) The relationship between effective tax rates and tax revenue collections.
- (ii) The determinants and implications of corporate ETRs under the different assessment regimes.
- (iii) The extent of the gap between book and chargeable income and its relationship with ETRs.
- (iv) The divergence of corporate ETRs from the statutory tax rate.
- (v) The relationships between corporate ETRs and attributes such as audit fees, firms size, return on assets, deferred taxation, sectors, tax incentives and tax planning activities.
- (vi) Impact of tax policies on corporate ETRs.

#### **4.2.12 Tax Audit; Evasion and Investigation**

Under the self-assessment regime, tax audit is one of the features that is basically aimed at enhancing voluntary compliance with the tax laws and regulations. Basically, in a tax audit, tax auditors are expected to carry out their tasks efficiently and effectively to ensure that taxpayers are fulfilling their tax obligations. On the contrary, a tax investigation is the process of gathering evidence to determine the estimated amount of tax evaded and also for the possible prosecution of taxpayers suspected of engaging in tax evasion activities.

##### *Tax audits*

Among the studies on tax audit are on tax practitioners' perception of tax audits on companies under the self-assessment regime; auditees' post-audit compliance behaviour; effectiveness of tax audit approaches; auditees' effective tax rates; audit duration, effective roles of tax agents in assisting in tax audits and effectiveness of different audit approaches.

With regards to tax practitioners' perspectives of tax audits, research was focused on assessing tax practitioners' experience in tax audits under the self assessment regime, particularly their experience in field audit. Other research focused on examining the obstacles that tax practitioners encountered in relation to tax audits on companies, to investigate tax practitioners' views on tax education and their approaches in educating corporate clients on the rights and responsibilities of both the taxpayers and the tax auditors. Other research on tax practitioners' perspectives of tax audits touched on their satisfaction with tax auditors' scope and process of the audit, the competency of tax auditors in accounting practices and their understanding on treatments of business transactions, the volume and relevance of information requested by tax auditors and the quantum of compliance costs in relation to tax audits.

As to taxpayers' post-audit compliance behaviour, research was conducted to examine the degree of improvement in subsequent audits of sole-proprietors, particularly those involved in wholesale and retail business operations, whose accounts were manually prepared and who did not engage the services of tax agents.

On the different tax audit approaches, research was conducted to test and measure the effectiveness of 'limited scope auditing approach' which is also known as the 'focus audit' as compared to the 'full scope auditing' in terms of tax revenue.<sup>38</sup> Duration of audits and additional revenue raised are other aspects of measuring the audit effectiveness. In this respect, research was conducted to determine the audit duration taken by tax auditors in completing their audit work and analyse the association between audit duration and total additional tax collections.

Evidence from tax audited cases were analysed to identify the effective tax rate of companies that evaded tax and to identify the attributes of tax evading companies. Whether attributes such as firm size, leverage, return on assets, capital intensity, inventory intensity and account receivables are associated with tax evasion activities were investigated. Besides, companies' good performance and level of investment in

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<sup>38</sup> Basically, in a 'full scope audit' an auditor would conduct audit testing on everything as set out in an audit plan. On the other hand, in a 'limited scope auditing', the auditor need not perform any auditing procedure on audit evidence that have been verified and certified by relevant authoritative third parties.

non-current assets and inventory as well as the amount of accounts receivable as possible evidence of tax evasion measures were also examined.

Research was also conducted to identify the common features of non compliance amongst individual taxpayers discovered during desk audits, such as the features relating to the availability of supporting documents from taxpayers during the course of the audit and the validity of claims for reliefs and rebates. The research also examined measures to enhance compliance and assessed the impacts of such measures in subsequently desk audits. Research was conducted to investigate the efficiency of desk auditors and administration costs to the tax authority in ensuring tax compliance. Among the administrative costs investigated was the loss of efficiency from non value added activities in the audit process such as waiting time in obtaining supporting documents.

Data from resolved field audit cases were also examined to provide empirical evidence of tax gap estimation attributable to individuals' business income. The tax gap being investigated refers to the differences between adjusted tax after the tax audits with the reported tax. The research also investigated the strategies adopted by sole proprietorship business operators to conceal income, such as understatement of sales and overstatement of purchases.

### *Evasion and Investigation*

Evidence derived from tax investigation cases in Malaysia were examined to identify factors that are associated with tax evasion indicators of private limited companies based on financial ratios that are derived from data reported in the financial statements. Among the financial ratios examined are those associated with the working capital, sales, debts, effective tax rate, net profit, inventories and accounts receivable.

Other research on the topic of tax evasion was on postgraduate students' perception on factors that could be related to tax evasion. The factors examined are perception on tax awareness, tax fairness, tax law enforcement and tax morale. Other variables being examined were whether the respondents perceived tax evasion as a serious

crime and whether monetary penalties as well as imprisonment could deter taxpayers from evading tax.

Research on the impact of forensic accounting, investigation and audit on tax compliance in Malaysia was carried out to examine the tax administration's performance in relation to enhancing filing, reporting and payment compliance. The focus of the research was on the element of deterrence provided by tax enforcement activities in order to further understand how the enforcement functions provide different levels of deterrence to individual taxpayers. Among the factors that could have played important roles in taxpayers' compliance decisions being investigated are costs of compliance, especially filing costs, the increased probability of audit detection, as well as the certainty and severity of punishment for non compliance.

Research relating to tax investigation was conducted to provide some qualitative insights into the workings of the hidden economy in Malaysia and to estimate the size of the hidden economy.<sup>39</sup> In addition, the research also investigated the causes of tax evasion and non-compliance and the quantitative significance and importance of tax evasion on the design of a coherent and efficient enforcement policy. The researcher also determined the demographic features of under-declared tax cases and identified possible reasons for taxpayers to under declare their taxable income. Other aspects of the research examined whether non-compliant behaviour could be due to intentional or unintentional acts of taxpayers.

### *Summary*

Research on tax audit focused from the perspectives of taxpayers, tax agents and the tax authority. From the perspective of tax agents, research was conducted to investigate the extent of satisfaction with the audit approaches of tax auditors and tax agents' expectations in relation to tax auditors knowledge of accounting and treatment of business transactions. In relation to taxpayers' perspective, the research identified the common features relating to non compliance. From the tax administration's

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<sup>39</sup> Hidden economy was used as a proxy for tax evasion.

perspective, the research was confined to the evaluation of the effectiveness of tax audit approaches, audit duration and additional revenue collection.

Research on tax audit issues overlapped with evasion and investigation. On the topic of evasion, research focused on postgraduate students' perceptions on tax awareness, tax fairness, tax law enforcement and tax morale in relation to tax evasion. The association between evasion activities and financial ratios as well as the firm size were also subjects of research.

With regards to tax investigation, research was conducted to examine the application of forensic accounting and to assess the tax administration's performance in enhancing compliance, focusing on the element of enforcement and deterrent activities. Other research focused on identifying the demographic factors of under-declared tax cases and to determine whether non-compliance was intentional or unintentional. With regards to hidden economy, research was conducted to identify the causes of evasion, to quantify the size of hidden income and the loss of revenue. The effectiveness of capital statement analysis in detecting tax evasion as a method of proof in ascertaining the underreported income by individual taxpayers, based on selected cases was also subject to research.

#### **4.2.13 Other research on direct taxes**

Among other research on direct taxes at masters and doctoral levels are those on compliance costs and tax incentives, where certain aspects of these two topics had also been highlighted in previous sections of this report. Other direct tax research was on transfer pricing, revenue law, environment taxation and compliance by non-profit making organisations.

##### *Compliance Costs*

Research on compliance costs was conducted to examine the determinants of compliance costs of small and medium enterprises. Besides the influence of compliance costs on non compliance, other factors that were examined include business characteristics, managerial perceptions of corporation taxation, tax

complexity and probability of tax audit, perceptions on tax fairness and the corporate management's relationships with the tax authority.

Other research investigated the compliance costs and compliance under the self assessment regime of PLCs. The magnitude of tax compliance costs, such as the cost of tax computation work, additional compliance costs in terms of time spent and tax agent's fees and psychological costs as determinants of non compliance were investigated.

### *Transfer pricing*

On transfer pricing, one particular research examined the managing of intra-group services for tax compliance in a postal services company. The study identified the intra-group services within the group<sup>40</sup> that are subject to the transfer pricing regulations.

One other research examined how the IRBM resolved cases of tax evasion involving international transfer pricing. The researcher investigated the period taken for each taxpayer's case to be resolved by the IRBM, identified methods used by taxpayers in resolving transfer pricing cases; analysed whether all the cases resolved were supported by taxpayers' documentation, identified the tax agents that represented the taxpayers and analysed the amount of the post-audit tax adjustment raised by the IRBM upon resolving the cases.

### *Revenue Law*

A comparative study was carried out on anti-avoidance law, the concept of income under the Income Tax Act 1967 and allowable expenditures.

As for anti-avoidance law, the research investigated whether current methods of dealing with tax avoidance by the Malaysia tax authority are adequate and satisfactory and what, if any, other measures might be taken based on the experiences of United

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<sup>40</sup> The group referred to is Pos Malaysia Bhd Group.



Kingdom, Australia and India. On the concept of income, the objective of the research was to consolidate the concept of income by examining Malaysian tax cases and other non Malaysian leading tax cases.

On allowable expenditures, the researcher examined the development of legal principles from the common law perspective. The researcher addressed the issues pertaining to allowable expenditure for which are statutory provisions.

### *Tax incentives*

Although research on other aspects of taxation also covered some elements of tax incentives, a research on tax incentives *per se* examined particularly the attractiveness of specific incentives and foreign investments in the Eastern Corridor of Peninsular Malaysia. The objectives of the research included the attempt to explore investors' preferences on specific aspects pertaining to tax incentives, namely the desired incentives and their relations to the investing firms' characteristics, the importance of locational factors as perceived by investors and their relationships with the firms' characteristics and the association between investors' chosen incentives and the importance of locational factors.

### *Environmental taxation*

On the issue of "environmental or green taxation" one particular research was conducted to examine the promotion of green technologies through green tax incentives in Malaysia. Another research examined the acceptance of best practices in the Malaysian environment tax laws, identified the tools in the form of environmental taxation to promote sustainability and identified the gaps between current Malaysian tax laws and practices pertaining to environment taxation and the wish list of the Malaysian taxpayers.

Broadly, the studies examined taxation as a tool for environment sustainability and investigated whether factors such as gender, age and ethnicity, education level, source of income, domicile status and political affiliation had any bearings in determining support of environmental tax issues. Other factors, such as quality of life, self-

actualization, attitudes, forced compliance and tax mitigation that could contribute to the acceptance of environmental taxation by the Malaysian taxpayers were investigated.

#### *Non-profit organisation*

The research on non-profit organisations in Malaysia was to examine their respective tax reporting, with the objective of identifying the financial characteristics of tax exempted and non tax exempted non-profit organisations. The financial characteristics examined were donations received, interest income, rental income, membership fees, donation expenses, professional fees, appointment of auditors and accumulated funds.

#### **4.2.14 Indirect taxes**

Research on indirect taxes covered issues on service tax, sales tax, excise duty, whistle blowing, fraud management and impact of policy change on indirect tax revenue. At the time of this report, there were no research related to Goods and Service Tax.

#### *Sales Tax and Service Tax*

As for service tax, the research focussed on the factors that could have contributed to service tax evasion and service tax gap.<sup>41</sup> The potential determinants of service tax evasion researched are penalties, the level of the turnover threshold, types of service providers, tax rates, size of the company, audit firm size and risk of probability of detection. As for sales tax, the research covered difficulties faced by taxable persons in carrying out their responsibilities as tax collection agents<sup>42</sup> for the Customs Department. The research also investigated taxable persons' knowledge and understanding of the sales tax laws, regulations and procedures.

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<sup>41</sup> Service tax gap refers to the difference between the actual and declared values on which service tax is payable by taxable persons

<sup>42</sup> A taxable person is a "tax collection agent" in the sense that consumers pay the sales tax to the taxable person, who is then responsible to remit the tax collected to the tax authority. The burden of tax is on the consumers while the incidence of tax is on the taxable person.

### *Excise Duty*

One particular research covered the extent of excise duty evaded in relation to motor vehicle smuggling activities. The determinants of excise duty evasion investigated are the tax rate, penalty, brands of motor vehicles involved and company size.

### *Indirect Tax Administration and Policies*

Other research on indirect tax issues are in relation to tax officers' understanding of Fraud Management Components (FMC), improvement on tax administration performance management, the reasons for under-performance, strategic planning process, organisational culture, tasks and personnel to enhance performance management and tax administration performance. Research also covered the impact of the regulated policies rather than education and motivation on indirect taxpayers' compliance behaviour and the impact of indirect tax policy changes arising from the annual budget proposals on indirect tax revenue. As to the issue of whistle-blowing, the research examined the preference for either internal or external whistle-blowers, the relationship between attitudes and intention of whistle-blowers and the influence of the reward systems and job protection on whistle-blowing.

### *Summary*

A summary of topics upon which research have been carried out on indirect taxes are summarised as follows:

- (i) Determinants of service tax evasion.
- (ii) Sales tax compliance and difficulties experienced by taxable persons.
- (iii) Tax evasion elements in the indirect tax system.
- (iv) Impact of regulated policies on compliance behaviour.
- (v) Impact of motivation on compliance behaviour.
- (vi) Association between excise duty evasion and smuggling activities.
- (vii) Determinants of excise duty evasion.
- (viii) Difference between declared and actual excise duty values.
- (ix) Extent of excise duty evasion.

- (x) Factors that influence individuals to blow the whistle.
- (xi) Preference between internal and external whistle-blowing.
- (xii) The effects of attitudes, intention, reward system and job protection on whistle-blowing.
- (xiii) Tax officers' understanding of Fraud Management Components.
- (xiv) Impact of strategic planning, organisational culture, tasks and personnel on indirect tax administrative performance.
- (xv) Impact of education on indirect tax compliance behaviour.
- (xvi) Taxable persons' understanding of the sales tax laws; regulations and procedures.
- (xvii) Firm's characteristics and service tax evasion.
- (xviii) Implications of policy changes on indirect tax revenue.

#### **4.2.15 Zakat payment**

Zakat is an Islamic religious due or payment which is obligatory. Zakat is neither a form of direct nor indirect tax. The administration of zakat does not come under the jurisdiction of the Ministry of Finance. In the context of income tax, zakat payments are eligible as rebates against income tax liabilities of resident individuals,<sup>43</sup> while payments of business zakat (*zakat perniagaan*) are allowed for deduction against aggregate income.<sup>44</sup>

#### *Transparency, Efficiency and Service Quality*

Research pertaining to zakat covered areas relating to accounting treatments and the disclosure practices in relation to zakat distributions in financial statements. Researchers analysed zakat collection and distribution trend so as to measure the efficiency of zakat distributions by the *Majlis Agama Islam Negeri*. Other areas of research focused on the perceived level of service quality delivered by zakat

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<sup>43</sup> Zakat payments are allowable as rebates, subject to the provision under section 6A(3) of the Income Tax Act,

<sup>44</sup> Under section 44(11A) of the Income Tax Act, business zakat payments (*zakat perniagaan*) are deductible against aggregate income, but subject to a maximum of 2.5% of the aggregate income.

institutions to zakat payers, as well as the relationships between zakat payers' perception of service quality, satisfaction and zakat payers' behaviour intention.

#### *Employment Income and zakat compliance behaviour*

Factors that influence zakat compliance were also researched upon, particularly in identifying the dimensions of attitudes towards zakat on employment income. The research examined the association of zakat compliance with service qualities, promotional exposure, knowledge and attitudes of zakat payers. Other research on zakat compliance covered the identification of the basic dimension in attitudes, subjective norms and perceived behavioural control variables. Factors related to sociology, psychology, economics and religiosities were incorporated into the research investigation. Research also covered factors that could have association with zakat compliance behaviour, including general attitude, intimate referent groups, spouse referent group, enforcement, organised religiosity behaviour, stringent law, assurance and empathy of service quality, trustworthiness of corporate credibility, self-efficiency and knowledge. These studies were in reference to payment of zakat on employment income.

#### *Business zakat compliance behaviour*

Research was also conducted on factors that influenced compliance behaviour in relation to business zakat and the impact of religiosities and personal accountability on the intention to pay business zakat among sole proprietor business entrepreneurs. The research examined the relationships between perceived behavioural controls, represented by self-efficiency, tax rebate, zakat payment facility and entrepreneurs' perception towards zakat with the intention to comply.

#### *Summary*

Although zakat payment compliance is not within the jurisdiction of secular income tax laws, most of the factors in relation to the zakat compliance were identical to those related to the secular tax compliance behaviour. Research pertaining to zakat that have been carried out are in respect of the following.

- (i) The presentation of collection and payment in financial statements currently being practised.
- (ii) Disclosure of zakat distributions in the financial statements.
- (iii) Efficiency of zakat administration in terms of collections and distributions.
- (iv) Service quality of zakat institutions provided to zakat payers.
- (v) Relationships between zakat payers' perception of service quality, satisfaction and behaviour intention.
- (vi) Factors that influenced zakat compliance behaviour in relation to zakat on employment income.
- (vii) Dimensions of attitudes and behavioural variables in relation to zakat compliance.
- (viii) Factors that influenced compliance in relation to business zakat.
- (ix) Intention to pay business zakat.

#### **4.2.16. Other tax research**

The other tax research focussed on land tax<sup>45</sup> and revenue collections<sup>46</sup> by local authorities. The former was on land tax administration and compliance attitudes in Malaysia. The objectives were to examine the efficiency and productivity of the Malaysian land tax administration and the determinants of land taxpayers' compliance attitudes. Among the factors examined were perception of the land tax office staff's commitment and the work system of the different states in relation to the respective states' land tax collection performance. With regards to the influence on land tax compliance attitudes, variables that were examined included age, ethnicity, level of education, level of income, occupation, perceived fairness, understanding the relevant laws and incentives for payments.

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<sup>45</sup> Land tax refers to *cukai tanah*, or quit rent payable to the respective state land offices in Malaysia

<sup>46</sup> The revenue collections by local authorities are actually not taxes. These revenue are collected by local authorities (i.e. the local governments), generally for the provision of public amenities and maintenance of public services within the respective local authority's jurisdiction.

On revenue collections by the local authorities, the research was on determinants of assessment collections,<sup>47</sup> the objectives of which were to explore the efficiency and productivity of the revenue administration system and assessment payers' compliance behaviour.

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<sup>47</sup> The revenue collected by the local authorities is referred as "assessment" or "*cukai taksiran*".

## 5.0 Conclusion

Most research on taxation in Malaysia at the masters and doctoral levels are related to direct tax and they are broadly confined to income tax. Income tax compliance behaviour, tax education and knowledge, effective tax rates, compliance costs, tax planning, audit and investigation are among the issues most researched on.

There are some research on indirect taxes but none on Goods and Service Tax, an area that would attract much attention for future research. Other than research on direct and indirect taxes, there are some studies on zakat payments and administration; land tax (or quit rent) and assessment payable to local authorities.

## 5.1 Topics for Future Research

Based on the content analysis of the masters and doctoral dissertations, as well as data gathered from the questionnaire survey, potentially there are a multitude of taxation issues in Malaysia that need to be researched. As a result of our survey findings we have compiled a list comprising of 26 taxation topics for research. The percentage<sup>48</sup> in parenthesis highlights in descending order the necessity for research in the specific areas mentioned in the list.

- (i) GST: compliance issues; if implemented (91.6%).
- (ii) GST: compliance costs: if implemented (90.5%).
- (iii) Compliance behaviour of corporate taxpayers (90.5%).
- (iv) Dispute resolution: arising from tax audit (88.4%).
- (v) Dispute resolution: arising from tax investigation (87.4%).
- (vi) Compliance issues faced by lay taxpayers (87.4%).
- (vii) Tax education and knowledge of lay taxpayers (86.3%).
- (viii) Review of Malaysia's income tax legislation (86.3%).
- (ix) Tax implications on e-commerce (86.3%).
- (x) Concealment of income: hidden income /underground (81.1%).
- (xi) Need for bilateral agreement to add certainty to transfer pricing arrangements (81.1%).

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<sup>48</sup> The percentages reflect the consolidated responses of "definitely necessary" and "probably necessary" of the respondents in the questionnaire survey.



- (xii) E-filing (81.0%).
- (xiii) Cross-border transactions (80.0%).
- (xiv) Expectations of taxpayers when dealing with IRB (80.0%).
- (xv) Expectations of tax agents when dealing with IRB (80.0%).
- (xvi) Indirect taxes: compliance issues (78.9%).
- (xvii) Transfer pricing: Need for host country to be sufficiently remunerated (77.9%).
- (xviii) Review of Malaysia's Promotion of Investments Act 1986 (76.8%).
- (xix) Indirect taxes: compliance costs (76.8%).
- (xx) Compliance costs of corporations (76.8%).
- (xxi) Tax audit perception of individual taxpayers (73.7%).
- (xxii) Dispute resolution: exclude appeal to Special Commissioners and beyond (72.6%).
- (xxiii) Taxation as a tool for environment sustainability (72.6%).
- (xxiv) Review of withholding tax structure in Malaysia (72.6%).
- (xxv) Service efficiency of tax advisers (72.6%); and
- (xxvi) Need for a presumptive tax (52.6%).

## **5.2 Limitation of study**

Research on tax issues have been initiated by institutions of higher learning, industry and professional bodies. The scope of our study, however, is limited to analysing and reporting on tax-based research initiated by individuals in institutions of higher learning at the masters and doctoral levels.

# **APPENDICES**

Appendix A: Consent Form and Questionnaire

Appendix B: Human Ethics Certificate of approval

Appendix C: Names, titles and topics of doctoral and master theses

Appendix D: Tables of findings

Appendix E: Abstracts of masters theses

Appendix F: Abstracts of doctoral theses



## CONSENT FORM

**Project title:** Relevant Areas for Research to Gain Insight into Taxation Issues

**Chief Investigator:** Prof Jeyapalan Kasipillai

I have been asked to take part in the Monash University research project specified above. I have read and understood the Explanatory Statement and I hereby consent to participate in this project.

Name of participant: \_\_\_\_\_

Participant Signature: \_\_\_\_\_

Date: \_\_\_\_\_

### Sunway campus

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Monash University Sunway Campus Sdn. Bhd. (Co. No. 458601-U)

Dear Academic/ Supervisor/ Manager/ Partner

In recent times, there has been a lot of interest in trying to understand issues related to taxation.

This survey investigates potential areas for research in the area of taxation. The findings in this survey could likely be used to develop recommendation to gear up policies for fairer and more effective tax system that benefits all Malaysian. These recommendations could also address the challenges faced by the Government in collecting revenue in an equitable and effective manner, enhancing tax compliance and isolating concealed income.

All information provided by the participant is anonymous and will be strictly kept confidential. Your cooperation in completing this survey questionnaire as accurately and honestly as possible is very much appreciated.

Thank you.

*Jeyapalan*

*Ern Chen*

Dr Jeyapalan Kasipillai	Dr Loo Ern Chen
Professor of Taxation	Associate Professor
School of Business	Faculty of Accountancy
Monash University Sunway campus	Universiti Teknologi MARA
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30 July 2013

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## Questionnaire

### Section A: Need for research in taxation

Based on your professional experience, to what extent do you consider that research is necessary on the following to gain better insight into taxation issues.

On a scale of 1 to 5; where:

- 1: Definitely necessary [DN]
- 2: Probably necessary [PN]
- 3: Neither necessary nor unnecessary [NU]
- 4: Probably unnecessary [PU]
- 5: Definitely unnecessary [DU]

Please indicate your consideration/views on the following tax areas:

	<b>Tax Issues</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>Don't Know</b>
		DN	PN	NU	PU	DU	
1	Transfer pricing (TP): (i) Need for host country to be sufficiently remunerated. (ii) Need for bilateral agreement to add certainty to TP arrangements.						
2	Tax implications on E-commerce						
3	E-filing						
4	Cross-border transactions						
5	Review of withholding tax structure in Malaysia						
6	Dispute resolution (exclude appeal to Special Commissioners & beyond)						
7	Dispute resolution (arising from tax audit)						
8	Dispute resolution (arising from tax investigation)						
9	Tax education and knowledge of lay taxpayers						
10	Compliance issues faced by lay taxpayers						
11	Compliance costs of corporations						
12	Compliance behaviour of corporate taxpayers						
13	Expectations of taxpayers when dealing with IRB						
14	Expectations of tax agents when dealing with IRB						
15	Tax review of Malaysia's income tax legislation						
16	Review of Malaysia's Promotion of Investments Act 1986						
17	Indirect taxes: compliance issues						
18	Indirect taxes: compliance costs						
19	GST: compliance issues (if implemented)						
20	GST: compliance costs (if implemented)						
21	Concealment of income (Hidden income/ Underground income)						
22	Taxation as a tool for environmental sustainability.						
23	Need for a Presumptive Tax						
24	Service Efficiency of Tax Advisers						
25	Tax audit perception by individual taxpayers						

**Others (Please add to the list and circle appropriate column)**

	Tax Issues	1	2	3	4	5	Don't Know
		DN	PN	NU	PU	DU	
26							
27							
28							
29							
30							

**Section B:** Respondent's Profile (Please indicate your response with a tick (✓) on the appropriate circle:

**(1) Age:**

- ☐ 30 years or less
- ☐ 31 to 35 years old
- ☐ 36 to 40 years old
- ☐ 41 to 45 years old
- ☐ 46 to 55 years old
- ☐ 56 years old and above

**(2) Ethnic background:**

- ☐ Malay
- ☐ Chinese
- ☐ Indian
- ☐ Others. Please specify: \_\_\_\_\_

**(3) Highest education level completed:**

- ☐ Secondary
- ☐ Certificate or Diploma
- ☐ Degree
- ☐ Master or higher (eg. Doctor of Philosophy)

**(4) Occupation:** \_\_\_\_\_

**(5) Monthly gross income:**

- ☐ Less than RM5,000
- ☐ RM5,001 to RM5,999
- ☐ RM6,000 to RM7,499
- ☐ RM7,500 to RM8,999
- ☐ RM9,000 to RM10,499
- ☐ RM10,500 to RM11,999
- ☐ RM12,000 and above

If you would like to receive a summary of this research, please write your email address:

Thank you for spending your precious time answering this questionnaire.  
Your co-operation in ensuring the success of this study is very much appreciated.

Please save your softcopy response and email to:

Professor Jeyapalan Kasipillai at email: [Jeyapalan.kasipillai@monash.edu](mailto:Jeyapalan.kasipillai@monash.edu)

Dr Loo Ern Chern at email: [looern@yahoo.com](mailto:looern@yahoo.com)

### Human Ethics Certificate of Approval

This is to certify that the project below was considered by the Monash University Human Research Ethics Committee. The Committee was satisfied that the proposal meets the requirements of the *National Statement on Ethical Conduct in Human Research* and has granted approval.

**Project Number:** CF13/2297 - 2013001203

**Project Title:** Relevant Areas for Research to Gain Insight into Taxation Issues

**Chief Investigator:** Prof Jeyapalan Kasipillai

**Approved:** **From:** 13 September 2013

**To:** 13 September 2018

**Terms of approval - Failure to comply with the terms below is in breach of your approval and the Australian Code for the Responsible Conduct of Research.**

1. The Chief investigator is responsible for ensuring that permission letters are obtained, if relevant, and a copy forwarded to MUHREC before any data collection can occur at the specified organisation.
2. Approval is only valid whilst you hold a position at Monash University.
3. It is the responsibility of the Chief Investigator to ensure that all investigators are aware of the terms of approval and to ensure the project is conducted as approved by MUHREC.
4. You should notify MUHREC immediately of any serious or unexpected adverse effects on participants or unforeseen events affecting the ethical acceptability of the project.
5. The Explanatory Statement must be on Monash University letterhead and the Monash University complaints clause must include your project number.
6. **Amendments to the approved project (including changes in personnel):** Require the submission of a Request for Amendment form to MUHREC and must not begin without written approval from MUHREC. Substantial variations may require a new application.
7. **Future correspondence:** Please quote the project number and project title above in any further correspondence.
8. **Annual reports:** Continued approval of this project is dependent on the submission of an Annual Report. This is determined by the date of your letter of approval.
9. **Final report:** A Final Report should be provided at the conclusion of the project. MUHREC should be notified if the project is discontinued before the expected date of completion.
10. **Monitoring:** Projects may be subject to an audit or any other form of monitoring by MUHREC at any time.
11. **Retention and storage of data:** The Chief Investigator is responsible for the storage and retention of original data pertaining to a project for a minimum period of five years.



Professor Nip Thomson  
Chair, MUHREC

cc: Assoc Prof Ern Chen Loo



## APPENDIX C

### NAMES, TITLES AND TOPICS OF DOCTORAL AND MASTERS THESES

There are a total of 121 Theses: comprising 32 doctoral and 89 Masters Theses.

#### Doctoral Theses (Compilation)

1	Name	Chek Derashid
	PhD Title	The corporate effective tax rates, industrial policy hypothesis and earnings management : evidence from Malaysia
	Area of specialisation	Corporate effective tax rate
2	Name	Choong Kwai Fatt
	PhD Title	The concept of 'income' under the Income Tax Act 1967: An analysis
	Area of specialisation	Revenue law (Concept of income)
3	Name	Hajah Mustafa bin Mohd Hanefah
	PhD Title	An evaluation of the Malaysian tax administrative system, and taxpayers' perceptions towards assessment systems, tax law fairness and tax law complexity
	Area of specialisation	Malaysian tax administrative system
4	Name	Hijatullah Abdul-Jabbar
	PhD Title	Income tax non-compliance of small and medium enterprises in Malaysia: determinants and tax compliance costs
	Area of specialisation	Tax compliance – income tax non-compliance of SMEs
5	Name	Jeyapalan Kasipillai
	PhD Title	Aspects of the hidden economy and tax non-compliance in Malaysia
	Area of specialisation	Tax non-compliance and hidden economy
6	Name	Kamil Md. Idris
	PhD Title	The behaviour of non-compliant salary zakat among Federal civil servants in Kedah (Gelagat kepatuhan zakat pendapatan gaji di kalangan kakitangan awam persekutuan Negeri Kedah)
	Area of specialisation	Islamic taxation (Zakat payment)
7	Name	Khadijah Mohd Isa
	PhD Title	Corporate taxpayers' compliance variables under the Self-Assessment System in Malaysia: A mixed method approach
	Area of specialisation	Corporate tax compliance

8	Name	Kuek Tee Say
	PhD Title	Anti-tax avoidance law in Malaysia: A comparative study
	Area of specialisation	Anti-tax avoidance law

9	Name	Lai Ming Ling
	PhD Title	Electronic tax filing System : Malaysian tax practitioners' technology readiness, acceptance and compliance considerations
	Area of specialisation	e-filing

10	Name	Loo Choo Hong
	PhD Title	A study on the acceptance of best practices in the Malaysian environment tax laws
	Area of specialisation	Environmental taxation

11	Name	Loo Ern Chen
	PhD Title	The influence of the introduction of self-assessment on compliance behaviour of individual taxpayers in Malaysia
	Area of specialisation	Compliance behaviour and self-assessment

12	Name	Mahamad bin Tayib
	PhD Title	The determinants and assessment of tax collection: An experience of Malaysian local authorities
	Area of specialisation	Assessment of tax collection by local authorities

13	Name	Mohani Abdul
	PhD Title	Personal income tax non-compliance in Malaysia
	Area of specialisation	Tax compliance – personal income tax

14	Name	Morni Hayati Bt Jaafar Sidik
	PhD Title	Tax planning among companies in Malaysia in an e-commerce environment
	Area of specialisation	Tax planning / e-commerce

15	Name	Muzainah Mansor
	PhD Title	Application of a framework for tax administration performance management in developing countries: A case study in Malaysia
	Area of specialisation	Tax administration performance management

16	Name	Nafiu Olaitan Sarafadeen
	PhD Title	Allowable expenditures in Revenue Law: The development of legal principles from the common law perspective
	Area of specialisation	Revenue law (Allowable expenditure)

17	Name	Natrah Saad
	PhD Title	Fairness perceptions and compliance behaviour: Taxpayers' judgments in self-assessment environments
	Area of specialisation	Taxpayer compliance behaviour

18	Name	Dr Nik Abdullah Sani bin Nik Mohamed
	PhD Title	Tax evasion by Small and Medium Sized Enterprises (SMEs) and the role of forensic accounting: A Malaysian perspective
	Area of specialisation	Forensic accounting and tax evasion

19	Name	Nor Aziah Abdul Manaf
	PhD Title	Land tax administration and compliance attitudes in Malaysia
	Area of specialisation	Tax compliance – land tax

20	Name	Noraza Mat Udin
	PhD Title	Salaried and waged taxpayers' internal states and assessment system in Malaysia
	Area of specialisation	Taxpayer assessment system

21	Name	Noor Sharoja Sapiei
	PhD Title	Evaluation of corporate income tax compliance costs and compliance behaviour under the Self-Assessment System
	Area of specialisation	Corporate income tax compliance costs

22	Name	Norsiah Ahmad
	PhD Title	The incentive attractiveness and foreign investment in the Eastern Corridor of Peninsular Malaysia ( <i>Daya tarikan insentif dan pelaburan asing di Koridor Timur Semenanjung Malaysia</i> )
	Area of specialisation	Tax incentives

23	Name	Ram Al-Jaffri
	PhD Title	Compliance Behaviour of business zakat in Kedah ( <i>Gelagat kepatuhan zakat perniagaan di Negeri Kedah</i> )
	Area of specialisation	Islamic taxation (Collection of <i>zakat</i> )

24	Name	Rani Diana Othman
	PhD Title	The impact of forensic accounting, investigation and audit on tax compliance in Malaysia
	Area of specialisation	Tax compliance and forensic accounting

25	Name	Rizal Mohd Palil
	PhD Title	Tax knowledge and tax compliance determinants in self-assessment system in Malaysia
	Area of specialisation	Compliance behaviour and tax knowledge

26	Name	Rohaya Md Noor
	PhD Title	Determinants and value relevance of corporate tax planning
	Area of specialisation	Corporate tax planning

27	Name	Roshaiza Taha
	PhD Title	Financial system and taxation: the role in the economy
	Area of specialisation	Financial system and taxation

28	Name	Salwa Hana Yussof
	PhD Title	An analysis of Malaysia's corporate income tax expenditures and negative income tax expenditures using Accounting Standards as the benchmark tax base
	Area of specialisation	Tax expenditure

29	Name	Sia Gioak Faa
	PhD Title	Tax compliance behaviour of individuals under the Self-Assessment System
	Area of specialisation	Tax compliance behaviour

30	Name	Siti Normala Sheikh Obid
	PhD Title	Administrative compliance efficiency in Inland Revenue Department, Malaysia
	Area of specialisation	Tax administration

31	Name	Zaimah Zainol Ariffin
	PhD Title	An empirical investigation of factors affecting corporate tax avoidance strategies for public listed companies in Malaysia
	Area of specialisation	Corporate tax avoidance strategies

32	Name	Zainol Bidin
	PhD Title	Factors influencing compliance behaviour of zakat on employment income
	Area of specialisation	Islamic taxation compliance behaviour

### Masters Thesis (Completions)

1	Name of Candidate	Abadan bin Jasmon
	Master Title	Study of the taxation system in Malaysia (With reference to its structure and implications)
	Area of specialisation	Tax system and administration
2	Name	Abdul Rahman bin Kamaruzaman,
	Master Title	The effect of task difficulty and normative information on accountability: The case of Inland Revenue Board
	Area of specialisation	Accountability
3	Name of Candidate	Abdul Razak A.Rahim
	Master Title	Value relevance of accounting numbers in the Malaysian official assessment system and self-assessment system
	Area of specialisation	Tax implication of financial system & accounting practices
4	Name of Candidate	Ahmad Azamiruddin Zainal Abidin
	Master Title	The effectiveness of the corporate tax department in the IRBM in preventing reinvestment allowance manipulation
	Area of specialisation	Tax system and administration
5	Name of Candidate	Ahmad Mu'az Mohd Khairuddin
	Master Title	Increasing voluntary compliance and efficiency of tax collection through the establishment of tax kiosks
	Area of specialisation	Tax system and administration
6	Name	Ahmad Radzuan Ghazali
	Master Title	The impact of religion and personal accountability to the intention to pay business zakat among contractors of single business in Pulau Pinang.
	Area of specialisation	Islamic taxation (Zakat)
7	Name of Candidate	Ahmad Suzzari Sannusi
	Master Title	Analysis of under-declared taxes: Case study of IRB, Jalan Dutera Branch, KL
	Area of specialisation	Tax evasion & Audit
8	Name of Candidate	Ahmad Syaiful Razli
	Master Title	Hallmarks of tax avoidance and tax evasion: a Malaysian perspective
	Area of specialisation	Tax avoidance and tax evasion

9	Name of Candidate	Ahmad Zaki Abd Rahim
	Master Title	Factors affecting underreporting of income: a case of sole proprietorship and partnership business in Malaysia
	Area of specialisation	Tax evasion & Audit

10	Name of Candidate	Alizan Abd Aziz
	Master Title	Factors affecting tax evasion: some evidence from tax investigation cases in Malaysia
	Area of specialisation	Tax evasion & Audit

11	Name of Candidate	Ang Leng Soon
	Master Title	Promoting green technologies through green tax incentives
	Area of specialisation	Green tax

12	Name of Candidate	Annie Hariharan
	Master Title	Inclination of Malaysian Small Medium Industries in adapting the Self-Assessment Taxation
	Area of specialisation	Small and Medium Enterprises (SME) and Compliance

13	Name of Candidate	Asmaliah Saringat
	Master Title	Determinants of Malaysian investor behaviour towards <i>Shariah</i> -compliant institutions: empirical evidence
	Area of specialisation	<i>Shariah</i> compliance

14	Name of Candidate	Baharuddin Abdul Kadir
	Master Title	Effective tax rate and attributes of corporate tax evaders: evidence from tax audited cases
	Area of specialisation	Tax evasion & Audit

15	Name of Candidate	Deep Singh
	Master Title	Degree of understanding and responsibility of taxpayers on collection and payment of sales tax
	Area of specialisation	Indirect tax

16	Name of Candidate	DG Siti Aisyah AG Bakar
	Master Title	Effective tax rates and corporate attributes
	Area of specialisation	Effective tax rates

17	Name of Candidate	Erma Md Darus
	Master Title	Whistle blowing: a survey amongst customs officers in Klang Valley
	Area of specialisation	Indirect taxes

18	Name of Candidate	Eslinndawati Abdul Wahid
	Master Title	Electronic tax filing: experience of the employees of Mesiniaga Berhad
	Area of specialisation	e-filing

19	Name of Candidate	Ezdiani Ilyana Mohd. Dom
	Master Title	Factors influencing service tax evasion
	Area of specialisation	Indirect taxes

20	Name of Candidate	Fatimah Alwi
	Master Title	Malaysian tax professionals and electronic tax filing: survey evidence from members of Malaysian institute of taxation
	Area of specialisation	e-filing

21	Name of Candidate	Firdous Mohd Farouk
	Master Title	Tax knowledge, perception of tax fairness and attitude towards tax compliance: survey evidence from a private higher education institution
	Area of specialisation	Tax education and tax knowledge

22	Name of Candidate	Hafiz Ramli
	Master Title	A study on investigators' acceptance towards the use of anti-money laundering detection system in Malaysian financial institutions
	Area of specialisation	Money laundering

23	Name of Candidate	Ibrahim Md Noh
	Master Title	Fraud management components in Royal Malaysian Customs and its deterrent impact on indirect tax collected from approved permit holders.
	Area of specialisation	Indirect taxes

24	Name of Candidate	Jafni Hashim
	Master Title	Tax-induced earnings management: a study on public listed companies in Malaysia
	Area of specialisation	Tax implication of financial system & accounting practices

25	Name of Candidate	Kamala A. Perumal
	Master Title	Tax fairness dimensions in an Asian context: The Malaysian perspective
	Area of specialisation	Tax ethics and fairness

26	Name of Candidate	Khadijah Mohd Isa
	Master Title	The automobile industry in Malaysia: its taxation and market trends
	Area of specialisation	Tax in specific industry

27	Name of Candidate	Khalizatul Asrin Mazlan
	Master Title	A study on tax knowledge and tax compliance in self-assessment system among academicians in Kota Kinabalu, Sabah
	Area of specialisation	Tax education and tax knowledge

28	Name of Candidate	Khairiah Ahmad
	Master Title	A survey on factors affecting Malaysian individual taxpayers' acceptance of e-filing system
	Area of specialisation	e-filing

29	Name of Candidate	Lee Mui Yok
	Master Title	The importance of implementing tax education at the secondary school level in Malaysia
	Area of specialisation	Tax education and tax knowledge

30	Name of Candidate	Lim, Kien Thai
	Master Title	A study of reforms in the Malaysian tax administrative system
	Area of specialisation	Tax system and administration

31	Name of Candidate	Linda Idris
	Master Title	Factors affecting non-compliance behaviour among construction companies in Klang Valley
	Area of specialisation	Tax evasion

32	Name of Candidate	Maisuri Mohd Razali
	Master Title	Management effectiveness and employee turnover: A case study of Sarapudin & Partners Tax Advisory Services
	Area of specialisation	Tax advisory services

33	Name of Candidate	Maizana Ismail
	Master Title	Tax compliance and tax evasion: perspective of postgraduate students in UiTM
	Area of specialisation	Tax evasion and Audit

34	Name of Candidate	Maizatulaini Ahmad Nawawi
	Master Title	Individual non-compliance: Evidence from IRBM Kuala Lumpur Branch based on finalised tax audit cases in 2008
	Area of specialisation	Tax evasion & Audit



35	Name of Candidate	Mazilena Tajuddin
	Master Title	Electronic tax filing system and UiTM academicians” survey evidence
	Area of specialisation	e-filing

36	Name of Candidate	Mazrayahaney Zainal Arifin
	Master Title	Tax compliance complexities facing SMEs: Survey evidence from corporate clients of a tax firm
	Area of specialisation	Tax evasion & Audit

37	Name of Candidate	Misman Miskam
	Master Title	Determinants influencing Excise Duty evasion
	Area of specialisation	Indirect taxes

38	Name of Candidate	Mohamad Ali, Shahrudin
	Master Title	The macroeconomic effects of corporate income tax rate reductions
	Area of specialisation	Effective tax rates

39	Name of Candidate	Mohamad Azlie Johani
	Master Title	Transfer pricing: managing intra-group services for tax compliance in a postal operator company
	Area of specialisation	Transfer pricing

40	Name of Candidate	Muhammad Najib Samad
	Master Title	Does higher tax knowledge leads to tax evasion among corporate taxpayers in Klang Valley: Perceptions of tax auditors.
	Area of specialisation	Tax knowledge and tax evasion

41	Name of Candidate	Mohamad Firdaus Satibi
	Master Title	Indirect tax policy change and tax evasion: case study of royal Malaysian customs department
	Area of specialisation	Indirect taxes

42	Name of Candidate	Mohammad Radzi Idris
	Master Title	Acceptance of electronic tax filing system: A survey evidence of Malaysian salaried taxpayers
	Area of specialisation	e-filing

43	Name of Candidate	Mohd Amran Mahat
	Master Title	Tax knowledge, tax education and compliance: Survey evidence from accounting and non-accounting undergraduates
	Area of specialisation	Tax education and tax knowledge

44	Name of Candidate	Mohd Harmizi Fariq Zakaria
	Master Title	The effectiveness of capital statement analysis in detecting tax evasion among individuals in Malaysia: a study of selected cases in IRBM Shah Alam investigation branch
	Area of specialisation	Tax evasion & Audit

45	Name of Candidate	Mohd Hezli Md Tahir
	Master Title	How the IRBM resolves cases of tax evasion involving international transfer pricing
	Area of specialisation	Transfer pricing

46	Name of Candidate	Mohd Fzail Zainal Azman
	Master Title	Tax audit in Malaysia: Survey evidence from the perspectives of registered tax agents
	Area of specialisation	Tax evasion & Audit

47	Name of Candidate	Mohd Ton Halim
		Finance leases in Malaysia: Problem and issues (Financing accounting and tax implications)
	Area of specialisation	Tax implication of financial system & accounting practices

48	Name of Candidate	Muhammad Nasarudin Ismail
	Master Title	Tax compliance on the payment of tax by instalments: The case of IRBM Cheras Branch
	Area of specialisation	Tax education and tax knowledge

49	Name of Candidate	Nik Norhaslinda Nik Ab Rahman
	Master Title	Corporate governance and tax aggressiveness :evidence from Malaysia
	Area of specialisation	Tax planning

50	Name of Candidate	Noor Hasimah Yacob
	Master Title	The use of deferred tax and accruals to manage earnings
	Area of specialisation	Tax implication of financial system & accounting practices

51	Name of Candidate	Noor Hisham Kamarodzaman
	Master Title	Procurement issues at in (sic) IRBM: a case study on IRBM in Cyberjaya
	Area of specialisation	Tax system and administration

52	Name of Candidate	Noor Nisha Mohideen Bacha
	Master Title	Record keeping practices of the selected small business taxpayers in Negeri Sembilan
	Area of specialisation	Record keeping

53	Name of Candidate	Noor Sharoja Sapiei.
	Master Title	The impact of real property gains tax on the real property investment activities in Malaysia
	Area of specialisation	RPGT

54	Name of Candidate	Norazah Md Azali
	Master Title	Self-assessment tax system: Survey evidence from academicians UiTM Shah Alam
	Area of specialisation	Tax education and tax knowledge

55	Name of Candidate	Nor Haida Abdul Hamid
	Master Title	Acceptance of electronic tax filing: a study of Malaysian taxpayers adoption intentions
	Area of specialisation	e-filing

56	Name of Candidate	Norhusnaida Che Hussain
	Master Title	Academics and taxation: Survey evidence from selected UiTM and UTAR lecturers
	Area of specialisation	Tax ethics, fairness

57	Name of Candidate	Noriyati Muzaid
	Master Title	Enhancing tax compliance: deterring tax evasion and improving efficiency
	Area of specialisation	Tax evasion & Audit

58	Name of Candidate	Norlaili Nordin
	Master Title	Management views of whistle blowing program at IRBM
	Area of specialisation	Tax evasion and audit

59	Name of Candidate	Norashikin Ab. Aziz
	Master Title	Determinants of taxpayers' acceptance and use of e-filing: survey evidence from Malaysia
	Area of specialisation	e-filing

60	Name of Candidate	Nuraisyah Yusof @Ghani
	Master Title	Financial indicators and earnings management of shariah-compliant companies in Malaysia
	Area of specialisation	Shariah compliant

61	Name of Candidate	Nur Ashariah Othman
	Master Title	Ethical judgement and aggressive tax avoidance behaviour: a study on Malaysian tax professionals
	Area of specialisation	Tax planning

62	Name of Candidate	Nur Hazrini Mohd Zahari
	Master Title	Financial reporting and zakat distribution in Malaysia religious institutions (Majlis Agama Islam Negeri)
	Area of specialisation	Zakat
63	Name of Candidate	Nur Jannah Mohaidin
	Master Title	The value relevance of corporate effective tax rates (ETRs)
	Area of specialisation	Effective tax rates
64	Name of Candidate	Nur Suriana Awaludin
	Master Title	A study on book keeping practices and individual income tax knowledge among selected sole traders
	Area of specialisation	Record keeping
65	Name of Candidate	Nur Syazwani Mohammad Fadzillah
	Master Title	Corporate tax planning: a study on corporate effective tax rate during official assessment system and self-assessment system regimes
	Area of specialisation	Effective tax rates
66	Name of Candidate	Nurul Ariyah Abdullah
	Master Title	The relationships among zakat Payers' perceptions of Service quality satisfaction and Intentions to Revisit and recommend the zakat Institutions
	Area of specialisation	Islamic taxation (Zakat)
67	Name of Candidate	Nurul Hidayah Ahamad Nawawi
	Master Title	Tax practitioners' perspectives on conceptual knowledge versus technical ability and the role of ICT in tax education
	Area of specialisation	Tax education and tax knowledge
68	Name of Candidate	Nurul Erzawaty Jamaludin
	Master Title	Tax evasion in service industry in Malaysia
	Area of specialisation	Indirect taxes
69	Name of Candidate	Nushamimi Sabli
	Master Title	Tax planning and corporate governance: evidence from Shariah compliant companies
	Area of specialisation	Tax planning
70	Name of Candidate	Ong Yih Tat
	Master Title	A study the elasticity of personal income taxation in Malaysia
	Area of specialisation	Personal taxation

71	Name of Candidate	Puteri Nur Liana Megat Mohd Fouzi
	Master Title	Tax audit: the effectiveness of limited scope auditing approach as practised in Malaysia
	Area of specialisation	Tax evasion and Audit

72	Name of Candidate	Roslina Binti Mohamed Hussen
	Master Title	The relationship between tax rates and tax revenue: The Laffer Curve and policy implications in Malaysia
	Area of specialisation	Effective tax rates

73	Name of Candidate	Roziah Abdul Rahim
	Master Title	The relationship between financial ratio and evasion income in Malaysia
	Area of specialisation	Tax evasion & Audit

74	Name of Candidate	Ranjeet Kaur
	Master Title	Acceptance of online tax payment by taxpayer in Bandar Baru Bangi
	Area of specialisation	Online payment

75	Name of Candidate	Serina Ismail
	Master Title	Book-tax difference and tax non-compliance: evidence from Malaysian manufacturing corporations
	Area of specialisation	Tax evasion & Audit

76	Name of Candidate	Shahariah Binti Abdullah
	Master Title	The influence of taxes on Corporate Social Responsibility (CSR) as a direct voluntary contribution approach
	Area of specialisation	Tax deductive expenditure /disbursement

77	Name of Candidate	Shahrul Ezan Hashim
	Master Title	Review into IRBM's field tax audit duration for sole proprietorship
	Area of specialisation	Tax evasion & Audit

78	Name of Candidate	Shareen Mahther
	Master Title	Dynamics of tax compliance: Demographic study consequence - Tax audit cases of IRBM
	Area of specialisation	Tax evasion & Audit

79	Name of Candidate	Silverranie Selvaraj.
	Master Title	A study of taxpayers' perceptions of tax forms
	Area of specialisation	Tax system and administration

80	Name of Candidate	Siti Hirdayu Mohd Radzi
	Master Title	Tax reporting for non-profit organisation in Malaysia
	Area of specialisation	Tax reporting

81	Name of Candidate	Siti Nor Adawiah Hussin
	Master Title	The dual role of auditor-provided tax services in SMEs tax planning
	Area of specialisation	Tax planning
82	Name of Candidate	Sohaimi Sabri.
	Master Title	Tax ethics and taxpayers attitudes
	Area of specialisation	Tax ethics, fairness
83	Name of Candidate	Suhani Anuar
	Master Title	Factors affecting taxpayers' acceptance of online tax payment system in Malaysia
	Area of specialisation	Online payment
84	Name of Candidate	Vijay Nagalingham
	Master Title	Tax audit and non-compliance amongst corporate taxpayers in Klang Valley
	Area of specialisation	Tax evasion & Audit
85	Name of Candidate	Wan Ahmad Kamal Wan Jaafar
	Master Title	The effectiveness of tax agents employed by sole proprietorships: evidence from tax audit cases in IRBM Shah Alam
	Area of specialisation	Tax evasion & audit
86	Name of Candidate	Wan Masnita Zaharah Wan Mohd
	Master Title	The impact of tax competition: comparative analysis on emerging countries – Malaysia, Singapore and Thailand
	Area of specialisation	Effective tax rates
87	Name	Wong Chee Loong
	Master Title	Compliance Cost of Small Business Taxpayers in Malaysia
	Area of specialisation	Compliance cost
88	Name of Candidate	Zafiruddin Bahrum
	Master Title	Self-assessment tax system for companies and tax audit: Survey evidence from Malaysian tax practitioners
	Area of specialisation	Tax system and administration
89	Name of Candidate	Zuliana Ahmad
	Master Title	Relationship between online service quality dimensions and individual taxpayers' satisfaction: a study of e-filing system in Malaysia
	Area of specialisation	e-filing

## TABLES OF FINDINGS

## Demographic Profile of Respondents

Table 1: Age

Age	no	%
30 years and below	20	21.1
31 to 35 years	14	14.7
36 to 40 years	6	6.3
41 to 45 years	16	16.8
46 to 55 years	23	24.2
56 years and above	16	16.8
<b>Total</b>	<b>95</b>	<b>100</b>

Table 2: Ethnic group

Ethnic Group	No	%
Malay	33	34.7
Chinese	19	20.0
Indian	18	18.9
Indigenous *	18	18.9
Others **	7	7.4
<b>Total</b>	<b>95</b>	<b>100</b>

\* The indigenous people of Sabah & Sarawak

\*\* The “others” consist of four respondents who each respectively described himself / herself as an African, an Asian, a Ceylonese and a Eurasian. The remaining three respondents are Caucasians.

Table 3: Occupation

Occupation	No	%
Auditors / Accountants *	14	14.7
Tax Agents / Consultants *	28	29.5
Lawyers *	3	3.2
Academicians	44	46.3
Executive / Administrative Officers	6	6.3
<b>Total</b>	<b>95</b>	<b>100</b>

\* Collectively, there are 45 auditors / accountants; tax agents / consultants and lawyers, making up 47.4% of the respondents, and are collectively are categorised as “practitioners”.

**Table 4: Highest education level completed**

<b>Highest education level completed</b>	<b>No</b>	<b>%</b>
Degree	40	42.1
Master or higher **	55	57.9
<b>Total</b>	<b>95</b>	<b>100</b>

\*\* Included under the category of “Master or higher” are those with PhD and accounting professional qualifications.

**Table 5: Monthly gross income**

<b>Monthly Gross Income (RM)</b>	<b>No</b>	<b>%</b>
Less than 5,000	33	34.7
5,001 to 5,999	5	5.3
6,000 to 7,499	5	5.3
7,500 to 8,999	8	8.4
9,000 to 10,499	9	9.5
10,500 to 11,999	12	12.6
12,000 and above	23	24.2
<b>Total</b>	<b>95</b>	<b>100</b>



**Table 6: Analysis of Tax Areas Considered for Research <sup>1</sup>**

	DN	PN	NU	PU	DU	DK
	n (%)	n (%)	n (%)	n (%)	n (%)	n (%)
<b>Transfer Pricing</b>						
Transfer pricing: Need for host country to be sufficiently remunerated.	39 (41.1)	35 (36.8)	12 (12.6)	2 (2.1)	1 (1.1)	6 (6.3)
Need for bilateral agreement to add certainty to transfer pricing arrangements.	41 (43.2)	36 (37.9)	11 (11.6)	1 (1.1)	1 (1.1)	5 (5.3)
<b>Cross-border Transactions &amp; E-commerce</b>						
Tax implications on e-commerce.	52 (54.7)	30 (31.6)	9 (9.5)	3 (3.2)	1 (1.1)	0 (0)
Cross-border transactions	44 (46.3)	32 (33.7)	10 (10.5)	5 (5.3)	3 (3.2)	1 (1.1)
<b>Dispute Resolution</b>						
Dispute resolution (exclude appeal to Special Commissioners and beyond).	39 (41.1)	30 (31.6)	19 (20.0)	3 (3.2)	3 (3.2)	1 (1.1)
Dispute resolution (arising from tax audit).	46 (48.4)	38 (40.0)	6 (6.3)	1 (1.1)	3 (3.2)	1 (1.1)
Dispute resolution (arising from tax investigation).	49 (51.6)	34 (35.8)	7 (7.4)	1 (1.1)	3 (3.2)	1 (1.1)
<b>Review of Tax Legislation &amp; Structure</b>						
Review of withholding tax structure in Malaysia.	36 (37.9)	33 (34.7)	16 (16.8)	8 (8.4)	2 (2.1)	0 (0)
Review of Malaysia's income tax legislation.	53 (55.8)	29 (30.5)	8 (8.4)	3 (3.2)	2 (2.1)	0 (0)
Review of Malaysia's Promotion of Investments Act 1986.	44 (46.3)	29 (30.5)	15 (15.8)	3 (3.2)	1 (1.1)	3 (3.2)

<sup>1</sup> DN = definitely necessary; PN = probably necessary; NU = neither necessary nor unnecessary; PU = probably unnecessary; DU = definitely unnecessary and DK = don't know. A "don't know" response indicates that a respondent does not know whether research is necessary or unnecessary.

**Table 6: Analysis of Tax Areas Considered for Research (cont.)**

	DN	PN	NU	PU	DU	DK
	n (%)	n (%)	n (%)	n (%)	n (%)	n (%)
<b>Indirect Taxes</b>						
Indirect taxes: compliance issues.	37 (38.9)	38 (40.0)	13 (13.7)	4 (4.2)	3 (3.2)	0 (0)
Indirect taxes: compliance costs.	37 (38.9)	36 (37.9)	15 (15.8)	4 (4.2)	3 (3.2)	0 (0)
GST: compliance issues (if implemented).	65 (68.4)	22 (23.2)	5 (5.3)	2 (2.1)	1 (1.1)	0 (0)
GST: compliance costs (if implemented).	64 (67.4)	22 (23.2)	6 (6.3)	2 (2.1)	1 (1.1)	0 (0)

<b>Stake-holders' Expectations</b>						
Expectations of taxpayers when dealing with IRB.	45 (47.4)	31 (32.6)	12 (12.6)	5 (5.3)	2 (2.1)	0 (0)
Expectations of tax agents when dealing with IRB.	42 (44.2)	34 (35.8)	13 (13.7)	3 (3.2)	3 (3.2)	0 (0)
Service efficiency of Tax Advisers.	31 (32.6)	38 (40.0)	21 (22.1)	4 (4.2)	1 (1.1)	0 (0)

<b>Tax Compliance &amp; e-Filing</b>						
Compliance issues faced by lay taxpayers.	57 (60.0)	26 (27.4)	5 (5.3)	5 (5.3)	1 (1.1)	1 (1.1)
Compliance costs of corporations.	36 (37.9)	37 (38.9)	14 (14.7)	5 (5.3)	3 (3.2)	0 (0)
Compliance behaviour of corporate taxpayers.	41 (43.2)	45 (47.4)	6 (6.3)	2 (2.1)	1 (1.1)	0 (0)
e-filing	48 (50.5)	29 (30.5)	11 (11.6)	3 (3.2)	3 (3.2)	1 (1.1)

<b>Hidden Economy; Tax Audit &amp; Presumptive Tax</b>						
Concealment of income (hidden income / underground).	41 (43.2)	36 (37.9)	14 (14.7)	0 (0)	2 (2.1)	2 (2.1)
Tax audit perception of individual taxpayers.	36 (37.9)	34 (35.8)	19 (20.0)	3 (3.2)	3 (3.2)	0 (0)
Need for a Presumptive Tax.	18 (18.9)	32 (33.7)	25 (26.3)	2 (2.1)	5 (5.3)	13 (13.7)

<b>Tax Education &amp; Tax As A Tool</b>						
Tax education and knowledge of lay taxpayers.	58 (61.1)	24 (25.3)	7 (7.4)	4 (4.2)	2 (2.1)	0 (0)
Taxation as tool for environment sustainability.	37 (38.9)	32 (33.7)	20 (21.1)	3 (3.2)	2 (2.1)	1 (1.1)

**Table 7: Cross-tabulation of Occupation and Tax Areas Considered for research<sup>2</sup>**

**Transfer Pricing**

	Transfer pricing: Need for host country to be sufficiently remunerated.				
	Necessary	Neither Necessary Nor Unnecessary	Unnecessary	Don't Know	Total
	n (%)	n (%)	n (%)	n (%)	n (%)
Practitioners	33 (34.7)	8 (8.4)	1 (1.1)	3 (3.2)	<b>45 (47.4)</b>
Academicians	36 (37.9)	4 (4.2)	1 (1.1)	3 (3.2)	<b>44 (46.3)</b>
E/A Officers	5 (5.3)	0 (0)	1 (1.1)	0 (0)	<b>6 (6.3)</b>
<b>Total</b>	<b>74 (77.9)</b>	<b>12 (12.6)</b>	<b>3 (3.2)</b>	<b>6 (6.3)</b>	<b>95 (100)</b>

	Need for bilateral agreement to add certainty to transfer pricing arrangements.				
	Necessary	Neither Necessary Nor Unnecessary	Unnecessary	Don't Know	Total
	n (%)	n (%)	n (%)	n (%)	n (%)
Practitioners	35 (36.8)	7 (7.4)	1 (1.1)	2 (2.1)	<b>45 (47.4)</b>
Academicians	37 (38.9)	4 (4.2)	0 (0)	3 (3.2)	<b>44 (46.3)</b>
E/A Officers	5 (5.3)	0 (0)	1 (1.1)	0 (0)	<b>6 (6.3)</b>
<b>Total</b>	<b>77 (81.1)</b>	<b>11 (11.6)</b>	<b>2 (2.1)</b>	<b>5 (5.3)</b>	<b>95 (100)</b>

<sup>2</sup> For cross tabulation analysis, the “definitely necessary” and “probably necessary” responses are consolidated and collectively described as “necessary”. Similarly, the “definitely unnecessary” and “probably unnecessary” responses are consolidated and collectively described as “unnecessary”.

## Cross-border Transactions & e-Commerce

	Tax implications on e-commerce.				
	Necessary	Neither Necessary Nor Unnecessary	Unnecessary	Don't Know	Total
	n (%)	n (%)	n (%)	n (%)	n (%)
Practitioners	35 (36.8)	7 (7.4)	3 (3.2)	0 (0)	<b>45</b> <b>(47.4)</b>
Academicians	42 (44.2)	2 (2.1)	0 (0)	0 (0)	<b>44</b> <b>(46.3)</b>
E/A Officers	5 (5.3)	0 (0)	1 (1.1)	0 (0)	<b>6</b> <b>(6.3)</b>
<b>Total</b>	<b>82</b> <b>(86.3)</b>	<b>9</b> <b>(9.5)</b>	<b>4</b> <b>(4.2)</b>	<b>0</b> <b>(0)</b>	<b>95 (100)</b>

	Cross-border transactions				
	Necessary	Neither Necessary Nor Unnecessary	Unnecessary	Don't Know	Total
	n (%)	n (%)	n (%)	n (%)	n (%)
Practitioners	35 (36.8)	7 (7.4)	2 (2.1)	1 (1.1)	<b>45</b> <b>(47.4)</b>
Academicians	36 (37.9)	3 (3.2)	5 (5.3)	0 (0)	<b>44</b> <b>(46.3)</b>
E/A Officers	5 (5.3)	0 (0)	1 (1.1)	0 (0)	<b>6</b> <b>(6.3)</b>
<b>Total</b>	<b>76</b> <b>(80.0)</b>	<b>10</b> <b>(10.5)</b>	<b>8</b> <b>(8.4)</b>	<b>1</b> <b>(1.1)</b>	<b>95 (100)</b>

## Dispute Resolutions

	Dispute resolution (exclude appeal to Special Commissioners and beyond).				
	Necessary	Neither Necessary Nor Unnecessary	Unnecessary	Don't Know	Total
	n (%)	n (%)	n (%)	n (%)	n (%)
Practitioners	32 (33.7)	11 (11.6)	1 (1.1)	1 (1.1)	<b>45</b> <b>(47.4)</b>
Academicians	32 (33.7)	7 (7.4)	5 (5.3)	0 (0)	<b>44</b> <b>(46.3)</b>
E/A Officers	5 (5.3)	1 (1.1)	0 (0)	0 (0)	<b>6</b> <b>(6.3)</b>
<b>Total</b>	<b>69</b> <b>(72.6)</b>	<b>19</b> <b>(20.0)</b>	<b>6</b> <b>(6.3)</b>	<b>1</b> <b>(1.1)</b>	<b>95 (100)</b>

Dispute resolution (arising from tax audit).					
	Necessary	Neither Necessary Nor Unnecessary	Unnecessary	Don't Know	Total
	n (%)	n (%)	n (%)	n (%)	n (%)
Practitioners	38 (40.0)	5 (5.3)	1 (1.1)	1 (1.1)	<b>45</b> <b>(47.4)</b>
Academicians	41 (43.2)	0 (0)	3 (3.2)	0 (0)	<b>44</b> <b>(46.3)</b>
E/A Officers	5 (5.3)	1 (1.1)	0 (0)	0 (0)	<b>6</b> <b>(6.3)</b>
<b>Total</b>	<b>84</b> <b>(88.4)</b>	<b>6</b> <b>(6.3)</b>	<b>4</b> <b>(4.2)</b>	<b>1</b> <b>(1.1)</b>	<b>95 (100)</b>

Dispute resolution (arising from tax investigation).					
	Necessary	Neither Necessary Nor Unnecessary	Unnecessary	Don't Know	Total
	n (%)	n (%)	n (%)	n (%)	n (%)
Practitioners	38 (40.0)	5 (5.3)	1 (1.1)	1 (1.1)	<b>45</b> <b>(47.4)</b>
Academicians	40 (42.1)	1 (1.1)	3 (3.2)	0 (0)	<b>44</b> <b>(46.3)</b>
E/A Officers	5 (5.3)	1 (1.1)	0 (0)	0 (0)	<b>6</b> <b>(6.3)</b>
<b>Total</b>	<b>83</b> <b>(87.4)</b>	<b>7</b> <b>(7.4)</b>	<b>4</b> <b>(4.2)</b>	<b>1</b> <b>(1.1)</b>	<b>95 (100)</b>

### Review of Tax Legislation & Structure

Review of withholding tax structure in Malaysia.					
	Necessary	Neither Necessary Nor Unnecessary	Unnecessary	Don't Know	Total
	n (%)	n (%)	n (%)	n (%)	n (%)
Practitioners	31 (32.6)	9 (9.5)	5 (5.3)	0 (0)	<b>45</b> <b>(47.4)</b>
Academicians	35 (36.8)	5 (5.3)	4 (4.2)	0 (0)	<b>44</b> <b>(46.3)</b>
E/A Officers	3 (3.2)	2 (2.1)	1 (1.1)	0 (0)	<b>6</b> <b>(6.3)</b>
<b>Total</b>	<b>69</b> <b>(72.6)</b>	<b>16</b> <b>(16.8)</b>	<b>10</b> <b>(10.5)</b>	<b>0</b> <b>(0)</b>	<b>95 (100)</b>

Review of Malaysia's income tax legislation.					
	Necessary	Neither Necessary Nor Unnecessary	Unnecessary	Don't Know	Total
	n (%)	n (%)	n (%)	n (%)	n (%)
Practitioners	38 (40.0)	4 (4.2)	3 (3.2)	0 (0)	<b>45</b> <b>(47.4)</b>
Academicians	39 (41.1)	4 (4.2)	1 (1.1)	0 (0)	<b>44</b> <b>(46.3)</b>
E/A Officers	5 (5.3)	0 (0)	1 (1.1)	0 (0)	<b>6</b> <b>(6.3)</b>
<b>Total</b>	<b>82</b> <b>(86.3)</b>	<b>8</b> <b>(8.4)</b>	<b>5</b> <b>(5.3)</b>	<b>0</b> <b>(0)</b>	<b>95 (100)</b>

Review of Malaysia's Promotion of Investments Act 1986.					
	Necessary	Neither Necessary Nor Unnecessary	Unnecessary	Don't Know	Total
	n (%)	n (%)	n (%)	n (%)	n (%)
Practitioners	32 (33.7)	10 (10.5)	2 (2.1)	1 (1.1)	<b>45</b> <b>(47.4)</b>
Academicians	37 (38.9)	4 (4.2)	2 (2.2)	1 (1.1)	<b>44</b> <b>(46.3)</b>
E/A Officers	4 (4.2)	1 (1.1)	0 (0)	1 (1.1)	<b>6</b> <b>(6.3)</b>
<b>Total</b>	<b>73</b> <b>(76.8)</b>	<b>15</b> <b>(15.8)</b>	<b>4</b> <b>(4.3)</b>	<b>3</b> <b>(3.2)</b>	<b>95 (100)</b>

### Indirect Taxes

Indirect taxes: compliance issues.					
	Necessary	Neither Necessary Nor Unnecessary	Unnecessary	Don't Know	Total
	n (%)	n (%)	n (%)	n (%)	n (%)
Practitioners	32 (33.7)	9 (9.5)	4 (4.2)	0 (0)	<b>45</b> <b>(47.4)</b>
Academicians	38 (40.0)	4 (4.2)	2 (2.2)	0 (0)	<b>44</b> <b>(46.3)</b>
E/A Officers	5 (5.3)	0 (0)	1 (1.1)	0 (0)	<b>6</b> <b>(6.3)</b>
<b>Total</b>	<b>75</b> <b>(78.9)</b>	<b>13</b> <b>(13.7)</b>	<b>7</b> <b>(7.4)</b>	<b>0</b> <b>(0)</b>	<b>95 (100)</b>

Indirect taxes: compliance costs.					
	Necessary	Neither Necessary Nor Unnecessary	Unnecessary	Don't Know	Total
	n (%)	n (%)	n (%)	n (%)	n (%)
Practitioners	31 (32.6)	10 (10.5)	4 (4.2)	0 (0)	<b>45</b> <b>(47.4)</b>
Academicians	38 (40.0)	4 (4.2)	2 (2.1)	0 (0)	<b>44</b> <b>(46.3)</b>
E/A Officers	4 (4.2)	1 (1.1)	1 (1.1)	0 (0)	<b>6</b> <b>(6.3)</b>
<b>Total</b>	<b>73</b> <b>(76.8)</b>	<b>15</b> <b>(15.8)</b>	<b>7</b> <b>(7.4)</b>	<b>0</b> <b>(0)</b>	<b>95 (100)</b>

GST: compliance issues (if implemented).					
	Necessary	Neither Necessary Nor Unnecessary	Unnecessary	Don't Know	Total
	n (%)	n (%)	n (%)	n (%)	n (%)
Practitioners	40 (42.1)	4 (4.2)	1 (1.1)	0 (0)	<b>45</b> <b>(47.4)</b>
Academicians	42 (44.2)	1 (1.1)	1 (1.1)	0 (0)	<b>44</b> <b>(46.3)</b>
E/A Officers	5 (5.3)	0 (0)	1 (1.1)	0 (0)	<b>6</b> <b>(6.3)</b>
<b>Total</b>	<b>87</b> <b>(91.6)</b>	<b>5</b> <b>(5.3)</b>	<b>3</b> <b>(3.2)</b>	<b>0</b> <b>(0)</b>	<b>95 (100)</b>

GST: compliance costs (if implemented).					
	Necessary	Neither Necessary Nor Unnecessary	Unnecessary	Don't Know	Total
	n (%)	n (%)	n (%)	n (%)	n (%)
Practitioners	39 (41.1)	5 (5.3)	1 (1.1)	0 (0)	<b>45</b> <b>(47.4)</b>
Academicians	42 (44.2)	1 (1.1)	1 (1.1)	0 (0)	<b>44</b> <b>(46.3)</b>
E/A Officers	5 (5.3)	0 (0)	1 (1.1)	0 (0)	<b>6</b> <b>(6.3)</b>
<b>Total</b>	<b>86</b> <b>(90.5)</b>	<b>6</b> <b>(6.3)</b>	<b>3</b> <b>(3.2)</b>	<b>0</b> <b>(0)</b>	<b>95 (100)</b>

## Stake-holders' Expectations

	Expectations of taxpayers when dealing with IRB.				
	Necessary	Neither Necessary Nor Unnecessary	Unnecessary	Don't Know	Total
	n (%)	n (%)	n (%)	n (%)	n (%)
Practitioners	33 (34.7)	8 (8.4)	4 (4.2)	0 (0)	<b>45</b> <b>(47.4)</b>
Academicians	39 (41.1)	3 (3.2)	2 (2.1)	0 (0)	<b>44</b> <b>(46.3)</b>
E/A Officers	4 (4.2)	1 (1.1)	1 (1.1)	0 (0)	<b>6</b> <b>(6.3)</b>
<b>Total</b>	<b>76</b> <b>(80.0)</b>	<b>12</b> <b>(12.6)</b>	<b>7</b> <b>(7.4)</b>	<b>0</b> <b>(0)</b>	<b>95 (100)</b>

	Expectations of tax agents when dealing with IRB.				
	Necessary	Neither Necessary Nor Unnecessary	Unnecessary	Don't Know	Total
	n (%)	n (%)	n (%)	n (%)	n (%)
Practitioners	34 (35.8)	8 (8.4)	3 (3.2)	0 (0)	<b>45</b> <b>(47.4)</b>
Academicians	38 (40.0)	4 (4.2)	2 (2.1)	0 (0)	<b>44</b> <b>(46.3)</b>
E/A Officers	4 (4.3)	1 (1.1)	1 (1.1)	0 (0)	<b>6</b> <b>(6.3)</b>
<b>Total</b>	<b>76</b> <b>(80.0)</b>	<b>13</b> <b>(13.7)</b>	<b>6</b> <b>(6.3)</b>	<b>0</b> <b>(0)</b>	<b>95 (100)</b>

	Service efficiency of Tax Advisers.				
	Necessary	Neither Necessary Nor Unnecessary	Unnecessary	Don't Know	Total
	n (%)	n (%)	n (%)	n (%)	n (%)
Practitioners	27 (28.4)	14 (14.7)	4 (4.2)	0 (0)	<b>45</b> <b>(47.4)</b>
Academicians	38 (40.0)	6 (6.3)	0 (0)	0 (0)	<b>44</b> <b>(46.3)</b>
E/A Officers	4 (4.2)	1 (1.1)	1 (1.1)	0 (0)	<b>6</b> <b>(6.3)</b>
<b>Total</b>	<b>69</b> <b>(72.6)</b>	<b>21</b> <b>(22.1)</b>	<b>5</b> <b>(5.3)</b>	<b>0</b> <b>(0)</b>	<b>95 (100)</b>



### Tax Compliance and e-filing

	E-filing				
	Necessary	Neither Necessary Nor Unnecessary	Unnecessary	Don't Know	Total
	n (%)	n (%)	n (%)	n (%)	n (%)
Practitioners	33 (34.7)	8 (8.4)	4 (4.2)	0 (0)	<b>45</b> <b>(47.4)</b>
Academicians	40 (42.1)	3 (3.2)	0 (0)	1 (1.1)	<b>44</b> <b>(46.3)</b>
E/A Officers	4 (4.2)	0 (0)	2 (2.1)	0 (0)	<b>6</b> <b>(6.3)</b>
<b>Total</b>	<b>77</b> <b>(81.0)</b>	<b>11</b> <b>(11.6)</b>	<b>6</b> <b>(6.3)</b>	<b>1</b> <b>(1.1)</b>	<b>95 (100)</b>

	Compliance issues faced by lay taxpayers.				
	Necessary	Neither Necessary Nor Unnecessary	Unnecessary	Don't Know	Total
	n (%)	n (%)	n (%)	n (%)	n (%)
Practitioners	37 (38.9)	4 (4.2)	3 (3.2)	1 (1.1)	<b>45</b> <b>(47.4)</b>
Academicians	42 (44.2)	1 (1.1)	1 (1.1)	0 (0)	<b>44</b> <b>(46.3)</b>
E/A Officers	4 (4.2)	0 (0)	2 (2.1)	0 (0)	<b>6</b> <b>(6.3)</b>
<b>Total</b>	<b>83</b> <b>(87.4)</b>	<b>5</b> <b>(5.3)</b>	<b>6</b> <b>(6.3)</b>	<b>1</b> <b>(1.1)</b>	<b>95 (100)</b>

	Compliance costs of corporations.				
	Necessary	Neither Necessary Nor Unnecessary	Unnecessary	Don't Know	Total
	n (%)	n (%)	n (%)	n (%)	n (%)
Practitioners	33 (34.7)	7 (7.4)	5 (5.3)	0 (0)	<b>45</b> <b>(47.4)</b>
Academicians	36 (37.9)	6 (6.3)	2 (2.1)	0 (0)	<b>44</b> <b>(46.3)</b>
E/A Officers	4 (4.2)	1 (1.1)	1 (1.1)	0 (0)	<b>6</b> <b>(6.3)</b>
<b>Total</b>	<b>73</b> <b>(76.8)</b>	<b>14</b> <b>(14.7)</b>	<b>8</b> <b>(8.4)</b>	<b>0</b> <b>(0)</b>	<b>95 (100)</b>

Compliance behaviour of corporate taxpayers.					
	Necessary	Neither Necessary Nor Unnecessary	Unnecessary	Don't Know	Total
	n (%)	n (%)	n (%)	n (%)	n (%)
Practitioners	38 (40.0)	4 (4.2)	3 (3.2)	0 (0)	<b>45</b> <b>(47.4)</b>
Academicians	43 (45.3)	1 (1.1)	0 (0)	0 (0)	<b>44</b> <b>(46.3)</b>
E/A Officers	5 (5.3)	1 (1.1)	0 (0)	0 (0)	<b>6</b> <b>(6.3)</b>
<b>Total</b>	<b>86</b> <b>(90.5)</b>	<b>6</b> <b>(6.3)</b>	<b>3</b> <b>(3.2)</b>	<b>0</b> <b>(0)</b>	<b>95 (100)</b>

### Hidden Economy; Audit & Presumptive Tax

Concealment of income (hidden income / underground).					
	Necessary	Neither Necessary Nor Unnecessary	Unnecessary	Don't Know	Total
	n (%)	n (%)	n (%)	n (%)	n (%)
Practitioners	33 (34.7)	11 (11.6)	1 (1.1)	0 (0)	<b>45</b> <b>(47.4)</b>
Academicians	40 (42.1)	2 (2.1)	1 (1.1)	1 (1.1)	<b>44</b> <b>(46.3)</b>
E/A Officers	4 (4.2)	1 (1.1)	0 (0)	1 (1.1)	<b>6</b> <b>(6.3)</b>
<b>Total</b>	<b>77</b> <b>(81.1)</b>	<b>14</b> <b>(14.7)</b>	<b>2</b> <b>(2.1)</b>	<b>2</b> <b>(2.1)</b>	<b>95 (100)</b>

Tax audit perception of individual taxpayers.					
	Necessary	Neither Necessary Nor Unnecessary	Unnecessary	Don't Know	Total
	n (%)	n (%)	n (%)	n (%)	n (%)
Practitioners	29 (30.5)	11 (11.6)	5 (5.3)	0 (0)	<b>45</b> <b>(47.4)</b>
Academicians	37 (38.9)	6 (6.3)	1 (1.1)	0 (0)	<b>44</b> <b>(46.3)</b>
E/A Officers	4 (4.2)	2 (2.1)	0 (0)	0 (0)	<b>6</b> <b>(6.3)</b>
<b>Total</b>	<b>70</b> <b>(73.7)</b>	<b>19</b> <b>(20.0)</b>	<b>6</b> <b>(6.3)</b>	<b>0</b> <b>(0)</b>	<b>95 (100)</b>

	Need for a Presumptive Tax.				
	Necessary	Neither Necessary Nor Unnecessary	Unnecessary	Don't Know	Total
	n (%)	n (%)	n (%)	n (%)	n (%)
Practitioners	23 (24.2)	14 (14.7)	3 (3.2)	5 (5.3)	<b>45</b> <b>(47.4)</b>
Academicians	26 (27.4)	9 (9.5)	4 (4.2)	5 (5.3)	<b>44</b> <b>(46.3)</b>
E/A Officers	1 (1.1)	2 (2.1)	0 (0)	3 (3.2)	<b>6</b> <b>(6.3)</b>
<b>Total</b>	<b>50</b> <b>(52.6)</b>	<b>25</b> <b>(26.3)</b>	<b>7</b> <b>(7.4)</b>	<b>13</b> <b>(13.7)</b>	<b>95 (100)</b>

### Tax Education & Tax as A Tool

	Tax education and knowledge of lay taxpayers				
	Necessary	Neither Necessary Nor Unnecessary	Unnecessary	Don't Know	Total
	n (%)	n (%)	n (%)	n (%)	n (%)
Practitioners	37 (38.9)	5 (5.3)	3 (3.2)	0 (0)	<b>45</b> <b>(47.4)</b>
Academicians	41 (43.2)	2 (2.1)	1 (1.1)	0 (0)	<b>44</b> <b>(46.3)</b>
E/A Officers	4 (4.2)	0 (0)	2 (2.1)	0 (0)	<b>6</b> <b>(6.3)</b>
<b>Total</b>	<b>82</b> <b>(86.3)</b>	<b>7</b> <b>(7.4)</b>	<b>6</b> <b>(6.3)</b>	<b>0</b> <b>(0)</b>	<b>95 (100)</b>

	Taxation as tool for environment sustainability				
	Necessary	Neither Necessary Nor Unnecessary	Unnecessary	Don't Know	Total
	n (%)	n (%)	n (%)	n (%)	n (%)
Practitioners	28 (29.5)	14 (14.7)	3 (3.2)	0 (0)	<b>45</b> <b>(47.4)</b>
Academicians	36 (37.9)	6 (6.3)	1 (1.1)	1 (1.1)	<b>44</b> <b>(46.3)</b>
E/A Officers	5 (5.3)	0 (0)	1 (1.1)	0 (0)	<b>6</b> <b>(6.3)</b>
<b>Total</b>	<b>69</b> <b>(72.6)</b>	<b>20</b> <b>(21.1)</b>	<b>5</b> <b>(5.3)</b>	<b>1</b> <b>(1.1)</b>	<b>95 (100)</b>

ABSTRACTS OF MASTERS THESIS

1	Name of Candidate	Deep Singh
	Master Title	Degree of Understanding and Responsibility of Taxpayers on Collection and Payment of Sales Tax
	Place of Study	Universiti Utara Malaysia
	Year of completion	2006
	Abstract	<p>Two federal departments that provide the bulk of the revenue for the Malaysian Government are the Inland Revenue Board and the Royal Customs Department (RCD). The composition of various taxes collected by the RCD has not seen much change so as to be congruent with current development in Malaysia. This is especially so for sales tax collection- despite the population increase and economic growth over the last three decades, sales tax revenue has not proportionately increased but instead remained somewhat stagnant over the years.</p> <p>This study solicited information from sales tax license holders on their understanding of the sales tax system and the difficulties faced by them in carrying out their duties as tax agents for the Government. A survey approach was used to carry out the study. The findings of this survey indicate that sales tax license holders have little knowledge or understanding of the sales tax laws, regulations, and procedures. There are indications to suggest the existence of 'gaps' in the expected and actual collection of revenue by sales tax license holders. The survey also solicited information on administrative issues encountered by the respondents and ways to improve sales tax compliance. This research provides a valuable snapshot of the degree of understanding and responsibility of license holders on collection and payment of sales tax.</p>

2	Name of Candidate	Mohd Ton Halim
	Master Title	Finance Leases in Malaysia: Problem and Issue (Financing, Accounting and Tax Implication)
	Place of Study	International Islamic University Malaysia
	Year of completion	2002
	Abstract	<p>Leasing is a significant source of finance for business of all sizes especially SMI and it creates a significant contribution to the Malaysian economy. This paper describes developments in the leasing industry during 1970s to 2000 and focuses on problems and issues of finance leases faced by lessors in Malaysia. This review examines and analyzes finances, accounting and tax implication on finance leases in Malaysia. The review takes the form of literature search, the writer's leasing experience since 1984, seminars organized by ELAM and relevant laws and regulations.</p> <p>The number of leasing companies grew from 9 in 1979 to 149 in 1984 but reduced to 34 in 2001. Leasing as a form of financing, nowadays, has declined in popularity as compared to other form of financing, namely hire purchase. Since the introduction of IAS 17 and MASB 10, a finance lease in the lessee's book is no longer treated as off balance sheet</p>

		<p>financing. These accounting standards require that lease transactions must be presented in accordance with their substance and financial reality and not merely with legal form.</p> <p>The lessee who are large firms are concerned with economic and taxation implications when assessing whether to use leasing as a source of finance. For lessors, without good tax planning and foresight on a lease transaction, which is lucrative, it may ultimately turn out to be a loss. A lease transaction can, therefore, achieve a profit before tax but suffer a loss after tax. Hence, taxation is one of the most important aspects of leasing in Malaysia.</p>
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3	Name of Candidate	Lee Mui Yok
	Master Title	The Importance of Implementing Tax Education at secondary School level in Malaysia
	Place of Study	International Islamic University Malaysia
	Year of completion	2009
	Abstract	Currently a tax deduction is given to contributions made by companies for community projects related to education, health, housing, infrastructure and ICT. The tax deduction is applicable for the business incurs expenses on the approved charitable institutions (or organizations) or community projects which relate to education, welfare, and societies' betterment. The objectives of this study are to further analyze the relationships between CSR and tax, and to investigate further the influence of taxes on CSR adoption. This study highlights the additional approach to encourage more corporations to participate in the CSR programmes. Therefore, the study provides the empirical evidence from the Malaysian stakeholders' perspectives on whether direct tax incentives do motivate corporations to contribute and/or participate more in CSR programmes. This study surveys a sample population consists of corporations and tax officials groups via questionnaires. The results reveal that there is a direct relationship between CSR and tax, and the direct tax incentives do influence the CSR adoption among the corporations.

4	Name of Candidate	Shahariah Binti Abdullah
	Master Title	The Influence of Taxes on Corporate Social Responsibility (CSR) as a direct Voluntary Contribution approach
	Place of Study	International Islamic University Malaysia
	Year of completion	2010
	Abstract	Currently a tax deduction is given to contributions made by companies for community projects related to education, health, housing, infrastructure and ICT. The tax deduction is applicable for the business incurs expenses on the approved charitable institutions (or organizations) or community projects which relate to education, welfare, and societies' betterment. The objectives of this study are to further analyse the relationships between CSR and tax, and to investigate further the influence of taxes on CSR adoption. This study highlights the additional approach to encourage more corporations to participate in the CSR programmes. Therefore, the study provides the empirical evidence from the Malaysian stakeholders' perspectives on whether direct tax incentives do motivate corporations to

		contribute and/or participate more in CSR programmes. This study surveys a sample population consists of corporations and tax officials groups via questionnaires. The results reveal that there is a direct relationship between CSR and tax, and the direct tax incentives do influence the CSR adoption among the corporations.
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5	Name of Candidate	Norazah Md Azali
	Master Title	Self-Assessment Tax System: Survey Evidence from the Academicians, UiTM Shah Alam
	Place of Study	UiTM,
	Year of completion	2006
	Abstract	The implementation of the self-assessment tax system (SAS) by the Inland Revenue Board Malaysia (IRB) for salaried individual taxpayers in the year of assessment 2004 requires the taxpayers to compute their own tax liabilities. Hence, the taxpayers must have a certain level of tax knowledge and tax literacy in discharging his/her duties as a taxpayer. At the time of this study, little is known about the tax literacy and experience of non-accounting academicians in completing the tax return form in the era of SAS. In response, this study has emerged to fill a research gap. This study aims to i) assess the tax knowledge of the non-accounting academicians in UiTM ii) examine the non-accounting academicians' response towards the implementation of the self-assessment tax system and iii) seek the opinions from the non-accounting academicians on the introduction of tax education in their faculties A survey was used to collect the data from 6 non-accounting faculties at the Universiti Teknologi MARA Shah Alam campus. 685 questionnaires were distributed and the response rate was 27.3% (187/685). The findings indicate that most of the respondents were aware of the implementation of SAS and about 580/0 of the respondents had a high level of understanding of the concept of SAS. The findings revealed that the respondents were in favour of a tax subject be introduced at their faculties. The findings of the study will enable the authorities to review the tax education program in higher learning institutions. Essentially, this study provides useful insights for the UiTM management on the importance of tax subjects to be introduced in educating the non-Accounting students who are the future taxpayers.

6	Name of Candidate	Abadan bin Jasmon
	Master Title	Study Of The Taxation System In Malaysia (With Reference To Its Structure And Implications
	Place of Study	"Siti Hasmah Digital Library, Multimedia university", MMU
	Year of completion	2005
	Abstract	This thesis is a current study of the Malaysian tax regime. It focuses on the three main areas of taxation: personal income tax, corporate income tax and consumption tax, in view of their significant contribution towards the Malaysian government revenue and their impact on foreign direct investment. As Malaysia moves up the value ladder, the current tax regime has to face new challenges to attract hi-tech FDI. For this research, the candidate has chosen a multinational IT company and simulated the financial results under the tax regimes of Malaysia, Singapore, Thailand and Indonesia.

7	Name of Candidate	Annie Hariharan
	Master Title	Inclination Of Malaysian Small Medium Industries In Adapting Self Assessment Taxation
	Place of Study	"Siti Hasmah Digital Library, Multimedia university", MMU
	Year of completion	2008
	Abstract	This research seeks to determine if Malaysia companies, specifically Small-Medium Industries (SMI) have adapted to SAS over the past 4 years and what changes can be made within the taxation system to assist in the adaption and acceptance process.

8	Name of Candidate	Roshaiza Taha
	Master Title	Financial system and taxation
	Place of Study	Perpustakaan Sultanah Nur Zahirah, Universiti Malaysia Terengganu, UMT
	Year of completion	2012
	Abstract	The relationship between the financial system (specifically stock market development) and economic growth has been an important issue of debate. A well functioning financial system can affect economic growth through the improvement of capital productivity and the efficient allocation of resources. The role of taxation as a major determinant of an active financial system and strong economic growth also becomes of interest to the researcher.

9	Name of Candidate	Nor Haida Abdul Hamid.
	Master Title	Acceptance of electronic tax filing: a study of Malaysian taxpayers adoption intentions
	Place of Study	University Malaysia
	Year of completion	2010
	Abstract	Not available

10	Name of Candidate	Ong, Yih Tat.
	Master Title	A study the elasticity of personal income taxation in Malaysia
	Place of Study	University Malaysia
	Year of completion	2005
	Abstract	Not available

11	Name of Candidate	Nik Norhaslinda Nik Ab Rahman
	Master Title	Corporate governance and tax aggressiveness : evidence from Malaysia
	Place of Study	USM
	Year of completion	2011
	Abstract	Not available

12	Name of Candidate	Sohaimi Sabri.
	Master Title	Tax ethics and taxpayers attitudes
	Place of Study	University Malaysia
	Year of completion	1993
	Abstract	Not available

13	Name of Candidate	Mohamad Ali, Shaharudin
	Master Title	The Macroeconomic Effects of Corporate Income Tax Rate Reductions
	Place of Study	Universiti Putra Malaysia, UPM
	Year of completion	2008
	Abstract	Not available

14	Name of Candidate	Lim, Kien Thai
	Master Title	A study of reforms in the Malaysian tax administrative system
	Place of Study	University Malaysia
	Year of completion	2006
	Abstract	Not available

15	Name of Candidate	Noor Sharoja Sapiei.
	Master Title	The impact of real property gains tax on the real property investment activities in Malaysia
	Place of Study	University Malaysia
	Year of completion	2003
	Abstract	Not available

16	Name of Candidate	Khadijah Mohd Isa
	Master Title	The automobile industry in Malaysia: its taxation and market trends
	Place of Study	University Malaysia
	Year of completion	2004
	Abstract	Not available

17	Name of Candidate	Silverranie Selvaraj.
	Master Title	A study of taxpayers` perceptions of tax forms
	Place of Study	University Malaysia
	Year of completion	2002
	Abstract	Not available



18	Name of Candidate	Kamala A. Perumal
	Master Title	Tax Fairness Dimensions In An Asian Context: The Malaysian Perspective
	Place of Study	UPM
	Year of completion	2007
	Abstract	The purpose of this study is to investigate whether similar tax fairness dimensions that exist in western countries also exist in an Asian country. The 5 tax fairness dimensions are general fairness, tax rate structure, communication with the government, self-interest and special provisions of the wealthy. A survey questionnaire on tax fairness developed by Gerbing (1988) was administered to 390 respondents. The result of the factor analysis identified three slightly different tax fairness dimensions. They are general fairness, tax structure and self-interest. Education and cultural differences in Malaysia compared to the western countries could possibly explain the reason that slightly different tax dimensions are found in Malaysia.

19	Name of Candidate	Khalizatul Asrin Mazlan
	Master Title	A study on tax knowledge and tax compliance in self assessment system among academicians in Kota Kinabalu, Sabah
	Place of Study	Universiti Malaysia Sabah.
	Year of completion	2012
	Abstract	This study aims to investigate the relationship between tax knowledge and culture towards tax compliance amongst academicians in Kota Kinabalu, Sabah. The objectives of this study were accomplish by examining the relationship between tax compliance as dependent variables and knowledge on responsibilities, knowledge on employment income, knowledge on ICT skills (E-Filing), knowledge on tax laws and penalty, culture-uncertainty avoidance, culture-individualism as the six independent variables and gender as a moderator. Result from questionnaires collected from 151 respondents were analysed using multiple regression analysis. The finding based on multiple regressions indicated that there is only one variable that have a significant relationship towards tax compliance. It is suggested that the future research could investigate on different individual with employment income and business sources and also non-academicians. It is hoped that this research has contributed to examine the relationship between tax knowledge and tax compliance amongst academicians in Kota Kinabalu, Sabah.

20	Name of Candidate	Roslina Binti Mohamed Hussen
	Master Title	The Relationship Between Tax Rates and Tax Revenue: The Laffer Curve and Policy Implications in Malaysia
	Place of Study	Universiti Tun Abdul Razak
	Year of completion	2010
	Abstract	Governments in general levy taxes in order to raise revenues. It is postulated that when an activity is taxed more heavily, people will choose less of it because the tax will make it more expensive. The research question is whether this theory works in Malaysia particularly among the generation X who care less about the consumption pattern or spending life style? Even if it works, there may be many circumstances

		that make exception to the above theory. Thus, it is important to distinguish between a change in tax rates and a change in tax revenues. The research blends both the qualitative and quantitative methods using Statistical Package For Social Services (SPSS). The result of the study shows that positive and very strong relationships exist between tax rates and tax revenue in Malaysian Taxation System. Thus increase in tax rates actually reduces total revenues at certain points.
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21	Name of Candidate	Ahmad Suzzari Sannusi
	Master Title	Analysis of under-declared Tax Case Study of IRB Jalan Duta Branch, KL
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2010
	Abstract	<p>When it was first introduced in 2004, the Self-Assessment System (SAS) was part of a major tax reform undertaken by the IRB. Under the SAS, the onus is on the taxpayers to accurately compute and assess their taxable income. However, some taxpayers have seen this as an opportunity to evade tax by incorrectly declaring their income on the return forms. However, the IRE has resorted to tax auditing in order to counter such cases. Hefty penalties await errant taxpayers as the IRE is gearing towards full voluntary compliance.</p> <p>This paper analysed the data taken from the monthly productivity statistics of the external tax audit unit of the IRB Jalan Duta Branch in order to know what actually transpired from the data. Premised on two objectives, this study firstly analyses and determines the demographic factors of under-declared tax cases during the research period. Secondly, based on the audit report, this study identifies reasons for taxpayers to under declare their taxable income. The research findings will be used by all parties concerned, especially the IRE in order to address tax non-compliance issues under the Self-Assessment System. The results will also be used to equip IRB tax officials with better technical knowledge and skills to detect tax defaulters and uncover under-declared tax. Among the results derived from this research are; out of the 160 cases being audited by the audit team during this period, the majority of the tax defaulters were Chinese. In terms of gender, most of the tax defaulters were male. The largest age group of taxpayers subjected to this tax offence were between 46 to 60 years old and most of them were first time offenders, being penalised with a 45% penalty from the tax under-charged. It was the taxpayers with a source of income from sole-proprietorships that contributed to the most under-declared tax offences and the majority of the tax defaulters were in the trading business. Among the reasons identified for the under-declared tax non-compliance issues were the taxpayers lacked the awareness sense on the SAS implementation' consequences that is tax audit, and many of them took the tax law and regulations for granted. It was also noted that the noncompliance offence could be due to intentional and unintentional act of taxpayers in under-declaring their taxable income.</p> <p>Recommendations are made to improve the strategies for both the IRE as the tax authority and the taxpayers to address the issues of under-declared tax and tax non-compliance</p>

22	Name of Candidate	Muhammad Zulkhairi Zainal Anda
	Master Title	Employees perception on whistle blowing policy in detecting occupational fraud – a case study of Perodua manufacturing Snd Bhd
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2010
	Abstract	<p>This study examines the case of occupational fraud committed by employees involving stealing automotive parts in a local car manufacturing company, PMSB. Though the amount of missing part losses is still small, the trend is increasing and the occupational fraud occurs despite the company's effort to introduce the whistle-blowing program a few years ago. The majority of employees in PSMB is believed to be trustworthy and honest. Nevertheless, the company has begun to realize and understand the scale of the threat posed by the small proportion of staff that act dishonestly and defraud their employer. The KPMG Fraud Survey 2009 implicates that 87% of the total reported fraud is perpetrated internally. The growing threat of the staff fraud can be effectively combated by cooperation among organizations and adopting an effective internal control approach that Includes whistle blowing policy and zero tolerance for all types of staff fraud and these should" be done rigorously.</p> <p>As a member of the internal audit team, the researcher has taken a personal initiative to understand why occupational fraud happens in PMSB. Besides assessing the internal control system of PMSB through methods such as the Ishikawa diagram and document analysis, this study also conducts questionnaire survey and face-to-face interviews with employees of various departments. A particular focus is on their awareness and understanding of the whistle-blowing program at PMSB. Among the findings obtained from this research which are analysed and discussed in this study are; firstly the level of awareness on the whistle-blowing program among PMSB employees is quite low, especially at the non -executive level such as Production Operator, Team' Leader and Administration Assistant. Secondly, the internal control is weak and has a loophole in delivering automotive parts which contributes to the missing parts problem.</p> <p>Recommendations to improve the awareness level of whistle blowing and enhance the internal control are to have whistle blowing campaigns and whistle blowing training. The researcher also recommends adopting an ideal and effective approach to minimize the missing parts by implementing one mechanism which is an integration between related departments that deal with the supplying, delivering and receiving automotive parts, especially on parts which are imported and expensive.</p>

23	Name of Candidate	Noor Nisha Mohideen Bacha
	Master Title	Record keeping practices of the selected small business taxpayers in Negeri Sembilan
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2009
	Abstract	<p>Since the introduction of the Self-Assessment System as a basis of taxation in Malaysia, the need for proper record keeping became compulsory for all taxpayers including the small businesses. This</p>

		<p>requirement is binding under sections 82 and 82A of the Income Tax Act. However, research on tax compliance often indicates that small businesses in general are not interested in record keeping. Therefore, the main objective of this study is to investigate the record keeping compliance among the small businesses in the SAS era. The study uses sole proprietors in Negeri Sembilan as the sample and adopts a mixed research design which combines the quantitative and the qualitative component from which a number of convergent results emerge. To enable comparison, the samples are divided into 3 groups which are micro, small and medium group according to their turnover size. The main finding reveals that the record keeping system is more developed in the medium size sole proprietor samples as opposed to the small and micro group samples. The Chi-square test shows a significant relationship between the nature of records kept and the business size. The findings also confirmed the earlier findings by McMohan and Holmes (1991) that the micro group businesses generally only keep the basic types of business records. The study also explores the problems and barriers faced by the sole proprietors in fulfilling the record keeping requirements. High cost, time factor and lack of accounting knowledge are among the barriers seen as, something which precludes the sole proprietors to keep sufficient records. The estimated annual mean cost that is spent by the sample sole proprietors in keeping records is the monetary cost of RM3,397 and the mean time cost was 659 hours (13 hours a week). However, the cost is highly influenced by the nature of records kept by the businesses. In addition, the study also suggests that business taxpayers could derive managerial benefits as a result of complying with the record keeping requirement. The study is carried out with the aim to contribute some information on the sole proprietors record keeping compliance and problems so that some positive steps could be undertaken by the tax authority in assist them to fulfill the obligation.</p>
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24	Name of Candidate	Maizatulaini Ahmad Nawawi
	Master Title	Individual noncompliance evidence from IRBM KL Bandar Branch finalised tax audit cases in 2008
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2009
	Abstract	<p>The tax compliance behavioural literature indicates that, among other factors, demographic variables play an important role in the compliance behaviour of taxpayers. This exploratory study examines the demographic characteristics or profiles of noncompliant individual taxpayers who receive business income. It also identifies types of method used by those noncompliant taxpayers to misstate their financial statement for tax reporting. In addition, the influence of accountants and tax agents on the method used to misstate the financial statement has also been investigated. The data from tax audit findings for 122 noncompliant. Taxpayers from IRBM Kuala Lumpur Bandar branch has been utilized for this study. The findings revealed that male, older, married and lower income taxpayers tend to be more noncompliant. In addition, majority of noncompliant taxpayers has not maintained proper business record keeping. The findings also show that majority of taxpayers under study has manipulated their sales as the method to misstate their business financial statement. However, the choice of types of method used has not</p>

		influenced either by accountants or tax agents. These results provide useful information for tax authorities and have implications for tax policy planning and development.
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25	Name of Candidate	Mohammad Radzi Idris
	Master Title	Acceptance of electronic tax filing system: a survey evidence of Malaysian salaried taxpayers
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2008
	Abstract	<p>In Malaysia, the usage of electronic filing system (e-filing) by individual taxpayers has increased gradually. However, e-filing is not well accepted by the taxpayers since its implementation in year 2006. The study attempted (i) to explore the salaried taxpayers' experience in using e-filing in year 2007;(ii) to examine the factors that hinder salaried individuals to use e-filing in year 2007;(iii) to identify salaried taxpayer's opinion on how to motivate the taking up of e-filing;(iv) to assess if there is any difference between those e-filers and non e-filers in their perceptions (perceive usefulness, perceived ease of use and perceived security) towards e-filing and level of internet self-efficacy, trust, resource and technology-facilitating conditions. Questionnaires were personally administered to salaried taxpayers who came to Jalan Duta in the months of March and April 2008. 429 usable responses were received.</p> <p>The survey found that about 63.2% (271/429) of the respondents had used e-filing successfully. Out of 271 respondents, only 5.9% (17/271) of them were unsuccessful to e-file. Most of the respondents perceived that the e-filing was useful, secured and easy to use. About 98% of the survey respondents had the intention to use e-filing in the next filing session. There was a significance difference in the acceptance of e-filing between e-filers and non e-filers. E-filers tend to have higher perceived usefulness, perceived ease of use, perceived security and trust than non e-filers. In addition, e-filers also believed that the Inland Revenue Board Malaysia (IRBM) is able to manage e-filing system successfully than non e-filers. Among factors that hindered the usage of e-filing are slow internet response times, perceived insecurity, lack of incentives and poor publicity. The respondents suggested that the IRBM needs to improve the speed and security of the e-filing system.</p> <p>This study provides important insights into the IRBM's e-filing system; on why salaried taxpayers used or do not use e-filing, usage experience and barriers to adoption of e-filing system. This study has implications for the IRBM to develop a better user accepted e-filing system.</p>

26	Name of Candidate	Mohd Fzail Zainal Azman
	Master Title	Tax audit in Malaysia: survey evidence from the perspectives of registered tax agents
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2008
	Abstract	<p>In the era of Self Assessment System (SAS), the Inland Revenue Board Malaysia (IRBM) has intensified tax audit in enhancing tax compliance. Tax audit poses enormous challenges to tax agents and their clients. At the time of study, little is known about Malaysian tax agents' complexities in tax audit. Therefore this study attempted (i) to find out tax agents' experiences in tax audit in the era of SAS; (ii) to canvas information on the tax audit related matters; (iii) to solicit tax agents' suggestion to improve the tax audit process. The target subjects of the study were registered tax agent in Malaysia. Both online and postal surveys were used to collect data. 537 emails were sent to invite the subjects to participate in the online survey. In turn, 400 postal surveys were mailed to those who did not have an email address. The data was collected in the month of July and August 2008. A total of 68 usable responses were received, which represents an effective response rate of 13%.</p> <p>The findings show that the tax agents surveyed were not quite satisfied with tax auditors' approach in tax audit. More than half of the respondents indicated that tax auditors were not well versed in accounting and business transaction. About 68% of the respondents indicated that the tax auditors requested too many documents during tax audit. In respect of the tax audit interview during the finalisation process, more than half of them were not pleased with the tax audit process and the tax audit experience was not as good as expected. Most of the respondents also felt that tax audit increase compliance cost.</p> <p>Notably, 65%.of the respondents indicated that they managed to reduce or negotiate tax audit adjustment. The surveyed respondents also had the strong opinion that tax audit improves tax compliance but did not quite agree that tax audit uncertainty in detection reduces possible tax evasion. A high proportion of the respondents agreed that tax audit penalty deters non-compliance behaviours. Overall, this study provides important insights to the IRBM in improving their tax audit approach.</p>

27	Name of Candidate	Nur Suriana Awaludin
	Master Title	A study on book keeping practices and individual income tax knowledge among selected sole traders
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2008
	Abstract	<p>Self-Assessment System (SAS) has been introduced in year of assessment 2004 to individuals, as part of modernization and streamlining the tax administration system in Malaysia. Through the introduction of SAS, it is expected that the taxpayers will improve their knowledge and competency in understanding the tax provisions to an adequate level. This is important as according to Suruhanjaya Syarikat Malaysia (SSM), 'the number of taxpayers who followed SAS since 2004 has been increased. This study is conducted to achieve three main aims that is to assess the level of individual income tax knowledge, book keeping practices and level of</p>

		<p>dependency on tax practitioners.</p> <p>The aims have been achieved by conducting analyses based on four (4) specific objectives that focus on three major things i.e. the level of individual income tax knowledge, book keeping practices and dependency on tax practitioners in preparing income tax return forms. Questionnaires were distributed to 105 sole-proprietorships located in Shah Alam. Using inferential statistical tests, results show that majority of respondents have fairly below average knowledge due to their education background. In term of book keeping practice, most of them do not maintain it appropriately as required by IRB. Findings reveal that sole-proprietors are more interested in managing the sales and expenses accounts compared to other type of accounts. Besides, this study also discovers that there is a rather strong relationship between book keeping practices versus individual income tax knowledge. Other than that, more respondents prefer in appointing tax consultants compared to preparing the tax return forms themselves. The further explanation and discussion is presented in the following chapters.</p>
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28	Name of Candidate	Noor Hasimah Yacob
	Master Title	The use of deferred tax and accruals to manage earnings
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2008
	Abstract	<p>This paper addresses the question of whether Malaysian public listed companies use deferred tax and discretionary accruals to manage earnings in order to meet earnings targets: 1) to avoid an earning decline; and 2) to avoid reporting a loss. This study is a replication of Philips et al. (2003)'s study, where they found evidence that the firms use deferred tax expense in managing their earnings. The sample chosen in this study focuses on the financial statements prepared from year 2003 to 2005, in which Malaysian Accounting Standard Board (MASB) 25 Accounting for Income Taxes was still took place. To measure earnings management, this study uses Burgstahler and Dichev (1997)'s approach in classifying the earnings management firms and non-earnings management firms. Healy's (1985) and Modified Jones (Dechow et al., 1995) models are also used to identify and separate discretionary accruals. This study provides limited evidence that deferred tax has been used by the firms as a tool to manage earnings in the period studied. It implies that Malaysian firms do not use deferred tax account for earnings management purposes. The implementation of the MASB 25 (now known as Financial Reporting Standard (FRS) 112) may also decelerate the use of deferred tax by firms in managing their earnings. The result from this study is useful for researchers in studying earnings management behavior and for the standard setters in setting a standard.</p>

29	Name of Candidate	Norlaili Nordin
	Master Title	Management views of whistle blowing program at IRBM
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2009
	Abstract	<p>Whistle-blowing is relatively new to Malaysia. The study presented a framework adopted from the Implementation Guide Series published by The Internal Auditors Research Foundation which was written by Hernan Murray author of "Building Effective Whistle blower Programs." In order to have an effective whistle-blowing program, Murdock suggested four key factors as follows: (a) Accessibility to the program; (b) Strong and consistent tone at the top; (c) Strong support network; and (d) Build widespread awareness and support. After careful deliberation and the comments given in the pre-test, a conceptual model relating to tax whistle-blowing program is presented which comprises of this four measures; i) Accessibility to the program, ii) Proper communication plan, iii) Strong and consistent tone at the top, and iv) Other infrastructures. Thus, this study attempted (i) to evaluate whether IRBM's whistle-blowing program can contribute to increase revenue, improve tax payers' compliance rate and deter tax evasion; (ii) to obtain the management's perceptions on which of the four measures is most significant in enhancing an existing whistle-blowing program; and (iii) to solicit the management's opinions on other measures required to improve the whistle-blowing program at IRBM.</p> <p>Executive management, senior managements, directors and experienced officers on the procedure of whistle-blowing program at IRBM were used as the subjects for the study. Data were collected through an online survey. Findings indicate that most respondents agreed tax collection will increase and improve compliance rate, although they nevertheless sceptical that the program would reduce tax evasion. Results indicate that "proper communication plan" ranked the most important measure that need to be enhanced. Comments on other potential contributing factors in establishing an effective and successful program were grouped into seven themes; 1) procedure, 2) publicity, 3) reward, 4) funding, 5) culture, 6) whistle blowers protection, and 7) motive. These contributing factors are potential areas to be explored and thus suggested for future research. The study provides a general basis for developing an effective and successful whistle-blowing program at IRBM and could be considered as the first pioneering study on tax whistle-blowing program in Malaysia.</p>

30	Name of Candidate	Firdous Mohd Farouk
	Master Title	Tax knowledge, perception of tax fairness and attitude towards tax compliance: survey evidence from a private higher education institution
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2008
	Abstract	<p>The effectiveness of the SAS relies on the voluntary compliance of taxpayers as the onus of assessing the tax payable under SAS is on the taxpayers. Therefore, understanding and enhancing tax compliance is of great importance. Tax knowledge is directly connected to tax compliance as increased tax knowledge increases perception of tax fairness and enhances tax compliance. Improved perception of tax fairness is also tied</p>



		<p>with better compliance. This paper study aims to: i) gain insight on the attitude towards tax compliance amongst academics, ii) assess the level tax knowledge of academics, iii) examine the perception of tax fairness amongst academics, iv) explore if tax knowledge and perception of tax fairness effects tax compliance behaviour amongst academics and v) solicit opinion of the academics in introducing of tax education in the undergraduate programmes in all disciplines.</p> <p>Online questionnaires were used to collect data and e-mail invitation was sent out to 381 academicians in a private higher education institution. One hundred and fifty seven usable questionnaires were received. The survey found that only 22% of the respondents had positive attitude towards tax compliance and only 6% of the respondents had high perceptions of tax fairness. The findings reveal that majority of the respondents (75%) did not learn taxation as a subject in their Bachelor's Degree. In addition, only a small percentage of respondents (19%) had high level of tax knowledge. The remainder had low level (40%) and medium level of tax knowledge (41%). The ANOVA tests show that tax knowledge has an effect on tax compliance attitude and perception of tax fairness.</p> <p>Respondents with high tax knowledge had higher positive tax compliance attitude and higher perception of tax fairness. The importance of tax knowledge is acknowledged by the academicians as majority of respondents were in favour of introducing tax education in all the twinning programmes to equip undergraduates with basic tax knowledge as it will enhance tax compliance of the undergraduates (future taxpayers).</p> <p>This study provides insights for top management and academics of private higher education institutions and relevant authorities of the need to introduce tax education to all undergraduates.</p>
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31	Name of Candidate	Khairiah Ahmad
	Master Title	A survey on factors affecting Malaysian individual taxpayers' acceptance of e-filing system
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2009
	Abstract	<p>The e-filing system allows taxpayers to prepare and file their tax return form through the Internet. The e-filing is a simple, fast and secured method to file the tax return form. However, most Malaysian taxpayers are still unwilling to give up their manual filing method. Therefore, it is necessary to find out the factors that might affect the Malaysia taxpayers' acceptance of e-filing system. Based on two importance theories (TAM and TPB), this study attempts to test whether perceived usefulness, perceived risk and subjective norms as factors that affect Malaysian taxpayers to adopt the e-filing system.</p> <p>A sample of 175 individual taxpayers (which represents 16% of response rate) who have son, daughter or relatives studying accountancy courses (Diploma in Accountancy, Diploma in Information System and Bachelor of Accountancy) UiTM Melaka for the academic session of December 2007 - April 2008.</p>

		By using logit regression as the data analysis method, this study indicated that perceived risk is a significant factor that influences Malaysian taxpayers' acceptance of the e-filing system. However, perceived usefulness and subjective norms were found to have insignificant influence on Malaysian individual taxpayers' acceptance of the system. Therefore, the Malaysian Inland Revenue Board should take into consideration of the perceived risk factor in strategizing a better e-filing system in the future. In other words, the security of the e-filing system needs to be monitored and enhanced to attract the non-adopters of the system.
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32	Name of Candidate	Roziah Abdul Rahim
	Master Title	The relationship between financial ratio and evasion income in Malaysia
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2009
	Abstract	<p>False financial statement has kept on increasing and hence, attracted the public attention.</p> <p>It may lead to tax evasion that will cause vast losses to the Government's revenue. The implementation of self-assessment System may provide inherent risk where it may create an opportunity for companies to manipulate the financial statement so as to reduce the tax liabilities. Opportunity to evade tax is one of the key risk factors to commit fraud.</p> <p>Therefore, it is important towards finding an indicator that may lead the tax auditor to detect the misstatements in financial statement so as to evade taxes. This study examines the association between evasion income and financial ratios such as debt ratio, working capital ratio and current asset ratio. In addition, it also examines the control effect of size of company and types of auditor towards evasion income. Tax audit cases from Inland Revenue Board of Malaysia which involved in the underreporting of taxable income are used as a sample in this research. The data is collected from top 200 companies with the highest penalty imposed due to under declare of taxable income. From the multiple regression analysis, it is found that high debt ratio, high working capital ratio and low current asset ratio have significant relationship with false financial statement due to tax evasion activities. Meanwhile small companies and companies audited by Big 4 firm also have significant relationship with evasion income. The result of this study may provide empirical evidence on the companies and the linkage with false financial statements due to evade tax. Furthermore, it shows the importance of financial ratio in providing indicators of false financial statement with regards to evasion income and thus, will facilitate the IRBM in identifying the high probable tax evasion or tax noncompliance cases for audit in the future. In addition, the public awareness of IRBM's ability to detect false financial statement may prevent the tax evasion activities and promote the tax compliance among taxpayers.</p>

33	Name of Candidate	Nur Ashariah Othman
	Master Title	Ethical judgement and aggressive tax avoidance behaviour: a study on Malaysian tax professionals
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2012
	Abstract	<p>The objective of this study is to seek understanding on ethical judgment of tax professionals in Malaysia towards aggressive tax avoidance by investigating the influence Behaviour Beliefs, Normative Belief and Control Belief with the controlling of gender and years of experiences in tax professions. The data was collected through the distribution of questionnaire to tax professionals in Malaysia and processed using Statistical package for social science (SPSS) software for the purpose of this study.</p> <p>By using Correlation and regression analysis, the findings show that there is a negative relationship between tax professionals' ethical judgment towards aggressive tax avoidance, whereas higher level of management does have significant relationship on Malaysian tax professionals towards aggressive tax avoidance. There are significant differences between men and women tax professionals in Malaysia that could lead to aggressive tax avoidance.</p>

34	Name of Candidate	Nur Hazrini Mohd Zahari
	Master Title	Financial reporting and zakat distribution in Malaysia religious institutions (Majlis Agama Islam Negeri)
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2012
	Abstract	<p>Financial statement plays significant role in decision making process as to assist users to evaluate and analyse performance of an organization. In religious institutions like State Religious Islamic Council (<i>Majlis Agama Islam Negeri</i>: MAIN), financial statement is used to communicate the accountability of the organization as well as to provide the information on the efficiency and effectiveness of the organization in managing public money. As MAIN is the highest religious institution which held responsible in zakat collection and zakat distribution, there is an increase need for MAIN to publish financial statements which provides clear and sufficient reporting on how zakat fund is managed. Besides, zakat fund is public money which needs to be managed efficiently and effectively. This is as to achieve the objective of zakat in providing socioeconomic justice to the zakat recipient. This research, therefore analyses the current financial statements format currently practiced by MAIN and the extent of zakat distribution disclosure provided in the MAIN financial statements.</p> <p>Besides, this research also look into the zakat collection and zakat distribution trend as to measure the efficiency of zakat distribution by MAIN in Malaysia. The current financial statement format, the extent of zakat distribution disclosure and zakat collection and distribution trend are obtained from the content analysis of financial statements of nine MAIN in Malaysia for the financial period 2007 to 2009. The findings indicate that MAIN use different format in the preparation and presentation of their financial statements. Besides, only Islamic Religious</p>

		Council Negri Sembilan ( <i>Majlis Agama Islam Negeri Sembilan</i> ) practiced high transparency in the disclosure of their zakat distributions in their financial statements. It is also found that MAIN does not distribute all of their zakat collections yearly and the distribution of zakat funds fluctuate from year to year in the period of analysis.
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35	Name of Candidate	Norhusnaida Che Hussain
	Master Title	Academics and taxation: survey evidence from selected UiTM and UTAR lecturer
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2012
	Abstract	In the era of self-assessment system (SAS), taxpayers are required to comply with tax obligation voluntarily by computing their tax eligibility accurately and honestly, filling, paying tax and keeping all tax relevant documents for a stipulated time. Yet in 2010, the Inland Revenue Board Malaysia (IRBM) reported that Malaysia is still unable to achieve 100% tax compliance. Thus, this study aims; (i) to determine whether there is any individual differences (age, education level and income level) on tax compliance behaviour; (ii) to assess whether tax fairness perception of academicians affects tax compliance behaviour; (iii) to examine whether tax reliefs' perception of academicians affects tax compliance behaviour; (iv) to identify whether tax penalties perception of academicians affects tax compliance behaviour; (v) to determine whether tax ethics perception of academicians affects tax compliance behaviour. A self-administrated survey was used to collect data from academicians from public and private universities in Malaysia. A total of 564 questionnaires were distributed and 287 usable questionnaires were analysed using ANOVA, Pearson's correlation and multiple-regression. The results uncovered that academicians' income level, perception of tax ethics and tax reliefs have a positive relationship on their tax compliance behaviour. Although only three variables were found significantly related to the tax compliance behaviour namely age, tax penalty and tax fairness showed a positive effect on compliance. This study provides some insights to the IRBM in better understanding tax related issues from the perspective of the intellectual group.

36	Name of Candidate	Ezdiani Ilyana Mohd. Dom
	Master Title	Factors influencing service tax evasion
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2011
	Abstract	This study attempts to examine the tax evasion in service sector. The objectives are to examine the extensiveness of service tax evasion and to investigate the factors that influence service tax evasion. The potential factors that were examined are threshold, size of company, types of service provider and audit firm size. To achieve the objective, this study used sample data from service tax audit reports of the Royal Malaysian Customs Department, Wilayah Persekutuan Kuala Lumpur Branch. The sample comprised data of 91 company-years which involved service providers with underpayment of tax collection. The hypotheses were tested using both univariate and multivariate statistical methods.

		Overall, this study indicated that there is a significant difference between the declared and the actual service tax values. Additionally, this study provided evidence that there is a positive relationship between service providers with threshold and service tax evasion. Furthermore, the results supported political cost theory which suggests that larger companies evade service tax less than smaller companies. Besides that, this study revealed that companies using non-Big 4 auditors tend to evade service tax more than companies using Big 4 auditors. The findings of this paper may contribute towards the body of literature in the discussed area and also provide strategic information to the government by revealing the significance of certain indicators that particularly RMCD can use during tax audit.
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37	Name of Candidate	Nurul Erzawaty Jamaludin
	Master Title	Tax evasion in service industry in Malaysia
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2013
	Abstract	<p>The goal of this research was to determine the factors of tax evasion from the Royal Malaysian Custom Department's (RMCD) perspective. There had been few studies conducted on the indirect taxation, especially the service tax evasion in Malaysia. In order to achieve the objectives, this study had identified several potential factors, that is a penalty, the level of the threshold, types of service provider, tax rates, the size of the company, audit firm size and risk of probability for detection. Data from the Royal Malaysia Custom Department of Wilayah Persekutuan Kuala Lumpur was used for the sample of this study. The sample data comprised of audit cases resolved by RMCD from 2009 until 2011. The sample consisted of 275 service provider companies that had underpaid the service tax collection. The univariate and multivariate analysis were used to test the hypotheses of this study. The study found that there was a significant difference between the actual and the declared values of the service tax paid by the service providers. Moreover, the statistical results provided the evidence that the level of the threshold and the service tax evasion had a significant positive relationship. In addition, the result supported the political cost theory which suggests that the smaller companies practice more service tax evasion rather than the larger companies. Also, the result provided the evidence that the companies using the non-Big 4 auditors tend to evade service tax more than the companies using Big 4 auditors. The study also revealed that companies which did not submit the service tax form or nil return form were more likely to evade tax.</p> <p>Hence, the findings of the study provided some strategic information to the government by revealing the significance of profile of tax evaders in the service tax industry in RMCD during the tax audit program.</p>

38	Name of Candidate	Nushamimi Sabli
	Master Title	Tax planning and corporate governance: evidence from shariah-compliant companies
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2011
	Abstract	<p>This study attempts to examine whether good corporate governance, which is represented by both internal and external corporate governance mechanisms may lead to a better tax planning strategy, thus resulted to lower corporate effective tax rate (EIR). The main objective of this study is to examine the relationship between internal and external corporate governance mechanism towards tax planning involvement. This study aims to see if the relationship between the two variables; that is greater board independence and institutional ownership, would be able to pressure management to engage in tax planning activities by utilizing as much incentives offered by the government as possible. The study uses a micro backward-looking approach of a balanced panel data for 397 listed companies during the years 2007-2010. Narrowing the sample to Shariah-compliant companies and taking into consideration the government linked companies (GLCs) classification, the empirical results obtained did not support the hypotheses in the study. The results also provided evidence that the control variables, i.e. firm characteristics, have significant negative relationship with corporate ETR, hence indicating less powerful determinant possessed by corporate governance mechanism variables towards the dependent variable in the study. This may also imply that these Shariah-compliant companies placed high reliance on professional tax agent's assistance, rather than top management, with regards to the issues on tax planning involvement.</p>

39	Name of Candidate	Shareen Mahther
	Master Title	Dymanic (sic) of tax compliance: demographic study consequence tax audit case of IRBM
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2011
	Abstract	<p>Since the introduction of Self-Assessment System (SAS) with effect year of assessment in 2001 for company and year of assessment in 2004 for non- company, tax audit has become the core business for IRBM to support the SAS taxation. Tax audit aims to encourage taxpayers to voluntarily report their true tax liabilities in accordance to the tax laws, which is the Income Tax Act (ITA) 1967. However, there is no study done to provide concrete evidence that first time audit will likely to increase or decrease the compliance for IRBM.</p> <p>Therefore, this paper attempts to identify the compliance rate for consequence audit cases based on tax evasion amount. Comparison of the audit findings between the initial and second audit are made in order to study if there is uptrend or downtrend on the compliance response by audited tax payers. Further to that, these audit cases were classified based on demographic characteristics.</p> <p>This study is based on secondary data from internal database of IRBM,</p>

		<p>involving individual income tax files with taxable business income; namely sole proprietors and partnerships in the Klang Valley. The data collection stage on this study is divided into two related phases. Phase one involves the identifying the cases which have gone through initial and consequence audits. Phase two involves reviewing information needed for the research from the primary data which is the Audit Finding Reports.</p> <p>Results shown that compliance rate in consequence audit improved, despite the fact that the improvement is minimal. Consequence audit cases are mostly coming from sole-proprietors with turnover between RM 1,000,000 to RM 5,000,000, involved in whole-selling and retailing business who prepared their accounts manually without appointing any tax agents. However, the bookkeeping issues do not contribute significantly in consequence audit.</p> <p>This study hopes to establish whether subsequent audits contribute to the improvement of compliance and consequently increase in the tax collection and to assist <b>IRBM</b> to do profiling for these so-called obstinate tax payers, thus being more equipped and prepared when confronting them.</p>
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40	Name of Candidate	Ahmad Zaki Abd Rahim
	Master Title	Factors affecting underreporting of income: a case of sole proprietorship and partnership business in Malaysia
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2012
	Abstract	<p>This study provides an empirical evidence of tax gap estimation attributable to individual business income by using the resolved field audit data obtained from the direct tax authority in Malaysia. The results indicated there are significant differences between adjusted after audit tax with reported tax. These differences contribute to tax gap estimation. The results also suggested that the business profile which incorporates the size of the business and mode of income tax return forms preparation have significant effect on underreporting of income. However, only two strategies to conceal income namely understatement of sales and overstatement of purchases has significant effect on underreporting of income. The results of this study provide indicators related to the business profile for a possible model of audit cases selection and checklist of audit work approaches. It also can draw the attention of both the policymakers and the taxpayers on the tax compliance cost issue respectively which may be potentially significant to them. This study contributes to the tax literature on the relative importance of addressing the underreporting of income by the sole proprietorship and partnership business which consequently attribute to the tax gap.</p>

41	Name of Candidate	Hafiz Ramli
	Master Title	A study on investigators' acceptance towards the use of anti-money laundering detection system in Malaysian financial institutions
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	n.d.
	Abstract	<p>The international financial communities have witnessed the use of heightening countermeasures to fight money launderers and possible terrorism financing threat across the globe. Criminals are becoming sophisticated in their money laundering tactics aided by the use of advance technology, in making money laundering increasingly more difficult to deter and detect. While many Anti-Money Laundering (AML) detection systems have been in place within the financial institutions, they face an on-going challenge to adapt to the investigators' needs in relation to money laundering detection. Making an AML detection system more effective is an on-going challenge. The main issues are to understand the users of the system and how they interact with the system. The study examines the factors that influence investigators' acceptance of AML detection system through the impact of Extended Technology Acceptance Model (ETAM) factors. The data for this study was collected through a questionnaire survey to investigators in Malaysian financial institutions. The results of the study suggest that factors identified will contribute towards the acceptance on AML detection system among investigators and stimulate the efficiency and effectiveness of the system.</p>

42	Name of Candidate	Puteri Nur Liana Megat Mohd Fouzi
	Master Title	Tax audit: the effectiveness of limited scope auditing approach as practised in Malaysia
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2012
	Abstract	<p>The purpose of this applied research is to test and measure the effectiveness of Limited Scope Auditing Approach which is also known as 'Focus Audit' in Inland Revenue Board Malaysia (IRBM). The application of the Limited Scope Auditing Approach is examined in Taiping Branch as Taiping is one of the selected branches to implement the method before it is fully implemented in other branches in Malaysia. Initially, the objectives of tax auditing is to measure and monitor compliance among taxpayers and to educate the taxpayers on the tax law and regulations to ensure the true reporting and secure the government's main source of income. The limited resources in the tax administration bodies has been one of the limitations in conducting the audit work to cover a big population of taxpayer of every industries, size, locations and types. The resources include workforce, financial, technology, knowledge and information. It is one of the main concerned of the tax enforcement body to optimize the use of their resources to generate the right income supposedly belong to the country.</p> <p>This study will take an in-depth look at the effectiveness of the application Limited Scope Auditing Method compared to Full Scope Auditing in terms of tax revenue, the amount of tax adjustments, number of cases settled within the tested, period and compliance to the internal</p>



		standards. This will soon become a reference in selecting the proper method in tax auditing once the cases is being allocated to the auditor.
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43	Name of Candidate	Erma Md Darus
	Master Title	Whistle blowing: a survey amongst customs officers in Klang valley
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2011
	Abstract	<p>The purpose of whistle-blowing is to wipe out unethical behaviour in the workplace by disclosing any wrongdoings within the organization. Whistle-blowing is seen appropriate to be practiced within the organization both in public and private sectors. However, due to uncertain consequences to the potential whistle-blower, most of individuals will choose to remain silent for fear of speaking up (Zhang et al., 2009). This study has investigated the determinants that influence an individual to blow the whistle. A survey questionnaire was distributed amongst customs officers as a sample of this study, resulting 64.79% of the response rate. A statistical testing was conducted to investigate whether the three determinants of planned behavioural theory (attitudes, subjective norm and perceived behavioral control), the rewards system and job protection have a relationship on the intention of whistle-blowing behavioural. The demographic characteristics are also included in this study. The results revealed that the internal whistle-blowing is preferred compared to external whistle-blowing. Besides, there are significant relationships between attitudes, subjective norm and perceived behavioral control with the intention to blow the whistle. Meanwhile, the rewards system and job protection has no significant effect. All demographic characteristics are also not significant. This study has contributed to the existing knowledge and literature in the context of whistle-blowing in Malaysia. The limitations and future research directions are also discussed.</p>

44	Name of Candidate	Nur Syazwani Mohammad Fadzillah
	Master Title	Corporate tax planning: a study on corporate effective tax rates during official assessment system and self assessment system regimes
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2009
	Abstract	<p>This study attempts to examine corporate effective tax rates (ETRs) of Malaysian public companies listed on Bursa Malaysia during official assessment system and self-assessment system tax regime. The objective is to examine the level of corporate ETRs during official assessment system and self-assessment system tax regime and. To achieve the objective, this study uses pooled sample data of 316 companies for the years 1993 to 2006. In determining the two tax regime, the investigation period is classified into two, where the period from 1993 to 2000 represents the official assessment system tax regime whereas the period from 2001 to 2006 represents the self-assessment system tax regime. This study finds that corporate ETRs are below the statutory tax rate (STR) in both tax regimes.</p> <p>Moreover, this study reveals that ETRs during the self-assessment system tax regime is lower than the official assessment system tax regime.</p>

		<p>Additionally, this study also examines the determinants of corporate ETRs during both tax regimes. The result supports political cost theory which suggests that larger companies endure higher ETRs. Besides that, lower ETRs are significantly related to highly leverage companies, greater investment in fixed assets and lower investment in inventory. This study also finds that companies with higher return on assets face lower ETRs. Further, sector analysis and sensitivity analyses are carried out to support the primary results.</p> <p>This study provides the evidence for the variability of ETRs across sectors. The results indicate that companies from trading and services, properties and construction sectors face higher ETRs. Overall, this study explains the impacts of tax incentives to corporate ETRs and determinants of corporate ETRs.</p>
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45	Name of Candidate	Mohamad Firdaus Satibi
	Master Title	Indirect tax policy change and tax evasion: case study of royal Malaysian customs department
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	n.d
	Abstract	<p>For the last five years, there is a significant increase in government revenue in Malaysia especially in tax collection. Whilst tax collections from direct taxes have increased tremendously, the amount collected from indirect taxes has been stagnated since 2001. The main issue which is the focus of this study is to find out whether the tax collection from indirect sources has been is affected by changes in the tax policy incorporated in the government's yearly budget every year. Alternatively, the study hopes to find out if there is a presence of any tax evasion element in the tax system.</p> <p>The purpose of this paper is to examine which components of the indirect tax composition that contributes the most towards tax collection. The paper also analyses the level of tax evasion indicator proxied by the level of awareness of customs officer towards tax evasion indicators. The data for this study was collected through a questionnaire survey and through direct observation of the Customs Officers of the Royal Malaysian Customs Kuala Lumpur International Airport (RMC-KLIA). Finally, the recommendation will includes new Government's tax reform programmed which aims towards enhancing the efficiency and effectiveness of tax collection. The results of the study suggest that it is important to make an improvement in the implementation to the existing taxation law to effectively identify those accused of evading taxes.</p>

46	Name of Candidate	Alizan Abd Aziz
	Master Title	Factors affecting tax evasion: some evidence from tax investigation cases in Malaysia
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2009
	Abstract	Financial statements fraud in relation to tax evasion has attracted much attention from the tax authorities. There have been a number of cases detected of what appears to be financial statements fraud in relation to tax evasion. The goal of this study is to examine tax evasion indicators of

		<p>private limited companies by using financial statements ratios. The confidential data were collected from the Inland Revenue Board of Malaysia, Shah Alam, of companies that have been subjected to tax investigation for the tax years from 2001 to 2005. The final sample comprises of 73 companies (of 222 firm-years).</p> <p>The current study uses company's evasive income as a proxy for companies' tax evasion activities. Six selected financial ratios are used to determine the factors associated with financial statements in relation to tax evasion: working capital, sales, debts, effective tax rate, net profit, inventories and account receivables ratios. The univariate and multivariate analyses are used to examine the relationship between tax evasion and the six selected ratios i.e. independent variables. The statistical results provide empirical evidence that certain financial ratios can be used to identify the factors associated with tax evasion activities. These ratios are sales, working capital and debts. Hence, the statistical results imply the usefulness of financial ratios in identifying factors related to tax evasion activities from company's financial statements which can assist tax authorities in their investigative programmes.</p>
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47	Name of Candidate	Eslinndawati Abdul Wahid
	Master Title	Electronic tax filing: experience of the employees of Mesiniaga Berhad
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2008
	Abstract	<p>Electronic Tax Filing or e-filing has benefited governments and taxpayers around the world in many ways. The importance of understanding factors influencing taxpayers' acceptance of e-filing is critical to increase usage. E-filing in Malaysia is now in its fourth year of implementation. Nonetheless, little is known about the acceptance of e-filing among salaried individuals. Hence, this study explored the experience of salaried individuals using e-filing to fulfill their tax obligations. A survey was used to collect the data. The target respondents were salaried taxpayers of a leading information and communication technology (ICT) firm. With sufficient computing knowledge and facilities, it is expected that this group of taxpayers will easily grasp the concept of e-filing and use the system to file their income tax returns. This study also sought the respondents' opinions on security of the system, promotional strategy employed and speed of tax refund by the Inland Revenue Board of Malaysia (IRBM). Findings of the study revealed that two-third of the respondents attempted and successful in using e-filing. They found e-filing convenient, fast and easy to use. Surprisingly, none of them thought the system was secure. In fact, majority of the respondents were unaware of the security measures embedded in the system. Many indicated that the current promotional strategy undertaken by the IRBM is inadequate and should be improved to market e-filing to general taxpayers. Moreover, respondents were sceptical of the IRBM's commitment and ability to refund e-filers within fourteen to thirty days from the filing date as many of them have yet to receive their tax refunds at the time of the study. Next, this study presented the participants' recommendations on how to improve the current e-filing system. Among others are the enhancement of the anti-inclusion features, incentives for early e-filers, better security system and innovative promotional programs.</p>

48	Name of Candidate	Maizana Ismail
	Master Title	Tax compliance and tax evasion: perspective of postgraduate students in UiTM
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2008
	Abstract	<p>Tax evasion is a deliberate or an intentional wrongdoing act to reduce or totally eliminate ones tax liability. Combating tax non-compliance requires analysing and understanding the taxpayer's perception of tax evasion issues. This study analyses on postgraduate student's perception of four main tax factors (i.e. tax awareness and understanding, tax fairness, tax law enforcement and tax morale) related to tax evasion matters. Questionnaires were distributed to the postgraduate students from the Faculty of Accountancy and the Faculty of Business Management of UiTM Shah Alam campus. 102 usable responses were analysed using descriptive statistics, Pearson correlation, Mann Whitney U Test and Chi-square test. The results showed that the postgraduate students had similar perception of tax awareness and understanding of tax evasion matters. The respondents perceived that tax evasion as a serious crime and monetary fine as well as imprisonment could deter taxpayers from evading tax. With regards to perception of tax morale, results show mixed findings on issue in relation to .evade tax by 'holding a bit of tax'. The results showed that the postgraduate student's perception of tax fairness is highly correlated with their tax compliance. Further analysis showed that gender has no effect on the postgraduate student's perception of the four main tax factors. To some extent, marital status does affect the postgraduate student's perception of tax awareness and understanding, particularly on tax information. The differences in the course enrolled do affect the students' perception of tax fairness. In addition, it appears that risk personality of the postgraduate students does not provide any indication of their tax compliance behaviour.</p>

49	Name of Candidate	Norashikin Ab. Aziz
	Master Title	Determinants of taxpayers' acceptance and use of e-filing: survey evidence from Malaysia
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2010
	Abstract	<p>In 2009, the Inland Revenue Board of Malaysia (IRBM) reported less than 31% of active taxpayers submit tax returns via electronic filing (e-filing) system. This indicates problem of underutilisation of e-filing system. At the time of study, little is known of the factors which influence taxpayers' acceptance and use of e-filing. Understanding these adoption factors would enable the IRBM to enhance e-filing system 'by improving aspects which have effect on taxpayers' acceptance and use of e-filing. This study aims to (a) investigate determinants of taxpayers' acceptance and use of the e-filing system using the UTAU model, (b) find out factors that motivate the adoption of e-filing system, and (c) identify barriers to adoption of e-filing.</p> <p>An online survey was conducted from November to 31 December 2009 to collect data. The regression results shown that the UTAUT model can</p>

		explain 57.7% of the variance in taxpayers' acceptance and use of e-filing. The results indicate that taxpayers will use e-filing system when they find system is useful, time and cost saving; not complicated and easy to use; and when technological and resource supports are available. The survey found other factors which may stimulate higher adoption of e-filing are: speedy tax refund, faster server, more interactive system and special incentives such as cash rebates. Overall, this study provides empirical evidence for the IRBM to continuously improve the usefulness, ease of use and security of the e-filing system to accelerate usage.
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50	Name of Candidate	Baharuddin Abdul Kadir
	Master Title	Effective tax rate and attributes of corporate tax evaders: evidence from tax audited cases
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2010
	Abstract	Tax evasion has attracted much attention from the tax authorities. There has been a number of cases of tax evasion investigated by the tax authority. The goal of this study is to examine the effective tax rate of companies which evade tax and the attributes. The archival data were collected from the Inland Revenue Board of Malaysia. The sample contains tax evader companies' data from the year 2004 to 2006. The final sample comprises of 301 companies (903 firm-years). The study found that the average effective tax rate (which is 16.93%) for tax evader companies diverges more than the statutory tax rate (which is fixed at 28%). The current study uses companies' effective tax rates as a proxy for companies' tax burdens. Six selected variables are used to determine the attributes of tax evader companies: size, leverage, returns on assets, capital intensity, inventory intensity and account receivables. The univariate and multivariate analyses used to examine the relationship between effective tax rate and the six-selected financial indicator i.e. independent variables. The statistical results provide empirical evidence that certain financial indicators are attributes of tax evader companies. These attributes are size, return on assets, capital intensity, inventory intensity and account receivables. Hence, the statistical results imply the usefulness of financial indicator in identifying attributes of tax evader companies. This study concludes that tax evaders are company that has substantial amount of total asset, good performance, large investment in fixed assets and inventory as well as high amount of account receivable. Thus, this information could assist the tax authority in their tax enforcement program.

51	Name of Candidate	Serina Ismail
	Master Title	Book-tax difference and tax non-compliance: evidence from Malaysian manufacturing corporations
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2010
	Abstract	The different objectives and rules between financial reporting and tax reporting have been susceptible to manipulations by firms as evidenced by the rising financial fraud cases. As a result of opportunistic reporting, financial (book) income was reported higher to boost firms' market value to the shareholders and capital market whilst lower tax income was

		<p>reported to the tax authorities with the intention to reduce their tax liabilities. Compliance risks to the tax authorities transpire when firms report lower taxable incomes which do not represent firms' actual economic performance by employing aggressive tax planning strategies. As such, in order to reduce these compliance risks, it is crucial for tax authorities to select firms with high risk of potential understatement to be audited or investigated. Book-tax difference observation is said to be a useful indicator of aggressive tax planning. Therefore, this research investigated book-tax difference relationship with tax non-compliance cases. Using a sample of confidential tax data involving 110 manufacturing corporations in Malaysia which tax audits were concluded in 2008, evidence showed that higher tax audit adjustments were found in companies that reported higher magnitude of book tax difference. Results also showed that 80.9% of manufacturing firms did not comply with the tax law and regulation when computing their tax liability. The common misstatements involved excessive claims of capital allowance/ industrial building allowance and other special incentive allowances. Overall, this study provided empirical evidence on the appropriateness on the use of book-tax difference as indicator for tax audit cases selection. This study also provided information on tax non-compliance rate and types of misreporting committed by manufacturing corporations in Malaysia.</p>
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52	Name of Candidate	Zafiruddin Bahrum
	Master Title	Self assessment tax system for companies and tax audit: survey evidence from Malaysian tax practitioners
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2007
	Abstract	<p>Self-Assessment Tax System (SAS) for companies has been implemented since the year of assessment 2001 in Malaysia. At the time of study, little is known whether SAS is working well for this group of taxpayers. In view that most of the companies sought tax practitioners assistance in preparing corporate tax returns; hence, this study aimed i) to assess tax practitioners' experience in SAS ii) to examine the obstacles that tax practitioners encountered in relation to self-assessment for companies iii) to obtain tax practitioners opinions on tax education and their approaches in educating corporate clients; and iv) to solicit tax practitioners' experience in tax field audit. Online questionnaire survey was used to collect data. Personal e-mails were sent to 768 tax practitioners who worked in the audit firms that registered with the Malaysian Institute of Accountants (MIA) in Peninsular Malaysia. A total of 48 usable responses were received throughout the survey period which represented an effective response rate of 6.3%.</p> <p>The survey found that majority of the tax practitioners perceived that SAS actually provided more benefits to the Inland Revenue Board of Malaysia (IRB) than the taxpayers. Though SAS has also benefited tax practitioners in term of greater demand for tax service, this advantage was compensated with higher liabilities and greater workloads. In relation to tax education, this study found that majority of the tax practitioners were aware of their responsibility in educating their corporate clients which usually fulfilled indirectly upon giving the tax advice. They also believed that tax education should start at tertiary level. This study also identified</p>

		two major issues regarding tax field audit namely the transparency of the tax field audit process and the tax auditors' competency in conducting the audit. Overall, tax practitioners believed that the IRB still has room to improve in term of efficiency and its relationship with the taxpayers whilst the tax refund process is the main area that requires special attention.
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53	Name of Candidate	Mohd Amran Mahat
	Master Title	Tax knowledge, tax education and compliance: survey evidences from accounting and non-accounting undergraduates
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2007
	Abstract	<p>Tax knowledge is a basic necessity for a taxpayer to be tax compliant under the self-assessment system. However, to date, taxation has yet to be formally introduced in Malaysian education system, except for undergraduates pursuing accounting and some business disciplines. This study aims (i) to assess the state of taxation knowledge of both undergraduates from accounting and non-accounting faculties, (ii) to solicit undergraduates' opinions on tax education and (iii) to analyse undergraduates' perceptions towards their future tax compliance obligations. Questionnaire was used to collect data. In total, 603 questionnaires were distributed to undergraduates in accounting and non-accounting faculties in Universiti Teknologi MARA (UiTM), Shah Alam, of which, 575 questionnaires were usable and analysed.</p> <p>The findings revealed that respondents from accounting faculty were more informed on taxation than respondents from non-accounting faculty. More than 90% of respondents from both disciplines perceived tax education is important, relevant and should be introduced at undergraduate levels. Respondents from accounting faculty had better perceptions towards their future tax compliance obligations than respondents from non-accounting faculty. These findings support the call for formal tax education in disseminating tax knowledge for better tax compliance among future taxpayers. The Inland Revenue Board should collaborate with the education authorities to incorporate taxation in the education system. Academicians from higher learning institutions should take the initiative to offer taxation course in all faculties in contributing towards building a tax literate society to increase tax compliance.</p>

54	Name of Candidate	Nurul Hidayah Ahamad Nawawi
	Master Title	Tax practitioners' perspectives on conceptual knowledge vs technical ability and the role of ICT in tax education
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2010
	Abstract	<p>In the era of self-assessment and with the advent of Information and Communications Technologies (ICT), it is imperative to equip accounting graduates with the necessary tax knowledge, technical and ICT skills in order to perform competently at the work place. At the time of this study, little is known if the existing tax education is adequate in meeting the needs of the employers in the job market. This study aims: i) to solicit tax</p>

		<p>practitioners' view on the level of conceptual knowledge and technical ability needed by accounting graduates in order to perform effectively in tax practice; ii) to identify the types of computing and ICT skills fresh graduates need to acquire prior to graduation; iii) to compare between senior and junior tax practitioners' view on the level of conceptual knowledge and technical ability needed by accounting graduates in order to perform effectively during tax practice; iv) to compare between senior and junior tax practitioners' view on the level of computing/ICT skills of fresh graduates; and v) to assess the level of satisfaction of senior tax practitioners on tax knowledge, technical ability, ICT skills of a fresh graduate. An online survey method was used to collect the data. In total, 385 online questionnaires were distributed randomly to the tax practitioners in Kuala Lumpur, Selangor, Negeri Sembilan, Johor and Pahang. Thus, one hundred twelve questionnaires were usable and used for data analysis. The survey found that tax practitioners emphasized more on the need to have a higher level of conceptual knowledge (<math>p &lt; 0.1</math>) rather than technical ability (<math>p &lt; 0.1</math>) when the fresh graduates work in tax practice. The respondents indicated that accounting graduates should have a strong understanding of basic principles and concepts of Malaysian taxation in order to develop their technical ability. However there is a significant difference between senior (<math>p &lt; 0.05</math>) and junior tax practitioners (<math>p &lt; 0.05</math>) on the level of conceptual knowledge and technical ability needed by accounting graduates. In respect to the relevant ICT skills that accounting graduates ought to acquire before joining any accounting and tax firms, the findings showed that the three most important ICT were spread-sheet software, word processing software and email. In addition, the senior tax practitioners perceived that knowledge of tax software packages as important. This study has provided insights to policy makers and tax educators to revamp the existing tax curriculum, and to introduce learning tax software in classes, and to place more emphasis in imparting conceptual knowledge rather than technical/computational skills.</p>
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55	Name of Candidate	Shahrul Ezan Hashim
	Master Title	Review into IRBM's field tax audit duration for sole proprietorship
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2009
	Abstract	<p>Inland Revenue Department (IRD) was incorporated in 1965 and it has been known as one of the main revenue collecting agencies under the Ministry of Finance. It was converted into a Board on March 1, 1996, and is now formally known as the Inland Revenue Board of Malaysia (IRBM). IRBM was established in accordance with the Inland Revenue Board of Malaysia Act 1995 to give it more autonomy especially in financial and personnel management; to improve the quality and effectiveness of tax administration. (<a href="http://www.hasil.org.my">www.hasil.org.my</a>).</p> <p>Key functions of IRBM are as follows:</p> <ul style="list-style-type: none"> <li>• To act as an agent of the Government and provider of services in administering, assessing, collecting and enforcing payment of income tax, petroleum income tax, real property gains tax, estate duty, stamp duties and such other taxes as may be agreed between the Government and the</li> </ul>



		<p>Board;</p> <ul style="list-style-type: none"> <li>• To advise the Government on matters relating to taxation and to liaise with the appropriate Ministries and statutory bodies on such matters;</li> <li>• To act as a collection agent for and on behalf of any body for the recovery of loans due for repayment to that body under any written law</li> </ul> <p>Since January 2007, the Inland Revenue Board Malaysia (IRBM) has adapted Tax Audit Framework. In the framework, tax auditors are required to complete the audit work within 3 months. But most of the audit cases completed was more than 3 months. This study was carried out to determine the audit duration taken by tax auditor in completing the audit work specifically for sole proprietorship. Furthermore this study also analysed the association between audit duration and total additional tax raise. In addition, the study investigated whether the audit coverage could influence audit duration. Audit coverage means the number of audit years covered in one audit case.</p> <p>Therefore this research tried to identify the actual audit duration and to quantify the association between total additional tax raise &amp; audit coverage with audit duration.</p>
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56	Name of Candidate	Abdul Razak A.Rahim
	Master Title	Value relevance of accounting numbers in the Malaysian official assessment system and self assessment system
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2010
	Abstract	<p>The widening gap during the 1990s between reported and chargeable income has been recently noticed. Economic organizations are experiencing fast revolutions due to market globalisation, financial liberalisation, and rapid advancement in technology, extreme market competition and the emergence of increasingly innovative products and distribution channels not excluding the taxation sectors. Thus, this study is determining the gap between monetary reporting income and chargeable income dissimilarity during the Official Assessment System (OAS) and Self-Assessment System. It is also to find out about the current tax expense and compare in which regime the current tax expense is higher. Next is to examine the value relevance of company chargeable income in' providing information on the quality of reported net income during the Official Assessment tax regime (1996-2000) and the Self-Assessment tax regime (2000-2007). It seems that the large breach between the monetary reporting income and chargeable income is actually the result from tax planning activities exist in both the tax regimes. Hence, the pre '2000 samples indicate high tax planning activities undertaken by the sample firms, and equally the same for firms in the new tax regime (post' 2000). A tax-based earnings quality indicator had been, used in this study, that is, the ratio of net chargeable income to reported income (NCI) in order to examine on the quality of corporate earnings. Empirical evidence had been proven that firms report higher financial reporting income to shareholders and lower chargeable income to tax authorities during the years 1996 to 2007. The significant and positive relationship between firms' net chargeable income or after-tax taxable income(NCI) and share price (MY) provided by the statistical results</p>

		indicate that the value relevance of chargeable income as earnings quality indicator and performance measure. For that reason, several reasons can be concluded from this study that first, tax planning activities contribute to a large gap between monetary reporting income and chargeable income in both tax regimes; and secondly, the value relevance of chargeable income existence during both regimes.
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57	Name of Candidate	Mazilena Tajuddin
	Master Title	Electronic tax filing system and UiTM academicians" survey evidence
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2010
	Abstract	<p>In year 2006, electronic filing (e-filing) service was first introduced in Malaysia for the individual taxpayers as an option to submit tax returns. In spite of its many benefits, the percentage of e-filers is not up to expectation (The IRBM, 2009). An influential contributor to high and repeated usage is good quality service; as good service quality increases the tax users' satisfaction with the e-filing system. This study aims (i) to use SERVQUAL model to examine e-filers' satisfaction of the e-filing services, (ii) to investigate reasons why taxpayers are resisting e-filing and (iii) to elicit ways to motivate e--filing usage. Data were collected via online survey. The questionnaire was sent to 7,168 academicians of a public university in Malaysia and the survey was conducted from 12th March 2010 to 19th March 2010. The respondents are taxable payers as they have either filed Form B or Form BE in year 2009. A total of 535 usable data (7.5% response rate) were received and analyzed. The respondents were mainly Malay females with the majority having 6 years or more internet experience and used the internet on a daily basis. About 83% of the respondents used e-filing to file their taxes in year 2009.</p> <p>The results of the multiple regression analysis show that the SERVQUAL model is applicable in Malaysian tax setting in measuring e-filing service quality. Notably e-filing service quality also significantly influenced e-filers' satisfaction. The SERVQUAL model can explain 48.5% variance of users' satisfaction of the e-filing system. The main reasons taxpayers were refraining from using e-filing are lack of trust in the e-filing system and its tax administrators (IRBM). No Personal Identification Number to perform e-filing is another reason for academicians not to use e-filing in 2009. E-filers hoped the range of services on the e-filing system to be increased, incentives given to early adopters and a more user friendly e-filing web site design. This study provides insights to the tax authorities on the importance of measuring e-filing service quality in Malaysia. The findings also revealed areas of weaknesses that need improvement and ways to motivate the usage of e-filing system.</p>

58	Name of Candidate	Suhani Anuar
	Master Title	Factors affecting taxpayers' acceptance of online tax payment system in Malaysia
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2009
	Abstract	<p>Government in various countries has invested billions of money in information system development in order to provide better delivery services to its citizens. However, it has been reported that citizens have not use the system for some reasons. Therefore, it is crucial to discover factors that influence the citizens' acceptance of the information systems provided by the Government. In Malaysia, one of the provided systems by the Government is online tax payment system. This system facilitates taxpayers to pay their taxes electronically via the tax authority website. Yet, the taxpayers are not using the system despite of its two year existence in the community. Thus, identifying factors contribute to taxpayers' acceptance to the said system is very important so that the present online tax payment system can be further enhanced. Accordingly, this enhancement will lead to the increase of the usage level of the said system. To date, none of the technology acceptance research has been conducted to evaluate taxpayers' acceptance of online tax payment system in Malaysia. Given the need to overcome this deficiency, this study is being conducted. The main objective of this study is to identify factors affecting taxpayers' acceptance of online tax payment system in Malaysia. An online survey has been conducted for a one month period that is from 28 January to 28 February 2009, to solicit taxpayers' perceptions on the system. Using TAM as the foundation of the study, additional constructs namely subjective norms, self-efficacy, perceived credibility and amount of information, have been incorporated in the research framework. The findings indicate that perceived usefulness, subjective norms and self-efficacy are found to be significant predictors of intention to use online tax payment system in Malaysia but no significant influence is found for perceived ease of use, perceived credibility and amount of information. Overall, this study offers important insights to the tax authority in improving and enriching their online services in general and online tax payment system, in particular.</p>

59	Name of Candidate	Zuliana Ahmad
	Master Title	Relationship between online service quality dimensions and individual taxpayers' satisfaction: a study of e-filing system in Malaysia
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2009
	Abstract	<p>In the last few years we have witnessed a substantial growth of internet-based services, both from pure internet businesses and from traditional companies that developing online services. One of key challenges of the internet as a service delivery channel is how they manage service quality, which holds a significant importance of customer satisfaction. The purpose of this research was to gain a better understanding of the online service quality dimensions that affect individual taxpayers' satisfaction in the e-filing system in Malaysia. Five online service quality dimensions from SST-QUAL model and E-S-QUAL model respectively were</p>

		<p>selected to examine the relationship between online service quality dimensions and individual taxpayers' satisfaction. The study was also used technology readiness dimension to investigate the moderating effect of its on the relationship between online service quality dimensions and individual taxpayers' satisfaction. The empirical data were gathered through online survey from 121 respondents by using a structured questionnaire. From five selected online service quality dimensions, functionality, privacy and ease of use were shown to have a strong impact on individual taxpayers' satisfaction. Subsequently, technology readiness was found to have a strong moderating effect on the relationship between online service quality dimensions and individual taxpayers' satisfaction in e-filing system. Finally, it was also found that technology readiness has a strong and significant relationship with individual taxpayers' satisfaction in e-filing system.</p>
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60	Name of Candidate	Nurul Erzawty Jamaludin
	Master Title	Tax evasion in service industry in Malaysia
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2013
	Abstract	<p>The goal of this research was to determine the factors of tax evasion from the Royal Malaysian Custom Department's (RMCD) perspective. There had been few studies conducted on the indirect taxation, especially the service tax evasion in Malaysia. In order to achieve the objectives, this study had identified several potential factors, that is a penalty, the level of the threshold, types of service provider, tax rates, the size of the company, audit firm size and risk of probability for detection. Data from the Royal Malaysia Custom Department of Wilayah Persekutuan Kuala Lumpur was used for the sample of this study. The sample data comprised of audit cases resolved by RMCD from 2009 until 2011. The sample consisted of 275 service provider companies that had underpaid the service tax collection. The univariate and multivariate analysis were used to test the hypotheses of this study. The study found that there was a significant difference between the actual and the declared values of the service tax paid by the service providers. Moreover, the statistical results provided the evidence that the level of the threshold and the service tax evasion had a significant positive relationship. In addition, the result supported the political cost theory which suggests that the smaller companies practice more service tax evasion rather than the larger companies. Also, the result provided the evidence that the companies using the non-Big 4 auditors tend to evade service tax more than the companies using Big 4 auditors. The study also revealed that companies which did not submit the service tax form or nil return form were more likely to evade tax. Hence, the findings of the study provided some strategic information to the government by revealing the significance of profile of tax evaders in the service tax industry in RMCD during the tax audit program.</p>

61	Name of Candidate	Fatimah Alwi
	Master Title	Malaysian tax professionals and electronic tax filing: survey evidence from members of Malaysian institute of taxation
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2007
	Abstract	Not available

62	Name of Candidate	Wan Ahmad Kamal Wan Jaafar
	Master Title	The effectiveness of tax agents employed by sole proprietorships: evidence from tax audit cases in IRBM Shah Alam
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2012
	Abstract	The purpose of this applied research is to measure the effectiveness of the tax agents being appointed by sole proprietorships. It should be highlighted that the main problem with sole proprietorship's taxation is the nature of the sole proprietorship's business itself, which leads to incomplete records henceforth susceptible to tax non-compliance. Sole proprietors would normally hire tax agents to assist them in overcoming this problem. The appointed tax agents would play a major role in ensuring sole proprietors comply with the tax laws and regulations, hence paying the correct amount of taxes. The issue with tax agents is whether they are effective enough in improving the level of tax compliance among sole proprietors. In this study, the effectiveness of tax agents employed by sole proprietorships was measured by the compliance level of their clients based on the findings from solved field audit cases at the Inland Revenue Board Malaysia (IRBM)" Shah Alam during the year 2011. This study compared the audit findings of cases employing tax agents with cases that do not employ any tax agents. In addition, this study also made an in-depth analysis between the audit findings of cases employing licensed tax agents and cases employing unlicensed tax agents to determine the most effective type of tax agents. The conclusion of this study found that cases employing tax agents resulted in higher total amount of additional taxes and penalties raised, higher average amount of additional taxes and penalties raised, and lower probability to be tax compliant. The appointed tax agents are not effective enough in ensuring tax compliance among sole proprietorships.

63	Name of Candidate	Noor Hisham Kamarodzaman
	Master Title	Procurement issues at in (sic) IRBM: a case study on IRBM in Cyberjaya
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2012
	Abstract	In Malaysia, public procurement is commonly known as the area that is widely prone to fraud and corruption. In order to reduce the possibility of fraud and corruption in public procurement, a good internal control system should be implemented. For that purpose, Ministry of Finance had come out with detailed procurement procedures through Treasury Instruction (TI), Treasury Circular Letters (TCL) and Procurement Guidelines. Inland Revenue Board Of Malaysia (IRBM) as one of the

		<p>prestigious statutory bodies under the purview of the Ministry Of Finance also bound to this procedures. The objectives of this paper are to determine the perceptions of procurement officers on the availability of guidelines pertaining to the public procurement at IRBM. The main reason i~ to highlight collusion (if any) among procurement officers and suppliers that could possibly lead into fraud or corruptions. The interview technique is used to provide a more in-depth exploration of the problem. The data from the interview session was stored in audio file and the data have been analysing according to the specific questionnaires. The aim of the study was to gather in-depth data from the officers about the procurement issues and problems in IRBM, does it really exists and what strategies can be developed to prevent it. The results revealed that collusion among IRBM's officers and suppliers exist but it's not the main problem to fraud and corruption. As overall perceptions, the majority respondents agreed that IRBM's procurement practices are properly managed. The paper provides some recommendations to enhance the current practices in order to promote more accountability, transparency and integrity pertaining to public procurement in IRBM.</p>
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64	Name of Candidate	Maisuri Mohd Razali
	Master Title	Management effectiveness and employee turnover: a case study on Sarapudin & Partners Tax Advisory Services
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2012
	Abstract	<p>The purpose of this applied research is primarily to help the management to formulate strategies and program to overcome turnover problem among Sarapudin &amp; Partners Tax Advisor staff as well as to ensure efficiency, effectiveness, high productivity and profitability in firm. Hence the research will try to identify whether management effectiveness significantly affect employee turnover and investigate why people leave their jobs at a consultancy firm such as at Sarapudin &amp; Partners Tax Advisor. Using data collected from firm staff turnover record and conducting interview to investigate whether the management effectiveness significantly affect employee turnover. This research found that, the main reason that employees chose to leave the firm was poor management. <b>In</b> order to reduce staff turnover, the researcher has come out with some recommendations that are applicable for the manager at Sarapudin &amp; Partners Tax Advisor to resolve their problem of employee turnover.</p>

65	Name of Candidate	Ahmad Syaiful Razli
	Master Title	Hallmarks of tax avoidance and tax evasion: a Malaysian perspective
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2012
	Abstract	<p>Tax is one important element in the Government of Malaysia's revenue. Each year, tax contributes to almost 80% of the Malaysian government's revenue. In order to have an efficient tax collection, the authorities need to ensure an acceptable level of tax compliance among the taxpayers. When discussing about tax compliance, noncompliance is an inevitable aspect. Compliance relates to the behaviour of taxpayers, structure of the legal system that comprises of tax elements, the economic situation of the</p>

		country and government policy on taxation. Taxpayers might put efforts to mitigate the risk or burden to pay taxes. Therefore, they might use legal and illegal ways to achieve their goal. Legal methods in reducing the amount of tax is called tax avoidance while tax evasion is illegal mean to avoid paying taxes.
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66	Name of Candidate	Muhammad Nasarudin Ismail
	Master Title	Tax compliance on the payment of tax by instalments: the case of IRBM Cheras Branch
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2012
	Abstract	<p>Tax is important for the development of a country. The citizens who entitle to pay tax must submit their tax return together with the payment of tax. However, due to several factors, the taxpayers do not able to pay their tax in lump sum payment. Therefore, IRBM comes out with the alternative to offer for payment by instalments to taxpayers. Unfortunately, taxpayers still fails to follow the schedule of instalments given by the IRBM. This paper will illustrate the possible factors that lead to non-compliance of tax payment by instalments. The main aim of this paper is to investigate whether the ethics or behaviour of the taxpayers and employers, or misunderstanding of tax and low enforcement influence the failure of compliance on tax payment.</p> <p>This study is based on secondary data from internal database of IRBM, involving individual income from business; namely sole-proprietors and partnerships in Klang Valley and employment income. The data collection stage on this study is divided into two related phases. Phase one involves on identifying the cases which have failure to comply the instruction of instalments. Phase two involves reviewing information needed for the research from the primary data which is the factors that leads them to the failure. This study hopes to establish a premise on why taxpayers do not comply with the instruction to pay their due tax by instalments. Finally, this paper will provide us the conclusion whether the ethic of tax payers, or the role of employers, misunderstanding of tax balance and low enforcement have positively associated with this failure.</p>

67	Name of Candidate	Ahmad Azamiruddin Zainal Abidin
	Master Title	The effectiveness of the corporate tax department in the IRBM in preventing reinvestment allowance manipulation
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2012
	Abstract	<p>The best way to understand Reinvestment Allowance (RA) is to build a solid foundation on the principles on RA. The emphasis in the research is to provide foundation by discussing the basic principles and practice of RA with reference on case law decisions and administrative practices. Therefore, the research contains chapters on the implementation of RA in Malaysia, the theoretical aspects of RA systems and conditions, the legal and practical aspects of RA as well as illustrations of the applications of the field audit principles. Tax law is best appreciated by studying leading cases and the manner in which the decision was reached. Therefore, relevant local case law decisions are discussed in this research.</p>

		<p>The aim of this study is (i) to examine the responsibilities and techniques used by the Corporate Tax Department (CTD) to avoid manipulation of Reinvestment Allowance claim; (ii) to identify the level of knowledge and experience required by the Inland Revenue Board of Malaysia's officers in the CTD in order to successfully deal with taxpayers on RA; and (iii) to identify and analyze the limitations or weaknesses of the Inland Revenue Board of Malaysia's rules and regulations in preventing the manipulation of RA claim.</p> <p>This study is based on primary and secondary data from the CTD as well as the relevant departments in the Inland Revenue Board of Malaysia (IRBM). The data cover all RA cases handled by the field audit officers of the CTD in the year 2012. Altogether there were 54 cases distributed by the Tax Compliance Department of the IRBM for the period to be reviewed. The study showed that the field audit officers of the CTD have expressed their responses through questionnaires, interviews and observations. The aim of this is to fulfil the requirements of the research objectives. The study also indicates that the Income Tax Act 1967 (ITA 1967) and the Public Ruling No. 6/2012 are compulsory for documentation to prepare the field audit.</p> <p>The study provides vital information to the field audit officers of the CTD to handle the RA cases carefully. As For the CTD and the IRBM, this empirical study might help them to review the RA policies as well as the guidelines in implementing the RA monitoring systems.</p>
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68	Name of Candidate	Ahmad Mu'az Mohd Khairuddin
	Master Title	Increasing voluntary compliance and efficiency of tax collection through the establishment of tax kiosks
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2012
	Abstract	<p>Tax compliance has always been at the heart of any tax administration all over the world. It is widely accepted that the goal of an efficient tax administration is to foster voluntary compliance using all possible methods. As tax administrators, the Inland Revenue Board of Malaysia aims to improve the tax administration and tax collection in our country. This is to ensure that there are sufficient funds for the economic and social development of our country. The Inland Revenue Board of Malaysia is highly committed on their concerted effort towards enhancing voluntary tax compliance. In addition, it enables The Inland Revenue Board of Malaysia to further expand its tax base without proportionate expansion to its workforce. The objective of this study is to focus on service in which establishment of automated tax kiosk as an innovative ways to promote greater voluntary compliance, reduce costs for taxpayers and also increasing of tax collection. This is because the electronic services enable tax administrations to deliver faster, cheaper and more tailored services. With the establishment of tax kiosk, taxpayer can check their tax status anytime and anywhere at their own preference time. This study was conducted based on convenience sampling technique. Questionnaire was carried out between 12 and 23 November 2007. A total number of 60 questionnaires were distributed to individual taxpayers</p>



		<p>selected at random in Selangor and Kuala Lumpur. The study shows that awareness of tax knowledge is poor amongst low income earners and this need to be improved through tax education. The findings suggest that tax kiosks can play an important role to increase voluntary compliance. The implementation of tax kiosks can be placed at shopping complex. The second most important and strategic place is at LRT station. LRT station is the place where taxpayers who are working people use public transport to go to work. These two places are the most visited places by potential taxpayers and current taxpayers from youngsters to working adults and to senior citizens. Most respondents prefer the tax kiosks operate 24 hours. Convenient operating hours would be a main factor to attract users of using tax kiosks. In addition, taxpayer can check their tax status anytime and anywhere at their own preference time. There are challenges in the implementation of tax kiosks faced by the IRB Malaysia. They perceive that the introduction of tax kiosks is costly considering the cost of installation of the tax kiosks by the Inland Revenue Board of Malaysia.</p>
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69	Name of Candidate	Noriyati Muzaid
	Master Title	Enhancing tax compliance: deterring tax evasion and improving efficiency
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2012
	Abstract	<p>Tax compliance has always been at the heart of any tax administration all over the world.</p> <p>It is widely accepted that the goal of an efficient tax administration is to foster voluntary compliance using all possible methods. The objective of this study is to recommend possible solutions to enhance tax compliance amongst individual taxpayers and subsequently the efficiency of desk audit auditors. In addition, this study also aim at reducing the administration cost for the tax authorities in ensuring tax compliance. The study used two cases as reference on common issues faced by the IRBM in dealing with individual taxpayers. The issues commonly faced include the problem on obtaining supporting documents from taxpayers during the audit, validity of the claims made on the reliefs and rebates and loss of efficiency from non value added activities in the audit process such as waiting time in obtaining supporting documents. Having identified the common issues associated with the tax compliance of individual taxpayers, this study suggests a few solutions to mitigate the risk of noncompliance on the part of the taxpayers and at the same time increase the efficiency and work process of the desk audit auditors. The recommendations are to reengineer the e-Filing process, amendment of some reliefs, having more stringent enforcement, focus on tax education and awareness programmes and simplification of the tax laws to minimise confusion and enhancing compliance. As a conclusion, this study believe that by observing various factors associated with tax compliance and examination on common cases faced during tax audit, possible solutions could be recommended to overcome the issue.</p>

70	Name of Candidate	Mohamad Azlie Johani
	Master Title	Transfer pricing: managing intra-group services for tax compliance in a postal operator company
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2012
	Abstract	<p>The introduction of the revised Transfer Pricing Guidelines 2012 (TP Guidelines 2012) reflects the government's intensity in addressing transfer pricing matters in Malaysia. The four areas which have become the IRBM's main focus are intra-group sales and purchases, intra-group services, financial assistance and payment for intangibles. The study is conducted in order to identify the inter-group services within <i>Pos Malaysia Bhd Group</i> that are subject to the transfer pricing regulations and to propose appropriate cost allocation basis for those inter-co services. This is important because effective transfer pricing planning can reduce tax risk exposure through proper analysis of intra-group services. The researcher has identified payment processing, staff recruitment, payroll, claims and benefit payment, and also cross selling are the intra-group services provided within PMB. Number of payment voucher issued, number of executives recruited, number of headcount and also proportion of revenue are the cost allocation bases proposed for each of intra-group services respectively. Once the intra-group services and their cost allocation bases have been identified, the company must ensure a proper transfer pricing documentation in place and review it on a regular basis as the documentation serves as a first line defense in the event of tax audit.</p>

71	Name of Candidate	Nur Jannah Mohaidin
	Master Title	The value relevance of corporate effective tax rates (ETRs)
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2012
	Abstract	<p>The convergence of the local accounting standards to the International Financial Reporting Standards (IFRS) is due to the globalization of the world's market and the need for comparable and high quality financial reports. The convergence of IFRS is reported to reduce the cost of processing information needed for investment purposes. Consequently the adoption of IFRS will increase the efficiency in the stock market. Hence, this study aims to investigate the gap between book income and taxable income (that is book-tax difference) during the implementation of -IFRS. Furthermore, the study aims to determine the value relevance of tax information which is proxied by corporate effective tax rates (ETRs) whether information of ETR will influence shareholders perception in making investment decision and how shareholders perceive tax planning during implementation of IFRS. The large gap between book income and taxable income arise as a result of tax planning activities which is reflected in firm's effective tax rates (ETRs). Higher ETR will indicate low tax planning activities undertaken by the sample firms and vice versa for firms with lower ETRs.</p> <p>Data was collected from 460 Malaysian Shariah-compliant companies</p>

		listed on the Main Market of Bursa Malaysia for the year 2006 to 2010. The statistical results provided evidence that there was a significant difference (gap), between book income and taxable income during the adoption of IFRS. The statistical results revealed that companies' ETR were negatively associated with the market value of common equity. Thus, the findings indicated that ETR provided relevant information for shareholder's investment decision.
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72	Name of Candidate	Mohd Harmizi Fariq Zakaria
	Master Title	The effectiveness of capital statement analysis in detecting tax evasion among individuals in Malaysia: a study of selected cases in IRBM Shah Alam investigation branch
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2012
	Abstract	The purpose of this applied research is mainly to examine the effectiveness of capital statement analysis as a method of proof in order to ascertain the underreported income. The process of reconstruction the capital statement analysis is lengthy and caused delay in settlement of the tax investigation cases. As a result, create loopholes in tax enforcement. As a tax authority in Malaysia, IRBM should identify any weaknesses that contribute in deferment of tax investigation cases. Nowadays, the tax evasion evolves in various means. Therefore, IRBM needs to move forward and improves the effectiveness of capital statement analysis in detecting tax evasion. This applied research focused on five tax investigation cases. The detailed investigation and in-depth study will be presented on the application and conceptual of reconstruction the capital statement analysis. By understanding the whole process of reconstruction of capital statement analysis, it could help in implement more effective and efficient capital statement analysis. Overall, the study is very significant to IRBM as a tax administrator in monitoring tax evasion issues. Furthermore, IRBM can enhance the existing strategies in combating tax evasion among individuals. The conclusions of this study shows that the capital statement analysis is an effective tool in detecting underreported of income and tax evasion. The findings suggest that the data gathering technique should be improve in order to minimise the period of settlement.

73	Name of Candidate	Mohd Hezli Md Tahir
	Master Title	How the IRBM resolves cases of tax evasion involving international transfer pricing
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2012
	Abstract	Prior studies in international transfer pricing (TP) mainly focused on industrialized developed countries such as the US, UK, Canada and Japan. Although some studies have dealt with developing countries such as Thailand and India, empirical tax research with a focus on Malaysia is only just beginning. This is somewhat disappointing for several reasons. Firstly, Malaysia is the number 21 country in the Global Most Competitive Index 2011-2012 world ranking and number 4 in Asian after Singapore, Hong Kong and Taiwan. Second, in 2011 there were 846 projects approved with the investment amounting to RM56.1 billion

		<p>through Foreign Direct Investment (FDI) in Malaysia. Third, Malaysia is a developing country and its business environment is distinctly different from other developed countries, with its tax authorities "encountering unique difficulties in auditing multinational enterprise' (MNEs') transfer pricing practice. As result to that it is important to have better understanding regarding the transfer pricing in Malaysia.</p> <p>The aims of this study is to (i) examine the period taken for each TP case to be resolved 1)y the IRBM; (ii) find out what is the TP method most used in resolving the TP case; (iii) analyse whether all the TP cases resolved were supported with TP documentation; (iv) determine which tax agent represent the tax payer while dealing with the IRBM; and (v) analyse how much is the post TP audit tax adjustment raised by IRBM upon resolved the TP case. This study used secondary data from Multinational Tax Department of IRBM where the data cover all transfer pricing cases resolved in the year 2009 to 2011. Altogether there were 39 cases resolved for the period under review. The study showed that the majority of the cases were resolved between 13 to 36 months and the TNMM was the most popular method in resolving the TP case. The study also indicates that, TP documentation even though was not compulsory prior the issuance of Income Tax (Transfer Pricing) Rules 2012, but most tax payers had prepared the documentation during the IRBM field audit. In addition, the findings discovered that, the big four accounting/audit firms were sought by the tax payers in most cases to dealt with the IRBM. The study also reveals that the majority of TP audit conducted by IRBM will be end up with TP additional taxes post audit adjustment. The study provides vital information to IRBM to speed up the rules briefing to all the tax payers in order for them to revise their TP policy and follow the new rules.</p>
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74	Name of Candidate	Ibrahim Md Noh
	Master Title	Fraud management components in Royal Malaysian Customs and its deterrent impact on indirect tax collected from approved permit holders.
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2009
	Abstract	<p>This study can be divided into two categories, survey and project studies. The survey is concerns the Fraud Management Components (hereafter called FMC) in Royal Malaysian Customs (RMC). The eight stages of FMC are Prevention, Detection, Mitigation, Analysis, Policy, Investigation, Prosecution, and Deterrence is label as dependent variables. Effective fraud management requires a balance in competing and complementary actions within the FMC. The study examines the customs senior officers' understanding on FMC interaction in their workplace. It also diagnoses which component is significantly weak and it required to be balanced. The project study is concerns the tax evasion in cars industry is selected in order to understand the deterrence impact on whether the regulated policies is the only way to force tax payers to discharge their duties without giving them education and motivation. The study issue is the tax evasion of RM 257,112,000 indirect tax in imported cars industry from fraudulent declaration of custom one form by the permit holders (AP holders) at the point of importation. In the project study the population comprises of 120 AP holders whereas in the survey, respondents are taken from 40 participants nationwide who attended a seminar that was</p>

		<p>organized by RMC headquarters. The selection is based on excellent performance and seniority in the field of investigation and prosecution. The findings of the survey from One-Way ANOVA statistical analysis concludes, there is significant relationship between existence and both analysis and policy. The findings reveal that senior customs officers' understanding on FMC is at 76.97%. The research also found that only the investigation component was not inter-connected with other FMC in RMC information technology. The researcher has come up with "reengineering strategies" as a holistic approach to management of the RMC, such as to setting up Delta Force as well as RAT system to rebalance the missing interactions of FMC.</p>
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75	Name of Candidate	Asmaliah Saringat
	Master Title	Determinants of Malaysian investor behaviour towards shariah-compliant institutions: empirical evidence
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2012
	Abstract	<p>Islamic common law or Shariah is derived from three sources: the Quran, the Hadith and the Sunnah. Shariah-compliant securities are securities (ordinary shares, warrants and transferable subscription rights) of a Bursa Malaysia-listed company which have been classified as Shariah permissible for investment, based on the company's compliance with Shariah principles in terms of its primary business and investment activities.</p> <p>Companies seeking to engage in business with Muslim consumers need to know these underlying beliefs that drive the Muslim consumers' behavior. Multinational corporations should be multicultural as well and not simply impose their own culture; they need to adapt their operations to make their Muslim customers, employees, and suppliers comfortable with their practices (Pomeranz, 2004). These companies can constructively use the power of religion through accommodating and harnessing Muslim values more effectively when conducting their businesses in the Muslim marketplace (Rice, 1999).</p> <p>The purpose of this study is to examine the factors that could influence the behavior of Malaysian investor, namely religious motivation and knowledge. The questionnaire distributed to the investors (respondents) from Selangor origin. In the study, 200 questionnaires were distributed and only 139 questionnaires were analyzed to examine whether the factors of religious motivation and knowledge influence the behaviour of the investors in investment decision. The result suggests that; religious motivation and knowledge are highly correlated with the behavior of investor, which is measured in this study by level of practice. Implications of the study also discussed.</p>

76	Name of Candidate	Nuraisyah Yusof @Ghani
	Master Title	Financial indicators and earnings management of shariah-complaint companies in Malaysia
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2011
	Abstract	In recent years, investors are switching their interest to invest in Shariah compliant companies. They are believed to have high ethical value, as the operations of the company are to be of highly adherent to Islamic values. However, the extent of whether these Shariah-compliant companies may involve in earnings management remains unclear. Therefore, this study examines the effectiveness financial indicators (leverage, profitability, asset composition liquidity and Zscore) on discretionary accruals in <i>Shariah</i> -compliant companies in Malaysia. 492 firm years of <i>Shariah</i> -compliant companies from 7 different industries were selected using random selection sampling method. The period covered from 2007 up until 2010. The data was drawn from Bursa Malaysia website and also from Thomson Datastream. It is in the form of annual report and financial data. The data have been processed using Statistical Package for Social Science (SPSS) software. The study indicates that there were significant relationship between leverage, profitability, liquidity and risk of financial distress with discretionary accruals, which is the proxy of earnings management. Hence the empirical study suggested that leverage, profitability, liquidity and risk of financial distress (Zscore) could be used in detecting earnings management in <i>Shariah</i> -compliant companies in Malaysia. The finding of the current study might help <i>Shariah</i> Advisory Council, Security Commission and other authority agencies in Malaysia in order to overcome or reduce the problem related to earnings management.

77	Name of Candidate	Siti Hirdayu Mohd Radzi
	Master Title	Tax reporting for non-profit organisation in Malaysia
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2012
	Abstract	This study attempted to examine tax reporting of non-profit organisations (NPOs) registered with the Registrar of Societies (ROS) in Malaysia. The objective was to examine the financial characteristics between taxable and non-taxable NPOs. The financial characteristics examined were donation received, interest income, rental income, membership fees, donation expenses, professional fees, appointment of auditor and accumulated funds. To achieve this objective, this study used sample data from the financial statements of NPOs from 2009 to 2010. The sample comprised of data from 216 firm-years involving three categories of NPOs which are charitable institutions, club and societies and trade associations. The hypotheses were tested using both univariate and multivariate statistical methods. Overall, this study indicated that there were significant differences between taxable and non-taxable NPOs where four out of eight financial characteristics show the differences. This study provided evidence that donation received by NPOs had a negative relationship with tax paid by them. Further, the results demonstrated that tax paid by NPOs had a positive relationship with interest income, rental income,

		membership fees, professional fees, donation expenses and appointment of auditor. In addition, this study also discovered that NPOs with large amount of accumulated funds paid lower tax. The finding of this paper may contribute towards the body of literature in the discussed area and also provide strategic information to the Inland Revenue Board of Malaysia (IRBM) by revealing the significance of certain financial characteristics that could be utilised particularly by IRBM during tax audits.
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78	Name of Candidate	DG Siti Aisyah AG Bakar
	Master Title	Effective tax rates and corporate attributes
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2012
	Abstract	The purpose of this study is to examine the relationship between corporate effective tax rates (ETR) and corporate attributes of public listed companies in Malaysia for the years 2006 to 2010. This study examines the level of corporate ETR and the divergence of corporate ETR from the statutory tax rate. Besides that, this study also examines the relationship between effective tax rates and corporate attributes of ETR. There are six attributes used in this study which include audit fees, size of company, return on assets, leverage, capital intensity and deferred tax. However, this study provides specific focus on the new variable in the corporate tax planning i.e. the influence of auditors in corporate ETRs. The statistical results provide the following evidences: the corporate ETR vary between companies within the sectors; corporate ETR diverges significantly from statutory tax rates; ETR is positively associated with audit fees; ETR is negatively associated with return on assets; ETR is negatively associated with capital intensity; and finally ETR is positively associated with corporate deferred taxation. Hence, the current study provides additional evidence on corporate attributes and its tax payments.

79	Name of Candidate	Wan Masnita Zaharah Wan Mohd
	Master Title	The impact of tax competition: comparative analysis on emerging countries – Malaysia, Singapore and Thailand
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2012
	Abstract	This study attempts to examine corporate effective tax rates (ETR) of public listed companies in Bursa Malaysia, Singapore Stock Exchange and Thailand Stock Exchange. The objective is to examine tax competition between Malaysia, Singapore and Thailand. In order to meet with the objectives of the study, a set of data were referred from 513 companies in Malaysia, 191 in Singapore and 403 in Thailand for the years 2006 to 2010. This study found that corporate ETR are below the statutory tax rate (STR) in Malaysia and Thailand but higher in Singapore. This means that companies in Singapore do not carry out tax planning activities. Moreover, this study observed that ETR in Thailand is lower than ETR in Malaysia. A likely explanation is that tax planning activities is more aggressive in Thailand as compared to Malaysia. In addition, an examination of the determinants of corporate ETR in these three countries, the results support political power theory; suggesting that

		larger companies endure lower ETR. Also, companies in Malaysia with greater investment in fixed assets face lower ETR. Further, the results indicate that companies from construction and materials industries face higher ETR in Malaysia. Unlike in Singapore and Thailand, companies from software and computer services industries face higher ETR. Overall, this study explains the impacts of tax incentives to corporate ETR and determinants of corporate ETR in emerging countries which are Malaysia, Singapore and Thailand.
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80	Name of Candidate	Misman Miskam
	Master Title	Determinants influencing Excise Duty evasion
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2013
	Abstract	This study attempted <b>to</b> examine the tax evasion in excise duty for importation of vehicles that was associated with smuggling activities in Malaysia. The objectives were to examine the extensiveness of excise duty evasion and to investigate the determinants that influenced excise duty evasion. These were the potential determinants that were examined: tax rate, penalty, brand of car and size of company. To achieve the objectives, this study used a sample data from special audit reports by the Royal Malaysian Customs Department (RMCD), in the state of Selangor. The sample comprised data of 106 completed cases which involved excise duty evasion for importation of passenger cars into Malaysia. The hypotheses were tested using both univariate and multivariate statistical methods. Overall, this study indicated that there was a significant difference between the declared and the actual excise duty values. Additionally, this study provided evidence that there was a positive relationship between tax rates and excise duty evasion. Other than that, this study revealed that amounts of penalty did influence to excise duty evasion. The higher amounts of penalty would tend to reduce the excise duty evasion. The findings of this paper may contribute towards the body of literature in the discussed area and would also provide strategic information to the government by revealing the significance of certain indicators that RMCD in particular, could use during routine audit and investigation.

81	Name of Candidate	Siti Nor Adawiah Hussin
	Master Title	The dual role of auditor-provided tax services in SMEs tax planning
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2012
	Abstract	The aim of this study is to examine the role of auditor-provided tax services (ATS) in Small Medium Enterprise's (SMEs) tax planning. Tax planning is whereby companies do the legal activities by managing income or expenses for the purposes of wanting to reduce their tax liability. In order to meet the objectives, a sample data of 319 SMEs for years 2000 to 2010 were observed. The data collection process involved an examination of SMEs' audit and tax information. As a result, this study provides evidence that auditor-provided tax services influenced the SMEs' level of effective tax rate (ETR). Also, other companies' characteristics such as size, leverage, capital intensity and profitability influenced the level of tax payments by the SMEs. Hence, the output of this study will



		provide an input to the policymakers to further review the dual role of auditors in providing audit and tax services for the same company.
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82	Name of Candidate	Nurul Ariyah Abdullah
	Master Title	The relationships among <i>zakat</i> Payers' perceptions of Service quality, satisfaction and Intentions to Revisit and recommend the <i>zakat</i> Institutions
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2013
	Abstract	<p>Previous research revealed the frustration of <i>zakat</i> payers with regards to the management of <i>zakat</i> funds by <i>zakat</i> institutions. Thus, this study was carried out to measure the level of service quality delivered by <i>zakat</i> institutions to <i>zakat</i> payers. This study also aimed to determine the relationships among <i>zakat</i> payers' perceptions of service quality, satisfaction and behavior intentions. With regard to behavior intentions, this study measured them in terms of intention to revisit the <i>zakat</i> institutions and intention to recommend them to family and friends. The data collections were carried out in four <i>zakat</i> institutions which represented each region of Malaysia. Self-administered questionnaires were distributed to <i>zakat</i> payers who paid <i>zakat</i> at the <i>zakat</i> payment counters of the <i>zakat</i> institutions that were involved. This study came out with several important findings. First, the results of the factor analysis identified the tangible and intangible qualities recognized by <i>zakat</i> payers as important service quality dimensions of <i>zakat</i> institutions. Second, this study confirmed the positive relationship between <i>zakat</i> payers' perceptions of service quality and their satisfaction. Third, the positive relationship between <i>zakat</i> payers' perceptions of service quality and their behavior intentions i.e. revisit intention and intention to recommend the <i>zakat</i> institutions to family and friends was confirmed. Last, this study established the positive relationship between <i>zakat</i> payers' satisfaction and their behavior intentions i.e. revisit intention and intention to recommend the <i>zakat</i> institutions to family and friends. Outcomes of the current study give some directions to the management of <i>zakat</i> institutions in developing strategies that could heighten the level of satisfaction and assure encouraging behavior intentions of <i>zakat</i> payers. In this regard, the management team of <i>zakat</i> institutions should focus on the important predictors of <i>zakat</i> payers' satisfaction and behavior intentions i.e. revisit intention and intention to recommend the <i>zakat</i> institutions to family and friends.</p>

83	Name of Candidate	Jafni Hashim
	Master Title	Tax-induced earnings management: a study on public listed companies in Malaysia
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2008
	Abstract	<p>Prior literature provides empirical evidence that tax factors in the form of changes in tax rates, different tax rates between countries and tax incentives such as tax holiday induce companies to engage in earnings management in order to minimize tax liabilities. This study extends prior literature by addresses the question of whether Malaysia public listed companies manage their earnings in response to tax. The context of this</p>

		<p>study is the tax waiver year of 1999 that waives corporate tax in year 1999. If companies are to minimize tax liabilities, then tax waiver year of 1999 may provide a substantial incentive for them to manage earnings in the year. This study employed the Modified Jones Model (Dechow et.al, 1995) that has been adjusted as per Lopez et.al (1998), 'Lin (2006) and Ismail and Weetman (2008) in order to obtain .the discretionary current accruals which represent the earnings management. The present study hypothesised that there is significant positive discretionary current accrual (income increasing earnings management) in the tax waiver year of 1999. The descriptive results show that the discretionary current accrual in year 1999 is negative. Furthermore, the multivariate results also indicates that there is a significant negative association between earnings management and the effect of tax waiver year 1999. Hence these results provide the empirical evidence that the public listed companies in Malaysia tend to manage their earning~ of year 1999 lower in response to tax waiver year of 1999. Hence the hypothesis in this study is not supported and therefore rejected. These results imply that the magnitude of discretionary current accrual is not related to the tax waiver year in a way that it is inconsistent with tax-motivated income shifting behavior. The possible explanation could be because of the non-tax factors that induce public listed companies in Malaysia to engage in income decreasing earnings management activities during year 1999. One such factor is the economic condition in year 1999 that was badly affected by the impact of the financial crisis in year 1997 and 1998 (Johl et.a!, 2007; Kalman et.al, 2008).</p>
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84	Name of Candidate	Mazrayahaney Zainal Arifin
	Master Title	Tax compliance complexities facing SMEs: Survey evidence from corporate clients of a tax firm
	Place of Study	Accountancy, Universiti Teknologi MARA
	Year of completion	2008
	Abstract	<p>In the era of Self-Assessment System (SAS), corporate taxpayers, in particular, the Small Medium Enterprises (SMEs) face much difficulty in coping with this new tax system. At the time of study, little is known about the complexities faced by SMEs in tax compliance. Hence, this study aims (i) to find out tax compliance complexities faced by the SMEs and (ii) to explore the SMEs' experience in tax field audit. A survey was used to collect data. The target respondents were corporate clients of a tax firm. Companies with a paid-up share capital not exceeding 2.5 millions were sampled. In the month of August 2008, 200 questionnaires were posted and a total of 127 usable responses were received. The effective response rate was 63.5%. This study uncovered that not all SMEs have fully computerised their" accounting system. Most SMEs have difficulties in estimating tax payable, remembering tax deadlines, understanding taxation laws and complying with them. The issuances of Public Rulings are not helping SMEs to better understand the taxation laws. The respondents indicated that the IRBM delayed in the tax refund process and was slow in responding to tax correspondence. The SMEs also suffered additional compliance costs in terms of time spent and tax agent's fees. The survey found that those SMEs that were selected for tax audit in the last 5 years did not face much difficulty in dealing with tax audit. It is found that there is a significant difference between those who had been in</p>

		business for 10 years and less and those who had been in business for more than 10 years for the statements "there are too many deadlines to be remembered" and "the public rulings are not helping to understand the tax laws better". There is also a significant difference between those between those with turnover of RM500,000 or less and those with turnover of more than RM500,000 for the statement "the public rulings are not helping to understand the tax laws better". Overall, this study provides important insights into the operations of IRBM in terms of simplifying tax system, reducing the issuance of Public Rulings and to paying sufficient attention to understand the needs of SMEs. Future research can be conducted to study all SMEs in Malaysia to gain a bigger and clearer picture.
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85	Name of Candidate	Ranjeet Kaur
	Master Title	Acceptance of Online Tax payment by taxpayers in Bandar Baru Bangi
	Place of Study	UKM
	Year of completion	2012
	Abstract	Not available

86	Name of Candidate	Ang Leng Soon
	Master Title	Promoting green technologies through green tax incentives
	Place of Study	UKM
	Year of completion	2012
	Abstract	Not available

87	Name of Candidate	Linah Idris
	Master Title	Factors affecting non-compliance behaviour among construction companies in Klang Valley
	Place of Study	UKM
	Year of completion	2012
	Abstract	Not available

88	Name of Candidate	Muhammad Najib Samad
	Master Title	Does higher tax knowledge leads to tax evasion among corporate taxpayers in Klang Valley: Perceptions of tax auditors.
	Place of Study	UKM
	Year of completion	2012
	Abstract	Not available

89	Name of Candidate	Vijay Nagalingham
	Master Title	Tax audit and non-compliance amongst corporate taxpayers in Klang Valley
	Place of Study	UKM
	Year of completion	2012
	Abstract	Not available

## ABSTRACTS OF DOCTORAL THESES

<b>1</b>	<b>Name of Candidate</b>	<b>Natrah Saad</b>
	PhD Title	Fairness perceptions and compliance behavior: Taxpayers' judgments in self-assessment environments
	Place of Study	University of Canterbury, New Zealand
	Year of Completion	2011
	Abstract	<p>This cross cultural study compares the fairness perceptions of New Zealand and Malaysian individual taxpayers of their respective income e-tax systems, and investigates the e-tax consequences of those perceptions, together with other important variables, on the compliance behavior. A theoretical framework was developed based on Equity Theory and the Theory of Planned Behaviour. The study's hypotheses were testing using the responses to questionnaire surveys (which included two scenarios) and in-depth telephone interviews, which were conducted sequentially in both countries. Partial Least Squares and thematic analysis were used to analyse the surveys and interviews data, respectively.</p> <p>The results suggest that Malaysian taxpayers have significantly better perceptions of fairness of their income tax systems than their New Zealand counterparts, yet New Zealand taxpayers are more compliant. The most consistently important factor in explaining taxpayers' compliance behavior across the two countries is their attitudes towards compliance, followed by subjective norms. Fairness perceptions, which are tightly influenced by their tax knowledge and perceived complexity of the tax system, are also influential, particularly in the undertaking other incomes scenario. This cross-cultural study demonstrates that regardless of the differences between the two countries under study (in relation to convenience, cultures and ethnicities), taxpayers generally respond in quite similar ways, when it comes to meeting their tax obligations.</p>

<b>2</b>	<b>Name of Candidate</b>	<b>Noraza Mat Udin</b>
	PhD Title	Salaried and waged taxpayers' internal states and assessment system in Malaysia
	Place of Study	Universiti Utara Malaysia
	Year of Completion	2012
	Abstract	<p>The change of taxpayers' responsibilities as a result of the introduction of the Self-Assessment System (SAS) has triggered debates on whether taxpayers are able to perform the required tasks under the new system. SAS demands taxpayers to perform the primary tasks that were previously handled by the tax authority, which emphasise on completing tax returns accurately, including computing the correct tax liabilities. Therefore, the successful implementation of SAS would rely heavily on the performance of the taxpayers in carrying out their responsibilities. However, submitting error-free tax returns is not an easy task, especially for an average taxpayer. It is believed that taxpayers must achieve and possess certain states intrinsically developed to perform their responsibilities successfully. Due to the change in the tax assessment system, the tax authority is currently carrying out new functions, which include providing assistance to taxpayers to assist the latter in performing their new responsibilities. This study reports the results of a study of the relationships between a taxpayer's internal states as well as taxpayer assistance and assessment performance and simultaneously considered the moderating influence of taxpayer assistance. The data is collected using a quasi-experimental design known as posttest-only no-treatment control group design. The sample comprises of post-graduate students, who are also actual taxpayers. Among the elements of the taxpayer's internal states considered in this study, tax knowledge is found to have significant relationship with assessment performance. The findings also show positive relationships between each tax knowledge dimension and assessment performance. However, taxpayer assistance does not have moderating effect on the relationships of taxpayer's internal states and assessment performance. The findings of this study have contributed to the body of knowledge because there is a general dearth of published research, particularly in Malaysia that investigates such relationships.</p>

<b>3.</b>	<b>Name</b>	<b>Kamil Md. Idris</b>
	PhD Title	The Behaviour of Non-compliant Salary Zakat among Federal Civil Servants in Kedah <i>Gelagat kepatuhan zakat pendapatan gaji di kalangan kakitangan awam persekutuan Negeri Kedah</i>
	Place of Study	Universiti Utara Malaysia
	Year of completion	2002
	Abstract	<p>Compliance level of zakat on employment income is very low, although such income has long been fatwa (religious ruling) and gazetted as obligatory by many states in Peninsular Malaysia. However, there is no study done on the compliance behaviour of zakat on employment income. Thus, this study attempts to investigate factors that influence the compliance behaviour. The first objective of this study is to identify dimensions in attitude towards zakat on employment income. Besides influencing the compliance behaviour, attitude is believed to be a complex construct and therefore, it needs to be further analysed. The second objective is to develop a compliance behaviour model of zakat on employment income. This is to gain understanding as to how the variables involved influence the compliance behaviour. Various variables from several disciplines are believed to have significant influence on compliance behaviour. The survey and questionnaire methods were used for collecting data. Principal component and multivariate logistic regression analyses were applied to data collected from 353 respondents, who were selected through systematic sampling. Principal component analysis shows that attitude towards zakat on employment income can be decomposed into five smaller components. Each component, together with other variables, was tested in the compliance behaviour model. Results from the logistic regression analysis show that seven variables are positively associated with the compliance behaviour. These variables are zakat laws; service quality; promotional exposure; three components of attitude; and knowledge. One variable, i.e., religiosity index, is found to be associated negatively. The above findings imply that zakat laws should be strengthened. Further, Baitulmal should try to improve the perception of the ummah concerning its service quality, and revamp its zakat promotion strategies. Since, attitude, religiosity, and knowledge on zakat are also important factors in the compliance behaviour, they need to be improved in order to increase the level of compliance.</p> <p>Except for religiosity, the results show that the more positive the variables, the higher is the potential of zakat compliance. The negative result from the religiosity index suggests that many respondents still prefer to pay zakat unofficially, being under the influence of certain individuals who disagree with the fatwa of zakat on employment income. Attitude towards zakat on employment income was indeed a complex variable, which should be first decomposed, in order to conduct further study on it. By doing so, the goodness of fit of the zakat compliance model was improved and a more informative model was obtained.</p>

<b>4.</b>	<b>Name</b>	<b>Zainol Bidin</b>
	PhD Title	Factors influencing <i>compliance behavior</i> of zakat on employment income
	Place of Study	Universiti Utara Malaysia
	Year of Completion	2008
	Abstract	<p>The level of zakat collection fund on employment income in Malaysia is still unsatisfactory although zakat collection on income has been stipulated in the fatwa (religious ruling) and gazetted by most states in Malaysia. This phenomenon may be due to low rate of zakat compliance behavior among Muslim employees. As suggested in the theory of planned behavior, the low rate of zakat compliance behavior is due to the low rate of zakat compliance intention. Behavioral intention provides the most accurate prediction of actual behavior. Until now, zakat compliance intention behavior on employment income is rarely found in the literature. Thus, this study is the first attempt to investigate the determinant factors that could influence zakat compliance intention behavior on employment income specifically in Kedah and in Malaysia generally. This study used the theory of planned behavior as the underlying theory in determining zakat compliance behavioral intention on employment income. Several factors, which relate to sociology, psychology, economics, marketing, quality, and religion were incorporated in the theory. This study used decomposition of original variables in the theory of planned behavior. The decomposition approach was used because constructs of attitudes, subjective norms, and perceived behavioral controls are complex in nature. Therefore, it is apt that the first objective of this study was to identify the basic dimensions in attitudes, subjective norms, and perceived behavioral control variables. Data for the study were collected via a survey and questionnaires. Exploratory factor analysis, confirmatory factor analysis, and structural equation modeling methods were applied on the data collected from 250 respondents selected via cluster sampling. Principal component analysis indicated that each construct can be decomposed into one to six smaller components. Confirmatory factor analysis for the purpose of establishing unidimensionality, reliability, and validity found that several components are dropped. By using decomposing approaches, the goodness of fit model is improved and becomes more informative. The results of this study indicated that several factors relate to zakat compliance behavioral intention. This includes general attitude, unconditional attitude, intimate referent group, spouse referent group, enforcement, organized religiosity behavior, stringent law, assurance and empathy of service quality, trustworthiness of corporate credibility, self-efficacy, and knowledge. Theoretical and practical implications of these findings are also discussed.</p>

<b>5.</b>	<b>Name</b>	<b>Muzainah Mansor</b>
	PhD Title	Application of a Framework for Tax Administration Performance Management in Developing Countries: A Case Study in Malaysia
	Place of Study	University of New South Wales
	Year of Completion	2011
	Abstract	<p>A tax administration can be viewed as an open system that transforms inputs into outputs within the environment (internal and external) in which it operates. Open system theory is the basis of the input-process-output-outcome model of performance management. This study explores a way to improve tax administration performance management in developing countries. Consequently, a conceptual framework for tax administration performance management is developed. The framework integrates performance management at the strategic, operational and individual levels in an open system view of a tax administration. The distinct feature of the framework is that it highlights the critical process of transforming inputs into outputs/outcomes in a tax administration by diagnosing the interrelation of the components in the process, i.e. formal organisation, informal organisation, task and people.</p> <p>These components contain both institutional and behavioural factors which have significant effect on tax administration performance and should be carefully managed through an integrated and open system approach to performance management. An accompanying set of guidelines on how to apply the framework is also developed to assist the application of the new approach to tax administration performance management.</p> <p>Fieldwork was undertaken to test the applicability of the framework and the guidelines for tax administrations in developing countries. A case study based on a state office of the Royal Malaysian Customs was undertaken, utilizing both qualitative and quantitative data collection methods. The case study shows that the framework and the guidelines enable better management of tax administration performance by providing valuable feedback on the present state of a tax administration, identifying possible reasons for underperformance and highlighting ways in which a tax administration can improve its performance. The theoretical implications of this study are also highlighted, which include its contribution in providing a conceptual framework for tax administration performance management, and its potential application to tax administrations in other developing countries. Finally, practical implications of this study for the Royal Malaysian Customs are provided. These include the need for the department to improve its strategic planning process, organizational culture, tasks and people to enhance its performance management and ultimately its tax administration performance.</p>



<b>6</b>	<b>Name</b>	<b>Ram Al-Jaffri</b>
	PhD Title	Compliance Behavior of Business Zakat in Kedah <i>Gelagat Kepatuhan Zakat Perniagaan di Negeri Kedah</i>
	Place of Study	Universiti Utara Malaysia
	Year of Completion	2010
	Abstract	<p>Collection of zakat on business throughout the country is very disappointing, although all states have regulations which obligate zakat payment through zakat institution. Previous zakat reports and researches have shown that the main factor that contributes to this problem was a low level of compliance behaviour of zakat on business among business owners. Prior literatures in zakat have less to clarify this phenomenon. This condition adversely affects the zakat collection since the potential of zakat on business in increasing the zakat collection in the future is enormous. Thus, this study attempts to investigate the factors that influence compliance behaviour on business zakat. By using the theory of planned behaviour, this study identifies whether the basics of the theory such as attitudes, subjective norms and perceived behavioural controls could explain intention and compliance behaviour in business zakat environment. The decomposition approach and higher-order conceptualization as well as moderation construct tests were employed in this study. These approaches were adapted to develop a compliance model that is parsimonious and to understand the intention and compliance behaviour in clearer manner. The survey and questionnaire methods were used for collecting data. Exploratory factor analysis, confirmatory factor analysis, and structural equation modelling were applied on the data collected from 227 respondents, who were selected through simple random sampling. Exploratory factor analysis result showed that several dimensions emerged in the attitudes, subjective norms, and perceived behavioural controls. These basics dimensions were further tested in the confirmatory factor analysis for the purpose of establishing reliability, uni-dimensionality, and validity of the construct. Result from the structural model showed that second order construct of perceived behavioural controls which represented by self-efficacy, tax rebate, zakat payment facility and businessmen perception towards zakat were found to have significant positive relationship with the intention to comply. Second order attitudes construct which consist of agreed and rejected dimensions were found to have a direct significant correlation towards compliance behaviour. Meanwhile, moderation construct of cash flow was found to have significant influence on the relationship between attitude and subjective norm with intention, while optional religious worship significantly influenced the relationship between subjective norm and intention. Further, intention and perceived behavioural control influence compliance behaviour positively and significantly. The above findings have several implications towards theory, measurement and policy. In general, the finding of the study is consistent with the theory of planned behaviour as well as prior researches either in zakat area or other fields. This finding strengthens the assumption that the theory of planned behaviour is appropriate for the study in understanding the compliance behaviour in zakat on business environment, which is considered unique because laws are exist, but its enforcement is not implemented seriously.</p>

		Decomposition approach, typical conceptualization and the influence of moderation construct have made the model of zakat on business compliance behaviour having better goodness-of-fit and more parsimonious. For the zakat authority, the findings of this study shall provide a good foundation to form new strategy and effort to attract more businessmen to pay business zakat in the future.
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<b>7.</b>	<b>Name</b>	<b>Chek Derashid</b>
	PhD Title	The corporate effective tax rates, industrial policy hypothesis and earnings management : evidence from Malaysia
	Place of Study	University of Leeds
	Year of Completion	2005
	Abstract	<p>This thesis investigates the behavior of the Malaysian corporate effective tax rates (ETR) in two dimensions. First, the effects of various company characteristics (with special emphasis on size and industry variables) on the variability of the ETR, and secondly, the link between the ETR and earnings management. Studies on ETR and company size outside the United States (US) are almost non-existent, with Kim and Limpaphayom's (1998) study being the sole exception. Moreover, no detailed analysis has been undertaken of the link between industrial sectors and ETR. Based on a hand-gathered sample of Malaysian companies trading on the Kuala Lumpur Stock Exchange (KLSE) between 1990-1999, this thesis examines the association between ETR and a set of possible explanatory factors using parametric tests. This thesis demonstrates that ETR is negatively correlated with company size and companies in promoted industries pay lower taxes. The results of multiple regression results strongly suggest that companies in the manufacturing and hotel sectors consistently and significantly paid lower effective tax than other sectors in Malaysia for the period 1990-1999. It appears that large Malaysian companies do not suffer a 'political cost', as indicated by a negative and significant relationship between company size and ETR variable. The result of this research also suggest that more efficient Malaysian companies pay a lower effective tax, which consistent with the 'industrial policy' hypothesis developed in this research. The presence of government equity however, appears to be too insignificant to explain the variability of ETR. For other variables, it was found that the level of capital investments and leverage were able to lower a company's effective tax, while investment in inventories, age of companies and the extent of foreign operations appear to be insignificant. With regard to the second issue, econometric models imply that corporate income tax has a link with a company's income strategy, yet studies have attempted to provide direct empirical evidence for such a relationship, especially in emerging economies. Using the data on large Malaysian listed companies on the KLSE during the period 1994-1996, it examines the use of accounting choice in response to an anticipated change in tax policy. The researcher finds that Malaysian companies with low ETR decrease book-income prior to reduction in corporate tax rate in order to influence tax policy. The empirical results are consistent with prior evidence in the US that companies use accounting choice to realize economic objectives. However, while other studies show that income decreasing activity is</p>

		used to halt future tax increases, this study suggests that, in Malaysia, income-decreasing activity is related more towards tax rate reduction. The Malaysian results also suggest that a company's income strategy is also related to the changes in current tax expense, while leverage and size appear to be insignificant. Overall, the Malaysian evidence suggests that the results of a positive association between ETR and earnings management can be generalized outside the US context.
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<b>8</b>	<b>Name</b>	<b>Hajah Mustafa bin Mohd Hanefah</b>
	PhD Title	An evaluation of the Malaysian tax administrative system, and taxpayers' perceptions towards assessment systems, tax law fairness, and tax law complexity
	Place of Study	Universiti Utara Malaysia
	Year of Completion	1996
	Abstract	<p>Tax regimes all around the world are constantly looking for ways and means to improve their tax revenue collections. Since tax revenue forms the major portion of the total revenue in any economy, the efficiency and productivity of the tax administrative system determines the amount collected for any particular year of assessment. If the tax administrative system is efficient and productive collection of tax revenue would be high. It has also been argued by many researchers that efficiency and productivity could be improved by means of the self-assessment system. Moreover, the compliance behaviour of the taxpayers is also important to income tax collections. Income tax could also be avoided or evaded by a taxpayer. Avoidance, within the legal framework, is allowed but evasion of taxes is looked upon as a national crime by the tax regimes. Heavy penalties are imposed for tax evasion. Researchers have identified many variables that influence taxpayer compliance behaviour. Among the major factors that could influence taxpayer compliance behaviour are the tax administrative system, tax law fairness and tax law complexity. In this study, the efficiency and productivity of the Malaysian tax administrative system was evaluated. Using trend analysis, it was found that the Malaysian tax administrative system is moderately efficient and productive compared to Japan, Australia and New Zealand. However, it is not as efficient when compared to Indonesia and the U.S. But if we were to ignore Indonesia for reasons mentioned in this dissertation, then, generally, the Malaysian tax administrative system may be seen as efficient and productive. But the trend analysis also indicates that administration costs are on the rise and the productivity on the decline. This may be seen as an unhealthy trend for the Malaysian tax administrative system to remain efficient and productive. Taxpayers' perceptions towards the assessment systems, tax law fairness, and tax law complexity were gathered through a survey. Differences in taxpayers' perceptions were analysed by one-way ANOVA. Significant differences were found in their perceptions. Interestingly, the respondents positively perceived the implementation of the self-assessment system (SAS) in Malaysia. Except for those in the administrative and clerical group, others agreed that SAS could be implemented in Malaysia. With respect to tax law fairness, majority of the taxpayers perceived that the tax law is not being fair to them. However, the administrative and clerical group</p>

		<p>perceived that the tax law is fair or equitable to them. This could be because they are practically satisfied with the tax rate at which their income is subjected to tax. The lowest tax rate in Malaysia is 2 per cent on the chargeable income of RM10,001 - RM20,000. Tax rate, therefore, may also be a determinant in the taxpayer compliance behaviour. City taxpayers also agreed that the tax law was not equitable. Thus, in order to encourage voluntary compliance among the Malaysian taxpayers, it is important for the IRB and the government to improve these particular groups of taxpayers' perceptions. The findings of the study also indicate that tax law complexity exists in Malaysia. All the respondents agreed that tax law complexity is one of the factors that hinder voluntary compliance. Record keeping, too much detail in the tax law and ambiguity were ranked highly and perceived to be major factors that hinders voluntary compliance. The IRB might take note of this and take the necessary steps to eliminate tax law complexity, if voluntary compliance were to be encouraged among the taxpayers. One of the major findings of this study is that only owner-managers hire tax professionals to help prepare their annual tax returns. All other taxpayers prepare their own tax returns. Nevertheless, in order to encourage voluntary compliance, it is very important that the compliance costs are kept at a minimum. Compliance costs should not be a burden to the taxpayers even after the implementation of SAS in Malaysia. In conclusion, SAS could be implemented in Malaysia at a minimum cost. But efforts must be taken by the government to ensure that the taxpayers positively perceive tax law fairness. Tax law complexity exists in Malaysia, and if voluntary compliance were to be encouraged then ways and means must be undertaken to minimise tax law. Although, compliance costs are much higher among the owner-managers compared to others, they are still comparatively low when compared to other countries.</p>
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<b>9</b>	<b>Name</b>	<b>Mahamad bin Tayib</b>
	PhD Title	The determinants and assessment of tax collection: An experience of Malaysian local authorities
	Place of Study	University of Glamorgan
	Year of Completion	1998
	Abstract	<p>The increasing level of non-compliance with payment demands for local property taxes by Malaysian local authority taxpayers over the past decade has given rise to the need to study the efficiency and productivity of the tax administration system a high priority. This important and sensitive issue has not been given the attention that it deserves. Little empirical research on the administration of, and voluntary compliance in, the Malaysian local taxation system been undertaken and this has shaped the motivation for this study, which represents the first detailed analysis of these issues.</p> <p>Studies on taxpayer's compliance behaviour primarily centre on the income tax system and are mainly based on two models. Firstly, the financial self-interest model and secondly, a model that not only includes economic variable, but also other variables such as demographic, non-compliance opportunities, attitudes and perceptions of taxpayers and the</p>

		<p>structure of the tax system. The model designed in this work builds on this latter concept to include two further variables-namely quality of service and financial information.</p> <p>Two aspects of ‘assessment tax’ collection in Malaysian local authorities are explored in detail. These are, the efficiency and productivity of the assessment tax administration system and assessment taxpayer compliance behaviour in a sample of Malaysian local authorities.</p> <p>The results of this study indicate that there is a significant difference in terms of the efficiency and productivity of the assessment tax administrative systems between local authorities. The study demonstrates that authorities with high collection performance are more efficient and productive when compared to authorities with medium and low tax collection performances. In general, many of the factors identified with efficiency and effectiveness of the assessment tax administration are consistent with the attributes found in the income tax system.</p> <p>The findings support the model of taxpayer compliance behavior designed in this work. These indicate that taxpayers in local authorities with high tax collection performance have positive perceptions towards the items listed in the model. In addition, importantly, the majority of the respondents to this study perceived that the presence of financial information might influence their compliance behaviour toward assessment tax.</p> <p>This research has revealed that the attributes of local authorities with high collection performance correspond to earlier studies based on income tax systems. In addition, however, the findings highlight the importance of such factors as the quality of service delivery to taxpayers and work system design in motivating employees to collect tax revenues. Furthermore, it provides strategic information to all parties involved in the local taxation collection process, especially those local authorities, which are currently confronted with high levels of uncollected assessment tax revenue. Specifically the research has significant implications for the role of government in Malaysia (especially state government) in monitoring assessment tax systems, the work of local authorities and implications for taxpayers’ voluntary compliance behaviour.</p>
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<b>10</b>	<b>Name</b>	<b>Zaimah Zainol Ariffin</b>
	PhD Title	An empirical investigation of factors affecting corporate tax avoidance strategies for public listed companies in Malaysia
	Place of Study	University of Wales
	Year of Completion	2007
	Abstract	<p>This thesis seeks to contribute to the tax avoidance literature by researching the importance of various firm characteristics as possible determinants of corporate tax avoidance strategies. Corporate tax avoidance studies have been addressed for a number of years within the developed market context, whereas corporate tax avoidance research for companies in developing countries is largely non-existent. The determinants of tax avoidance strategy used in previous research are carried over into the Malaysian context, with additional new factors identified as relevant in the Malaysian business environment. This thesis is the first to document the link between corporate tax avoidance and firm characteristics in an emerging market.</p> <p>Seven explanatory variables are hypothesized in associating firm characteristics with corporate tax avoidance activities. These variables, which are included in the tax avoidance model, are political cost, profitability, leverage, foreign activity, capital intensity, dividend and managerial ownership. Industry affiliations are also included as potential explanatory variables because tax avoidance activity may also depend on the sensitivity of certain industries.</p> <p>This thesis tests the corporate tax avoidance model by using a cross-sectional valuation, which is OLS estimation, and a cross-sectional-time series valuation using panel data analyses including three panel types, which are fixed-effects, random-effects and tobit estimations. The results reveal that all of the explanatory variables have a statistically significant coefficient with predicted sign except for the foreign activity dummy variable and the dividend which is significant with sign different from expected. The results also confirm the importance of industry differences in explaining corporate tax avoidance activity.</p>

<b>11</b>	<b>Name</b>	<b>Nor Aziah Abdul Manaf</b>
	PhD Title	Land tax administration and compliance attitudes in Malaysia
	Place of Study	University of Nottingham
	Year of Completion	2004
	Abstract	<p>This study examines the efficiency and productivity of the Malaysian land tax administration and the determinants of land taxpayer compliance attitudes. Land tax is a significant revenue source to Malaysian state governments, but there is little prior research investigating the significant problem of high levels of uncollected land tax revenue. While income taxpayers may have the structural opportunity to underreport income/overstate deductions, it is more difficult to hide land ownership. Despite this, there are high levels of uncollected land tax revenue in Malaysia.</p>

		<p>Two research methods were used in this study. First, semi-structured interviews with senior officials from all eleven states in Peninsular Malaysia were conducted based on predetermined interview schedules to explore the structure of land tax administration and to evaluate the land tax collection performance of Malaysian state governments. Second, a survey of over 700 land tax staff was conducted to document staff attitudes to their organization and administration. A nationwide mail questionnaire was also conducted to 750 land taxpayers to determine their compliance attitude.</p> <p>Collection performance of the eleven states shows a decreasing trend over the six years examined (1996 to 2001) except for Selangor and Kelantan state governments, which show a slight improvement in 2001. In addition, the findings of the study also show that state governments with a higher collection performance are more efficient in administering their land tax activities.</p> <p>The response rate to the survey of land tax staff was 55%. These responses are used to explore the links between the perceptions of tax staff with the collection performance of individual states. The results of ANOVA indicate there are significant mean differences of land tax staff commitment and work system perceptions between state governments. The results also show that higher levels of commitment and higher levels of work system result in higher levels of collection.</p> <p>The response rate of the total questionnaires distributed to land taxpayers was 24%. The univariate and multiple regression results show that age, race, level of education, level of income, occupation and ethics strongly influence land tax compliance attitudes. In addition, perceived fairness, understanding tax laws and incentives are also statistically related to land tax compliance attitudes. The results should be useful to policy makers in Malaysia and elsewhere, as the findings show that independent variables significant in prior income tax research also determine land tax compliance attitudes.</p>
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<b>12</b>	<b>Name</b>	<b>Roshaiza Taha</b>
	PhD Title	Financial system and taxation: the role in the economy
	Place of Study	Monash University (Gippsland)
	Year of completion	2012
	Abstract	The relationship between the financial system (specifically stock market development) and economic growth has been an important issue of debate. A well-functioning financial system can affect economic growth through the improvement of capital productivity and the efficient allocation of resources. The role of taxation as a major determinant of an active financial system and strong economic growth also becomes of interest to the researcher. Taxation through policy and revenue collection seems to play a pivotal role in fostering economic growth and promoting the financial system. However, both taxation and the financial system jointly affect economic growth performance. In this respect, not many

		<p>empirical studies have been devoted to observing this issue and none exist for Asian economies. Thus, the main objective of this study is to empirically examine the impact of both the financial system and taxation on economic growth performance in the Malaysian context for the period of 1980-2008. The nexus between taxation revenue and the financial system is examined. The main objective here is to identify the nature of the relationship between taxation revenue and the financial system – does taxation matter for financial system activities or does the financial system contribute to high revenue collection. We analyse the relationship in the multivariate model applying Autoregressive Distributed Lag utilising the monthly data for direct taxation, the Kuala Lumpur Composite Index (stock market proxy), investment bank loans to the private sector, commercial bank loans to the private sector, and the outstanding private sector bond market for the period of 1997 to 2008. From the analysis conducted, no significant results are reported for the stock market variable, however, investment bank credit negatively affects the revenue collection. While evidence on the nexus between the financial system and taxation in Malaysia is provided, our empirical work can also be viewed as addressing the issue of whether the existing government policy is capable of explaining the influence on the financial system performance in Malaysia. The Vector Error Correction model and variance decomposition analysis are employed to explain the impact of both the stock market and taxation on the economic growth performance of Malaysia over the common sample period of 1980 to 2008. Consistent with Levine's (1991) endogenous growth model, we found that taxation and the stock market jointly affect the growth rate. However, these results were only found in the short-run while in the long-run we failed to identify any significant results concerning the impact of the financial system and taxation on economic growth. We found that the financial system and taxation does matter for economic growth in the Malaysian context in the short-run, the analysis is expanded to cover 10 developing Asia countries – Bangladesh, China, India, Indonesia, Malaysia, Pakistan, the Philippines, Sri Lanka, Taiwan, and Thailand – utilizing monthly data from 1990 to 2008. In this analysis we conduct panel unit roots, panel cointegration, and panel Granger causality tests to see the nature of the relationship. The panel analysis results reveal that while tax revenue does not matter for economic growth, the stock market does play a pivotal role in determining short-run growth performance in the Asian region. Findings of this thesis along with some recommendations for future research. We finally conclude this thesis by offering some general guidelines, which might be useful for future empirical research on the nexus between the financial system, taxation and economic growth.</p>
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<b>13</b>	<b>Name</b>	<b>Hijatullah Abdul-Jabbar</b>
	PhD Title	Income tax non-compliance of small and medium enterprises in Malaysia: determinants and tax compliance costs
	Place of Study	Curtin University of Technology
	Year of Completion	2009
	Abstract	<p>This study examines the influence of tax compliance costs on non-compliance behaviour, taken together with the business characteristics and managerial perceptions of corporate taxation. The study focuses on corporate Small and Medium Enterprises (SMEs) in Malaysia under the Income Tax Self-Assessment System (SAS). This is the first study on corporate income tax compliance in the Malaysian context and among the first to integrate tax compliance costs, tax attitudes and the likely compliance behaviour of corporations, both in Malaysia and internationally. Tax attitudes and the likely compliance/non-compliance behaviour of SMEs are measured from a business managerial or respondent perspective. The above primary postal survey, as well as two additional surveys—a web survey of SMEs and a postal survey of tax professionals—have been undertaken as a measure of consistency of the primary postal survey.</p> <p>The income tax compliance costs for Malaysian SMEs are estimated at RM9,295 per company, amounting to RM1,084 million in aggregate for the 2006 tax year. The findings of this study demonstrate that the average income tax compliance costs of SMEs under the SAS have decreased significantly by 58 percent in absolute terms. Despite this, the increasing composition of both external costs and computational costs, by 16 and 15 percent respectively, reveals that the role of tax professionals and routine tax works have become substantially greater under the SAS regime. The figure for compliance costs relative to tax revenue of eight percent is found to be similar to a pre-SAS Malaysian study, and is also within the international range overall. The value of tax deductibility is estimated to be almost RM1,700 per SME company, RM196 million in aggregate, or around 18 percent of the compliance costs, thus giving average net compliance costs of RM7,595 or RM888 million in total.</p> <p>The current study provides evidence of the influence of tax complexity and probability of tax audit on corporate SME tax non-compliance in Malaysia. Compliance costs, in particular, together with two business characteristics, i.e. business size and tax level, and the managerial perceptions about tax fairness and the Inland Revenue Board (IRB) relationship, are found not to influence corporate tax non-compliance. The effect of the remaining four variables, i.e. business length, sector, tax rate and tax incentives, is inconclusive. In terms of international comparisons, the effects of business size on previous corporate tax compliance are mixed, but the business sector was found to influence corporate tax compliance.</p> <p>Regarding tax compliance costs, the need to recognise the presence and regressivity of tax compliance costs upon SMEs should be, at this stage, recognised at the national level. Further, at a later stage, such issues</p>

		<p>should be systematically considered and assessed for any major change in tax policy. Findings regarding tax complexity suggest that the IRB should continue their tax simplification measures in a more comprehensive manner to significantly minimise the compliance burden for all business taxpayers, of any size. In terms of tax auditing, the IRB may want to increase substantially the magnitude of such activity, and should utilise such information effectively to lift taxpayers' levels of awareness about the likelihood of their businesses being selected for a tax audit.</p> <p>Finally, it is acknowledged that there are several limitations of the current study, including those usually associated with self-reporting mail surveys, which may limit the interpretation of the current findings. Despite this, the study makes a significant contribution given the limited number of studies in the field of corporate tax compliance and tax compliance costs studies, particularly for Malaysian SMEs. Future research into this area, including several extensions of this study, could make further valuable contributions in this area.</p>
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<b>14</b>	<b>Name</b>	<b>Loo Ern Chen</b>
	PhD Title	The influence of the introduction of self assessment on compliance behaviour of individual taxpayers in Malaysia
	Place of Study	University of Sydney
	Year of Completion	2006
	Abstract	<p>Self-assessment for individual taxpayers was first introduced in Malaysia for year of assessment 2004. This change from the previous official assessment system to self-assessment has redefined the roles and responsibilities of both taxpayers and tax administrators in Malaysia. In particular, self-assessment has placed the onus on individual taxpayers, both salary and wage earners and the self-employed, to voluntarily and correctly determine their own tax liabilities. The level of voluntary compliance achieved under self-assessment was expected to be influenced not only by taxpayers' ability to understand the compliance requirements of the income tax law, but also by their behaviour in relation to a range of economic, fiscal, psychological and sociological factors. In this context, the main objective of this research was to investigate the influence of the introduction of self-assessment on the compliance behaviour of individual taxpayers in Malaysia. In addition, the research sought to identify the causes (such as 'tax knowledge', 'tax structure features', 'financial constraints' and 'attitudes towards tax') that may influence taxpayers' compliance behaviour; and the nature of their influence, in relation to the introduction of self-assessment in Malaysia. Demographic variables (such as age, gender, level of education and ethnic background) were also investigated to provide another dimension (as moderating variables) to the analysis of compliance behaviour. Six research questions were developed to address the objectives of the research. A mixed method design comprising two quantitative research methods (survey and experiment) and one qualitative research method (case study) was conducted concurrently in three phases. The findings derived were triangulated via a cross-method analysis to address the six research questions. The findings revealed that the introduction of self-assessment had had a positive</p>

		<p>influence on individual taxpayers' compliance behaviour. This was attributed to individual taxpayers having a greater awareness of the change in their responsibilities as a result of self-assessment, and that this in turn led to an improvement in their tax knowledge. As there was no prior comparable empirical evidence available in relation to the impact of the introduction of self assessment on tax compliance behaviour, this research finding is an important contribution to existing knowledge on the compliance behaviour of individual taxpayers. Based on the findings of the research, it was found that tax knowledge had significant effects on the compliance behaviour of individual taxpayers. The lack of tax knowledge did cause numerous errors in tax returns prepared and furnished by individual taxpayers, resulting in unintentional non-compliance by some and over compliance by others. Tax structure features showed reasonably strong effects on taxpayers' compliance behaviour. Empirical evidence revealed that fear of being tax audited and penalised had also indirectly influenced individual taxpayers' compliance decisions. Thus it is concluded that individual taxpayers were sensitive to the two tax structure features, namely tax audit and penalty, while the effect of the tax rates on their compliance behaviour was marginally less significant. Financial constraints were found to have more direct and strong influence on the compliance behaviour of self-employed taxpayers.</p> <p>The issue of financial constraints was not of major concern among the salary and wage earners under the self-assessment regime. In terms of attitudes towards tax, two prominent findings emerged from the survey and the case study. Firstly, taxpayers' attitudes, in terms of confidence in handling their tax affairs, did have a positive impact on their compliance behaviour. Secondly, taxpayers' attitudes towards the tax system, the tax administration and tax officers had negative effects on their compliance decisions. In contrast to the effects of financial constraints, these findings on attitudes towards tax appeared to be only affecting the compliance behaviour of individuals who were salary and wage earners. Finally, in the multi-ethnic society of Malaysia, this research revealed evidence of the different needs of ethnic groups in relation to tax education, how they manage their tax affairs, how the tax structure features as well as how their attitudes towards tax had affected their decision to comply. This research also revealed evidence of the different compliance behaviours of the two categories of taxpayers (i.e. the salary and wage earners and the self-employed) in respect of the reporting compliance pertaining to three different types of income (i.e. taxable income, exempted income and casual income). Arising from the findings of this research, several policy implications were identified. The findings demonstrated that in formulating strategies to enhance voluntary compliance, it is important for the relevant authorities to be aware of, understand and appreciate individual taxpayers' compliance behaviour and the need to render tax education services.</p>
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<b>15</b>	<b>Name</b>	<b>Mohani Abdul</b>
	PhD Title	Personal income tax non-compliance in Malaysia
	Place of Study	Victoria University of Technology
	Year of Completion	2001
	Abstract	<p>A modern tax system was first introduced into the Federation of Malaya by the British in 1947. This was subsequently repealed and replaced by The Income Tax Act 1967, came into effect on 1 January 1968. The Inland Revenue Board (IRB), formerly known as the Inland Revenue Department (IRD), was created as the government agency that has the responsibility for collecting income taxes for Malaysia. As with other tax collecting agencies, it has to deal with the problem of income tax non-compliance. It is important to combat income tax non-compliance, for if it becomes widespread it can have a major impact on the structure of prices, on the effectiveness of macroeconomic policy and on the trust of taxpayers that the government is concerned with distributional justice. Various strategies have been introduced by the IRD/IRB to overcome this problem and, while there is some literature, there has as yet been no comprehensive study of this income tax non-compliance for Malaysia. This research is being undertaken to make some contribution to filling this gap. The study begins by reviewing the literature on the various dimensions of tax non-compliance and examining some of the initiatives that have been introduced by the Australian Tax Office (ATO). It then attempts to document the extent of income tax non-compliance in Malaysia, to analyse the main characteristics of income tax non-compliance in that country and to propose some improved strategies for overcoming this problem. In addition to the use of published or unpublished statistical data collected by others, this analysis of income tax non-compliance in Malaysia makes use of two types of data collected by the author. The first is referred to as the file data, where details are recorded of 507 taxation files of individuals identified as noncompliant by the IRB. The second is referred to as the interview data, which records the results of an interview survey by the author of the views of fifteen taxation officers in each of four branches of IRB concerning non-compliance.</p>

<b>16</b>	<b>Name</b>	<b>Rani Diana Othman</b>
	PhD Title	The impact of forensic accounting, investigation and audit on tax compliance in Malaysia
	Place of Study	Edith Cowan University, Australia
	Year of Completion	2011
	Abstract	<p>Evidence of success in improving taxpayers' compliance behaviour reflects the effectiveness of the enforcement activities of the tax system. The implementation of a Self-Assessment System (SAS), together with improvements in tax enforcement functions, are among the recent tax reforms undertaken in Malaysia as part of this effort. Three levels of compliance, namely filing, reporting and payment have been established as performance indicators for international tax administrator (IRS, 2003). Therefore, by applying three compliance models: Return Per Capita (RCAP), Reported Tax Per Return (RTR) and Payment Per Return (PLR), adapted from Plumley (1996) and Dubin (2007), this study's objective is to</p>

		<p>highlight the Malaysian tax authority's (IRBM's) performance towards enhancing these compliance levels during the pre, post and overall periods of change in the Malaysian tax climate. In doing so, this study focuses on the element of deterrence provided by tax enforcement activities in order to further understand how the enforcement functions provide different levels of deterrence to individual taxpayers. This study also addresses reporting compliance, as one aspect of the quality of compliance, consistent with one of the objectives of the new assessment system: inducing a sense of responsibility and honesty among individual taxpayers. Using the IRBM's unexplored data on individual taxpayers for the period 2002 - 2007, this study pioneers an econometric approach towards Malaysian individual tax compliance studies. In doing so, it supports the theoretical findings of parallel survey and experimental studies on Malaysian tax compliance. The compliance principle is found to be applicable to the Malaysian tax climate, where the costs of compliance, especially filing costs, play an important role in the taxpayers' compliance decisions. As for tax enforcement effects, the increased probability of audit detection is found to result in significantly higher reporting compliance, while the civil detection rate is more effective in providing the element of certainty of punishment. The introduction of severity of punishment is found to support the hypothesis on the effectiveness of more severe punishment, specifically Section 114(1) (s114) towards deterring the serious and intentional tax evasion. The empirical findings of this study are expected to lead to more opportunities for exploring Malaysian individual taxpayers' compliance behaviour.</p>
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17	Name	<b>Jeyapalan Kasipillai</b>
	PhD Title	Aspects of the Hidden Economy and Tax Non-Compliance in Malaysia
	Place of Study	University of New England, Australia
	Year of Completion	1997
	Abstract	<p>In recent years, tax administrators and policymakers have become increasingly aware that tax evasion and non-compliance with income tax laws is becoming a serious problem. Methods of measuring tax evasion and estimating non-compliance have been applied in developed countries such as USA, Australia and the United Kingdom but to date no such studies are available in Malaysia. This study reports on the findings of two primary surveys and results derived from an econometric model developed to estimate the size of the hidden economy (hidden economy is used as a proxy for tax evasion) in Malaysia. The survey on 'Taxpayers Understanding and Knowledge Index' suggested that there is some ignorance of basic income tax laws and this may lead to unintentional non-compliance. The survey on 'Insights of the Hidden Economy in Malaysia' provided some qualitative insights in to the workings of the hidden economy in Malaysia. The ranking of sectors, in descending order of importance for hidden income generation, was used as a proxy to evaluate the extent of tax evasion.</p> <p>The econometric model provides some quantitative measures of tax evasion and has yielded plausible estimates of the size of the hidden economy: these range from a high of 8.7 per cent of GNP in 1980 to a low</p>

		<p>of 3.7 per cent in 1993. By using calculated average tax evaded for each of the years from 1971 to 1994 was also computed, with estimated tax losses between a low of RM192 million (in 1971) and a peak of RM1,350 million (in 1984).</p> <p>An understanding of the causes of tax evasion and non-compliance, of where and how it occurs, and of its quantitative significance are important to the design of a coherent and efficient enforcement policy. This study is the first major attempt to obtain this kind of information for Malaysia.</p>
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<b>18</b>	<b>Name</b>	<b>Loo Choo Hong</b>
	PhD Title	A Study on the Acceptance of Best Practices in the Malaysian Environment Tax Laws
	Place of Study	Universiti Tun Abdul Razak
	Year of completion	2013
	Abstract	<p>This study looks at one of the many tools to promote sustainability that is in the form of Environmental Taxation. The research identifies the gaps between current Malaysian tax laws and practices in the countries reviewed as well as the wish list of the Malaysian taxpayers which are not practiced in other countries.</p> <p>The mixed-method approach is used in this study. The qualitative approach was applied using focus groups and interview methods to explore what taxpayers want from environmental taxation laws. Inspired by Guglyuvatty (2010), a Delphi study, this research was conducted with a group of 30 experts from various disciplines relating to environmental taxation in Malaysia. The quantitative approach was applied using a set of questionnaires emailed to over 700 respondents. The researcher developed and tested the Environmental Taxation Acceptance Model and its variables. In the model, the taxpayer complied with environmental tax laws i.e. voluntary compliance, forced compliance and non-compliance. The findings showed that education level, source of income, domicile status and political affiliation do not determine whether one would support environmental tax issues instead gender, age and race are significant determinants.</p> <p>Environmental taxation does play a role in encouraging good environmental behaviour. However, it only acts as supporting role in encouraging preservation. Public education on good environmental behaviour, enforcement of the environmental laws and supporting services should be promoted side by side with environmental taxation laws. Human behaviour factors such as 'Quality of life', 'Self-actualization', 'Attitudes' and legal factors – 'Immediate Tax incentives'. 'Forced compliance' and 'Tax mitigation' are the underlying factors in the acceptance of environmental taxation by the Malaysian taxpayers.</p> <p>This study highlights the impeding factors in the theoretical framework that might change the outcome of the acceptance of environmental taxation and they include 'Quantum of the tax and the tax administration', 'Current subsidy structure', 'Culture', 'Supporting Infrastructure', 'Public goods and 'Governance issues'.</p>

<b>19</b>	<b>Name</b>	<b>Noor Sharoja Sapiei</b>
	PhD Title	Evaluation of Corporate Income Tax Compliance Costs and Compliance Behaviour under the Self-Assessment System
	Place of Study	Monash University Sunway campus, Malaysia
	Year of Completion	2013
	Abstract	<p>Commitment to compliance may cause taxpayers to experience unnecessary compliance costs and their compliance with the corporate income tax (CIT) reporting requirements under the Self-Assessment System (SAS) environment. Tax compliance costs, corporate characteristics, tax attitudinal aspects and the likely compliance behavior of public listed companies (PLCs) are integrated into a single study, which represents a unique combination of research. A quantitative approach was adopted, whereby data was collected through a self-administered questionnaire survey method. Two types of respondents were utilized, namely corporate taxpayers and external tax professionals, for richness of data and as a measure of consistency.</p> <p>The mean CIT compliance costs estimate for the year of assessment 2009 is MYR47,126 per company, accounting for approximately MYR0.01 per sales turnover. The mean estimate of this study is 31.5 percent lower when compared to the findings of similar Malaysian pre-SAS study. The aggregated total compliance costs is almost MYR32 million representing 0.11 percent of corporate tax revenue and 0.01 percent of Malaysian gross domestic product (GDP). The magnitude of CIT compliance costs estimate is low compared to similar estimates in other countries. Nevertheless, the normal regressiveness of tax compliance costs, in relation to company size, is evident which corroborates the findings of all existing studies. Major components of compliance costs relate to tax computation work (74 percent) and there is a heavy reliance on external sources (63 percent). Business size and estimated tax liability are the significant determinants for the magnitude of tax compliance costs burden for Public Listed Companies (PLCs). The portion of tax incentives and psychological costs to the mean tax compliance costs incurred by large corporations are approximately seven and 18 percent, respectively.</p> <p>This study also provides empirical evidence in the context of linking between compliance burden of the tax system and compliance behavior from the large corporate taxpayers' perspective. Tax compliance costs burden appears to have an impact on the likelihood of non-compliance behaviour, though it is not statistically significant at the 10 percent level. The findings further reveal that the length of time companies have been operating, estimated tax liability and perceptions on complexity in the tax systems are factors that significantly influence all types of non-compliance, namely under-reporting of income, over-claiming of expenses and overall non-compliance. The remaining corporate characteristics and attitudinal aspects examined, specifically business size, business sector, tax rates structure, tax deterrence sanction, tax law fairness and tax psychological costs, are significant determinants in at least one type of the non-compliance behaviour.</p> <p>This study adds to the growing body of international literature concerning taxpayers compliance costs burden, and to a lower extent, the link between</p>

		tax compliance costs and tax compliance behaviour. Tax compliance costs and compliance behaviour are clearly important areas of research that have implications for both corporate taxpayers and policy makers. Findings from these research activities should initiate and lead to the progression of more effective and efficient tax policies and practices.
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<b>20</b>	<b>Name</b>	<b>Norsiah Ahmad</b>
	PhD Title	The Incentives' Attractiveness and Foreign Investment in the Eastern Corridor of Peninsular Malaysia
	Place of Study	Universiti Utara Malaysia
	Year of Completion	2006
	Abstract	<p>Attractiveness of incentives and foreign investment are mechanisms used to induce development. The opening of new industrial areas enhances development process by generating new employment opportunities, raising demand for housing and commercial areas, and improving the infrastructure. Therefore, government is obliged to provide a conducive business climate to protect the investors and generate returns for the government. However, investors would have their own preferences on operating locations. More often, policy makers try to reinforce the location advantage to fulfill the needs of the investors. This study attempts to explicate investors' preferences from three aspects: the desired incentives and their relations to the investing firms' characteristics, the important locational factors as perceived by investors and their relations to the firms' characteristics, and the association between investors' chosen incentives and important locational factors. This study employs a mail survey method by using research questionnaires sent to foreign investors in the state of Pahang and Terengganu. The purposive sampling method is used in order to gather information only from the right investors. The respondents' perception on desired incentives and important locational factors are measured by using Likert scale. Statistical analyses including mean analysis, ANOVA (Univariate Analysis of Variance) and Kruskal Wallis test are used to test the proposed hypotheses.</p> <p>Results of the study reveal that differences in investors' desired incentives are based on firms' characteristics. Tax incentives are found to be preferred by investors as compared to non-tax incentives. The analyses also reveal that the levels of difference in important locational factors are associated with the firms' characteristics. The study also reveals that classical factors are perceived as more important when compared to the other factors, whilst the items within the agglomeration factors show mixed results on their importance. The significant association between the important locational factors with the incentives preferred confirmed the hypothesis of the study. However, the results also yield that the significant association is not always present in the actual preference of the firm based on the importance of the locational factor. Results of the study shows that foreign investors undertake certain actions to secure their maximum return by applying all possible incentives offered to them. Therefore, when the important locational factors are related to unrelated incentives, investors are expected to engage in 'trade-off' activity.</p>



<b>21</b>	<b>Name</b>	<b>Kuek Tee Say</b>
	PhD Title	Anti-Tax Avoidance Law in Malaysia: A Comparative Study
	Place of Study	International Islamic University Malaysia
	Year of Completion	2011
	Abstract	<p>Tax evasion and avoidance pose a serious problem for the tax system and the response by the governments is to control it. Tax avoidance is used to denote the reduction of tax liability through legal means whereas tax evasion involves non-payment of tax through violation of law. The focus of this thesis is on tax avoidance rather than on tax evasion. It is important to understand the concepts of 'tax evasion', 'tax avoidance' and 'tax mitigation' in the study of tax avoidance. With these distinctions between evasion, avoidance and mitigation, the problem of tax avoidance and its causes can be identified in the countries under study. In the context of such background, the study considers the legislative, judicial and administrative responses to such growing threats in UK, Australia and India and the extent of their success to date of these measures. This study examines the various methods and measures adopted by Malaysia, UK, Australia and India to tackle tax avoidance and evasion in respective countries. The question this thesis has to address is whether current methods of dealing with tax avoidance by Malaysia are adequate and satisfactory and what, if any, other measures might be taken based on the experiences of UK, Australia and India. A quick answer is 'yes' but further improvements to the general anti-avoidance rule (section 140 of the ITA 1967) should be considered based on the Australian anti-avoidance rule and certain additional measures from the countries under study can also be adopted. It is not possible to eradicate tax avoidance totally. Instead, there is a need to find a right balance so that taxes are not unduly avoided and the legitimate interests of taxpayers in their commercial and private affairs are not unnecessarily hindered.</p>

<b>22</b>	<b>Name</b>	<b>Sia Gioak Faa</b>
	PhD Title	Tax Compliance Behaviour of Individuals under Self Assessment System
	Place of Study	Universiti Putra Malaysia
	Year of Completion	2008
	Abstract	<p>Tax non-compliance has always been a major concern for all tax administrations, more so in a self-assessment environment where it is dependent on voluntary compliance. In Malaysia, there is a dearth of empirical research on tax compliance in relation to the implementation of self-assessment which only began in 2001 for corporations and 2004 for individual taxpayers. One of the objectives for implementing self-assessment is to increase voluntary tax compliance. As such, in a tax system based largely on voluntary compliance, understanding factors that affect compliance amongst individual taxpayers is of vital importance. This thesis integrates two important approaches, namely, the economic and behavioural approaches in examining factors affecting tax compliance. The factors examined include perceived probability of detection, prior tax audit, sanctioned perception, perception of fairness, perceived moral intensity and peer influence. The data for this study were gathered by using a mail survey. Descriptive analysis and multivariate analysis were performed on the data to determine how the above</p>

		mentioned factors affect tax compliance behaviour. The findings showed that four factors, namely, perceived probability of detection, sanction perception, perceived moral intensity and peer influence were found to have significant relationships with tax compliance. On the other hand, perception of fairness and prior tax audit were found to have insignificant relationships with tax compliance. However, even though prior tax audit did not have a direct effect on tax compliance, it was found to be significantly associated with perceived probability of detection which is significantly related to tax compliance. This implies that prior tax audit has an indirect effect on tax compliance. Apart from prior tax audit affecting perceived probability of detection, another factor examined namely sanction perception was found to affect perceived probability of detection. In relation to perceived probability of detection and perceived moral intensity which had significant relationships with tax compliance respectively, the findings also indicated that both perceived probability of detection and perceived moral intensity had significant relationships with perception of fairness. Understanding these relationships is important as it not only extends knowledge on improving tax compliance but also provides useful information for the revenue collection authorities in designing better tax policies.
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<b>23</b>	<b>Name</b>	<b>Choong Kwai Fatt</b>
	PhD Title	The Concept of 'income' under the Income Tax Act 1967: An Analysis
	Place of Study	International Islamic University Malaysia
	Year of Completion	2003
	Abstract	<p>The Income Tax Act 1967 (the Act) imposes tax on 'income' transactions while leaving the 'capital' receipts tax-free. The distinction between the concept of income and capital has been a contentious issue between taxpayers and tax authorities since the enactment of the Act. Currently, the tax authorities with their expertise and skills will decide whether a transaction is to be taxed by issuing notice of assessment stating the amounts of income tax payable by taxpayers. Taxpayers have the right to appeal to the Director General of Inland Revenue to review and revise such assessment; a further appeal can be referred to Special Commissioners if the taxpayer is not satisfied with the assessment of the tax authorities. Further appeals can be made to the High Court and Court of Appeal on question of law or mixed question of fact and law.</p> <p>As Malaysia is moving fully into self-assessment regime of taxation from 2004, taxpayers assume the primary duty to compute their own income tax and monitor their income tax payable to the tax authorities. It is therefore important for them to be familiar with the concept of income, as employed in the Act and explained in the judicial pronouncements. This study undertakes the task to consolidate the concept of income by researching into the Malaysian tax cases from 1967 till 2002 as well as leading tax cases from overseas.</p> <p>This study begins with the understanding of the various concepts of income as employed in the Act: beginning with adjusted income, statutory income, aggregate income and total income to arrive at chargeable income. Income tax is levied on chargeable income derived by a taxpayer for a year of</p>

		<p>assessment. Legal rules as to the characteristic of income and various judicial tests accepted by the courts to distinguish capital receipts and income receipts are discussed and consolidated. Since the Act imposes tax on net income, various specific deductions and the tests prescribed for such deduction have been discussed in detail. The prohibited expenses for deduction have also been identified.</p> <p>This study then identifies the various judicial decisions derived from the Malaysian Courts relating to income receipts from landed properties, shares, compensation of business and employment. The concept of income tax is compared with zakat, a form of Islamic taxation. After carrying out a comparative study between two parallel systems of taxation, some reforms are suggested to the present concept of tax and taxable income under the Act.</p> <p>It is submitted that the success of the self-assessment system depends on the awareness of taxpayers. This can be brought about by dissemination of information about the tax rules including the rules for ascertainment of taxable transactions. The tax authorities are urged to issue public rulings to incorporate the legal tests as suggested by the courts on various contentious issues relating to taxability of income and deductibility of expenses, This will enhance voluntary tax compliance as well as save the precious time of all parties by avoiding unnecessary tax appeals.</p>
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24	<b>Name</b>	Palil, Mohd Rizal
	<b>PhD Title</b>	Tax knowledge and tax compliance determinants in self assessment system in Malaysia
	<b>Place of Study</b>	University of Birmingham, United Kingdom
	<b>Year of completion</b>	2010
	<b>Abstract</b>	<p>Self-Assessment system (SAS) has become the key administrative approach for both personal and corporate taxation in developed countries including the USA, UK and Australia. This approach emphasises both the taxpayers' responsibility to report their income and the need for them to determine their own tax liability. Central to the motivations of self-assessment system introduction is an increase in the efficiency of tax collection for the tax authority; however, of more vital importance is the need to enable this without having an unacceptable detrimental effect on the other key characteristics of a well-designed tax system (equity, wider administrative efficiency etc). This requires the development of public awareness of tax laws, and improvements in voluntary compliance. According to prior studies on this topic, one of the main facilitating factors in achieving these aims is the development of the level of tax knowledge among taxpayers. The objective of this study is to investigate how facilitating factors interact in the development of a suitable SAS focusing in particular on the role of tax knowledge. To explore the interaction in the real setting the country of Malaysia is used as a case tax system for this study. This country is chosen due to its fairly recent introduction of SAS enabling a specific focus on changes brought about by the move to a SAS with as little time for 'noise' creating factors as possible that may result from longer implemented SAS. It also enables a study of this topic in the context of a developing country where many of the prior studies in this area have been in the context of developed countries. This study focuses on</p>

		<p>the level of individual Malaysian taxpayers' knowledge and explores how tax knowledge levels influence tax compliance behaviour in a new SAS. Data was collected through a large scale national postal survey resulting in 1,073 responses. Five stages were used to facilitate the analysis. The results suggested that tax knowledge has a significant impact on tax compliance even though the level of tax knowledge varies significantly among respondents. The results also indicate that tax compliance is influenced specifically by probability of being audited, perceptions of government spending, penalties, personal financial constraints, and the influence of referent groups. Results of this study answer such questions as which various taxpayer characteristics of tax knowledge affect compliant behaviour. The results of this study can inform policymakers on the extent to which tax knowledge is important in a self-assessment system and in what ways it can affect compliance. It also provides an indicator for tax administrators of the relative importance of tax knowledge in assisting with the design of tax education programmes, simplifying tax systems and developing a wider understanding of taxpayers' behaviour. This study contributes to current global literature in this field of the relative importance of tax knowledge in affecting tax compliance, as well as exploring the factors that make people pay taxes in a self-assessment system, and discusses methods of increasing voluntary compliance.</p>
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25	<b>Name</b>	Rohaya Md Noor
	<b>PhD Title</b>	Determinants and value relevance of Corporate Tax Planning
	<b>Place of Study</b>	Universiti Teknologi Mara
	<b>Year of Completion</b>	2008
	<b>Abstract</b>	<p>The goal of this research is to provide evidence on the pervasiveness of tax planning activities among the publicly-listed Malaysian firms during the new tax regime 2000 to 2004. The pervasiveness of these tax planning activities resulted from the provision of tax incentives and different rules in tax reporting and financial reporting which have a significant impact on corporate tax burdens, that is, corporate effective tax rates (ETRs). Using a micro backward-looking approach of a balanced panel data for 294 listed firms during the years 2000 to 2004, this study examines the impact of tax policy and dual reporting systems on corporate ETRs, the determinants of corporate ETRs, the variation of corporate ETRs from the statutory tax rate, the extent of gap between financial accounting income and taxable income (book-tax difference), and the value relevance of taxable income as an earnings quality indicator and performance measure.</p> <p>The statistical results reveal that ETRs are significantly different among firms within and across sectors. The average industry ETR during the years 2000 to 2004 is 20.4% and average ETRs for all sectors fall below the statutory tax rate of 28%. The study observed that firms from industrial products, consumer products, infrastructure and hotel sectors face lower ETRs, while firms from trading and services, properties and construction face higher ETRs. The statistical results provide evidence that low ETRs are associated with highly leveraged firms, extensive investment in fixed assets, higher profitability and greater extent of international operations. However, the statistical results support the political cost theory, instead of political clout theory, which indicates that larger firms face higher ETRs.</p>

		<p>Further, the findings suggest that in tax planning strategies, firms utilize permanent and temporary differences to reduce their ETRs. The statistical results provide significant evidence that firms have benefitted from tax provisions such as exempt income, deductible expenses, specific tax incentives, business losses and capital allowance carry forward, tax reliefs and deferred tax which caused their ETRs to diverge from the statutory tax rate. As a result, firms report higher financial accounting income than taxable income. Additionally, the findings suggest that taxable income provides useful information about the quality of corporate earnings and firms' performance.</p> <p>Hence, this study provides empirical evidence that tax planning activities are pervasive and have lowered corporate ETRs below the statutory tax rate during the years 2000 – 2004. In tax planning strategies, managers of firms opportunistically utilized tax incentives and adopt accounting policies which trade-off between financial reporting and tax reporting income to maximize shareholders' wealth. In addition, aggressive tax planning activities and dual reporting systems have contributed to a large gap between financial accounting income and taxable income. Hence, the present study contributes to the accounting literature with respect to tax competition, accounting choice and value relevance of corporate tax planning. Finally, despite equity and neutrality principles of the present corporate tax system which are believed to have been distorted, this study concludes that tax competition does not lead corporate tax rates to race to the bottom.</p>
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26	<b>Name</b>	Morni Hayati Bt Jaafar Sidik
	<b>PhD Title</b>	Tax Planning Among Companies in Malaysia in an E-commerce Environment
	<b>Place of Study</b>	UPM
	<b>Year of completion</b>	2010
	<b>Abstract</b>	<p>E-commerce poses new way of doing business and provide new opportunities for companies to broaden their markets. E-commerce transactions, however, have raised several tax problems. One of them is the ambiguity surrounding the concept of permanent establishment. This ambiguity, on the other hand, may be used by e-commerce companies to reduce tax burden through tax planning. The purpose of this study is to examine the tax planning from PE interpretation in e-commerce environment in the Malaysian context.</p> <p>This study employed two types of data collection methods. The first method is the quantitative data collection through questionnaire survey. Nine hundred and fifty questionnaires were sent to the selected respondents using both postal and electronic mail. Out of 950 copies distributed, 107 questionnaires were received from the respondents. The second method involved collecting qualitative data through in-depth interviews. The key personnel from four e-commerce companies were interviewed to gain further insights on their tax planning.</p> <p>The results of this study showed that 95 percent of the respondents are tax planning adopters. The statistical analyses revealed that although the respondents adopt tax planning in an e-commerce environment, they do not</p>

		<p>depend on the use of tax consultants, organizational characteristics and innovation factors.</p> <p>The study also showed that there is no relationship between website address and tax planning adoption. In addition, there was no clear relationship between tax planning adoption and tax planning perceptions. The findings suggest that even though the companies adopt tax planning, it does not mean that they perceive tax planning to be impatient.</p> <p>In summary, the findings suggest that tax issues might not be the main consideration when a company in Malaysia plans its website. There are other issues that are more important than tax issues such as legal and security issues. This implies that the tax authorities in Malaysia may have ample time to study their tax policy in the e-commerce environment. At the same time, CEOs and managers of the e-commerce companies should ensure they are equipped with tax knowledge in order to avoid any unnecessary tax liabilities.</p>
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27	<b>Name</b>	Siti Normala Sheikh Obid
	<b>PhD Title</b>	Administrative/Compliance Efficiency in IRD, Malaysia
	<b>Place of Study</b>	School of Accounting, Banking and Economics, University of Wales, Bangor, United Kingdom
	<b>Year of Completion</b>	1994
	<b>Abstract</b>	<p>The increasing importance of efficiency in the tax administration and in the taxation system in general, together with lack of empirical research on Administrative and Compliance Efficiency (ACE) in the Malaysian taxation system, shape the motivation of this study.</p> <p>This research examines the performance of the Malaysian IRD, i.e. by analysing the strengths and weaknesses of the current tax administration, tax operating costs (both administrative and compliance costs), the importance of computerisation in working towards improved ACE; and analyses taxpayers behaviours and attitudes towards the income taxation system. The period analysed is 1980 – 1989, during which computerisation has been a major force in the Malaysian taxation system.</p> <p>An empirical analysis of ACE is developed with the view that efficiency through greater use of computerisation, minimising compliance costs, improved IRD services and improved taxpayers' tax education may be perceived to instil greater discipline on tax administration and taxpayers. Thus this enhances efficient revenue collection without having to trade-off other objectives such as equity and fairness. The main findings of this study show that under the current tax administration, tax operating costs tend to fall disproportionately on taxpayers and long gestation periods of tax disputes between taxpayers and tax office have been a source of frustration and disappointment to both taxpayers and tax officials. Therefore, it is important to gain taxpayers confidence and ensure standardised and uniform services on the part of the IRD in order to have efficient revenue collection. Computerisation may be part of a complementary set of changes geared towards addressing the importance of enhanced efficiency in the collection of tax share for the country's development.</p> <p>The findings of this research show that ACE is of equal importance to the government, the IRD and taxpayers. Thus, the findings have implications</p>

		for the role of government/political bodies in monitoring the ACE, implications in tax administration and tax reform and in taxpayers' voluntary compliance.
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28	<b>Name</b>	Lai Ming Ling
	<b>PhD Title</b>	Electronic Tax Filing System : Malaysian Tax Practitioners' Technology Readiness, Acceptance and Compliance Considerations
	<b>Place of Study</b>	International Islamic University Malaysia
	<b>Year of Completion</b>	2005
	<b>Abstract</b>	<p>The Inland Revenue Board Malaysia (the IRB) is streamlining the tax administration policies to embrace an electronic tax filing (e-filing) system. With the e-filing system, taxpayers and their representatives can transmit tax returns, payment and information directly to the IRB electronically rather than mailing the paper forms. Experiences of overseas counterparts that have embraced e-filing systems have shown that the e-filing system can only work effectively with the assistance and cooperation of tax practitioners. However, at the time of this study, little is known about Malaysian tax practitioners' reactions towards the e-filing system. In response, this study has emerged to fill a research void. The objectives of this study are to examine tax practitioners' technology readiness, acceptance and compliance considerations of the e-filing system. A mail survey was used for data collection. Using the systematic sampling method, questionnaires were mailed to 600 tax practitioners throughout Malaysia.</p> <p>Firstly, the Technology Readiness Index (TRI) of Parasuraman and Rockbridge Associates, Inc (1999) was adapted to assess the state of technology readiness amongst tax practitioners. Secondly, an integrated technology acceptance model was developed to examine tax practitioners' acceptance of the e-filing system. The theories underlying the integrated technology acceptance model were generated from the social psychology, information systems, accounting, taxation and marketing literature. Thirdly, this study examined the inherent compliance considerations confronting tax practitioners and also evaluated the importance of five different types of incentives that would motivate tax practitioners to use the e-filing system.</p> <p>Based on TRI, the findings indicated that respondents were positive towards new technologies. Nonetheless, they were wary about the security of the Internet technology. The respondents were segmented into explorers (15%), pioneers (36%), sceptics (21%), paranoids (26%) and technology laggards (3%).</p> <p>The structural equation modelling technique was used to test the integrated technology acceptance model. Results showed that behavioural intention (a proxy for technology acceptance) was significantly influenced by the tax practitioner's perceived usefulness, perceived ease of use and perceived insecurity of the e-filing system, as well as perceived behaviour control and social norms.</p> <p>In addition, the survey uncovered the unwillingness of tax practitioners to pay a service fee and their lack of confidence in the electronic administrative capabilities of the IRB. Such factors appeared to</p>

		discourage the take up of the e-filing system. At the same time, the survey indicated that the quest for a 'speedy tax refund' ranked the top most important incentive to motivate the use of the e-filing system. Overall, this study provides the needed empirical evidence to the current literature by expanding into a relatively unstudied area of Malaysian tax environment. This study found the applicability of technology acceptance model in Malaysia. The findings have implications and contributions to the tax authorities, and the tax practitioners, besides contributing to the theory on modelling user's acceptance of the e-filing system. In addition, this study enhances our understanding on the importance of AICPA's (2001) guiding principles of good tax policy in developing and diffusing the e-filing system in the Malaysian tax environment.
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29	<b>Name</b>	Salwa Hana Yussof
	<b>PhD Title</b>	An Analysis of Malaysia's Corporate Income Tax Expenditures and Negative Income Tax Expenditures Using Accounting Standards as the Benchmark Tax Base
	<b>Place of Study</b>	Monash University Clayton Campus, Australia
	<b>Year of Completion</b>	2013
	<b>Abstract</b>	<p>Tax expenditures are government indirect spending, hidden in the tax system, often used to support government's social and economic objectives. Instead of directly allocating money for a particular objective, the government forgoes tax revenues from those who undertake activities that could achieve the objective. Therefore, tax expenditures should be analysed as government spending programs. Tax expenditure reporting and analysis has been a regular practice among many countries in the world, especially in developed countries, to ensure efficient and effective allocation of government resources and enhance government's transparency. Unfortunately, despite having lavish tax incentives, the Malaysian government has not produced a tax expenditure report. As a result, tax expenditures are mistakenly analysed as aspects of the tax collection system rather than as part of spending programs.</p> <p>This thesis sets a foundation for tax expenditure reporting and analysis in Malaysia by identifying and analysing tax expenditures of Malaysia's corporate income tax arising from all sources of tax law – tax legislation, case law and administrative practices. In addition, this thesis also identifies and analyses negative tax expenditures that provide disincentives to government-disfavoured activities. The main objective of this thesis is to determine whether particular corporate income tax expenditures or corporate negative income tax expenditures should be removed, maintained or modified using the conventional tax expenditure analysis. Prior to identifying tax expenditures, elements of a benchmark tax structure are developed. This thesis contributes to new knowledge by proposing Malaysian accounting standards as the benchmark tax base to identify corporate tax expenditures. Any tax rules that deviate from the benchmark tax structure are analysed as tax expenditures (if they lower tax payable) or negative tax expenditures (if they increase tax payable). Conventional tax expenditure analysis commences with an assertion of (or speculation about) the apparent objective of each of the tax</p>



		<p>expenditures and negative tax expenditures being assessed, asking first whether there are justifiable reasons for the government to intervene in the market by offering subsidies or imposing penalties based on taxpayers' behaviour. If government intervention can be justified, the next step is to propose the optimal vehicle to achieve the objective.</p> <p>The findings of this thesis reinforce doubts held by some about the effectiveness of tax expenditures as tools to promote government objectives. A number of the tax expenditures identified appear to be redundant, providing government support for companies to undertake actions that they would likely do even without the tax expenditures. Most tax expenditures in Malaysia are not accurately targeted; they only benefit profitable companies and thus miss many enterprises most in need of assistance. There are also tax expenditures that have lost their relevancy, including a few that were inherited from the British tax system. They have been forgotten or accepted as part of the normative tax system, and are left in the legislation with no revision.</p> <p>Most negative tax expenditures that are explicitly legislated have plausible reasons to stay in the tax system. However, implicit negative tax expenditures that stem from strict judicial interpretations have led to the denial of deductions for some normal business expenses. This is unfair to businesses.</p> <p>Overall, this thesis demonstrates the importance of tax expenditure reporting and analysis, particularly in Malaysia, to help the government in managing its resources and formulating better policies.</p>
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<b>30</b>	<b>Name</b>	Nafiu Olaitan Sarafadeen
	<b>PhD Title</b>	Allowable Expenditures in Revenue Law: The Development of Legal Principles from the Common Law Perspective
	<b>Place of Study</b>	International Islamic University Malaysia
	<b>Year of Completion</b>	2013
	<b>Abstract</b>	<p>Allowable expenditure is a vital area available to taxpayers to explore for tax benefit. It is distinguishable from tax evasion, in the sense that the latter involves using unlawful means to circumvent the payment of taxes, it is therefore illegal and a crime punishable by the law; but allowable expenditure which may be described as an extended family member of tax avoidance is the process whereby taxpayers take advantage of legal opportunities to minimize their tax liability; the implication of this is that such taxpayers are knowingly trying to reduce their taxes, but they are not knowingly breaking the law.</p> <p>Allowable expenditure is an area of taxation law where the development of legal principles cannot be over emphasized as statutory provisions meant to control impermissible tax deduction may not cover all the schemes taxpayers and tax-lawyers (advisors) mechanically formulated for the purpose of tax benefit. This thesis addresses the issue of allowable expenditure in revenue law on which there are statutory provisions; it argues that in interpreting the statutes, the judiciary often comes up with</p>

		<p>legal principles relevant to this area of law. It is the development of these legal principles in relation to tax deduction of business expenses that the thesis evaluates, doing so from the perspective of common law jurisdictions.</p> <p>The concept of a loophole is an arresting proposition that illuminates revenue loss on the part of government, among other factors responsible for such loss. It hinders the tax authorities in carrying out their statutory duties of tax collections. In tax terminology, a loophole is defined as a technicality making it possible to circumvent the law's intent without violating the letter of the law; the thesis draws attention to the sophisticated schemes formulated by the taxpayers and their tax advisors to explore the loopholes in the law for tax advantages. The thesis finds that the general consistency issue in impartiality of law requires that the principles sustaining the coherence of statutory framework, either on taxation or other legislative enactments, be observed when deciding, for instance, whether an expense is incurred for the purpose of producing income; hence the preference for interpretation that reduces the possibility of contradiction and inconsistencies among various statutory provisions.</p> <p>As a result of this finding, the thesis concludes that the ordinary principles of statutory construction must be applied to the words used by Parliament and this underscores the significance of interpretation of statutes. The thesis recommends that the principles of statutory construction should be upheld at all times and the implication of this is that a course of action that was designed to defeat the intention of Parliament should be treated as tax avoidance and dealt with accordingly since allowable expenditure as a tax benefit is meant for the deduction of expenses incurred in producing assessable income.</p>
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<b>31</b>	<b>Name</b>	Khadijah Mohd Isa
	<b>PhD Title</b>	Corporate Taxpayers' Compliance Variables under the Self-Assessment System in Malaysia: A Mixed Methods Approach
	<b>Place of Study</b>	Curtin Business School
	<b>Year of Completion</b>	2012
		<p>This thesis examines corporate taxpayers' compliance variables and analyses the influence of business characteristics on compliance behaviour. A two-phase exploratory mixed methods approach was employed to explore participants' views of corporate taxpayers' compliance variables, with the intention of using this information to develop a survey instrument. The method comprised eight focus group interviews with 60 tax auditors from the Inland Revenue Board of Malaysia (IRBM), and a mixed-mode survey among selected Malaysian corporate taxpayers. Thematic analysis and descriptive and inferential analysis were mainly used to examine the qualitative and quantitative data.</p> <p>The results suggest that the main corporate taxpayers' compliance variables are: tax knowledge, tax complexity, tax agents and tax audits. The main business characteristics that are found to have significant influence on compliance variables are the length of time the business has</p>

		<p>been operational, size and industry. Continuous tax education and tax audit programmes are thus vital, and should focus more closely on specific groups of taxpayers, namely smaller and more newly established companies, companies in rural areas, and business industries that are more inclined to use cash transactions. Moreover, as many corporate taxpayers perceive the probability of an audit as low, the IRBM should publicise its audit activities more prolifically through available media channels. Tax simplification, especially on laws regarding estimation of income tax, is also an important consideration.</p> <p>This study extends the scope of tax compliance research to corporate taxpayers, and builds upon the limited international and Malaysian literature in this area. Most of the research findings of this thesis yield consistent results with respect to particular tax compliance variables. In a tax policy context, this study enables international tax authorities in general, and Malaysian tax authorities in particular, to have greater confidence in developing and administering tax laws and policies to maintain and/or increase the overall level of corporate compliance.</p>
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32	<b>Name</b>	Dr Nik Abdullah Sani bin Nik Mohamed
	<b>PhD Title</b>	Tax Evasion by Small and Medium Sized Enterprises (SMEs) and the Role of Forensic Accounting: The Malaysian Perspective
	<b>Place of Study</b>	Heriot-Watt University, Scotland, UK
	<b>Year of Completion</b>	2006
		<p>The aim of this research is to identify and define the characteristic behaviour of and factors that influence taxpayers in small and medium-sized enterprises (SMEs) when they either evade tax or comply with tax law. The study also attempts to assess the extent of tax evasion by SMEs in Malaysia. In addition, another concern is also to explore both the actual and potential role of forensic accounting with the focus on improving current enforcement strategies for deterring tax evasion by SMEs. The research findings will contribute to the current limited literature on the tax compliance of SMEs and forensic accounting, especially with respect to Malaysia.</p> <p>Using a multi-method approach, the results of this thesis suggest that the extent of tax evasion by SMEs in Malaysia is both widespread and frequent. The findings also indicate that the offences tend to be deliberate evasion without any sophisticated tax-planning scheme. Understatement of gross profit and overstatement of expenses other than the cost of goods sold are the most frequently used methods. The fact that most taxpayers are unlikely to be detected and penalised by the tax authority is also another factor shaping tax evasion by SMEs. Most SMEs are heavily reliant on tax practitioners to guide them to comply with their income tax matters and will remain with the same tax practitioner in general; however, there is a tendency for some to switch tax practitioner for whatever reason they think fit.</p> <p>Forensic accounting is a field that encapsulates all other areas in the use of accounting for investigative purposes. Forensic accounting is a</p>

		<p>relatively new discipline in Malaysia; however, the awareness of forensic accounting by tax practitioners and IRB (Inland Revenue Board Malaysia) personnel is strong. The techniques used in forensic accounting are not new to the IRB; however, the IRB personnel need further exposure to and training in these techniques. The finding indicates a lack of sophisticated planning in tax evasion by SMEs in Malaysia. Despite this, forensic accounting technique could be added to the existing tools necessary to bring about the successful investigation and prosecution of those involved. The study was carried out at a time of change for the IRB.</p>
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