Appendix

QUESTIONNAIRE

FIRST: Tax Administration and Income -Tax Revenue Collection

1. Does your country tax revenues keep up with income?
   a) During economic boom ( )
   b) during economic depression ( )
   c) Other, please mention it ............

2. Are your tax revenues stable comparison to other revenues? YES ( ) NO ( )

3. Are your tax revenues predictable? YES ( ) NO ( )

4. What in your opinion are the principal factors preventing the increase of the tax revenue?

5. Is there any particular group of taxpayers that is especially hard to deal with? YES ( ) NO ( )

6. How do you solve their problems?

7. Do you feel that you have sufficient authority-power to effectively deal with these problems? YES ( ) NO ( )

8. If yes, why are you not using all the powers that you have?

9. Why is it that so many people do not pay anything at all, and others only a small part?

10. In your opinion, would harsher penalties induce more people to comply voluntarily? YES ( ) NO ( )

11. Do you have a taxpayer file? YES ( ) NO ( )

12. Do you feel that it is sufficiently accurate and comprehensive? YES ( ) NO ( )

13. How is it updated?

14. In your opinion, are there other sources of information that could be used? YES ( ) NO ( )

15. Is there an annual plans for inspection, collection, and enforcement? YES ( ) NO ( )

16. Are you under pressure from outside to introduce reforms and strengthen your ability to implement? YES ( ) NO ( )

17. Are you supplied periodically with information on taxpayers who do not pay on time? YES ( ) NO ( )

18. Is the information with which you are furnished reliable? YES ( ) NO ( )

19. Do you plan and carry out our collection program on the basis of this information exclusively? YES ( ) NO ( )

20. Do you think that the information on the tax return and accompanying documents is correct? YES ( ) NO ( )

21. Do you think that the tax computation for each kind of income burden the tax administration? YES ( ) NO ( )

22. Many experts point out that the lack of highly qualified tax inspectors do not help in the increasing of the tax collection, do you agree? YES ( ) NO ( )

23. Do you think that the tax-payers must be compelled to keep up the account books by which the tax collection would be increased? YES ( ) NO ( )

24. How do you get the primary information of the organization?
25. Who verifies the reliability of the primary information?
- The tax inspector
- Financial statements of audited by Chartered Accountant
- Governmental agencies

26. Do the implement of penalties play a role in reducing the violations? YES ( ) NO ( )
27. Is it possible to grade this role?
- a - 85-100% ( )
- b - 70-85% ( )
- c - 50-69% ( )
- d - Below 50% ( )

28. What are the important problems facing the tax system:
- a - Legislative problems ( )
- b - the unavailability of tax policies ( )
- c - Shortage of information and data ( )
- d - Regulating problems ( )
- e - Lack of technical efficiency and administration ( )
- f - Corruption ( )

29. Is there a relationship between achieving the objectives and motivation system?
- a - Very strong relationship ( )
- b - Strong relationship ( )
- c - Weak relationship ( )
- d - No relationship ( )

30. Do you think the financial statements and the presentation of accounting which are attached to the tax return meet the following:
- Suitable time ( )
- Clarity ( )
- Speed ( )
- Achievement ( )
- Comprehensiveness ( )
- Accuracy ( )
- Convenience ( )
- All the above ( )

Second: Tax Equity/Fairness
1. Do similar businesses (businesses in the same industry) pay similar amounts of tax? YES ( ) NO ( )
2. Do taxpayers think country tax system is fair? YES ( ) NO ( )
3. Which income taxes do taxpayers think are fair?
   - Salaries ( )
   - Property ( )
   - Tax on income from profession ( )
   - Tax on profit and gains ( )
   - Capital gains ( )
4. Do tax revenues keep up with, fall short of, or exceed change in personal income? YES ( ) NO ( )
5. Does India taxes affect the competitive position of them business? YES ( ) NO ( )
6. Does India taxes affect the ability to start and grow a new business? YES ( ) NO ( )
7. Does India taxes affect the ability of established business to survive and grow? YES ( ) NO ( )
8. Are tax incentives effective and sufficient in encouraging firms to establish and remain? YES ( ) NO ( )
9. Are your taxes administered equitably? YES ( ) NO ( )
10. Are there any sectors or groups that don’t pay a proportionate share of tax? YES ( ) NO ( )
11. If yes, please mention these:__________________________________________________________

12. Are all liabilities clear to taxpayers when they make business decisions? YES ( ) NO ( )
13. Do taxes impede the ability to purchase and retain a home? YES ( ) NO ( )
14. Do you think that the estimated tax rates the justice among the community individuals in your country? YES ( ) NO ( )

15. What is your opinion in determining the family exemption based on number of the family? YES ( ) NO ( )

THIRD: TAX COMPUTATION AND TAX ACCOUNTING

1. Do you consider the income accurately defined according to the income tax law so that it becomes easy to count the tax? Yes ( ) No ( )

2. Which is better for both tax administration and taxpayer:
   A - To calculate the total income and count it as a union tax ( )
   B - To consider each income separately and tax it ( )
   C - Other, please specify-----------------------------

3. Do you follow the changes in the local and International Accounting Standards? YES( )NO ( )

4. How do you get the access to these changes in the standards?
   - Pupations & Journals periodical ( )
   - Instituted of Chartered Accountants ( )
   - Others determine, please mention, ....................

5. Do you think that the publications issued by the taxes authorities and the Ministry of Finance that Relating to the computation based on ASs? YES ( ) NO ( )

6. If yes, can you identify these ASs that refer to:
   A - All ASs ( ). B- ASs that have relating to accounting policies ( )
   C - Others determine .........................

7. Do you think there is corresponding in the concepts and the principles between IASs and local ASs? Yes ( ) No ( ).

8. If your answer to the above question is NO, can you determine this difference between them?
   A) -Difference degree
      a- 85-100% ( ). b - 70-85% ( ). c - 50-69% ( ). d - Below 50% ( )
   B) -Different nature
      A- in presentation of financial statements ( )
      B - In the incidence or accounting appraisal. ( )
      C- others determine.............................

9. Do you think that there is a link between the application of the international accounting standards and the improvement of the taxation system? YES ( ) NO ( )

10. If yes, to what extent this link is:
   - High ( )
   - Average ( )
   - Quite ( )
   - Not link ( )

11. Do you think that the law script compels the taxpayer to follow especial accounting methods in Income computation? YES ( ) NO ( )

12. Do you think that the role of chartered accountant’s complement the role of tax administration?
   YES ( ) NO ( )

13. If yes, what is the extent of this role?
   A - Very positive rule. ( ) B- Positive role. ( ) C- Medium role. ( )
   D - Weak role. ( ) E-there is no role. ( )

14. Which is better in your opinion in tax computation on bases?
   A - certain amount ( )
   B - the computation mode according to the account books. ( )
   C - other method, please mention it: ( )
15. Do you think that the income tax law must oblige the taxpayer to tax return attested by a Chartered Accountant? YES ( ) NO ( )

16. If yes, do you think that the income tax law must oblige the taxpayer to financial statements attested by a chartered accountant?
   A- All taxpayers. ( ) B- Tax-payers under companies Act. ( )
   C - Taxpayers who activities reach a certain amount. ( )
   D- others, please specify? ........................................

17. To what extent tax systems contribute in improving accounting profession?
   a- High. ( ) b- Average. ( ) c- Low. ( ) d- No contribution. ( )

18. Do you consider tax administration is one of the agencies that get benefits from financial statements? YES ( ) NO ( ).

19. If yes, up to what extent this benefit is:
   a- Very high. ( ) b- High ( ) c- Average ( ) d- Low ( ) e- Very low ( )

20. Does I.A.S. No.1 contribute in determining the income tax? YES ( ) NO ( ).

21. If yes, specify this contribution:
   a- 80-100 % ( ). b- 65-80 % ( ). c- 50-65 % ( ). d- Below -50 % ( )

22. Do you think that the non-exposure of accounting policies of financial statements affect the income tax collection? YES ( ) NO ( ).

23. If yes, can you specify this effect?
   a- High ( ). b- Average ( ). c- Low ( ). d- No effect ( )

24. Which is better for the tax system as an application of IAS. no. 1?
   a- Cash basis ( ). b- Accrual basis ( )
   c- Other, please mention it..........................

25. When there is a modification in accounting policies, differences may occur which affect profit & loss account; Do you think these differences must be subject to the tax? YES ( ) NO ( ).

26. Which method, do you think, should be used to evaluate the inventory that most convenient for the income tax system:
   A - History cost ( ). b - Net sale value ( )
   C - History cost or net sale value, whichever less? ( )
   D - Other methods please mention, .......................

27. I.A.S. No 2 points at various modes for evaluating the cost of inventory?
   A - First-in, first-out (FIFO) ( ). b- Last-in, first-out (LIFO) ( )
   C - Weighted average ( )
   D - Other mode, please mention it? ....................

28. Do you think that the inflation affects income statement when specifying the policy of the evaluation of inventory? YES ( ) NO ( ).

29. If difference according to the inflation, How would you handle these differences?
   - Taking them into consideration before determining the profit ( )
   - Ignoring these ( )

30. I.A.S. 4,16 and 38 are the main Accounting Standards which affect the cost of assets, expenses and the profits, thus, they affect the income tax collection; in the light of the above:
   I - Which mode of depreciation achieves the fairness for both taxpayers and tax administration?
   A- Fixed Installment or Straight Line Method ( ). B- Diminishing or Reduced Balance Method ( ).
   C- Revaluation Method ( ). D- Depletion Method. ( )
   E - Other Methods, please mention,-----------------------

31. When the employed mode of depreciation is changed to what extent this affects the income

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statements?

a- High ( )  b- Average ( )  c- Low ( )  d- No effect ( )

3-Which one/ones of the following items should be stated in accounting policies?

A - Depreciation method of assets ( )
B- Basses of determining the total cost of assets. ( )
C- The total depreciation of the period. ( )
D- To increase & decrease that found between the two periods. ( )
E- The useful economic life of the assets. ( )

4. Do you think that the ratio of depreciation approval by government cope with the percentage applied in the light of the technology advancement? YES ( ) NO ( ).

5. DO you think that the methods of depreciation approved by government cope with the standard accounting methods? YES ( ) NO ( ).

6. With reference to the above items 5 & 6, how would you handle the difference, which will occur as a result of the applied rations and methods of depreciation?
- pay of income tax on these difference ( )
- No pay of income tax on these difference ( )
- Record of these differences in the reserve account ( )
- Other treatment, please mention,..........................

31. On what bases do you differentiate between capital and revenue expenditure?

- Increase the life of the asset ( )
- Producing capacity ( )
- Reducing the cost of the operation. ( )
- Improvement of production ( )
- All elements of the previous ( )

32. Events After the balance sheet dates is important and affecting of numerous problems, do you think to be treated in terms of:

A- Disregard it totally until it happens ( )
B- Record it in the income statement without being subject to the tax ( )
C- Record it in the income statement and to be subject to the tax ( )
D- Other opinion, please mention, ...........................

33. Do you think it is necessary to expose the income tax in financial statement? YES ( ) NO ( ).

34. Which method is better, in your opinion, in tax effect accounting?

A - The Deferred Method ( )  B- The Liabilities Method ( )
C-other method, please mention, ..........................

35. Do you think it is necessary to expose the used method in computing the tax effect? Yes( ) No ( ).

36. Which is better when entering the transaction of foreign currency on the basis of:

a -history price ( )  b- Closing price ( )
c -average price ( )  d -other price ..........................

37. How would you handle the amount of the consequence of the revaluation of accounts’ balances which affect the income statement?

A- Accepted as expenses & incomes in the income statement ( )
B- Accepted as expenses, that is considered as actual loss ( )
C- Not to be recorded as a matter of uncertainty ( )

38. Determine the method of the presentation of the change effect in the prices when preparing the financial statements:

A-the current cost method ( )
FOURTH: TAX EVASION:

1) Do you think that the evasion causes from income tax are attributed to: (you can select more than one cause)
   a - Weakness of laws ( )
   b - Lack of financial statement ( )
   c - High of tax rates ( )
   d - The misuse to public fund ( )
   e - No direct benefit to taxpayers ( )
   f - Absence of tax culture among taxpayers ( )
   g - Inefficiency of tax administration ( )
   h - Lack of A.Ss help in securing the correct financial statement ( )

2. Do you think that the imposed penalties in the law to prevent the tax evasion are sufficient?
   YES ( ) NO ( )

3. Do you think that to prevent the evasion of the income tax or the reduction of evasion can be achieved by: (you can select more than one element)
   A - Reducing the tax rate ( )
   B - Training the tax professional tax employees ( )
   C - Increasing the penalties in law ( )
   d - The availability of accounting system that identifies the financial statements ( )
   e - Increasing the tax culture among the tax-payers ( )
   f - The proper use of revenue by the government ( )
   g - Terminating the corruption in the tax administration ( )

4. Do you think that the evasion rate from income tax may reach?
   Be low 10% of the collected amount ( ) - 10-20% of the collected amount ( )
   20-30% = = = ( ) - 30-40% = = = ( )
   40-50% = = = ( ) - 50-60% = = = ( )
   Beyond 60% = = = ( )

5. Do you think some reasons of the tax evasion refer to:
   A - low salaries ( )
   B - no motivation system ( )
   C - No penalties ( )
   D - employee's behavior ( )
   E - Others please mention ........ 

6. Do you think that the comparison of financial statements help in lessen ing the evasion?
   YES ( ) NO ( )

7. Many theorists think that strict enforcement and harsh penalties for evaders is the key to voluntary compliance. YES ( ) NO ( )

8. How do you explain the high level of tax evasion in your country? 

FIFTH General and Personal Information

1. Age ( ) years.
2- Qualifications A- ................. B- ......................... C- .........................
3. Your experience ( ) years.
4- Training sessions that you participated in: A- ......................... B- ......................... C- ......................... D- .........................
5- Your Profession: a- General Manager ( ) b- Auditor ( ) c- Inspector ( ) d- other...
6- Do you read any periodical in accountancy, taxation, economics or finance? YES ( ) NO ( )
7- If yes, which one / specify? A- .........................
8. Do you any subscription any specialized journal of accountancy or taxation? YES( ) NO ( )

9. If yes, please mention these journal? A-.................................B.................................
   C-................................................D-................................................E-.................................

10. How do you update your knowledge regarding your profession of accounting, taxation and financial statements? You can choose more than one option
   a. Through the subscription in specialized journals ( )
   b. Conferences on taxation. ( )
   c. Association of Chartered Accountants. ( )
   d. Others, please mention it.

11. If you are Chartered Accountant, what a kind of your license do you have?
   a. Indian Chartered Accountant ( )
   b. C.A. ( )
   c. C.P.A ( )