EFFECT OF TAXPAYERS KNOWLEDGE AND TAX RATES ON TAX COMPLIANCE AMONGST SMES IN NAKURU COUNTY KENYA

Robin Mariita Aondo and M/s. Isabella Sile

IPRJB
INTERNATIONAL PEER REVIEWED
JOURNAL AND BOOK PUBLISHING

EFFECT OF TAXPAYERS KNOWLEDGE AND TAX RATES ON TAX COMPLIANCE AMONGST SMES IN NAKURU COUNTY KENYA

[1*]Robin Mariita Aondo

[1]Post Graduate Student: Management University of Africa

[*]Corresponding Author's Email: mariitarobin@yahoo.com

[2*]M/s. Isabella Sile

Lecturer: Management University of Africa

Abstract

Purpose: The study aimed at determining effect of taxpayer's knowledge and tax rates on tax compliance amongst SMEs in Nakuru County Kenya.

Methods: The study employed descriptive research design. The data collection was done by asking the target representative population structured and pre – determined questions. The target population of the study comprised of Small and medium Enterprises in Nakuru County which were 1,425 SMEs operating within the township, concentrating within the manufacturing, trade and services sectors. The study adopted stratified random sampling technique to select 10% of the target population therefore giving a sample size of 142 respondents. The researcher utilized questionnaire as the essential instrument for information gathering. Data gathered from correctly filled questionnaires were coded, tabulated and analyzed using SPSS version 22 by both descriptive statistics which include mean and standard deviation to capture the characteristics of the variables under study. Inferential statistics were also used to analyze the relationship of the dependent and the independent variable. The results were then presented through Figures and Tables.

Results: Regression results revealed that tax payers knowledge, tax rates had positive and significant effect tax compliance amongst SMEs in Nakuru County Kenya. This means that an increase in tax payers knowledge and tax rates led to an improvement in tax compliance.

Unique contribution to theory, practice and policy: The study recommended tax payers learning ought to be emphasized since tax data, tax learning tends to advance tax compliance than tax organization. In addition the study also recommend that tax rates should be reduced since expansion in tax rates prompts higher development, appropriation and offering costs which prompt higher costs and accordingly customers change their purchasing conduct

Keywords: *Tax payers knowledge, tax rates, tax compliance and SMEs*

1.0 INTRODUCTION

Okoye, Akenbor and Obara (2012) led an examination on Tax Information, Administration and Tax Payers' Compliance knowledge of Ekiti State Manufacturing Firms. This examination analyzed the effect of tax data, organization and learning on taxpayer's compliance of Ekiti State manufacturing Ekiti State Firms in Nigeria utilizing survey research design. The outcomes demonstrated that tax data and learning had positive critical effects on tax compliance while tax organization insignificantly affected tax compliance with beta coefficients which are unstandardized of 0.251 (t = 2.038, p<0.05), 0.322 (t= 3.682, p<0.05) and 0.077 (t = 1.021, p>0.05) appropriately. Investigation showed tax data, tax learning tends to advance tax compliance than tax organization. The investigation prescribed that legislature ought to through its organizations instruct the potential taxpayers on taxation laws and controls by coordinate free symposia and courses.

Adesina and Obazee (2016) completed an investigation on Taxation information, Penalties and assessment compliance in Nigerian small and medium scale endeavors. Examination was led utilizing survey design and information were gathered through survey and broke down utilizing least square technique. Outcomes uncovered that tax learning had positively huge effect on tax compliance while taxation penalties had inconsequential positively effect on assess compliance. Prescription that legislature ought to energize taxpayers information about assessment laws and standards in this way making mindfulness for the common advantages of the administration and the taxpayers.

Machogu and Amayi (2013) directed examination on impact of taxpayer instruction on intentional tax compliance, amongst SMEs in Mwanza city, Tanzania. Examination looked to build up impact of taxpayer instruction on intentional tax compliance, amongst SMEs in City of Mwanza -Tanzania. In particular, investigation sets up level of taxpayers training among SMEs, the level of deliberate tax compliance amongst SMEs and impact of taxpayer instruction on level of intentional tax compliance, amongst business visionaries in Mwanza City. A cross-sectional descriptive research configuration was utilized. Both essential and auxiliary information were gathered utilizing poll. 85percent of respondents, confessed to have increased comprehension on essential tax laws and methodology, whereas 15 percent demonstrated no change in understanding fundamental tax laws. 78.7 percent of respondents concurred that through taxpayer training, they had possessed capacity to comprehend and wind up noticeably mindful of their taxpayer rights and commitments. 21.3 percent of respondents expressed taxpayer instruction, had not possessed capacity to help in comprehending and getting to be noticeably mindful of their tax rights and commitments. 83 percent of respondents concurred taxpayer instruction helped them see unmistakably system of paying taxes, while 17 percent guaranteed that in spite of tax training gotten, they didn't see plainly the tax payment strategy.

Reactions from staff showed 80percent of profits were held up convenient, whereas remainder 20percent were not stopped inside lawful periods and would draw in penalties, fines for filing late. Returns lodged 67 percent proclaimed precise tax risk, while rest was erroneous. Extra taxes were surveyed through reviewing. 78 percent of the individuals required to pay taxes,

really paid inside stipulated time period as indicated by the law, whereas remainder 22 percent were late in tax payment, requiring utilization of implementation techniques. It is consequently suggested tax collection ought to be instructed at all training levels that is primary schools with accentuation on advancing deliberate tax compliance.

It is for most part trusted that a high tax rate is the primary driver of tax evasion. Motivating forces to sidestep tax rely upon the minimal rates of tax collection on the grounds that these oversee the increases from evasion as a total of the total sidestepped. One noteworthy evasion of tax is high individual income rate of taxation which tend to direct taxpayers to dodge tax. Excessively numerous and confounded standards and directions forced by the administration tend to prompt tax evasion. Organizations discover it by and large troublesome frequently not beneficial to work together lawfully (KRA, 2011).

As indicated by Osambo (2009) the elevated measure of tax collection of Small micro enterprises in Africa specifically Kenya, warrants thought on animated research domains went for watching out for the general effects of duty accumulation on SMEs By pondering tax appraisal direct in five particular countries (USA, Gambia, Nigeria, South Africa and Kenya), Osambo (2009) contemplated that extended tax assessment rate is a vital threat. The results show that expansion in tax rates prompts higher development, appropriation and offering costs which prompt higher costs and accordingly customers change their purchasing conduct. Individuals respond to the higher costs by purchasing less of the item. At the point when deals fall, manufacturers cut back on generation and a few specialists may lose their employments. The profitable assets i.e. land, capital, work and business are designated to different enterprises or go unused. For example when the administration increment taxes things, for example, beer and cigarettes to realize income and discouraging their utilization individuals tend to purchase neighborhood brews. At whatever point costs increment because of increment in rates of tax; merchandise costs and service increment and drop in utilization rate and an abatement in sales volumes prompting hindered development of small micro enterprises. Tax installment is amongst surges of money from business lessening buying influence of an undertaking. This is because of way that lot of money gathered is utilized in tax payment instead of to extend business. The investigation demonstrated that the power of purchasing of a venture drops instantly an organization pays taxes (Mika Mungaya, IJMBS Vol. 2, Issue 3, July - Sept 2012).

1.2 Statement of the Problem

Tax is a vital stream of income for government's improvement ventures. Be that as it may, tax compliance among SMEs is poor. Tax evasion hampers government income accumulation in this manner wastefulness in Government spending since it decreases the limit of the state to assemble household incomes, assets that are required for speculations. Little and medium undertakings (SMEs) are noteworthy for financial development and generate taxable income for a country. SMEs are less tax compliant in contrast with expansive organizations and are viewed as the 'difficult to assess aggregate from the informal part (Akinboade, 2015).

A number of studies have been accomplished in developing nations in regard to tax compliance, more so in Kenya. The list of these studies includes studies by Lumumba, Wanjohi and Magutu

(2010) analyzed how taxpayers attitude and influences impacts compliance conduct among SMEs in Kerugoya town and reasoned that majority taxpayers see Kenyan tax framework as out of line. This on grounds that majority respondents varied payment of decent amount of tax; which neighbours and companions were filing ; Magiya (2016) directed an examination on tax compliance determinants amongst little and medium estimated undertakings in Nairobi east tax district and found that an expansion in the tax payers comprehension of the assessment laws and the tax framework as well as an increase in government accountability with regards to provision of public good and services results into higher compliance levels, thus more of funds through revenue collection; Thiga and Muturi (2015) conducted a study on Factors That impacts Tax Laws compliance amongst Kenyan SMEs and found tax rates and tax compliance expenses are highest tax compliance contributing factor. Of all these studies, there has not been one that focused on determining the effect of taxpayers knowledge and tax rates on tax compliance amongst SMEs in Nakuru County Kenya. The business environment of Nakuru County is unique and hence SMEs in that county may have a variety of reasons for not complying with tax.

2.0 THEORETICAL REVIEW AND CONCEPTUAL FRAMEWORK

2.1.1 Allingham and Sandmo (1972) Model

In 1968 Nobel laureate Becker theorized the economics of crime on the basis of which Allingham and Sandmo (1972) produced an economic model of tax compliance. The model was seminal for it was followed by a large number of contributions to the literature which extended the original model in a number of directions. In the model, the taxpayer is assumed to have an income I and must choose the amount to declare to the tax agency (Alm, Jackson and McKee, 1992).Declared income D is taxed at the rate t; undeclared income is not taxed, but the taxpayer will face a probability of detection p at which point a fine f will be imposed for cheating. The taxpayer has the choice between two strategies: (1) He may declare his true income or (2) he may declare less than his true income. If he chooses the latter strategy his payoff will depend on whether or not he is investigated by the tax authorities. If he is not, he is clearly better off than under strategy one. If he is investigated, he is worse off as the audit may lead to penalties. Thus the taxpayer chooses D to maximize the expected utility of the evasion gamble (Allingham and Sandmo, 1972).

This framework suggests that declared income depends upon I, p, f and t:

$$D = \square \, (I, p, f, t)$$

This model shows that declared income D varies directly with income, the probability of detection (audit rate) and the penalty (fine rate), but inversely with the tax rate.

There are however other factors that affect compliance decision; while government "taketh away, it also giveth back" (Alm, Jackson and McKee, 1992) and this surely exerts influence on compliance or evasion. The declared income D may be modified to reflect individual's receipt of Government expenditures G as follows:

$$D = \square \, (I, p, f, t, G)$$

Thus compliance is also directly related to individual's perceived benefits from public good funded by their tax payments.

This economics-of-crime approach and its extensions is based on the assumption that an individual pays taxes *only* because of the economic consequences of the evasion gamble and because they fear detection and punishment. However, it is clear that compliance cannot be explained entirely by such purely economic considerations and level of enforcement. In fact it has been shown that the percentage of income tax returns that are subject to a thorough tax audit is generally quite small in most countries, almost always well less than 1 percent of all returns (Alm, 2012). Therefore, although the Allingham and Sandmo Model of 1972 is elegant in its simplicity, many potentially relevant noneconomic factors are necessarily omitted.

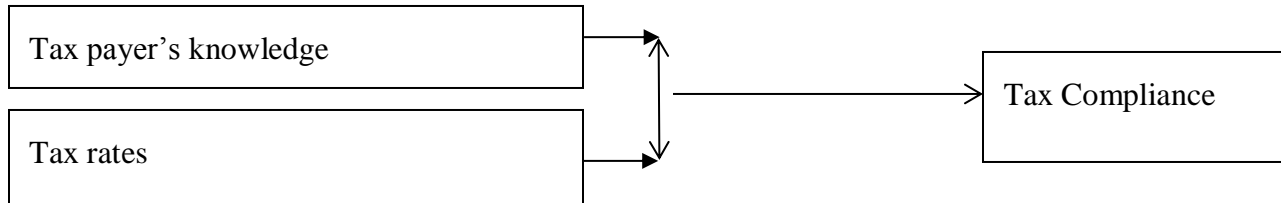### 2.1.2 Institutional Anomie Theory (IAT)

Anomie is a sociological theory that holds that individuals make decisions based on socialized values, which separately may be contradictory but together, balances each other out, producing behavior considered "normal" by society. When one holds an imbalanced set of values, decisions made on that set may produce deviant behavior, such as everyday crime (Itashiki, 2011). Specifically, the most recent rendition of anomie theory, institutional anomie theory (Messner & Rosenfeld, 2001) appears readily adaptable for examining the relationship between cultural values and tax evasion behaviors (Riahi-Belkaoui & Picur, 2000).Institutional Anomie Theory highlights four theoretically derived sets of national cultural dimensions likely to promote or suppress tax evasion. They include individualism, achievement orientation, assertiveness and humane orientation.

Individualistic cultural values set the stage for behaviors that emphasize the pursuit of firm self-interest, largely neglecting concern for ethical consequences. According to IAT, individualistic cultural values encourage firm's decision makers to choose goal achievement beyond concerns for the ethical or legal means to achieve goals (Bame-Aldred, Cullen, Martin & Parboteeah, 2011). Thus, in such societies, firms more willingly deviate from accepted norms and evade taxes. On the contrary, collectivist cultures favor allegiance to the greater collective rooted in the notion that societal members are interdependent (Triandis, 1995) and, as such, should deter individual gains at the expense of the collective.

This suggests that individualistic cultural values should inflate temptations for firms to evade taxes. Deceiving the tax system and the dangers of being punished once detected of the cheating, and for this reason the individual will honor the tax compliance requirements for fear of being penalized. Needless to say, compliance amongst individual payment of tax has sustainably remained high over the years. Analytically, there is no support that enforcement by the relevant authorities could be responsible for making individuals comply. The ultimate idea with tax compliance is why less tax is paid than expected, not why tax payers evade paying taxes due.

2.2 Conceptual Framework

Independent variables   **Dependent variable**

Figure 1: Conceptual Framework

3.0 METHODOLOGY

The study employed descriptive research design. The data collection was done by asking the target representative population structured and pre – determined questions. The target population of the study comprised of Small and medium Enterprises in Nakuru County which were 1,425 SMEs operating within the township, concentrating within the manufacturing, trade and services sectors. The study adopted stratified random sampling technique to select 10% of the target population therefore giving a sample size of 142 respondents. The researcher utilized questionnaire as the essential instrument for information gathering. Data gathered from correctly filled questionnaires were coded, tabulated and analyzed using SPSS version 22 by both descriptive statistics which include mean and standard deviation to capture the characteristics of the variables under study. Inferential statistics were also used to analyze the relationship of the dependent and the independent variable. The results were then presented through Figures and Tables.

4.0 RESEARCH FINDINGS AND DISCUSSIONS

4.1 Demographic Characteristics

This section consists of information that describes basic characteristics such as gender of the respondent, age of the respondent, level of education and sector and total amount earned

4.1.1 Gender of the respondents

The respondents were asked to indicate their gender. Majority of the respondents were male who represented 66% of the sample while 34% were female. This implies that majority of the owners of the SMEs in Nakuru County were male.
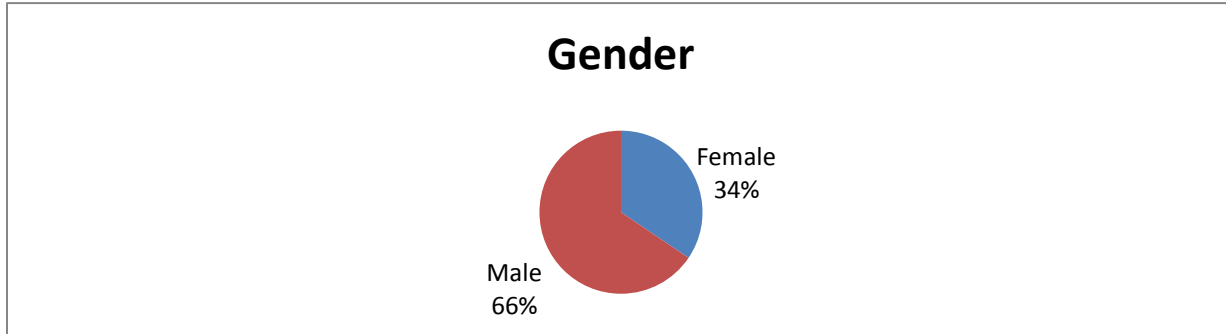
Gender

Figure 2: Gender of Respondents

4.1.2 Age of the respondents

Respondents were requested to indicate their age brackets. Majority of the respondents who were 38% were between 30-40 years, 37% were above 50 years, 13% were below 30 years, while 12% were 41-50 years. This implies that majority of owners were middle age.
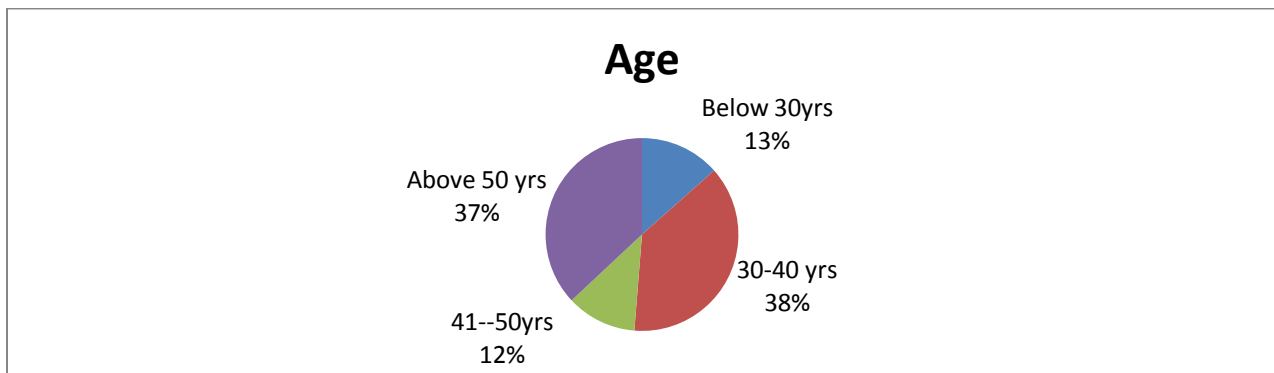
Age

Figure 3: Age of Respondents

4.1.3 Sector

The respondents were asked to indicate the sector in which their enterprise belonged. Results in figure 4 show that 60% of the respondents were in the trade sector, 33% indicated that they were in manufacturing sector while the remaining 7% indicated to be in the service sector. had Diploma while only 4% had PhD/DBA qualification. In as far as the title of study is concerned, the results imply that, the majority of the respondents were in the trading sector as indicated by the results.
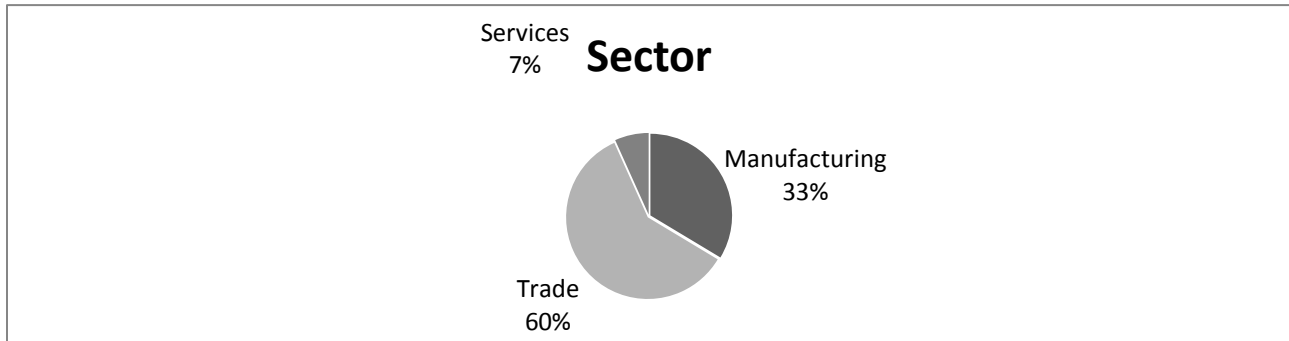
www.iprjb.org

Figure 4: Sector

4.1.4 Highest Level of Education

The respondents were asked to indicate their highest level of education. Results in figure 5 show that 32% of the respondents had their highest level of education being masters level, 30% had bachelor's degree level, while 19% of the remainder indicated to hold diploma and secondary level education consequently , the results imply that, the respondents were expected to understand the questionnaire and give valid response since they had better understanding as guided by the their level of education which in this case majority having masters as the highest level of education.
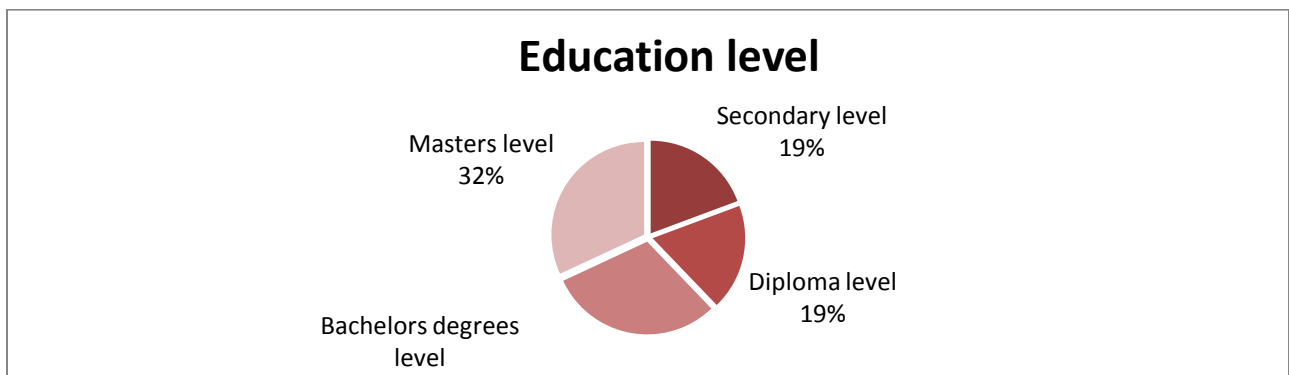

Figure 5: Education level

4.1.5 Amount earned

The respondents were asked to indicate their highest amount earned at the end of the day from sales. Results in table 4.1 show that 18.5% of the respondents earned above 10,000,17.6% earned between 7501-10,000,14.3% earned between 5001-7500,12.6% earned between1001-1500, ,10.9% earned between 2501-5000,another 10.9% earned between 0-500,8.4% indicated to earn between 1501-2500, while the remaining 6.7% indicated to earn between 501-1000.This implies that the SMEs were productive since majority earned above 10,000.

Table 1: Amount earned

Statements	Frequency	Percent
0-500	13	10.9
501-1000	8	6.7
1001-1500	15	12.6
1501-2500	10	8.4
2501-5000	13	10.9
5001-7500	17	14.3
7501-10000	21	17.6
Above 10000	22	18.5
Total	**119**	**100**

4.2 Descriptive Statistics

4.2.1 Taxpayer knowledge and tax compliance

The respondents were asked to respond on statements on the contribution of taxpayers knowledge on tax compliance. Majority of 59.7%(47.9%+11.8%) of the respondents agreed with the statement that I am aware of tax laws, 52.1% agreed with the statement that I am aware of how the tax system is structured and administered 74.8% of the respondents agreed that rules on taxation are too sophisticated for a non-professional to understand, 69.8% of the respondents agreed that tax rules information is not promptly available, 80.6% of the respondents agreed that tax laws complexity add to incorrect tax returns

On a five point scale, the average mean of the responses was 3.8 which mean that majority of the respondents were agreeing with most of the statements; however the answers were varied as shown by a standard deviation of 1.1.

Table 2: Descriptive Statistics of Taxpayer knowledge and tax compliance

Statement	Strongly disagreed	Disagree	Uncertain	Agree	Strongly agree	Mean	Std Dev
I am aware of tax laws	5.90%	2.50%	31.90%	11.80%	47.90%	3.93	1.2
I am aware of how the tax system is structured and administered	9.20%	13.40%	25.20%	33.60%	18.50%	3.39	1.2
Rules on taxation are too sophisticated for a non-professional to understand	7.60%	7.60%	10.10%	47.90%	26.90%	3.79	1.15
tax rules information is not promptly available	4.20%	8.40%	17.60%	47.10%	22.70%	3.76	1.03
tax laws complexity add to incorrect tax returns	6.70%	4.20%	8.40%	36.10%	44.50%	4.08	1.14
Average						**3.8**	**1.1**

4.2.2 Tax rates and tax compliance

The respondents were asked to respond on statements on the contribution of tax rates on tax compliance. Majority of 68%(36.2%+31.9%) of the respondents agreed with the statement that I file my returns, 60.5% agreed with the statement that tax rates are too high, 74% of the respondents agreed that fines and penalties charged for late fillings are stiff, 73.9% of the respondents agreed that the cost required for filling the tax returns is high, 61.3% of the respondents agreed that tax laws complexity add to incorrect tax returns,59.7% of the respondents agreed that the number of government bodies involved in tax collection are many. On a five point scale, the average mean of the responses was 3.8 which mean that majority of the respondents were agreeing with most of the statements; however the answers were varied as shown by a standard deviation of 1.1.

Table 3: Descriptive Statistics of tax rates and tax compliance

Statement	Strongly disagree	Disagree	Uncertain	Agree	Strongly agree	Mean	Standard Deviation
I file my returns	5.90%	3.40%	22.70%	36.10%	31.90%	3.85	1.09
Tax rates are too high	5.90%	9.20%	24.40%	45.40%	15.10%	3.55	1.05
Fines and penalties charged for late fillings are stiff	5.00%	14.30%	6.70%	43.70%	30.30%	3.8	1.17
The cost required for filling the tax returns is high	5.90%	10.90%	9.20%	52.10%	21.80%	3.73	1.1
Hiring a profession to do the fillings as expensive	7.60%	18.50%	12.60%	46.20%	15.10%	3.43	1.18
The number of government bodies involved in tax collection are many	8.40%	21.80%	10.10%	21.00%	38.70%	3.6	1.4
Average						**3.7**	**1.2**

4.3 Inferential Statistics

4.3.1 Correlation Analysis

Table 4 below presents the results of the correlation analysis. This implies that an increase in, tax payers knowledge and tax rates led to an improvement in tax compliance.

Table 4: Correlation Matrix

Variable		Tax compliance	Tax knowledge	Tax rates
Tax compliance	Pearson Correlation	1		
	Sig. (2-tailed)			
Tax knowledge	Pearson Correlation	.546*	1	
	Sig. (2-tailed)	0.003		
Tax rates	Pearson Correlation	.639**	0.11	1
	Sig. (2-tailed)	0.000	0.235	

4.3.2 Regression Analysis

The results presented in table 5 present the fitness of model used of the regression model in explaining the study phenomena. Tax payer's knowledge, tax rates, was found to be satisfactory variables in explaining tax compliance. This was supported by coefficient of determination also known as the R square of 47.5%. This means that tax payers knowledge and tax rates explain 47.5% of the variations in the dependent variable which is tax compliance. This results further means that the model applied to link the relationship of the variables was satisfactory.

Table 5: Model Fitness

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.689a	0.475	0.457	0.58127

a Predictors: (Constant), , Taxpayer knowledge, Tax rates,

Table 6: Regression of Coefficients

	B	Std. Error	t	Sig.
(Constant)	0.902	0.388	2.327	0.022
Tax knowledge	0.345	0.081	4.259	0.000
Tax rates	0.433	0.082	5.26	0.000

The optimal model was therefore;

The multiple regression model will be laid as below.

$Y = 0.902 + 0.345X_1 + 0.433X_2$

Where:

Y=Tax compliance

X_1=Tax payer knowledge

X_2=Tax rates

5.0 SUMMARY, RECOMMENDATIONS AND CONCLUSIONS

5.1 Summary of Findings

Regression results revealed that tax payers knowledge has a positive and significant effect on tax compliance amongst SMEs in Nakuru County Kenya. This means that an improvement in tax payers leads to an improvement in tax compliance. The findings were that tax learning had positively huge effect on tax compliance while taxation penalties had inconsequential positively effect on assess compliance. Prescription that legislature ought to energize taxpayers information about assessment laws and standards in this way making mindfulness for the common advantages of the administration and the taxpayers.

Regression results revealed that tax rates has a positive and significant effect on tax compliance amongst SMEs in Nakuru County Kenya. This means that an improvement in tax rates leads to an improvement in tax compliance. The expansion in tax rates prompts higher development, appropriation and offering costs which prompt higher costs and accordingly customers change their purchasing conduct. Individuals respond to the higher costs by purchasing less of the item. At the point when deals fall, manufacturers cut back on generation and a few specialists may lose their employments. The profitable assets i.e. land, capital, work and business are designated to different enterprises or go unused.

5.2 Conclusions

Based on the findings above the study concluded that tax payers knowledge, tax rates, have positive and significant effect on tax compliance amongst SMEs in Nakuru County Kenya. Moreover tax data, tax learning tends to advance tax compliance than tax organization and thus informing taxpayers on taxation laws and controls by coordinate free symposia and courses

5.3 Recommendation

Based on the research findings, the study recommended that tax payers learning ought to be emphasized since tax data, tax learning tends to advance tax compliance than tax organization. Thus legislature ought to through its organizations instruct the potential taxpayers on taxation laws and controls by coordinate free symposia and courses. The study recommend that tax rates should be reduced since expansion in tax rates prompts higher development, appropriation and offering costs which prompt higher costs and accordingly customers change their purchasing conduct.

Moreover the study recommend that tax rates should be reduced since expansion in tax rates prompts higher development, appropriation and offering costs which prompt higher costs and accordingly customers change their purchasing conduct also by reducing the taxes rates will purchase more.

REFERENCES

Adesina, O. O., & Obazee, U. (2016). Tax knowledge, penalties and tax compliance in small and medium scale enterprises in Nigeria. *I Business, 8,* 1-9. http://www.scirp.org/journal/ib.

Akinboade, O.A. (2015). Correlates of Tax Compliance of Small and Medium Size *Businesses in Cameroon, Managing Global Transitions*, 13(4), 389-413

Allingham, M. G., & Sandmo, A. (1972). Income tax evasion: A. *Marketing, Financial Services & Management Research* ISSN 2277-3622Vol.2, No. 8

Alm, J., Jackson, B., & McKee, M. (1992). Institutional uncertainty and taxpayer compliance. *The American Economic Review*, *82*(4), 1018-1026.

American Association of University Professors. Committee Z., & American Association of University Professors. (1998). *The Annual Report on the Economic Status of the Profession*.

Bame-Aldred, C., Cullen, J., Martin, K., & Parboteeah, K. (2011). National Culture and firm-level tax evasion. *Journal of Business Research*, 1-7.

Brautigam, et al. (2008). *Taxation and state-building in developing countries*. Capacity and consent, Cambridge University Press

Cummings, R. G. (2007). Effects of Tax Morale on Tax Compliance. Experiemental and Survey Evidence . *Working Paper Series, Center for Research in Economics, Management and the Arts (CREMA)*

Fishlow, A., & Friedman, J. (1994). Tax evasion, inflation and stabilization. *Journal of Development Economics*, *43*(1), 105-123.

Itashiki, M. R. (2011). *Explaining" everyday crime": A test of anomie and relative deprivation theory*. University of North Texas.

Karingi, S. N., & Wanjala, B. (2005). *The Tax Reform Experience of Kenya* (No. 2005/67). Research Paper, UNU-WIDER, United Nations University (UNU).

Karingi, S., Wanjala, B., Nyamunga, J., Okello, A., Pambah, E., and Nyakang"o, E. (2005). Tax Reform Experience in Kenya. *Kenya Institute for Public Policy Research and Analysis*, KIPPRA Working Paper No.

Kidney, G., Cummings, L., & Boehm, A. (2007). Toward a quality assurance approach to e-learning courses. *International Journal on E-learning*, *6*(1), 17-30.

Kirchler, E. (2007). *The economic psychology of tax behaviour*. Cambridge: Cambridge University Press.

Lumumba, O. M., Wanjoli, M. S., Maguta, P. O., & Mokoro, J. M. (2010). Taxpayers' attitudes and tax compliance behavior in Kenya: How the taxpayers' attitudes influence compliance behavior among SMEs Business income earners in Kerugoya Town, Kirinyaga District. *African Journal of Business and Management*

Machogu,G.C., & Amayi, B.J.(2013). The effect of taxpayer education on voluntary tax compliance, among SMEs in Mwanza city – Tanzania *International Journal of Marketing, Financial Services & Management Research* ISSN 2277-3622Vol.2, No. 8

www.iprjb.org

Magiya, S.O. (2016). *Determinants of tax compliance among small and medium sized enterprises in Nairobi east tax district.* Unpublished Nairobi University Thesis.

Messner, S., & Rosenfeld, R. (2001). *Crime and the American dream.* Belmont,CA: Wadsworth.

Mungaya, M. (2012). Study of Tax System Impact on the Growth of Sme. With Reference to Shinyanga . *IJMBS* Vol. 2, ISSue 3.

Ndemo, A. M. (2015). Determinants of Tax Efficiency Perceptions by Domestic Taxpayers in Kenya: The Case of Nairobi. *International Journal of Economics, Finance and Management Sciences,* 3 (5), 541-545

Okoye, P. V. C., Akenbor, C. O., & Obara, L. C. (2012). Promoting sustainable tax compliance in the informal sector in Nigeria. *International Journal of Arts and Humanities*, 1(1), 40-54.

Oladipupo, A. O., & Obazee, U. (2016). Tax Knowledge, Penalties and Tax Compliance in Small and Medium Scale Enterprises in Nigeria. *iBusiness*, *8*(01), 1.

Osambo, J. O. A. (2009). Chemical sensors based on swellable polymer microparticles and molecular imprinted polymers.

Riahi-Belkaoui, A. (2004). Relationship between tax compliance internationally and selected determinants of tax morale. *Journal of International Accounting, Auditing and Taxaxtion*, 13, 135-143.

Rile, R. M. (2011). *The cost of tax abuse; A paper on the cost of Tax evasion.* Tax Justice Network

Rosenfeld, R., Baumer, E. P., & Messner, S. F. (2001). Social capital and homicide. *Social Forces*, *80*(1), 283-310.

Singelis, T. M., Triandis, H. C., Bhawuk, D. P., & Gelfand, M. J. (1995). Horizontal and vertical dimensions of individualism and collectivism: A theoretical and measurement refinement. *Cross-cultural research*, *29*(3), 240-275.

Thiga,M.N., & Muturi, W. (2015). Factors That Influence Compliance with Tax Laws among Small and Medium Sized Enterprises in Kenya. *International Journal of Scientific and Research Publications*, Volume 5, Issue 6, June 20151 ISSN 2250-3153

Triandis, H. C. (1995). *Individualism and collectivism.* BouldeR, CO: Westview Press.