

Factors Influencing Tax Evasion in Nyamagana District, Mwanza City Tanzania
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Taxation is one of the major sources of revenue to the government. It is through taxation where by the government collects revenue for financing different expenditures such as education, health, water, electricity and security. If low amount of revenue is collected the government may not be able provide such services adequately. Currently, the tax collection has been affected by tax evasion practice. Through tax evasion taxpayers arrange to minimize the tax liability that is they pay little or do not pay at all. The government has been taking various measures to eliminate tax evasion practice among the taxpayers but still the problem is increasing. Therefore, the study on which this dissertation is based sought to assess the factors that influence taxpayers to practise tax evasion in Nyamagana District in Mwanza. The study adopted an exploratory research design. The population of the study consisted of all people with different occupations involved in tax payment. A total of 100 respondents were involved in the study. Descriptive statistics, content analysis and chi-square test were involved in testing the hypotheses. The independent variables of the study were lack of social services, knowledge of taxpayers, level of income earned by taxpayers, number of tax paid and the procedures involved in tax assessment and collection procedures by TRA. The dependent variable was tax evasion. The Intervening variables were policies, laws and regulations. From the findings the researcher concluded that that low quality of social services provided in return for tax paid, lack of knowledge by tax payers on computation of tax liability and penalties, number of tax paid, level of income earned and tax paid, and the number of procedures involved in assessment and collection of tax by TRA significantly influenced taxpayers' evasion.