
Factors Influencing Tax Compliance Intention Among Self-Employed in Kelantan, Malaysia

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Abstract – The purpose of this study is to examine the behavioral factors which could influence the tax compliance intention among self-employed registered taxpayers in Kelantan. The current study applied the three components of behavioral elements under the Theory of Planned Behavior which are attitude, subjective norm, and perceived behavioral control. Questionnaires were distributed to the respondents around various cities in Kelantan. Analyses were carried out based on the 90 survey data. Cronbach's alpha test was used to check the reliability of the data set while a regression model was conducted to test the hypotheses. The findings confirmed that attitude, subjective norm and perceived behavioral control have significant influence on tax compliance. The findings of the study implied that the intention to comply with tax compliance emerges from a positive attitude of taxpayers to comply with the tax obligations.

Keywords: "Attitude", "Subjective Norm", "Perceived Behavioral Control", "Tax Compliance"

1.0 Introduction

Tax non-compliance is an area of concern for all governments and tax authorities, and it will continue to be an important issue that must be addressed. In order to increase tax payer compliance and deliver more public services to citizens, governments are thoroughly working to eliminate non-compliance (Al-Zaqeba and Al-Rashdan, 2020). In both developed and developing countries, tax compliance is the main subject for emphasis on the taxpayer's duty to declare income and ascertain tax status in personal and corporate taxation (Inasius, 2019). Therefore, regardless of time and place, the main issue that has been faced by tax authorities is the difficulty in convincing every taxpayer to comply with the regulations of a tax system.

The Official Assessment System (OAS) which was formally used in IRBM is no longer relevant because of the limitations faced by IRBM such as the long time taken to finish the computation, the lack of staff and the high cost to store the high volume of taxpayers' documents (Inland Revenue Board Malaysia 2001). Therefore, a new system was implemented in 2001 named Self-Assessment System (SAS) to substitute the previous OAS (Kasipillai, 2000). The major aim of introducing SAS is to increase tax payers' awareness of and voluntary compliance with their tax responsibilities (Manual and Xin, 2016). Otherwise, the big challenge that IRBM faces is that some of the citizens still do not comply with the tax laws (Hadi et al., 2020) when implementing SAS.

Under the SAS, one issue that has been highlighted is non-compliance behavior (Natrah Saad, 2014). Tax payers' refusal to comply in paying taxes poses a critical challenge to tax agencies (Alm, 2019). This is particularly crucial as they are answerable to the tax authorities in the case of a tax audit.

The findings when conducting a tax audit by IRBM concluded that taxpayers lacked supporting documents for claimed expenses, furnished incorrect return, failed to declare their income and did not pay the tax that they were charged for (Hadi et al., 2020). By conducting tax audit to this group in 2017, IRBM had collected more than RM2 billion. It also highlights that the amount of fines collected from the self-employed category is substantial, indicating that they still have low tax code compliance. In addition, it also shows the level of tax compliance is still low even when SAS has been applied for quite a long time since 2004. This discussion becomes the practical gap and serves as the basis for the problem statement of this study.

The main research objective of this study is to determine the factors that influence the tax compliance intention among self-employed workers in Kelantan by using Theory of Planned Behavior proposed by (Ajzen, 1991) with three variables in the field of tax compliance intention. The first objective of this study is to examine the relationship between attitude of self-employed workers and tax compliance intention. The next objective is to examine the relationship between the subjective norm of self-employed workers and tax compliance intention and the last objective is to examine the relationship between perceived behavior control of self-employed workers and tax compliance intention.

The main research question of this study is what are the factors that influence the tax compliance behavior among self-employed workers in Kelantan by using Theory of Planned Behavior proposed by (Ajzen, 1991) with three variables in the field of tax compliance intention. Based on the problem discussed, this study seeks to answer several research questions. The first research question is what is the relationship between attitude and tax compliance intention among self-employed. The second research question is what is the relationship between subjective norm and tax compliance intention among self-employed. Finally, what is the relationship between perceived behavior control and tax compliance intention among self-employed.

2.0 Literature Review

2.1. Self-employed tax payer

Based on data provided by the (Department of Statistics Malaysia Official Portal, 2020), as at 31 December 2019, out of an average of 32.5 million people of Malaysia's population, 27.42% of the population are self-employed (Department of Statistics Malaysia Official Portal, 2020). Meanwhile in Kelantan, out of 1.8 million of the population (Department of Statistics Malaysia Official Portal, 2020), 22.6% are self-employed workers (Department of Statistics Malaysia Official Portal, 2020), who work on their own. It means that more than 400,000 people in Kelantan are self-employed workers. According to Rafi Yaacob (2010), Kelantanese people are widely known for their entrepreneurial skills, and many of their Malays peers around the nation appreciate them for it. In addition, Kelantanese are actively involved in small and medium enterprises and enjoy good income (Rafi Yaacob, 2010) especially women who help to earn a living.

2.2. Theory of Planned Behaviour

The basic theory used in this study is Theory of Planned Behavior (TPB) that was proposed by (Ajzen, 1991). According to the TPB, three factors determine behavioral intentions which are attitude toward the behavior, subjective norm concerning the behavior, and perceived behavioral control (Ajzen, 2020) . This theory explains that intention is shaped by attitude through a rigorous, rational decision-making process, but the effect can only be detected in three terms. First, the public's attitude, as well as a particular attitude toward anything, greatly influences the intention. Second, intention is influenced not only by attitude but also subjective norms that affect our perception of what the other person expects for us to do. Third, attitudes toward a behavior together with subjective norms form an intention to act in a particular manner (Ajzen, 1991). Hartono (2008) states that TPB is a theory that functions to determine a person's motivation for taking a particular activity.

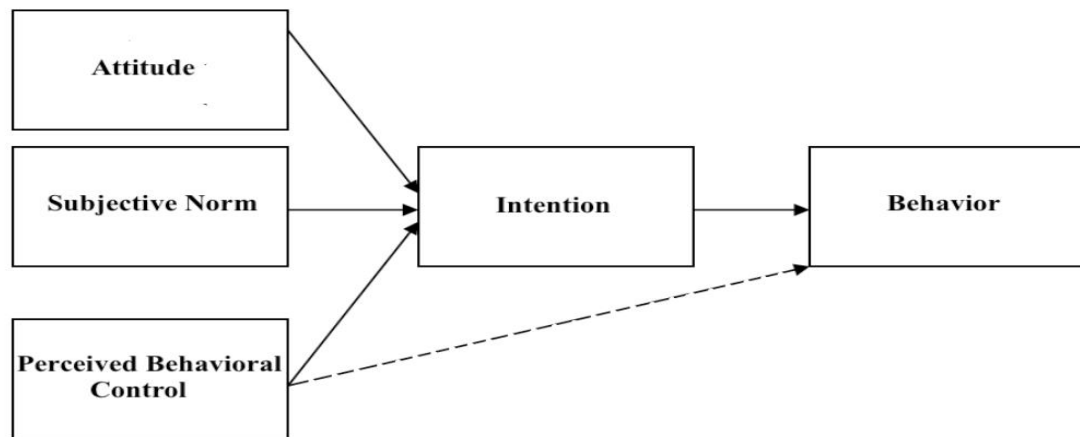


Figure 2.1 Theory of Planned Behavior

2.3. Hypotheses Development

2.3.1 Hypothesis 1: The Relationship Between Attitude and Tax Compliance Intention

Theory of Planned Behavior states that the intention to behave is determined from the attitude, or in this scenario, compliance behavior is influenced by attitude through intention, since attitude serves as a positive or negative belief that motivates a particular act. (Muzakkir and Indrijawati, 2019). Onu (2016) found that attitude has the potential to be a useful tool in understanding the behavior of the taxpayers where it is important to understand that attitude may be more or less relevant in predicting the behavior. According to Calvet, Roberta, Christian and Alm (2014), individual psychological characteristics have a greater and more effective ability to explain the attitude of taxpayer compliance than economic theory.

The amount of tax compliance among residents is influenced by a wide range of factors, according to earlier studies. It is possible to conclude from the literature review that attitudes are notably favourable about intentions of tax compliance. (Saftiana and Purwihariaty, 2016; Helhel and Ahmed, 2014; Taing and Chang, 2020; Alabede et al., 2011; Smart, 2012). Therefore, the hypothesis for this study is as follow:

H1: There is a positive relationship between attitude and tax compliance intention among self-employed in Kelantan.

2.3.2 Hypothesis 2: The Relationship Between Subjective Norm and Tax Compliance Intention

In its relationship with taxation, subjective norm can be a motivation for the individual to perform a certain behavior. For instance, when family members assist one another, it sets a wonderful example for other families to follow. Family support is correlated with the belief that taxes have significant advantages. (Putra and Osman, 2019).

From the literature review, it can be summarized that a subjective norm has a positive significant relationship towards tax compliance intention (Putra and Osman, 2019; Damayanti et al., 2015; Taing and Chang, 2020; Jimenez and Iyer, 2016). Therefore, the statement that follows is the study's hypothesis:

H2: There is a positive relationship between subjective norm and tax compliance intention among self-employed in Kelantan.

2.3.3 Hypothesis 3: The Relationship Between Perceived Behavior Control and Tax Compliance Intention

Perceived behavioral control could be clarified as the point of view or recognition on the level of easiness or difficulties once an attitude is performed. This perception could control every individual as whether to perform or not to perform the behavior. Ajzen (1991) demonstrated that a person's decision to engage in a behavior or not may be heavily influenced by the degree of ease or difficulty. In addition, if it is considered easy to be performed, people tend to represent certain behavior and prefer to themselves out once the behavior is difficult to be done (Putra and Basuki, 2015). The perception of someone's control over their behavior increases with their favorable attitude toward the behavior and subjective norm; thus, the stronger one's intention to bring out certain behaviors (Muzakkir and Indrijawati, 2019).

From the literature review, it can be summarized that perceived behavior control is significantly positive towards tax compliance intention (Nurwanah et al., 2018; Taing and Chang, 2020; Putra and Osman, 2019; Damayanti et al., 2015). Therefore, the hypothesis for this study is as follow:

H3: There is a positive relationship between perceived behavior control and tax compliance intention among self-employed in Kelantan.

2.4 The Conceptual Framework

Figure 2.2 below shows the conceptual framework for this research. The research framework depicts the effect of attitude, subjective norm and perceived behavior control on tax compliance. The dependent variable for this research is tax compliance. This research

comprises three independent variables which are attitude, subjective norm and perceived behavior control.

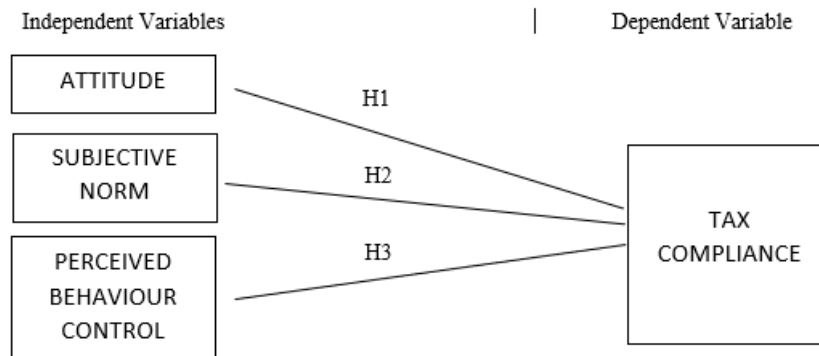


Figure 2.2: Research Framework

3. Methodology of Study

3.1. Research Approach and Study Design

The current research applied a survey to gather data. By applying a survey-based method, an exact and approximate insight can be gained on the data collected. The questionnaire used in this study involves responses from self-employed individuals. The questions posed cover the obligation as a self-employed in obliging to the laws and regulations under Income Tax Act 1967. Previous studies on the issue of tax compliance intention also applied questionnaires to solicit answers from taxpayers. The methodology of current study is in line with previous researchers where respondents were among self-employed workers (Hadi et al., 2020; Manual and Xin, 2016), Small Medium Enterprises (SME) (Ngah, Ismail and Abd Hamid, 2020; Putra and Osman, 2019), entrepreneurs (Suyanto and Trisnawati, 2016; Bidin, 2019) and individual taxpayers (Riza Salman and Sarjono, 2013; Ali, Fjeldstad, and Sjursen, 2014; Kiow et al. 2017).

3.2. Population and Sample Size

The sampling technique used in this study was a simple random sampling technique since each member of the population has an equal chance to be chosen in the sample. According to (Department of Statistics Malaysia Official Portal, 2020), with 1.8 million people, 22.6% of the population in Kelantan is self-employed. (Department of Statistics Malaysia Official Portal, 2020). This means that more than 400,000 people in Kelantan have their own business. Thus, the sampling frame was self-employed who are working in the main city of Kelantan.

As for the estimation of the sample size, a few references were made. According to Tabachnick, Fidell, Elsnor and Tsonis (1996) in determining the sample size, the formula used was $N > 50 + 8m$, (m refers to independent variable). For this research, the variables

used were three. So, the calculation of $N > 50 + 8(3)$ was equal to 74 respondents. Sample size used was more than 74 respondents. To be more exact, the general rule of thumb is to have a ratio of 5:1; in which to have an adequate sample size, each independent variable would need 5 samples. However, the recommended sampling is to have 15 to 20 samples for each independent variable (Hair, Black, Anderson, and Tatham, 1998). The required minimum sample size would be 45 (15 samples for three independent variables). Thus, the sample size which is 90 is sufficient for further analysis.

3.3. Research Instrument

The main instrument for data collection in this study was a structured, self-administered questionnaire from the Natrah Saad (2010), Taing and Chang (2020), Smart (2012) and Adekoya (2019). The questionnaire had five sections which were A, B, C, D and E. Section A asked for general information about the respondent. Section B requested for information on the first independent variable which was attitude and this instrument was adapted from the study of Natrah Saad (2010) and Taing and Chang (2020). Section C reflects the second independent variable which refers to subjective norm and the questions were adapted from the study of Natrah Saad (2010) and Smart (2012). Section D reflects the third independent variable which refers to perceived behavior control and the measurements were adapted from the study of Natrah Saad (2010) and Taing and Chang. Section E requested for information on the dependent variable which was tax compliance intention and the measurements were adapted from the study of Taing and Chang (2020) and Adekoya (2019).

3.4. Procedure for Data Collection and Analysis

The survey was distributed via email to the self-employed. A follow-up procedure was performed for late responses. Email was collected when every respondent filled in the survey. It was easy to trace all the contacted respondents who have answered the questionnaire. The follow-up was done firstly via WhatsApp to enquire about the responses from the link of the given questionnaire. Secondly, when there were still no responses from the respondents, phone calls were made to remind and ensure that they answer within the stipulated time period. Out of 100 questionnaires distributed to the respondents, 90 responses were collected, giving a response rate of 90%.

4. Findings and Discussion

4.1 Response Rate

The questionnaires were distributed to the respondents via email. Approximately 100 questionnaires were mailed to self-employed individuals throughout Kelantan. Out of the 100 questionnaires, 90 people responded and were usable for analysis which made a response rate of 90%. The summary of the rate of responses to the questionnaires is illustrated in Table 4.1.

4.2 Factor Analysis

4.2.1 Validity Test

There are several assumptions which need to be observed in order for the data to be appropriate for factor analysis such as the Bartlett's Test of Sphericity (is at least significant at 0.05), Kaiser-Meyer-Olkin Measure Of Sampling Adequacy and anti-image correlation matrix (values must exceed 0.5), factors with eigenvalues greater than or equal to 1.0 are selected and finally the item is chosen if factor loading is equal to or greater than 0.6 (n=90) with 0.05 level of significant level (Hair et al. 2006).

4.2.2 Factor Analysis for Factors Influencing Tax Compliance Intention

Principle Component Factor Analysis (PCA) with varimax rotation was carried out for the 18 items in factor influencing tax compliance measures. The findings showed that the Bartlett's Test of Sphericity (Bartlett, 1954) was significant (p-value < 0.01). Kaiser-Mayer-Olkin (KMO) measure of sampling adequacy was 0.894, which exceeded the recommended value of 0.5 (Kaiser,1974). The finding is summarized in Table 4.1.

Table 4.1:
KMO and Bartlett's Test for Independent Variables

Kaiser-Mayer-Olkin (KMO) Measure of Sampling Adequacy			0.894
Barlett's	Test	of	Significance
Sphericity			0.00

The PCA extracted three distinct dimensions with eigenvalues exceeding 1.0. After several runs of factor analysis, three items were deleted from further factor analysis procedures which are from perceived behavior control factor (Successfully declare the extra income in tax return form, easy to calculate tax and receive accurate information about tax issues). Total variance noted for three dimensions was 74.226% where contributions from component 1, 2 and 3 were 34.963%, 54.927% and 74.226% respectively. The finding of factor analysis for the rotated component matrix is as shown in Table 4.2 below.

Table 4.2:
Factor Analysis and Rotated Component Matrix for Factors Influencing Tax Compliance Intention

	Component		
	1	2	3

A 1	.709		
A 2	.792		
A 3	.779		
A 4	.799		
A 5	.870		
A 6	.858		
A 7	.848		
A 8	.775		
A 9	.754		
SN 1		.776	
SN 2		.727	
SN 3		.792	
SN 4		.721	
SN 5		.654	
PBC 4		.837	
PBC 5		.874	
PBC 6		.868	
PBC 7		.904	
Percentage of common Variance	34.963	19.964	19.299
Cumulative %	34.963	54.927	74.226

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.^a

a. Rotation converged in 5 iterations.

4.3 Reliability Analysis

A reliability check was performed on the items in the dimensions to identify the internal consistency of the measuring items. Table 4.3 shows three dimensions were extracted for the tax compliance measure. These dimensions were attitude, subjective norm and perceived behavior control. The value of Cronbach Alpha for component 1,2 and 3 were 0.952, 0.929 and 0.864 respectively which is good when exceeded the minimum value of 0.7 as stated by Nunnally (1978). Hair et al. (2006) mentioned that, the estimation reliability is 0.7 or higher consider as good reliability.

Table 4.3:

Reliability Test (Cronbach's Alpha) for Factors Influencing Tax Compliance Intention

Principle Component	Cronbach's Alpha	Name of Dimension
1	0.952	Attitude
2	0.929	Perceived Behavior Control

3	0.864	Subjective Norm
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4.4 Correlation Analysis

Based on Hair et al. (2006), the relationship between two variables was evaluated using correlation analysis. One of the assumptions of regression analysis is that data do not have multicollinearity in terms of relationship between its independent variables. The best outcome for a regression analysis is when independent variables are highly correlated with the dependent variable, but with little correlations among themselves (Hair et al. 2006). From the correlational analysis in Table 4.4 below, it presents that none of the correlations are above 0.9 which indicated that the problems of multicollinearity do not exist (Hair et al. 2006).

Table 4.4:
Correlations Analysis

	Attitude	Subjective Norm	Perceived Behavior Control	Tax Compliance
Attitude	-			
Subjective Norm	0.600**	-		
Perceived Behavior Control	0.440**	0.471**	-	
Tax Compliance	0.564**	0.605**	0.432**	-

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

4.5 Regression Analysis

Regression analysis was used in this study to assess the link between variables and to project the value of one variable based on another. The major difference between correlation analysis and regression analysis is that correlation is only telling about the strength of the relationship but there is no cause and effect implied with correlation. Simple Linear regression was used in studying the relationship between one independent variable and one dependent variable. Based on Pearson Correlation analysis, the findings show a significant effect of attitude, subjective norm and perceived behavior control with tax compliance. Regression analysis was conducted as follows.

4.5.1 Hypothesis Testing: Attitude and Tax Compliance Intention

Table 4.5:
Linear Regression Attitude

Model	R square	R square change	F change	Sig. F Change
1	0.318	0.318	41.088	0.000

Model	IV	Beta	Sig.
1	Attitude	0.564	0.000

Table 4.5 shows the condition where the attitude acted an independent variable. Model 1 explains 31.8% of variance in tax compliance with $F=41.088$, $p<0.05$. The findings also indicate that attitude provided a significant positive impact on tax compliance at $Beta = (0.564, p<0.05)$. Thus, hypothesis H1 is supported.

4.5.2 Hypothesis Testing: Subjective Norm and Tax Compliance Intention

Table 4.6:
Linear Regression Subjective Norm

Model	R square	R square change	F change	Sig. F Change
1	0.366	0.366	50.816	0.000

Model	IV	Beta	Sig.
1	Subjective Norm	0.605	0.000

Table 4.6 shows the condition where the subjective norm acted as an independent variable. Model 1 explains 36.6% of variance in tax compliance with $F=50.816$, $p<0.05$. The findings also indicate that the subjective norm provided a significant positive impact on tax compliance at $Beta = (0.605, p<0.05)$. Thus, hypothesis H2 is supported.

4.5.3 Hypothesis Testing: Perceived Behavior Control and Tax Compliance Intention

Table 4.7:
Linear Regression Perceived Behavior Control

Model	R square	R square change	F change	Sig. F Change
1	0.186	0.186	20.167	0.000

Model	IV	Beta	Sig.
1	Perceived Behavior Control	0.432	0.000

Table 4.7 shows the condition where the perceived behavior control acted as an independent variable. Model 1 explains 18.6% of variance in tax compliance with $F=20.167$, $p<0.05$. The findings also indicate that perceived behavior control provided a significant positive impact on tax compliance at $Beta = (0.432, p<0.05)$. Thus, hypothesis H3 is supported.

4.6 Summary of Findings

The findings of the hypotheses testing for all the hypotheses are shown in Table 4.8 as below. The findings for the hypotheses which were stated that all hypotheses are supported.

Table 4.8:
Summary of Finding of Hypotheses Testing in the Study

No	Hypotheses Statements in the study	Findings
1	H1: There is relationship between attitude and tax compliance intention among self-employed in Kelantan.	Supported
2	H2: There is relationship between subjective norm and tax compliance intention among self-employed in Kelantan.	Supported
3	H3: There is relationship between perceived behavior control and tax compliance intention among self-employed in Kelantan.	Supported

5.0 DISCUSSION OF FINDINGS AND CONCLUSION

5.1 Discussion of Findings

The discussion on the findings is narrowed to answer the research questions, in which it is explained based on three analyses namely descriptive and multiple regression. All the discussion below is to answer the research questions which are: what is the relationship between attitude and tax compliance among self-employed? (RQ 1), what is the relationship between subjective norm and tax compliance among self-employed? (RQ 2), and what is the relationship between perceived behavior control and tax compliance among self-employed? (RQ 3).

5.1.1.1 Relationship between Attitude and Tax Compliance Intention

The first hypothesis is to study the relationship between attitude and tax compliance. The findings of the beta values and significant level support this hypothesis. For RQ 1, the linear regression findings reveal that attitude and tax compliance is significant. With regard to this RQ 1, some authors have studied that the relationship between attitude and tax compliance is significant effect to tax compliance. The greater intention to comply with tax compliance comes from the positive attitude of taxpayers has to comply with the tax obligations. Taxpayers who are aware of their obligation to pay their taxes on time will promote high levels of tax compliance. (Muflihah and Nuswantara, 2021). In the research conducted by Saftiana and Purwihariaty (2016), they stated that if taxpayers have a positive attitude towards tax compliance, the tendency to adhere to intention is high. Marti (2010) mentioned that tax compliance is encouraged by the positive attitude of the taxpayers. Awareness of paying taxes does not only lead to obedience and discipline, but also a critical attitude. A study by Helhel and Ahmed (2014) also shows the positive relationship on attitude and the tax compliance. Taing and Chang (2020) also prove the positive relationship between attitude and tax compliance.

Thus, based on the above explanations, it is true to say that attitude will lead to tax compliance as shown by the finding of this study. And this explanation has partly answered RQ 1 that is on the relationship between attitude and tax compliance intention.

5.1.1.2 Relationship between Subjective Norm and Tax Compliance Intention

For RQ 2, the linear regression findings reveal that subjective norm and tax compliance is significant. The findings of the beta values and significant level support this hypothesis. The intention to obey in paying taxes is increased by the taxpayers positive perception and support from those near to them. (Muflihah and Nuswantara, 2021). Therefore, this explained that, the higher the taxpayer's trust to pay taxes will encourage high compliance may be influenced by people in the surrounding environment. A previous study by Putra and Osman (2019) stated that there is a positive relationship between subjective norm and tax compliance intention. A study by Damayanti et al. (2015) found a positive finding between subjective norm and tax compliance. Based on the data, respondents of this research have various characteristics, either from age, education background, positions, occupations and number of years of paying tax. As a finding, each respondent has different concerns in receiving influence from the surrounding. Ajzen (1991) said that, a person may be persuaded by one or more nearby people, such as family members or friends, of the perceived expectations to endorse a particular behavior and inspire that person to maintain that behavior. In other words, it can be stated that the peers, colleagues or family are enough to affect taxpayers' intention to comply with tax compliance.

Consequently, based on the above explanations, it can be strongly stated that the subjective norm leads to the tax compliance as shown by the finding of this study. And this explanation has partly answered RQ 2 that is the relationship between subjective norm and tax compliance intention.

5.1.1.3 Relationship between Perceived Behavior Control and Tax Compliance Intention

For RQ 3, the multiple regression findings reveal that perceived behavior control and tax compliance is significant. The findings of the beta values and significant level support this hypothesis. With regard to this RQ 3, some authors have studied that the relationship between perceived behavior control and tax compliance is significant effect to tax compliance. The current study is in line with previous research conducted by Putri (2014) and Putra and Osman (2019) that stated the significant effect towards tax compliance. Another research findings by Mustikasari (2007), Ernawati et al. (2011) and Shehu (2021) proved that the intention to behave obediently is positively influenced by perceptions of behavior control. The taxpayers' perception that either easy or difficult to carry out the tax compliance may affect the intention to obey the tax law and regulation. Since these procedures are seen as a waste of their valuable time, which they would rather devote to their business, tax compliance may be avoided due to the lengthy calculation process, the complex annual reporting process, or the burdensome income tax payment process. Ajzen (1991) further explained that perceived behavioral control affects the intention based on the assumption that perceived behavioral control by individuals will have implications for individual's motivation to behave obediently.

Thus, based on the above explanations, it can be strongly stated that perceived behavior control will lead to tax compliance as shown by the finding of this study. And this explanation has partly answered RQ 3 that is the relationship between perceived behavior control and tax compliance intention.

5.2 Limitation of the Study

This study has some limitations that need to be considered for future research. The limitations are inherent in survey methods where researchers could not control the respondents if the respondent is honest or not in answering questions. The variables tested in the current study are only three namely the attitude, subjective norm and perceived behavior control on the intention of taxpayer compliance to behave obediently and tax compliance so that influences arising outside variables that cannot be proven scientifically. Types of approach used in measuring attitude, subjective norm and perceived behavior control and tax compliance by using a survey instrument may provide limited findings, and different research designs such as interviews or experiments could produce different findings.

5.3 Conclusion

The findings suggested that tax compliance intention was significantly influenced by attitude, subjective norm and perceived behavior control. The findings of the study are essential to assist tax authorities in designing the best mechanism for delivering the latest information on tax regulations.

It is recommended that IRBM wisely address all the identified issues and improve the performance of IRBM. IRBM also can conduct proper training for the taxpayers to

enhance the awareness of voluntary compliance. Training can be conducted regularly focusing on related topics to the taxpayers such tax relief, allowable expenses for deduction, exemption for approved donation or zakat and income to declare. Nowadays, social media is the best medium to spread knowledge and info about taxation. Therefore, IRBM may utilize the sophistication of technology that exists today to promote awareness in compliance with tax laws by using Instagram, Facebook, Twitter and YouTube. IRBM also needs to make the process starting from registration of tax numbers until submission easy for taxpayers and the e-filing system needs to be more user-friendly and easier to access.

In order to promote tax compliance, a positive connection between tax authorities and taxpayers is crucial. Other institutions such as universities can also take part in social contribution by educating the taxpayers like entrepreneurs in small and medium enterprises on the issues with tax compliance.

Other than that, the study only focused on the theory of planned behavior as a factor of influencing tax compliance among self-employed workers. Besides, there are many other factors that can contribute to tax compliance. Hence, future research should identify and determine these other factors.

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