

# **Tax Fairness and Tax Compliance in Iraq**

**By**

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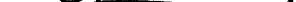
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## **ABSTRACT**

This study carries out a research on tax fairness and tax compliance in Iraq. Non random sampling method has been applied to select the respondents. The respondents are government servants, who are full time employee and they are registered tax payers. The study investigates the correlation of tax compliance and tax fairness. Demographic backgrounds of respondents are also measured in correlation with tax fairness and tax compliance. The study is limited to government servants in Iraq with certain demographic attributes like income level, level of education, gender, age and years of working experience. The purpose of the study is to examine whether there is correlation between tax fairness and tax compliance, moreover correlating demographic attribute to tax compliance. The result of the study has indicated that tax compliance and tax fairness has positive correlation. It shows that the correlation between tax fairness and tax compliance has been affected by the level of experience as tax payers. Demographic attributes has shown impact on tax compliance.

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# **Chapter 1**

## **Introduction to the study**

### **1.1. Introduction**

This chapter presents an overview of this study. This chapter consists of background of the study, problem statement, research questions, research objectives, significance of the study, and definition of key terms as well as the organization of the study of the impact of tax fairness dimension and demographic factors on tax compliance in the context of Iraq.

### **1.2. Background of the study**

Historically, every nation is imposing tax on their citizens to control, regulate or generate income for covering state expenses. In this regard, personal income tax is a major tax imposed on all citizens. In this revenue raising mechanism, the quality and quantity of tax should be regarded as fair tax and treat all its citizens fairly (Neal, John, & Rob, 2008). It is essential that taxpayer regard taxation system as fair. It is very important since tax fairness is considered as motivation factor that leads to higher willingness of tax payment which makes tax collection easier and cheaper as well as it is enhancing the efficiency of tax collection

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