

Contribution des facteurs administratifs à l'amélioration de relation entre le contribuable et l'administration fiscale en Algérie: (Un échantillon d'étude statistique)

Contribution of Administrative Factors in improving Relationship between Taxpayer and Tax Administration in Algeria : (A Statistical Study Sample)

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Received on: 11/13/2020

Accepted on:01/04/2021

published on: 04/25/2021

Abstract:

There are several factors that manage the tax relationship between the taxpayer and the tax administration. Moreover, these factors affect the behavior of the taxpayer. The relationship between the two parties does not enjoy a good reputation throughout the ages in most societies, due to the difference in their view of each other; the taxpayer always regards the tax administration as an administration which collects taxes in an arbitrary way without compensation. Considering the entrenchment of certain misconceptions due to the influence of several factors, this has led to tension on both sides, as it is still marked by aversion and hatred. Our article aims to explore the administrative factors that affect the taxpayer's view towards the tax administration. The results indicate that Taxpayer behavior is effected by administrative factors, and we estimate an impact of 59.94% following the results of the quantitative study.

Keys words

Tax relationship- Tax payer- Tax administration- Administrative factors

JEL classification codes H26 ;H83 ;K34 ;K4

Résumé

Il existe plusieurs facteurs qui gèrent la relation fiscale entre le contribuable et l'administration fiscale. D'autant plus, ces facteurs, affectent le comportement du contribuable. La relation entre les deux parties ne jouit pas d'une bonne réputation à travers les âges dans la plupart des sociétés, en raison de la différence de leur vision de l'autre ; le contribuable regarde toujours l'administration fiscale comme une administration qui perçoit les impôts de manière arbitraire sans contrepartie. Compte tenu de l'enracinement de certaines idées fausses dû à l'influence de plusieurs facteurs, ceci a conduit à la tension des deux parties, car elle est encore empreinte d'aversion et de haine. . Notre article vise à explorer les facteurs administratifs qui affectent la vision du contribuable envers l'administration fiscale. Les résultats indiquent que le comportement des contribuables est influencé par des facteurs administratifs, et nous estimons un impact de 59,94 % suite au résultats de l'étude quantitative.

Mots clés:

relation fiscale-contribuable-administration fiscale- facteurs administratives

Codes de classification JEL H26 ;H83 ;K34 ;K4

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1-Introduction

Tax administration is the body responsible for implementing tax legislation. More specifically, the verification of this implementation is a protection of the rights of both ;the state and the funders .In addition, the release of new amendments to tax legislation is required to improve the efficiency of the tax system. Clearly, therefore, the tax administration plays an important role in creating the appropriate tax environment in society, as it can contribute to the effectiveness of the tax system, as the better-visualized tax system has value only through its implementation by the administration. Over decades, it has been known that the relationship between the taxpayer and the tax administration has not enjoyed a good reputation in most societies because the taxpayer is affected by the tax imposed by the tax administration, which creates an alternate perception of each other. Especially the taxpayer who consistently views that tax administration collects his money in an arbitrary manner without receiving any compensation . From this context, our study is around the following question:

How Far do the administrative factors contribute to improving the relationship between taxpayer and tax administration in Algeria?

To answer it, we ask these sub-questions:

**What is the job of tax administration and how is it done?*

**How does tax administration improve tax compliance of taxpayer?*

** How far do administrative factors effect Taxpayer behavior towards tax?*

After that, we suppose this hypothesis:

Tax administration must improve customer service programmes, also the communication between it and taxpayer plays a key role.

Ampiric studies :

Many studies on this domain found significant and important , gived us the idea of our paper reaserch :

«The Relationship Between Political Ideology and Attitudes Toward Tax Compliance: The Case of Italian Taxpayers » , article written by Edoardo Lozza , Barbara Kastlunger , Semira Tagliabue , Erich Kirchler, published in Journal of Social and Political Psychology, 2013, Vol. 1(1). This research aimed to explore the relationship between political ideology and attitudes toward tax compliance within the “slippery slope framework”. It conducted differences between left-leaning and right-leaning taxpayers., left-leaning taxpayers expressed higher levels of voluntary cooperation and showed reactance to the coercive power of authorities, whereas right-leaning taxpayers expressed higher levels of enforced tax compliance and were more averse to tax evasion with increased trust in authorities.

« Tax evasion and well-being: A study of the social and institutional context in Central and Eastern Europe», article presented by Ada Ferrer Carbonell , Klarita Gërkhani , published in European Journal of Political Economy 45 (2016). The paper examines the relationship between tax evasion and individuals’ well-being by using a subjective question on life satisfaction in fourteen Central and

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Eastern European countries. The results indicate that evading taxes is negatively associated with individuals' life satisfaction. This negative relationship seems to be shaped by a positive perception of formal tax-related institutions and a high level of formal social capital.

« **A comparison of psychological factors for tax compliance : Self employed versus Salaried people**», article written by :Poonam Khurana, Upsana Diwan. Published in International Journal of Management and Social Sciences · March 2014. The present research paper concludes social and psychological conditions, including attitudes and moral beliefs about tax evasion's propriety . It offers a "slippery slope framework" as a way of integrating of various social and psychological aspects into a unified framework. It find that the self-employed are required to pay on their own various taxes like the individual income tax, the value-added tax, social insurance contributions, and the like. The fact has been proved in this research by the variable of national norms.

Our research paper focuses just the administrative factors and how do they contribute to improving taxpayer behavior towards tax administration in Algeria, therefore ; their effect on the tax relationship.

2. Literature review and theoretical background

Tax is one of the main sources of government revenue. However, not every national government has been able to exploit this excellent opportunity to generate revenue effectively.

The work of a tax administration includes activities that cover both compliance and customer service. For example, Revenue's range of functions includes: assessment, collection, debt management, audit and other interven - tions, anti-smuggling and other customs functions and anti-avoidance. Many of the functions of tax administration depend to at least some degree on the voluntary compliance of taxpayers (Walsh, Keith, 2012, p. 453).

The objectives of most tax administrations, including Revenue, are to ensure compliance with tax laws and to improve taxpayers' customer service satisfaction. Tax administrations have a wide range of compliance and customer service programmes that aim to change behaviour among taxpayers.

There is already a considerable literature on the subject of taxation and improving tax relationship , see for example:

2.1. Complexity of the Tax System

For many people, tax is a complex subject and this complexity has been shown to contribute to non-compliance. If the administration reduces complexity, this should lead to improvements in taxpayer behaviour (T. Cherry, M. Jones and M. Mckee, 2010, p. 577).

There are many ways to make it easier to comply include the use of plain language in communications and simplifying forms and tax laws where possible. Assistance directed at lowering unintentional non-compliance (genuine taxpayer error) should reduce evasion and perhaps boost the legitimacy and perceived fairness of the tax administration. Significant shares of taxpayers in Ireland and many other countries

use the services of tax agents and advisors. The use of advisors often reflects the complexity of the tax system and simplification may reduce this burden on taxpayers. However, agents also offer a channel to lower uncertainty via engagement with the tax administration. Interactions between Revenue and tax agents and representative bodies can improve communication and influence compliance. Cooperation can help to achieve buy-in and support for changes in the tax system (Walsh, Keith, 2012, pp. 456-457).

2.2. Tax Administration Efficiency

Tax administration efficiency is a primary determinant of effective revenue generation, implementation of tax policy and conducive environment for investment (Saliza Abdul Aziz, Abobakr Ramadhan Salem Al_Harethi, 16-17 octobre 2018).

Earlier, the author Erard argued that the main objective of any tax authority is to collect tax revenue for the government according to the established tax laws and enforce government tax policies that can increase tax compliance and restore taxpayers' confidence in the tax system as well as tax administration (Erard, 1994, pp. 1-19). This is a good quality of tax administration, include efficient in the process and ensure high compliance rate in implementing and administering the tax system and tax policies.

Inefficient tax administration would not provide quality services to the taxpayers, and hence, there will be a high cost of running the system and problems for voluntary tax compliance.

The (OECD, 2011) states that efficient tax administration would enhance tax compliance, reduce operational and compliance costs, and above all, increase revenue generation. In addition, they further opined that internal structure and design of tax administration would also determine the efficiency of the process together with resource allocation, motivation and autonomy of the tax authority. According to Alm and Duncan), the efficiency of tax collection and tax administration is high in many OECD countries and low in non-OECD nations because of variations in the tax system and tax policies that are designed to monitor the revenue authorities and increase tax revenue collection (Alm, J and Duncan, D, 2014, pp. 92-110).

Several factors have been identified as the causes of tax administration inefficiency in developing countries. Ogbonna argued that lack of trained officials, lack of autonomy, poor record-keeping, lack of accountability and transparency, corruption and poor service quality are some of the factors that cause tax administration inefficiency in a country's tax system. Normally, tax administrations are faced with different issues related to tax collection due to some predominant characteristics in the economy and taxpayers' attitude toward taxation. Often, the tax administration's incapability results in inefficiency and ineffectiveness. (Saliza Abdul Aziz, Abobakr Ramadhan Salem Al_Harethi, 16-17 octobre 2018, p. 83)

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A study sponsored by the United Nations (2000) on improving tax administration performance in African Sub-Saharan countries shows that to achieve tax administration efficiency; there is a need to have clear administrative strategies, accountability, transparency in decision-making, motivated tax officials and incentives for taxpayers. In addition, an adequate time framework and competent human resources that can handle the improvement process and deliver positive outcomes, are also vital. This discussion and identification from the UN and other studies highlighted above, clearly show the importance of an efficient tax administration and how efficiency is determined using the same factors.

Shagari argued that autonomy of tax administration, motivation, transparency, trained personnel and ICT are strong determinants of tax administration efficiency (Shagari, 2014).

Furthermore, Muaen added that leadership style, motivation, ICT, autonomy and training are the determinants of tax administration efficiency in Libya (Muaen, 2016). Therefore, strong tax administration is characterised by the efficiency of processes and effectiveness of tax administration in coordinating all the resources under its disposal to earn a meaningful and fruitful outcome.

The communication strategy of tax authorities could improve voluntary compliance. Strategic communication about results of control actions and detection of evaders can contribute to increasing the perceived detection probability and underpin tax morale at a low cost. When a taxpayer is identified as a deliberate defaulter, notifying the taxpayer by letter that he/she will be under close scrutiny may by itself increase compliance and could be a cost-efficient strategy.

However, the thread of closer scrutiny needs to be credible. Special attention should be paid to the segment of taxpayers who attempt to comply, but fail to comply fully with their obligations to register, file correct information and pay the correct amount of tax on time. This segment with information and education, when possible via standard electronic communication, can increase the number of taxpayers in the fully compliant segment at relatively low costs and thereby increase the share of revenues that 'enters through the front door (Jensen, J. & Wöhlbier, F, 2012)

2.3. Taxpayer behaviour toward Tax Administration

Fairness and Trust in Tax Administration

Whether an outcome is perceived to be fair will influence behaviour. Experiments have shown that people prefer an option in which they receive no reward to an option in which they are rewarded but is perceived as unfair – they are rejecting an outcome that would make them better off. Often trust and legitimacy are linked to fairness, as the perceived fairness of an outcome will be contingent upon them. (OECD, 2010) discusses three types of fairness in taxation: distributive fairness (the perception that government acts as a wise spender of tax revenues); procedural fairness (the perception that the tax administration adheres to procedures that are fair in dealing with taxpayers); and retributive fairness (the perception that the tax administration is fair in applying punishments when the rules are broken). The

latter two are more relevant to (and can be influenced by) tax administrations. Distributive fairness depends on policymakers. If taxpayers do not trust the tax administration to collect tax fairly, this will increase non-compliance. A perception of fairness and trust are important tools for a tax administration in attempting to reduce evasion. The key to establishing trust is to frame the collection of taxes to the population in a transparent manner and emphasise the fairness of the approach taken. Norms and the motivation to pay taxes are influenced by fairness – both in how a person is treated by the administration individually and perceptions of fairness of the taxation system in general (whether other people are also paying their fair share). If a tax administration can demonstrate its commitment in these areas, compliance should benefit (Walsh, Keith, 2012, p. 456)

A “service and client” approach by the tax administration is more likely to encourage trust than a “cops and robbers” approach based on sanctions (KIRCHLER, 2007). The more respectfully taxpayers are treated by the tax administration, the less likely they are to evade and this contributes to the desire to “do the right thing” (NEW ECONOMIC FOUNDATION, 2005). Revenue’s customer charter and the presumption that taxpayers are honest reflect this type of approach.

After we presented these emperic studies treatments and results, we define the difference between them and our study:

3. Methods and approaches used in field research

3.1. Research approaches

a. Study Approach:

A descriptive and analytical approach suited to the nature of the study and the current topic was adopted.

b. Study Society and Samples:

The study society consisted of individual taxpayers and the study sample is limited to 90 individuals, as follows:

- A sample comprised of accountants (as the party concerned with the tax transactions and familiar with all the functionalities);
- A sample consisted of self-employed people, focusing on auditors and expert accountants, as they are charged with monitoring and are very knowledgeable about the field of study, which supports and enriches our research
- A random sample included; merchants, artisans, contractors, employers, partners, shareholders, etc.

c. Study tools:

In this study, primary-source data and information were gathered by a questionnaire seeking views and perspectives of all relevant actors (individual taxpayers who differ in their nature and their tax systems to which they are subject).

d. Statistical methods:

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In this step, we will try to present the statistical tools and programs used in processing the data collected with a questionnaire as follows:

e. Validation of the structural consistency of the questionnaire:

The validity of the internal consistency of the questionnaire was verified by applying to a survey sample comprised of 15 individuals (questionnaire).

Table 01: demonstrates the validity of the structural consistency of the questionnaire

Questionnaire Axes	Correlation Coefficient (R)	Sig	Results
Administrative Factors	0.908**	0.000	(**) Correlation is significant

Source: prepared by the authors using IBM SPSS Statistics v23 outputs

The above table indicates that Pearson's correlation coefficient between each degree of questionnaire axes, and the total degree of the statements is statistically significant, where the value of sig = 0,000 is less than the significance level 0.05. Thus, the statements of axes are valid and consistent.

f. Validity and Reliability of the Research Instrument:

The validity and reliability of the questionnaire survey was verified using the Cronbach's alpha coefficient.

Table 02: shows the validity and reliability of the study according to Cronbach's Alphacoefficient

Questionnaire Axes	Cronbach's Alpha coefficient Value
Administrative Factors	0.909

Source: prepared by the authors using IBM SPSS Statistics v23 outputs

As can be seen from the table above, the found values of Cronbach's alpha coefficient of instrument questionnaire axes range from $\alpha = 0.909$ (maximum expected value) to $\alpha = 0.628$ (minimum expected value). Additionally, the coefficient alpha for all questionnaire items was 0.974, and this indicates that a high value of alpha offers limited evidence of the reliability of a research instrument, and that indeed indicates a strong reliability, which makes us fully confident in the reliability of the questionnaire and its validity to analyze and interpret the study results.

g. Questionnaire Processing:

In this processing step, 29-questions and answers were submitted as questionnaire data entry subjected to processing using the Statistical Package for the Social Sciences (SPSS) Statistics v23. Some descriptive statistical methods such as Frequencies, Percentages, Mean Average, Standard Deviation, and Relative Importance were adopted.

h. Demographic Variables

The table below demonstrates the characteristics of respondents depending on the following variables:

Table 03: shows the distribution of respondents according to the personal information variables

Variables		Percentage %	Frequency
Gender	Female	36,7	33
	Male	63,3	57

Person in charge	Natural person	56,7	51
	Legal Person	43,3	39
Activity nature	Commercial activity	38,9	35
	Artisanal activity	7,8	7
	Service activities	11,1	10
	Industrial activity	18,9	17
	Liberal activity	23,3	21
Taxation system	Flat-rate system	45,6	41
	Real system	54,4	49
Educational level	High school-level	18,9	17
	Postgraduatelevel	43,3	39
	Bachelor level	37,8	34
Activity period	More than 15 years	11,1	10
	Less than 5 years	58,9	53
	From 10 to 15 years	11,1	10
	From 5 to 10 years	18,9	17
Age	More than 60 years	1,1	1
	From 18 to 30years	51,1	46
	From 30 to 40years	32,2	29
	From 40 to 50years	12,2	11
	From 50 to 60years	3,3	3
Total		100.00	90

Source: prepared by the authors using IBM SPSS Statistics v23 outputs

3.2 . Viewing and analysing the responses to the questionnaire items

The responses were analysed and categorized as shown in Table 4 below:

Table 04: indicates the analysis results of the survey questionnaire

Items	Mean Average	Standard Deviation	Relative Importance	Degree
1. You are satisfied with the reforms undertaken by the state at the level of tax administration structures	2,744	1,1073	54,88	Moderate
2. The tax you pay is estimated on a clear and transparent basis	2,756	1,1738	55,12	Moderate
3. There is a mutual trust between you and the tax administration	2,433	1,1021	48,66	Moderate
4. The way in which powers are exercised in tax administration is acceptable	2,433	1,0173	48,66	Moderate
5. There is a balance between the tax administration power and your legal rights	2,344	0,9618	46,88	Moderate
6. You are subject to high fiscal control	2,867	1,0189	57,34	Moderate
7. You are subject to an unexpected high fiscal control	2,711	0,9743	54,22	Moderate
8. Tax administration officers act in accordance with ethical and professional rules	2,633	1,1558	52,66	Moderate
9. The Tax Department to which you are affiliated has a good reputation	2,678	1,0582	53,56	Moderate
10. You receive special and differentiated treatment from tax administration staff	2,844	1,1007	56,88	Moderate
11. You get all the inquiries, assistance and documentation needed from the tax administration	2,889	1,1262	57,78	Moderate
12. The tax administration is bureaucratic	3,156	1,3401	63,12	Moderate
13. You receive adequate care when visiting the tax administration (waiting, guiding and air conditioning)	2,656	1,2101	53,12	Moderate
14. You prefer to deal with the tax administration electronically (permit and online payment) in the	3,889	1,2759	77,78	High

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future						
15. The type of administrative control you are subject to is often	General control (document control)	3,700	0,9295	74,00	High	
	In-depth control (on-site investigation)	2,944	0,9984	58,88	Moderate	
16. Tax administration pays more attention to protecting	Taxpayers' rights	2,233	1,0391	44,66	Low	
	State's rights	4,056	1,2394	81,12	High	
17. Tax agents take into account	Taxpayers' interests	2,456	1,0403	49,12	Moderate	
	State's interests	3,589	1,3059	71,78	Moderate	
	Personal interests	3,389	1,2693	67,78	Moderate	
18. You consider that tax agents' professionalism and high efficiency embodied in:	Respecting work hours	2,267	1,0995	45,34	Low	
	Working Skills	2,644	1,0738	52,88	Moderate	
	Complying with duration limits	2,789	1,0331	55,78	Moderate	
	Having rights and assuming obligations	2,722	1,1120	54,44	Moderate	
19. Tax agents use their power to	Extort (threat)	2,989	1,1563	59,78	Moderate	
	Revenge	3,078	1,0729	61,56	Moderate	
	Abuse	3,022	1,0165	60,44	Moderate	
20. The probability of entering into conflict with tax administration is high		2,767	1,0918	55,34	Moderate	
21. Tax disputes between you and tax administration are often	Administrative distributes	3,311	1,1182	66,22	Moderate	
	Judicial distributes	2,567	1,0711	51,34	Moderate	
22. You often seek to win the tax agent over by	Gift	2,344	1,2646	46,88	Moderate	
	Bribery	1,878	1,0475	37,56	Moderate	
	intermediation	3,011	1,4260	60,22	Moderate	
	None of the above	3,311	1,2600	60,22	Moderate	
23. The principle reason for going to tax administration is often to:	Receive either information or advice	3,378	1,0009	67,56	Moderate	
	Respond to reports or requests	3,967	0,9534	79,34	High	
	Pay taxes	3,900	1,0815	78,00	High	
	Complete files	3,667	0,9362	73,34	High	
	Discuss an evaluation or a re-evaluation report	3,544	0,9962	70,88	Moderate	
24. To contact the Tax Administration, you prefer	Another reason	2,978	0,9116	59,56	Moderate	
	Personal communication	4,022	1,0054	80,44	High	
	Telephonic call	2,567	1,1519	51,34	Moderate	
	Intermediary	2,978	1,0491	59,56	Moderate	
	Online communication	3,044	1,2888	60,88	Moderate	
25. Your assessment for the Tax Administration is based on	Reception quality	3,200	1,1823	64,00	Moderate	
	Tax agents ethics (Discipline, integrity, truthfulness, honesty, and professional confidentiality)	3,356	1,2390	67,12	Moderate	
	Rapid and efficient delivery of services	2,889	1,4798	57,78	Moderate	
	Modernity	3,056	1,3354	61,12	Moderate	
	Inquiries and clarifications	3,367	1,1751	67,34	Moderate	
	Excellent Customer services	3,211	1,3111	64,22	Moderate	

	Fiscal awareness	3,133	1,2826	62,66	Moderate
	Language choices (Arabic/French)	3,356	1,2835	67,12	Moderate
26. You judge the quality of fiscal documents by	Acceptance of format	3,022	1,1014	60,44	Moderate
	Ease of comprehension	2,778	1,2612	55,56	Moderate
	Ease of completion	3,011	1,1267	60,22	Moderate
	Ease of use of abbreviations	2,900	1,0815	58,00	Moderate
	Availability and accessibility	3,444	0,8883	68,88	Moderate
27. You judge the quality of the General Directorate website by	Quality of regulations and information	2,944	1,1154	58,88	Moderate
	Ease and rapid access to information	2,822	0,8941	56,44	Moderate
	Ease of navigation	2,800	1,0078	56,00	Moderate
	Satisfaction in web content	3,033	1,0106	60,66	Moderate
	You do not visit the site at all	2,778	1,0143	55,56	Moderate
28. The process of collecting taxes is adequate and appropriate for you		2,633	1,1558	52,66	Moderate
29. You pay your taxes to the Tax Administration via	General system (automatic payment)	4,011	0,7860	80,22	Moderate
	Income deduction (Direct Tax Deduction)	2,12	0,859	42,40	Moderate
	Prepayment system (prepaid taxes)	3,011	1,1367	60,22	Moderate
Administrative factors		2,997	0,42052	59,94	Moderate

Source: prepared by the authors using IBM SPSS Statistics v23 outputs

The table above shows the extent to which administrative factors influence the behaviours of respondents toward the fiscal framework, as appears from the degrees of agreement among respondents in percentage (%): an average degree of 59.94%, an arithmetic mean of 2.997% and a standard deviation of 0.4252%. As it turns out, the items have been classified as follows:

a. assessment of performance in tax administration

It includes a set of questions that focus mainly on:

- working conditions and quality of services (Items 01-11-12-13-18-25-26-27)

It can be seen from Item 1 that some respondents expressed its satisfaction with the reforms undertaken by the state at the level of tax administration structures with an average degree of 54.88%, a mean of 2.744 % and a standard deviation of 1.1073%. On the contrary, the rest respondents were dissatisfied and clarified its position as follows:

Item 11: It turns out that the mean, the standard deviation and the average degree to which respondents agreed with the item “to what extent do the tax administration respond to the inquiries and provide assistance and documentation needed” are 2.889, 1.1262, and 57.78% respectively. This is justified by the fact that there is a significant number of respondents believe that the tax administration does not perform its duty to the fullest towards the taxpayers.

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Item 12: It is clear that some respondents agreed with this item. The sample average degree, mean and standard deviation are 63.12%, 3.156 and 1.3401, respectively, and this explains a lack of satisfaction. The rest respondents states that they still felt that tax agents express illegal acts and unethical behaviours including; inflexibility, irresponsibility, disinterest, dis-innovation, complacency, and cases of abuse of power and authority.

Item 13: the average level of agreement is 53.12%. Respondents reported the lowest levels of agreement toward the survey item on receiving adequate care when visiting tax administrations in terms of waiting, guiding, and air conditioning ... etc. This is justified by the fact that despite the modernization of tax administrations, the agents still have some sort of backwardness, indifference and negligence in embodying modernization, as it should be, as operating some modern equipment and exploiting it to serve customers or procrastinating in fulfilling their obligations (e.g., operation and maintenance of air conditioners in administration facilities).

Item 18: Respondents reported the lowest levels of agreement toward the survey item on professionalism and efficiency the tax agents. The average level of agreement on working skills, complying with duration limits, and having rights and assuming obligations are 52.88%, 55.78%, and 54.44%, respectively. As regards “respecting work hours”, respondents reported the lowest levels of agreement toward this survey statement with an average level of 45.34%, a mean of 2.644 and a standard deviation of 1.0995. Thus, the findings confirm that tax agents reveal a low level of rigour in performing, complying with duration limits and respecting work hours.

Item 25: Respondents reported medium levels of agreement toward the survey item on the assessment of tax administration system, as demonstrated in the table above. The survey item was made up of the following eight subscales : Language choices (average level of agreement 67.12%); Inquiries and clarifications (average level of agreement 67.34%); Agents’ ethics (average level of agreement 67.12%); Excellent Customer services (average level of agreement 67.12%); Fiscal awareness (average level of agreement 62.66%); Reception quality (average level of agreement 64%); Modernity (average level of agreement 61.12%); and Rapid and efficient delivery of services (average level of agreement 57.78%).

The findings seemed to reflect the low level of performance and quality of services provided by the tax administration and this is justified by the fact that the tax administration, despite all efforts in reforms that affected its structures, is still far from the manifestations of urbanization and administrative advancement, and this is what is given to the taxpayers. A negative view towards tax administration, which in turn represents the tax imposition, and thus increases their aversion to pay the tax itself.

- Fiscal control (Items 06-07-15)

As for the performance of tax administration in terms of carrying out tax control, the respondents position was as follows:

Item 06: Respondents reported the highest levels of agreement to this item: High fiscal control (average level of agreement, mean and standard deviation are 57.34%, 2.867 and 1.0189, respectively).

Item 07: Respondents reported an moderate level of agreement to this item: Unexpected high fiscal control (average level of agreement 54.22%).

Item 15: Respondents reported the highest levels of agreement to this item: Administrative controls' type (2 subscales, an average level of agreement 74% with a mean 3.7 and a standard deviation 0.9295 on general control (documents) and an average level of agreement 58.88% on in-depth control (on-site investigation)).

This is justified by the fact that the tax administration carries out its supervisory work with all activity and commitment as it should be in terms of its oversight functions. However, a group of respondents is repeatedly subject to in-depth tax control (on-site investigation) and responds negatively to this item. The group states that the tax control has become used by the tax administration to threaten taxpayers, which makes this category feel that there is no tax justice, and this is reflected negatively on its view towards tax administration and the tax itself.

- Tax Collection

As for the performance of tax administration in terms of carrying out the task of tax collection, the respondents' position was as follows:

Item 28: Respondents reported a moderate level of agreement to this item: The process of collecting taxes is adequate and appropriate (average level of agreement, mean and standard deviation are 52.66%, 2.633 and 1.1558, respectively). This means that there is a lack of satisfaction expressed by this respondents' category. The category satisfaction survey is further justified through the inadequacy of the collection methods. It is the category that is subject to income tax deduction, which is estimated at 42.40% (item 29). The taxpayers generally favours automatic tax payment following the general system but the status of such tax is related to the nature of their income. Additionally, the majority of those taxpayers are foreigners whose tax liability is located in Algeria.

Item 14: Respondents responded very positively and reported the highest levels of agreement to this item: prefer to deal with the tax administration electronically (permit and online payment) in the future (average level of agreement, mean and standard deviation are 77.78%, 3.889 and 1.2759, respectively). This positively affects taxpayers' relationship with the tax administration and its view towards the tax in itself, since this deal has many advantages, as it falls within the framework of electronic governance, and the use of modern technologies. It reduces time and costs, saves effort, and facilitates authorization and payment processes for both parties. However, it only serves literate and well-educated taxpayers, who use the internet continuously, while hampers other groups to pay tax.

b. The Relationship between Taxpayer and Tax Administration

It includes a set of questions that focus mainly on:

- Mutual Trust (02-03-09-24)

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The issue of trust between the two parties in the tax relationship is a very important and sensitive topic as has been demonstrated by the following items:

Item 02: Respondents reported a moderate level of agreement toward the survey item: The paid tax is estimated on a clear and transparent basis (average level of agreement, mean and standard deviation are 55.12%, 2.75 and 1.738, respectively). The result shows a lack of satisfaction of respondents. The rest respondents reported the lowest levels of agreement toward the survey item. They justify its position through the lack of clarity and complexity of the tax procedures, whether in terms of the law or in terms of its application by the tax agent, as the latter falls under his responsibility to simplify the law to taxpayer to achieve greater transparency and remove all suspicions, which generates confidence. Thus, the tax relationship between taxpayers and the tax administration as well as the view toward the tax itself will be improved.

Item 03: Respondents reported a moderate level of agreement toward the survey item: There is a mutual trust between you and the tax administration (average level of agreement, mean and standard deviation are 48.66%, 2.433 and 1.1021, respectively). This is explained by the presence of goodwill and confidence on the part of this category towards tax agents, while the other category of respondents disagree. They argue that it had a negative view towards the tax system, which is a view primarily inspired by people's history, as it has always been a tool for usurping and plundering people's money by colonialism, on the one hand and the bad reputation of tax agents among the public, on the other hand.

Item 09: The sample responded very positively to this item. Some respondents reported a moderate level of agreement toward the survey item: The tax department to which you are affiliated has a good reputation (average level of agreement, mean and standard deviation are 53.56%, 2.678 and 1.0582, respectively). Other respondents disagreed with this under the pretext of rumours and inaccurate information that circulated within people about the tax administration in addition to the unethical behaviours of agents, which fall outside of the scope of work, such as not adhering to the time limits and not respecting the professional ethics. This is reflected in the manifestations of administrative lax practices, including; bribery, deception, abuse of influence, and informal relations and is thus exacerbated the tax relationship from the standpoint of taxpayers toward tax administration and tax in general.

Item 24: As for the method of contacting the tax administration, respondents reported the highest levels of agreement to the item 24, which was made up of four subscales as follows:

It has been observed that a significant percentage of the study population reported the highest levels of agreement toward the first subscale on "Personal communication" (average level of agreement, mean and standard deviation are 80.44%, 4.022 and 1.0054, respectively). Respondents justified their position that it is an issue of building confidence. They believe on the one hand, that personal contact is necessary for tax dealings to be transparent and on the other hand, they

are distrustful of tax officials, which leads to questions as to whether tax agents commit transgressions in their absence or the like. As for assigning intermediaries, they do not trust them for fear that; they collude with agents in misdirecting them. Respondents reported moderate levels of agreements 51.34%, and 59.56%, toward the survey subscales “Telephone call” and “Assigning Intermediary”, respectively. Respondents justified their answers by arguing that this is due to: (i) the lack of sufficient time for the concerned taxpayers, especially the businesspersons and the business owners, to communicate with the tax administration, which makes them appoint intermediaries (often accountants) they trust in this task; and the administrative delays to avoid abuses and disputes with unethical and unprofessional conduct by tax agents.

Respondents reported moderate levels of agreements 60.88% toward the survey subscale “Online communication” although it is unavailable in Algeria. This justifies the desire of the taxpayers to deal electronically with the tax administration in the future.

From this, it can be concluded that the issue of trust in dealing between taxpayers and the agents in Algerian tax administration is important and will affect the tax relationship between the two parties. It is related to the reputation, transparency and the level of confidence. Therefore, this is what affects the tax performance and its proper acceptance by the taxpayers.

- Taxpayer's Treatment (04-05-08-10-16-17-19-22-23)

As for the way in which taxpayers are treated, the results of the table showed the following:

Item 04: Respondents reported a moderate level of agreement toward the survey item: The way in which powers are exercised in tax administration is acceptable (average level of agreement, mean and standard deviation are 48.66%, 2.433 and 1.0173, respectively). This indicates that there is a lack of satisfaction among respondents towards that item as a whole, and this is justified by the fact that the powers and authority of tax agents as defined in law are differ in how they are exercised from an agent to other depending on his position, mission, personality, etc. As this is an ongoing investigation on tax administration, no matter how much acceptable the authority is, it hard enough for taxpayers to be reasonably satisfied with prompt and efficient services provided due to the sensitive nature of the task of tax administration, which is collecting money from taxpayers.

Item 05: Respondents reported a moderate level of agreement toward the survey item: There is a balance between the tax administration power and the taxpayer's legal right (average level of agreement 46.88%).

Item 08: Some respondents reported a moderate level of agreement toward the survey item: Tax administration officers act in accordance with ethical and professional rules (average level of agreement, mean and standard deviation are 52.66%, 2.633 and 1.1558, respectively). The results reveal a lack of satisfaction among the study population. In this regard, the rest respondents disagreed with this

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survey item. They pointed out that these facts are necessarily the result of agent's dishonesty or bad faith. In addition, the agent oversteps his authority by involving himself in customer's personal matters and misleading by linking them to work, etc

Item 10: Some respondents reported a moderate level of agreement 56.88% toward the survey item: receiving special and differentiated treatment from tax administration staff. Others were disagree justifying that they had been subjected to negligence and other forms of ill-treatment by some agents when they visited the tax administration.

Item 16: The study population responded negatively to this item, which was made up of the following two subscales: Taxpayers' rights (average level of agreement 67.12%); and State's rights (average level of agreement 81.12%). This justified by the fact that the violation of taxpayer's rights inherent in all forms of prejudice and discrimination, although he is in dire need as a taxpayer to take measures to safeguard his rights in the light of that sense of prejudice.

Item 17: Respondents reported a moderate level of agreement 67.78% toward this survey item, which was made up of three subscales arguing that tax agents take into account the state's interests, promote their own personal interests and then serve taxpayers' interests at last and adding that agents dealing with this issue may reach the level of abuse of power.

Item 19: Respondents reported moderate levels of agreement 59.78%, 61.56% and 60.44% toward the survey subscales; Extort (threat), Revenge, and Abuse, respectively.

Item 22: Respondents reported a moderate level of agreement toward this item, which was made up of the following subscales: intermediation (average level of agreement 60.22%); Gift (average level of agreement 46.88%); Bribery (average level of agreement 37.56%); and None of the above (average level of agreement 60.22%). Some respondents arguing that they often seek to win the abusive and unethical tax agent over and others saying that this matter aggravates the relationship between the two parties and generates a strongly hostile view of the taxpayers towards the tax agents, with consequential delays in the tax payment proceedings.

Item 23: Respondents reported the highest levels of agreement toward the survey item on "the principle reason for going to tax administration". The survey item was made up of six subscales in the following order: Respond to reports or requests (high level of agreement 79.34%); Pay taxes (high level of agreement 78.00%); Complete files (high level of agreement 73.34%); Another reason (moderate level of agreement 59.56%); Discuss an evaluation or a re-evaluation report (moderate level of agreement 70.88%); and Receive either information or advices (moderate level of agreement 67.56%). This sequence is justified in terms of priority attention to head to the tax administration since the most important thing in the respondents view is "respond reports or requests", and this is due to the extent of their fear of what may be issued as administrative decisions, which makes the insist on paying. The second matter is paying taxes, which is important to pay their dues and

not fall into the trap of penalties and fines. As for the subscale “Complete files”, it is an obvious and important matter, so as not to hinder the flow of their activities due to the incompleteness of files or lack of documentations, etc. Additionally, it has been noted that a category of respondents do not pay much attention for receiving information or advice, which must be the highest priority for the study population. Another category of respondents justifies its position by not receiving fair and decent treatment and necessary and sufficient advice and guidance without distinction of any kind. Therefore, such issue should be interpreted as a growing evidence of the failure of tax administration system that is arbitrary in nature and, therefore, has to be changed.

- Tax Disputes (20-21)

Item 20: Respondents expressed negatively and reported moderate levels of agreement to this item: the probability of entering into conflict with tax administration is high (average level of agreement, mean and standard deviation are 55.34%, 2.767 and 1,0918, respectively).

In fact, this matter somewhat strains the tax relationship between the two parties as has been depicted in the following item:

Item 21: The study population responded negatively to this item, which was made up of the following two subscales: Administrative distributes (average level of agreement 66.22%); and Judicial distributes (average level of agreement 51.34%). Some respondents state that tax disputes are attributed to both factors at the same time. This is justified by the existence of many differences between the two parties involved in the tax relationship, due to the large number of errors and abuses encountered in the permits of taxpayers during tax control operations and tax bases re-establishment by the agents and controllers. Notwithstanding the fact that the issue often would not be acceptable to taxpayers who enter into administrative tax disputes as they consider appropriate in order to end such prevailing inequality and injustice practices. The matter is taken to court, if no agreement is reached. That situation in fact not only had a negative effect on the tax administration, but also compromised its ability to fulfil its mandates to rationalize its institutional relationships with taxpayers to provide greater incentives for tax compliance .In this regard, it has been revealed that administrative factors affect relatively, and importantly the taxpayer's behaviour toward the tax administration and the tax itself. For this reason, the better the performance of the tax administration, whether in terms of working conditions or quality of services and the consolidation of mutual confidence are of paramount importance, the less tax disputes will be, and thus lead to improve relationship climates between tax authorities and taxpayers as well as tax compliance.

4. Conclusion:

Finally, this present paper concludes that Taxpayer behavior is effected by administrative factors, and we estimate an impact of 59.94% following the results of our quantitative study, therefore, we can say that Administrative factors have a big impact to improving tax relationship, because this last is primarily a human relationship, in its depths is an interaction between human beings who are the taxpayers and the tax agents ,who embody these institutions via their work and their behaviour. Therefore, the issue has led to aggravate the relationship marked by hostility and antipathy between the two parties, and thus, tax reforms should improve the relationship between the tax administration and the taxpayers as well as the linkages that connect them. Indeed, the reason behind this demand cannot be understood unless it is simply that many countries spare no effort in continuing to achieve this goal.

Through our study, we concluded the following main results:

- Some taxpayers contribute voluntarily, others need help to comply with the tax rules and for some taxpayers strong enforcement measures are required to make them pay.
- . The taxpayer always views tax agent as an enemy that collects his money arbitrarily and unjustly, without any compensation in return, which made some of them seem to lack confidence in tax institutions and receive negative consideration in this regard.
- the task of a tax administration is to collect all tax revenues due in a fair and efficient way with limited costs for taxpayers and the tax administration itself.
- Behavioural research is providing a deeper understanding of taxpayer behaviour. In the context of tax administration, the behavioural literature offers a framework for influencing taxpayers to improve compliance and customer service.

Finally, our study research finds also suggests that:

- Tax administration must improve customer service programmes, need to ensure that taxpayers comply with the rules and adequate resources (well trained staff, IT, budget). also the communication between them plays a key role.
- For each type of taxpayer a tax administration has to have a targeted approach, a so-called tax compliance strategy that ranges from providing services and assistance to enforcement measures.
- Highly skilled, helpful, and ethical staff who can resolve tax issues professionally in reasonable timeframes.

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