

**INFLUENCE OF TAX AWARENESS PROGRAMS ON VOLUNTARY TAX COMPLIANCE: A
CASE OF KENYA REVENUE AUTHORITY (KRA), NORTH RIFT REGION
HEADQUARTERS, ELDORET**

Violet Minayo Wafula
Master of Arts Scholar, University of Nairobi, Kenya

YonaSakaja
Lecturer, University of Nairobi, Kenya

Abstract

The main goal of the current study was to establish influence of tax awareness programs on Voluntary Tax Compliance (VTC) by interrogating the KRA staff based in North Rift Region (NRR) Headquarters in Eldoret, Kenya. This objective was answered using four research questions which revolved around various forms of awareness programs namely Tax Education programs, Tax Engagement programs, Tax Support Programs and Tax Publicity programs. The questions to the research examined how the key variables in the study influenced capacity of the taxpayer towards Voluntary Tax Compliance thus enabling him to register for taxes, file returns and pay taxes by due date. Historical secondary sources of data were reviewed which included; books, peer reviewed journals. The study adopted descriptive and quantitative research designs, with KRA staffs as the respondents, since they need to be confident that the awareness programs they are conducting are able to influence the taxpayer in such a way that he can comply with tax regulations. The study employed use of questionnaire and which were provided to 105 sampled staff from the population of 126 staff in NRR Headquarters in Eldoret. Additionally, 5 management staff were interviewed in order to get their views on the subject matter. Data presented in descriptive statistics finished frequency tables, pie charts, bar graphs and percentages. In addition, stratified and simple random sampling designs were used to the sample population. Data acquired was exposed to quantitative devices of data analysis using SPSS. From the findings, it was clear that there has been a considerable effort in disseminating Tax Awareness to the population in the North Rift Region and this is continually enabling the taxpayers to declare their incomes and file tax returns. However, many respondents recommended that publicity on filing of returns should be intensive and aggressive campaigns should be done throughout the year and not just during return filing period.

Keywords: tax awareness programs, tax education, tax engagement, tax support, tax publicity

I. INTRODUCTION

1.1 Background to the Study

Taxation covers an area of controversy at any certain fact in stint and in any culture, irrespective of the point of democracy. However, contemporary civilizations are not able to live on without taxes since Governments depend on taxes for their very existence. The optimal level of public personal

property on condition that by authorities is attained when every single taxpayer is compliant and recompenses his reasonable share of taxes. Forum for Tax Administration (2004) describes Tax Compliance as an indicator that taxpayers would satisfy their basic obligations under the tax laws of a country by; registering for tax purposes, filing tax returns by due date, reporting tax liabilities (including where acting as withholding agents) and, paying taxes by due date stipulated in law. Franzoni (2000) highlights four basic rules that portray a compliant taxpayer as one who reports his tax base to the tax authorities; computes tax liability correctly, files tax returns on period and, pays the amounts due on time. Since the actions of taxpayers as well as weaknesses in a tax administration make examples of non-compliance inevitable, administrations must have plans and constructions in dwelling to safeguard minimum occurrences of non-compliance (Forum for Tax Administration, 2004).

In many countries globally, taxes are perceived as a burden. In Austria (Kirchler, 2007) and Italy (Berti&Kirchler, 2001), professional studies disclosed that white collar workers viewed taxes as essential evil that, though, assures social welfare and security; blue collar workers suspect the government and representatives of by means of taxation tactically to addition themselves; self-governing and executives who payment taxes out of their concise touched that taxes par take partial their individual autonomy to advance their hard received money in their personal industries. Aggression to tax compliance dates hindmost to the History of Taxation. Examples can be drawn from the Roman realm in 60 A.D when Boadecia queen of East Anglia directed a revolt accredited to dishonest tax. The 100 years war in Great Britain(1337 - 1453) was renewed in 1369 due to despotic tax rules of Edward, the black leader. Hostile taxpayer conduct suggests that provided a plan taxpayers would not conform with tax laws.

Taxation in Kenya is based on the concept of self-assessment which was introduced in 1992. Self-Assessment System (SAS) allows the Kenyan taxpayer to calculate his or her taxes due for a year of income or tax period; submit returns and pay taxes accordingly. Indeed upon introduction, this system put Kenya way ahead of many African countries and even some of the developed countries (Khan, 2009). Apart from Self-Assessment Tax, there are other types of Assessments stipulated in the Tax Procedures Act 2015 as follows; Default Assessment where if the taxpayer fails to submit a return in harmony with requirements of the tax law, the Commissioner may use information available in the database to make an assessment in his best judgment; Advance Assessment may be administered in cases of bankruptcy, where the taxpayer is facing winding up or liquidation proceedings, or is about to leave the country, may cease carrying on business in Kenya or, lastly, where the taxpayer has died. Finally, an amended assessment may be issued where the Commissioner amends an original assessment by making alterations or additions based on information available to him. (Viva Africa Consulting, 2016).

The Kenya government depends on tax proceeds both for its periodic and advance expenditure. In search of this, KRA has remained instructed to judge and explanation for completely taxes due to the government. Low compliance and tax evasion that has characterized tax administration not solitary challenges tax management infrastructure nevertheless also marks the tax improper lender and unbalanced. Indeed, it is estimated that the rate of compliance is very low - at 55% for VAT (KRA Strategic Plan, 2016). It is against this background that the effectiveness and efficiency

of self-assessment, as implemented in Kenya, is questioned in practice. In an environment of shared trust, citizens have positive representation of the tax systems and tax authorities and cooperate instinctively. High particular tax information, promising arrogances, individual and communal rules of collaboration, as fine as apparent equality of the tax systems are the foundation of a motivational propensity to collaborate, confidence and charitable obedience. Tax awareness and Tax knowledge are critical components required to create this environment, and can be routed through Tax awareness Programs, hence the reason for this study. At the period of the training and to the greatest of the researcher's information, at hand is no printed study connecting to effect of consciousness programs on VTC, particularly in the North Rift Region. This education is carried out to seal this information gap. The absence of experiential indication fashioned the inspiration of this research.

1.2 Statement of the problem

The character of taxpayer consciousness towards tax compliance is actual vital for a nation in an exertion to gather the state proceeds after tax sector. The community needs to be sensitized to acquire better considerate of taxes so that their consciousness can be industrialized. Awareness in this regard is twofold; having information and considerate of tax guide line that affects taxpayer compliance; and having information and considerate of taxation that improves taxpayer agreement (Kariyoto 2010).

Several researchers take registered issues that influence tax compliance such as demographic, revenue, compliance cost and tax mediators in totaling to ethical or moral elements (Singh, 2003; Kasipillai et al., 2003). Trivedi, 1997, as quoted in Kasipillai, Norhani, and Noor (2003), listed implementation aspects such as consequence, review, and tax rates which take had a countless inspiration on tax compliance conducts. The degree and excellence of audit will also influence tax compliance behaviours of a taxpayer (Kasipillai et al., 2003). Various researches have assessed the influence of knowledge on compliance behavioural study by Ngoro and Zulaikha (2012) inspected the influences that affect the readiness to compensation on taxes with the consciousness of disbursing taxes as an intervening adjustable and originate that information and sympathetic of tax guidelines has an important effect on the consciousness of forfeiting taxes. Knowledge enable the taxpayer to understand taxation laws while also enlightening them on the opportunities for tax evasion (Kasipillai, Norhani and Noor, 2003). Apart from increasing awareness on the part of duties in National expansion, it is also necessary to explain how money composed is disbursed by the management (Mohd, 2010).

At the period of research, at hand are no certified data of a study to find out the influence of awareness programs on VTC having been carried out in the North Rift Region. To hand is consequently a necessity to evaluate the equal of tax consciousness, appraisal factors producing non-compliance and imprisonment the prospects of tax officers with an opinion to expressing strategies meant at refining and emerging suitable tax awareness programs. This study tried to find to block this data gap by taking the opinions of the tax generals in this respect.

1.3 Research Objectives

- i. To determine the influence of Tax Education Program involuntary Tax Compliance at KRA North Rift Region Headquarters.
- ii. To establish the influence of Taxpayer Engagement Program on Voluntary Tax Compliance at KRA North Rift Region Headquarters.
- iii. To examine the influence of Taxpayer Support Program on Voluntary Tax Compliance at KRA North Rift Region Headquarters.
- iv. To assess the influence of Tax Publicity Program on Voluntary Tax Compliance at KRA North Rift Region Headquarters.

II. LITERATURE REVIEW

2.1 Empirical review

2.1.1 Tax Education and Voluntary Tax Compliance

Taxpayer Education is defined as a program which comprises all kinds of message and scholastic strategies to surge information to the residents, and notify them of their privileges and duties concerning tax troubles (Tasneem and Claudia, 2007). Kiwanuka (2004) describes taxpayer education as all courses aimed at encouraging cognizance to the general public on tax matters and tax obligations. It involves information disseminations through seminars, workshops, tax clinics, websites, and live radio and television programs (NBS, 2003).

In a self-assessment tax system, mutual trust and cooperation among tax payers and the tax authorities is very important as it enables taxpayer to cultivate a positive attitude towards the tax schemes and tax establishments and conjoin accordingly. In an environment considered by joint trust, audits and penalties would deter rather than increase VTC as it displays authoritarianism and distrust. Accordingly, Kirchler et al (2007) suggested that tax assessments and penalties are pertinent underneath the conditions of low belief in tax authorities and government and can thus be used only for taxpayers who are not willing to comply.

Taxpayer training is a tool that allows the taxpayer to understand the levy regulations, creating it easy for them to conform to the commitments such as correct preparation of earnings, appropriate obedience of the incomes, and imbursement of taxes. It is an instrument that permits taxpayers to conform to the self-assessment scheme (Norwahi and Dhama, 2005). Taxpayer education shelters an extensive choice of actions and players – the curricula from the government to inspire tax-compliant conduct, to energies by commercial societies to marshal and symbolize the welfares of those that they associate closely with on tax matters, to civil civilization advantages to convey residents into policy discussions on tax gathering and rearrangement (OECD, 2013).

Bobek and Hatfield (2003), Mustikasari (2007) and Imelda (2014) stated that taxpayer compliance can be described by means of the Theory of Planned Behaviour (TPB) progressive by Ajzen (1991). TPB model describes compliance behaviour by means of variables such as conceits, slanted duties

and seeming social wheels that disturb the non-compliant behaviour of specific taxpayers.

2.1.2 Taxpayer Engagement Forums and Voluntary Compliance

Stakeholder engagement is fundamental in building and encouragement dealings to advance service conveyance and funding actual tax reforms. The achievement of goal is anchored on a facilitation approach whose rudiments revolve around creating an enabling environment to inspire trust and confidence among taxpayers thereby facilitating voluntarily compliance. In this regard, KRA has institutionalized engagements and operational zed various escalation levels of engagements from Technical level, Commissioners level to Commissioner General (CG) Level with the aim of achieving an end to end resolution of stakeholder concerns (Tax Round-table Newsletter, 2017).

KRA Strategic Plan (2015) was advanced in discussion with inner and outer stakeholders and it seizes the native, national and global developments and emergent matters in the revenue management advantages. Reason able involvement validates that for Taxpayer Education Programs to consume enduring impact they need effort over enterprises – locally, provincially and even worldwide. Attaining the long-term, sustainable social alteration projected by taxpayer education winners to young thinkers at secondary and tertiary side by side needs structure concrete associations with the teaching subdivision, creation this a critical test. Occupied with the Education Ministry, it is important to permit authorities in charge of taxes to take assist schools and cultivate curricula that are applicable and available to pupils – the subsequent generation of possible taxpayers. Official arrangements should be extended to education departments and organizations to monitor joint deliberations on methodology, content and trials. Several countries start to see the profits of cooperating through the education segment: such partnership can supplement the curricula on societal lessons, book-keeping or tax. Nine nations have entrenched education on tax in their college syllabi and devised advanced substantial mutually with their departments of learning (OECD, 2013).

2.1.3 Taxpayer Support Programs and Voluntary Tax Compliance

The primary objective of KRA Reform Agenda which commenced in 1995 was to create operational efficiency through re-engineering business processes and leveraging on technology to drive revenue collection. Traditionally, KRA focused exclusively on revenue generation and perceived taxpayers as partaking the smallest stable scorecard conceivable, as there turns body mainly concentrates on target achievement. However, KRA is now bent on refining Kenya's Commercial Environment: "Kenya is dedicated to endure refining its position in the Undertaking Commercial reports to topmost 50, and in this affection KRA's part in refining the "Paying Taxes" fecund will be precarious." (Eldon, 2016). Customer focus is dire to the attainment of the government's digital management program, "directly by automating its services and indirectly by supporting the integration of KRA systems with other government agencies and assisting others in automation" Customer perspective looks to improve customer provision by benchmarking service provision values against locus nations; increasing the choice of services where KRA sees global finest training; and aggregate service choices to taxpayers in demand to realize VTC(Eldon, 2016).

2.1.4 Tax Publicity Campaigns and Voluntary Tax Compliance

Taxpayer Learning Unit which performs together with the Media Segment of the Marketing and

Communication Department is mandated to create tax awareness, inform, educate and empower the taxpayer with the information he needs to comply with tax requirements. In creating tax awareness, the division has various responsibilities including; publishing information on the KRA website, local dailies and worldwide press, generating radio and television transmissions and organizing meetings and workspaces as well as field awareness-raising operations in supermarket run malls, roads, churches, public forums and so on. Much of this work involves partnership with selected media houses which may run adverts, press conferences, and documentaries to create tax awareness. The choice of media outlet depends on a total of elements comprising viewers reach status and program choice (KRA Marketing Division, 2015).

Media movements are frequently accompanied with a month or two forward of the tax returns period for preparing taxpayers to ease their returns earlier than the deadline. Awareness Programs may take various forms; Radio programs in the National language channels and in the tribal broadcasting channels, a tax-themed television platform or documentary revealed on all the major TV postings, tax cinemas in the category of "soap operas," highlighting the diverse capacities and kinds of levies, and the basic for taxpayers to file returns, weekly sheets in the main correspondents with pupillages, news and material round taxes, marketing drives on diverse parts and features of duty such as value added tax, and concealment tax, using assortment of diverse media along with stakeholder commitment meetings, road displays, etc. Venues of Tax Education are advertised in the dailies (KRA Marketing Division, 2016).

2.2 Theoretical framework

The economic model Tax Compliance was proposed by Becker (1968) in Walsh, (2012). In this model, taxpayers try to maximize their financial position and evade taxes any time that the rewards outweigh the risk of detection or punishment. It has the following key factors: Probability of detection, Probability of sanctions being imposed, the strength of the sanctions and penalties, the amount of income at risk and the tax rates to be levied on income. It stipulates that taxpayers evade taxes any time the expected benefit is equal or greater than the expected cost of evasion or avoidance.

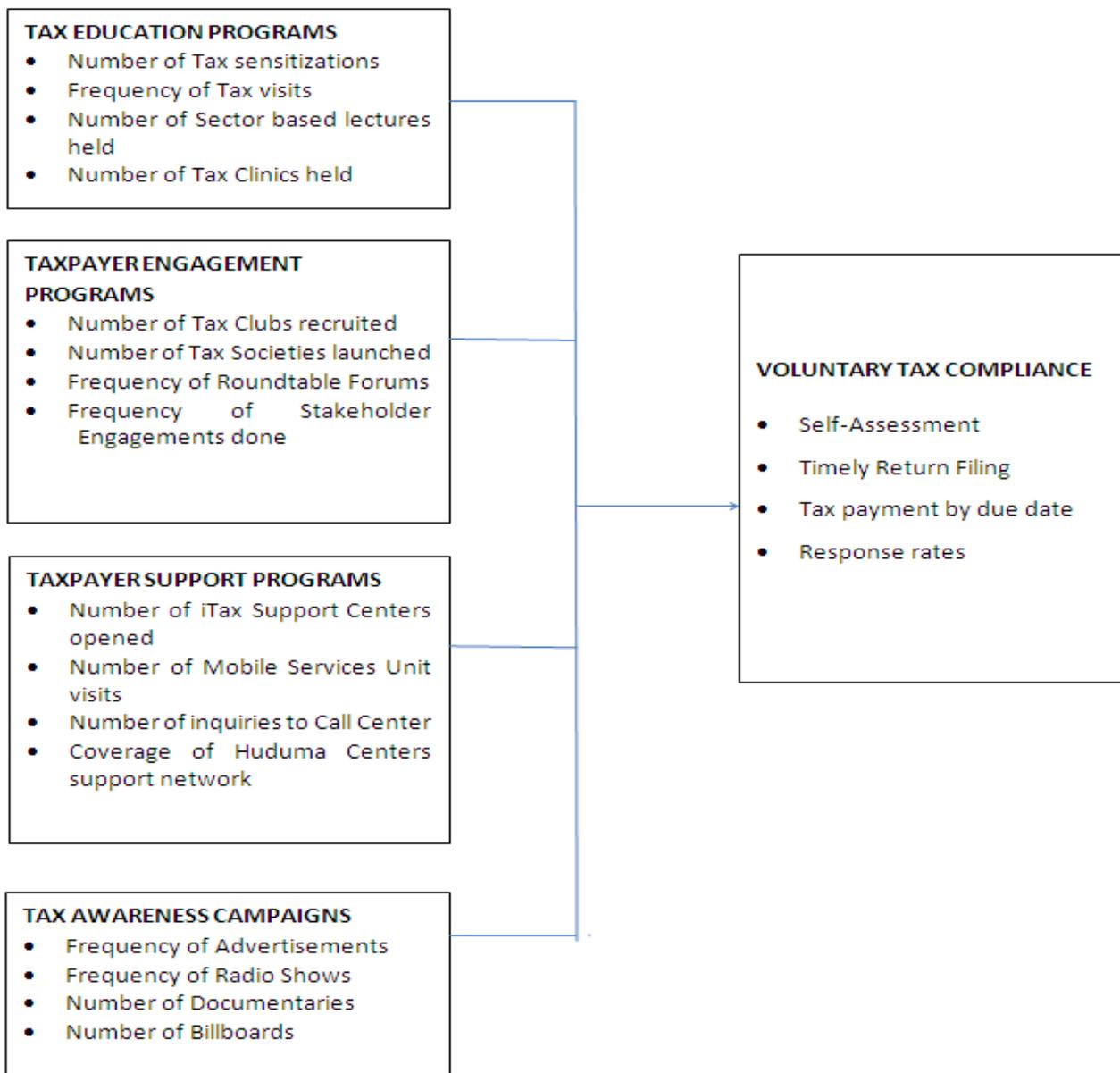
The conviction of the wrongdoer being sensed in respect to the magnitude of the punishment a bearing on tax compliance according to Allington and Sandmo (1972) as cited in Muturi (2010). When the probability of detection is certain, mild punishment will sufficiently deter non-compliance. The Economic deterrence model during the 1970s debated that if the possibility of discovery was self-regulating of income, then as taxpayer's income increases, the level of evasion would increase. According to Alm, Sanchez and De Juan, there is a retreat from the economic model in its basic form because even where detection rates are low, some individual would still comply. Many rational taxpayers would discount audit as a deterrence factor especially where the audits are random. Consequently, in spite of the optimistic consequence of improved endorsement levels on taxpayer compliance needing been set up to grip where moderately low and accurate forfeit levels are castoff, their general influence has been doubtful. Subsequently, old-fashioned economic dissuasion models which lure upon predictable efficacy theory and discouragement, mostly in the practice of endorsements, have been found inadequate. Few scientific proof to backing the forecasts of economic dissuasion representations as a complete has reappeared. Investigators have, consequently, shortened the result of issues that define the financial cost of compliance as counting the tax rate, revealing probability, the equal of revenue

and the fine structure and propose that, for completely of them, prevailing empirical proof delivers no firm inferences. Subsequently, needing painstaking the economic restriction model and its shortages, it developed seeming that additional modifications and developments wanted to be advanced to report tax elusion and non-compliance. This research scrutinizes unconventional methods that can be followed in relative to increasing awareness programs in demand to manage Voluntary Tax Compliance.

2.3 Conceptual Framework

Independent Variable

Dependent Variable



III. RESEARCH METHODOLOGY

3.1 Research Design

The study employed descriptive study design as a way of solving the research problem. This design enabled scrutiny of the association concerning awareness programs and levels of Voluntary Tax Compliance by taxpayers in relations of registering in the system, recording and compliance of tax returns, and remittance of taxes due. According to Doyle (2004), a descriptive study looks to a form of methods for gathering data and locating replies from persons to a set of arranged enquiries. Descriptive study method with self-administered surveys as the study tool was deliberated suitable for this research.

3.2 Target Population

Target population comprised of KRA staff from various departments based in Eldoret at the North Rift Region Headquarters. They are were table 1

1) Table 1: Target population

NRR units	Number
Regional Coordinator's Office	4
Supplies and Logistics	9
Human Resources Department	4
Marketing and Communication Department	9
Domestic Taxes Department	39
Customs & Border Control Department	33
iTax Support Centre	21
Support Staff	6
Total	126

Source: KRA Human Resource Department, 2018

3.3 Sampling procedure

3.3.1 Sample size

The sample size was 105 based on Krecjie and Morgan tables of 1972.

2) Table 2: Sample size

NRR units	Target population	Sampling procedure	Sample Size
Regional Coordinator's Office	4	4/126*94	4
Supplies	3	3/126*94	3
Facilities and Logistics	16	16/126*94	12
Human Resources Department	4	4/126*94	4
Domestic Taxes Department	45	45/126*94	43
Customs & Border Control Department	12	12/126*94	10
iTax Support Center	18	18/126*94	16

Investigations and Enforcement	10	10/126*94	8
ICT	7	7/126*94	5
Finance	7	7/126*94	5
Total	126		105

3.3.2 Sampling Procedure

The study did employ stratified simple random technique. Stratification was done based on departments, i.e. (Regional Coordinator's office, Supplies and Logistics, Human Resources Department, Marketing and Communication Department, Domestic Taxes Department, Customs & Border Control Department, Investigations and Enforcement and iTax Support Center resulting in ten (10) strata. Apart from the 94 staff identified to take part in the research, 5 managers were also selected purposively to take part in the interviews. Among them were 3 managers from Domestic Taxes Department, 1 from Customs Department and 1 from Investigations and Enforcement Department.

3.4 Data Collection methods

The data collection tools are used to obtain information from respondents. Questionnaires was used as the main data collection tool because questionnaires are simple to analyze and interpret hence making the process efficient (McMillan, 2006). Orodho (2005) gives the questionnaire an advantage in covering responses within a short time and covering a wide scope of observations. Mugenda and Mugenda, (1999) clarifies that questionnaire is suitable because it can be structured to suit study needs. The merits originating from the questionnaire prompted the researcher to use it. In order to investigate the influence of awareness programs adopted by Kenya Revenue Authority on VTC, questionnaires were distributed among sampled employees KRA, NRR. To obtain a balanced view, selected employees who included senior managers, assistant managers and revenue officers from various Departments were administered with the questionnaire to get accurate information for the study. Five managers were also interviewed to get in-depth information.

3.5 Validity and Reliability of Instruments

The study achieved content validity by consulting my supervisor and piloting. Validity was assured by peers and supervisor cross check the questionnaire. The pilot test was then performed on randomly selected staff. The responses were then checked against the research objectives to ensure they were according to the objectives. Reliability was achieved after conducting a piloting study where the results were from two types of test given in different intervals which were later correlated to obtain the reliability. A value of correlation over 0.65 was acceptable for the study.

3.6 Data Analysis and Presentation

Data analysis process began by organizing, coding, analyzing and then interpreting to obtain meaning. During the process of analysis arrangement and editing of data to obtain good responses from the questionnaire was done. Later descriptive statistics was used to analyze the data. Statistics used included standard deviation, mean, percentages and frequency distributions.

IV. DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Specific Objectives

This section deals with specific objectives of the study.

4.1.1 Influence of Tax Education Program on Voluntary Tax Compliance at KRA NRR Headquarters

Tax Education is conducted through seminars, workshops, tax clinics, website and live radio programs. The researcher sought to determine how the avenues used by KRA to create awareness through this education programs influence Voluntary Tax Compliance. The results of this item were presented as presented in Table 3.

Table 3 Influence of Tax education Program on Voluntary Tax Compliance

[2] ELEMENTS	[3] 1 (SA)	[4] 2 (A)	[5] 3(SD)	[6] 4(D)	[7] 5(UD)
[8] Massive education of taxpayers is conducted through education seminars, visits to companies and traders	[9] 42(44.7%)	[10] 37(39.4%)	[11] 10(10.6%)	[12] 4(4.3%)	[13] 1(1.1%)
[14] Educating taxpayers enables them to interact with KRA system	[15] 49(52.1%)	[16] 36(38.3%)	[17] 9(9.6%)	[18] 0(0%)	[19] 0(0%)
[20] NRR reaches the local population to ensure tax awareness	[21] 27(28.7%)	[22] 44(46.8%)	[23] 10(10.6%)	[24] 8(8.5%)	[25] 5(5.4%)
[26] Taxpayers in NRR understand how to play their role in self-assessment and declaring income from all sources	[27] 24(25.5%)	[28] 38(40.4%)	[29] 13(13.8%)	[30] 14(14.9%)	[31] 5(5.3%)

Majority of the respondents as depicted by 84.1% agreed that education has been carried out in NRR. 90% indicated that educating taxpayers enables them to interact well with the KRA system. 75.5% were of the opinion that NRR reaches the local population with Tax Education and lastly, 65.9% agreed that taxpayers understand how to play their role in self-assessment. The interviewee stated that over the years tax education has enhanced the VTC in the region in that the program equip the taxpayers with the relevant knowledge on their stipulated roles. The results indicate that Tax Education Program influences taxpayers positively towards voluntary compliance. However, most respondents suggested that more awareness should be done especially in the remote areas of the region.

4.1.2 Influence of Tax Engagement Program on Voluntary Tax Compliance at KRA NRR Headquarters

Tax Engagement forums enable KRA to involve taxpayers in discussions and forums where they are able to learn as well as ventilate their challenges and seek ways in which to resolve these issues. The researcher found it paramount to establish the best practices KRA NRR exhibits in their endeavor to bridge the tax compliance gap through these interactions. The findings of this

component were tabulated as shown by Table 4.

Table 4 *Taxpayer Engagement Program and Voluntary Tax Compliance*

[32] ELEMENTS	[33] 1 (SA)	[34] 2 (A)	[35] 3(SD)	[36] 4(D)	[37] 5(UD)
[38] NRR has created forums where taxpayers are allowed to ventilate their issues so that they can be resolved.	[39] 29(28.7%)	[40] 47(46.8%)	[41] 12(10.6%)	[42] 10(8.5%)	[43] 7(5.4%)
[44] NRR engages secondary school students to participate in activities that enhance their tax understandings hence share this knowledge.	[45] 47(46.8%)	[46] 28(27.7%)	[47] 9(7.4%)	[48] 11(9.6%)	[49] 10(8.5%)
[50] NRR engages University tax ambassadors in activities to increase their tax awareness and enable them reach out to their on students and lecturers.	[51] 68(69.1%)	[52] 22(21.3%)	[53] 5(3.2%)	[54] 6(4.3%)	[55] 4(2.1%)
[56] NRR meets traders, business fraternity and farmers to engage with them on taxation issues.	[57] 28(27.7%)	[58] 42(41.5%)	[59] 15(13.8%)	[60] 17(16.0%)	[61] 3(1.1%)

The findings to establish KRA creates forums to allow taxpayers to ventilate their issues so that they can be resolved revealed that 75.5% of the respondents were in agreement, while 19.1% of them disagreed. 5.4% were undecided on how to rate the issue. On engaging secondary schools to enhance students Tax Knowledge, majority of the respondents as represented by 84.5% agreed that it is practiced, and 17% of the respondents disagreed that secondary school student engagement happens. 8.5% were undecided on the issue. Further, an overwhelming 90.4% of the respondents agreed that KRA involves University Tax Ambassadors in activities to increase their tax awareness and enable them to reach out to other students and lecturers, while only 7% of the respondents disagreed on this practice while the remaining 2% of the respondents were undecided. Finally, on whether KRA meets traders, farmers and business fraternity to engage them on tax issues, 69.2% of the respondents agreed, while 29.8% of the respondents disagreed with this practice. 1.1% of the respondents were undecided.

The interviewed team said that engaging university and secondary school students has been the most effective way of creating awareness in the organization since the program has yielded a lot of fruits, on the other hand the business fraternity and farmers engagements has enhanced awareness though not a large number can be reached through the method. Based on the above results, it is evident that Tax Engagement Program is invaluable in creating awareness on Taxation. However, the undecided component of the results indicate that some staff are probably ignorant of the existence of such engagements and KRA should ensure all staff are aware of these forums.

4.1.3 Influence of Tax Support Program on Voluntary Tax Compliance at KRA NRR Headquarters

Taxpayer Support Programs exist to assist the Kenyan population not just resolve their tax issues, but to file their earnings and recompense their taxes on the understanding that taxpayers are still largely not conversant with tax laws and the digital /tax platform – iTax. The findings on how KRA uses this program are as specified on the table below;

Table 5 Taxpayer Support Program and Voluntary Tax Compliance

[62] ELEMENTS	[63] 1 (SA)	[64] 2 (A)	[65] 3(SD)	[66] 4(D)	[67] 5(UD)
[68] More taxpayers are no longer ignorant of what KRA requires them to do in order to be tax compliant.	[69] 21(20.2%)	[70] 66(67.0%)	[71] 5(3.2%)	[72] 8(6.4%)	[73] 5(3.2%)
[74] Efficiency in tax return filing and tax payment has been attained at KRA NRR.	[75] 17(16.0%)	[76] 38(37.2%)	[77] 16(14.9%)	[78] 29(28.7%)	[79] 5(3.2%)
[80] Shorter queues during filing period have been attained.	[81] 14(12.8%)	[82] 21(20.0%)	[83] 45(44.7%)	[84] 19(18.1%)	[85] 6(4.3%)
[86] Over the years the taxpayers have understood the itax system and can file their own returns.	[87] 21(20.0%)	[88] 54(54.3%)	[89] 11(9.6%)	[90] 14(12.8%)	[91] 5(3.2%)

The findings on whether the taxpayers are no longer ignorant of what KRA requires them to do in order to be tax compliant indicates that 87.2% agree and an insignificant 9% disagree while 3.2% are undecided. This means that over the years the taxpayers increase their knowledge on taxation issues as the majority agrees. The findings indicate that 53.2% agree, while 43.6% disagree and 3.2% are undecided on the proposal that filing and tax payment has been attained at KRA NRR Headquarters. Conversely, 32.8% agree and 62.8% disagree that shorter queues have been attained during return filing period. Thus a larger number of the respondents feel that the queues are still an issue to be addressed during return filing period. Over the years the taxpayers have understood the iTax system and can file their own tax returns as the findings indicates that 74.3% agree and 22.4% disagree. A small component of 3.2% could not decide on the issue.

The interview results states that the itax system has enabled the taxpayers to file returns on there on without visiting the offices, though most Kenyans still wait for the last minute in order to file their returns, this has lead to long queues during mostly the minute of return filing. This implies that with time the taxpayers are gaining understanding of the tax system and they can file their returns without necessarily visiting the KRA offices.

4.1.4 How tax publicity campaigns influence voluntary tax compliance at KRA north rift Region Headquarters

The results are as presented in Table 6 below.

Table 6 Taxpayer Publicity Program and Voluntary Tax Compliance

[92] ELEMENTS	[93] 1 (SA)	[94] 2 (A)	[95] 3(SD)	[96] 4(D)	[97] 5(UD)
[98] KRA NRR understands the needs of tax payers and responds by bridging awareness gap.	[99] 32(31.9%)	[100] 56(56.4%)	[101] 6(4.3%)	[102] 7(5.3%)	[103] 4(2.1%)
[104] KRA NRR carries awareness campaigns all over the region using media such as radio, road shows, bill boards etc to ensure taxpayers can fulfill their obligation.	[105] 36(35.1%)	[106] 42(40.4%)	[107] 14(12.8%)	[108] 3(11.7%)	[109] 0(0.0%)
[110] Tax publicity programs have had a wide reach up to the most remote parts in the region and have enabled taxpayers understand how to comply.	[111] 24(23.4%)	[112] 42(41.5%)	[113] 20(19.1%)	[114] 10(8.5%)	[115] 9(7.4%)
[116] Revenue collection has increased due to publicity programs of taxpayers that they should pay taxes.	[117] 58(57.4%)	[118] 39(38.3%)	[119] 8(4.3%)	[120] 0(0.0%)	[121] 0(0.0%)

V. CONCLUSION AND RECOMMENDATIONS

On the basis of the findings of the study which aimed at establishing the influence of awareness programs on VTC at Kenya Revenue Authority (KRA) NRR Headquarters in Eldoret, the researcher made the following conclusions; There has been a considerable effort in disseminating Tax Education to the population in the region and this is continually enabling the taxpayers to declare their incomes and file tax returns. The major contributors in engaging the taxpayers are forums in Universities, Secondary schools and general seminars to traders and business fraternity. The effects Taxpayer Support Programs on VTC at KRA NRR Headquarters in Eldoret are bridging awareness gap among taxpayers, aiding taxpayers to fulfil their tax obligations, aiding taxpayers to understand how to comply and increased revenue collection arising from increased payment of taxes. The major challenges faced by KRA tax awareness includes facing an illiterate and ignorant population which has no computer skills in this digital era, limited resources and budget to carry out awareness programs and a Government where corruption is rife hence discouraging the population on tax payment.

From the findings and the conclusions from the research, the researcher recommended that KRA needs to continuously roll out programs that take Tax Education and awareness to the masses and give adequate tax training and education to the taxpayers. Further, KRA should make payment of taxes as simple as possible and target all taxpayers in equal measure so that each contributes to the tax basket. The management should address the issue of usage of increasing platforms, especially

social media, where the tax message is disseminated so that all Kenyans are conversant with tax laws and regulations and are able to comply.

REFERENCES

- [1] Ajzen, I., (1991). 'The Theory of Planned Behavior'. *Organizational Behavior and Human Decision Processes*, vol. 50, no. 2, pp. 179-211.
- [2] Alm, J. and Torgler, B., (2011). 'Do Ethics Matter? Tax Compliance and Morality', *Journal of Business Ethics*, vol. 101, no. 4, pp. 635-651.
- [3] Behnud MD, Fahr R (2013). The Effect of Tax Knowledge and Budget Spending Influence on Tax Compliance. IZA Discussion Paper No. 7255, University of Paderborn, Germany.
- [4] Bhartia, H.L., (2009). *Public Finance*. 14th Edition, Vikas Publishing House PVT Ltd, NewDelhi.
- [5] Braithwaite, V., & Braithwaite, J. (2001). An Evolving Compliance Model for Tax Enforcement. In N.Shover, & J.P. Wright (Eds.), *Crimes of Privilege*. New York: Oxford University Press.
- [6] Bernadette et al. (2010). "Tax compliance of small business owners", *Int. J. Entrepr. Beh. Res.* 18:330-331
- [7] Berti C, & Kirchler E. (2001). Contributi e contribuenti: Una ricerca sulle rappresentazioni del sistema fiscale. *Giornale Italiano di Psicologia*. 28(3):595-607.
- [8] Bobek D, Hatfield RC (2003). "An investigation of theory of planned behavior and the role of moral obligation in tax compliance" *Behav. Res. Account.* 15:14-3
- [9] Imelda B (2014). Analysis of factors affecting tax compliance private person. *Skripsi. Universitas Diponegoro*. Semarang. 12(1).
- [10] Kariyoto (2010). "Effect of tax reform, tax audit, awareness and compliance taxpayers against taxation performance." Unpublished Dissertation. Brawijaya University.
- [11] Kasipillai, J Norhani, A. and Noor Afza, A. (2003), 'The influence of education on tax avoidance and evasion', *eJournal of tax research*, Vol. 1 No. 2, available at <http://www.atax.unsw.edu.au/ejtr.html>, accessed in March, 2011.
- [12] Kasipillai, J and Abdul Jabbar, H. (2006), 'Gender and ethnicity deference in tax compliance', *School of Business, Monash University Malaysia, journal of Asian academy of management*, Vol. 11, No. 2, 73-88.
- [13] Khan I, (2009) "Is KRA shifting goalposts yet again" June 9th 2009 at 00:00 Standard Digital at: <https://www.standardmedia.co.ke/business/article/1144016381/is-kra-shifting-tax-goalposts-yet-again>
- [14] Kirchler E, Maciejovsky B, Schneider F. Everyday representations of tax avoidance, tax evasion, and tax flight: Do legal differences matter? *Journal of Economic Psychology*. 2003;24(4):535-553
- [15] Kirchler, E. (2007). *The Economic Psychology of Tax Behaviour*, Cambridge: Cambridge University Press.
- [16] KRA, (2015). *Sixth Corporate Plan*, Nairobi: Government Press
- [17] Krishnamoorthy, M., 2006a. Defaulters rise by 10 times, *The Star*, 14 August, 2006. Available at

- [18] Muturi, H M (2015) "Effects Of Online Tax System On Tax Compliance Among Small taxpayers In Meru County, Kenya" International Journal of Economics, Commerce and Management, United Kingdom Vol. III, Issue 12, December 2015
- [19] Muturi, H M (2015) "Effects Of Online Tax System On Tax Compliance Among Small taxpayers In Meru County, Kenya" International Journal of Economics, Commerce and Management, United Kingdom Vol. III, Issue 12, December 2015
- [20] National Bureau of Statistics (NBS): (2003). "Assessment of the Effectiveness of Taxpayer Awareness Programs and attitudes of Taxpayer towards Tanzania Revenue Authority"
- [21] Organisation for Economic Cooperation and Development (OECD) (2003). A taxpayer may technically meet his/her obligation. Available <http://www.oecd.org/DAF/FSM/minimumattributestaciat.html>
- [22] Organisation for Economic Cooperation and Development (OECD), (2004). "According to the applicable laws, taking into account the risk the interpretational difficulties of the tax laws".
- [23] Omulindi Ronald, "Challenges and opportunities of modernization in tax administration: the
- [24] Silvani, C.A (1992) ; Improving Tax Compliance . In Richard M. Bird and Milka Casanegra de Jantscher (Eds), Improving Tax Administration In Developing Countries . Washington D.C. International Monetary Fund, Publication Service.
- [25] Singh, P. (2003), 'Behavioral intention of tax non-compliance among sole proprietors', School of Business, Monash University Malaysia, journal of Asian academy of management, Vol. 2, No. 6, 47-56,
- [26] Tan ML, Fatt CC (2007). The Impact of Tax Knowledge on the Perceptions of Tax Fairness and Attitudes Towards Compliance. Asian Rev. Account. 7 (1):44-58.
- [27] Wanjohi D (2017), "KRA De-activates thousands of non-compliant PIN numbers" Thu, 09/07/2017 @ 08:22am 874 views 0 comments <https://www.mwakilishi.com/article/business-news/2017-09-07/kra-de-activates-thousands-of-non-compliant-pin-numbers>