

THE IMPACT OF TAXATION AND ACCOUNTING AUDIT SYSTEMS ON THE TAX REVENUES – CASE STUDY OF INCOME AND SALES TAX DEPARTMENT IN JORDAN

Adel Mohammed Qatawneh, Al-Zaytoonah University of Jordan
Atala Alqtish, Al-Zaytoonah University of Jordan

ABSTRACT

This study aims to identify the impact of tax and accounting auditing systems on tax revenues at the Income and Sales Tax Department in Jordan. To achieve the objectives of the study and test hypotheses, the researcher used the descriptive and analytical approach, by designing a questionnaire and distributing it to the members of the study community, where the study population consists of a sample of the tax auditors accredited by the Jordanian Income and Sales Tax Department, who are the auditors of the following directorates, the Directorate of Large Taxpayer Office (LTO), the Directorate of Industrial Activity, the First Commercial Activity Tax Directorate, the Second Commercial Activity Tax Directorate, the Service Activity Tax Directorate. Where (150) questionnaires were distributed and (127) questionnaires were retrieved from them, it was found that (119) questionnaires were valid for statistical analysis; the statistical analysis program (SPSS) was used and analyzing them statistically through appropriate statistical methods. The study found a statistically significant effect of the tax audit on tax revenues at the Income and Sales Tax Department, in addition to the existence of a statistically significant effect of the accounting audit on tax revenues at the Income and Sales Tax Department. One of the most important recommendations that came out of the study is the necessity of having legal materials that stimulate the payment of tax, and the need to expand the application of electronic services, develop tax department's policies to collect the largest possible amount of taxes, and focus on conducting accounting auditing tests extensively, in addition to developing the auditor's enhanced tax skills and attains moral responsibility.

Keywords: Accounting, Tax, System, Audit, ISTD, Jordan.

INTRODUCTION

The reliance of many countries on tax as a main source of public revenue, issues related to income taxes has become of great importance in these countries; in Jordan, the general budget relies heavily on taxes. The income and sales tax audit is the backbone of the work of the Income and Sales Tax Department, where it plays a pivotal role. Through the powers granted to him by the Income Tax Law No. (34) for the year (2014), and the upcoming law, which carries No. (38) for the year (2018), which was implemented as of the beginning of the year (2019), where the tax auditor practices two types of the works that cannot be divided from each other, namely: (tax auditing) in which the tax auditor relies on the extent to which the accounts and financial statements agree to the income tax law. The tax auditor is working on the investigation of (accounting auditing) through which he tests the validity and fairness of the financial statements audited by the legal auditor and discovers the existence of any creative accounting practices., Where the tax auditor, in several cases does

not accept or amend legal accounts, and in both cases, whether with regard to tax auditing or accounting auditing, this audit would affect tax revenues by increase or decrease, resulting in the emergence of the so-called tax gap (Expectation Gap), which is directly reflected in the tax revenue (Abu Nassar, 2017).

The Problem of the Study

The problem of the study lies in the nature of the study that it seeks to achieve, through researching the effect that tax auditing and accounting auditing systems have on tax revenues at the Jordanian Income Tax and Sales Department (ISTD), On the one hand, the size of the tests, the scope and the degree of compliance in accounting auditing, on the other hand, all have a role to play on tax revenues.

The study problem can be posed through the following questions:

1- Is there a statistically significant impact of a tax audit system on tax revenues at the Jordanian Income and Sales Tax Department?

From this question stems the following sub-questions:

- A. Is there a statistically significant impact of the income tax law articles on tax revenues?
- B. Is there a statistically significant effect of the procedures and instructions issued by the income tax department on tax revenues?
- C. Is there a statistically significant impact of the efficiency of the tax auditor on tax revenues?

2- Is there a statistically significant impact of an accounting audit system on tax revenues at the Jordanian income and sales tax department?

From this question stems the following sub-questions:

- A. Is there a statistically significant effect of the size of the tests in the accounting audit on tax revenues?
- B. Is there a statistically significant impact of the scope of accounting auditing on tax revenues?
- C. Is there a statistically significant impact on the degree of compliance with the specified standards on tax revenues?

Objectives of the Study

The study objectives are represented in two main objectives, as follows:

1- A statement of the effect of the tax audit system on tax revenues at the Jordanian Income and Sales Tax Department. From this objective, derive the following sub-goals:

- A. Learn about the Income Tax Law, its updates, and its impact on tax revenues.
- B. A statement of the procedures and instructions issued by the Income Tax Department and the extent of their impact on tax revenues.
- C. A statement of the effect of the tax auditor's efficiency on tax revenues.

2- A statement of the impact of accounting auditing on tax revenues at the Jordanian Income and Sales Tax Department. From this objective stems the following sub-goals:

- A. Statement of the impact of the volume of tests in the accounting audit system on tax revenues.
- B. A statement of the impact of the scope of accounting auditing on tax revenues.
- C. A statement of the impact of the degree of compliance with the specified standards on tax revenues.

The importance of the Study

The importance of the study is represented in identifying the impact of tax and accounting auditing systems on tax revenues at the Jordanian Income and Sales Tax Department, in order to help the ISTD, researchers and scholars on the tax side to find out the real reasons affecting tax collection, as the tax issue in Jordan has become a subject of widespread controversy by citizens, economic analysts and investors.

The importance of the study lies in stating the reasons behind the decrease or increase in tax revenues, and the reasons that push the government to amend the tax law from time to time in order to increase tax revenues. Are the reasons due to a defect in the application of the articles of the income tax law? Or, does the tax auditor's competence play a role in this matter? Or, do the procedures and instructions issued by the Income and Sales Tax Department need to be re-evaluated? Or, does the financial accounting approved by the external auditor require the tax auditor to reconsider it?

Procedural Terminology

Tax collection: Tax collection can be defined as a group of operations that aim to transfer tax amounts from taxpayers to the treasury fund. The tax is collected in cash or by bank checks, or the amount to be collected in the tax return is deposited in the tax department account, and the deposit receipt is kept. Methods of tax collection include: 1- direct supply 2- installments provided 3- method of seizure from the source. (Qatawneh, 2013) Tax collection is measured by what is budgeted in the general budget and what is actually achieved. The Ministry of Finance on a monthly basis prepares reports showing tax revenues and the extent of deviation from what was previously monitored. The revenue report also includes the reasons underlying the decrease or increase in tax revenues, such as the existence of amendments to tax declarations submitted with approval or non-approval or as adjustments in court, as these reports indicate the existence of any creative accounting practices Or, reclassifying accounts in a way that violates the articles of the income tax law or financial accounting standards (IFRS) in order to achieve feedback that contributes to the implementation of the state's current and future plans. (Income and Sales Tax Department, 2019).

Tax audit: Tax audit is defined as the examination of the taxpayers' financial statements that were previously audited by a legal auditor for the purpose of reaching the real financial position, and real business results during that financial period, and ensuring that all of this was done in accordance with the income and sales tax laws (Al-Kaabi, 2008). The tax audit was defined as the statement of fairness of the financial statements that individuals and companies submit to the tax administration. (Qatawneh, 2008)

The concept of tax: There are many definitions about the term tax, but we can say that it is a monetary amount that the state charges the taxpayer for free, in accordance with specific legislation and finally, with the intention of contributing to the state's multiple expenditures, and it can also be said that it is a monetary duty extracted from the private sector to support the state treasury, and implement other political, social and economic goals. (Abu Nassar, 2017) From the above, it becomes clear to us that there are advantages to the tax at the present time, namely: that the tax is imposed and paid in cash and that is unlike previous eras where it used to get what the taxpayer produced, but with economic development, the tax has become Take from the money assigned in cash. Tax is imposed compulsorily: that is, the taxpayer is obliged to pay it to the state, as the state determines it's amount, penalties are usually imposed by the public authorities of the state for those who

failed to pay, in accordance to the tax law. The tax is imposed free of charge where the taxpayer does not get benefits or services directly in exchange for what he paid in terms of tax, but rather services are provided to citizens in general, regardless of what taxpayers pay to the authorities. Tax is imposed to finance state public expenditures: The state imposes tax on citizens for several goals, the most important of which is the financial goal. Many countries rely on taxes to cover many of their multiple expenditures. There are also other social and economic objectives for the tax that the state aims to achieve. The tax is collected permanently as the amount collected from the taxpayer, if it is correct, is not refunded (Akasha, 1993).

Previous studies: A study conducted by Bolkhukh (2004) entitled, 'Tax Control as a Tool to Combat Tax Evasion' (an applied study). This study aimed to research tax control and its impact on tax evasion and the tax system in Algeria, the extent of reliance on a control system to eliminate tax evasion, and the reasons that led to tax evasion and fraud and their implications.

Among the most important results reached by the study are: interest in tax control and accounting auditing, and increasing the effectiveness of methods of collecting tax information - the importance of increasing the efficiency of tax agencies, the need for field presence for tax department workers and the knowledge of tax agencies' workers in accounting principles, tax and financial sciences.

A Study conducted by (Hoso, 2005) entitled, '*Auditing for Tax Purposes*' aimed to create a monitoring system affiliated with the tax authorities with the aim of achieving local tax control by analyzing the relationships between the parties to the tax system. It also used the method of content analysis, and among the most prominent results it reached was that the optimal use of the resources available to the tax authorities and effective cooperation with professional institutions for accounting and auditing, play a major role in creating a tax system to reduce tax evasion and fraud. The most prominent of what the researcher recommended is: the necessity of coordination between the constitution of the accounting profession and tax procedures, and penalizing those who do not have official accounts in accordance with the law. The researcher has also highly emphasized on observing the principle of separation of powers in tax administrations in order to ensure integrity in carrying out tasks - Paying attention to improving relations between the Palestinian taxpayer and the tax authority. One other recommendation by the researcher is to provide protection for auditors from pressure exerted on them, whether political, economic or social pressure to ensure that the auditor performs his/her work objectively, without fear of other consequences. A Study conducted by Malkawi & Haloush, (2008) entitled, '*The Case of Income Tax Evasion In Jordan*' (symptom and solution) aimed to research tax evasion in Jordan, and to develop remedial methods for this problem. The study concluded that the income tax law in Jordan is exposed to a great challenge due to the spread of cases of tax evasion, and that the income tax law and the related regulations are complex and need continuous change according to developments in the country, in addition to the level of the Jordanian income tax being one of the highest in the Middle East, besides the fact that the taxpayer is not satisfied with the quality of services provided to him, the two researchers recommended establishing an income tax system that is less complex and globally competitive. Also, taxpayers should be helped to understand the laws and regulations. The tax rate should be reduced, and tax evaders punished with imprisonment.

Haddad study (2009) entitled 'Tax Evasion in Syria and Methods to Combat It' aimed to explain the causes and forms of tax evasion in Syria, and to research ways to reduce tax evasion in Syria. The following proposals were reached:

1. Simplifying the content of the tax law and restructuring it, and moving away from circular in expressions, especially in determining taxable income, to fill the door of diligence.
2. Reform and organization of tax systems to enable us to distribute the tax burden more fairly, and to implement penalties for tax evaders as well as for negligent workers in the tax authority.
3. Attempt to find a match between the amount of tax imposed and the use of high Reforming the infrastructure of the tax departments, to achieve harmony of all cadres with a harmonized tax system.

Bouakkaz's (2015) study discussed the contribution of the effectiveness of tax audit in reducing tax evasion. This study aimed to discover the relationship between the effectiveness of tax audit and its contribution to reducing tax evasion. The researcher pointed out that the tax audit has a positive role in achieving fiscal effectiveness in terms of the tax audit program and the scientific and practical qualifications, accuracy and credibility associated with the tax auditor, which leads to increased revenues and reduced tax evasion to achieve effectiveness.

Saed (2015) explained the importance of tax control and its role in tax collection (a case study at the Tax Inspectorate in Lakhdaria) This study aimed to clarify the issue of tax control and its role in tax collection based on the reality of the Algerian tax system and the challenges that this system faces. The study indicated that there are problems that the tax control system suffers from, such as the little programming of investigation files compared to the number of taxpayers and the lack of material resources. It also concluded that full coordination between the tax administration and the various departments plays an effective role in the exchange of information, and the tax control is characterized by a lack of effectiveness in combating tax evasion and that the use of automated information improves tax control. The most important recommendation provided by the researcher is the necessity of defining clear and transparent criteria for the selection of taxpayers who will be subject to tax control, and drafting clear and understandable laws for everyone to understand, given that the taxpayers do not have high academic levels.

A Study conducted by El-Daly (2015) entitled 'The Role of Tax Audit in Discovering Tax Evasion' aimed to demonstrate the role of tax audit in discovering tax evasion in Syria, and in order to achieve this goal, the researcher - to obtain data distributed - has conducted a questionnaire - on all heads of departments and income controllers working in auditing and combating tax evasion in the financial directorates in Latakia governorate and its countryside. Although there is a correlation between the process of verifying accounting data and collecting evidence and the extent of tax evasion detection, there is a clear deficiency in some income controllers to collect evidence of evidence obtained from the tax audit opinions. The researcher recommended that the income controller should develop a comprehensive plan for the tax audit process, and also with the need to assist the taxpayer by providing data that are consistent with generally accepted accounting principles.

Mswdt & Khawaldeh's (2015) study on the role of the Jordanian Income Tax Law in Reducing Tax Evasion (from the viewpoint of the auditors of the Income and Sales Tax Department and members of the Association of Income and Sales Tax Experts), aimed to clarify the role of the Jordanian income tax law from the two viewpoints of each of The auditors of the Income and Sales Tax Department and members of the Association of Income and Sales Tax Experts in reducing tax evasion; the study concluded that the procedures for handling the tax return did not play a role in reducing tax evasion in Jordan, and the researcher recommended the need to review the conditions for submitting the tax return and to pay attention to the granting of incentives and exemptions and activate the penalties.

Tahera's (2016) paper discussed the accounting auditing and its role in supporting tax control. This study aimed to highlight the importance of accounting auditing and its role in supporting tax control, based on the reality of the tax system and the challenges it faces, the most important of which are tax evasion and fraud, and its impact on the national economy

and treasury privileges. To achieve the goal of the study, the researcher used the case study approach to study the case of a sample of the tax file that is subject to the accounting audit process for four consecutive years, using documents and interviews to emphasize on the necessity of ensuring the implementation of the right of inspection to help the tax auditors uncover errors and abuses committed by the taxpayers.

METHODOLOGY

After defining the problem of the study and its objectives and discussing some previous studies related to the study, the methodology of the study was determined. This study adopted the analytical descriptive approach with the aim of identifying the role of tax and accounting auditing on tax revenues at the Jordanian Income and Sales Tax Department, where the descriptive analytical approach will be used to collect, analyze and test assumptions to answer the study's questions, where the qualitative variables have been converted into quantitative variables to become measurable in order to be studied scientifically to reach accurate results.

Study Population and Sample

This study was applied on a selected sample of the tax auditors accredited to the Jordanian ISTD, who are the auditors of the following directorates, the Large Taxpayer (Office) Directorate (LTO), the Industrial Activity Tax Directorate, the First Commercial Activity Tax Directorate, the Second Commercial Activity Tax Directorate, the Service Activity Tax Directorate, where the study questionnaires were distributed to them. (150) questionnaires were distributed, (127) questionnaires were retrieved, and after sorting the questionnaires, it was found that (119) questionnaires were valid for analysis from the study population.

Data Collection Methods

This study relied on two types of data sources, the primary sources, which are personal interviews with the director of ISTD and all the assistants to the director of the ISTD and a number of tax auditors working for the Jordanian ISTD; the study was applied to each of the directorates: The Large Taxpayers, the First Industrial, Commercial, Second Commercial, and Service Activities, as these directorates constitute approximately 90% of the tax revenues, and the researcher also worked on distributing the questionnaire to the tax auditors in the above mentioned directorates, where their number is according to the statistics available to the department of Jordanian Income and Sales Tax, with approximately 150 tax auditors. Secondary sources are represented by data that will be obtained from books, theses, scientific research and journals, in order to build the theoretical framework of the study.

Item	N.	Alpha value
The study tool as a whole	65	0.942
Articles of Income Tax Law	11	0.813
Income tax procedures	10	0.712
Efficiency of the tax auditor	8	0.729

Auditing tests	10	0.872
Scope of the audit	10	0.916
Degree of commitment	8	0.918
Tax revenue	8	0.848

Normal Distribution Test

The normal distribution test was performed for the data collected, to ensure whether the data fell under the normal distribution or not, as the Kurtosis test and the Skewness coefficient were performed. It is evident from Table (3/2) that the values of (Kurtosis) are less than (2) and that the values of the torsion coefficient are less than (1). This indicates that the data are normally distributed in Table 2.

Variables	Mean	S. Dev	Kurtosis	Coefficient
internal audit	3.7681	.36271	-.071	.059
Articles of Income Tax Law	3.5504	.57724	-.056	-.115
Income tax procedures	3.7829	.43358	-.715	-.126
Efficiency of the tax auditor	3.9709	.48702	-.143	-.137
Accounting audit	3.9203	.48732	.752	-.613
Auditing tests	3.8372	.51327	.234	-.318
Scope of the audit	3.8628	.57840	.901	-.588
Degree of commitment	4.0610	.62600	-.111	-.456
Tax revenue	3.8605	.56177	.488	-.275

Methods of Data Analysis and Proof of Hypotheses

The primary data was collected based on the questionnaire that was designed to include the variables of the study model. The data was arranged and prepared to test the hypotheses, through testing its validity to do the statistical analysis. Therefore, the study used a set of tools, including dumping data on electronic tables (Microsoft Office Excel) to work on preparing Data, and to implement statistical tests (SPSS) was used, in addition to using the following statistical methods: Descriptive Statistics: Frequencies, percentages, mean and standard deviations were used to provide a comprehensive description of the degree of approval of the study sample on the various paragraphs. Descriptive statistics procedures, through percentages, frequencies, mean, and standard deviations.

1. The internal consistency coefficient (Cronbach Alpha): to measure the stability of the study instrument which is the questionnaire.
2. Multiple linear correlation test between independent and dependent variables.
3. Linear Regression Simple, Multiple & Stepwise Analysis.

The relative importance was determined according to the following formula and -6 according to the five-point scale of answer alternatives for each paragraph

$$\text{length} = \frac{\text{Alternative upper bound} - \text{Alternative lower bound}}{\text{Levels}}$$

RESULTS REVIEW AND DATA ANALYSIS

Descriptive Statistics of the Study Variable

This part of the study presents the descriptive statistics of the study variables, and the following tables show that in Table 3.

variable		Frequency	Ratio
Gender	Male	98	74.8%
	Female	33	25.2%
	Total	131	100.0

Table 3 shows the distribution of the study sample according to the gender variable, as it was found that the number of males reached (98), by (74.8%), while the number of females reached (33), and by (25.2%). This is due to the nature of the ISTD.

Variable		Frequency	Ratio
Qualification	Bachelor of	103	78.6%
	Higher Diploma	5	3.8%
	M.A.	19	14.5%
	PhD	4	3.1%
	Total	131	100.0

The table 4 shows that the number of bachelor's holders reached (103) individuals and a percentage (78.6%), and the number of higher diploma holders reached (5) individuals, at a percentage of (3.8%), while the number of master's holders reached (19) individuals and a percentage (14.5%). It should be noted Until the PhD holders, their number reached (4) individuals, i.e. 3.2%. It is evident from the results of the study that the majority of the study sample have academic qualifications who are able to implement the tasks of the ISTD. Table 4.

Variable		Frequency	Ratio
Scientific specialization	Accounting	106	80.9
	Financial and Banking Sciences	2	1.5
	Law	2	1.5
	Other than that	21	16.0
	Total	131	100.0

The table 5 shows that the number of specialists in accounting is (106) individuals, with a percentage (80.9%), the number of specialists in financial and banking sciences is (2) and a percentage (1.5%), and the number of specialists in law is (2) and a percentage (1.5%), The number of those who have other specializations reached (21) individuals with a percentage of (16.3%) and it is clear that the majority of the study sample are specialists in accounting, and this is consistent with the nature of the ISTD work.

variable	Options	Frequency	Ratio
Years of Experience	Less 5 years	14	10.7

	5- To less than 10 years	14	10.7
	10 to less than -15 years old	48	36.6
	15 or more	55	42.0
	Total	131	100.0

The table 6 shows that the number of those whose experiences amounted to (less than years) (14) individuals with a percentage (10.7%) and the number of those whose experiences ranged between (5 to less than 10 years) (14) individuals and a percentage of (10.7%). Their experience ranges between (10 - less than 15 years) (48) individuals, and a percentage (36.6%). The study has long experience working in the ISTD, which enhances the credibility of the study results.

variable	Options	Frequency	Ratio
Job title	Tax auditor	91	69.5
	Audit Supervisor	14	10.7
	Head of Auditing Department	12	9.2
	Other than that	14	10.7
	Total	131	100.0

The table 7 shows that the number of tax auditors reached (91), with a percentage (69.5%), the number of those working as audit supervisors was (14) and a percentage (10.7%), and the number of security officers working as audit department heads was (12) individuals and a percentage (9.2%) The number of other jobs reached (14) individuals, at a percentage of (10.7%)

Second: Presentation of results

This part deals with analyzing the data collected from the members of the study sample, and to know the trends of the study sample members, the mean for each paragraph of the paragraphs were extracted in addition to the standard deviations.

Question	Item	Mean	S. dev	Rank	Degree of approval
1	Articles of the Income Tax Law change every four years (the average period of changing the law).	3.55	1.097	6	Medium
2	The absence of justice in the income tax law.	3.39	1.018	10	Medium
3	Multiple tax laws applicable to individuals and companies.	3.53	.936	7	Medium
4	The lack of clarity of some legal articles.	3.52	.936	8	Medium
5	Weak penalties imposed by the text of the law.	3.47	1.061	9	Medium
6	There is a conflict in some legal texts.	3.14	.925	11	Medium
7	The absence of legal materials incentivizing the payment of tax.	3.72	1.023	3	High
8	The amount of personal and family exemptions stipulated in the law.	3.57	.967	5	Medium

9	The higher the interest in installments over the installment tax amount to be paid.	3.75	.919	2	High
10	The imposition of a flat tax on some sectors.	3.64	.950	4	Medium
11	The existence of legal texts showing tax payment times and the amount of fines in case of violating the provisions of the law.	3.78	.903	1	High
	Overall average	3.55	0.577		High

Table 8 shows that the mean of the respondents of the study sample to the statements that measure the factors related to the income law. The mean ranged between (3.14-3.78). Noting that the overall arithmetic mean reached (3.55), which indicates that the average measurement of factors related to the income law was high. It should be noted that after arranging the mean for the study items according to their importance, Paragraph (11) came which states: *"The existence of legal texts showing the times of payment Tax and the value of fines in case of violating the provisions of the law. In the first place, with an arithmetic average of (3.78), while paragraph No. (6) came, which states "the existence of inconsistencies in some legal texts."* In last place, with an arithmetic average of (3.14), the result indicates the effect of factors related to the income law on tax revenues.

Question	Item	Mean	S. dev	Rank	Degree of approval
11	The department's policy is to collect the largest possible amount of taxes.	3.95	.717	2	High
12	Expanding the application of electronic services and collecting tax electronically.	4.16	.659	1	High
13	The presence of bureaucracy in the procedures of some tax departments.	3.59	.924	9	High
14	The tax administration is involved in the tax auditor's decisions.	2.99	1.115	10	Medium
15	The issuance of decisions to end tax cases with approval and not resorting to the courts.	3.93	.752	3	High
16	Procedures used to expedite tax collection.	3.91	.685	4	High
17	Procedures of the department in applying the samples system for tax audit statements of the sponsors.	3.71	.752	8	High
18	Department procedures in dealing with issues of tax evasion.	3.87	.754	6	High
19	Granting exemptions from the fines imposed on the defaulting on tax payments on an ongoing basis.	3.91	.893	5	High
20	Activating the application of the billing system to all taxpayers of the Income and Sales Tax Department.	3.79	.863	7	High
	Overall average	3.78	0.433		Medium

Table 9 indicates the mean of the respondents of the study sample to the statements related to the factors related to the procedures of the Income and Sales Tax Department. The mean ranged between (2.99-4.16) and these averages indicate that the trends of the study sample individuals came between medium and high. The table indicates that the overall arithmetic average amounted to (3.78), which indicates that the average measurement of factors related to the procedures of the Income and Sales Tax Department was average. It should be noted that after arranging the mean for the study items according to their importance, Paragraph (12) came which states: In the application of electronic services and collecting the tax electronically, "*in the first place, with an arithmetic average of (4.16) which states" the interference of the tax administration in the decisions of the tax auditor ..*". In the last place, with a mean of (2.99). This result indicates the effect of factors related to the Income and Sales Tax Department procedures on tax revenues, which may affect either negatively or positively on tax revenues according to the results of these procedures.

Question	Item	Mean	S.dev	Rank	Degree of approval
21	Tax auditor's experience working with tax auditing.	4.32	.718	1	High
22	Fairness of the tax auditor while practicing auditing work.	4.12	.740	2	High
23	The independence enjoyed by the tax auditor.	4.05	.803	3	High
24	Neutrality in applying tax law to all types of tax files.	4.03	.760	4	High
25	The desire to complete the largest possible number of files by the tax auditor.	3.72	1.008	5	High
26	Desire to achieve as much tax differences as possible by the tax auditor.	3.65	.916	6	Medium
27	The experience and skill of the tax auditor in financial reporting standards and international auditing standards.	4.11	.664	7	High
28	Job rotation of the tax auditor in more than one directorate.	3.76	.958	8	High
	Overall average	3.78	0.433		High

Table 10 shows the responses of the study sample members to the statements related to the tax auditor. The mean ranged between (3.76 - 4.32).

These averages indicate that the trends of the study sample members came between medium and high. (3.78), which indicates that the average measurement of the tax auditor was high. It should be noted that after arranging the mean for the study items according to their importance, Paragraph (21) came which states that "*the tax auditor's experience in working with tax auditing ..*" is ranked first with an average My account is (4.32), while Paragraph No. (28) came which states "the job rotation of the tax auditor in more than one district." In the last place with an arithmetic mean of (3.76) and a standard deviation of (.958)

Question	Item	Mean	S. dev	Rank	Degree of approval
5	Analytical procedures performed by the tax auditor.	3.89	.687	1	High
3	Financial and administrative control systems in place in the facility.	3.88	.806	2	High
8	The documentary collection maintained by the facility.	3.87	.754	3	High
4	The chart of accounts applicable to the facility subject of the tax audit.	3.85	.792	4	High
10	. Use of test samples in a tax audit.	3.84	.755	5	Medium
1	The nature of the tests performed by the auditor when practicing tax audit.	3.83	.751	6	High
9	Evaluate and assess the risks that the establishment deals with.	3.82	.643	7	High
2	The type of sector in which the facility operates, the subject of the tax audit.	3.80	.764	8	High
6	The large size of the establishment and the multiplicity of its operations and branches.	3.80	.764	9	High
7	The facility's historical record with the Income and Sales Tax Department.	3.78	.790	10	High
	Overall average	3.83	0.513		High

Table 11 shows the mean of the respondents of the study sample to the statements related to the auditing test of information technology. The mean ranged between (3.78-3.89). These averages indicate that the trends of the study sample individuals came between medium and high. The total arithmetic amounted to (3.83), which indicates that the average of the audit tests was high. It should be noted that after arranging the mean of the study items according to their importance, Paragraph (5) came which states “the analytical procedures that the tax auditor performs. In the first place with an arithmetic mean of (3.89) and a standard deviation (0.687), while Paragraph No. (7) Which states “The establishment's historical record with the Income and Sales Tax Department. In the last place, with an arithmetic mean of (3.78) and a standard deviation of (0.790).

Question	Item	Mean	S. dev	Rank	Degree of approval
11	Audit of operations activities related to revenue and cost of revenue.	3.98	.723	3	High
12	Audit planning and production activities.	3.78	.847	7	High
13	Study and follow up the movement of inventory.	4.01	.713	2	High
14	Auditing of sales, marketing, import and export activities.	4.02	.679	1	High
15	Audit of maintenance items activities.	3.72	.790	9	High
16	Information systems audit activities.	3.70	.806	10	High
17	Examine and evaluate the adequacy of the internal control system.	3.91	.791	5	
18	Examine the extent of consistency in using accounting policies and alternatives.	3.86	.747	6	High
19	Verification of control activities and examination of documents.	3.91	.761	4	High

20	Study the business environment of the facility.	3.73	.798	8	High
	SMA	3.86	0.578		High

Table 12 shows the mean of the respondents of the study sample to the related statements related to the scope of the audit. The mean ranged between (3.70-4.02). These averages indicate that the trends of the study sample individuals were high. It reached (3.86), which indicates that the average measure of the audit scope was high. It should be noted that after arranging the mean of the study items according to their importance, Paragraph (14) came which states: "*Auditing sales, marketing, import and export activities.*" in the order The first, with an arithmetic mean of (4.02) and a standard deviation (0.679), while Paragraph No. (16) Which states "*Auditing the activities of information systems.*" In the last place with an arithmetic mean of (3.70) and a standard deviation of (0.806).

Question	Item	Mean	S.dev	Rank	Degree of approval
21	Commitment to ethical responsibility when performing auditing work.	4.13	.666	1	High
27	Commitment to implement the instructions and regulations issued by the Income and Sales Tax Department.	4.13	.700	2	High
26	The tax auditor's commitment to fairness when writing the tax decision.	4.06	.768	3	High
25	The commitment of external auditors to the tax law when preparing accounts.	4.05	.860	5	High
28	Commitment to disclose financial corruption cases to senior management.	4.05	.784	6	High
23	The tax advisors' obligation to properly disclose the financial statements.	4.04	.851	7	High
22	Establishments must pay tax within the legal deadlines.	4.01	.745	8	High
24	The commitment of the external auditor to separate his work as an external auditor and tax advisor.	4.01	.879	9	High
	Overall average	4.06	0.562		High

Table 13 shows mean of the respondents to the expressions related to the degree of commitment. The mean ranged between (4.01-4.13). These means indicate that the trends of the study sample were high. 4.06), which indicates that the mean measure of the degree of commitment was high. It should be noted that after arranging the mean of the study items according to their importance, Paragraph (21) which states "*Commitment to ethical responsibility when practicing auditing work. came first with an average is (4.13) and a standard deviation (0.666.). While Paragraph No. (24) States, "The commitment of the*

external auditor to separate his work as an external auditor and tax advisor." In the last place, with an arithmetic mean of (4.06) and a standard deviation of (0.562).

Question	Item	Mean	S.dev	Rank	Degree of approval
31	Developing the capabilities of the tax auditor through specialized training courses.	4.05	.789	1	High
29	The robustness of legal texts in the income tax law.	3.97	.749	2	High
35	Decisions issued by the Council of Ministers related to granting tax exemptions or facilities.	3.96	.775	3	High
36	Existence of supervisors over tax audits, such as the Audit Bureau.	3.88	.826	4	High
32	Agreements signed between the Income and Sales Tax Department and professional unions related to tax audit methods and procedures.	3.87	.774	5	High
30	Organizational and administrative structure in the Income and Sales Tax Department.	3.78	.866	6	High
34	Audit reports certified by the Association of Certified Public Accountants.	3.78	.822	7	High
33	. Existence of specialized associations on the tax side, such as the Association of Income and Sales Tax Experts.	3.60	.853	8	Medium
	Overall average	3.86	0.562		High

Table 14 shows the mean of the respondents of the study sample to the statements related to tax revenues. The mean ranged between (3.60-4.05). These averages indicate that the trends of the study sample were high. The table also indicates that the overall arithmetic average reached (3.86), which indicates that the average measurement of tax revenues was high. It should be noted that after arranging the mean for the study items according to their importance, Paragraph (31) came which states: "*Developing the capabilities of the tax auditor through specialized training courses.*" In the first place, with an arithmetic mean of (4.05) and a standard deviation (0.789), while Paragraph No. (33) came which states "*the existence of specialized associations on the tax side, such as the Association of Income and Sales Tax Experts ...*". In the last place with an arithmetic mean of (3.60) and a standard deviation of (0.853)

Hypotheses Test

The first main hypothesis

Ho: There is no impact of the tax audit on tax revenues at the Jordanian Income and Sales Tax Department

The results of the first main hypothesis test

Variable	Regression coefficients (B)	(T) value	(Sig)
Articles of Income Tax Law	0.019	0.260	0.79
Procedures and instructions issued	0.476	4.311	0.000
Efficiency of the tax auditor	0.430	4.745	0.000
Multiple correlation coefficient (R)	0.638		
Interpretation factor (R ²)	0.407		
F computed	28.599		
Sig	0.000		

Table 15 shows that the value of the correlation coefficient (R) between the tax audit and revenues = 0.638, which means that there is a relationship between the tax audit and tax revenues, and the value of (R²) interpretation coefficient = 0.407, which means that the tax audit variable explains a percentage of 40.7% of the variance in tax revenues, while the remaining percentage (59.3%) is attributed to other variables that were not included in the multiple linear regression model. In addition, the value of the B score reached (0.019, 0.476 and 0.430), which represents the total effect. For tax audits, which has a significant significance, as the value of t calculated for it (0.260, 4.311 and 4.745), which is greater than the tabular value of t and has a significant significance at a significance level of 0.05, with the exception of the articles of the income tax law. A statistically significant effect at the level of ($\alpha = 0.05$) of the tax audit on tax revenues at the Income Tax Department.

The first sub hypothesis

H1: There is no effect of the Income Tax Law articles on tax revenues

Variable	R	R ²	F	Sig	B	T	Sig
Articles of Income Tax Law	0.187	0.036	4.585	0.034	0.182	2.141	0.034

The results of Table 16 indicate that the value of the correlation coefficient (R = 0.187), and this means that there is a correlation relationship between the articles of the income tax law as one of the dimensions of the tax audit and tax revenues, and it turns out that the value of the interpretation coefficient is equal to (R² = 0.036), which means The variable of the income tax law articles explains an amount (3.6%) of the variance in tax revenues, as it can be seen from the table that the value of (F) reached (4.585) at the level of confidence (Sig = 0.000) and this confirms the significance of the regression at the level of ($\alpha \leq 0.05$). It also turns out that the value of ((B = 0.187) and that the value of t = 2.141 is of significant significance at the level of significance (Sig = 0.05). $\alpha = 0.05$) for articles of the Income Tax Law on tax revenues.

The second sub hypothesis

H2: The procedures and instructions issued by the Income and Sales Tax Department have no effect on tax revenues

RESULTS OF THE SECOND SUB-HYPOTHESIS TEST							
Variable	R`	R ²	F	Sig	B	T	Sig
Procedures and instructions	0.547	0.289	54.240	0.000	0.709	7.365	0.000

The results of Table 17 indicate that the value of the correlation coefficient ($R = 0.547$), and this means that there is a correlation relationship between the procedures and instructions as one of the dimensions of the tax audit and tax revenues, and it turns out that the value of the interpretation coefficient is equal to ($R^2 = 0.289$), and this means that the variable Procedures and instructions explain an amount (28.9%) of the variance in tax revenues, as it can be seen from the table that the value of (F) reached (54,240) at the level of confidence (Sig = 0.000) and this confirms the significance of the regression at the level of ($\alpha \leq 0.05$). Also that the value of ((B = 0.709) and that the value of $t = 7.385$ is of significant significance at the level of significance (Sig = 0.05). For procedures and instructions issued by the Income Tax Department on tax revenues.

The third sub-hypothesis

H3: The tax auditor's competency has no effect on tax revenue

Table 18 RESULTS OF THE THIRD SUB-HYPOTHESIS TEST							
Variable	R`	R ²	F	Sig	B	T	Sig
Efficiency of the tax auditor	0.543	0.295	53.167	0	0.627	7.292	0

* The effect is statistically significant at ($\alpha = 0.05$).

The results of Table 18 indicate that the value of the correlation coefficient ($R = 0.543$), and this means that there is a correlation between the efficiency of the tax auditor as one of the dimensions of the tax audit and tax revenues, and it turns out that the value of the interpretation coefficient is equal to ($R^2 = 0.295$), which means That the variable, the efficiency of the tax auditor, explains the amount (29.5%) of the variance in tax revenues, as it can be seen from the table that the value of (F) reached (53.167) at the level of confidence (Sig = 0.000) and this confirms the significance of the regression at the level of ($\alpha \leq 0.05$). It also turns out that the value of ((B = 0.627) and that the value of $t = 7.292$ is of significant significance at the level of significance (Sig = 0.05). $\alpha = 0.05$) for the efficiency of the tax auditor on tax revenue.

The second main hypothesis

H0: There is no impact of an accounting audit on tax revenues at the Jordanian Income and Sales Tax Department.

Table 19 RESULTS OF THE SECOND MAIN HYPOTHESIS			
variable	Regression coefficients (B)	The computed (T) value	Statistical significance (Sig)
Articles of Income Tax Law	0.018	0.212	0.822

Procedures and instructions issued	0.280	33.544	0.001
Efficiency of the tax auditor	0.497	7.946	0.000
Multiple correlation coefficient (R)	0.761		
Interpretation factor (R2)	0.579		
F computed	57.393		
Sig	0.000		

Table 19 shows the results of multiple linear regression, which indicate that the value of the correlation coefficient (R) between tax audit and revenue = 0.761, which means that there is a relationship between the accounting audit and tax revenues and that the value of (R2)) interpretation coefficient = 0.579 and this means that the variable The accounting audit explains 57.9% of the variance in tax revenues, while the remaining percentage (42.1%) is due to other variables not included in the multiple linear regression model, in addition to that, the value of the B score reached (0.018, 0.280 and 0.497). It represents the overall effect of the accounting audit and it is of significant significance, as the value of t calculated for it (0.212, 33.544 and 7.946), which is greater than the tabular value of t and has a significant significance at a significance level of 0.05 except for audit tests, and accordingly rejects the null hypothesis and accepts the alternative hypothesis which states: There is a statistically significant effect at the level of ($\alpha = 0.05$) of the accounting audit on tax revenues at the Income Tax Department.

The first sub hypothesis

H1: No, there was no effect of the volume of tests in the accounting audit on tax revenues.

Variable	R`	R ²	F	Sig	B	T	Sig
The size of the tests	0.458	0.218	33.667	0	0.501	5.802	0

Table 20 shows that the value of the correlation coefficient (R) between the size of the tests and the tax revenue = 0.458 and the value of (R2)) the determination factor = 0.218. This means that the variable of the size of the tests explains 21.8% of the variance in tax revenues. In addition, the value of the B score reached 0.501), which represents the total effect of the volume of tests on tax revenues and it is of significant significance, as the value of t calculated for it is (5.802), which is greater than the tabular value of t and has a significant significance at a level of significance of 0.05. Nihilism and accepts the alternative hypothesis which states: "There is a statistically significant effect at the level of significance ($\alpha = 0.05$) of the volume of tests on tax revenues.

The second sub hypothesis

H2: The scope of an accounting audit has no effect on tax revenue.

Variable	R`	R ²	F	Sig	B	T	Sig
----------	----	----------------	---	-----	---	---	-----

Scope of the audit	0.621	0.385	79.621	0	0.603	8.923	0
--------------------	--------------	--------------	---------------	---	--------------	-------	---

Table 21 shows that the value of the correlation coefficient (R) between the accounting audit range = 0.621 and the value of (R²) the determination factor = 0.385, which means that the variable of the accounting audit framework explains 38.5% of the variance in tax revenues. In addition, the value of the B score reached (0.603). It represents the overall effect of the audit scope of tax revenue and is of significant significance, as the value of t calculated for it is (8.923), which is greater than the tabular value of t and has a significant significance at a level of significance of 0.05, and therefore it is rejected. The null hypothesis and accept the alternative hypothesis which states: "There is a statistically significant effect at the level of significance ($\alpha = 0.05$) for the scope of auditing tax revenues.

The third sub-hypothesis

H3: The degree of compliance with the specified criteria does not affect tax revenues

Variable	R`	R ²	F	Sig	B	T	Sig
Degree of commitment	0.725	0.526	140.923	0	0.651	11.871	0

* The effect is statistically significant at ($\alpha = 0.05$).

Table 22 shows that the value of the correlation coefficient (R) between the degree of compliance and tax revenue = 0.725 and the value of (R²) coefficient of determination = 0.526, which means that the variable of the degree of commitment explains 52.6% of the variance in tax revenues. In addition, the value of the degree of B reached (0.651), which represents the total effect of the degree of commitment on tax revenues and it is of significant significance as the value of t calculated for it is (11.871), which is greater than the tabular value of t and has a significant significance at a level of significance of 0.05, and therefore it is rejected. The null hypothesis accepts the alternative hypothesis which states: There is a statistically significant effect at the level of significance ($\alpha = 0.05$) to the degree of commitment on tax revenues.

RESULTS

Upon data collection and statistical analysis, the researcher reached the following main results:

1-There is a statistically significant effect of the Income Tax Law on tax revenues at the ISTD.

As there are legal texts governing the times of tax payment and the value of fines in case of violating the provisions of the law and specifying high installment benefits for the amount of tax to be paid in installments, and there are no legal texts that encourage paying the tax.

2-There is a statistically significant effect of ISTD procedures on tax revenues at the Income and Sales Tax Department.

Where electronic services are applied to collect the tax electronically, and it also differs according to the department's policy in collecting the largest possible amount of taxes, and some tax cases are terminated without resorting to the courts, and procedures are followed to accelerate tax collection, and exemptions are granted from the fines imposed on the defaulters Pay the tax, and the department applies the billing system to all taxpayers of the Income and Sales Tax Department and applies the sampling system for tax audit statements for taxpayers in addition to the existence of bureaucracy in the procedures of some tax departments.

3-There is a statistically significant impact of the tax auditor on tax revenues at the ISTD.

The tax auditor's experience in working with tax auditing affects the fairness and independence of the tax auditor while practicing auditing work, as well as the auditor's impartiality in applying tax law to all types of tax files.

4- There is a statistically significant effect of the accounting audit tests on tax revenues at the ISTD.

Where tax revenues are affected by the analytical procedures carried out by the tax auditor and by the financial and administrative control systems in place in the establishment, as well as by the documentary group that the establishment maintains, in addition to the accounts guide applicable to the establishment subject of the tax audit.

5-There is a statistically significant effect of the scope of accounting auditing on tax revenues at the ISTD.

Tax revenues are affected by the audit of sales, marketing, import and export activities, the audit of operations activities related to revenues and the cost of revenues, the audit of planning and production activities and the activities of maintenance items, the study and follow-up of inventory movement, in addition to verifying the internal control activities and their adequacy.

6-There is a statistically significant effect of the degree of commitment on tax revenues at the ISTD.

Tax revenues are affected by the degree of commitment to ethical responsibility when practicing auditing work, the commitment to implement the instructions and regulations issued by the ISTD, the auditor's commitment to fairness when writing the tax report, the auditors' commitment to the tax law and also the disclosure of financial corruption cases to higher management, and the external auditor's commitment to separate his work As an external auditor and tax advisor.

7-The tax revenues of the ISTD are affected by decisions issued by the Council of Ministers relating to granting tax exemptions or facilities.

8 -The presence of supervisory bodies on tax audits, such as the Audit Bureau, affects tax revenues at the ISTD.

CONCLUSION AND RECOMMENDATIONS

1. The necessity of the existence of legal articles that stimulate the payment of tax

2. The necessity to expand the application of electronic services and collect electronic tax.
3. Developing and improving the tax department's policy in collecting the largest possible amount of taxes.
4. Working to end tax cases without resorting to the courts.
5. The importance of continuously granting exemptions from the fines imposed on the defaulting on the tax
6. Working on developing the experience and skill of the tax auditor in working with tax auditing, and developing his capabilities through specialized training courses.
7. Focusing on carrying out extensive accounting auditing tests.
8. Expanding the scope of accounting auditing to include most of the facility's activities.
9. Enhancing the moral responsibility of the tax auditor.

REFERENCES

- Abbas, Y. (2017). The Relationship between Accounting Auditing and Taxation in the Algerian Enterprise, Master Thesis, *Abdelhamid Ben Badis University, Algeria*.
- Abdel-Rahim, N. (1990). The Tax Accountant: An Applied Theory Study in Comparison with the Libyan Tax Legislation, *The Libyan University, Libya*.
- Abu Jabara, H. (1978). Income Tax in Jordan: Its Objectives and Achievements, *Royal Scientific Society Press, Amman, Jordan*.
- Abu Nassar, M. (2017). Tax Accounting, Wael Publishing House, Amman, Jordan.
- Akasha, W. (1993). The difference in the declared and amended tax and auditing the accounts of commercial establishments tax in Jordan, Unpublished Master Thesis, *University of Jordan, Amman, Jordan*.
- Al-Attar, R. (1993). Income Tax Evasion in Jordan: An Analytical Study, Al Shams Press, Amman, Jordan.
- Al-Dulaimi, W. (2005). The Financial Authority's Procedures for Tax Examination and Their Impact on Exercising Professional Care for the Auditor in Iraq, *Arab Institute for Certified Public Accountants, Baghdad, Iraq*.
- Al-Hindi, A., & Marar, F. (1980). Principles of Public Financial Management and Its Economics, Part One: Sources and Uses of Public Funds, *The Jordanian Press, Amman, Jordan*.
- Ali, Abd al-Salam., & Al-Mu'tasim, K. (2003). The Origins of Revision Science, *Mansoura University, Egypt*.
- Al-Kaabi, J. (2008). Tax Legislation in Iraq, Dar Al-Sajjadil Printing Press, Baghdad, Iraq.
- Al-Sabbagh, A., & Al-Ashmawi, K., & Ahmed, A. (2008). The basics and standards of auditing.
- Amin, K. (1980). The Science of Auditing: Theory, *Wael Publishing House, Amman, Jordan*
- Arens, A.A., Elder, R.J., & Beasley, M.S. (2006). Auditing & Assurance services, Prentice Hall, USA.
- Boukaz, S. (2015). Contribution of the Effectiveness of Tax Audit in Reducing Tax Evasion, Master Thesis, *University of Biskra, Algeria*.
- Burini, M. (2010). Professional Skills for Income and Sales Tax Estimators in Jordan and Methods for Their Development, Unpublished Master Thesis, *Yarmouk University, Amman, Jordan*.
- California franchise tax board. (2018). Internal Procedures Manual , General Tax Audit. The Role of Tax Audit in Detecting Tax Evasion: A Field Study in Financial Directorates in Lattakia Governorate, published research, *Tishreen University Journal of Research and Scientific Studies, Syria*.
- Draft, S., & Al-Khawalda, H. (2015). The Role of the Jordanian Income Tax Law in Reducing Tax Evasion from the Views of the Auditors of the Income and Sales Tax Department and Members of the Association of Income and Sales Tax Experts, *Al-Quds Open University Journal, Jordan*.
- Habib, A. (1994). Tax Planning in Banks Operating in Jordan, Master Thesis, *University of Jordan, Jordan*.
- Hoso, M. (2005). Auditing for Tax Purposes, Master Thesis, An-Najah University, Palestine.
- Kafi, M. (2014). Auditing Accounts in Light of the Electronic Environment, Arab Society Library for Publishing and Distribution, Amman, Jordan.
- Lowe, D.J., Geiger, M.A., & Pany, k. (1999). The Effects Of Internal Audit Outsourcing On Perceived External Auditor: Dependence Auditing, *Journal Of Practice & Theory, 18(1), 7-26*.
- M,Colin. (1985). La Verification Fiscal, ed, economico, Paris, france.
- Malkawi, B.H., & Haloush, H.A. (2008). The Case Of Income Tax Evation In Jordan (Symptom & Solution). *Journal Of Financial Crime, 15(3), 282-294*.
- Maqrawi, H., & Qasr, N. (2017). Accounting Auditing and its Supervisory Role in the Tax Authority, Master Thesis, *Jilani University, Bounama, Algeria*.
- Muhammad, I., & Muhammad, I. (2011). Examination of the income tax to achieve an acceptable pot in light of the holders' adherence to their accounts: an applied study in the General Tax Authority, *Journal of Accounting and Financial Studies, University of Baghdad, Iraq*.

- Nour, A. (2007). *Auditing of Accounts from Theoretical and Practical*, University House, Beirut, Lebanon
- Qatawneh, A. (2013). *Tax Accounting*, Wael Publishing House, Amman, Jordan.
- Saed, N. (2015). *Tax Control and its Role in Tax Collection: A Case Study at the Tax Inspectorate in Lakhdaria*, Master Thesis, AkliMohand or Hajj University, Algeria.
- Saraya, M. (2002). *Principles and Rules of Review and Auditing*, University Knowledge House, Alexandria, Egypt.
- Tahira, N. (2016). *Accounting Auditing and its Role in Supporting Tax Control*, Master Thesis, QasdiMerbah University, Ouargla, Algeria.
- Trespases, A. (2012). *Auditing Accounts in the Light of International Standards*, Wael Publishing House, Amman, Jordan.