

EFFICIENCY OF PERFORMANCE AND COLLECTION OF INCOME TAX -REALISTIC VIEW OF THE GENERAL TAX AUTHORITY

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ABSTRACT

The process of evaluating and measuring tax performance is critical to support the tax collection process. The comparison of the amount of revenue collection with what is expected and the process of measuring tax performance continuously by the tax administration leads to increase the collection of tax, determine the size of deviations and stand and know the reasons and take the necessary measures to address them to get a better result in the future. According to the different tasks assigned to them, criteria and indicators for measuring the tax performance vary from one organization to another. These are indicators or criteria that measure tax revenue (i.e., amounts). One of the research's main findings was to raise the tax collection level, increase the number of employees to get good performance, and impose sanctions on tax evaders. They are detecting the manipulators with the other accounts submitted to the General Authority for Taxes to evade the tax and achieve the taxpayers' greatest possible profit. The most important recommendations reach the research. The attempt to introduce technology and advanced information systems to cope with developments in the field of taxation, to give more importance to the process of assessment and measurement of tax performance because of the positive impact in the process of collection of tax collection.

Keywords: Performance Efficiency, Income Tax, Tax, General Tax Authority

INTRODUCTION

Revenues constitute a primary source of financing the state's public expenditures, especially in developing and developed countries; most countries have acquired industrial, commercial, agricultural, and other activities Run by. As the tax is one of the sources of public revenue to achieve political and economic goals and social, and to achieve economic stability and justice for the distribution of national income, in developed countries The tax contributes to protecting its economy from economic fluctuations (inflation and deflation), as uses Developing countries taxed to reduce economic problems the interest of most Arab countries in the need to confront external fluctuations and facilitate direct transportation on the general budget and economy Arab countries focused on diversifying their sources through developing systems Tax, to help it provide revenue for a rapidly evolving environment financing the state budget requires making great efforts to reach the required levels.

The main purpose of the tax is to obtain state revenues. And that the tax is imposed according to the law, the financial authority proposes tax regulations and laws that indicate the amount of tax imposed on and based the taxpayers, how it is collected, and other criteria based on which the tax is collected. Tax is in the states the applicant goes through several stages, starting with the executive authority and until it is enacted by law after its approval before the legislative branch.

THEORETICAL BACKGROUND

Performance Efficiency and Income Tax: Concepts and Foundations

The Concept of Performance Efficiency

The concept of performance efficiency is intended to identify the extent of projects to measure the results achieved and compare them with the targeted goals to know deviations and interpret their causes objectively by knowing the levels or centers responsible for the deviation (Randall, 1989).

According to the planning prepared in advance, it is a measure of the work accomplished using indicators and benchmarks and comparing them with the targeted goals to discover weaknesses and strengths (Al-Quraishi, 2001). Project performance efficiency aims to define pathways that help achieve the maximum possible productivity by using indicators and criteria to measure the extent of development of economic activities and production efficiencies to achieve pre-planned goals (Al-Jumaili et al., 1979). The main stages of the performance efficiency process can be listed as below: The data collection stage: The sources of this data are from the plans and objectives set for the economic unit that is being evaluated.

- Data analysis stage: The unit's actual implementation is carried out according to the approved plan and comparing the goals and plans drawn up for the economic unit's activity to reach specific results.

- Detect deviations and know their causes: for example. There are weaknesses in the implementation plan, the lack of production requirements, or that the organization's administrative structure is complicated. Some overlapping responsibilities and powers correct the deviation depending on the availability of due accuracy, objectivity, and clarity in interpreting deviations in the results and the effectiveness of administrative decisions taken in the correction process (Al-Jumaili, 1979).

Based on the above, the performance efficiency assessment should be clear and straightforward to help understand it by the workers and contribute to the performance evaluation process's success and work to correct deviations because this works to raise the level of the overall performance of the administration. The table below shows the audit and tax examination of the companies' revenues. To properly set performance efficiency goals, higher management in units should adhere to (Ali, 2004; Al-Karkhi, 2000; Al-Qadhi, 2000);

- Setting goals and expressing them as numbers or ratios and determining the time of their implementation.

- Determining the powers and responsibilities of the responsible centers for administrative levels.

- Linking the material, financial and human resources that will be used on the one hand with the goals and plans drawn up for the unit.

- Work on preparing planning budgets according to the structures and centers of responsibility in light of the planned goals.

- Indicators and criteria for assessing performance efficiency should be based on sound scientific principles and principles. As it is considered a kind of motivation for human energies in productive projects towards creativity, and it also leads to the correct orientation of

workers in performing the tasks assigned to them by what is presented to them by assigning them to the duties assigned to them and at certain times.

- Work to achieve an economic balance between the productive and economic sectors and others on the one hand, in order to help assess the efficiency of performance in terms of the balance of resources and uses between the level of small economic and productive units on the other hand.

- Activating the supervisory agencies to provide sufficient and necessary information to evaluate the performance efficiency for the purpose of verifying that the economic units carry out the duties entrusted to them efficiently and effectively and accomplishing their goals as planned. As for the most important functions of performance efficiency, including the following: (Al-Memari, Abdul Ghafour, 2010)

- Knowing the extent to which the goals set for the economic unit have been achieved by following up the implementation of the goals set for them in terms of quantity and quality, and within the specified time period.

- Determining the deviations from the set goals, and explaining the reasons for those deviations, with the aim of identifying the efficient use of the available material, financial and human resources.

- Determining the administrative and production centers responsible for these deviations.

- Research and investigation to find appropriate solutions and means to address distortions and bottlenecks and work without occurring in the future.

There are many ways to measure tax performance, and these indicators can be classified as follows: (Al-Zahra, 2016).

- Administrative and organizational indicators, such as the characteristics of the workforce in tax administration, training courses, tax advice, working methods, procedures, organizational structures, and others.

- Financial and economic indicators such as the cost of collection, the tax collection rate to a set of financial measures such as local and tax revenues, public expenditures, and the quality and cost of services provided to taxpayers.

- Legislative indicators including tax laws and regulations, their continuous and unstable amendments, and their effectiveness in achieving tax goals.

- Environmental and social indicators such as citizens complaining and patronage, and cooperation between employees and others.

The Conceptual Aspect of Income Tax

The Concept of Income Tax

The study of taxes occupies a special importance in studies related to public finance. The importance of studying taxes comes not only because it is the most important source of public revenue for the state, but also because of the prominent role that taxes play in national economies in terms of economic, social, political and legal also. If it is not strange that taxes receive the attention of scholars and researchers in Finance Science. Because of the change in political systems and the prevailing economic conditions in societies, the justifications for imposing the tax have changed, its

nature has evolved, and the various purposes that the government aims to achieve through tax have changed.

The tax has defined many definitions, including compulsory cash deduction that the state collects from individuals for free in order to finance its public expenditures and achieve the dependent goals of the content of its political philosophy (A'l Ali, 2002). Or it is an obligatory financial obligation imposed by the state in accordance with a specific law or legislation and obtained from the taxpayers without direct compensation so that the state can perform public services to achieve the goals pursued by the state (Sommerfield, 1978).

Or it is a financial tax imposed by the state on the basis of predetermined criteria from the receipt of a specific direct benefit and imposed on individuals, whether they are natural persons (individuals) or moral persons (establishments) to achieve the goals, economic and social goals (Snlmeler, 1974).

Based on the foregoing, the tax can be defined as an amount of money that the state imposes on individuals according to the laws forcibly and without recipients, for the purpose of financing the public expenditures that the state spends to provide the necessary services to the community such as health and educational services and achieving security and stability and other services that citizens benefit from and collecting the tax or (tax revenue), that the tax is payable after the taxpayer is informed of the amount of the tax that he must pay, and the tax administration is supposed to take into account that the tax is to be collected at the most appropriate times for the taxpayer, and is collected in the most appropriate times and in the most appropriate manner for the taxpayer in order to avoid disturbing it (A'l-Ali, 2002).

The following table (table 1) shows tax revenues

Activity	Achieved		Growth%
	2017	2016	
Income tax of companies	1179343	1829935	64.45
Revenue of oil companies	1196163	---	---
Income withholding tax	663975	683348	97.16
Revenue from sales (hotels)	2348	2958	79.38
Revenue of the profession tax	175540	126967	138.26
Income tax transfer of property ownership	134523	164978	81.54
Income of property and assets tax	90680	74955	120.98
Mention mobile phone cards	56881	---	---
Internet revenue	646	---	---
Tax Deposits	1081794	517215	209.16
Total	5093893	3408420	149.45

Source: (Activities of the General Tax Authority, 2017)

We note from the above table that the annual plan approved by the Ministry of Finance has been achieved for all types of tax revenues and at high rates. From this we conclude that the efficiency of performance in collecting income tax tends to increase, after the corporate tax revenue ratio was (64.45%) for the year (2017) compared to the sales revenue ratio of (97.38%) for the same year. The fluctuation between the rise and fall of tax revenue ratios and their various types

continued until an increase of (%209, 16) in the tax trusts for the year (2017), due to the efficient scientific foundations on which the General Tax Authority relies to reach the planned revenues by collecting high taxes and after that the performance becomes efficient.

Efficiency of Performance and its Effect on Collecting Income Tax

The importance of efficient tax performance is extremely important to support and collect tax revenues, the process of assessing and measuring tax performance by comparing the already achieved and planned performance. That is, a comparison of the amount of revenue earned with what is expected. Consequently, the process of evaluating and measuring tax performance continuously by the tax administration leads to an increase in the volume of tax revenues, identifying deviations, knowing their causes and taking the necessary means to evaluate and amend them to obtain a better performance for the future (Al-Zahra, 2016).

Attracting qualified qualifications scientifically and practically in the General Authority for Taxes will work to improve work, that the application of internal and external controls helps to improve performance, and that the application of technology, methods and administrative systems helps in raising the efficiency of tax performance, the presence of modern legislation and laws that address the problems that exist with the General Tax Authority helps to perform the workers in a proper manner and the presence of planning and availability of the necessary information leads to solving problems and gaining the satisfaction of those charged with (Dergham, 2006).

METHODOLOGY

The Research Problem

The low efficiency of tax performance will lead to a decrease in the level of tax collection in the General Tax Authority on the one hand and the failure to build an integrated and modern information system that serves the tax administration, which has a negative impact on the development of the General Tax Authority on the other hand.

The Research Hypothesis

Raising the efficiency of tax performance using good performance indicators will increase the collection of income tax.

The Aim of the Research

The use of efficiency indicators for tax performance high-performance tax to identify deviations, know their causes and take ways to address them in order to get a better performance for the future.

Research Community

General Tax Authority (Department of companies).

RESULTS

The Tax Reality in Iraq

Taxes occupy great importance in the economies of countries, especially the developed ones, because of their importance in financing the state treasury, but the tax revenues in Iraq were distinguished by their lack of due to the Iraqi economy's dependence on oil revenues in addition to the lack of development of the tax administrative staff and the failure to develop tax legislation or amend it to keep pace with the development in The world besides the spread of corruption in the tax apparatus and the deterioration of a large part of the tax revenues, although Iraq is one of the first countries in the region to legislate a tax law in 1927 and many changes and developments have occurred in changing the ruling regimes economically, politically.

Iraq lacks the environment for tax collection, as sales are conducted in the process of cash payment and not through financial cards such as (Master Card) and (Visa Card), which will face many obstacles when implemented, as citizens evade payment and the control of some influential people in the tax collection departments on this money, which affects the state treasury. These taxes will also raise the prices of goods that will be borne by the citizen, not the owner of the profession, and will cause the market to stagnate, which will be reflected in our economy, which is covered by large loans and their benefits.

Generally, the tax system is the set of taxes that the state imposes on taxpayers and according to the law and it is an effective tool in the hands of the state to achieve the goals that it aims to, but this system is affected by economic, political and social conditions. Taxes are also assumed to be based on justice, that is, the distribution of tax burdens among the taxpayers according to their ability, and it is not possible to impose tax equally on all individuals so that the rich are equal with the poor as taxes in this case will be unfair, that is imposed as a progressive tax, which means imposing a tax Few on low-income earners and increasing as income increases, i.e. subjecting entry to different tax rates, increasing with increasing personal income, and thus the tax is fair.

Taxes occupy the center stage in financing the general budget in Iraq in view of the abundance of tax bases inherent in the country and the expected revenues from them if the tax system is reformed gradually and effectively. Tax legislation must be developed to keep pace with developments in the world and amend some paragraphs of the Iraqi constitution related to federal taxes, fees and revenue and the need to eliminate financial and administrative corruption rampant with tax departments and border outlets with the qualification of the tax administrative staff, and it must be emphasized that taxation also requires the state to fulfill its duties. Providing services and setting plans to launch a comprehensive and balanced development process that provides more job opportunities. The following questionnaire shows the efficiency of performance in collecting income tax.

No.	Paragraphs	Totally agree		Agreed		neutral		I do not agree		Not quite agree		Means	SD.
		T	%	T	%	T	%	T	%	T	%		
1	The process of assessing tax performance is extremely	42	28.6	69	46.9	29	19.7	7	4.8	-	--	3.9	0.82

	important to support tax collection process of assessing tax performance is extremely important to support tax collection												
2	Tax performance evaluation criteria and indicators differ from one organization to another differently the work entrusted it	43	29.3	72	49	28	19	4	2.7	-	-	4.1	0.77
3	Imposing penalties on evaders	57	38.8	60	40.8	24	16.3	5	3.4	1	0.7	4.1	0.85
4	The introduction of advanced technology and information systems in the tax work to keep pace with developments in the tax field	37	25.2	61	41.5	35	23.8	11	7.5	3	2	2.8	0.97
5	Taxes are a public revenue source	38	30.6	61	1.5	39	21.8	8	5.4	1	0.7	3.9	0.89
6	The tax administration determines the deviations and takes the necessary means to amend them for the seals to do better in the future	70	47.6	59	40.1	14	9.5	4	2.7	-	-	4.3	0.76
7	Attracting scientifically and practically qualified talents to the General Tax Authority will work to Improving work	48	3 2.7	68	46.3	25	17	5	3.4	1	0.5	4.1	0.83
8	The existence of modern legislation and laws that address existing problems with the General Assembly Taxation helps employees to perform in a proper way	34	3.1	51	34.7	41	27.9	20	13.6	1	0.7	3.6	1
9	Having planning and providing information leads to problem solving and gain satisfaction to those who are in charged with it	38	25.9	82	55.8	23	15.6	4	2.7	-	-	4.1	0.72
10	The inclusion of employees of the General Tax Authority in training courses would raise efficiency of tax performance and increase of tax collection	21	14.3	43	29.3	47	32	31	21.1	5	3.4	3.3	1
11	The tax imposed on taxable income, which takes into account the circumstances Personal and social responsibility of the taxpayer, as the taxpayer enjoys personal and family exemptions At an ascending rate and according to the law	24	16.3	54	36.7	50	34	17	11.6	2	1.4	3.5	0.94
12	Income tax is imposed on the net income of the taxpayer after all deduction the costs and burdens required to obtain the net revenue	32	21.8	66	44.94	36	24.5	10	6.8	3	2	3.7	0.93
13	The performance evaluation process is one of the most important stages of the administrative process	33	22.4	69	46.9	36	24.5	6	4.1	3	2	3.8	0.89
14	An efficient tax administration is	17	11.5	38	25.9	49	33.3	31	21.1	12	8.2	3.3	3.5

	able to protect the rights of taxpayers and the state													
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From (table 2) it was found that:

- 1- The research sample agreed that assessing tax performance is an important process in collecting tax revenue. A totally agreed rate was estimated and 75.5% agreed. This means that the research sample is heading towards agreement, while a neutral paragraph has reached 19.7%, while a non-agreement rate is seen as 4.8%. The mean for this paragraph was 3.9% and a standard deviation of 5.82%, which indicates a slight dispersion in the research sample.
- 2- The paragraph obtained an average arithmetic amount of 4.1, which indicates the response of the study sample to the movement of the scale and a standard deviation of 0.77%, which indicates a slight dispersion in the answers. 78.3% agreed with this paragraph and 19% had their answers neutral and 2.7% Inconsistent with the paragraph.
- 3- The results showed that 79.6% see the application of the law by imposing penalties on the evaders of paying the tax imposed on them, which is imposed according to a specific law. While 16.3% were neutral and the standard deviation for this paragraph was 0.85 and a mean of 4.1.
- 4- Regarding information systems and technology, including them in tax work, the study sample answered that 66.7% in the sample confirm and agree that the introduction of technology for tax work for the purpose of keeping pace with recent developments, especially in the tax field, and 23.8% were neutral, while seeing a disagreement ratio 9, 5%, and this paragraph got a standard deviation of 0.97 and an mean of 3.8.
- 5- The research sample agreed with 72.1%, which is a high percentage that confirms that taxes are the source of public revenues, while the disagreement rate sees 6.1%, while 21.8% of them have been neutral. The paragraph obtained an arithmetic mean of 3.9 which is higher than the hypothetical mean (4). The standard deviation for this paragraph was 0.89.
- 6- It was asserted that the tax administration determined the deviations; the research sample recorded 87.7%, which is a ratio above half that agrees that if the deviations were identified early, it would lead to achieving better results. The percentage of respondents who did not agree with this sample was 2.7%, and 9.5% did not specify their answers in this regard, and this paragraph got an average of 4.3 and 0.76 standard deviation.
- 7- The General Authority for Taxes provides the qualified, scientifically and practically qualified. The study sample answered that the majority of 79% confirm and agree that the General Tax Authority is working to improve work with good results if it provides scientific competencies. However, 17% of the respondents were neutral and 3.9 % did not agree with the sample. This paragraph obtained a standard deviation of 0.83, which indicates a high dispersion in the sample answers and mean 4.1.
- 8- The General Authority for Taxes addresses the problems faced by legislation and laws, which leads to achieving sound results through the performance of workers. As the sample responses recorded 57.8%, while the party that was not supportive of this paragraph recorded 14.3% who see otherwise, and 27.9% were neutral answers, and the mean of this paragraph was 3.6 and the standard deviation (1), which indicates dispersion Simple in answering.
- 9- The presence of prior planning and availability of information will lead to solving the problems facing the General Tax Authority, and this paragraph got a ratio of 81.7%, which means that the sample of the study is heading towards agreement. As for those who otherwise were 15.6% of the study sample, their answers were neutral, while 2.7% did not see this as true. The standard deviation of this paragraph was 0.72 and mean 4.1.
- 10- Paragraph 10 obtained a mean of 3.3, which is higher than the hypothetical medium, and the agreement rate was 43.6%. This means that the study sample is heading towards an agreement to include employees in the General Authority for Taxes for training courses, which in turn leads to increasing tax revenue from one side and raising the efficiency of performance On the other hand. As for the lack of agreement, it was 24.5%, 32% of the study sample had neutral answers and the paragraph received a standard deviation (1).

- 11- The extent of imposing the income tax, the study sample recorded a rate of 53%, which is a ratio above half that agrees that the imposition of the tax in accordance with the law takes into account the personal and social circumstances of the taxpayer, and the taxpayer enjoys personal and family exemptions, etc. 13% and 34% did not specify their answers in this regard, and this paragraph obtained a mean of 3.5% and a standard deviation of 0.94.
- 12- Paragraph 12 got a standard deviation of 5.93, which means a high dispersion in the answer, which means that the research sample is heading towards agreement by 66.7% and by 8.8% disagreement from the research sample, while 24.5% does not deny or confirm, and has Paragraph got a mean of 3.7% .
- 13- The research sample answered that the majority, *i.e.*, 69.3%, confirm and agree that performance evaluation is the most important stage of the administrative process. However, compared to 24.5% of the respondents, their answers were neutral, and 6.1% disagreed. The standard deviation for this paragraph was 0.89 and a mean of 3.8.
- 14- The availability of data and information with an efficient tax administration and protects the taxpayers, as the answers to the sample supported 37.4%, while the entity that was not supportive of this paragraph recorded 29.3% who see otherwise, and 33.3% were their answers neutral and the mean of this paragraph was 3.3 and a standard deviation of 3.5, which indicates a slight dispersion in the answer.

CONCLUSION

The appraiser stays in his place for a long time, leading to establishing personal relations between him and the taxpayer. The income report will leave the field to the appraiser instead of the taxpayer to estimate the tax imposed on him. Reporters face the problem of informing taxpayers of the inaccuracy of the addresses in their files on the one hand, which helps tax evasion by taxpayers and thus lower tax revenue on the other hand. The failure to settle the amounts suspended, and the lack of follow-up by the competent employee, is due to the small number and a large number of work incumbent on them compared to the numbers of those charged with. Most of the laws in Iraq are old, and most of the amendments made to them have not kept pace with recent developments in the Iraqi economy. Activate strategic thinking in the General Tax Authority through the use of automation in building e-government. The tax contributes to society's support, but its interest in the social dimension has not been as similar to other dimensions.

RECOMMENDATIONS

Work to expand public revenues through the development of sectors (industry, agriculture, services) on the one hand and increase their contribution in proportion to the gross domestic product. Raising the efficiency of the tax administration to improve the collection of tax revenues according to a certain percentage, according to the law, and the commitment of the tax administration to transparency and work to activate the regulatory and legal communities. Work on training the tax staff, and developing the tax administration by keeping pace with modern technological developments. Work to raise the tax awareness of all society members of the importance of tax compliance and pay the tax on the specified date. They are fighting tax evasion as a challenge that impedes the decline in tax revenues in Iraq. Building and designing a database for taxpayers and the tax base can be determined through the data.

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