

IMPROVING THE EFFECTIVENESS OF TAX CREDIT PROCEDURES USING THE TAX CARD SYSTEM

Sara Mahmoud Hussein, AL-Turath University College

ABSTRACT

Tax targets have evolved over time by changing the environment and the circumstances surrounding it, and until the last century in the 1930s the only objective was the financial objective of its use in the face of public expenditures. Developing countries, including Iraq, suffer from a lack of tax awareness and the tax obligation has not been seen as a national duty for taxpayers, so some of them follow some illegal methods to avoid paying or reducing the amount of tax imposed on them altogether. This led to a rise in the phenomenon of tax evasion, requiring tax legislation in Iraq to legislate deterrent laws for tax evaders, and the study aimed at improving tax credit procedures to build a system that helps reduce or eliminate tax evasion, and leads society to voluntary compliance and its importance in developing a model or mechanism. By collecting the necessary information on the taxpayers and the sources of entry of the taxpayers to adopt the accuracy of the inventory process for the taxpayers and try to provide in addition to studies related to the tax inventory and show its importance to the tax institution through its contribution to the expansion of tax pots, which reflects positively on the tax revenue. The researcher provides a study of the reality of tax credits for taxable persons in Iraq, and the extent to which an effective system can be reached in the accounting of these people contributes to expanding the tax base, maximizing revenues, and this can be done by diagnosing the disadvantages of tax credit procedures used to register taxpayers in the General Authority of Taxation.

Keywords: Tax Credit, Tax Card, Taxpayers

INTRODUCTION

Taxes are one of the main and important methods and tools on which the government depends in financing its public expenditures and achieving its objectives, as it represents a reflection of the economic, social and social conditions in the society to which it is imposed, and from this importance it has become difficult for countries that do not depend on tax revenues in their economy, in case it is infected It is exceptionally vulnerable to its other rent resources, which are able to build sober and effective tax institutions at acceptable times that will enable them to compensate for that lost financial resource, and to avoid economic problems that may cause significant political and social consequences, so tax revenues are an important component of the revenues of developed and developing countries. Since tax revenues play a very important role in achieving government development plans to promote a tax reality that helps to achieve good financial revenues as well as tax rules, one of the important elements of the tax accounting system was addressed in this study, namely, the tax credit aspect (Gargoly, 2014), where tax evasion negatively affects Tax revenues are an important and fundamental obstacle to the development of the State's fiscal policy, forcing it to compensate for the shortfall in tax revenues for new taxes or raising existing taxes, which in turn blinds income distribution and the principle of tax justice and economic growth. Tax evasion has recently become more serious, affecting not only the state but most countries of the world, especially developing countries, and perhaps the increasing numbers and proportions of this crime witnessed by the reality of developing countries, requires building research to pay more attention to this phenomenon by diagnosing it and knowing the causes, methods and effects of it, not only this but also knowing the extent to

which it affects developments from In order to reduce this serious scourge (Guest, 2019) and all this in order to obtain renewable sources of tax revenues other than oil revenues finance the state treasury and help it to bear the burden of its expenses for finances (Hussein, 2018).

The Concept of Tax Credit

Most tax departments in developing countries suffer from the lack of a system through which they can account for all sources of income and then submit to tax to achieve the objectives of tax policy.

The tax administration in Iraq relies on a range of means to account for sources of income, including tax returns submitted by the taxpayer, customs permit, quotes proving that the taxpayers deal with official and semi-official bodies and field survey forms, as well as written news. In attempting to conduct an assessment of these means, it is found that they are insufficient to carry out this task due to insufficient information installed in them, as well as inaccuracies in the names and addresses of the taxpayers, which explains the accumulation of quotes and permits and the inability of the Financial Authority to access this entry, which requires action to provide integrated and accurate information on the taxpayers (Kmarsh, 2006).

Definition of Tax Credit

The tax inventory is defined by several definitions, including the following:

Tax credit: Is the process of identifying persons subject to each type of tax, and recording the names and addresses of these persons in the records of the financial authority (Draz, 1999).

The process of identifying the names, addresses, places of residence, types of activities they engage in, their capital, types of taxes subject to them, etc., with the need to update this data when the activity changes or any other changes (Al-Shafi'i, 2005).

It was also defined as the process of identifying taxable persons and registering their names in tax administration records (Jawad, 2006).

The main purpose of the tax credit is to achieve tax justice by subjecting all taxpayers whose incomes amount to the extent that they are obliged to pay taxes in accordance with the applicable laws, and the existence of a database that benefits the General Tax Authority as it can be relied upon in the field of tax revenue studies.

The Procedures for the Counting of Taxpayers

Therefore, it can be noted that most countries, especially developed ones, focus on the process of accounting for tax society by using the best and most rewarding means in order to achieve success in the performance of this task and eliminate various forms of tax evasion (Al-Mayahi, 2007).

Organized Activities

The process of limiting those charged with organized activities is an easy process, because it is easy to carry out an economic activity subject to the requirement of obtaining leave from a public body, a professional union or any authorized government department whose activity is organized, so it is easy to carry out the inventory process. A particular activity can be considered as organized activity if the following elements are available: (Dulaimi, 2004).

A- You must register with a public body or obtain a license to engage in activity from it.

B- Subject the activity to the requirement of determining the license or registration.

C- The activity is subject to supervision and follow-up by the licensing or registration authority.

D- The activity is subject to registration and inspection requirements by other government body or bodies that have nothing to do with the registration or licensing authority such as the Registration or Licensing

Department, the Corporate Registration Service, the Monetary Authority, health control authorities, the labour services and social security.

- E- The activity is subject to effective internal control due to the relatively clear separation between the administration responsible for the operation of the activity and property rights, as is the case specifically in the joint stock companies, and these different levels of regulation have direct implications for the effectiveness of the tax accounting system in accounting for it and in estimating the resulting income and in linking and collecting the tax.
- F- Be subject to the commercial record-keeping system for income tax purposes, and be obliged to submit financial statements whether they are regulated or audited by an auditor

Methods and Methods of Tax Crediting for Organized Activities

The process of counting those charged with organized activities can be carried out in several ways, the most important of which are:

Method 1

The law gives the financial authority the right to request the information it needs about the taxpayers of public bodies, trade unions or government departments, while at the same time the law requires these bodies, trade unions or departments to meet the requests of the financial authority.

(Official departments, institutions and establishments of the social and mixed sector and their employees must submit to the financial authority at the request of the financial authority the data and information they deem necessary to apply the provisions of this law)) (Paragraph (1) of Article 28 of the Iraqi Income Tax Act No. 113 of 1982) amended.

Method 2

The process of counting the taxpayers can be achieved through the use of some official bodies such as the Ministry of Interior, by accessing the records organized by the entities of this ministry, or using records organized by the local municipal councils, especially after the issuance of the system of the chosen, as this system stipulates (requiring each chosen person to organize records in which all individuals living in the area of work of the chosen one) are restricted.

((Paragraph (i) of article (4) of the System of Selectors No. (1) of 1999 Iraqi Facts No. 3777 on 7 June 1999.)

These records will thus be of good help to the tax officer if he or she wants to identify any taxpayer, his whereabouts and all the information related to him. (Student, 2001)

Method 3

The process of counting taxpayers can be carried out by summoning the taxpayers themselves by the General Authority for Taxation and investigating them directly for their activities. (Dulaimi, 2004:7) It is natural that this method leads to one of two things:

The first is to provide the person in charge with correct information about the activities.

Second: The person in charge of providing incorrect information about his activities in order to evade the payment of tax.

What happens, however, is that some taxpayers give correct information about their activity and income level in order not to put themselves under the law on charges of tax evasion and some give misleading information in order to evade paying part or all of the taxes earned in their own right. Therefore, if the Authority fails to account for the taxpayers, it will result in the waste of large amounts incurred by a certain segment of the taxpayers and the General Tax Authority must find a structured way of following up on the variables that may arise in these taxpayers.

This method has a legal cover as the Income Tax Act stipulates that:

(The Financial Authority should investigate and verify the real taxpayer's income and look for its sources in its place of existence and may request information from anyone it believes has anything to do with the tax estimate of any of the taxpayers) (Paragraph (2) of Article 28 of the Iraqi Income Tax Act No. 113 of 1982).

An agreement should also be reached between the General Tax Authority and the official and private agencies that provide it with information on the quality and quantity of information that can be circulated and the means available to facilitate such trading to ensure that there is no loss or shortage during its circulation (Amin, 2000).

Unregulated Activities

The process of limiting those charged to unregulated activities is difficult because, when they operate, they are not subject to the requirement to take leave from a public body, trade union or any authorized government department, so access to this segment of the taxpayer can be done through two means:

The First Method: the process of surveying and field inspection: The process of counting the persons assigned through the field survey and inspection process is one of the processes taken by many countries, for example in Egypt the inventory process is carried out mainly in the same way as the general census is conducted and this method is called geographical inventory (Draz, 1999). With regard to Iraq, it is found that the field survey and inspection process was not at the level that achieved the effectiveness required to limit the taxpayers to unregulated activities, mainly because of several reasons: (Amin, 2000).

The First Reason: the lack of organized effort that must precede surveys, such as the lack of geographical maps of the areas to be surveyed, makes it difficult to calculate the spatial range to be surveyed or inspected.

The Second Reason: the varying levels of competence, effort and experience between the staff conducting surveys and inspections, this is because all staff participate in surveys, while there must be some kind of homogeneity and convergence between the staff conducting the surveys in terms of experience, adequacy and scientific level.

The Third Reason: the existence of the phenomenon of administrative corruption, as the larger this phenomenon, the less effective the work of the field survey committees.

The Fourth Reason: weak control and follow-up on the work of the survey committees, as this control is limited to the subsequent audit of all the joints of the tax work of the branches.

For these reasons, the General Tax Authority has adopted a method complementary to the field survey method, through the use of the property tax information system and its employment to contribute to the inventory of taxpayers by requesting information from the owners of rental properties about the persons occupying these properties for commercial, industrial and other economic activities, especially since this alternative has legal cover (Al-Dulaimi, 2004).

The Second Means is to Reach Unregistered Taxpayers through Registered Taxpayers

This method is also called sales and procurement analysis of registered taxpayers, as this method can provide the financial authority with detailed information on the commercial transactions that occur in the national economy among the various persons at risk of tax commissioning, and it is clear that this method can limit the channels of tax evasion to which some taxpayers are charged to get rid of tax payments. (Amin, former source: 11).

Divisions of the Tax Inventory Process

The tax credit process can be carried out by taking one of the two divisions by the state.

Geographical Division

It is intended that each tax department should be competent to estimate profits and link tax to all taxpayers who engage in economic activity within a certain geographical range regardless of the quality of their activity and depend on the single tax system (Al-Shafi'i, 2005).

Qualitative Division

It is intended for each tax department to estimate profits and link their collection to all taxpayers engaged in a particular economic activity within a relatively broad geographical scope (Jafar, 1991).

Each of these divisions (geographical and qualitative) has advantages and disadvantages, but it has been proven in practice that geographical division is better than qualitative division in reducing tax evasion for the following reasons (Al-Mayahi, 2006).

- A. Geographical division is more accurate in confining taxpayers to qualitative division, as it reduces the rate of tax evasion, by geographically confining them to their place of activity or place of residence, while most taxpayers change the quality of their activity from time to time in order to avoid tax credit.
- B. The introduction of this division leads to the distribution of jurisdiction between tax administrations, which facilitates the implementation of the provisions of the tax law by the taxpayers, as long as the tax administration facilitates tax credit procedures.
- C. For tax administration employees, geographical division helps them to perform their work effortlessly and without wasting time, and allows them to discuss the taxpayers and collect the tax due to them both according to its geographical area, which will reduce cases of tax evasion and increase the tax revenue. While the qualitative division contains defects that help to evade tax, the most important of which are: (Al-Mayahi, 2006: 73 79)
 1. The inaccuracy of the inventory of the taxpayers, due to the multiplicity and diversity of economic activity and the difficulty of the movement of management staff and their division according to the type of activity and the place of activity.
 2. The introduction of this division does not standardize the treatment between the taxpayers, since not all taxpayers engaged in a particular activity are subject to a single tax officer, but each package of economic activities is subject to a particular employee, resulting in a difference in tax treatment as a result of the different element of experience, competence and skill of employees of the General Tax Authority and its branches.

For these reasons, States that have not relied on geographical division and have taken qualitative division have faced serious problems in the process of counting taxpayers that have had an effective impact on their increased tax evasion.

Tax Card System

Boot

The researcher in this research seeks to present the requirements of the use of the tax card system and its importance within the tax credit procedures in the General Authority for Taxes and its branches at the level of Iraq, and for various commercial, industrial, service and contracting activities, as the research included the draft national number, which represents the main pillar of the use of the tax card in Iraq, because of the importance of this figure on many levels including security, education, health, manpower, banks, supply, defense and taxes ... Etc., the experiences of some tax administration employees were utilized by conducting interviews with them.

National Number

The use of the national figure at the level of Iraq, as is the case in most developed foreign countries and some Arab countries, has a major role to play in many areas, including the subject matter of research, which is the ease of introducing a tax card system.

The national number is made up of the citizen once the birth statements are recorded on the main computer of the civil status card, which is the only number that does not repeat its significance derived from the personal birth data of the citizen, but this number should be recorded in full without integral, as any part of it does not represent the national number without being written in full, for example, as long as 14 numbers.

The project to issue the national number in Iraq is an important update of the civil status system and is one of the requirements of building a modern society that seeks to achieve economic development and social security through the allocation of a national number for every Iraqi citizen that does not repeat since his birth even after his death, where the Ministry of Interior should adopt the project of issuing the national number and coordinating with all relevant ministries for the purpose of activating this project and benefiting from it in facilitating all dealings between the citizen and the state and between ministries while It belongs to the citizen and to the state.

The Objectives of the National Number Project

The granting of the national number to each citizen has many objectives, the most important of which is:

1. Accurately identify the citizen when dealing with various state agencies by issuing a card that is possible and secure and difficult to falsify.
2. The ease and speed of inquiry about the various citizen data to simplify the procedures and raise the level of performance of government services.
3. Eliminate the problem of name similarity by allocating a unique national number to each citizen.
4. Achieving the highest level of insurance for data and documents on civil status, maintaining their confidentiality and keeping such data in automated storage media, thereby eliminating the phenomenon of document accumulation, damage and avoiding the difficulty of retrieving information.
5. Facilitate the task of obtaining information on the facts of civil status, which increases the citizen's confidence in the credibility of his card to become an effective tool in achieving security and social stability.
6. Building a national database of Iraqis that can be used in future planning and preparing accurate statistics for various sectors of the country.

The Effect of Using the National Number on the Individual and the State Boils Down to the Following

1. Allocate a national number to each citizen, but this figure should be unique and not repeated to others.
2. Easy information on the data of births, deaths, marriages and divorces of every citizen, whether by him or by the state sectors, in accordance with the laws in force within the country.
3. Keeping and securing data automatically and solving the problem of referring to stacked paper documents, which facilitates the elimination of the interests of citizens on the one hand and saving time for state employees on the other.
4. Facilitate the extraction of all secure and mechanized documents for each citizen.

The Importance of Using the National Figure of Society

The use of the national figure of society allows the possibility of establishing a national database of citizens using a number for each citizen in order to provide accurate information and statistics to the concerned authorities and to identify the constant changes that occur in the civil restrictions of citizens, as well as to eliminate the phenomenon of falsifying documents and identification cards and eliminate the problems of overcrowding and manual preservation of regulations and documents.

The use of the national number also simplifies procedures and achieves speed and ease in dealing with all sectors of the state with the public by linking all the state agencies that the citizen deals with throughout his life, thus achieving the integration of information at the national level.

The project of using the national number system leads to the extraction of various statistics, the most important of which are:

1. Numbers of males and females in different age groups.
2. Contribute to the preparation of electoral statements.
3. Birth, death, marriage and divorce rates in the country.

The application of the national number project can also be used by:

1. Linking the national figure to the tax system to reduce tax evasion by overcoming the problem of name similarity.
2. Coordination with the various security agencies to control those wanted by the judiciary and outlaws.

The researcher believes that despite the difficulties in implementing the national number project in terms of material and moral terms, the application of this project requires large funds, great efforts and qualified owners, but the benefit to society through its application is very large and in more than one area, which makes it worth making these efforts and funds in order to implement it.

Extracting the Tax Card

The first and first step to the beginning of any activity, whether individual or company, whether it is an industrial, professional or professional business, or any activity that brings the operators a certain income is to notify the General Tax Authority or one of its branches of the activity within a certain period specified by law, which may be in most countries 30 days from the date of commencement of the activity and the Authority or one of its branches must open a tax file for the person in charge as soon as it is notified, taking into account the facilitation of the procedures for the person responsible. Not being subjected to significant costs in obtaining a tax card because the taxpayer has not been harassed may lead him to think of crooked methods for the purpose of getting rid of these boring routines and therefore may lead to tax evasion.

The taxpayer or his or her agent should apply to the competent tax branch in accordance with his activity or the geographical area in which he works in accordance with the instructions of the applicable tax administration to apply for the extraction of the tax card www.incometax.

The Objectives of Introducing the Tax Card System

The introduction of the tax card system has a major role in facilitating most of the work of the General Authority for Taxation and its branches and helps to be accurate in completing these works, as the objectives of introducing the tax card system are many of them:

1. Reducing the chances of evading tax evaders by closing loopholes that the taxpayer may exploit, such as the similarity of names or the place of registration in more than one branch of the Authority or the frequency of registration with the tax branch itself.
2. The granting of a tax card to taxpayers helps to activate the system of quotes by easily knowing the quoted of each taxpayer by installing the tax card number on the quoted that is sent to the General Authority for Taxation or one of its branches, and thus preventing the duplication of information about the taxpayers.
3. The introduction of the tax card system has a major role to play in facilitating tax accounting procedures through easy access to the tax charge once you know the identification number on the tax card of the taxpayer and is therefore an incentive to increase tax awareness of the community and reduce the time spent by the taxpayers to complete their work in the General Tax Authority.
4. Facilitate the program of mechanization of work in the Authority by making it easier to enter information that occurs in the data of each cost without difficulty by accessing its data stored electronically once the tax card number of the taxpayer is entered.
5. Overcoming the problems of repeating the request for the same information in the General Authority for Taxation or one of its branches by the taxpayer himself due to his doubts about his lack of confidence in the current system.
6. The introduction of the tax card system plays a major role in providing reliable information about taxpayers regarding their taxable accounts.
7. The introduction of the tax card system has a major role to play in expanding the tax base (tax revenues) and increasing tax revenues by increasing the numbers of taxpayers and not by increasing the tax rates of the government.

The Requirements for the Introduction of the Tax Card System

The introduction of the tax card system nationwide requires a lot of operations to be carried out by the competent authorities in order to reach satisfactory results in this area while maintaining the effectiveness of this system and developing it continuously by monitoring committees and a qualified team, the most prominent of which are the following:

1. Qualifying the team for the granting of the tax card scientifically and practically through continuous courses by specialists before starting this work to reach the desired goal without major problems that can not be avoided that may lead to the cancellation of the project before its application.
2. Establishing a special section on tax inventory, provided that the division of granting or issuing the tax card to the taxpayers is one of the main divisions within this section because of the importance of this division is essential in the process of tax accounting.
3. Mechanization of information for each cost on computers within a program dedicated to accessing the information of each cost easily through this program.
4. The formation of specialized committees that strictly control those who apply the tax card system at least at the time of the establishment of this system until it is confirmed that the team of the tax card system can be relied upon and then carry out a periodic follow-up to ensure the integrity and durability of the system.
5. Establishing an electronic program in each branch of the General Tax Authority in which the data of each card are recorded with the association of these programs with the main system in the center of the General Authority for Taxation to update the data of the taxpayers first and maintain this data from forgery and distortion.

The Importance of Introducing a Tax Card System

The Importance of Implementing the Tax Card System in Iraq Is As Follows

A-Exchange of Information

The introduction of the tax card system nationwide helps to exchange tax information for taxpayers between all state departments and tax branches on the one hand and between the tax branches and the main center of the General Tax Authority on the other, as this information helps to reduce tax evasion by exchanging information about each taxpayer, but these departments and tax branches should take into account the confidentiality of this information and not disclose it except to the competent authorities in order to link or collect tax or to agencies Others in accordance with the laws in force in the country.

B- Maintaining the Tax Revenue

The imposition of taxation by the state on entry of all kinds is one of its sovereign rights, which it resorts to when it needs to cover public expenditures, as tax revenues in many countries are one of the most important sources of public revenue and in some countries tax revenues may be the most important because of the many opportunities it offers the State Treasury to raise funds to spend in various aspects within the needs of the state, as these funds are used in the construction of various investment projects such as structures Basic, industrial, commercial and other public services.

The failure to implement the tax card system in Iraq on the grounds that it is difficult to apply it because of the lack of qualified funds, staffing or other difficulties, which may be justified or unjustified, can be overcome at the state level.

Since tax revenues are of great importance in the financing of the general budget in most countries and the lack of such revenues negatively affects the fiscal deficit and therefore the economic environment is irregular, even if these countries depend on oil or other sources of natural or other sources of revenue, they should not sacrifice tax revenues that have a role to play in achieving the economic balance in the country.

C- Reducing Tax Evasion

The fact that the taxpayer has illegal fraudulent methods of tax evasion through various methods, the most important of which is to hide all or part of his activities, for example, to register in more than one branch of the General Tax Authority or to repeat his registration more than once in one tax branch or other methods.

The application of the modern tax card system based on an accurate information network linked between tax branches throughout the country and the main status of the Authority helps to deter taxpayers who attempt to carry out such acts through the strict control applied by this system, as well as overcoming the problem of name similarity through the system itself, which leads to the reduction of tax evasion.

D-Tax justice

Tax justice is one of the tax rules referred to in ancient and recent studies, as state nationals should contribute to government expenditures in accordance with their relative capacity, *i.e.*, according to the proportion of income they enjoy under the protection of the State.

Tax justice is the basic and important basis for the integrity of tax administration procedures because of the importance of this rule, which stems from the fact that it decides to equate all members of the state with public burdens.

The application of the tax justice rule is due to the establishment of the State on a moral basis, as taxing certain groups or individuals or discriminating against certain strata of society in tax treatment violates the system of values prevailing in contemporary societies.

Inequity and bias in the distribution of the tax burden, whether intentional or unintentional, or because of the lack of control by the tax administration, motivates the taxpayer to use various methods and methods to evade such taxes because of his or her obligation to pay them, with the possibility of other taxpayers evading them, and on the other hand, the individual's lack of sense of benefit from paying taxes despite his commitment to pay, which may also lead to tax evasion due to equal benefits. Which is up to members of the community whether they are committed to paying taxes or not.

According to the researcher, the introduction of the tax card system has a major role in achieving tax justice because it has the possibility of continuously pursuing taxpayers and thereby reducing the chances of evasion on taxpayers who are not committed to paying taxes.

Formal Procedures for the Application of the Tax Card System

The implementation of the tax card system requires a lot of skills, money, time, effort and technology, and this project has great benefits nationwide as the application of the tax card system is the starting point for the launch of a modern tax institution like the developed countries, and the application of this system has a major role in determining the tax and tax vessels imposed on it.

Working to activate this system has a major role to play in limiting the tax community to those who are responsible and sources of income, whether they are natural or moral.

Effective programmes should also be found to implement this system based on the capabilities of the general tax authority employees in charge of implementing the system and their continuous training in dealing with all the operations of the system and their ability to deal with all the taxpayers, as these employees represent the link between the tax authority they represent and the taxpayer.

There is no doubt that the work of tax credit officers in general and tax card system staff in particular is not without difficulty by representing the starting point of the tax accounting process.

Here we find a number of things that make this system able to confine the tax community clearly and accurately through the following formalities:

- A- Establishing a special section for tax inventory as mentioned earlier with a focus on the number of employees and their good abilities from a scientific and practical point of view with the establishment of the tax card

division to be developed in the future with the increasing numbers of personnel to be an independent section within the General Authority of Taxation.

With the importance of pursuing the objectives of this section, this section should be supported by efficient owners, especially in the field of electronic software, so that it can apply this system effectively, as most of the tax card issuance processes are based on electronic programs.

- B- Work to develop the information base, as the collection of information on each cost does not benefit the tax revenue unless this information is followed up and referred to in the tax accounting processes of each taxpayer, and this is done through continuous coordination between the General Tax Authority and all its branches and work to communicate the information about the person in charge first to reach the real sources required by law to be subject to the payment of taxes.
- C- Coordination with all state departments by forcing the taxpayer to bring in what he supports the innocence of his tax credit from the General Tax Authority before starting to deal with him either in the implementation of contracts or to enter into tenders or bids to carry out projects or works for these departments.
- D- Coordination with the Ministry of Interior by submitting appropriate proposals to urge it to carry out the draft national number, as the introduction of the national number system has a major role in facilitating the issuance of the tax card by carrying the same national number to the taxpayer, which makes it easier for the tax authority to reach the person requested as quickly as possible through its association with this ministry In order to overcome the problems of similarity of names that lead to the failure to benefit from the information available and specific to each cost obtained by the tax authority through its tax inventory methods, in addition to the number granted to the taxpayer helps to reduce the process of repeating registration with the General Tax Authority or one of its branches, whether in the tax branch itself or in another branch.
- E-Work on the preparation of forms forms that are used by the tax authority to collect information for each taxpayer by requesting that these forms be filled out by the taxpayer when applying for the extraction of the tax card in order to know the activities carried out by the taxpayer and the location of these activities while working on issuing one tax card for each taxpayer and if the activities carried out by him varied through coordination with the tax branches responsible for the work of these activities according to the geographical area or in accordance with the distribution mechanism of the General Tax Authority.

The importance of signing a written undertaking indicating responsibility for the validity of the information he has included in the form and if the data is found to be wrong is subject to legal accountability.

And - Publishing the instructions for the application of the tax card system and granting this card in the Official Gazette and its uncles to ministries and departments not associated with the whole ministry to be accessible to all, which helps to increase the awareness of the taxpayers in the application of the tax card system.

To take advantage of other experiences of countries that have implemented the tax card system to facilitate the application process and to overcome the mistakes faced by developing appropriate mechanisms to solve sufficient problems that may face the application of the system (Figure 1).

Iraq Ministry of Finance General Taxation Authority	Consolidated tax number <input type="text"/>
Full cost name	<input type="text"/>
Type of activity	<input type="text"/>
Other activities	<input type="text"/>
Registration year	<input type="text"/>

**FIGURE 1
APPLICATION OF THE TAX CARD SYSTEM**

Clarification: The consolidated tax number consists of (14) ranked: (6) of which is for the tax file number, (2) for the number of the tax branch, (2) for the province registered in it, (2) for the birth and (2) for audit.

This research aims to present the results of the opinion and arbitration form for the study based on some statistical methods and tools in dealing with questions and answers. This form contains two axes, one for tax credit and the other for a tax card.

Statistical Methods and Tools used in Analysis

Percentage

They were extracted from the repeat tables by (part-to-part ratio multiplied by 100) and used to give an idea of the views of the search sample, to indicate the direction of their answers and to give a preliminary indication of their agreement or not.

Arithmetic Medium

It is one of the most important measures of centralism and benefits in presenting the results and clarifying the rate of answers of the sample search for each question, and then comparing it to the hypothetical medium of each question, the greater the computational medium or equal to the hypothetical medium indicated a compatibility in the answers sample search for the question addressed to them. It is extracted through.

$$\text{Arithmetic Medium} = \text{MGK}/N$$

If you=repetition, x=sample answer scores, n=total sample members

The Hypothetical Medium

A hypothetical number set by the researcher through a certain equation is extracted as follows.

Mid-hypothesis=Middle Alternative X Number of Question Paragraphs

The middle alternative=the third answer option (somewhat agreed)

Standard Deviation

It is the most important and accurate measure of absolute dispersion in the search sample answers that measure the extent to which values are dispersed from the computational medium. The larger the standard deviation, the higher the difference in the answer and the lack of direction of the study sample to a specific answer. It is extracted from a product (the square root to divide the sum of variable deviation boxes from the computational medium to the sum of iterations).

$$\text{Standard deviation} = \sqrt{\frac{mg(s - s\sim)^2}{mgk}}$$

X=Alternative X~=Computational medium of sample answers as=repetitions

Tax Credit

The first axis of the opinion and arbitration form (15) included fifteen questions for tax inventory presented to the research sample, and for the purpose of extracting the distinguishing power of the first axis questions was used the next test, a statistical test conducted by taking an independent sample consisting of (7) the first persons, for example, of the total sample and (7) final persons from the total sample and thus identifying the extent of deviation between the upper sample and the lower sample to see the indication of the differences between the averages of the group Upper, lower group and standard deviation of the two groups.

Question	Upper Group		Lower group		Calculated T-value	Significance
	Arithmetic medium	Standard deviation	Arithmetic medium	Standard deviation		
1	3.75	0.866	3.66	0.492	0.290	Non-function
2	4.41	0.668	3.91	0.514	2.053	Non-function
3	3.75	1.42	2.66	0.778	2.315	function
4	2.75	1.13	2.66	1.23	0.172	Non-function
5	5.00	0.00	4.41	0.514	3.924	function
6	4.66	0.651	3.66	0.778	3.413	function
7	4.58	0.514	3.91	0.900	2.227	function
8	4.75	0.452	3.75	0.452	5.416	function
9	4.91	0.288	3.75	0.753	5.007	function
10	4.16	0.389	3.41	0.668	3.358	function
11	4.41	0.668	3.50	0.904	2.823	function
12	4.58	0.514	3.41	0.900	3.897	function
13	4.33	0.887	3.41	0.514	3.094	function
14	5.00	0.00	3.83	0.937	4.311	function
15	4.75	0.452	4.16	0.834	2.128	function

The table 1 shows that all questions were statistically significant except (1,2,4) because the calculated T value was lower than the table T value at 0.05 and the 22 freedom score of 2.07, so three questions were deleted from the first axis for lack of significance and the number of questions subject to statistical analysis (12) became questions, the answer to which was as follows.

- Table T value at 0.05 and freedom score 22=2.07

Tax Card

The second axis of the Opinion and Arbitration Form (13) included thirteen questions for the tax card presented to the research sample, and for the purpose of extracting the distinctive power of the second axis questions, the next test was used for two separate samples to identify the indication of the differences between the averages of the upper and lower groups and the standard deviation of the two groups.

Question	Upper Group		Lower group		Calculated T-value	Significance
	Arithmetic medium	Standard deviation	Arithmetic medium	Standard deviation		
1	4.750	0.452	3.83	0.389	5.322	function

2	4.750	0.452	3.50	0.522	6.268	function
3	3.41	0.900	3.33	0.778	0.243	Gerdala
4	4.41	0.900	3.33	0.651	3.377	function
5	4.75	0.452	3.41	0.668	5.722	function
6	5.00	0.00	3.41	0.514	10.652	function
7	4.53	0.514	3.16	0.389	7.603	function
8	4.16	0.389	3.58	0.514	3.130	function
9	4.50	0.522	3.75	0.866	2.569	function
10	4.41	0.514	3.50	0.522	4.330	function
11	4.41	0.514	3.1667	0.717	4.902	function
12	3.08	1.083	2.83	1.11	0.557	Gerdala
13	4.75	0.452	3.75	0.753	3.941	function

The table 2 shows that all the questions were statistically significant except (12.3) because the calculated T value is lower than the table T value at 0.05 and the freedom score of 22 of 2.07, so that two questions are deleted from the second axis because they are not indicative and the number of questions subject to statistical analysis (11) becomes.

CONCLUSION

In the light of what has been studied, a set of conclusions has been reached that will be presented as follows:

1. Planning procedures for the tax community accounting by the tax administration have not reached the level of clear and accurate inventory of taxpayers.
2. The information system used by the Department of Information did not provide the necessary information to follow up on new and new economic activities that are supposed to be subject to the provisions of the Iraqi Income Tax Act, thereby losing the possibility of reaching new taxpayers and the inability to update the data and addresses of the taxpayers and change their social situations in their evidence.
3. The methods of communication between the General Authority for Taxation and its branches are not suitable for the nature of the work and the speed required to complete it, especially in the area of data and information modernization.
4. The absence of awareness programs that help to raise tax awareness among taxpayers and not help them to interpret legal texts, mechanisms and procedures that seem vague or complex to the taxpayers, which negatively affects the process of accounting for the tax community.
5. The fact that the General Tax Authority does not have a single register (a record that does not allow the registration of the taxpayer more than once and to identify it only, *i.e.*, a record that helps to avoid similar names, titles, professions and other forms of identification and significance) has a negative role in the process of limiting the tax community.
6. Twice the obligation of state departments and public and mixed sector companies to send quotes to the General Tax Authority, and if sent it is difficult for the tax administration to distribute them according to their return, the application of the tax card system helps to solve this problem.
7. Giving each taxpayer an identification number that distinguishes him from other taxpayers helps to avoid the similarity of names, qualities or any other semantic formula, which supports the need to apply the draft national number in Iraq because it has an active role in the process of restricting the tax society.
8. The circumstances in which the country is going through, the diversity of economic activity and the difficulty of moving and dividing tax administration staff have a negative role to play in confining the tax community.
9. Iraq needs to apply the tax card system within the tax credit procedures and this supports the research hypothesis.
10. The introduction of the tax card system helps to prevent duplication of the opening of tax credits in one or different branches, which helps to clearly and accurately account for the tax community.

REFERENCES

- Abd Ghani, M.K., Jaber, M.M., & Suryana, N. (2015). Telemedicine supported by data warehouse architecture. *ARPJ Journal of Engineering and Applied Sciences*, 10(2), 415–417.
- Alazzam, M.B., Basari, A.B.D., Sibghatullah, A.S., Ramli, M.R., Jaber, M.M., & Naim, M.H. (2016). Pilot Study Of EHRS Acceptance In Jordan hospitals By Utat2. *Journal of Theoretical & Applied Information Technology*, 85(3).
- Amin, A.M. (2000). Evaluation of the effectiveness of the income tax accounting system in Iraq, Doctoral thesis, Faculty of Management and Economics, Mustansiriyah University.

- Al-Dulaimi, S.F.K. (2004). Duties of the financial authority towards the taxpayers, in income tax law No. 113 of 1982. Master's thesis, Al-Nahrin College, University of The Two Rivers.
- Al-Shafei, A.H.A. (2005). Factors affecting income tax revenue in Iraq, applied study of the impact of tax rate, high diploma letter equivalent to master's degree. Higher Institute of Accounting and Financial Studies, University of Baghdad.
- Al-Mayahi, A.F. (2007). Tax administration in Iraq between reforms and mechanisms to combat tax evasion, (realistic study of the performance of the General Authority for Taxation in Iraq), Iraq Research Center.
- Al-Quragoli, S.M.H. (2010). Tax card and tax inventory procedures (survey at the general tax authority). *Higher Institute Of Accounting and Financial Studies*.
- Draz, H.A.M. (1999). Tax Systems, University House, Alexandria.
- Guest, M., Adali, N., & Suleimani, Y. (2019). Tax credit as a mechanism to reduce tax evasion, MartyrHameh University for Khader al-Wadi.
- Hussein, I.M.A. (2018). Active role of computer information systems in tax inventory. *Journal of the Higher Institute of Accounting and Financial Studies*.
- Income Tax Act No. 113 of 1982.
- Jaafar, M.H. (1991). Strengthening the elements of trust between the officials and the financial authority, high diploma research, Baghdad University.
- Jawad, S.A. (2006). Causes of tax evasion in Iraq, searched for the work of the tax reform conference organized by the Ministry of Finance in cooperation with Bernk Point for the period 2122/11/2006.
- Jabbar, R. (2001). The role of tax administration in the fight against tax evasion, (comparative study). *Research Published In The Journal of The First Tax Scientific Conference*.
- Jaber, M.M. (2015). Barriers faces telemedicine implementation in the developing countries: Toward building Iraqi telemedicine framework. *ARN Journal of Engineering and Applied Sciences*, 10(4), 1562–1568.
- Jarrar, M., Minai, M.S., Al-Bsheish, M., Meri, A., & Jaber, M. (2019). Hospital nurse shift length, patient-centered care, and the perceived quality and patient safety. *International Journal of Health Planning and Management*, 34(1), e387–e396.
- Kasich, K.S. (2006). Tax awareness in Iraq, causes of decline and ways to rise, research published in the journal of the Conference on Tax Reform, The Ministry of Finance, The Economic Department, for the period 21/22/11/2006.
- Meri, A., Hasan, M.K., Danaee, M., Jaber, M., Safei, N., Dauwed, M., Abd, S.K., & Al-bsheish, M. (2019). Modelling the utilization of cloud health information systems in the Iraqi public healthcare sector. *Telematics and Informatics*, 36, 132–146.
- Mohammed, M.A., Hassan, M., Fuad, A., & Jaber, M.M. (2014). Follow up system for directorate of scholarship and cultural relations in Iraq. *International Conference on Computer, Communications, and Control Technology (I4CT)*, 182–187.
- The system of the chosen no. (1) for the year 1999 Iraqi facts, number 3777 on 7 June 1999.
- Website of the Egyptian Tax Authority www.incometax.gov.eg