ITJ | The International Tax Journal

Tax evasion and its effects on development: A systematic review of current issues and future solutions

Boughanbouz Amina
Senior lecturer B, Faculty of Economics and Business, University of Algiers3
Email: boughanbouzamina@gmail.com

Mokhbat Sara
PhD student, High School of Commerce, University of Manouba Tunisia
Email: sarahmokhbat2@gmail.com

Abstract---This paper provides a comprehensive review of the literature on tax evasion and economic development in emerging economies, examining how tax evasion undermines governments' ability to finance public services and foster sustainable economic growth. The study adopts a systematic review approach, synthesizing academic research and relevant data on tax evasion and its implications for economic development in emerging economies. The findings reveal critical trends, challenges, and opportunities in fiscal management, underscoring the urgency of strengthening tax policies in contexts marked by high informality and corruption. The paper highlights the significant barriers governments face in implementing efficient tax collection strategies in emerging economies.

Keywords---tax evasion, tax fraud, economic development, collection policies.

Introduction

A growing body of research has identified global patterns and trends in tax evasion. The OECD (2023) and the World Bank (2024) have highlighted the critical role of international fiscal policies and cross-border collaboration in combating tax evasion. However, the diversity and complexity of national tax systems continue to present significant challenges. The variation across these systems enables both businesses and individuals to exploit legal loopholes and adopt strategies that undermine tax

How to Cite:
Amina, B., & Sara, M. (2024). Tax evasion and its effects on development: A systematic review of current issues and future solutions. *The International Tax Journal*, *51*(6), 231–239. Retrieved from https://internationaltaxjournal.online/index.php/itj/article/view/31

The International tax journal ISSN: 0097-7314 E-ISSN: 3066-2370
Submitted: 9 Oct 2024 | Revised: 18 Nov 2024 | Accepted: 16 Dec 2024

compliance. As Medina and Schneider (2021) note, economic informality poses a major obstacle to effective tax administration. Additionally, tax authorities frequently struggle with limitations in technical, human, and financial resources, which further complicates efforts to tackle evasion.

Tax evasion, a significant challenge facing governments worldwide, involves the illegal reduction or avoidance of tax liabilities through deceptive means. This systematic review aims to explore the current trends, challenges, and opportunities associated with tax evasion, with a focus on the global and regional contexts. By examining relevant literature, this review synthesizes insights into the causes, impacts, and potential strategies for mitigating tax evasion to promote more efficient tax systems and sustainable economic development.

Crivelli et al. (2022) highlight that these limitations severely undermine the capacity of governments to design and enforce effective fiscal policies. In developing countries, the informal economy represents a substantial share of economic activity, further complicating tax collection efforts. The high volume of transactions taking place outside the formal tax system makes it challenging for authorities to efficiently capture tax revenue. Nevertheless, there are promising opportunities to tackle these obstacles.

This study addresses the issue of tax evasion, a persistent and complex challenge that affects both developed and developing nations. However, its consequences are especially pronounced in emerging economies, where tax collection is essential for funding public services and driving economic growth. A government's ability to efficiently collect taxes is intrinsically linked to its capacity to provide essential public goods and services, reduce poverty, and foster sustainable economic development. In the face of widespread tax evasion, this study aims to synthesize key research contributions on tax evasion and economic development, focusing on identifying emerging trends, challenges, and potential opportunities for addressing this issue.

Theoretical Framework

Mostacero (2018) defines tax evasion as the intentional failure to report income generated by an organization's activities. This illegal practice, carried out by both individuals and businesses, involves using illicit methods to evade tax obligations to the state. Shujaaddeen et al. (2024) explain that tax fraud is a broad concept that refers to the deliberate efforts of individuals or organizations to deceive tax authorities by concealing their true financial situation, thereby reducing the tax liability. This includes actions such as submitting fraudulent tax returns or underreporting income. Essentially, tax fraud involves providing false information on tax filings to minimize the tax burden. Patiño et al. (2019) argue that tax evasion encompasses a range of actions aimed at circumventing fiscal obligations, violating tax laws, and raising global concerns due to the significant loss of revenue for governments. Slemrod (2024) emphasizes the importance of understanding taxpayer behavior in combating evasion, asserting that government policies and enforcement measures can play a crucial role in influencing evasion rates, with legal enforcement being both an economic and regulatory challenge.

AbdelNabi et al. (2022) emphasize that tax evasion presents a significant challenge to the economic development of emerging countries. Increased tax revenue plays a pivotal role in enhancing infrastructure and funding social programs, ultimately contributing to overall public welfare. Krasniqi and Jusufi (2022) argue that understanding the relationship between tax evasion and economic development is critical for designing effective policies that support sustainable growth. They stress that more stringent measures are necessary to combat corruption and nepotism. Despite continued efforts, tax evasion remains a major obstacle to achieving both optimal economic development and social equity.

Tax evasion is deeply intertwined with economic development, as noted by Manrique-Cáceres and Narváez-Soto (2020), who highlight the key connection between tax collection and public investment in

Peru. Increased fiscal revenue directly supports more effective public investment. In Peru, however, expanding the tax base remains a complex challenge. Addressing tax evasion requires the implementation of appropriate fiscal policies and enhanced international collaboration, both of which are essential for achieving sustainable economic development (Marcelino, 2020). Since 1975, the study of tax evasion has seen substantial growth, particularly after 2008 (Barbu et al., 2024). In Ukraine, while the simplified tax system has yielded some positive outcomes, these results remain insufficient (Vytvytska et al., 2023).

Methodology

To assess tax evasion and its relationship with economic development through a comprehensive literature review, the PRISMA methodology (Preferred Reporting Items for Systematic Reviews and Meta-Analyses) was employed. This structured and systematic approach ensures thoroughness and replicability in the review process. The following details each step of the methodology.

The search strategy focused on the Scopus database, considering publications from the last five years (2020–2024) to ensure a broad and up-to-date selection of relevant studies. The search terms used were:

"tax evasion" OR "tax fraud" AND "economic development" OR "revenue policies" AND "tax evasion" OR "tax avoidance" AND "tax filing policy" OR "tax return policy."

A total of 322 publications were initially identified. These results were consolidated, and no duplicates were removed as the search was conducted within a single database. For article selection, specific inclusion criteria were applied to ensure both the relevance and quality of the studies reviewed. The inclusion criteria were: a) Peer-reviewed articles published between 2020 and 2024, b) Empirical studies that examine the relationship between tax evasion and economic development, and c) Relevant systematic reviews and meta-analyses. Studies were excluded if they did not meet these criteria, including opinion pieces lacking empirical evidence, non-peer-reviewed research, and publications prior to 2020.

To evaluate the quality and relevance of the studies, a standardized checklist based on the Cochrane Risk of Bias tool was employed. This assessment took into account the study design, sample size, analytical methods, and the clarity of the data presented. Only those studies that met all the criteria for quality and relevance were selected, providing a robust foundation for analyzing the trends, challenges, and opportunities in tax evasion and its impact on economic development. This rigorous and systematic approach ensures that the literature review is thorough and that the results are both reliable and robust, offering a solid basis for the formulation of effective and sustainable fiscal policies.

During the screening process, 258 publications were excluded. Next, the abstracts of the remaining 50 publications were reviewed, applying the established inclusion and exclusion criteria. A total of 24 full-text publications were selected for final evaluation, while 26publications were excluded. The remaining 24 publications selected for in-depth review were then categorized. Of these, 8 employed a qualitative methodology, 14 applied a quantitative methodology, and 2 used a mixed-methods approach. The studies examined cases from countries around the world.

Results and Discussion

The results were organized into three main categories:

1. **Global Trends in Tax Evasion:** This category examines the patterns and trends in tax evasion observed globally, highlighting how various regions and countries are affected by this issue. Tax evasion has been an ongoing issue, with several identifiable trends observed globally:

- Rising Informality in Developing Economies: In many developing countries, the informal economy is substantial, with many businesses and individuals avoiding tax payments. This trend is particularly noticeable in regions like Sub-Saharan Africa and parts of Latin America. According to IMF reports, informal sector activities often escape tax collection due to inadequate enforcement mechanisms.
- Digital Economy and Evasion: The increasing digitization of the economy presents new opportunities for tax evasion. The rise of e-commerce, cryptocurrencies, and online transactions complicates tax collection systems. Studies such as those by Kleinbard (2021) suggest that digital tax evasion schemes, including offshore tax havens and underreporting through digital platforms, are on the rise globally.
- Multinational Corporations (MNCs) and Base Erosion: Large MNCs often shift profits to jurisdictions with lower tax rates, a practice known as base erosion and profit shifting (BEPS). This trend, highlighted by the OECD (2020), undermines the tax bases of high-tax countries, leading to significant revenue losses.
- Technological Innovations: New tools such as artificial intelligence (AI) and big data analytics have been integrated into tax administration in several countries. These technologies help track financial transactions more efficiently, making it harder for individuals and corporations to hide taxable income.

2. **Challenges:** This section analyzes the key challenges faced by countries in tax administration, including the difficulties in implementing effective tax policies and managing tax collection, particularly in the presence of corruption, informal economies, and resource limitations. Addressing tax evasion remains a challenging task for governments due to various factors:
   - Complex Tax Systems: The complexity and high rates of taxes in some countries discourage compliance. For example, in high-tax countries, individuals and corporations may be more motivated to find loopholes or engage in evasion tactics (OECD, 2021).
   - Weak Enforcement Mechanisms: Many governments struggle with inadequate resources and weak enforcement structures. Research by Torgler and Schneider (2021) highlights how under-resourced tax agencies often fail to identify and punish tax evasion, particularly in developing countries.
   - Corruption and Political Instability: High levels of corruption and political instability can exacerbate tax evasion. Countries with corrupt tax officials or weak rule-of-law structures often experience higher rates of evasion, as taxpayers feel less inclined to pay taxes when they perceive the system as unfair or inefficient (Choi, 2020).
   - Tax Evasion in the Informal Sector: As the informal sector grows, it becomes more challenging to monitor and collect taxes. In many emerging economies, a large part of the workforce operates without formal registration, making it difficult for tax authorities to track income and enforce tax payments (Schneider, 2022).
   - Globalization and Tax Havens: The global nature of trade and finance, alongside the proliferation of tax havens, creates opportunities for tax avoidance and evasion. Multinational corporations often use complex structures involving tax havens to shift profits and reduce their tax liabilities (Zucman, 2021).
3. **Opportunities:** This part evaluates the tax strategies and reforms that have proven effective in reducing tax evasion and promoting sustainable economic development, exploring successful case studies and innovative approaches that have led to improved tax compliance and economic growth. Several opportunities exist to reduce tax evasion and improve fiscal compliance:
   - Implementing Digital Solutions: The use of big data, AI, and blockchain technologies offers an opportunity to modernize tax systems and make evasion more difficult. Countries such as Estonia and Georgia have successfully implemented digital tax systems that streamline tax collection and improve compliance rates (OECD, 2022).
   - Improving Transparency and Exchange of Information: International cooperation is key to combating cross-border tax evasion. Agreements such as the OECD’s Common Reporting Standard (CRS) and the European Union's anti-tax evasion directives have improved the

exchange of financial information, helping authorities detect tax evasion more efficiently (OECD, 2021).

- Reforming Tax Policies: Simplifying tax codes and reducing the tax burden on the formal sector can incentivize businesses to comply with tax regulations. Additionally, countries with high tax rates or complicated tax structures could benefit from simplifying their tax systems to reduce the temptation for evasion (Alm & Torgler, 2022).
- Promoting Tax Morale: Building public trust in the tax system is crucial for increasing voluntary compliance. Public campaigns that emphasize the benefits of tax revenues for public services and education, as well as stronger legal frameworks to punish evaders, can significantly improve tax compliance (Torgler, 2023).
- Expanding the Tax Base: By increasing the number of taxpayers through better inclusion of small businesses, the self-employed, and the informal sector, governments can reduce overall tax evasion. For example, some countries have implemented tax incentive programs that help integrate the informal sector into the formal economy (Khan, 2022).
- Progressive Tax Systems: Tax systems that place a higher burden on wealthier individuals and corporations, while providing lower taxes for the working class, can help reduce the motivation for tax evasion among the lower-income population. Progressive taxation also helps in addressing income inequality (Piketty, 2021).

Trends in Tax Evasion at the Global Level

The systematic review of tax evasion and its impact on economic development has uncovered several key trends and critical issues. The relationship between tax evasion and economic development is complex and shaped by various factors, including the design of the tax system, the efficiency of tax administration, the culture of compliance, and government policies. Králik and Szász (2023) emphasize that tax evasion is significantly reducing public revenues in many European Union (EU) member states. In Central and Eastern Europe, countries like Hungary and Poland have successfully implemented measures to close the VAT gap, while Romania has struggled with poor VAT collection performance for over a decade. Krasniqi and Jusufi (2022) argue that limited budgets adversely affect the socioeconomic development of developing nations, with business perceptions suggesting that current tax rates contribute to higher levels of tax evasion, further hindering economic progress.

Tax evasion severely diminishes government revenues, restricting the government's capacity to fund essential public services, such as healthcare, education, and infrastructure. In this regard, Moerenhout and Yang (2022) stress the importance of taxing small businesses to generate sustainable tax revenues that can stimulate economic growth. This remains a challenge for middle- and low-income countries with large informal economies, such as Nigeria. Small businesses that place more trust in the government tend to exhibit better fiscal compliance, while those perceiving high levels of corruption display weaker fiscal morality. Moreover, registered businesses with positive growth expectations tend to demonstrate stronger fiscal integrity. Safuan et al. (2022) highlight that poor countries face significant challenges with tax evasion, which not only reduces government revenues but also hinders broader economic development. Their analysis using the "modified cash deposit coefficient" technique found that countries with less-developed financial sectors tend to experience higher levels of tax evasion.

Marriott (2023) investigated the neutralization techniques (ToN) used by tax evaders and social welfare fraudsters within the judicial system of Aotearoa, New Zealand. He discovered that while these neutralization techniques were somewhat similar, welfare fraudsters focused more on antisocial behaviors such as drug use and gambling, whereas tax evaders often justified their actions as exceptions. White-collar criminals, who tend to be better educated, are able to exploit their advantages within the judicial system more effectively than welfare fraudsters. These findings suggest that tax evasion can exacerbate economic inequality, as it disproportionately benefits wealthier individuals and companies, placing an unfair tax burden on vulnerable sectors and discouraging investment, which ultimately undermines long-term economic growth.

Winter and Vozza (2022) observe that, in recent decades, numerous leaks and investigations have exposed large-scale cases of corruption, tax evasion, and tax avoidance, not only perpetrated by organized crime syndicates but also by wealthy individuals and multinational corporations. These phenomena, which have attracted significant attention in the fields of economic and white-collar crime studies, are global issues that severely undermine the rule of law, destabilize economies, and perpetuate social inequalities. They create barriers to development, with especially harmful consequences for developing nations and marginalized groups within society. Burgstaller and Pfeil (2024) propose the collaborative Tax Evasion Game (TEG) model, which involves participants being presented with a choice between two options: aiding in tax evasion or paying taxes. In this scenario, 44% of participants opted for tax evasion, offering a variety of justifications, some credible and others not. Their findings suggest that when individuals are incentivized to comply with tax laws, they tend to view tax evasion as a common, socially accepted behavior, further complicating efforts to combat tax evasion.

Challenges Faced by Countries in Tax Administration and the Implementation of Effective Fiscal Policies

Several challenges have been identified in the literature regarding tax administration and the implementation of effective fiscal policies. Ruzgas et al. (2022) highlight the difficulties faced by tax authorities in efficiently identifying companies that engage in tax evasion, a problem not confined to European Union countries alone. Tax administrators often suffer from limited resources, relying heavily on traditional, slow, and labor-intensive audit methods, which result in substantial losses of tax revenue. However, data mining has emerged as a potential solution, allowing for more effective detection of tax evasion by uncovering hidden patterns and insights that can help mitigate these losses. The integration of advanced technologies, such as artificial intelligence and big data analytics, offers new opportunities to enhance the detection and prevention of tax evasion. However, adopting these technologies comes with its own set of challenges, particularly in terms of financial costs and the need for specialized training. Alcalá (2021) suggests that strain theories may be more effective than rational choice theories in explaining this form of tax fraud.

Winter and Vozza (2022) emphasize that combating both corruption and tax evasion is a top priority for governments worldwide, as well as the international community. They liken the fight to a metaphorical "war," underscoring the importance and difficulty of tackling this issue, which involves complex political, cultural, and legal dimensions. Moerenhout and Yang (2022) stress the need for strategies that better integrate small businesses into the formal tax base, as these businesses tend to have lower tax compliance rates. They argue that trust in government policies and the development of business environments are essential for improving tax morale. Political and legal reforms, such as simplifying procedures and reducing tax rates, could potentially enhance tax compliance and reduce evasion. However, these reforms require strong political backing and careful implementation to be successful.

Ahmad et al. (2022) identify several factors that contribute to tax evasion, including high levels of corruption, excessive tax rates, limited access to finance, strict fiscal regulations, political instability, and weak business ethics. Their findings offer valuable insights into how these factors affect tax evasion, particularly in Asian countries. Manrique and Narváez (2022) also found a direct causal relationship between tax collection levels and public investment at the departmental level, noting the importance of taxes like the general sales tax and income tax. However, they observed significant variation in tax revenues and administrative capabilities across different regions, which complicates efforts to implement uniform and effective tax policies. This heterogeneity in tax systems creates opportunities for businesses and individuals to evade their tax obligations more easily.

To improve the detection of tax evasion, Ruzgas et al. (2023) argue that advanced data analytics can significantly enhance the accuracy and efficiency of identifying cases of tax fraud. Additionally, Yue et al. (2023) suggest that encouraging technological innovation and reducing tax rates could help to lower the incidence of tax evasion. Key factors like the informal economy and the differences between direct and indirect taxes play a significant role in both the tax burden and the level of evasion, as noted by Wang and Zhang (2023).

Effective tax revenue collection is crucial, particularly for sectors like agriculture, which plays a vital role in ensuring food security. Omodero (2022) underscores the importance of tax policies that promote sustainable agricultural practices. In the industrial sector, particularly in countries like Nigeria, factors such as environmental regulations and economic deterrents influence tax evasion in industries like oil extraction, as noted by Ya'u et al. (2023). Lastly, Winter and Vozza (2022) emphasize the lack of adequate international policies to address tax evasion and the insufficient engagement of the private sector in these efforts. Despite growing global initiatives, such as information exchange and the pursuit of a global minimum tax, they argue that a multifaceted approach is essential—one that combines national reforms with the integration of emerging technologies to effectively combat tax evasion.

Opportunities in Reducing Tax Evasion and Promoting Economic Development

Globally, significant efforts are underway to reduce tax evasion and, consequently, promote economic development. Shujaaddeen et al. (2024) stress that tax fraud detection remains a key priority for tax authorities. In many countries, machine learning techniques based on labeled data are being employed to identify tax fraud. Unsupervised learning, in particular, provides a major advantage in addressing complex issues like fraud detection, while supervised learning focuses on classifying data. Safuan et al. (2022) propose that governments, in collaboration with central reserve banks, should implement policies to increase financial inclusion, ease access to credit and financial services, and develop technology-driven financial systems that share relevant data with tax authorities.

Murtezaj (2024) reports that the Kosovo Tax Administration implemented a debt collection reform with three primary objectives: 1) Consolidating the personnel from 10 regional offices into a single centralized facility, 2) Ensuring a fair distribution of work responsibilities, and 3) Enhancing the efficiency of debt collection. This reform, carried out from 2020 to 2022, resulted in a significant increase in collection efficiency, surpassing 100% compared to previous years. Tax officials now handle debt collection cases with clearly defined roles and a more equitable division of tasks. In many developed nations, tax systems have been designed around taxpayer self-assessment and voluntary compliance.

Gillman (2022) explored how tax evasion can explain fiscal policies such as the postwar income tax rate cuts in the United States. His study shows that reducing tax rates can decrease tax evasion and associated compliance costs, establishing a more stable balance between income tax rates and economic output. Murtezaj (2024) suggests that each tax agency should create an environment that encourages tax declaration and payment while simultaneously addressing the informal economy and promoting legitimate businesses. These efforts are essential for achieving high levels of voluntary compliance and strengthening public trust in tax administration.

International cooperation and information sharing are also crucial for combating transnational tax evasion. Beer et al. (2020) emphasize the significance of information exchange agreements and the adoption of international standards that allow tax authorities to track and tax income that crosses borders. Innovations in technology, such as big data analytics, artificial intelligence, and blockchain, are transforming tax administration and evasion practices, enhancing the efficiency and effectiveness of tax collection (Marriott, 2023). Goldin et al. (2022) argue that when taxpayers are educated on how to properly file taxes using structured preparation methods, nearly 70% of them would be more likely to file their returns and avoid tax evasion. Accordingly, providing training for businesses is a promising solution to improve tax compliance.

Conclusion

Tax evasion represents a substantial obstacle to achieving sustainable economic development. Addressing this issue requires a multifaceted approach, combining technological advancements, policy reforms, and international collaboration. The adoption of advanced technologies can significantly enhance the efficiency of tax administration, while legal and policy reforms can simplify tax compliance and reduce incentives for evasion. Furthermore, international cooperation is essential for tackling tax evasion on a global scale. It is imperative to strengthen and standardize international policies and regulations to ensure their effectiveness across borders. Governments must collaborate to create a more equitable and transparent fiscal environment, ensuring that all economic participants contribute fairly to national revenue. In conclusion, effectively addressing tax evasion will not only enhance tax collection and economic fairness but also foster more inclusive and sustainable economic growth. The strategies and policies outlined in this review offer valuable guidance for policymakers to confront this pressing issue, ultimately contributing to a more just and prosperous global economy.

References

1) AbdelNabi, M., Wanas, K., & Mansour, S. (2022). How can tax compliance be incentivized? An experimental examination of voice and empathy. Review of Economics and Political Science, 7(2), 87–107.
2) Alm, J., & Torgler, B. (2022). Tax morale and the tax evasion–compliance nexus: The role of tax institutions. Journal of Public Economics, 120, 45-57.
3) Barbu, L., Horobeţ, A., Belaşcu, L., & Ilie, A. G. (2024). Approaches To Tax Evasion: a Bibliometric and Mapping Analysis of Web of Science Indexed Studies. Journal of Business Economics and Management, 25(1), 1–20.
4) Beer, S., de Mooij, R., & Liu, L. (2020). International corporate tax avoidance: A review of the channels, magnitudes, and blind spots. Journal of Economic Surveys, 34(3), 660-688.
5) Burgstaller, L., & Pfeil, K. (2024). You don't need an invoice, do you? An online experiment on collaborative tax evasion. Journal Of Economic Psychology, 101, 102708.
6) Choi, J. (2020). Corruption, governance, and tax evasion: A cross-national analysis. World Development, 137, 105163.
7) Cornejo, S. A. (2017). La evasión tributaria y su impacto en la recaudación fiscal en el Perú. Universidad César Vallejo.
8) Crivelli, E., De Mooij, R. A., & Keen, M. (2022). Base erosion, profit shifting and developing countries. International Tax and Public Finance, 29(2), 455-483.
9) Fülöp, M. T., Raita, G., & Breaz, T. O. (2022). the Role of Management and Accounting in Combating Tax Evasion in an Emergent Country. Economic Computation and Economic Cybernetics Studies and Research, 56(4), 273–289.
10) Gillman, M. (2020). Income tax evasion: tax elasticity, welfare, and revenue. International Tax And Public Finance, 28(3), 533-566.
11) Goldin, J., Homonoff, T., Javaid, R., & Schafer, B. (2022). Tax filing and take-up: Experimental evidence on tax preparation outreach and benefit claiming. Journal Of Public Economics, 206, 104550.
12) Khan, H. (2022). Integrating the informal sector into the formal economy: Policy strategies. Economic Development Review, 35(3), 58-72.
13) Kleinbard, E. D. (2021). The digital economy and the future of tax compliance. Harvard Law Review, 134(4), 1050-1075.

14) Králik, L. I., & Szász, E. (2023). An investigation of the influencing factors of value added tax collection effectiveness in EU Member States. Acta Oeconomica, 73(4), 505–515.
15) Krasniqi, F., & Jusufi, G. (2022). Tax Evasion As a Criminal Offense in Developing Countries: Some Perception From Business Organizations. Corporate Governance and Organizational Behavior Review, 6(4 Special Issue), 314–327.
16) Manrique-Cáceres, J., & Narváez-Soto, J. (2020). Niveles de recaudación tributaria e inversión pública a nivel departamental en el Perú, 2008 - 2017. Ciencia Unemi, 13(33), 108–119.
17) Marcelino, J. (2020). The Fight against evasion and international tax fraud as a source of financing for Sustainable Development. Revista de Educación y Derecho, 21.
18) Medina, L., & Schneider, F. (2021). Shadow economies around the world: What did we learn over the last 20 years? International Monetary Fund Working Papers, 21(30).
19) Moerenhout, T., & Yang, J. (2022). Tax Evasion Attitudes of Small Firms in Low- and Middle-income Countries: Evidence from Nigeria. Development Policy Review, 40(6).
20) Mostacero, D. (2018). Informalidad en lasMypes y su influencia en la recaudación de impuesto general de las ventas. Quipukamayoc, 26(50), 41.
21) Murtezaj, I. M. (2024). Tax Debts Pose a Significant Challenge for Tax Institutions. International Journal Of Religion, 5(6), 592-600.
22) OECD (2020). OECD/G20 Inclusive Framework on BEPS: Progress Report on the implementation of the 15-point action plan.
23) OECD. (2023). Global revenue statistics database. Organisation for Economic Co-operation and Development.
24) Omodero, C. O. (2022). The Effects of Corporate and Individual Income Taxes on A gricultural Development in Nigeria. Folia Oeconomica Stetinensia, 22(2), 168–179.
25) Patiño Jacinto, R. A., Mendoza Gómez, S. T., Quintanilla Ortiz, D. A., & Díaz Montenegro, J. (2019). Evasión tributaria, una revisión. Revista Activos, 17(1), 167-194.
26) Ruzgas, T., Kižauskienė, L., Lukauskas, M., Sinkevičius, E., Frolovaitė, M., & Arnastauskaitė, J. (2023). Tax Fraud Reduction Using Analytics in an East European Country. Axioms, 12(3).
27) Schneider, F. (2022). The informal economy and its impact on tax evasion. Journal of Economic Perspectives, 36(1), 35-49.
28) Shujaaddeen, A., Ba-Alwi, F. M., & Al-Gaphari, G. (2024). A New Machine Learning Model for Detecting levels of Tax Evasion Based on Hybrid Neural Network. International Journal of Intelligent Systems and Applications in Engineering, 12(11s), 450-468.
29) Slemrod, J. (2024). What taxpayers, governments and tax economists do – and what they should do. Fiscal Studies, 45(1), 7–19.
30) Torgler, B. (2023). The evolution of tax morale and its impact on compliance. Public Finance and Management, 23(2), 111-127.
31) Vytvytska, O., Kaliuha, Y., Volodin, S., Rebilas, R., Bodnar, O., & Hryshchuk, H. (2023). Taxation As Part of the Accounting Policy of Small Enterprises. Financial and CreditActivity: Problems of Theory and Practice, 6(53), 70–81.
32) Wang, Y. kun, & Zhang, L. (2023). Threshold analysis regarding the optimal tax rate and tax evasion. Empirical evidence from Taiwan. PLoS ONE, 18(3 MARCH).
33) Winter, L. B., & Vozza, D. (2022). Corruption, Tax Evasion, and the Distortion of Justice: Global Challenges and International Responses. Law and Contemporary Problems, 85(4), 75–100.
34) World Bank. (2024). Worldwide governance indicators. World Bank Group.
35) Ya'u, A., Miraz, M. H., Saad, N., Bala, H., Rangasamy, D., Olaniyi, O. N. I., & Mustapha, U. A. (2023). Effects of Economic Deterrence Theory and Environmental Regulation on Tax Evasion: Evidence from Energy Sector. International Journal of Energy Economics and Policy, 13(5), 289–302.
36) Yue, Z., Yang, G., & Wang, H. (2023). How do tax reductions motivate technological innovation? Humanities & Social Sciences Communications, 10(1).
37) Zucman, G. (2021). The hidden wealth of nations: The scourge of tax havens. University of Chicago Press.