APPENDIX 1

RESEARCH QUESTIONNAIRE
Faculty of Economics & Administration
University of Malaya

RESEARCH QUESTIONNAIRE
A Survey on The Malaysian Tax Administrative System

Dear Sir/Madam,

This survey is for an MBA Research Paper. The purpose of this survey is to examine and evaluate the present tax administrative system and individual taxpayer's compliance level from the perspectives of tax collectors and tax agents.

Please take a few minutes to answer all questions as accurately as possible and return the questionnaire to the undersigned soonest possible. Your responses will be held in strict confidence.

Thank you for your time and cooperation.

(MARINA A. AZIZ)
Survey on Malaysian Tax Administrative System
Section A
Please circle your answers.

1. In general, what is your opinion about the efficiency of the Inland Revenue Board (IRB) as a tax collecting agency.

1. Highly efficient
2. Fairly efficient
3. Not efficient
4. Extremely inefficient
5. Not sure.

2. You are entrusted in leading the management of IRB. Do you think you would make changes to the Board’s current practices?

1. Yes
2. No
3. Not Sure.

3. If yes, please rank the following practices you would consider most appropriate to change, with 1 being most important and 7 the least important.

____ assessment procedure
____ collection procedure
____ appeal procedures
____ enforcement procedure
____ technical procedure (process of interpretation of the tax laws)
____ taxpayer service
____ staff training programme.
4. IRB has just issued a taxpayer with the notice of income tax liability for the assessment year. How confident are you with the tax computation?

1. Very little confidence
2. Somewhat confident
3. Fairly confident
4. Very confident
5. Not sure.

5. Have you heard of the concept of **self-assessment tax system**?

1. Yes
2. No
3. Not sure.

6. How do you feel should the government approve the implementation of the self-assessment system i.e. taxpayers computing their own taxes.

1. I would agree
2. I do not agree
3. It depends.

7. If do not agree or it depends, please state your reason(s).

________________________________________________________
________________________________________________________

8. Based on your experience, which group(s) of taxpayers know how to calculate their own taxes without the help of tax agents? (You may circle more than 1 if appropriate).

1. Taxpayers having employment income with lower than secondary education.
2. Taxpayers having employment income with secondary education.
3. Taxpayers having employment income with college or university education.
4. Taxpayers having business income with lower than secondary education.
5. Taxpayers having business income with secondary education.

6. Taxpayers having business income with college or university education.

7. Taxpayers having employment or business income with professional qualification.

8. All taxpayers require help from tax agents.

9. Which group(s) of taxpayers has/have the greatest opportunity not to comply with the tax law? (You may circle more than 1 if appropriate).
   1. Taxpayers who receive employment income
   2. Taxpayers who receive business income
   3. Taxpayers who receive rental income
   4. Taxpayers who receive income from odd jobs or daily wages.

10. Have you heard of the concept of voluntary tax compliance?
    1. Yes
    2. No
    3. Not sure.

11. Based on your experience, do you think taxpayers will comply voluntarily with the tax law if they are given the opportunity?
    1. Yes
    2. No
    3. It depends.

12. If no or it depends, please state reason(s).

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________________________________________________________________________
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13. Which group(s) of taxpayers are more likely not to comply with the tax law? (You may circle more than 1 if appropriate).

1. Taxpayers who receive employment income
2. Taxpayers who receive business income
3. Taxpayers who receive rental income
4. Taxpayers who receive income from odd jobs or daily wages.

14. How would you rate taxpayer's literacy on his/her own tax matters, on a scale of 1 through 9 (with 9 being very literate and 1 being poorly literate).

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15. Some of the possible ways to improve tax literacy of taxpayers are listed below. Please rank these methods from 1 to 8 (with 1 being the most effective and 8 the least effective ways).

___simplify the income tax returns and forms.
___free pamphlets of how to calculate various taxes.
___open more taxpayer service counters.
___expand the ‘taxpayer service week’ (MPPC) operation.
___expand the mobile unit operations.
___toll-free telephone information service.
___easy access to all information needed by the public.
___IRB should emphasise on service-oriented operation.

16. How would you rate taxpayer's ethics on his/her own tax matters, on a scale of 1 through 9 (with 9 being very ethical and 1 being very unethical).

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17. Some of the possible causes of tax evasion are listed below. Please rank these causes from 1 to 7 (with 1 being the major cause and 7 the least cause of evasion).

___ low tax literacy
___ low tax ethics
___ complex and ambiguous tax laws
___ unaware of how the revenue (tax money) collected is being utilised
___ lack of fairness of the tax system
___ have opportunities to evade taxes
___ 'others do it, so can I'.

18. If you ranked low tax ethics in question 17 between 1 and 4, please suggests on how to improve on them.

____________________________________________________________________________________
____________________________________________________________________________________

19. Some of the possible programs that could be implemented in promoting voluntary compliance are listed below. Please rank these programs from 1 to 7 (with 1 being very effective and 8 being the least effective program).

___ simplify the tax law
___ emphasize on taxpayer education
___ emphasize on penalties and sanctions
___ introduce positive incentives
___ implement tax amnesty
___ impose withholding of taxes on incomes other than salaries and wages
___ improve the public image of IRB.
20. If you ranked positive incentives in question 19 between 1 and 4, please explain what kind(s) of positive incentives the government should give to taxpayers if they timely submit returns or correctly pay taxes.

Section B
Some information about yourself. All responses will be treated with strictest confidence. Please circle your responses.

1. Gender
   1. Male
   2. Female.

2. Age
   1. 20-24 years old
   2. 25-34 years
   3. 35-49 years
   4. 50 and above.

3. Race
   1. Malay
   2. Chinese
   3. Indian
   4. Others, please specify_______

4. Marital Status
   1. Single
   2. Married with children
3. Married without children
4. Others, please specify

5. What is your highest education level?
   1. University graduate
   2. Qualified professional
   3. Diploma holder
   4. HSC/STPM holder
   5. MCE/SPM holder
   6. Others, please specify

6. Which of the following best describes you?
   1. A technical personnel of Inland Revenue Board
   2. A certified public accountant
   3. A licensed tax agent or tax accountant
   4. An employee of a tax consulting firm
   5. Others, please specify

7. Please indicate your experience in the tax field.
   1. Less than 3 years
   2. 3 - 5 years
   3. 6 - 8 years
   4. 9 - 11 years
   5. 12 - 14 years
   6. more than 14 years.
8. What is your monthly gross personal income?

1. Less than RM 1,500
2. RM 1,501 - RM 3,000
3. RM 3,001 - RM 5,000
4. RM 5,001 - RM 7,000
5. More than RM 7,000

End of questionnaire. Your responses are highly valuable contribution to this survey research.