CHAPTER 4: RESEARCH RESULT/FINDINGS

4.1 Demographic Profile

Survey carried out has given outstanding feedback from all respondents. Target of 300 samples from the population of all the taxpayers in the Klang Valley resulted in 179 responds from both using manually and electronically distribution method. 90% manual respondents fill up the questionnaire on the spot once being given to them, mainly at the IRBM's e-filing service counter. This is due to month end for the submission of BE form for employment income earners. The rest of the respondents are from family and friends that willing to answer the questionnaire through electronic mail.

From the survey, it was found that 54% of the samples are male. 27% of them aged between 21 to 30 years old, 57% aged between 31-40 years old, 8% aged between 41-50 years old, 6% aged between 51-60 years old and 2% of them aged 60 years old and above. 82% are Malays, followed by 9% Chinese, 5% Indian and 3% Others. As for occupational or vocational group, 52% of them are public sector employees with higher level of education, i.e. 51% are undergraduate, 17 % have master, 16% have diploma, 10% qualified with SPM/STPM and 5% doctorate. All of the samples are working and earning monthly income at the same time. 40% has worked for 6 to 10 years, 21% has worked for both 5 years and below and 11 to 15 years, 7% has worked for 16 to 20 years, 3% has worked for 21 to 25 years, 5% has worked for 26 to 30 years and 3% has worked for 31 years and above. 58% has monthly income between

RM2,501 to RM5,000, 25% has monthly income of RM5,001 to RM10,000, 12% has monthly income of RM2,500 and below, 2% has monthly income of RM15,001 to RM20,000 and 1% has monthly income of RM20,001 and above.

Out of the 179 respondents, 97% have computer and 95% have internet facilities at work or home which 88% of them use the internet everyday. 31% have used computer and 22% have access to the internet for 11 to 15 years, 30% have used computer and 38% have access to the internet for 6 to 10 years, 18% have used computer and 5% have access to the internet for 16 to 20 years, 7% have used computer and 29 have access to the internet for 1 to 5 years and 12% have used computer and 3% have access to the internet for 20 years and above. Since sample selection is done amongst taxpayers, 80% submit their tax return form through the internet using e-filing. Out of them, 26% pay their tax liability through the internet using e-payment, 27% pay through the monthly tax deduction (MTD), 22% pay at the bank, 9% pay at the IRBM's counter and 4% pay using the automated teller machine (ATM).

It can be concluded that, relatively high percentage of taxpayers willing to accept the e-payment method for their tax payment settlement since the samples are mostly highly educated people who are actively working with employment income. The samples also came from urban area that was exposed to environment that was easily influenced by latest technology and knowledge whose have computer with internet facilities that can be accessed everyday. It is

better if the survey was conducted on a bigger sample size that also covers the companies, self employed businessman and the tax practitioners. Even though they have the facilities, educated and experienced, they still use the traditional method to pay their tax liability. They did not fully utilized the facilities they have to use e-payment might be because they do not know such method exist or not confident to use it. The frequencies are shown in Table 4.1 below.

Table 4.1 Demographic Profile

Demographic		Frequency	Percent
Gender of respondents	**Male**	**97**	**54.2**
	Female	82	45.8
Age of respondents	21 to 30 years old	48	26.8
	31 to 40 years old	**103**	**57.5**
	41 to 50 years old	15	8.4
	51 to 60 years old	10	5.6
	60 years old and above	3	1.7
Ethnic of respondents	Chinese	17	9.5
	Indian	9	5.0
	Malay	**148**	**82.7**
	Others	5	2.8
Highest level of education	SPM	12	6.7
	STPM	6	3.4
	Diploma	28	15.6
	Undergraduate	**92**	**51.4**
	Master	30	16.8
	Doctorate	8	4.5
Sector of respondents	**Public sector**	**94**	**52.5**
	Private sector	84	46.9
Working experience	5 years and below	38	21.2
	6 to 10 years	**71**	**39.7**
	11 to 15 years	38	21.2
	16 to 20 years	12	6.7
	21 to 25 years	6	3.4
	26 to 30 years	8	4.5
	31 years and above	6	3.4

Table 4.1 Demographic Profile (continued)

Demographic		Frequency	Percent
Monthly income	RM2,500 and below	22	12.3
	RM2,501 to RM5,000	**105**	**58.7**
	RM5,001 to RM10,000	44	24.6
	RM10,001 to RM15,000	4	2.2
	RM15,001 to RM20,000	3	1.7
	RM 20,0001 and above	1	.6
I have a computer at work/home	**Yes**	**173**	**96.6**
	No	4	2.2
I have used computer	None	2	1.1
	1 to 5 years	13	7.3
	6 to 10 years	53	29.6
	11 to 15 years	**56**	**31.3**
	15 to 20 years	32	17.9
	20 years and above	23	12.8
I have internet facilities at work/home	**Yes**	**170**	**95.0**
	No	9	5.0
I have access to the internet	None	5	2.8
	1 to 5 years	52	29.1
	6 to 10 years	**69**	**38.5**
	11 to 15 years	39	21.8
	15 to 20 years	9	5.0
	20 years and above	5	2.8
I use the internet	Never	4	2.2
	Everyday	**158**	**88.3**
	Once a week	15	8.4
	Once a month	2	1.1
I submit tax return form	By post	7	3.9
	At the IRBM's counter	11	6.1
	Download from IRBM’s website.	7	3.9
	Through Internet (E-Filing)	**144**	**80.4**
	Others	10	5.6
I pay my tax	At the Bank	40	22.3
	At the IRBM's counter	17	9.5
	By Bank Draft	2	1.1
	By Telegraphic Transfer (TT)	2	1.1
	Through ATM	8	4.5
	Through Internet (E-Payment)	47	26.3
	Through Monthly Tax Deduction (MTD)	**49**	**27.4**
	Others	14	7.8

4.2 Respondents view

Using descriptive statistic (Table 4.2 and 4.3), it was found that respondents are concern about the Resource Facilitating Condition (RFC) that scores highest mean of 3.89. This variable consist of a “Using the e-payment method will be too expensive for me” (mean=3.94), “I cannot find appropriate computer equipment when I want to use e-payment method for paying my tax liability” (mean=3.92) and “There will not be enough computers and network equipment for me to use the e-payment method” (mean=3.79). Most respondents did not agree with the statement made and their perception towards resources that facilitate the e-payment method is good. They do not think that it is expensive and difficult to use e-payment since all the equipments are easily available.

The second variable concern is the Perceived Risk (PR) that involved in e-payment method which scores mean of 3.43. It consist of “I feel uneasy psychologically if I use e-payment method” (mean=3.56), “I do not think it is safe to use e-payment method because of the privacy and security concern” (mean=3.40) and “Use of e-payment method may cause my personal income tax information to be stolen” (mean=3.34). Basically, most respondents slightly disagree with the statement questioned and feel safe when using e-payment.

The third variable concern is the Technology Facilitating Conditions (TFC) with mean of 2.52. The items included are “It is easy for me to get support if I need

help when I have problems using computers or internet at home" (mean=2.64) and "It is easy for me to get support if I need help when I have problems using computers or internet at work" (mean=2.41). Base on the statements in the questionnaire, most respondents slightly agree that it easy for them to get support when using computer or internet either at home or work.

The forth variable concern is the Perceived Ease of Use (PEOU) that scores mean of 2.37. PEOU consists of "It is not easy to me to be skillful in using e payment method" (mean=3.31), "It is easy for me to input and modify data when I use e-payment method" (mean=2.35), "Instructions for using e-payment method will be easy to follow" (mean=2.27), "My interaction with e-payment method is clear and understandable" (mean=2.24), "Learning to use e-payment method is easy for me" (mean=2.03) and "I find e-payment method is easy to use" (mean=2.02). Feedback from respondents shows that they slightly agree with the statements that it easy for them to learn and use e-payment method.

The fifth variable concern is the Subjective Norms (SN) with mean of 2.35. Items included are "People who are important to me would think that I should use the e-payment method" (mean=2.36) and "People who influence my behavior would think that I should use the e-payment method" (mean=2.35). They slightly agree that their behavior towards e-payment does affected by people who are important to them. It can be concluded that, base on descriptive analysis most respondents perceived that e-payment method is beneficial since they agree that it is useful,

easy to use, compatible and safe. It is within the current norm that e-payment is widely used for various transaction and they feel comfortable using it since they have the technology and resources available that facilitate the system.

4.3 Analyses of measures

The measurement use for the study is using reliability, t-test, ANOVA and multiple regression method. These methods being carried out to identify the most significant factor that given most impact to the variables assumed to be the indicator towards the acceptance of e-payment amongst taxpayers. In this case, Behavioral Intention is being tested as the dependent variable and the other factors as the independent variables.

Under reliability, Cronbach's alpha is used to access the internal consistency or homogeneity among the items. Acceptable value of Cronbach's alpha can vary between 0.50 and 0.95 (Peterson, 1994). For basic research, Cronbach's alpha should be higher than 0.70. The overall reliability of the analysis was 0.769. Since all the reliability values are considered high, the analysis supports the reliability of the measurement used in this study. Refer Table 4.4 and 4.5 below.

Table 4.2 Mean score items statistics

Variables	Items	Mean	Std. Deviation
		Statistic	Statistic
Behavioral Intentions	I intend to use e-payment method for paying my tax liability this year	1.87	1.158
	In choosing e-payment method for my income tax liability, e-payment method is my first priority	1.94	1.142
	I would like to recommend e-payment method to my relatives and friends	1.94	1.032
Perceived Usefulness	E-payment method give much benefits to me	1.94	1.064
	Using e-payment method will speed up the tax payment method	1.83	.971
	The advantages of e-payment outweight the disadvantages	2.10	.975
	Overall, using e-payment method is advantageous	2.08	1.005
Perceived Ease Of Use	Learning to use e-payment method is easy for me	2.03	1.008
	I find e-payment method is easy to use	2.02	.983
	It is not easy to me to be skillful in using e payment method	**3.31**	**1.181**
	It is easy for me to input and modify data when I use e-payment method	2.35	1.002
	Instructions for using e-payment method will be easy to follow	2.27	.884
	My interaction with e-payment method is clear and understandable	2.24	.872
Compatibility	Using the e-payment method will fit well with the way I work	2.07	.952
	Using the e-payment method will fit into my work style	2.04	.959
	Using the e-payment method will fit well with the way I live	2.03	.956
Subjective Norms	People who influence my behavior would think that I should use the e-payment method	2.35	.966
	People who are important to me would think that I should use the e-payment method	2.36	.963
Perceived risk	**Use of e-payment method may cause my personal income tax information to be stolen**	**3.34**	**1.066**
	I feel uneasy psychologically if I use e-payment method	**3.56**	**1.125**
	I do not think it is safe to use e-payment method because of the privacy and security concern	**3.40**	**1.114**
Self-efficacy	I would feel comfortable using the e-payment method on my own	2.06	.931
	If I wanted to, I could easily operate any of the equipment to use the e-payment method on my own	2.18	.881
	I would be able to use the e-payment method even if there was no one around to show me how to use it	2.11	.899
Resource facilitating conditions	**There will not be enough computers and network equipment for me to use the e-payment method**	**3.79**	**1.030**
	Using the e-payment method will be too expensive for me	**3.94**	**1.120**
	I cannot find appropriate computer equipment when I want to use e-payment method for paying my tax liability	**3.92**	**1.104**
Technology facilitating conditions	It is easy for me to get support if I need help when I have problems using computers or internet at work	2.41	.969
	It is easy for me to get support if I need help when I have problems using computers or internet at home	2.64	1.042

Table 4.3 Mean score variables statistics

Variables	**Mean**	**Std. Deviation**
	Statistic	**Statistic**
Behavioral Intentions	1.92	1.024
Perceived Usefulness	2.00	.907
Perceived Ease Of Use	**2.37**	**.698**
Compatibility	2.05	.913
Subjective norms	**2.35**	**.911**
Perceived risk	**3.43**	**1.006**
Self-efficacy	2.11	.780
Resource facilitating conditions	**3.89**	**.975**
Technology facilitating conditions	**2.52**	**.934**

Table 4.4 Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.769	.788	9

Table 4.5 Item Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
Perceived Usefulness	20.82	17.096	.734	.833	.703
Perceived Ease Of Use	20.43	18.471	.745	.659	.714
Compatibility	20.75	16.965	.748	.779	.700
Subjective Norms	20.46	17.594	.648	.531	.716
Perceived Risk	19.34	24.084	-.167	.392	.836
Self-Efficacy	20.69	17.974	.727	.669	.711
Resource Facilitating Conditions	18.89	23.901	-.146	.446	.831
Technology Facilitating Conditions	20.28	18.583	.492	.348	.741
Behavioral Intentions	20.90	16.830	.650	.730	.713

4.4 Analysis of Variable on Manual Submission and Electronic Submission

By analyzing using t-test on the perception of taxpayers who submit their tax return form manually and electronically, it shows that there's significant different between means (Sig < 0.05) for Perceived Usefulness (PU), Compatibility (CMP), Perceived Risk (PR) and the Behavioral Intention (BI). Under the PU, manual taxpayers thinks that the usefulness of the e-payment method is important for them since it shows higher mean of 2.31 compare to electronic taxpayers. The same goes to CMP with mean of 2.37 and BI with mean 2.22 for manual taxpayers. However, under the PR, electronic taxpayers think that the risk involved in the e-payment method is higher since the mean score of 3.52 is higher than the manual taxpayers. Refer Table 4.6 and 4.7 below.

By analyzing using ANOVA, the perception of taxpayers who submit their tax return form manually and electronically, test shows that there's significant different between means for Compatibility (CMP). Under the CMP, manual taxpayers think that the usefulness of the e-payment method is important (Sig < 0.05) for them since it shows higher mean of 2.54 compare to electronic taxpayers. Refer Table 4.8 and 4.9 below.

Table 4.6 Mean score of t-test of variable on submission

	Submit	N	Mean	Std. Deviation	Std. Error Mean
Perceived Usefulness	Manually	31	**2.31**	.811	.146
	Electronically	143	1.93	.916	.077
Compatibility	Manually	33	**2.37**	.971	.169
	Electronically	143	1.98	.886	.074
Perceived Risk	Manually	34	3.07	.994	.171
	Electronically	144	**3.52**	.993	.083
Behavioral Intentions	Manually	35	**2.22**	.987	.167
	Electronically	144	1.84	1.023	.085

Table 4.7 Independent Samples Test of variable on submission

	Submit	Levene's Test for Equality of Variances		t-test for Equality of Means			
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference
Perceived Usefulness	Equal variances assumed	1.044	.308	2.125	172	**.035**	.378
	Equal variances not assumed			2.299	48.117	.026	.378
Compatibility	Equal variances assumed	1.947	.165	2.252	174	**.026**	.392
	Equal variances not assumed			2.126	45.108	.039	.392
Perceived Risk	Equal variances assumed	.005	.943	-2.363	176	**.019**	-.448
	Equal variances not assumed			-2.361	49.749	.022	-.448
Behavioral Intentions	Equal variances assumed	.015	.902	1.966	177	.051	.376
	Equal variances not assumed			2.010	53.210	**.050**	.376

Table 4.8 Mean score of test on variables and submission

Submit			N	Mean	Std. Deviation	Std. Error
Compatibility	Manually		16	**2.54**	1.067	.267
	Electronically		160	2.01	.885	.070
	Total		176	2.05	.913	.069
	Model	Fixed Effects			.902	.068
		Random Effects				.318

Table 4.9 ANOVA of variables on submission

Submit		Sum of Squares	df	Mean Square	F	Sig.
Compatibility	Between Groups	4.170	1	4.170	5.123	.025
	Within Groups	141.633	174	.814		
	Total	145.802	175			

4.5 Analysis of Variable Manual Tax Payment and Electronic Tax Payment

When analysis was done using t-test on the perception of taxpayers who pay their tax liability manually and electronically, the test shows has significantly shows (Sig < 0.05) that electronic taxpayers are more concern on the Perceived Risk (PR) that might be faced by them if the use e-payment method since the mean of 3.65 is higher than the manual taxpayers. The same goes to the Resource Facilitating Conditions (RFC) with mean of 4.24. Other variables, manual taxpayers shows more concern towards PU (mean=2.20), PEOU (mean=2.46), CMP (mean=2.20), SN (mean=2.58), BI (mean=2.09). Refer Table 4.10 and 4.11 below.

Using ANOVA, the test on the perception of taxpayers who pay their tax liability manually and electronically shows that electronic taxpayers are more concern on the Resource Facilitating Conditions (RFC) that facilitate the use e-payment method since the mean of 4.24 is higher than the manual taxpayers. While, manual taxpayers shows more concern towards PEOU (mean=2.47), CMP (mean=2.54), SN (mean=2.47). Refer Table 4.12 and 4.13 below.

Table 4.10 Mean score of t-test of variables on payment

	Pay tax	N	Mean	Std. Deviation	Std. Error Mean
Perceived Usefulness	Manually	64	**2.20**	1.017	.127
	Electronically	47	1.54	.564	.082
Perceived Ease Of Use	Manually	68	**2.46**	.777	.094
	Electronically	47	2.10	.562	.082
Compatibility	Manually	66	**2.20**	1.072	.132
	Electronically	47	1.61	.531	.077
Subjective Norms	Manually	68	**2.58**	.949	.115
	Electronically	47	2.03	.790	.115
Perceived Risk	Manually	68	3.28	1.056	.128
	Electronically	47	**3.65**	.886	.129
Resource Facilitating Conditions	Manually	66	3.78	.965	.119
	Electronically	47	**4.24**	.856	.125
Behavioral Intentions	Manually	69	**2.09**	1.047	.126
	Electronically	47	1.30	.510	.074

Table 4.11 Independent Samples Test of variables on payment

	Pay tax	Levene's Test for Equality of Variances		t-test for Equality of Means			
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference
Perceived Usefulness	Equal variances assumed	9.220	.003	4.028	109	.000	.662
	Equal variances not assumed			4.373	102.245	**.000**	.662
Perceived Ease Of Use	Equal variances assumed	3.165	.078	2.777	113	**.006**	.367
	Equal variances not assumed			2.942	112.730	.004	.367
Compatibility	Equal variances assumed	13.902	.000	3.492	111	.001	.592
	Equal variances not assumed			3.871	100.627	**.000**	.592
Subjective Norms	Equal variances assumed	1.432	.234	3.261	113	**.001**	.549
	Equal variances not assumed			3.372	109.037	.001	.549
Perceived Risk	Equal variances assumed	2.532	.114	-1.922	113	.057	-.361
	Equal variances not assumed			-1.985	108.733	**.050**	-.361
Resource Facilitating Conditions	Equal variances assumed	1.147	.287	-2.635	111	**.010**	-.463
	Equal variances not assumed			-2.689	105.673	.008	-.463
Behavioral Intentions	Equal variances assumed	21.538	.000	4.745	114	.000	.782
	Equal variances not assumed			5.342	104.804	**.000**	.782

Table 4.12 Mean score of test on variables on payment

Pay			N	Mean	Std. Deviation	Std. Error
Resource Facilitating Conditions	Manually		129	3.76	.987	.087
	Electronically		47	**4.24**	.856	.125
	Total		176	3.89	.975	.073
	Model	Fixed Effects			.954	.072
		Random Effects				.259
Perceived Ease Of Use	Manually		131	**2.47**	.718	.063
	Electronically		47	2.10	.562	.082
	Total		178	2.37	.698	.052
	Model	Fixed Effects			.681	.051
		Random Effects				.202
Subjective Norms	Manually		131	**2.47**	.927	.081
	Electronically		47	2.03	.790	.115
	Total		178	2.35	.911	.068
	Model	Fixed Effects			.893	.067
		Random Effects				.234

Table 4.13 ANOVA of variables on payment

Pay		Sum of Squares	df	Mean Square	F	Sig.
Resource Facilitating Conditions	Between Groups	7.899	1	7.899	8.676	.004
	Within Groups	158.421	174	.910		
	Total	166.321	175			
Perceived Ease Of Use	Between Groups	4.798	1	4.798	10.356	.002
	Within Groups	81.548	176	.463		
	Total	86.346	177			
Subjective Norms	Between Groups	6.507	1	6.507	8.163	.005
	Within Groups	140.298	176	.797		
	Total	146.805	177			

4.6 Analysis of Variable on Genders

When analysis was done on the perception of male and female taxpayers, result of the t-test shows that female taxpayers are more concerned on the Compatibility (CMP) and Subjective Norm (SN) of the e-payment method usage since the mean of 2.18 and 2.49 is higher than male taxpayers. The opposite goes to the Resource Facilitating Conditions (RFC) where male are more concern with the resources that facilitate the method with mean of 4.12. Refer Table 4.14 and 4.15 below

It results the same when analysis was done using ANOVA. The test shows that female taxpayers are more concern on the Subjective Norm (SN) of the e-payment method usage since the mean of 2.49 is higher than male taxpayers. The opposite goes to the Resource Facilitating Conditions (RFC) where male are more concern with the resources that facilitate the method with mean of 4.12. Refer Table 4.16 and 4.17 below.

Table 4.14 Mean score of test of variables on gender

	Gender	N	Mean	Std. Deviation	Std. Error Mean
Compatibility	Male	97	**2.18**	.998	.101
	Female	79	1.91	.777	.087
Subjective Norms	Male	96	**2.49**	.928	.095
	Female	82	2.18	.866	.096
Resource Facilitating Conditions	Male	96	3.70	1.000	.102
	Female	80	**4.12**	.899	.100

Table 4.15 Independent Samples Test of variables on gender

Gender		Levene's Test for Equality of Variances		t-test for Equality of Means			
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference
Compatibility	Equal variances assumed	4.321	.039	1.954	174	.052	.268
	Equal variances not assumed			2.003	173.677	**.047**	.268
Subjective Norms	Equal variances assumed	.004	.948	2.305	176	**.022**	.312
	Equal variances not assumed			2.317	174.587	.022	.312
Resource Facilitating Conditions	Equal variances assumed	1.737	.189	-2.872	174	**.005**	-.415
	Equal variances not assumed			-2.900	172.985	.004	-.415

Table 4.16 Mean score of test of variables on gender

Gender			N	Mean	Std. Deviation	Std. Error
Subjective Norms	Male		96	**2.49**	.928	.095
	Female		82	2.18	.866	.096
	Total		178	2.35	.911	.068
	Model	Fixed Effects			.900	.067
		Random Effects				.156
Resource Facilitating Conditions	Male		96	3.70	1.000	.102
	Female		80	**4.12**	.899	.100
	Total		176	3.89	.975	.073
	Model	Fixed Effects			.955	.072
		Random Effects				.208

Table 4.17 ANOVA of variables on gender

Gender		Sum of Squares	df	Mean Square	F	Sig.
Subjective Norms	Between Groups	4.301	1	4.301	5.312	.022
	Within Groups	142.503	176	.810		
	Total	146.805	177			
Resource Facilitating Conditions	Between Groups	7.525	1	7.525	8.246	.005
	Within Groups	158.795	174	.913		
	Total	166.321	175			

4.7 Analysis of Variable on Sectors

When analysis was done on the perception of taxpayers who work in public and private sector using t-test, it shows that taxpayers who work in public sector are more concern on the Perceived Risk (PR) that might be faced by them if the use e-payment method since the mean of 3.61 is higher than taxpayers who work in private sector. Refer Table 4.18 and 4.19 below.

The same result appears by using ANOVA. It shows that taxpayers who work in public sector are more concern on the Perceived Risk (PR) that might be faced by them if the use e-payment method since the mean of 3.61 is higher than taxpayers who work in private sector. Refer Table 4.20 and 4.21 below

Table 4.18 Mean score of test of variables on sector

	Sector	N	Mean	Std. Deviation	Std. Error Mean
Perceived Risk	Public sector	93	**3.61**	1.030	.107
	Private sector	84	3.22	.948	.103

Table 4.19 Independent Samples Test of variables on sector

Sector		Levene's Test for Equality of Variances		t-test for Equality of Means			
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference
Perceived Risk	Equal variances assumed	1.596	.208	2.617	175	**.010**	.391
	Equal variances not assumed			2.628	174.938	.009	.391

Sig < 0.05

Table 4.20 Mean score of test of variables on sector

Sector			N	Mean	Std. Deviation	Std. Error
Perceived Risk	Public sector		93	**3.61**	1.030	.107
	Private sector		84	3.22	.948	.103
	Missing		1	4.00	.	.
	Total		178	3.43	1.006	.075
	Model	Fixed Effects			.992	.074
		Random Effects				.183

Sig > 0.05

Table 4.21 ANOVA of variables on sector

		Sum of Squares	df	Mean Square	F	Sig.
Perceived Risk	Between Groups	7.062	2	3.531	3.590	.030
	Within Groups	172.139	175	.984		
	Total	179.201	177			

Sig < 0.05

4.8 Testing of hypotheses

Regression analysis was conducted to reveal how different factors affect the taxpayers' intention to use e-payment for tax purpose. Coefficient of determination is determined by the value of R square. The higher the value, better the model fits the data.

From the analysis, the total variance explain as a whole was 72.40% with F (8,164) = 53.814, sig < 0.001. The percentage explains the variation in behavioral intention to use e-payment amongst taxpayers. Under the coefficient table, Perceived Usefulness (PU) becomes the most significant variable that relates to the Behavioral Intentions (BI) of the respondent with the highest Beta of 0.767 and sig of 0.000. This shows that PU gives strongest contribution with highest Beta and significant contribution with sig < 0.05 towards BI. This is shown in Table 4.22, 4.23 and 4.24 below.

Table 4.22 Model Summary of Regression Analysis

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.851	**.724**	.711	.551

a. Predictors: (Constant), Technology Facilitating Conditions, Resource Facilitating Conditions, Perceived Ease Of Use, Perceived Risk, Subjective Norms, Self-Efficacy, Perceived Usefulness, Compatibility

b. Dependent Variable: Behavioral Intentions

Table 4.23 ANOVA of Regression Analysis

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	130.593	8	16.324	53.814	**.000**[a]
	Residual	49.748	164	.303		
	Total	180.341	172			

a. Predictors: (Constant), Technology Facilitating Conditions, Resource Facilitating Conditions, Perceived Ease Of Use, Perceived Risk, Subjective Norms, Self-Efficacy, Perceived Usefulness, Compatibility

b. Dependent Variable: Behavioral Intentions

Table 4.24 Coefficients of Regression Analysis

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.193	.257		-.750	.454
	Perceived Usefulness	.866	.095	**.767**	9.139	**.000**
	Perceived Ease Of Use	-.019	.103	-.013	-.188	.851
	Compatibility	.186	.096	.166	1.937	.054
	Subjective Norms	-.088	.067	-.079	-1.323	.188
	Perceived Risk	.101	.054	.100	1.876	.062
	Self-Efficacy	.059	.094	.045	.630	.530
	Resource Facilitating Conditions	-.033	.058	-.031	-.561	.575
	Technology Facilitating Conditions	-.037	.056	-.034	-.657	.512

a. Dependent Variable: Behavioral Intentions

The first hypotheses; H1: Perceived Usefulness (PU) of e-payment method has a significant positive effect on Behavioral Intention (BI) of taxpayers, is proven where using the multiple regression, PU is the largest determinant towards BI (Sig < 0.05, R square=0.705). At the total variance explain as a whole was 72.40% with F (8,164) = 53.814, sig < 0.001, PU becomes the most significant variable that relates to the BI of the respondent with the highest Beta of 0.767 and sig of 0.000. This shows that PU gives strongest contribution with highest Beta and significant contribution with sig < 0.05 towards BI. Majority of respondents are strongly agrees with the statement raised in the questionnaires. They do support that the e-payment method gives much benefit and advantageous whereby it will speed up their tax payment method.

This is in line with the study carried out by Fu, Farn and Chao (2005) that results the same. This means that the behavioral intention of population whether in China or Malaysia is with the same nature towards acceptance of tax online system. Either e-filing or e-payment it does not give much comparison since both are related to each other. Taxpayers who use e-filing subsequently will use e-payment to pay their tax liability if they perceived the usefulness of both systems are beneficial to them. Other studies also highlight the same criteria for users to accept such system. For example, Pikkarainen, Karjaluoto and Pahnila (2004) in their study on consumer acceptance of on-line banking in Finland, Carter and Belanger (2004), in their study on citizen adoption of electronic government initiatives in Virginia, Ramayah, Norazah and Amlus (2005) in their study on

determinants of intention to use an online bill payment system among MBA students in the University of Science Malaysia and Al-Somali, Gholami and Clegg (2008) in their study on internet banking acceptance in the context of developing countries like Saudi Arabia.

The second hypotheses; H2: Perceived Ease of Use (PEOU) of e-payment method has a significant positive effect on Behavioral Intention (BI) of taxpayers, is not proven where using the regression, PEOU is not significant variable that affect BI of taxpayers (Sig > 0.05, R square=0.418). This shows that PEOU is not one of the important determinants that really affect the intention of Malaysian taxpayers in using e-payment method. Most respondents basically agree that ease of use of the e-payment method. They found that learning to use e-payment method is easy, e-payment method is easy to use, it is easy to be skillful in using e payment method and the instructions for using e-payment method will be easy to follow and they can interact with e-payment method clearly and understandably. However, ease of use might not be so important for users to use such system might be due to the fact that most respondent are experience working adult that have computer and access to the internet. They have been exposed to the technology for long time and found out that any system is easy to be used as long they follow the procedure stated. This is not in line with the study by Ramayah and Ignatius (2005) that investigate the impact of PU, PEOU and PE on intention to shop online which concluded that PU is the most determinant factor towards intention to shop online.

The third hypotheses; H3: Compatibility (CMP) of e-payment method significantly affects Behavioral Intention (BI) of taxpayers, is basically not proven where using the regression, CMP is the not significant towards BI (Sig > 0.05, R square=0.536). With R square more than 0.05, CMP becomes the second largest determinants that affect BI of the respondent after PU. Majority of respondents are strongly agrees with the statement raised in the questionnaires. They do support that using the e-payment method will fit well with the way they work, their work style and also the way they live. This is in line with the study carried out by Fu, Farn and Chao (2005) that results the same. This means that either they are Chinese or Malaysian, they think that compatibility of the system in their live and working environment is very important for them to accept and use it. Either e-filing or e-payment it does not give much comparison since both are related to each other. Taxpayers who use e-filing subsequently will use e-payment to pay their tax liability if they feel the system is compatible with they way they work and live though in different population and culture.

The forth hypotheses; H4: Subjective Norm (SN) of e-payment method significantly affects Behavioral Intention (BI) of taxpayers, is not proven where using the regression, SN is not significant variable that affect BI of taxpayers (Sig > 0.05, R square=0.244). This shows that SN is not an important determinant that affects the intention of Malaysian taxpayers in using e-payment method. Most respondents basically agree that norm will affect their action of using the e-payment method. For example, they think that they might be influenced to use e-

payment method by people who influence their behavior and people who are important to them. However it is only comes as the fifth variable that important for taxpayers' intention to use e-payment method after PEOU. This is due to the fact that most of them are working in Klang Valley area which keep pace with the latest and modern world find it as the not an important factor that will affect their intention to use e-payment method. Though these people are important and might influence their behavior but, in terms of action they still will chose the one that ease to them.

The fifth hypotheses; H5: Perceived Risk (PR) of e-payment method has a significant direct effect on Behavioral Intention (BI) of taxpayers,is not proven where using the regression, PR is not significant variable that affect BI of taxpayers (Sig > 0.05, R square=0.048). This shows that PR is the least important determinants that affect the intention of Malaysian taxpayers in using e-payment method. Most respondents basically not agree on the risk that might be involved in the e-payment method. They did not think that the use of e-payment method may cause their personal income tax information to be stolen and they think that it is safe to use e-payment method. No issue of privacy and security concern incurred. Most of respondents basically have been using e-filing method in order to submit their tax return form since its being introduced and they are confident with the system. Therefore there are no risk involved if they use e-payment method to pay their tax liability as well since all the information are kept within the same system with IRBM. The only different is that banks are

involved in the system as the third party, but the panel banks are banks which they open their account with. Then, there is no issue of security or privacy concern.

The sixth hypotheses; H6: Self Efficacy (SE) of e-payment method has a significant direct effect on Behavioral Intention (BI) of taxpayers, is not proven where using the regression, SE is not significant variable that affect BI of taxpayers (Sig > 0.05, R square=0.446). This shows that SE is not one of the important determinants that really affect the intention of Malaysian taxpayers in using e-payment method. Most respondents basically agree that efficacy of using the e-payment method. For example, they do feel comfortable using the e-payment method on their own, they could easily operate any of the equipment to use the e-payment method on their own if they wanted to they would be able to use the e-payment method even if there was no one around to show them how to use it. However it is only comes as the third variable that important for taxpayers' intention to use e-payment method before PEOU. This is due to the fact that most of them are good in managing and operating any system being introduced in the current world including the e-payment system. Therefore, they don't think it becomes an issue for them not to use the system introduced by IRBM to expedite in settling their tax liability.

The seventh hypotheses; H7: Resource Facilitating Conditions (RFC) of e-payment method significantly affects Behavioral Intention (BI) of taxpayers, is not

proven where using the regression, RFC is not significant variable that affect BI of taxpayers (Sig > 0.05, R square=0.075). This shows that RFC is the second least important determinants that affect the intention of Malaysian taxpayers in using e-payment method after PR. Most respondents basically disagree that resources that facilitate the e-payment system will affect their intention to use it. They did not think that there will not be enough computers and network equipment for them to use the e-payment method, using the e-payment method will be too expensive for them and they cannot find appropriate computer equipment when they want to use e-payment method for paying their tax liability. No issue of lack of resources here since more than 95% of the respondents basically have computer and internet access either at work or home. Therefore RFC does not really affect their intention to use e-payment system.

The last hypotheses; H8: Technology Facilitating Conditions (TFC) of e-payment method significantly affects Behavioral Intention (BI) of taxpayers, also being rejected or not accepted where using the regression, TFC is not significant variable that affect BI of taxpayers (Sig > 0.05, R square=0.109). This shows that TFC is the third least important determinants that affect the intention of Malaysian taxpayers in using e-payment method after RFC. Most respondents basically agree on the technology which facilitates the use of e-payment method. They think that it is easy for them to get support if they need help when they have problems using computers or internet at work or home. They do feel that they could get help from family, friend and even the IRBM officers at anytime since

there are various options of telecommunication means around. They can use telephone through hotline, or even email to get reach to them. Therefore TFC does not really affect their intention to use e-payment system.

4.9 Summary of research results

PU and CMP were the largest and the second largest determinant of BI in regression analysis. Other than that, SE is the third largest determinant while PEOU is the forth largest determinant to wards BI in regression analysis. The other variable, like SN, PR, RFC and TFC does not really significant and does not show much contribution towards BI. SN falls under fifth factor that determine usage of e-payment amongst taxpayers under regression analysis. Meanwhile, PR becomes the least important determinant under regression. RFC and TFC do complement each other since it become as the sixth and seventh contributor towards BI. Therefore the study is proven by using regression analysis and it is also in line with the previous study done by Fu, Farn and Chao (2005). TAM model is shown to be the most suitable model for this study but not TPB model. Summary of the hypotheses result is as per Table 4.25 below.

Table 4.25 Summary of hypotheses result

Hypotheses	R square	Standardized Coefficients Beta	Sig	Result
H1	**.705**	**.767**	**.000**	**Significant (Sig<0.05)**
H2	.418	-.013	.851	Not sigificant (Sig>0.05)
H3	.536	.166	.054	Not sigificant (Sig>0.05)
H4	.244	-.079	.188	Not sigificant (Sig>0.05)
H5	.048	.100	.062	Not sigificant (Sig>0.05)
H6	.446	.045	.530	Not sigificant (Sig>0.05)
H7	.075	-.031	.575	Not sigificant (Sig>0.05)
H8	.109	-.034	.512	Not sigificant (Sig>0.05)