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**A STUDY ON COMPLIANCE ISSUES IN SERVICE TAX  
AND CUSTOMS DUTIES**

**Mazni binti Abdullah**

**Bachelor of Accounting  
University of Malaya  
Kuala Lumpur  
1998**

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## **Abstract**

Tax compliance is a growing national concern as it seriously threatens the capacity of government to raise public revenue. Thus this study seeks to explore the functions of the Customs authorities in preventing non-compliance in Service tax and Customs duties. Various strategies and recommendations to enforce or increase compliance are discussed in this study. The problems to enforce compliance are presented as well. This study also attempts to gauge the perceptions of service providers regarding compliance in service tax. To tackle the policy problems of tax non-compliance requires at least some understanding of the factors why the individuals decide to comply or not to with the laws. A knowledge of these factors may give some insights to the relevant authorities to pin point areas or situations where non-compliance is more likely and adopting the proper measures to address them.

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