The Relationship between Tax Administration and Tax Compliance

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Abstract:
The objective of this paper is a research overview of tax administration and tax compliance. We also look at the relationship between tax administration and tax compliance. In the section we have a very detailed general analysis of concepts, categories, roles, evaluation criteria and factors affecting tax administration and tax compliance. The article is the theoretical foundation for the empirical assessment of the impact of tax administration on tax compliance in Vietnam.
Key words: *Tax administration, tax compliance, Vietnam*

1. Introduction

Tax administration is a content of economic state management, plays an important role in determining the effectiveness of the tax system, ensuring effective compliance and implementation of tax policies. One of the most important duties of tax administration is to ensure maximum compliance with tax obligations of taxpayers.

Tax administration agencies across the country still face many difficulties and limitations in ensuring the compliance with tax obligations of taxpayers, especially enterprises, are also the contributors At most, to fulfill the State budget collection obligations.

2. Literature review

2.1. Tax Administration

In the view of Marxism-Leninism, tax is an obligation that natural persons and legal entities are obliged to make to the State, arising on the basis of legal documents promulgated by the State. , is not of a price nature and does not directly reimburse taxpayers and tax is not a natural phenomenon but a social phenomenon defined by human beings and it is associated with the State category. and the law (Le Thi Thanh Ha et al., 2007) [17].

According to the OECD (1996), the term "tax" is a mandatory, limited contribution to the Government [114]. Taxes paid will be refunded corresponding to benefits brought by the Government in a special form.

Author Nguyen Thi Lien et al (2009) introduced the concept "Tax is a compulsory contribution from natural and legal entities to the State according to the extent and duration specified by law for use in the category of public destination "[29].

Tax concepts and perspectives all show that tax is a compulsory contribution of natural persons and legal entities to the State, non-refundable and highly legal. Thus, it can be understood that tax is a compulsory contribution from natural persons and legal entities to the state budget in accordance with the law, the State uses it for public purposes.

Tax administration is a content of economic state management. Besides, tax administration is also an important branch of public financial management. State management over the economy is the organized and legal impact of the State on the national economy, aiming to make the most effective use of domestic and foreign economic resources, and structures. possible to achieve the country's economic development goals, in terms of integration and expansion of international exchanges. Meanwhile, public financial management is the process of making policies and regimes by the State; using a system of appropriate tools and methods to influence the activities of public finance, making them move in accordance with the objective requirements of the socio-economy, in order to best serve the perform functions undertaken by the State.

There are many views on tax administration, in which some common concepts are as follows:

According to Tanzi and Pellechio (1995), Tax administration includes activities to provide information and guidance to taxpayers; registration, organization and processing of tax returns (input data, process tax returns and pay taxes); enforcement of collection (closely linked with registration, accounting and tax refund processing); control and supervision; settlement of tax complaints [126].

The Dutch Tax and Customs Administration (2000) defines that Tax Administration is responsible for collecting taxes according to the regulations of the State. To accomplish this task, Tax Administration includes assessment, collection and examination activities, and inspection of taxes, as well as prevention of tax fraud. This view uses obligations of tax authorities to define the concept of Tax Administration [45]. Ott (1998) argues that Tax Administration must collect revenues according to the provisions of law, and at the same time, provide public services to taxpayers. In order to perform the above tasks, the tax administration needs to apply appropriate methods to influence the tax liability performance of taxpayers in accordance with the objective law, including propaganda, support, and Tax examination and examination ... [112]

The author Duong Thi Binh Minh (2005), in the Textbook "Public Finance" of the University of Economics Ho Chi Minh City (2005), proposed the concept "Tax administration is a professional measures by the agency. has the function of State budget collection to perform ”,“ Those are regular activities of the collection agency towards the payers to ensure full, timely and legal tax collection ”. According to this concept, tax administration is tax collection management. However, at present, tax administration is not synonymous with tax collection management, but also includes many other contents to manage taxpayers [15].

Author Le Xuan Truong et al (2016), in the Textbook "Tax Administration" of the Academy of Finance, wrote about the concept of tax administration as an activity of impact and administration of the state on implementation activities. tax obligations (tax declaration, calculation, and payment) of taxpayers. This concept of tax administration focuses on the management of tax obligations of taxpayers [17].

From the above points of view, it can be drawn from the broad and narrow sense of tax administration. In a broad sense, tax administration is all activities of state administration on tax, including: planning, formulating and promulgating tax policies and laws; organizing the implementation of tax law policies through the management and impact on actors in the economy. In a narrow sense, tax administration is the organization of tax law enforcement by the state. That is the tax administration of tax authorities at all levels from central to local with main activities including organization, administration, tax collection and management for taxpayers who are tax payers. in tax administration law. In a narrow sense, the tax administration activities of the state focus mainly on two of the three aspects of tax administration in a broad sense, namely: building organizational structure, training human resources in the tax industry and applying Management methods affect taxpayers' implementation of tax obligations in order to ensure that tax policies are correctly, fully and promptly implemented [17].

In the content of this research, the author applies the view of tax administration in a narrow sense, that is, the tax administration of tax authorities at all levels from central to local with main activities including groups. Organization, administration and management of tax collection and payment for taxpayers are tax payers identified in the tax administration law. The research on tax administration mainly includes activities of tax administration agencies in implementing management contents in order to effectively implement tax policies and laws.

The tax administration process is always associated with the process by the tax authority (the administrator) using the management functions that affect the taxpayer (the entity) to achieve the management goals.

Tax administration has the following basic characteristics: (1) Legal management of tax payment activities, that is, the management activities of the tax authorities as well as the implementation of tax obligations of organizations and individuals. All people must be based on the provisions of the tax law with features that are highly obligatory and guaranteed to be implemented by the power of the State; (2) Is done mainly by administrative methods; (3) Is a technical activity which is closely related to each other and interdependent due to the technical requirements of determining payable tax amounts.

Tax administration has a decisive role in ensuring that tax revenues are focused accurately, promptly, regularly and stably on the state budget. Through tax administration activities, contributing to perfecting policies, laws as well as regulations on tax administration; At the same time, the State can control and regulate the economic activities of organizations and individuals in society, serve the growth of the country or distribute income in order to ensure fairness between all classes of people in society.

2.2. The role and principles of tax administration

Tax administration is one of the important tasks of the state, in particular that of tax administration agencies. Good implementation of tax administration tasks not only ensures the smooth operation of the system of state agencies, but also has a positive impact on the process of tax collection and payment and the state budget. The role of tax administration is reflected in many aspects as follows:

- Tax administration plays a decisive role in ensuring that tax revenues are focused accurately, promptly, regularly and stably on the state budget.
- Tax policies and laws are improved through tax administration.

The State controls and regulates the economic activities of organizations and individuals in the society through tax administration.

Tax administration activities of the competent authorities must comply with certain principles, including:

- Law compliance: This principle governs the activities of parties in tax administration relations, including state agencies and taxpayers. The content of this principle is the authority and responsibility of the regulator; The rights and obligations of taxpayers are prescribed by law.
- Ensuring efficiency: activities and management methods must ensure the maximum amount of revenue to the state budget in accordance with tax law. At the same time, the cost of tax administration is the most economical.
- Promoting taxpayers' sense of self-compliance: under modern tax administration, it is necessary to strengthen inspection and control of tax liability performance in accordance with the law (check later), at the same time, creating conditions for taxpayers to actively choose the method of tax declaration and tax payment suitable to their business activities, respecting the self-awareness of taxpayers.
- Openness and transparency: is one of the most important principles of tax administration. The publicity principle requires that all tax administration regulations be made publicly known to taxpayers and other stakeholders. The principle of transparency requires tax regulations to be clear, simple, easy to understand and express so that they can only be understood in a consistent way, not in many different ways. The principle of public transparency is that the tax administration of the state is supervised by all citizens, is a good environment to prevent corruption, thereby promoting the tax administration in accordance with the law, is clean and create conditions to promote production and business development.
- Compliance and compliance with international standards and practices: in the stage of international economic integration, each country needs to change its regulations and management standards in accordance with its commitments. and international practices. Implementation of international tax commitments and practices will facilitate the integration of tax administration agencies with the world tax administration system.

2.3. Basic content of tax administration

The basic contents of tax administration include but are not limited to: (1) Designing tax policies and institutionalizing them into tax law, (2) Building tax administration apparatus, (3) Organizing tax administration processes and (4) Organize the implementation of tax administration functions [17]. These are the contents of tax administration in a broad sense. In the narrow sense, ie tax administration of tax authorities, tax administration includes the organization of the implementation of tax administration functions.

Functions (1) Designing tax policies and institutionalizing them into tax law, (2) Building tax administration apparatus, (3) Organizing tax administration processes are considered as prerequisite properties to perform tax administration activities. Function (4) Organizing the implementation of tax administration functions is a lagging function, but is always implemented throughout the tax administration process.

(1) Design tax policy and institutionalize it into tax law

Author Le Xuan Truong et al (2016) give the conception of tax policy as follows: “Tax policy is a system of views, lines, and motto regulating income of organizations and individuals in society through taxes. " Tax policy includes objectives, scope of impact, validity period, responsibility for implementation, and motto of the policy.

Policy is a system of views and ways to achieve certain goals in the management of an organization or of state management. Policies only guide what needs to be done to achieve a goal.

In order for tax policy to come to life, it is necessary to institutionalize the policies into tax laws because the law is a system of general compulsory rules.

Tax laws provide full regulations on taxpayers, tax bases, tax rates, tax incentives, tax procedures and handling tax law violations. Based on the tax law, the tax authority knows how to manage tax and taxpayers know how to fulfill tax obligations.

Tax law is the most important legal basis for tax administration agencies to assess taxpayers' compliance or non-compliance with tax laws. This is also the basis for taxpayers to evaluate themselves as complying and fully implementing tax obligations.

(2) Building tax administration apparatus

The tax administration apparatus is the whole system of tax administration agencies with organic relations on the basis of functions, duties and working relationships prescribed to organize the implementation of tax laws [17] .

The tax administration apparatus is a part of the system of state agencies, in which the establishment, functions, duties, powers, resources (human, financial, material), activities of Agencies in the apparatus, relations with taxpayers are specified in the legal documents.

The organization of the tax administration apparatus includes the following basic contents: (i) Determination of the organizational structure of the tax administration apparatus; (ii) Develop a system of regulations, professional management processes, and coordination among departments of tax administration; (iii) Arranging resources in accordance with the functions and functions of the tax administration [17].

(3) Organize tax management process

Tax administration process is the order and responsibility to perform the steps in tax administration. The tax administration process is influenced by thinking and management skills, socio-economic conditions, management facilities, awareness level of taxpayers, tax administration apparatus organization and the provisions of current law [17].

The content of the tax administration process depends on the choice of the tax administration mechanism of the tax administration agency. Tax administration mechanism is the overall way that tax administration subjects choose to affect taxpayers' behavior of tax declaration and payment; is the way to organize tax collection and payment. Some of the most commonly applied tax administration mechanisms include [17]:

- Tax notification mechanism: taxpayers are obliged to declare documents and data related to the determination of tax bases but not to determine their payable tax amounts. CQT shall base on taxpayers 'tax declaration dossiers, and at the same time, base on relevant documents of legal validity to determine taxpayers' tax obligations and issue notices requesting taxpayers to pay tax amounts that the IRC determined according to the time limit stated in the tax notice.

Tax notification mechanism is appropriate in case taxpayers have low knowledge of tax laws and are difficult to determine tax obligations by themselves, and do not keep sufficient databases as tax bases. However, this mechanism does not respect taxpayers' rights and obligations if they have full understanding of tax laws, and are inconsistent with the development of market economy and international practices.

- Self-taxing mechanism: taxpayers base themselves on their business results in the tax period, based on the provisions of tax laws to declare tax bases, self-determine payable tax amounts and self-actualize. currently paying the declared tax amounts into the State budget according to the time limit prescribed by tax laws. NNT is responsible for keeping vouchers and accounting books to justify the declared tax amount. CQT with the function of propagating, guiding and supporting taxpayers to know and understand the tax laws and support taxpayers to carry out tax procedures in the process of tax declaration and payment (fulfill their tax obligations) .

Accordingly, the self-declaration and self-payment mechanism has the following characteristics: built on the foundation of voluntary compliance of taxpayers, tax management based on risk management techniques; requires organizations and individuals to increase their responsibility because the declaration is made by the taxpayer based on their production and business and the tax policy is not required. confirmation by tax authorities. Tax-paying organizations and individuals shall take responsibility for the results of their tax calculation and tax declaration before law; and is a modern and effective tax administration mechanism applied by most countries in the world, it allows tax authorities to allocate resources towards specialization, expertise in management and improvement of processes. Clearly management increases the transparency in tax administration, while reducing administration costs, promoting tax administration reform.

Based on the tax administration mechanism being applied by the management agencies, the tax administration process is usually built up to include the following basic contents: job contents, professional operations; responsibilities of each management department in performing the tasks; coordination between various parts of the organization; task completion deadline; and the achievement requirements of each job assignment.

(4) Organize the implementation of tax administration functions

The implementation of tax administration functions is carried out throughout the tax administration process, ensuring the enforcement of tax laws, ensuring taxpayers fulfill tax obligations as prescribed. The main functions of tax administration are as follows:

Propaganda and support for taxpayers: conveying information about tax laws, creating favorable conditions for taxpayers to fulfill their tax obligations.

Management of tax registration, declaration and payment: Manage all information on tax registration, declaration and payment by taxpayers.

Tax debt management and debt enforcement: remind taxpayers to pay outstanding tax and take appropriate measures to deal with tax debts.

Taxpayers 'inspection and examination: control, compare and evaluate the performance of taxpayers' tax obligations (tax registration, declaration, and payment) on the basis of compliance with current tax laws.

Settlement of tax complaints and denunciations: solving cases of taxpayers' complaints and denunciations in the course of implementing tax obligations.

Tax administration functions must be implemented in all models of tax administration apparatus to ensure the objectives of tax administration.

2.4. Criteria for evaluating tax administration effectiveness

According to Smith (1937), there are 4 basic principles to build an effective tax system: (i) Taxes must be mobilized in accordance with the capacity and capacity of the population; (ii) Tax rate and payment deadline need to be accurately determined; (iii) Tax collection period must be favorable for taxpayers; (iv) Tax collection and payment must be lowest.

Currently, countries, international organizations and researchers propose many methods, criteria and tools to evaluate the effectiveness of tax administration. Most of the evaluation criteria and tools are recommendations for countries to refer to and apply in their real situation.

"Criteria for good tax administration" of OECD (2001)

OECD (2001) synthesizes and recommends the criteria of Good Tax Administration for countries to refer and recommend [108].

(i) Relationship with taxpayers: 8 recommendations on tax law enforcement, communication with taxpayers, information, compliance costs, maintaining a good working relationship with taxpayers.

(ii) Relationships with tax administration staff: including 5 recommendations on principles of conduct, conflict of interest, recruitment and promotion, professional standards and remuneration.

(iii) Legal criteria: including 7 recommendations related to enforcement of tax agreements, prevention of tax evasion, fair treatment of taxpayers, confidentiality of information, recommendations or assistance assistance to renegotiate tax agreements.

(iv) Regulatory Criteria: includes 5 recommendations relating to communication with parties to the tax agreement and the application of the market price principle and the OECD guidance to transfer pricing.

(v) Change management and adaptation: including 6 recommendations relating to measures / actions to adapt to the changes of globalization, participation in international tax fora, management of compliance tax revenue according to domestic and international standards.

TADAT tax administration effectiveness evaluation toolkit

As a method of assessing the "health" of the main components of a country's tax administration system, the degree of similarity in the tax administration of that country to international practice to determine the points Relevant strengths and weaknesses in the tax administration system, from which reform programs are established (including reform objectives, priorities, reform content and implementation order).

TADAT's scope of assessment focuses on the basic tax policies and taxes of the country. The main taxes include: Corporate income tax (CIT), VAT, personal income tax (PIT), and tax withheld from employers.

The content of TADAT assessment focuses on 9 important areas / criteria (9 POAs) with 28 component indicators including 47 measures: Integrity of the register database of NNT; effective risk management; compliance support for taxpayers; declaration on time; pay tax on time; accurately reporting tax obligations; the adequacy of dispute resolution processes; effective revenue management; transparency and accountability.

Methods of measuring taxpayers' satisfaction

The measure of taxpayers' satisfaction is done by an independent consultant with experience in the field of sociological surveys to organize surveys, assessments and consult taxpayers with tax authorities. Through that, the tax authorities understand the requests and desires of taxpayers to take measures to improve service quality and provide services to improve the satisfaction and benefits of taxpayers.

Factors to measure the satisfaction of people and organizations include: (i) Access to services; (ii) Administrative procedures; (iii) Service of civil servants; (iv) Results of state administrative agencies' affairs.

2.5. Factors affecting tax administration

The factors affecting tax administration are diverse, be it direct, indirect, domestic, or foreign. The main factors affecting the organization of the management apparatus include:

First, the level of economic development: the revenue of tax is from economic activities. Consequently, the size of the economy, the economic structure, and the rate of economic growth affect the organizational structure and operation of the tax administration apparatus.

Second, the state apparatus organization: the tax administration apparatus is a professional apparatus that helps the state to manage and operate the implementation of tax laws, so of course it is subject to the influence of the ministerial organization. state factory, especially in the decentralization of management.

Third, the view of using tax of the state: tax administration must operate according to the point of using state tax, that is, the state uses tax as a tool to regulate and redistribute national income.

Fourth, intellectual level, customs and practices: these factors affect the level of understanding of tax responsibilities and obligations; affecting tax payers' sense of voluntary or involuntary tax payment, their ability to self-calculate tax.

Fifthly, the scientific and technical level and the ability to apply science and technology to management: the professional operations of the tax administration need a lot of scientific and technical support, especially the development. Information technology has a great influence on the management process of tax authorities. This factor directly affects the organizational structure, management process and staff force of the tax administration apparatus.

3. Tax Compliance Overview

3.1. Some concepts of tax compliance

Many researchers, organizations, tax administration agencies offer many concepts about tax compliance from many different approaches.

According to the legal approach, Alm (1991) argues that tax compliance is the correct income and expense declaration in accordance with the tax laws [49]. With this same approach, the Tax Administration of Australia (1996) argues that "tax compliance is the business's satisfaction of its tax obligations under the tax law and by the decisions of the courts". Andreoni et al. (1998) define tax compliance as the willingness of the taxpayer, the observance of the tax law, to achieve a state's economic equilibrium [52]. Subsequently, James and Alley (1999) also take a view of tax compliance based on a legal approach, "tax compliance in the simplest sense is the degree of compliance with the tax obligation. in the tax law "[89].

These views are based on existing tax laws to assess whether taxpayers are in compliance or not. However, many studies show that in practice taxpayers may not understand and interpret the spirit and wording of tax law correctly or in the same way as that of tax authorities. As a result, there is an unavoidable gap between taxpayers' intentions and actions, meaning that some taxpayers may fall into a case of non-compliance. On the other hand, from a legal point of view, many tax attorneys or tax advisory agents only interpret tax laws based on the wording of the law and come up with positive tax plans. Accordingly, Weber et al (2014) argued that tax avoidance should be seen as an aspect of tax compliance.

According to an operational approach, OECD (2004) and the US Tax Administration (IRS) (2009) take the view that tax compliance is analyzed sequentially into different tasks: (i) registration in the tax system, (ii) submitting tax information on time, (iii) reporting complete and accurate information (incorporating full record keeping), (iv) paying tax obligations on time [109]. Similarly, Lewis et al. (2009) define tax compliance as the submission and declaration of all information pertaining to taxpayers' tax obligations and to pay taxes fully and on time. This approach addresses the administrative and procedural aspects of taxes. Therefore, this viewpoint is applied by many tax authorities in tax administration.

In the research of the thesis, the author applies the tax compliance point of view according to the operational approach to assess tax compliance in the research model. Tax compliance is assessed on four aspects: tax registration, tax declaration and calculation, reporting tax information, and fulfilling tax obligations in accordance with tax administration legislation.

3.2. Corporate tax compliance

On the basis of the general concept of tax compliance, enterprises are considered to comply with tax laws if they comply with the obligations of tax registration, declaration, tax calculation, tax information reporting and refund. into tax obligations in accordance with current tax laws.

An enterprise is an economic organization whose goal is profitability and is concerned with the interests of many people (shareholders, managers, employees, stakeholders). Corporate tax compliance has similarities and differences with individuals' tax compliance (Cowell, 2003; Cuccia, 1994; Joulfaian, 2000; Joulfaian, 2009; Crocker and Slemrod, 2004; Tran-Nam et al, 2013) [62], [64], [65], [86], [87], [129]. Decisions and behavior to comply with or not to comply with the individual's tax obligations are determined by that individual. On the part of the enterprise, decisions related to the tax liability of the enterprise are decided and held accountable by its legal representative. However, the legal representative of the enterprise is influenced by the shareholders or the owner of the business.

Until now, studies on tax compliance have mainly focused on the exploitation of taxpayers (Crocker and Slemrod, 2004; Noor et al., 2014) [64]. Meanwhile, tax payers have received less research attention than individuals, although tax payers contribute more to the state budget (Rice, 1992). Rice (1992) argues that little-done research on corporate tax compliance is due to the difficulty of analyzing firm's non-compliance decisions.

Regarding the decision of compliance or non-compliance of the taxpayer, the agent theory is applied to analyze this case. Representative theory was developed from economic theory by Alchian and Demsetz (1972), Jensen and Meckling (1976). In this theory, the shareholders are the owners of the business, employing someone else to manage the business, as representatives of the shareholders.

On that basis, the Representative Theory explains the relationship between shareholders, corporate management representatives and third parties in the process of corporate governance and the fulfillment of tax obligations to the state. in accordance with the law. Research by Jackson and Milliron (1986) shows that the business manager, who is the legal representative and the person responsible for implementing tax obligations, is the representative for the tax payer [87].

The corporate profits are related to the interests of many shareholders and related parties. Shareholders always expect the representative to manage the business and make decisions for the best benefit of the shareholders. However, the agent's behavior has its own logic and is sometimes not just for economic gain (Weber, 1978) [141]. Representatives do not necessarily make decisions for the benefit of shareholders (Padilla, 2000).

In general, in tax administration studies, business managers, the representative in agent theory, play a key role when assessing the factors affecting compliance or non-compliance. corporate tax obligations. Therefore, the theoretical basis of tax compliance of taxpayers is also a valuable and important reference source for analyzing tax compliance decisions of enterprises (Kamdar, 1997) [89] .

Tax Compliance Classification

To review and evaluate the compliance of taxpayers, depending on the purpose of the research and the research approach, researchers use different criteria. Depending on the classification criteria, tax compliance is divided into different groups.

According to OECD (2001), tax compliance is classified into two main groups [108]:

Administrative compliance is compliance with administrative regulations on timely tax declaration and payment, often mentioned in tax compliance definitions in relation to reporting requirements. procedures or comply with the law. Since tax administrative procedures are often clearly defined in terms of deadlines and requirements, the assessment of administrative compliance is quite simple and clear.

Technical compliance means calculating taxes and paying taxes in accordance with the tax law. Technical compliance must begin with determining the correct amount of tax payable. However, because the interpretation and application of tax laws are complex, the determination of the tax payable may differ based on different interpretations and application of the law. Therefore, assessing tax technical compliance is more difficult than assessing administrative compliance.

Based on contents of tax obligations that taxpayers must comply with, tax compliance is classified into: Compliance in tax registration; Compliance in filing tax returns; Comply in reporting complete and accurate information; and Compliance in paying taxes.

If a taxpayer fails to fulfill any of its obligations, it may be considered noncompliance with a particular obligation.

This classification is the basis for comparison, assessment and conclusion in terms of the specific provisions of law, what the taxpayer has committed. This is the basis for applying sanctions in accordance with the law.

According to the model of Grabosky and Braithwaite (1986), all taxpayers are divided into 4 groups corresponding to their level of compliance with the law and tax administration agencies have corresponding measures for each group. tax to ensure the best tax compliance. This model is applied in many countries in tax administration, most notably the ATO model of Australia. In the ATO model, the four levels of tax compliance of taxpayers are divided into: (1) willing to comply, (2) trying, but not always succeeding in tax compliance, (3) do not want to comply, but will comply if supervised, (4) decide not to comply. Corresponding to each level of compliance, tax authorities will have corresponding management measures, that is (1) create favorable conditions for taxpayers to comply, (2) support taxpayers to comply, (3) prevent their non-compliance through a violation detection mechanism, and (4) apply all legal remedies to prevent and deal with noncompliance by taxpayers.

3.3. Evaluation criteria

A taxpayer's tax compliance behavior is manifest, some quantifiable and non-quantifiable.

Qualitative criteria

In the case the compliance of taxpayers cannot be quantified, those are the qualitative criteria. Specifically as will be analyzed below.

- The level of interest and understanding of taxpayers about the provisions of tax laws, especially the provisions related to taxpayers' rights and obligations.

 Voluntary or reluctance to comply with tax. This criterion shows that taxpayers reluctantly or voluntarily comply with tax laws.

Quantitative indicators

There are many ways to consider taxpayers 'tax compliance (such as administrative and technical compliance; or compliance with taxpayers' obligations: in tax registration, in tax declaration, in tax payment and in practice). current regulations of tax law). The above factors can be quantified with specific numbers and are quantitative indicators measuring taxpayers' tax compliance.

 General assessment criteria of tax compliance: The ratio between the number of taxpayers that violate the tax law and the total number of taxpayers being managed or examined.

 Group of indicators assessing the level of tax compliance according to each specific aspect: including criteria for evaluating compliance in tax registration, tax declaration, tax payment and other tax obligations.

3.4. Measures of Tax Compliance Measurement

There are many methods used by researchers or tax authorities to measure tax compliance of taxpayers. Each method has its own strengths and weaknesses. These methods can be used in combination to provide users with reliable tax compliance measurement results.

OECD (2001) summarizes many methods of measuring tax compliance, including: Methods based on tax test data; Method based on change on tax return; Methods based on financial data; Survey method; Direct observation method; Model analysis method; and Experimental / experimental methods [108].

None of these methods can be considered as a completely accurate measure of tax compliance or all aspects of a taxpayer. Measurement results of one method may differ from those of another due to the methods based on different mining concepts and aspects. Different methods demonstrate advantages to measure different types of behavior or to gather information from different approaches to tax compliance defined in that methodology.

3.5. Factors affecting tax compliance

On the subject of tax compliance, there are many studies on the factors affecting tax compliance of foreign and Vietnamese taxpayers. Factors affecting tax compliance are classified under different approaches, according to the research objectives of the researchers.

In terms of tax administration and corporate tax compliance, the main factors influencing tax compliance may include:

First, economic factors: this is a group of macro factors that should affect the level and behavior of tax compliance of all taxpayers. These factors include economic growth, inflation, market interest rates, government policies and efficiency of public spending, the level of international integration of the economy, ... Depending on specific circumstances. Each factor will have a different impact on the tax compliance level of tax payers.

Second, factors of tax policies and laws: these factors have a direct impact on the business operations of enterprises in the process of implementing tax obligations. A clear, transparent and reasonable system of tax laws and policies will create a favorable environment for businesses to develop, reduce tax compliance costs and help improve the compliance level of businesses. for tax obligations. On the contrary, if the system of tax laws and policies is complicated, inconsistent, and inconsistent, it will increase opportunities for enterprises to take advantage of the loophole of tax laws to avoid and evade taxes, and contribute to increase the business non-compliance.

Third, factors in tax administration: is a group of factors that reflect the ability and qualifications of the tax authority, including:

About the contents of the professional tax management process: Transmission support; Tax procedure management and calculation; Debt management and tax debt enforcement; Information management of taxpayers; Tax inspection and examination; Handling tax law violations; and Settlement of complaints and denunciations [34]. On the basis of tax administration issues, the more effectively and effectively the tax authority enforces the law, the more likely the taxpayer will comply with the law. These are also the objectives

and duties of tax administration.
Tax service quality: reflected in the management, professional expertise and transactions with taxpayers. The quality of tax public services has a positive relationship with taxpayers' level of compliance with the tax law.
Regarding the use of technology in tax administration: applying modern software and technology in tax management and professional operations and tax professions. Applying technology in tax administration as possible and effective, will help reduce costs and increase efficiency in management, as well as tax declaration and payment. Therefore, the application of technology in tax administration will tend to have a new positive impact on the level of tax compliance of businesses.
Fourth, the factors belong to the business: including factors that belong to themselves and the activities of the business.
On business performance characteristics: organizational structure, type of ownership, scale of operation, seniority of operation, business efficiency, corporate governance, ... in a number of studies on the same topic, business performance has a positive impact on the firm's tax compliance level.
Regarding corporate tax knowledge: the level of knowledge, knowledge and application of tax laws in production and business activities and tax declaration and payment have a certain influence on enterprises' decisions on compliance or non-compliance. .
Regarding the perception of fairness in the tax system: including the perception of fairness in distribution (exchange of resources, benefits and costs); fairness in procedures (confidence in tax authorities, how to treat tax procedures); and fairness in punishment (suitability of penalties for violations). Enterprises are more aware of the fairness of the tax system, the more likely they are to comply with the law of the tax system.
Regarding the tax compliance costs: some research results show that the higher the tax compliance cost, the more enterprises tend to be non-compliant to reduce the burden on their production and business activities.
Fifth, other factors: age, occupation, education of the business manager, social standards, ... these factors also have a certain influence on the level of tax compliance of the business.

4. The relationship between tax administration and tax compliance
In terms of tax administration concept tax administration in a narrow sense, ie tax administration of the tax authority for taxpayers is identified in the tax law. On the other hand, taxpayers are required to fulfill their tax obligations under the tax law. Taxpayers' fulfillment of tax obligations is demonstrated through their compliance with tax laws.
On the same basis of the tax law, tax administration performs administrative tasks and taxpayers comply with the obligations specified in the tax law. Thus, the tax compliance behavior of taxpayers is subject to the management and influence of tax administration (the administration of tax authorities).
In terms of the role and duties of tax administration, tax administration not only ensures the smooth operation of the system of state agencies, but also has a positive impact on the process of tax collection and payment and state budget. In particular, in order for the above operations to be convenient and achieve good results, the compliance of taxpayers plays a very important role.
Erard et al. (1994) stated that the existence of all tax administration systems is to ensure taxpayers comply with tax laws [68]. Bird (2008) added the view that tax administration plays a very important role and that a key duty of tax administration is to ensure maximum taxpayer compliance with all obligations. taxes [52]. At the same time, good tax administration is a prerequisite for taxpayers' compliance and effective and efficient tax policy implementation [68].
Thus, taxpayers' compliance can be both the goal and the result of effective tax administration. Ensuring and constantly improving the compliance level of taxpayers is always the goal and desired outcome of tax administration agencies.
The relationship between tax administration and tax compliance is also studied experimentally by many authors. Many studies presented in the overview show that tax administration, a content or many contents, in a more or less scope, has an impact on and affect taxpayers' compliance. Tax administration is included in many research models of tax compliance as a factor affecting tax compliance (Schaffer and Turley (2000); Mitra and Stern

(2003); Kanybek (2008)).

Due to different research conditions, research results on the relationship between tax administration and tax compliance are not the same. However, in general, the research results show that tax administration has impact and influence.

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