

Sociological Explanation of Tax Culture Based on Investigation of Taxpayer's Meaning System in Isfahan City: A Mixed Method Approach

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Introduction

The relationship between culture and economy or in the other words, economic culture is one of the most important issues of contemporary economic sociology. In recent decades, due to the tax system deficiencies that are largely rooted in cultural affairs, tax culture and its related factors attract the attention of economists and economic and financial sociologists. In this regard, the present study considering the tax culture as a construction that has a meaning for taxpayers and this meaning has the ability of forming, continuity and change. This research sought to rummage the meaning system of taxpayers about the tax and then present the grounded theory of tax culture to determine the coordinates of tax culture, assign weight and size of its related factors and present a sociological explanation of tax culture and its related factors.

Material & Methods

The research methodology was a mix method, exploratory-sequential strategy and a taxonomy development model. In the qualitative phase, the method of grounded theory (systematic approach) was used and in the quantitative phase, a survey approach was used. The study population consisted of tax payers in Isfahan. The sample size was 30 taxpayers at the qualitative phase and 440 taxpayers at the quantitative phase. Purposive -theoretical sampling method was used at the qualitative phase and stratified sampling was used at the quantitative phase. The data collection technique was in-depth interview in the qualitative phase and questionnaire in the quantitative phase. To analyze the data, coding method (open coding, axial coding and selective coding) and also the analytic tool of the paradigm was used in the qualitative phase and variance-based structural equation modeling (SEM) approach was used in the quantitative phase.

Discussion of Results & Conclusions

The results of the qualitative phase indicate the formed of a meaning system for taxpayers in regard to the phenomenon of tax regarding some major issues in the form of a paradigmatic model including three dimensions of conditions, actions/interactions and

consequences. According to the study results, in the dimension of conditions, it includes causal conditions (tax systemization, transparency of tax laws and tax authoritarianism), contextual conditions (procedural fairness of tax, mutual trust of actors) and interventional conditions (tax justice, economic health of authorities and tax expenditure efficiency), in the dimension of action-interaction (tax as a common interest, tax as duty and force-based compliance) and in the dimension of consequences (taxpayers' dissatisfaction, Non-transparency of economic activity, strengthening the shadow economy) that have been formed around a core category called "unbalanced claiming".

The findings of the quantitative phase show that tax culture in the population of the research is lower than the average. Independent variables have relatively high power for explaining the variance of tax culture. Tax systemization, mutual trust of actors and tax justice, directly, and transparency of tax laws and tax authoritarianism, indirectly affect the tax culture. Also the variables of procedural fairness of tax and economic health directly and indirectly effect on the tax culture.

Finally, integrating the results in two qualitative and quantitative phases in the form of Meta-Inference

suggests that the inferences of the two phases are compatible with each other. In other words, according to the research strategy (exploratory-sequential), the inferences of the quantitative phase confirm the inferences of the qualitative phase. The results of two phases (qual- quan) of research imply that tax is formed and sustained around the mutual claiming between government and economic actors. For this claiming it is essential to pay attention to “interest” as a basis of most theoretical and empirical explanations in the fields of economic and financial sociology.

Keywords: Tax Culture, Meaning System, Sociological Explanation, Taxpayers, Mix Method.

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