

International Chamber of Commerce Sri Lanka

Committee of Research, Knowledge Mobilization and Taxation - Report 01/2025

Exploring Taxpayer's Level of Awareness on Rights and Obligations: A Survey in Sri Lanka

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28 May 2025

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Chairman's Message

It is with great pleasure that I present this message for the survey report titled *"Exploring Taxpayers' Level of Awareness on Rights and Obligations"*, conducted by the Committee on Research, Knowledge Mobilization, and Taxation of ICC Sri Lanka.

Taxation plays a vital role in shaping the socio-economic landscape of any nation. Ensuring that taxpayers are well-informed about their rights and obligations is fundamental to building a transparent, equitable, and efficient tax system. This study sheds light on an area that is often overlooked how much the public truly understands their role within the tax framework.

I commend the Committee for undertaking this timely and relevant study initiative. By identifying existing gaps in awareness and engagement, this report provides critical insights that can support policymakers, tax administrators, and advocacy groups in enhancing tax literacy and compliance across the country.

At ICC Sri Lanka, we remain committed to fostering informed dialogue, encouraging evidence-based reforms, and supporting initiatives that contribute to national development. I trust that the findings and recommendations of this study will serve as a valuable resource for all stakeholders in the taxation ecosystem.

I extend my sincere appreciation to Dr. Nadee Dissanayake, Chairperson of the Research, Knowledge Mobilization and Taxation Committee and Professor B. W. R. Damayanthi, Professor in Economics at the Faculty of Humanities and Social Sciences, University of Sri Jayewardenepura and the team behind this survey and encourage continued collaboration in driving knowledge-based progress for the benefit of the nation.

Anthony M Shanil Fernando AAL, MBA, MsiArb.

Chairman

International Chamber of Commerce Sri Lanka

Executive summary

Effective tax administration in modern economies is increasingly dependent on the degree of public awareness and understanding of tax obligations and rights. A well-informed taxpayer base not only enhances voluntary compliance but also contributes to the transparency, equity, and accountability of the fiscal system. In recognition of these principles, Taxpayer Charter has been published through the official website of the Inland Revenue Department, Sri Lanka (www.ird.gov.lk), in 2023 with the aim of codifying the rights and responsibilities of taxpayers and reinforcing a service-oriented approach to tax administration.

The success of the Taxpayer Charter depends not merely on its publication, but on its accessibility, public awareness, and meaningful taxpayer engagement. However, there is a lack of empirical evidence to determine whether taxpayers are truly aware of understand or apply the Charter's provisions in practice. This report, therefore, seeks to examine the current level of public awareness and understanding of the Taxpayer Charter, explore the factors influencing its accessibility and usage, and provide evidence-based recommendations to enhance the visibility and practical utility of this important policy tool.

This study was guided by the following objectives:

1. Evaluate taxpayer understanding: To assess taxpayers' awareness and understanding of their rights and obligations under the Taxpayer Charter.
2. Identify knowledge gaps: To investigate areas where taxpayers lack knowledge about their rights and obligations.
3. Provide policy recommendations: To offer evidence-based recommendations aimed at enhancing taxpayer awareness and compliance.

A mixed-method approach was adopted, integrating both qualitative and quantitative data collection methods. The quantitative component employed a structured questionnaire administered to a representative sample of 462 Small and Medium sector taxpayers. Descriptive and inferential statistical techniques, including frequency distributions, and cross-tabulations were utilized to analyse the quantitative data.

The qualitative dimension involved focus group discussions and in-depth interviews with 32 respondents, selected using purposive sampling to capture diverse perspectives. Thematic

analysis was applied to the qualitative data, enabling the identification of key themes and patterns in taxpayer perceptions and behaviours.

Key Findings

- Quantitative data indicates a generally high level of awareness driven from experience among taxpayers regarding both their rights and obligations. However, qualitative findings reveal a notable imbalance, with greater emphasis and understanding placed on taxpayers' rights, while awareness of obligations appears comparatively limited. This asymmetry highlights the need for more balanced and integrated educational initiatives.
- Furthermore, both data streams converge on a lack of clarity in the practical application of the Charter, though qualitative responses attribute this gap to disparities in expertise particularly between tax professionals and the public highlighting a need for differentiated communication strategies.
- Notably, the dimension of trust in data privacy presents a clear convergence: both datasets indicate low to non-existent trust in data security, signalling a significant barrier to fostering compliance.

This study faced several limitations. Firstly, the survey was confined to a specific geographic region, which may restrict the generalizability of the findings to a broader population. Secondly, respondents may have demonstrated social desirability bias, potentially overstating their awareness or positive attitudes towards tax compliance. Lastly, language barriers might have affected some participants' understanding of the questions, impacting the accuracy of their responses.

Recommendations

- Rebalance awareness efforts

Public awareness efforts should be reoriented to equally emphasize both taxpayer rights and obligations. Current messaging often highlights entitlements while underrepresenting compliance responsibilities, leading to knowledge gaps. Targeted campaigns should focus on demographic segments with limited understanding of their tax duties, ensuring that all taxpayers receive clear, balanced, and accessible information to support voluntary compliance.

- Segment educational strategies

Educational materials should be tailored to meet the varying needs of different taxpayer groups. For the public, simplified and practical resources can help improve understanding and everyday application of tax responsibilities. At the same time, professionals and experienced taxpayers would benefit from more advanced, technical materials that address complex procedures and legal frameworks. This layered approach will enhance the overall effectiveness and usability of tax guidance.

- Reinforce data privacy measures

To earn and keep taxpayer trust, authorities must clearly explain how personal data is collected, used, and protected. Sharing data protection practices openly and showing real safeguards like consent and accountability helps ease concerns, proving that privacy matters and that the system is safe, fair, and respectful.

- Strengthen frontline tax support

Frontline tax officers should be trained to speak clearly, respectfully, and helpfully about both rights and obligations. When officers are seen as guides not just enforcers it builds trust, makes the process less intimidating, and helps taxpayers feel supported, leading to stronger cooperation and better compliance.

Conclusion

This research reveals that while there is existing awareness of the Taxpayer Charter, a deeper challenge remains: many taxpayers still struggle to understand how to apply their rights and obligations in real-life situations. Survey data paints a promising picture of general awareness and a willingness to comply, but qualitative insights tell a more complex story. People engage with the tax system not in theory, but through personal experiences shaped by their backgrounds, professions, and previous encounters with tax authorities. It's clear that awareness alone is not enough what matters is actionable understanding.

More urgently, the issue of trust particularly in how personal data is handled stands out as a critical barrier to meaningful engagement. This is not a gap that better messaging alone can fix. Taxpayers need to feel that their privacy is protected and that the system is built not just to

regulate, but to respect. The real insight from this research is that effective tax governance cannot rely solely on information it must be human-centred, empathetic, and inclusive. Building a resilient tax culture in the digital age means treating taxpayers not just as rule-followers, but as partners in shaping a fair, transparent, and trustworthy system.

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Exploring Taxpayer's Level of Awareness on Rights and Obligations: Survey in Sri Lanka

1. Introduction

The Taxpayer Charter, which formally outlines the rights and obligations of taxpayers, is increasingly recognized as a vital policy instrument for fostering transparency and fairness within modern fiscal systems. By codifying these rights and obligations, it strengthens the social contract between citizens and tax authorities, promoting trust, legitimacy, and shared responsibility in tax compliance. Originating in jurisdictions such as the United Kingdom, USA, Canada, Australia, and New Zealand, the Charter serves to articulate the rights and responsibilities of taxpayers while also outlining service standards that revenue administrations are expected to uphold (The Inspector-General of Taxation and Taxation Ombudsman, 2023). The Taxpayer Charter serves as a formal instrument through which the state conveys its commitment to the principles of fairness, equity, and efficiency in the administration and enforcement of tax laws (Deb, 2024). The Organisation for Economic Co-operation and Development (OECD, 2023) have emphasized the value of such Charters in promoting voluntary compliance, reducing adversarial taxpayer-authority relations, and improving overall taxpayer morale. Provisions typically found in these Charters include the right to confidentiality, impartial treatment, timely service delivery, access to information, and grievance redressal mechanisms, which collectively support the development of a compliance-oriented tax culture (IBFD, 2021).

Academic and institutional literature further underscores the pivotal role that taxpayer Charters play in shaping taxpayer behaviour and attitudes. Studies by Shaurya and Raneeta (Uploaded 2022/06) and subsequent analyses by Weffe and Carlos (2021) highlight the importance of the protection of taxpayer rights influence voluntary tax compliance. Further, the successful implementation of taxpayer Charters often hinges on institutional commitment, public awareness, and the integration of complementary reforms such as digital services and streamlined dispute resolution (Closs-Davies et al., 2024). However, evidence from developing countries, including South Asia and Africa, reveals a persistent gap between the formal adoption of these Charters and actual taxpayer engagement (Vitale et al., 2024).

Sri Lanka's adoption of a Taxpayer Charter reflects an attempt to align with global best practices and modernize its revenue administration through public sector reform (Inland

Revenue Department, 2023). Yet, despite the Charter's potential to institutionalize taxpayer rights and improve service delivery, public awareness and understanding remain uncertain (IMF, 2023). This is particularly concerning in a context marked by persistently low tax compliance rates, a narrow tax base, and high levels of informal sector participation. While administrative reforms have been prioritized in national strategies, limited attention has been paid to taxpayers' perceptions, knowledge, and attitudes regarding the Charter.

This study aims to empirically examine the level of taxpayer awareness and perceptions regarding the Taxpayer Charter in Sri Lanka. By exploring the extent to which taxpayers understand and internalize the rights and responsibilities classified in the Charter, the research offers evidence-based insights that are crucial for enhancing citizen-state fiscal relations. The findings aim to inform the Inland Revenue Department (IRD) and policymakers in designing more effective communication strategies, taxpayer education initiatives, and accountability frameworks that support the transition from enforce to voluntary tax compliance.

2. Methodology

This study adopted a mixed-method research approach to comprehensively investigate taxpayer awareness and interaction with the Taxpayer Charter in Sri Lanka. By integrating both quantitative and qualitative methods, the research effectively captures the extent of awareness as well as the underlying factors influencing taxpayer perceptions and behaviours. Data collection was conducted between August and September 2024.

The quantitative phase involved a questionnaire survey administered to a representative simple random sample of 462 individual taxpayers within the Small and Medium Enterprise (SME) sector in Sri Lanka. The survey instrument comprised a questionnaire featuring five-point Likert scale items designed to evaluate respondents' levels of awareness and personal experiences related to the Taxpayer Charter. Data analysis utilized descriptive statistics and cross-tabulations to identify key trends and demographic patterns, thereby establishing an empirical basis for further interpretation.

The qualitative phase of the study comprised focused group interviews with 32 subject-matter experts and stakeholders representing diverse sectors, including academia, finance, public administration, entrepreneurship, tax consultancy, policy formulation, legal practice, and political leadership. These interviews provided in-depth insights into taxpayer awareness, communication barriers, and institutional responsiveness related to the Taxpayer Charter. A

thematic analysis was used to identify common patterns and viewpoints, adding context to the quantitative results and strengthening the overall analysis of the study. Data triangulation was achieved by integrating quantitative survey results with qualitative insights from interviews, enabling a comprehensive analysis through cross-validation of themes related to taxpayer awareness toward the Taxpayer Charter. Participants were fully informed of the voluntary nature of their participation and the confidentiality of their responses, safeguarding their rights and maintaining research integrity.

3. Data Analysis and Discussion

3.1 Quantitative Data: Sample Characteristics

The survey sample consisted of 462 respondents, providing insights into the demographic characteristics and business profiles of the participants. The analysis covers gender, age, education, occupation, business nature, business age, and business size.

Gender: The respondent pool was predominantly male, accounting for 88% (334) of participants, while females made up 22% (128). This significant gender disparity suggests a male-dominated participation in the survey, which may reflect the gender distribution within the relevant taxpayer population or business sector (Figure 1).

Age: Respondents were mainly concentrated in the middle-age working group. The largest age cohort was 36-45 years, representing 62% (289) of the sample, followed by the 46-56 age group at 27% (124). Younger taxpayers aged 25-35 comprised 9% (43), and only 2% (6 respondents) were aged above 57. This distribution indicates that the most of surveyed taxpayers are in their prime working and business years, potentially influencing their engagement with tax matters (Figure 2).

Education: The educational attainment of respondents was generally high. A majority held a university degree, accounting for 69% (317), with diploma holders constituting 18% (85). Those with certificate courses made up 8% (37), and a smaller segment, 5% (23), had completed postgraduate education (Master's degree or higher). This profile suggests that most respondents possess a solid educational background, which may correlate with their awareness and understanding of tax obligations (Figure 3).

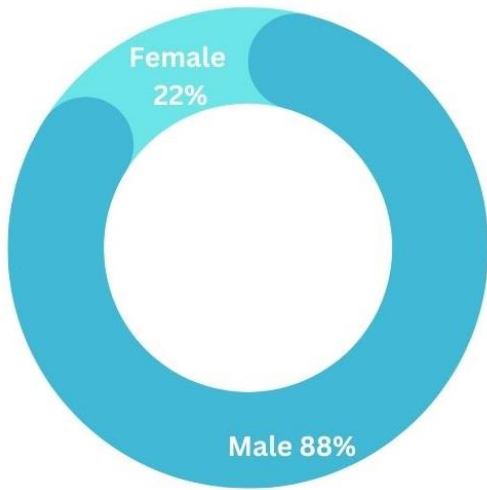


Figure 1 Gender

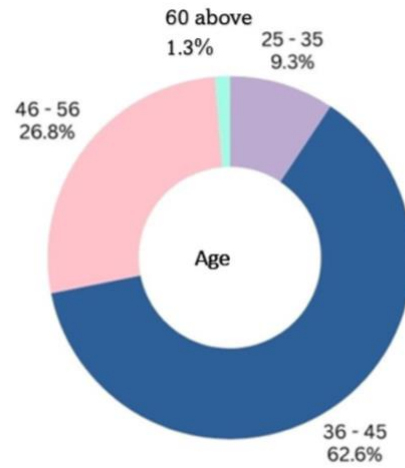


Figure 2 Age

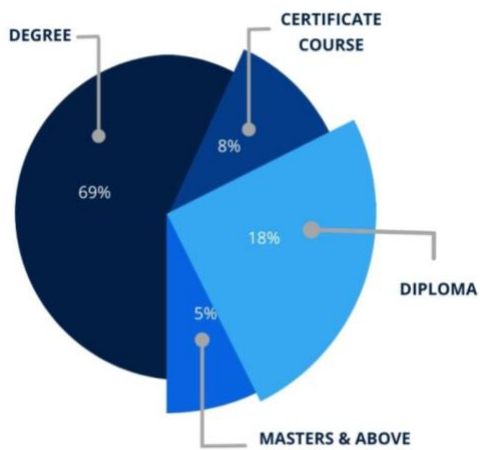


Figure 4 Education

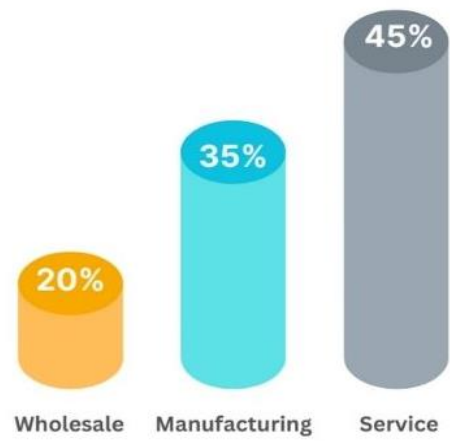


Figure 3 Sector

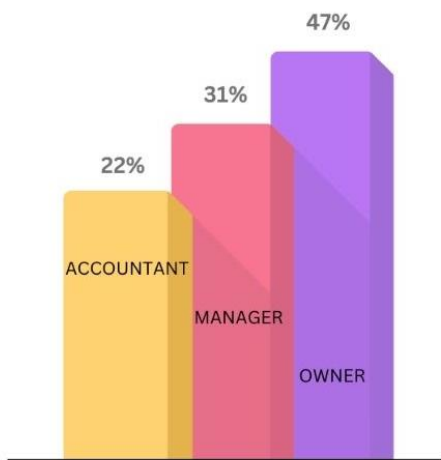


Figure 6 Occupation

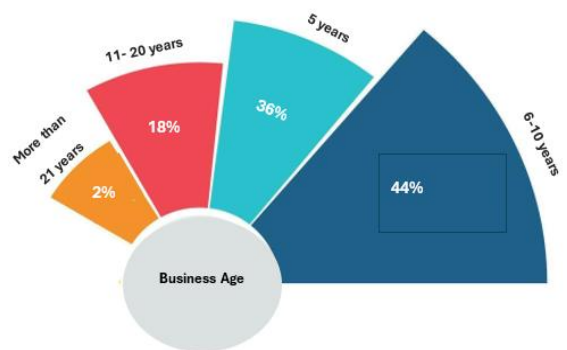


Figure 5 Business age

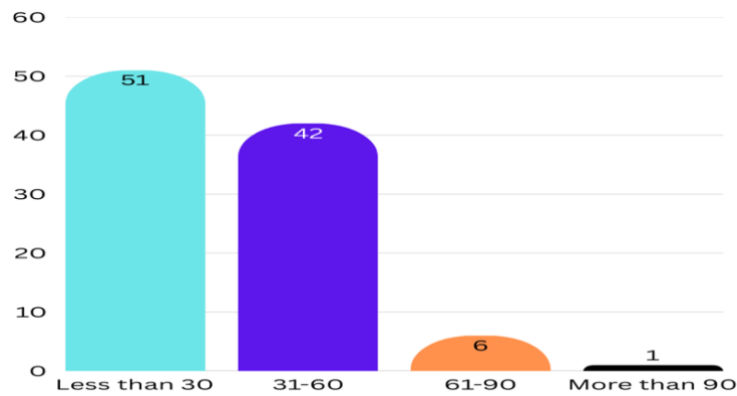


Figure 7 Business size

Sector: Respondent businesses were primarily engaged in the service sector, representing 45% of the sample. Manufacturing sector comprised 35%, and wholesale sector accounted for 20%. This diversity covers a broad range of economic activities, enabling a well-rounded understanding of tax-related perceptions across sectors (Figure 4).

Occupation: In terms of professional roles within businesses, nearly half of the respondents (47%) identified as accountants, reflecting their likely direct involvement with tax filing and compliance processes. Managers made up 31%, while business owners represented 22%. These figures show that the survey gathered insights from individuals engaged in both day-to-day tax operations and higher-level strategic decision-making (Figure 5).

Business age: Regarding the longevity of businesses, 44% reported operating between 6 to 10 years, while 36% had been in business for 5 years or less. Businesses aged 11 to 20 years made up 18%, and only 2% had been established for over 21 years. This indicates that the majority of respondents represent relatively young to moderately mature businesses (Figure 6).

Business size: Businesses employing fewer than 30 employees constituted 51%, those with 31 to 60 employees made up 42%, and a smaller fraction, 6%, had 61 to 90 employees. Only 1% reported having more than 91 employees. This distribution emphasizes that the survey primarily reflects the experiences and views of smaller enterprises, which may face distinct challenges related to tax compliance (Figure 7).

3.2 Taxpayer Rights

To assess taxpayer awareness of their rights under the Taxpayer Charter, respondents rated 29 statements using a five-point Likert scale: SD – Strongly Disagree, D – Disagree, N – Neutral, A – Agree, SA – Strongly Agree. This helped gauge agreement levels and identified trends in taxpayer perceptions. The response distribution is presented below.

3.2.1 Right for fair and honest treatment (RFH)

Right for RFH concerned perceptions of fairness, transparency, and integrity in tax administration for which the results are reported in Figure 8.

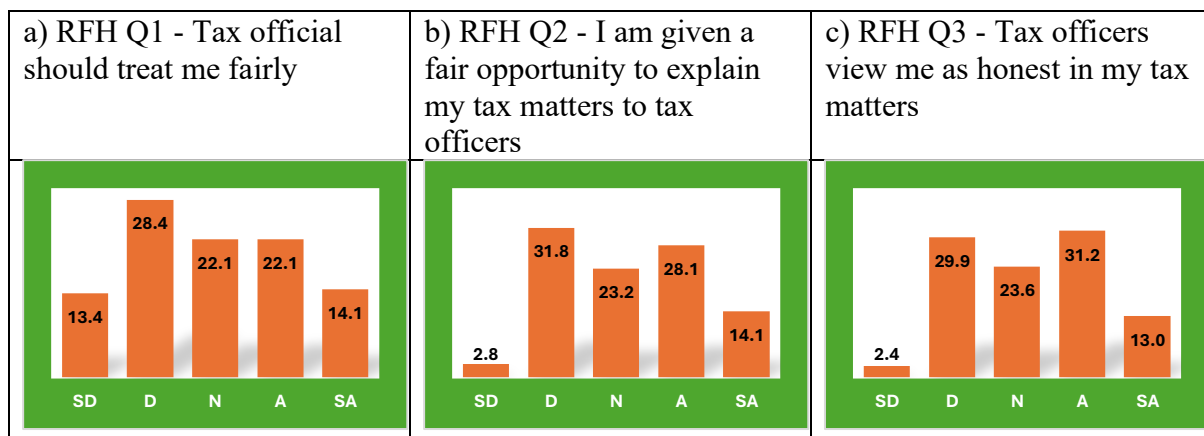


Figure 8 Right for fair and honest treatment (RFH)

Key findings:

1. *Concerns about fair treatment:* 41.8% of respondents disagreed with the statement, “Tax officials should treat me fairly,” indicating potential dissatisfaction, possibly due to limited awareness of rights, poor outreach, or negative past experiences.
2. *Agreement on fair opportunity:* 42.2% agreed they had a fair chance to explain their tax issues, suggesting some taxpayers feel heard, though improvements in fairness and consistency are still needed.
3. *Perception of honesty recognition:* The highest agreement (44.2%) was for the statement, “Tax officers view me as honest in my tax matters,” reflecting a relatively stronger sense of mutual trust between taxpayers and tax authorities.

3.2.2 Right for professional service and assistance (RPS)

RPS refers the productive working relationship, information assistance and communication between the tax officers and the taxpayers. Results are depicted in Figure 9.

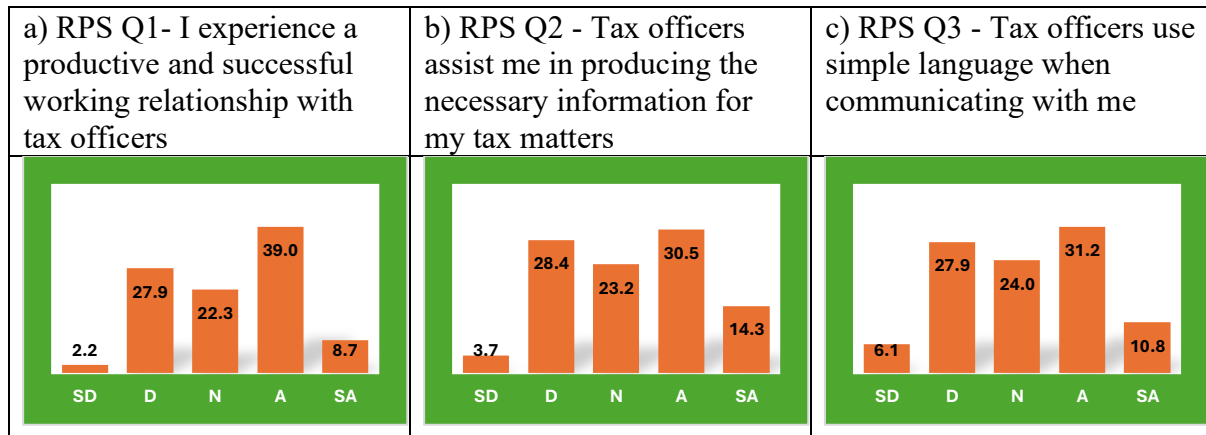


Figure 9 Right for professional service and assistance (RPS)

Key findings:

1. *Satisfaction with working relationships:* Nearly half (47.7%) of respondents agreed or strongly agreed that they have effective and constructive interactions with tax officers. However, 30.1%, respondents indicated disagreements, suggesting room for improving the quality of these interactions.
2. *Inconsistent support in compliance:* 44.8% of respondents agreed that tax officers help them produce necessary information for tax compliance while 32.1%, respondents indicated lower level of support, it also highlights the need for more consistent and proactive assistance from tax authority.
3. *Challenges in communication clarity:* 42% of participants agree the use of simple language in communication.

3.2.3 Right to redress (compensation) - RC

Figure 10 presents taxpayer responses concerning their perceptions of the quality of compliance-related services and the support provided by tax authorities, offering insights into how effectively the Inland Revenue Department (IRD) meets taxpayer needs and expectations.

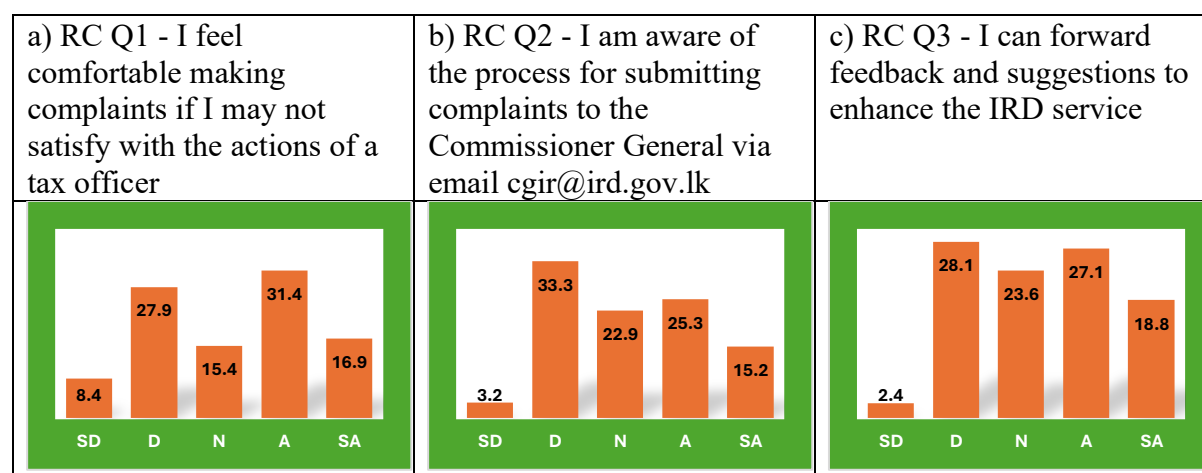


Figure 10 Right to redress (compensation) (RC)

Key findings:

1. *Comfort and experience in raising complaints:* 48.3% respondents felt comfortable making complaints about tax officers, showing moderate satisfaction. However, 36.3% lacked experience, highlighting the need to improve awareness and access to complaint channels.
2. *Awareness of complaint submission process:* While 40.5% of respondents agreed or strongly agreed that they are aware of the process for submitting complaints to the Commissioner General via email (cgir@ird.gov.lk), a significant 36.5% disagreed. This indicates that a considerable portion of taxpayers remain unaware of the formal channels available for lodging complaints, highlighting the need for improved communication and outreach.
3. *Accessibility of feedback channels:* About 45.9% agreed they can give feedback to improve IRD services, while 30.5% disagreed, indicating the need to better promote available feedback channels.

3.2.4 Right for representation (RR)

Figure 11 illustrates taxpayers' awareness of their right to representation in dealings with the tax authority and their responsibility for ensuring the accuracy of submitted documents.

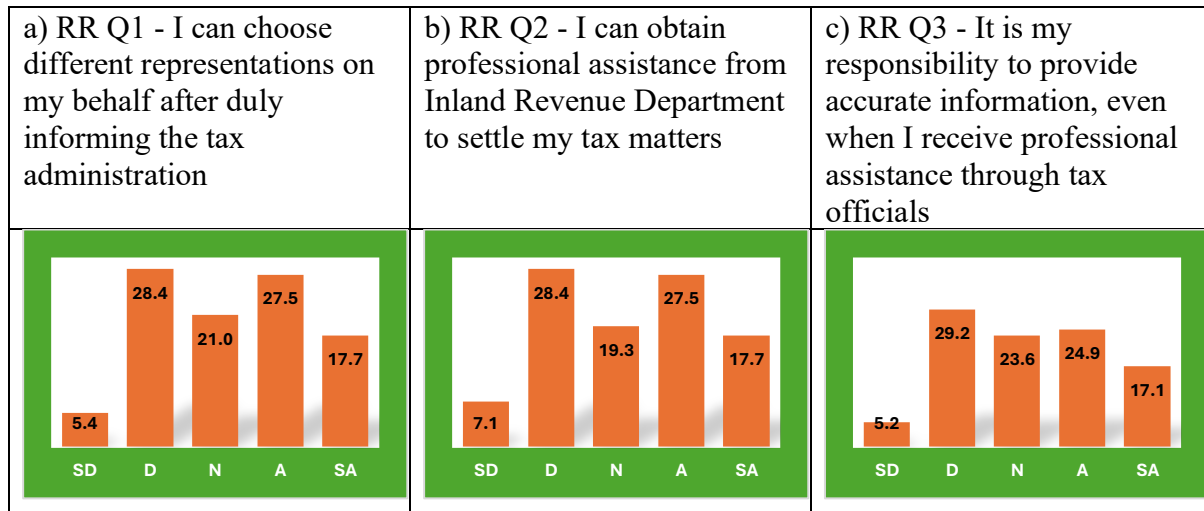


Figure 11 Right for representation (RR)

Key findings:

1. *Awareness of representation rights:* 45.2% of respondents agreed that they can appoint representatives after informing the tax authority, showing that nearly half are aware of this right, though many may still be uninformed.
2. *Understanding of available support from IRD:* 45.2% of respondents agreed that they can get professional help from the IRD for tax matters. This shows some awareness, but there is still a need to better promote these support services.
3. *Responsibility for accurate information:* Only 42% of respondents agreed that they are personally responsible for the accuracy of the tax information they submit, even when represented by a professional, while 34.4% disagreed. This indicates a lack of clarity among taxpayers about their individual accountability in the tax compliance process.

3.2.5 Right to privacy and confidentiality (RPC)

Figure 12 presents taxpayer responses related to RPC, highlighting both the level of awareness and the concerns taxpayers have regarding the protection of their personal and tax-related information.

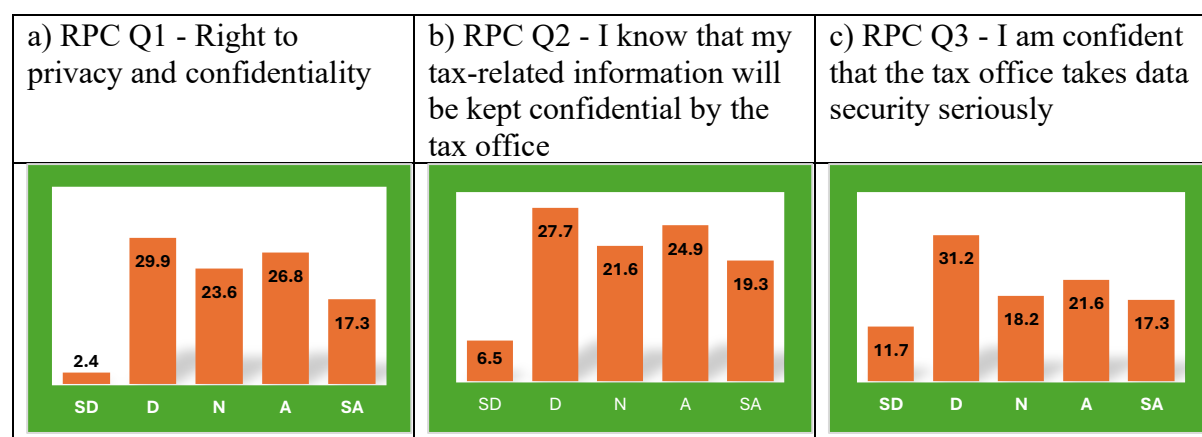


Figure 12 Right to privacy and confidentiality (RPC)

Key findings:

1. *Awareness of privacy rights:* 44.1% of respondents agreed with the principle of privacy and confidentiality, indicating a basic but limited understanding of their rights related to data protection.
2. *Trust in institutional confidentiality:* 44.2% agreed that the Inland Revenue Department (IRD) maintains the confidentiality of their tax-related information, while 34.2% disagreed. This shows a moderate level of trust, though possibly influenced by limited awareness of the actual data protection measures.
3. *Concerns about data security:* A significant portion 42.9% disagreed and 18.2% remained neutral regarding the secure handling of their data by the IRD. This reflects ongoing concerns and uncertainty about the safety of their personal and financial information.

3.2.6 Right to access information (RAI)

Figure 13 presents taxpayer responses related to the Right to Access Information (RAI), indicating a relatively higher level of awareness among taxpayers about their entitlement to obtain relevant tax information from the authorities.

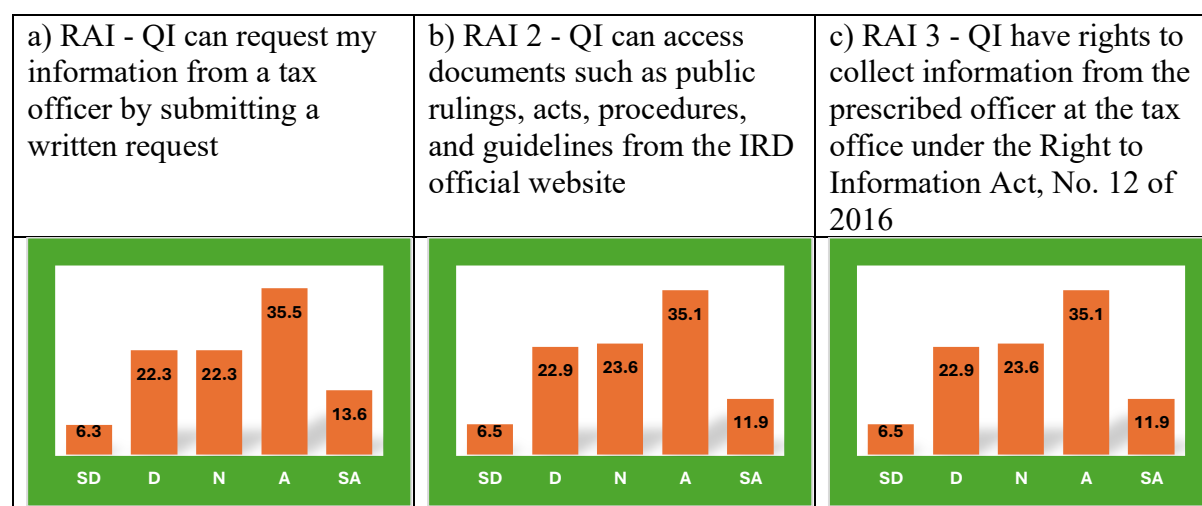


Figure 13 Right to access information (RAI)

Key findings:

1. *Awareness of access procedures:* 49.1% of respondents agreed that they can request their personal tax information in writing, suggesting that many taxpayers are still unfamiliar with formal procedures for accessing such information.
2. *Use of the IRD website:* 47% of respondents recognized their ability to access documents through the Inland Revenue Department (IRD) website. This suggests a moderate understanding of online resources but also points to underutilization of digital platforms.
3. *Understanding of legal rights:* Only 47% of respondents agreed that they are entitled to broader access under the Right to Information Act, while 23.6% remained neutral, pointing to a gap in awareness of their full legal rights.

3.2.7 Right for help (RH)

Figure 14 presents taxpayer responses related to RH, offering insights into the level of support and assistance provided by the tax authority to help taxpayers understand and meet their tax compliance commitments.

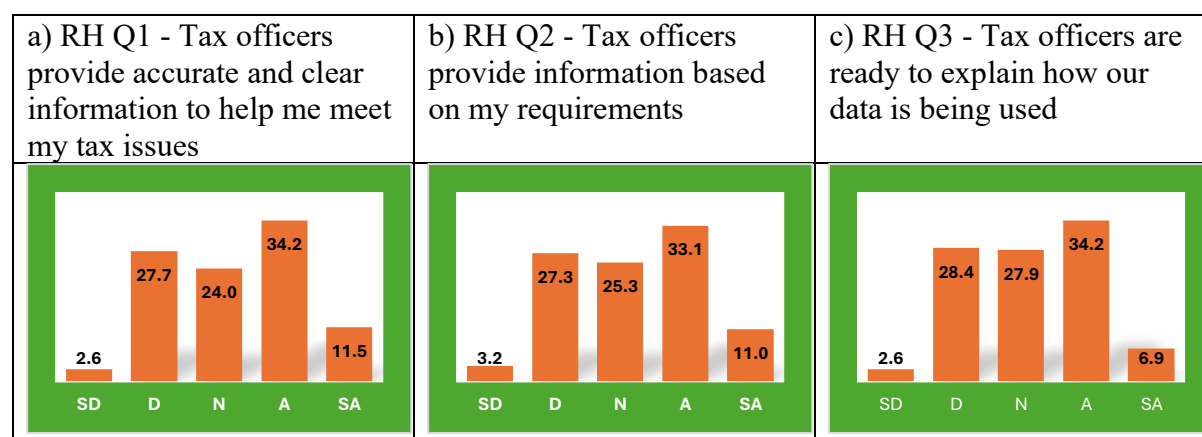


Figure 14 Right for help (RH)

Key findings:

1. *Perceived accuracy of information:* Approximately 45.7% of respondents agreed that tax officers provide accurate and clear guidance on tax matters, while 24% remained neutral. This suggests that while nearly half trust the information provided, a notable portion may be uncertain or unconvinced about its clarity and accuracy.
2. *Relevance of support provided:* 44.1% of respondents felt the support they received was relevant to their specific needs, with 25.3% neutral. This points to a tendency toward generalised support, highlighting the need for more personalized and targeted communication.
3. *Confidence in data transparency:* 41% agreed that tax officers are willing to explain how taxpayer data is used, whereas 31% disagreed and 27.9% were neutral. This reveals moderate trust in the Inland Revenue Department's (IRD) transparency but also signals significant levels of doubt or lack of awareness among taxpayers.

3.2.8 Right for reasons and review (RRR)

Figure 15 presents taxpayer responses related to the Right for Reasons and Review (RRR), focusing on whether the tax office provides written explanations for its actions and decisions, and whether taxpayers are aware of their right to request a review by the Commissioner General before pursuing further appeals.

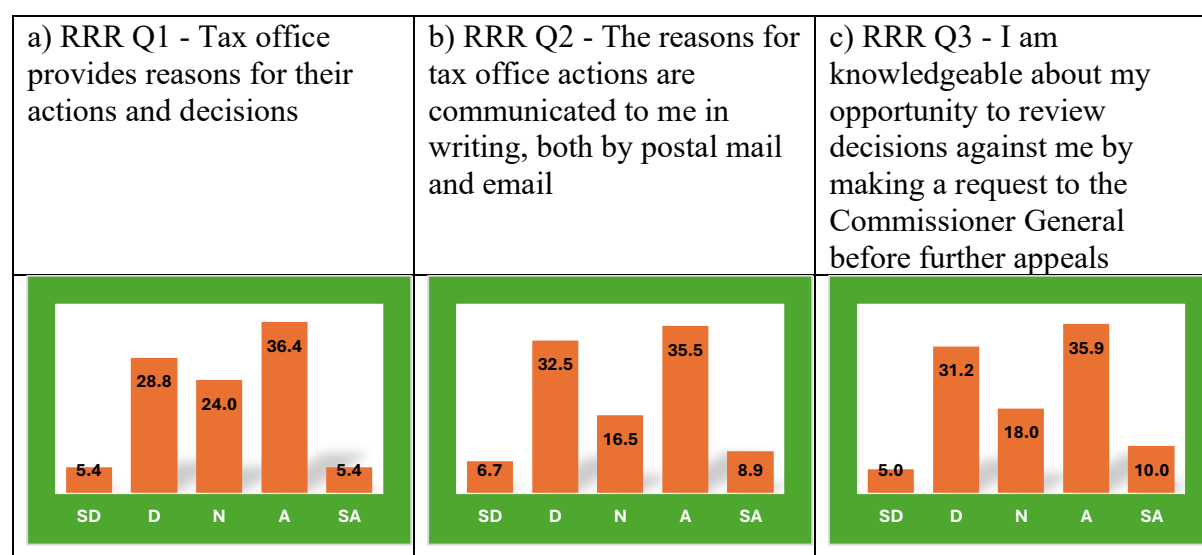


Figure 15 Right for reasons and review (RRR)

Key findings:

1. *Transparency in decision communication:* Only 41.8% of respondents agreed that they receive clear explanations for tax decisions, while 34.2% disagreed and 24% remained neutral. This suggests that a significant portion of taxpayers lack a clear understanding of the rationale behind tax decisions, potentially fostering perceptions of unfairness or mistrust.
2. *Inconsistent use of formal documentation:* A total of 44.4% of respondents confirmed receiving written communication such as letters or emails detailing the reasons for tax decisions. However, 39.2% disagreed, indicating that many taxpayers are not adequately informed through formal channels, revealing procedural inconsistencies in communication.
3. *Awareness of review options:* Only 45.9% of respondents were aware of their right to request an internal review prior to initiating a formal appeal, while 36.2% were unaware. This points to a lack of awareness regarding available redress mechanisms,

which may hinder taxpayers from effectively challenging decisions they perceive as incorrect.

3.2.9 Right to easy use of access (REA)

Taxpayer feedback on REA indicates moderate but uneven awareness and use of the Inland Revenue Department's digital and communication tools. Figure 16 highlights key patterns in how these resources are accessed and utilized.

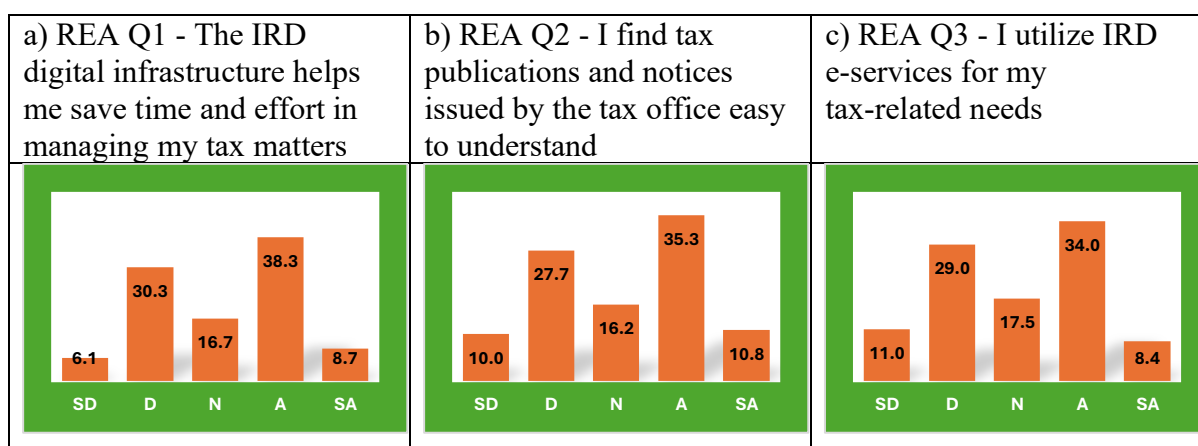


Figure 16 Right to easy use of access (REA)

Key findings:

1. *Perception of digital convenience:* While 47% of respondents agreed that the IRD's digital infrastructure saves time and effort, 36.4% disagreed. This indicates moderate appreciation of digital services but also points to challenges such as limited digital literacy, accessibility issues, or platform complexity.
2. *Clarity in communication materials:* Only 46.1% of respondents found tax publications and notices easy to understand, with 37.7% disagreeing. This suggests ongoing barriers in comprehension, particularly for individuals with lower educational levels or limited familiarity with formal tax documents.
3. *Adoption of e-services:* 42.4% of respondents reported using IRD's e-services, while 40% disagreed. This highlights a notable gap between service availability and actual use, possibly due to lack of awareness, confidence, or usability challenges.

3.3 Taxpayer Obligations

3.3.1 *Obligation to be truthful (OT)*

Figure 17 presents taxpayer responses to three questions on OT, focusing on accuracy, honesty, and awareness of consequences.

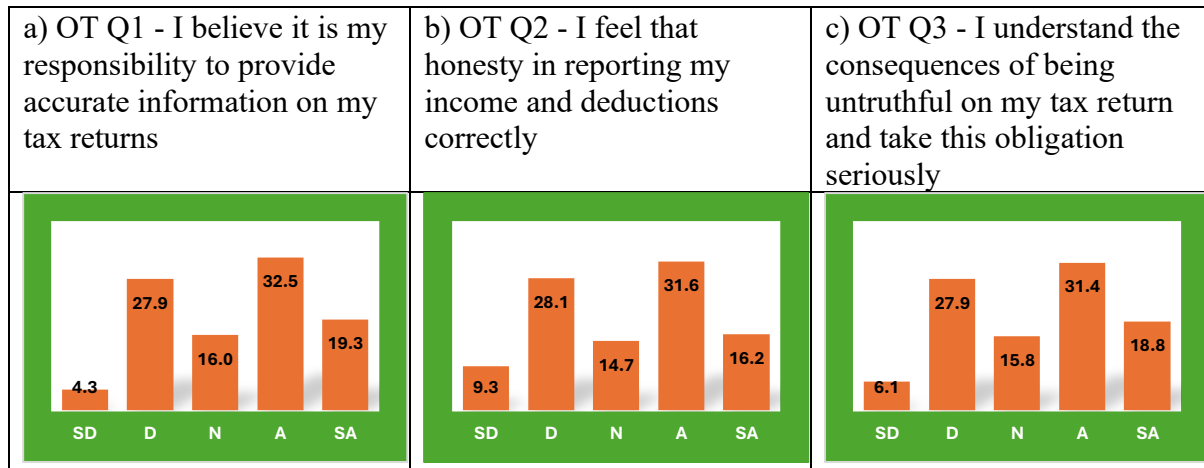


Figure 17 *Obligation to be truthful (OT)*

Key findings:

1. *Understanding of reporting accuracy:* Only 51.8% of respondents agreed that it is their responsibility to provide accurate tax return information, while 48.2% were neutral or disagreed. This indicates a need for improved taxpayer education on accurate reporting.
2. *Commitment to honest reporting:* 47.8% of respondents valued honesty in reporting income and deductions, with 37.4% in disagreement. This suggests ongoing challenges in addressing attitudes that may justify misreporting or evasion.
3. *Awareness of consequences of being untruthfulness:* Over half (50.2%) of respondents acknowledged understanding the consequences of dishonesty and took their obligation seriously. While this reflects some progress, stronger communication and enforcement strategies may be required.

3.3.2 Obligation to maintain required documents (OMRD)

Taxpayer responses on the obligation to maintain required documents reveal moderate awareness, with room for improvement. Many acknowledge their responsibility to report income accurately, retain supporting documents for at least five years, and understand the consequences of providing false information are the factors that influence their reporting behaviour (Figure 18).

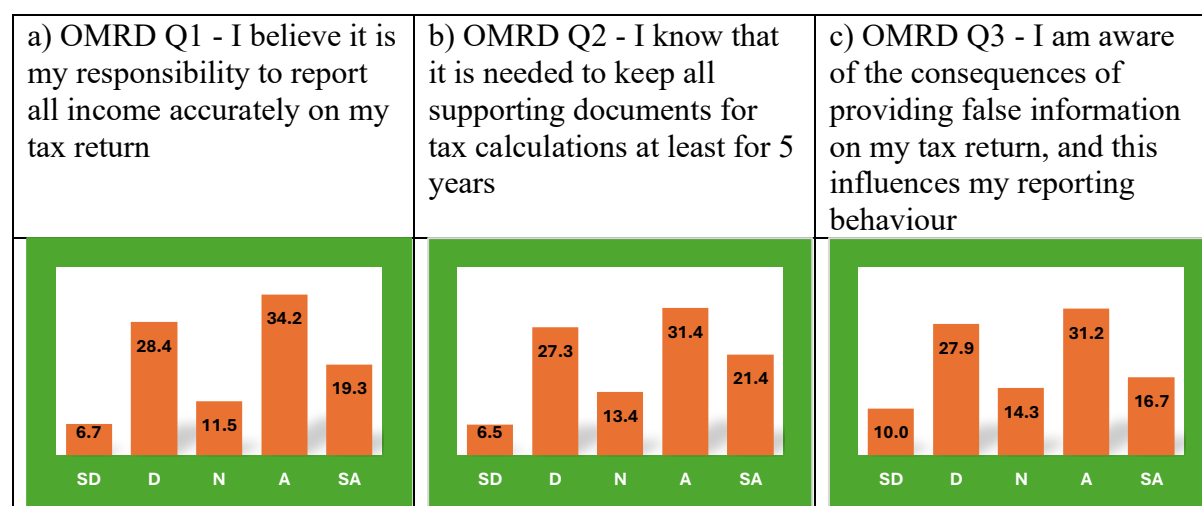


Figure 18 Obligation to maintain required documents (OMRD)

Key findings:

1. *Awareness of income reporting requirements:* 53.5% of respondents acknowledged their responsibility to report all income accurately. This indicates a fair level of accountability, but a considerable portion of taxpayers may still lack complete understanding, indicating reasonable awareness, though gaps in full understanding remain.
2. *Basic knowledge of document retention:* 52.8% were aware of the need to retain supporting documents for at least five years, showing moderate knowledge, with possible shortfalls among informal sector taxpayers.
3. *Awareness of consequences of providing false information:* Only 47.9% understood the consequences of providing false information, suggesting current deterrence measures may lack clarity or visibility.

3.3.3 Obligation to file and pay on time (OFP)

Figure 19 presents taxpayer responses to questions on OFP, focusing on procedural duty, personal motivation, and awareness of penalties. The findings reveal strong awareness of deadlines and penalties but a weaker sense of civic duty, highlighting the need to strengthen intrinsic motivation for timely compliance.

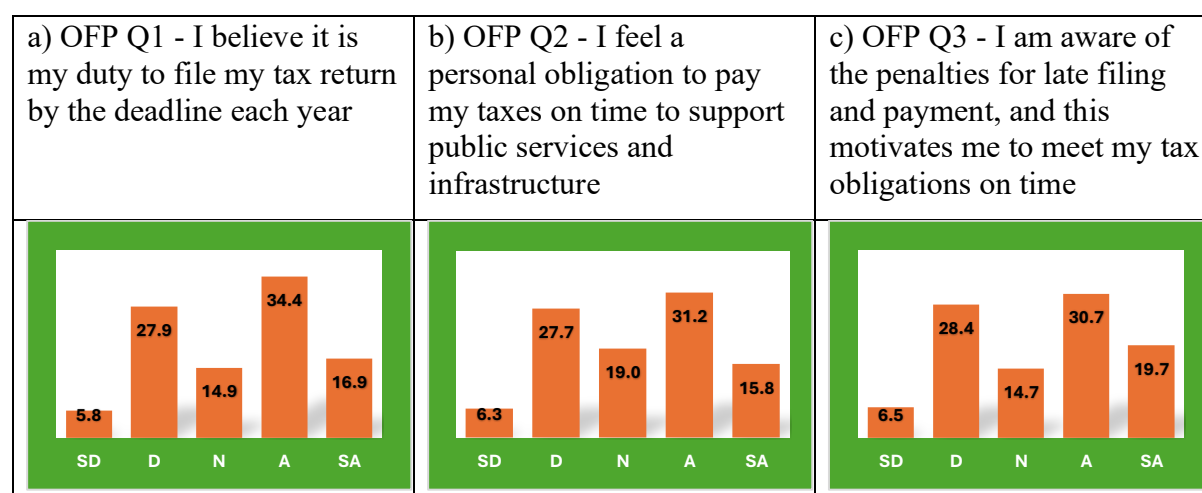


Figure 19 Obligation to file and pay on time (OFP)

Key findings:

1. *High awareness of filing deadlines:* 51.3% of respondents agreed that it is their duty to file tax returns by the deadline, indicating strong awareness of procedural requirements. This may be attributed to administrative enforcement and digital advancements in the tax filing process.
2. *Weaker sense of civic responsibility:* Only 47% of respondents felt a personal obligation to pay taxes on time to support public services. This suggests that taxpayer motivations for compliance are more influenced by external enforcement than by an intrinsic sense of civic duty.
3. *Awareness of penalties:* 50.4% of respondents acknowledged awareness of penalties for late filing and payment, but nearly half were either unaware of these penalties or not influenced by them. This indicates a need for more transparent and impactful enforcement communication.

3.3.4 Obligation to be cooperative (OC)

Figure 20 illustrates taxpayer responses to three questions on OC, focusing on its importance, responsibility, and impact on tax collection. The results show mixed views, reflecting both support for and uncertainty about the role of cooperation in the tax system.

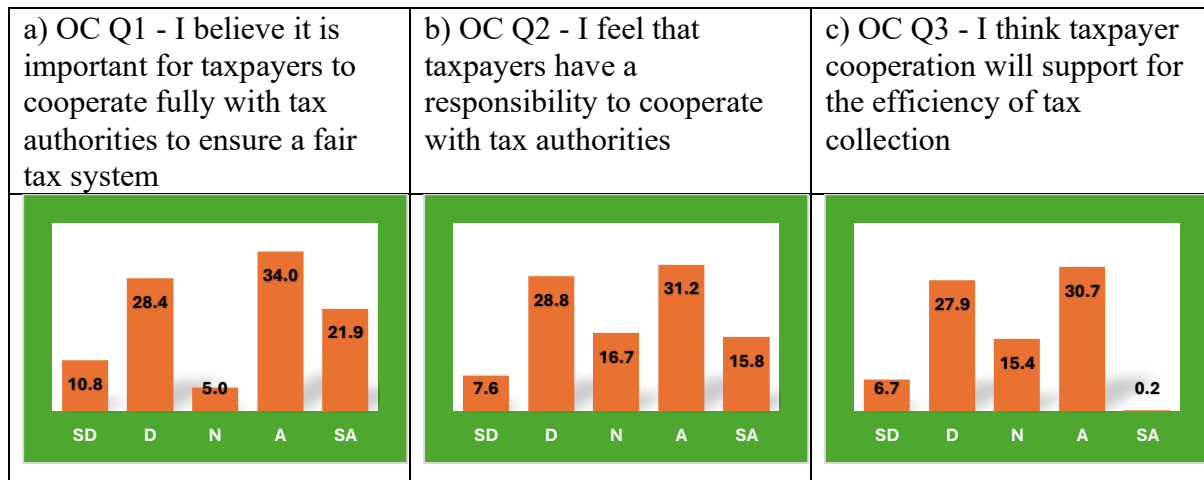


Figure 20 Obligation to be cooperative (OC)

Key findings:

1. *Recognition of cooperative values:* 55.9% of respondents agreed that taxpayer cooperation is essential for a fair tax system. This indicates a relatively strong acknowledgment of the ethical value of cooperation, but nearly half remain uncertain or disagree.
2. *Sense of personal responsibility:* Only 47% of respondents expressed a personal sense of responsibility to cooperate with tax authorities, suggesting a disconnect between recognizing fairness and embracing cooperation as an individual obligation.
3. *Collaborative compliance:* 34.6% of respondents disagreed that cooperation improves tax collection efficiency, highlighting a notable lack of understanding about the practical advantages of taxpayer–authority collaboration.

3.3.5 Tax compliance

Figure 21 highlights positive taxpayer attitudes, including pride in contributing to public revenue and support for improving awareness of taxpayer rights and obligations.

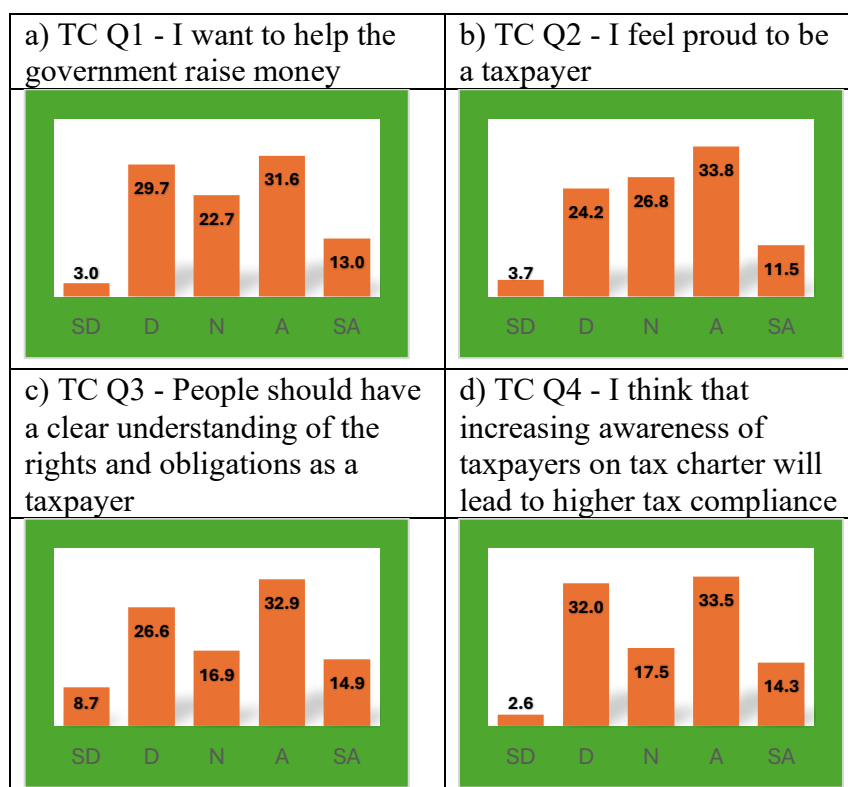


Figure 21 Tax compliance

Key findings:

1. *Civic responsibility*: While 44.6% of respondents expressed a willingness to help the government raise revenue, a significant 54.4% showed uncertainty or reluctance to support government coffers.
2. *Taxpayer pride*: 45.3% expressed pride in being taxpayers. While generally positive, these figures suggested there is potential to further strengthen civic-minded attitudes.
3. *Support for awareness of rights and obligations*: While 47.8% agreed that taxpayers should clearly understand their rights and obligations, 52.2% emphasized the importance of promoting informed and responsible tax behaviour.
4. *Awareness linked to higher compliance*: 48.8% believed that greater awareness of the Taxpayer Charter would lead to improved compliance, indicating strong support for awareness-based strategies to boost voluntary compliance.

3.4 Cross -Tabulation of Rights and Obligations with Respondent’s Profiles

Cross-tabulation was employed to examine the influence of demographic and socio-economic variables such as gender, age, and education level on taxpayer awareness of their rights and obligations. For this purpose, item-wise analysis was conducted focusing on three taxpayer rights and two core obligations, as outlined below.

- RFH (Right to Fair and Honest Treatment by Tax Officials),
- RR (Right to Representation),
- RAI (Right to Access Information),
- OT (Obligation of Truthfulness), and
- OFT (Obligation of Timely Filing and Payment).

These items were chosen at the researcher’s discretion, as they comprehensively reflect key dimensions of taxpayers’ entitlements and responsibilities. Furthermore, responses marked as “neutral” were excluded from the analysis due to their limited relevance to policy interpretation.

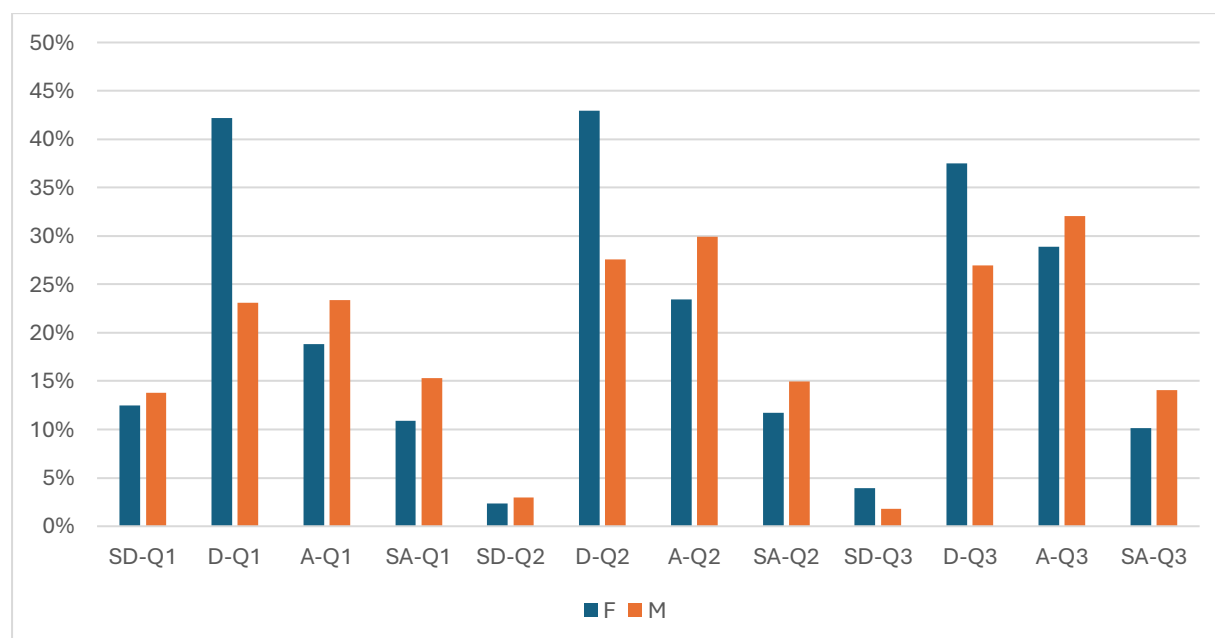


Figure 22 Gender vs. Right for fair and honest treatment

The cross-tabulation of gender-disaggregated responses to the “Right to Fair and Honest Treatment” statements (RFH- Q1, Q2, and Q3) highlights notable differences in perceptions between male and female taxpayers (Figure 22). Male respondents predominantly agreed with

the statements, suggesting a generally positive perception of fair and honest treatment. In contrast, a significantly higher proportion of female respondents disagreed, indicating a less trust in the tax administration.

Key findings:

1. *Gender differences in perceived fair and honest treatment:* A majority of male respondents expressed agreement with the “Right to Fair and Honest Treatment” statements, indicating a higher level of trust in the fairness of tax administration processes.
2. *Lower trust among female taxpayers:* Female respondents showed a noticeably higher rate of disagreement with the same statements, suggesting they perceive tax administration as less fair and honest compared to their male counterparts.

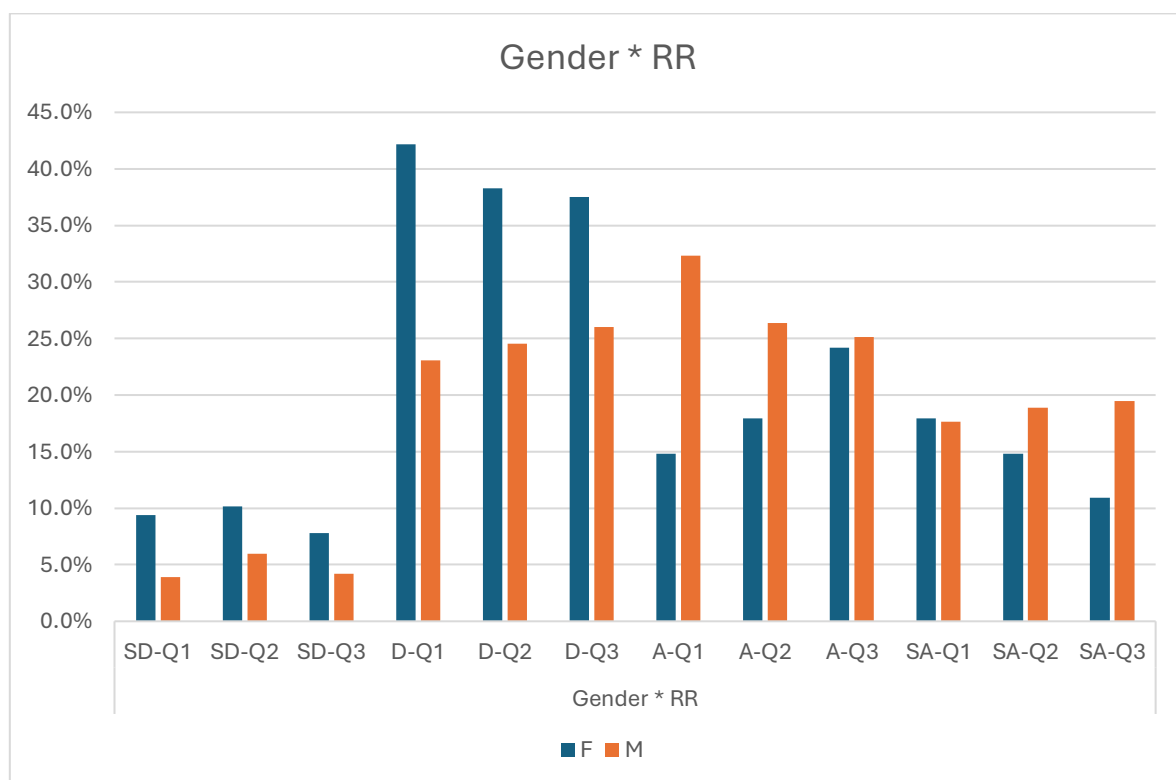


Figure 23 Gender vs. Right for representation

Figure 23 illustrates the relationship between gender and awareness of the right to representation in dealings with the tax office. The majority of male respondents indicated awareness and agreement with this right, suggesting a stronger sense of representation. In

contrast, a significant portion of female respondents disagreed or were unaware, reflecting a gender gap in understanding or confidence regarding their right to be represented.

Key findings:

1. *Greater awareness among male taxpayers:* A majority of male respondents expressed agreement with their right to representation, indicating a comparatively higher level of awareness and confidence in asserting this right.
2. *Awareness gap among female taxpayers:* Female respondents demonstrated a higher level of disagreement or lack of awareness, highlighting a gender-based disparity in understanding or exercising the right to representation in tax matters.

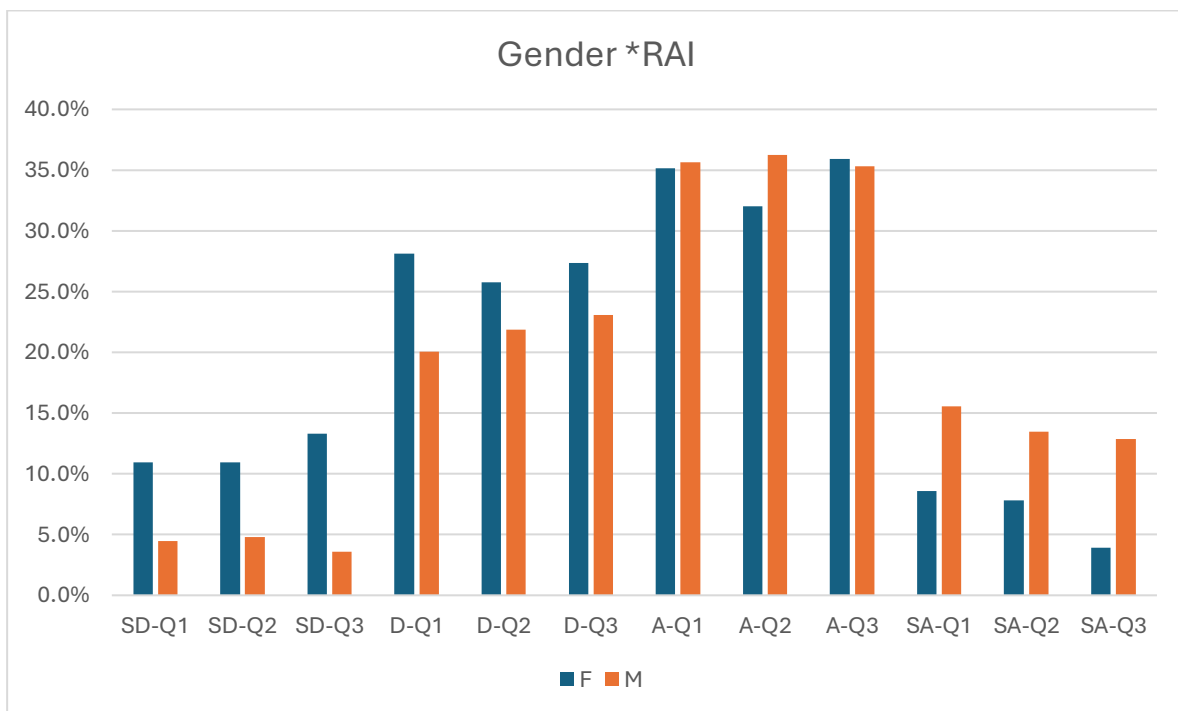


Figure 24 Gender vs. Right for access information

Figure 24 illustrates the relationship between gender and awareness of the right to access tax-related information. The majority of male respondents indicated awareness and agreement with this right, reflecting a higher level of confidence in their ability to obtain relevant tax information. Similarly, a considerable proportion of female respondents also expressed agreement, suggesting a growing awareness and positive perception of their right to access such information.

Key findings:

1. *High awareness among male respondents:* The majority of male respondents reported being aware of their right to access tax-related information, indicating a well-established understanding and confidence in engaging with tax authorities.
2. *Emerging awareness among female respondents:* A significant portion of female respondents also acknowledged awareness of this right, pointing to improved outreach efforts, though a slight gap remains compared to their male counterparts.

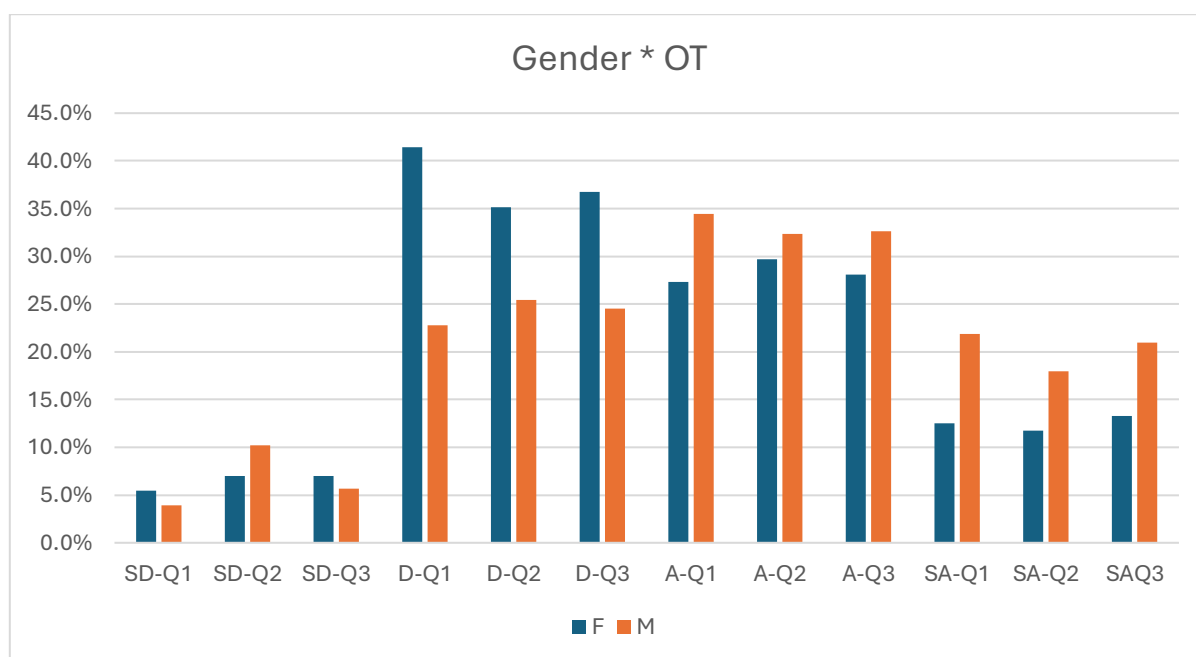


Figure 25 Gender vs. Obligation of truthfulness

Figure 25 illustrates the relationship between gender and awareness of the obligation of truthfulness in tax matters. The majority of male respondents indicated awareness and agreement with this obligation, reflecting a strong recognition of the importance of honesty in tax compliance. In contrast, a notable portion of female respondents expressed disagreement, suggesting either limited awareness or lower confidence in how this obligation is communicated or understood.

Key findings:

1. *Higher awareness among male respondents:* A clear majority of male participants agreed with the obligation of truthfulness in tax matters, indicating strong awareness and alignment with compliance expectations.

2. *Lower agreement among female respondents:* A significant share of female respondents disagreed or showed uncertainty, pointing to potential gaps in understanding or trust in how the obligation of truthfulness is communicated or enforced.

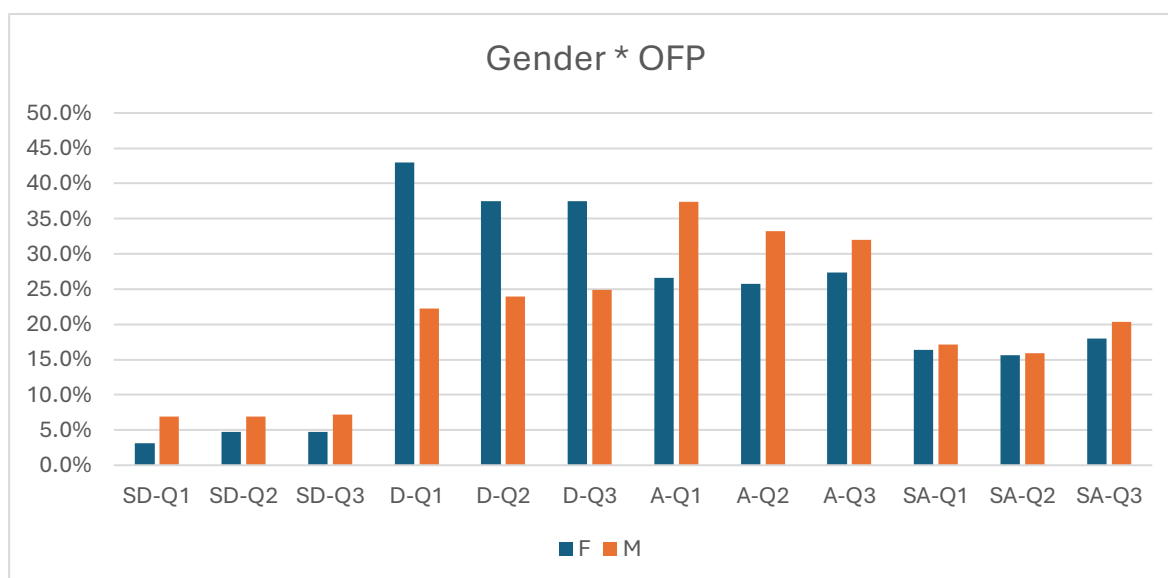


Figure 26 Gender vs. Obligation to file tax returns and make payments on time

Figure 26 presents the gender-disaggregated responses regarding awareness of the obligation to file tax returns and make payments on time. The majority of male respondents reported agreement or strong agreement with this obligation, indicating a comparatively higher level of awareness and alignment with timely compliance expectations. Conversely, a substantial proportion of female respondents expressed disagreement, pointing to a potential disparity in understanding, access to information, or structural challenges that may hinder timely compliance among female taxpayers.

Key findings:

1. *Stronger compliance awareness among male respondents:* Male respondents demonstrated a higher level of agreement with the obligation of timely filing and payment, suggesting greater awareness and adherence to compliance norms within this group.
2. *Gender gap in perceived compliance obligations:* A notable proportion of female respondents disagreed with the obligation of timely filing and payment, indicating a potential gap in understanding, communication effectiveness, or access to enabling conditions for compliance.

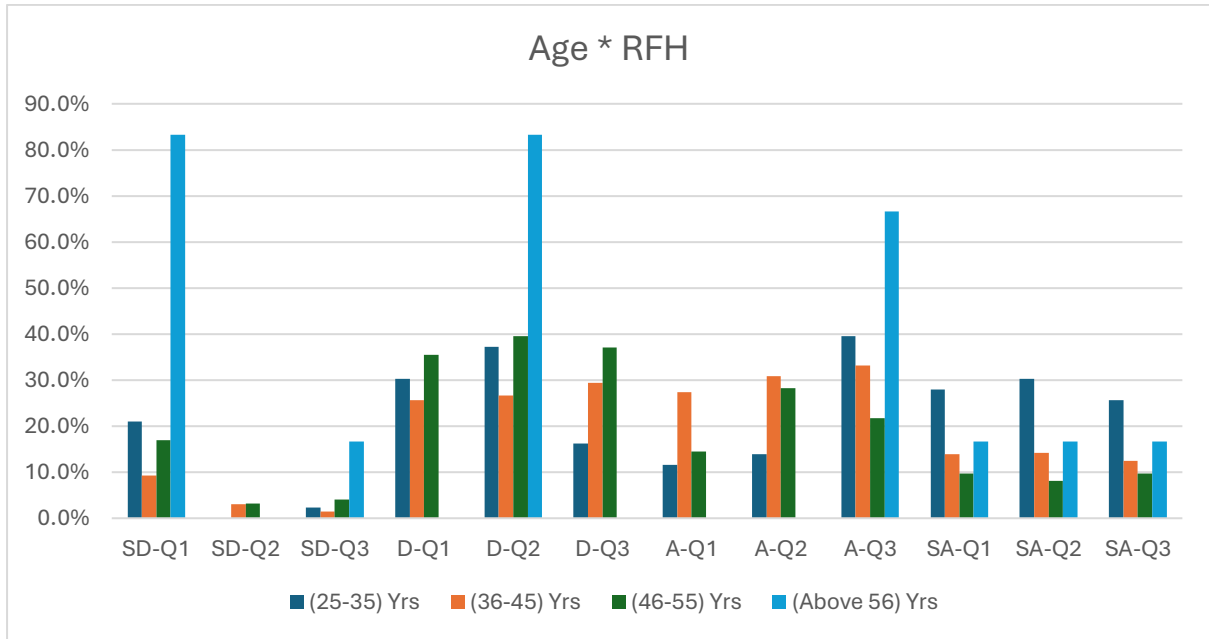


Figure 27 Age vs. Right to fair and honest treatment

Notably, when examining item 1 of the “Right to Fair and Honest Treatment” (RFH), which states, “Tax officials should treat me fairly,” a striking 83% of respondents aged 56 and above strongly disagreed (Figure 27). This trend may reflect their prior experiences with tax authorities and perceived shortcomings in service quality or fairness. These findings suggest that perceptions of fair treatment are also age sensitive.

Key findings:

1. *Strong disagreement among older taxpayers:* A significant 83% of respondents aged 56 and above strongly disagreed with the statement that “Tax officials should treat me fairly,” indicating a pronounced lack of trust and dissatisfaction with their experiences.
2. *Perceptions of honesty are age-sensitive:* The findings highlight that perceptions of fair and honest treatment by tax authorities vary by age, with older taxpayers exhibiting more critical views than their younger counterparts.

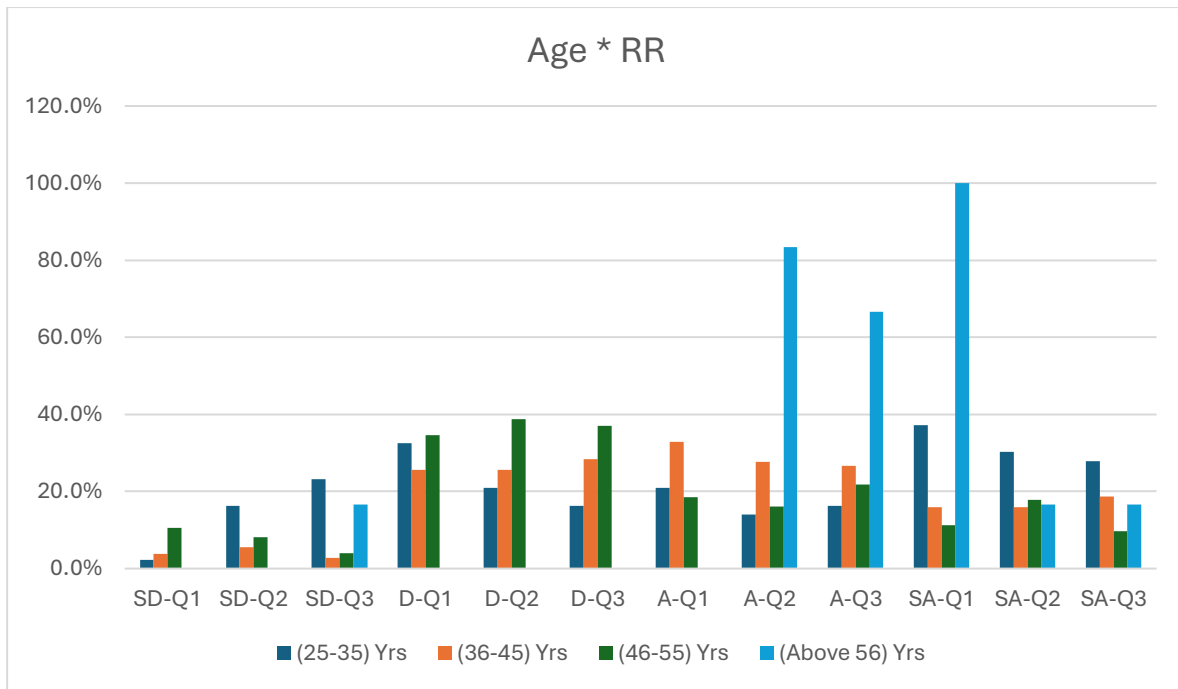


Figure 28 Age vs. Right to representation

As shown in Figure 28, when examining Item 1 of the “Right to Representation” (RR), which relates to the preference for having a representative with experience in tax matters, 100% of respondents aged 56 and above expressed a strong preference for such representation. This contrasts with younger age groups, who showed a comparatively lower inclination to seek representation. Similarly, responses to Item 2, which concerns the preference for professional assistance, also revealed the highest support among the eldest age group, while younger segments demonstrated significantly lower levels of agreement. These findings suggest that the need for guidance and professional support increases with age, likely reflecting accumulated experience and possibly reduced confidence in navigating tax matters independently.

Key findings:

1. *High demand for representation among older taxpayers:* All respondents aged 56 and above preferred to have representation with experience in tax matters, indicating a strong reliance on support when dealing with tax authorities.
2. *Preference for professional assistance increases with age:* The eldest age group showed the highest agreement with the need for professional tax assistance, while younger age groups were less likely to express such a preference, suggesting generational differences in confidence or familiarity with tax systems.

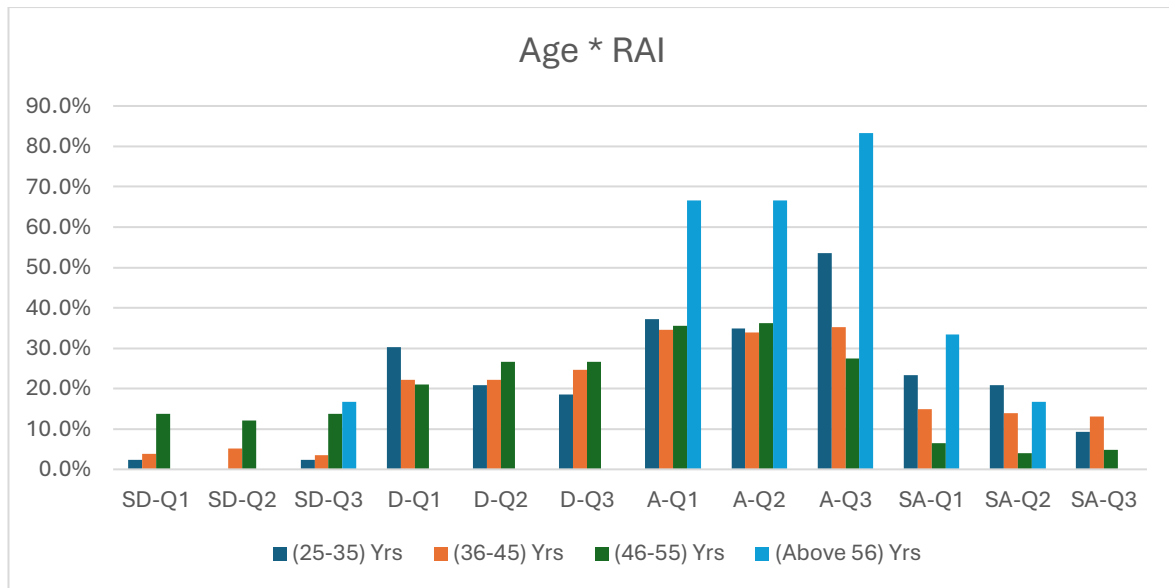


Figure 29 Age vs. Right to access information

Figure 29 illustrates that all age groups expressed agreement with the three statements presented. However, there are notable variations in the level of agreement between the youngest and oldest age groups across each statement. These differences suggest that while the overall perception is positive, the strength of agreement is influenced by age, potentially reflecting generational experiences, expectations, or levels of engagement with the tax system.

Key findings:

1. *Overall agreement across age groups:* All age groups expressed agreement with the three statements, indicating a generally positive perception of the related taxpayer rights or obligations.
2. *Variation in agreement strength by age:* Despite overall agreement, significant differences were observed between the youngest and oldest age groups, suggesting that age influences how strongly these statements are endorsed likely due to differing experiences and expectations.

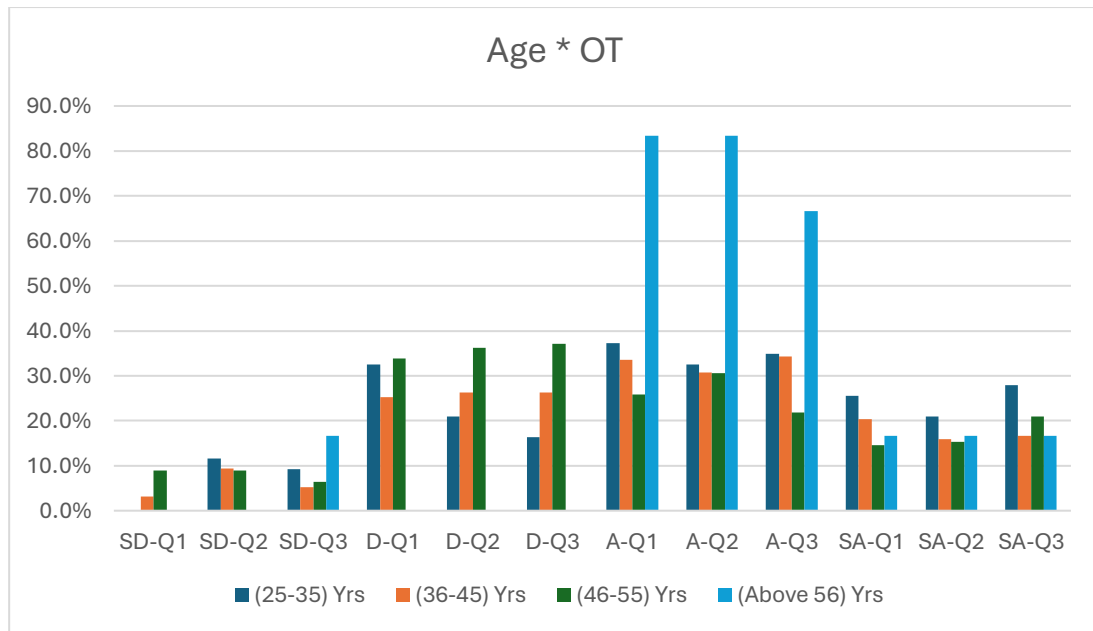


Figure 30 Age vs. Obligation of truthfulness as a taxpayer

Figure 30 illustrates that all age groups expressed agreement with the three statements related to the obligation of truthfulness as a taxpayer. However, there are notable variations in the degree of agreement between the youngest and oldest respondents across each item. These differences suggest that while the obligation is broadly recognized, the depth of understanding or commitment to truthful tax behaviour may vary with age possibly reflecting differences in tax experience, exposure to compliance procedures, or levels of civic responsibility.

Key findings:

1. All age groups recognize the obligation of truthfulness as a taxpayer, showing broad agreement on its importance.
2. The degree of agreement varies notably between the youngest and oldest respondents, suggesting age-related differences in experience or commitment to truthful tax behaviour.

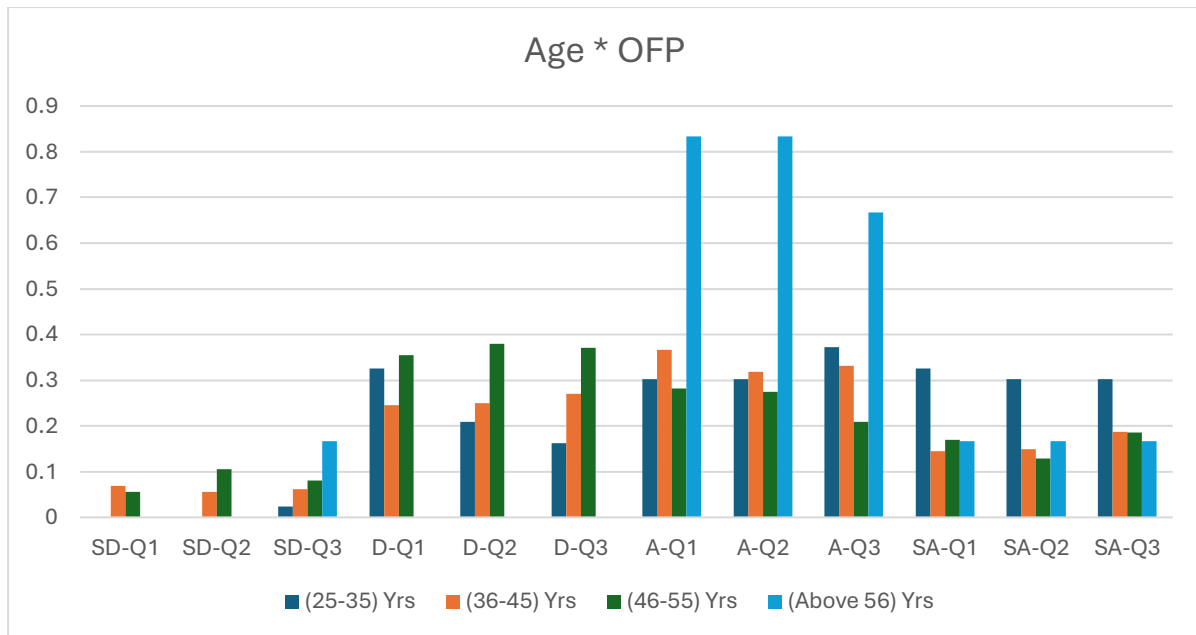


Figure 31 Age vs. Obligation to file tax returns and make payments on time

Figure 31 shows that all age groups generally agree with the three statements regarding the obligation to file and pay taxes on time. However, there are clear differences in the level of agreement between the youngest and oldest respondents for each statement. This variation may indicate that while timely filing and payment are widely accepted as important responsibilities, the sense of urgency or commitment to meeting these obligations may differ by age. These differences could reflect factors such as varying levels of tax experience, awareness of consequences for non-compliance, or differences in financial management habits across age groups.

Key findings:

1. All age groups acknowledge the importance of timely tax filing and payment, indicating broad agreement on these obligations.
2. Notable differences between the youngest and oldest respondents suggest that age influences the degree of commitment or understanding of timely tax compliance.

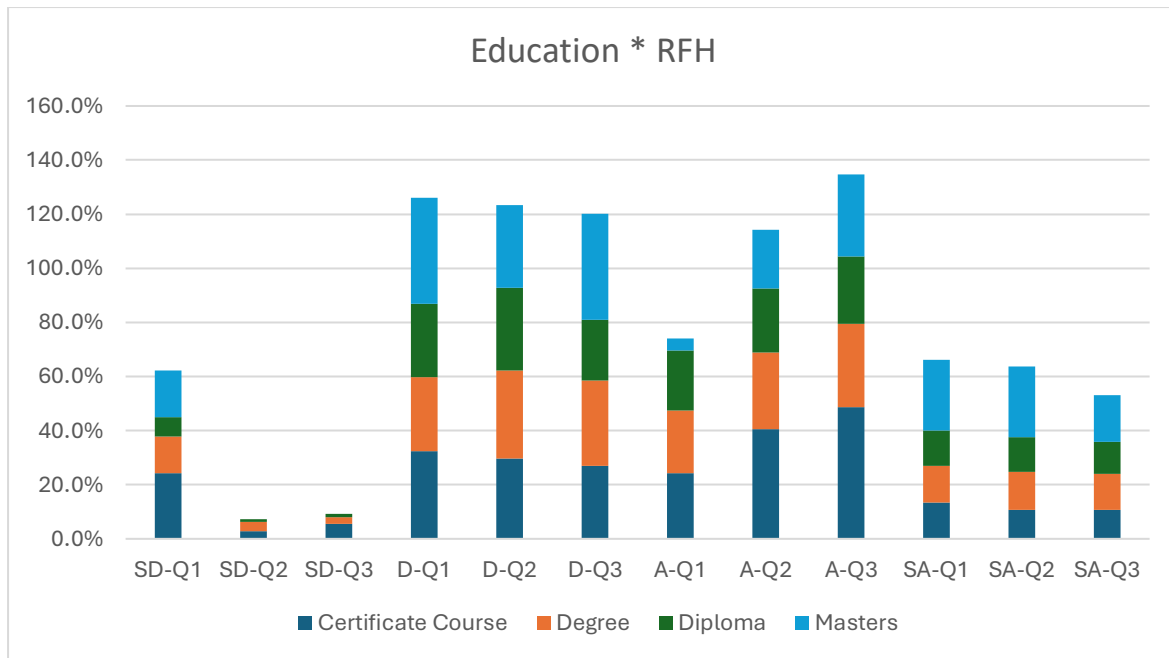


Figure 32 Education vs. Right to fair and honest treatment

Figure 32 illustrates perceptions of fair and honest treatment (Education RFH) among taxpayers with different educational qualifications. A notable difference exists between Master's Degree holders and Certificate course holders, with the majority of Master's Degree holders expressing high levels of disagreement regarding fair and honest treatment. This suggests that perceptions of fair and honest treatment are sensitive to education level, with more highly educated taxpayers potentially holding higher expectations or being more critical of their treatment by tax authority.

Key findings

1. There is a pronounced disparity in perceptions of fair and honest treatment between individuals with Master's degrees and those with Certificate-level qualifications.
2. Respondents with higher academic attainment, particularly Master's degree holders, exhibit greater dissatisfaction, highlighting the influence of educational level on expectations of fair and honest treatment.

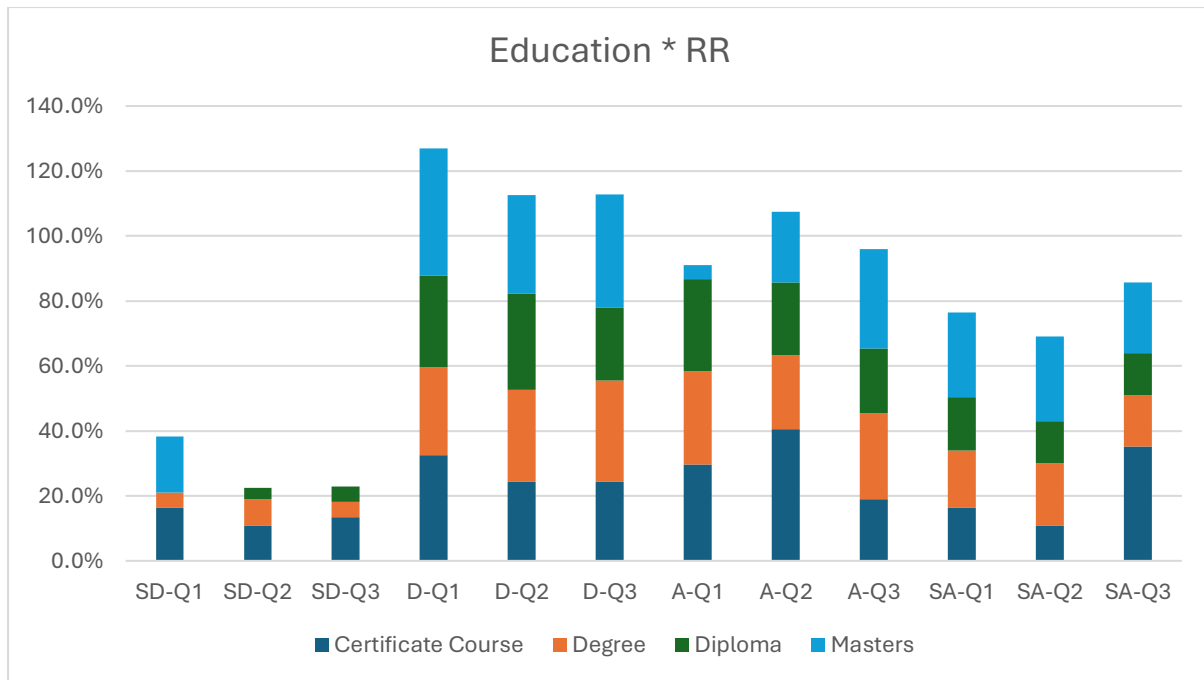


Figure 33 Education vs. Right to representation

Figure 33 highlights notable differences in perceptions of the right to representation across educational levels. Taxpayers with Master’s degrees are more inclined to express dissatisfaction with being represented by others, in contrast to those holding Certificate-level qualifications. This pattern suggests that individuals with higher academic attainment may possess greater confidence in navigating tax matters independently and are therefore more likely to assert their autonomy in dealings with tax authority.

Key findings:

- 1) Higher education correlates with increased critical engagement: Taxpayers with Master’s degrees are more likely to question or disagree with representation on their behalf, indicating a greater experience of autonomy in interactions with tax authority.
- 2) Educational attainment influences taxpayer confidence: Individuals with higher educational qualifications appear more confident in managing tax-related matters independently, suggesting a reduced reliance on third-party representation compared to less-educated taxpayers.

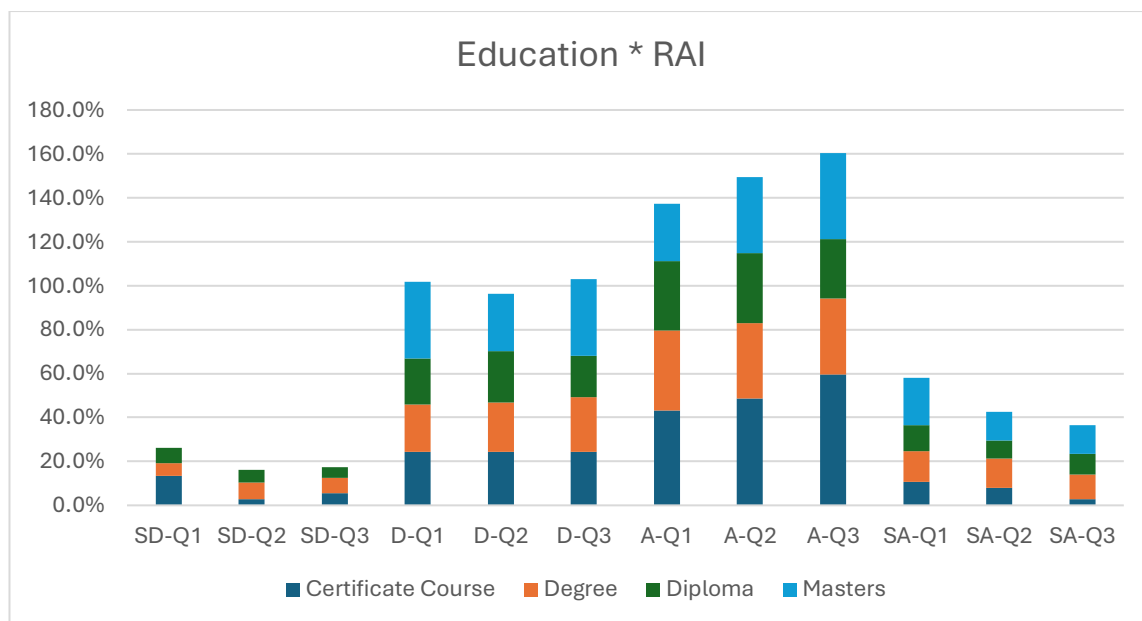


Figure 34 Education vs. Right to access information

Figure 34 shows the awareness of the “Right to access information” among taxpayers with different educational backgrounds. Certificate course holders have higher awareness, while Master’s degree holders show lower levels of awareness. One possible reason is that those with higher academic qualifications may rely more on their own knowledge or other information sources, so they may be less aware of or less likely to use formal rights to access information from tax authority.

key findings:

- 1) Certificate course holders have higher awareness of the right to access information compared to Master’s degree holders.
- 2) Taxpayers with higher academic qualifications may be less aware of formal information access rights, possibly due to relying on their own knowledge or alternative sources.

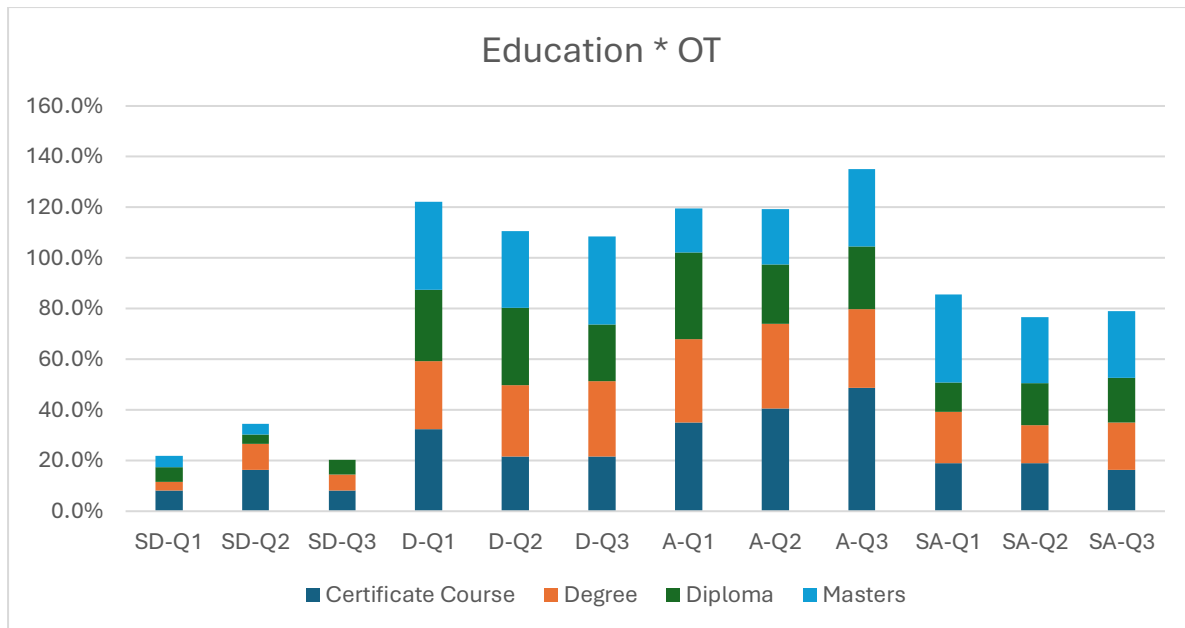


Figure 35 Education vs. Obligation of truthfulness

Figure 35 presents the obligation of truthfulness as perceived by taxpayers with different educational qualifications. Most Certificate course holders agree with the obligation to be truthful, whereas a significant proportion of Master's degree holders express disagreement. One possible explanation for this divergence is that taxpayers with higher academic qualifications may possess a more critical perspective on tax obligations, possibly questioning the fairness or implementation of tax policies, which could influence their level of agreement with the obligation to be truthful.

Key findings:

- 1) Certificate course holders predominantly agree with the obligation to be truthful as taxpayers.
- 2) Master's degree holders show a higher tendency to disagree, suggesting that higher academic qualifications may be associated with a more critical view of tax obligations.

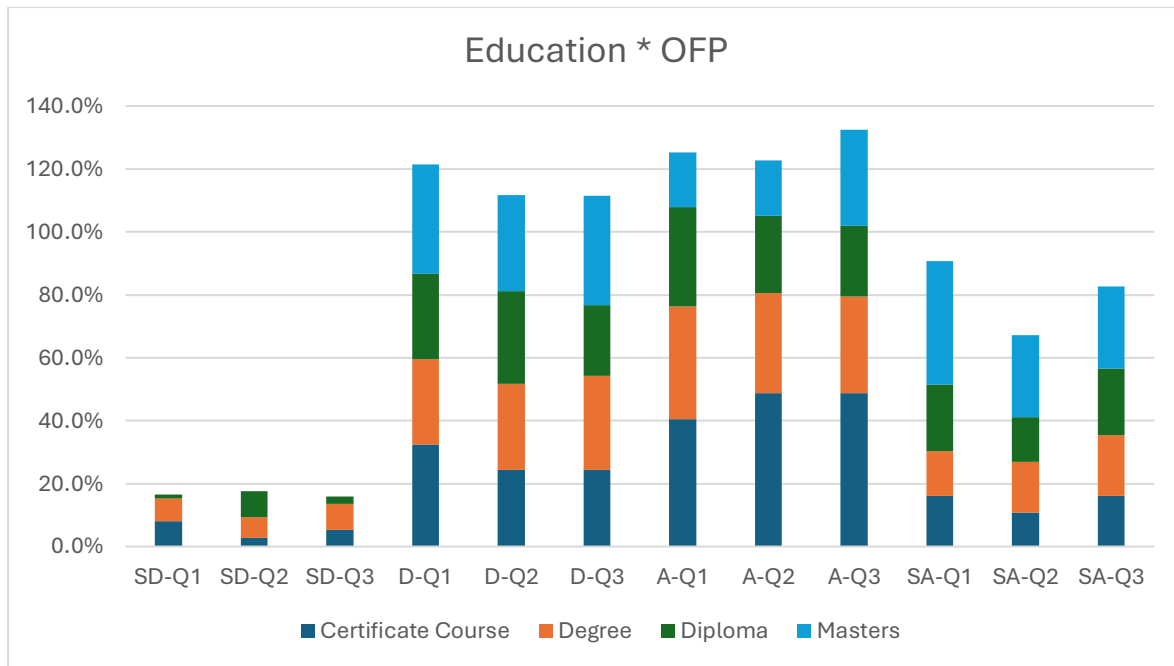


Figure 36 Education vs. Obligation of file tax returns and make payments on time

More than 50% of Certificate course holders perceive timely tax filing as a civic duty, recognize that paying taxes supports public services and infrastructure, and are aware of associated penalties (Figure 36). In contrast, fewer than 20% of Master's degree holders agreed with the first two statements, indicating a generally lower level of concern regarding these obligations. Similarly, Diploma and Degree holders exhibited comparable patterns across all three questions. These findings highlight an opportunity to engage highly educated individuals more effectively, as their unique perspectives and critical thinking skills can be leveraged to foster a deeper understanding and stronger commitment to taxpayer obligations.

Key findings:

1. Certificate course holders demonstrate significantly higher recognition of timely tax filing as a civic duty, the role of taxes in supporting public services, and awareness of penalties compared to Master's degree holders.
2. The lower levels of concern and awareness among higher-educated groups, such as Master's, Diploma, and Degree holders, present an opportunity to tailor engagement strategies that leverage their critical thinking to improve commitment to taxpayer obligations.

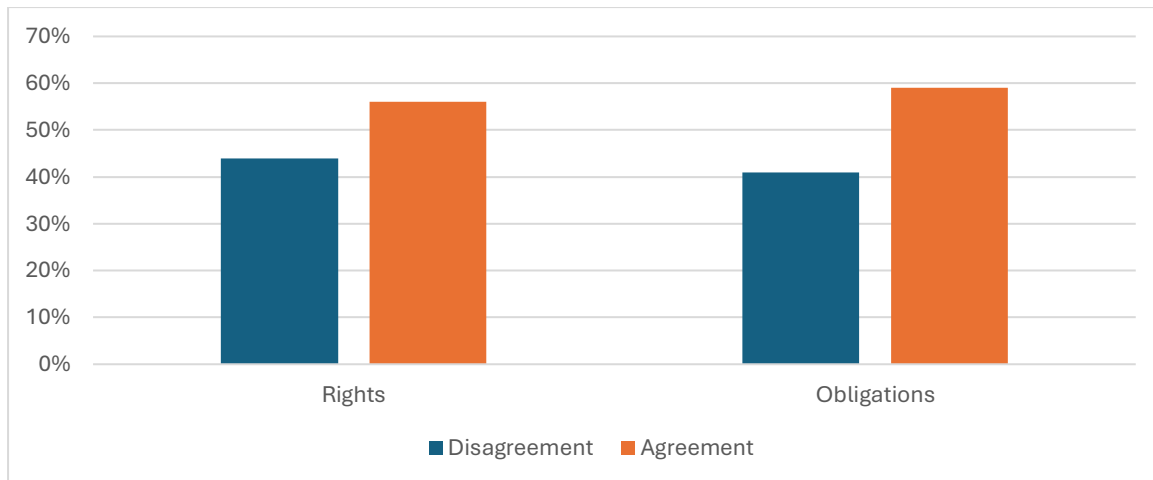


Figure 37 Rights vs. Obligations

However, despite this reported awareness, actual levels of tax compliance remain relatively low (Figure 37). This points to a significant gap between taxpayer awareness and their behavioural response or practical adherence to the Charter. The findings suggest that awareness alone does not necessarily translate into compliant behaviour, highlighting the need for further investigation into the underlying factors influencing this disconnect.

3.5 Qualitative Data

Table 1 Profile data - Qualitative

Participant Group	Label	Male	Female	Average Age (Yrs.)	Experience in the Field (Yrs.)
Academics	A1- A2	1	1	45	10-25
Bankers	B1- B4	3	1	40	5-20
Tax Administrators	TA1- TA2	1	1	42	10-20
Entrepreneurs	E1- E15	10	5	38	5-30
Tax Consultants	TC1- TC2	1	1	47	10-20
Policymakers	P1-P2	1	1	52	20-25
Lawyers	L1- L3	2	1	43	15-25
Member of Parliament	MP1- MP2	2	0	55	20-40

The demographic composition of the Focused Group Discussion (FGD) participants as shown in Table 1 is diverse, encompassing eight distinct professional categories with a total of 32 participants. The largest group is entrepreneurs (15 participants), who bring varied perspectives from different sectors. This is followed by academics (2), bankers (4), and lawyers (3),

providing a mix of theoretical knowledge, financial expertise, and legal insights. Smaller but equally significant groups include tax administrators (2), tax consultants (2), policymakers (2), and politicians (2), each contributing specialized knowledge relevant to taxation, policy formulation, and governance.

Gender distribution reveals a significant representation of male participants (23 males and 9 females). Male dominance is particularly evident among entrepreneurs, tax consultants, and politicians, while a more balanced gender representation is observed among academics, bankers, and policymakers. This distribution reflects existing gender dynamics within these professional fields.

The average age of participants varies across groups, indicating a diverse range of professional maturity. Politicians have the highest average age (55 years), suggesting substantial experience in governance, while entrepreneurs have the lowest average age (38 years), reflecting their relatively dynamic and adaptive nature. Other groups, including academics (45 years), lawyers (43 years), and bankers (40 years), maintain an intermediate age profile.

Experience ranges from 5 to 40 years, with policymakers and politicians generally having the highest experience levels, aligning with their roles in strategic decision-making. In contrast, entrepreneurs display a broader range of experience, from emerging business owners to seasoned professionals. This varied experience enhances the qualitative insights obtained during the FGD, ensuring a rich and multi-dimensional understanding of the topic under discussion.

The thematic analysis in Table 2 of the Focused Group Discussion (FGD) provides a comprehensive understanding of the relationship between taxpayer rights and compliance behaviour, revealing significant gaps that impact overall compliance. The analysis identifies several key themes, including fairness and respect, professional support, complaints and redress, privacy and confidentiality, access to information, help and explanation, right to reasons and review, and digital services considering more than 50% frequency.

Table 2 Thematic analysis for taxpayer rights

Theme	Sub-Themes	Codes	Sample Quotes	Frequency %
Fairness & Respect	Voice, Non-discrimination	“treated fairly”, “not listened to”	<i>“Most of the time officers let me explain my side...” (E-4)</i>	55%
Professional Support	Officer help, Communication clarity	“helpful”, “used simple language”	<i>“Officers’ explanations are clear ...” (TC-2)</i>	60%
Complaints & Redress	Awareness, Willingness to complain	“I complained”, “didn’t know how”	<i>“I didn’t think it would help even if I complained...” (A-2)</i>	80%
Representation & Responsibility	Advisor use, Obligation	“got outside help”, “my duty”	<i>“I depend on a consultant, but I check the form myself...” (E-11)</i>	45%
Privacy & Confidentiality	Trust, Complaint mechanisms	“safe with data”, “confidentiality breach”	<i>“I’m scared my details will be leaked...” (MP-1)</i>	85%
Access to Information	Website use, RTI Act use	“access rulings, notices & guidelines”, “RTI application”	<i>“The website is not up to date...” (P-2)</i>	90%
Help & Explanation	Clarity, Relevance, Data use transparency	“officer explained”, “gave vague info”	<i>“Offices explained why they asked for bank statements...” (L-2)</i>	71%
Right to Reasons and Review	Transparency, Accountability	“reasons for decisions”, “right to appeal”	<i>“They provided clear reasons for their decisions...” (E-3)</i>	64%
Digital Services	Usage, Ease, Publication clarity	“used portal”, “saved time”	<i>“E-filing is easy, but using more supporting documents are confusing...” (B-2)</i>	76%

Fairness and respect emerged as a critical theme, with 55% of participants expressing concerns about being treated unfairly or feeling unheard. This lack of recognition can significantly affect taxpayer morale, leading to disengagement and reluctance to comply. Despite being aware of their right to complain (80%), many participants felt that filing a complaint would not result in meaningful outcomes. This reveals a gap between awareness of rights and trust in redress mechanisms.

The theme of “Complaints and Redress” captures taxpayers’ awareness of grievance mechanisms and their willingness or reluctance to engage with them. While 80% of respondents acknowledged the importance of complaint channels, qualitative narratives

revealed a disconnect between awareness and action, with some individuals expressing uncertainty about the process (“I didn’t know how”) or skepticism regarding its effectiveness (“I didn’t think it would help...”). This theme highlights a critical gap between institutional provision and taxpayer confidence, suggesting that the mere existence of redress mechanisms is insufficient without trust, clarity, and perceived responsiveness.

Professional support was another crucial area, where 60% of participants appreciated clear explanations and officer support. However, some expressed concerns about inconsistent guidance, leading to confusion. Similarly, in Complaints & Redress, while many knew how to lodge complaints, they doubted their effectiveness, suggesting a need for better accountability in complaint resolution.

Privacy and confidentiality is a major concern, with 85% fearing that their personal data may be exposed or misused. This fear significantly undermines trust in tax authorities, directly affecting compliance behaviour. Despite the presence of digital services, 76% of participants acknowledged using them, but many found them complicated. Issues such as unclear instructions, outdated interfaces, and complex document requirements were commonly reported.

Access to information was recognized as essential, with 90% acknowledging the availability of information via websites and the Right to Information (RTI) Act. However, participants complained about outdated websites and difficult-to-navigate platforms, limiting their ability to access accurate information. This affects informed decision-making and compliance willingness.

The theme of “Help and Explanation” explores the extent to which taxpayers perceive the guidance provided by tax authorities as clear, relevant, and transparent particularly in relation to data requests and procedural justifications. While 71% of participants reported receiving some level of explanation, qualitative evidence pointed to inconsistencies in delivery, ranging from clear and informative interactions (“officer explained”) to vague or inadequate communication (“gave vague info”). These findings suggest that despite a general effort to inform, the variability in explanation quality may hinder trust and full comprehension, especially in contexts involving the use of sensitive personal information.

Right to reasons and review was another important theme, with 64% mentioning that they were informed of the reasons for decisions. However, many felt that explanations were often vague or lacked sufficient detail, reducing transparency. This can cause frustration and lead to mistrust, affecting compliance.

Finally, Digital services were highlighted, with 76% of participants using e-filing systems and online portals. While many appreciated the convenience, they also encountered issues such as complex interfaces and difficulties understanding submission requirements. Simplifying digital platforms and providing clear, step-by-step guidance could significantly enhance user experience.

Table 3 Thematic analysis for taxpayer obligations

Theme	Sub-Themes	Sample Codes	Example Quotes	Frequency %
Obligation to be truthful	Accuracy, Reporting behaviour, Consequences of dishonesty	"Accurate reporting", "Penalty awareness"	<i>"I always check my deductions before filing to avoid penalties." (E-1)</i>	41%
Obligation to maintain documents	Record keeping, Documentation awareness, Filing support	"Document retention", "Record keeping"	<i>"I make sure to keep all invoices; I know they could be checked." (B-3)</i>	47%
Obligation to file & pay on time	Timeliness, Motivation, Penalties	"On-time filing", "Personal responsibility"	<i>"I file early to avoid the hassle of late penalties." (P-2)</i>	54%
Obligation to cooperate	Taxpayer Authority relationship, Efficiency, Fairness	"Cooperation with tax authorities"	<i>"It's easier when I cooperate with them upfront." (TC-1)</i>	61%

The survey results showed in Table 3 reveal notable gaps between taxpayer obligations and tax compliance behaviour. While a significant majority (78%) of respondents demonstrate a positive tax compliance attitude, reflected in pride and awareness of their national duty, compliance with specific obligations shows variability. For instance, while 61% recognize the importance of cooperation with tax authorities, only 41% emphasize accuracy and awareness of penalties, indicating a weaker understanding of the consequences of dishonesty. Similarly, although 54% prioritize timely filing, just 47% maintain proper documentation, suggesting gaps in record-keeping practices.

A closer examination reveals that despite the strong sense of national duty and pride in tax contribution, taxpayers may lack sufficient knowledge or motivation to comply with specific

obligations. The relatively lower percentages for maintaining documents (47%) and accurate reporting (41%) point to potential issues in taxpayer awareness and education. These gaps are critical because accurate reporting and proper record-keeping are foundational to transparent tax administration.

3.5.1 Word Cloud Analysis: Taxpayer Rights



Figure 38 Word Cloud for taxpayer rights

The word cloud visually captures the most prominent aspects of taxpayer rights, highlighting critical themes such as privacy, fair treatment, access to information, and the right to appeal (Figure 38). These elements emphasize the foundational principles of taxpayer protection, ensuring individuals are treated with respect and transparency in their interactions with tax authorities.

Key observations:

- Fairness and privacy are top concerns, reflecting demand for non-discriminatory treatment.
- Clarity and access to information highlight the need for greater transparency.
- Right to appeal vs. complaint frustration shows awareness but dissatisfaction with redress systems.
- Ease of website use indicates the importance of user-friendly digital services.
- Respect and dignity reflect expectations for courteous treatment by tax authorities.

3.5.2 Word Cloud Analysis: Taxpayer Obligations



Figure 39 Word Cloud for taxpayer obligations

The word cloud visually highlights, in Figure 39 the core aspects of taxpayer obligations, underscoring fundamental responsibilities such as accuracy, record-keeping, timeliness, cooperation, and national duty. These obligations are essential for maintaining a transparent, compliant, and fair tax system.

Key observations:

Taxpayer rights:

- Demand for fair and respectful treatment

Fairness, privacy, respect, and dignity are top concerns, reflecting expectations for non-discriminatory and professional interactions.

- Need for better access to information

Many highlighted gaps in transparency, especially outdated information, pointing to a need for clearer and more timely communication.

- Frustration with redress mechanisms

While the right to appeal is well known, dissatisfaction with complaint handling shows a lack of trust in current redress systems.

Taxpayer obligations:

- Knowledge gaps in core responsibilities

Accuracy and record-keeping are critical but poorly understood, indicating a need for stronger taxpayer education.

- Trust and cooperation foster compliance

Positive relationships with tax officers are seen as making compliance easier, emphasizing the value of mutual trust.

- Civic pride encourages voluntary behaviour

Viewing tax as a national duty and expressing pride in compliance point to a growing ethical mindset that supports a compliance culture.

3.5.3 Triangulation

The triangulated findings of this study shown in Table 4 underscore critical nuances in taxpayers' perceptions and behaviours regarding the Taxpayer Charter. Quantitative data suggests a generally high level of awareness among taxpayers concerning their rights and obligations; however, qualitative insights reveal a discernible asymmetry, with a stronger emphasis on rights over obligations. This partial convergence points to the need for more balanced and targeted educational initiatives.

Furthermore, both data streams converge on a lack of clarity in the practical application of the Charter, though qualitative responses attribute this gap to disparities in expertise particularly between tax professionals and the public highlighting a need for differentiated communication strategies. Notably, the dimension of trust in data privacy presents a clear convergence: both datasets indicate low to non-existent trust in data security, signalling a significant barrier to fostering compliance.

These insights collectively call for a multidimensional approach to policy design emphasizing transparency, tailored taxpayer education, and robust data protection measures to enhance both understanding and voluntary compliance.

Table 4 Triangulation

Theme	Quantitative Findings	Qualitative Findings	Triangulation Interpretation
Awareness of rights vs obligations	Most taxpayers are aware of their rights and obligations.	Taxpayers are more aware of their rights than obligations.	Partial convergence. General awareness affirmed, but qualitative data adds depth on imbalance.
Understanding & application	Taxpayers do not know how to apply the Charter in practice.	Understanding and application vary by expert knowledge (e.g., professionals vs. public).	Complementary. Both confirm gaps, qualitative data explains variation.
Trust in data privacy	Less trust in data privacy.	No trust in data security.	Convergence.

4. Policy Recommendations

To strengthen taxpayer compliance and trust in Sri Lanka’s fiscal system, a multidimensional and inclusive policy approach is essential. Gender-sensitive tax administration must go beyond surface-level equality by actively addressing the unique experiences and barriers faced by female taxpayers through tailored outreach, officer training, and the use of women-focused media channels to communicate rights and obligations. Similarly, age-inclusive strategies should recognize the distinct needs of senior citizens, who may require empathetic in-person support and simplified services, as well as the younger generation, whose engagement can be nurtured early through relatable, digital-first education. Education-level-specific outreach is equally critical; highly educated taxpayers often demand greater transparency and fairness, and communication strategies must speak to their expectations with clarity, depth, and accountability. At the heart of this transformation lies technology not merely as a tool of efficiency but as a bridge to inclusion. By expanding access to e-services, deploying data analytics for responsive policy design, and personalizing digital engagement across demographic segments, Sri Lanka can foster greater tax compliance by creating a more human-centred and responsive tax system. A fair and trusted tax environment is not built through enforcement alone, but by cultivating a system that understands, respects, and adapts to the people it serves.

5. Policy Implications

The policy implications of this study highlight the urgent need to reimagine tax administration through an equity-focused lens. Persistent disparities in taxpayer perceptions shaped by gender, age, and educational background signal that one-size-fits-all approaches are no longer sufficient. Building a culture of trust requires a tax system that listens, learns, and adapts to the lived realities of its citizens. Targeted engagement strategies such as age-specific education, gender-sensitive outreach, and transparency-driven communication for highly educated taxpayers not only improve the perception of fairness but actively drive higher levels of voluntary compliance. At the core of this transformation is technology, not merely as a mechanism for efficiency, but as a vehicle for human connection. When digital tools are used to create clear, accessible, and empathetic services backed by inclusive policies and responsive support structures they become trust accelerators. In this way, a modern tax system becomes more than an administrative function; it becomes a platform for civic inclusion and shared responsibility.

6. Conclusion

This research shows that while there has been real progress in raising awareness of the Taxpayer Charter, important gaps remain especially when it comes to how people understand, apply, and trust the system. Survey data gives us a hopeful view of general awareness and a willingness to comply, but the stories behind the numbers reveal something more complicated: people experience the system differently depending on their background, profession, and past interactions with tax authorities. Taxpayers aren't just absorbing information they're trying to make sense of it in ways that matter to their daily lives. The key difference between *knowing* one's rights and obligations and *knowing how to act on them* is critical, and it's one that many awareness campaigns still overlook.

Even more pressing is the issue of trust in how personal data is handled. This isn't something that can be fixed with better information alone. People need to feel that the system respects their privacy and is worthy of their confidence. That means building not just secure systems, but also transparent, approachable institutions that treat taxpayers as partners in the process not just rule-followers. What this report ultimately calls for is a more human-centred approach to tax governance one that values trust, shared understanding, and inclusive design as the building blocks of a stronger, more resilient tax culture in today's digital world.

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Declaration of conflict of interest

The authors declare that there is no conflict of interest regarding the publication of this report. All findings and interpretations are based solely on the research conducted and are free from any personal or financial interests that could have influenced the outcomes.

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