Developing a Model for Improving Tax Auditing Quality in Iran

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Abstract

Given the importance of taxes and tax revenues in the country's economic development, it is crucial to provide a comprehensive model for tax auditing quality. The primary purpose of this study is to design a comprehensive model of tax auditing quality through a mixed method. The qualitative part approach is based on data-based theory. Data collection instruments were semi-structured interviews with 20 partners of auditing firms, managers of the Iranian Association of Certified Public Accountants, and tax officials selected by snowball sampling and content analysis methods. The axial category of the tax auditing quality model was developed, and the final model was presented according to the causal conditions, contextual conditions, intervening conditions, strategies and consequences. In the quantitative part, research hypotheses were developed, and a questionnaire was designed to test them. The questionnaires were filled by 335 experts who did not participate in the qualitative part, and the hypotheses were tested using the structural equation method. Auditing Quality improvement model was developed, which included two major parts, including auditing service providers and auditing services recipients by discovering and identifying strategic factors, intervening (contextual) conditions and their implications along with contextual conditions.

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1. Introduction

Accounting as a system provides the information needed by users to make tax decisions. One group that uses financial and tax reports is the government which uses this information in tax operations and corporate taxation. In this regard, providing transparent and comparable financial information is an essential element of tax decisions. In tax laws and regulations, the source of financial information extraction is legal offices, and their importance relies on their compliance with tax quality accounting standards. Taxation is one of the factors influencing accounting procedures in taxable income. In the modern era, tax managers seek to restructure the global economy around developing trade tax capacity and the quality of tax audits according to environmental characteristics in each country, which is known as a new paradigm for labour tax avoidance in the information society. On the other hand, by reviewing the theoretical foundations, one should first become acquainted with the basic concepts pertinent to taxation and its special type, i.e., the quality of tax audit, and then take steps to understand its advantages and disadvantages in order to optimize and implement it. Since establishing a modern tax system is one of the determined goals in the framework of reforming the tax system of the Islamic Republic of Iran, the quality of taxes is, therefore, one of the results of implementing the government's macro planning.

This plan is a crucial step the government takes to collect higher quality taxes than its paper form. The mentioned plan, like its macro plan, i.e., the shadow government of the efforts of all the pillars of the society, will be useful. By targeting the tax audit plan to increase its quantity and quality at the required levels and trying to solve the problems of this plan, there will be a lot of hope in increasing the level of government tax revenues. Therefore, it is expected that the problems of tax collection of this vital artery of the country's administration will be solved in information technology and Humanities. Utilizing the experience of implementing this efficient plan in other developed and developing countries can also be very useful in saving the rework costs of this macro plan. There are two distinct aspects of equality or justice in a tax system: "Horizontal justice" refers to the same tax for people in the same position, and "vertical justice" refers to different tax behaviour in different positions. In this study, position means the ability to pay. Consumption taxes should be reduced because low-income households generally spend more on their income and pay a higher percentage of their income as taxes.

Such frugality will increase government revenue; in other words, the establishment of this system of tax auditing quality will increase tax revenue and reduce tax evasion of taxpayers. The fact is that in commercial trading, the sellers may be physically stable in only one place but sell their goods and services all over the world. In this case, although there are hundreds of points of sale for a business, there will be only one place to pay taxes. Some experts believe that in such a situation, the number of tax-paying places is much less than the number of points of sale, and as a result, the government's tax revenue is very small compared to the volume of trading. Thus, to validate the developed model, a case study will be conducted on the proposed comprehensive model for the quality of tax auditing according to the environmental characteristics and conditions prevailing in the country.

Problems in Iran's tax system provoked governmental officials to make serious arrangements for the tax system. A plethora of problems have been observed, including flaws and inconsistencies in inefficient tax policies, systems and processes, lack of a unified view of taxpayers and their information, lack of proper services to taxpayers and inadequate knowledge of taxpayers and weak tax culture leads to increased costs and expenses, increased dissatisfaction and complaints, increased volumes of tax evasion and decreased volume of revenues. Considering the importance of recognizing the information of financial statements for the decision making of users, we have tried to answer the most important indicators of the country's tax affairs by identifying the factors affecting the quality

of tax auditing and presenting a model for tax auditing quality.

2. Literature Review and Theoretical Principles of the Study

Tax auditing is one of the basic pillars of accountability to and assurance for information users because accountability and assurance require the existence of reliable and valid information. In order for information to be reliable, it shall be reviewed by a knowledgeable person who is independent of the information provider. In providing timely, relevant, and reliable information, one of the parameters that can help tax auditors make their activities have high quality, efficiency, and effectiveness is the existence of a tax system as a mechanism for information transparency. The special importance and undeniable impact of the quality of tax audits on promoting the detection of financial and tax distortions and creating economic transparency in all public, private and non-profit sectors have led to the public acceptance of wider monitoring of the activities of tax auditors.

Like investors, tax auditors look at financial statements to determine the government's share of profits. In addition to overconfidence in their own information, they are also often scepticism of financial statement items. This scepticism is important from two perspectives: 1. Whether the information contained in the financial statements is consistent with the tax database (although there is no reasonable assurance that the tax database information is necessarily correct); 2. Whether the items of the submitted financial statements have been prepared to conceal the actual tax and whether the items affecting the taxable income have been disclosed correctly and following the law.

One factor that moderates the behaviour of tax auditors is the behaviour of other users. For example, stock market investors are always looking for helpful information and are sensitive to the distortion of financial statement items; therefore, the presence of a company on the stock market means that there is useful and reliable information for tax auditors.

Taxes are one of the main policy tools of governments and the most important source of revenue and related expenditures. In developed countries, taxes are a strong lever for fiscal and economic policies, social activities, and government spending. Taxation is one of the main sources in determining countries' budgets, and governments are striving to replace taxes with oil to provide funding and create social justice through taxes. Evidence from studies conducted on tax evasion shows that the tendency of Iranian companies to avoid paying taxes is high, which leads to the government's tax revenue.

Farmer. (1993) promote an approach for classifying auditors according to their riskiness. Analytical studies on auditing typically consider auditors safe despite the relation between risk aversion and auditing decision-making. Although analytical theories are needed to generate predictions and interpretations, most auditing research is empirical. Only a few analytical articles address auditors' attitudes toward risk. Consider auditors' risk aversion in liability and third party insurance.

In the auditing profession, the regulatory structures for auditing are in line with the legislative requirements of these organizations, which may have a purely governmental structure, or may have been established by professional bodies and monitored by the government, or operate independently. Recent changes in the legislative audit structures in some countries, including the United States, Canada, and France, reflect the effects of external pressures from global markets that call for standard, structured legislative procedures for global auditing. This may lead to convergence and similarity of the legislative structures of different countries. Naturally, pretence may also occur with these pressures. The overall decision is close to the audit situation, focusing on the effects of auditors' risk ambiguity. All of these analytical studies ignore tax. Therefore, this study helps fill this research gap

by discussing questions based on an analytical research model.

The auditing quality is more related to the office's characteristics than the auditing company's characteristics in terms of qualified reports. Therefore, the auditing quality should be examined at the partner level, not at the level of the audit firm. Since the attitude of decision-makers towards risk in various areas of decision making is considered an important feature., auditors' risk-taking may also play an important role in auditing quality (Hauptman et al., 2014).

Tax evasion for quality inspection may be helpful when the tax system is defined in such a way that it does not change the pre-tax decision or the decision-makers act as "happy taxpayers" by ignoring the environmental characteristics of the tax in the decision (Van Tendeloo, 2007). However, tax systems are not neutral on the risk-taking of decision-makers, and tax auditors are particularly unlikely to ignore tax decisions. A review of tax investigations shows no indication of a relationship between financial auditing and taxation; instead, studies focus on tax audits (Gaaya et al., 2017).

The study uses an analytical approach to examine the relationship between tax auditing quality and auditor taxes and environmental characteristics. This model is based on several simple and limiting assumptions. Nevertheless, this model serves as a useful foundation for extracting clues about the relationship between auditing quality and taxation without claiming that this model has a good basis for quantitative prediction of the relationship between exogenous variables and audit quality. Taxes can significantly affect the quality of auditing. (Kanagaretnam et al., 2016), A tax symmetric to an appropriate tax rate simultaneously affects marginal and contingent auditing costs (Lestari and Nedya, 2019).

While safe auditors maximize their risk, risky auditors maximize their expected profits. Symmetric taxation only affects the level of optimal auditing effort of risky auditors. The analysis provides evidence that the tax does not uniformly affect the optimal auditing impact. Harelimana, 2018). Auditors with low levels of risk-taking may reduce audit efforts, so auditing quality and increased tax rates can affect the level of profit of any organization. This finding shows that only low tax rates are commensurate with the achievement goal (Kirana and Ramantha, 2020).

To date, few studies have been conducted to explain the quality of tax audits on environmental features, and none of them has yielded a comprehensive definition acceptable by professional and legal associations or recognized by the international community. A brief review of the related studies conducted in Iran and other countries follows.

Khwaja, Awasthi, and Loeprick (2011) presented in detail the issues raised at the Istanbul International Conference, including the framework, principles, methods, structure and experiences of different countries in auditing and considered risk management a key element in the strategy of modern tax organization.

Rego and Wilson believe that tax avoidance is a risky activity that can impose costs on companies and managers, and risk-averse managers prefer to arrange less risky tax plans.

Nyarkpoh (2018) examined the effect of trust in the government on the acceptance of tax laws and regulations by the society in Ghana. His research showed that trust in the government positively affects society's acceptance and implementation of tax laws and regulations.

Lai (2019) addresses the issue of whether the clients of the merged auditing firm have decreased the report delay, increased audit costs or reduced audit quality after the merging. These questions are important for a balanced review of company merging because lawmakers focus more on the merging defect than its inversion. Using the merging of auditing firms in Hong Kong as an environment, this paper reports that clients of the merged company have shorter audit reports after merging into the asset industry. The merged company has acquired more than half of the market share. At the same time, there is no evidence that the merged company's clients have been charged with higher auditing

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DOI: 10.22067/ijaaf.2021.41381

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costs or poor auditing quality after merging. Therefore, the results show that merging auditing firms without relevant problems can benefit clients. As this is a case study in which the market share, industry expertise and professional development of auditing firms must be unique, further research into merging auditing firms is needed to determine whether these results are generalizable. Further, most research has been done in developed countries, and the present study is one of the few types of research done in developing countries.

Jahnke and Weisser (2019) examined the impact of petty corruption on tax ethics in South African countries. The results of their research showed that one of the obstacles to increased willingness to pay taxes could be bribery by government officials. Their research shows that corruption, however small, erodes tax ethics. They also argued that petty corruptions, in addition to directly affecting tax ethics, also reduce the level of public trust in tax officials and thus (indirectly) affect tax ethics.

Da Silva et al. (2019) examined the two policies of compulsory taxation and voluntary taxation in Brazil's context of a slippery slope. Their research showed that a trust-based interaction between taxpayers and tax officials leads to voluntary tax payments. However, the policy of pressure and coercion leads to the imposition of compulsory taxes and taxpayers' reluctance to pay taxes.

Kemme et al. (2020) found that tax evasion rates are low in countries with high tax incentives.

Ozili (2020) stated that tax evasion limits the government's ability to restore the economic and financial system and limits government resources to reduce the impact of abnormal shocks.

In a study entitled "Developing a Model of Tax Auditing Quality in the Iranian VAT system," Taheri et al. (2020) concluded that it is necessary to provide a comprehensive VAT auditing quality per the environmental characteristics prevailing conditions in Iran. In this regard, the grounded theory method was used using the exploratory and qualitative research approaches. For this purpose, they conducted in-depth interviews with 26 experts who had executive experience in VAT auditing in the first half of 2019 and examined the factors affecting the quality of VAT auditing. Finally, they developed "An Integrated Model of VAT Auditing Quality in Iran," which included causal conditions, intervening factors and context, as well as strategies to achieve VAT auditing quality and presented their consequences.

In this study, the VAT auditing quality has been investigated using a systematic approach and considering all components of the governing system in the VAT system of Iran. The research data were analyzed using coding methods, and the main categories and sub-categories (concepts) were extracted with the help of a systematic approach that included two major sections, including providers of VAT auditing services and recipients of VAT auditing services, a model for VAT auditing in Iran was designed. Due to the lack of comprehensive research in Iran, the designed multidimensional model is the result of the views of various experts at the mentioned levels and provides a comprehensive view of the quality of the VAT auditing system in Iran.

Taj Al-Dini (2020) investigated the mediating role of investor support in the relationship between auditing quality and tax avoidance in the companies of the industrial town of Bushehr. The study was descriptive and survey-based. The statistical sample of this study was 200 managers and financial experts, and internal auditors of companies in the industrial town of Bushehr, which had been selected by sampling method in structural equations. For this purpose, 200 questionnaires were distributed among the mentioned population, and finally, 160 questionnaires were collected. In order to test the research hypotheses, SPSS software and PLS software were used. The results showed that the auditing quality has a positive and significant effect on investor support. Investor protection has a positive and significant effect on tax avoidance; Therefore, investor support plays an intermediary role. In addition, the auditing quality has a positive and significant effect on tax avoidance.

In a study entitled "Exploring the Moderating Role of Auditing Quality in the Relationship between CEO Remuneration and Tax Avoidance," Sabzalipour and Darabi. (2020) stated that tax avoidance is one of the ways to increase cash flow by companies which can be used to finance shareholders. Managers have a strong incentive to avoid paying taxes to increase their rewards because tax avoidance ultimately leads to an increase in net profit and a decrease in cash outflows due to taxes. Independent auditing is considered a controlling factor by the company to address the organization's issues and any changes and manipulations in accounting information. The study mainly aimed to investigate the effect of auditing quality on the relationship between CEO remuneration and tax avoidance. The study was applied in terms of purpose and descriptive-correlational research method. The research sample included 144 companies listed on the Tehran Stock Exchange from 2012 to 2018. Multiple regression models based on combined data was used to test the research hypotheses. Findings showed a significant and positive relationship between CEO remuneration and tax avoidance. Further, the findings indicate that auditing quality has a significant and negative effect on the relationship between CEO remuneration and tax avoidance.

Arab and Jamal Livani (2019) showed that two indicators of forced rotation and optional rotation were used to measure tax avoidance; the tax book difference index was used. The auditor's qualified opinion was also used to assess the auditing quality. After measuring the research variables, multivariate linear regression analysis was used to test the research hypotheses. Hypotheses were also tested using Eviews econometric software and statistical techniques of integrated data. The results of the statistical tests of the research showed that the auditing quality has a mediating effect on the relationship between the optional rotation of the audit firm and the tax book difference. Also, the results showed that the auditing quality does not mediate the relationship between the forced rotation of the audit firm and the tax book difference.

2.1. Research Question
What is the appropriate model to explain the components affecting the tax auditing quality according to environmental characteristics in Iran?

2.2. Research Hypotheses
H1. Causal factors affect the factors that interfere with the tax auditing quality.
H2. Axial contextual factors affect the contextual factors of the tax auditing quality.
H3. Intervening factors affect the axial factors of the tax auditing quality.
H4. Intervening factors affect the strategic factors of the tax auditing quality.
H5. Central factors affect the strategic factors of the tax auditing quality.
H6. Contextual factors affect the strategic factors of the tax auditing quality.
H7. Strategic factors affect the consequences of publishing the tax auditing quality.

3. Research Methodology
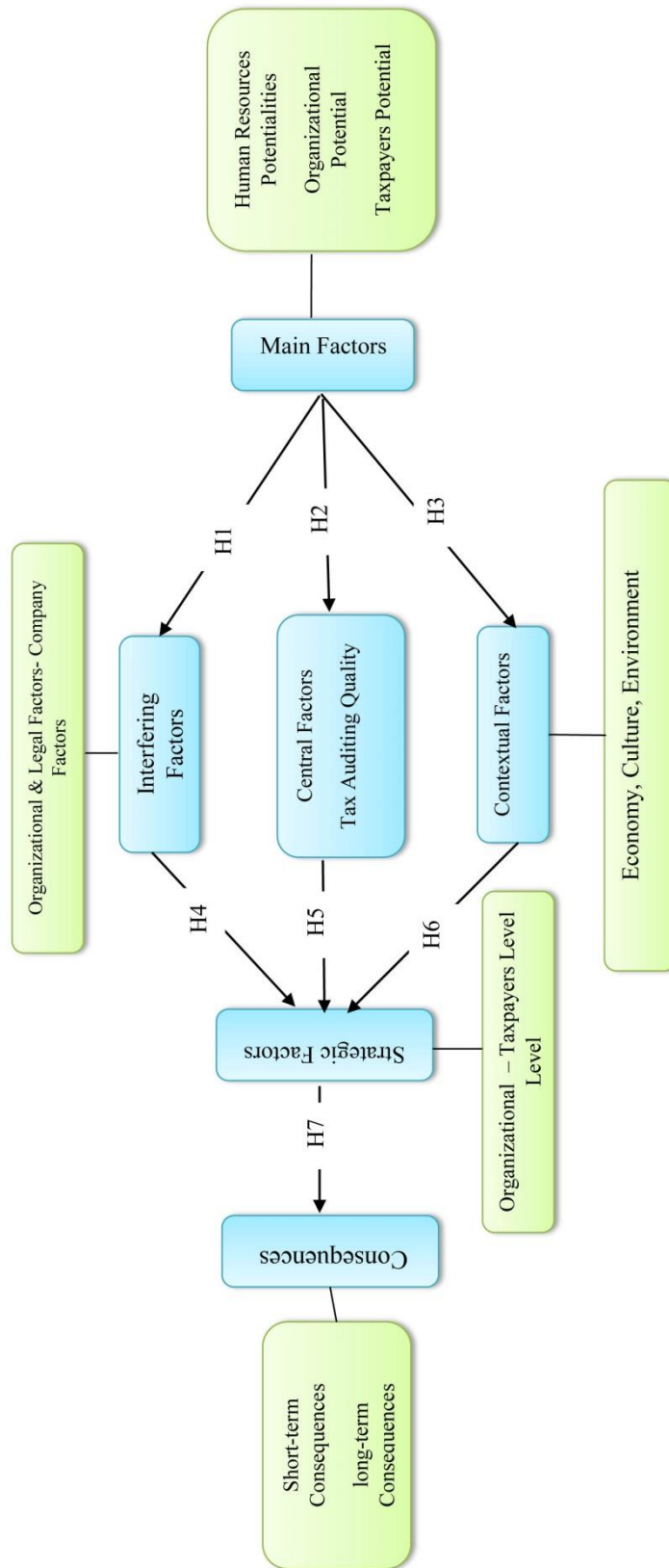The present study has been conducted during 2020.

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Figure 1. Research Conceptual Model

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The study consists of two qualitative and quantitative parts called the "mixed method". The Grounded Theory (Strauss and Corbin 1990) first collects and analyses qualitative data. This research method is known by different names, including contextual theory, fundamental theory, data processing theory, data-based theory, and data-derived theory. Strauss (1987) introduced the inductive production practices of theory in a qualitative method, relying on accurate and regular data analysis. Experts have proposed various models of this theory. In this study, Strauss' systematic procedure has been used, which focuses on data analysis through regular coding procedure in three open, axial and selective stages, and emphasizes the presence of a logical paradigm or an embodiment of an evolving theory. The most important reason for choosing this method is that first, when there is almost little known about the field of study, second, when the researcher has an understanding of the participant's perceptions and experiences in a particular case, and third when the researcher aims to expound a new theory. In this study, 20 experts are interviewed, and the concepts and categories are then saturated. Most interviews are recorded, except for those who objected to the recording, in which important points were recorded. It is worth mentioning that all the interviewees had more than 5 years of experience in their field of work. The average time of each interview with each of the experts was 49 minutes. The second part uses the questionnaire, Cronbach's alpha, and factor analysis to evaluate the model.

3.1. Research Statistical Population and Sample

The statistical population of the present study includes tax experts, auditors and senior tax officials, certified public accountants and university experts who were experienced in the field of tax auditing in the General Directorate of Tax Affairs and professional auditing institutions, including the Society of Certified Public Accountants, Auditing Organization and Quality Control Committee of Institutions. The audit will take place in 2020. Theoretical sampling continues until the categories reach theoretical saturation. In the research, 20 experts were interviewed, and after conducting these interviews, the concepts and categories were saturated. Most interviews were recorded, except for those who objected to the recording, in which important points were recorded. The interview process was such that the interview started with general questions and with the progress of the interview and depending on the situation, more detailed questions were asked; after each interview, the necessary analysis was done on the data, and the concepts were extracted until the research model was finally determined. In the quantitative section, 335 tax experts were selected.

Table 1. Frequency of participants in the statistical population

Gender		Education	Frequency	percentage	education	frequency	percentage
male	female	25-35	98	29.50	BA	281	77
269	69	36-45	134	39.50	MA or MS	79	21.60
81 %	19 %	45-55	89	27	PhD	5	1.50
Total	100 %	Over 56	14	4	total	335	100 %
	335	total	335	100 %	Sum of quantitative statistical population		

3.2. Data Analysis
Open Coding

In open coding, first, the data obtained from the interviews are carefully studied and analyzed. Then the conceptualization is performed, and the conceptually-similar data are labelled. Open coding is done through an in-depth and detailed examination of writings, interviews or documents, line by line and even word by word (Strauss, 1987). Subsequently, the extracted concepts which belong to a common theme or label are classified under one abstract title and category. Finally, out of 20

interviews conducted, 97 basic concepts were classified into 25 sub-categories. Sub-categories were also compared at a higher level, and categories that had similarities and overlaps were included in the main category; In the end, 12 main categories were obtained. Two examples of interviews and related concepts are as follows:

Table 2: Statistical population of the qualitative section

Category	Position	Number	Age			Education		Job Experience		
			Less than 35	35-45	Over 45	MA or MS	PhD	Between 10-25 years	Between 25-40 years	Over 40 years
IACPA[1]	Member of the Quality Control Committee	3	-	1	2	2	1	-	3	-
	partner	1	-	-	1	1	-	-	-	1
Auditing Firm	Chair of the board	2	-	1	1	1	1	1	1	
	Director-General	1	-	-	1	1	-	-	1	-
	Chair of Taxation	4	-	2	2	3	1	3	1	-
INTA[2]	Chair of Taxation Group	3	-	1	2	2	1	1	2	-
AOS[3]	Director general	2	-	1	1	2	-	-	2	-
Academia	Faculty members	4	2	1	1	-	4	2	2	1
Total		20	2	7	11	12	8	7	12	1

"Politicians' power-seeking in companies leads to influencing and, consequently, selecting individuals through unprofessional methods. The government also supports the manager who the government elects, and for this reason, for example, the standards are even adjusted so that the elected manager can function [independence of government support performance]."

"The challenges I faced were the illiteracy of many involved, the lack of insight into the future, the preference of personal interests over organizational interests at many times, nepotism, and lack of job honour, vain prejudice and lack of responsibility and being an anti-state and anti- nation [knowledge of meritocracy managers]."

Axial Coding

Axial coding is the second stage of data analysis in grounded theory. This step aims to establish a relationship between the categories generated in the open coding step. This coding is called axial because the coding revolves around a category of research, which in this study is "tax auditing quality." This category has been selected as the axial category and is located in the model's centre

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1. Iranian Association of Certified Public Accountants
2. Iranian National Tax Administration
3. Audit Organization Services

because its footprint and effect can be seen in most data and the interviewees' quotes. Therefore, this category can be placed in the model's centre, and other categories can be related. The Strauss-Corbin paradigm model has been used for axial coding in this study. This model helps the theorist to have a general understanding of the theoretical process. The components of the paradigm model for axial coding are axial category, causal conditions, context, intervening conditions, strategies and consequences. Different perspectives have been considered to formulate a comprehensive model of tax auditing quality.

Selective Coding and Theory Creation

Selective coding is the main stage of theorizing that systematically relates the axial category to other categories, clarifies those relationships within a narrative, and modifies categories that need further improvement and development. In other words, selective coding is the process of integrating, improving, and refining categories so that the researcher arranges them by creating a particular melody and arrangement between categories to present and shape a theory that is possible through the discovery of the axial category. The axial category expresses the results of the analysis experience in a short phrase consisting of several words. In this study, the axial category is called "tax auditing quality" because a large part of the interviewees' quotes was about the components they intended to increase their attractiveness and how to develop them, which becomes clear by choosing this title for the axial category. The results of studies conducted in this field and the concepts and categories obtained from interviews with experts led to the development of a model including contextual conditions, causal conditions, intervening factors, strategies and consequences.

4. Research Findings and Relationships between Items Discovered

The research model extracted from the three-stage coding process is described below.

1-**Causal conditions**: among the most important causal conditions which were extracted from the interviews with experts, the reference can be made to human resources potential, job's meaningfulness, knowledge of talented and specialized people, organizational potential, relationships and interactions, communication and organizational technology, organizational training, taxpayers' potential, structural features of the company, features of the company's financial reports

2- **Axial category**: tax auditing quality meets the conditions of the axial category.

3- **Strategies**: below are some of the most important strategies that experts have proposed for tax quality:

4.1. Organizational level

Establishing a quality rating system for tax auditors, assessing the quality of tax auditors' independence, reviewing laws and regulations, establishing a working group for quality control of files, issuing facilitation letters, developing a roadmap and model of auditing operations, issuing supportive and incentive rules, providing appropriate information for economic actors, establishing a comprehensive information system, efficient implementation of electronic automation system
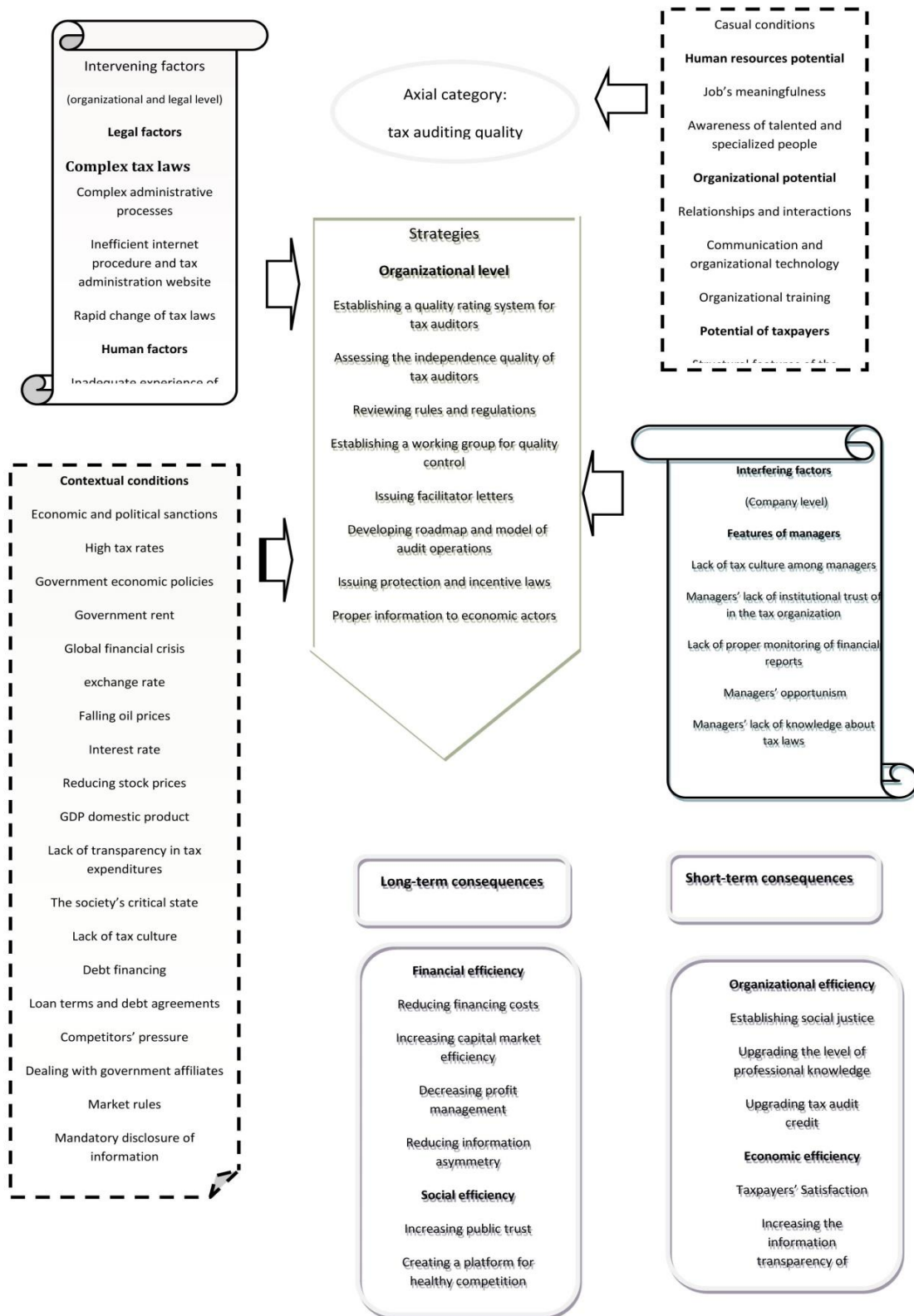
Figure 2. Organizational level

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4.2. Taxpayers' level

Selecting qualified managers, teaching international standards to managers, supervising managers, promoting tax culture, increasing transparency in the consumption of tax revenues, establishing a supportive and incentive system for taxpayers mentioned by experts.

4.3. Intervening Conditions
The organizational and legal level

Legal factors

Complex tax laws, complex administrative processes, inefficient internet procedure and tax administration website, rapid change of tax laws, human factors, the insufficient experience of tax experts, tax auditors' negligence.

Company-level

Characteristics of managers, lack of tax culture among managers, managers' lack of institutional trust in the tax organization, lack of proper supervision of financial reports, managers' opportunism, managers' lack of knowledge about tax laws, managers and accountants' negligence, characteristics of the audit firm, the reputation of the auditing firm, firm audit rotation, employer influence on the auditor, hiring inexperienced accountant, accountants' insufficient expertise.

Contextual conditions

Economic and political sanctions, high tax rates, government economic policies, government rents, global financial crisis, exchange rates, declining oil prices, interest rates, declining stock prices, GDP, lack of transparency in tax expenditures, the society's critical state, lack of tax culture, debt financing, loan terms and debt agreements, competitors' pressure, dealings with government affiliates, market rules, forced disclosure of information, conflict of interest between managers and investors.

Consequences

The implications of the tax auditing quality model also include short-term and long-term implications. In the short run, organizational efficiency increases through social justice, professional knowledge, and tax audit credibility. Efficient economic actors also result in promoting the tax culture among the society. Further, through strengthening the tax culture of the society, we will witness transparent economic information among the members of the society and the satisfaction of the taxpayers. Regarding the long-term outcomes, financial efficiency is increased by reducing financing costs, increasing capital market efficiency, reducing earnings management, and reducing information asymmetry. Social efficiency also increases by increasing public trust, creating a healthy competitive environment, and spreading a rule of law culture within society.

5. Research Findings in the Quantitative Section

The validity and reliability of the research instrument (comprehensive model of tax auditing quality according to environmental characteristics) were assessed according to experts' opinions. After sampling (tax administration staff) and collecting 335 final questionnaires, factor analysis was used (study of the described diversity, correlation of variables, factor analysis, estimation of factor loads, etc.). A factor analysis model was fitted to the data using the principal components method after the Varimax period, which also confirmed the selected components for each dimension and thus confirmed the validity and reliability of the instrument statistically. In this study, the most popular

and widely used methods of measuring reliability, e.g., Cronbach's alpha, convergent validity and divergent validity, have been used. Therefore, using the data obtained from the pretest in a sample of 30 members of the study sample, Cronbach's alpha coefficient, convergent validity and validity were calculated. Table 2 shows the Cronbach's alpha coefficient of convergent and divergent validity for the research variables by their constituent dimensions.

Table 2. Validity coefficient and reliability measurement model of reliability of research variables

Variable	A comprehensive model of tax auditing quality according to environmental characteristics					
Dimensions	Causal factors	Intervening factors	Axial factors	Contextual factors	Strategic factors	consequences
components	3	2	1	3	2	2
Cronbach's alpha coefficients	0.82	0.89	٠/٨٣	0.87	0.84	0.85
Convergent validity coefficient	0.75	0.88	0.71	0.88	0.79	0.87
Divergent validity coefficient	0.86	089	0.82	084	0.80	0.81

As can be observed from the data in the table above, Cronbach's alpha coefficient for organizational change and their constituent dimensions is greater than 0.8. The correlation between questions and variables is above 0.5, which indicates that reliability (reliability and validity) is high for the measuring instrument.

Structural Model

The previous section reviewed the overall structural model, and its appropriateness was confirmed. The structural model avoids displaying the model's results, and these results will be mentioned appropriately in the section answering the research questions. It suffices to mention that all the coefficients in the above model are significant at the 95% confidence level and all dimensions and components have a significant role in the model. Further, the values of standardized coefficients for all variables are greater than 0.6, which indicates the important role of each of these variables in explaining the relevant component or dimension.

All factor loads are higher than 0.3. Bentler-Bonett normalized fit indices, relative fit, incremental fit, adaptive indices, and full square have been used to express the model's acceptability. The results obtained from the model are shown in the tables below.

Table 4: Goodness of fit of the model

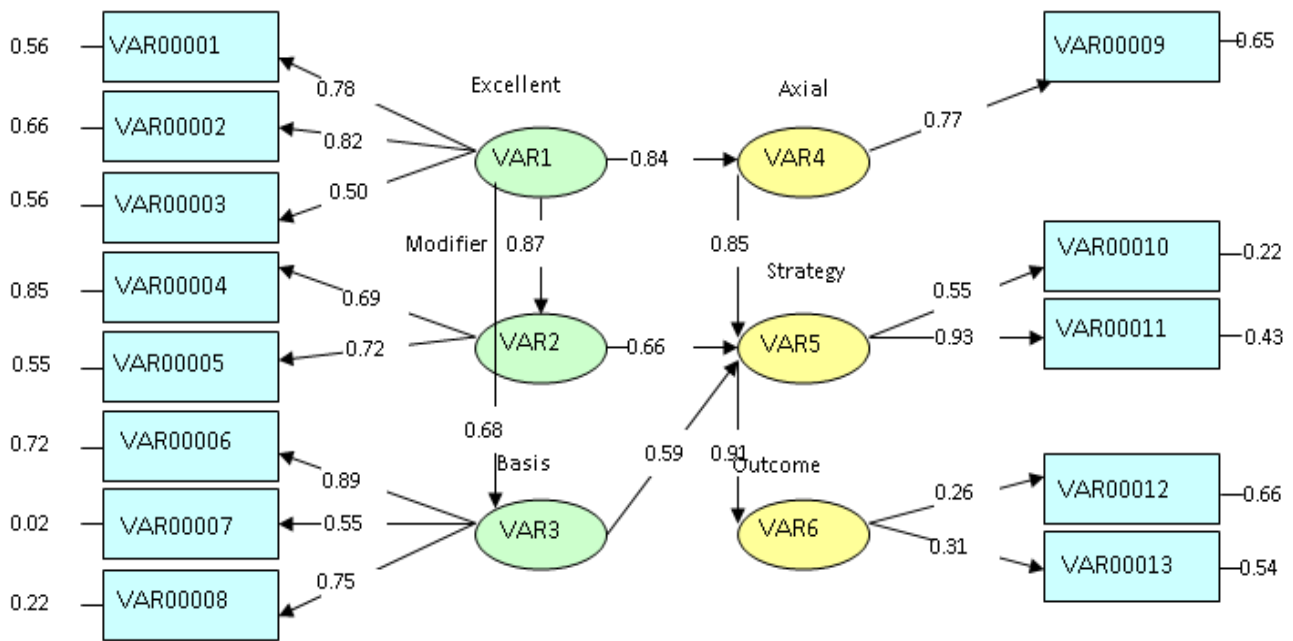| Model	X2/df	RMSEA
Acceptable amount	3-1	<0.1
Calculated amount	2.491	0.026

Figure 3. Structural model of factor load of research comprehensive model of tax auditing quality according to environmental characteristics
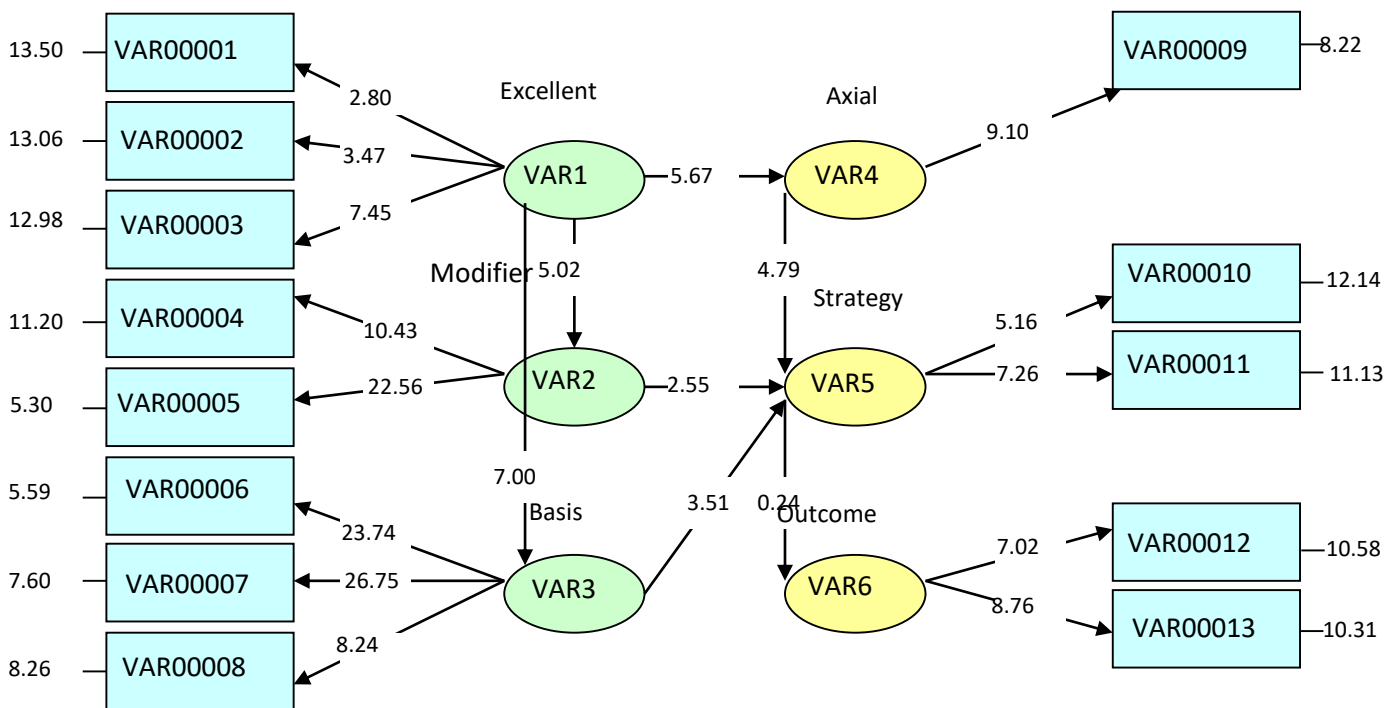

Figure 4. Structural model of significance coefficient of comprehensive research model of tax auditing quality according to environmental characteristics

Root-mean-square Error (RMSE): This index is based on the analysis of the residual matrix. Unlike many fitting indices, it can also be calculated for different confidence intervals. This index is based on a decentralized parameter. If the value of this index is equal to zero, it indicates that Chi-

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square is smaller than the degree of freedom, and its allowable value is 0.1. The value of RMSEA obtained is 0.026, which is less than 0.1 according to the standard value.

Normal Chi-Score ($X2 / df$): This index is obtained by dividing Chi-square by the degree of freedom. The ratio of chi-square to the degree of freedom is equal to 2.491, which is desirable. In general, according to all indicators, it can be said that the model has a good fit. Factor loads indicate the effect of the observed variable in explaining and measuring the hidden variables. A significant level is considered to confirm the factor load. The following is the effect of the identified factors on each other:

Table 5. Investigation of the effect of the identified factors of the model

impact	Load factor	t-statistics	Significance level	Result
Causal factors on intervening factors	0.87	5.02	0.00	Confirmed
Causal factors on axial factors	0.84	5.67	0.00	Confirmed
Causal factors on contextual factors	0.68	7.30	0.00	Confirmed
Intervening factors on strategic factors	0.66	2.59	0.00	Confirmed
Axial factors on strategic factors	0.85	4.70	0.00	Confirmed
contextual factors on strategic factors	0.58	3.61	0.00	Confirmed
Strategic factors on consequences	0.91	8.24	0.00	Confirmed

According to the above table, the factors identified in the data-based model have affected each other. The factor load of causal factors on the intervening factors is 0.87, its t-statistic is 0.52, the factor load of causal factors on axial factors is 0.84, and its t-statistic is 5.67. The factor load of causal factors on contextual factors was 0.68, and its t-statistic was 7.30. The factor loading of interfering factors on strategic factors was 0.66, its t-statistic was 2.59, the factor loading of axial factors on strategic factors was 0.85, and its t-statistic was 70. 4. The factor load of contextual factors on strategic factors was 0.58, its t-statistic was 3.61, the factor load of strategic factors on consequences was 0.91, and its t-statistic was 8.24. Therefore, it can be said that the research model is approved. As can be seen from the table above, all the indicators mentioned above are in the desired range, and therefore the fit of the structural model of the research to the collected data is confirmed. Now, after performing factor analyzes and structural equations and considering the findings, using the results obtained from the analyzes performed, the response and decision-making with the research hypotheses are discussed in the next section.

6. Discussion and Conclusions

Taxation is one of the most crucial pillars of modern civilization. Governments provide taxes and services to their citizens through taxes, but that is not all. Any government can control the country's liquidity by imposing taxes and increasing or decreasing it, leading citizens to use certain goods. Tax auditing is one of the most important tasks for managers because non-transparency of accounts can lead to heavy fines. This research sought to find the answer to the main question, develop a suitable model to explain the components affecting corporate tax compliance in the Iranian tax system and identify the strategies and consequences resulting from using grounded theory.

The model entitled *A Comprehensive Model of Tax Auditing Quality* was extracted from this research, and it was developed in line with the three-stage coding process. In this study, the factors affecting the tax auditing quality have been considered both from the perspective of providers of tax auditing services and recipients of tax auditing services. Moreover, taxpayers and experts have

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DOI: 10.22067/ijaaf.2021.41381

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identified the causal conditions of tax auditing quality from the perspective of tax auditing service providers at different levels.

According to the research model and findings, causal factors included human resources potentials, organizations and taxpayers, which are: knowledge of talented and specialized people, relationships and interactions, communication and organizational technology, organizational training, structural features of the company and characteristics of the company's financial statements.

Therefore, in order to study the issue more widely, an attempt was made to model tax auditing quality from various aspects. Further, intervening factors, strategies and consequences were identified alongside causal conditions, and the contextual conditions for taxation in Iran were also analyzed. After reviewing and analyzing the causal conditions affecting the quality of tax auditing from the perspective of tax audit service providers, it is necessary to pay attention to the strategies and mechanisms used to manage, control and achieve different levels of tax auditing quality.

Strategies: among the most important strategies which experts have proposed for tax quality, reference can be made to the following items:

Organizational level

Establishing a quality rating system for tax auditors, evaluating the quality of tax auditors' independence, reviewing laws and regulations, establishing a working group for quality control of files, issuing facilitation letters, developing a roadmap and model of audit operations, issuing supportive and incentive rules, providing appropriate information for economic actors, establishing a comprehensive information system, efficient implementation of electronic automation system, high moral commitment

Taxpayers' level

By selecting qualified managers, teaching international standards to managers, supervising managers, promoting tax culture, increasing transparency in the consumption of tax revenues, establishing a system of support and incentives for taxpayers mentioned by experts.

In adopting tax auditing quality strategies, some intervening conditions such as empirical skills, the opportunism of managers, complexity and rapid change of governing laws and regulations have made the quality of tax audit difficult. The contextual characteristics of tax auditing influence strategies for achieving the quality of tax auditing. The research results show domestic economic and political factors, macroeconomic factors, cultural factors, market factors, and stock exchange requirements.

The implications of the tax auditing quality model also include short-term and long-term implications. In the short term, organizational efficiency increases through social justice, professional knowledge, and tax audit credibility. According to research on a long-term consequence, financial efficiency increases through reduced financing expenditures, increased capital market efficiency, and reduced information asymmetry. Social efficiency also increases by increasing public trust, creating a healthy competitive environment, and spreading a rule of law culture in society.

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How to cite this article:
Abyazi, E., Mohammadzadeh Salteh, H., Aghdam Mazraeh, Y., Nonahal Nahr, A. (2021). Developing a Model for Improving Tax Auditing Quality in Iran. Iranian Journal of Accounting, Auditing and Finance, 5(4), 101-118. doi: 10.22067/ijaaf.2021.41381
URL: https://ijaaf.um.ac.ir/article_41381.html

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pp: 101-118

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DOI: 10.22067/ijaaf.2021.41381