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## **Impact of tax morale on tax compliance intention in India**

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## **Impact of tax morale on tax compliance intention in India**

### **Abstract:**

Low tax revenue productivity and low tax compliance have been the two critical challenges facing the Indian tax system. Studies in many countries have demonstrated that, among others, The intrinsic motivation to comply with tax laws (tax morale) can influence individual taxpayers' tax compliance decisions. This paper attempts to measure the impact of tax morale on tax compliance in India using the social psychology Theory of Planned Behaviour (TPB) and survey data covering 868 respondents. The empirical results reveal that tax morale negatively and significantly influences the individual's intention to underreport income and over-deduct expenses – the two measures of an individual's intention to tax non-compliance used in the study. The other factors that are found to be negatively influencing the intention to tax non-compliance are honesty and simplicity in tax administration, lower tax burden, and higher income and education level.



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