

A Survey on Attitudes and Behaviour towards Tax and Compliance

A Population Assessment for Ireland in 2008/ 2009

Contact Details:

Duncan Cleary,

Research & Analytics Branch,

Planning Division, Bishop's Square, Redmond Hill, Dublin 2.

Email: dcleary@revenue.ie

Research & Analytics Branch

DATA - INFORMATION - KNOWLEDGE

Report Date: September 2009; Final Version: December 2013

Table of Contents

Table of Contents	2
List of Tables	2
1. Introduction.....	3
1.1 Background.....	3
1.2 Methodology	4
1.3 Further Analysis.....	5
1.4 Key Findings:.....	6
2. Question by Question Analysis.....	7
Questions 1, 2 and 3.....	7
2.1 Question 1: What Are Your Taxes Used For?	7
2.2 Questions 2 and 3: Have You Contacted Revenue?	8
2.3 Comparison with Other Revenue Survey Results.....	10
2.4 Question 4: Reasons Why People Do Not Pay Their Taxes	10
2.5 Question 5: Perceived Risk of Getting Caught	14
2.6 Question 6: Attitudes about Tax Evasion	15
2.7 Question 7: Moral Questions	19
2.8 Question 8: Tax Morals	26
2.9 Question 9: Personal Motivation to Pay Taxes.....	30
2.10 Question 10: Tax Returns and Relief Forms.....	36
2.11 Question 11: ‘How well informed would you consider yourself to be regarding your tax affairs and tax entitlements?’	37
2.12 Self-Completion Section: Behaviour	38
Self-Completion Section: Behaviour	39
Question 12: Have you been offered services?.....	39
Question 13: Have you used services offered?	40
Question 15: Have YOU engaged in undeclared work?.....	40
3. Segmentation: Overview of Attitudes and Behaviour	41
4. Conclusions.....	43
References.....	45
Appendix 1 – Survey Questionnaire	46

List of Tables

Table 1: Contact Channels:	9
Table 2: Moral Questions	20
Table 3: Tax Moral Questions	29

1. Introduction

1.1 Background

Revenue is responsible for fairly and efficiently collecting the taxes, duties and social security contributions required for financing public expenditure. In delivering this mandate, Revenue's key objectives are aimed at improving compliance and maximizing revenue collection. These objectives are supported by a dual approach of high quality service delivery and the application of appropriate sanctions where non-compliance is detected, using increasingly sophisticated risk-based targeting of cases for audit and other interventions.

Revenue's Statements of Strategy (Revenue, 2008-2013) outline the detail of its specific customer service and compliance programmes. Furthermore, as required by the Public Service Management Act, Revenue reports on the outputs or results of these programmes in its Annual Reports. Considerable detail on Revenue's performance across a number of areas including collection, customer service delivery, audits and prosecutions is presented in these reports. However the outcomes of its programmes are not as easily identifiable. Outcome measurement can be a further indication of the effectiveness of Revenue's programmes and in particular the impact of Revenue's performance on behaviour is now an important evaluation tool.

In recent years Revenue's Research and Analytics Branch (Revenue Research & Analytics Branch, RAB, 2006, 2007, 2008, 2010 & 2013) have conducted five surveys involving small/ medium sized businesses (SMEs) and PAYE customers. The results and analyses of these have provided information on a number of key areas including channels of contact, customer satisfaction levels, attitudes to tax credits/reliefs, factors that influence compliance and perceptions of Revenue. The surveys have also included customer satisfaction questions allowing for outcome evaluation in the area of customer service delivery.

As a step beyond these sectorial surveys, the ‘Survey on Attitudes and Behaviour to Tax and Compliance’ has been carried out to measure aspects of the attitudes and behaviour of the full population, with a particular emphasis on tax and compliance, on a national basis. The results are an objective analysis, which provide Revenue with a useful benchmark against which to monitor trends in the future and which will assist in evaluating and developing Revenue’s compliance and enforcement programmes.

1.2 Methodology

This is the first survey of its kind to be carried out in Ireland by or on behalf of Revenue. The nature of the survey required that it be outsourced to a third party. Following a tendering process, Millward Brown IMS (MB IMS) were commissioned to undertake the fieldwork for this survey and to provide Revenue with a SAS compatible data set for analysis upon completion of data capture. Revenue’s Research and Analytics Branch (RAB) designed the survey, in collaboration with MB IMS (Appendix 1).

The survey covered three broad areas:

1. Attitudes of the population to tax and compliance from a general point of view
2. Attitudes of the population to tax and compliance from a personal point of view
3. Behaviour of the population in relation to tax and compliance (self completion section)

The survey fieldwork commenced on the 20th of October and was completed on February 6th 2009. The fieldwork was suspended briefly over the Christmas holiday period.

The survey involved face-to-face interviews at the homes of the respondents conducted by a team of 60 trained and experienced Millward Brown IMS interviewers. A letter from Revenue assuring confidentiality and anonymity was provided to each household contacted.

The sample (1091 cases) was selected¹ using a statistically robust random sample methodology. This allows inferential statistics to be used with the results, i.e. the sample can be seen to be representative of the population as a whole. Details of the sampling methodology applied are available from RAB on request.

MB IMS provided the data to RAB from February 2009 onwards. At all stages strict anonymity was maintained and the survey and analyses were conducted with best practice Data Protection guidelines. To maximise responsiveness on what may have been perceived as sensitive questions relating to actual behaviour, respondents were asked to complete a section of the survey themselves using a separate form. This form was then given to the interviewer in a sealed envelope. The responses to this section are comprehensive enough to allow meaningful analyses.

Ancillary and demographic information² was collected on each respondent, enabling further detailed analysis of the survey data. This enables Revenue to build up a picture of how attitudes and perceptions may vary among different sections of the population.

1.3 Further Analysis

This report concentrates on headline results only on a question-by-question basis. Further in-depth analyses are possible, the purpose of which is to extract further information about taxpayers attitudes and behaviour to tax and compliance, using multivariate statistical techniques e.g. correlations between demographic profiles and responses to the questions. A summary of these analyses is found in the next section ‘Key Findings’. The data from this survey allows a segmentation of the responses which can be used to identify groups within the population that have differing attitudes and behaviour to tax and compliance. These groups can then be addressed accordingly for both customer service and compliance treatments.

¹ The sample size allows for inferential statistics but was partly constrained by budgetary considerations.

² Details and profile are available from RAB on request.

1.4 Key Findings:

This survey is a snapshot view of the attitudes and behaviour of the Irish population at a point in time. The majority of the population are positively disposed to compliance and see the Shadow Economy in a negative light. The population is not homogenous, however, when it comes to their attitudes and behaviour, and relatively distinct segments are discernable, based on the responses to the survey.

These segments could be used to inform better targeting of compliance programs, including better targeting of cases for intervention and the use of evidence based methods (using treatment and control groups) to try and quantify the effect of interventions aimed at changing attitudes and behaviour.

These segments could also be used to inform better targeting of customer service initiatives and marketing of Revenue’s service and message. Education campaigns, in part based on the findings of the survey, can help inform the population that, for example, the majority of the population are compliant and do not agree with tax evasion.

Further surveys can be carried out using similar questions for specific groups in the population, for example the PAYE (Pay As You Earn) taxpayers and Small/ Medium Enterprises. A follow up Survey of Attitudes and Behaviour should be carried out to measure any changes in the overall population.

Demographic data and information about the respondents proved useful in understanding the segments and responses. There is great potential for sharing more data and information between entities in the public sector to improve services and overall compliance, using population profiling to better target resources.

2. Question by Question Analysis

Questions 1, 2 and 3

The survey was structured to commence with a number of contextual and customer service questions to help put the respondents at ease. The questions were also designed to provide useful information on the awareness of the public regarding the purpose of taxation, levels of contact between the respondents and Revenue, channels of contact used and satisfaction levels.

2.1 Question 1: What Are Your Taxes Used For?

To see if the public understands the correlation between paying taxes and the provision of public services, respondents were asked if they could name areas of public expenditure that their tax, duties and social insurance contributions pay for. This was done in two steps: firstly as an unprompted question (Q1a) *‘Can you tell me what the taxes, duties and social insurance contributions that you pay are used for?’* and secondly with the aid of a show-card (Q1b) *‘And for which items listed on this card do you think the taxes, duties and social insurance contributions that you pay are used?’*

The show-card listed 8 possible options: *Health Services, Education, Gardaí, Public Transport, Roads/ Motorways, Social Welfare* (e.g. Pensions), *Other (specify)* and *Don’t Know*. The respondents did not always consistently name the same items in both parts of the question. Affirmative answers therefore should be viewed cumulatively.

The results for all 8 options are shown in Figure 1, below. It is clear from the results that Health was the most common unprompted area identified with almost half (~48%) of respondents identifying Health. The cumulative total is 87% of respondents who identified Health either in part a, b (when prompted with a list) or both.

Social Welfare (32% unprompted and 69% prompted, 85% cumulative) and Education (79% cumulative) follow Health closely. Public Transport and the Gardaí were identified by relatively fewer respondents, both with ~70% (cumulatively) naming these categories.

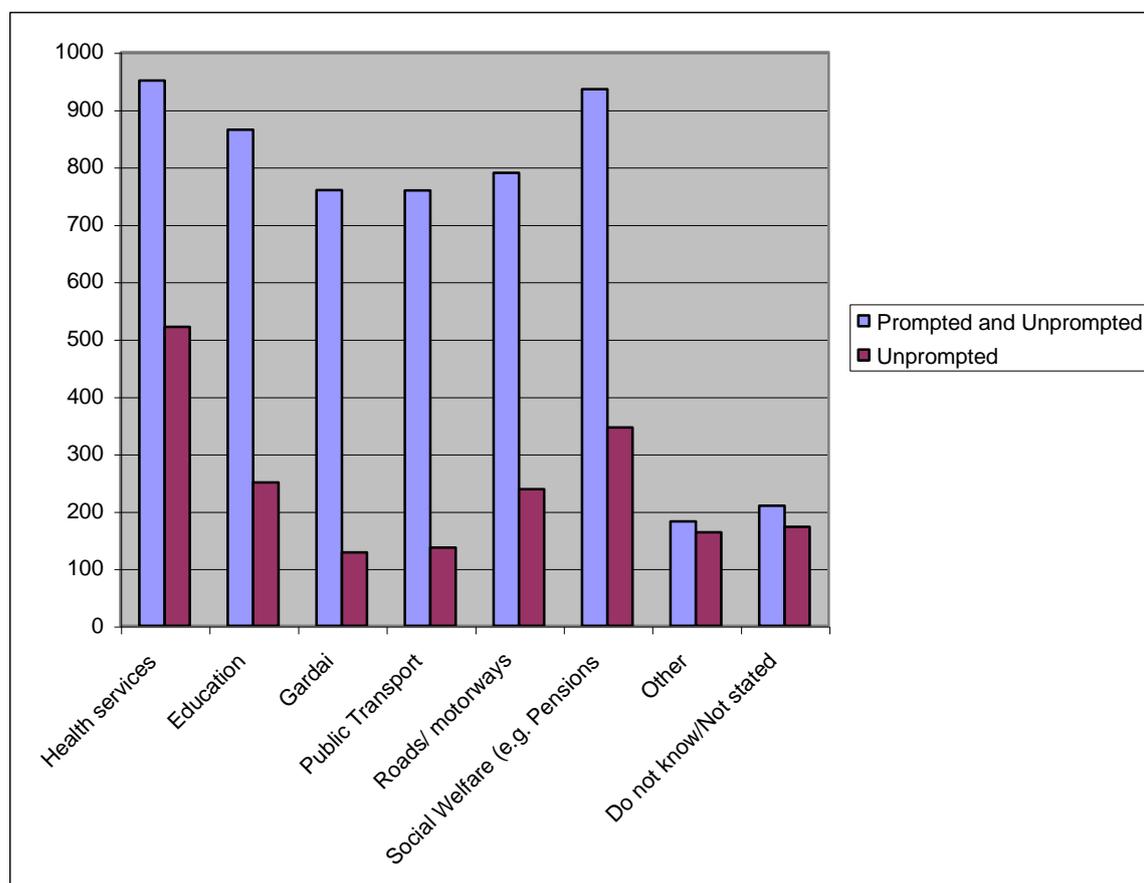


Figure 1: Weighted frequency counts of responses to Question 1

2.2 Questions 2 and 3: Have You Contacted Revenue?

Respondents were asked whether they had contacted Revenue in the last 12 months and if so by what channel. Of the responses recorded, 44% made contact with Revenue in the last 12 months. Those who had contacted Revenue used the channels shown in Table 1 below. The telephone was the contact channel most extensively used by the respondents.

Table 1: Contact Channels

Contact Channel	Percentage of Contacts (not mutually exclusive, rounded)
Phone	65%
Personal Visit:	28%
Tax Return	24%
Letter/ fax	17%
Email	12%

Respondents were also asked to rate their satisfaction with the service received from Revenue. 85% of respondents were either satisfied or very satisfied with the service received, which is a very positive result for Revenue. Graphs presenting the results to Questions 2 & 3 are below³, Figures 2 and 3.

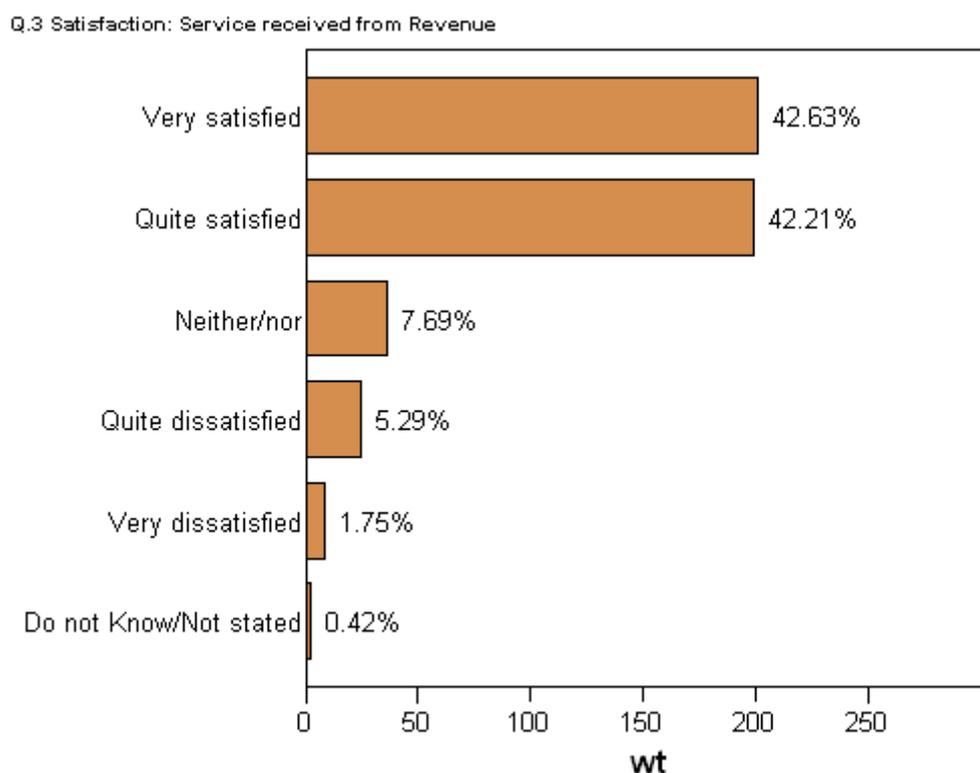


Figure 2

Note: Where a graph has an axis label of ‘wt’, this refers to the weighted frequency count of respondents in each category shown in the graph. The derivation of these weights is based on the sampling methodology used, available on request from RAB.

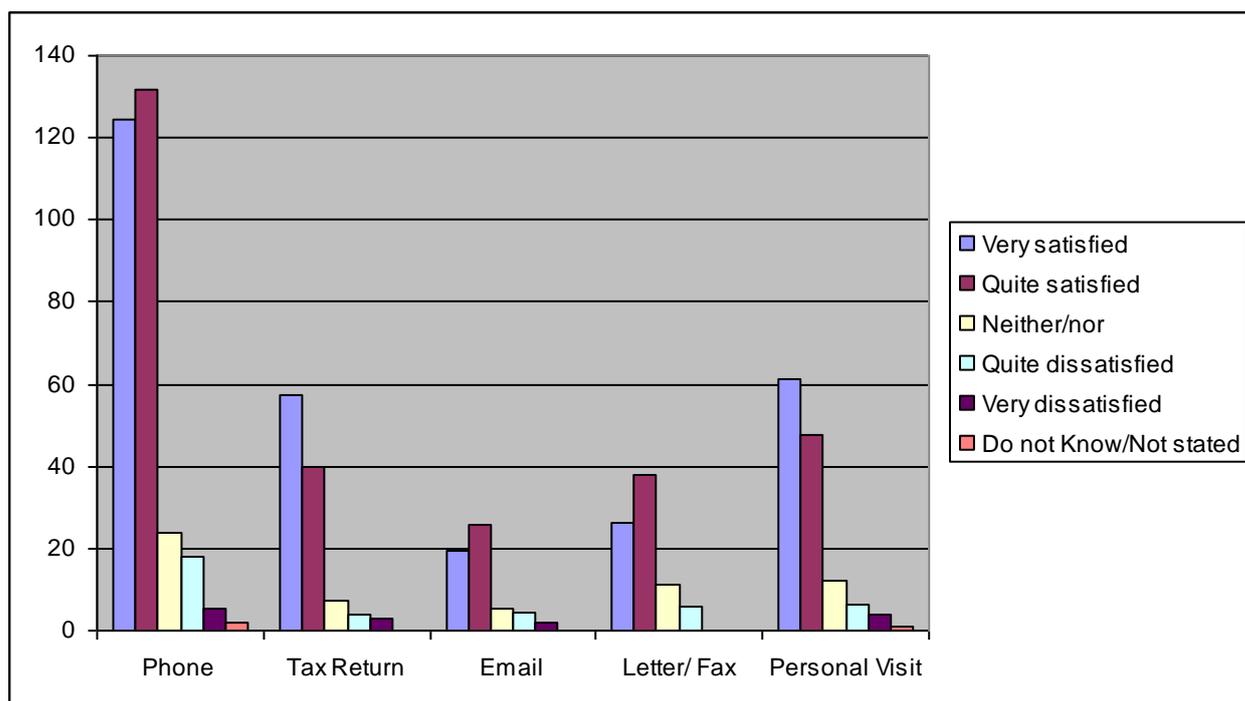


Figure 3 Weighted frequency counts of responses to Question 3.

2.3 Comparison with Other Revenue Survey Results.

The relative proportions recorded for the level of contact, the contact channels used and satisfaction levels are also consistent with the findings of previous customer surveys⁴ conducted by Revenue’s Research and Analytics Branch. This is a further positive outcome for Revenue as it endorses the objectivity, and validates the methodology applied, to these surveys.

2.4 Question 4: Reasons Why People Do Not Pay Their Taxes

At this point in the survey the questions focus on examining attitudes to tax evasion from a general point of view. Initially the interviewer outlined to the participant that

⁴ Revenue Research Branch, 2006, 2007, 2008, 2009 & 2013.

‘Tax evasion can take many forms e.g. not paying the correct amount of tax, not paying any tax at all etc.’

Respondents were then asked to think about the reasons why people do not pay their taxes. The following statements concerning why people engage in deliberate tax evasion were presented and respondents were asked to state if they agreed or disagreed with these reasons.

- *The risk of getting caught is low.*
- *There is a culture of tax evasion in Ireland – everyone who has the opportunity to evade tax does so.*
- *The taxes collected are used poorly.*
- *The potential consequences (e.g. fines and penalties, public naming, prosecution) of getting caught are not serious enough to stop people evading paying their taxes.*
- *People think they pay too much tax on what they earn already.*
- *People feel they do not get paid enough for the work that they do.*
- *Tax evasion is not a problem in Ireland as people generally report all of their income to Revenue.*

To negate the probability of any bias being caused by the ordering of the questions, the interviewers were instructed to start each subsection of the multiple choices at a randomly chosen start point. This also applied to Questions 6, 7, 8, & 9.

The main reasons that respondents agreed were explanations for why some people do not pay their taxes are: *people think they pay too much tax on what they earn already (68%), people feel they do not get paid enough for the work that they do (55%), the taxes collected are used poorly (54%) and there is a culture of tax evasion in Ireland (51%)*. Further analysis will be carried out on this question to determine if there are any differences in responses recorded post 1 January 2009 when the Income Levy was introduced.

Regarding the other statements presented, while respondents indicated that the risk of being caught was high, and a sizeable proportion (~30%) of respondents felt that the potential consequences of getting caught are serious, a higher percentage of respondents (43%) indicated that the potential consequences of being caught are not serious enough to stop people engaging in tax evasion. The assertion that tax evasion is not a problem in Ireland was refuted by almost 50% of respondents. Graphs presenting the results to Question 4 are shown below (Figures 4.1 – 4.7):

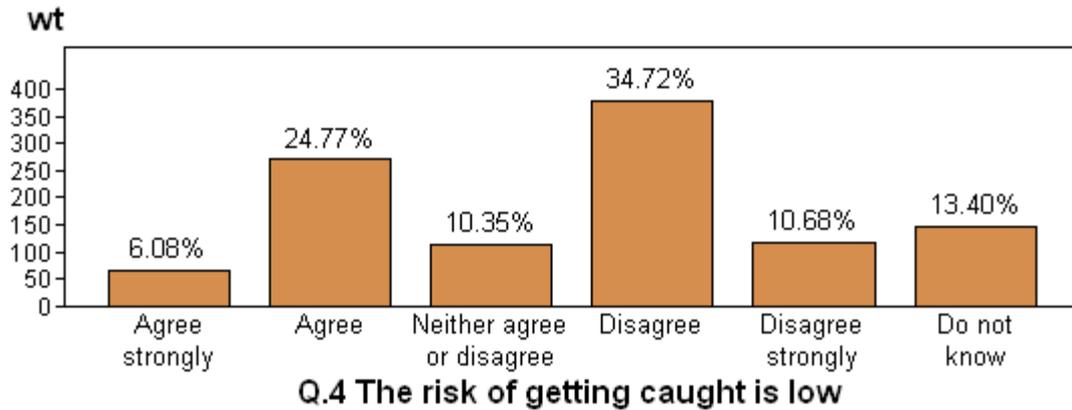


Figure 4.1

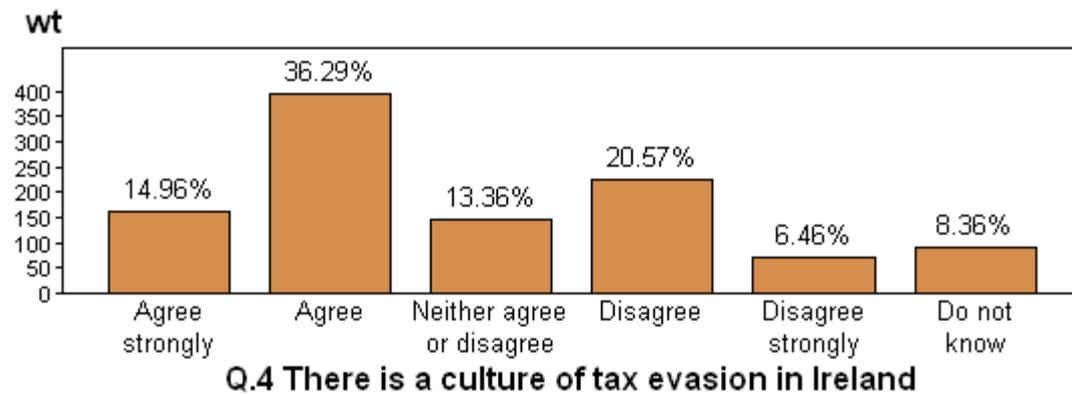


Figure 4.2

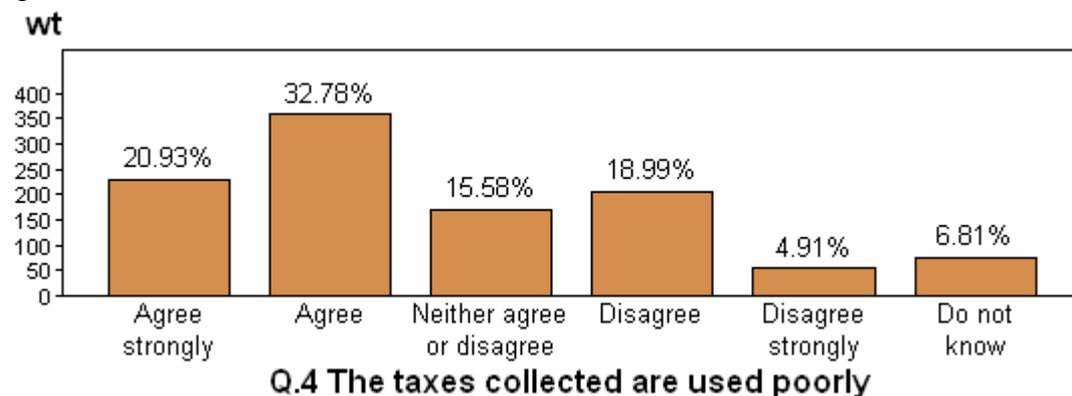


Figure 4.3

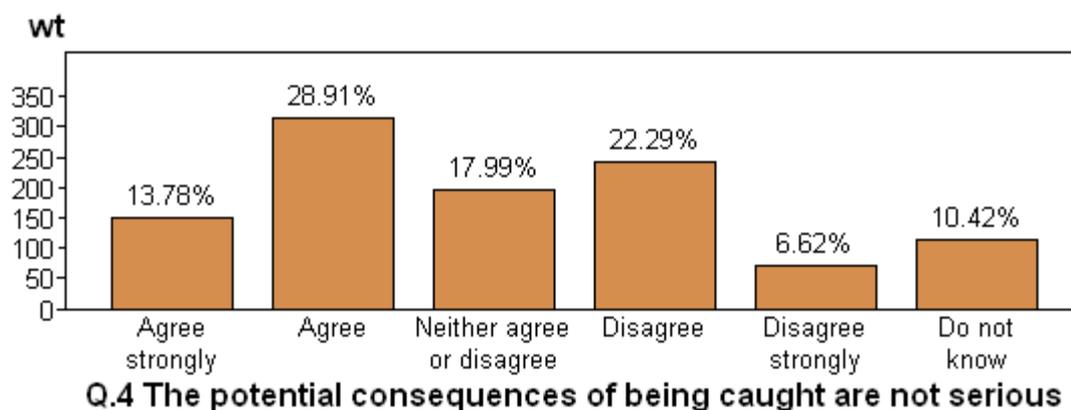


Figure 4.4

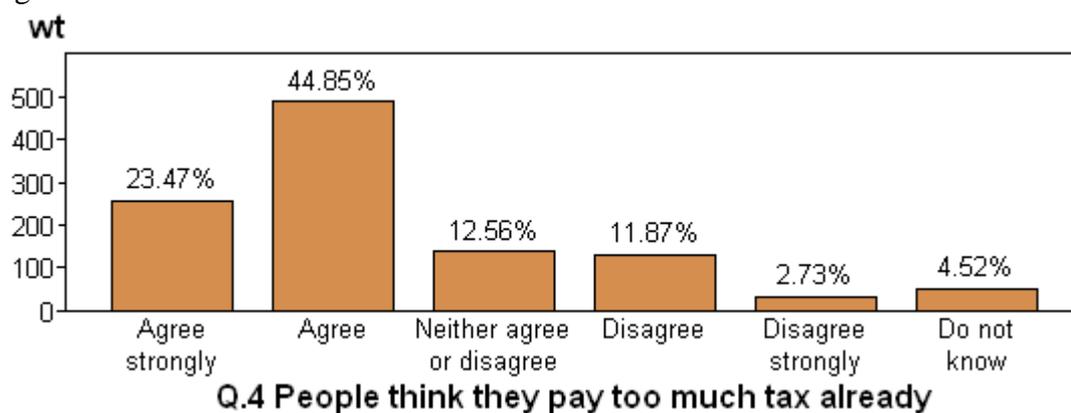


Figure 4.5

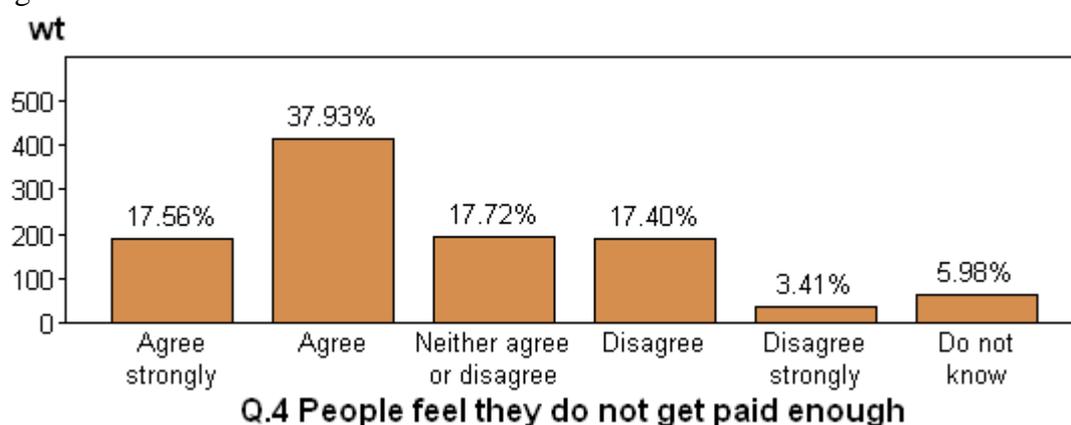


Figure 4.6

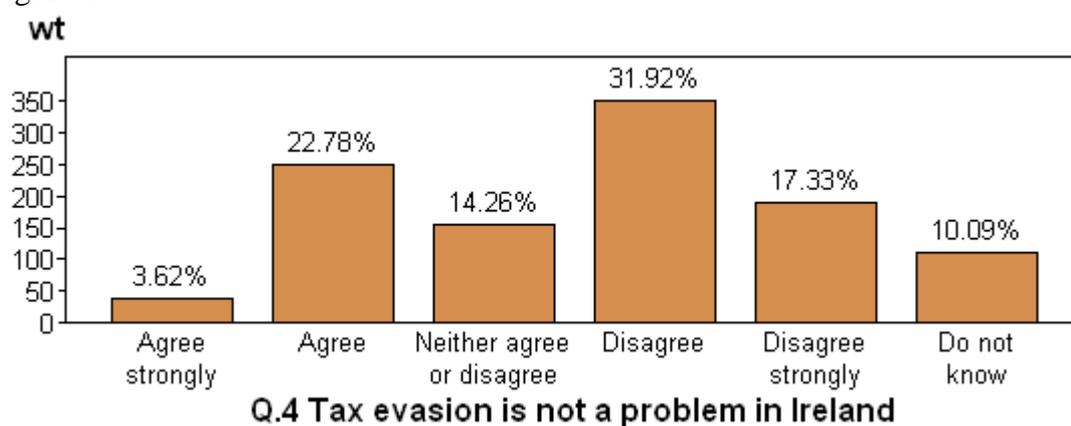


Figure 4.7

2.5 Question 5: Perceived Risk of Getting Caught

Question 5 sought to further explore the perceived risk of being caught for evading taxes. In addition to giving a general picture of public perceptions in this regard, this question also aimed to provide an indication of Revenue’s success in effectively dealing with tax evasion. The question was presented as follows:

The people who deliberately evade taxes risk that Revenue will find out and seek payment with interest/penalties, or possibly more. On a scale of 1-10 where 1 is very low and 10 is very high, how would you rate the risk of being caught for a person who deliberately evades taxes?

Graphs presenting the results to Question 5 are shown below in Figure 5. The responses are somewhat non-committal, i.e. the mode is the mid-point of the scale at 5, but they are skewed towards a perceived higher risk of getting caught. This correlates with opinions expressed in Question 4 concerning the risk of being caught for tax evasion. This is a positive response for Revenue as it suggests an awareness of Revenue’s performance in enforcing tax compliance among the general public.

The responses to this question can be used to correlate with other survey results the views on perceived level of risk, offering additional insights regarding the various attitudes and perceptions held by different sections of the public.

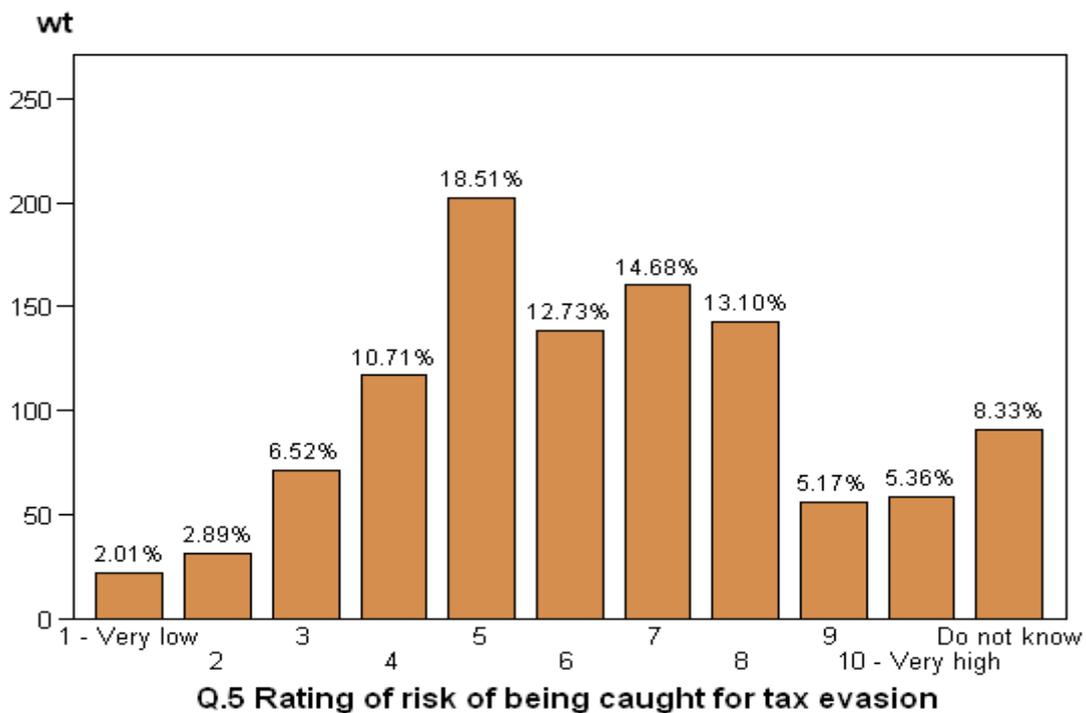


Figure 5: Perceived Risk of Getting Caught

2.6 Question 6: Attitudes about Tax Evasion

In order to evaluate opinions on / attitudes towards tax evasion, respondents were asked to agree or disagree with a number of statements. These can be divided into categories relating to civic responsibility and acceptability, and Revenue's performance in dealing with tax evasion. The information provided thus builds on the responses to questions 4 and 5. The statements presented are as follows:

- *Deliberate tax evasion is not considered acceptable by Irish society.*
- *Those who evade paying tax repeatedly should receive a jail sentence.*
- *Revenue has been successful in dealing with tax evasion over the last 5 years.*
- *The more successful Revenue is at dealing with tax evaders the less likely citizens will be to evade their taxes.*
- *Deliberate tax evasion is on the increase.*
- *It is every taxpayer's civic responsibility to pay his or her correct taxes.*
- *Deliberate tax evasion is a minor crime.*
- *Revenue is able to detect people not paying the right amount of tax.*
- *Few people report all of their income to Revenue.*

Graphs presenting the results to Question 6 are shown below, Figures 6.1 - 6.9. The results are again broadly positive for Revenue. The opinion of the majority of respondents indicates that tax evasion is not acceptable (56%), that evaders should face jail sentences (55%) (Tax evasion is not considered to be a minor crime), that Revenue has been successful in dealing with evasion in the last 5 years (61%) (Which should discourage evasion), that there has been a decrease in evasion (27% think it has increased, 35% think it has decreased), and that Revenue is able to detect evaders (60%).

The overwhelming majority (~90%) agreed that it is every taxpayer's civic responsibility to pay his or her correct taxes. However, it was still felt by a large proportion that few people report all of their income to Revenue. This clearly shows a

disjuncture between the personal attitudes of the population and perceived attitudes and behaviour of others. Studies⁵ in Denmark (and elsewhere) have noted that where this happens it can have an affect on compliance and social cohesion.

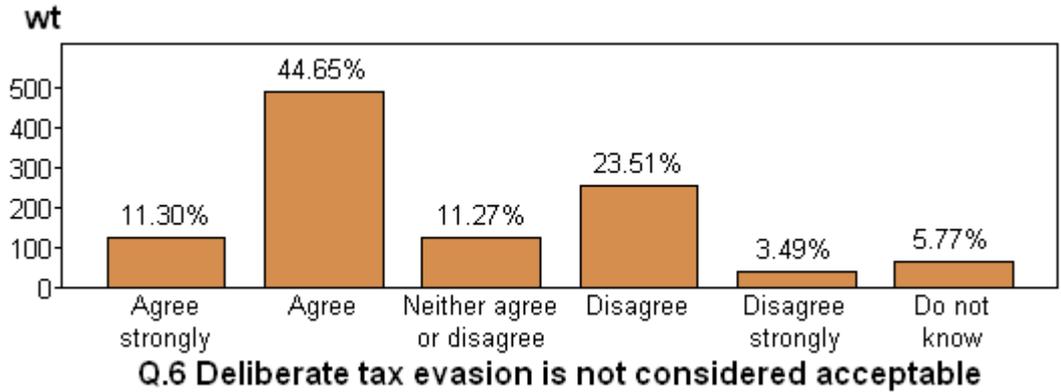


Figure 6.1

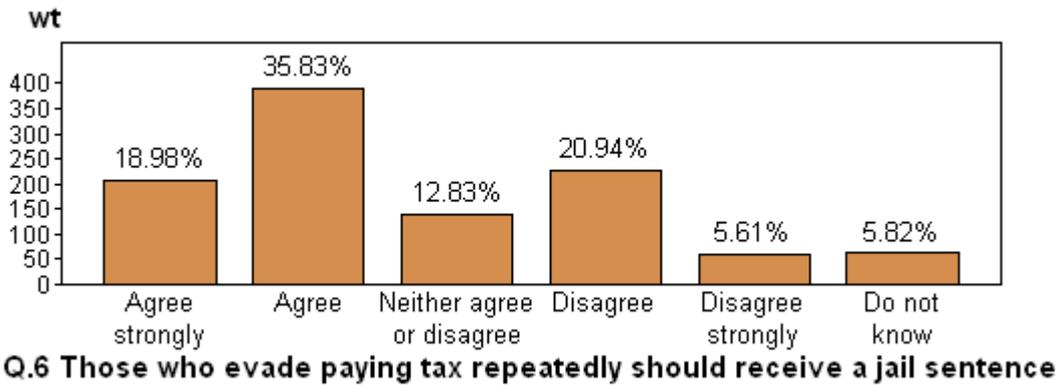


Figure 6.2

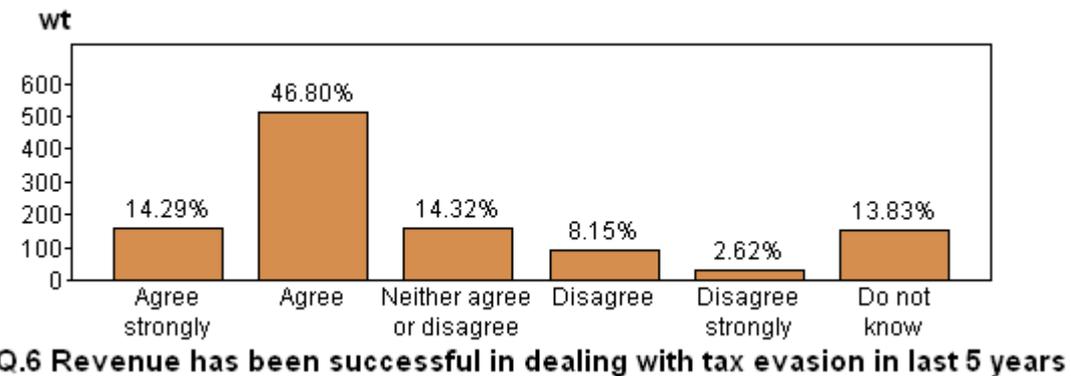


Figure 6.3

⁵ Pederson, S. (2003); OECD (2002); Schneider, F. & Enste, D.H. (2000)

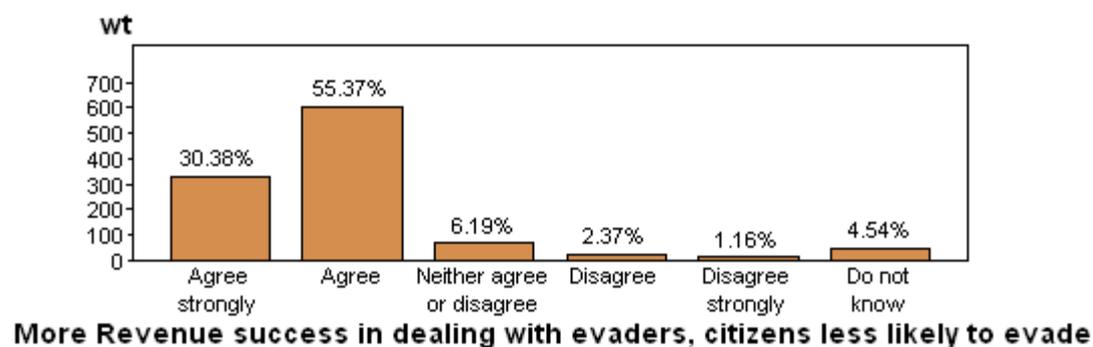


Figure 6.4

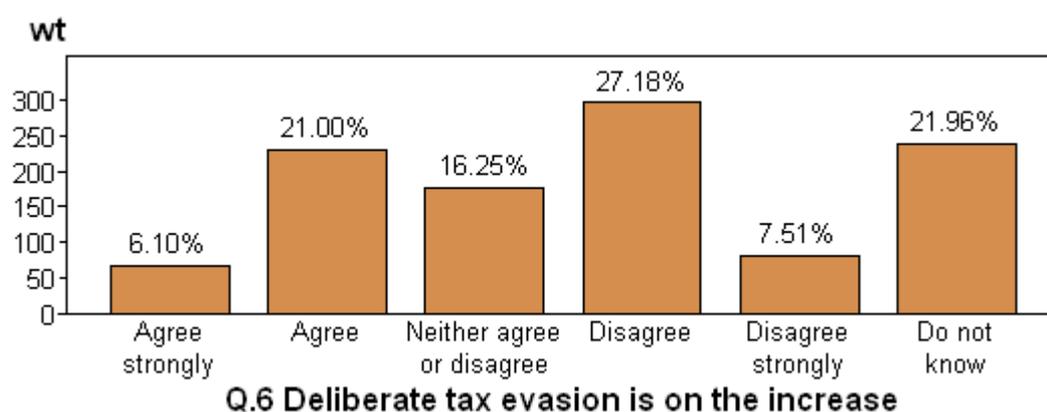


Figure 6.5

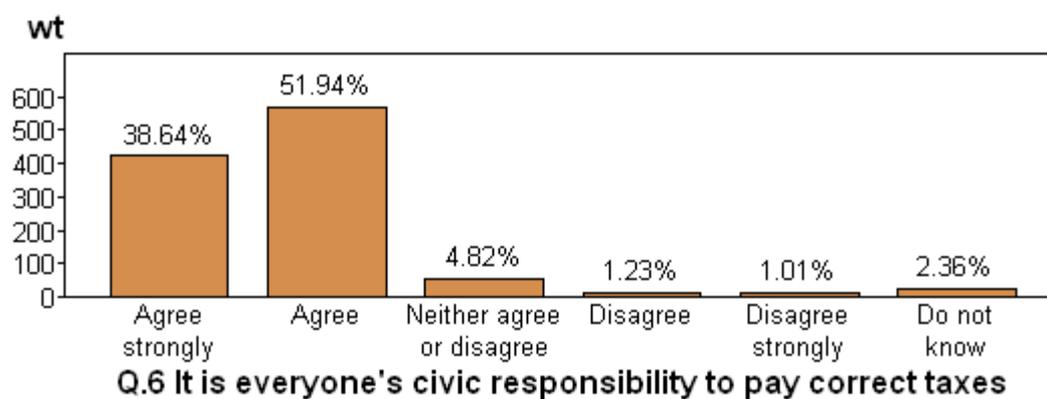


Figure 6.6

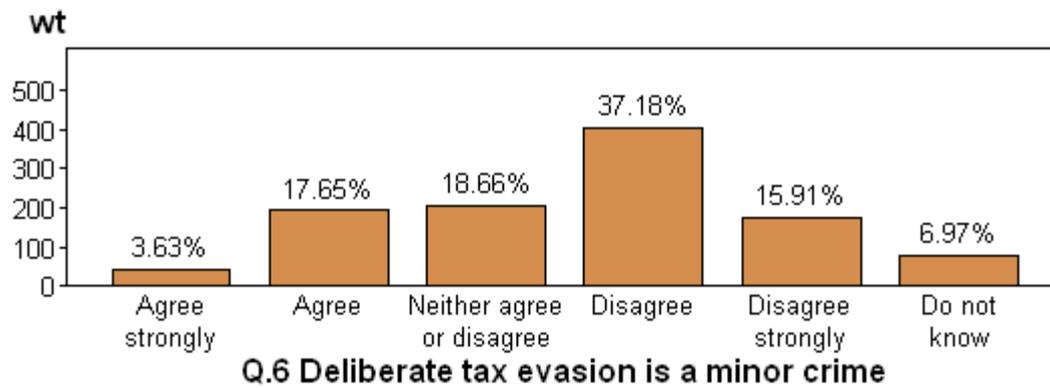


Figure 6.7

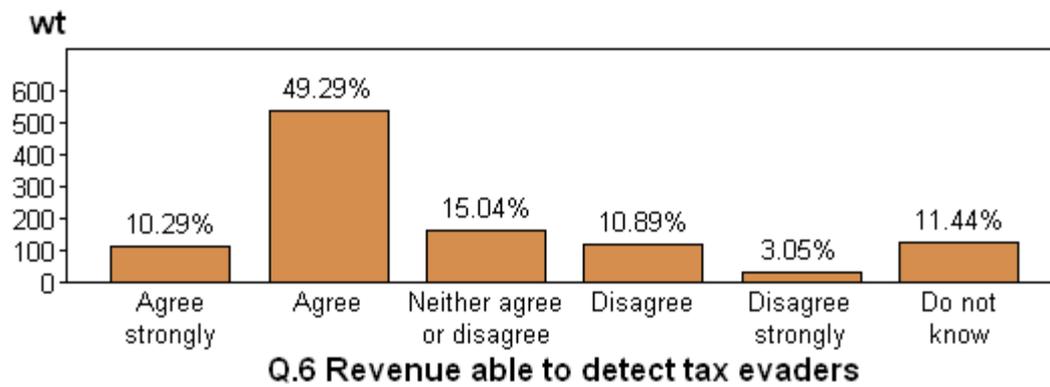


Figure 6.8

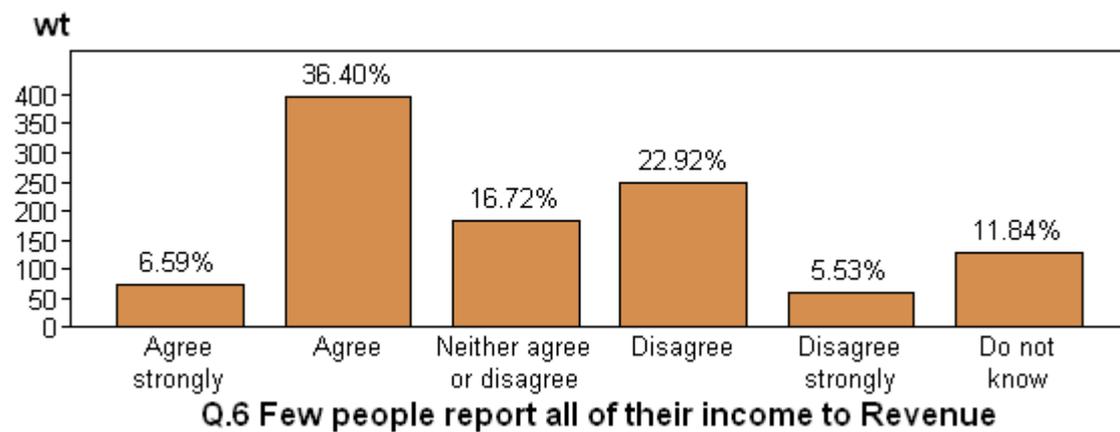


Figure 6.9

2.7 Question 7: Moral Questions

This question was posed to measure public opinion on the acceptability or unacceptability of various compliance behaviours including tax evasion. The rationale behind this is to place attitudes to tax evasion in context with other citizenship obligations and behaviour. This type of evaluation has been carried out in similar surveys in other countries⁶.

The compliance behaviours presented were as follows:

- *To drive while using a mobile phone without using a hands-free kit.*
- *To claim credits or reliefs from Revenue that you are not entitled to.*
- *To use public transport (for example, buses, trains, LUAS, DART) without a valid ticket.*
- *To deliberately not pay the taxes you are supposed to pay.*
- *To buy services knowing that the income from them will not have been declared to the tax authorities.*
- *To have a TV at home without a valid TV licence.*
- *To deliberately claim social benefits from the Department of Social and Family Affairs that you are not entitled to.*
- *To legally avoid paying taxes by using loopholes in legislation.*
- *To knowingly buy stolen goods.*
- *To knowingly buy counterfeit goods (e.g. clothing, handbags).*
- *To knowingly buy pirate goods (CDs, DVDs).*
- *To purchase goods abroad, and where above the limit, not declare them to Customs when they are brought into Ireland.*
- *To declare some income but not all of your income for tax purposes.*
- *To drop litter on the street.*

⁶ e.g. Wenzel, M., Ahmed, E. & Murphy, K. (2002); SKAT (2006); IRS Oversight Board (2008).

The responses to this question were interesting, not so much for the answers that were expected, i.e. where the vast majority of respondents agree that a particular behaviour is unacceptable, but for the statements to which the respondents deviated from this pattern. The degree to which respondents feel that deliberate welfare fraud is completely unacceptable (~80%) is much more pronounced than those that felt that tax evasion or tax credit/ reliefs fraud (~60%) was completely unacceptable. Similarly, buying pirate goods or buying services knowing that the income will not be declared is seen as more acceptable than buying stolen goods or indeed dropping litter on the street. Tax avoidance is recognised by some as acceptable (~20%), but there may be some confusion concerning the differences between evasion and avoidance (*This will be further explored in multivariate analyses – preliminary work suggests that statements concerning tax avoidance were responded to differently according to demographic factors such as education, class and gender.*). It is worth noting that a large proportion of respondents (27%) indicated that purchasing goods abroad, which are over the value limit, but then not declaring them to customs, is acceptable. It could be inferred that this reflects actual behaviour on the part of these respondents.

Table 2: Moral Questions –
Percentage ‘completely unacceptable’ and ‘somewhat unacceptable’, in ranked order.

Moral Questions	Rank	Somewhat Unacceptable (%)	Completely Unacceptable (%)	Total %
To drop litter on the street	1	21	74	95
Deliberately claim social benefits from the Dept. of Social and Family Affairs that you are not entitled to	2	15	78	93
To knowingly buy stolen goods	3	15	78	93
To deliberately not pay the taxes you are supposed to pay	4	29	62	91
To claim credits or reliefs from Revenue that you are not entitled to	5	30	61	91
To drive while using a mobile phone without using a hands-free kit	6	24	65	89
To use public transport (for example, buses, trains, LUAS, DART) without a valid ticket	7	32	55	87
To have a TV at home without a valid TV licence	8	32	54	86
To knowingly buy counterfeit goods (e.g. clothing, handbags)	9	21	63	84
To knowingly buy pirate goods (CDs, DVDs).	10	23	60	83
To declare some income but not all of your income for tax purposes	11	31	47	78
To buy services knowing that the income from them will not have been declared to the tax authorities	12	30	44	74
To legally avoid paying taxes by using loopholes in legislation	13	23	45	68
To purchase goods abroad, and where above the limit, not declare them to Customs when they are brought into Ireland	14	24	29	53

A correlation of the responses to this question with the previous question relating to high risk/low risk of being caught will be carried out and may offer some interesting perspectives.

Graphs presenting the results to Question 7 are below, Figures 7.1 – 7.14.

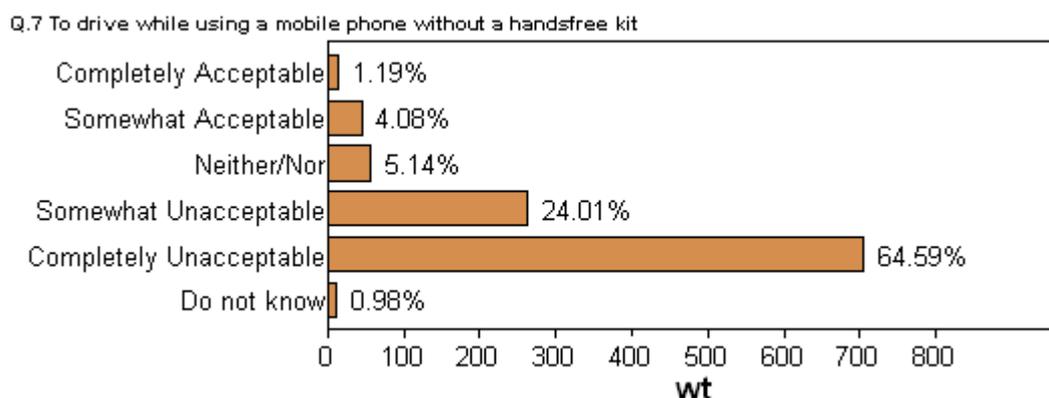


Figure 7.1

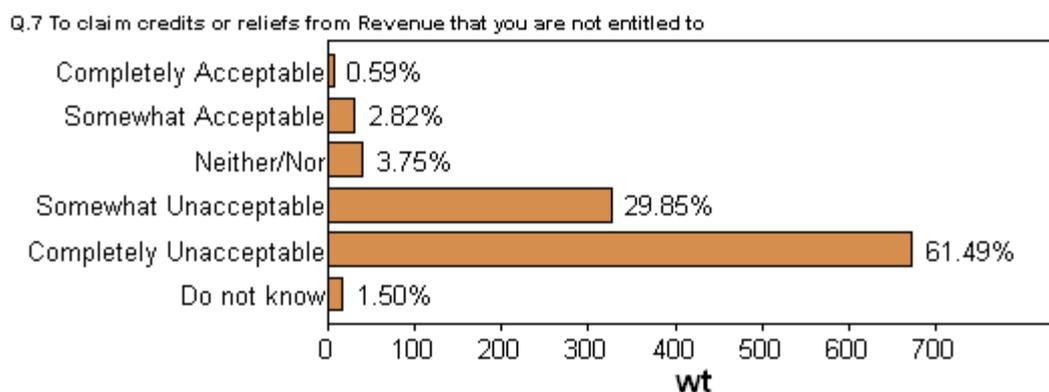


Figure 7.2

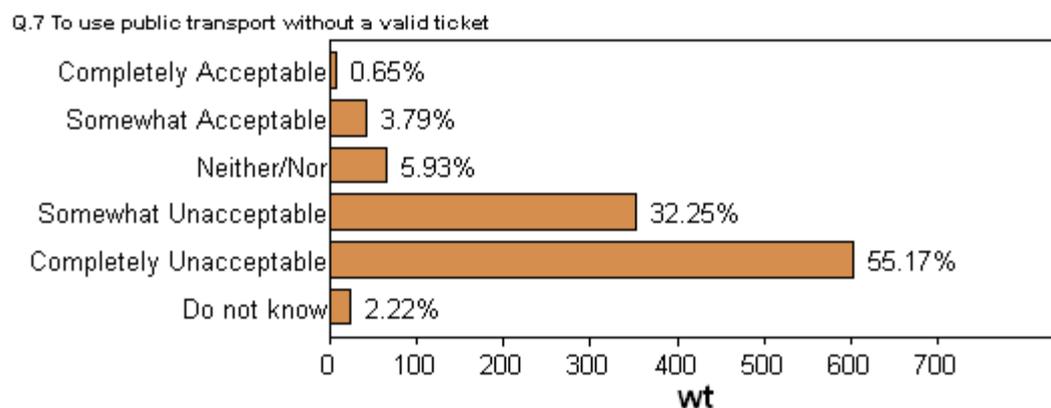


Figure 7.3

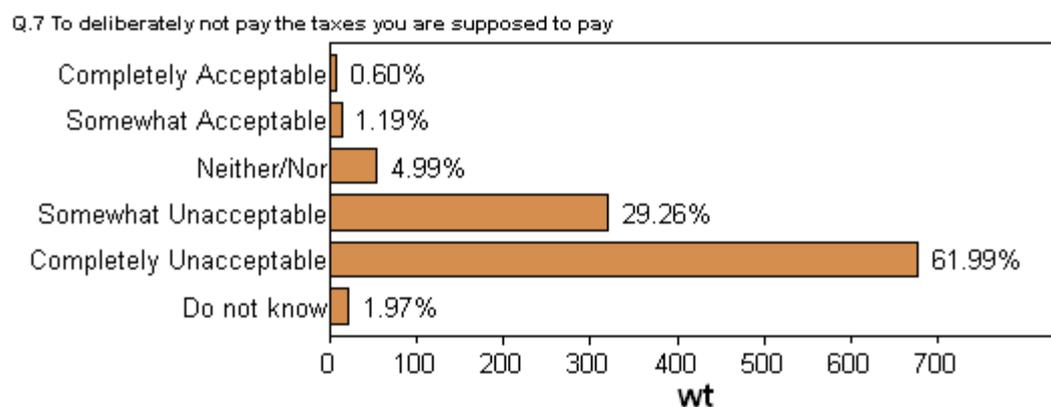


Figure 7.4

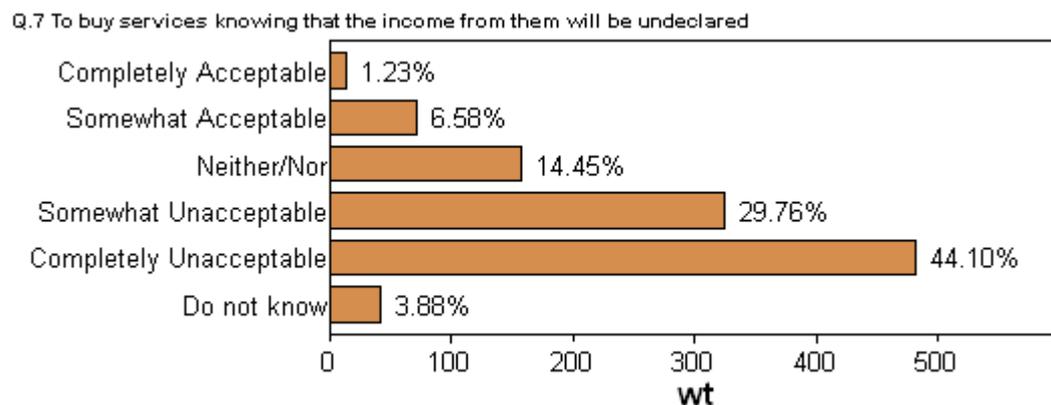


Figure 7.5

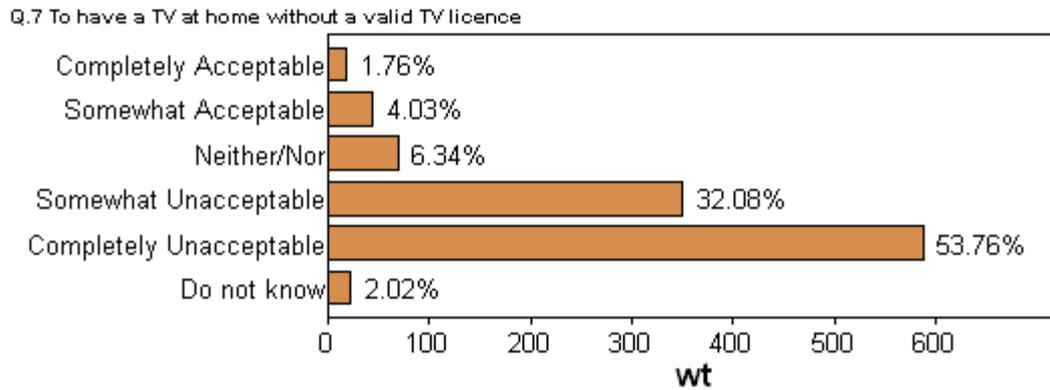


Figure 7.6

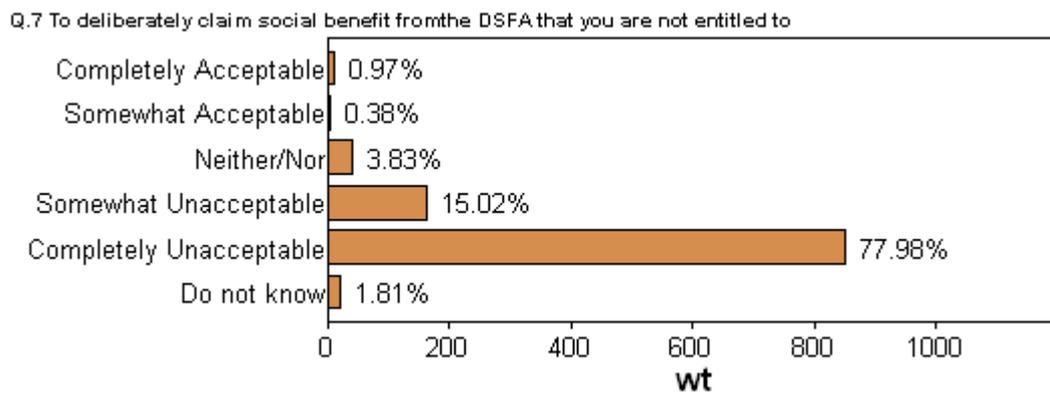


Figure 7.7

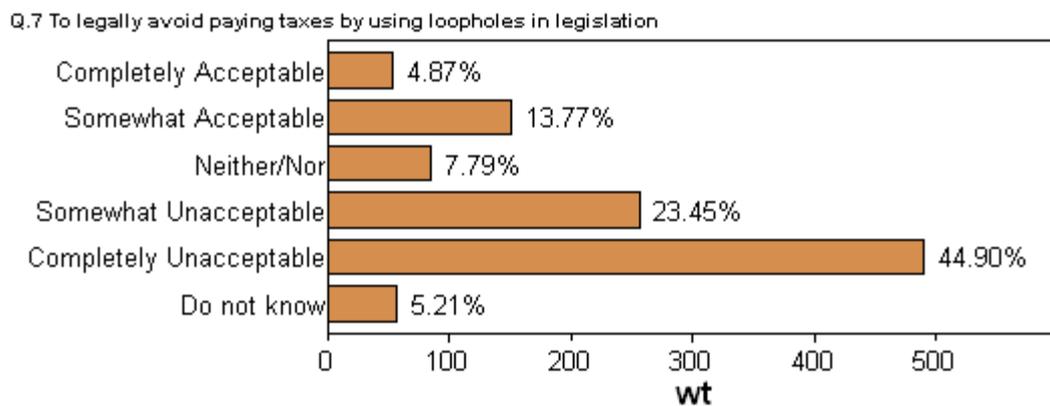


Figure 7.8

Q.7 To knowingly buy stolen goods

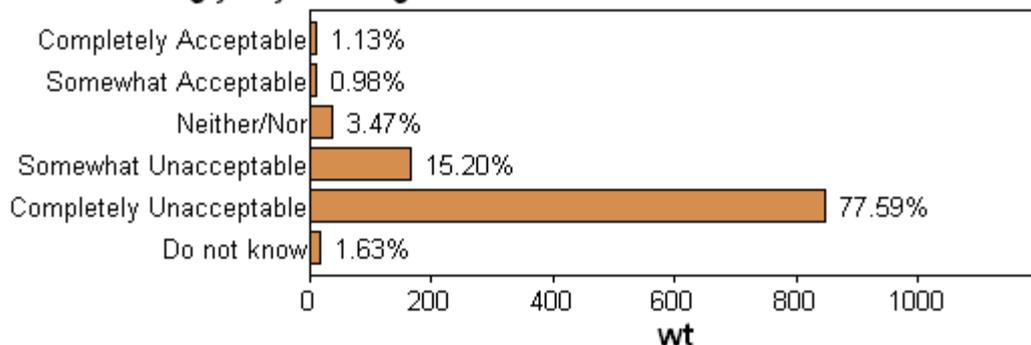


Figure 7.9

Q.7 To knowingly buy counterfeit goods (clothing, handbags)

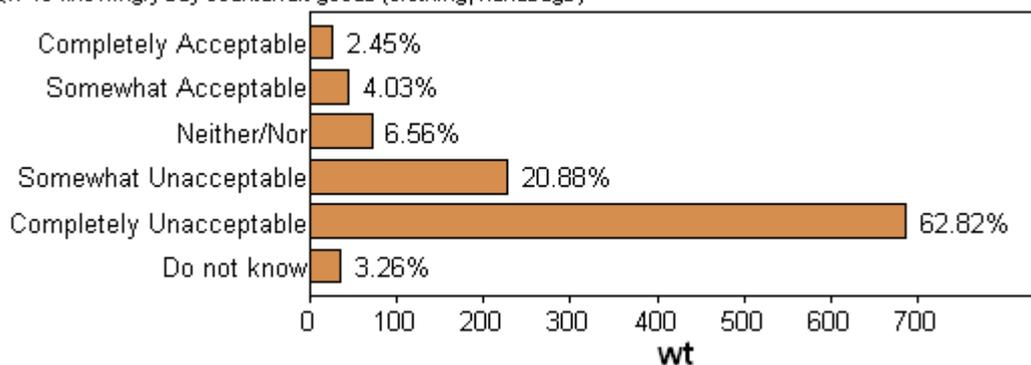


Figure 7.10

Q.7 To knowingly buy pirate goods (CDs, DVDs)

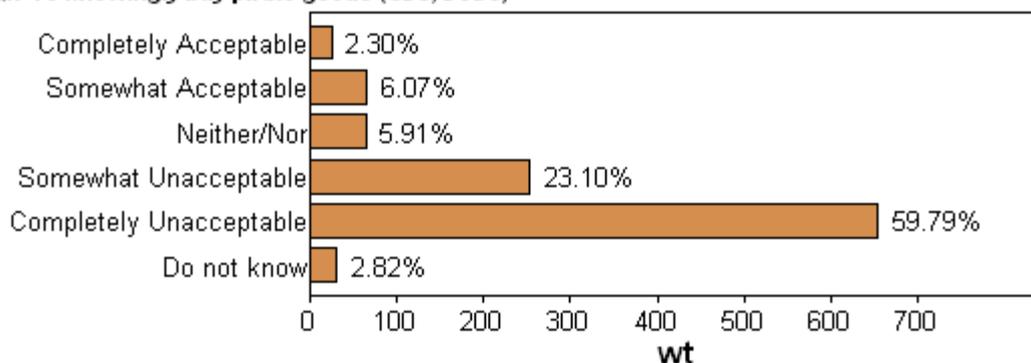


Figure 7.11

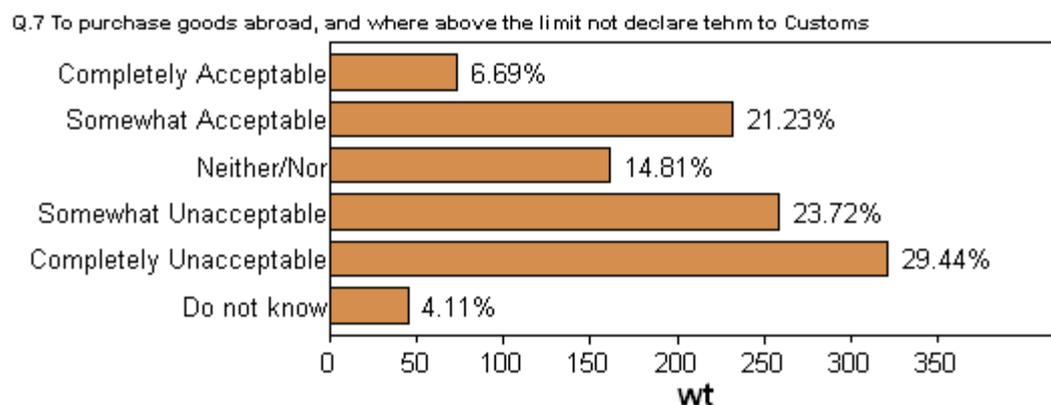


Figure 7.12

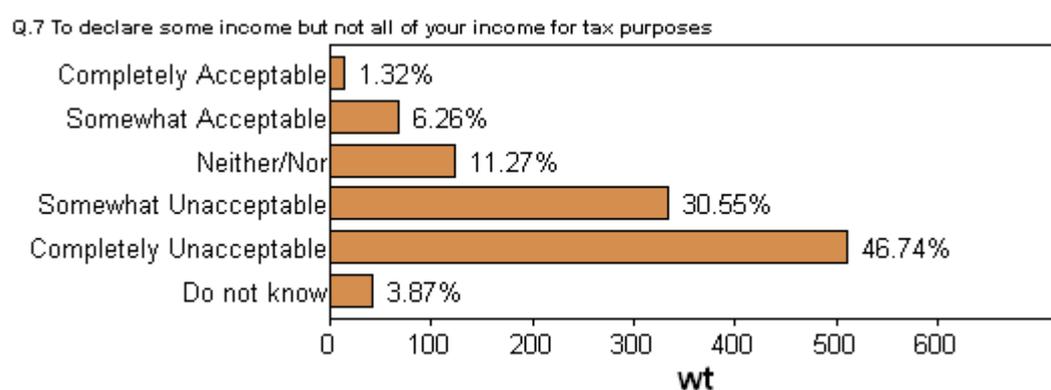


Figure 7.13

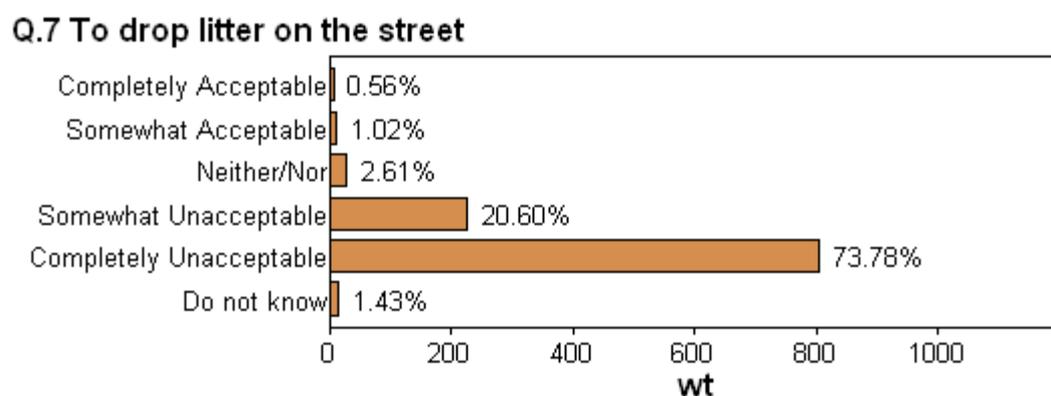


Figure 7.14

2.8 Question 8: Tax Morals

Building on Question 7, respondents were asked about the acceptability of behaviour more closely focussed on the area of tax and compliance. The behaviours presented (listed below) were a mixture of tax evasion and tax avoidance, and as such can be used to compare attitudes to both sorts of behaviour.

- *Exaggerating business expenses to reduce the amount of personal taxes you pay.*
- *Putting in place complicated financial arrangements in order to minimise or eliminate your tax bill.*
- *Using loopholes in legislation to minimise or eliminate your tax bill.*
- *Not fully reporting all of your income to reduce the amount of tax you pay.*
- *Making payments to staff without deducting and paying the appropriate PAYE and PRSI contributions.*
- *Not reporting all income from rental property.*
- *PAYE taxpayers not reporting all income earned in their spare time.*

There are some interesting patterns in the responses. There are only two types of behaviour which were deemed to be largely totally unacceptable by respondents: making payments to staff without deducting and paying the appropriate PAYE and PRSI contributions (~71%); and not reporting all income from rental property (~59%). Other forms of evasion such as underreporting, exaggerating expenses and non-declaration of spare-time work are seen as less unacceptable. However, 40% to 50% of respondents felt these behaviours were totally unacceptable. This is comparable to the responses concerning legal avoidance, such as using loopholes and complicated arrangements to reduce tax liability (40% to 45%). 20% of respondents felt that using loopholes and /or complicated arrangements were acceptable. 12% felt that it was acceptable for PAYE workers to not report income earned in their spare time. Graphs presenting the results to Question 8 are shown below, Figures 8.1-8.9.

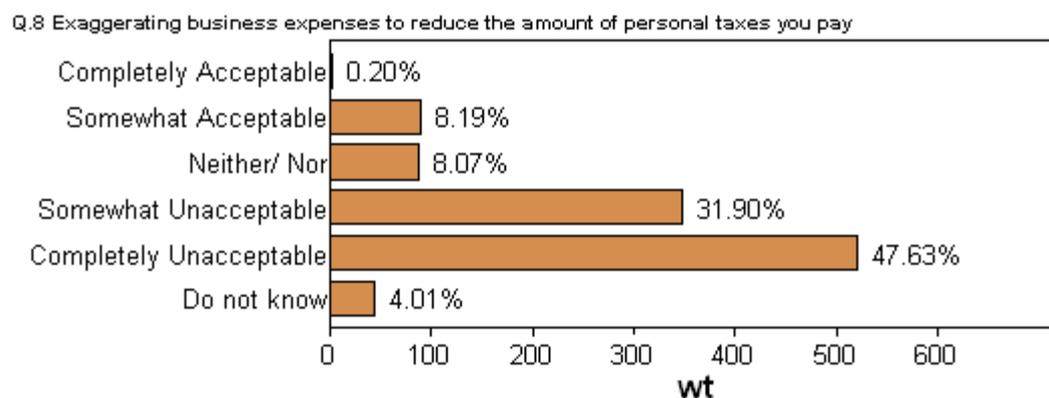


Figure 8.1

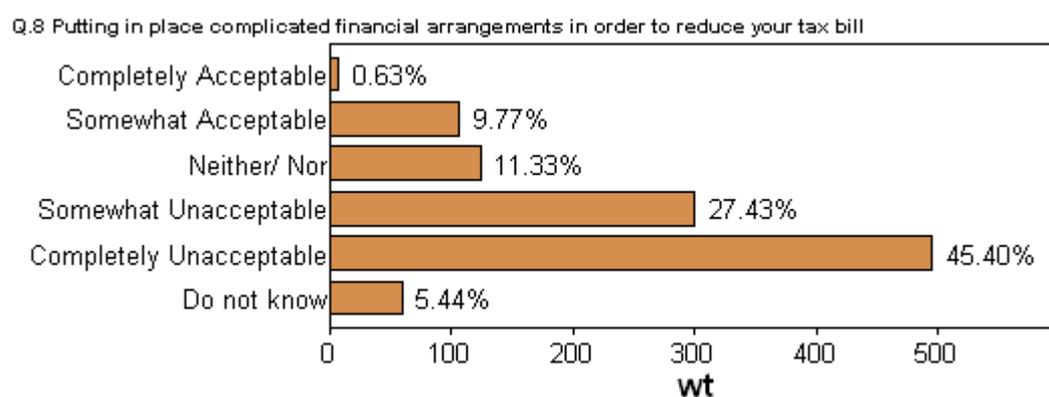


Figure 8.2

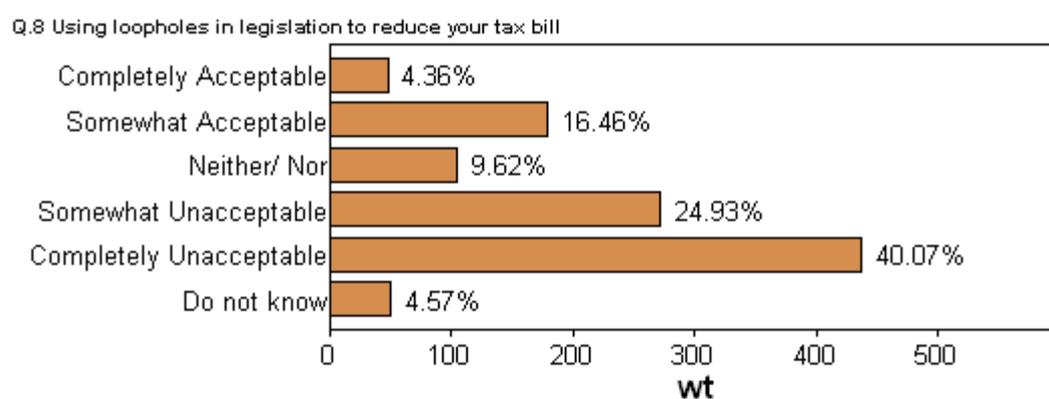


Figure 8.3

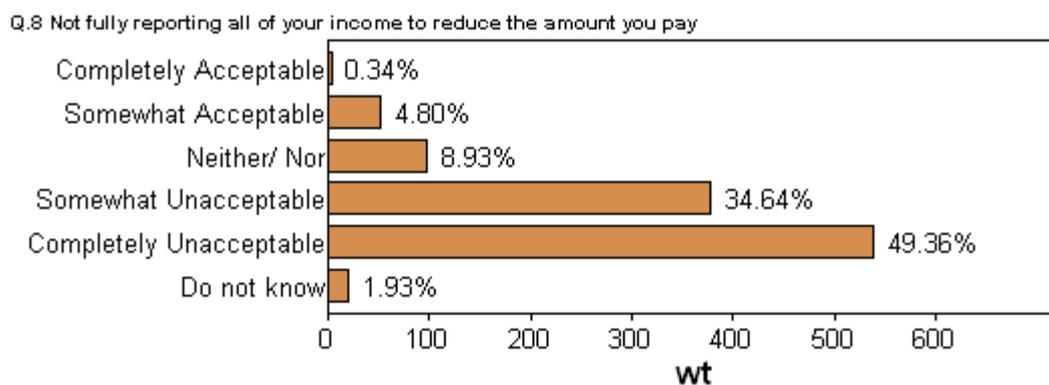


Figure 8.4

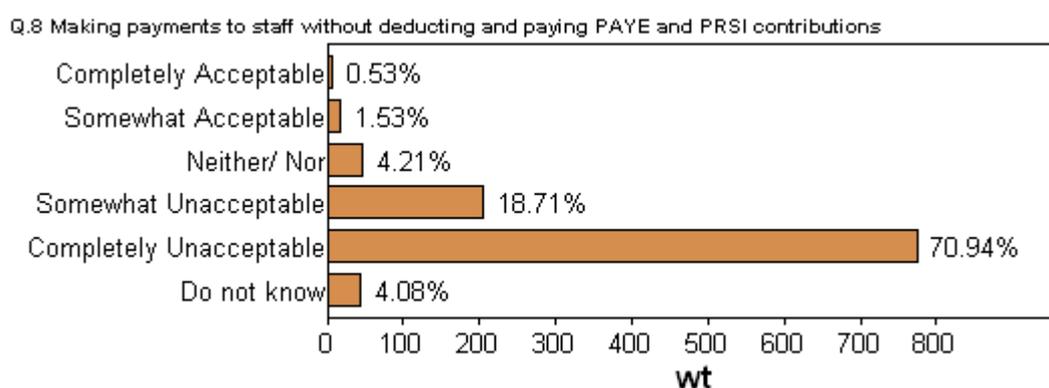


Figure 8.5

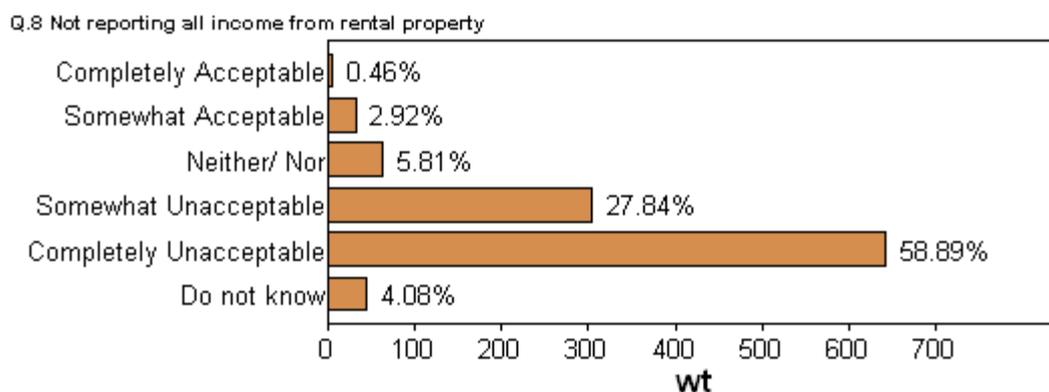


Figure 8.6

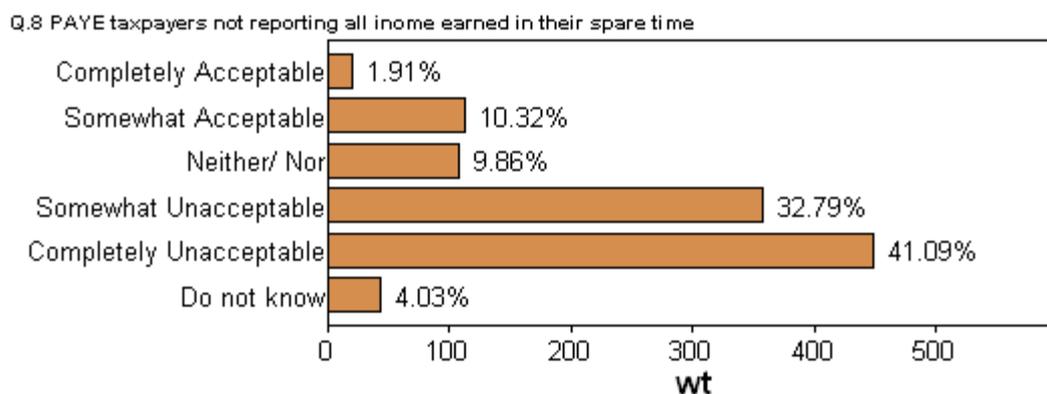


Figure 8.9

Table 3: Tax Moral Questions –
Percentage ‘completely unacceptable’ and ‘somewhat unacceptable’, in ranked order.

Tax Moral Questions	Rank	Somewhat Unacceptable (%)	Completely Unacceptable (%)	Total (%)
Making payments to staff without deducting and paying the appropriate PAYE and PRSI contributions	1	19	71	90
Not reporting all income from rental property	2	28	59	87
Not fully reporting all of your income to reduce the amount of tax you pay	3	35	49	84
Exaggerating business expenses to reduce the amount of personal taxes you pay	4	32	48	80
PAYE taxpayers not reporting all income earned in their spare time	5	33	41	74
Putting in place complicated financial arrangements in order to minimise or eliminate your tax bill	6	27	45	72
Using loopholes in legislation to minimise or eliminate your tax bill	7	25	40	65

2.9 Question 9: Personal Motivation to Pay Taxes.

At this point of the survey the theme becomes focussed on the personal behaviour of the respondents in relation to compliance. Respondents were asked to rate a number of relevant factors with a view to understanding what motivates them to personally pay their taxes in full and on time. The factors presented comprised civic responsibilities and Revenue's compliance activities and were as follows:

- *Concern that Revenue will contact you about your tax affairs*
- *Revenue treats all taxpayers fairly*
- *Your taxes are used to pay for public services*
- *Concern that your name will be published on Revenue's Quarterly List of Defaulters.*
- *Because it is the law.*
- *Concern that someone might report you to Revenue.*
- *Belief that other taxpayers are declaring and paying honestly.*
- *Concern that you will have to pay interest charges for late payment of tax.*
- *Knowing that Revenue has the power to receive certain information about you from 3rd parties (e.g., wages, interest, dividends).*
- *Your personal belief that you should do the 'right thing'.*
- *Concern that you will be prosecuted.*
- *Revenue will generally accept that your return or claim is correct.*
- *Concern that you will be audited by Revenue.*
- *Revenue makes it easy for you to pay your taxes.*
- *You have no opportunity to evade taxes on your wages.*

Graphs presenting the results to Question 9 are displayed below in Figures 9.1 – 9.15.

There are roughly four types of response patterns: Highly influential factors, somewhat influential factors, bimodal factors and non-influential factors.

Strong influences include a general adherence to the Law and personal sense of what is the ‘right thing’ to do. Another strong factor appears to be that many respondents had no opportunity to evade taxes on their wages (e.g. PAYE workers).

For a number of statements the responses were quite spread over the range of replies, and the mode suggests that the factor is deemed to have somewhat of an influence. This is true for statements such as *Revenue treats taxpayers fairly*, *Your taxes are used to fund Public Services*, *Revenue will generally accept that your return is correct*, and *Revenue tries to make it easy for you to pay your taxes*.

Bimodal responses are where the responses have two clear elements, both somewhat influential and little influence. This applies to *Concern that Revenue will contact you about your tax affairs*, *Concern that you will have to pay interest charges for late payment of tax*, or *Knowing that Revenue has the power to receive certain information about you from 3rd parties*, and *Concern that you will be prosecuted*. These results may reflect the heterogeneity of the population, in that many of these factors may simply not seem very relevant to some respondents, as they are unlikely to be non-compliant either due to inherent compliance or that they simply are not engaged in economic activity where the opportunity for evasion could occur (e.g. PAYE only income, Pensioners, Housewives etc.).

This is further illustrated by the factors which appear to have little influence on compliance, *Concern that someone might report you to Revenue*, *Concern that you will be audited by Revenue*, *Concern that your name will be published on Revenue’s Quarterly List of Defaulters*, and perhaps also *Concern that you will be prosecuted*. On the surface it may appear that these factors have little influence, but this may be due to applicability of these factors to the respondents concerned. Nevertheless, there exists the possibility that some respondents feel the chances of these sanctions occurring are low even if they are engaged in evasion (see Q4 and 5).

Further multivariate analyses will be carried out and may offer additional insights into the mindset of the public regarding personal motivations and differences within the population.

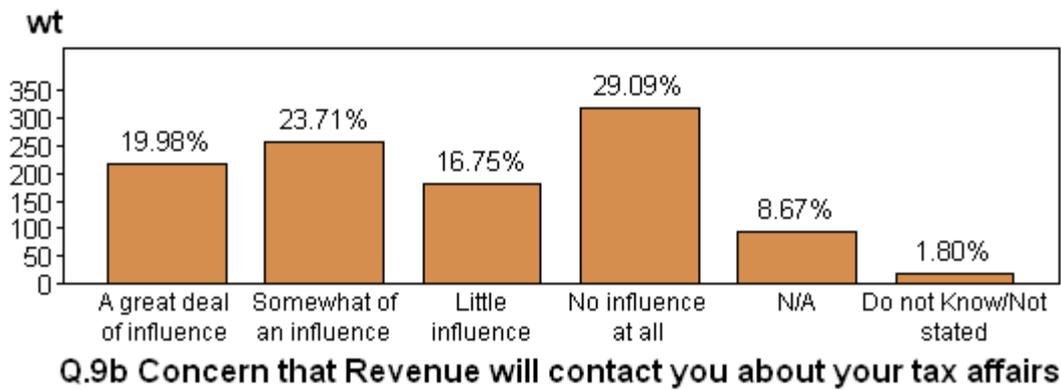


Figure 9.1

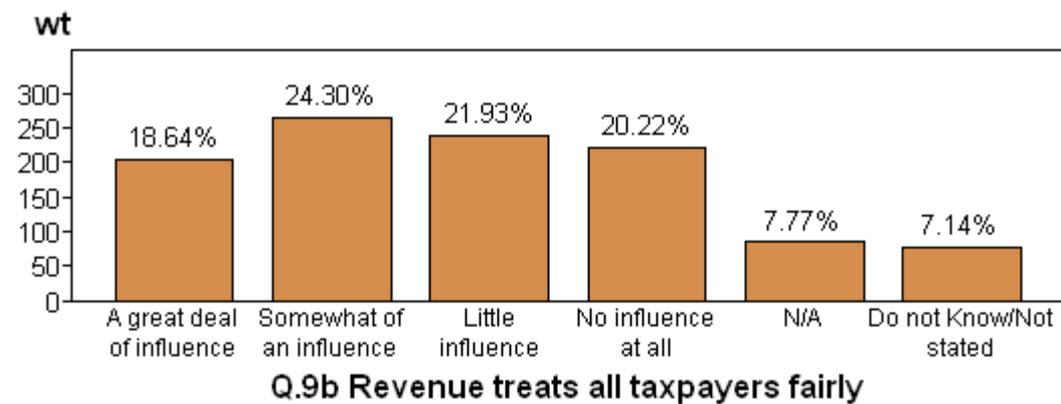


Figure 9.2

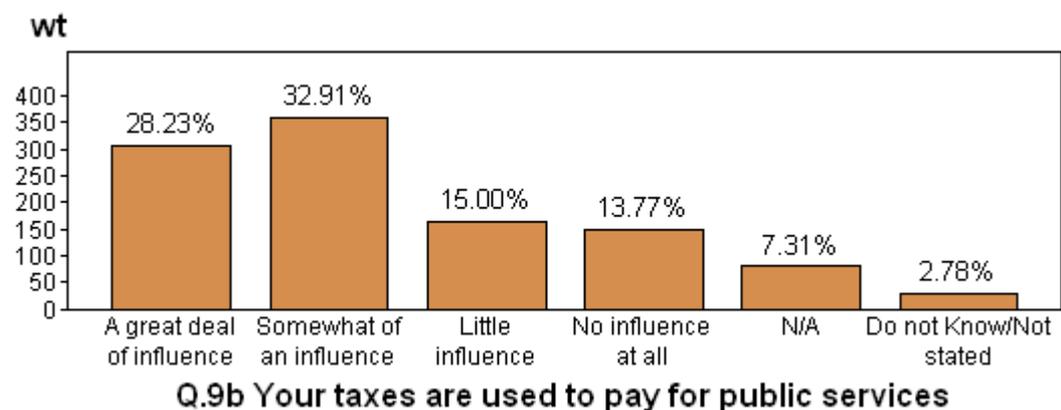


Figure 9.3

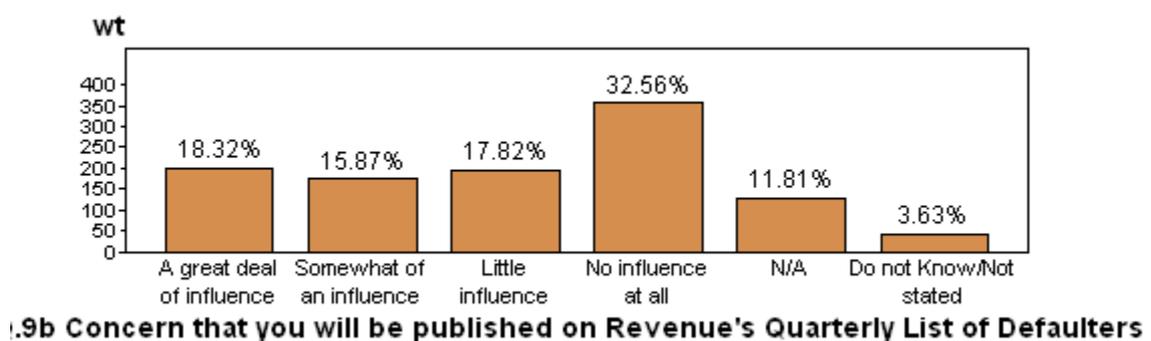


Figure 9.4

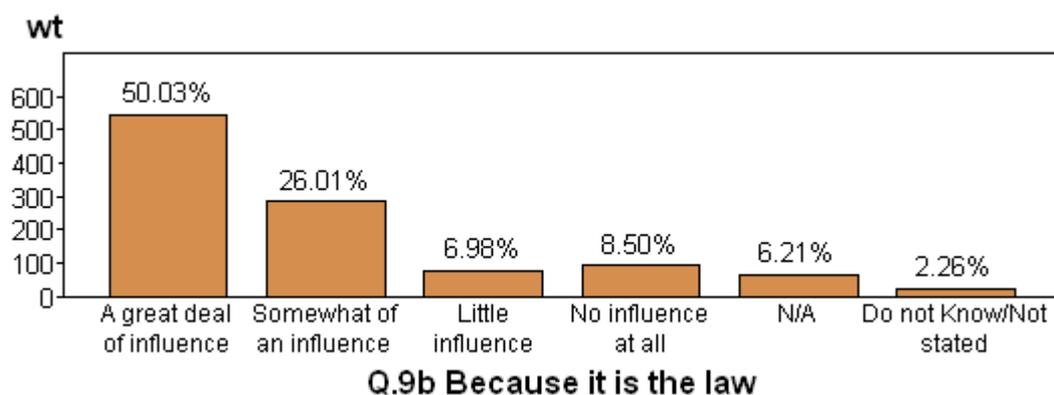


Figure 9.5

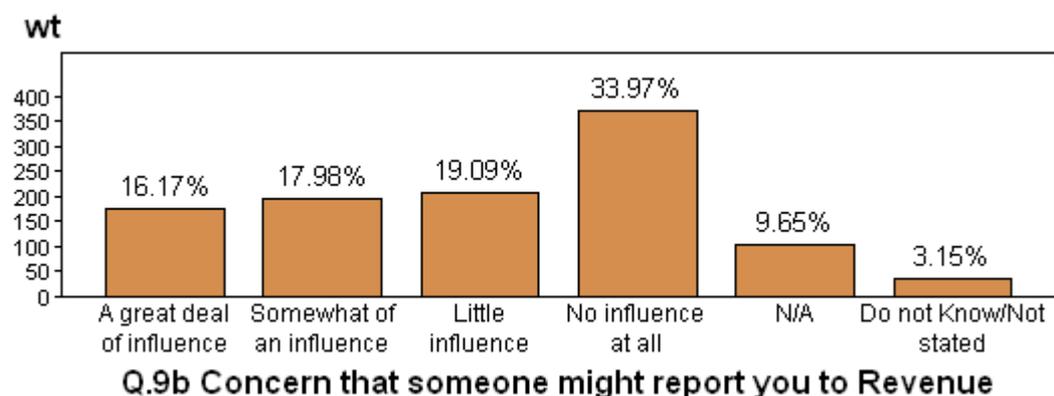


Figure 9.6

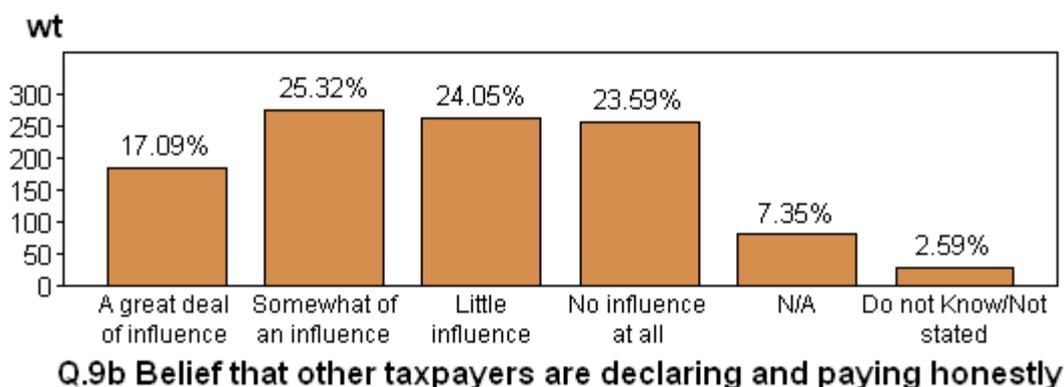


Figure 9.7

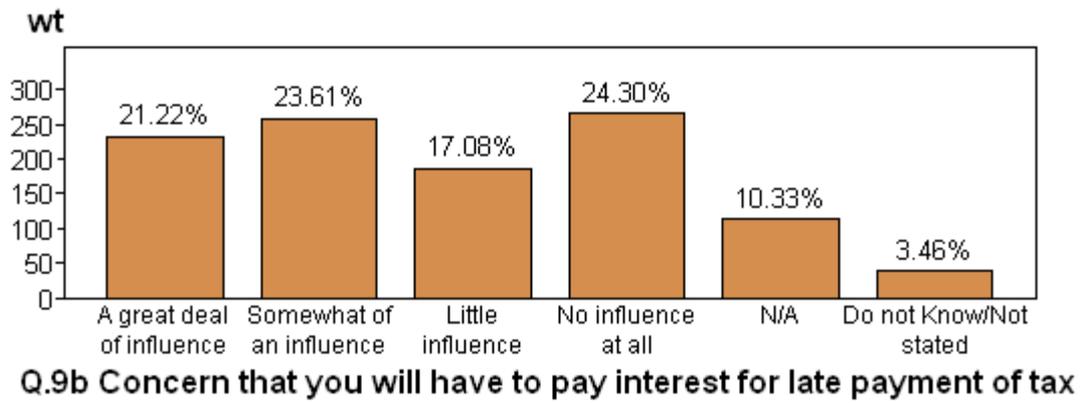


Figure 9.8

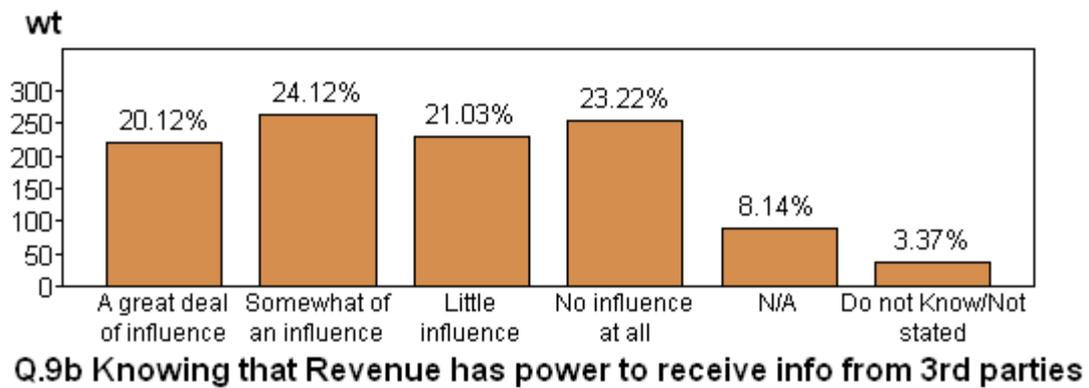


Figure 9.9

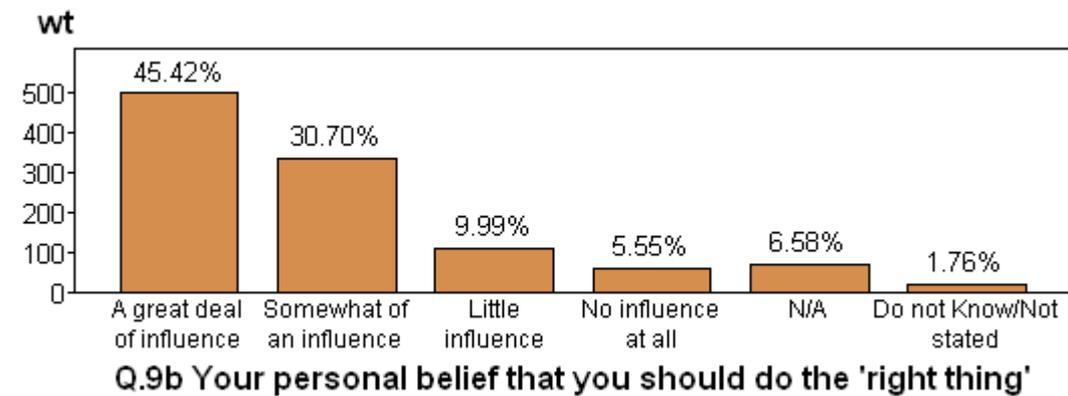


Figure 9.10

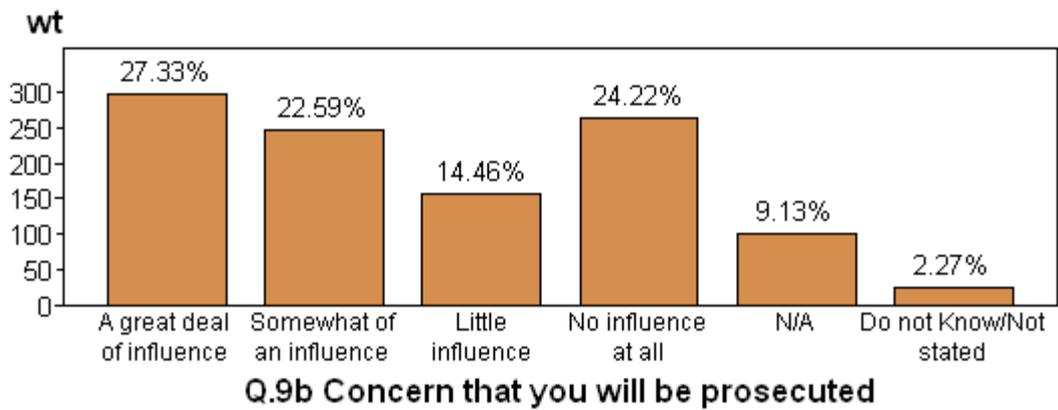


Figure 9.11

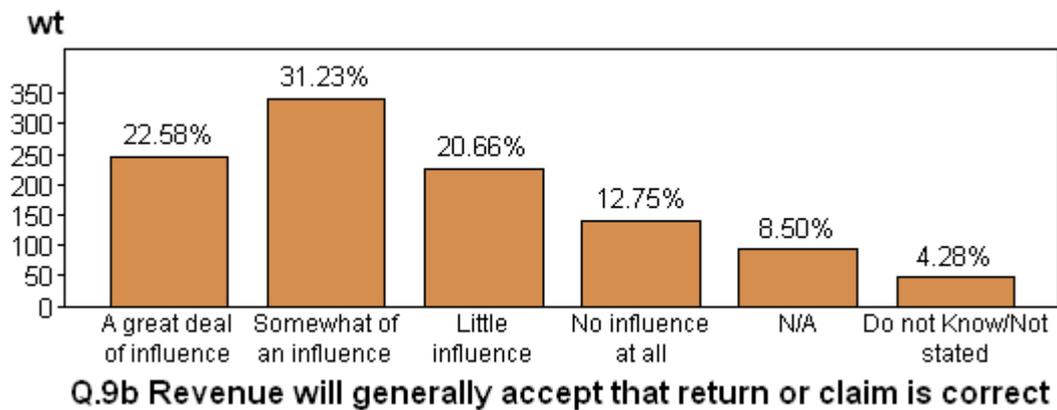


Figure 9.12

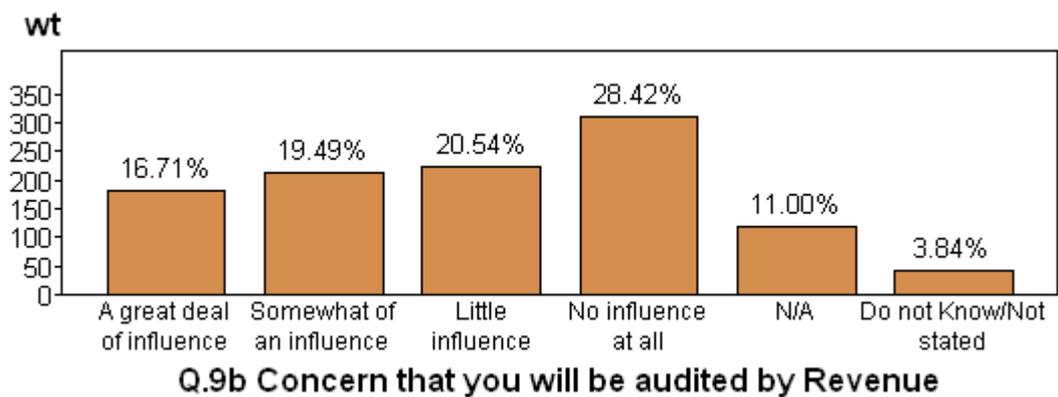


Figure 9.13

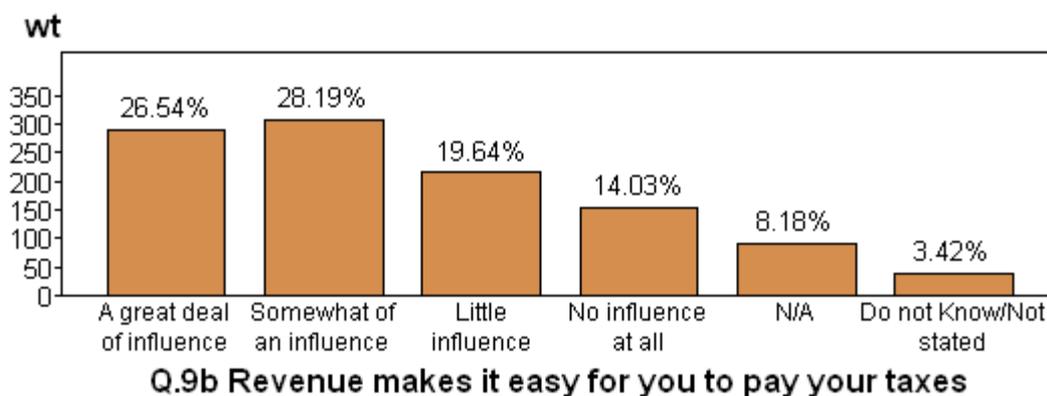


Figure 9.14

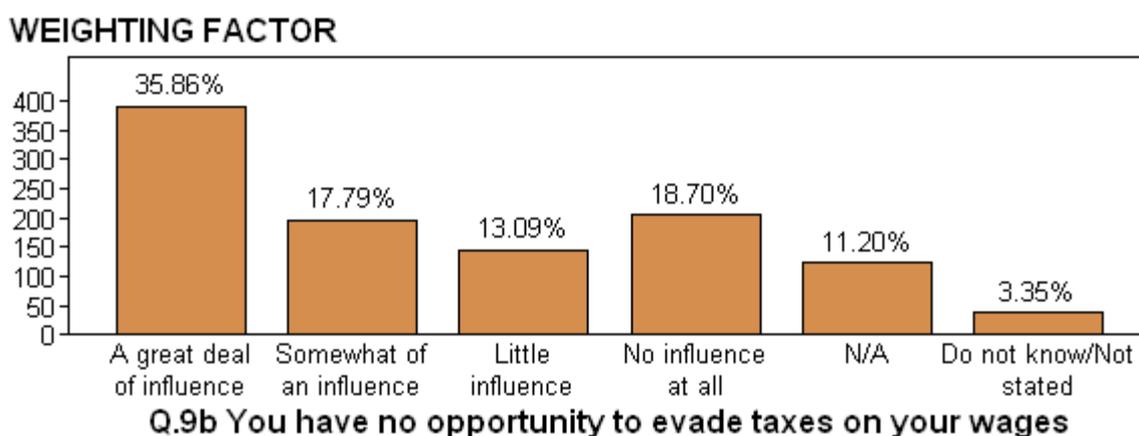


Figure 9.15

2.10 Question 10: Tax Returns and Relief Forms

Keeping to the personal behaviour theme of survey, respondents were asked whether they had ever completed a tax return or relief form. In absolute and weighted terms, 63% answered that they had, while 37% answered that they had not. This question allows a categorisation of the respondents based on their interactions with Revenue.

Of those that had answered in the affirmative, they were then asked whether they thought Revenue paper forms and Revenue on-line forms were easy to complete. The results indicate that in the case of paper returns ~62% indicated that they were easy to complete. Many respondents however did not know if Revenue’s on-line forms are easy to complete; seemingly respondents more commonly use paper forms. Graphs presenting the results are below, Figures 10.1 and 10.2.

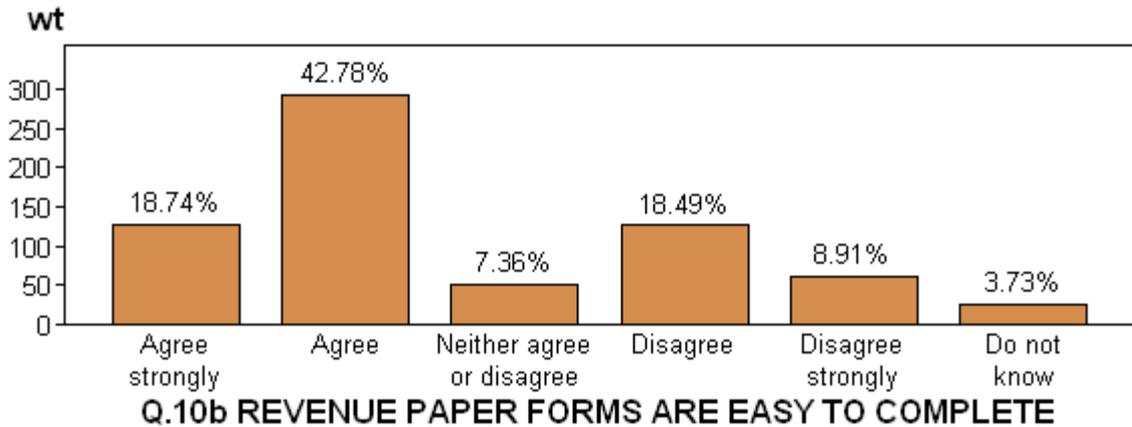


Figure 10.1

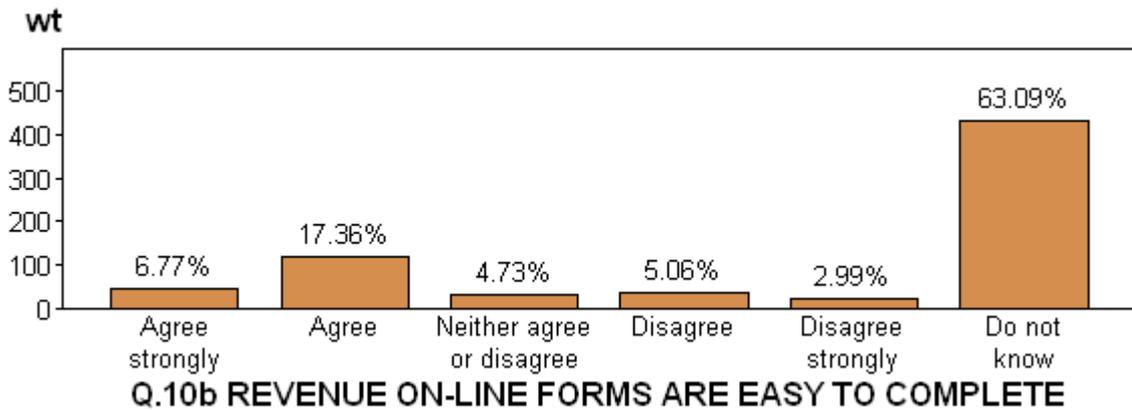


Figure 10.2

2.11 Question 11: ‘How well informed would you consider yourself to be regarding your tax affairs and tax entitlements?’

This question was posed in order to measure how well informed the public are regarding their tax affairs and entitlements. A graph of the results is below, Figure 11. Although the mode is ‘quite well informed’, the results are broadly bimodal in distribution. The results of this question will be used in bivariate and multivariate tests to see if the responses are linked to demographic factors and responses to other questions. That the majority of respondents felt either non-committal or not informed (over 60%) may pose some taxpayer educational challenges for Revenue.

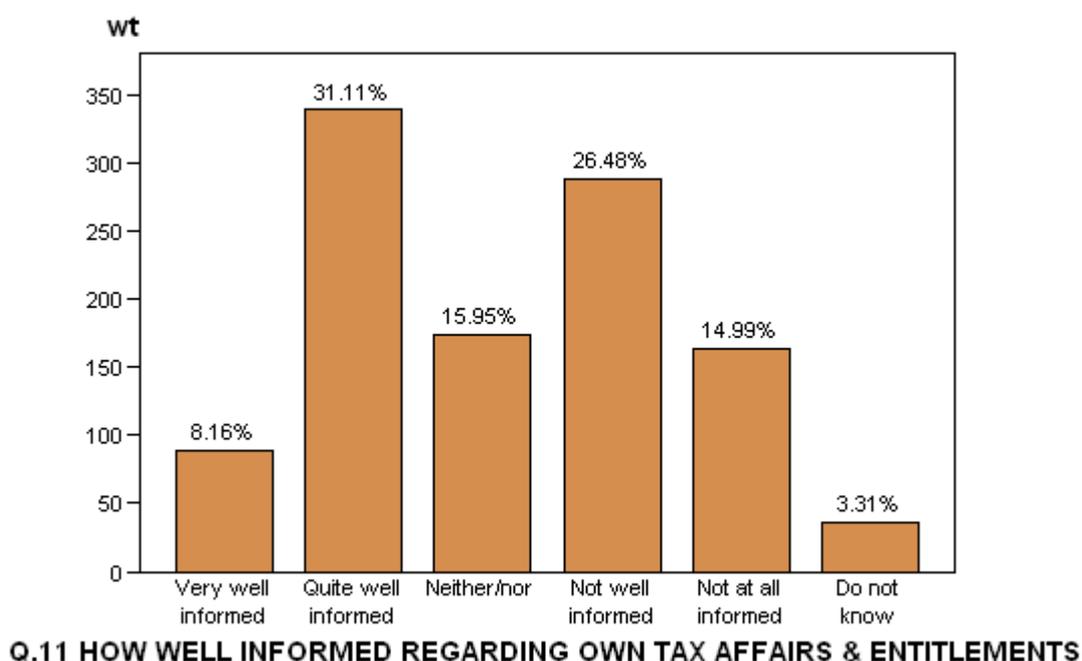


Figure 11

2.12 Self-Completion Section: Behaviour

This section of the survey was designed to assess elements of the population’s behaviour when it comes to tax and compliance, specifically the use and engagement in what is variously termed as the Black Economy, the Shadow Economy or the Informal Economy. While the questions themselves are straightforward and self-explanatory, due to their sensitive nature, the respondents were asked to complete this section on a separate self-completion form and return it to the interviewer in a sealed envelope. Interviewers again provided assurances regarding anonymity and confidentiality at this point in the survey. The response rate was practically 100%, allowing a meaningful analysis of the results.

The self-completion section commenced with a statement as follows:

- *‘As we know, some people get paid in cash for carrying out jobs or services for others and don’t declare these earnings for tax purposes.’*

The survey questions then progressed from asking whether a respondent has been offered services to whether they have used them and finally to whether they themselves have offered services where the income ought to have been, but was not, taxed. Further questions were asked to determine the nature of the service, the number of times used and a rough estimation of the associated cost.

Roughly one in five respondents had been offered services in the previous 12 months, one in six had used them and one in 30 admitted to offering services. Services were availed of typically once, and offered more than once. The monetary value of the services is at the lower end of the scale. Trades related services dominate. The nature of the trade offered was not discerned, as this distinction was not incorporated in the questions.

Roughly 1 in 30 respondents (3.21 %) admitted to engaging in undeclared work. This compares closely with a Euro barometer survey (2007), which found that 4% of Irish respondents had carried out undeclared activities in the previous 12 months, for which they were paid in money or in kind⁷. The Graphs for Questions 12 to 15 are below in Figures 12, 13 and 14. Tables detailing the responses to the other subset questions (Question 14 and 16) are available on request.

Self-Completion Section: Behaviour

Question 12: Have you been offered services?

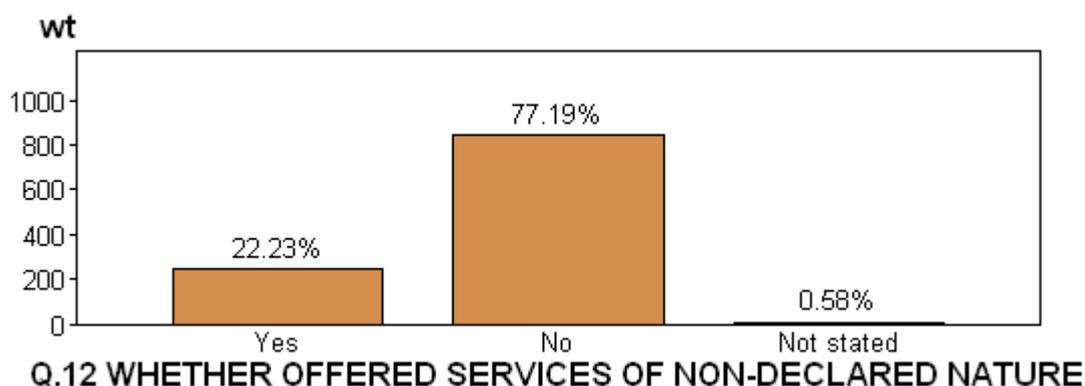


Figure 12

⁷ Eurobarometer (2007).

Question 13: Have you used services offered?

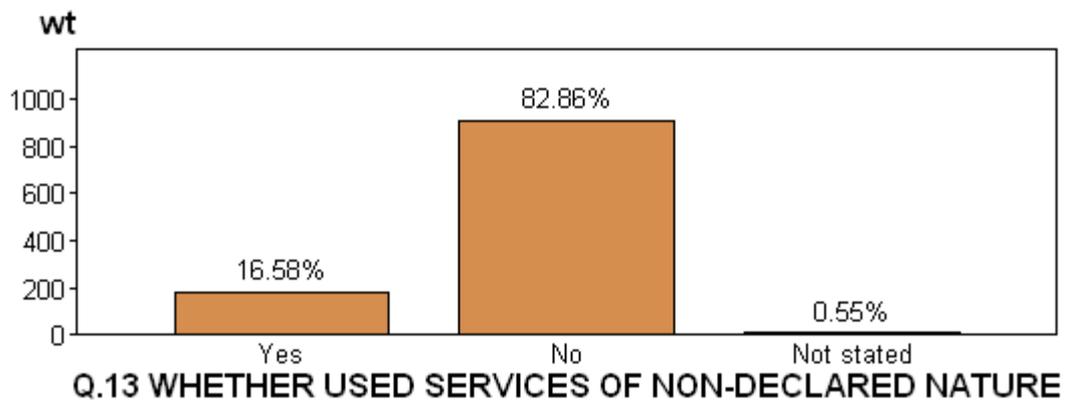


Figure 13

Question 15: Have YOU engaged in undeclared work?

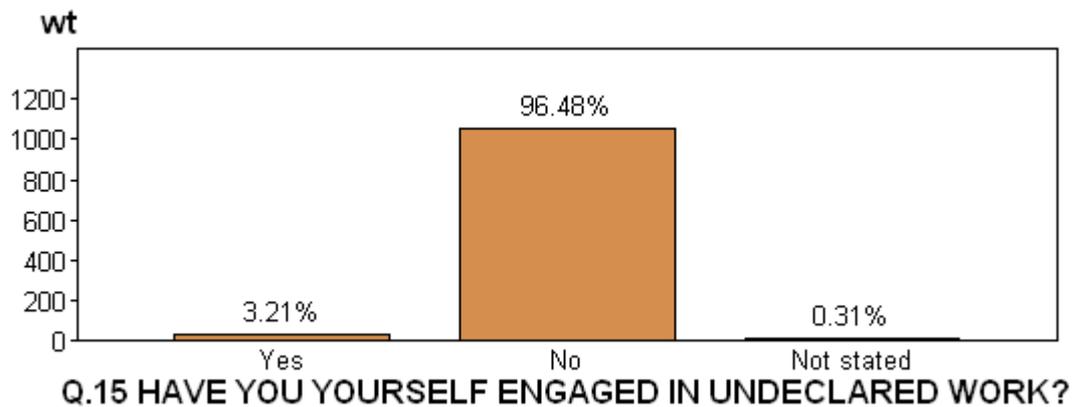


Figure 14

Tables detailing the responses to questions 14 and 16 are available on request.

3. Segmentation: Overview of Attitudes and Behaviour

Key findings from surveys are often presented in the form of summarised question-by-question results. While this report focuses on the question-by-question results, this section presents a summary of the key findings taking a holistic view of the responses across all respondents. A multivariate statistical analysis, known as segmentation, was carried out to create an overview of the estimated population’s attitudes and behaviour with regards to tax and compliance, and the attributes of the different segments. Segmentation is a means of discerning groupings within sample data, and/or within a population. The process uses statistical techniques centred on methods broadly known as Cluster Analyses. Cluster analysis is mainly an unsupervised form of data analysis, which seeks to identify and classify groupings of cases which have relatively homogenous features within groups but which are relatively heterogeneous between groups. An obvious, but key finding, is that the population is not homogenous, but made of differing and distinct groups with respect to attitudes and behaviour. These groups can be summarily categorised as follows:

- **A:** A large morally conservative and broadly compliant segment, currently taxpayers, generally informed about tax issues, a mixture of Dublin and rural, young and old; 59.8% of the sample.
- **B:** A somewhat compliant and somewhat moral segment, ambivalent, understand the difference between evasion and avoidance, often not influenced by Revenue sanctions, tend to be from Leinster in the areas surrounding Dublin, young and those currently in the 60s, some in this segment tend to be engaged in the Shadow Economy; 27.7% of the sample.
- **C:** An unaffected and uncaring group, who are often not liable to tax/ lower paid/ low income pensioners; non-committal and less moral, often answered ‘Don’t Know’ to questions when given the option, often non-nationals; 12% of the sample.

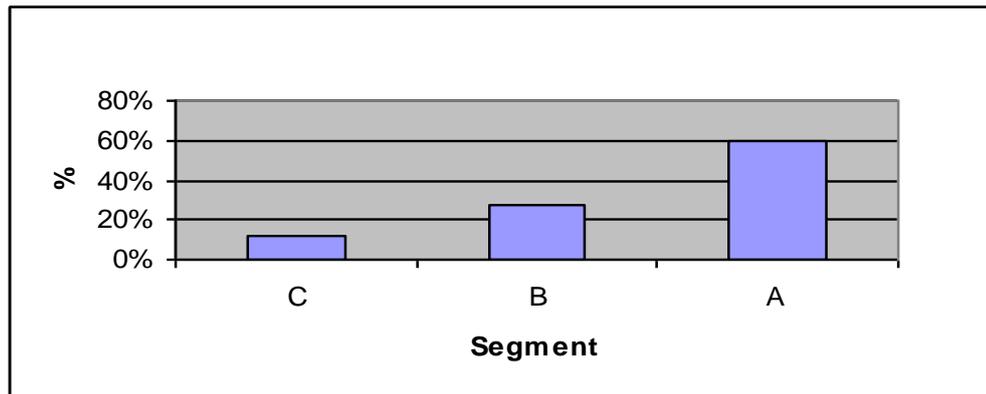


Figure 15: Proportions of respondents in each segment.

These broad groupings provide a view of the population in terms of Attitudes and Behaviour, i.e. they are a benchmark at a point in time that can be compared with future surveys, and surveys in other jurisdictions. The segments can allow for improved targeting of Revenue actions for customer compliance programs based on profiles of customers, and thus assist in risk profiling and better intervention selection. The segments can also allow improved targeting of Revenue actions for customer service treatments for Revenue customers, such as marketing & education campaigns.

4. Conclusions

Revenue's purpose in commissioning this survey is to establish attitudes and behaviour in relation to tax compliance, on a national basis. It is the first survey of its kind conducted by or on behalf of Revenue and provides a baseline for future evaluation in this area. The experience of MBIMS in conducting this survey was mixed in terms of a willingness to participate. This may have been due in some part to the time of the year it was conducted. However the required sample size was achieved, indicating that the public are generally willing to offer their views in a survey of this nature.

Complete confidentiality and anonymity was assured and the information provided by respondents is considered to be a true reflection of their views. The fact that respondents were selected on a random probability-sampling basis allows for extrapolation of the results to the wider population.

The results from a Revenue perspective are broadly positive, particularly with regard to customer service satisfaction levels. There is some evidence however that Revenue must continue with its efforts to educate its customers regarding their tax affairs and entitlements. There also needs to be a continuing focus on increasing the take-up of on-line services based on certain findings from the survey.

Revenue's performance in dealing with tax evasion is viewed positively by respondents and is seen as having improved in recent years. The majority of the general public consider tax evasion to be unacceptable and that it is everyone's civic duty to pay their taxes. This contributes to motivating people personally to comply with Revenue obligations. Notwithstanding these results, the survey indicates that the general public are of the view that those people who engage in tax evasion do so as there is a perceived culture of tax evasion in Ireland and because they think that the evaders feel that the tax that they pay is too high. In addition the survey results indicate that the general public associate paying tax with funding the Health Services

and Social Welfare Services, but less so with financing other services like Public Transport and the Gardai. In this they are largely correct.

Revenue's compliance strategies focus on detecting and sanctioning instances of non-compliance and evasion. There are varying sanctions applied determined by the severity of the behaviour detected. In recent years Revenue has been very successful in this area as outlined in recent annual reports (e.g. Revenue, 2009, 2010). The results of this survey indicate that there is an awareness of Revenue's compliance and enforcement activities among the general population. Furthermore the level of undeclared work evidenced by the survey is slightly lower than that recorded by the Eurobarometer study, which was among the lowest in the countries that participated in that survey. There is a risk that the current period of recession could result in an increase in attempts to engage in undeclared work, and a commensurate increase in demand for services that are cheaper due to taxes not being applied. However the challenge for Revenue is to maintain and improve its focus on non-compliant activity against a backdrop of reduced resources. Where successes are forthcoming, Revenue will have to ensure that these are highlighted carefully and in context so as to dispel the notion that there is a culture of tax evasion in Ireland and that the potential consequences of being caught are not serious.

Ensuring that tax is paid on time and in full by all income earners is key to Revenue's mission of *'Fairly and efficiently collecting taxes and duties and implementing Customs controls'*. Furthermore tackling evasion and successfully closing off tax avoidance loopholes is crucial to the exchequer and to financing essential services. Understanding and periodically measuring the attitudes and behaviour of the general public towards tax and compliance is an important element in evaluating the outcomes and effectiveness of Revenue's compliance strategy.

Further work stemming from the results of this survey consists of a profiling of the population, with the aim of discerning identifiable groupings within the population. These groups can then form the basis for better targeting of resources, both from a customer service and compliance perspective. Ultimately, they could assist Revenue in creating an informed view of the populace in relation to their attitudes to tax and compliance.

References

- Eurobarometer** (2007) *Undeclared Work in the European Union Special Eurobarometer 284-TNS Opinion and Social*. European Commission. October 2007.
- IRS Oversight Board** (2008) 2007 Taxpayer Attitude Survey 14pp
- OECD.** (2002). *Measuring the Non-Observed Economy. A Handbook*. Paris.
- Pedersen, S.** (2003) *The Shadow Economy in Germany, Great Britain and Scandinavia: A measurement based on questionnaire surveys*. Study no. 10. The Rockwool Foundation Research Unit. Copenhagen 2003
- Research Unit** (2007) *Survey of Small and Medium Sized Business Customers 2006: Results and Analysis*, Revenue Research Unit.
- Research Unit** (2008) *PAYE Customer Survey 2007: Results and Analysis*, Revenue Research Unit.
- Research and Analytics Branch** (2009) *Survey of Small and Medium Sized Business Customers 2008: Results and Analysis*, Revenue Research Unit.
- Research and Analytics Branch** (2013) *Survey of Small and Medium Sized Business Customers 2013: Results and Analysis*, Revenue Research & Analytics Branch.
- Revenue Commissioners** Revenue's Statements of Strategy, 2008-2013.
- Revenue Commissioners** Annual Reports, 2008-2012.
- Schneider, F. & Enste, D.H.** (2000) *Shadow Economies: Size, Causes, and Consequences*. Journal of Economic Literature Vol. XXXVIII (March 2000) pp. 77–114 <http://www.econ.jku.at/members/Schneider/files/publications/JEL.pdf>
- SKAT** (Danish Tax and Customs Administration) (2006) *Taxpayer Survey*
- Wenzel, M., Ahmed, E. & Murphy, K.** (2004) *The what's fair and what's unfair survey about justice issues in the Australian tax context*. Canberra: Centre for Tax System Integrity, Research School of Social Sciences, The Australian National University. <http://ctsi.anu.edu.au/publications/WP/59.pdf>

Appendix 1 – Survey Questionnaire

Questionnaire No

41108452
(1-4)

Revenue
Survey on Tax & Compliance
© Millward Brown IMS: October 2008

(5-8)

CARD TWO COL (79/80) / (02)

Good morning/afternoon. I am from Millward Brown IMS Limited.
We are carrying out a survey on attitudes to tax and compliance on behalf of the Revenue Commissioners and I would be grateful for your help in answering some questions.

Interviewer explain: Note that for the purposes of this survey, when we refer to ‘Revenue’ we mean the Office of the Revenue Commissioners. Also, when we refer to ‘taxes’ we mean ‘taxes and duties’. Please be assured that your responses to this survey will be completely anonymous and confidential. Millward Brown IMS are bound by the Data Protection Act and will not reveal any respondent information to Revenue. Results of the survey will be provided by Millward Brown IMS to Revenue’s Research Unit on an anonymous basis. This information collected from over 1,000 respondents will be used for research purposes only; Millward Brown IMS will ensure your privacy and your name will never be associated with the answers you provide.

Q.1a Can you tell me what the taxes, duties and social insurance contributions that you pay are used for? **DO NOT PROMPT**

SHOWCARD “1”

Q.1b And for which items listed on this card do you think the taxes, duties and social insurance contributions that you pay are used? **CODE ALL THAT APPLY**

	Q.1a (9)	Q.1b (10)
▪ Health services	1.....	1
▪ Education.....	2.....	2
▪ Gardai.....	3.....	3
▪ Public Transport.....	4.....	4
▪ Roads/ motorways.....	5.....	5
▪ Social Welfare (e.g. Pensions) ...	6.....	6
▪ Other (specify)	7.....	7
▪ Don't know.....	8.....	8

Q.2 In the past year, have you used any of the following methods to contact Revenue?

INTERVIEWER READ OUT AND RECORD YES/NO FOR EACH

	Yes	No
▪ Phoned Revenue/your local tax office	1	2
▪ Completed your tax returns online at Revenue.ie	1	2
▪ Sent an email query to Revenue/your local tax office	1	2
▪ Sent a letter or fax to Revenue/your local tax office	1	2
▪ Visited in person a Revenue public office	1	2

SHOW CARD “2”

IF YES AT ANY STATEMENT AT Q.2:

Q.3 Overall, how satisfied were you with the Service you received from Revenue?

▪ Very satisfied.....	1	(16)
▪ Quite satisfied.....	2	
▪ Neither/nor.....	3	
▪ Quite dissatisfied	4	
▪ Very dissatisfied	5	

ASK ALL

INTERVIEWER READ OUT:

'Tax evasion can take many forms e.g. not paying the correct amount of tax, not paying any tax at all etc.

SHOWCARD "3"

Q.4 Thinking about the reasons why people do not pay their taxes, to what extent do you agree or disagree with the following statements concerning why people engage in deliberate tax evasion.

READ OUT ↓ (TICK START, ROTATE ORDER)	Agree strongly	Agree	Neither agree or disagree	Disagree	Disagree strongly	Don't know	
<input type="checkbox"/> The risk of getting caught is low.....	1.....	2.....	3.....	4.....	5.....	6.....	(17)
<input type="checkbox"/> There is a culture of tax evasion in Ireland – everyone who has the opportunity to evade tax does so.....	1.....	2.....	3.....	4.....	5.....	6.....	(18)
<input type="checkbox"/> The taxes collected are used poorly	1.....	2.....	3.....	4.....	5.....	6.....	(19)
<input type="checkbox"/> The potential consequences (e.g. fines and penalties, public naming, prosecution) of getting caught are not serious enough to stop people evading paying their taxes.	1.....	2.....	3.....	4.....	5.....	6.....	(20)
<input type="checkbox"/> People think they pay too much tax on what they earn already.....	1.....	2.....	3.....	4.....	5.....	6.....	(21)
<input type="checkbox"/> People feel they do not get paid enough for the work that they do	1.....	2.....	3.....	4.....	5.....	6.....	(22)
<input type="checkbox"/> Tax evasion is not a problem in Ireland as people generally report all of their income to Revenue	1.....	2.....	3.....	4.....	5.....	6.....	(23)

Q.5 The people who deliberately evade taxes risk that Revenue will find out and seek payment with interest/penalties, or possibly more. On a scale of 1-10 where 1 is very low and 10 is very high, how would you rate the risk of being caught for a person who deliberately evades taxes?

SINGLE RESPONSE

1	↑ Very low	1	(24)
2	.....	2
3	.....	3
4	.....	4
5	.....	5
6	.....	6
7	.....	7
8	.....	8
9	.....	9
10	↓ Very high	X	
	▪ Don't know.....	V	

SHOW CARD “3” AGAIN

Q.6 To what extent do you agree or disagree with each of the following statements about tax evasion?

READ OUT ↓ (Tick start. Rotate order)	Agree Strongly	Agree	Neither/ Nor	Disagree	Disagree Strongly	Don't know	
<input type="checkbox"/> Deliberate tax evasion is not considered acceptable by Irish society.	1	2	3	4	5	6	(25)
<input type="checkbox"/> Those who evade paying tax repeatedly should receive a jail sentence	1	2	3	4	5	6	(26)
<input type="checkbox"/> Revenue has been successful in dealing with tax evasion over the last 5 years.	1	2	3	4	5	6	(27)
<input type="checkbox"/> The more successful Revenue is at dealing with tax evaders the less likely citizens will be to evade their taxes.	1	2	3	4	5	6	(28)
<input type="checkbox"/> Deliberate tax evasion is on the increase.	1	2	3	4	5	6	(29)
<input type="checkbox"/> It is every taxpayer's civic responsibility to pay his or her correct taxes	1	2	3	4	5	6	(30)
<input type="checkbox"/> Deliberate tax evasion is a minor crime.	1	2	3	4	5	6	(31)
<input type="checkbox"/> Revenue is able to detect people not paying the right amount of tax	1	2	3	4	5	6	(32)
<input type="checkbox"/> Few people report all of their income to Revenue	1	2	3	4	5	6	(33)

SHOWCARD “4”

Q.7 For each behaviour I read out, can you tell me to what extent you find each acceptable or not?

READ OUT ↓ (TICK START, ROTATE ORDER)	Completely Acceptable	Somewhat Acceptable	Neither/ Nor	Somewhat Unacceptable	Completely Unacceptable	Don't know	
<input type="checkbox"/> To drive while using a mobile phone without using a hands-free kit.....	1	2	3	4	5	6	(34)
<input type="checkbox"/> To claim credits or reliefs from Revenue that you are not entitled to.....	1	2	3	4	5	6	(35)
<input type="checkbox"/> To use public transport (for example, buses, trains, LUAS, DART) without a valid ticket.....	1	2	3	4	5	6	(36)
<input type="checkbox"/> To deliberately not pay the taxes you are supposed to pay.....	1	2	3	4	5	6	(37)
<input type="checkbox"/> To buy services knowing that the income from them will not have been declared to the tax authorities.....	1	2	3	4	5	6	(38)
<input type="checkbox"/> To have a TV at home without a valid TV licence.....	1	2	3	4	5	6	(39)
<input type="checkbox"/> To deliberately claim social benefits from the Department of Social and Family Affairs that you are not entitled to.....	1	2	3	4	5	6	(40)
<input type="checkbox"/> To legally avoid paying taxes by using loopholes in legislation.....	1	2	3	4	5	6	(41)
<input type="checkbox"/> To knowingly buy stolen goods.....	1	2	3	4	5	6	(42)
<input type="checkbox"/> To knowingly buy counterfeit goods (e.g. clothing, handbags).....	1	2	3	4	5	6	(43)
<input type="checkbox"/> To knowingly buy pirate goods (CDs, DVDs).....	1	2	3	4	5	6	(44)
<input type="checkbox"/> To purchase goods abroad, and where above the limit, not declare them to Customs when they are brought into Ireland.....	1	2	3	4	5	6	(45)
<input type="checkbox"/> To declare some income but not all of your income for tax purposes.....	1	2	3	4	5	6	(46)
<input type="checkbox"/> To drop litter on the street.....	1	2	3	4	5	6	(47)

SHOWCARD “4” AGAIN

Q.8) And can you tell me to what extent you find each of the following types of behaviour acceptable or not?

READ OUT ↓ (TICK START, ROTATE ORDER)	Completely Acceptable	Somewhat Acceptable	Neither/ Nor	Somewhat Unacceptable	Completely Unacceptable	Don't know	
<input type="checkbox"/> Exaggerating business expenses to reduce the amount of personal taxes you pay.....	1	2	3	4	5	6	(48)
<input type="checkbox"/> Putting in place complicated financial arrangements in order to minimise or eliminate your tax bill.....	1	2	3	4	5	6	(49)
<input type="checkbox"/> Using loopholes in legislation to minimise or eliminate your tax bill.....	1	2	3	4	5	6	(50)
<input type="checkbox"/> Not fully reporting all of your income to reduce the amount of tax you pay.....	1	2	3	4	5	6	(51)
<input type="checkbox"/> Making payments to staff without deducting and paying the appropriate PAYE and PRSI contributions.....	1	2	3	4	5	6	(52)
<input type="checkbox"/> Not reporting all income from rental property.....	1	2	3	4	5	6	(53)
<input type="checkbox"/> PAYE taxpayers not reporting all income earned in their spare time.....	1	2	3	4	5	6	(54)

SHOWCARD “5”

Q.9a Can you tell me which of the following corresponds most closely to your work status? (*Interviewer note: if respondent is a student and also working part time, for example, please record both*).

MULTICODE POSSIBLE

<input type="checkbox"/> Working in the home (full time).....	1	(55)
<input type="checkbox"/> At school.....	2	
<input type="checkbox"/> Full time student (third level).....	3	
<input type="checkbox"/> Temporarily unemployed (Actively seeking work).....	4	
<input type="checkbox"/> Permanently unemployed.....	5	
<input type="checkbox"/> Retired.....	6	
<input type="checkbox"/> Full time employee (30 hours or more).....	7	
<input type="checkbox"/> Part time employee (8-29 hrs per wk).....	8	
<input type="checkbox"/> Self employed.....	9	
<input type="checkbox"/> Unable to work due to illness/disability ...	0	

SHOW CARD “6”

Q.9b Now we would like to understand what motivates you personally to pay your taxes. How much influence does each of the factors I read out have on whether you pay your correct taxes and duties honestly and on time?

READ OUT ↓ (TICK START, ROTATE ORDER)	A great deal of influence	Some-what of an influence	Little influence	No influence at all	Don't Know	N/A	
<input type="checkbox"/> Concern that Revenue will contact you about your tax affairs	1	2	3	4	5	6	(56)
<input type="checkbox"/> Revenue treats all taxpayers fairly	1	2	3	4	5	6	(57)
<input type="checkbox"/> Your taxes are used to pay for public services.....	1	2	3	4	5	6	(58)
<input type="checkbox"/> Concern that your name will be published on Revenue's Quarterly List of Defaulters	1	2	3	4	5	6	(59)
<input type="checkbox"/> Because it is the law	1	2	3	4	5	6	(60)
<input type="checkbox"/> Concern that someone might report you to Revenue.....	1	2	3	4	5	6	(61)
<input type="checkbox"/> Belief that other taxpayers are declaring and paying honestly	1	2	3	4	5	6	(62)
<input type="checkbox"/> Concern that you will have to pay interest charges for late payment of tax	1	2	3	4	5	6	(63)
<input type="checkbox"/> Knowing that Revenue has the power to receive certain information about you from 3rd parties (e.g., wages, interest, dividends)	1	2	3	4	5	6	(64)
<input type="checkbox"/> Your personal belief that you should do the 'right thing'	1	2	3	4	5	6	(65)
<input type="checkbox"/> Concern that you will be prosecuted.....	1	2	3	4	5	6	(66)
<input type="checkbox"/> Revenue will generally accept that your return or claim is correct	1	2	3	4	5	6	(67)
<input type="checkbox"/> Concern that you will be audited by Revenue.....	1	2	3	4	5	6	(68)
<input type="checkbox"/> Revenue makes it easy for you to pay your taxes	1	2	3	4	5	6	(69)
<input type="checkbox"/> You have no opportunity to evade taxes on your wages	1	2	3	4	5	6	(70)

Q.10a Have you ever completed a tax return or a tax relief form?

<ul style="list-style-type: none"> ▪ Yes 1 ▪ No..... 2 	(71)
--	------

**IF YES at Q.10a:
SHOW CARD “3” AGAIN**

Q.10b To what extent do you agree with each of the following statements

READ OUT ↓	Agree strongly	Agree	Neither agree or disagree	Disagree	Disagree strongly	Don't know	
<ul style="list-style-type: none"> ▪ Revenue paper forms are easy to complete 1 2 3 4 5 6 (72) 							
<ul style="list-style-type: none"> ▪ Revenue on-line forms are easy to complete 1 2 3 4 5 6 (73) 							

ASK ALL

SHOW CARD “7”

Q.11 How well informed would you consider yourself to be regarding your tax affairs and tax entitlements?

<ul style="list-style-type: none"> ▪ Very well informed 1 ▪ Quite well informed 2 ▪ Neither/nor 3 ▪ Not well informed 4 ▪ Not at all informed 5 ▪ Don't know..... 6 	(74)
---	------

Cols 75-78 not used

1.1.1.1.1.1.1

1.1.1.1.1.1.2

SELF COMPLETION SECTION (Q.12-16 on next two pages)

INTERVIEWER READ OUT: ‘Once again we would like to remind you that this survey is completely anonymous and the information you provide today will be treated in the strictest confidence. This information will be used for research purposes only. Now I would like you to tick your responses to a couple of final questions yourself. Please read the simple instructions outlined at the top of the page before answering.’

INTERVIEWER THEN HAND QUESTIONNAIRE TO RESPONDENTS TO SELF-COMplete (Q.12-16)

1.1.1.1.1.1.3

1.1.1.1.1.1.4

1.1.1.1.1.1.5

1.1.1.1.1.1.6

1.1.1.1.1.1.7

1.1.1.1.1.1.8

INSTRUCTIONS AND EXPLANATION FOR SELF-COMPLETION.

Please read each question and tick (✓) the circle that most closely matches your response to each question. Once you have completed your answers to Q. 12-16, please hand this questionnaire back to the interviewer.

As we know, some people get paid in cash for carrying out jobs or services for others and don't declare these earnings for tax purposes.

The next few questions are about how people get paid for jobs and services they do for other people, where their income ought to be, but is not taxed.

Q.12	Have you been offered the services of someone like those described above in the last 12 months?	Yes	<input type="radio"/>	1	(9)
		No.....	<input type="radio"/>	2	

Q.13	Have you used the services of someone like those described above where you suspect or know that they did not declare their earnings in the last 12 months?	Yes	<input type="radio"/>	1	(10)
		No.....	<input type="radio"/>	2	

IF YES AT Q.13 PLEASE ANSWER Q.14A-Q14E, OTHERWISE GO TO Q. 15

Q.14a)	What was the nature of the service(s) used? TICK ALL THAT APPLY	Trades	<input type="radio"/>	1	(11)
		Beauty Services.....	<input type="radio"/>	2	
		Education.....	<input type="radio"/>	3	
		Professional services	<input type="radio"/>	4	
		Other (specify) _____	<input type="radio"/>	5	

Q.14b)	How many times in the last year would you say you have used any such service(s)? TICK ONE ANSWER ONLY	Once	<input type="radio"/>	1	(12)
		Twice.....	<input type="radio"/>	2	
		Three times.....	<input type="radio"/>	3	
		Four times.....	<input type="radio"/>	4	
		Five times or more	<input type="radio"/>	5	

Q.14c)	And what was the nature of the last service used? TICK ONE ANSWER ONLY	Trades	<input type="radio"/>	1	(13)
		Beauty Services.....	<input type="radio"/>	2	
		Education.....	<input type="radio"/>	3	
		Professional services	<input type="radio"/>	4	
		Other (specify) _____	<input type="radio"/>	5	

Q.14d)	Thinking about the last service you used, how many times in the last year would you say you used it? TICK ONE ANSWER ONLY	Once	<input type="radio"/>	1	(14)
		Twice.....	<input type="radio"/>	2	
		Three times.....	<input type="radio"/>	3	
		Four times.....	<input type="radio"/>	4	
		Five times or more	<input type="radio"/>	5	

Q.14e)	Roughly how much did this last service cost?	< €100	<input type="radio"/>	1	(15)
				2	

TICK ONE ANSWER ONLY

▪ €101 - 500	<input type="radio"/>	3	
▪ €501 – 1,000.....	<input type="radio"/>	4	
▪ €1,001 – 2,000.....	<input type="radio"/>	5	
▪ €2,001 – 5,000.....	<input type="radio"/>	6	
▪ €5,001 – 10,000.....	<input type="radio"/>	7	
▪ € 10,001 +	<input type="radio"/>	8	

TO BE ANSWERED BY ALL

Q.15 Have you yourself engaged in undeclared work in the last 12 months?

▪ Yes	<input type="radio"/>	1	(16)
▪ No.....	<input type="radio"/>	2	

IF YES, PLEASE ANSWER Q.16A-Q16E (IF NO, HAND QUESTIONNAIRE BACK TO INTERVIEWER)

Q.16a) What was the nature of the service(s) you provided?

TICK ALL THAT APPLY

▪ Trades	<input type="radio"/>	1	(17)
▪ Beauty Services.....	<input type="radio"/>	2	
▪ Education.....	<input type="radio"/>	3	
▪ Professional services	<input type="radio"/>	4	
▪ Other (specify) _____	<input type="radio"/>	5	

Q.16b) How many times in the last year would you say you have provided this service(s)?

TICK ONE ANSWER ONLY

▪ Once	<input type="radio"/>	1	(18)
▪ Twice.....	<input type="radio"/>	2	
▪ Three times.....	<input type="radio"/>	3	
▪ Four times.....	<input type="radio"/>	4	
▪ Five times or more	<input type="radio"/>	5	

Q.16c) And what was the nature of the **last** service provided?

TICK ONE ANSWER ONLY

▪ Trades	<input type="radio"/>	1	(19)
▪ Beauty Services.....	<input type="radio"/>	2	
▪ Education.....	<input type="radio"/>	3	
▪ Professional services	<input type="radio"/>	4	
▪ Other (specify) _____	<input type="radio"/>	5	

Q.16d) Thinking about the last service you provided, how many times in the last year would you say you provided it?

TICK ONE ANSWER ONLY

▪ Once	<input type="radio"/>	1	(20)
▪ Twice.....	<input type="radio"/>	2	
▪ Three times.....	<input type="radio"/>	3	
▪ Four times.....	<input type="radio"/>	4	
▪ Five times or more	<input type="radio"/>	5	

Q.16e) Roughly how **much** did you charge for this most recent service?

TICK ONE ANSWER ONLY

▪ < €100	<input type="radio"/>	1	(21)
▪ €101 - 500	<input type="radio"/>	2	
▪ €501 – 1,000.....	<input type="radio"/>	3	
▪ €1,001 – 2,000.....	<input type="radio"/>	4	
▪ €2,001 – 5,000.....	<input type="radio"/>	5	
▪ €5,001 – 10,000.....	<input type="radio"/>	6	
▪ € 10,001 +	<input type="radio"/>	7	

Thank you very much for your time, please hand the questionnaire back to the interviewer. Finally just a couple of classification questions

MBIMS and Revenue would like to thank you for taking the time to complete this survey

FULL NAME:
(Block Capitals)

Mr./Mrs/Ms

TELEPHONE NUMBER:

<ul style="list-style-type: none"> • AGE: (22) <ul style="list-style-type: none"> 18-24 1 25-29 2 30-34 3 35-39 4 40-44 5 45-49 6 50-54 7 55-59 8 60-64 9 65+ 0 • SEX: (23) <ul style="list-style-type: none"> Male 1 Female 2 • EMPLOYMENT STATUS: (Record if multi-code) (24) <ul style="list-style-type: none"> Working in the home (full time) 1 At school 2 Full time student (third level) 3 Temporarily unemployed (Actively seeking work) 4 Permanently unemployed 5 Retired 6 Full time employee (30 hours or more) 7 Part time employee (8-29 hrs per wk) 8 Self employed 9 Unable to work due to illness/disability 0 • IF UNEMPLOYED ... HOW LONG: (25) <ul style="list-style-type: none"> < 1 year 1 2 – 3 years 2 4 – 5 years 3 5+ years 4 • IF EMPLOYED OR SELF EMPLOYED HOW BIG IS THE BUSINESS (NUMBER OF EMPLOYEES): (26) <ul style="list-style-type: none"> <5 1 6 – 10 2 11 - 25 3 26 - 50 4 50+ 5 	<p>(22)</p> <p>(23)</p> <p>(24)</p> <p>(25)</p> <p>(26)</p>	<ul style="list-style-type: none"> • FINISHED EDUCATION: (27) <ul style="list-style-type: none"> At primary level 1 At secondary level 2 At third level 3 Still at school/college 4 No formal education 5 • NO. OF PEOPLE IN HOUSEHOLD AGED 18+ (Incl Respondent) (28-29) <div style="display: flex; align-items: center; margin-left: 20px;"> <input style="width: 30px; height: 20px; border: 1px solid black;" type="text"/> <input style="width: 30px; height: 20px; border: 1px solid black;" type="text"/> </div> • RESPONDENT IS: (30) <ul style="list-style-type: none"> Chief Income Earner 1 Not Chief Income Earner 2 • OCCUPATION OF CHIEF INCOME EARNER: <p>Record full job details:</p> <hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> <hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> • CLASS: (31) <ul style="list-style-type: none"> AB 1 C1 2 C2 3 D 4 E 5 F50+ 6 F50 - 7 IF RESPONDENT IS <u>NOT</u> CHIEF INCOME EARNER ASK FOR RESPONDENT'S OWN OCCUPATION AND RECORD SOCIAL CLASS AGAIN • OCCUPATION RESPONDENT: <p>Record full job details:</p> <hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> <hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> • CLASS: (32) <ul style="list-style-type: none"> AB 1 C1 2 C2 3 D 4 E 5 F50+ 6 F50- 7
--	---	---

<p>SHOW ETHNIC ORIGIN CARD</p> <p>• ETHNIC ORIGIN:</p> <p>Irish National (Includes NI) 1 (33) GB/UK (excluding NI) 2</p> <p>Other:</p> <p>Australia/New Zealand 1 (34) Austria 2 Belgium 3 Bulgaria 4 China 5 Cyprus 6 Czech Republic 7 Denmark 8 Eastern Europe (e.g. Ukraine, Belarus, Moldova) 9 Estonia V Finland X France 0</p> <p>Germany 1 (35) Greece 2 Hungary 3 India/Pakistan/Bangladesh 4 Italy 5 Latvia 6 Lithuania 7 Luxembourg 8 Malta 9 Netherlands V Nigeria X Poland 0</p> <p>Portugal 1 (36) Romania 2 Slovakia 3 Slovenia 4 South Africa 5 Spain 6 Sweden 7 USA 8 Other Africa 9 Other Asia V Other Europe X Other 0</p>		<p>• IF NOT an Irish National, record the length of time living in Ireland</p> <p>(Number of years) <input type="text"/> <input type="text"/> (37-38)</p> <p>If < 1 year, record number of months</p> <p><input type="text"/> <input type="text"/> (39-40)</p> <hr/> <p>ASSIGNMENT NO:</p> <p><input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> (41-45)</p> <p>INTERVIEWER NO:</p> <p><input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> (46-50)</p> <p>Interviewer signature:</p> <p>.....</p> <p>Date</p>	
--	--	--	--

Cols (51-78) Not Used

Document ENDS