JOURNAL OF MANAGEMENT AND BUSINESS SOLUTIONS

Modeling the Factors Affecting Tax Auditing with Emphasis on Organizational Tax Compliance

1. Mohammad. Kiasati: Department of Accounting, Ker.C., Islamic Azad University, Kermanshah, Iran.
2. Mehrdad. Ghanbari*: Department of Accounting, Ker.C., Islamic Azad University, Kermanshah, Iran.
3. Foroozan. Mohammadi Yarijani: Department of Accounting, Ker.C., Islamic Azad University, Kermanshah, Iran.
4. Maryam. Nooraie: Department of Accounting, Ker.C., Islamic Azad University, Kermanshah, Iran.

*corresponding author's email: mehrdadghanbary@iau.ac.ir

ABSTRACT

The present study was conducted with the aim of modeling the factors affecting tax auditing with an emphasis on organizational tax compliance. This study was applied in terms of purpose and quantitative in nature and employed a field-library research design using a questionnaire. The statistical population consisted of university professors, specialists, experts, and practitioners with research or executive experience in tax auditing, as well as members of the Association of Official Tax Consultants. Due to the extensive and indeterminate size of the statistical population across the country, and based on the Krejcie and Morgan table, the maximum sample size of 384 participants was selected. Since the present study was extracted from a doctoral dissertation, the data collection instrument was a researcher-made questionnaire developed based on the qualitative findings of the dissertation. For data analysis, in addition to the descriptive analysis of participants' demographic information, structural equation modeling was employed to evaluate the fitness of the research model and analyze the model paths. All analyses in the present study were conducted using SmartPLS version 3.1.1 and SPSS version 23 at a significance level of 0.05. The findings indicated that the research model had an acceptable fit, and that the level of trust ($t = 22.391$, $p = 0.001$), level of transparency ($t = 22.705$, $p = 0.001$), cultural factors ($t = 25.581$, $p = 0.001$), and level of expertise and capability ($t = 32.291$, $p = 0.001$) had a positive and significant effect on tax auditing with emphasis on organizational tax compliance. In contrast, organizational factors ($t = 19.877$, $p = 0.001$) and legal factors ($t = 40.098$, $p = 0.001$) had a negative and significant effect on tax auditing with emphasis on organizational tax compliance. Therefore, managers and relevant authorities can improve tax auditing and tax compliance conditions through building trust within society, enhancing tax transparency, promoting tax culture, improving the expertise and capabilities of tax organization employees, and simultaneously resolving organizational and legal problems.

Keywords: Tax auditing, tax compliance, opportunities, barriers.

Introduction

Taxation is recognized as one of the most fundamental instruments of economic governance and public financial management in modern governments. Sustainable tax systems not only provide the financial resources necessary for governments to perform their developmental, social, and infrastructural responsibilities, but also play a central role in regulating economic activities, redistributing income, and strengthening macroeconomic stability. Within this framework, tax auditing has emerged as a strategic supervisory mechanism designed to ensure the accurate

Article history:
Received 24 December 2025
Revised 09 May 2026
Accepted 11 May 2026
Initial Publish 24 July 2026
Published online 01 November 2026

How to cite this article:
Kiasati, M., Ghanbari, M., Mohammadi Yarijani, F., & Nooraie, M. (2026). Modeling the Factors Affecting Tax Auditing with Emphasis on Organizational Tax Compliance. *Journal of Management and Business Solutions, 4*(6), 1-13. https://doi.org/10.61838/jmbs.308

implementation of tax laws, reduce tax evasion, and enhance taxpayers' commitment to their legal obligations. The effectiveness of tax auditing systems is closely associated with the degree of tax compliance among taxpayers, particularly organizational taxpayers whose economic activities constitute a significant proportion of national tax revenues. Consequently, understanding the factors affecting tax auditing and organizational tax compliance has become an important area of interest for researchers, policymakers, and tax administrators (1, 2).

In recent decades, increasing economic complexity, globalization, digital transformation, and the expansion of corporate structures have substantially altered the nature of tax systems and tax auditing processes. Traditional auditing approaches are no longer sufficient to address sophisticated financial transactions, hidden economic activities, and advanced methods of tax avoidance. Accordingly, tax authorities across different countries have attempted to modernize their auditing procedures through technological innovations, data-driven supervision, risk-based auditing, and integrated information systems. Research has demonstrated that the implementation of computerized tax auditing systems can significantly reduce tax non-compliance and improve the efficiency of tax administration processes (3). Similarly, the utilization of information technology capabilities and intelligent information systems has been recognized as an effective mechanism for preventing tax evasion and increasing transparency within tax environments (4). The growing influence of artificial intelligence and advanced analytics on tax compliance and financial regulations has also attracted increasing scholarly attention, particularly in relation to accounting, auditing, and financial service organizations (5).

Tax compliance itself is a multidimensional concept influenced by legal, economic, organizational, cultural, psychological, and ethical determinants. Organizational tax compliance refers to the extent to which legal entities fulfill their tax obligations accurately, voluntarily, and within the framework of existing tax laws and regulations. While some organizations comply with tax regulations because of legal enforcement and fear of penalties, others are influenced by trust in government institutions, perceived fairness of tax systems, social norms, organizational ethics, and economic conditions. Therefore, tax compliance cannot be explained solely through deterrence theories or punitive measures. Contemporary perspectives emphasize that tax compliance is shaped by a combination of coercive and voluntary factors that jointly influence taxpayers' behaviors (1, 6).

One of the most influential dimensions affecting organizational tax compliance is the effectiveness of tax auditing itself. Tax audits serve as monitoring and verification tools that enable tax authorities to evaluate the accuracy of taxpayers' financial declarations and detect inconsistencies or fraudulent activities. Empirical studies have shown that tax audits can significantly increase voluntary compliance and tax revenue collection when implemented effectively (7, 8). Kamaruddin et al. argued that tax audits, taxpayer supervision, and tax collection activities collectively contribute to improving tax revenues and enhancing compliance behavior among taxpayers (2). However, the relationship between auditing and compliance is not always linear or predictable. Kasper and Rablen emphasized that taxpayers' post-audit behavior may either improve or deteriorate depending on how audits are perceived by taxpayers and how audit processes are conducted (9). In another study, Kasper and Alm found that audit effectiveness is directly associated with taxpayers' future compliance decisions and behavioral responses to regulatory supervision (10).

In addition to technical and supervisory dimensions, organizational and institutional factors play a critical role in determining the effectiveness of tax auditing systems. Weak organizational structures, bureaucratic inefficiencies, lack of coordination among governmental agencies, and insufficient professional capabilities may undermine tax auditing performance and reduce organizational compliance. Internal audit planning, process modeling, and integrated supervisory frameworks have therefore become essential components of modern tax governance systems. Ardha et al. highlighted the importance of business process modeling in improving internal audit planning and strengthening organizational auditing efficiency within public enterprises (11). Likewise, deficiencies in institutional capacity and administrative structures can reduce taxpayers' trust in tax authorities and negatively affect compliance outcomes. These challenges are particularly relevant in developing economies where institutional weaknesses, limited transparency, and administrative inefficiencies continue to influence taxpayers' perceptions and behaviors.

Legal factors also constitute a significant determinant of tax auditing effectiveness and organizational tax compliance. Complex tax laws, inconsistent regulations, ambiguous legal procedures, and frequent policy changes may create uncertainty for taxpayers and increase the likelihood of non-compliance. Effective legal frameworks should therefore provide clarity, fairness, transparency, and predictability while ensuring the enforceability of tax obligations. Downing and Langli emphasized that regulatory structures and audit exemptions can substantially influence taxpayers' compliance behavior with accounting and taxation regulations (12). Similarly, weaknesses in legal infrastructures and deficiencies in enforcement mechanisms may create opportunities for tax evasion, manipulation, and opportunistic behavior among taxpayers. Consequently, legal reform and regulatory modernization are often regarded as prerequisites for improving tax auditing systems and strengthening organizational tax compliance.

Another important dimension associated with tax compliance is the role of culture, ethics, and social norms. Tax behavior is not determined solely by economic rationality; rather, it is deeply influenced by moral values, social expectations, and cultural perceptions regarding taxation and public responsibility. Chapman emphasized that organizational culture audits provide a holistic framework for understanding ethical climates, accountability systems, and behavioral norms within organizations (13). Research in behavioral accounting and taxation has also shown that personal norms, social norms, and ethical orientations significantly affect taxpayers' willingness to comply with tax obligations (14). Rahmani Picha et al. further demonstrated that ethical behavior theory and Machiavellian tendencies influence tax compliance behaviors, particularly within sustainability-oriented reporting environments (15). In this regard, organizations characterized by stronger ethical cultures and higher levels of social responsibility are generally more likely to demonstrate compliant tax behaviors.

Trust has likewise emerged as a central factor influencing tax compliance and tax auditing effectiveness. Taxpayers' trust in governmental institutions, tax authorities, and public expenditure systems can substantially affect their willingness to cooperate with tax regulations. When taxpayers perceive tax systems as fair, transparent, and accountable, they are more likely to comply voluntarily. Conversely, distrust in public institutions may encourage resistance, concealment, and tax avoidance behaviors. Taleb Nia and Hesni Mogaddam emphasized the role of governmental performance and economic conditions in shaping corporate tax compliance patterns (1). Moreover, coercive or corrupt auditing practices may damage trust and undermine taxpayers' long-term compliance behavior. Mawani and Trivedi argued that collusive and coercively corrupt tax auditors negatively affect compliance and weaken taxpayers' confidence in regulatory systems (16). These findings suggest that effective tax auditing requires not only technical expertise but also ethical integrity, institutional legitimacy, and public trust.

Psychological and behavioral dimensions further complicate the phenomenon of tax compliance. Behavioral accounting theories suggest that taxpayers' decisions are influenced by cognitive biases, perceptions of fairness, mental accounting processes, and emotional reactions toward taxation systems. Kohan Del et al. found that mental accounting significantly affects tax compliance behavior among self-employed auditors, particularly when mediated by psychological and contextual variables (17). Such findings indicate that taxpayers do not always act according to purely rational economic calculations; instead, their compliance decisions are often shaped by subjective interpretations, personal experiences, and perceived social expectations. Therefore, understanding the behavioral foundations of tax compliance can contribute to the design of more effective tax auditing strategies and taxpayer engagement policies.

Despite the extensive body of literature concerning taxation and tax compliance, several research gaps remain evident. First, many previous studies have focused either on tax compliance or tax auditing independently, while relatively limited attention has been devoted to modeling the combined relationships among organizational, legal, cultural, transparency-related, and expertise-based factors affecting tax auditing with emphasis on organizational tax compliance. Second, although technological advancements and digital auditing mechanisms have transformed tax systems globally, empirical investigations integrating these developments with organizational and behavioral determinants remain insufficient, especially in developing countries. Third, the majority of prior studies have examined individual taxpayers, whereas organizational taxpayers possess more complex structures, decision-making systems, and compliance dynamics that require specialized investigation (4, 6).

In the context of Iran's tax system, these issues become even more significant due to structural economic challenges, administrative complexities, and ongoing efforts toward tax system modernization. Organizational tax compliance in Iran is influenced by multiple interacting factors including legal ambiguities, cultural attitudes toward taxation, technological limitations, institutional trust, and the professional capabilities of tax authorities. Given the strategic importance of tax revenues for sustainable economic governance and public budgeting, identifying the determinants of effective tax auditing represents a critical step toward improving organizational compliance and strengthening financial transparency. Moreover, increasing attention toward intelligent auditing systems, information technologies, and data-driven tax governance has created new opportunities for improving tax administration efficiency and reducing tax evasion risks (4, 5).

Accordingly, the present study aims to model the factors affecting tax auditing with emphasis on organizational tax compliance.

Methods and Materials

The present study was applied in terms of purpose, quantitative in terms of data type, and field-library based in terms of data collection method using a questionnaire. The statistical population of the study consisted of university professors, specialists, experts, and practitioners who had research or executive experience in the field of tax auditing or were members of the Association of Official Tax Consultants. Due to the extensive and indeterminate size of the statistical population across the country, and based on the Krejcie and Morgan table, the maximum possible sample size of 384 participants was selected.

To collect data related to the theoretical foundations and research background, the library method was employed. Since the present study was extracted from a doctoral dissertation, in order to collect data related to the research variables, a five-point Likert-scale quantitative questionnaire was developed based on the analyses derived from the interviews conducted in the qualitative phase, as well as the review and synthesis of the literature and theoretical foundations after identifying the relevant dimensions and indicators. The questionnaire, extracted from the qualitative findings, consisted of 35 items and six components including level of trust, organizational factors, legal factors, level of transparency, cultural factors, and level of expertise and capability. To assess the validity of the questionnaire, expert validity, convergent validity, discriminant validity, and the Average Variance Extracted (AVE) criterion were utilized. The reliability of the questionnaire was evaluated using the factor loadings of each questionnaire item, Cronbach's alpha test, and composite reliability. As reported separately in the findings section, all criteria indicated satisfactory validity and reliability of the research instrument.

In the present study, in addition to the descriptive analysis of participants' demographic information, Structural Equation Modeling (SEM) was employed to evaluate the fit of the research model and analyze the model paths. All analyses in the present study were conducted using SmartPLS version 3.1.1 and SPSS version 23 at a significance level of 0.05.

Findings and Results

In this study, the demographic information of the participants was examined in terms of age, gender, marital status, educational level, and work experience. The results are presented in Table 1.

Table 1. Frequency Distribution of Participants' Demographic Variables

Variable	Category	Frequency	Percentage
Age	Under 30 years	64	16.7
	30–40 years	125	32.5
	40–50 years	82	21.3
	Above 50 years	113	29.5
Gender	Female	131	34.1
	Male	253	65.9
Marital Status	Single	91	23.7
	Married	293	76.3
Educational Level	Bachelor's degree	54	14.0
	Master's degree	266	69.3
	Doctoral degree	64	16.7
Work Experience	Less than 5 years	54	14.0
	5–10 years	82	21.3
	10–15 years	125	32.5
	More than 15 years	123	32.2

In the present study, Structural Equation Modeling (SEM) was employed for data analysis. Accordingly, in order to examine the fit of the research model, the fit indices of first-order reflective measurement models and second-order constructs were assessed. To evaluate the fit of first-order reflective measurement models, composite reliability, Cronbach's alpha, factor loadings, convergent validity (AVE), and the Fornell–Larcker criterion (discriminant validity) were utilized. To assess the fit of the second-order construct, the Variance Inflation Factor (VIF) was employed. Figure 1 presents the results related to the initial assessment of the factor loadings for all questionnaire items.

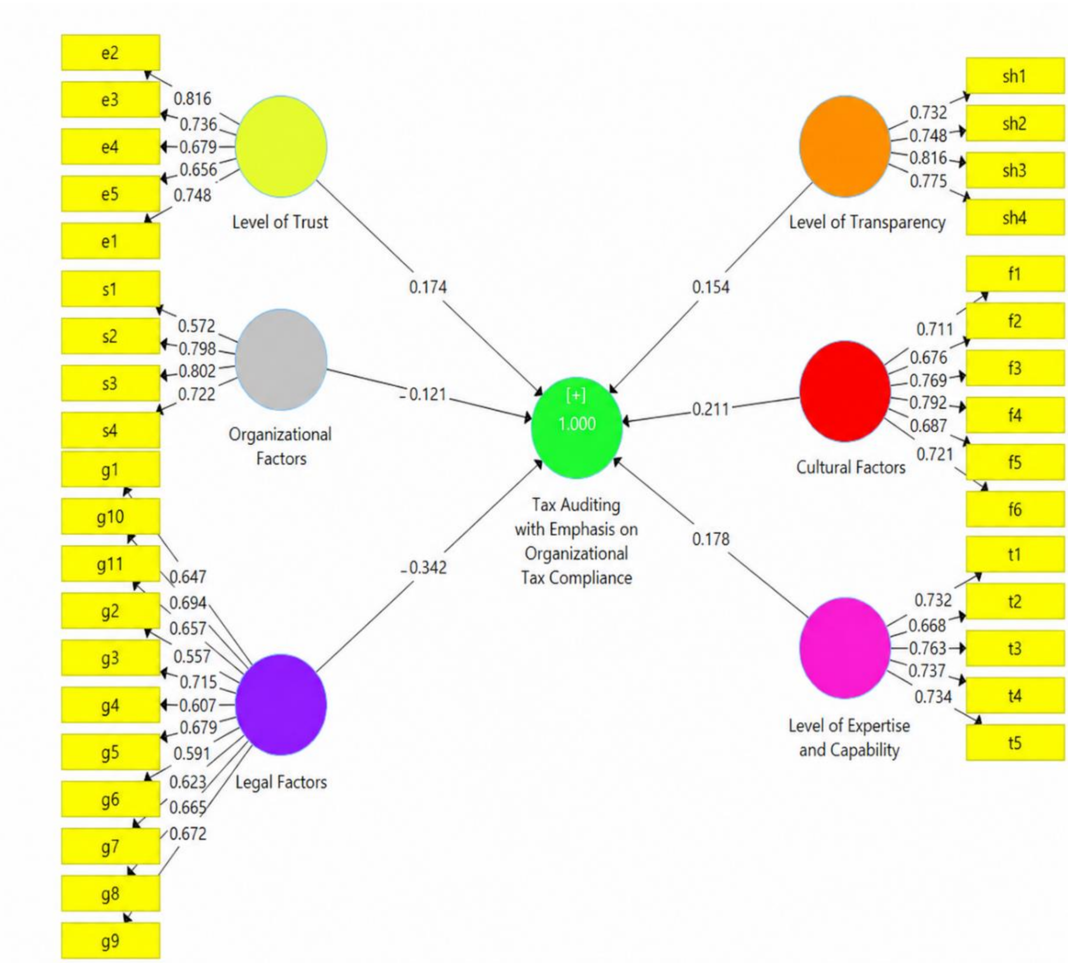

Figure 1. Model with Factor Loading Coefficients

Based on Figure 1, the examination of the factor loading coefficients of each questionnaire item demonstrated that all factor loadings were greater than 0.40 and were therefore considered acceptable. The results related to Cronbach's alpha, composite reliability, convergent validity (AVE), and Variance Inflation Factor (VIF) are presented in Table 2.

Table 2. Results of Cronbach's Alpha, Composite Reliability, Convergent Validity, and Variance Inflation Factor

Variables	AVE	VIF	Composite Reliability	Cronbach's Alpha
Level of Trust	0.733	1.751	0.912	0.859
Organizational Factors	0.652	1.468	0.867	0.814
Legal Factors	0.841	1.527	0.932	0.886
Level of Transparency	0.567	1.139	0.881	0.833
Cultural Factors	0.591	1.251	0.869	0.824
Level of Expertise and Capability	0.682	1.041	0.934	0.882

Based on the results presented in Table 2, all variables obtained Cronbach's alpha and composite reliability values higher than 0.70, AVE values higher than 0.50, and VIF values lower than 5. Therefore, the instrument used in this study demonstrated acceptable reliability, convergent validity, and variance inflation indices, and the research model also exhibited an appropriate fit. The results related to the Fornell–Larcker matrix for assessing the discriminant validity of the research instrument are presented in Table 3.

Table 3. Results of the Fornell–Larcker Matrix (Discriminant Validity)

Variables	Level of Trust	Organizational Factors	Legal Factors	Level of Transparency	Cultural Factors	Level of Expertise and Capability
Level of Trust	0.932					
Organizational Factors	0.745	0.881				
Legal Factors	0.698	0.652	0.964			
Level of Transparency	0.527	0.527	0.467	0.843		
Cultural Factors	0.569	0.563	0.532	0.466	0.816	
Level of Expertise and Capability	0.533	0.517	0.587	0.527	0.538	0.792

Based on the results presented in Table 3, the square root of AVE for all first-order variables was greater than the correlations among them, indicating the discriminant validity of the research instrument and the appropriate fit of the research model. Subsequently, the models with path coefficient values and t-values are illustrated in Figure 2, while the p-values are shown in Figure 3. In addition, the values of path coefficients, t-statistics, and significance levels associated with all paths of the present research model are presented in Table 4.

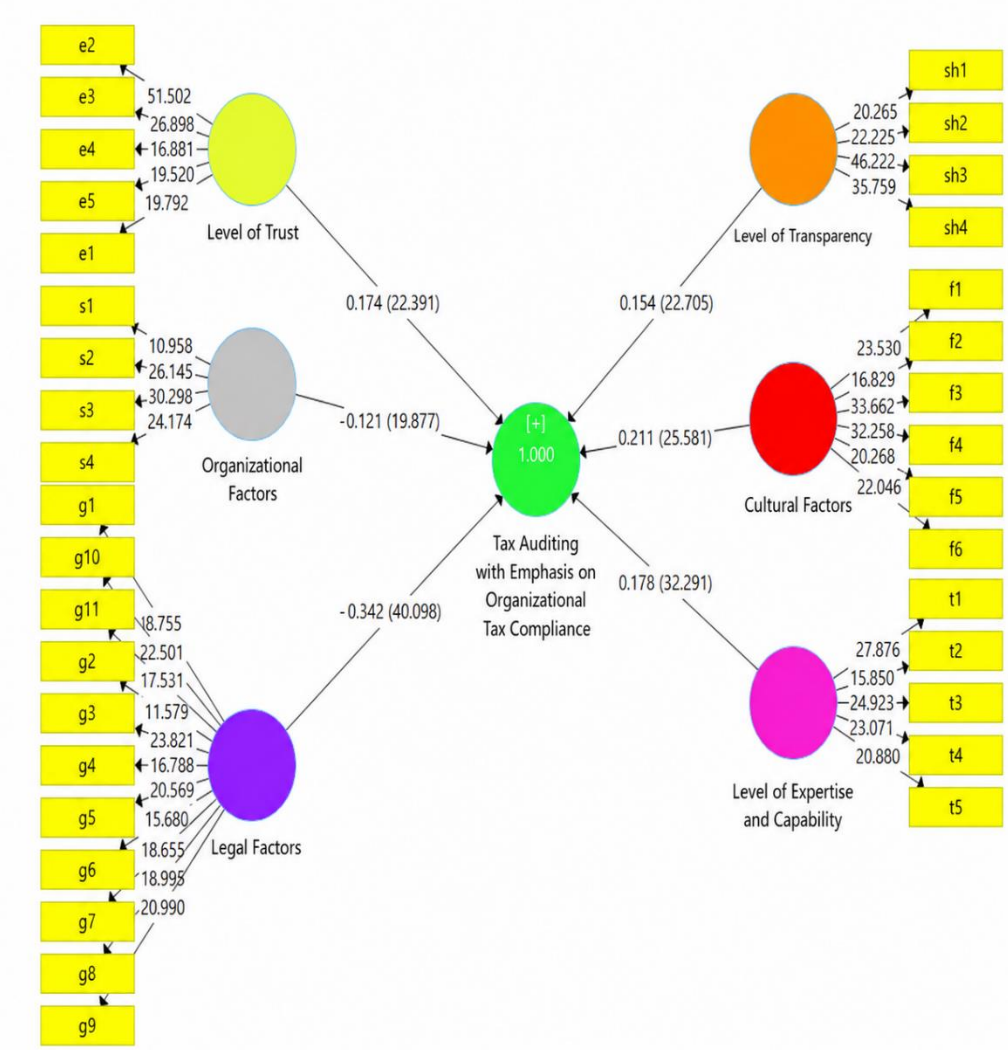

Figure 2. Model with Path Coefficient Values and t-values

Table 4. Path Coefficients, t-statistics, and Significance Levels Associated with Model Paths

Path	Path Coefficient	t-statistic	Significance	Result
Level of Trust → Tax Auditing with Emphasis on Organizational Tax Compliance	0.174	22.391	0.001	Confirmed
Organizational Factors → Tax Auditing with Emphasis on Organizational Tax Compliance	-0.121	19.877	0.001	Confirmed
Legal Factors → Tax Auditing with Emphasis on Organizational Tax Compliance	-0.342	40.098	0.001	Confirmed
Level of Transparency → Tax Auditing with Emphasis on Organizational Tax Compliance	0.154	22.705	0.001	Confirmed
Cultural Factors → Tax Auditing with Emphasis on Organizational Tax Compliance	0.211	25.581	0.001	Confirmed
Level of Expertise and Capability → Tax Auditing with Emphasis on Organizational Tax Compliance	0.178	32.291	0.001	Confirmed

The results presented in Table 4, as well as Figures 2 and 3, demonstrated that since the t-statistic values of all paths were greater than 1.96 and their significance levels were lower than 0.05, the research model was considered appropriate and all paths were confirmed. Furthermore, the findings indicated that the level of trust (t = 22.391, p = 0.001) with a path coefficient of 0.174, level of transparency (t = 22.705, p = 0.001) with a path coefficient of 0.154, cultural factors (t = 25.581, p = 0.001) with a path coefficient of 0.211, and level of expertise and capability (t = 32.291, p = 0.001) with a path coefficient of 0.178 had positive and significant effects on tax auditing with emphasis on organizational tax compliance. In contrast, organizational factors (t = 19.877, p = 0.001) with a path coefficient of -0.121 and legal factors (t = 40.098, p = 0.001) with a path coefficient of -0.342 had negative and significant effects on tax auditing with emphasis on organizational tax compliance.

Discussion and Conclusion

The present study was conducted with the aim of modeling the factors affecting tax auditing with emphasis on organizational tax compliance. The findings demonstrated that the proposed research model had an acceptable fit and that all identified paths in the structural model were statistically significant. More specifically, the results indicated that the level of trust, level of transparency, cultural factors, and level of expertise and capability had positive and significant effects on tax auditing with emphasis on organizational tax compliance, whereas organizational factors and legal factors had negative and significant effects on tax auditing with emphasis on organizational tax compliance. These findings suggest that organizational tax compliance is a multidimensional phenomenon influenced simultaneously by institutional, cultural, behavioral, professional, and structural determinants. The significance of all proposed relationships also confirms the complexity of tax auditing systems and highlights the necessity of adopting integrated approaches to improve compliance behaviors among organizational taxpayers.

One of the most important findings of the present study was the positive and significant effect of trust on tax auditing with emphasis on organizational tax compliance. This finding indicates that increasing taxpayers' trust in tax authorities, governmental institutions, and financial systems can substantially improve tax compliance and strengthen the effectiveness of tax auditing procedures. Trust enhances taxpayers' perceptions of fairness, accountability, and legitimacy within tax systems and consequently increases their willingness to comply voluntarily with tax regulations. This result is consistent with the findings of (1), who emphasized the influential role of governmental performance and economic conditions in shaping corporate tax compliance. When organizations believe that tax revenues are managed transparently and used effectively for public welfare, they are more likely to cooperate with tax authorities and disclose financial information accurately. Furthermore, the findings align with the arguments of (16), who suggested that coercive or corrupt tax auditing practices undermine taxpayers' trust and negatively affect compliance behavior. In practical terms, this finding implies that trust-building mechanisms, including fair treatment of taxpayers, transparent communication, and ethical auditing practices, are essential for improving the efficiency of tax auditing systems.

Another significant finding of the present study was the positive and significant impact of transparency on tax auditing and organizational tax compliance. Transparency plays a critical role in reducing information asymmetry, limiting opportunities for corruption and tax evasion, and increasing taxpayers' awareness regarding tax obligations and auditing processes. Transparent tax systems create a predictable and understandable environment in which organizations can comply more effectively with tax laws and regulations. This finding is consistent with the study conducted by (4), which demonstrated that information technology capabilities and integrated information systems significantly contribute to reducing tax evasion and improving tax transparency. Moreover, the increasing use of artificial intelligence and digital technologies in accounting and financial services has enhanced the transparency and efficiency of tax supervision mechanisms (5). The findings also support the perspective of (3), who emphasized the effectiveness of computerized tax auditing systems in reducing tax non-compliance. From a managerial perspective, these results indicate that improving transparency through digitalization, integrated databases, electronic auditing systems, and accessible tax regulations can significantly strengthen organizational tax compliance and auditing performance.

The results of the present study also showed that cultural factors had a positive and significant effect on tax auditing with emphasis on organizational tax compliance. This finding confirms that tax behavior is not solely influenced by legal enforcement and economic incentives, but is also deeply rooted in organizational culture, ethical values, social norms, and taxpayers' attitudes toward governmental institutions. Organizations operating within ethical and socially responsible environments are more likely to comply voluntarily with tax obligations and cooperate with auditing processes. This finding is aligned with the conclusions of (13), who highlighted the importance of cultural audits and organizational ethical climates in shaping responsible organizational behaviors. Likewise, the results are consistent with the study by (14), which found that social and personal norms significantly affect tax compliance behaviors. Furthermore, the findings support the work of (15), who demonstrated that ethical behavior theory and Machiavellian tendencies influence tax compliance and sustainability reporting behaviors. In this regard, organizations characterized by stronger ethical commitments and positive cultural values tend to exhibit higher levels of tax compliance. Therefore, strengthening tax culture, promoting ethical organizational values, and increasing public awareness regarding the importance of taxation can play a substantial role in improving tax auditing effectiveness.

Another important result of the present study was the positive and significant impact of expertise and capability on tax auditing with emphasis on organizational tax compliance. This finding demonstrates that the professional competencies, technical skills, and specialized knowledge of tax auditors and tax administration personnel directly influence the effectiveness of auditing processes and taxpayers' compliance behavior. Highly skilled auditors are more capable of detecting irregularities, analyzing financial information accurately, and implementing auditing procedures fairly and efficiently. This finding is compatible with the arguments of (11), who emphasized the importance of improving business process modeling and internal audit planning for enhancing organizational auditing performance. In addition, the increasing complexity of modern financial systems and digital business environments requires tax auditors to possess advanced analytical capabilities and technological competencies. The findings also indirectly support the study by (5), which emphasized the growing role of artificial intelligence and technological innovation in tax compliance and auditing systems. Consequently, continuous professional development, specialized training programs, and technological skill enhancement are necessary to improve the performance of tax auditing systems and increase organizational tax compliance.

In contrast to the previously discussed factors, the findings revealed that organizational factors had a negative and significant effect on tax auditing with emphasis on organizational tax compliance. This result suggests that organizational inefficiencies, bureaucratic complexities, administrative weaknesses, lack of coordination, and inadequate managerial structures may reduce the effectiveness of tax auditing systems and negatively affect taxpayers' willingness to comply with tax regulations. Weak institutional structures may create delays, ambiguities, and inconsistencies in auditing processes, thereby reducing organizational trust and increasing resistance to compliance. This finding is consistent with the study of (11), which emphasized the necessity of improving internal audit planning and organizational process management in order to strengthen auditing systems. Similarly, the findings align with the perspectives presented by (12), who argued that deficiencies in accounting and auditing regulations can negatively affect compliance behavior. In many developing economies, administrative inefficiencies and institutional fragmentation continue to represent major barriers to effective tax governance. Therefore, reducing bureaucratic barriers, improving organizational coordination, strengthening institutional infrastructures, and modernizing administrative systems are essential for enhancing tax auditing effectiveness and organizational tax compliance.

The present study also demonstrated that legal factors had the strongest negative and significant effect on tax auditing with emphasis on organizational tax compliance. This finding indicates that weaknesses within legal frameworks, ambiguities in tax regulations, inconsistencies in legal procedures, and instability of tax policies can substantially undermine the effectiveness of tax auditing systems and reduce organizational compliance. Complex and unclear tax regulations often increase uncertainty among taxpayers and create opportunities for tax avoidance and manipulation. This result is consistent with the findings of (12), who emphasized that regulatory structures and auditing regulations significantly influence compliance with tax and accounting requirements. The findings are also consistent with the perspectives of (10) and (9), who argued that the effectiveness of tax audits and taxpayers' post-audit compliance behavior are strongly influenced by perceptions of fairness and procedural legitimacy. If taxpayers perceive tax laws as inconsistent, unfair, or excessively complex, they may become less motivated to comply voluntarily. Furthermore, unclear legal procedures may increase opportunities for corruption and discretionary interpretation by tax officials, thereby weakening public trust in tax systems. Consequently, simplifying tax regulations, improving legal transparency, and establishing stable and coherent tax policies are essential prerequisites for improving tax auditing systems and increasing organizational tax compliance.

The overall findings of the present study support the notion that tax compliance is a multifaceted behavioral and organizational phenomenon that cannot be explained solely through punitive or deterrence-based approaches. Although tax auditing remains a critical mechanism for detecting violations and enforcing compliance, its effectiveness depends heavily on broader institutional, cultural, ethical, technological, and professional factors. The findings are generally consistent with prior empirical studies emphasizing the importance of integrated and multidimensional approaches to tax administration (2, 6-8). In addition, the present study contributes to the existing literature by simultaneously examining positive and negative determinants affecting tax auditing with emphasis on organizational tax compliance within a unified structural framework. The findings further highlight the importance of balancing regulatory supervision with trust-building, transparency enhancement, organizational reform, and professional capacity development.

One of the notable implications of the present findings is that improving tax compliance requires not only technological modernization and stricter supervision, but also the establishment of fair, transparent, and ethically grounded relationships between tax authorities and taxpayers. The increasing integration of information technologies, artificial intelligence, and digital auditing systems into tax administration processes provides valuable opportunities for improving transparency, reducing corruption, and strengthening compliance behaviors (4, 5). However, technological development alone cannot guarantee compliance unless accompanied by organizational reforms, legal clarity, ethical accountability, and public trust. Therefore, policymakers and tax administrators should adopt comprehensive strategies that simultaneously address structural weaknesses, legal deficiencies, cultural attitudes, and professional capabilities within tax systems.

One limitation of the present study was that the data were collected using a self-report questionnaire, which may have increased the possibility of response bias and subjective interpretation by participants. In addition, the study focused primarily on experts, specialists, and individuals active in the field of tax auditing, which may limit the generalizability of the findings to all categories of taxpayers and organizations. Another limitation was the cross-sectional nature of the study, which restricted the ability to examine causal changes in tax compliance behavior over time.

Future research is recommended to investigate the factors affecting tax auditing and organizational tax compliance using longitudinal and mixed-method approaches in order to obtain deeper and more comprehensive insights into taxpayers' behavioral changes. Researchers are also encouraged to examine the role of emerging technologies such as artificial intelligence, blockchain systems, and big data analytics in improving tax auditing effectiveness and compliance behaviors. Furthermore, comparative studies across different industries, economic sectors, and countries may provide valuable evidence regarding the contextual and institutional determinants of tax compliance.

From a practical perspective, tax authorities and policymakers should prioritize strengthening public trust through transparent, fair, and accountable tax administration procedures. Increasing the use of integrated digital systems, reducing bureaucratic complexity, simplifying legal regulations, and improving coordination among tax-related institutions can significantly enhance auditing efficiency and organizational compliance. Moreover, continuous professional training programs should be implemented to improve the expertise and technical capabilities of tax auditors and employees. Promoting ethical organizational culture, increasing public awareness regarding the social importance of taxation, and establishing effective communication channels between tax authorities and taxpayers can also contribute substantially to improving tax auditing performance and strengthening organizational tax compliance.

Acknowledgments

We would like to express our appreciation and gratitude to all those who helped us carrying out this study.

Authors' Contributions

All authors equally contributed to this study.

Declaration of Interest

The authors of this article declared no conflict of interest.

Ethical Considerations

All ethical principles were adheried in conducting and writing this article.

Transparency of Data

In accordance with the principles of transparency and open research, we declare that all data and materials used in this study are available upon request.

Funding

This research was carried out independently with personal funding and without the financial support of any governmental or private institution or organization.

References

1. Taleb Nia G, Hesni Mogaddam F. Designing a Corporate Tax Compliance Model with Attention to the Role of Government and the Mediating Role of Economic Conditions. Accounting and Auditing Research Quarterly. 2024;16(62):203-22.
2. Kamaruddin K, Faisal A, Agustam MR. The Effect of Tax Audit, Tax Collection, and Taxpayer Compliance Supervision on Increasing Tax Revenue at KPP Pratama Makassar Utara. Golden Ratio of Taxation Studies. 2022;2(1):36-46. doi: 10.52970/grts.v2i1.245.
3. Alshrouf M. The effect of tax audit using the computer on tax non-compliance in Palestine. International Journal of Academic Research in Business and Social Sciences. 2019;9(3):296-304. doi: 10.6007/IJARBSS/v9-i3/5678.
4. Hajializadeh S, Dasineh M, Salari H, Rostami Jaz H. A Model for Utilizing Information Technology Capabilities and Information Systems to Avoid Tax Evasion. Journal of Management Accounting and Auditing. 2025;14(54):275-86.
5. Kazemi Barhabicheast F, Bani Talebi Dehkordi B, editors. Investigating the Impact of Artificial Intelligence on Tax Compliance and Financial Regulations in Accounting, Auditing, and Financial Services Companies. The 14th International Conference on Management, Accounting, and Economic Development; 2024.
6. Karimi S, Khanmohammadi MH, Jafari M. Presentation and Evaluation of a Tax Compliance Model for Legal Entities Based on the Views of Tax Experts Using Grounded Theory in Iran's Tax System. Quarterly Journal of Accounting and Auditing Management Knowledge. 2021;10(38):85-102.
7. Ogundeko ST, Idowu KA. Effect of Tax Audit on Voluntary Compliance and the Revenue of Lagos State. Academic Journal of Economic Studies. 2020;6(3):97-104.
8. Olaoye CO, Ekundayo AT. Effects of tax audit on tax compliance and remittance of tax revenue in Ekiti State. Open Journal of Accounting. 2019;8(1):1-17. doi: 10.4236/ojacct.2019.81001.
9. Kasper M, Rablen MD. Tax compliance after an audit: Higher or lower? Journal of Economic Behavior & Organization. 2023;207:157-71. doi: 10.1016/j.jebo.2023.01.013.
10. Kasper M, Alm J. Audits, audit effectiveness, and post-audit tax compliance. Journal of Economic Behavior & Organization. 2022;195:87-102.

11. Ardha NBD, Riwajanti NI, Haris ZA. Improvement of Business Process Modeling in Internal Audit Planning at an Indonesian State-Owned Enterprise. Journal of Applied Accounting and Taxation. 2025;10(1):50-61.

12. Downing J, Langli JC. Audit exemptions and compliance with tax and accounting regulations. Accounting and Business Research. 2019;49(1):28-67DO - 10.1080/00014788.2018.1442707.

13. Chapman J. Conducting a cultural audit: A holistic approach. COMPLIANCEFINANCETAX & ACCOUNTING. 2023;19.

14. Haghighi Fashi S, Bani Mahd B, Ohadi F, Hemmati B. Examining the Impact of Social and Personal Norms on Tax Compliance. Quarterly Journal of Accounting and Auditing Management Knowledge. 2020;9(33):25-51.

15. Rahmani Picha N, Heidarpour F, Jahanshad A. The Impact of Ethical Behavior Theory and Machiavellianism on Tax Compliance to Support Sustainability Reporting. Journal of Management Accounting and Auditing Knowledge. 2023;12(45):499-513.

16. Mawani A, Trivedi VU. Collusive vs. coercively corrupt tax auditors and their impact on tax compliance. Journal of Behavioral and Experimental Finance. 2021;30:100470.

17. Kohan Del Z, Talebnia G, Nikoumaram H. Examining the Impact of Mental Accounting on Tax Compliance of Self-Employed Auditors in the Presence of Certain Mediating Factors. Stock Exchange. 2020;13(51):190-208.