

The Characteristics of a Fair and Efficient Tax Auditing Information System as a Tool against Tax Evasion: A Theoretical Framework

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Abstract : Economic growth and social evolution are connected to trust relationships in a society. The quality of the accounting information, the tax information system and the tax audit mechanism evolve multiple benefits in an economy. Tax evasion, the illegal practice where people and companies do not pay taxes, is a crime because of the negative effect in economy and society. In this paper, we describe a theoretical framework on the characteristics of a fair and efficient tax auditing information system which could be a tool against tax evasion, a tool for an economy to grow, especially in countries that face fluctuations in economic activity. We conclude that a fair and efficient tax auditing information system increases the reliability of tax administration, improves taxpayers' tax compliance and causes a developmental trajectory for the economy.

Keywords : auditing information system, auditing mechanism, tax evasion, taxation

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