



**PREDICTING TAXPAYERS' INTENTIONS OF  
ADOPTING ELECTRONIC TAX-FILING (E-FILING)**

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## **ABSTRACT**

E-filing has been promoting an Internet tax filing as part of government services initiative. Starting in year 2006, Malaysia Inland Revenue Board (IRBM) are provided with the option to choose their tax filing method either in the way of manual tax filing method or e-filing method to Malaysia' citizen. The main objective of this research is to examine the factors that influence the intention to use e-filing. Data was collected through a survey conducted among Malaysian in Kuala Lumpur and Selangor. The results indicate that effort expectancy, performance expectancy, perceived risk, personal innovativeness web self-efficacy and social influences are significant in influencing the intention to use e-filing. The limitations of the study are barriers of respondents and availability of data and information. There are several methods used in order to analyze this data such as validity and reliability, descriptive, correlation coefficient and multiple regressions. Lastly, some suggestions for future research are also explained at the end of this report.

## **CHAPTER 1: INTRODUCTION**

### **1.1 OVERVIEW OF E-FILING**

The taxation system is one of the initiatives of the government or ruler of a nation in ensuring the economic expansion and allotment of wealth among the citizens. According to Skinner (1996), the countries tend to enjoy a faster growth rate if they can manage tax resource efficiently rather than the countries with lower and not well organized tax collection. An addition, an individual can be considered as the person responsibly to paying taxes by contributing some portion of financial payment from their income to the tax agency based on (Masui, 1999). However, in Malaysia, the responsible institution that have authorized as the main revenue collecting agencies and also managing tax administration is the Inland Revenue Board of Malaysia (IRBM). Besides that, to make so much easier for individuals and businesses carry out their annual tax assessment, the IRBM has provided an online system which are the system can automate the entire process.

Known in short as e-filing which is the e-filing application was starting from February 2006. By using the internet, individual and company taxpayers can submit their income tax form electronically. From 2008, e-filing was extended to non-residents, partnerships, and also employers. Moreover, on 2008, many of banks such as CIMB Bank Berhad, Public Bank Berhad, Bank Islam Malaysia Berhad, Maybank Berhad, Hong Leong Bank Berhad, and RHB Bank Berhad