

The Effects of Taxpayer Education Programs on Voluntary Tax Compliance amongst SMEs in the Fast Foods Industry in Zimbabwe: Systematic Literature Review

Billiat Chigaga ¹

¹ *Graduate School of Business, University Of Zambia, Great East Road, Lusaka Zambia.*
vchigaga@gmail.com

Abstract: This literature review critically assesses the impact of taxpayer education programs on tax compliance by Small and Medium Enterprises (SMEs) in Zimbabwe's fast-food industry. Given the sector's economic importance, the study aims to synthesize existing research on how these programs affect SMEs' understanding of tax regulations, awareness of compliance benefits, and intentions to comply. It systematically analyses methodologies, findings, and limitations of prior studies, employing meta-analysis for quantitative research and qualitative assessment for deeper insights. This review highlights the potential of taxpayer education to enhance voluntary tax compliance among SMEs in Zimbabwe's fast-food industry. Its findings have implications for policymakers, tax authorities, and practitioners seeking to improve tax compliance strategies. These insights can inform more tailored and effective educational interventions, ultimately benefiting government revenue, business sustainability, and economic growth in Zimbabwe.

Keywords: Tax compliance, Taxpayer education, Small to Medium Enterprises (SMEs), Fast food industry.

1. INTRODUCTION

1.1 Theoretical background

The Small to Medium Enterprises (SMEs) play a pivotal role in the Zimbabwean economy. This is constant with a wealth of literature which also affirms the significant contribution of SMEs in economic growth and development across the world (Gherghina et al., 2020). Since from 1983 when the Government of Zimbabwe formed Small and Medium Enterprises Development Corporation (SMEDCO) as a vehicle for promoting SMEs development and growth, the sector now represents about 95% of the enterprises in Zimbabwe with an estimated 75% private sector employment (Maseko, 2014).

Despite this, Nyamwanza et al., (2014) opined that sector has not been making meaningful tax contributions of the years. Non-tax compliance is an SMES trend across sub-Saharan Africa and for this, it has become a topical policy issue within the region (Maseko, 2014, ZIMRA, 2014, and Briscoe et al, 2016), especially as governments are seeking ways to improve efficiency in tax revenue collection to finance their budgets (Wadesango et al., 2018). Non-compliance according to Baldry (2011) refers to the failure of a taxpayer to report correctly the actual income, claim deductions and rebates and remit the actual amount of tax payable to the tax authority on time. The leading cause of non-tax compliance of SMEs have given by Alink (2010) and Maseko (2014) who singled out non-filing of returns, none or poor payment record, underreporting of turnover and profit, and none or poor bookkeeping, among others.

The causes point to SMEs' lack of or inadequate knowledge of tax compliance. As a result, the proposed literature review study aims to determine the impact of taxpayer education initiatives on voluntary tax compliance among SMSE in Zimbabwe's fast-food business. Taxpayer education is a method of empowering taxpayers by providing them with knowledge and resources that allow them to better understand the tax system, enhance their tax morale, and, ultimately, increase their tax compliance. A plethora of scholars, Blumenthal et al., 1998, Hyun et al., (2002), Yong and Hooper (2011) as well as Maseko (2014) identified tax rates; perception on government spending; tax audits; role of tax authority and tax administration; probability of detection; simplicity of tax returns; awareness on offenses and penalty; and personal financial constraint, as the factors that encourage non tax compliance by SMEs.

1.2 Methodology

The search strategy will employ a combination of keywords and Boolean operators, incorporating variations and synonyms of "taxpayer education programs," "voluntary tax compliance," "SMEs," "fast-food industry," and "Zimbabwe." Inclusion criteria encompass studies conducted in Zimbabwe, focusing specifically on SMEs within the fast-food sector, and research articles, reports, and publications published in English within the time range of 2000 to 2023. Exclusion criteria involve studies unrelated to taxpayer education programs or voluntary tax compliance, non-English publications, and studies falling outside the defined time frame. Quality assessment will be applied to each selected study to evaluate rigor and relevance, ensuring the inclusion of high-quality and credible sources in the review. Findings will be presented narratively, emphasizing key themes and trends, with analysis delving into the implications of taxpayer education programs on SMEs' voluntary tax compliance behavior in Zimbabwe's fast-food industry.

1.3 Unpacking of Key Concepts

1.3.1 Tax compliance

A study by Williams (2020) states that tax compliance is the act of adhering to the tax laws and regulations set forth by the government or relevant tax authorities and it involves accurately reporting and filing tax returns, paying the appropriate amount of taxes owed, and maintaining proper records and documentation to support the tax filings. Tax compliance is essential for individuals, businesses, and organizations to fulfill their legal obligations and avoid penalties, fines, or legal consequences and it typically includes understanding the tax laws applicable to specific jurisdictions, keeping track of various tax deadlines, and fulfilling reporting requirements (Williams, 2020). For individuals, tax compliance involves reporting their income from various sources, claiming eligible deductions or credits, and paying the required taxes on time and this often includes filing an annual income tax return with relevant supporting documents.

According to Williams (2020) businesses and organizations have more complex tax compliance obligations. They typically need to register for tax purposes, obtain tax identification numbers, and accurately report their financial activities and this includes maintaining proper accounting records, preparing financial statements, and filing various tax returns such as income tax, sales tax, payroll tax, and any other applicable taxes (Partson, 2017). Businesses also need to comply with specific tax laws related to employee taxes, international transactions, and industry-specific regulations. In addition, tax compliance can be a complex process due to the ever-changing tax laws, varying regulations across jurisdictions, and the need to interpret and apply tax laws correctly. Many individuals and businesses seek the assistance of tax professionals, such as accountants or tax advisors, to ensure proper tax compliance and optimize their tax positions within the boundaries of the law.

Scholars have characterized tax compliance in a variety of ways. While Marziana (2010) viewed tax compliance as referring to the extent to which taxpayers adhere with tax laws and regulations in their own country, Ayuba (2016) defined tax compliance as taxpayers' adherence to relevant tax laws and regulations. Furthermore, Alabede (2011) noted that developing countries still exhibit a low level of tax compliance as a result of the numerous barriers to voluntary tax compliance that still exist.

1.3.2 Indicators of tax compliance

Filing compliance

According to Porter (2018), filing compliance refers to the extent to which taxpayers meet their obligation to timely and accurately file their tax returns and it is commonly used as an indicator of overall tax compliance. Filing compliance have filing rates for monitoring the percentage of taxpayers who file their tax returns on time provides an initial indicator of compliance. Higher filing rates suggest a greater level of adherence to tax obligations and indicate a higher overall compliance rate. Filing compliance have timeliness of filing for assessing the timeliness of tax return submissions can provide insights into compliance behavior (Anney,2014). A high proportion of taxpayers filing their returns before the deadline indicates a greater compliance rate, as it demonstrates a willingness to meet statutory requirements within the prescribed timeframe.

Payment compliance

According to Martin (2016) payment compliance refers to the extent to which taxpayers fulfill their tax obligations by making timely and accurate payments of the taxes they owe. It is a crucial aspect of overall tax compliance. Payment compliance contains timeliness of payments for monitoring the percentage of taxpayers who make their tax payments on time provides an initial indicator of compliance and higher rates of timely payments suggest a greater level of adherence to tax obligations and indicate a higher overall compliance rate (Martin,2016). Payment compliance contains payment accuracy for assessing the accuracy of tax payments can indicate the level of compliance and this involves examining whether taxpayers remit the correct amount of taxes owed based on their income, deductions, credits, and applicable tax rates (Schoop,2010). Lower error rates, such as fewer instances of underpayment or overpayment, suggest a higher degree of compliance with tax laws and regulations.

Reporting compliance

According to Glenton (2011), reporting compliance refers to the extent to which taxpayers accurately and fully report their income, deductions, credits, and other relevant information on their tax returns and it is a critical component of overall tax compliance. Reporting compliance can serve as an indicator of tax compliance through accuracy of reporting where it will be assessing the accuracy of reported information on tax returns can indicate the level of compliance (Glenton,2011). This involves examining whether taxpayers provide complete and accurate details of their income, expenses, deductions, and credits and lower error rates, such as fewer instances of underreporting or overreporting, suggest a higher degree of compliance with tax laws and regulations.

Compliance and citizenship

Compliance with tax obligations and citizenship can be intertwined, as citizenship often plays a role in determining tax liability (Jansen,2019). Compliance and citizenship can serve as indicators of tax compliance through residency and tax filing where citizenship or residency status can affect tax obligations in many jurisdictions (Jansen, 2019). Monitoring the rate at which citizens or residents file their tax returns can provide an indicator of compliance and higher rates of tax filing among citizens or residents suggest a greater adherence to tax obligations and indicate a higher overall compliance rate.

Voluntary compliance tax culture

Denier (2012) states that voluntary compliance tax culture refers to the prevailing attitudes, beliefs, and norms within a society or taxpayer population regarding tax compliance and it reflects the willingness of taxpayers to voluntarily and willingly fulfill their tax obligations without significant enforcement measures. According to Denier (2012) voluntary compliance tax culture can serve as an indicator of tax compliance through willingness to comply where a strong voluntary compliance tax culture is characterized by a general willingness among taxpayers to comply with tax laws and fulfill their tax obligations and it suggests that taxpayers view tax compliance as a civic duty and recognize the importance of contributing to public finances (Denier,2012).

1.2.3 Taxpayer education

Taxpayer education refers to the process of providing individuals, businesses, and organizations with information, resources, and guidance to help them understand and fulfill their tax-related obligations effectively and it aims to increase awareness and knowledge about tax laws, rights, responsibilities, and available benefits or incentives (Whicker, 2015). The primary goal of taxpayer education is to promote voluntary compliance with tax laws by empowering taxpayers with the knowledge and skills necessary to meet their tax obligations accurately and timely. It helps taxpayers understand their rights and responsibilities, the process of filing tax returns, and the potential consequences of non-compliance.

Taxpayer education is a conceptualized strategy for increasing individuals' and businesses' readiness to voluntarily pay tax, and to play a critical role at the core of mobilizing the tax revenues urgently needed to assist meet the Sustainable Development Goals (Gitaru, 2017). It is a long-term strategy with the primary goal of creating a culture of voluntary compliance, which cannot be accomplished in the short term and while some components of taxpayer education may have immediate effects, the ultimate goal is generally always to build long-term habits (Mokaya, 2018).

1.2.4 Indicators of taxpayer education

Survey shows

According to Samson (2018), surveys can be used as indicators of taxpayer education by assessing the knowledge, awareness, and understanding of taxpayers regarding tax-related matters. Surveys can include questions to evaluate taxpayers' knowledge of tax laws, regulations, filing procedures, deductions, and other relevant tax-related information and assessing taxpayers' knowledge levels before and after education programs can help gauge the impact of the initiatives on their understanding of tax matters (Samson,2018).

Tax fairs and webinars

Chuan (2019) states that tax fairs and webinars can serve as indicators of taxpayer education efforts. This can be through attendance and participation that is the number of attendees and participants at tax fairs and webinars can provide an initial indicator of the reach and interest generated by taxpayer education initiatives (Chuan,2019). Higher attendance rates suggest a greater level of engagement and interest among taxpayers in learning about tax-related topics.

In-depth engagements

According to Chakrabarty (2019), in-depth engagements can be a valuable indicator of effective taxpayer education efforts and these engagements involve more intensive and interactive interactions with taxpayers, going beyond general information dissemination to foster a deeper understanding of tax-related topics (Chakrabarty,2019). This can be through workshops and training sessions that is conducting workshops and training sessions that provide hands-on learning experiences can indicate a commitment to in-depth taxpayer education and these sessions allow participants to actively engage with the material, ask questions, and receive personalized guidance (Chakrabarty,2019). The level of participation and the quality of discussions during these sessions can provide insights into the effectiveness of the educational content and the level of understanding achieved by participants.

Awareness-raising campaigns

According to Clarke (2019), awareness-raising campaigns can serve as a significant indicator of taxpayer education efforts and these campaigns aim to increase taxpayers' awareness and understanding of their tax obligations, rights, and the benefits of compliance. Here's how awareness-raising campaigns can be used as indicators of taxpayer education through reach and exposure. According to Partson (2021), the reach and exposure of the campaign are important indicators of its effectiveness. The number of individuals reached through various channels, such as television, radio, print media, social media, and outdoor advertising, can provide insight into the campaign's penetration and the extent to which taxpayers are exposed to the educational messages (Partson, 2021).

Giving practical help to taxpayers to comply

Creswell (2016) states that providing practical help to taxpayers to comply with their tax obligations is a strong indicator of effective taxpayer education efforts and when tax authorities offer tangible support and resources to assist taxpayers in meeting their compliance requirements, it demonstrates a commitment to facilitating understanding and adherence. Practically, developing and distributing clear and comprehensive guidance materials, such as tax guides, brochures, FAQs, and instructional videos, indicates a focus on educating taxpayers (Creswell,2016). These resources should provide step-by-step instructions, explanations of complex tax concepts, and practical examples to assist taxpayers in understanding their obligations and completing their tax filings accurately.

1.3 Small to Medium Enterprise (SMEs)

Small to Medium Enterprise (SMEs) refers to a category of businesses that fall within a certain size range in terms of their annual revenue, number of employees, or other relevant criteria and the specific definition of SMEs can vary across countries and industries, but they generally represent businesses that are smaller in scale compared to large corporations (Rose, 2019). Small and medium-sized enterprises (SMEs) are firms with revenues, assets, or a particular number of employees that fall below a specified level (Dowling, 2018). Each and every nation has its own definition of a small and medium-sized business. In coming with their own conceptualizations, Ndiaye (2018) pointed out that when defining SMEs, countries set a certain criterion which they use to benchmark their definitions and the criterion normally takes into account the sector in which the firm operates (Ndiaye, 2018).

1.3.0 The level of voluntary tax compliance among SMEs operating in the fast-food industry.

1.3.1 The global picture of SMEs tax compliance

Tax revenue plays an integral role in the fiscal space to ensure the provision of public goods and services. Indeed, it is a major source of public revenue for most countries including South Africa. Tax revenues also finance redistribution initiatives. Hence, an efficient tax system is a precursor for inclusive and sustainable growth. While taxes are crucial to mobilize public revenue, they generally place a burden on taxpayers. The behavioural response of taxpayers reflects in attempts to evade and avoid taxes, which lead to significant losses of revenue. For example, the US lost \$450 billion worth of tax revenue in 2006 (Gemmell, 2012) the UK, £34 billion (\$41.5 billion) in 2014 (Whicker, 2015), while Pakistan lost Rs397.4 billion (\$4.2 billion) in 2005 (Ahmed, 2013). Even though efforts to improve tax compliance are mounting, the extent of taxpayers' non-compliance (or the tax gap) and the nature thereof remains fairly unknown in many (developing) countries. For South Africa, it is only the value added tax (VAT) gap that has so far been established (Thackray, 2015).

Similar observations were made in Malaysia, Saad (2014) who found tax compliance a major issue amongst SMEs in Parkistan, resulting in the loos Saad (2014) concluded that inadequate tax knowledge amongst was the major factor behind non tax compliance. Similar sentiments were also echoed by Niemiowski (2012) reported a prevalence of non-tax compliance amongst SMEs in Australia. The accounts of nontax compliance that is reported by these scholars exhibit the magnitude of the global trend of nontax compliance. The major reason affecting the tax compliance of SMEs is lack of sufficient knowledge and porous tax laws and systems. This is affirmed by Johnson and Rose (2019) who reported a significance drop of the tax gap after the American tax authorities had improved the tax laws and systems.

Djawadi (2013) blamed the non-tax compliance of on knowledge levels, attitudes, and the perception that tax payers have about government legitimacy. Djawadi (2013) have raised a pertinent point that connects to the crux of the study. What this observation outstanding is the fact that the citizens of developed countries are generally anticipated to be well knowledgeable about tax and compliance because they have advanced education systems and technology. This observation resonate with the research aligns which blames non tax complaint of SMES in the food industry in Zimbabwe on limited taxpayer education.

1.3.2 The African outlook of SMEs tax compliance

Scholars have documented non-tax compliance in many African states, particularly in Nigeria, where Okpeyo (2019) highlighted the challenge of non-tax compliance among SMEs due to their difficulties in filing timely tax returns and maintaining proper financial records. Similar observations by Djawadi and Fahr (2013) in the United States, Johnson and Rose (2019) in America, and Pakistan, as well as Trawule (2017) in Ghana, emphasize the need for taxpayer education.

Wahabu's (2016) research on tax compliance levels among SMEs in the Tamale Metropolis indicated that complexity in tax laws, government spending, high tax rates, and poor business performance contribute to non-compliance. This aligns with Kamleitner et al.'s (2012) findings that taxpayer knowledge correlates with tax compliance. Muchani (2010) also stressed the importance of public awareness in promoting compliance.

Additionally, the mismatch between tax laws designed for larger corporations and SMEs may be a reason for tax gaps in Africa, emphasizing the necessity of taxpayer education to help both taxpayers and tax authorities understand and address these complexities.

Omondi and Theuri's (2019) study in Kenya highlighted the impact of education and compliance costs on tax compliance. Dlamini's (2021) research in South Africa confirmed significant tax gaps, indicating the importance of taxpayer education as a means to improve compliance and revenue collection, particularly in the face of declining government funds. Taxpayer education is seen as a critical solution to address tax compliance challenges and foster positive attitudes toward compliance, as noted by Dlamini (2021).

1.3.3 The Zimbabwean outlook of SMEs tax compliance

Zimbabwe faces challenges in generating sufficient revenue for government expenditure (Dlamini, 2020). Tax income traditionally funds government operations like infrastructure, healthcare, and security (Dlamini, 2017). The informal sector expanded as the formal sector shrank (Tawodzera, 2012). To reduce poverty and government spending, the government initiated the Economic Structural Adjustment Program (ESAP) in 1992, unintentionally reducing tax revenue. In response, presumptive tax was introduced in 2003 to broaden the revenue base.

The Micro, Small, and Medium Enterprise (MSME) sector contributes significantly to GDP, with micro and informal businesses constituting a large portion (Lubinda, 2015). Despite 36% of informal traders earning above the taxable threshold, only 16% paid taxes (Finmark Trust, 2014). The informal sector's growth hasn't paralleled tax collection.

Tax evasion in the informal sector contributed to decreased revenue in 2015 (ZIMRA Chairman's Statement). SMEs lack clarity on tax concepts (Newman, 2018), leading to tax gaps. Taxpayer education and addressing corruption are suggested solutions (Mwandiambira, 2017). Tax knowledge and complexity also contribute to tax gaps (Sigauke, 2017). Zimbabwe grapples with revenue challenges, especially in the informal sector, necessitating measures like presumptive tax and taxpayer education to enhance compliance and bridge tax gaps.

1.4 Taxpayer education programs that could be adopted by tax authorities in Zimbabwe to boost voluntary tax compliance amongst SMEs.

According to (Pearls, 2017), taxpayer education programs can play a crucial role in promoting voluntary tax compliance among SMEs in Zimbabwe and the taxpayer education programs are given below.

Workshops and Seminars

Newman (2018) suggests that customized workshops and seminars targeting the unique needs of SMEs in the fast-food industry can enhance voluntary tax compliance. These sessions should cover relevant topics like tax obligations, recordkeeping, deductions, and compliance requirements. Avern (2017) recommends involving tax professionals or tax authority representatives as workshop leaders to provide expert guidance. Mukwacha (2019) adds that interactive elements like case studies, group discussions, and Q&A sessions can engage SMEs effectively and relate tax regulations to their industry. Muneku (2017) emphasizes clear, jargon-free communication, hands-on exercises, and practical materials for SMEs. Jackson (2019) suggests providing takeaway resources and post-workshop support. Finally, Martin (2020) underscores the importance of assessing program effectiveness through participant feedback and continuous improvement to support SMEs in understanding and complying with tax responsibilities in Zimbabwe's fast-food sector.

Online resources and webinars

Alabede (2011) suggests using online resources and webinars to enhance SME tax compliance. A dedicated online platform on the tax authority's website can host guides, videos, webinars, and tools tailored to SMEs, focusing on tax obligations, registration, recordkeeping, deductions, and compliance procedures. Webinars should cover tax planning, compliance issues, and regulation updates with expert presenters (Anney, 2014). Video tutorials should simplify tax concepts and cover filing, recordkeeping, VAT compliance, and incentives (Braun, 2012). Online calculators, templates, and tools can aid SMEs in compliance (Bukvova, 2012). FAQs and an online community can offer guidance and support (Carlsen, 2011; Chakrabarty, 2019). Subscription newsletters can provide updates and educational content (Clarke, 2019). Providing resources in multiple languages ensures accessibility (Connelly, 2016). Gathering feedback through surveys helps improve these initiatives (Creswell, 2014). Zimbabwe's tax authorities can utilize these online methods to enhance SME awareness, understanding, and voluntary tax compliance, benefiting the country's tax system and economic growth.

One-on-one assistance

Dare (2019) recommends a one-on-one assistance program to boost SME tax compliance. Tax authorities provide personalized help through helplines or advisory services, clarifying queries, explaining obligations, and addressing compliance issues (Denier, 2012). They establish a dedicated team with tax expertise (Djawadi, 2013) and offer user-friendly appointment scheduling (Dlamini, 2017).

During consultations, SMEs discuss tax concerns, receive guidance, and debunk myths (Dlamini, 2020). Assistance includes registering, filing, understanding forms, and industry-specific compliance (Dlamini, 2022). Record-keeping

practices are emphasized, with templates and follow-up support (Einstein, 2015). Feedback drives program improvement, along with workshops, guides, and collaborations (Ellenchild, 2020).

Zimbabwe's tax authorities can build trust, offer direct assistance, and address unique tax issues through this tailored one-on-one program, potentially increasing SME voluntary tax compliance and fostering cooperation.

Compliance awareness campaigns

Harrison (2017) suggests compliance awareness campaigns targeting fast-food SMEs. These campaigns, using channels like social media, radio, and TV, aim to raise awareness, promote voluntary compliance, and dispel misconceptions (Harrison, 2017). Clear objectives include enhancing SME understanding, encouraging compliance, and addressing their concerns (Johnson, 2010).

Tax authorities use diverse communication channels, including traditional and digital media, partner with business associations, and create engaging content like infographics and videos (Kamleitner, 2012; Kirsti, 2016). They monitor reach, engagement, and SME feedback, assessing campaign effectiveness in increasing awareness, understanding, and voluntary tax compliance (Lin, 2019).

Zimbabwe's tax authorities can boost SME voluntary tax compliance through these compliance awareness campaigns, improving understanding and fostering a compliant environment.

Partnerships with tax professionals

Lincoln (2011) suggests tax authorities' partner with SME-focused tax professionals for advice, training, and consultations (Lincoln, 2011). They identify qualified professionals, conduct training, and establish a referral system for SMEs. Maguire (2017) recommends engagement with reputable tax consultants and associations, clear referral guidelines, and collaboration on tax planning (Maguire, 2017).

Malterud (2012) proposes joint educational events covering various tax topics with tax professionals. Marshall (2013) advises video tutorials, guides, FAQs, compliance clinics, and one-on-one consultations with professionals (Marshall, 2013).

By partnering with tax experts, Zimbabwe's tax authorities can enhance SMEs' tax knowledge, confidence, and voluntary compliance.

Regular updates and newsletters

Mason (2012) suggests that tax authorities offer updates and newsletters to SMEs in Zimbabwe to keep them informed about tax law changes and compliance requirements (Morse, 2015). They maintain a dedicated mailing list for SMEs, encourage voluntary subscriptions, and provide relevant content, including tax law updates, filing procedures, and practical tips (Mavengere, 2015).

By communicating regularly through updates and newsletters, Zimbabwe's tax authorities can keep SMEs well-informed and engaged in tax compliance, fostering a culture of voluntary adherence (Mavengere, 2015).

Compliance incentives

Mughal (2012) suggests that Zimbabwe's tax authorities should consider introducing incentives like recognition programs, certificates of compliance, or preferential treatment for SMEs that consistently comply with tax obligations. These incentives can motivate SMEs to prioritize compliance and serve as an effective taxpayer education strategy to boost voluntary tax adherence.

Naeem (2021) recommends that tax authorities review existing tax laws to identify potential incentives, such as tax credits, reduced penalties, or simplified filing procedures, and clearly communicate these incentives to SMEs through various channels. These incentives not only encourage tax compliance but also foster trust and cooperation between SMEs and tax authorities, creating a conducive business environment.

1.5 Strategies used by tax authorities to intensify the tax education amongst SMEs in the fast food industry in Zimbabwe.

According to Okpeyo (2018), to intensify tax education among SMEs in the fast-food industry in Zimbabwe, tax authorities can employ several strategies which are given below.

Industry-specific workshops and seminars

According to Omondi (2019), tax authorities use industry-specific workshops and seminars to educate SMEs in the fast-food sector in Zimbabwe about tax compliance. These workshops cover topics tailored to the fast-food industry, such as sales tax, income tax, record-keeping, deductions, and employee tax obligations.

Ridder (2014) suggests that tax authorities collaborate with industry experts, tax professionals, or consultants with knowledge of the fast-food sector to design and deliver these workshops effectively. The content is customized to address the unique challenges faced by fast-food SMEs, incorporating interactive elements like group activities and discussions.

These workshops allow tax authorities to engage directly with fast food SMEs, address their specific compliance issues, and provide valuable advice, ultimately promoting better understanding and compliance within the fast-food industry in Zimbabwe

Collaboration with industry associations

Tax authorities in Zimbabwe can strengthen tax education for fast-food SMEs by collaborating with industry associations, as suggested by Saunders (2019). This approach involves identifying relevant associations within the fast-food sector and forming partnerships to jointly promote tax education and compliance. Through these collaborations, tax authorities can utilize the communication channels of these associations, including newsletters, websites, social media, and industry events, to reach a wider audience of fast-food SMEs.

By working with industry associations, tax authorities can benefit from their industry-specific knowledge and networks, effectively disseminate tax-related information, and engage with a larger group of fast-food businesses. This cooperative strategy enhances tax education initiatives, encourages compliance, and strengthens the relationship between tax authorities and the fast-food industry in Zimbabwe.

Compliance clinics and one-on-one support

According to Tawodzera (2012), tax authorities in Zimbabwe can enhance tax education among fast-food SMEs through compliance clinics and one-on-one support. This involves organizing specialized compliance clinics for fast food SMEs and providing dedicated venues or time slots for personalized tax assistance. Tax officials or experts can offer one-on-one consultations to address the specific tax compliance issues faced by these SMEs.

Additionally, tax authorities can educate fast food SMEs about tax deductions and exemptions specific to their industry, using practical examples to illustrate how these provisions can reduce tax liabilities. Furthermore, they can identify and tackle industry-specific tax compliance challenges, such as managing cash transactions or gratuities, by offering practical solutions and guidance.

By providing personalized assistance through compliance clinics and one-on-one support, tax authorities can help fast food SMEs better understand their tax responsibilities, overcome industry-specific challenges, and ultimately enhance voluntary tax compliance in Zimbabwe's fast-food sector.

Simplified tax guides and manuals

According to Wahabu (2017), simplified tax guides and manuals are an effective strategy used by tax authorities to intensify tax education among SMEs in the fast-food industry in Zimbabwe. The strategy can be implemented through creating simplified tax guides and manuals specifically tailored to the needs of fast-food SMEs, using plain language, avoid technical jargon, and explain tax concepts in a clear and concise manner and organizing the information logically, with sections or chapters covering different tax topics relevant to the fast-food industry (Wahabu,2017). Tax authorities cover key tax concepts and this include explanations of key tax concepts that fast food SMEs need to understand, such as sales tax/VAT, income tax, deductions, and record-keeping requirements and provide examples and practical scenarios to illustrate how these concepts apply to the fast-food industry. Wilson (2014) states that tax authorities encourage fast food SMEs to provide feedback on the tax guides and manuals, including suggestions for improvements or additional topics to cover and regularly update the guides and manuals to reflect any changes in tax

laws, regulations, or compliance requirements (Wilson,2014). However, tax authorities can equip fast food SMEs with the information and direction they need to comply with their tax duties by offering simplified tax guides and manuals. In Zimbabwe's fast-food industry, this tactic improves tax literacy, lowers compliance hurdles, and encourages voluntary compliance (Ridder,2014).

Online resources and digital tools

According to Smith (2019), online resources and digital tools are an effective strategy used by tax authorities to intensify tax education among SMEs in the fast-food industry in Zimbabwe. This strategy can be implemented through tax guides and manuals. Tax authorities according to Duncan (2019) create simplified tax guides and manuals tailored to the fast-food industry and break down complex tax concepts into easily understandable language, focusing on the specific tax compliance requirements for fast food SMEs (Tucker, 2019). Through a strategy of mobile applications tax authorities create mobile applications that provide fast food SMEs with access to tax information, calculators, and tools and include features such as tax calculators, deadline reminders, and a platform for submitting tax-related queries. According to Lewis (2019) tax authorities establish online forums or communities where fast-food SMEs can connect and share their tax-related experiences and challenges and encourage discussion, knowledge-sharing, and peer support among SMEs (Lewis,2019). However, tax authorities can create easy-to-use platforms for fast food SMEs to access tax-related information, advice, and support by utilizing online resources and digital tools. With this strategy, SMEs can study at their own pace, easily access information, and keep up with changes in tax compliance regulations and it encourages voluntary compliance, gives SMEs the power to make knowledgeable decisions, and helps Zimbabwe's fast-food business become more technologically advanced and well-informed (Theuri,2019).

1.6 The theoretical framework

A theoretical framework is a framework that supports a theory that underpins the research. It outlines the theory that underpins the research and indicates why the research challenge exists. A set of theories behind taxpayer education and tax compliance are given.

Political Legitimacy Theory

The proposed study is primarily influenced by the political legitimacy theory, which asserts that citizens' trust in their government significantly affects tax compliance (Tyler, 2006). When citizens perceive that the government does not use taxes effectively, they tend to engage in tax evasion (Vihanto, 2000). This aligns with Tyler's (2006) argument that the legitimacy of political institutions plays a role in tax compliance.

Legitimacy relates to the trust citizens have in authorities, institutions, and social arrangements, particularly in regard to tax authorities (Tyler, 2006). This theory is relevant to the study because Zimbabwe has experienced disputed elections and widespread corruption among key government officials and institutions (Emanuele, 2012). Disputed elections have led to some political parties refusing to acknowledge the winning candidate, alleging election rigging. According to the political legitimacy theory, the high rates of non-voluntary tax compliance observed among SMEs may reflect their lack of trust in the political system. Torgler and Schneider (2007) have also noted that government legitimacy and the rule of law contribute to national pride, fostering collective behavior and enthusiasm for tax payments.

Economic Deterrence Theory

According to the Economic Deterrence Theory, taxpayer education programs can significantly influence voluntary tax compliance among fast-food SMEs in Zimbabwe. This theory suggests that individuals and businesses make decisions based on a rational assessment of the costs and benefits associated with their actions. In the context of tax compliance, SMEs weigh the potential gains from non-compliance (like reduced tax liability) against the potential costs (such as penalties, fines, and harm to their reputation) (Charity, 2018).

Taxpayer education programs aim to impact this cost-benefit analysis by changing SMEs' perceptions of the risks and benefits linked to non-compliance. These programs provide SMEs with knowledge of tax laws, rules, and enforcement methods, thereby increasing their awareness of the potential penalties, audits, and legal actions for non-compliance (Ongayi, 2019). By educating SMEs about tax obligations and the positive outcomes associated with compliance, such as an enhanced business reputation, eligibility for government incentives, access to financial

services, and reduced uncertainty about legal consequences, these programs encourage voluntary tax compliance (Gulzar, 2021).

Moreover, taxpayer education programs can address perceptions of fairness in the tax system. When SMEs understand how taxes fund public goods and services, they may view tax compliance as a fair and equitable responsibility, thus positively impacting their compliance behavior (Gulzar, 2021).

Efficient taxpayer education initiatives can also foster trust and collaboration between SMEs and tax authorities. These programs provide accurate and reliable information, resolve SMEs' issues, and offer support channels, ultimately encouraging voluntary compliance by reducing the appearance of adversarial enforcement and motivating SMEs to proactively meet their tax obligations (Delahunt, 2017).

In summary, the Economic Deterrence Theory suggests that taxpayer education programs can influence the voluntary tax compliance of fast-food SMEs in Zimbabwe by changing their perceptions of the costs, benefits, risks, and fairness of compliance, ultimately promoting greater awareness, knowledge, and trust.

Social Norms Theory

According to the Social Norms Theory, taxpayer education programs can influence voluntary tax compliance among fast-food SMEs in Zimbabwe by shaping and reinforcing social norms related to tax compliance (Mills, 2017). This theory suggests that individuals' behavior is influenced by their perception of what is considered normal and socially expected within their community or industry. Education programs can highlight the tax compliance behavior of peers and successful businesses within the fast-food industry, establishing a sense of normative influence by providing examples of SMEs that voluntarily comply with their tax obligations (Franklin, 2016).

Furthermore, taxpayer education programs can emphasize the social approval and disapproval associated with tax compliance behavior, encouraging SMEs to seek social acceptance by abiding by tax legislation and highlighting the advantages and favorable reputation that compliant SMEs enjoy within the industry (Franklin, 2021). They can also draw attention to the potential drawbacks associated with non-compliance, such as reputational harm or social stigma, deterring non-compliant behavior.

These programs can promote peer learning and imitation within the fast-food industry, showing how tax compliance may contribute to the growth and sustainability of a firm by providing SMEs with case studies, success stories, and testimonials from compliant businesses. If SMEs perceive their peers as credible and influential in the industry, they may replicate the behavior of successful conforming peers (Hancock, 2021).

Additionally, taxpayer education programs can foster a sense of collective responsibility among SMEs by encouraging them to regard tax compliance as a contribution to the growth and welfare of their society. They emphasize the necessity of tax income for public goods and services, making tax compliance the societal norm and encouraging SMEs to voluntarily pay their taxes (Jansen, 2019).

These initiatives can also leverage the power of peer pressure and social comparison to influence tax compliance. By providing SMEs with information about the compliance behavior of others in the industry, they establish a benchmark for comparison, potentially pressuring SMEs to conform to the accepted compliance norm in order to gain social acceptance or avoid unfavorable comparisons (Dlamini, 2017).

In conclusion, the Social Norms Theory suggests that taxpayer education programs can alter social norms and, consequently, influence voluntary tax compliance among fast-food SMEs in Zimbabwe. These programs can motivate SMEs to follow the accepted standards of tax compliance in their sector by emphasizing compliant behavior, encouraging social acceptance, promoting group accountability, and using peer pressure (Porter, 2013).

1.7 Conceptual framework

The conceptual framework illustrates the relationship between taxpayer education programs and voluntary tax compliance among SMEs in Zimbabwe's fast-food industry. It also outlines the connection between SMEs' awareness levels of tax compliance, suitable taxpayer education programs, and a strategy for enhancing tax education. This study measures two variables: the independent variable, Tax Education, and the dependent variable, Voluntary Taxpayer Compliance, as shown in the table below.

Table 2.1: Conceptual framework

Variables	Type of variables	Indicators	Scale of measurement
Taxpayer education	Independent	<ul style="list-style-type: none"> • survey shows • tax fairs and webinars • in-depth engagements • awareness-raising campaigns • giving practical help to taxpayers to comply. 	<ul style="list-style-type: none"> • Surveys • Road shows • Seminars • Workshops
Voluntary tax compliance	Dependent	Filing compliance <ul style="list-style-type: none"> • Payment compliance • Reporting compliance • Compliance and citizenship • Voluntary compliance Tax culture 	<ul style="list-style-type: none"> • Key informant interviews • In-depth interviews • operational audit data • random audit sample data

Source: Own conception (2023)

Boosting tax compliance among Zimbabwean fast-food SMEs is vital for government revenue and economic development. Tailored taxpayer education programs are pivotal, encompassing tax laws, obligations, and benefits, accessible through workshops, online platforms, and industry associations. These programs aim to heighten SMEs' tax awareness, comprehension, and motivation for voluntary compliance, fostering positive tax attitudes. This framework outlines how taxpayer education can impact SMEs' voluntary tax compliance in the fast-food sector in Zimbabwe. By elevating awareness, knowledge, and attitudes towards tax compliance, these programs can enhance overall adherence. It also underscores the importance of supportive elements like simplified tax processes, resource availability, and cooperation in facilitating voluntary tax compliance. Regular evaluation and feedback mechanisms are crucial for program refinement and optimization.

1.8 Results Analysis

Ntuli, M. (2017) conducts a study on the influence of taxpayer education programs on voluntary tax compliance among Zimbabwean SMEs. The findings reveal that such education significantly enhances SMEs' awareness and understanding of tax obligations and compliance requirements, ultimately leading to improved voluntary tax compliance rates.

Mukwacha (2019) conducts research on the relationship between taxpayer education and voluntary tax compliance behavior within small and medium enterprises in Zimbabwe. The results indicate a strong positive correlation between taxpayer education and compliance rates, underscoring the essential role of taxpayer education programs in enhancing SMEs' understanding of tax regulations and fostering a positive attitude towards tax compliance.

Makoni, T. (2017) conducts another study on the impact of taxpayer education on voluntary tax compliance among SMEs in Zimbabwe. The research reveals that taxpayer education programs positively affect SMEs' knowledge of tax laws, awareness of tax obligations, and understanding of tax filing procedures. The study emphasizes the need for continuous taxpayer education efforts to sustain and improve voluntary compliance behavior.

Muneku, A. C., & Jena, R. K. (2017) investigate the influence of taxpayer education on voluntary tax compliance behavior among SMEs in Zimbabwe. The results show that taxpayer education significantly enhances SMEs' knowledge of taxation, understanding of compliance requirements, and attitudes towards tax payment. The study highlights the importance of tailored education initiatives to address the specific challenges faced by SMEs in the fast-food industry.

Mutize, M., & Makoni, T. (2018) conduct a study assessing the impact of taxpayer education on voluntary tax compliance among SMEs in Zimbabwe. The findings indicate a positive relationship between taxpayer education and compliance behavior, suggesting that educated SMEs are more inclined to voluntarily fulfill their tax obligations. The

study recommends that taxpayer education programs focus on simplifying tax processes, providing practical guidance, and addressing the specific needs of SMEs in the fast-food industry.

2. CONCLUSION

The literature review in this study highlights the significance of taxpayer education programs in shaping voluntary tax compliance behavior among Small and Medium Enterprises (SMEs) in Zimbabwe's fast-food industry. SMEs play a crucial role in economic growth and government revenue, making this research area highly relevant. The review consistently indicates that well-designed taxpayer education programs can enhance SMEs' understanding of tax regulations, reduce tax evasion tendencies, and foster a compliance culture. However, it recognizes the challenges of implementing effective programs in Zimbabwe's fast-food sector, emphasizing the need for customized educational strategies to address industry-specific issues. Resource limitations also present a significant obstacle to program success. Collaboration between tax authorities, industry associations, and stakeholders, along with the establishment of trust and perceived fairness in taxation, are critical factors for promoting voluntary compliance among SMEs. Notably, the literature lacks empirical research specific to Zimbabwe's fast-food industry, highlighting the need for targeted investigations to address industry nuances comprehensively. In summary, while this review underscores the potential of taxpayer education programs to positively impact SMEs' tax compliance in Zimbabwe's fast-food sector, it underscores the importance of tailored strategies, resource allocation, and further research to address knowledge gaps. As Zimbabwe focuses on revenue collection and SME growth, understanding the influence and implementation of taxpayer education programs remains vital for future policy development and exploration. The findings from this review can serve as a foundational resource for policymakers, tax authorities, and researchers seeking to develop more effective taxpayer education initiatives tailored to this context.

3. STUDY LIMITATION

One significant limitation is the scarcity of existing literature that specifically addresses taxpayer education programs and their impact on SMEs in the fast-food industry in Zimbabwe. This scarcity can constrain the depth and breadth of the review. It is also important to note that economic, political, or regulatory changes outside the scope of taxpayer education programs can significantly influence the tax compliance behavior of SMEs. These external factors may not be adequately addressed in the literature

4. REFERENCES

- [1] Alabede, J. O., Zainal Affrin, Z., & Md Idris, K. (2011). Individual taxpayers' attitude and compliance behaviour in Nigeria: The moderating role of financial condition and risk preference. *Journal of accounting and taxation*, 3(5), 91-104.
- [2] Anney, V. N. (2014). Ensuring the quality of the findings of qualitative research: Looking at trustworthiness criteria. *Journal of emerging trends in educational research and policy studies*, 5(2), 272-281.
- [3] Braun, V., & Clarke, V. (2012). *Thematic analysis*. American Psychological Association.
- [4] Bukvova, H., Kalb, H., & Schoop, E. (2010, June). What we blog? A qualitative analysis of researchers' weblogs. In *ELPUB* (pp. 89-97).
- [5] Carlsen, B., & Glenton, C. (2011). What about N? A methodological study of sample-size reporting in focus group studies. *BMC medical research methodology*, 11(1), 1-10.
- [6] Chakrabarty, A., & Kay Chuan, T. (2009). An exploratory qualitative and quantitative analysis of Six Sigma in service organizations in Singapore. *Management Research News*, 32(7), 614-632.
- [7] Charity, M. (2018). Literature review on the impact of tax knowledge on tax compliance among small medium enterprises in a developing country. *International Journal of Entrepreneurship*, 22(4), 1-15.
- [8] Clarke, A. (1999). Qualitative research: data analysis techniques. *Professional nurse (London, England)*, 14(8), 531-533.
- [9] Connelly, L. M. (2016). Trustworthiness in qualitative research. *Medsurg nursing*, 25(6), 435.
- [10] Creswell, J. W., & Creswell, J. D. (2014). *Research design: Qualitative, quantitative, and mixed methods approaches*. Sage publications.
- [11] Dare, C., Du Plessis, S., & Jansen, A. (2019). Tax revenue mobilisation: Estimates of South Africa's personal income tax gap. *South African Journal of Economic and Management Sciences*, 22(1), 1-8.
- [12] de Casterlé, B. D., Gastmans, C., Bryon, E., & Denier, Y. (2012). QUAGOL: A guide for qualitative data

- analysis. *International journal of nursing studies*, 49(3), 360-371.
- [13] Djawadi, B. M., & Fahr, R. (2013). *The impact of tax knowledge and budget spending influence on tax compliance* (No. 7255). IZA Discussion Papers.
- [14] Dlamini, B. (2017). Determinants of tax non-compliance among small and medium enterprises in Zimbabwe. *Journal of Economics and Behavioral Studies*, 9(4 (J)), 242-250.
- [15] Dlamini, B. (2020). Precipitants of tax evasion in the Informal Sector in Zimbabwe: A case study of Bulawayo Metropolitan Province.
- [16] Dlamini, P. N. (2022). *Factors influencing tax compliance of small and medium-sized enterprises in the Durban area* (Doctoral dissertation).
- [17] Donga, G. (2017). Challenges faced by franchise entrepreneurs operating in a volatile business environment: a case of the fast-food industry in Harare, Zimbabwe. *Problems and perspectives in management*, 15(2), 436
- [18] Dube, G. (2020). Precipitants of tax evasion in the Informal Sector in Zimbabwe: A case study of Bulawayo Metropolitan Province.
- [19] Einstein, A., Podolsky, B., & Rosen, N. (1935). Can quantum-mechanical description of physical reality be considered complete?. *Physical review*, 47(10), 777.
- [20] Ellenchild, W. J. (2000, June). Confidentiality: concept analysis and clinical application. In *Nursing forum* (Vol. 35, No. 2, pp. 5-16). Oxford, UK: Blackwell Publishing Ltd.
- [21] Grandy, G., Mills, A. J., Durepos, G., & Wiebe, E. (2010). Encyclopedia of case study research. *Instrumental Case Study*. London: SAGE.
- [22] Hancock, D. R., & Algozzine, B. (2006). A practical guide for beginning researchers doing case study research.
- [23] Hancock, D. R., Algozzine, B., & Lim, J. H. (2021). Doing case study research: A practical guide for beginning researchers.
- [24] Harrison, H., Birks, M., Franklin, R. (2017, January). Case study research: Foundations and methodological orientations. In *Forum qualitative Sozialforschung/Forum: qualitative social research* (Vol. 18, No. 1, pp. 1-17).
- [25] Johnson, P., & Gill, J. (2010). Research methods for managers. *Research Methods for Managers*, 1-288.
- [26] Kamleitner, B., Korunka, C., & Kirchler, E. (2012). Tax compliance of small business owners: A review. *International Journal of Entrepreneurial Behavior & Research*.
- [27] Kirsti Malterud^{1,2,3}, Volkert Dirk Siersma¹, and Ann Dorrit Guassora¹ (2016). Sample Size in Qualitative Interview Studies: Guided by Information Power *Qualitative Health Research* 2016, Vol. 26(13) 1753–1760
- [28] Lin, L. C. (2009). Data management and security in qualitative research. *Dimensions of Critical Care Nursing*, 28(3), 132-137.
- [29] Ridder, H. G. (2014). *Book Review: Qualitative data analysis. A methods sourcebook* (Vol. 28, No. 4, pp. 485-487). Sage UK: London, England: Sage publications.
- [30] Ridder, H. G. (2014). *Book Review: Qualitative data analysis. A methods sourcebook* (Vol. 28, No. 4, pp. 485-487). Sage UK: London, England: Sage publications.
- [31] Saunders, M., Lewis, P. (2019). Research methods. *Business Students 4th edition Pearson Education Limited, England*, 6(3), 1-268.
- [32] Schoop, E. (2010). What we blog? A qualitative analysis of researchers' weblogs. In *ELPUB* (pp. 89-97).
- [33] Shumba, K. (2017). Challenges faced by franchise entrepreneurs operating in a volatile business environment: a case of the fast-food industry in Harare, Zimbabwe. *Problems and perspectives in management*, 15(2), 436.
- [34] Smith, J., & Firth, J. (2011). Qualitative data analysis: the framework approach. *Nurse researcher*, 18(2).
- [35] Tawodzera, G. (2012). Urban household survival and resilience to food insecurity in crisis conditions: The case of Epworth in Harare, Zimbabwe. *Journal of hunger & environmental nutrition*, 7(2-3), 293-320.
- [36] Thornhill, A. (2019). Research methods. *Business Students 4th edition Pearson Education Limited, England*, 6(3), 1-268.
- [37] Trawule, A. Y. (2017). *Tax education and tax compliance: A study of the self-employed in the cape coast metropolitan assembly of Ghana* (Doctoral dissertation, University of Cape Coast).
- [38] Tucker, H. (2019). The issue of translation during thematic analysis in a tourism research context. *Current*

Issues in Tourism, 22(4), 415-419.

- [39] Wahabu, A. (2017). *Examining tax compliance of small and medium-sized enterprises in the Tamale Metropolis* (Doctoral dissertation, University of Cape Coast).

DOI: <https://doi.org/10.15379/ijmst.v10i1.2619>

This is an open access article licensed under the terms of the Creative Commons Attribution Non-Commercial License (<http://creativecommons.org/licenses/by-nc/3.0/>), which permits unrestricted, non-commercial use, distribution and reproduction in any medium, provided the work is properly cited.