Chapter 14
Attitudes toward Tax Evasion in Turkey: An Empirical Study

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ABSTRACT
This chapter summarizes and analyzes the latest World Values Survey data on attitudes toward tax evasion in Turkey. In addition to examining the overall viewpoints of the 1601-person sample, we examine ethical attitudes from the perspective of the following demographic variables: gender, age, marital status, education level, employment status, occupation, social class, income level, happiness, position on the political spectrum, sector of employment, and confidence in government. Comparisons with other studies will be made to determine the similarities and differences between Turkish attitudes and the attitudes of people in other countries.

INTRODUCTION
A number of studies on taxation have been done in the last few decades. Most such studies have taken a public finance perspective and have examined issues such as the optimum tax rate. Other studies have debated the best method of taxation. Some have debated the relative worth of a graduated income tax or a flat tax.

More recently, some scholars have focused on ethical aspects of tax evasion. Some studies have been theoretical, while others have been empirical. The present study reviews both the theoretical and empirical literature and presents the results of a study of the attitudes of Turkish taxpayers toward the ethics of tax evasion.

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The present study uses the most recent (Wave 6) World Values Survey data, which was gathered by a team of social scientists in Turkey in 2011 and released in April, 2014. The question dealing with tax evasion was worded as follows: Please tell me for each of the following actions whether you think it can always be justified, never be justified, or something in between: Cheating on taxes if you have a chance. Participants selected a number from 1 to 10, where 1 = never justifiable and 10 = always justifiable. The sample size was 1601.

The present study found that, overall, there was strong opposition to tax evasion, with 86.6 percent stating that tax evasion was never justified. However, that also means that 13.4 percent thought tax evasion could be justified in certain circumstances. Only four of the 1601 individuals included in the sample believed that tax evasion could always be justified. Unfortunately, the individuals conducting the survey did not ask participants to explain the reasons for their views, so all we are able to determine are their views, not the reasons for their views. However, other studies of tax evasion have identified various reasons given over the centuries to justify tax evasion. Some of those studies are discussed in the literature review section.

The present study also examined several demographic variables in order to determine whether different subgroups had significantly different opinions on the tax evasion issue. An examination of the gender variable found that women were significantly more opposed to tax evasion. This finding confirms the findings in several other studies (McGee, 2012a). However, some studies have found that there is not a significant difference between male and female views on this issue, and a few studies have found that men were more strongly opposed to tax evasion (McGee, 2012a; Torgler, 2007).

In the employment status category, the group least opposed to tax evasion was the retired group, while the group most opposed was the part-time worker group. The sector of employment variable found a weak (10% level) correlation between sector and extent of opposition to tax evasion. Those who worked for nonprofit organizations were most opposed to tax evasion, while those who worked for government institutions were least opposed.

The relationship between the extent of confidence in government and view of tax evasion was linear. Those who placed a great deal of confidence in government were also most opposed to tax evasion, whereas those who placed no confidence at all in government were least opposed to tax evasion.

Some of the variables examined found no significant differences. The demographic variables having no significant differences included age, marital status, education level, occupation, social class, income level, level of happiness, and position on the left-right political spectrum.

**LITERATURE REVIEW**

Tax evasion has existed ever since the first government tried to extract taxes from the populace (Adams, 1982, 1993). Many older studies on the ethics of tax evasion have taken a religious perspective. The Christian Bible mentioned taxation in several places and seemingly indicated that there is at least some moral obligation to pay some taxes. Jesus supposedly said, “Render therefore unto Caesar the things which are Caesar’s; and unto God the things that are God’s.” (Matthew 22, p. 21). His answer begs the question of what Caesar (the State) is entitled to. Saint Paul’s statement does not shed much light on the question of government’s entitlement to taxes either. “Render therefore to all their dues: tribute to whom tribute is due; custom to whom custom; fear to whom fear; honour to whom honour.” (Romans 13, p. 7).
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