

**PRELIMINARY FINDINGS FROM
'THE AUSTRALIAN TAX SYSTEM
SURVEY OF TAX
SCHEME INVESTORS'**

Kristina Murphy and Karen Byng



The Australian National University
Australian Taxation Office

Centre for Tax System Integrity



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The Centre for Tax System Integrity (CTSI) is a specialised research unit set up as a partnership between the Australian National University (ANU) and the Australian Taxation Office (Tax Office) to extend our understanding of how and why cooperation and contestation occur within the tax system.

This series of working papers is designed to bring the research of the Centre for Tax System Integrity to as wide an audience as possible and to promote discussion among researchers, academics and practitioners both nationally and internationally on taxation compliance.

The working papers are selected with three criteria in mind: (1) to share knowledge, experience and preliminary findings from research projects; (2) to provide an outlet for policy focused research and discussion papers; and (3) to give ready access to previews of papers destined for publication in academic journals, edited collections, or research monographs.

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Abstract

Between January and July 2002, researchers at the Centre for Tax System Integrity conducted a national survey of 6000 Australian taxpayers involved in tax planning schemes. According to the Australian Taxation Office (Tax Office) scheme investments were largely funded through tax deductions and relatively little private capital was at risk. The Tax Office therefore believed that these schemes exploited loopholes in the tax law and were designed in such a way to avoid tax. The anti-avoidance provisions of Part IVA of the *Income Tax Assessment Act* were applied to scheme related investments and action was first taken against investors in 1998 to recover the tax owing. Approximately 42 000 investors were issued with amended assessments telling them that they had to pay back taxes, interest and appropriate penalties.

Specific issues of interest to the survey researchers were scheme investors' views of the Tax Office, the Australian tax system and how they believed the Tax Office dealt with the schemes issue. The survey was also designed to identify the possible reasons why taxpayers invested in tax minimisation schemes, why there was such widespread taxpayer resistance against the Tax Office's debt recovery procedures, and perhaps more importantly, whether the aggressive tax planning market in Australia is supply or demand driven. This report provides a descriptive analysis of some of the more important findings from the survey, followed by a discussion of the key findings and their implications.

Preliminary findings from ‘The Australian Tax System Survey of Tax Scheme Investors’

Kristina Murphy and Karen Byng

INTRODUCTION

In 1998 action was taken by the Australian Taxation Office against tens of thousands of taxpayers who had invested in mass-marketed tax schemes during the 1990s. The Tax Office claims that investors became involved in tax schemes for the dominant purpose of avoiding tax. Scheme investors, in contrast, claim that the schemes they invested in had been sold to them, sometimes by their accountants, as a means by which they could legally minimise the tax they were required to pay while still being involved in a viable long-term investment (Murphy, 2002a). Since investors believed they had done nothing wrong, the majority initially defied the Tax Office’s demands that they pay back scheme related tax debts¹.

While the Tax Office has the ability to prosecute or impose heavy penalties on defiant taxpayers, they say they want to balance this approach by finding ways to build mutual trust between themselves and taxpayers. By doing this they can encourage taxpayers to voluntarily pay their fair share of taxes in the future. *The Australian Tax System Survey of Tax Scheme Investors* (that is, *Investors’ Survey*; Murphy, 2002b) was developed to obtain a snapshot of the beliefs, attitudes and motivations held by a national sample of scheme investors. Specific areas of interest were investors’ views of the Tax Office, the Australian tax system and how they believed the Tax Office handled the schemes issue. The *Investors’ Survey* was also designed to identify the possible reasons why taxpayers invested in tax minimisation schemes, why there was such widespread taxpayer resistance against the Tax Office’s debt recovery procedures, and perhaps more importantly, whether the aggressive tax planning market in Australia is supply or demand driven.

¹ At the time of starting the fieldwork for this study in January 2002 (three and a half years after the Tax Office first took recovery action against investors), fewer than 50% of scheme investors had entered into settlement arrangements with the Tax Office to pay back their tax debts. In February 2002, however, the Tax Office announced a settlement offer to investors whereby the interest and penalties on their scheme related debts would be abolished. Investors were given until 21 June 2002 to decide if they would accept the offer. The offer has been highly successful for the Tax Office. As of 21 June 2002, 87% of investors have been reported to have taken up the new offer (Source: personal communication with the Tax Office).

The survey therefore served two purposes. First, it gave a large number of scheme investors the opportunity to express their grievances directly to policy makers in the Tax Office. Second, the findings from the survey will be able to be used by the Tax Office to: (1) understand why such widespread investor resistance was met; (2) know how they can go about better managing their relationship with this group of taxpayer in the future; and (3) find out whether the aggressive tax planning market in Australia is driven by supply or demand.

Between January and April 2002, the *Investors' Survey* was posted to a random sample of 6000 tax scheme investors who had been selected from Tax Office case files. A total of 2301 completed surveys were received by the end of July 2002. After adjusting for out-of-scope taxpayers who had died or had moved address, a response rate of 43% was obtained (for details of the methodology see Murphy & Byng, 2002).

SURVEY FINDINGS

The *Investors' Survey* consisted of 11 different sections, each designed to measure tax scheme investors' attitudes and opinions towards the Tax Office and tax system. This report highlights some of the more important findings from each of these sections². In addition, at the back of this report is a codebook that details the breakdown of responses to each question from the survey. It should be noted that the open-ended questions in the survey that invited investors to provide in-depth written answers will not be analysed in the present report. Instead, analysis of these questions will be presented in future papers. It should also be noted that the results presented here are preliminary descriptive results. In-depth analyses examining the drivers of tax compliance are yet to commence.

² Given the number of websites that have been set up over the years for tax scheme investors, a concern was whether investors may have engaged in strategic answering of their surveys (that is, collusion). Sixteen surveys were found to be suspect. On closer inspection, nine of these surveys were chosen for deletion (see Murphy & Byng, 2002). Thus, the data analyses presented here are based on only 2292 surveys.

Section 1: Your Situation

Section 1 of the survey addressed the situation surrounding tax scheme investors' amended tax returns: how they came to be involved tax schemes; who they blamed for their circumstances; what impact it has had on their lives; and what impact it has had on their perceptions of the Tax Office. The first question respondents were asked in the *Investors' Survey* was whether they believed the Tax Office's request for them to amend their tax returns was reasonable. It was found that only 4% thought the request was reasonable. Another 11% considered the request partly reasonable and the majority (85%) did not consider it reasonable of the Tax Office to ask them to amend their tax return.

When questioned about where the idea to invest in schemes had come from, 69% of the respondents claimed they had got the idea from a financial adviser. For many other investors, the source of the idea came from their tax agent (34%), 15% got the idea from a seminar or lecture and 10% heard about schemes through work colleagues (see Table 1).

Table 1: Source of idea to invest in tax schemes

Source	Number answering 'yes'	Proportion answering 'yes' (%) [#]
<i>Professional contact</i>		
Financial adviser	1585	69
Tax agent	774	34
Other professional adviser	192	8
<i>Personal contact</i>		
Family	81	4
Work colleague	227	10
Business contact	135	6
Friend	191	8
<i>Marketing</i>		
Advertisement	146	6
Financial magazine/newsletter	80	4
Mail/Email	88	4
Seminar/lecture	345	15

Note: Respondents could indicate more than one source; [#]proportions were obtained by dividing by 2292.

Respondents were further probed about how they came to be involved in tax schemes. Thirty nine per cent of investors indicated that they had been directly approached by a tax

expert with the idea, with a further 14% indicating that a tax expert had ‘partly’ come to them with the idea. Only 16% indicated that they themselves had independently sought the advice of a professional to put the idea into practice. Overall these findings show that the majority of scheme investors acted upon professional advice, suggesting that the mass-marketed schemes market was supply driven. If the market had have been demand driven we would have expected to see significantly more investors getting the idea to invest from personal contacts (family, work colleagues, friends). Yet less than 28% of the investors claimed to have got the idea to invest from a personal contact. These findings also support previous research that has found that tax advisers are more likely to be the instigators of aggressive tax reporting (Hite & McGill, 1992; Tan, 1999).

As will be discussed in more detail in Section 6 to come, compliance is an unlikely outcome if people blame others for their own wrong-doing. In the case of scheme investors, 90% of the respondents felt that the Tax Office was ‘a lot’ or ‘completely’ to blame for the situation surrounding their amended tax returns. In contrast only 8% of the respondents felt that they themselves were ‘a lot’ or ‘completely’ to blame for their situation. Despite the amount of advice originating from financial advisers and tax agents, it was surprising to see that many investors did not blame these professionals for their situation (see Table 2).

Table 2: Blame assigned to each of four groups for the situation surrounding respondents’ amended tax returns

Focus of blame	No blame (%)	Some blame (%)	A lot or completely to blame (%)
Yourself	45	47	8
Your tax agent	44	26	30
Another professional	25	20	56
The Tax Office	3	8	90

Note: Percentages may not necessarily sum to 100 due to rounding

Section 1 of the *Investors’ Survey* also contained a miscellaneous set of questions designed to measure the impact receiving an amended assessment had made on investors’ lives. For many, the experience did not leave them unaffected. In fact, only 1% of the respondents

reported experiencing no anxiety at all as a result of receiving an amended assessment. At the more extreme end of the spectrum, 45% of the investors reported extreme levels of anxiety and 35% said that the amended assessment had caused a great deal of anxiety.

Receiving an amended assessment from the Tax Office also had an effect on investors' perceptions of the Tax Office. Overall, trust and respect for the Tax Office decreased significantly for all respondents. For instance, 90% of investors indicated that both their trust and respect for the Tax Office had been reduced by the actions of the Tax Office and 9% indicated no change in these attitudes. When asked whether their amended assessment had caused them to be more or less worried about future Tax Office enforcement action being taken against them, 75% of the respondents indicated that the amended return caused them to be more worried. Twenty-one percent indicated no change while 4% of investors said they were less worried about any possible future action. Most of the respondents also considered it unfair for the Tax Office to amend their tax assessment—92% indicated it was either 'completely' or 'partly' unfair. However, there were a small number who regarded the amendment to be fair to some extent (4%).

Respondents were also asked several questions about how they felt about their amended assessments. Approximately 18% of respondents accepted they had done something wrong by investing in schemes, but that it had not been intentional. Only 3% of investors indicated they had intentionally done something wrong by investing in schemes. Eighty-two per cent of respondents also indicated that they would like to put the matter behind them, but only 18% of these people indicated that they could put things right by paying what was due on their amended tax return.

Section 2: The Tax Office's Goals

Section 2 of the *Investors' Survey* presented taxpayers with the 12 principles outlined in the Tax Office's *Taxpayers' Charter*. The *Taxpayers' Charter* is the document that defines the kind of relationship the Tax Office aspires to have with the Australian public. In order to assess whether respondents believed the Tax Office behaves in accordance with these standards, respondents were asked to assess the Tax Office's performance on each of the

12 principles using a 5-point Likert scale (1 ‘almost never act in accordance with principle’ to 5 ‘almost always act in accordance with principle’). The scores presented in Table 3 represent the mean ratings given by respondents to each principle. The higher the score, the better the Tax Office’s performance (scores out of 5).

As can be seen in Table 3, the Tax Office performed the best on ‘keeping your information confidential’, ‘respecting your privacy’, and ‘accepting your right to get independent advice from a person of your choice’. The Tax Office performed worst on ‘being accountable for what they do’, ‘giving you advice and information’, and ‘helping to minimise your costs in complying with tax laws’.

Table 3: Mean ratings given by respondents on the degree to which the Tax Office meets its obligations under the Taxpayers’ Charter

Taxpayers’ Charter principles	Mean	Std. Deviation
Keeping your information confidential	3.80	1.12
Respecting your privacy	3.31	1.31
Accepting your right to get advice from a person of your choice	3.16	1.31
Giving you access to information they hold about you	3.03	1.27
Explaining decisions about your tax affairs	2.38	1.27
Treating you as honest in your tax affairs	2.37	1.25
Giving you the right to a review from outside the Tax Office	2.17	1.22
Treating you fairly and reasonably	2.18	1.05
Offering you professional service and assistance	2.08	1.12
Being accountable for what they do	2.08	1.09
Giving you advice and information	1.93	1.03
Helping to minimise your costs in complying with tax laws	1.78	1.00

Note: Unbolded items represent communal obligations, bolded items represent exchange obligations.

According to Braithwaite and Reinhart (2000), the 12 *Taxpayers’ Charter* standards can be clustered into two separate scales that can be called exchange and communal obligations to taxpayers. Exchange standards focus on the information to which taxpayers are entitled and the services they can expect in their dealings with Tax Office staff. Performing well on exchange standards is important because the provision of information about procedures and explanations for decisions has been shown to be particularly important for people’s perceptions of fairness and decision acceptance (Greenberg, 1993a; 1993b). Communal standards refer to the manner in which Tax Office staff treat taxpayers in their dealings

with them. Research has also shown that the way people feel they have been treated can enhance feelings of fairness (Tyler, 1997; see also Section 4 to come). When mean ratings given to each of these two clusters were combined, communal standards ($\underline{M} = 2.72$, $\underline{SD} = 0.89$) were found to rate slightly better than exchange standards ($\underline{M} = 2.35$, $\underline{SD} = 0.83$). While the difference between the two measures was found to be significantly different, $t = 14.31$, $p < 0.001$, it should be noted that the Tax Office was rated below the midpoint even for the communal standards.

Section 3: Experiences with the Tax Office

Section 3 of the survey captured respondents' personal experiences with the Tax Office. The questions asked about their personal dealings with the Tax Office in relation to income tax returns. By personal, we meant phone calls or correspondence above and beyond filing an income tax return and receiving tax assessments or refunds. By asking these types of questions we could explore whether respondents' experiences have affected how they view the Tax Office and the tax system. Questions covered whether respondents had ever been audited by the Tax Office, whether they had ever been fined or penalised by the Tax Office, whether they had ever contested an assessment given by the Tax Office, and whether they had ever requested information from the Tax Office. Responses to these questions could include their scheme related experiences as well as any previous experiences they may have had before being told to pay back scheme related deductions.

As can be seen in Table 4, 24% of respondents had been audited only once (7% more than once), 42% had been fined or penalised only once (15% more than once), and 38% had contested an assessment given by the Tax Office only once (13% more than once). A large number of respondents (69%) had never been audited before, 43% had never been fined or penalised before and 49% had never before contested an assessment given by the Tax Office. Also shown in Table 4 are responses given to the same questions by taxpayers in the general population (see Braithwaite, Reinhart, Mearns & Graham, 2001). While the findings between the two groups differ somewhat from each other, it should be noted that the figures for the investor sample might very well include the experiences they have had

with the Tax Office in relation to their tax scheme investments, thus inflating the investors' figures somewhat.

Table 4: Respondents' reported experiences with the Tax Office. Figures given in brackets represent responses given by taxpayers in the general population (Braithwaite et al., 2001)

Experience	Never (%)	Once (%)	More than once (%)
Had a Tax Office audit or investigation done	69 (82)	24 (15)	7 (3)
Contested an assessment given by the Tax Office	49 (85)	38 (12)	13 (3)
Been fined or penalised by the Tax Office	43 (86)	42 (n/a)*	15 (n/a)*
Requested personal tax information	52 (71)	25 (19)	22 (10)
Requested general tax information	48 (59)	20 (20)	32 (21)

Note: Percentages may not necessarily sum to 100 due to rounding

* Braithwaite et al. (2001) found that only 15% of taxpayers in the general population had ever been fined or penalised in some way by the Tax Office. Braithwaite et al., did not ask taxpayers to distinguish how many times this had occurred.

When questioned about whether they had requested information about their own tax situation from the Tax Office, 47% reported that they had done so at least once and 52% reported that they had requested general information about the tax system at least once.

Given the degree of resistance the Tax Office has experienced collecting scheme related tax debts, respondents were also asked whether they had an outstanding debt with the Tax Office. At the time the *Investors' Survey* went into the field, fewer than 50% of tax scheme investors had agreed to pay back their tax debts (Source: personal communication with the Tax Office). Consistent with this finding, 59% of survey respondents reported having an outstanding debt with the Tax Office at the time of completing their survey.

It has been suggested that taxpayers may form opinions about the Tax Office through the outcomes they receive (Braithwaite et al., 2001). Section 3 therefore included two questions on outcomes. The first question asked respondents how often they agreed with Tax Office decisions. Approximately 35% of investors expressed the view that they ‘mostly’ or ‘almost always’ agreed with the Tax Office’s decisions, 29% agreed with the Tax Office ‘sometimes’, 22% agreed with the Tax Office ‘on occasion’, and 15% of respondents almost ‘never agreed’ with the Tax Office. The second question asked respondents how often Tax Office decisions had been favourable to them. Approximately 17% indicated that decisions had been ‘mostly’ or ‘almost always’ favourable to them, 27% indicated that they had ‘sometimes’ been favourable, 19% indicated that they had been favourable ‘on occasion’ and 38% reported that Tax Office decisions were ‘almost never’ favourable to them.

Section 4: Your views on the Tax Office

Section 4 of the survey comprised 52 attitude statements. Respondents were asked to indicate how much they agreed or disagreed with each statement (responses could range from 1 ‘strongly disagree’ to 5 ‘strongly agree’). From the 52 attitude statements, 12 multi-item scales were constructed to measure motivational postures towards the Tax Office, respondents’ level of trust in the Tax Office, and views about the power, fairness and legitimacy of the Tax Office (see Murphy & Byng, 2002 for information on how all scales were constructed).

Motivational postures

Motivational postures represent the ways in which individuals position themselves in relation to a regulatory authority, and are predispositions to compliant or non-compliant conduct (Braithwaite, Braithwaite, Gibson & Makkai, 1994; Braithwaite, 1995). Braithwaite et al. (2001) has identified five motivational postures in the taxation context: commitment, capture, resistance, disengagement, and game-playing.

The two postures that reflect an overall positive orientation to authority are commitment and capture. If a taxpayer adopts a commitment posture towards the tax system, it means that they feel a sense of moral obligation to pay their taxes and pay their taxes with good will because they believe paying tax ultimately advantages everyone. The posture of capitulation means that a taxpayer may not be happy with the Tax Office or tax system, but they acknowledge that it is a part of life and that they must accept that taxes need to be paid. Capitulation signals an intention to be cooperative with the Tax Office.

In contrast to these postures, are three postures of defiance; resistance, disengagement and game-playing. According to Braithwaite (forthcoming) resistance reflects doubts about the intentions of the Tax Office to behave cooperatively and benignly towards those it dominates. Taxpayers who adopt a resistance posture are therefore likely to view the Tax Office with antagonism. This posture also ‘provides the rhetoric for calling on taxpayers to be watchful, to fight for their rights, and to curb Tax Office power’. Thus, these taxpayers believe that people should be prepared to take a stand against the Tax Office if needed. The posture of disengagement also communicates resistance, but here individuals have moved beyond seeing any point in challenging the authorities. Disengaged taxpayers do not care that they are not doing the right thing by the Tax Office and they believe that the Tax Office cannot do anything to them if they choose not to pay their taxes. Here, the main objective is to keep distance between themselves and the tax authority. The posture of game-playing has not previously been examined in other regulatory contexts. Taxpayers who adopt a game-playing posture enjoy the game of finding the grey areas of tax law and the challenge of minimising tax. In fact, they believe the Tax Office respects them for being creative in their tax affairs (thus, game-players comply with the letter of the law, but not necessarily its spirit).

From this description of the postures, it can be seen that taxpayers who adopt a committed or captured posture are more likely to be compliant, while those adopting the other three postures are more likely to be non-compliant, although this is not always the case. It is indeed possible for these postures to be held simultaneously, depending on the circumstance. A taxpayer may be genuinely committed to the tax system while at the same time being resistant to it. For example, those who resist most vocally, who challenge Tax

Office decisions and who are openly critical of the institution, are not necessarily more non-compliant as a group than taxpayers who choose other ways of engaging with the system. Instead, they might just be exercising their democratic right to protest against a particular decision or rule they feel to be unjust. In this case, resisters can therefore provide valuable feedback for tax administrations (Braithwaite, forthcoming).

With respect to the population under study, the posture receiving the strongest endorsement among scheme investors was commitment. Specifically, it was found that 93% of respondents reported being highly committed to the tax system (see Figure 1)³. This was followed by the posture of resistance (87%), capitulation (33%), game-playing (4%) and disengagement (3%).

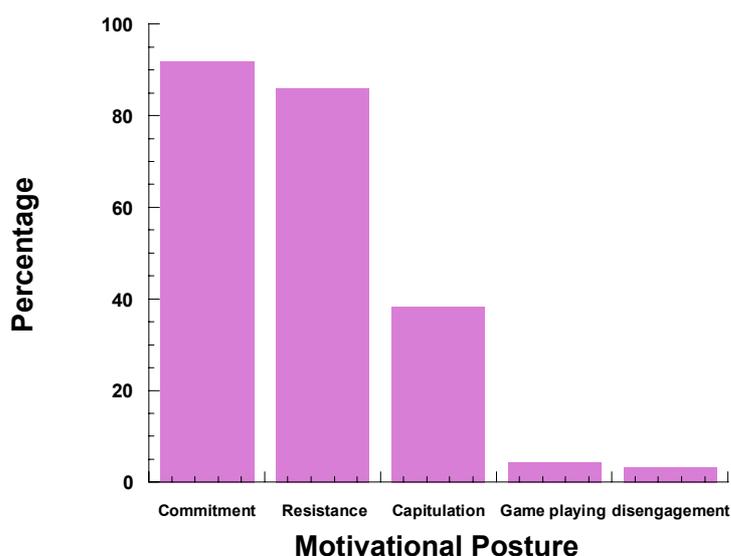


Figure 1: Level of endorsement for motivational postures

Of particular interest is the finding that 87% of investors reported being highly resistant towards the Tax Office. The figure of 87% differs somewhat from that of the general taxpayer population where only 55% of respondents were considered to be highly resistant

³ Taxpayers scoring 3 or higher on this scale were considered to be highly committed.

(Braithwaite et al., 2001). This difference is not surprising, however, when one considers the amount of investor resistance the Tax Office has met over their handling of the schemes issue.

Trust

Taxpayers' level of trust in the Tax Office was measured through an eight-item scale developed by Braithwaite (2001). Scores on the scale ranged from 1 to 5, with a high score indicating greater levels of trust in the operations and behaviour of the Tax Office. The scale incorporated items such as whether respondents thought the Tax Office could be trusted to administer the tax system fairly, whether it met its obligations to Australians and whether it took advantage of people who were vulnerable. It was found that respondents were somewhat distrusting of the Tax Office ($\underline{M} = 2.42$, $\underline{SD} = 0.69$) as their mean score fell slightly below the midpoint on the 1 to 5 scale. As can be seen in Figure 2, scheme investors' trust in the Tax Office was lower than the trust exhibited by taxpayers from the general population ($\underline{M} = 3.18$, $\underline{SD} = 0.65$; see Braithwaite et al., 2001). This difference was found to be statistically significant, $t = 36.9$, $p < 0.001$.

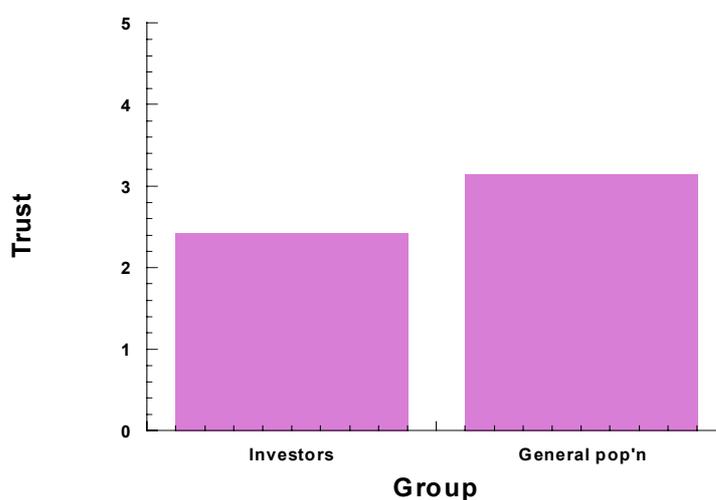


Figure 2: A comparison of investors and the general population on their level of trust in the Tax Office.

Perceived power

The perceived power of the Tax Office was measured through two multi-item scales representing Ayres and Braithwaite's (1992) concept of the 'benign big gun'. The 'benign big gun' concept describes a style of regulation that involves initially speaking softly to taxpayers while still having the capability to pull out the 'big guns' if necessary. The first scale represents the degree to which the Tax Office is seen as being powerful in its capacity to regulate small business, wage and salary earners, and self-employed individuals who defy it. The second scale represents the Tax Office's capacity to use power to bring large businesses and high wealth individuals back into line. Both scales again ranged from 1 to 5, with higher scores reflecting higher perceived levels of power. It was found that respondents thought the Tax Office had a lot of power for dealing with small business/wage and salary earners who defied them ($\underline{M} = 4.35$, $\underline{SD} = 0.57$) but were sceptical about the Tax Office's power to regulate defiant large businesses or wealthy individuals ($\underline{M} = 2.85$, $\underline{SD} = 1.22$).

Fairness and legitimacy

Procedural justice concerns the perceived fairness of the procedures involved in decision-making and the perceived treatment one receives from a decision maker. Three multi-item scales adapted from Tyler (1997) were used to measure aspects of procedural justice in the taxation context. These scales were 'Tax Office is fair', 'neutrality', and 'respect'.

One's judgment about whether or not an authority is motivated to treat them in a fair way, to be concerned about their needs, and to consider their arguments has been shown to be the primary factor that people consider when evaluating authorities (Tyler & Degoe, 1996; Tyler & Lind, 1992). If people believe that an authority is 'trying' to be fair and to deal fairly with them, they trust the motives of that authority and develop a long-term commitment to accepting its decisions. Neutrality includes assessments of honesty, impartiality, and the use of fact, not personal opinions, in decision-making. People basically seek a level playing field in which no one is unfairly advantaged. As people are seldom in the position to know the correct outcome, they focus on the evidence that the procedures are even-handed. Research has also shown that being treated politely, with

dignity and respect, and having genuine respect shown for one's rights and social status, all enhance feelings of fairness. These findings are especially striking in that such treatment is essentially unrelated to the manner in which their dispute is resolved (Tyler, 1997; 2001).

Also measured were two additional procedural justice scales adapted from Braithwaite and Makkai (1994). They were Tax Office engagement in the consultation process, and the degree to which the Tax Office communicates to taxpayers that they consider them trustworthy. Consultation and trustworthy treatment are thought to be precursors to feeling respected and were considered to be particularly important in the context of tax schemes. Once again, all scores on these five scales ranged from 1 to 5.

As can be seen in Table 5 the Tax Office was rated below the midpoint on all but one of the measures of procedural justice. According to scheme investors, the Tax Office performed particularly poorly on the consultation measure, suggesting that the Tax Office did not appear to consult widely with taxpayers involved in schemes before issuing amended assessments. In this regard, investors appear to be unaware of the extensive consultation that the Tax Office had undertaken with the promoters and advisers who represented investors. The finding from the survey indicates that taxpayers do value the consultation process and would like to be personally involved in it. Overall, the findings on the procedural justice measures indicate that scheme investors feel they have been poorly treated by the Tax Office.

Table 5: Respondents' mean scores on procedural fairness and legitimacy scales

Scales	Mean	Std. Deviation
<i>Procedural Fairness</i>		
Tax Office is fair	2.15	0.78
Neutrality	2.49	0.75
Respect	3.13	0.52
Trustworthy treatment from the Tax Office	2.37	0.88
Consultation	1.98	0.67
<i>Legitimacy</i>		
Favourable evaluation	2.03	0.69
Obligation to accept Tax Office decisions	1.99	0.84

Scale range from 1 (strongly disagree) to 5 (strongly agree)

Within political psychology, procedural justice is widely hypothesised to be an antecedent of legitimacy. The feeling of obligation to defer or accept decisions made by an authority is typically labelled legitimacy. Researchers (for example, Tyler, 1997; Tyler & Lind, 1992) have argued that people who feel they have been fairly treated by an authority regard their authority status as more legitimate. If an organisation is perceived to be legitimate then people are generally more likely to follow and accept their decisions. Two measures of legitimacy were assessed in the *Investors' Survey*. The two measures were taxpayers' 'obligation to accept Tax Office decisions' and 'favourable evaluation'. These two multi-item scales were adapted from Tyler (1997) to specifically assess the perceived legitimacy of the Australian Taxation Office. As can be seen in Table 5, scheme investors strongly question the legitimacy of the Tax Office (indicated by low scores on the two measures). These findings support Tyler's (1997) work that has shown that people who feel they have been unfairly treated by an authority will regard that organisation's authority status as less legitimate.

Section 5: Comparing yourself to others

Section 5 of the survey was designed to evaluate the perceived fairness of the tax system; specifically, whether respondents think different groups in the community are paying more or less than their fair share of tax. This assessment of fairness was measured by providing respondents with a list of 18 different occupational groups (six adapted from Kinsey & Grasmick, 1993; and 12 developed by researchers at the Centre for Tax System Integrity) and asking them to rate whether they paid 'much more', 'a bit more', 'about right', 'a bit less' or 'much less' than their fair share of tax. Three scales were constructed from these 18 items to represent 'top of the town' occupations, small business occupations, and lower wage and salary earners. A fourth scale was also constructed out of the items to measure whether respondents thought they themselves were paying their fair share of tax.

As can be seen in Table 6, less than 1% of the respondents thought that wage and salary earners paid less than their fair share of tax, while 33% indicated that people in 'top of the town' occupations (for example, CEOs and surgeons) paid less than their fair share. Similarly, most respondents thought they themselves, along with wage and salary earners,

paid more than their fair share of tax (94% and 83% respectively), but only 21% thought that high income earners paid more than their fair share. This pattern of findings suggests that there is a large perceived discrepancy between the fairness of contributions made by the top end of town and ordinary taxpayers.

Table 6: Perceived fairness of the tax system for different occupational groups

Occupational Group	Pay more than fair share (%)	Pay their fair share (%)	Pay less than fair share (%)
Yourself	94	5	<1
Wage and salary earners	83	17	<1
Small business owners	61	30	9
Top of the town	21	47	33

Note: Percentages may not necessarily sum to 100 due to rounding

Section 6: A scenario

Section 6 of the survey presented respondents with a hypothetical scenario designed to test the central propositions of deterrence theory. The scenario asked respondents to imagine they had illegitimately claimed \$5000 as work deductions on their tax return.

Probability of detection

Respondents were first asked to indicate what they thought the chances were that they would get caught for claiming this illegitimate deduction. It is interesting to note that approximately 70% (28% + 42%) of investors think there is a greater than 50% chance that they will be caught for making a false deduction on their tax return (see first row of Table 7). This finding is interesting as it differs somewhat from perceptions held in the general taxpaying community. Braithwaite et al. (2001) found that only 59% of taxpayers in the general population think there is a greater than 50% chance they will be caught for making an illegitimate claim. The difference between the two samples may be attributable to the fact that taxpayers responding to the *Investors' Survey* have been caught and accused of tax avoidance by the Tax Office, thus making them more likely to think they will be detected for making a potentially illegitimate claim.

When determining compliance behaviour, deterrence researchers suggest that a number of dimensions need to be taken into account, apart from just the likelihood of getting caught (Grasmick & Bursik, 1990). These extra dimensions include the perceived probability of receiving various punishments, and the psychological and social consequences of being caught. These additional dimensions of deterrence were also assessed in the *Investors' Survey* and the findings are presented in the following sections.

Perceived probability of receiving various punishments

In order to test the perceived probability of receiving various punishments, respondents in the *Investors' Survey* were asked what the chance would be of receiving four types of punishment if they did get caught for making an illegitimate \$5000 work deduction on their tax return. Key descriptive findings are summarised in rows 2-5 of Table 7. Also presented in Table 7 are the responses given to the same questions by taxpayers in the general population (figures in brackets taken from Braithwaite et al., 2001).

Table 7: Profile of responses given to questions assessing the perceived probability of getting caught and receiving various punishments for making false tax deductions. Figures in brackets represent responses given by the general taxpaying community (Braithwaite et al., 2001)

Source of Deterrence	0% chance	25% chance	50% chance	75% chance	100% chance
Getting caught	1 (2)	8 (10)	21 (29)	28 (26)	42 (33)
Being taken to court + fine + tax with interest	16 (9)	15 (15)	15 (22)	13 (17)	41 (37)
Being taken to court + tax with interest	18 (8)	16 (13)	15 (27)	14 (20)	37 (32)
Paying a fine + tax with interest	3 (2)	5 (8)	12 (23)	19 (26)	61 (42)
Paying tax with interest	11 (5)	7 (8)	9 (16)	12 (19)	61 (52)

Note: Percentages may not necessarily sum to 100 due to rounding

As can be seen in Table 7, responses given by scheme investors were generally comparable to responses given by the general taxpaying population. Of particular interest, however, is the finding that 61% of investors believe there is a 100% chance of having to pay back tax with interest and a fine if caught making a false deduction on their tax returns. This compares to 42% in the general population. This substantial difference between the two groups may again be attributable to the fact that scheme investors were initially told they had to pay interest and penalties on their scheme related tax debts⁴. Investors, therefore, may be more likely to think paying tax with interest and penalties is the norm if caught for an offence.

Psychological and social problems posed by being caught

As mentioned above, there are also psychological and social problems posed by being caught for making false tax claims which may go on to influence compliance behaviour. These psychological and social dimensions were measured two ways in the *Investors' Survey*. First, respondents were asked how much of a problem it would be for them if they received various types of punishment⁵. As can be seen in Table 8, 87% of respondents thought it would be a large problem if they were taken to court, fined and told to pay their tax with interest. The majority of respondents (66%) also believed being fined and paying their tax with interest would be a large problem. Only a small proportion of investors felt that none of the legal consequences would pose a problem. These findings are also in line with those found in the general population (see Braithwaite et al, 2001).

⁴ As noted earlier, the Tax Office's most recent settlement offer offered investors the opportunity to have the interest and penalty component of their scheme related debt waived if they agreed to enter into a settlement arrangement to repay their tax debt.

⁵ Respondents were not required to clarify what sort of problem receiving a punishment would cause for them, only how much of a problem it would be. 'Problem' here could therefore refer to any number of perceived problems (financial, feeling stigmatized, embarrassment, anxiety, and so on).

Table 8: Proportion of respondents claiming the following legal consequences would be a problem. Figures in brackets represent responses given by the general taxpaying community (Braithwaite et al., 2001)

Source of Deterrence	No problem (%)	Small problem (%)	Medium problem (%)	Large problem (%)
Being taken to court, fined and told to pay tax owing with interest	1 (3)	2 (3)	10 (13)	87 (81)
Being taken to court and told to pay tax owing with interest	2 (3)	3 (5)	17 (21)	78 (72)
Being fined and told to pay tax owing with interest	2 (3)	4 (7)	28 (28)	66 (63)
Paying tax owing with interest	5 (8)	17 (19)	37 (31)	41 (42)

Note: Percentages may not necessarily sum to 100 due to rounding

The second way in which the psychological and social dimensions of deterrence were measured was by asking respondents 13 questions about how they would feel if they had to pay a substantial fine or penalty. Respondents were asked to respond to each of these 13 statements on a 4-point Likert scale (1 ‘not likely to feel this way’ to 4 ‘almost certain to feel this way’). The 13 statements were based on Eliza Ahmed’s (1999) work on shame management and responses to nine of the statements were combined to form the shame acknowledgment scale. According to Ahmed (1999), compliance is an unlikely outcome unless punishment results in reactions of shame acknowledgment (feeling guilty and embarrassed, wanting to put things right). Ahmed also argues that those who do not feel shame for wrong-doing are likely to displace their shame. Shame displacement undermines compliance as it leaves people feeling angry and resentful towards the authority imposing the punishment. People who displace their shame are also more likely to blame others for their wrong-doing. The shame displacement scale was formed by combining responses to four of the 13 statements. Respondents’ mean score to both the shame acknowledgment and shame displacement scales are presented in Table 9.

Table 9: Mean shame responses to receiving a substantial fine or penalty. Standard deviations given in brackets

Shame response	Investors	General Population
Shame acknowledgment	2.74 (0.85)	3.05 (0.84)
Shame displacement	2.28 (0.78)	1.81 (0.70)

Scores on a 1(not likely) to 4 (almost certain) scale

Using independent samples t-tests to compare investors' shame responses to those of the general taxpaying community, it was found that taxpayers who invested in tax effective schemes were significantly less likely to acknowledge their shame than taxpayers in the general population, $t = -11.79$, $p < 0.001$. Investors were also significantly more likely to displace their shame onto others, $t = 20.32$, $p < 0.001$.

Summary

When taken together, the findings from Section 6 of the *Investors' Survey* suggest that a regulatory strategy based purely on deterrence (monetary fines or probability of detection) may go some way to preventing tax avoidance, but is unlikely to be the most effective strategy for gaining compliance among all taxpayers. Instead, the findings suggest that taxpayer's attitudes and reactions to their wrong-doing (that is, their shame responses), in addition to economic calculations or fear of punishment, need to be considered when designing an effective regulatory strategy. This idea will be discussed in more detail in the Discussion section to come.

Section 7: Taxpaying behaviour

Tax Compliance behaviour

Section 7 of the survey measured the degree to which taxpayers do the right thing or not by using a number of different measures of compliance behaviour. When questioned about lodgment of tax returns, it was found that approximately 76% of investors had lodged their most recent tax return (that is, in this case it was for the 2000/2001 financial year).⁶ This compared to 96% for the general population (see Braithwaite et al., 2001). When questioned about their most recently lodged income tax return, 95% of the investors said they had not exaggerated the amount of deductions or rebates claimed. Further, 91% said they were absolutely confident that all deductions and rebates claimed were legitimate, 7% said they were unsure about some of them, and 2% said they did not have a clue as someone else prepared their return for them.

⁶ A further 22% had lodged their previous year's tax return (1999/2000).

Respondents were also asked about their tax minimisation strategies. Approximately 24% of investors said they had looked at several different ways to minimise tax in preparing for their most recent tax return, and 17% reported that they had put quite a lot of effort into doing it.

When examining the types of minimisation strategies respondents said they used in their most recent tax returns, it was interesting to find that 46% said they had used negative gearing of property or shares, 21% had used salary packaging, and 38% had used superannuation planning. All of these strategies have been considered by the Tax Office to be legitimate forms of tax minimisation. These findings indicate that taxpayers who have invested in tax schemes are much more likely to make use of various tax minimisation strategies than taxpayers from the general population (results from the general taxpayer population were 12%, 7%, and 20% respectively, Braithwaite et al., 2001).

When questioned about whether they had been able to minimise their tax through more risky ventures in their most recent income tax returns, approximately 5% of respondents said they had done so with warrants or leveraged investments, 5% had done so using employee share arrangements, 2% had done so using schemes to convert income into capital gains, and less than 1% had minimised their tax through off-shore havens or other international tax planning. A somewhat surprising result was the finding that 418 (19%) of the survey respondents had used tax schemes (that is, film schemes, agricultural schemes) to minimise tax in their most recent income tax return. This result was surprising because in 1998 the Tax Office implemented measures to prevent future scheme involvement by taxpayers⁷. Upon closer inspection of the data it was found that 98% of these 418 investors said they had used tax schemes to minimise their tax after 1998. While there is no way of knowing from the survey data whether the schemes these 418 respondents invested in were acceptable to the Tax Office, the finding that 94% of all survey respondents indicated that

⁷ Part of the Tax Office's initiative towards preventing future scheme involvement included issuing Product Rulings to new scheme arrangements. Product Rulings are intended to provide certainty for potential investors by confirming the tax benefits of the investment. Product Rulings apply to all participants in an investment but only continue to apply if the arrangement is carried out in accordance with the information provided to the Tax Office.

they would not touch any tax scheme that did not have a valid Product Ruling suggests that they may have been legitimate tax arrangements.

Survey respondents were also asked a miscellaneous question in Section 7 which was designed to assess whether they thought, compared to five years ago, that people were more or less prepared to go in for tax schemes that relied for their success on loopholes in the law. Twenty-one per cent of respondents believed that people were now ‘a little more’ or ‘much more’ prepared to enter into tax schemes, 14% thought it was ‘about the same’, and 8% believed people were ‘a little less’ prepared. The interesting finding from this question was that 44% of respondents thought people were ‘much less’ prepared to enter tax schemes that rely for their success on loopholes in the law. This finding indicates that the Tax Office’s moves to discourage future marketing and investment in such arrangements has been quite effective, at least with this group of taxpayer.

Understanding of the self-assessment system

In the 1986/87 financial year, the Tax Office introduced a self-assessment system to taxation. Under this system, the Tax Office takes all deductions and claims made in a tax return at face value. Under Part IVA of the *Income Tax Assessment Act*, the Tax Office then has up to six years⁸ in which to review the legitimacy of a claim and disallow it if they consider it to be illegitimate.

Section 7 of the *Investors’ Survey* aimed to explore empirically whether investors understood their obligations under the self-assessment system. Approximately 36% of respondents did not know that the Tax Office could disallow a deduction up to six years after it was made. In addition, 58% believed that receiving a tax refund from the Tax Office meant that they had approved any deductions claimed in a tax return. These findings illustrate a general lack of understanding of our self-assessment system and they indicate that the Tax Office needs to do more to educate the public about their obligations under self-assessment.

Section 8: Some additional issues

Section 8 was designed to measure how much importance investors placed on particular issues when designing a new tax system. Section 8 also investigated the role that tax agents play in taxpayer compliance. Before doing so, however, survey respondents were first asked to rate how satisfied they were with the way the government spends taxpayers' money. Using a 5-point Likert scale (1 'dissatisfied' to 5 'satisfied') the mean rating given to this question was 2.42 ($SD = 1.03$), indicating that investors were more likely to feel dissatisfied than satisfied with government spending. This finding did not differ significantly from that found in the general taxpayer population ($M = 2.48$, $SD = 1.02$; see Braithwaite et al., 2001).

Priorities for tax reform

Respondents were asked to indicate how much importance they thought policy makers should attach to 14 issues when designing a new tax system. The issues given the highest priority were getting rid of the grey areas of tax law (61% said of the utmost importance) and making sure large corporations pay their fair share of tax (60%). The first result was not unexpected given that many of the survey respondents fell victim to tax loopholes.

Next on the list of issues attracting an utmost importance rating were: (a) minimising the regulations and paperwork for taxpayers (50%); (b) keeping the costs of administering the tax system down (46%); (c) broadening the tax base so that everyone makes some contribution (45%), (d) improving the competitiveness of Australian businesses (39%); (e) making the amount of tax paid by all large corporations publicly available (39%); (f) keeping taxes as low as possible (39%); (g) giving corporations incentives to serve the community (33%); (h) making the whole tax system simpler through getting rid of as many exemptions as possible (32%); (i) looking into a flat rate of tax (29%); (j) making sure that the government has a secure source of revenue to provide public goods (29%); (k) ensuring that people who are wealthier pay more tax (23%); and (l) getting rid of as many deductions as possible (9%).

⁸ Longer in the case of blatant tax evasion.

The use of tax agents

Section 8 of the *Investors' Survey* also assessed the role that tax agents play in taxpayer compliance. Not surprisingly, it was found that the majority of respondents used a tax agent to prepare their most recent income tax return. In fact, 93% of the respondents reported using a tax agent to prepare their most recent tax return. Figures from the general population indicate that approximately 70% of taxpayers use a tax agent (Braithwaite et al., 2001). The large difference between investors and the general population may reflect the fact that significantly more investors use various forms of tax minimisation (see Section 7), and therefore use tax agents to prepare an accurate tax return.

This suggestion is supported by the following findings. When asked why they used a tax agent, the primary reason given was 'fear of making a mistake'; 48% of respondents indicated they were afraid of making a mistake on their tax return. This was followed by 'wanting to legitimately minimise the tax they were required to pay' (28%), and 'having insufficient time to prepare their returns themselves' (23%). Only four respondents indicated they used a tax agent to avoid tax.

Survey respondents were also asked to indicate what types of qualities they look for when choosing a tax agent. From their responses, it was found that tax agents can be grouped along three dimensions: (1) low risk with no fuss style; (2) minimising with conflict avoidance style; and (3) creative accounting and aggressive tax planning style. In the general population, it has been found that the majority of taxpayers prefer an honest/no fuss tax agent (Sakurai & Braithwaite, 2001; see also Collins, Milliron & Toy, 1990; Hite & McGill, 1992; Tan, 1999). Sakurai and Braithwaite (2001) also found that the aggressive tax planning agent is by far the least popular preference among ordinary taxpayers.

The same pattern of findings was obtained in the investor sample. As can be seen in Figure 3, the highest priority was given to the low risk with no fuss approach agent, followed by cautious minimising with conflict avoidance type, and finally, the creative and aggressive planning style (scores on a 1 'low priority' to 4 'top priority' scale). When exploring the data in more detail, it was found that 54% of the respondents indicated that a low risk and

no fuss tax agent was of top priority to them. Approximately 5% indicated that a tax agent who minimised their tax legitimately was of top priority and only 3% indicated that a creative and aggressive minimising agent was of high or top priority.

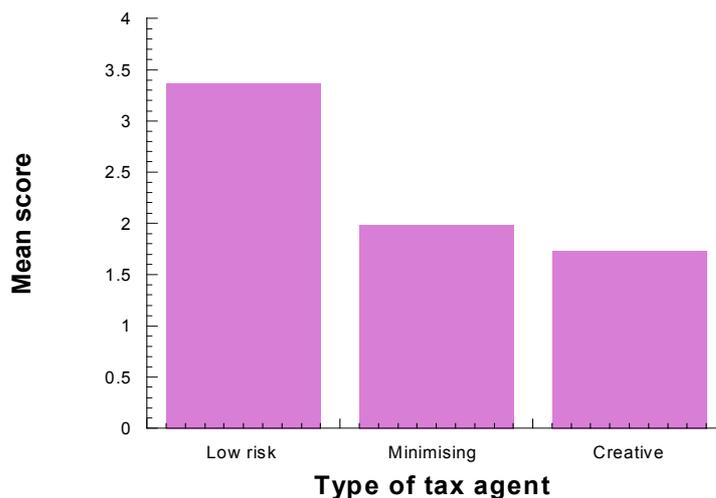


Figure 3: Preferences for different types of tax agents

As can be seen in Table 10, a moderately high correlation was obtained between investors indicating they had a preference for a cautious minimising tax agent and a creative/aggressive style of tax agent ($r = 0.53$). This finding suggests that those who look for a tax agent to minimise their tax cautiously are also open to considering a tax agent who does the job more aggressively (see Sakurai & Braithwaite, 2001 for findings in the general taxpayer population). No correlation was observed between those who want a low risk tax agent and the other two groups.

Table 10: Means and pearson product-moment correlations between the preferred tax agent scales. Standard deviations are given in brackets

Type of Agent	Mean (SD)	Low risk, no fuss approach	Cautious minimising approach	Creative and aggressive tax planning
Low risk, no fuss approach	3.37 (0.58)	1.00		
Cautious minimising approach	1.99 (0.71)	-0.07	1.00	
Creative and aggressive tax planning	1.73 (0.68)	-0.01	0.53**	1.00

**p < 0.01⁹

Sakurai and Braithwaite (2001) also showed that taxpayers in the general population are likely to find tax practitioners who have the attributes they value most highly. Their finding suggests that a small number of taxpayers do in fact look for, and ultimately find, an aggressive tax agent who will aggressively minimise the tax they are required to pay. This suggestion was also tested with the *Investors' Survey*. As can be seen in Table 11, taxpayers whose preference was for a low risk tax agent were more likely to judge their current tax agent as honest (as indicated by the positive correlation; $r = 0.30$). They also reported that their current tax agents were less likely to suggest complicated tax minimisation schemes (as indicated by the negative correlation; $r = -0.22$) and were less likely to arrange their clients' affairs to minimise tax ($r = -0.13$).

A different pattern emerged for those respondents who indicated that they preferred a tax minimising approach, regardless of whether the approach was cautious minimising or aggressive minimising. These taxpayers were more likely to describe their current tax agent as someone who was helpful in interpreting ambiguous or grey areas of tax law ($r = 0.26$ and $r = 0.25$, for cautious and aggressive approach respectively), were clever in the way they minimised their client's tax ($r = 0.34$ and $r = 0.26$, respectively), and were more likely to have suggested complicated tax avoidance schemes ($r = 0.12$ and $r = 0.16$, respectively). These findings, taken together, suggest that taxpayers who prefer tax agents who can minimise their tax actually find the tax agents who are good at finding loopholes,

⁹ p values represent the level of significance of a finding. p < 0.01 indicates that there is a 1% chance that the obtained result could be wrong.

and taxpayers who prefer a low risk and honest tax agent also find a tax agent who fits that description.

When specifically questioned about the tax return that had landed them in trouble with the Tax Office, 74% of the survey respondents indicated that they had sought advice about the legitimacy of the investment from a tax agent before investing. This finding is interesting because it suggests that tax agents tend to be more adventurous than their clients in thinking that a particular minimisation strategy will be upheld by a subsequent legal challenge (see also Hansen, Crosser & Laufer, 1992).

Table 11: Pearson product-moment correlations between the preferred attributes of tax agents and the perceived attributes of the tax agents that respondents are currently using

Perceived attributes of current tax agent	Preference		
	Low risk, no fuss approach	Cautious minimising approach	Creative and aggressive tax planning
My tax agent is a very honest person	0.30***	-0.01	-0.03
My tax agent helps me interpret ambiguous or grey areas of the tax law in my favour	-0.04	0.26***	0.25***
I have a tax agent who is clever in the way they arrange my affairs to minimise tax	-0.13***	0.34***	0.26***
My tax agent has warned me against getting involved in tax planning schemes	0.08***	-0.01	-0.02
My tax agent has suggested complicated schemes I could get into to avoid tax	-0.22***	0.12***	0.16***

***p < 0.001¹⁰

Section 9: Another scenario

Section 9 of the *Investors' Survey* presented respondents with another hypothetical scenario¹¹ that was designed to assess how much taxpayers are likely to accept their tax agent's advice (even if they know the advice is legally questionable). The scenario asked

¹⁰ p < 0.001 indicates that there is a 0.1% chance that the obtained result could be wrong.

respondents to imagine that the tax law surrounding one of their deductible expenses was ambiguous. Respondents were then asked to imagine that their tax agent told them that if they claimed the deduction there would be a low probability that their tax return would be audited, and that if they were audited, the penalty would be mild.

Using 5-point Likert scales, respondents were first asked to indicate whether they would agree or disagree with their tax agent’s advice not to claim the ambiguous deduction (1 ‘definitely yes’ to 5 ‘definitely no’). They were then asked whether they would agree or disagree with their tax agent’s advice to claim the ambiguous deduction. The agreement to retain the services of the tax agent based on their advice (not claim vs. claim) was also examined. Table 12 shows investors’ mean responses to each of the four questions as a function of the tax agent’s recommendations.

Table 12: Respondents’ agreement with the tax agents’ recommendation. Standard deviations are given in brackets

Tax agent’s recommendation	Agreement with advice	Retain agent
Not to claim deduction	1.51 (0.78)	1.52 (0.81)
Claim deduction	2.84 (1.22)	2.52 (1.13)

Scores on a 1(definitely yes) to 5(definitely no) scale

When considering whether respondents would agree with their tax agent’s advice, it can be seen in Table 12, that both scores (1.51 and 2.84) fell below the midpoint on the 5-point scale. While investors were significantly more likely to agree with their agent’s advice not to claim ($\underline{M} = 1.51$) than to claim ($\underline{M} = 2.84$) the ambiguous deduction, $t = -43.65$, $p < 0.001$, the findings still indicate that respondents generally tend to agree with their tax agent’s recommendation, irrespective of whether the recommendation was to claim or not to claim the deduction.

Taxpayers were also asked whether they would retain the services of their tax agent based on the advice they were given. While respondents were significantly more likely to retain the services of the agent if the advice given was not to claim ($\underline{M} = 1.52$) than to claim

¹¹ Scenario was taken from Hite and McGill (1992).

($M = 2.52$), $t = -34.29$, $p < 0.001$, the fact that both mean scores were again below the midpoint on the 5-point scale indicates that they would generally retain their agent irrespective of the advice given.

Taken together, these findings have serious implications, as they suggest that tax agents have a significant amount of influence over taxpayers' decisions to comply with tax laws. With this in mind, it would be wise for government to consider developing guidelines that place some onus of responsibility on the professionals who assist taxpayers to prepare their tax returns.

Section 10: Cash transaction behaviour

Section 10 of the *Investors' Survey* asked taxpayers about their cash transaction behaviour and their attitudes towards the cash economy¹². Cash transaction behaviour is another measure of compliance behaviour and it gives an indication, in part, of taxpayers' commitment to paying their fair share of tax.

Cash transactions

It was found that only 4% of investors had worked for cash-in-hand payments in the past 12 months, but 21% had paid cash-in-hand to others who had provided them with services. These findings are interesting in that they differ slightly from the general population. Braithwaite et al. (2001) found that 6% of taxpayers in the general population had worked for cash-in-hand payments and 14% had paid someone else cash-in-hand. The large difference between the cash payment groups might be explained by the fact that taxpayers in the investor population have higher incomes, which would provide them with more disposable income in which to pay others to do work for them.

¹² Cash economy participation was defined as exchanging cash for work without paying tax on that money.

Respondents were also asked to provide information about how much they had either spent or received in the cash economy.¹³ As can be seen in Table 13, the average amount of money paid out in cash was approximately \$2100, but the most frequently quoted amount paid out (that is, the mode) was only \$200¹⁴. With respect to cash-in-hand payments that were received by respondents, it was found that an average of approximately \$7600 had been earned in the cash economy. However, it can be seen that the most frequently reported amount being earned was \$1000 per annum.

Table 13. The amount of cash-in-hand money (\$) that respondents reported earning or paying for services per annum. Standard deviations are given in brackets

Cash transaction	Mean (\$AUS)	Median (\$AUS)	Mode (\$AUS)
Received cash-in-hand (n = 85)	7589 (20 923)	1000	1000
Paid out cash (n = 454)	2134 (3842)	975	200

Attitudes to the cash economy

Also measured in Section 10 of the survey were respondents' attitudes towards the cash economy; specifically, the extent to which respondents approved or disapproved of the cash economy. These attitudes were measured through two multi-item scales. One measured the degree to which respondents thought working in the cash economy was smart, another whether respondents would openly criticise someone for working in the cash economy (see Table 14 for results). As can be seen, respondents did not have strong opinions about whether working in the cash economy was smart or not as their mean score fell close to the midpoint of the 5-point scale (\bar{M} = 2.49). In addition, they tended to report that they would not criticise someone openly about their cash economy behaviour (\bar{M} = 2.23).

¹³ Many of the respondents who indicated that they had paid for or worked for cash-in-hand payments did not provide the amounts that they had spent or received. Thus, the figures presented in Table 13 are only for those who did provide the information.

¹⁴ Sometimes it is better to report the median or mode of the measure of interest as highly unusual figures can affect the mean.

Table 14: Responses given to variables measuring attitudes towards the cash economy

Scale	Mean	Std. Deviation
Tax evasion admiration	2.49	0.82
Open criticism	2.23	0.85

Scores given on a 1 (highly unlikely) to 5 (highly likely) scale

Attitudes to tax evasion

Section 10 of the survey also presented respondents with a range of questions designed to measure their views and honesty towards paying tax; specifically, whether they believed they should honestly declare all cash earnings and not overstate deductions on their tax returns. Past research has shown that most people believe they should be honest in their tax dealings (for example, Wenzel, 2001a; 2001b), and as can be seen in Table 15, investors generally thought of themselves as honest taxpayers. Respondents were also asked about their perceptions of how most other people would respond to these tax honesty questions. It was found that respondents believed others do not think they should be honest in their tax affairs. What these findings suggest is that respondents suspect that other taxpayers evade tax and regard this as an appropriate behaviour, while they themselves personally disapprove of such behaviour.

Table 15: Responses given to variables measuring attitudes towards tax evasion. Standard deviations are given in brackets

Views of the cash economy	Personal view	Perceived Others' view
You should honestly declare cash earnings on your tax return	3.77 (1.05)	2.44 (1.06)
It is acceptable to overstate tax deductions on your tax return	1.85 (0.77)	3.24 (1.02)
Working for cash-in-hand payments without paying tax is a trivial offence	2.49 (1.10)	3.49 (0.96)
The government should actively discourage participation in the cash economy	3.71 (1.06)	3.05 (1.04)

Scores given on a 1(NO!!) to 5(YES!!) scale

These findings were of interest because it has previously been shown that one's own tax non-compliance can be affected by the perceived non-compliance of others (for example, Bosco & Mittone, 1997; De Juan, Lasheras & Mayo, 1994; Kaplan & Reckers, 1985;

Webley, Robben & Morris, 1988; Wenzel, 2001a; 2001b). Following this line of reasoning, it is possible that scheme investors were attracted by the large tax breaks offered by scheme investments because of their misperception that many other taxpayers try to avoid tax. If this is the case, attempts to reduce taxpayer non-compliance by dispelling these widely held misperceptions may prove to be particularly effective.

Views on services received from the Government

Finally, Section 10 asked respondents two questions designed to measure what they thought about the goods and services they received from government. It was found that 62% of investors did not think the tax they paid was fair given the goods and services they received from the government. This compared to 46% in the general population (Braithwaite et al., 2001). In addition, 53% of investors indicated that they would prefer to pay less tax even if it meant receiving a more restricted range of goods and services. This compared to 31% in the general population (Braithwaite et al., 2001).

Section 11: Background Information

The final section of the *Investors' Survey* contained socio-demographic questions. Usually, collecting these data would assist in providing an indication of the extent to which the sample reflects the population of investors under study. However, the limited amount of demographic data available on the Tax Office database of scheme investors made it difficult to make many comparisons between the sample and the population (see Murphy & Byng, 2002). So instead, the questions were asked so that subgroups within the sample could be compared.

Most of the respondents to the survey were male (82%) and 17% were female.¹⁵ The average age for both men and women was 46 years old with men ranging from 24 to 76 years of age and women ranging from 25 to 81 years of age.

¹⁵ 1% of respondents did not provide their gender.

Seventy-two per cent of respondents were born in Australia whilst the remainder were born overseas. Of the 28% of overseas-born respondents, 40% of these were from non-English speaking countries; primarily Malaysia, Germany, Italy, India and the Netherlands.

Respondents to the *Investors' Survey* were highly qualified in comparison to Australia-wide education levels. Very few respondents had limited schooling, with less than 1% indicating they had no schooling or only primary level. Forty-three per cent held a bachelor degree or higher qualification (16% had attained a postgraduate qualification). The figures for the general taxpayer population were 6%, 24% and 6% respectively (Braithwaite et al., 2001).

Income levels disclosed by respondents to the survey were also found to be very high. The average personal income was reported to be \$73 000 and the average family income was reported to be \$93 000 (this compares to \$28 000 and \$49 000 in the general population; Braithwaite et al., 2001). It was found that female respondents had lower income levels than male respondents. While men averaged \$78 000 per annum, women earned around \$51 000. This divergence was also observed in family income levels where family income for male respondents averaged \$94 000 and for female respondents averaged \$87 000. Of particular interest was the finding that investors' level of education was not very highly correlated to their personal income level ($r = 0.29$). This finding indicates that those who were more highly educated did not necessarily earn more money.

The findings taken together are particularly interesting because many of the stories printed in the media over the years have highlighted the plight of scheme investors by indicating that they are Aussie battlers trying to get ahead in life. The results from the *Investors' Survey* instead suggest that scheme investors, as a group, are considerably wealthier and more educated than taxpayers in the general population.

When examining labour force status it was found that most respondents were working—81% worked full time and 8% worked part time. Six per cent were retired and the remaining 5% were either unemployed, keeping house or studying. For those who did work either full-time or part-time, 59% were privately employed, 22% were self-employed,

in partnership or had their own business, 17% worked for either local, state or the federal government, and 2% worked in other non-profit organisations (for example, universities).

Finally, most of the respondents were found to be married (82%). Another 11% had been married but were now divorced or separated, and 6% had never been married.

Key findings and their implications

Implications for aggressive tax planning

One of the more important findings from the *Investors' Survey* was the finding that 94% of survey respondents said they would not touch a tax scheme that did not have a valid Product Ruling from the Tax Office to say it was legitimate. Further, 51% of respondents indicated that they would be less prepared to go in for a scheme that relied for its success on loopholes in the law (see Section 7). These findings suggest that the Tax Office's moves to discourage future marketing and investment in such arrangements have been effective. For example, the findings specifically suggest that the Tax Office's Product Ruling system is being used by former scheme investors. Whether this is true for Australian investors in general is yet to be seen.

Further support for the claim that mass-marketed scheme investment has been successfully stemmed by the Tax Office's recent initiatives comes from other independent research. For example, according to the Agribusiness Research Group, investment in rural tax schemes fell from \$1.2 billion in the 1998/1999 financial year to only \$330 million in the 2001/2002 financial year (Bolt, 2002; Easdown, 2002a; 2002b; Fenton-Jones, 2002). Two reasons given for this downturn in investment were the Tax Office's win in the Budplan case¹⁶ and general caution among financial planners and investors. However, this does not mean that involvement in aggressive tax planning has been stemmed altogether.

¹⁶ Howland-Rose & Ors vs. Federal Commissioner of Taxation (2002) FCA 246, (2002) 49 ATR 206, 2002 ATC 4200.

As the Commissioner of Taxation recently stated:

Despite some positive signs, and the apparent demise of the 90s-style mass marketed schemes, it would be wrong to proclaim the death of aggressive tax planning (Marris, 2002).

Recent reports have in fact indicated that foreign tax havens are replacing mass-marketed schemes as the leading tax avoidance method being pushed by aggressive tax agents (Marris, 2002). Evidence such as this suggests that more needs to be done to control those who possess the expertise to assist clients in exploiting opportunities for tax non-compliance.

Many in the aggressive tax planning industry argue that they are simply responding to the demands of their clients and that they view their clients as the initiators of aggressive tax reporting (for example, Attwell & Sawyer, 2001). A different story emerges, however, when their clients are questioned. For example, findings from the *Investors' Survey* show that investment in the mass-marketed scheme industry in Australia was, in general, supply driven (see Section 1). Sixty-nine percent of survey respondents claimed the idea to invest in tax schemes came from a financial adviser, and 34% claimed the idea had come from their tax agent. Very few scheme investors directly approached a tax expert to put the idea into practice (16%).

The *Investors' Survey* (see Sections 8 & 9) also indicated that the majority of scheme investors wanted their tax agents to assume an honest role and prepare an accurate return (54% thought it was of top priority). These findings taken together suggest that it is necessary to develop formal guidelines and accreditation or registration procedures for the professional conduct of tax advisers. Guidelines that aim to provide a safeguard for tax practitioners who feel pressured into developing clever strategies for minimising their clients' tax obligations, or to protect taxpayers from advisers who (1) may misinterpret their clients' wishes, or (2) lack the ability or integrity to prepare accurate and correct tax returns, may go a long way to stemming aggressive tax planning in general (see also Woellner, Barkoczy, Murphy & Evans, 2001, pp. 1771-1773). Moves to amend legislation to introduce financial penalties for the promoters and marketers of aggressive tax planning

schemes may also be particularly effective. In fact, the Commissioner of Taxation recently indicated that a move to introduce promoter penalties would be considered.

Without placing some onus of responsibility on the promoters, or even the professionals who assist taxpayers to prepare their tax returns, aggressive tax planning will continue to evolve and flourish in the future, as is indicated by the recent rise in ordinary Australians becoming involved in foreign tax havens (for example, Marris, 2002).

Implications for the self-assessment system

Another important finding from the *Investors' Survey* relates to investors' understanding of their obligations under the self-assessment system of taxation (see Section 7). Claims in the media suggest that many scheme investors did not fully understand their obligations under self-assessment. It has also been reported elsewhere that investors thought the Tax Office had checked and approved their scheme related deductions (see also D'Ascenzo & Poulakis, 2002; Murphy, 2002a). They were apparently unaware that the Tax Office had the legal right to review their claims at a later date.

Given that scheme investors are much more likely to invest in various forms of tax minimisation (see Section 7), and they are much more highly educated than taxpayers from the general population (see Section 11), one would have expected them to have had a deeper understanding of the self-assessment system than they did. Findings from the *Investors' Survey* showed that even among highly educated individuals and frequent investors, 36% of them did not know the Tax Office could disallow a deduction up to six years after it was made and 58% believed receiving a tax refund from the Tax Office meant their tax deductions had been approved. These findings suggest that the Tax Office needs to do more to inform the public about their obligations under self-assessment. With more and more Australians now choosing to participate in various investment products (for example, shares, property, schemes) and scheme investors accusing the Tax Office of acting retrospectively in relation to schemes, the Tax Office will need to urgently address and rectify commonly held misconceptions about the self-assessment system. D'Ascenzo & Poulakis (2002) offer several practical suggestions for how this could be done. One

particularly promising suggestion includes providing taxpayers with a brief explanation of their obligations under self-assessment in the envelope accompanying their notice of assessment.

Implications for Tax Office enforcement strategies

Another very important finding from the *Investors' Survey* relates to the issue of effective regulation. The issue central to being able to engage in effective regulation is having an accurate understanding of why people are motivated to accept an authority's decisions and rules. The 'rational choice' model of the individual has previously dominated the formulation of public policy in areas as diverse as criminal justice, welfare policy, and taxation. The model argues that people are motivated to maximise their personal gains and minimise their personal losses in social interactions and that they will react to authorities and rules from a self-interested, instrumental perspective (Tyler & Kramer, 1996). In the taxation context, for example, the rational choice model suggests that taxpayers carefully assess opportunities and risks, and disobey the law when the anticipated fine and probability of being caught are small in relation to the profits to be made through non-compliance. Advocates of this view therefore believe that harsh sanctions, penalties, and legal coercion should be used when dealing with non-compliant taxpayers.

The situation surrounding the mass-marketed schemes issue, however, demonstrates that the use of such a deterrence based strategy—in addition to being more expensive to implement—can actually be counter-productive (see also Ayres & Braithwaite, 1992; Bardach & Kagan, 1982; Braithwaite, 2002; Hawkins, 1990). The Tax Office's initial use of threat and legal coercion with 40 000 tax scheme investors in fact appeared to produce the opposite behaviour from that sought. Instead of complying, the majority of tax scheme investors actively resisted the Tax Office's repeated attempts to recover tax owing on their scheme related tax debts. Empirical findings from the *Investors' Survey* also show that a regulatory enforcement strategy that is based purely on deterrence is unlikely to ensure compliance among all taxpayers (see Section 6). Taxpayers' attitudes (for example, trust) and reactions to their wrong-doing (that is, their shame responses) were found to be just as important as the threat of detection or punishment.

In-depth analysis of one component of the *Investors' Survey* has shown specifically, that if taxpayers feel poorly treated by a tax authority as a result of their infractions (that is, the manner in which punishment has been handed down), this can go on to affect their attitudes towards the Tax Office. For example, Murphy (2002c) found a direct link between investors' levels of trust and how they felt the Tax Office had treated them; those who felt poorly treated by the Tax Office were less trusting of the Tax Office (see Murphy, 2002c). Murphy (2002c) went on to show that this decrease in trust was one of the major contributors of investor resistance towards the Tax Office.

Murphy (2002c) offered suggestions for how regulators could build trust among those being regulated. She claimed that the key to creating trust was for the regulators to act in ways that citizens would experience to be fair. This argument is the core conclusion of the literature on procedural justice. The procedural justice literature demonstrates that people's reactions to their personal experiences with authorities are rooted in their evaluations of the fairness of procedures those agencies use to exercise their authority (for example, Murphy, 2002a; 2002c; Tyler, 2000, 2001). People are most likely to challenge a situation collectively when they believe that the procedures are unfair (Tyler & Smith, 1998).

In order to be effective, therefore, regulatory agencies such as the Tax Office will need to acknowledge the importance of procedural justice in their dealings with future non-compliers, and will need to make a commitment to implement and nurture feelings of justice and fairness amongst all its staff members. One obvious way this can be achieved in the Tax Office is for management to encourage staff that deal with non-compliant taxpayers to genuinely adopt the principles underlying the ATO Compliance Model; the model incorporates many of the key features of procedural justice. The style of enforcement emphasised in the model is to take into account the problems, motivations, and conditions behind non-compliance (Braithwaite & Braithwaite, 2001; Job & Honaker, 2002). Here, taxpayers are initially given the benefit of the doubt and the Tax Office's trust in their honesty is initially brought to the foreground of the regulatory encounter. Strong emphasis is placed on educating taxpayers about rules and assisting them in efforts to comply, while programs that rely principally on threats and the mechanical imposition of penalties are de-emphasised (for a discussion on responsive regulation see Ayres &

Braithwaite, 1992, pp. 19-53; Braithwaite, 2002, pp. 29-44). The empirical evidence collected by the *Investors' Survey* suggests that by making a commitment to these principles, the Tax Office will be more likely to nurture the good will of those with a commitment to compliance, while still having the ability to escalate to more interventionist forms of regulation (for example, more severe sanctions) if abuse of trust occurs and persists.

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You have been sent this questionnaire because you have been asked by the Tax Office to amend your tax return. We would like to find out how you feel about this and how you feel you have been treated by the Tax Office. This is part of our job in evaluating whether the Tax Office is doing its job in complying with its obligations under the *Taxpayers' Charter*. (We will be asking you specifically about the Tax Office's performance in relation to the Charter later on).

1. YOUR SITUATION

1.1 **{P1Q11}** Do you believe the Tax Office's request for you to amend your tax return has been reasonable?

Yes.....	1	87	3.9
Partly.....	2	248	11.0
No.....	3	1919	85.1
Total Valid		[2254]	[100.0]
Missing Data		(38)	(1.7)

1.2 **{P1Q12}** If not, why not?

		Comment provided	1964	85.7
		Comment not provided	328	14.3
		Total	[2292]	[100.0]

1.3 **{P1Q13}** Can you tell me why the Tax Office has asked you to amend your tax return?

		Comment provided	2177	95.0
		Comment not provided	115	5.0
		Total	[2292]	[100.0]

1.4 For the next set of questions, if your return was amended more than once or for more than one reason, please answer in terms of the main instance or the main reason.

How did you get the idea for the tax claim that has caused you to amend your tax return? You can circle as many as you like.

		Yes	Partly	No		
1. {P1Q141} From a financial adviser		1	2	3	Total Valid	Missing Data
	n	1585	173	144	[1902]	(390)
	%	83.3	9.1	7.6	[100.0]	(17.0)
2. {P1Q142} From my tax agent.....		1	2	3	Total Valid	Missing Data
	n	774	214	404	[1392]	(900)
	%	55.6	15.4	29.0	[100.0]	(39.3)
3. {P1Q143} From another tax adviser (e.g. lawyer)		1	2	3	Total Valid	Missing Data
	n	192	92	652	[936]	(1356)
	%	20.5	9.8	69.7	[100.0]	(59.2)
4. {P1Q144} From a member of my family		1	2	3	Total Valid	Missing Data
	n	81	58	725	[864]	(1428)
	%	9.4	6.7	83.9	[100.0]	(62.3)
5. {P1Q145} From someone at work		1	2	3	Total Valid	Missing Data
	n	227	169	610	[1006]	(1286)
	%	22.6	16.8	60.6	[100.0]	(56.1)
6. {P1Q146} From a business contact.....		1	2	3	Total Valid	Missing Data
	n	135	87	682	[904]	(1388)
	%	14.9	9.6	75.4	[100.0]	(60.6)
7. {P1Q147} From a friend.....		1	2	3	Total Valid	Missing Data
	n	191	115	634	[940]	(1352)
	%	20.3	12.2	67.4	[100.0]	(59.0)
8. {P1Q148} I read an advertisement.....		1	2	3	Total Valid	Missing Data
	n	146	92	682	[920]	(1372)
	%	15.9	10.0	74.1	[100.0]	(59.9)

		Yes	Partly	No	Total Valid	Missing Data
9. {P2Q149} From a financial magazine or newsletter		1	2	3		
	n	80	83	723	[886]	(1406)
	%	9.0	9.4	81.6	[100.0]	(61.3)
10. {P2Q1410} I received literature on the idea in the mail.....		1	2	3		
	n	81	49	750	[880]	(1412)
	%	9.2	5.6	85.2	[100.0]	(61.6)
11. {P2Q1411} I received an email on the idea		1	2	3		
	n	7	7	812	[826]	(1466)
	%	0.8	0.8	98.3	[100.0]	(64.0)
12. {P2Q1412} I attended a seminar/lecture on the idea where it was promoted to me.....		1	2	3		
	n	345	103	620	[1068]	(1224)
	%	32.3	9.6	58.1	[100.0]	(53.4)

1.5 {P2Q15} Did a tax expert come to you with the idea that caused your tax return to be amended?						
Yes.....		1			881	39.4
Partly.....		2			313	14.0
No		3			1042	46.6
				Total Valid	[2236]	[100.0]
				Missing Data	(56)	(2.4)

1.6 {P2Q16} Did you go to a tax adviser with the idea that caused your tax return to be amended and ask them for help to put the idea into practice?						
Yes.....		1			355	16.0
Partly.....		2			265	12.0
No		3			1592	72.0
				Total Valid	[2212]	[100.0]
				Missing Data	(80)	(3.5)

1.7 {P2Q17} Can you describe whether you took any measures to ensure that the deductions you made were legitimate (e.g., did you seek advice from a third party (tax agent, lawyer, ATO)?)

_____	Comment provided	2191	95.6
_____	Comment not provided	101	4.4
_____	Total	[2292]	[100.0]

1.8 {P2Q18} What is your best guess of how much your tax situation has cost you and will cost you in extra tax, interest and penalties?

\$ _____ See Appendix One

1.9 {P2Q19} How much anxiety has it caused you to receive the amended return?						
No anxiety.....		1			28	1.2
A little anxiety		2			107	4.7
A fair bit of anxiety.....		3			328	14.5
A great deal of anxiety.....		4			794	35.0
Extreme anxiety		5			1011	44.6
				Total Valid	[2268]	[100.0]
				Missing Data	(24)	(1.0)
Mean	4.17					
Std Dev	0.93					

1.10 {P2Q110} In a few words how would you say the experience has affected your well-being?

_____	Comment provided	2170	94.7
_____	Comment not provided	122	5.3
_____	Total	[2292]	[100.0]

1.11 {P3Q111} As a result of your amended tax return, do you have more or less respect for the Tax Office?

			A lot less respect	Less respect	No change	More respect	A lot more respect	Total Valid	Missing Data
			1	2	3	4	5		
Mean	1.42	n	1574	479	203	11	7	[2274]	(18)
Std Dev	0.70	%	69.2	21.1	8.9	0.5	0.3	[100.0]	(0.8)

1.12 {P3Q112} As a result of your amended tax return, do you have more or less trust in the Tax Office?

			A lot less trust	Less trust	No change	More trust	A lot more trust	Total Valid	Missing Data
			1	2	3	4	5		
Mean	1.43	n	1529	526	200	13	4	[2272]	(20)
Std Dev	0.69	%	67.3	23.2	8.8	0.6	0.2	[100.0]	(0.9)

1.13 {P3Q113} As a result of your amended tax return, are you more or less worried that the Tax Office may take future enforcement action against you?

			A lot less worried	Less worried	No change	More worried	A lot more worried	Total Valid	Missing Data
			1	2	3	4	5		
Mean	4.09	n	44	51	472	779	921	[2267]	(25)
Std Dev	0.93	%	1.9	2.2	20.8	34.4	40.6	[100.0]	(1.1)

1.14 {P3Q114} How fair was the amendment the Tax Office sought for your tax return?

			Completely Unfair	Partly unfair	Neither unfair or fair	Partly fair	Completely fair	Total Valid	Missing Data
			1	2	3	4	5		
Mean	1.37	n	1724	359	89	59	31	[2262]	(30)
Std Dev	0.80	%	76.2	15.9	3.9	2.6	1.4	[100.0]	(1.3)

1.15 Below are some statements that may describe how you are feeling in relation to your amended tax return. Circle the number closest to your view.

			Strongly disagree	Disagree	Neither	Agree	Strongly agree	Total Valid	Missing Data
			1	2	3	4	5		
1. {P3Q1151} I have done nothing wrong in relation to the issues surrounding my amended tax return.....		n	48	29	59	383	1736	[2255]	(37)
		%	2.1	1.3	2.6	17.0	77.0	[100.0]	(1.6)
2. {P3Q1152} I accept that I have done something wrong in relation to the issues surrounding my amended tax return, but it was not intentional.....		n	1276	394	124	186	204	[2184]	(108)
		%	58.4	18.0	5.7	8.5	9.3	[100.0]	(4.7)
3. {P3Q1153} I accept that I have intentionally done something wrong in relation to the issues surrounding my amended tax return.....		n	1971	129	17	12	45	[2174]	(118)
		%	90.7	5.9	0.8	0.6	2.1	[100.0]	(5.1)
4. {P3Q1154} The situation surrounding my amended tax return has caused me a lot of embarrassment among my family.....		n	305	232	632	554	474	[2197]	(95)
		%	13.9	10.6	28.8	25.2	21.6	[100.0]	(4.1)

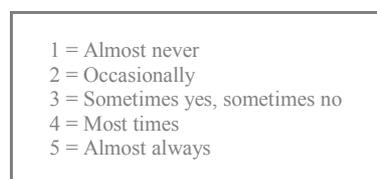
		Strongly disagree	Disagree	Neither	Agree	Strongly agree		
5. {P4Q1155} The situation surrounding my amended tax return has caused me a lot of embarrassment among my friends and acquaintances.....		1	2	3	4	5	Total Valid	Missing Data
Mean	3.19	n 292	273	704	548	366	[2183]	(109)
Std Dev	1.24	% 13.4	12.5	32.2	25.1	16.8	[100.0]	(4.8)
6. {P4Q1156} I would like to put behind me the issues surrounding my amended tax return.		1	2	3	4	5	Total Valid	Missing Data
Mean	4.18	n 135	117	142	613	1182	[2189]	(103)
Std Dev	1.16	% 6.2	5.3	6.5	28.0	54.0	[100.0]	(4.5)
7. {P4Q1157} I regret the mistakes I made that led to the amendment of my tax return.....		1	2	3	4	5	Total Valid	Missing Data
Mean	2.39	n 896	347	361	266	284	[2154]	(138)
Std Dev	1.45	% 41.6	16.1	16.8	12.3	13.2	[100.0]	(6.0)
8. {P4Q1158} Getting involved in the issues surrounding my amended tax return went against my moral standards.....		1	2	3	4	5	Total Valid	Missing Data
Mean	2.22	n 919	428	397	213	193	[2150]	(142)
Std Dev	1.33	% 42.7	19.9	18.5	9.9	9.0	[100.0]	(6.2)
9. {P4Q1159} I can't believe I got involved in the issues surrounding my amended tax return.....		1	2	3	4	5	Total Valid	Missing Data
Mean	2.76	n 597	390	419	383	349	[2138]	(154)
Std Dev	1.44	% 27.9	18.2	19.6	17.9	16.3	[100.0]	(6.7)
10. {P4Q11510} The amendment of my tax return left me feeling a little shaken up about who I am.....		1	2	3	4	5	Total Valid	Missing Data
Mean	2.98	n 441	334	531	531	324	[2161]	(131)
Std Dev	1.35	% 20.4	15.5	24.6	24.6	15.0	[100.0]	(5.7)
11. {P4Q11511} I simply want to put things right by paying what is due on my amended tax return.....		1	2	3	4	5	Total Valid	Missing Data
Mean	2.14	n 1026	395	297	292	148	[2158]	(134)
Std Dev	1.32	% 47.5	18.3	13.8	13.5	6.90	[100.0]	(5.8)
12. {P4Q11512} I would never get involved again in the kind of thing that resulted in the amendment of my tax return.....		1	2	3	4	5	Total Valid	Missing Data
Mean	3.89	n 177	204	300	512	1000	[2193]	(99)
Std Dev	1.30	% 8.1	9.3	13.7	23.3	45.6	[100.0]	(4.3)
1.16 How much blame do you place on the following people for the situation surrounding your amended tax return?								
		None	Some	A lot	Completely to blame			
1. {P4Q1161} Yourself.....		1	2	3	4	Total Valid	Missing Data	
Mean	1.65	n 933	987	138	35	[2093]	(199)	
Std Dev	0.68	% 44.6	47.2	6.6	1.7	[100.0]	(8.7)	
2. {P4Q1162} Your tax agent.....		1	2	3	4	Total Valid	Missing Data	
Mean	1.98	n 865	526	373	230	[1994]	(298)	
Std Dev	1.04	% 43.4	26.4	18.7	11.5	[100.0]	(13.0)	
3. {P4Q1163} Another professional who advised you.....		1	2	3	4	Total Valid	Missing Data	
Mean	2.60	n 492	389	535	572	[1988]	(304)	
Std Dev	1.15	% 24.7	19.6	26.9	28.8	[100.0]	(13.3)	
4. {P4Q1164} The Tax Office.....		1	2	3	4	Total Valid	Missing Data	
Mean	3.43	n 54	166	753	1224	[2197]	(95)	
Std Dev	0.74	% 2.5	7.6	34.3	55.7	[100.0]	(4.1)	

2. THE TAX OFFICE'S GOALS

2.1 The *Taxpayers' Charter* is a document that sets standards for the way the Tax Office conducts its dealings with you.

We would like you to answer some questions about the standards set out in the *Taxpayers' Charter*. Please circle the response that best represents your opinion.

Do you think that the Tax Office acts in accordance with the standards set out below?



			Almost never				Almost always		
			1	2	3	4	5		
1. {P5Q211} Being accountable for what they do.....								Total Valid	Missing Data
Mean	2.08	n	901	577	520	190	57	[2245]	(47)
Std Dev	1.09	%	40.1	25.7	23.2	8.5	2.5	[100.0]	(2.1)
2. {P5Q212} Treating you fairly and reasonably.....								Total Valid	Missing Data
Mean	2.18	n	738	673	574	228	35	[2248]	(44)
Std Dev	1.05	%	32.8	29.9	25.5	10.1	1.6	[100.0]	(1.9)
3. {P5Q213} Treating you as honest in your tax affairs unless you act otherwise.....								Total Valid	Missing Data
Mean	2.37	n	772	481	473	408	100	[2234]	(58)
Std Dev	1.25	%	34.6	21.5	21.2	18.3	4.5	[100.0]	(2.5)
4. {P5Q214} Offering you professional service and assistance to help you understand and meet your tax obligations.....								Total Valid	Missing Data
Mean	2.08	n	916	568	463	231	59	[2237]	(55)
Std Dev	1.12	%	40.9	25.4	20.7	10.3	2.6	[100.0]	(2.4)
5. {P5Q215} Respecting your privacy.....								Total Valid	Missing Data
Mean	3.31	n	316	242	553	629	461	[2201]	(91)
Std Dev	1.31	%	14.4	11.0	25.1	28.6	20.9	[100.0]	(4.0)
6. {P5Q216} Keeping the information they hold about you confidential, in accordance with the law.....								Total Valid	Missing Data
Mean	3.80	n	114	147	455	743	661	[2120]	(172)
Std Dev	1.12	%	5.4	6.9	21.5	35.0	31.2	[100.0]	(7.5)
7. {P5Q217} Giving you access to information they hold about you, in accordance with the law.....								Total Valid	Missing Data
Mean	3.03	n	365	257	649	499	276	[2046]	(246)
Std Dev	1.27	%	17.8	12.6	31.7	24.4	13.5	[100.0]	(10.7)
8. {P5Q218} Explaining to you the decisions they make about your tax affairs.....								Total Valid	Missing Data
Mean	2.38	n	753	515	465	359	137	[2229]	(63)
Std Dev	1.27	%	33.8	23.1	20.9	16.1	6.1	[100.0]	(2.7)
9. {P5Q219} Giving you advice and information that you can rely on.....								Total Valid	Missing Data
Mean	1.93	n	1000	623	426	137	46	[2232]	(60)
Std Dev	1.03	%	44.8	27.9	19.1	6.1	2.1	[100.0]	(2.6)
10. {P5Q2110} Helping you to minimize your costs in complying with the tax laws.....								Total Valid	Missing Data
Mean	1.78	n	1191	484	383	123	28	[2209]	(83)
Std Dev	1.00	%	53.9	21.9	17.3	5.6	1.3	[100.0]	(3.6)
11. {P5Q2111} Giving you the right to an independent review from outside the Tax Office.....								Total Valid	Missing Data
Mean	2.17	n	901	380	503	245	93	[2122]	(170)
Std Dev	1.22	%	42.5	17.9	23.7	11.5	4.4	[100.0]	(7.4)
12. {P5Q2112} Accepting that you have the right to be represented by and get advice from a person of your choice regarding your tax affairs.....								Total Valid	Missing Data
Mean	3.16	n	352	282	574	568	378	[2154]	(138)
Std Dev	1.31	%	16.3	13.1	26.6	26.4	17.5	[100.0]	(6.0)

3. EXPERIENCES WITH THE TAX OFFICE

The next set of questions asks about personal dealings with the Tax Office in relation to income tax returns. By personal, we mean phone calls or correspondence above and beyond filing an income tax return and receiving tax assessments or refunds.

3.1 Have you ever ...	Never	Once	More than once		
1. {P6Q311} Been penalized or fined by the Tax Office	1	2	3	Total Valid	Missing Data
	n 976	947	344	[2276]	(25)
	% 43.1	41.8	15.2	[100.0]	(1.1)
2. {P6Q312} Had an audit or other investigation by the Tax Office	1	2	3	Total Valid	Missing Data
	n 1556	551	155	[2262]	(30)
	% 68.8	24.4	6.9	[100.0]	(1.3)
3. {P6Q313} Contested an assessment given by the Tax Office	1	2	3	Total Valid	Missing Data
	n 1121	860	286	[2267]	(25)
	% 49.4	37.9	12.6	[100.0]	(1.1)
4. {P6Q314} Requested information about your tax situation	1	2	3	Total Valid	Missing Data
	n 1181	575	508	[2264]	(28)
	% 52.2	25.4	22.4	[100.0]	(1.2)
5. {P6Q315} Requested general information about the tax system	1	2	3	Total Valid	Missing Data
	n 1094	442	724	[2260]	(32)
	% 48.4	19.6	32.0	[100.0]	(1.4)

3.2 {P6Q32} Do you have an outstanding debt with the Tax Office?					
Yes	1			1338	58.8
No	2			932	40.9
<u>Yes & No</u>	3			6	0.3
			Total Valid	[2276]	[100.0]
			Missing Data	(16)	(0.7)

[Owing to significant multiple responses the underlined category was added during processing]

		3.3 {P6Q33} How often do you agree with the decisions made by the Tax Office?						
		Almost never	On occasion	Sometimes	Mostly	Almost always		
		1	2	3	4	5		
Mean	2.90	n 334	489	657	632	148	Total Valid	Missing Data
Std Dev	1.16	% 14.8	21.6	29.1	28.0	6.5	[2260]	(32)
							[100.0]	(1.4)

		3.4 {P6Q34} How often are the decisions of the Tax Office favourable to you?						
		Almost never	On occasion	Sometimes	Mostly	Almost always		
		1	2	3	4	5		
Mean	2.25	n 844	413	599	308	59	Total Valid	Missing Data
Std Dev	1.18	% 38.0	18.6	26.9	13.9	2.7	[2223]	(69)
							[100.0]	(3.0)

4. YOUR VIEWS ON THE TAX OFFICE

4.1 Below are statements that describe ways people see the Tax Office. Circle the number closest to your view.

		Strongly disagree	Disagree	Neither	Agree	Strongly agree	Total Valid	Missing Data
1. {P7Q411} The Tax Office treats people as if they can be trusted to do the right thing.....		1	2	3	4	5	Total Valid	Missing Data
Mean	2.38	n 625	713	408	478	44	[2268]	(24)
Std Dev	1.15	% 27.6	31.4	18.0	21.1	1.9	[100.0]	(1.0)
2. {P7Q412} The Tax Office respects the individual's rights as a citizen.....		1	2	3	4	5	Total Valid	Missing Data
Mean	2.54	n 509	635	543	521	50	[2267]	(34)
Std Dev	1.14	% 22.5	28.1	24.0	23.1	2.2	[100.0]	(1.5)
3. {P7Q413} I like the game of finding the grey area of tax law.....		1	2	3	4	5	Total Valid	Missing Data
Mean	1.89	n 1020	683	392	73	80	[2248]	(44)
Std Dev	1.03	% 45.4	30.4	17.4	3.2	3.6	[100.0]	(1.9)
4. {P7Q414} The Tax Office gives equal consideration to the views of all Australians.....		1	2	3	4	5	Total Valid	Missing Data
Mean	1.99	n 881	768	407	171	33	[2260]	(32)
Std Dev	1.00	% 39.0	34.0	18.0	7.6	1.5	[100.0]	(1.4)
5. {P7Q415} The Tax Office respects taxpayers who can give them a run for their money.....		1	2	3	4	5	Total Valid	Missing Data
Mean	2.10	n 826	668	534	141	82	[2251]	(41)
Std Dev	1.08	% 36.7	29.7	23.7	6.3	3.6	[100.0]	(1.8)
6. {P7Q416} The Tax Office is encouraging to those who have difficulty meeting their obligations through no fault of their own.....		1	2	3	4	5	Total Valid	Missing Data
Mean	2.26	n 668	685	579	293	26	[2251]	(41)
Std Dev	1.06	% 29.7	30.4	25.7	13.0	1.2	[100.0]	(1.8)
7. {P7Q417} People should follow the decisions of the Tax Office even if they go against what they think is right.....		1	2	3	4	5	Total Valid	Missing Data
Mean	1.99	n 885	840	268	208	57	[2258]	(34)
Std Dev	1.05	% 39.2	37.2	11.9	9.2	2.5	[100.0]	(1.5)
8. {P7Q418} The Tax Office listens to powerful interest groups, not to ordinary Australians.....		1	2	3	4	5	Total Valid	Missing Data
Mean	4.06	n 81	112	312	834	925	[2264]	(28)
Std Dev	1.03	% 3.6	4.9	13.8	36.8	40.9	[100.0]	(1.2)
9. {P7Q419} I feel a moral obligation to pay my tax.....		1	2	3	4	5	Total Valid	Missing Data
Mean	4.00	n 114	100	173	1158	726	[2271]	(21)
Std Dev	1.01	% 5.0	4.4	7.6	51.0	32.0	[100.0]	(0.9)
10. {P7Q4110} Overall, I pay my tax with good will.....		1	2	3	4	5	Total Valid	Missing Data
Mean	4.26	n 33	69	115	1119	945	[2281]	(11)
Std Dev	0.81	% 1.4	3.0	5.0	49.1	41.4	[100.0]	(0.5)
11. {P7Q4111} The Tax Office has too much power.....		1	2	3	4	5	Total Valid	Missing Data
Mean	4.25	n 46	87	316	617	1207	[2273]	(19)
Std Dev	0.97	% 2.0	3.8	13.9	27.1	53.1	[100.0]	(0.8)
12. {P7Q4112} The Tax Office is more concerned about making their own job easier than making it easier for taxpayers.....		1	2	3	4	5	Total Valid	Missing Data
Mean	4.11	n 43	110	416	682	1018	[2269]	(23)
Std Dev	0.99	% 1.9	4.8	18.3	30.1	44.9	[100.0]	(1.0)

		Strongly disagree	Disagree	Neither	Agree	Strongly agree		
13. {P8Q4113} The Tax Office respects people who can take advantage of tax minimization schemes.....		1	2	3	4	5	Total Valid	Missing Data
Mean	1.77	1081	753	327	59	41	[2261]	(31)
Std Dev	0.92	47.8	33.3	14.5	2.6	1.8	[100.0]	(1.4)
	n							
	%							
14. {P8Q4114} I enjoy spending time working out how changes in the tax system will affect me.....		1	2	3	4	5	Total Valid	Missing Data
Mean	1.86	1008	752	373	103	36	[2272]	(20)
Std Dev	0.96	44.4	33.1	16.4	4.5	1.6	[100.0]	(0.9)
	n							
	%							
15. {P8Q4115} It's impossible to satisfy the requirements of the Tax Office completely		1	2	3	4	5	Total Valid	Missing Data
Mean	3.58	64	300	620	832	452	[2268]	(24)
Std Dev	1.04	2.8	13.2	27.3	36.7	19.9	[100.0]	(1.0)
	n							
	%							
16. {P8Q4116} The Tax Office consults widely about how they might change things to make it easier for taxpayers to meet their obligations.....		1	2	3	4	5	Total Valid	Missing Data
Mean	2.13	653	861	571	146	25	[2256]	(36)
Std Dev	0.94	28.9	38.2	25.3	6.5	1.1	[100.0]	(1.6)
	n							
	%							
17. {P8Q4117} I enjoy talking to friends about loopholes in the tax system		1	2	3	4	5	Total Valid	Missing Data
Mean	1.89	894	857	430	62	27	[2270]	(22)
Std Dev	0.89	39.4	37.8	18.9	2.7	1.2	[100.0]	(1.0)
	n							
	%							
18. {P8Q4118} I don't care if I am not doing the right thing by the Tax Office.....		1	2	3	4	5	Total Valid	Missing Data
Mean	1.74	1039	916	237	42	40	[2274]	(18)
Std Dev	0.85	45.7	40.3	10.4	1.8	1.8	[100.0]	(0.8)
	n							
	%							
19. {P8Q4119} The Tax Office is concerned about protecting the average citizen's rights.....		1	2	3	4	5	Total Valid	Missing Data
Mean	2.28	628	757	538	319	27	[2269]	(23)
Std Dev	1.05	27.7	33.4	23.7	14.1	1.2	[100.0]	(1.0)
	n							
	%							
20. {P8Q4120} If the Tax Office gets tough with me, I will become uncooperative with them		1	2	3	4	5	Total Valid	Missing Data
Mean	2.27	516	971	519	189	74	[2269]	(23)
Std Dev	1.01	22.7	42.8	22.9	8.3	3.3	[100.0]	(1.0)
	n							
	%							
21. {P8Q4121} I am willing to exercise my right to legally minimize the tax I pay		1	2	3	4	5	Total Valid	Missing Data
Mean	4.06	52	87	200	1257	675	[2271]	(21)
Std Dev	0.86	2.3	3.8	8.8	55.4	29.7	[100.0]	(0.9)
	n							
	%							
22. {P8Q4122} The Tax Office is more interested in catching you for doing the wrong thing, than helping you do the right thing.....		1	2	3	4	5	Total Valid	Missing Data
Mean	4.04	31	130	351	971	788	[2271]	(21)
Std Dev	0.92	1.4	5.7	15.5	42.8	34.7	[100.0]	(0.9)
	n							
	%							
23. {P8Q4123} I resent paying tax		1	2	3	4	5	Total Valid	Missing Data
Mean	2.13	612	1027	431	154	53	[2277]	(15)
Std Dev	0.96	26.9	45.1	18.9	6.8	2.3	[100.0]	(0.7)
	n							
	%							
24. {P8Q4124} I accept responsibility for paying my fair share of tax.....		1	2	3	4	5	Total Valid	Missing Data
Mean	4.12	89	82	78	1245	785	[2279]	(13)
Std Dev	0.93	3.9	3.6	3.4	54.6	34.4	[100.0]	(0.6)
	n							
	%							
25. {P8Q4125} It's important not to let the Tax Office push you around.....		1	2	3	4	5	Total Valid	Missing Data
Mean	3.65	46	127	771	957	369	[2270]	(22)
Std Dev	0.89	2.0	5.6	34.0	42.2	16.3	[100.0]	(1.0)
	n							
	%							
26. {P8Q4126} I personally don't think that there is much the Tax Office can do to me to make me pay tax if I don't want to		1	2	3	4	5	Total Valid	Missing Data
Mean	1.61	1126	974	131	15	23	[2269]	(23)
Std Dev	0.72	49.6	42.9	5.8	0.7	1.0	[100.0]	(1.0)
	n							
	%							

		Strongly disagree	Disagree	Neither	Agree	Strongly agree		
27. {P9Q4127} If you cooperate with the Tax Office, they are likely to be cooperative with you.....		1	2	3	4	5	Total Valid	Missing Data
Mean	2.90	n 238	619	598	761	53	[2269]	(23)
Std Dev	1.05	% 10.5	27.3	26.4	33.5	2.3	[100.0]	(1.0)
28. {P9Q4128} I think of taxpaying as helping the government do worthwhile things.....		1	2	3	4	5	Total Valid	Missing Data
Mean	3.68	n 60	222	417	1264	308	[2271]	(21)
Std Dev	0.92	% 2.6	9.8	18.4	55.7	13.6	[100.0]	(0.9)
29. {P9Q4129} I don't really know what the Tax Office expects of me and I'm not about to ask.....		1	2	3	4	5	Total Valid	Missing Data
Mean	2.78	n 128	767	906	398	61	[2260]	(32)
Std Dev	0.89	% 5.7	33.9	40.1	17.6	2.7	[100.0]	(1.4)
30. {P9Q4130} I should accept decisions made by the Tax Office even when I disagree with them.....		1	2	3	4	5	Total Valid	Missing Data
Mean	2.00	n 662	1182	227	163	35	[2269]	(23)
Std Dev	0.90	% 29.2	52.1	10.0	7.2	1.5	[100.0]	(1.0)
31. {P9Q4131} The Tax Office considers the concerns of average citizens when making decisions.....		1	2	3	4	5	Total Valid	Missing Data
Mean	2.05	n 665	1035	383	169	18	[2270]	(22)
Std Dev	0.91	% 29.3	45.6	16.9	7.4	0.8	[100.0]	(1.0)
32. {P9Q4132} If I find out that I am not doing what the Tax Office wants, I'm not going to lose any sleep over it.....		1	2	3	4	5	Total Valid	Missing Data
Mean	2.19	n 419	1210	450	160	29	[2268]	(24)
Std Dev	0.86	% 18.5	53.4	19.8	7.1	1.3	[100.0]	(1.0)
33. {P9Q4133} The Tax Office cares about the position of taxpayers.....		1	2	3	4	5	Total Valid	Missing Data
Mean	2.08	n 641	995	469	152	15	[2272]	(20)
Std Dev	0.90	% 28.2	43.8	20.6	6.7	0.7	[100.0]	(0.9)
34. {P9Q4134} I pay the tax that I am legally required to pay, but not a cent more.....		1	2	3	4	5	Total Valid	Missing Data
Mean	3.96	n 14	146	250	1375	491	[2276]	(16)
Std Dev	0.80	% 0.6	6.4	11.0	60.4	21.6	[100.0]	(0.7)
35. {P9Q4135} Paying tax is the right thing to do.....		1	2	3	4	5	Total Valid	Missing Data
Mean	4.14	n 8	29	166	1506	560	[2269]	(23)
Std Dev	0.62	% 0.4	1.3	7.3	66.4	24.7	[100.0]	(1.0)
36. {P9Q4136} The Tax Office's decisions are too influenced by political pressures.....		1	2	3	4	5	Total Valid	Missing Data
Mean	3.81	n 72	206	489	817	692	[2276]	(16)
Std Dev	1.06	% 3.2	9.1	21.5	35.9	30.4	[100.0]	(0.7)
37. {P9Q4137} The Tax Office gets the kind of information it needs to make informed decisions.....		1	2	3	4	5	Total Valid	Missing Data
Mean	2.65	n 285	690	869	359	58	[2261]	(31)
Std Dev	0.98	% 12.6	30.5	38.4	15.9	2.6	[100.0]	(1.4)
38. {P9Q4138} The Tax Office does its job well.....		1	2	3	4	5	Total Valid	Missing Data
Mean	2.16	n 672	774	613	194	11	[2264]	(28)
Std Dev	0.96	% 29.7	34.2	27.1	8.6	0.5	[100.0]	(1.2)
39. {P9Q4139} I enjoy the challenge of minimizing the tax I have to pay.....		1	2	3	4	5	Total Valid	Missing Data
Mean	2.31	n 472	908	637	220	32	[2269]	(23)
Std Dev	0.95	% 20.8	40.0	28.1	9.7	1.4	[100.0]	(1.0)
40. {P9Q4140} If you don't cooperate with the Tax Office, they will get tough with you.....		1	2	3	4	5	Total Valid	Missing Data
Mean	4.05	n 23	73	315	1213	645	[2269]	(23)
Std Dev	0.80	% 1.0	3.2	13.9	53.5	28.4	[100.0]	(1.0)

		Strongly disagree	Disagree	Neither	Agree	Strongly agree	Total Valid	Missing Data	
41. {P10Q4141} Even if the Tax Office finds that I am doing something wrong, they will respect me in the long run as long as I admit my mistakes		1	2	3	4	5	Total Valid	Missing Data	
Mean	2.28	n	510	881	610	247	14	[2262]	(30)
Std Dev	0.95	%	22.5	38.9	27.0	10.9	0.6	[100.0]	(1.3)
42. {P10Q4142} The Tax Office tries to be fair when making their decisions.....		1	2	3	4	5	Total Valid	Missing Data	
Mean	2.31	n	479	919	567	300	8	[2273]	(19)
Std Dev	0.96	%	21.1	40.4	24.9	13.2	0.4	[100.0]	(0.8)
43. {P10Q4143} Once the Tax Office has you branded as a non-compliant taxpayer, they will never change their mind		1	2	3	4	5	Total Valid	Missing Data	
Mean	3.49	n	44	233	855	840	289	[2261]	(31)
Std Dev	0.91	%	1.9	10.3	37.8	37.2	12.8	[100.0]	(1.4)
44. {P10Q4144} The Tax Office goes to great lengths to consult with the community over changes to their system		1	2	3	4	5	Total Valid	Missing Data	
Mean	1.98	n	711	1041	385	121	16	[2274]	(18)
Std Dev	0.87	%	31.3	45.8	16.9	5.3	0.7	[100.0]	(0.8)
45. {P10Q4145} As a society we need more people willing to take a stand against the Tax Office		1	2	3	4	5	Total Valid	Missing Data	
Mean	3.56	n	49	297	688	814	423	[2271]	(21)
Std Dev	1.01	%	2.2	13.1	30.3	35.8	18.6	[100.0]	(0.9)
46. {P10Q4146} The Tax Office treats people as if they will only do the right thing when forced to.....		1	2	3	4	5	Total Valid	Missing Data	
Mean	3.64	n	28	273	553	1041	370	[2265]	(27)
Std Dev	0.93	%	1.2	12.1	24.4	46.0	16.3	[100.0]	(1.2)
47. {P10Q4147} The tax system may not be perfect, but it works well enough for most of us.....		1	2	3	4	5	Total Valid	Missing Data	
Mean	2.94	n	210	643	513	883	25	[2274]	(18)
Std Dev	1.04	%	9.2	28.3	22.6	38.8	1.1	[100.0]	(0.8)
48. {P10Q4148} No matter how cooperative or uncooperative the Tax Office is, the best policy is to always be cooperative with them.....		1	2	3	4	5	Total Valid	Missing Data	
Mean	3.50	n	63	323	478	1231	177	[2272]	(20)
Std Dev	0.93	%	2.8	14.2	21.0	54.2	7.8	[100.0]	(0.9)
49. {P10Q4149} The Tax Office is generally honest in the way it deals with people		1	2	3	4	5	Total Valid	Missing Data	
Mean	2.82	n	278	597	679	689	24	[2267]	(25)
Std Dev	1.03	%	12.3	26.3	30.0	30.4	1.1	[100.0]	(1.1)
50. {P10Q4150} Paying tax is a responsibility that should be willingly accepted by all Australians.....		1	2	3	4	5	Total Valid	Missing Data	
Mean	4.21	n	14	36	129	1388	711	[2278]	(14)
Std Dev	0.67	%	0.6	1.6	5.7	60.9	31.2	[100.0]	(0.6)
51. {P10Q4151} Paying my tax ultimately advantages everyone		1	2	3	4	5	Total Valid	Missing Data	
Mean	3.96	n	25	148	248	1316	535	[2272]	(20)
Std Dev	0.84	%	1.1	6.5	10.9	57.9	23.5	[100.0]	(0.9)
52. {P10Q4152} No matter how cooperative or uncooperative the Tax Office is, the best policy is to give them only as much cooperation as the law requires.....		1	2	3	4	5	Total Valid	Missing Data	
Mean	3.18	n	56	540	727	829	116	[2268]	(24)
Std Dev	0.94	%	2.5	23.8	32.1	36.6	5.1	[100.0]	(1.0)

4.2 Think of the Tax Office and what it has been doing over the past few years. To what extent do you agree or disagree with the following statements.

		Strongly disagree	Disagree	Neither	Agree	Strongly agree		
The Tax Office ...								
1. {P11Q421}	Has misled the Australian people	1	2	3	4	5	Total Valid	Missing Data
Mean	3.82	n 47	197	483	937	605	[2269]	(23)
Std Dev	0.99	% 2.1	8.7	21.3	41.3	26.7	[100.0]	(1.0)
2. {P11Q422}	Acted in the interests of all Australians	1	2	3	4	5	Total Valid	Missing Data
Mean	2.21	n 492	1092	434	234	25	[2277]	(15)
Std Dev	0.93	% 21.6	48.0	19.1	10.3	1.1	[100.0]	(0.7)
3. {P11Q423}	Turned its back on its responsibility to Australians.....	1	2	3	4	5	Total Valid	Missing Data
Mean	3.40	n 60	390	727	768	326	[2271]	(21)
Std Dev	1.01	% 2.6	17.2	32.0	33.8	14.4	[100.0]	(0.9)
4. {P11Q424}	Caved in to pressure from special interest groups.....	1	2	3	4	5	Total Valid	Missing Data
Mean	3.48	n 65	316	724	806	365	[2276]	(16)
Std Dev	1.01	% 2.9	13.9	31.8	35.4	16.0	[100.0]	(0.7)
5. {P11Q425}	Is trusted by you to administer the tax system fairly	1	2	3	4	5	Total Valid	Missing Data
Mean	2.55	n 419	823	444	531	58	[2275]	(17)
Std Dev	1.11	% 18.4	36.2	19.5	23.3	2.5	[100.0]	(0.7)
6. {P11Q426}	Takes advantage of people who are vulnerable.....	1	2	3	4	5	Total Valid	Missing Data
Mean	3.57	n 61	356	554	835	469	[2275]	(17)
Std Dev	1.06	% 2.7	15.6	24.4	36.7	20.6	[100.0]	(0.7)
7. {P11Q427}	Meets its obligations to Australians.....	1	2	3	4	5	Total Valid	Missing Data
Mean	2.60	n 288	735	846	386	14	[2269]	(23)
Std Dev	0.93	% 12.7	32.4	37.3	17.0	0.6	[100.0]	(1.0)
8. {P11Q428}	Is open and honest in its dealings with citizens.....	1	2	3	4	5	Total Valid	Missing Data
Mean	2.23	n 535	943	553	224	19	[2274]	(18)
Std Dev	0.95	% 23.5	41.5	24.3	9.9	0.8	[100.0]	(0.8)

4.3 The following questions relate to the power that you perceive the Tax Office as having. To what extent do you disagree or agree with the following:

		Strongly disagree	Disagree	Neither	Agree	Strongly agree		
1. {P11Q431}	The Tax Office can't do much if a large company decides to defy it	1	2	3	4	5	Total Valid	Missing Data
Mean	3.11	n 213	753	213	766	331	[2276]	(16)
Std Dev	1.27	% 9.4	33.1	9.4	33.7	14.5	[100.0]	(0.7)
2. {P11Q432}	The Tax Office can't do much if a small business decides to defy it.....	1	2	3	4	5	Total Valid	Missing Data
Mean	1.79	n 760	1330	112	58	15	[2275]	(17)
Std Dev	0.71	% 33.4	58.5	4.9	2.5	0.7	[100.0]	(0.7)
3. {P11Q433}	The Tax Office can't do much if a wealthy individual decides to defy it.....	1	2	3	4	5	Total Valid	Missing Data
Mean	3.19	n 221	702	203	725	428	[2279]	(13)
Std Dev	1.32	% 9.7	30.8	8.9	31.8	18.8	[100.0]	(0.6)
4. {P11Q434}	The Tax Office can't do much if an ordinary wage and salary earner decides to defy it.....	1	2	3	4	5	Total Valid	Missing Data
Mean	1.49	n 1279	927	41	14	18	[2279]	(13)
Std Dev	0.65	% 56.1	40.7	1.8	0.6	0.8	[100.0]	(0.6)
5. {P11Q435}	The Tax Office can't do much if a self-employed taxpayer decides to defy it.....	1	2	3	4	5	Total Valid	Missing Data
Mean	1.67	n 1071	1013	99	76	20	[2279]	(13)
Std Dev	0.78	% 47.0	44.4	4.3	3.3	0.9	[100.0]	(0.6)

5. COMPARING YOURSELF TO OTHERS

5.1 {P12Q51} Think about people who are in the same boat as you when it comes to paying tax. In your opinion, do they pay ...

	Much more than their fair share	1	463	20.8
	A bit more than their fair share	2	482	21.6
	About their fair share	3	1101	49.4
	A bit less than their fair share.....	4	131	5.9
	Much less than their fair share	5	51	2.3
Mean	2.47		Total Valid	[2228]
Std Dev	0.96		Missing Data	(64) (2.8)

5.2 {P12Q52} Think of people in Australia who earn about the same as you. Would you say that you pay ...

	Much more tax than they do.....	1	232	10.4
	A bit more tax than they do.....	2	426	19.2
	About the same amount of tax as they do.....	3	1441	64.9
	A bit less tax than they do.....	4	102	4.6
	Much less tax than they do.....	5	21	0.9
Mean	2.66		Total Valid	[2222] [100.0]
Std Dev	0.76		Missing Data	(70) (3.1)

5.3 In your opinion, do the following groups pay their fair share of tax?

Much more!	=	Pay much more than their fair share
A bit more	=	Pay a bit more than their fair share
OK	=	Pay about their fair share
A bit less	=	Pay a bit less than their fair share
Much less!	=	Pay much less than their fair share

1. {P12Q531} Workers whose primary income is wage and salaries.....			Much more!	A bit more	OK	A bit less	Much less!		
Mean	2.05	n	720	720	785	18	7	Total Valid	Missing Data
Std Dev	0.85	%	32.0	32.0	34.9	0.8	0.3	[2250]	(42)
								[100.0]	(1.8)
2. {P12Q532} People who make a lot of their money from investments.....			Much more!	A bit more	OK	A bit less	Much less!		
Mean	3.19	n	185	416	707	615	295	Total Valid	Missing Data
Std Dev	1.14	%	8.3	18.8	31.9	27.7	13.3	[2218]	(74)
								[100.0]	(3.2)
3. {P12Q533} Families earning less than \$20,000 a year			Much more!	A bit more	OK	A bit less	Much less!		
Mean	2.76	n	308	400	1204	191	139	Total Valid	Missing Data
Std Dev	1.00	%	13.7	17.8	53.7	8.5	6.2	[2242]	(50)
								[100.0]	(2.2)
4. {P12Q534} Families earning more than \$100,000 a year			Much more!	A bit more	OK	A bit less	Much less!		
Mean	2.62	n	481	651	525	395	184	Total Valid	Missing Data
Std Dev	1.23	%	21.5	29.1	23.5	17.7	8.2	[2236]	(56)
								[100.0]	(2.4)
5. {P12Q535} You, yourself.....			Much more!	A bit more	OK	A bit less	Much less!		
Mean	2.16	n	506	926	776	39	5	Total Valid	Missing Data
Std Dev	0.80	%	22.5	41.1	34.5	1.7	0.2	[2252]	(40)
								[100.0]	(1.7)
6. {P12Q536} Your industry/occupation group			Much more!	A bit more	OK	A bit less	Much less!		
Mean	2.36	n	434	819	796	120	64	Total Valid	Missing Data
Std Dev	0.95	%	19.4	36.7	35.6	5.4	2.9	[2233]	(59)
								[100.0]	(2.6)

5.4 Now think of the following groups. Do they pay their fair share of tax in your view?

Much more!	=	Pay much more than their fair share
A bit more	=	Pay a bit more than their fair share
OK	=	Pay about their fair share
A bit less	=	Pay a bit less than their fair share
Much less!	=	Pay much less than their fair share

			Much more!	A bit more	OK	A bit less	Much less!	Total Valid	Missing Data
1. {P13Q541} Owner-managers of large companies. Do they pay their fair share of tax?.....									
Mean	4.14	n	66	128	284	675	1058	[2211]	(81)
Std Dev	1.04	%	3.0	5.8	12.8	30.5	47.9	[100.0]	(3.5)
2. {P13Q542} Senior judges and barristers.....									
Mean	4.01	n	67	154	425	572	963	[2181]	(111)
Std Dev	1.09	%	3.1	7.1	19.5	26.2	44.2	[100.0]	(4.8)
3. {P13Q543} Unskilled factory workers									
Mean	2.40	n	333	777	1008	82	15	[2215]	(77)
Std Dev	0.81	%	15.0	35.1	45.5	3.7	0.7	[100.0]	(3.4)
4. {P13Q544} Trades people									
Mean	2.92	n	197	582	791	479	164	[2213]	(79)
Std Dev	1.06	%	8.9	26.3	35.7	21.6	7.4	[100.0]	(3.4)
5. {P13Q545} Farm labourers.....									
Mean	2.59	n	248	640	1123	159	37	[2207]	(85)
Std Dev	0.84	%	11.2	29.0	50.9	7.2	1.7	[100.0]	(3.7)
6. {P13Q546} Farm owners. How much of their fair share do they pay?.....									
Mean	3.33	n	113	308	826	619	314	[2180]	(112)
Std Dev	1.05	%	5.2	14.1	37.9	28.4	14.4	[100.0]	(4.9)
7. {P13Q547} Doctors in general practice (GPs).....									
Mean	3.45	n	94	283	733	687	389	[2186]	(106)
Std Dev	1.06	%	4.3	12.9	33.5	31.4	17.8	[100.0]	(4.6)
8. {P13Q548} Chief executives of large national corporations.....									
Mean	4.15	n	103	139	257	525	1175	[2199]	(93)
Std Dev	1.14	%	4.7	6.3	11.7	23.9	53.4	[100.0]	(4.1)
9. {P13Q549} Small business owners.....									
Mean	2.84	n	233	640	713	496	124	[2206]	(86)
Std Dev	1.07	%	10.6	29.0	32.3	22.5	5.6	[100.0]	(3.8)
10. {P13Q5410} Tax agents and advisers.....									
Mean	3.65	n	38	143	795	772	438	[2186]	(106)
Std Dev	0.93	%	1.7	6.5	36.4	35.3	20.0	[100.0]	(4.6)
11. {P13Q5411} Waitresses.....									
Mean	2.70	n	207	535	1206	227	31	[2206]	(86)
Std Dev	0.83	%	9.4	24.3	54.7	10.3	1.4	[100.0]	(3.8)
12. {P13Q5412} Surgeons.....									
Mean	3.57	n	123	257	589	694	531	[2194]	(98)
Std Dev	1.14	%	5.6	11.7	26.8	31.6	24.2	[100.0]	(4.3)

6. WHAT IF?

Imagine yourself in this situation. You have been paid \$5000 in cash for work that you have done outside your regular job. You don't declare it on your income tax return.

6.1 {P14Q61} What do you think the chances are that you will get caught?

		About zero (0%) About 25% 50/50 About 75% Almost certain (100%)							
		1	2	3	4	5			
Mean	4.01	n	23	187	473	636	935	Total Valid	Missing Data
Std Dev	1.02	%	1.0	8.3	21.0	28.2	41.5	[2254]	(38)
								[100.0]	(1.7)

6.2 If you did get caught, what are the chances that you would have to face the following legal consequences?

1. {P14Q621} Taken to court + pay a substantial fine + pay the tax you owe with interest

		About zero (0%) About 25% 50/50 About 75% Almost certain (100%)							
		1	2	3	4	5			
Mean	3.47	n	359	331	331	280	900	Total Valid	Missing Data
Std Dev	1.53	%	16.3	15.0	15.0	12.7	40.9	[2201]	(91)
								[100.0]	(4.0)

2. {P14Q622} Taken to court + pay the tax you owe with interest

		About zero (0%) About 25% 50/50 About 75% Almost certain (100%)							
		1	2	3	4	5			
Mean	3.36	n	381	348	331	295	800	Total Valid	Missing Data
Std Dev	1.54	%	17.7	16.1	15.4	13.7	37.1	[2155]	(137)
								[100.0]	(6.0)

3. {P14Q623} Pay a substantial fine + pay the tax you owe with interest

		About zero (0%) About 25% 50/50 About 75% Almost certain (100%)							
		1	2	3	4	5			
Mean	4.32	n	54	110	261	424	1340	Total Valid	Missing Data
Std Dev	1.03	%	2.5	5.0	11.9	19.4	61.2	[2189]	(103)
								[100.0]	(4.5)

4. {P14Q624} Pay the tax you owe with interest

		About zero (0%) About 25% 50/50 About 75% Almost certain (100%)							
		1	2	3	4	5			
Mean	4.06	n	231	153	190	268	1329	Total Valid	Missing Data
Std Dev	1.39	%	10.6	7.0	8.8	12.3	61.2	[2171]	(121)
								[100.0]	(5.3)

6.3 Look at these legal consequences again. How much of a problem would they be for you?

No	=	No problem
Small	=	A small problem
Medium	=	A medium problem
Large	=	A large problem

1. {P14Q631} Taken to court + pay a substantial fine +

			No	Small	Medium	Large				
pay the tax you owe with interest.....		n	32	35	221	1946	Total Valid	Missing Data		
Mean	3.83	%	1.4	1.6	9.9	87.1	[2234]	(58)		
Std Dev	0.51								[100.0]	(2.5)

2. {P14Q632} Taken to court + pay the tax you owe with interest.....

			No	Small	Medium	Large				
with interest.....		n	34	63	381	1739	Total Valid	Missing Data		
Mean	3.73	%	1.5	2.8	17.2	78.4	[2217]	(75)		
Std Dev	0.59								[100.0]	(3.3)

3. {P14Q633} Pay a substantial fine + pay the tax you owe with interest.....

			No	Small	Medium	Large				
owe with interest.....		n	37	79	630	1477	Total Valid	Missing Data		
Mean	3.60	%	1.7	3.6	28.3	66.4	[2223]	(69)		
Std Dev	0.64								[100.0]	(3.0)

4. {P14Q634} Pay the tax you owe with interest.....

			No	Small	Medium	Large				
with interest.....		n	100	374	831	922	Total Valid	Missing Data		
Mean	3.16	%	4.5	16.8	37.3	41.4	[2227]	(65)		
Std Dev	0.86								[100.0]	(2.8)

6.4 Assume that you had to pay a substantial fine or penalty. How likely is it that the following would occur?

		Not Likely	May happen	Likely	Almost Certain		
1. {P15Q641} Feel that you had let down your family		1	2	3	4	Total Valid	Missing Data
Mean	2.94	n 386	301	611	949	[2247]	(45)
Std Dev	1.11	% 17.2	13.4	27.2	42.2	[100.0]	(2.0)
2. {P15Q642} Feel ashamed of yourself		1	2	3	4	Total Valid	Missing Data
Mean	2.76	n 460	410	581	798	[2249]	(43)
Std Dev	1.14	% 20.5	18.2	25.8	35.5	[100.0]	(1.9)
3. {P15Q643} Feel angry with yourself for what you did		1	2	3	4	Total Valid	Missing Data
Mean	2.96	n 300	381	674	889	[2244]	(48)
Std Dev	1.05	% 13.4	17.0	30.0	39.6	[100.0]	(2.1)
4. {P15Q644} Feel concerned to put matters right and put it behind you		1	2	3	4	Total Valid	Missing Data
Mean	3.25	n 121	222	872	1029	[2244]	(48)
Std Dev	0.84	% 5.4	9.9	38.9	45.9	[100.0]	(2.1)
5. {P15Q645} Feel that what you had done was wrong		1	2	3	4	Total Valid	Missing Data
Mean	2.54	n 603	425	597	612	[2237]	(55)
Std Dev	1.16	% 27.0	19.0	26.7	27.4	[100.0]	(2.4)
6. {P15Q646} Feel bad about the harm and trouble you'd caused		1	2	3	4	Total Valid	Missing Data
Mean	2.52	n 567	476	636	550	[2229]	(63)
Std Dev	1.12	% 25.4	21.4	28.5	24.7	[100.0]	(2.7)
7. {P15Q647} Feel humiliated		1	2	3	4	Total Valid	Missing Data
Mean	2.61	n 535	448	612	644	[2239]	(53)
Std Dev	1.14	% 23.9	20.0	27.3	28.8	[100.0]	(2.3)
8. {P15Q648} Feel embarrassed		1	2	3	4	Total Valid	Missing Data
Mean	2.69	n 459	446	668	664	[2237]	(55)
Std Dev	1.10	% 20.5	19.9	29.9	29.7	[100.0]	(2.4)
9. {P15Q649} Feel unable to decide, in your own mind, whether or not you had done the wrong thing		1	2	3	4	Total Valid	Missing Data
Mean	1.94	n 1057	481	468	227	[2233]	(59)
Std Dev	1.04	% 47.3	21.5	21.0	10.2	[100.0]	(2.6)
10. {P15Q6410} Feel guilty		1	2	3	4	Total Valid	Missing Data
Mean	2.40	n 679	476	586	490	[2231]	(61)
Std Dev	1.13	% 30.4	21.3	26.3	22.0	[100.0]	(2.7)
11. {P15Q6411} Feel angry with the Tax Office		1	2	3	4	Total Valid	Missing Data
Mean	2.84	n 358	499	528	855	[2240]	(52)
Std Dev	1.10	% 16.0	22.3	23.6	38.2	[100.0]	(2.3)
12. {P15Q6412} Feel bothered by thoughts that you were being unfairly treated		1	2	3	4	Total Valid	Missing Data
Mean	2.69	n 446	517	566	714	[2243]	(49)
Std Dev	1.12	% 19.9	23.0	25.2	31.8	[100.0]	(2.1)
13. {P15Q6413} Feel that you wanted to get even with the Tax Office		1	2	3	4	Total Valid	Missing Data
Mean	1.63	n 1400	446	202	185	[2233]	(59)
Std Dev	0.95	% 62.7	20.0	9.0	8.3	[100.0]	(2.6)
14. {P15Q6414} Pretend that nothing was happening		1	2	3	4	Total Valid	Missing Data
Mean	1.31	n 1705	389	115	27	[2236]	(56)
Std Dev	0.62	% 76.3	17.4	5.1	1.2	[100.0]	(2.4)
15. {P15Q6415} Make a joke of it		1	2	3	4	Total Valid	Missing Data
Mean	1.31	n 1731	350	129	26	[2236]	(56)
Std Dev	0.63	% 77.4	15.7	5.8	1.2	[100.0]	(2.4)
16. {P15Q6416} Rise above it		1	2	3	4	Total Valid	Missing Data
Mean	2.88	n 190	498	940	604	[2232]	(60)
Std Dev	0.91	% 8.5	22.3	42.1	27.1	[100.0]	(2.6)



You have completed half of the questionnaire! Why not have a coffee break before commencing the next section.

7. TAXPAYING BEHAVIOUR

7.1 {P16Q71} Think about the last income tax return that you filed or has been filed on your behalf. What financial year was it for?

	n	%
2000/2001 Financial Year	1	1720
1999/2000 Financial Year	2	510
1998/1999 Financial Year	3	37
1997/1998 Financial Year	4	9
Have not filed a tax return in the last 5 years	5	3
Total Valid	[2279]	[100.0]
Missing Data	(13)	(0.6)

7.2 {P16Q72} As far as you know, did you exaggerate the amount of deductions or rebates in your most recent income tax return?

	n	%
A lot	1	3
Quite a bit	2	1
Somewhat	3	7
A little	4	101
Not at all	5	2171
Total Valid	[2283]	[100.0]
Missing Data	(9)	(0.4)

Mean 4.94
Std Dev 0.28

7.3 {P16Q73} Think of the deductions and rebates you claimed in your most recent income tax return. Would you say you were ... (Circle the answer that best describes you)

	n	%
Absolutely confident that they were all legitimate	1	2071
A bit unsure about some of them	2	170
Pretty unsure about quite a lot	3	2
Haven't a clue, someone else did it	4	40
Total Valid	[2283]	[100.0]
Missing Data	(9)	(0.4)

Mean 1.13
Std Dev 0.47

7.4 {P16Q74} Some people put in a lot of effort to plan their financial affairs in order to legally pay as little tax as possible. How much effort did you or your family devote to this objective in preparing for your most recent income tax return?

	n	%
A lot	1	123
Quite a bit	2	262
Some	3	551
A little	4	541
None	5	802
Total Valid	[2279]	[100.0]
Missing Data	(13)	(0.6)

Mean 3.72
Std Dev 1.21

7.5 {P16Q75} In preparing for your most recent income tax return, did you look at several different ways of arranging your finances to minimize your tax?

	n	%
Yes	1	556
No	2	1720
Total Valid	[2276]	[100.0]
Missing Data	(16)	(0.7)

7.6 {P16Q76} When you were preparing for the lodgement of your most recent income tax return, how well did you understand what the Tax Office expected of you? Would you say your understanding was ...

	n	%
Extremely good	1	258
Good	2	625
Reasonable	3	933
Partial	4	275
Poor	5	185
Total Valid	[2276]	[100.0]
Missing Data	(16)	(0.7)

Mean 2.78
Std Dev 1.06

7.7 Below is a list of investment strategies that may provide for tax minimization. In preparing for your most recent income tax return, were you able to minimize your tax through ...

Yes	=	Yes
No	=	No
DK	=	Don't know what that is

		Yes	No	DK	Total Valid	Missing Data
1. {P17Q771} Negative gearing (property/shares).....	n	1028	1214	13	[2255]	(37)
	%	45.6	53.8	0.6	[100.0]	(1.6)
2. {P17Q772} Employee share arrangements.....	n	108	2006	113	[2227]	(65)
	%	4.8	90.1	5.1	[100.0]	(2.8)
3. {P17Q773} Salary packaging.....	n	460	1714	66	[2240]	(52)
	%	20.5	76.5	2.9	[100.0]	(2.3)
4. {P17Q774} Superannuation planning.....	n	845	1368	35	[2248]	(44)
	%	37.6	60.9	1.6	[100.0]	(1.9)
5. {P17Q775} Warrants or leveraged investments.....	n	99	1842	283	[2224]	(68)
	%	4.5	82.8	12.7	[100.0]	(3.0)
6. {P17Q776} Schemes to convert income into capital gains.....	n	41	1989	197	[2227]	(65)
	%	1.8	89.3	8.8	[100.0]	(2.8)
7. {P17Q777} Tax shelters (eg film schemes, agricultural schemes).....	n	418	1785	44	[2247]	(45)
	%	18.6	79.4	2.0	[100.0]	(2.0)
8. {P17Q778} Off-shore tax havens or other international tax planning.....	n	14	2137	80	[2231]	(61)
	%	0.6	95.8	3.6	[100.0]	(2.7)

7.8. Below are some statements that relate to tax effective schemes. How much do you agree with the following statements?

		Strongly disagree	Disagree	Neither	Agree	Strongly agree	Total Valid	Missing Data
1. {P17Q781} You can lose a lot of money in tax schemes and shelters like agricultural schemes.....	n	1	2	3	4	5	[2264]	(28)
Mean	4.07							
Std Dev	0.98						[100.0]	(1.2)
	%	2.4	5.7	13.4	40.2	38.4		
2. {P17Q782} I would not touch any tax scheme or shelter like an agricultural scheme that did not have a Product Ruling from the Tax Office to say it was OK.....	n	1	2	3	4	5	[2267]	(25)
Mean	4.58							
Std Dev	0.72						[100.0]	(1.1)
	%	1.1	1.2	3.3	27.6	66.7		
3. {P17Q783} I would not touch any tax scheme or shelter like an agricultural scheme that did not have a credible lawyer's opinion to say it was OK.....	n	1	2	3	4	5	[2260]	(32)
Mean	3.99							
Std Dev	1.17						[100.0]	(1.4)
	%	5.7	7.3	13.3	29.5	44.2		
4. {P17Q784} I would not touch any tax scheme or shelter like an agricultural scheme unless I believed it to be completely legitimate.....	n	1	2	3	4	5	[2269]	(23)
Mean	4.52							
Std Dev	0.85						[100.0]	(1.0)
	%	2.5	1.7	3.6	25.7	66.6		

7.9 {P18Q79} Compared with five years ago do you think people are more prepared or less prepared to go in for tax schemes that rely for their success on loopholes in the law?

		n	%
Much more prepared	1	250	11.0
A little more prepared	2	233	10.3
About the same	3	309	13.6
A little less prepared	4	175	7.7
Much less prepared	5	990	43.6
Don't know	6	312	13.8
		Total Valid	[2269]
		Missing Data	(23)

Mean 4.04
Std Dev 1.59

7.10 In 1986, the Tax Office introduced a self-assessment system to taxation. The following three questions are designed to explore your understanding of this system.

1. {P18Q7101} Assume you submit a tax return where you have claimed a deduction. You then receive a refund from the Tax Office for this deduction. Does this signal to you that the Tax Office has approved your deduction?

		n	%
Yes	1	1316	57.8
No	2	897	39.4
Don't Know	3	65	2.9
		Total Valid	[2278]
		Missing Data	(14)

2. {P18Q7102} Did you know that the Tax Office can come back to you up to 6 years after you have lodged a tax return to disallow a deduction? (This is not the same as an audit)

		n	%
Yes	1	1465	64.3
No	2	712	31.2
Don't Know	3	103	4.5
		Total Valid	[2280]
		Missing Data	(12)

3. {P18Q7103} Do you think the Tax Office acts retrospectively in many of its decisions to disallow deductions?

		n	%
Yes	1	1740	76.4
No	2	235	10.3
Don't Know	3	301	13.2
		Total Valid	[2276]
		Missing Data	(16)

8. SOME OTHER ISSUES

8.1 To what extent do you agree or disagree with the following statements given your current situation:

			Strongly disagree	Disagree	Neither	Agree	Strongly agree		
1. {P19Q811} I would be better off if I worked less given the rate at which I am taxed.....			1	2	3	4	5	Total Valid	Missing Data
Mean	3.15	n	225	614	415	630	389	[2273]	(19)
Std Dev	1.27	%	9.9	27.0	18.3	27.7	17.1	[100.0]	(0.8)
2. {P19Q812} Paying tax removes the incentive to earn more income.....			1	2	3	4	5	Total Valid	Missing Data
Mean	3.57	n	124	491	231	839	595	[2280]	(12)
Std Dev	1.24	%	5.4	21.5	10.1	36.8	26.1	[100.0]	(0.5)
3. {P19Q813} Paying tax means I just can't get ahead.....			1	2	3	4	5	Total Valid	Missing Data
Mean	2.97	n	159	793	558	485	280	[2275]	(17)
Std Dev	1.15	%	7.0	34.9	24.5	21.3	12.3	[100.0]	(0.7)

8.2 {P19Q82} Overall, how dissatisfied or satisfied are you with the way the government spends taxpayers' money? (Please circle a number)

			Dissatisfied Satisfied						
			1	2	3	4	5	Total Valid	Missing Data
Mean	2.42	n	478	761	643	354	30	[2266]	(26)
Std Dev	1.03	%	21.1	33.6	28.4	15.6	1.3	[100.0]	(1.1)

8.3 When policy makers design a new tax system, how much importance do you think they should attach to the following issues:

1 = Not important
2 = Somewhat important
3 = Important
4 = Very important
5 = Of the utmost importance

1. {P19Q831} Broadening the tax base so that everyone makes some contribution.....			1	2	3	4	5	Total Valid	Missing Data
Mean	4.03	n	81	150	413	612	1020	[2276]	(16)
Std Dev	1.10	%	3.6	6.6	18.1	26.9	44.8	[100.0]	(0.7)
2. {P19Q832} Ensuring that people who are wealthier pay more tax.....			1	2	3	4	5	Total Valid	Missing Data
Mean	3.27	n	280	359	627	500	516	[2282]	(10)
Std Dev	1.30	%	12.3	15.7	27.5	21.9	22.6	[100.0]	(0.4)
3. {P19Q833} Ensuring that large corporations pay their fair share.....			1	2	3	4	5	Total Valid	Missing Data
Mean	4.38	n	40	60	243	580	1363	[2286]	(6)
Std Dev	0.90	%	1.7	2.6	10.6	25.4	59.6	[100.0]	(0.3)
4. {P19Q834} Keeping the costs of administering the tax system down.....			1	2	3	4	5	Total Valid	Missing Data
Mean	4.08	n	58	125	427	633	1042	[2285]	(7)
Std Dev	1.04	%	2.5	5.5	18.7	27.7	45.6	[100.0]	(0.3)
5. {P19Q835} Making the whole tax system simpler through getting rid of as many exemptions as possible.....			1	2	3	4	5	Total Valid	Missing Data
Mean	3.58	n	195	276	543	521	733	[2268]	(24)
Std Dev	1.28	%	8.6	12.2	23.9	23.0	32.3	[100.0]	(1.0)
6. {P19Q836} Giving corporations incentives to serve the community (e.g. create jobs, contribute to public goods, support sport and the arts).....			1	2	3	4	5	Total Valid	Missing Data
Mean	3.81	n	110	178	511	725	755	[2279]	(13)
Std Dev	1.12	%	4.8	7.8	22.4	31.8	33.1	[100.0]	(0.6)
7. {P19Q837} Getting rid of the grey areas of tax law.....			1	2	3	4	5	Total Valid	Missing Data
Mean	4.41	n	42	52	227	579	1382	[2282]	(10)
Std Dev	0.89	%	1.8	2.3	9.9	25.4	60.6	[100.0]	(0.4)
8. {P19Q838} Making the amount of tax paid by all large corporations publicly available.....			1	2	3	4	5	Total Valid	Missing Data
Mean	3.63	n	306	211	387	492	881	[2277]	(15)
Std Dev	1.41	%	13.4	9.3	17.0	21.6	38.7	[100.0]	(0.7)

1 = Not important
 2 = Somewhat important
 3 = Important
 4 = Very important
 5 = Of the utmost importance

Item		1	2	3	4	5	Total Valid	Missing Data
9. {P20Q839} Getting rid of as many deductions as possible.....		759	554	523	220	200	[2256]	(36)
Mean	2.36							
Std Dev	1.28						[100.0]	(1.6)
		n						
		%						
10. {P20Q8310} Looking into a flat rate of tax		402	262	473	482	646	[2265]	(27)
Mean	3.31							
Std Dev	1.44						[100.0]	(1.2)
		n						
		%						
11. {P20Q8311} Improving the competitiveness of Australian business.....		70	123	453	725	893	[2264]	(28)
Mean	3.99							
Std Dev	1.04						[100.0]	(1.2)
		n						
		%						
12. {P20Q8312} Making sure that the government has a secure source of revenue to provide public goods.....		31	104	679	808	649	[2271]	(21)
Mean	3.85							
Std Dev	0.93						[100.0]	(0.9)
		n						
		%						
13. {P20Q8313} Keeping taxes as low as possible.....		92	173	538	592	882	[2277]	(15)
Mean	3.88							
Std Dev	1.13						[100.0]	(0.7)
		n						
		%						
14. {P20Q8314} Minimising the regulations and the paper work for taxpayers.....		51	100	344	637	1142	[2274]	(18)
Mean	4.20							
Std Dev	1.00						[100.0]	(0.8)
		n						
		%						

Item	n	%
8.4 {P20Q84} Did you seek advice from a tax agent before getting involved in the situation that has caused you to amend your tax return?		
Yes.....	1675	74.0
No.....	589	26.0
Total Valid	[2264]	[100.0]
Missing Data	(28)	(1.2)

Item	n	%
8.5 {P20Q85} If you answered yes to the question above, tell us what your tax agent advised you to do.		
Comment provided	1616	70.5
Comment not provided	676	29.5
Total	[2292]	[100.0]

Item	n	%
8.6 {P20Q86} Did you rely on a tax agent or adviser (tax accountant or lawyer) in preparing your most recent income tax return?		
Yes.....	2110	93.0
No.....	160	7.0
Total Valid	[2270]	[100.0]
Missing Data	(22)	(1.0)

Item	n	%
8.7 {P20Q87A} {P20Q87B} {P20Q87C} {P20Q87D} {P20Q87E} If you did use a tax agent, why did you decide to use that particular tax agent? You can circle more than one if it applies to you.		
They are a family friend.....	202	10.0
They were recommended to me by friends/colleagues.....	894	44.5
Their office is in the area I live/work.....	406	20.2
They work for a reputable firm.....	946	47.1
I know they will aggressively minimize the tax I pay.....	64	3.2
Total Valid	[2010]	[125.0]
Missing Data	(282)	(14.0)

[Respondents may give more than one answer. Percentages use total valid cases not answers, as the base. Missing cases are respondents who did not circle any answer.]

Item	n	%
8.8 {P20Q88} What was your <u>primary</u> reason for using a tax agent?		
Fear of making a mistake.....	966	47.5
Insufficient time to prepare my own return.....	477	23.4
To legitimately minimize the tax I had to pay.....	560	27.5
To avoid paying tax.....	4	0.2
<u>Too complex/Don't have skills</u>	25	1.2
<u>Don't need to talk to ATO</u>	1	0.0
<u>I am a Tax agent</u>	2	0.1
Total Valid	[2035]	[100.0]
Missing Data	(257)	(11.2)

[Owing to significant additional responses the underlined categories were added during processing]

8.9 How well do the following statements describe your tax agent's approach to taxation matters?

		Strongly disagree	Disagree	Neither	Agree	Strongly agree	Total Valid	Missing Data
1. {P21Q891} I have a tax agent who is clever in the way she/he arranges my affairs to minimize tax.....		1	2	3	4	5		
Mean	2.82	n	204	471	890	410	48	[2023] (269)
Std Dev	0.95	%	10.1	23.3	44.0	20.3	2.4	[100.0] (11.7)
2. {P21Q892} My tax agent is a very honest person.....		1	2	3	4	5		
Mean	4.32	n	15	16	145	999	875	[2050] (242)
Std Dev	0.7	%	0.7	0.8	7.1	48.7	42.7	[100.0] (10.6)
3. {P21Q893} My tax agent helps me interpret ambiguous or grey areas of the tax law in my favour.....		1	2	3	4	5		
Mean	3.18	n	93	395	775	617	162	[2042] (250)
Std Dev	0.98	%	4.6	19.3	38.0	30.2	7.9	[100.0] (10.9)
4. {P21Q894} My tax agent has suggested complicated schemes I could get into to avoid tax.....		1	2	3	4	5		
Mean	1.88	n	888	748	206	165	36	[2043] (249)
Std Dev	1.00	%	43.5	36.6	10.1	8.1	1.8	[100.0] (10.9)
5. {P21Q895} My tax agent has warned me against getting involved in tax planning schemes.....		1	2	3	4	5		
Mean	3.24	n	111	368	739	571	254	[2043] (249)
Std Dev	1.06	%	5.4	18.0	36.2	27.9	12.4	[100.0] (10.9)



8.10 What priority would you place on the following qualities if you were to choose a tax agent or adviser?

Priority

		Low	Medium	High	Top	Total Valid	Missing Data
1. {P21Q8101} Someone who knows their way around the system to minimize the tax I have to pay.....		Low	Medium	High	Top		
Mean	2.44	n	399	729	819	287	[2234] (58)
Std Dev	0.93	%	17.9	32.6	36.7	12.8	[100.0] (2.5)
2. {P21Q8102} Someone who will take advantage of grey areas of the law on my behalf.....		Low	Medium	High	Top		
Mean	1.55	n	1344	617	211	59	[2231] (61)
Std Dev	0.77	%	60.2	27.7	9.5	2.6	[100.0] (2.7)
3. {P21Q8103} Someone who is well networked and knows what the Tax Office is checking on at any particular time.....		Low	Medium	High	Top		
Mean	1.84	n	1026	659	413	132	[2230] (62)
Std Dev	0.93	%	46.0	29.6	18.5	5.9	[100.0] (2.7)
4. {P21Q8104} A creative accountant.....		Low	Medium	High	Top		
Mean	1.68	n	1183	654	296	89	[2222] (70)
Std Dev	0.85	%	53.2	29.4	13.3	4.0	[100.0] (3.1)
5. {P21Q8105} Someone who can deliver on aggressive tax planning.....		Low	Medium	High	Top		
Mean	1.66	n	1160	738	249	81	[2228] (64)
Std Dev	0.82	%	52.1	33.1	11.2	3.6	[100.0] (2.8)
6. {P21Q8106} Someone who will do it honestly and with minimum fuss.....		Low	Medium	High	Top		
Mean	3.46	n	8	95	997	1152	[2252] (40)
Std Dev	0.60	%	0.4	4.2	44.3	51.2	[100.0] (1.7)
7. {P21Q8107} Someone who does not take risks and only claims for things that are clearly legitimate.....		Low	Medium	High	Top		
Mean	3.28	n	41	250	1014	953	[2258] (34)
Std Dev	0.73	%	1.8	11.1	44.9	42.2	[100.0] (1.5)

9. ANOTHER WHAT IF?

Assume your tax agent is unsure about whether one of your expenses is deductible on your tax return, as the tax law relating to this expense is ambiguous. Your tax agent tells you that if you claim the deduction there is a low probability that your tax return will be audited, and that if you are audited, the taxpayer penalty would be mild. After thinking about the situation, your agent advises you NOT TO CLAIM the deduction on your return.

9.1. {P22Q91} Would you agree with the advice your tax agent has given you?

		Definitely Yes Probably Yes Neutral Probably No Definitely No						
		1	2	3	4	5	Total Valid	Missing Data
Mean	1.51	n	1372	749	61	60	28	
Std Dev	0.78	%	60.4	33.0	2.7	2.6	1.2	
							[2270]	(22)
							[100.0]	(1.0)

9.2. {P22Q92} Based on your tax agent's advice NOT TO CLAIM the ambiguous deduction, would you continue to use this preparer?

		Definitely Yes Probably Yes Neutral Probably No Definitely No						
		1	2	3	4	5	Total Valid	Missing Data
Mean	1.52	n	1363	758	52	50	43	
Std Dev	0.81	%	60.2	33.5	2.3	2.2	1.9	
							[2266]	(26)
							[100.0]	(1.1)

Think of the scenario presented above. Now assume that your tax agent does advise you to CLAIM the ambiguous deduction on your return.

9.3. {P22Q93} Would you agree with the advice your tax agent has given you?

		Definitely Yes Probably Yes Neutral Probably No Definitely No						
		1	2	3	4	5	Total Valid	Missing Data
Mean	2.84	n	230	963	240	594	236	
Std Dev	1.22	%	10.2	42.6	10.6	26.2	10.4	
							[2263]	(29)
							[100.0]	(1.3)

9.4. {P22Q94} Based on your tax agent's advice to CLAIM the ambiguous deduction, would you continue to use this preparer?

		Definitely Yes Probably Yes Neutral Probably No Definitely No						
		1	2	3	4	5	Total Valid	Missing Data
Mean	2.52	n	342	1067	327	385	141	
Std Dev	1.13	%	15.1	47.2	14.5	17.0	6.2	
							[2262]	(30)
							[100.0]	(1.3)

10. CASH TRANSACTION BEHAVIOUR

10.1 {P23Q101} Have you worked for cash-in-hand payments in the last 12 months? By cash-in-hand we mean cash money that tax is not paid on.

Yes.....	1		n	%
No.....	2	-- skip to 10.3	79	3.5
		*	2197	96.5
			Total Valid	[2276]
			Missing Data	(16) [100.0]
				(0.7)

10.2.1 {JOBIN1} {JOBIN2} If yes, what were you employed as and what kind of work did you do?

See Appendix Two

10.2.2 {P23Q1022} How much did you earn in this way in the last 12 months?

\$ _____

See Appendix Three

10.2.3 {P23Q1023} On average, how much did you earn per hour for this work?

\$ _____

See Appendix Three

* 10.3 {P23Q103} Have you paid anyone cash-in-hand payments in the last 12 months for work or services they provided to you? By cash-in-hand we mean cash money that tax is not paid on.

Yes.....	1		n	%
No.....	2	-- skip to 10.5	477	21.1
<u>Yes, but not sure if tax paid</u>	3		1777	78.7
			4	0.2

[Owing to significant additional responses the underlined category was added during processing]

			Total Valid	[2258]
			Missing Data	(34) [100.0]
				(1.5)

10.4.1 {JOBOUT1} {JOBOUT2} {JOBOUT3} {JOBOUT4} {JOBOUT5} {JOBOUT6} {JOBOUT7} If yes, what were they employed as and what kind of work did they do? If they did different things please list the jobs from the largest to the smallest.

(a) Job 1 :- _____

(b) Job 2 :- _____

(c) Job 3 :- _____

See Appendix Four

10.4.2 {P23Q1042A} {P23Q1042B} {P23Q1042C} How much did you pay for this work in the last 12 months?

(a) Job 1 :- \$ _____

(b) Job 2 :- \$ _____

(c) Job 3 :- \$ _____

See Appendix Five



10.5 If you found out that an acquaintance was working for cash-in-hand payments how likely is it that you would respond in the following ways? By cash-in-hand we mean cash money that tax is not paid on.

		Highly unlikely	Unlikely	Unsure	Likely	Highly likely	Total Valid	Missing Data	
		1	2	3	4	5			
1. {P24Q1051} I'd think they were clever									
Mean	2.15	n	578	1013	406	188	46	Total Valid [2231]	Missing Data (61)
Std Dev	0.97	%	25.9	45.4	18.2	8.4	2.1	[100.0]	(2.7)
2. {P24Q1052} I would not care									
Mean	3.01	n	215	613	507	760	156	Total Valid [2251]	Missing Data (41)
Std Dev	1.13	%	9.6	27.2	22.5	33.8	6.9	[100.0]	(1.8)
3. {P24Q1053} I'd think it was wrong.....									
Mean	3.69	n	80	310	315	1058	487	Total Valid [2250]	Missing Data (42)
Std Dev	1.07	%	3.6	13.8	14.0	47.0	21.6	[100.0]	(1.8)
4. {P24Q1054} I'd let them know I disapproved									
Mean	2.75	n	246	809	615	431	149	Total Valid [2250]	Missing Data (42)
Std Dev	1.09	%	10.9	36.0	27.3	19.2	6.6	[100.0]	(1.8)
5. {P24Q1055} I'd report them to the Tax Office.....									
Mean	1.71	n	1160	704	306	44	37	Total Valid [2251]	Missing Data (41)
Std Dev	0.89	%	51.5	31.3	13.6	2.0	1.6	[100.0]	(1.8)

10.6 This question is asking what YOU think.

		No!!	No	??	Yes	Yes!!	Total Valid	Missing Data	
1. {P24Q1061} Do YOU think you should honestly declare cash earnings on your tax return?									
Mean	3.77	n	109	233	224	1201	497	Total Valid [2264]	Missing Data (28)
Std Dev	1.05	%	4.8	10.3	9.9	53.0	22.0	[100.0]	(1.2)
2. {P24Q1062} Do YOU think it is acceptable to overstate tax deductions on your tax return?.....									
Mean	1.85	n	705	1334	113	89	24	Total Valid [2265]	Missing Data (27)
Std Dev	0.77	%	31.1	58.9	5.0	3.9	1.1	[100.0]	(1.2)
3. {P24Q1063} Do YOU think that the tax you pay is fair given the goods and services you get from the government?									
Mean	2.45	n	513	904	267	507	82	Total Valid [2273]	Missing Data (19)
Std Dev	1.17	%	22.6	39.8	11.7	22.3	3.6	[100.0]	(0.8)
4. {P24Q1064} Would YOU prefer to pay less tax even if it means receiving a more restricted range of goods and services?									
Mean	3.26	n	123	646	293	933	276	Total Valid [2271]	Missing Data (21)
Std Dev	1.15	%	5.4	28.4	12.9	41.1	12.2	[100.0]	(0.9)
5. {P24Q1065} Do YOU think working for cash-in-hand payments without paying tax is a trivial offence?									
Mean	2.49	n	385	1006	307	501	64	Total Valid [2263]	Missing Data (29)
Std Dev	1.10	%	17.0	44.5	13.6	22.1	2.8	[100.0]	(1.3)
6. {P24Q1066} Do YOU think the government should actively discourage participation in the cash economy?.....									
Mean	3.71	n	74	320	276	1097	492	Total Valid [2259]	Missing Data (33)
Std Dev	1.06	%	3.3	14.2	12.2	48.6	21.8	[100.0]	(1.4)

10.7 Now we would like to know what you think MOST PEOPLE think.

		No!!	No	??	Yes	Yes!!	Total Valid	Missing Data	
1. {P24Q1071} Do MOST PEOPLE think they should honestly declare cash earnings on their tax return?									
Mean	2.44	n	375	1075	280	486	40	Total Valid [2256]	Missing Data (36)
Std Dev	1.06	%	16.6	47.7	12.4	21.5	1.8	[100.0]	(1.6)
2. {P24Q1072} Do MOST PEOPLE think it is acceptable to overstate deductions on their tax return?.....									
Mean	3.24	n	65	612	455	960	163	Total Valid [2255]	Missing Data (37)
Std Dev	1.02	%	2.9	27.1	20.2	42.6	7.2	[100.0]	(1.6)
3. {P24Q1073} Do MOST PEOPLE think that the tax they pay is fair given the goods and services they get from the government?									
Mean	2.22	n	404	1265	299	266	23	Total Valid [2257]	Missing Data (35)
Std Dev	0.91	%	17.9	56.0	13.2	11.8	1.0	[100.0]	(1.5)
4. {P24Q1074} Would MOST PEOPLE prefer to pay less tax even if it means receiving a more restricted range of goods and services?									
Mean	3.29	n	73	516	522	965	179	Total Valid [2255]	Missing Data (37)
Std Dev	1.01	%	3.2	22.9	23.1	42.8	7.9	[100.0]	(1.6)

5. {P25Q1075} Do MOST PEOPLE think working for cash-in-hand payments without paying tax is a trivial offence?

	n	No!!	No	??	Yes	Yes!!	Total Valid	Missing Data
Mean	3.49	68	381	368	1255	182	[2254]	(38)
Std Dev	0.96	% 3.0	16.9	16.3	55.7	8.1	[100.0]	(1.7)

6. {P25Q1076} Do MOST PEOPLE think the government should actively discourage participation in the cash economy?

	n	No!!	No	??	Yes	Yes!!	Total Valid	Missing Data
Mean	3.05	140	640	538	822	108	[2248]	(44)
Std Dev	1.04	% 6.2	28.5	23.9	36.6	4.8	[100.0]	(1.9)

11. BACKGROUND INFORMATION

The final section asks questions about yourself and your family background. These characteristics are very important to our research on how different people in different circumstances feel about tax issues.

11.1 {P25Q111} Firstly, what is your sex?

	n	%
Male	1882	82.5
Female	400	17.5
Total Valid	[2282]	[100.0]
Missing Data	(10)	(0.4)

11.2 {P25Q112} What is your age in years? _____ Years

See Appendix Six

11.3 {P25Q113} In what country were you born? _____

See Appendix Seven

11.4 {P25Q114} Are you from a non-English speaking background?

	n	%
Yes	304	13.4
No	1971	86.6
Total Valid	[2275]	[100.0]
Missing Data	(17)	(0.7)

11.5 {P25Q115} If yes, from which country did your family come? _____

See Appendix Seven

11.6 {P25Q116} What was the highest level of education you completed?

	n	%
Did not have any or much formal schooling	5	0.2
Primary School	13	0.6
Junior/Intermediate/Form 4/Year 10	254	11.1
Secondary/Leaving/Form 6 Year 12	315	13.8
Trade certificate/Nursing Diploma	382	16.8
Diploma Course	322	14.1
University/Tertiary Degree	617	27.1
Post-graduate Degree	372	16.3
Total Valid	[2280]	[100.0]
Missing Data	(12)	(0.5)

11.7 {P25Q117} What is your current marital status?

	n	%
Never married	139	6.1
Now married (including de facto relationships)	1875	82.2
Widowed	25	1.1
Divorced or separated	243	10.6
Total Valid	[2282]	[100.0]
Missing Data	(10)	(0.4)

11.8 {P26Q118} Now some questions about the work that you are doing. Last week were you ...

	n	%
Working full time for pay	1832	80.9
Working part-time for pay	191	8.4
Unemployed.....	64	2.8
Retired from paid work	137	6.0
Full-time student.....	5	0.2
Keeping house.....	36	1.6
	Total Valid	[2265]
	Missing Data	(27)

} skip to 11.10 

11.9 {P26Q119} What kind of work do you do? Please give your full job title and as much detail as you can. If you are retired or unemployed, please describe your last regular paid job.

1. Job title

See Appendix Eight

2. Main tasks that you do

3. Kind of business or industry

4. {P26Q1194} Is (was) that job for ...

	n	%
A private company or business	1266	58.0
Non-profit organisation eg university	52	2.4
Commonwealth, state or local government	385	17.7
Self-employed; in partnership; own business	478	21.9
	Total Valid	[2181]
	Missing Data	(111)



11.10 {P26Q1110} All in all, what was your *family's* income last year – about how many *thousand* dollars? (Please circle a number) See Appendix Nine



11.11 {P26Q1111} And your own personal income – about how many thousand dollars? (Please circle a number)

See Appendix Nine



11.12 We would very much like to contact you in the future to conduct a follow-up study. If you are interested in participating we would appreciate it if you could give us your name and address below. This way we can contact you directly without having to ask the Tax Office to post you a survey.

Name

Number & Street

Town

State: **NSW** **Qld** **SA** **Tas** **Vic** **WA** **ACT** **NT**

Postcode:

THANK YOU VERY MUCH FOR FILLING OUT THE QUESTIONNAIRE!!

We know that it was a long questionnaire and that there have been some hard questions. But they were important and we really appreciate your dedication in seeing it through to the end.



Please put it in the return envelope and mail it back to us at the Australian National University. Your co-operation has been a great help. Thanks again!

If you have any comments which you would like to add, please write them below.

APPENDIX ONE

{P2Q18} Q18 \$ Amount tax situation has cost you

Value Label	Value	Frequency	Valid %			
	0	16	0.7	13000	16	0.7
	25	1	0.0	13500	3	0.1
	30	1	0.0	14000	30	1.4
	65	1	0.0	14100	1	0.0
	85	1	0.0	14500	3	0.1
	95	3	0.1	15000	86	4.0
In Court/Under litig	96	3	0.1	15500	2	0.1
Bankrupt/Life Saving	97	5	0.2	16000	27	1.2
Lots/Heaps/Thousands	98	25	1.2	16500	2	0.1
Don't Know	100	2	0.1	17000	11	0.5
	130	1	0.0	17182	1	0.0
	300	1	0.0	17500	9	0.4
	400	1	0.0	18000	36	1.7
	450	1	0.0	18600	1	0.0
	500	2	0.1	18756	1	0.0
	517	1	0.0	19000	10	0.5
	600	1	0.0	19500	2	0.1
	800	1	0.0	20000	175	8.1
	850	1	0.0	20500	1	0.0
	1000	4	0.2	21000	10	0.5
	1400	1	0.0	21500	1	0.0
	1500	1	0.0	22000	15	0.7
	1685	1	0.0	22500	5	0.2
	2000	8	0.4	23000	10	0.5
	2500	4	0.2	23600	1	0.0
	2750	1	0.0	24000	14	0.6
	2800	1	0.0	25000	113	5.2
	2914	1	0.0	26000	15	0.7
	3000	15	0.7	27000	11	0.5
	3500	2	0.1	27500	10	0.5
	3600	1	0.0	28000	15	0.7
	4000	4	0.2	28025	1	0.0
	4500	1	0.0	29000	1	0.0
	5000	34	1.6	30000	136	6.3
	5301	1	0.0	31000	3	0.1
	5500	1	0.0	31500	1	0.0
	5979	1	0.0	32000	15	0.7
	6000	14	0.6	32332	1	0.0
	6500	5	0.2	32500	1	0.0
	7000	15	0.7	33000	6	0.3
	7500	3	0.1	34000	5	0.2
	8000	30	1.4	34500	1	0.0
	8107	1	0.0	35000	48	2.2
	8200	1	0.0	36000	12	0.6
	8500	7	0.3	37000	2	0.1
	8750	1	0.0	37500	1	0.0
	9000	16	0.7	38000	8	0.4
	9200	1	0.0	38548	1	0.0
	9500	2	0.1	40000	107	4.9
	10000	93	4.3	41000	2	0.1
	10381	1	0.0	42000	7	0.3
	10500	2	0.1	42500	2	0.1
	11000	17	0.8	43000	3	0.1
	11500	2	0.1	44000	3	0.1
	11600	1	0.0	45000	45	2.1
	12000	43	2.0	47000	2	0.1
	12500	16	0.7	47500	4	0.2
				48000	4	0.2
				49740	1	0.0
				50000	134	6.2

51000	1	0.0			225000	1	0.0
52000	4	0.2			230000	1	0.0
53000	4	0.2			250000	10	0.5
54000	2	0.1			275000	1	0.0
55000	16	0.7			280000	1	0.0
56000	3	0.1			300000	13	0.6
57000	3	0.1			320000	1	0.0
57500	1	0.0			350000	2	0.1
58000	1	0.0			360000	1	0.0
60000	66	3.0			375000	1	0.0
61100	1	0.0			400000	2	0.1
64000	1	0.0			450000	1	0.0
65000	20	0.9			453992	1	0.0
67500	1	0.0			500000	7	0.3
68000	3	0.1			502000	1	0.0
70000	50	2.3			600000	2	0.1
71000	2	0.1			700000	1	0.0
72000	1	0.0			800000	1	0.0
75000	18	0.8			1000000	1	0.0
78000	2	0.1			1100000	1	0.0
80000	47	2.2			2100000	1	0.0
83000	1	0.0	Total			[2166]	[100.0]
85000	6	0.3	Missing			(126)	(5.5)
86000	1	0.0					
87500	1	0.0	Mean			49477.49	
88000	3	0.1	Std Dev			83288.87	
89000	1	0.0	Median			30000.00	
90000	24	1.1					
92000	1	0.0					
95000	2	0.1					
100000	87	4.0					
102000	1	0.0					
103000	1	0.0					
105000	2	0.1					
107066	1	0.0					
107427	1	0.0					
108000	1	0.0					
110000	6	0.3					
115000	1	0.0					
120000	21	1.0					
125000	2	0.1					
128673	1	0.0					
130000	10	0.5					
135000	1	0.0					
137080	1	0.0					
140000	10	0.5					
142000	1	0.0					
145898	1	0.0					
148000	1	0.0					
149000	1	0.0					
150000	24	1.1					
160000	5	0.2					
165000	1	0.0					
170000	2	0.1					
180000	2	0.1					
183000	1	0.0					
184000	1	0.0					
190000	1	0.0					
198000	1	0.0					
200000	21	1.0					
210000	2	0.1					
216000	1	0.0					

APPENDIX TWO

{JOBIN1} Q1021-1 Job 1 where you were paid cash

Value Label	Value	Frequency	Valid %
Builder / Home renovations	106	1	0.0
Welder	109	1	0.0
Construction	115	2	0.1
Tradesperson NFD	120	2	0.1
Handyman	131	1	0.0
Labourer	132	1	0.0
Odd jobs around the house / home maintenance	154	2	0.1
Small jobs	162	1	0.0
Electrical work	167	2	0.1
Outside labouring	204	1	0.0
Lawn mowing	205	5	0.2
Gardening / Garden services	207	1	0.0
Brick Paving/Paving	221	2	0.1
Reticulation	233	1	0.0
Cleaner / Cleaning	301	1	0.0
Carpet cleaning	310	1	0.0
Private tuition / Tutoring	402	1	0.0
Haircuts for family	441	1	0.0
Child minding	461	1	0.0
Babysitters	462	1	0.0
Mechanic	502	3	0.1
Car detailing/cleaning	507	1	0.0
Equipment repair/maintenance	550	1	0.0
Computer technician / repairer	554	1	0.0
Taxi	601	1	0.0
Goods NFD / Services	720	1	0.0
Self employed	802	5	0.2
Artist	812	1	0.0
Chef	814	1	0.0
Waiters	826	1	0.0
Manual	837	1	0.0
Shop assistant/keeper	839	1	0.0
Shops	840	1	0.0
Dental surgery/dental work	845	2	0.1
Photographer	847	1	0.0
Pilot	848	1	0.0
Selling goods	849	2	0.1
Clerical	860	1	0.0
MYOB	878	1	0.0
Financial advice / planning	880	2	0.1
Property valuer	881	1	0.0
Musician	901	1	0.0
Consultant	921	2	0.1
Total		[62]	[100.0]
Non-responsive	997	2	0.1
Uncodable	998	3	0.1
No Answer	999	2225	97.1
Total Missing		(2230)	(97.3)

{JOBIN2} Q1021-2 Job 2 where you were paid cash

Value Label	Value	Frequency	Valid %
Builder / Home renovations	106	1	0.0
Gardening / Garden services	207	2	0.1
Computer work	829	1	0.0
Total		[4]	[100.0]
No Answer	999	2288	99.8
Total Missing		(2288)	(99.8)

APPENDIX THREE

{P23Q1022} Q1022 How much did you earn in last 12 months

Value Label	Value	Frequency	Valid %
	0	10	11.9
	100	1	1.2
	115	1	1.2
	150	3	3.6
	200	6	7.1
	300	3	3.6
	330	1	1.2
	396	1	1.2
	400	4	4.8
	500	6	7.1
	600	1	1.2
	700	1	1.2
	800	2	2.4
	1000	11	13.1
	1500	4	4.8
	1750	2	2.4
	1995	1	1.2
	2000	3	3.6
	3000	2	2.4
	4000	2	2.4
	5000	4	4.8
	6000	1	1.2
	8000	3	3.6
	10000	2	2.4
	17000	1	1.2
	18000	1	1.2
	35000	1	1.2
	51000	1	1.2
	54000	1	1.2
	55000	1	1.2
	62000	1	1.2
	82000	1	1.2
	140000	1	1.2
Total		[84]	[100.0]
Missing		(2208)	(96.3)
Mean		7589.12	
Std Dev		20923.06	
Median		1000.00	

{P23Q1023} Q1023 On average, how much per hour for this work

Value Label	Value	Frequency	Valid %
	0	10	13.0
	3	2	2.6
	5	2	2.6
	8	1	1.3
	10	10	13.0
	12	2	2.6
	13	1	1.3
	14	1	1.3
	15	6	7.8
	17	1	1.3
	20	8	10.4
	22	2	2.6
	23	1	1.3
	25	4	5.2
	27	1	1.3
	29	1	1.3
	30	3	3.9
	33	1	1.3
	35	2	2.6
	40	5	6.5
	50	5	6.5
	60	1	1.3
	80	1	1.3
	100	2	2.6
	140	1	1.3
	150	1	1.3
	200	2	2.6
Total		[77]	[100.0]
Missing		(2215)	(96.6)
Mean		30.36	
Std Dev		39.74	
Median		20.00	

APPENDIX FOUR

{JOBOUT1} Q1041-1 Job 1 that you paid for with cash

Value Label	Value	Frequency	Valid %
Building Tradespeople	100	1	0.0
Electrician	101	13	0.6
Plumber	102	18	0.8
Tiler	103	14	0.6
Carpenter/Joiner	104	9	0.4
Builder / Home renovations	106	14	0.6
Painter	108	14	0.6
Welder	109	1	0.0
Gasfitter	110	1	0.0
Bricklaying/Brickie	111	4	0.2
Concretor / Cementing	112	6	0.3
Glazier	113	2	0.1
Plasterer	114	4	0.2
Construction	115	11	0.5
Drainage	116	1	0.0
Cabinet maker	117	2	0.1
Metal work	118	1	0.0
Tradesperson NFD	120	15	0.7
Trade	121	1	0.0
Handyman	131	3	0.1
Labourer	132	15	0.7
Pest exterminator	153	1	0.0
Odd jobs around the house	154	11	0.5
Floor repairs / Carpet laying	156	6	0.3
Fixing remote control door	159	1	0.0
Air conditioner repair / installation	160	5	0.2
Small jobs	162	3	0.1
Electrical work	167	7	0.3
Bobcat operator	172	2	0.1
Picture hanging	174	1	0.0
Tree lopping	201	8	0.3
Garden cleaning	202	1	0.0
Tree removal	203	1	0.0
Lawn mowing	205	28	1.2
Gardening / Garden service	207	35	1.5
Rubbish removal	210	2	0.1
Driveway pebbling	220	1	0.0
Brick Paving/Paving	221	13	0.6
Ditch digging / Earth moving	223	2	0.1
Fencing	227	1	0.0
Landscaping	228	4	0.2
Yard cleaning/maintenance	229	2	0.1
Grass slasher	232	1	0.0
Reticulation	233	1	0.0
Cleaner / Cleaning	301	21	0.9
Maid	302	1	0.0
House cleaning	303	30	1.3
Ironing	304	4	0.2
Window washer/cleaner	305	3	0.1
Housework	306	1	0.0
Carpet cleaning	310	1	0.0
Swimming pool cleaner	311	1	0.0
Domestic help	312	1	0.0
Housekeeping	313	3	0.1
Window tinting/treatment	316	2	0.1
Lessons	401	1	0.0
Private tuition / Tutoring	402	2	0.1

Professional training / talks	404	1	0.0
Personal trainer	407	1	0.0
Tennis coach	408	1	0.0
Haircuts for family	441	3	0.1
Care of pets / Dog washer	442	3	0.1
Child minding	461	2	0.1
Babysitters	462	15	0.7
Childcare	465	1	0.0
Nanny	466	1	0.0
Farrier	488	1	0.0
Agriculture work	489	2	0.1
Granary work	490	1	0.0
Vehicle Work	500	1	0.0
Mechanic	502	7	0.3
Repairer - Motor car	503	4	0.2
Panel Beater	504	3	0.1
Car detailing/cleaning	507	4	0.2
Truck repair	511	1	0.0
Spray painting	512	1	0.0
Equipment repair/maintenance	550	6	0.3
Boat Repair	553	1	0.0
Bicycle maintenance	557	1	0.0
Repair NFD	570	1	0.0
Taxi	601	1	0.0
Delivery driver	602	1	0.0
Furniture removalist	605	2	0.1
Courier driver	608	1	0.0
Driver/chauffeur	610	1	0.0
Truck driver	611	1	0.0
Wood delivery and supply	704	1	0.0
Horticultural by-products	706	1	0.0
Computer parts	711	2	0.1
Furniture	713	1	0.0
Rent	714	1	0.0
Goods NFD / Services	720	1	0.0
Casual NFD	808	1	0.0
Security	819	1	0.0
Computer work	829	1	0.0
Shoemaker	831	1	0.0
Manual	837	1	0.0
Shops	840	3	0.1
Restaurant work	841	1	0.0
Dental surgery/dental work	845	1	0.0
Caterer	853	1	0.0
Video filming	854	1	0.0
Typing	861	1	0.0
Folding letters/envelope stuffing	864	2	0.1
Architect	871	1	0.0
MYOB	878	1	0.0
DJ	879	1	0.0
Other	920	2	0.1
Music lessons	926	1	0.0
Total		[452]	[100.0]
Non-responsive	997	5	0.2
Uncodable	998	2	0.1
No Answer	999	1830	79.8
Total Missing		(1837)	(80.1)

{JOBOUT2} Q1041-2 Job 1 that you paid for with cash

Value Label	Value	Frequency	Valid %
Electrician	101	8	0.3
Plumber	102	11	0.5
Tiler	103	6	0.3
Carpenter/Joiner	104	3	0.1
Builder / Home renovator	106	1	0.0
Painter	108	14	0.6
Welder	109	1	0.0
Bricklaying/Brickie	111	2	0.1
Concretor / Cementing	112	4	0.2
Plasterer	114	4	0.2
Construction	115	1	0.0
Drainage	116	1	0.0
Cabinet maker	117	3	0.1
Metal work	118	1	0.0
Tradesperson NFD	120	5	0.2
Trade	121	3	0.1
Handyman	131	5	0.2
Labourer	132	4	0.2
Well drilling	133	1	0.0
House Building / Maintenance	150	2	0.1
Pest exterminator	153	1	0.0
Odd jobs around the	154	4	0.2
Floor repairs / Carpet laying	156	3	0.1
Air conditioner repair/ installation	160	2	0.1
Electrical work	167	3	0.1
Bobcat operator	172	1	0.0
Tree lopping	201	1	0.0
Lawn mowing	205	12	0.5
Gardening / Garden services	207	24	1.0
Rubbish removal	210	2	0.1
Driveway pebbling	220	1	0.0
Brick Paving/Paving	221	1	0.0
Ditch digging / Earth moving	223	1	0.0
Fencing	227	4	0.2
Landscaping	228	2	0.1
Yard cleaning/maintenance	229	1	0.0
Cleaners	300	1	0.0
Cleaner / Cleaning	301	10	0.4
House cleaning	303	9	0.4
Ironing	304	5	0.2
Window washer/cleaner	305	4	0.2
Swimming pool cleaner	311	1	0.0
Housekeeping	313	2	0.1
Window tinting/treatment	316	1	0.0
Haircuts for family	441	4	0.2
Care of pets / Dog washer	442	5	0.2
Child minding	461	1	0.0
Babysitters	462	3	0.1
Childcare	465	3	0.1
Farm Work	480	1	0.0
Mechanic	502	7	0.3
Panel Beater	504	1	0.0
Car detailing/cleaning	507	1	0.0
Wrecker	513	1	0.0
Equipment repair/maintenance	550	2	0.1
Boat Repair	553	1	0.0
Repair NFD	570	2	0.1
Transport	600	1	0.0
Furniture removalist	605	1	0.0

Purchased Goods	700	1	0.0
Firewood	703	1	0.0
Wood delivery and supply	704	1	0.0
Horticultural by-products	706	1	0.0
Building supplies	710	1	0.0
Furniture	713	1	0.0
Goods NFD / Services	720	4	0.2
Self employed	802	1	0.0
Office machinery servicing	804	1	0.0
Artist	812	1	0.0
Waiters	826	2	0.1
Computer work	829	1	0.0
Shops	840	1	0.0
Restaurant work	841	2	0.1
Milkbar / Coffee shop	842	2	0.1
Dental surgery/dental work	845	1	0.0
Photographer	847	1	0.0
Caterer	853	1	0.0
Clerical	860	1	0.0
Architect	871	1	0.0
Upholsterer	882	2	0.1
Entertainers	900	1	0.0
Other	920	1	0.0
Total		[240]	[100.0]
Non-responsive	997	1	0.0
Uncodable	998	2	0.1
No Answer	999	2049	89.4
Total Missing		(2052)	(89.5)

{JOBOUT3} Q1041-3 Job 1 that you paid for with cash

Value Label	Value	Frequency	Valid %
Electrician	101	3	0.1
Plumber	102	6	0.3
Tiler	103	2	0.1
Carpenter/Joiner	104	2	0.1
Roofer	107	1	0.0
Painter	108	6	0.3
Bricklaying/Brickie	111	3	0.1
Concretor / Cementing	112	2	0.1
Tradesperson NFD	120	2	0.1
Trade	121	1	0.0
Handyman	131	2	0.1
Odd jobs around the house	154	3	0.1
Floor repairs / Carpet laying	156	1	0.0
Electrical work	167	4	0.2
Tree lopping	201	1	0.0
Outside labouring	204	1	0.0
Lawn mowing	205	3	0.1
Gardening / Garden services	207	5	0.2
Rubbish removal	210	2	0.1
Brick Paving/Paving	221	2	0.1
Landscaping	228	1	0.0
Cleaners	300	1	0.0
Cleaner / Cleaning	301	5	0.2
House cleaning	303	2	0.1
Ironing	304	2	0.1
Window washer/cleaner	305	1	0.0
Housework	306	1	0.0
Haircuts for family	441	1	0.0
House minding	453	1	0.0
Child minding	461	2	0.1

Babysitters	462	1	0.0
Shearing sheep	484	1	0.0
Mechanic	502	3	0.1
Wrecker	513	1	0.0
Equipment repair/maintenance	550	2	0.1
Computer technician/	554	1	0.0
Repair NFD	570	2	0.1
Delivery driver	602	1	0.0
Purchased Goods	700	2	0.1
Horticultural by-products	706	1	0.0
Electrical parts	712	1	0.0
Goods NFD / Services	720	1	0.0
Artist	812	1	0.0
House numbering	823	1	0.0
Restaurant work	841	1	0.0
Carpet retailer	852	1	0.0
Sales at markets	876	1	0.0
Music lessons	926	1	0.0
Total		[92]	[100.0]
Non-responsive	997	1	0.0
No Answer	999	2199	5.9
Total Missing		(2200)	(96.0)

{JOBOUT4} Q1041-4 Job 1 that you paid for with cash

Value Label	Value	Frequency	Valid %
Electrician	101	1	0.0
Carpenter/Joiner	104	1	0.0
Builder / Home renovator	106	1	0.0
Painter	108	2	0.1
Odd jobs around the house	154	1	0.0
Lawn mowing	205	1	0.0
Gardening / Garden services	207	1	0.0
Yard cleaning/maintenance	229	1	0.0
Dress making	315	1	0.0
Haircuts for family	441	1	0.0
Care of pets / Dog washer	442	1	0.0
Babysitters	462	2	0.1
Repairer - Motor car	503	2	0.1
Shops	840	1	0.0
Total		[17]	[100.0]
No Answer	999	2275	99.3
Total Missing		(2275)	(99.3)

{JOBOUT5} Q1041-5 Job 1 that you paid for with cash

Value Label	Value	Frequency	Valid %
Floor repairs / Carp	156	1	0.0
Landscaping	228	1	0.0
House cleaning / Hom	303	1	0.0
Shops	840	1	0.0
Total		[4]	[100.0]
No Answer	999	2288	99.8
Total Missing		(2288)	(99.8)

{JOBOUT6} Q1041-6 Job 1 that you paid for with cash

Value Label	Value	Frequency	Valid %
Plumber	102	1	0.0
Total		[1]	[100.0]
No Answer	999	2291	100.0
Total Missing		(2291)	(100.0)

{JOBOUT7} Q1041-7 Job 1 that you paid for with cash

Value Label	Value	Frequency	Valid %
Tiler	103	1	0.0
Total		[1]	[100.0]
No Answer	999	2291	100.0
Total Missing		(2291)	(100.0)

APPENDIX FIVE

{P23Q1042A} Q1042-1 Job 1 - How much pay for this work

Value Label	Value	Frequency	Valid %
	10	1	0.2
	12	1	0.2
	15	1	0.2
	20	5	1.1
	25	1	0.2
	30	4	0.9
	40	3	0.7
	50	12	2.7
	60	5	1.1
	70	1	0.2
	75	1	0.2
	80	7	1.6
	90	3	0.7
	95	2	0.4
	100	14	3.1
	110	2	0.4
	120	3	0.7
	125	1	0.2
	140	2	0.4
	150	15	3.3
	160	1	0.2
	180	2	0.4
	200	32	7.1
	220	1	0.2
	240	2	0.4
	250	10	2.2
	270	1	0.2
	275	1	0.2
	280	1	0.2
	295	1	0.2
	300	25	5.5
	330	1	0.2
	350	3	0.7
	360	1	0.2
	400	20	4.4
	425	1	0.2
	480	2	0.4
	500	39	8.6
	550	3	0.7
	600	15	3.3
	650	4	0.9
	700	6	1.3
	720	2	0.4
	750	3	0.7
	800	12	2.7
	850	1	0.2
	900	4	0.9
	920	1	0.2
	950	1	0.2
	1000	39	8.6
	1040	1	0.2
	1100	4	0.9
	1200	9	2.0
	1350	1	0.2
	1400	1	0.2
	1450	1	0.2
	1500	9	2.0

1560	1	0.2
1600	2	0.4
1750	2	0.4
1800	3	0.7
1820	2	0.4
2000	26	5.8
2200	1	0.2
2300	1	0.2
2500	10	2.2
2750	2	0.4
2800	1	0.2
3000	15	3.3
3400	1	0.2
3500	2	0.4
3880	1	0.2
4000	11	2.4
4500	1	0.2
4800	1	0.2
5000	6	1.3
6000	1	0.2
7000	2	0.4
7100	1	0.2
7500	1	0.2
8000	3	0.7
10000	1	0.2
12000	2	0.4
17500	1	0.2
20000	2	0.4
25000	1	0.2
30000	1	0.2
35000	1	0.2
Total	[451]	[100.0]
Missing	(1841)	(80.3)
Mean	1455.09	
Std Dev	3210.32	
Median	500.00	

{P23Q1042B} Q1042-2 Job 2 - How much pay for this work

Value Label	Value	Frequency	Valid %
	10	2	0.9
	15	1	0.4
	20	1	0.4
	30	1	0.4
	40	4	1.7
	45	1	0.4
	50	5	2.2
	60	1	0.4
	65	1	0.4
	70	1	0.4
	75	1	0.4
	80	2	0.9
	85	1	0.4
	87	1	0.4
	100	9	3.9
	110	2	0.9
	120	2	0.9
	130	1	0.4
	140	1	0.4

150	5	2.2
160	1	0.4
170	1	0.4
200	13	5.7
240	2	0.9
250	10	4.3
280	1	0.4
295	1	0.4
300	16	7.0
320	1	0.4
350	1	0.4
360	1	0.4
386	1	0.4
400	7	3.0
450	1	0.4
500	24	10.4
600	10	4.3
650	3	1.3
700	3	1.3
750	2	0.9
800	9	3.9
850	1	0.4
900	1	0.4
1000	17	7.4
1040	1	0.4
1100	1	0.4
1200	3	1.3
1300	1	0.4
1400	1	0.4
1500	8	3.5
1560	1	0.4
1600	2	0.9
1800	3	1.3
2000	11	4.8
2500	7	3.0
2600	1	0.4
3000	6	2.6
3100	1	0.4
3200	1	0.4
4000	1	0.4
4800	1	0.4
5000	6	2.6
7000	2	0.9
9000	1	0.4
10000	1	0.4

Total	[230]	[100.0]
Missing	(2062)	(90.0)
Mean	1033.80	
Std Dev	1446.25	
Median	500.00	

150	5	6.0
200	2	2.4
250	1	1.2
260	1	1.2
280	1	1.2
300	4	4.8
340	1	1.2
350	1	1.2
400	4	4.8
450	2	2.4
465	1	1.2
500	7	8.4
600	6	7.2
750	2	2.4
800	1	1.2
900	1	1.2
1000	5	6.0
1300	1	1.2
1400	1	1.2
1500	2	2.4
1800	2	2.4
2000	1	1.2
2300	1	1.2
2400	1	1.2
2500	4	4.8
3000	4	4.8
3500	1	1.2
5000	2	2.4

Total	[83]	[100.0]
Missing	(2209)	(96.4)
Mean	903.83	
Std Dev	1098.75	
Median	500.00	

{P23Q1042C} Q1042-3 Job 3 - How much pay for this work

Value Label	Value	Frequency	Valid %
	25	1	1.2
	50	4	4.8
	60	1	1.2
	63	1	1.2
	80	1	1.2
	95	1	1.2
	100	9	10.8

APPENDIX SIX

{P25Q112} Q112 Age				Mean	46.45
Value Label	Value	Frequency	Valid %	Std Dev	9.28
				Median	46.00
	24	1	0.0		
	25	3	0.1		
	27	8	0.4		
	28	18	0.8		
	29	21	0.9		
	30	31	1.4		
	31	34	1.5		
	32	38	1.7		
	33	38	1.7		
	34	48	2.1		
	35	48	2.1		
	36	70	3.1		
	37	50	2.2		
	38	73	3.2		
	39	75	3.3		
	40	103	4.5		
	41	65	2.9		
	42	78	3.4		
	43	84	3.7		
	44	83	3.6		
	45	94	4.1		
	46	78	3.4		
	47	94	4.1		
	48	104	4.6		
	49	74	3.3		
	50	117	5.1		
	51	78	3.4		
	52	64	2.8		
	53	71	3.1		
	54	64	2.8		
	55	81	3.6		
	56	60	2.6		
	57	47	2.1		
	58	52	2.3		
	59	39	1.7		
	60	43	1.9		
	61	27	1.2		
	62	26	1.1		
	63	17	0.7		
	64	9	0.4		
	65	20	0.9		
	66	4	0.2		
	67	6	0.3		
	68	10	0.4		
	69	6	0.3		
	70	3	0.1		
	71	4	0.2		
	72	6	0.3		
	73	3	0.1		
	74	1	0.0		
	76	1	0.0		
	80	1	0.0		
	81	1	0.0		
Total		[2274]	[100.0]		
Missing		(18)	(0.8)		

APPENDIX SEVEN

{P25Q113} Q113 Country of birth ABS SACC 1998 (Cat 1269.0)

Value Label	Value	Frequency	Valid %
Africa NFD	918	2	0.1
Australia (includes external territories)	1100	2	0.1
Australia	1101	1638	72.4
New Zealand	1201	94	4.2
Papua New Guinea	1302	2	0.1
Fiji	1502	3	0.1
United Kingdom	2100	89	3.9
England	2102	144	6.4
Northern Ireland	2104	2	0.1
Scotland	2105	31	1.4
Wales	2106	5	0.2
Ireland	2201	10	0.4
Austria	2301	2	0.1
Belgium	2302	1	0.0
France	2303	1	0.0
Germany	2304	17	0.8
Netherlands	2308	13	0.6
Denmark	2401	2	0.1
Norway	2406	1	0.0
Sweden	2407	1	0.0
Andorra	3101	1	0.0
Italy	3104	14	0.6
Malta	3105	2	0.1
Portugal	3106	1	0.0
Spain	3108	1	0.0
Bosnia and Herzegovina	3202	1	0.0
Croatia	3204	4	0.2
Former Yugoslav Republic	3206	3	0.1
Greece	3207	7	0.3
Romania	3211	1	0.0
Yugoslavia, Federal	3213	4	0.2
Czech Republic	3302	2	0.1
Hungary	3304	4	0.2
Latvia	3305	1	0.0
Poland	3307	6	0.3
Egypt	4102	4	0.2
Lebanon	4208	3	0.1
Turkey	4215	1	0.0
Burma (Myanmar)	5101	1	0.0
Cambodia	5102	1	0.0
Laos	5103	2	0.1
Thailand	5104	1	0.0
Vietnam	5105	8	0.4
Indonesia	5202	2	0.1
Malaysia	5203	22	1.0
Philippines	5204	9	0.4
Singapore	5205	2	0.1
China (excludes SARs and Taiwan)	6101	3	0.1
Hong Kong (SAR of China)	6102	9	0.4
Taiwan (Province of China)	6105	1	0.0
Japan	6201	1	0.0
Korea, Republic of	6203	1	0.0
India	7103	12	0.5
Sri Lanka	7107	5	0.2
Canada	8102	11	0.5
United States of America	8104	8	0.4
Chile	8204	1	0.0

Suriname	8214	1	0.0
Uruguay	8215	1	0.0
Trinidad & Tobago	8425	1	0.0
Ethiopia	9207	1	0.0
Kenya	9208	3	0.1
Mauritius	9214	5	0.2
South Africa	9225	20	0.9
Tanzania	9227	1	0.0
Uganda	9228	2	0.1
Zambia	9231	1	0.0
Zimbabwe	9232	5	0.2
Total		[2261]	[100.0]
Missing		(31)	(1.4)

{P25Q115} Q115 Country family came from ABS SACC 1998
(Cat 1269.0)

Value Label	Value	Frequency	Valid %
Europe NFD	911	4	1.4
Asia NFD	917	1	0.3
Australia	1101	23	7.8
New Zealand	1201	8	2.7
Fiji	1502	1	0.3
United Kingdom	2100	14	4.7
England	2102	17	5.8
Scotland	2105	2	0.7
Wales	2106	2	0.7
Ireland	2201	3	1.0
Austria	2301	3	1.0
Belgium	2302	1	0.3
France	2303	1	0.3
Germany	2304	11	3.7
Netherlands	2308	16	5.4
Denmark	2401	1	0.3
Norway	2406	2	0.7
Sweden	2407	3	1.0
Italy	3104	44	14.9
Malta	3105	4	1.4
Portugal	3106	1	0.3
Spain	3108	1	0.3
Bosnia and Herzegovina	3202	1	0.3
Croatia	3204	7	2.4
Former Yugoslav Republic	3206	5	1.7
Greece	3207	11	3.7
Romania	3211	1	0.3
Slovenia	3212	2	0.7
Yugoslavia, Federal Republic	3213	4	1.4
Belarus	3301	1	0.3
Czech Republic	3302	2	0.7
Estonia	3303	2	0.7
Hungary	3304	5	1.7
Latvia	3305	2	0.7
Poland	3307	13	4.4
Ukraine	3312	5	1.7
Egypt	4102	3	1.0
Lebanon	4208	4	1.4
Turkey	4215	1	0.3
Burma (Myanmar)	5101	1	0.3
Laos	5103	2	0.7
Thailand	5104	1	0.3
Vietnam	5105	7	2.4
Indonesia	5202	2	0.7
Malaysia	5203	7	2.4
Philippines	5204	5	1.7
Singapore	5205	1	0.3
China (excludes SARs and Taiwan province)	6101	5	1.7
Hong Kong (SAR of China)	6102	6	2.0
Taiwan (Province of China)	6105	1	0.3
Japan	6201	3	1.0
Korea, Republic of	6203	1	0.3
Southern Asia NFD	7100	1	0.3
India	7103	6	2.0
Sri Lanka	7107	2	0.7
Chile	8204	2	0.7
Uruguay	8215	1	0.3
Ethiopia	9207	1	0.3

Mauritius	9214	2	0.7
South Africa	9225	5	1.7
Zimbabwe	9232	1	0.3
Total		[295]	[100.0]
Missing		(1997)	(87.1)

APPENDIX EIGHT

{P26Q119} Q119 Own Occupation coded to ABS ASCO2 (Cat 1220.0)

Value Label	Value	Frequency	Valid %					
MANAGERS AND ADMINISTRATORS	1000	35	1.6		Technical Sales Representatives	2222	13	0.6
Legislators and Government appointed	1111	2	0.1		Computing Professionals	2231	59	2.8
General Managers	1112	103	4.8		Human Resource Professionals	2291	17	0.8
Building and Construction managers	1191	18	0.8		Librarians	2292	3	0.1
Importers, Exporters	1192	4	0.2		Mathematicians, Statisticians	2293	1	0.0
Manufacturers	1193	3	0.1		Business and Organisation analysts	2294	30	1.4
SPECIALIST MANAGERS	1200	8	0.4		Property Professionals	2295	1	0.0
RESOURCE MANAGERS	1210	2	0.1		Other Business and Information professionals	2299	5	0.2
Finance Managers	1211	35	1.6		HEALTH PROFESSIONALS	2300	1	0.0
Company Secretaries	1212	6	0.3		MEDICAL PRACTITIONERS	2310	2	0.1
Human Resource Managers	1213	17	0.8		Generalist Medical Practitioner	2311	41	2.0
ENGINEERING, DISTRIBUTION AND PROCESS MANAGERS	1220	3	0.1		Specialist Medical Practitioner	2312	28	1.3
Engineering Managers	1221	17	0.8		NURSING PROFESSIONALS	2320	1	0.0
Production Managers	1222	34	1.6		Nurse Managers	2321	3	0.1
Supply and Distribution	1223	16	0.7		Registered Nurses	2323	25	1.2
Information Technology	1224	36	1.7		Registered Midwives	2324	4	0.2
Sales and Marketing	1231	68	3.2		MISCELLANEOUS HEALTH PROFESSIONALS	2380	1	0.0
Policy and Planning	1291	19	0.9		Dental Practitioners	2381	23	1.1
Health Services Managers	1292	4	0.2		Pharmacists	2382	15	0.7
Education Managers	1293	25	1.2		Optometrists	2384	3	0.1
Commissioned Officers	1294	5	0.2		Physiotherapists	2385	5	0.2
Other Specialist Managers	1299	15	0.7		Chiropractors and Osteopaths	2387	6	0.3
FARMERS AND FARM MAN	1310	4	0.2		Medical Imaging Professionals	2391	1	0.0
Mixed Crop and Livestock	1311	1	0.0		Veterinarians	2392	2	0.1
Livestock Farmers	1312	6	0.3		EDUCATION PROFESSIONS	2400	1	0.0
Crop Farmers	1313	9	0.4		SCHOOL TEACHERS	2410	27	1.3
Aquaculture Farmers	1314	2	0.1		Primary School Teachers	2412	11	0.5
PROFESSIONALS	2000	3	0.1		Secondary School Teachers	2413	15	0.7
NATURAL AND PHYSICAL SCIENCE PROFESSIONALS	2110	2	0.1		Special Education Teachers	2414	1	0.0
Chemists	2111	4	0.2		UNIVERSITY AND VOCATIONAL EDUCATION TEACHERS	2420	1	0.0
Geologists and Geophysicists	2112	11	0.5		University Lecturers	2421	6	0.3
Environmental and Agricultural science	2114	5	0.2		Vocational Education	2422	4	0.2
Medical Scientists	2115	4	0.2		Extra-Systemic Teachers	2491	3	0.1
Other Natural and Physical science professionals	2119	4	0.2		English as a Second language	2492	2	0.1
BUILDING AND ENGINEERING PROFESSIONALS	2120	17	0.8		Education Officers	2493	2	0.1
Architects and Landscape architects	2121	6	0.3		Social Workers	2511	1	0.0
Quantity Surveyors	2122	2	0.1		Welfare and Community worker	2512	5	0.2
Cartographers and Surveyors	2123	5	0.2		Counsellors	2513	2	0.1
Civil Engineers	2124	7	0.3		Psychologists	2514	6	0.3
Electrical and Electronics	2125	11	0.5		Legal Professionals	2521	31	1.5
Mechanical, Production and plant	2126	11	0.5		Economists	2522	2	0.1
Mining and Materials	2127	9	0.4		Urban and Regional Planners	2523	2	0.1
Engineering Technologists	2128	1	0.0		Visual Arts and Crafts	2531	1	0.0
Other Building and Engineering professionals	2129	2	0.1		Photographers	2532	2	0.1
BUSINESS AND INFORMATION PROFESSIONALS	2200	2	0.1		Designers and Illustrators	2533	3	0.1
Accountants	2211	68	3.2		Journalists	2534	4	0.2
Auditors	2212	3	0.1		Authors	2535	1	0.0
Corporate Treasurers	2213	1	0.0		Musicians	2537	2	0.1
Marketing and Advertising	2221	10	0.5		Air Transport Professionals	2541	41	1.9
					Sea Transport Professionals	2542	15	0.7
					Occupational and Environmental health professional	2543	1	0.0
					Other Professionals	2549	3	0.1
					ASSOCIATE PROFESSIONALS	3000	1	0.0
					SCIENCE, ENGINEERING PROFESSIONALS	3100	4	0.2

Medical Technical Of	3111	1	0.0	Electronic and Office equipment	4315	2	0.1
Science Technical Of	3112	6	0.3	Communications	4316	7	0.3
BUILDING AND ENGINEERING	3120	4	0.2	CONSTRUCTION TRADESPERSONS	4400	2	0.1
Building, Architecture	3121	17	0.9	Carpentry and Joiner	4411	7	0.3
Electrical Engineering	3123	11	0.5	Fibrous Plasterers	4412	2	0.1
Electronic Engineering	3124	5	0.2	Bricklayers	4414	2	0.1
Mechanical Engineering	3125	3	0.1	Painters and Decorators	4421	2	0.1
Other Building and Engineering	3129	18	0.8	Plumbers	4431	6	0.3
BUSINESS AND ADMINISTRATION PROFESSIONALS	3200	1	0.0	Cooks	4513	3	0.1
FINANCE ASSOCIATES	3210	2	0.1	Other Food Tradespersons	4519	1	0.0
Branch Accountants and manages	3211	2	0.1	Greenkeepers	4622	1	0.0
Financial Dealers and brokers	3212	24	1.1	Gardeners	4623	3	0.1
Financial Investment	3213	42	2.0	Printing Machinists and small offset printers	4912	5	0.2
MISCELLANEOUS BUSINESS AND ADMINISTRATION	3290	3	0.1	Hairdressers	4931	1	0.0
Office Managers	3291	23	1.1	Fire Fighters	4985	5	0.2
Project and Program administrators	3292	42	2.0	Drillers	4986	19	0.9
Real Estate Associates	3293	17	0.8	Chemical, Petroleum and gas plant operators	4987	12	0.6
Computing Support Technician	3294	3	0.1	Power Generation Plant operators	4988	2	0.1
MANAGING SUPERVISORS (SALES)	3300	2	0.1	Performing Arts Support	4992	1	0.0
Shop Managers	3311	23	1.1	Secretaries and Personal assistants	5111	14	0.7
Restaurant and Catering	3321	3	0.1	OTHER ADVANCED CLERICAL AND SERVICE WORKERS	5900	1	0.0
Chefs	3322	3	0.1	Bookkeepers	5911	16	0.7
Hotel and Motel Managers	3323	4	0.2	Credit and Loans Officers	5912	3	0.1
Caravan Park and Camping ground managers	3325	1	0.0	Court and Hansard Reporters	5992	1	0.0
Sport and Recreation	3391	1	0.0	Insurance Agents	5993	6	0.3
Customer Service Managers	3392	21	1.0	Insurance Risk Surveyors, investigators and loss adjusters	5994	3	0.1
Transport Company Managers	3393	1	0.0	Desktop Publishing Operators	5995	1	0.0
Other Managing Supervisors	3399	13	0.7	Travel Attendants	5996	2	0.1
Enrolled Nurses	3411	1	0.0	Other Miscellaneous	5999	1	0.0
Welfare Associate Professionals	3421	2	0.1	INTERMEDIATE CLERICAL WORKERS	6100	1	0.0
Ambulance Officers and paramedics	3491	4	0.2	General Clerks	6111	8	0.4
Police Officers	3911	20	0.9	Keyboard Operators	6121	4	0.2
Safety Inspectors	3992	5	0.2	Receptionists	6131	6	0.3
Sportspersons, Coaches	3993	1	0.0	Accounting Clerks	6141	2	0.1
Senior Non-Commissioned defence force officers	3994	2	0.1	Payroll Clerks	6142	3	0.1
Senior Fire Fighters	3995	1	0.0	Bank Workers	6143	2	0.1
Other Miscellaneous	3999	7	0.3	Production Recording clerks	6151	3	0.1
TRADESPERSONS AND RELATED WORKERS	4000	12	0.6	Transport and Despatching clerks	6152	6	0.3
MECHANICAL AND FABRICATION ENGINEERING TRADES	4100	2	0.1	Stock and Purchasing clerks	6153	7	0.3
General Mechanical Engineer	4111	1	0.0	Inquiry and Admissions clerks	6191	7	0.3
Metal Fitters and Machinists	4112	45	2.1	Intermediate Inspectors and examiners	6194	6	0.3
Toolmakers	4113	1	0.0	Other Intermediate Clerks	6199	2	0.1
Aircraft Maintenance	4114	12	0.6	Sales Representatives	6211	17	0.8
Precision Metal Trade	4115	4	0.2	Motor Vehicle and Related products salesperson	6212	4	0.2
Structural Steel and welding	4122	7	0.3	Retail and Checkout supervisor	6213	1	0.0
Sheetmetal Tradesperson	4124	1	0.0	Education Aides	6311	1	0.0
Motor Mechanics	4211	12	0.6	Special Care Workers	6313	1	0.0
Vehicle Painters	4214	1	0.0	HOSPITALITY WORKERS	6320	2	0.1
ELECTRICAL AND ELECTRONICS	4310	2	0.1	Waiters	6323	1	0.0
Electricians	4311	42	2.0	Prison Officers	6393	12	0.6
Refrigeration and Air conditioning mechanics	4312	6	0.3	Gaming Workers	6394	3	0.1
Electronic Instruments	4314	2	0.1	Personal Care Consultants	6395	1	0.0
				Fitness Instructors	6396	1	0.0
				Travel and Tourism Agents	6397	4	0.2
				Other Intermediate Service workers	6399	1	0.0

INTERMEDIATE PRODUCTION AND TRANSPORT WORKERS	7000	5	0.2
INTERMEDIATE PLANT OPERATORS	7100	3	0.1
Mobile Construction plant operator	7111	14	0.7
Forklift Drivers	7112	2	0.1
Other Mobile Plant Operators	7119	1	0.0
Crane, Hoist and Lift operators	7122	5	0.2
Engineering Production systems workers	7123	7	0.3
Pulp and Paper Mill operators	7124	1	0.0
Other Intermediate Stationary plant operators	7129	5	0.2
INTERMEDIATE MACHINE OPERATORS	7200	12	0.6
Other Intermediate Machine operators	7299	2	0.1
Truck Drivers	7311	19	0.9
Bus and Tram Drivers	7312	5	0.2
Automobile Drivers	7313	3	0.1
Delivery Drivers	7314	3	0.1
Train Drivers and Assistants	7315	9	0.4
INTERMEDIATE MINING AND CONSTRUCTION WORKERS	7910	1	0.0
Miners	7911	55	2.6
Blasting Workers	7912	4	0.2
Structural Steel Construction workers	7913	1	0.0
Insulation and Home improvement installers	7914	1	0.0
Motor Vehicle Parts and accessories fitters	7991	1	0.0
Product Quality Controllers	7992	2	0.1
Storepersons	7993	6	0.3
Seafarers and Fishing hands	7994	5	0.2
Registry and Filing	8111	1	0.0
Messengers	8114	2	0.1
Sales Assistants	8211	6	0.3
MISCELLANEOUS ELEMENTARY SALES WORKERS	8290	1	0.0
Ticket Salespersons	8292	1	0.0
Other Elementary Sales worker	8299	1	0.0
Guards and Security officers	8311	6	0.3
Caretakers	8314	1	0.0
LABOURERS AND RELATED WORKERS	9000	2	0.1
Cleaners	9111	6	0.3
Other Process Workers	9219	2	0.1
Hand Packers	9221	2	0.1
Packagers and Container fillers	9222	1	0.0
Mining Support Workers and driller's assistants	9911	2	0.1
Earthmoving Labourers	9912	1	0.0
Survey Hands	9914	1	0.0
Concreters	9917	1	0.0
Other Mining, Construction and related labourers	9919	1	0.0
Farm Hands	9921	3	0.1
Nursery and Garden Labourers	9922	7	0.3
Freight and Furniture handlers	9992	1	0.0
Handypersons	9993	4	0.2
Other Miscellaneous labourers and related work	9999	1	0.0
Total	2127	[2127]	[100.0]
Uncodable	998	44	
No answer	999	121	

Total Missing

(165)

(72.)

APPENDIX NINE

{P26Q1110} Q1110 Family's income last year

Value Label	Value	Frequency	Valid %
None	0	23	1.0
	3	1	0.0
	5	9	0.4
	8	1	0.0
	10	9	0.4
	15	15	0.7
	17	1	0.0
	20	23	1.0
	25	17	0.8
	30	38	1.8
	33	1	0.0
	35	29	1.3
	38	1	0.0
	40	54	2.5
	43	3	0.1
	45	53	2.4
	48	1	0.0
	50	126	5.8
	55	4	0.2
	60	237	10.8
	63	1	0.0
	68	13	0.6
	70	1	0.0
	75	401	18.3
	80	2	0.1
	85	1	0.0
	87	23	1.0
	88	6	0.3
	90	2	0.1
	100	868	39.5
	150	5	0.2
	175	42	1.9
	195	1	0.0
	200	4	0.2
250+	250	176	8.1
Total		[2192]	[100.0]
Missing		(100)	(4.4)
Mean		92.56	
Std Dev		54.70	
Median		95.00	

{P26Q1111} Q1111 Own personal income

Value Label	Value	Frequency	Valid %
None	0	27	1.2
	1	2	0.1
	3	1	0.0
	5	19	0.8
	7	1	0.0
	8	2	0.1
	9	1	0.0
	10	29	1.3
	13	1	0.0
	15	39	1.7
	18	1	0.0
	20	52	2.3
	23	1	0.0
	25	50	2.3
	28	2	0.1
	30	86	3.9
	33	2	0.1
	35	87	3.9
	38	3	0.1
	40	99	4.4
	43	2	0.1
	44	1	0.0
	45	91	4.1
	48	2	0.1
	50	258	11.5
	55	13	0.6
	60	311	13.9
	68	18	0.8
	72	1	0.0
	75	389	17.3
	80	1	0.0
	85	1	0.0
	87	12	0.5
	88	7	0.3
	90	2	0.1
	93	1	0.0
	100	493	21.9
	170	1	0.0
	175	19	0.8
	180	1	0.0
250+	250	112	5.0
Total		[2241]	[100.0]
Missing		(51)	(2.2)
Mean		72.87	
Std Dev		49.76	
Median		60.00	

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