

## Tax Evasion in Jordan: Reality, Causes and Results

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### Research Summary:

This theoretical study aimed to describe the reality of tax evasion in Jordan based on the official figures and statistics issued by the Ministry of Finance and Income and sales tax Department in addition to the studies and researches conducted on tax evasion in Jordan, with a review of the main reasons and methods of tax evasion, The Income Tax and Sales Tax Law, and review of the main consequences of tax evasion. The study found that tax evasion reached JD 1.5 billion in 2016, while tax revenues collected in the same year amounted to JD 3.828 billion. The Commitment ratio of income tax for the year 2014 was 69%, while during the year 2015 it was 62%. The Commitment ratio of sales tax for the year 2014 was 87%, while in the year 2015 it was 93%. And that tax evasion has effect on The revenues of the government and the continuing deficit in the budget, which according to the figures of the General Budget Law for the fiscal year 2017nearly one billion dinars, and thus decrease in services performed by the government for citizens and increase the burden of internal and external indebtedness, noting that the penalties contained in the Income and Sales Tax Law is sufficient and gathering Between the penalty of fine and prison sentence, but there is a lack of application, especially the application of prison sentence.

**Keywords:** tax, tax evasion, the budget deficit.

### Introduction

Taxes are the main sources of income , especially in a country such as Jordan lacks a wealth of natural and economic resources , as in the neighboring countries of oil and gas government , Jordan Imports %98 of its energy needs from abroad, and suffers difficult economic conditions and debt. The Jordanian economy has been severely affected by ongoing crises in Iraq And Syria . the revenues collected by government from taxes and fees are the main supporter for it to provide various services security and defense, health, education and others, the tax defined as a cash amount charged by the government or one of the local bodies in mandatory without charge , and according to the law or specific legislation, and the main objective of imposing a tax as a contribution to cover the various expenses of the Government and the achievement of some of the economic and social goals that the government is seeking access to (Abu Nassar ,2016).

During 2011 taxes on citizens and companies in Jordan , amounted approximately 64.65% of the general revenues for the government, tax revenues in 2011 according to the general budget report issued by the Jordanian Ministry of Finance amounted to 3 billion and 367 million and 353 thousand dinars (General Budget Department 2011) which accounted for 64.65% of the total public revenues, and that the amount of income and sales tax for the same year is of 2 billion 647 million and 64thousand dinars , representing 50.82% (General budget Department, 2011).

According to the annual book of the Income Tax and sales Department for the year (2015) it collected amount of 2.78 billion dinars sales tax during the year 2015, while its total receipts in 2014 amounted to 2.811 billion dinars.

The department Collection of income tax revenue amount 858 Million dinars during the year 2015 , While it was 766 Million Dinar During 2014, and the following table shows the total Revenues from Income And sales taxes During 2015 Comparison With Years (2012-2014).

**Table (1)**  
**Total Revenue from Income And sales taxes**  
**During 2015 Comparison with Years (2012 - 2014)**

the item	2012	2013	2014	2015
Tax Income revenue	713 842	703, 690	766 348	858, 472
Tax Sales revenue	2. 318.531	2. 596.410	2 811. 178	2. 780. 502
total Revenues	3. 032.374	3. 300	3. 577.526	3. 638. 974

However, this source objected to a problem that has become a source of concern for government, namely, "tax evasion", which has spread significantly in Jordan, reaching JD 800 million in 2011 (Income Tax Department, 2012), which would have covered almost 69% of the budget deficit For the same year which amounted to 1160340000 dinars (Department of the budget, 2011) , And reduced about 4% of the government debt, which amounted to 21 billion, as shown by the data of the Ministry of Finance of Jordan (Network of Stock

Experts, 2012).

Tax evasion is a phenomenon in most countries of the world, where the government is deprived from expected revenues on which its budget is based, and therefore fail to provide all planned services to the citizens. This will result in continuity of the deficit and increase from expected figures. Looking for loans from internal and external parties with commitment to their own terms, referred to The projected deficit in Jordan According to the general budget for fiscal year 2017 figures nearly one billion dinars, and the income and sales tax department through its various departments seeking to efficient tax collection where Commitment Tax Department is working on Increase Attribution Commitment Tax And response In charge Voluntary through Develop and raise awareness of transparency and the quality of the level of Services Tax, Commitment Tax And operations departments work On Preparation Periodic Reports for The various activities of the department and submit them to the senior management decision - making in addition to review the study and risk criteria and updated with the participation of experts specialized in this field, which is on the basis of scrutiny of tax returns, Dependence on Standards for this And adoption Sample Audit According to Risk factors and production capacity.

taxes Commitment department works within Annually plan Audit Of the directorates Implementation Taking into account the time factor, the quality of the files and the available production capacity, and the compliance department studied Attribution commitment The annual income tax and monthly sales commitment ratios increase the voluntary commitment rates of the taxpayers. The Directorate follows up the preliminary and administrative assessment of the files of the non-compliant taxpayers and the follow-up of the importers' files. Procedures have been put in place to monitor the import process and put an end to tax evasion in this field With reconsider The basics Dependency Files Of the directorates Depend at that On Basis size And location the work For taxpayers, redistribution Files Charged From Directorates Average Taxpayers It was Objective From that It is Redistribution a burden Audit On Directorate . As well as distribution of declarations On Auditors Electronically And blocking Files And declarations Converted Previously And as it Activation Achievement E-mail Through the use of the system (AMS) , And as a result of these measures amounted to a tax obligation to income tax for the 2014 rates accounted for 69% while it reached during the year 2015 accounted for 62%, and the tax obligation to the general sales tax in 2014 ratios stood at 87% while it reached during the year 2015 accounted for 93 %.

It is indicated that there is Great defect at the Process of Registration Limited companies at Companies control department and Difficult to Restrict them Being Not Committed By offering Declarations And disclosures And documents Which raises size of Tax evasion, and its Estimated Number about 60 thousand company .

The General Director of Income and Sales Tax Bashar Saber said that the value of tax evasion for the year 2016 amounted to 1.5 billion dinars, while the value of tax revenues collected in the same year 3.828 billion dinars. This came during a seminar organized by the Jordanian Transparency Society in Amman Chamber of Industry entitled "Tax evasion in Jordan" , Saber said during his speech that one of the most important reasons for tax evasion is the lack of tax awareness among the citizen, as he does not realize that the tax will be returned to him through the services provided by the government. Saber said that the legal aspect has a prominent role in the tax evasion, explaining that the Tax Department in Jordan can not get the financial solvency of the accounts, unlike many countries. And that he did not score in Jordan imprisoned anyone in cases of tax evasion , despite the existence of the texts so require, as it encourages tax evasion, in addition to the Management reasons .

The chairman of the Amman Chamber of Industry, senator Ziad al-Homsy, said that tax evasion raises Jordan's debts and burdens them, adding that it adversely affects the investment environment in Jordan. Al-Homsy said that tax evasion in Jordan depends on indirect taxes on customs and sales tax. He stressed that the seminar discussed an important issue in light of the difficult economic conditions in the Kingdom and the chronic deficit in its general budget and the increase in debt and its burdens. He pointed out that tax evasion is a global phenomenon with excellence not only in Jordan. Lack of clear and sufficient data to income tax and sales department, the largest affected by this phenomenon are small and medium businesses.

The Chairman of the Jordanian Transparency Society , Dr. Mohammed Abu Hudaib said that tax evasion is global phenomenon experienced by developed and developing countries alike. And they use many means to combat them, the most important of which is the drafting of tax laws, raising tax awareness, tightening control, combating corruption and governance.

He stressed that despite the large number of studies related to the phenomenon of tax evasion, but there is no one way agreed to measure the size of tax evasion. Abu Hudaib explained that the tax evasion has several images, which differ according to the tax to be evaded. For example, the taxpayer denies his income to the extent that leads to tax, that is, the taxpayer estimates the costs to be deducted from the pot excessively. It is worth mentioning here that the smuggling of goods and goods covered by the Customs Law is also a form of illegal tax evasion, and that any valuation of the value of these goods during the imposition of the indirect customs tax on them Is also considered to evade payment of the correct value of the tax. "

As for the reasons for tax evasion in Jordan, Abu Hudeib said that the past years have witnessed great interest in the issue of tax evasion, especially after the global financial crisis that hit most countries of the world by the end of 2008.

This concern, according to Abu Hudeib, is the intensification of efforts to combat tax evasion, imposed by the urgent and growing need for sources of revenue and funding, without resorting to new taxes. As for the reasons for tax evasion in Jordan, most studies indicate that they are the same as in other countries. And he summarized the main reasons for tax evasion on ethical grounds. The moral reasons are the ethical level and the degree of national and cultural awareness in the country. The higher the level of individuals, the higher the sense of responsibility, the growing love of the public interest and the more active pursuit of their duties. Laws and regulations towards the community.

He added that there are technical and legal reasons, namely the complexities of the tax system and its instability and the large number of amendments to the laws related to it, which made the tax provisions difficult to understand and encouraged to evade compliance with them.

The economic and social reasons such as the impression of the citizens of the high tax rates, according to Abu Hdb of are the most important reasons for tax evasion.

The abolitions have made several key recommendations to curb tax evasion, including tougher penalties for tax evaders and facilitating accelerated litigation. And building appropriate databases for all individuals, active entities and activities.

The abolition of the minimum limit of registration for the general sales tax for the commercial, industrial and service sectors, and the strengthening of the capabilities of the workers in auditing and tax collection, is one of the most important means to combat tax evasion.

Attendees pointed to the importance of reducing the amendments to the country's tax laws and ensuring that the legal texts are sufficiently specific to reduce tax evasion.

It was agreed by the attends that stripping all authorities a legislative right to intervene to grant tax cuts, reduce the accumulation of tax arrears by facilitating and speeding up litigation processes, and raise awareness among citizens and convince them of the importance of paying taxes on time, and the importance of tax revenues to finance public spending, and the consolidation and dissemination exercise request official invoices when buying goods and services, and a review of tax laws to ensure that the tax burden is distributed well, ensuring justice, and the fact that taxes contribute to stimulate economic activity. Will contribute to the fight against tax evasion.

On February 23, 2017, Dr. Bashar Saber, Director General of the Income and Sales Tax Department, revealed to the press a plan developed by the Department to collect the amounts of tax arrears incurred by the taxpayers.

According to Saber, the plan included direct collection through bank accounts and e-booking on the property of the latecomers, and a ban on travel, in addition to the booking of the property of those who were late for payment; whether they were real estate or vehicles to be sold at auction.

And added that This plan succeeded last year 2016 to collect 600 million dinars, while there are still issues estimated at a total value of 450 million dinars pending before the courts and commissions of objection, while the remaining 850 million uncollectible "nil or doubtful" for several reasons , including "death in charge, the bankruptcy of the other part of them, and a large number of travel outside the country , "pointing out that a large part of these amounts have passed more than 30 years have lapsed.

With regard to tax evasion, Saber stressed the lack of accurate studies on this file, which makes it impossible to enumerate, pointing out that the most sectors are evading services, where the Department has developed a plan of action to monitor the work of these companies and subject to tax.

He pointed out that the Department is now working according to planned plans, and has taken measures to collect tax arrears on evaders, most notably the development of the Department of combating tax evasion and providing qualified employees.

In the United States unauthorized amounts reached during the 1986 70-79 billion dollars ( Julie and Plumleem, 1991 ). Because of the difficulty of measuring and calculating the amount of evasion, countries use the method of national income figures as a means of calculating tax evasion.

According to the Wikipedia site, in Lebanon, for example, there are studies and estimates of the size of tax evasion. The rate of tax evasion was 70% of total taxpayers. In America, tax evasion was 10% of GDP and 16% in the EU.

And according to the location BBC Arabic and in the framework of a plan to tighten procedures aimed at reducing tax evasion, due to the British government to impose fines on accountants, officials of banks, lawyers, and consultants who support those practices.

The potential penalties for tax evasion subsidies are 100 percent of the tax evaded by any client, or £ 3,000, whichever is higher.

According to the plan, the government has the right to declare the names of those involved in helping

to tax evasion, or the transfer of funds to the accounts of offshore companies.

The Secretary of the Ministry of Finance British Treasury Jane Ellison said that the British government is leading the march of the global tax system reform in order to eradicate tax evasion from its roots.

"We are developing a tax system that guarantees fair, competitive, and reimbursable taxes."

"This wide range of measures is expected to open up to the vast majority of individuals and companies that pay their taxes," she said.

And according to Elaf electronic website the Advisor Egyptian of Finance Minister for tax policies confirmed that tax evasion has no fixed outcome, it varies from year to year, but the estimated proceeds of tax evasion \$ 5 billion a year, and pointed out that there are estimates from some quarters talking about the possibility of collection times that figure , the so - called informal economy, referring to the memorandum, presented by the «Egyptian Federation of industries» about the existence of great potential for the collection of taxes of up to \$ 25 billion a year from evader in the informal market in Egypt, estimated the size of the annual activity 167 billion, no fees paid on them, and what constitutes 30% of the volume The Egyptian economy is being informally away from the state, causing the diminished ability of the economy to grow and a waste of human and material potential of the state.

#### **The research Questions:**

- 1- Is there a tax evasion in Jordan?
- 2- Is there a deficiency in the Jordanian income tax law to clearly identify cases of tax evasion?
- 3- Are the penalties provided for in the Jordanian Income Tax Law insufficient to deter tax evasion?
- 4- Is there any effect of tax evasion on government revenues and the continuing budget deficit?

#### **Definition of tax evasion and its causes:**

Amending Law of the Income Tax Law No. 25 of 2001 defined tax evasion as a taxpayer disposes of the legal commitment not to pay the tax due in whole or in part by following ways and fraudulent methods contrary to the law, while known as the law of tax planning as tax evasion project and is one of the means used by the Department (Noor et al., 2003). The tax as one of the main sources of government revenues achieves many benefits in case the tax legislation is clear in expressing its will and its provisions. Satisfaction and contentment, and that impunity for some taxpayers to pay it leads to negative effects on the financial government and the various economic and social activities, and also believes that the reasons for tax evasion are:

- 1 - weakness of the collective spirit and social loyalty
2. sense of special tax burden when there are economic crises
- 3 - Feeling unfair in the distribution of the tax burden
4. The excessive multiplicity of taxes, leading to a weakening of the ability to pay tax
- 5 - Lack of clarity in the tax legislation and the existence of gaps
6. The difficulty of estimating the tax base, which may be a lump more or less than the actual value, which significantly affects the taxpayer and paid to evade
7. Inequality in application and therefore lack of confidence in the fairness of the tax
8. Modern era of tax systems in some countries

(Olaimat, 2013) Pointed that the tax evasion of economic crimes , which reflected negative effects on the national economy and lead to a breach of justice and equality among taxpayers, where he pays trustees of citizens required of them tax while resorting other categories to tax evasion , which reduces tax revenues The result of the low tax collection is the low level of services provided by the state, the failure of the government to achieve the economic and social goals it seeks to impose on the tax, the Government has increased the tax rates to achieve the required income, making the taxpayers liable for an additional burden, and that legitimate and illegal tax evasion has negative effects on the social, economic, political and developmental aspects ( Abu Nassar et al,2000).

(Abu Nassar 2016) pointed that the most important tax evasion techniques to the taxpayer to reduce the amount of tax due are:

1. The taxpayer falsifies his records and books in order to manipulate his sources of income and expenses
2. Hide some his sources of income in fully
- 3 - Evasion during the collection stage
- 4 - Manipulation of ownership of the source of income

#### **Ways to combat tax evasion:**

(Norr et al,2003) believed that the responsibility for evasion and its consequences lies on the financial legislator, the financial management and the taxpayer himself. The means of combating tax evasion vary according to the financial system of each country, as well as from one tax to another in the financial system. The most important ways to combat evasion are:

- 1- The employees of the Tax Department shall have the right to inspect the records, books, files of the taxpayer and his special documents so that he can accurately link the tax and discover the violations

that may occur in order to get rid of paying the tax.

- 2- The collection of the tax from the source as the salaries and benefits of bonds and stocks where they are deducted from revenue before received by the taxpayer
- 3- Submission of a declaration under oath and therefore accompanied by the application of the provisions of Penalties for perjury false when there is bad faith in the recognition
- 4- Reporting by third parties and obtaining information provided by third parties shall be of interest in the control of the declarations and their verification
- 5- Non-multiplicity of taxes, awareness of development and simplification of procedures for collection, assessment and application
- 6- The imposition of sanctions on the tax evader
- 7- Creating tax awareness among the taxpayers, taking into consideration the regulation and interpretation of the tax legislation and achieving more control of the movement of capital upon entry and exit.

(Alqtaunh and Afaneh, 2008) pointed that the means that can be used by governments to combat tax evasion are:

- 1- Developing tax awareness and financial ethics among the taxpayers and their definition of tax liability
- 2 - Increase the penalties imposed on anyone who commits the crime of tax evasion, bearing in mind that this crime constitutes an attack on the rights of the community, no less than the violation of the unique rights
- 3 - used preventive measures by amendment of the legal provisions relating to the assessment and collection of taxes in such a way as to reduce the possibilities of tax evasion, for example, the seizure of tax from the source, reporting from others, the right of informed access to tax officials.

In some countries, such as the United States of America and Britain, tax evasion is a crime that deprives the perpetrator of nomination for many important positions in the Government (Abu Nassar, 2016).

#### **Tax evasion in income tax and sales tax laws**

##### **The articles of Jordanian Income Tax Law:**

Article 63:

Imposed on the taxpayer who late to submit the tax return within the deadlines set out in this law - added tax of one hundred dinars for a natural person binding to submit a tax return and two hundred dinars for the legal person of non - public shareholding companies and private shareholding, and five hundred dinars for the public shareholding companies and private companies to contribute.

Article 64 -

( A) impose an added tax not less than two hundred dinars and not more than five hundred dinars in any of the following cases: -

- 1- If the taxpayer fails to keep records or documents in accordance with the provisions of this law.
- 2- If the taxpayer fails to register with the department in accordance with the provisions of this law.
- 3- failure of the legal department accountant to provide a statement in the names of its clients and addresses in accordance with the provisions of Article 25 of this Law.
- 4- Not to inform the Department of any changes in the data contained in the application for registration within the specified time.
- 5- Failure to supply the tax and deduct the department in accordance with the provisions of this law.
6. Refrain from providing records and documents that must be retained in accordance with the provisions of this law.
7. Refrain from issuing an invoice or document when requested by the beneficiary.

(B) The amounts provided for in paragraph (a) of this Article shall be doubled in case of repetition.

Article 65:

a- The taxpayer shall pay the amounts imposed on him under the provisions of Articles (63) and (64) of this Law within thirty days from the date of notification thereof. He may object to the Minister, who can fixed, reduced or canceled the amount if justified.

(B) The decision of the Minister issued pursuant to the provisions of paragraph (a) of this Article shall be subject to appeal within 30 days from the date of notification thereof and the court may prove the amount, amend it or cancel it.

Article 66 -

(A) - Shall be punished with a compensatory fine equivalent to that of the disciplinary difference Any person who has committed tax evasion or attempted to evade or assisted or incited others to evade the tax if any of the following acts are committed:

- 1- Tax return submitted on the basis of artificial records or documents, or containing data that contradicts what is fixed in the records or documents that he concealed with his knowledge.
- 2 - Submit the tax return on the basis of the absence of records or documents, including data contrary to what is fixed records or documents hidden.



3 - Intentionally destroy the records or documents related to the tax before the expiry of the period specified for the retention in accordance with the provisions of this Law.

4 - Formation or change of purchases or sales invoices or other documents to inspire the Department with little profits or increase losses

5 - Hide activity or part thereof which is subject to tax.

6- The amount of the tax deducted in accordance with the provisions of this Law but not submitted to the Department within thirty days from the date of its payment.

B- In addition to the penalty stipulated in paragraph (a) of this Article, if the amount of the tax difference exceeds 50,000 dinars and up to 100,000 dinars, the penalty shall be imprisonment for a period not less than four months and not more than one year. The penalty shall be imprisonment for not less than one year if the tax difference is more than that.

C- If the court has ruled out the appeal in whole or in part, then it shall, in the same case, impose a fine equivalent to the tax difference on the amount of the tax for which the appeal was appealed.

D- A fine not less than (500) five hundred Dinars and not more than (1000) Dinars shall be punished to any person who contravenes the provisions of this law unless it is provided with a text.

#### Article 67

The Chartered accountant shall be responsible for the approval of financial statements that are not materially in conformity with the provisions of this law or the international accounting standards and the laws and regulations in force whether due to deliberate error or any criminal act or gross negligence. In this case, the accountant is guilty of a crime the penalty stipulated in Article (66) of this Law shall be punished.

#### Article 68

The application of the provisions of this Law shall not preclude the application of any heavier penalty, which is provided for in any other legislation.

#### Article 69

The imposition of any penalty or fine under the provisions of this law does not exempt any person from the responsibility of paying the tax and the amounts and fines resulting from it in accordance with the provisions of this law.

### **Articles on Sales Tax Law:**

#### Article (28)

With the exception of cases which are considered acts of evasion of tax stipulated in this Law, the Director may impose a fine not less than one hundred dinars and not more than five hundred dinars on anyone who commits any of the following offenses: -

A - Failure to submit an application for registration with the Department for a period not exceeding sixty days from the expiry of the period specified for registration under the provisions of Article (13) of this Law.

B- Failure to submit a tax return within the deadlines specified in this law.

C - provide the adoption of sales of goods or taxable services if a shortage of real sales of the taxable value of the back rate of not more than (10%) or five thousand dinars , whichever is less.

D- Violation of the provisions of Article (18) of this law if this violation leads to a decrease in the amount of tax declared or due.

E. Not to inform the Department of the changes in the data contained in the application for registration within the specified time.

F. Not to respond without reason to any of the attendance notes, notices or requests issued in writing by the employees of the Department while carrying out their duties or responsibilities in accordance with the provisions of this law.

G- Dispose of or use any of the exempted goods for purposes other than the purpose for which they were exempted in contravention of the provisions of Article (25) of this law if this causes a shortage of not more than five hundred dinars in the amount of tax due.

H- The application of tax rates or categories of goods or taxable services in violation of the provisions of this law, if it led to a decrease in the amount of tax payable does not exceed five hundred dinars.

I- tax deduction or refund in violation of the provisions of this law if it appears an increase in the amount of tax deduction or refund not exceeding five hundred dinars.

J- Deduction or refund of goods which have been used or used for the production of other goods for personal purposes, if the amount of such discount or refund is not more than five hundred Dinars.

K- The submission of incorrect documents, documents or statements or the issuance of any of them, if this results in a decrease in the amount of the tax declared or owed not exceeding five hundred.

L-Failure to enable the employees of the Department to carry out their duties or exercise their powers of supervision and inspection in accordance with the provisions of this law

#### Article (29)

(A) The offender noticed in accordance with the procedures stipulated in this Law about a fine imposed on him

and he ought to pay the fine within thirty days from the date of notification of it.

( B ) it may be challenged by the Minister on the decisions of fines issued pursuant to the provisions of Article 32 of this Act within the period specified in paragraph (a) of this Article , the Minister may cancel or reduce or install fine if it finds justified.

(C) The decision of the Minister issued under paragraph (b) of this Article shall be subject to appeal to the competent court within thirty days from the date of its notification and the court may approve, amend or cancel the fine.

(D) The Director or his authorized representative may conduct the reconciliation of the offenses stipulated in Article (28) of this Law in return for payment of the tax in case of entitlement and a fine not less than half the minimum and not more than half of the maximum amount stipulated in Article (28) Before a conclusive judgment was issued by the Court

Reconciliation shall result in the suspension of proceedings and the final removal of the proceedings and the cancellation of any consequential effects.

#### **Crimes of tax evasion and penalties:**

##### **Article (30)**

Tax evasion is the commission of any of the following acts:

A - Failure to submit the application for registration with the department for more than sixty days from the date of the expiration of the period specified for registration under the provisions of Article 13 of this Law.

B- Cancellation of registration of the taxpayer at his request if it is proved that he is still required to register in accordance with the provisions of this law.

C- Submit a declaration of sales of taxable goods or services if there is a shortage in the value of real sales taxable in excess of (10%) or five thousand dinars, whichever is less.

D- Any person shall be liable for an undue tax unless it is supplied to the Department within the period specified by law for the supply of the tax or supplied prior to discovery.

E- dispose of or use any of the goods exempted from the tax other than the purpose for which he was exempted in contravention of the provisions of Article (25) of this Law if this causes a shortage of more than five hundred dinars in the amount of tax due.

F- Application of tax rates or categories of goods or taxable services in violation of the provisions of this law if it led to a decrease in the amount of tax payable exceeds the value of five hundred dinars.

G- Tax discount or refund in violation of the provisions of this Act if the discount appeared to increase in the discount or refund value exceeding five hundred dinars.

H- Deduction or refund of goods which have been used or used in the production of other goods for personal purposes, if the amount of such rebate exceeds JD 500.

I- submission or issuance of documents or documents or incorrect data , or to refrain from providing or documents issued or documents required under the provisions of this law or postpone submission or issued with a view to tax evasion if it led to a decrease in the amount of declared tax or owed more than five hundred dinars

J- Producing false or artificial documents or issuing any of them for the purpose of reducing, deducting or refunding the tax contrary to the provisions of this law.

K- Possession of taxable goods for the purpose of trafficking in them knowing that they are smuggled from the tax.

L-Failure to pay the tax due on the service allowance imported for more than three months from the date specified for payment under the provisions of this law.

##### **Article (31)**

Any person who commits a tax evasion offense shall be liable to pay a civil indemnity to the Department not less than twice the amount of the tax and not more than three times the amount of the tax and a fine of not less than two hundred dinars and not more than one thousand dinars. If the offense is repeated within one year, the court may impose a maximum fine or imprisonment for a period of not less than three months and not more than six months or both.

##### **Article (32)**

The Minister or his representative reconciliation held in tax evasion crimes before the issuance of final judgment in the lawsuit against the tax in question and to pay a fine as a civil compensation equivalent to such a tax and the consequent fall of reconciliation , the criminal case and stop traffic proceedings And the abolition of the consequent effects.

##### **Article (33)**

Fund shall be established in the circle turned to him not more than 20% of the proceeds of fines, in order to improve working conditions and raise the efficiency of the department staff and provide services to them in health, cultural, social, housing and provide incentives for them areas, disposal and distributed to the distinguished employees in their performance and all those who contributed to The discovery of tax evasion or

the seizure of goods smuggled from them and is done under a system issued for this purpose.

#### **Combating Tax Evasion directorate:**

Combating Tax Evasion directorate started its job 1996 As a division at sales tax directorate in the customs department ' In 2001 Turned to Directorate of Audit at sales tax department Separated from the customs department, In Mid-2004, it became part of Directorate of information And investigation after Merge of sales tax department and income tax department as one department , In 2008 the directorate has been transferred as a separate directorate (Yearbook of the Income and sales Tax Department for the year 2015).

main Tasks And duties of the Directorate are to Limit Tax evasion through Guidance And awareness To the taxpayers , In addition Field Visits For investigation To the taxpayers Likely Existence Escaping from taxes , according to Programs And plans putting In advance So, Not to mention the follow - up activities in all sectors in various kinds, as well as follow - up taxpayers who import for others , and then issuing claims and notices Finance To the taxpayers Smugglers , This is in addition to cooperate with other directorates in the department on Mutual Audit To limit Tax evasion, and study the Objections And follow-up Reporting Notifications Issued from the Directorate, And direct Collection procedures And Mandatory implementation. the Directorate divided into Two sections the first one for controlling and auditing The second one for check- up ,the number of staff of the Directorate 36 employees

#### **Tasks and duties of the Directorate :**

\* Do Field visits for Investigation to the taxpayers at Their Different sites according to a program specific For these Purpose

\* Audit And appreciation Issues for Reserved And returnees For the taxpayers , And visit Registered Taxpayers to get information or Proofs for tax evasion

\* Issuance Finance Claims Notifications For the taxpayer

\* Conversion Reports the visit Of the registrants Whose did not Complete Reservation On Seizures to their Directorate For checking, and Continue Results With Directorates Later .

\* Study objections From Taxpayers Whose Released Financial Claims depends on the results of the visit And scrutiny

\* follow up Report Books Issued form the Directorate And follow-up Collection Implementation Procedures .

\* Participation With Planning Directorate on studies About Evasion And Evasion ratios.

\* check on Cash Machines For the taxpayers By conducting visits Field for Control ,inspection And maintenance, and give New Machines And pull Cash Machines From Registered At Availability for positive, Programming Modification on these Machines According to the need .

\* Make sure From Issuance Invoices Tax From Registered .

\* do Campaigns Inspection On Invoices Of goods Movable between Merchants .

\* cooperating With Ministries And departments to get On the Necessary information For work And continuation In a manner Proportional to With Texts Law And instructions For these Ministries And departments .

The Directorate of Debt Administration And Compulsory implementation ,continues the work On the development of collection strategy in the department to achieve the very objective Desired To raise efficiency Collection, And Supply Government with revenues to enable them to exercise their functions, and Increase And upload efficiency Collection From During : - Debt Analysis According to the size Age and categorical depts. , In addition to Classification of Debt depends on the ability for collection, While continuing to work on the preparation of reports on debt Extracted From Directorate of Technology the information Including Requirements for upload efficiency Collection .

As well as the Directorate Follow up Balances Collection Which Equal or Increases About million dinars through the collection departments in the district and give it Priority and special importance, in addition to activating the direct collection committee for the collection of outstanding balances through direct charge on the revenues and control as well as the activation of the follow - up of the collection of revenue from returning

Rentals From Before Tenants, From During a study Files Charged From Before Directorates And address Tenants To convert the value of Rentals to the Department paying instead of owner .

the Directorate follows Cheques Received From Banks From Sinking Decisions Reservations distance Activation Reservations E-mail And its destruction As appropriate, With Activation Procedures Collection Concerning Charged Issued Their right Decisions Reservation Which He passed On it More general, By inquiry About Solvency Finance Them From During the circuit directly where the development of follow - up committee and direct auction procedures inside the department, She did Committee Published several Advertisement For sale Done Implementation Some of them and some The other Signed Implementation .

And participating Directorate to follow up the decisions of the Council of Ministers and included exemption from fines in exchange for repayment of Tax, as such rise Directorate Study Applications Received For a circle Tax Income and sales



From Charged / Individuals / Companies, whether To the presidency Ministers, or For the patron Minister Financial, or For the generous Director General Containing a request Exemption whether From Origin Tax or Fines and Training It According to Assets .

Debt Management Directorate looks and forced implementation to reduce the size and impact on the debt ratio of taxpayers to tax Income And sales During the years Next, And to Increase Rate Size Collections College of the Department all means and ways, And so on To raise efficiency Collection, And reduction From Debts Circle On Charged

#### **Literature review:**

Namaa Center for Strategic Consultation conducted a public opinion poll in Jordan between 19-23 January 2017 on a sample of 1937 full interview representative of all regions of the Kingdom, covering the satisfaction of the Jordanian community on the performance of the government in the 'pursuit of tax evasion'. Citizens were asked a direct question: How do you assess the performance of the current government since its formation and so far in the pursuit of tax evasion companies? Was it a very good performance, good, bad, or very bad? The proportion of Jordanians who evaluate the performance of the government positively in the 'pursuit of tax evasion' less than half about 44%. While more than half of Jordanians see it as negative performance values.

The director of the Namaa Center for Public Opinion poll said that "more than half of Jordanians assess the performance of the government negatively in the pursuit of tax evasion at a time when the government imposes special taxes directly on oil derivatives indicates a gap of confidence between the citizen and the government in terms of inability to collect taxes not collected as a result of evasion '.

In a study of The Economic and Social Council of Jordan 2014 and tagged " tax Evasion at Jordan : Its causes, And its methods And its size " , Which Targeted to analysis the system Taxation at Jordan, factors Affecting The Tax burden , identification Reasons of Evasion Its means, and appreciation Losses Caused About that, And after All that On the National Economy , addition to Put Imagine About the mechanism Dealing With This Subject Thorny , size of tax Evasion And appreciation For the years 2010-2015 , where the amount reached 1067 million Dinar at 2011 And 1578 million Dinar at 2015 , the results of the study based on Tables of Inputs And outputs for the Jordan economy the Loss of taxes Reaches Toward 1.9 Billion Dinar . And that Losses Taxation Includes In addition to tax Evasion Both From Tax Exemptions 834 Million Dinar And tax arrears About 370 Million Dinar, The size Evasion Taxation Approximates 695 Million dinars . As for Period Evasion From tax Income And profits and arrived Toward 200 million Dinar, While Hit Period Evasion From sales tax Toward 495 Million Dinar .

And to stand On Sectors Escape From tax Income and sales tax. Calculation of losses Taxation On Economic Sectors level , Where Turns out that the biggest the trade Retail sector , And repair Vehicles Related Motors And bicycles Firework, Followed by a Industries Transformation sector .

it pointed out that Non Official Numbers , Which Announces between Now and then And related Subjects have Some Exaggeration, Perhaps Due that There is a mix in the mean of Taxation losses Which Includes In addition to Evasion Taxation Arrears and Tax avoidance, And what seems to be Tax evasion may is being at His truth As for Avoid Tax No The law criminalizes him Because Existence Gaps at Law Present Allow By its occurrence or arrears or Tax exemptions .

the study also showed that the average of tax burden In its In its broad sense As measured as percentage of Tax Revenue And others And Social insurance to Gross domestic product in Jordan total at 2011 about 25% From The resulting Gross domestic product , it is From Descent High Globally . While in the countries of the Gulf Cooperation Council Which No exist Out Much From Taxes, or at Syria, or in Egypt, Where Hit 17.5% And 14.1% on Respectively at The last two countries , or even With Some Advanced Countries Such as Japan And the United states of America According to International Monetary Fund For the year 2011 About fill Revenue at Developing countries What Percentage 27.4% at Japan And 27.3% in the United states of America . Note That Jordan Considered fifth Top Country from where The Taxation burden at Collection Countries Which Located within Slide Minimum From category Income Average Which Includes 24 Country.

a study of(Kaplan 2014), which aimed to study the Effect of Accounting Policies And procedures Adopted at income and sales tax department to Limit From Tax Evasion , To achieve study goals he adopted the Descriptive Approach at Show data , And Analytical analysis the study Community consist From sales and tax department auditors at Directorates of Mediterranean Taxes payers ,a questionnaire was used in data collection and the SPSS was used to analyze data, the results were as follow:

1. No Effect of Accounting Policies at Provisional income tax law number (28) for year 2009 On Limit Taxation Evasion .
- 2-No Effect For procedures Applicable And Adopted at income and sales tax department On Limit tax Evasion, And found the most used ways for tax Evasion Was the Import On Noun Others , and Non Authorization About Full the sales .
3. The Taxpayers commit at using the straight line method for depreciation and they do not depreciate Non

consumption assets as

land And any assets don't Lose Worth With passage Time, And they Less commitment Apply Calculating interest expense By Descent Cent Received In the Income Tax Act as well as Calculate bad Debts Including No Exceeding 100 thousand Dinars or 25% From Net Income which of these More .

4 - Income tax And sales department Committed In a manner Grand Assuming Compensation legal And a fine of 0,004 for

All a week delay, and issuing of Initial estimate In charge when tax payer are late in submitting tax declaration , And less commitment Apply 7% From Income From Investments As well paying tax in advance.

(Kaplan 2014) study also showed that all countries are faced with Tax Evasion , Which at Some of them Small Problem In Each other's big, he believe It at Jordan of High rate in which effect Negatively And strongly On Country resources And on Economic development performance ,So tax evasion Issue Must Take Its place at Economic Reform Programs Which Jordan need especially that Rate of tax Revenue to gross domestic product at an average 14.2% of which consider Low if compare with other countries .

In a study (Zoubi et al., 2013) This study aimed to determine the methods of both tax avoidance and Jordanian tax evasion, and then presented to the Jordanian income tax statement shortcomings in the treatment of these methods at the law, to achieve the objectives of the study a questionnaire containing tax avoidance methods And tax evasion, was distributed to 150 tax estimator, which was randomly selected. 120 questionnaires were retrieved for 80% response analysis, and then a number of experts in the field of tax were interviewed to confirm the data. Study to determine a number of methods for both tax evasion and tax evasion. It also concluded that there is no limitation in the Jordanian tax law to deal with these methods. It was explicitly or implicitly addressed in Articles 6, 11, 4, 53, 54 and 55. In Articles 53a and 55a of the Jordanian Tax law make the penalty greater to be more deterrent to those who try to escape the payment of the tax.

Study of (Olaimat, 2013), which aimed to identify the most important causes and forms of tax evasion and the factors that help to minimize and reduce it, the study was conducted on a sample of the tax auditors count 283, the study concluded that the personal, legislative and administrative economic and social reasons order of importance play a prominent role in the tax evasion and each affects the other, and manipulation of expenses and revenues and lack of maintenance of accounting books fundamentalist is one of the most prominent forms, and develop incentives to achieve justice among taxpayers reduce tax evasion, the study recommended that there is a need to feed the development of A strategy to reform the tax system through the dissemination of tax awareness, the maintenance of correct accounting books and development of legislation guaranteeing justice and equality between taxpayers.

(Schneider et al., 2010) study Which covered 162 Country include Jordan concluded that the size of Non official Economy at Jordan about 21.7% From The gross domestic product 2007, While a study by Network of Tax Justice for The cost of tax evasion at the world at 2011 found that the size of Non official Economy at Jordan about 18.3 % Of the official size Economy While Cost tax Evasion About 663 Million dinars .

And in a study Of the International Bank Done at 2011 pointed out that Non Official Sectors at the Middle East Different From Where the size From country to else, Especially in the countries Outside Gulf Area . And estimated that the size of the Non official economy in Jordan Ranges From 20% to 25% From The gross domestic product. while the report Which Released by the International Monetary Fund 2011 About Non official Economy Entitled " Regional Economic Outlook at the Middle East And middle Asia " found the size of Non official at Economy at Jordan about 26% From The gross domestic product. . and a study by The Ministry of Planning and International Cooperation And The Economic and Social Council of Jordan at 2012 About reality of the Non official economic and its Size, found that the Employment at the Non Official Economy at Jordan Formed about 44% From Total Working Powers at National Economy , and a study by (Alkhdaur, 2011) depending On Appreciation Function for the demand On Liquidity And on the model MIMIC To measure size Tax Evasion , the size of Non official Economy in Jordan Ranges From 20.1% to 22.1 % From The gross domestic product at 2010. and estimate tax Evasion As Ranging between 525 to me 576 Million Dinar at That year .

In a study by (Alfalhat and Zidane, 2009) Targeted to Identify the Effect of tax Evasion On Sustainable Development in Jordan , at all Fields ) Health , Education , Social , Economic, a cultural , Security . ... etc.

To achieve This Target the Researchers Design Questionnaire and Distributed it On a study sample which consist of tax auditors and and estimators at income and sales tax department , 30 Questionnaire , Of which 12 Questionnaire On Auditors , And 18 Questionnaire On Estimators And managers .

and the results come as follows:

1- There is a realization of the size of tax Evasion at Jordan , and it had become From bit From culture

Peoples And societies , in addition to entities Working at This the field Like income and sales tax department , And auditors , And main reasons Which Lie behind that the Direct influence For this tax Evasion Located On Peoples And societies , It touches Their basic needs the at Life .

2. There is a negative And destructive Effect of tax evasion On Sustainable Development at Jordan , which lead to decrease in levels of Services on Health , education And cultural activities And decrease the level of living for citizens , In addition Weakening state structure And their pillars Political issues, Economic development And security .

3. Results Show that tax Evasion at Jordan is intended And planned , many business men paid for consultants at Taxes to show them ways for tax evasion.

4- Results show Also that Reasons for tax Evasion bit Of which Attributable For owners Heads Money , And part The other Attributable For Governmental organizations , And related With its policies , legislation ,its laws and Finance and Economic development Political issues And community .

a study by (Hanna, 2005) titled “Towards Governance the system of Egyptian taxes (Form Proposal)” Targeted to Search for Governance Concept In a Public Principles the basic Which Control Application Possibility of Governance Concept On Tax Policies Than Regards By placing Legislation Taxation gesticulate Associated Management Tax From During Development of Governance principles For the application On the tax system structure And Tax policies , And application Governance principles On Project Egyptian Taxes Law . the Study based on Studying Governance Principles Which approved by International Organizations And bodies , and study if the Provisions of new Law try Discipline detection The project Taxation To apply principle of Transparency And justice Discipline the study find that the Governance of tax Legislation Must have four principles Basic On the least Which Discipline Clarity, Transparency, Justice, responsibility Accounting .

As for Governance Tax Administration The Success of Tax Politics Depends on the efficiency of Tax device Management , Justice, And transparency And preservation On People rights Interests, responsibility Accounting , Strategy management In addition to Overall quality .

it concluded Also that both of tax Legislation And Tax management need to Application Governance principles Can Repair The Egyptian tax system and proposed studying formation A committee From Specialists And managers at This Connection rise Collect objects of limitations on the new Egyptian tax Law , in which Treating Texts Regulations Executive Of the law using Tax Governance principles .

a study by (Maharmh, 2003), which used the Descriptive Statistics For the extraction of Arithmetical mean and standard deviation For the study questions , 200 questionnaire consist of 24 question Distributed On Taxes payers , It used SPSS program for Analysis , and used Kronbach alpha To measure the stability for Measurement tool which Amounted to 76.56%, it reach to that There Economic Activities Turns out On their owners Financial Returns No Announce about it , And therefore No Obtain Of which Taxes Which means deprivation Country From this is Revenue Necessary For construction And development , as such that There is a crisis confidence between Citizen And the tax device. As well weakness Confidence at Government, And weakness Experience for officers Working at Device Collection of information at tax Income, in which No Complete Ability From Get On the information Quickly And accuracy Required To prevent Which Operation evade Tax . the research gave Several Recommendations From The most important build up unit Especially in Income tax to Fight tax Evasion As well build up Bank information patriotic Connect it all Institutions And departments, As well showing Citizens On Results Which Was reached to it Thanks to commitment My motivation Taxes To pay What Deserve on them , As well as to create status From Awareness Taxation And planting Value Social Valid at Their souls down to Building Bridges From Confidence Cooperation between taxpayers And a Income tax department In the interest of the public.

In a study by (Hanousek and Palda, 2004) Which have dealt with Quality of Services Which Offer by the government Of citizens, the Desire by Citizens In evasion From Pay Taxes, Included this is studying (1089) Czech And (501) Slovakian .

the study reached several Results, The most important, First : that Citizens evade From Pay Tax if they thought That they don't get Excellent Governmental organizations Services . Second : that Citizens Who believe That they are Receive Good Services have More desire To pay What on them From taxes, Third: that Increased public services in the rate of (20%) lead to reduction Evasion From Pay Tax by (13%). Fourthly: government revenues From Taxes can increase by introducing more citizens Services Where that Submit Good Services I Encourage Citizens On Commitment More To pay What they have From taxes (Ammoura ,2010) aimed to define tax , tax evasion and its forms and how to confront it , where the study was conducted in Syria, the researcher used the descriptive method to describe the objectives of the study and then access to the results, the study concluded to determine the tax and tax evasion as well as identifying a number of tax evasion methods Such as total concealment of economic activity, concealing business figures in all taxpayers' data, increasing expenses, reducing revenues, reducing selling prices for goods and services, and falsifying import papers and bills,

showing the number of imported items in order to evade payment of customs duties. Other methods, and the researcher recommended that in order to combat tax evasion concerted efforts and the integration of reforms ranging from the individual and an increase of tax consciousness through the owners of investment projects and financial managers and leading to avoid weaknesses in the tax administration.

The study of (Juma ,2005) aimed to identify the nature of tax evasion among the self-employed in the city of Jenin. The researcher conducted a field survey of the sample of the free professions in the city of Jenin in Palestine, which was 297, and designed a questionnaire to identify the factors that help tax evasion, where the study concluded that there are deficiencies in the provisions of the Palestinian tax law , particularly with regard to exemptions and collection of tax from the self - employed and this leads to waste huge amounts of money owed to the government treasury, as well as the lack of coordination between tax departments and government departments to inquire about income. And recommended to develop an information system between the tax departments and ministries and other government institutions and the development of tax awareness among taxpayers.

(Muharram ,2004) aimed to build a model of tax control to curb tax evasion, and the study the most important ways and forms of evasion of income tax, this study was conducted in Jordan , the study population from the Income Tax Department in the Department of Public Shareholding Company employees were taken of all society. As a sample of the study because of the small size of the community of 25 estimated, a questionnaire was distributed and interview with them, and concluded the basis of the tax examination of the study by file papers and data collection and information and discuss the taxpayer and inspection of the facility, and means of tax control (administrative , accounting ,economic , Technical and analytical control), and concluded that the most prominent means of tax evasion manipulation of the quantities and weights and formula manufacturing to reduce costs and manipulation expenses venerate and revenue downwards, and the researcher recommended the publication of tax awareness among citizens and familiarize them with the objectives of the tax and the emphasis on the sanctions imposed on evaders.

Study by ( Marina et al , 2011) aimed to describe the tax evasion and to identify the implications and effects in Romania , the researchers used the descriptive approach to achieve the objectives of the study, concluded that tax evasion is a special component of the infrastructure of the economy because of a special relationship between tax evasion and other important events the public economy, and tax evasion is a social phenomenon that takes on growth and growth and has its direct effects on reducing government revenues and expenditures and social dissatisfaction among members of society.

Study by ( Fagbemi et al , 2010 ) aimed to understand the taxpayer 's behavior toward tax evasion in Nigeria, it has gathered evidence on the ethics of tax evasion by getting feedback from business owners in the Lagos state , The study was limited to local governments identified in the Lagos state , And used statistical method to extract arithmetic averages and test the hypotheses of the study, the study concluded that the hypothesis for the ethics of tax evasion says that tax evasion is morally sometimes it is unacceptable, and that tax evasion is a high degree when it exists in the government of corrupt practices, and these practices The taxpayer's justification is tax evasion because it is unfair to bear the tax due to these corrupt practices and the inadequacy of the existing tax system. The study also distinguishes between tax avoidance and tax evasion that tax avoidance is limited to reducing the tax within the law and evasion tax reduction or non-payment in violation of the law, the researcher recommended that the results of this study be taken to help prevent tax evasion and develop tax policies aimed at reducing tax evasion.

#### **Results and recommendations:**

From the review of data and figures issued by official institutions and studies conducted on tax evasion in Jordan, the study questions can be answered as follows:

1- There is a tax evasion in Jordan for several reasons: economic, social and legal, and despite the different studies in the methods of estimation and calculation of tax evasion or disclosure sometimes, but it was estimated in official studies At 1067 million Dinar at 2011 And 1578 million Dinar at 2015, and the value of tax evasion for the year 2016 amounted to 1.5 billion dinars.

2 - income tax and sales department aware of the most important ways and tax evasion methods that may be resorted to in charge and has selected and clearly mentioned in the income tax and sales tax laws, in addition there is a fund in the department turned to him not more than 20% of the proceeds fines, for the purposes of improving the working conditions and raise the efficiency of the department staff and provide services to them in health, cultural, social, housing and provide incentives for them distributed to Competent employees for their performance and contributed to the discovery of tax evasion or seizure of smuggled goods which are under a regulation issued for evasion.

3 - The sanctions contained in the laws must be enough and combine punishment financial fine and imprisonment, but According to the Director of the Income Tax and sales Department statements there are deficiencies in the application especially the application of prison sentences especially by giving the Minister of Finance or his representative reconciliation held in tax evasion crimes and that before the final judgment in the

lawsuit against the tax in question and to pay a fine as a civil compensation equivalent to such a tax and the consequent fall of reconciliation, the criminal case and stop proceedings. And the abolition of the consequent effects.

4 - Tax evasion in Jordan has a clear impact on the decline in the value of the estimated revenues in the general budget as indicated by the commitment rates and official tax evasion figures and the increase in the budget deficit from the estimated figures and. Thereby reducing the investments they are making as well as Government expenditure, leading to a decline in the services sector.

From the above it is clear that the results of tax evasion in Jordan are as follows:

1 – decrease in government revenues in the general budget as indicated by the official commitment ratios and tax evasion figures and percentages so rising budget deficit, thereby reducing the investments they are making as well as expenditures, leading to a decline in the services sector.

2 - Government raise an imposed tax rate, such as sales tax and a new tax to compensate the government for the shortfall as a result of evasion, in addition to subjecting more goods and services for sales tax.

3- The government faced the deficit by obtaining internal and external loans and thus incur additional burdens, The repayment of the loan and their interests in addition to compliance with the conditions of lenders.

4-Obstruction of governments economic development projects for the advancement of the country.

**Recommendations to combat tax evasion**, which unanimously agreed upon most of the research according to Wikipedia:

\* Raising the tax awareness of the taxpayers by introducing the members of the society to their tax duties by various means of audio, video and reading, and organizing specialized seminars to explain the provisions of laws, regulations and instructions in force in the field of taxation and how to calculate them and collect them, which will instill social values and ethics in the citizens and introduce them to the importance of tax as one of the means that enable the government to carry out achievements and projects that benefit the general citizenry. It is also worth mentioning some of the projects that were established with the help of the revenues that the government receives from the performance of individuals for their tax duties.

\* review the penalties in the laws applicable to tax evaders, with the emphasis that the tax evasion means an attack on the rights of all members of society and the use of penal financial sanctions, especially if this violation is committed for the first time and the use of other innovative methods of punishment.

\* It is necessary to emphasize the principle of tax justice, which necessitates the establishment of moderate rates and measures of taxation so that the taxpayer does not feel that he is under tax burdens beyond his financial capacity and in order not to proceed to practice any case of evasion.

\* Follow up the problems created by the application of the legislation and work to fill all the gaps that appear during the implementation may be by the collection of tax from the source, taking into account the provisions of control of decisions submitted by individuals to the tax administrations for To verify the accuracy of the data contained therein and here comes the need to establish (data bank), Of its functions collecting these data and study and unload the information they contain and compare each other.

- It is also important to strengthen the taxes departments in sufficient numbers of efficient workers and provide them with the necessary machinery and equipment that are appropriate to the degree of the task entrusted to them. fight against tax evasion means, above all, a highly efficient tax instrument.

- Granting the tax departments the right to inspect the documents of the taxpayers which are useful in revealing the true financial position of them.

- Rely on the notifications of others and the grant of a financial reward to the person making such notification.

- Give government departments the right to receive goods, especially those imported from them, at the value declared by them.

- The application of some penal sanctions is not only to the evading taxpayers but also to those who abstain or neglect to make the required statements as well, or those who make incorrect statements.

- Benefit from Islamic legislation and previous experiences of countries in dealing with tax evaders.

- Research on the subject of tax payments to the taxpayers and awarding prizes and rewards to those who are committed to paying them.

- Adjust policies adopted by the Jordanian income tax department in the collection of the tax from individuals and companies.

- All tax staff should be assigned special courses in the Jordanian tax law because the basis of their work requires the application of the law.

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