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# **ANALYSIS OF THE RELATIONSHIP BETWEEN THE EXPANSION OF THE CART ECONOMY AND THE INCREASE IN TAX REVENUE: AN APPLIED STUDY ON A SAMPLE OF EMPLOYEES WORKING IN THE GENERAL TAX AUTHORITY / BAGHDAD**

Mohamed Nasr Hussein

Al-Furat Al- Awsat Technical University /Al-Musayyib Technical Institute

mohammed.huseen.mis@atu.edu.iq

Anwar Hashem Abboud

Al-Furat Al- Awsat Technical University /Najaf Technical Institute

anwar.abboud@atu.edu.iq

## **Abstract**

The current research aims to shed light on the impact of the gig economy that emerged after the Covid-19 crisis on tax collection, as the spread of independent workers complicates tax compliance and reduces government revenues. The challenge lies in the lack of sufficient awareness of tax obligations among these workers, which increases the likelihood of tax evasion. The research used the descriptive analytical approach in presenting the theoretical framework and presenting the results. The questionnaire was also used as a tool for collecting data, as it was distributed to a random sample of 48 employees working in the General Tax Authority in Baghdad. The SPSS program was used to analyze the results. The research concluded that there is a need to adapt current tax policies, while taking advantage of technology to develop income tracking systems and enhance compliance.

**Keywords:** Gig economy, Tax collection.

## **Introduction**

In light of the economic and social changes that the world is witnessing The study of the gig economy has become increasingly important to understand its dimensions and impacts on the macroeconomy and local communities. The gig economy is defined as that part of economic activity that takes place outside the official or regulatory frameworks of the state. It includes various commercial and service activities that are not subject to taxes or government regulation. Although this type of economy may be seen as a means of earning a living for the less fortunate in society, However, its effects extend beyond individuals to include the tax revenues of countries. Tax revenue is the mainstay of financing public activities and services provided by governments. , from education, health, infrastructure and security. Achieving tax justice and ensuring the participation of all segments of society in supporting the national economy are among the main priorities of any effective tax system . However. The gig economy stands out as a major challenge to achieving this justice. , as its spread leads to a

decrease in tax revenues. , thus affecting the ability of governments to provide their services .efficiently. Understanding the relationship between the gig economy and tax revenues requires addressing many economic, social and legal aspects. On the one hand, the gig economy is a major source of income for many individuals , especially in developing countries that suffer from high unemployment rates and weak social safety nets. On the other hand, this type of economic activity is one of the factors that contribute to individuals and companies evading taxes. , which increases pressure on formal sectors and prompts The gig economy . governments to seek innovative solutions to enhance tax compliance phenomenon has many roots. , including poverty and income inequality. , complex tax systems, and weak government oversight. Often, individuals and small businesses find informal activities a way to avoid the costs associated with complying with tax systems and regulatory laws. Economic challenges, such as inflation and recession, also push some individuals to resort to this type of activity as a means of survival.

It is important to realize that the impact of the gig economy on tax revenue is not a one-off effect. While it contributes to reducing tax revenues due to the failure to record economic transactions and activities, It may also contribute to creating job opportunities and reducing .unemployment rates. , which reduces the pressure on government spending in certain areas However, the biggest challenge remains how to integrate informal activities into the formal economy without harming the sources of income of individuals who depend on these activities Based on the above, this research came to shed light on the impact of the cart economy on tax collection

## **First: Research methodology**

### **1. Research problem**

via the cart economy platform have an financial transactions The revenues generated from requires submitting financial data for these transactions impact on the tax revenue, and this and accounting for them in tax to contribute to increasing the tax revenue that finances the of the cart public treasury. Therefore, the research problem is that the financial transactions in the tax accounting, which led to the public treasury not economy platform are not included being funded by the tax revenue of these transactions.

### **2. Research objectives:**The research aims to:

- .Explain the concept and importance of the cart economy
- Identify the tax revenue, its importance and the factors affecting it.
- Highlighting the role of financial transactions within the cart economy in increasing tax revenue.

### **3. Importance of research** lies importance :Search in

- .Statement on the importance of the cart economy in the field of taxes
- Explaining the importance of tax revenues in financing and covering the expenses of the public treasury.

#### 4. Research hypotheses:

a) The first main hypothesis: There is a significant correlation between the cart economy and tax revenue.

main hypothesis : There is a significant effect of the cart economy on tax revenue.

#### 5. Research sample

Tax Authority was selected and a questionnaire was distributed to them containing two variables: the independent variable is the cart economy, and the dependent variable is the tax revenue.

#### 6. Research limits

Baghdad / Spatial boundaries: General Tax Authority.

Timeframe: January 2024 - December 2024.

Subject boundaries: cart economy, tax revenue.

#### 7. Some previous studies

**Study (Khader) (2022): (Challenges of accounting information systems in light of the**

This was aimed at (cart economy and their repercussions on the tax base the study to the focus on cart economy And explain its importance and effects on Areas Aspects of life Contemporary Aspects Especially The economic ,From it As well as stating and identifying the most important Challenges And the obstacles that Standing before Developing and improving the accounting information system and its impact on the tax base. The most important conclusion of the study is that the gig economy is a labor market that takes up electronic space to conduct Business Using And payment Internet With cash Electronic, and maximum speed Possible, transcending the limits of time and place, which requires the ,accounting information system to re-evaluate its components and methods used in collecting storing and processing data, and then delivering it to the parties that can rely on it in making various decisions, including tax authorities.

**Study( Kornberger , Martin, & Other ) (2017) (Accounting for Platform Organization highlighting )** This study was interested in the importance of existing accounting practices in this type of institutions or organizations (electronic platform organizations) as they are of a contemporary and modern nature that depends mainly on information technology and the Internet. The most important thing that the study reached is the necessity of conducting accurate analyses of the accounting practices used in organizations as a new form of business organizations. It also recommended the necessity of understanding and studying the nature of electronic platforms and their basic structure in order to design an appropriate and accurate accounting system that suits the nature of these platforms.

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**Second: The theoretical framework**

**First: The cart's economy**

**1- The concept of the gig economy**

Economic crises led to a large number of employees and workers have been laid off, Recently which has prompted many economists to pay attention to gig economy platforms in order to reduce expenses and achieve companies' goals at a lower cost, which has made individuals The unemployed on the job And also Those who wish to to improve Their income To search on Jobs from during Internet And work from During it with many functions And always Partial, where job seekers submit and promote their applications and wait for job offers( Schroeder et al., 2021:43).It consists of economy The cart from relationship correlation Between three parties, the platform acts as an intermediary that coordinates supply and demand for the remaining parties represented by the workers For their account private And ,the beneficiaries By contract short term agreement between people Of those with Skills Wanted and Desired By work For their own account and among consumers during Platform on the web Internet or Applications Electronic on Phones Smart for saving Services and goods when Request it Opposite Salary It is agreed .attic (Duggan et al., 2020:114 ) The gig economy has been defined as "jobs in which workers are paid for a specific task once and for "a specific period of time (Abraham et al., 2018: 10 ) It can also be defined as an . employment model in which individuals use an online platform to provide specific services .or solve specific problems to other individuals in exchange for a certain amount of money . ( 4 :Broughton et al., 2018 )

**2- Advantages of the cart economy :** They are as follows ( Khader, 2022: 26-28)

- construction Markets Huge from the offer And the request.
- ease completion Business Efficiently high and cost less.
- Creation Mechanisms New For recruitment, training and development.
- Independence in performance .Business
- low Prices Services the introduction .For consumers
- addition Experiences New For consumers.
- get on Experiences and skills Necessary.
- building Mechanisms trust between Presenter The service or product and the consumer.

**3- Types of platforms:** There are four types of platforms :Cusumano et al., 2019: 25-33 )

- Transaction platforms: These are markets with multiple aspects and are the most common among the platforms, as all or most of the transactions supported by this platform are sometimes free to facilitate buying and selling operations over the Internet. One of these .platforms is the cart economy
  - .Innovation platforms: which stimulate technological innovation To better develop complementary products and services through refurbishment intermediaries to be resold to consumers and businesses such as Microsoft, Inteland Apple.
- Integrated platforms: which combine both transaction platforms and innovation platforms ) such asApple andGoogle AndAlibaba .(

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- **Investment platforms:** These are companies that invest in equity in the businesses of multiple platforms by allowing startups to raise funding from people (the public) in exchange for obtaining shares in that company

**4- :Components of the cart economy :** They are as follows

- **Platform Infrastructure**

Infrastructure is the key to economic growth and job opportunities that cannot be achieved without tangible progress in the quality of infrastructure such as the Internet, communication means such as computers and smartphones that reflect on economic stability( Graham, 2020: 29 &Woodcock )

- **"Create a platform "work**

The steps to create a work platform are to develop a plan to implement the project idea using a search engine that helps spread the platform among the largest possible number of followers such as Google, Facebook, and choosing a suitable name and design for the platform, and determining the activity that the platform will specialize in such as transporting and delivering ,orders or selling and buying products or providing services such as translation and consulting in addition to advertising and marketing the platform's activity through available means of communication such as social networking sites, Facebook, etc. and broadcasting the platform . for work online(Peck, 2017: 207)

- **Comprehensive Communication Technology**

Information and communication technology, especially internal networks, the Internet, and a set of tools and devices, play a major role in developing and modernizing business management, creating new types of jobs, and helping workers accomplish work easily by eliminating physical boundaries and distances between people, as people can communicate and exchange information with each other easily, quickly, and at low cost at any time and .place(Graham and Anwar, 2019)

- **Meeting consumers' desires**

The new economic activity depends on consumer demand, which is the electronic customer who searches for information related to the products and services he wants to buy through the Internet and various technological media, as the platforms provide the possibility of advertising products and selling electronically throughout the day, without interruption and .without geographical obstacles that weaken their spread locally and globally ( Hunt and Samman, 2019:546 )

- **Job opportunity for all**

Technological progress represented by specialized websites and electronic platforms has led to the creation of direct and indirect job opportunities for anyone looking for a job opportunity or an additional income to increase their income anywhere in the world, by taking advantage

,of technology, by providing innovative, convenient and profitable services over the Internet .and this has helped to revive the cart economy(Graham and Anwar, 2018: 95)

- **Remote work**

Telecommuting is working independently through the use of information and communication technology, such as smartphones and computers of all kinds, and without restrictions, as the worker determines the appropriate working time for him, and this is the reason why many people prefer to work online from home, because of its flexibility in timing and saving time and effort, with the possibility of taking it as an additional job that brings them income in .addition to their primary work(Wood et al, 2019:53)

- **The role of the state**

The state has a major role in correcting the negative economic effects of the financial crisis .that has hit the global economy since 2007, which has led to lower wages and unsafe work This role is through the state's intervention and support to regulate the gig economy, which has become the ideal solution to overcome the crisis, by supporting technological development and providing the tools that can be relied upon to restore balance( Srnicek , 2017:91 )

- **Worker power**

led Evolution Technology has expanded the scope of the gig economy, which has a significant impact on workers and the labor market. Platforms now connect job seekers and business seekers through the productive use of the Internet and mobile devices, enabling them to .launch new projects Through the spread of these businesses, which derive their strength from providing various types of services and legislation that support the activities of the cart economy, and from the continuous support for all types of activities, and the provision of training programs for the workforce, the cart economy has moved with great strides all over .the world (Ravenelle, 2019: 6)

- **Globalization and Outsourcing**

Helped to appear technology Information in spread The cart economy opens up new avenues for economies, by providing opportunities for economic growth based on concept The market without border , By cancelling Restrictions on movement of goods Services and reduce the need to employment and training Employees Specialists , As well as bringing Experiences Ready And reduce expenses which led to a breach , nation state borders And the decline The big one in Its sovereignty is the result of the merger between Markets Global ,In investment trade and transfer Money and technologies and powers The worker within freedom capitalism Markets And submission the world For forces The market Globalization This is called globalization, which has allowed the construction and provision of platform services to be .used to expand or reduce the scope of work according to changing market conditions (Moulier-Boutang, 2012:49)



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## **Second: Tax revenue**

**Definition of tax revenue :** The term tax collection refers to a set of operations aimed at transferring tax amounts from the pockets of taxpayers to the treasury funds. (Basas and Douh, 2021: 121) Tax revenue is the amount collected by the tax administration after determining the subject matter of the income of persons subject to tax laws, whether the person is natural or legal. It is also known as a set of procedures leading to the transfer of the tax debt from the taxpayers to the public treasury in accordance with the applicable legal and tax rules so that the relationship becomes direct between the tax authority and those obligated to pay the tax. (Shukur and Ahmed , 2022: 384) It is also known as the revenues obtained by the state due to its sovereignty over individuals, public and private companies, economic entities, and others. (Al-Ramah and Al-Shar, 2023: 489)

### **1- :The importance of tax revenue**

Revenues constitute the cornerstone of the state's spending capabilities and are of great importance in fiscal policy. Taxes, whose proceeds are limited to the funds the state obtains from imposing various taxes, are one of the main sources of funding of significant importance in financing the public treasury. (Al-Ubaidi and Al-Zubaidi, 2019: 50) This importance of tax revenues is evident through their role in financing projects and public expenditures and covering the government's financial and economic requirements. They are a means used by the state to intervene in economic and social affairs, and are an important political and financial tool in managing the country's economy and directing its future movements (Spears and Spears, 2023: 490-491)

The importance of tax revenue is evident from: (Abdullah and Al-Khafaji, 2023: 126)

- Achieving the state's economic goals through implementing tax revenues.
- Collecting various amounts of money such as fines, confiscations, or special sales taxes due to taxpayers' attempts to evade taxes.
- Redistributing income and reducing disparities between members of society in terms of income and ownership size.
- Providing the funds necessary for the state to carry out its main functions, which have increased and expanded over time with economic and social development.
- Customs duties are a plentiful revenue that provides the state treasury with the resources necessary to accomplish its tasks in current and investment spending.

### **2- Tax collection methods:**

The tax administration carries out a set of activities in order to establish and implement tax laws and regulations for the purpose of collecting taxes (Sarhan, 2022: 49)

Tax collection shall be as follows: (Basas and Dowah, 2021: 121-122)

- **Tax collection by mutual consent and agreement:** where the taxpayer pays his tax dues to the tax authority voluntarily in several ways, the most important of which are
  - 1- Direct supply method by the taxpayer
  - 2- Advance installment method

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3- How to book from the source

- **Enforced collection:** is a method used by the tax administration to force tax evaders to pay their tax dues in accordance with the law. This is done in stages that vary in the degree of punishment and deterrence

**3- Factors affecting tax revenue :**

There are many opinions on determining the factors that may affect the tax revenues . Some , believe that they are limited to economic factors represented by: ( Consumer price indices real GDP, Economic openness, foreign direct investment , and non-economic factors such as .corruption and changes in laws :Tax), while others believe that these factors are

- **tax evasion** Tax It means the person responsible for the matter is seeking refuge. Tax to cheat Fraud for the purpose of evading the payment of the tax amount , which mainly affects . the tax revenue
- **Tax awareness** affects awareness Tax In the awareness of those charged Taxed for : importance Contributing to bearing public burdens by paying their obligations , which affects . . the tax revenues
- **Tax information system:** The tax collection and levy process is affected by the amount .and type of tax information available , and thus its impact on the amount of tax revenue Al-) ( Tawil, 2023: 425-426

**The reality of tax revenue with the emergence of the gig economy :Third**

The tax administration is responsible for determining the amount of tax to be paid by each tax law. However, with the emergence of the individual after the legislative authority issues the gig economy and its reliance on technology in displaying and selling goods and services and paying for them electronically, the tax revenue has become inconsistent and inflexible .with the state of economic activity, whether high or low(Nazarov et al., 2019: 66 This is ( because Most laws in the field of taxes require the submission of information in writing, such as accounting information system reports, while the activities of the cart economy are not linked to the presence of any paper documents in completing transactions, as it is linked to .goods and services that are carried out over the Internet and delivered electronically Therefore, it is necessary to know the size of the cart economy and its impact on economic activity, by obtaining official statistics on the activities of this economyJeon, et al. 2019 Where it is done Formulate Legislation Taxation of countries According to Due to the nature of transactions Traditional business, without taking With developments Technology, and therefore a flexible and modifiable legislative framework should be formulated to keep pace .with technological progress and transactions Electronic which It is done by ) .Internet Alstadsæter et al., 2017:60 the procedures and correspondence of the two parties to Since ( the transaction in the activities of the cart economy are carried out electronically, the only legal basis for the tax administration has become the electronic message, but it is possible to track these transactions through the exchange of information of the tax authority in one .country with the tax authority in another countryTran & Vo 2018:901 In addition to the ( fact that the activities of the gig economy are global in nature and transcend the geographical



borders of countries, and the increasing differences in tax levels between countries of the world, and the flexibility of movement supported by information and communication technology represented by the absence of spatial restrictions, led to the permission not to practice activities in countries with high tax rates, and transfer them to countries with lower .tax burdens, which affects the tax revenue of some countries(Piketty et al., 2017:68 )

Subjecting the activities of the cart economy to the traditional tax system For the purpose of and keeping pace with the technological developments that characterize these activities, it is necessary to develop the ability to determine the location of both the buyer and seller of goods and services, and to enhance the exchange of information between tax authorities using external networks via .The Internet

2016:1-4 Stupak, )

### Thirdly Practical side

#### About the General Tax Authority

The General Tax Authority is a governmental institution affiliated with the Iraqi Ministry of Finance. It was established on 27/2/1982 based on the Ministry of Finance Law No. 92 of which was established as a result of merging the General Income Directorate, which ,1981 was implementing the Income Tax Law, with the General Revenue Directorate, which was implementing the Real Estate Tax Law and the Land Tax Law. It was called the General Tax Authority, replacing the two above-mentioned directorates

This section deals with the applied aspect of the research by preparing a questionnaire form consisting of two paragraphs, the first of which addressed the economy of the cart and the second of which addressed the tax revenue . ( 48 ) questionnaire forms were distributed to the sample members represented by the employees of the General Tax Authority. - Baghdad (research community) in order to collect the necessary information for research and verification. The stability of the questionnaire paragraphs and the analysis of its data using . appropriate statistical methods for the purpose of testing the research hypothesi

First: Analyzing research data and testing the hypothesis

Weights were given to each paragraph of the questionnaire's two axes according to the five-pointLekert scale :as follows

strongly disagree	I disagree	neutral	I agree	I strongly agree	Classification
1	2	3	4	5	the weight

### 1- :Statistical indicators

:The researcher used several statistical tools, which are

- Descriptive statistics method: This is to display the characteristics of the sample members :and describe their answers by using the following
- Arithmetic mean: used to measure the average of the sample members' answers to the .questionnaire questions
- Standard deviation: Used to measure the deviation of sample individuals' answers from .their arithmetic mean

- Percentage: It was used to measure the relative frequency distributions of the characteristics of the sample individuals and their answers to the questionnaire items
- Cronbach's alpha test : to determine the reliability of the questionnaire items

## 2- :Hypothesis testing

- The first main hypothesis: There is a significant correlation between the cart economy and tax revenue
- The second main hypothesis: There is a significant effect of the role of the cart economy on tax collection

## 3- Cronbach 's Alpha

The researcher used the Cronbach's alpha method to measure the stability of the questionnaire. Table No. (1) shows that the stability coefficients are high

Table (1) shows the stability coefficients of the research axes using the Cronbach's alpha method

Cronbach's Coefficient Value	Reliability	Number of paragraphs	Axis Title	T
0.921		10	cart economy	1
0.901		10	Tax collection	2
0.911		20	Total value of questionnaire items	

## 4- Description and diagnosis of the cart economy variable

Table (2) shows the arithmetic means, standard deviation and relative importance of the vehicle economy variable

relative importance	Standard deviations	Arithmetic means	Cart Economy Paragraphs	
84%	0.929	4.19	I have difficulty tracking the income of gig economy workers due to the diversity of their income sources (such as digital platforms (freelancing, etc	1
87%	0.597	4.37	Current tax laws are inadequate or inadequate to ensure that taxes are collected from gig economy workers	2
81%	0.946	4.07	The nature of independent work in the gig economy (such as online or part-time work) impacts the ability of the tax team to accurately track and achieve tax collection	3
81%	0.783	4.05	It is difficult for tax collectors to ensure that the income declared by gig economy workers reflects actual income due to the lack of a reliable central record	4
82%	0.803	4.11	There is difficulty in taxing individuals who operate through international or cross-border digital platforms	5
60%	1.141	3.01	Tax reforms are needed to make it easier for gig economy workers to collect taxes	6
51%	1.176	2.53	Increase in tax evasion cases by workers in the gig economy compared to traditional sectors	7
86%	0.8	4.31	There is a need to develop technical mechanisms (such as the use of big data or artificial intelligence) to improve the effectiveness of tax collection from gig economy workers	8
67%	1.087	3.36	There is a need to enhance cooperation between tax authorities and digital platforms to ensure tax compliance in the gig economy	9
86%	0.8	4.31	It requires providing awareness courses to understand the mechanism of obtaining taxes in light of the cart economy	10
77%	0.184	3.80	General Index	

Through the results of Table (2) regarding the variable of the cart economy, where the general index of the arithmetic mean reached 3.80, which is greater than the hypothetical arithmetic mean of 3, this explains that the sample members agree on the importance of the cart economy with a standard deviation of 0.184, which indicates a lack of dispersion between the circles and a relative importance of 77%, as the results above show that the cart economy is important an increase in ) in the tax collection process, but there is a disagreement on the paragraph (cases of tax evasion by workers in the cart economy compared to traditional sectors considering that taxpayers work in an uncontrolled space, thus it is difficult to hold them accountable for taxes. This paragraph obtained an arithmetic mean of (2.53), which is smaller than the hypothetical mean of 3 and a standard deviation of 1.176, which means that the .respondents do not agree with it

:Description and diagnosis of tax revenue variables

Table (3) shows the arithmetic means, standard deviations and relative importance of the .tax revenue variable

relative importance	Standard deviations	Arithmetic means	Tax return paragraphs	
74%	1.22	3.72	Difficulty in reconciling tax and customs laws , as the cart economy has eliminated traditional economic restrictions and borders by .imposing taxes on imports and customs tariffs	1
79%	1.02	3.95	There are sufficient efforts by the government to ensure that taxes are .collected from all socio-economic groups	2
67%	1.12	3.36	Limiting tax systems to traditional commercial transactions without .electronic ones makes them tax systems with limited efficiency	3
67%	0.97	3.33	The government could collect more taxes if tax collection .mechanisms were more sophisticated and transparent	4
64%	1.05	3.22	That the tax revenues collected are used fairly and efficiently to .finance public services	5
60%	1.03	2.99	Low level of tax awareness among individuals and companies contributes to reducing tax revenues	6
63%	1.07	3.13	Increasing tax awareness and education can contribute to improved .tax compliance and increased tax revenue	7
81%	0.88	4.04	Innovation in tax payment methods (such as electronic payment or payment via digital platforms) may contribute to increasing tax .revenues	8
69%	1.06	3.44	Full digital transformation of the tax system could improve tax collection in the future	9
60%	1.00	2.98	Tax incentives aimed at motivating companies and individuals to pay .taxes may contribute to increasing tax revenues	10
68%	1.04	3.41	General Index	

The data in Table (3) indicate that the arithmetic means, standard deviations and relative :importance of the tax revenue variable were represented in the following

:(1.04) The arithmetic mean of the general index was (3.41) with a standard deviation of which explains the general pattern of the respondents' tendencies, i.e. most of the arithmetic

means of the above paragraphs are greater than the average of the measurement tool, which is (3), except for the sixth and tenth paragraphs (the weak level of tax awareness among Tax incentives aimed at ,(individuals and companies contributes to reducing tax revenues (motivating companies and individuals to pay taxes may contribute to increasing tax revenues as their arithmetic mean reached (2.99) And (2.98) respectively, which is less than the hypothetical mean of 3, i.e. the respondents' lack of inclination (lack of conviction) for the .sample members regarding these two paragraphs

'The standard deviations indicate that there is no significant variation in the respondents .attitudes towards the tax revenue items

.Second: Testing research hypotheses and analyzing results

Analysis of research variables

- .Analysis of the correlation between the cart economy and tax collection

,The content of this relationship represents a test of the first main hypothesis of the research :which states

There is a statistically significant relationship between the Arab economy and the overall tax) (revenue

Table (4) Correlation coefficient between the cart economy and tax revenue

cart economy		independent variable
Significance levelsig	Pearson correlation coefficient	Dependent variable
0.000	**0.975	Tax revenue

Table 4 indicates the existence of a strong direct correlation between the independent variable (the cart economy) and the dependent variable (tax revenue) through the total index, which reached (0.975) at a significance level of (0.000), which means that the more interest there is .in the role of the cart economy, the more it leads to an increase in tax revenue

- .Analysis of the impact relationship of the cart economy on tax revenue

The content of this relationship represents a test of the second main hypothesis of the .research, which states: There is an effect of the cart economy on tax revenue

Table (5) The impact relationship of the role of the cart economy on tax revenue

cart economy						independent variable
Alternative hypothesis result	Significance level )(SIG	) Value of(T) Calculated	CalculatedF value	regression coefficient B	coefficient of determination R <sup>2</sup>	Dependent variable
Accept the hypothesis	0.000	43,629	1903.48	1.150	0.951	Tax revenue

The simple linear regression analysis was conducted and the results of the analysis were as follows, which are shown in Table (5) above, where the calculatedF value ,reached (1903.48) which is greater than its tabular value of (3.92) at degrees of freedom (1 and 98) and a

significance level of (0.05). This requires rejecting the null hypothesis and accepting the alternative hypothesis, which states that there is a significant effect of the cart economy in ) increasing tax revenue. This result is confirmed by the significance level  $F$  of (0.000), as ( it is less than (0.05), the approved significance level. In addition, it is clear that the value of the coefficient of determination  $R^2$  It reached (0.951), which means that only (95.1%) of the ,variables that occur in the average responses of the sample members, the dependent variable .are attributed to the variables in the cart economy (the independent variable)

#### **Fourth: Conclusions and recommendations**

##### **Conclusions**

1. gig economy has made tax compliance more complex, with many freelancers lacking knowledge of their obligations, leading to under-reporting of income and posing a challenge . for tax authorities in ensuring compliance and accurate tax assessment
2. The shift to temporary work has led to significant revenue losses for governments, as many .workers are working outside the traditional payroll system that automatically deducts taxes As a result, governments are finding it difficult to collect taxes owed, which can lead to a . shortfall in funding public services
3. There is a statistically significant moral effect of the cart economy in increasing tax collection. This was shown by comparing the significance level (0.000) with the significance .level 0.05
4. The research concluded that the cart economy has a role in enhancing tax revenues, and .this was demonstrated through the positive correlation between the two variables
5. The lack of accounting and tax awareness among taxpayers and the failure to maintain and .organize accounting books and records is a reason for non-compliance with tax laws
6. Increasing the percentage of tax discounts and incentives has a significant impact on .encouraging tax compliance

##### **Recommendations**

- 1- ,Establishing clear and simplified legal frameworks that suit the nature of freelance work while specifying the tax obligations of independent workers and contractors, as well as including this category within a tax system that makes it easier for them to report their income .and pay the taxes due
- 2- Create electronic platforms dedicated to registering freelancers and tracking their income and use data analysis systems and digital platforms to track financial transactions and ensure , .transparency
- 3- Obligating the bodies, institutions, ministries and banks that deal with some categories of digital and freelance professions to deduct the percentage of tax due from them before handing them the amounts for fees and depositing those amounts into the account of the tax .departments
- 4- Launch awareness campaigns targeting workers in the gig economy to explain the importance of tax compliance, their rights and responsibilities, and provide resources and . .guidance tools to help them easily report their income

5- Providing tax breaks or financial facilities for freelancers who are committed to paying taxes and supporting digital platforms that facilitate freelance work to cooperate with the government in automatically deducting taxes from payments

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