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# THE IMPACT OF THE QUALITY OF EXTERNAL CONTROL ON RAISING THE EFFICIENCY OF THE TAX EXAMINATION PROCESS

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## Abstract

The purpose of this research is to disclose the effect of the quality of external control in raising the efficiency of the tax examination process at a sample of the guesses, auditors, officials of units, departments, and the people in the General Authority for Taxes in Iraq, as the research sample (30) workers from the aforementioned sample was represented by using the descriptive analytical approach , And in order to reach the best results, the statistical package (spss.v.29) was used, and on the basis of that the research reached the existence of an effect of the quality of external control in raising the efficiency of the tax examination process, which means that the quality of external control depends on independence, objectivity and the percentage of fees that He receives it, the procedures and the policies he followed when performing his work, as the study came out with several recommendations, the forefront of which was the necessity of cooperation between the efforts made in the Professional Council and the Accountants Syndicate and auditors to keep pace with the developments taking place in the field of accounting and constantly in a way that achieves quality in external control, as well as working to develop policies and procedures It helps in increasing the process of supervision and follow -up to apply the standards of quality control and external audit.

**Keywords:** External control, Tax examination.

## Introduction

There is no doubt that taxes play an important role in managing the resources of the state's public treasury, and thus represents the effective means of the state's intervention in the level of economic and social life for its workers through the redistribution of income, and given the importance of the role of taxes that represent almost two thirds of the state's annual revenues, it has sought Countries to the development of tax administration, as the tax

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administration is of special importance as they undertake the implementation of tax laws and verify the integrity of their implementation and protect the state rights, and can also propose tax legislation that increases the effectiveness of the tax system (Al Naghi and others, 2023: 2).

Also, the study of the tax examination is an essential, technical and scientific stage that must be taken into account by the tax administration, and the tax examination is the study, analysis and evaluation of the financial statements and the establishment of the facility in question in order to ensure the validity of the net profit. The tax estimates in most cases are calculated according to certain percentage of the total revenues provided by the person in charge of the financial statements without looking at the result of this activity. The taxpayer, whether profit or loss as a result of loss of confidence between the taxpayer and the tax administration, and to enhance the possibility of detecting irregularities and errors in the financial statements, requires that the external control process (external audit) be carried out with high quality to ensure the accuracy of financial information and its fair disclosure in the financial statements that have been fully audited.

### **The first topic: research methodology**

#### **First: the research problem**

The tax administration in Iraq suffers from a decrease in the level of the quality of the tax examination as a result of the decrease in the practical and scientific qualification of the tax examiner, the threats that weaken the independence of the tax drain. The incorrectness and fairness of the financial statements presented and approved by the auditor, and this leads to calculating the tax by linking it with a certain percentage of the total revenues of the taxpayers, and from here it is possible to formulate the problem of the study in a fundamental question of the benefit (Is there an effect of the quality of external control in raising the efficiency of the tax examination process ? ”).

#### **Second: Research objectives**

Research objectives can be determined in the following goals:

- 1-** Highlight the quality, importance of external oversight and factors affecting it
- 2-** Explain the role of external control in increasing the effectiveness of the tax examination
- 3-** Learn about the concept of tax examination, explain its goals, types, importance, and factors affecting its effectiveness.
- 4-** Determine the deficiencies that the two and the auditor suffers as a result of the decrease in tax rehabilitation for him.

#### **Third: The importance of research**

The importance of research starts from the importance of quality in the control process in order to reach the level of the external control profession and increase the level of disclosure and credibility in financial reports, as the tax administration is one of the most important users of these financial reports, and therefore the importance of research can be briefly possible:

- 1.** External oversight is an important component of financial control and tax legislation systems in many countries.

2. External censorship guarantees the compliance with tax rules and legislation, the detection of tax fraud and fraud, and the increase in the integrity and transparency of the tax process.

3. The quality of external controls directly affects the efficiency and effectiveness of the tax review process. If external controls are effective and reliable, they can help improve the quality of the financial and tax data provided to the tax authorities.

4. External oversight helps to improve the tax commitment to individuals and companies, as the existence of an external control system is an effective factor in improving tax awareness and compliance with tax laws.

#### Fourth: Research Variables and Model

The search variables are represented in two variables:

**Independent variable: quality of external control**

**Dependent variable: Tax Examination**

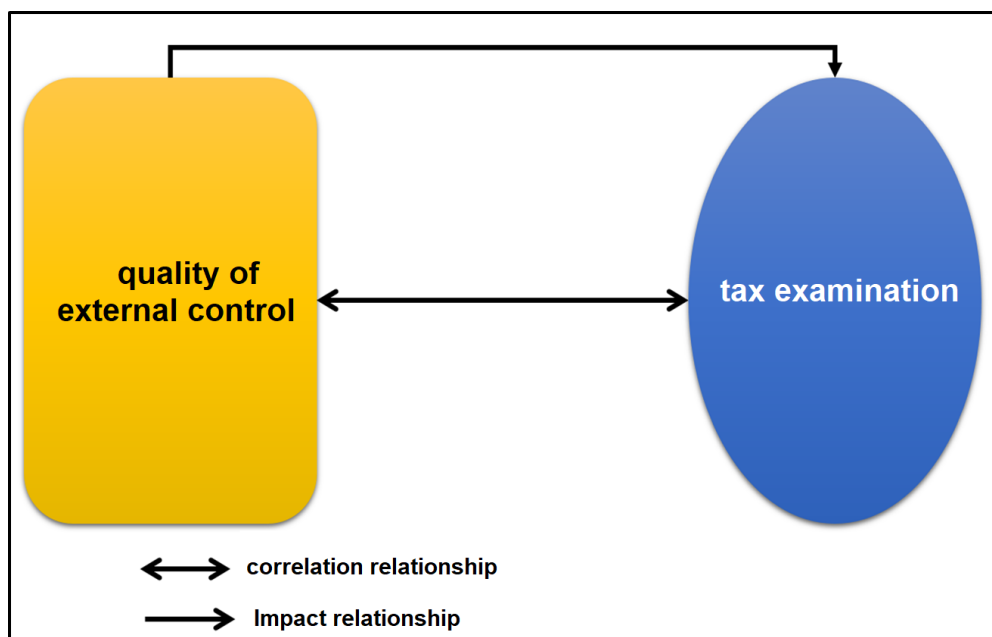


Figure (1) Research Form

#### Fifth: Research hypotheses

1. The existence of a statistically significant correlation between the external control and the efficiency of the tax examination.

2. The presence of a statistically significant effect of external control in the efficiency of the tax examination.

#### Sixth: Research Sample

It includes a number of appraisers, auditors and officials of units, sections and divisions in the General Authority for Taxes in Iraq, and (45) questionnaire was distributed and retrieved from (33) questionnaire, and after tabulation it was found that the number of valid questionnaires (30) questionnaire, and table (1) shows the characteristics of the research sample.

Table (1) Characteristics of the research sample

		Number	The ratio
<b>Academic achievement</b>	<b>Ph. D. and equivalent</b>	<b>2</b>	<b>%7</b>
	<b>Master's and equivalent</b>	<b>6</b>	<b>%20</b>
	<b>Higher diploma</b>	<b>2</b>	<b>%7</b>
	<b>Bachelor</b>	<b>20</b>	<b>%66</b>
	<b>Total</b>	<b>30</b>	<b>%100</b>
<b>Years of Service</b>	<b>5-1</b>	<b>1</b>	<b>3%</b>
	<b>10-6</b>	<b>5</b>	<b>17%</b>
	<b>15-11</b>	<b>12</b>	<b>40%</b>
	<b>20-16</b>	<b>4</b>	<b>13%</b>
	<b>21 FA more</b>	<b>8</b>	<b>27%</b>
	<b>Total</b>	<b>30</b>	<b>100%</b>
<b>Jurisdiction</b>	<b>Accounting</b>	<b>16</b>	<b>53%</b>
	<b>Higher Diploma Taxes</b>	<b>10</b>	<b>33%</b>
	<b>economy</b>	<b>2</b>	<b>7%</b>
	<b>law</b>	<b>2</b>	<b>7%</b>
	<b>Total</b>	<b>30</b>	<b>100%</b>

**Seventh: Statistical Tools**

- 1- Arithmetic mean
- 2- Standard deviation
- 3- Correlation coefficient
- 4- Test (t) –(test-(t))

**The second topic: the theoretical framework of the research**

**First: The quality of external control**

**1.The concept of external control quality**

It is the quality of external censorship is a basic requirement for all users of the financial statements and the beneficiaries of the audit profession, and the concept of control quality means adhering to the professional standards of supervision and rules and paid professional behavior (Colbert\*others, 2012: 43)

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In view of the nature of the quality of oversight and external audit, the international standard (220) has been issued that set standards and directives on quality control of the policies and procedures of the external control and audit office in relation to auditing work in general, as the standard touched on the need to implement quality control policies and their procedures at the level of the audit office and the members of the auditors This requires the audit office to implement quality control policies and procedures to ensure that the completion of the audit work is done according to the international or local standards used.

The quality of censorship was known that she was able to detect material distortion in the financial statements and the report on this distortion when discovering (Molbers:\* Curray, 2013: 8), as well And preserving neutrality and integrity External Auditor (Sharaf,2002:111)

## **2. The importance of the external control and external audit**

The importance of the external control and external audit is centered in the following cases

### **• Contributing to the narrowing of the fabrics of expectations in oversight and external auditing:**

The fool of expectations in scrutiny was known as the gap between the expectations of society from the auditors and the performance of auditors and users, and the quality of the quality was known as the differences between the expectations of both users and auditors towards the quality of the audit services and the factors of formation and formation of that quality and that the cause is The president for its existence is the actual performance of the auditor from the audit standards and the accepted quality standards (Haddad, 2010: 56).

**• Enhancing the possibility of detecting irregularities and errors in the financial statements:** This element has received great attention from professional organizations and many researchers, especially after the failure of many large companies, considering that high-quality auditors detect errors and irregularities in the financial statements better than low-quality auditors (Al-Ahdal, 2008: 22)

**• Contributing to strengthening the concept of corporate governance:** The concept of corporate governance includes a set of principles aimed at providing effective internal control procedures and strict external control and legislation tools.

**• A good competitive tool:** Competition for fees is one of the risks that threaten the auditing profession, due to its negative impact on The independence of the auditors and the scope of the audit procedures, and then the quality of the audit (Al-Sultan, 2014: 65)

**• Increasing confidence in the audit report and the credibility of the financial statements:** Attention to the quality of the audit is very important to strengthen confidence in the audit reports, because of the important role that these reports play in lending credibility to the financial statements. Which is used in making decisions by many parties interested in the process of monitoring and auditing, (Al-Wakeel, 2004: 14).

## **3. Factors affecting the quality of censorship and external audit**

**1- Auditing process:** The auditor's fees relate to many factors, the most important of which are (his request, 2008: 10)

A- The audit fees are increased by increasing the complexity of the audit and control process

B- The audit fees are determined by the amount of demand and the opportunities available on censorship and external audit

**2- Auditing procedures:** Quality control includes the policies and procedures that the audit company should carry

**3- The auditor was able to discover fraud and errors:** The extent of the external auditor to discover errors and accounting violations affects the positive quality of the external audit, the more likely to discover the fundamental errors and fraud from the auditor, with whom the quality of the audit and vice versa (Al-Dogji, 1996: 90) increases.

**4- The effect of reducing the risk of scrutiny in the level of external audit quality:** The audit process is of quality when the level of acceptable scrutiny is low to the maximum possible degree.

**5- The independence of the auditor:** With regard to the relationship of the independence of the auditor with the audit quality, many studies have found a direct relationship between the independence of the auditor Audit quality as the independence of the auditor is one of the main pillars for achieving audit quality (feamley; et al; 2012:30)

**6- The size of the audit company:** There is a positive relationship between the quality of the audit and the size of the audit company, the larger the size of the audit company, the less incentives the auditor has to act opportunistically and this leads to improving the level of audit quality (Abdulhadi, 2006: 44).

**7- Mandatory change of auditors:** The periodic change of auditors leads to improving the quality of external audit. (Yassin, 2018: 33)

**8- Cases filed against the audit office:** There is an inverse relationship between the number of lawsuits filed against the auditors and the level of quality of the external audit, as if the number of lawsuits filed against the audit office decreases, this is considered a positive indicator of the quality of the audit (Hassanein and Qutb, 2008: 295).

## **Second: Tax Examination**

### **1.The concept of tax examination**

The examination in the linguistic meaning is known as the search for and evaluating the thing; The tax examination is defined as the examination of the financial statements of the taxpayers (natural and moral) that have already been formulated, published, examined and criticized in light of the information and additional data related to it for the purpose of reaching the real financial center in a specific time period and to the results of real work in that period (Atti, 2008 : 32) Also, you know that he examined and read the documents, records and registration operations accurately and periodically (Meigs et al. 2001.108) Or it is the examination of the internal control systems, data, accounts and books of the subject in place of examination as a document and technically and carrying out the operations of critical analysis joined, estimating accounts and actual net income in accordance with the income tax law, with the intention of issuing a tax decision according to which the tax container, its price and value (Sharaf 2010: 160).

### **2. The goals of the tax examination**

The main goals and secondary goals of the tax examination can be set as follows:

**1 - The main goals:** the most important (Salama, 2002: 80)

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- Check that notebooks and records are regular in terms of form in accordance with the legal and accounting rules and principles that regulate the retention of the registration in the books and records.
  - Check the validity of the accounting data recorded in the books and records and the extent of dependence on them to reach the company's actual profits or losses.
  - Ensure that all the activities of the taxpayer, including real profits, are included.
  - Detection of fraud, forgery, manipulation of records and their impact on the result of the company's business.
  - Check the health, accuracy and sincerity of the data included in the tax declaration submitted by the taxpayer.

## **2 - Secondary objectives:** (Al-Dulaimi, 2005: 76).

- Providing protection for taxpayers from attempts to tamper with their accounts due to the tax administration examining the financial statements or additional information provided by taxpayers. Thus, the examination process becomes a deterrent for the taxpayer who shows such intention.
- Protecting the rights of the public treasury and preserving its share of corporate profits.
- The possibility of achieving tax justice and avoiding arbitrary estimation through the agreed assessment and ending the chances of disputes between the financial authority and the taxpayers.
- The taxpayers' attention to the details of their accounts and documenting them documentarily before submitting them to the auditor who He will audit and approve them.
- The auditor's attention by exercising the necessary professional care and adhering to the rules of professional conduct when auditing and approving the taxpayer's financial statements.
- Providing an argument based on evidence and evidentiary evidence to the tax authority in the event that the taxpayer objects to the estimate.

## **3. Types of tax examination**

There are several divisions for the types of tax examination, as it may be divided according to the scope of the examination into a comprehensive examination and a partial examination, and the examination is divided according to the tax subject to an examination in the event of funding records and the examination in the event of not holding fundamental records, and there are those who divide the examination into a office examination and a field examination, and there is from The examination is divided into an examination according to a tax examination before submitting the tax declaration and an examination after submitting the tax declaration of the financial authority. (Al -Baaj, 2005: 78)

### **1- Depending on the scope:** It is divided into

- **Comprehensive examination:** It is the examination of all the tax decisions submitted by the taxpayers and all the data installed in the books, records, restrictions and correspondence in a detailed manner and to ensure that the books and records meet the formal and objective conditions (Al -Naimi, 34,2014) to verify that all operations are installed in the system and

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have no errors or Cheating or manipulation, and the comprehensive examination procedure depends on the strength and weakness of the internal control system in the facility (Al - Shafi'i, 234,2006).

- **Partial examination:** is that the tax examiner examines a specific part of the economic activity of the facility, such as examining purchases or sales or inventory of warehouses. The tax administration may provide the tax examiner with the letter of assignment to the task of the examination in which that part of the activity to be examined is determined, and this is usually done as a result of news of the existence Hide the sources of income in that activity or when obtaining evidence and clues during the process of examining the financial statements of the taxpayer in primary examination (Adam, 2004: 12).

## **2- According to the place of examination: it is divided into**

- **Desktop examination:** It is the examination carried out by the guessers and auditors in office when the taxpayer submitted his tax approval, where the two mines examine and study the file of the taxpayer to learn about the sources of his income and the size of his business and conduct comparisons with previous years by organizing a disclosure of income sources and profitability rates and indicating the variables and differences that must be discussed with The taxpayer to reach a decision in determining the tax container, and then refer the guess note to the auditor, not as a result of the examination on it also (sally, 2009,50).

- **Field examination:** It is the one that is conducted in the stores of the taxpayers and their activities to learn about the book group that the facility holds to the examination and the study of the internal control system of the facility and the internal control systems of stores, associations, payments and the actual inventory of the items that need for this, such as goods, cash, revenue processing and expenses according to the tax point of view Study and discuss the report of the accounting observer, identify the reservations and observations contained in it, and take them into consideration to ensure the accuracy and credibility of the books and documents (Kamish, 2012: 79).

## **3- According to time: It is divided into**

- **The examination before submitting the tax declaration:** This type of examination is carried out before reviewing the taxpayer to the General Authority for Taxes or one of its branches before submitting the tax declaration, as the tax examiner makes an inspection tour of the activities of the taxpayers that are subject to the tax under a written order issued by the tax administration in which he has the right to see The nature of the taxpayer and examining his records and documents in order to inquire about everything related to his work (Kath: 2016, 68)

And whoever works with his work to facilitate the task of the tax examiner based on Article Six of the Commercial He books for the Income Tax Bowers No.( 2) for the year 1985.

- **The examination after submitting the tax declaration:** It is all the procedures carried out by the tax administration after submitting the taxpayer, not his tax decision, which enables the examiner to reach the tax container and calculate the amount of tax resulting it, and this type of examination can be practiced in the stores and headquarters of the companies



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affiliated with the taxpayers or in the headquarters The General Authority for Taxes in the Companies Department, Department of Control and Internal Audit (Al -Nuaimi ,, 2014 34 :)

#### **4. The factors affecting the effectiveness of the tax examination**

In order to achieve the voluntary commitment to the taxpayers and avoid tax evasion, all tax laws and legislation tries to increase the effectiveness of tax examination through these factors, the most important of which are :- (Al-Baaj, 2005: 78).

- Attention to discovering fraud and tax violations.
- Provisions and penalties that are rhythm on the retarded when not to inform and hide information, or the incomplete statement of their entry.
- Increasing the number of employees and introducing them in training courses in the field of tax examination.

The researcher believes that one of the most important problems that occur between the taxpayer and the tax administration is not to disclose real profits, and accordingly the issue of quality control and external audit was addressed and linked to one of the factors affecting the effectiveness of the tax examination (attention to discovering fraud and tax violations).

#### **The third topic: the applied side**

##### **First: - Corporate Tax Examination Program at the General Tax Authority**

- 1- Ensure the formal and legal conditions of financial data
- 2- Ensuring that the financial statements contain the financial position list, account for production in industrial companies and trading account in commercial companies and all profits accounts, losses and analytical disclosures attached to the financial statements.
- 3- Ensure that the auditor is approved on all financial statements and attached the report submitted with it with the financial statements
- 4- Ensure that the management report is attached to the financial statements submitted.

##### **Second: - Studying the company's file papers in the General Tax Authority, such as (Memorandum of Association, Economic Feasibility Study, Registrar of Companies Decision).**

1. Audit and examination of trading account items.
2. Audit and examination of operating account items.
3. Examination and audit of profit and loss items.
4. Audit and examine the items of the financial position.

##### **Third: Description of the research variables**

###### **• Description of the external control quality variable.**

It is clear from Table (2) The statistical analysis of the members of the research sample members indicates the axis of factors related to the quality of oversight and external auditing and it is clear from the results mentioned in the table above.

- 1- The value of the weighted computing medium reached the compliance with the rules of professional behavior and international and local control and audit standards (4.3) with a standard deviation of (0.7), and this means that the weighted mathematical medium is greater than the hypothesis of adult (3), and this means that the variable was clear to the sample members because of that Commitment to the rules of professional behavior and international

and local control and auditing standards are factors affecting the quality of censorship and scrutiny

2- The value of the computing medium for the objective variable, integrity and independence in the performance of the work of the auditor has a relationship with the size and level of the quality of control and audit.

3- The value of the computing medium for the variable of the percentage of the fees received by the auditor from the company (3.96) with a standard deviation (0.92).

4- The value of the computing medium reached the variable of finding policies and steps when implementing the control and auditing process consistent with quality control (4.4).

5- The value of the weighted computational medium for the variable of policies and steps that help in increasing the process of supervision, follow-up and monitoring (4.17) with a standard deviation of (0.83).

6- The value of the computing medium for the variable of the effective application of the quality control standard on control and audit works (4.1) reached a standard deviation of (0.78).

7- The value of the computing medium for the variable of the length of the company's correlation with the company's correspondence (3.9) reached a standard deviation of (0.92).

8- The value of the computing medium for the compulsory change variable of account monitors (4) reached a standard deviation of (0.93).

9- The value of the computing medium reached the company's size variable and the degree of complexity of its activity (4.1) with a standard deviation of (0.69).

10- The value of the weighted computing medium reached the ability to discover cheating and big mistakes (3.9) with a standard deviation that reached (0.93).

11- The value of the computing medium for the variable of providing other services such as consulting and financial services (4) reached a standard deviation of (0.68).

12- The value of the computing medium for the variable of the number of lawsuits against the auditor (3.6) reached a standard deviation of (1.12)

13. The value of the weighted arithmetic mean of the variable of reducing control and audit risks through the design and implementation of audit program procedures was (3.7). With a standard deviation of (1.06)

14- The value of the weighted arithmetic mean of the variable of the presence of bodies responsible for ensuring the achievement of quality (4.3) with a standard deviation of (0.7).

15- The value of the weighted arithmetic mean for the total questions of this axis (4.04) and a standard deviation (0.8) and the results indicate that the sample members agree by 99% in their answers.

Table (2) describing the quality of censorship and external audit

T	Paragraph	Arithmetic mean	Standard deviation
1-	X1	4.3	0.7
2-	X2	3.9	0.76
3-	X3	3.96	0.92
4-	X4	4.4	0.6
5-	X5	4.17	0.38

6-	X6	4.1	0.78
7-	X7	3.96	0.92
8-	X8	4	0.93
9-	X9	4.1	0.69
10-	X10	3.9	0.93
11-	X11	4	0.67
12-	X12	3.6	1.13
13-	X13	3.7	1.06
14-	X14	4.3	0.7
Combined questions		4.04	0.8

**• Description of the tax inspection variable**

Table (3) The statistical analysis of the answers of the research sample members of the axis of factors related to the quality of supervision and external audit is evident from the results mentioned in the table above.

1- The value of the computing medium for the variable of reservations installed in the report of the auditor (4.2) and with a standard deviation of (0.74), and this indicates that the weighted computing medium is greater than the intense purpose medium (3)

2- The values of the computing medium reached the comparison of the abnormal vertebrae in the financial statements with previous financial periods, especially the large amounts, to ensure the extent of their validity (4.3) and a standard deviation of (0.73).

3- The value of the computing medium for the comparison of the authorized profits with the controls in force for the same activity (4.3), while the standard deviation reached (0.97).

4- The value of the weighted average of the variable of studying financial data using financial proportions (3.97) and a standard deviation of (0.9).

5 - The value of the computing medium for the variable compared to the financial statements received from the company, the subject of the examination, with the government agencies (4), reached a standard deviation of (0.8).

6 - The value of the computing medium for the comparison of revenues for financial periods for previous years with the current year of examination was for the purpose of standing on the reasons for the abnormal change on it (4.2) with a standard deviation that reached (0.9).

7 - The value of the computing medium for the verification variable was that the company's expenses are reinforced with identification evidence (3.9) and a standard deviation (0.9).

8 - The value of the computing medium for the variable compared to the financial statements contained in the approval and mentioned in the financial statements (3.8) reached a standard deviation (1.1).

9 - The value of the computational medium for the variable of conformity of the financial statements of the accepted accounting principles (4.2) reached a standard deviation that reached (0.74).

10 - The value of the computing medium reached the tax violations variable (tax evasion) registered on the company in the tax file (3.38) with a standard deviation that reached (0.9).

11 - The value of the computing medium reached the variable of stopping from work that was declared without referring to the reasons for that stopping or enhancing the evidence (3.8) with a standard deviation (1).

12 - The value of the computational medium for the quantitative examination variable for the trading calculation (3.9) and a standard deviation (0,87) amounted to

13 - The value of the computational medium for the road variable and accounting policies used in the company (3.7) reached a standard deviation (1.06).

14 - The calculation of the tie analysis (4.16) reached a standard deviation of (0.77).

15 - The computational milieu reached the total of this axis (3.83) and a deviation (0.95). The researcher believes that the results of the sample members are agreed by 98% in the answer.

Table (3) Description of the tax examination variable

T	Paragraph	Arithmetic mean	Standard deviation
1-	Y1	4.2	0.74
2-	Y2	4.3	0.73
3-	Y3	4.3	0.97
4-	Y4	3.97	0.7
5-	Y5	3.9	0.91
6-	Y6	4	0.8
7-	Y7	4.2	0.9
8-	Y8	3.9	0.9
9-	Y9	3.8	1
10-	Y10	4.1	0.69
11-	Y11	3.83	0.9
12-	Y12	3.7	1.1
13-	Y13	3.9	0.87
14-	Y14	4.16	0.77
	Total	3.83	0.95

#### Fourth: Hypothesis Testing

**The first main hypothesis: the existence of a statistically significant correlation between the quality of external control and the efficiency of tax examination.**

It is evident from Table (4) There is a very positive and strong correlation between the control quality variables and the tax examination process, as the correlation coefficient (0.847) reached a legal level of 10%, meaning 90% confidence.

In light of the foregoing, the researcher believes that the quality of external control (external audit) is an important role in the effectiveness of the tax examination process by detecting cases of fraud and tax evasion, as it was found that there is a strong relationship between control and tax examination, and thus can be accepted by the hypothesis that the existence of a direct and moral correlation can be accepted Among the factors of control and external auditing and the effectiveness of the (T) process of tax examination.

**The second main hypothesis: a statistically significant effect of external control over the efficiency of tax examination.**

It is also clear from Table (4) that the quality of external control contributed to the interpretation of (0.717) of the square of variance in the tax examination, and that what supports this is that the calculated value of (t) of (11.87) for the correlation between the independent and dependent variables is greater than the tabular value of (6.370), while the remaining value is outside the limits of the study.

**Table (4): Results of the effect of the quality of external control on the efficiency of tax examination**

track		R	Standard error	Calculated (T) value	Tabular (T) value	R <sup>2</sup>
Quality of external control	--->	0.847	0,071	11.87	6.370	0,717
	Tax Examination					

**Fourth Theme: Conclusions and Recommendations**

**First: Conclusions**

- 1- The quality of external oversight depends on independence and objectivity, the percentage of the fees he receives, the procedures and the policies he follows when performing his work.
- 2 - The tax examiner often depends on the method of appreciation based on a percentage of financial data paragraphs (a percentage of revenues) without referring to an examination that contains scientific and analytical methods in calculating the taxable income.
- 3 - Inaccuracy of the information and data provided by the taxpayer to the tax administration, which is supposed to include financial reports and tax declaration, which negatively affects the progress of the tax examination process.
- 4 - The quality of censorship and external audit contributes to the provision of the tax administration in relation to the truthfulness and fairness of the financial statements installed in the financial statements of the taxpayers.
- 5 - The necessity of ensuring the achievement of quality and reaching a high level in the performance of the auditors.

The presence of parties responsible for discovering fraud and manipulation of financial statements.

**Second: Recommendations**

- 1- The necessity of cooperation between the efforts made in the Professional Council and the Accountants Syndicate and auditors to keep pace with developments in the field of accounting and realistic work in a way that achieves quality in external control.
- 2- Working to develop policies and procedures that help in increasing the supervision process and follow-up to apply the standards of quality control and external audit.
- 3 - The necessity of coordination and cooperation between the tax administration and account monitors regarding the application of tax laws and legislation by holding seminars and meetings periodically and involving the largest possible number of employees in the General Authority for Taxes.

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4 - In order to achieve justice in determining the tax container, there must be cooperation between the tax examiner and the auditor.

5 - The tax administration must make the application of quality standards in checking one of the comparison elements in accepting the tax report submitted by the auditor on the sincerity and fairness of the financial statements of the taxpayer.

6 - Activating the role of trust, improving the relationship between accounting, auditing, tax administration, and avoiding estimated controls when determining the tax bowl.

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M/ questionnaire form.

Peace, mercy and blessings of God be upon you.

The purpose of the research is to identify the concept of tax inspection, its objectives, types and factors affecting its effectiveness, as well as highlight the quality of control and external audit, its importance and factors affecting it, in addition to explaining the role of the quality of external control in raising the efficiency and effectiveness of the tax inspection process.

Therefore, the researcher seeks your cooperation with him in answering the questionnaire paragraphs, which will have a great impact on the completion of this research.

Thank you for your cooperation with us .. With great thanks and appreciation .

Researchers / M. M. Nadhim Khasran Hassooni

M . Dr. Sadiq Jafar Kathim

M. M . Haidar Salem Mousa

Part I: - General information

Please answer by ticking in the appropriate place.

1 - Gender

Male

Female

2 - Age

20-30	31-40	41-50	51 and more

Certification

Bachelor	Higher Diploma	Master	PhD

4 - scientific specialization

Higher Diploma in Taxation	Accounting	Management	Law

5- Years of service

1-5	6-10	11-15	16-20	and more 20
		11-15		



**The second part: the axes of the questions:**

The first axis: questions related to the factors affecting the quality of control and external audit.

T	Axis questions	I completely agree	Agree	I agree to some extent	I don't agree	I don't agree completely
1 -	Compliance with professional codes of conduct and international and local control standards					
2 -	Objectivity, integrity and independence in performing his work					
3 -	The percentage of fees he receives from the company					
4 -	Finding policies and procedures when implementing the control process with the quality of the audit					
5 -	Develop instructions and policies that help increase the process of supervision, follow-up and control					
6 -	The need to apply the quality control standard on the control work					
7 -	Length of time of association of auditors with the company					
8 -	Mandatory change of auditors					
9 -	The size of the company and the degree of difficulty of activities					
10 -	The ability to discover fundamental errors					
11 -	Providing advisory, administrative and financial services					
12 -	The number of complaints submitted against the auditor					
13 -	Reducing control risks by designing control procedures					
14 -	The presence of responsible parties to ensure the achievement of quality					

The second axis: Questions related to the factors affecting the effectiveness of tax examination

T	questions	Very important	Important	Average importance	Less important	Unimportant
1 -	Reservations established in the auditor's report					
2 -	Compare the abnormal paragraphs in the financial statements with previous financial periods and ensure their correctness					
3 -	Comparison of authorized profits with the controls in force for the same activity					
4 -	Study of financial data using financial ratios					
5 -	Comparison of financial statements received from the company under examination with those received from government agencies					
6 -	Compare revenues for previous financial periods with the current examination year to identify the causes of abnormal differences					
7 -	Verification that the company's expenses are supported by supporting evidence					
8 -	Comparison of financial statements contained in the tax return with those contained in the financial statements					
9 -	Conforming the financial statements to generally accepted accounting norms and principles					
10 -	Tax violations recorded on the company in the tax file					
11 -	Authorized work stoppages without knowing the compelling reasons					
12 -	Quantitative examination of the trading account					
13 -	Accounting methods and policies followed in the company					
14 -	Use of equivalence analysis methods					