

Determinants of SMEs Tax Compliance in Yemen: A Pilot Investigation

Mohammed Mahdi Obaid^{1,2}, Idawati Ibrahim¹, Noraza Mat Udin¹

¹*Tunku Puteri Intan Safinaz School of Accountancy (TISSA) Universiti, Utara Malaysia)*

²*(Department of Accounting, Hadramout University, Yemen)*

ABSTRACT: Tax revenue is a vital source of revenue for various governments around the world. Yemen needs improvement in its tax system so as to guarantee stability in the flow of revenue for the purpose and need to finance development. Increase in tax compliance among Small and Medium Enterprise (SMEs) is of utmost importance in this respect. Thus, this is a pilot study which aims to examine the content validity and reliability of the item's pool of the constructs under investigation. Hence, the paper analyses a small aggregate of a sample data in respect of the effect of, tax fairness, peer influence, perception of corruption, tax audit, tax rate, tax penalty and tax compliance costs of SMEs in Yemen on their tax compliance behaviour. This study utilized a questionnaire survey in obtaining the required data as well as subjecting the questionnaire at the initial within the realm of content and face validity. The utilizable questionnaires gathered were then analysed for reliability with the application and the deployment of statistical software, the SPSS version 25. The outcome shows that the instruments are valid as well as reliable. Furthermore, the data after the study demonstrates evidence of sufficient constancy. The result has an implication to the existing body of knowledge; other researchers can explore the measurements in different sectors and context around the globe.

KEYWORDS: SMEs tax compliance behaviour, SMEs, Pilot study, Yemen

Date of Submission: 24-12-2019

Date of Acceptance: 07-01-2020

I. INTRODUCTION

Tax is considered as a primary source of revenue and crucial instrument of funding most government expenditures around the globe (Umar, Derashid & Ibrahim, 2017). Unfortunately, tax non-compliance among SMEs is a continuing problem which prevents various governments from generating sufficient revenue, thus adversely affecting the financing of public activities (Kirchler, 2007). In spite of the several tax reforms carried out by the Yemeni authorities over the decades (1990 to 2010) to overcome the pervasive tax non-compliance, tax revenue generation is still very low (COCA, 2018; IMF, 2016; MPIC, 2018). Statistical show that the contribution of income tax revenues by SMEs to the government's total revenue still remains relatively low, disappointing and problematic to the Yemeni Government and this is due to low tax compliance (Al-Batly, 2014; Al-Fassel, 2014; Al-Ttaffi & Abdul-Jabbar, 2016; COCA, 2018; MPIC, 2018). The contribution of tax revenue (non-oil revenue) to the total income of the Yemeni Government show a decrease from 10.9% in 2007 to 9% in 2011. The proportion of tax revenue to the country's total income is only 9% in 2017 which represent the least in the Middle East and North Africa (MENA) nations where 15% is the recommended rate for low-income countries such as Yemen (Imam & Jacobs, 2014; IMF, 2014; World Bank, 2018; Index Mundi, 2019).

Al-Fassel (2014) stated that low tax compliance in Yemen posed a serious challenge to the tax authority and prevented efficient and effective tax revenue performance. As such, the country continues to face fiscal deficit and low economic growth as a result of the decline in both oil and tax revenues (Al-Mutawakel, 2014). Due to low compliance, Yemen loses approximately 4.7 billion dollars annually from unpaid taxes (Al-Fassel, 2014). In Particular, the contribution of SMEs in income tax is still minimal and comparatively small in terms of the total Yemeni tax revenue (Al-Fassel, 2014; Al-Ttaffi, 2017). For instance, Al-Ttaffi (2017) and Gabran (2009) reported that 60% of SMEs in Sana'a do not comply with tax laws at all, while the remaining 40% perpetrate some form of low compliance. In line with the above, Al-Adofi (2015) reported that the head of the Yemeni tax authority disclosed that 80% of SMEs in Yemen evade payment of income taxes through submitting false statements about their annual profits. In addition, it is further claimed that the income tax paid by these SMEs does not represent 25% of their real profits. This shows how SMEs in Yemen are deeply involved in tax non-compliance behaviours and denying the government due to tax revenues required for public activities. This study focuses on SMEs income tax.

The emphasis is influenced or driven in relation to the SMEs income tax potentials in the generation of high-income tax revenue in comparison with other sector taxes. The existence of a wide gap in the levels of tax

compliance during the period 2010 and 2011 where SMEs (manufacturing and trade) records show only 33%, as compared to individual taxpayers (employees and professional job) records which 64% (Al-Fassel, 2014; COCA, 2012). In addition, the COCA (2012) report showed that 68% and 69.1% of the total number of SMEs, in manufacturing and trade did not pay their tax due in 2010 and 2011 respectively. This low compliance behaviour among the SMEs leads to a significant loss in government tax revenues. This study provides empirical evidence by focusing on the influence of deterrence and socio-psychological theories to understand tax compliance behaviour of SMEs from the Yemeni perspective. Previous studies in this area focused on income tax compliance among individual taxpayers, while very few studies focus on the relationship between variables in Fischer's model with tax compliance in Yemen. In addition, most studies on this topic have been undertaken in the advanced nations (Woodward & Tan, 2015), while no research to date has been conducted in Yemen to examine the relations among Fischer's model and the tax compliance behaviour of SMEs in the country. Thus, this study intends to go beyond the preceding researches in examining the relations amongst tax compliance-related cost as well as tax compliant in an emerging and developing nation of MENA.

The present pilot study aims to examine, the content, validity as well as reliability of the items' pools of the constructs under investigation. The reliability of measurements tested as the main aim of the pilot study used Cronbach's alpha. Cronbach's alpha coefficient indicates the extent to which the items measuring a particular construct are consistent. Like other studies, a Cronbach's alpha analysis of all variables was carried out to test the internal consistency of the questionnaire using SPSS 25. Hence, this paper a pilot test as part of a key study in relation to the impact of tax fairness, peer influence, perception of corruption, tax audit, tax rate, tax penalty as well as tax compliant cost, on tax compliance behaviour in respect of SMEs taxpayers in Yemen. A pilot study can be regarded as a low-level feasibility study undertaking prior to the actual or major study so as to collect information in order to help in the improvement of the quality and value of the major study. Consequently, this is a pilot study to geared towards obtaining the needed feedback which can be employed to improve the methods with regards to the main data collection. Desirous of the that, the outcome or the outcomes or the result of the research will provide an insight of a tax compliant behaviour of this segment of taxpayers then, invariably, enhances the revenue generation with regard to tax. The subsequent part of this study highlights an analysis of relevant and related literature; consequently, the following section three deliberates on the methodology applied in the conduct of this pilot study by this paper, the presentation of results and finally, the concluding section gives concluding remarks on the paper.

II. LITERATURE REVIEW

2.1 Theories Determinants and Tax Compliance Behaviour

Previous studies have investigated factors affecting tax compliance by expanding Fischer's Model by combining different relevant factors (Alshira'h, 2018; Chau & Leung, 2009). Despite the varied expansions to Fischer's Model, to the understanding of the researcher's awareness and realization, the model is yet to include factors that are relevant to a country like Yemen. Therefore, this study proposes to expand Fischer's Model by incorporating the effects of perception of corruption and tax compliance costs as an independent variable in respect of the tax compliance behaviour within the context of the SMEs in Yemen. The importance of these variables should not be ignored in understanding tax compliance behaviour, specifically in Yemen. As a result, the proposed model of the current study offers the use of Fischer's model within the framework of income tax environment by focusing on the owners/managers of SME. Fischer's model covers an individual's contexts, whereas the proposal of the current study focuses on a business context. Consequently, the current study could make a contribution with regard to an existing body of knowledge. Determinants of business tax compliance also need to be sufficiently investigated (Abdixhiku et al., 2017). Woodward and Tan (2015) revealed that SMEs have more opportunities for tax compliance than individuals. A number of factors related to individuals, specifically in the categories of compliance opportunity and demographic features in Fischer's model, needs to be excluded in the proposal presented in the current study to suit tax compliance behaviour of SMEs. In addition, the majority of prior studies have focused on the association between the Deterrence Theory and the individual tax compliance, whereas only a few studies have examined the relationship between the Deterrence Theory and the SMEs tax compliance (Alshir'ah et al., 2018). Thus, the current study enhances the impact of the Deterrence Theory on SMEs tax compliance. Moreover, within the context of the Middle Eastern and Arab countries, especially Yemen, luck study to date has examined the Deterrence Theory with SMEs tax compliance behaviour. Furthermore, the current study is one of the first studies that consider the effects of the socio-psychological factors affecting SMEs tax compliant in Yemen.

Tax compliance is referred to as, defined or termed as the reportage of accruable incomes as well as the provision of payments of the entire taxes established on the requirements of the law (Alm, 1991). The orthodox scholars on tax compliance behaviour do describe and rationalized tax compliance to be a decision whereby it is uncertain in a situation in which the taxpayer might or will possibly gain where the auditing conducted hardly detect him; in a circumstance where evasion is detected, the taxpayer would be liable or made to face

penalty (Allingham & Sandmo, 1972). The definition places much emphasis on the structure variables (detection and punishment) as well as attitude and perception variables in describing tax compliant behaviour. Conversely, tax compliance shall best be regarded as the reporting sum of the entire accruable incomes as well as payments made in respect of the entire taxes required by law both individually or by a corporate taxpayer. Relevant literature has demonstrated numerous determinants in consonance with tax compliance behaviour.

Several studies have been conducted in both developing and developed nations around the world regarding the issues of tax compliance. However, there are not known universal standard to define tax compliance due to differences in scope and factors that motivate taxpayer toward non-compliance behaviours (Yusof et al., 2014). Different authors have different perspectives in defining tax compliance behaviour. Tax compliance is a mandatory obligation upon people, at the corporate or individual level. All citizens are required as a matter of fact to abide by or with tax law voluntarily; but many refused to comply (Kirchler et al., 2014). Corporate bodies, as well as citizens that refused to comply in paying taxes, posed a critical challenge to Tax collecting agencies (Alm, 2019). Generation and guaranteeing tax compliance hinges upon the involvement of taxpayers in government decisions making processes as well as expenditures (Alm et al., 1993), with an increase in penalties and an enhance tax audit (Alm & Torgler; 2011). In Spite of the several attempts in tackling tax compliance, challenges continue to be a complex one. Tax compliance can be regarded as of concern in present dispensation especially in developing nations, that tries to develop a mechanism for an improved tax collection revenue in order to fund budgetary provisions financially (Maseko, 2014). And with the absence of a universal standard in describing tax compliance all through tax compliance investigations.

Tax is a compulsory levy imposed on all people in corporations or as individuals. Therefore, all people are expected to comply with tax laws voluntarily, but some people do not follow the law (Kirchler et al., 2014; Seidu et al., 2015). Several studies such as Alshira'h et al. (2018), Fischer, Wartick, & Mark (1992), and Nura, et al. (2017) have adopted the definition of Roth et al. (1989) They define tax compliance as the compliance with all the procedures and legislation, including reporting of the actual and correct income and collected, true income liability, payment of all taxes and filing income returns on time. Moreover, tax compliance can be said to be a taxpayer's capacity and readiness in complying by tax laws, that are specifically defined by ethical, legal circumstance as well as other conditional factors at certain time and place (Palil & Mustapha, 2011). Tax compliance can be referred to as a game, that is contingent on mutual relationships amongst the taxpayer as well as tax agencies, taking into consideration of the belief and conviction of taxpayer related tax regulations and equality of the tax system (Kirchler et al., 2006). Tax compliance maintains multi-dimensional procedures, in which the compliance of taxpayers ought to be by three numerous categories of compliance: the reporting compliance, the filing, as well as payment compliance (Brown & Mazur, 2003). Additionally, Palil et al. (2013) stated that tax compliance is a person's act of filing their tax returns; declaring all taxable incomes accurately and disbursing all payable taxes within the stipulated period without having to wait for follow up action from the authority. Harmonizing the various definitions from scholars, the author proffered their own definition as taxpayer's willingness to comply with the tax laws, declare the correct income, claim the correct deductions, reliefs and rebates and pay all taxes on time.

Tax compliance has attracted the attention of several studies which views the phenomenon primarily from the economic perspective (Abdul-Jabbar & Pope, 2008; Abdul, & Wang'ombe, 2018; Palil et al., 2013). There are also studies that considered the socio-psychological perspective, such as Jackson and Milliron (1986) summarized fourteen variables that may influence tax compliance. Their study reviewed forty-three compliance studies on direct tax in developed countries such as the US, UK and Australia. Previous tax compliance studies paid little attention to SMEs taxpayers despite their larger contribution to total tax revenue compared to personal income tax (Alshira'h, 2019). For the Most Part, studies placed much emphasis on individual tax compliance behaviour (Alabede et al., 2011; Fischer et al., 1992; Kirchler, 2007). Amongst the few studies that were conducted related to SMEs tax compliance behaviour, were undertaken mainly in Europe and Asia, as well as in the US (Chan et al., 2000; Birskyte, 2014); UK (Hasseldine et al., 2007; Hallsworth et al., 2017); several studies in the transitory economies of East European states of Poland, the Republic of Bulgaria as well as Albania, the Russia federation amongst others (Joulfaian, 2009; Nur-tegin, 2008); New Zealand (Yong, 2012; Tan & Braithwaite, 2018); Australia (Devos, 2008; Paulsen & Härtel, 2012); Malaysia (Abdu-Jabbar, 2009; Manaf et al., 2005; Kiow et al., 2017; Bidin & Sinnasamy, 2018). Thus, several studies have indicated the need to conduct more studies on the tax compliance of SMEs in MENA to identify and understand the factors influencing their tax compliance (Alshira'h et al., 2018; Musimenta et al., 2017). Hence, the study intends to go beyond that so as to fill the gap by examining SMEs tax compliance behaviour from a distinct perspective or framework. Furthermore, the study adopts measurement from the preceding conducted researches so as to validate and broaden the range and scale of SMEs tax compliance literature by involving various perspectives.

2.2 Determinants of SMEs Tax Compliance Behaviour

Largely, issues that determine tax compliance behaviour can be categorized and classed as social-psychological, as well as economic factors (Jackson & Milliron, 1986; Alm et al., 1995). The social-

psychological factors that involve tax fairness peer influence and perception of corruption (Kirchler et al., 2008; Alabede et al., 2011; Saad, 2009, Musa et al., 2017). Nevertheless, Alm et al. (1994) put much emphasis on the significance and position of economic factors. Additionally, the deterrent theory submits that taxpayer's compliance determination hinged on four variables, acknowledged by Devos (2007). These comprise variables such as tax audit, tax rate, tax penalty, as well as tax compliance costs (Allingham & Sandmo, 1972; Fischer et al., 1992). These factors are important in determining tax compliance behaviour in this study.

Tax Fairness and SMEs Tax Compliance Behaviour

Tax fairness can be regarded as a key determinant of tax compliant (Jackson & Milliron, 1986). It is commonly considered and understood by tax regulators and taxpayers that rising or mounting dissatisfaction with regards to the fairness of a tax system as being the main reasons or challenges behind decreased tax compliant (Chau & Leung, 2009). Tax fairness consists of two aspects. Firstly, the vertical fairness seems to comprise the fairness particularly related to commerce as well as the benefits obtained of the tax paid. Distributive tax fairness which focuses on the proportion of tax burden among the individuals by comparing one's own tax with others in relation to the amount paid in tax and the benefit received from the state. Secondly, horizontal tax fairness focuses on taxpayer's assessment of their tax burden when compared to the amount paid by other taxpayers in the same level (Jackson & Milliron, 1986; Wenzel, 2003). In addition to taxpayer's compliance in paying their taxes coupled with the performance of the tax department (Ajaz & Ahmad, 2010). The present study defines tax fairness as the fair allocation or sharing of income tax registration level or limits as well as income tax penalties imposed by the tax authority as well as the cost that falls on the income tax registered. Prior studies on income tax compliance demonstrated a positive relationship between tax fairness and tax compliance behaviour (Alm, 1991; Fochmann & Kroll, 2016). In contrast, other studies either found no association between tax fairness and tax compliance (Benk et al., 2011) or indicated inconsistent results between tax compliance and tax fairness (Sinnasamy et al., 2015). In the framework of tax-compliant behaviour, all three previous studies showed a positive relationship among tax fairness and tax compliance (Alshira'h & Abdul-Jabbar, 2019; Ahmed & Kedir, 2015; Belay & Viswanadham, 2016).

Peer Influence and SMEs Tax Compliance Behaviour

Peer influence makes up a component of the attitudes and perceptions in Fischer's Model. The term peers are defined generally as the taxpayer's associates that can rationally involve relatives, friends, co-workers, and colleagues (Bidin & Sinnasamy, 2018; Jackson & Milliron, 1986). Most of the prior literature identified peer influence as having a significant influence in determining compliance decision (Blanthorne & Kaplan, 2008). Furthermore, Wenzel (2002) suggested that peer influence has 'substantial impact' on tax compliance behaviour. In contrast, other studies found a positive relationship between tax compliance and peer influence (Bobek et al., 2013; Tusubira & Nkote, 2013; Woodward & Tan, 2015). Some other studies revealed that peer influence has an insignificant influence on tax compliance (Alshira'h, 2019; Chan et al., 2000). Reviewing the literature revealed that there are only two studies on low tax compliance that indicated a positive relationship among peer influence and SMEs tax compliance (Benk & Çakmak, 2011; Adams & Webley, 2001).

Perception of Corruption and SMEs Tax Compliance Behaviour

The term corruption is defined generally as a complex, social, political and economic phenomenon which include abuse of power for private gain (Rohwer, 2009). Institutional corruption is prevalent in tax administration in most developing countries, especially in the Middle East, African, Asia and Latin countries (Imam & Jacobs, 2014). Alm et al. (2016) state that the relations between corruption and tax compliant are not new issues, but both are significant problems facing today's economies. Akdede (2011) argued that the level of corruption among tax officials escalate the scale of tax noncompliance among taxpayers. Similarly, Okpala (2013) studied factors that lead to tax dodging or circumvention as well as evasion in Nigeria. The finding of the study shows that the level of corruption among tax officials has a positive and significant relationship with tax evasion. It is also argued that a rise in the corruption level will cause an increase in tax non-compliance (Alm et al., 2016). Hence, the relationship between corruption and tax compliance dated back to the beginning of tax law enforcement. Prior studies on tax compliance found a negative and significant relationship between corruption and tax compliance behaviour (Bertinelli et al., 2019). On the other hand, some studies discovered a positive relationship between tax compliance and corruption, for instance (Litina & Palivos, 2016). Conversely, Imam and Jacobs (2014) reported an insignificant finding. In view of all these mixed findings, there is needed to examine the relations among corruption and tax compliance behavior further. To the best knowledge of the researchers' knowledge and available literature, there is a lack of studies that investigate the relations amongst perception of corruption as well as SMEs tax compliance behaviour in Yemen.

Tax Audit and SMEs Tax Compliance Behaviour

Tax audit is an effective determinant of tax compliance (Jackson & Milliron, 1986). Gupta and Nagadevara (2007) defined tax audit as an examination of taxpayer's tax return, accounts, and financial information to ensure that information is correctly reported in accordance with the tax laws and to verify that the amount of tax reported is correct. For audit, in line with deterrence theory, posited that tax audit has a positive relationship with tax compliance (Allingham & Sandmo, 1972) and supported by some studies such as (Amah & Nwaiwu, 2018; Olaoye & Ogundipe, 2018). In contrast, there are studies that found that the relations amongst the two variables are negative (Engida & Baisa, 2014; Sapiei & Kasipillai, 2013). Conversely, certain studies revealed either non-relations amongst tax audit as well as tax compliance (Muche, 2014). In the case of SMEs tax compliance, previous studies have analyzed and assessed tax audit and tax compliance of individuals, whereas SMEs' tax compliance with tax audit still needs further examinations. Though tax audit is very significant in tax system structure, there is a lack of study in Yemen that examined the relationship between tax audit and tax compliance of SMEs in the country.

Tax Rate and SMEs Tax Compliance Behaviour

The deterrence theory posits that the tax rate has a significant relationship with tax compliance (Allingham & Sandmo, 1972). The tax rate is also considered as one of the main factors in the systemic tax structure, and one of the major determinants of tax compliance (Richardson, 2006). Some studies found a positive relationship, while others found a negative relationship. However, most studies found that the relations concerning tax compliance and the tax rate are negative (Inasius, 2015; Teng & Manual, 2016; Yusof et al., 2014). On the other hand, there were prior studies which found the relations among tax rates as well as tax compliance were positive (Ottone et al., 2018). Moreover, some studies established an insignificant association between tax rate and tax compliance (Ibadin & Eiya, 2013; Olowookere & Fasina, 2013). Therefore, further researches should be compelled to investigate the relationship between tax rate and SMEs tax compliance behaviour. This is attributed to the fact that the tax rate is one of the main influences of tax compliance behaviour. However, to the best knowledge of the researcher knowledge, few studies have examined the relations among tax rate and tax compliance with regards to SMEs in the Middle East, especially, Yemen.

Tax Penalty and SMEs Tax Compliance Behaviour

The penalty is one of several significant factors of the tax system structure, which affects tax compliance (David, 2013). Penalties are believed to be one of the essential measures of deterring undesirable behaviours. Allingham and Sandmo (1972) reported that penalty has a positive relation to tax compliance as well as other studies such as Bruce-Twum, (2014). on the contrary, several studies discovered a negative association between penalty and tax compliance (Mancharoen, 2015). Furthermore, other studies discovered that tax penalties have an inconsequential relationship with tax compliance (Yusof et al., 2014; Kuria, 2013). Therefore, most of the studies on tax penalty and tax compliance have focused on an individual level, whereas SMEs' tax compliance with tax penalty has received limited interest. As a matter of fact, very scanty or few studies have focused on the relation amongst tax penalty as well as SMEs tax compliance behaviour in the Middle East.

Tax Compliance Costs and SMEs Tax Compliance Behaviour

Tax compliance cost can be referred to as an estimation of both external as well as internal cost. External cost includes or entails expenses or fees paid to external consultants, while internal cost implies or includes internal employees' expenses. Related to the study, the tax compliance cost is an estimation centred, particularly on main compliance cost researches (Evans, 2003; Pope, 1992; Sandford, 1995). The literature had demonstrated the link or correlation among tax compliance cost and SMEs tax compliance behaviour. Consequently, Slemrod (2004) conceded and stated, high tax compliance cost stemmed as a result of the complex tax laws, dissuades or deters tax compliance. Furthermore, empirical researches had proven the link as well as the relationship between compliance cost and compliant behaviour in foreign nations (Abdul- Jabbar, 2009). These studies stated an insignificant impact as well as influences of tax compliance cost on tax compliance with an exception or except that of Nur-tegin (2008). Hence, the study expands the frontier of the literature by investigating the influences or the impact of tax compliance costs with regard to SMEs tax compliant behaviour in the various perspective of Yemen. To the best knowledge of the researcher, no studies have focused on the relationship between tax compliance costs and SMEs tax compliance behaviour in the Middle East, especially in Yemen.

III. METHODOLOGY

As this study is a pilot test of the main study, a small sample was selected based on the simple random sampling. The sample was selected from a population of 27,796 manufacturing SMEs taxpayers located and operating in Hadhrmout Governorate (YMIT, 2014; Abdullah et al., 2018). These SMEs pay taxes to the

Yemeni tax authority (YTA) and operate in different sectors of the economy such as food products and beverage, fabricated metal products, non-metallic mineral products, apparel products and Other (services, retail). The population/list of the SMEs was given random values in excel 2018 using 'rand function' which assigns a random value to each element of the population. The list is then sorted based on ascending order, and the first 40 SMEs were selected as the pilot sample of this study. This study administered a questionnaire to the selected sample.

Instrumentation and Measurement of Variables

As noted above, this study's survey tool is a questionnaire based on items adapted from previous tax compliance studies. This research, in line with Miller (1991) who found the Likert scale to be the most suitable and reliable scale, measured the questionnaire items based on the Likert scale of five points. In particular, tax fairness, peer influence, perception of corruption tax audit, tax rate, tax penalty and SMEs tax compliance behaviour. The study adopts a survey research design. Whereas Five-point Likert-scale questionnaire starting with 1=strongly disagree (SD), 2=disagree (D), 3=neutral (N), 4=agree (A), and 5=strongly agree (SA). In the case of tax compliance cost, add all the components of the external costs to get the total external cost. And also add all the components of the internal costs to get the total internal cost. Finally, the totals were added to get the total compliance cost for the period of 2018.

The 6 items for SMEs tax compliance behaviour adapted from Gilligan and Richardson (2005). For measuring tax fairness, 8 items were adapted from Che Azmi and Perumal (2008), peer influence 6 items were adapted from Braithwaite (2001), measurement of perception of corruption this study operationally defines SMEs perception of corruption as giving bribes to the government or tax officials to get things done (Rohwer, 2009), Hence, there are 4 items were adapted from Martin et al. (2007), tax audit 4 items were adapted from Christensen and Hite (1997) and Wenzel (2004), tax rate 5 items adapted from Gilligan and Richardson (2005), tax penalty 4 items were adopted from Braithwaite (2001) and tax compliance costs their total internal and external were Adapted from Abdul-Jabbar (2009) and Sandford et al. (1989). The questionnaire is divided into three main parts. Part one includes questions related to the demographic data of the respondents. Part two comprises of items that both measures, dependent as well as independent variables of this study. Finally, part three examines tax compliance costs estimates.

IV. FINDING

Descriptive Statistics of SMEs

Descriptive analysis was utilized to describe the profile of SMEs that participated in the survey, in terms of the period of SMEs in operation, the position of business, main manufacturing activity, accounting system and the number of staff. The questionnaire was provided in the Arabic language. The translation of the Arabic language was done by the researcher because of the specialized terms used in this SMEs tax compliance study and its determinants. In conformity or consonance with the recommendation of Malhotra (2008) for a pilot study, the size of the sample ranges from 15-30 respondents; hence, 40 questionnaires were administered to the chosen respondents. Out of the 40 questionnaires, 34 were completed, returned. Four out of questionnaires were incompletely filled or inaccurately completed and consequently, detached from the analysis. The whole process was completed within the period of two weeks in June 2019. Thus, a sum of 30 questionnaires was utilized for further analysis. Table 1 reveals descriptive statistics of SMEs.

Table 1: Descriptive Statistics of SMEs (N=30)

Descriptive Statistics		No. of Respondents	Percentage (%)
Period of SMEs	Less than 5	10	33.3
	5-10	11	36.7
	11-15	5	16.7
	More than 15	4	13.3
Position of Business	Chief executive officer	10	33.3
	Manager director	8	26.7
	Owner-manger	10	33.3
	other	2	6.7
Manufacturing Sector	Food product and beverage	13	43.3
	Fabricate metal product	5	16.7
	Non-metallic mineral product	5	16.7
	Apparel product	6	20
	Other (Services, retail, etc.)	1	3.3
Accounting System	Manual system	2	6.7
	Computerized	21	70

Number of Staffs	Mixed (computer & Manual)	7	23.3
	Less than 50	25	83.3
	50-99	5	16.7

Beginning with the position of business, the table indicates the majority of the respondents have engaged themselves in the business for a period spanning five years (66.7%). This indicates that many of the respondents at a time been affected by tax-related experiences having been in their relevant businesses for a period of five years. On the positions of responding officers, the table reveals majority, or mainly, the questionnaires (93.3%) were completed by chief executive officers, owner-managers and managing directors. In an issue related to the main manufacturing activities, many of the respondents were primarily involved in food and beverage and apparels. However, food products have the highest proportion (43.3%) followed by beverage; apparel product has 20%. This shows that the responses indicate representation of the sample in the entire or the whole businesses which the SMEs operate in respect of the manufacturing sector in Yemen. Related to the method with regards to the safekeeping of accounting records, many of the respondents (70%) stored their accounting documents as well as records in computers. The other respondents constituting the 23% stored their records by the application of both computer and manual procedures. This shows that the application of computers is simpler with regards to the storage, retrieval and evaluating as well as analysing information for both internal or external use. The number of employees has been used as a representation to determine the business size. The table shows many respondents (83.3%) have staff employed in the range of less than 50, where 16% were above the range whereas the others are above the range. Ultimately, these are executives, officials or even officers that are in positions competent to provide the necessary and the needed information concerning tax issues and affairs of their various responding companies.

Content Validity

Validity can be regarded or termed as the extent by which a measure relates or connects positively with alternate measures of the same construct. The earliest and the initial draft for the questionnaires were subjected to content validity processes. Content validity entails and requires the subjection of the instrument to an expert or professional evaluation of the suitability and relevance of items selected for measuring variables (Hair et al., 2017). Consequently, the initial draft was presented to nine specialists that comprise five academicians and four specialists related to the tax area for content validity. Upon completion of the first validation process, the questionnaire was modified and adjusted appropriately, whereby some items have been removed, and some wordings have been changed in order to improve the process in respect of the main data collection. Initially, what was expected from the expert, was the clarity of the questions, and the structure of the questionnaires. After taking into cognizance, the expert advised the questionnaires were design and ready for further analysis.

The Reliability Tests

Reliability test was conducted on the 30 valid questionnaires. The reliability of measurements tested as the main aim of the pilot study. The reliability of internal consistency is the first standard to be evaluated; Cronbach's alpha is the usual and conventional standard of measuring internal consistency (Hair et al., 2017). According to Sekaran and Bougie (2010), Cronbach's alpha test is the main analysis of internal consistency and reliability. Like other studies, a Cronbach's alpha analysis of all variables was carried out to test the internal consistency of the questionnaire using SPSS 25. Consequently, Cronbach's alpha test was employed in the study to measure and evaluate the internal uniformity related to the instruments for this study by the application of SPSS software (windows version 25). Then the data undergoes coding and subsequently inputted to the software. As soon as the carrying out of the reliability test, the outcomes or the expectant results were found to be acceptable. Reliability values for Cronbach's alpha between 0.60 to 0.70 are acceptable, and if the values fall between 0.720 and 0.880, then the result is satisfactory (Hair et al., 2017). Therefore, it shall be inferred or deduced that all the constructs are reliable.

Table 2: Summary of Reliability Test

Variables	Items	Cronbach's Alpha
Tax Fairness	8	0.858
Peer Influence	6	0.728
Perception of Corruption	4	0.880
Tax Audit	4	0.858
Tax Rate	5	0.853
Tax penalty	4	0.780
SMEs Tax Compliance	6	0.856

Limitation and Suggestion of Future Research

Despite the contribution of the study, there are limitations that should be taken into consideration by future studies. The study takes into account only attitude and perception variables as well as tax-related structure variables which describe SMEs tax compliant behaviour. Nevertheless, tax compliance can be multifaceted and complicated behaviour that could possibly be well clarified to a combination for both the established as well as the voluntary factors like trust, an assessment in respect of governance quality, services quality, tax moral etc. in addition to structural issues or considerations. Therefore, future studies should be conducted in consideration of a combination of the identified factors. Similarly, the limitation of this study is laying much emphasis on only one governorate; future studies should expand their scope by including more governorates. In addition, bigger sample size is recommended for future studies.

V. CONCLUSION

The paper presents a valid and reliable measurement scale of the attitude, perception constructs, structural constructs, and compliance cost on tax compliance behaviour of manufacturing SMEs in Yemen. This study served as a pilot study for the assessment of the validity and reliability of the measurement of the aforementioned constructs in Yemen. The result of the analysis confirms the validity and internal consistency reliability of the scale. The validation of these measurements indicates that the measurement can be used to conduct empirical analysis in the manufacturing sector of not only Yemen but other developing countries. This pilot study gives rooms for future researchers to adapt the measurement with little modification to suit their contextual and conceptual needs. This pilot study has a policy implication by providing valid and reliable measurements for assessing manufacturing SMEs compliance behaviour, which is essential for policymakers across the globe. To buttress this point, it was reported that SMEs contribute significantly to the economic development of most of developing countries including Yemen, as such finding reliable and valid measurements for assessing compliance behaviour of manufacturing SMEs will undoubtedly help policymakers to use the scales to assess the compliance level of taxpayers in that sector. This is necessary to avoid negative effects of policy implementation on social, political and economic development of a nation. One of the negative effects of tax policy implementation is creating tax havens which gives room for some individual or companies to relocate their business activities to a country with more friendlier tax policies. In most of the developing countries, SMEs pay a significant percentage as tax rate higher than individual self-employed. Therefore, SMEs might be interested in voicing out their perceptions on whether the existing tax policies are efficient or not, which could be useful for policymakers to make necessary amendment on their tax policies to avoid strengthening tax haven countries which may have both social, economic and political effect in the long run.

REFERENCES

- [1]. Abdixhiku, L., Krasniqi, B., Pugh, G., & Hashi, I. (2017). Firm-level determinants of tax evasion in transition economies. *Economic Systems*, 41(3), 354-366.
- [2]. Abdul Jabbar, H. (2009). *Income tax non-compliance of small and medium enterprises in Malaysia: Determinants and tax compliance costs*. Curtin University of Technology
- [3]. Abdullah, A., Thomas, B., Murphy, L. & Plant, E. (2018). An investigation of the benefits and barriers of e-business adoption activities in Yemeni SMEs. *Strategic Change*, 27(3), 195-208.
- [4]. Adams, C., & Webley, P. (2001). Small business owners' attitudes on VAT compliance in the UK. *Journal of Economic Psychology*, 22(2), 195-216.
- [5]. Ahmed, A., & Kedir, S. (2015). Tax compliance and its determinant the case of Jimma zone, Ethiopia. *International Journal of Research in Social Sciences*, 6(2), 7-21.
- [6]. Ajaz, T. & Ahmad, E. (2010). The effect of corruption and governance on tax revenues. *The Pakistan Development Review*, 49(4), 405-417.
- [7]. Akdede, S. H. (2011). Corruption and tax evasion. *Doğuş Üniversitesi Dergisi*, 7(2), 141-149.
- [8]. Alabede, Ariffin, Z. B. Z., & Idris, K. M. (2011). Determinants of tax compliance behaviour: A proposed model for Nigeria. *International Research Journal of Finance and Economics*, 78(78), 121-136.
- [9]. Al-Adofi, N. (2015). Taxes in Yemen do not adequately enough to provides electricity, hospital facility and water expenses. *The New Arab*. Retrieved from <https://www.alaraby.co.uk/supplementeconomy>
- [10]. Al-Batly, A. (2014). Removal government fuel subsidies. *Journal of Experimental Psychology: Friedrich Ebert Stiftung*, Sana'a 1(8), 1-45.
- [11]. Al-Fassel, T. (2014). Strengthening tax and customs administration. *Journal of Experimental Psychology: General, Friedrich Ebert Stiftung*, 136(1), 23-42.
- [12]. Allingham, M., & Sandmo, A. (1972). Income tax evasion: A theoretical analysis. *Journal of Public Economics*, 1(3-4), 323-338.

- [13]. Alm, J. (1991). A perspective on the experimental analysis of taxpayer reporting. *The Accounting Review*, 66(3), 577-593.
- [14]. Alm, J. (2019). What Motivates Tax Compliance? *Journal of Economic Surveys*, 33(2), 353-388
- [15]. Alm, J., & Torgler, B. (2011). Do ethics matter? tax compliance and morality. *Journal of Business Ethics*, 101(4), 635-651.
- [16]. Alm, J., Jackson, B.R., & McKee, M. (1993). Fiscal exchange, collective decision institutions, and tax compliance. *Journal of Economic Behavior & Organization*, 22(3), 285-303.
- [17]. Alm, J., Martinez-Vazquez, J. & McClellan, C. (2016). Corruption and firm tax evasion. *Journal of Economic Behavior & Organization*, 124, 146-163.
- [18]. Alm, J., Sanchez, I., & DeJuan, A. (1994). Economic and non-economic factors in tax compliance. *KYKLOS*, 48, 1-18.
- [19]. Alm, J., Sanchez, I., & De-Juan, A. (1995). Economic and noneconomic factors in tax compliance. *KYKLOS*, 48(1), 1-18.
- [20]. Al-Mutawakel, M. H. (2014). Energy tax gap and the budget deficit. *Alahale Net*, Yemen. Retrieved from <http://alahale.net/article/16127>.
- [21]. Alshira'h, A. F. (2018). *Determinants of sales tax compliance among Jordanian SMEs: the moderating effect of public governance* (Unpublished Doctoral thesis, Universiti Utara Malaysia)
- [22]. Alshira'h, A. F. (2019). The Effect of Peer Influence on Sales Tax Compliance Among Jordanian SMEs. *International Journal of Academic Research in Business and Social Sciences*, 9(3).
- [23]. Alshira'h, A. F., & Abdul-Jabbar, H. (2019). The effect of tax fairness on sales tax compliance among Jordanian manufacturing SMEs. *Academy of Accounting and Financial Studies Journal*, 23(2), 1-11.
- [24]. Al-Ttaffi, L. H. A. & Abdul-Jabbar, H. (2016). Service quality and income tax non-compliance among small and medium enterprises in Yemen. *Journal of Advanced Research in Business and Management Studies*, 4(1),12-21.
- [25]. Al-Ttaffi, L. H. A. (2017). *Determinants of tax non-compliance behaviour of Yemeni SMEs: A moderating role of Islamic religious perspective* (Unpublished doctoral thesis, Universiti Utara Malaysia).
- [26]. Amah, C. O. & Nwaiwu, J. N. (2018). Tax audit practice and down south tax revenue generation in Nigeria. *International Journal of Innovative Finance and Economics Research*,6(1), 99-112.
- [27]. Azmi, A. A. C., & Perumal, K. A. (2008). Tax fairness dimensions in an Asian context: The Malaysian perspective. *International Review of Business Research Papers*, 4(5), 11-19.
- [28]. Belay, S. A., & Viswanadham, P. (2016). An assessment of business income taxpayers tax knowledge, tax complexity, and tax compliance: A case of Amhara regional state of Ethiopia. *International Journal of Science and Research*, 5(5), 628-634.
- [29]. Benk, S., Çakmak, A. F., & Budak, T. (2011). An investigation of tax compliance intention: A theory of planned behavior approach. *European Journal of Economics, Finance and Administrative Sciences*, 28(28), 180-188.
- [30]. Bertinelli, L., Bourgain, A., & Leon, F. (2019). Corruption and tax compliance: evidence from small retailers in Bamako, Mali. *Applied Economics Letters*, 1-5.
- [31]. Bidin, Z., & Sinnasamy, P. (2018). Excise duty compliance behaviour in Malaysia. *International Journal*, 3(13), 106-116.
- [32]. Birskyte, L. (2014). The impact of trust in government on tax paying behavior of nonfarm sole proprietors. *Annals of the Alexandru Ioan Cuza University-Economics*, 61(1), 1-15.
- [33]. Blanthorne, C., & Blanthorne, C., & Kaplan, S. (2008). An egocentric model of the relations among the opportunity to underreport, social norms, ethical beliefs and underreporting behaviour. *Accounting, Organizations and Society*, 33(7), 684-703.
- [34]. Bobek, D. D., Hageman, A. M., & Kelliher, C. F. (2013). Analyzing the role of social norms in tax compliance behavior. *Journal of Business Ethics*, 115(3), 451-468.
- [35]. Braithwaite, V. (2001). *The community hopes, fears and actions survey: Goals and measures* (Working Paper No. 2). Centre for Tax System Integrity, the Australian National University.
- [36]. Brown, R., & Mazur, M. (2003). IRS's comprehensive approach to compliance measurement. *National Tax Journal*, 56(3), 689-700.
- [37]. Bruce-twum, E. (2014). Gift tax compliance in Ghana, an empirical study. *Journal of Finance and Accountancy*, 2(1), 1-7.
- [38]. Central Organization of Control & Audit COCA. (2012). *Annual report. Statement of the annual audit of the final audit of the general budget*. Retrieved, 2018from <http://www.coca.gov.ye/Baudit/5>
- [39]. Central Organization of Control & Audit COCA. (2018). Discuss the report of the Central Organ on the results of the review and evaluation of tax procedures. *Saba Net*. Retrieved, 2019from: <https://www.sabanews.net/ar/news514514.htm>.

- [40]. Chan, C. W., Troutman, C. S., & Bryan, D. (2000). An expanded model of taxpayer compliance: Empirical evidence from the United States and Hong Kong. *Journal of International Accounting, Auditing and Taxation*, 9(2), 83–103.
- [41]. Chau, G., & Leung, P. (2009). A critical review of Fischer tax compliance model: A research synthesis. *Journal of Accounting and Taxation*, 1(2), 034–040.
- [42]. Christensen, A. L., & Hite, P. A. (1997). A study of the effect of taxpayer risk perceptions on ambiguous compliance decisions. *The Journal of the American Taxation Association*, 19(1), 1.
- [43]. Devos, K. (2007). Measuring and analyzing deterrence in taxpayer compliance research. *Journal of Australian Taxation*, 10(2), 182–219.
- [44]. Devos, K. (2013). Do penalties and enforcement measures make taxpayers more compliant? The view of Australian tax evaders. *Far East Journal of Psychology and Business*, 12(1), 1-9.
- [45]. Engida, T. G., & Baisa, G. A. (2014). Factors Influencing taxpayers' compliance with the tax system: An empirical study in Mekelle City, Ethiopia. *eJournal of Tax Research*, 12(2), 433–452.
- [46]. Evans, C., Carlon, S., & Massey, D. (2005). Record keeping practices and tax compliance of SMEs. *eJournal of Tax Research*, 3(2), 288-334.
- [47]. Fischer, C.M., Wartick, M., & Mark, M. (1992). Detection probability and taxpayer compliance: A review of the literature. *Journal of Accounting Literature*, 11(2), 1-25.
- [48]. Fochmann, M., & Kroll, E. B. (2016). The effects of rewards on tax compliance decisions. *Journal of Economic Psychology* 52 38-55.
- [49]. Gabran, M. A. (2009). *An analytical study of the reality of tax evasion in Yemen*. (fourth edition) Annual Conference on Business and Management. Damascus University, Syria.
- [50]. Gilligan, G., & Richardson, G. (2005). Perceptions of tax fairness and tax compliance in Australia and Hong Kong - a preliminary study. *Journal of Financial Crime*, 12(4), 331–343.
- [51]. Gupta, M., & Nagadevara, V. (2007). *Audit selection strategy for improving tax compliance: Application of data mining technique*. Paper Presented at 11th International Conference on e-governance, Hyderabad, India., 378–387.
- [52]. Hair Jr, J. F., Sarstedt, M., Ringle, C. M., & Gudergan, S. P. (2017). *Advanced issues in partial least squares structural equation modeling*. Sage Publications.
- [53]. Hasseldine, J., Hite, P., James, S., & Toumi, M. (2007). Persuasive communications: Tax compliance enforcement strategies for sole proprietors. *Contemporary Accounting Research*, 24(1), 171-194.
- [54]. Ibadin, P. O., & Eiya, O. (2013). Tax evasion and avoidance behavior of the self-employed Nigerians. *European Journal of Business and Management*, 5(6), 1– 17.
- [55]. Imam, P. A., & Jacobs, D. (2014). Effect of corruption on tax revenues in the Middle East. *Review of Middle East Economics and Finance Revenues*, 10(1), 1-24.
- [56]. Index Mundi (2019) Yemen Economy Profile 2019. *Annual Report*. Retrieved Dec14, 2019, from https://www.indexmundi.com/yemen/economy_profile.html
- [57]. International Monetary Fund IMF. (2014). *Press release and statement by the executive*. IMF Country Report No. 14/276 Yemen.
- [58]. International Monetary Fund. IMF (2016). *Press release and statement by the executive*. IMF Country Report Yemen.
- [59]. Jackson, B. R., & Milliron, C. V. (1986). Tax compliance research: Findings, problems and prospects. *Journal of Accounting Literature*, 5(1), 125–165.
- [60]. Joulfaian, D. (2009). Bribes and business tax evasion. *European Journal of Comparative Economics*, 6(2), 227–244.
- [61]. Kirchler, E. (2007). *The economic psychology of tax behavior*. Cambridge: Cambridge University Press.
- [62]. Kirchler, E., Hoelzl, E., & Wahl, I. (2008). Enforced versus voluntary tax compliance: The “slippery slope” framework. *Journal of Economic Psychology*, 29(2), 210–225.
- [63]. Kirchler, E., Kogler, C., & Muehlbacher, S. (2014). Cooperative tax compliance: From deterrence to deference. *Current Directions in Psychological Science*, 23(2), 87–92.
- [64]. Kirchler, E., Niemiowski, A., & Wearing, A. (2006). Shared subjective views, intent to cooperate and tax compliance: Similarities between Australian taxpayers and tax officers. *Journal of Economic Psychology*, 27(4), 502–517.
- [65]. Kuria, K., Ngumi, P., & Rugami, J. (2013). Factors affecting rental income tax compliance among landlords in Kilifi municipality in Kenya. *Journal of Business Administration and Management*, 3(5), 997-1008
- [66]. Langham, J. A., Paulsen, N., & Hartel, C. E. (2012). Improving tax compliance strategies: Can the theory of planned behavior predict business compliance. *eJTR*, 10, 364.

- [67]. Litina, A., & Palivos, T. (2016). Corruption, tax evasion and social values. *Journal of Economic Behavior & Organization*, 124, 164-177.
- [68]. Mancharoen, M. (2015). *Determinants of tax evasion: Perception of southern Thailand taxpayers* (Unpublished master thesis, Universiti Utara Malaysia).
- [69]. Mascagni, G., Moore, M., & McCluskey, R. (2014). *Tax Revenue Mobilisation In Developing Countries: Issues and Challenges*. European Union (Belgium).
- [70]. Ministry of Planning & International Cooperation MPIC (2018). *Annual Report*. Retrieved Feb1, 2019, from <http://www.mpic-yemen.org>
- [71]. Muche, B. (2014). Determinants of taxpayer's voluntary compliance with taxation in east Gojjam-Ethiopia. *Research Journal of Economics & Business Studies*, 3(9), 41–50.
- [72]. Musa, S. U., Saad, N., & Ibrahim, I. (2017). Tax structure variables and tax compliance behavior of small corporate taxpayers in Nigeria: A pilot study. *International Journal of Research in IT, Management and Engineering*, 7(1), 1–6.
- [73]. Nur-tegin, K. D. (2008). Determinants of business tax compliance. *The BE Journal of Economic Analysis & Policy*, 8(1), 1-25
- [74]. Olaoye, C. O., & Ogundipe, A. A. (2018). Application of Tax Audit and Investigation on Tax Evasion Control in Nigeria. *Journal of Accounting, Finance and Auditing Studies*, 4(1), 79-92.
- [75]. Olowookere, J. K., & Fasina, H. T. (2013). Taxpayers' education: A key strategy in achieving voluntary compliance in Lagos State, Nigeria. *European Journal of Business and Management*, 5(10), 146-154.
- [76]. Ottone, S., Ponzano, F., & Andrighetto, G. (2018). Tax compliance under different institutional settings in Italy and Sweden: an experimental analysis. *Economia Politica*, 35(2), 367-402.
- [77]. Palil, M. R., & Mustapha, A. F. (2011). Factors affecting tax compliance behavior in self-assessment system. *African journal of business management*, 5(33), 12864-12872.
- [78]. Pope, J. (1992). The compliance cost of income taxation in Australia. *Policy Winter*, 8(2), 8–12
- [79]. Richardson, G. (2006). Determinants of tax evasion: A cross-country investigation. *Journal of International Accounting, Auditing and Taxation*, 15(2), 150-169.
- [80]. Rohwer, A. (2009). Measuring corruption: a comparison between the transparency international's corruption perceptions index and the World Bank's worldwide governance indicators. *CESifo DICE Report*, 7(3), 42-52.
- [81]. Saad, N. (2009). Fairness perceptions and compliance behavior: the case of salaried taxpayers in Malaysia after implementation of the self-assessment system. *eJournal of Tax Research*, 8(1), 32–63.
- [82]. Sandford, C. (1995). *Tax compliance costs measurement and policy*. UK.
- [83]. Sandford, C., Godwin, M., & Hardwick, P. (1989). *Administrative and compliance cost of taxation*. UK: Fiscal publications.
- [84]. Sapiei, & Kasipillai, J. (2013). Impacts of the self-assessment system for corporate taxpayers. *American Journal of Economics*, 3(2), 75–81
- [85]. Sekaran, U., & Bougie, R. (2010a). *Research methods for business: A skill building approach*. West Sussex, UK: John Wiley & Sons Ltd.
- [86]. Sinnasamy, P., Bidin, Z., & Ismail, S. S. S. (2015). A proposed model of non-compliance behaviour on excise duty: A moderating effects of tax agents. *Procedia-Social and Behavioral Sciences*, 2(11), 299-305.
- [87]. Slemrod, J. (2004). *The economics of corporate tax selfishness* (No. w10858). National bureau of economic research.
- [88]. Tagkalakis, A. O. (2013). Audit and tax offenders: Recent evidence from Greece. *Economics Letters*, 118, 519–522
- [89]. Tan, L. M., & Braithwaite, V. (2018). Motivations for tax compliance: the case of small business taxpayers in New Zealand. *Australian Tax Forum*, 33(2), 221– 247.
- [90]. Umar, M.A, Derashid, C. and Ibrahim, I. (2017). “What Is Wrong with the Fiscal Social Contract of Taxation in Developing Countries?” A Dialogue with Self-Employed Business Owners in Nigeria”, *Sage Open*, October-December 2017:1-11.
- [91]. Wenzel, M. (2002). The impact of outcome orientation and justice concerns on tax compliance: The role of taxpayers' identity. *Journal of applied psychology*, 87(4), 629.
- [92]. Wenzel, M. (2003). *Tax compliance and the psychology of justice: Mapping the Field*. Tax Compliance and the Psychology of Justice: Mapping the Field, Valerie Braithwaite the Australian national university 41–70.
- [93]. Woodward, L., & Tan, L. M. (2015). Small business owners' attitudes toward GST compliance: A preliminary study. *Australian Tax Forum*, 30(2), 517–550.
- [94]. World Bank. (2018). *Browse by country or indicator data bank microdata data catalo*. Retrieved from <https://data.worldbank.org/indicator/SH.STA.DIAB.ZS?view=chart>

- [95]. Yemeni Ministry of Industry & Trade YMIT. (2014). *General report of the result of the comprehensive industrial survey 2014. Small and Medium Enterprises SMEs.*
- [96]. Yusof, N. M., Ling, L. M., & Wah, Y. B. (2014). Tax non-compliance among SMEs in Malaysia: Tax audit evidence. *Journal of Applied Accounting Research*, 15(2), 215–234.

Mohammed Mahdi Obaid.et.al. "Determinants of SMEs Tax Compliance in Yemen: A Pilot Investigation." *IOSR Journal of Humanities and Social Science (IOSR-JHSS)*, 25(1), 2020, pp. 64-75