

# Accepted Manuscript

Title: Corruption and Firm Tax Evasion

Author: James Alm Jorge Martinez-Vazquez Chandler  
McClellan

PII: S0167-2681(15)00273-5  
DOI: <http://dx.doi.org/doi:10.1016/j.jebo.2015.10.006>  
Reference: JEBO 3687



To appear in: *Journal of Economic Behavior & Organization*

Received date: 19-5-2014  
Revised date: 3-10-2015  
Accepted date: 15-10-2015

Please cite this article as: Alm, J., Martinez-Vazquez, J., McClellan, C., Corruption and Firm Tax Evasion, *Journal of Economic Behavior and Organization* (2015), <http://dx.doi.org/10.1016/j.jebo.2015.10.006>

This is a PDF file of an unedited manuscript that has been accepted for publication. As a service to our customers we are providing this early version of the manuscript. The manuscript will undergo copyediting, typesetting, and review of the resulting proof before it is published in its final form. Please note that during the production process errors may be discovered which could affect the content, and all legal disclaimers that apply to the journal pertain.

## Corruption and Firm Tax Evasion

### Research Highlights

- Although corruption and tax evasion are distinct and separate problems, they can easily become intertwined and reinforcing.
- This paper examines how the potential for bribery of tax officials affects a firm's tax evasion decisions.
- We use firm-level information on reporting obtained from the World Enterprise Survey and the Business Environment and Enterprise Performance Survey of the World Bank.
- Our estimation results indicate that the presence of tax inspectors who request bribes results in a reduction of sales reported for taxes of between 4 and 10 percentage points, and also that larger bribes result in higher levels of evasion.
- Overall, these results indicate that it is corruption that largely drives higher levels of evasion, so that governments seeking to decrease tax evasion must work first to ensure an honest tax administration.

Download English Version:

<https://daneshyari.com/en/article/7242857>

Download Persian Version:

<https://daneshyari.com/article/7242857>

[Daneshyari.com](https://daneshyari.com)