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RESEARCH ARTICLE

Tax Evasion in the Light of Social Responsibility Accounting

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ABSTRACT

Tax evasion is one of the fundamental problems faced by the tax system, resulting in negative consequences that affect society as a whole. This issue arises from various reasons, including structural flaws in the tax system or the lack of awareness among taxpayers regarding their responsibilities towards society, among others. Tax evasion is defined by writers as the tax violation resulting from concealing the information provided to the tax administration, distorting it, falsifying it, or overstating expenses, particularly those related to social activities, with the aim of reducing the tax amount or concealing a previous violation. This happens through either not registering taxpayers in the tax payment system or registered taxpayers failing to submit a truthful tax declaration to the tax administration. Thus, the research problem emerged: can social responsibility accounting reduce or mitigate tax evasion in social activities? The hypothesis states that social responsibility accounting contributes to curbing the phenomenon of tax evasion in expenses related to social activities in economic units. To achieve this, several scientific approaches were adopted in the study, including descriptive and deductive methods for the theoretical side, as well as inductive and analytical methods for the practical side using Amos, SPSS, and SmartPLS programs. The main objective of the study is to demonstrate or clarify the expected effect in reducing or mitigating the phenomenon of tax evasion in social activities under social responsibility accounting. This underscores the importance of highlighting the role of social responsibility accounting in obliging units to comply with laws, regulations, and instructions issued by relevant authorities, including the General Tax Authority, which in turn leads to reducing or mitigating tax evasion in social activities.

1. INTRODUCTION

In the context of economic institutions striving to achieve their financial objectives and improve their image within society, many have turned towards adopting social responsibility principles in their various dimensions. They implement programs for social responsibility to mitigate the negative effects resulting from their activities, such as environmental pollution and depletion of natural resources, costs that society, in all its segments, ultimately bears.

It is important to note that fulfilling these social responsibility requirements results in additional costs that raise the total costs for the institution, which may reduce its profits and financial gains. However, the disclosure of social responsibility necessitates that the institution accounts for these costs using what is commonly referred to as social responsibility accounting. This practice involves the preparation of financial statements and reports related to social expenditures and their disclosure to various parties, including the Tax Authority. It is known that some economic units employ several methods when engaging in social activities, measuring those activities, and reporting them according to social responsibility accounting with the intent of tax evasion—maximizing costs to reduce profits. This practice leads to a reduction in the amount of tax the unit is liable to pay to the tax authorities regarding expenditures incurred by units fulfilling their social responsibilities toward the environment and society (Al-Lawi et al., 2020: 128).

In this research, we will address the role that social responsibility accounting plays in increasing the accuracy of financial data reflecting the social activity of the unit, which in turn reduces or limits tax evasion regarding social expenditures borne by units to meet their responsibilities to society. Therefore, the problem of the study arises from the following questions:

Is social responsibility accounting capable of limiting or reducing tax evasion in social activities?

- **Study hypothesis**

The research aims to test the hypothesis that social responsibility accounting contributes to reducing tax evasion concerning expenses related to social activities.

- **Study objectives**

The study aims to achieve several objectives, the most important of which are:

1. To study recent developments in the field of accounting, particularly social responsibility accounting, and to clarify its role as a tool for measuring and conveying information resulting from the involvement of Iraqi economic units in their social responsibilities to different groups.
2. To understand the extent of interest shown by Iraqi economic units in applying social responsibility accounting.
3. To disclose the extent to which Iraqi economic units contribute to enhancing the well-being of society through their adherence to social responsibility obligations.
4. To clarify the concept of tax evasion in terms of definition, types, forms, causes, and methods utilized in tax evasion concerning social contributions.
5. To illustrate the anticipated effect of limiting or reducing the phenomenon of tax evasion in social activities under social responsibility accounting.

- **Importance of the study**

The importance of the study stems from the following:

1. Formulating a conceptual framework for social responsibility accounting that includes definitions, significance, characteristics, and objectives.
2. Clarifying the significance of social responsibility accounting for Iraqi economic units.
3. Highlighting the role of social responsibility accounting in obligating units to comply with laws, regulations, and instructions issued by relevant authorities.
4. Shedding light on the most prominent concepts of tax evasion (definition, types, forms, causes, treatment methods).
5. Indicating the extent to which units employ legal and illegal means to partially or fully evade tax obligations.
6. Clarifying the anticipated effect of limiting the phenomenon of tax evasion in social activities under social responsibility accounting.

- **Study boundaries**

Spatial and temporal boundaries

a. **Spatial boundaries:** The study will focus on the Iraqi context through reliance on a sample drawn from the Iraqi environment, represented by a group of experts and specialists.
b. **Temporal boundaries:** The study will rely on data and information provided in the sample for the year 2024, as well as any later available data to the researcher.

Study community and sample

a. **Study community:** This includes all university professors, auditors, accounting managers, evaluators, and specialists in accounting, business administration, economics, and related fields.
b. **Study sample:** The study sample consists of selected university professors, auditors, accounting managers, evaluators, and specialists in related fields.

- **Study methodology**

Several scientific methodologies were adopted in conducting the study, including descriptive methodology and deductive reasoning for theoretical aspects, in addition to inductive reasoning and analytical methods for practical aspects.

2. Study Terminology

2.1 Definition of tax evasion

Tax evasion is one of the fundamental problems faced by tax systems, attributed to various reasons such as structural defects in the tax system, lack of tax awareness among taxpayers, or their failure to recognize their responsibilities towards society, among others. Tax evasion is defined by authors as "a tax violation resulting from concealing, distorting, or falsifying information submitted to the tax administration to reduce the tax amount or hide a previous violation, such as failing to register the taxpayer in the income tax system or not submitting the annual tax return to the tax administration" (Ameen, 2000: 148). Additionally, it is described as the attempt by a taxpayer who meets the criteria for tax obligations to avoid paying the tax owed or any part thereof, leading to no tax being collected by the tax administration (Atah, 2002: 465). Legally, it refers to any act or omission that contravenes legal rules established to organize and protect the economic policies of the state when explicitly prohibited by criminal law or other penal statutes. Economically, tax evasion is the intentional disregard of legal provisions to escape tax obligations, which may include submitting false data or concealing facts that reveal the actual profits of the taxpayer (Al-Rawi, 2008: 11).

Tax evasion represents an attempt by taxpayers subject to taxation to avoid paying or reducing their tax liability illegitimately. This evasion can be either complete or partial and may occur through submitting final declarations or filing them with incomplete information. The higher the tax, the greater the likelihood of evasion (Al-Kaabi, previous source: 12). It also refers to attempts to avoid paying due taxes entirely or partially by employing unlawful methods and means (Al-Tahan, 2009: 79).

2.2 Types of tax evasion

Due to the significance and danger of tax evasion, specialists have sought to categorize it into several types, as follows:

First: tax evasion based on legality

A. Legal tax evasion: this refers to the taxpayer's avoidance of incurring tax liabilities without violating tax regulations by steering clear of tax obligations (Al-Frihat, 2009: 25). This can involve exploiting certain legal loopholes to avoid a tax liability or failing to meet obligations without violating the law (Al-Hiti & Al-Khashali, 2006: 117). These loopholes are present in any system, but their severity and frequency may differ. Taxpayers often utilize expertise to identify exploitable gaps within legal texts to devise methods of compliance (Jumaa, 2005: 84).

B. Illegal tax evasion: this form involves deceit or fraud employed by the taxpayer through failing to file tax returns or underreporting income. Illegal evasion undermines the tax administration's ability to collect tax amounts previously imposed (Al-Amour, 2007: 68). Such violations are punishable by law and can take multiple forms, including (Abdullah & Aliwi, 2011: 170-171):

Through accounts: the taxpayer may avoid maintaining records for income tax purposes, often resorting to this method when the penalties for not keeping records are minimal compared to the imposed tax. This includes falsifying records to manipulate income sources and inflate expenses.

Concealing income sources: The taxpayer may completely hide some sources of income while disclosing others to the tax authorities.

Manipulating ownership of income sources: The taxpayer might formally transfer ownership of income sources to a tax-exempt charity while retaining actual control over those sources.

Second: Tax evasion based on the amount of tax avoided

A. Partial tax evasion

This type entails evading a portion of the tax due through illegal methods (Abu Ali, 2004: 58), such as underreporting sales or providing false information in otherwise accurate declarations.

B. Total tax evasion: this approach means the taxpayer entirely avoids paying taxes, depriving the treasury of significant revenue using various fraudulent methods. Freelancers, brokers, and artisans are common stakeholders failing to register for taxes, thus leading to revenue shortfalls (Abdullah & Aliwi, 2011: 171).

Third: Tax evasion based on regionality

A. Domestic tax evasion: this is the most common type of tax evasion, with taxpayers employing deceitful methods to avoid tax payments. All countries, regardless of their level of development, experience this type (Atwi, 2003: 28). Domestic evasion occurs within a country's boundaries, involving the manipulation of the tax system or avoiding tax-triggering actions altogether.

B. International tax evasion

This refers to evasion committed outside the jurisdiction of a country's right to impose taxes on the taxpayer. Such actions can affect the national wealth, transferring part of the revenues abroad, particularly in cases where tax conditions may be more favorable for the taxpayer compared to their home country (Abdullah & Aliwi, 2011: 171-172).

Fourth: Tax evasion in e-commerce: Tax evasion issues arise prominently in e-commerce, as a substantial portion of commercial activities occurs electronically, involving both tangible and intangible goods. Notably, intangible goods play a significant role because e-commerce encompasses various concepts, including transactions between businesses, between businesses and consumers, and between businesses and the government, either domestically or internationally. The tangible aspects of e-commerce allow for better control and minimization of tax evasion (Radwan et al., 2000: 20).

Regarding intangible business activities conducted through e-commerce over the internet, these often involve intermediaries operating within one country while dealing with taxpayers in others. The movement of goods typically occurs from one state to another via a third-party intermediary without interference from the third state in the transportation of goods crossing its borders. E-commerce can occur without requiring a physical entity to conduct it, contributing to increased tax evasion due to several factors (Al-Haini & Abdu, 2005: 232):

Inadequate tax legislation: There remains a lack of legislation governing tax matters in the context of widespread e-commerce.

Lack of international cooperation: Insufficient international agreements to address the implications of tax evasion through e-commerce.

Limited awareness of technological developments: Weak understanding of significant technological advancements impacting online commercial operations.

Lack of up-to-date evidence: The absence of modern evidentiary standards that can be audited or verified, leading to disputes between e-commerce participants or concerning tax obligations.

2.3 Causes of tax evasion

There are several reasons that contribute to the phenomenon of tax evasion, which can be summarized as follows (Jawad, 2006: 216):

First: Administrative causes

The tax administration represents the executive authority responsible for implementing laws correctly. It is also responsible for making amendments and regulations to address any deficiencies, including tax evasion. The administrative causes of tax evasion include:

a. **Multiple tax collection methods:** The proliferation of tax collection methods can lead to confusion and inefficiency. For example, an income tax estimation might occur based on returns submitted by the taxpayer at the beginning of the year. The different estimation methods can overwhelm assessors, making it easier for taxpayers to evade taxes.
b. **Strict collection methods:** Failure to pay within the legally specified timeframe can lead to increased amounts or additional percentages added to the principal amount. This can create psychological pressure on the taxpayer, prompting them to resort to evasion methods, as the law does not consider their financial, social, and economic conditions during the tax assessment period.
c. **Inaccurate identification of taxpayers:** The accurate identification of individuals subject to tax and recording their names in tax records is crucial. Precision signifies the

success of tax administration and helps prevent tax evasion. The lack of reliance on technological tools further exacerbates this issue (Fawzi, 1960: 17).

d. **Lack of tax personnel:** A shortage of qualified tax personnel, both in quantity and quality, is also a notable issue in tax administration (Al-Haji, 2002: 82).

e. **Low educational levels of tax employees:** The educational level of the tax personnel significantly affects tax evasion rates. A highly knowledgeable workforce in specialized areas can contain greater opportunities for tightening control over tax evasion (Al-Najjar & Al-Mahdawi, 2003: 133).

f. **Absence of a specialized agency to combat tax evasion:** The lack of a dedicated agency to combat tax evasion and weak adherence to professional specialization necessitates a comprehensive review, particularly in legislative aspects, as well as the development of technical and digital methods for measuring tax evasion prevalence.

2.4 Concept of Social Responsibility Accounting

The emergence of social responsibility has given rise to a new concept in accounting called "Social Responsibility Accounting." This concept appeared in the early 1960s and established standards for measuring social performance. Social accounting is one of the newest branches of accounting, focusing on the social impacts of economic activities on individuals and societal members. It seeks to measure social costs and benefits of both public and private projects and to prepare reports that disclose the extent to which organizations adhere to their social responsibilities toward their employees, clients, and society at large (Marei & Abu Zayd, 1998: 19).

Several definitions of social responsibility accounting exist, including: "A set of activities focused on measuring and analyzing the social performance of a specific accounting unit and communicating necessary information to relevant stakeholders for their evaluation and decision-making" (Al-Shirazi, 1990: 350). Another definition states it is an approach to measure and communicate the outcomes of management's social responsibilities towards various community beneficiaries, enabling evaluation of the project's social performance (Salama, 1999: 17). It can also be viewed as an accounting system specializing in measuring transactions or operations between the organization and its surrounding social environment and subsequently disclosing their impacts on all related parties. Thus, the primary goal of this system is to measure and disclose the social costs and benefits of business organizations, while also being recognized as a selection process whereby organizations determine variations, metrics, and measurement techniques, subsequently develop structured information to evaluate their social performance, and convey this information to relevant groups both inside and outside the organization (Al-Fadl et al., 2002: 164).

Others define it as a branch of accounting that aims to determine the results of operations and the financial status of an organization from a social angle, considering it an active member of society interconnected with other groups within it, based on a contractual relationship derived from the principles of the social contract linking the interests of those groups (Matar & Al-Swayti, 2012: 422).

2.5 Objectives of social responsibility accounting

Reviewing the definitions and concepts related to accounting for social responsibility, the fundamental goal is to provide unbiased, truthful information treating all stakeholders in the organization uniformly. This information assists stakeholders in decision-making, optimal resource allocation, and evaluating the organization's social performance. Additionally, various detailed objectives include (Shabaan, 2019: 61):

a. **Defining and measuring net social contributions:** Determining the internal elements of the company, such as costs and benefits, as well as external elements affecting all community sectors.

b. **Evaluating corporate social performance**: Assessing whether the strategies and goals impact society align with its needs while considering the level of effort exerted by the company and investors to achieve a reasonable profit margin.

c. **Providing equal relevant information:** Delivering consistent information to all societal sectors regarding company goals, programs, policies, and performance, aiding them in making informed decisions about the company's social responsibility activities and determining the scope of these activities.

d. **Disclosing socially impactful activities:** This goal requires providing suitable data on the company's social performance and its contribution to achieving social objectives.
e. **Contributing to the implementation of management by objectives:** Linking budgeting with responsibilities, where these budgets become targets that the company aims to achieve, comparing the results of responsibility centers with set objectives.

2.6 Importance of social responsibility accounting

The importance of social responsibility accounting can be seen in several dimensions (Shabaan, 2019: 62-63):

a. **Ensuring comparability of financial statements:** Emphasizing the need for establishing unified bases for comparison and transparency, considering social costs as a fundamental element of total cost determination.
b. **Supporting organizational survival and growth:** Providing services to society is vital for organizational sustainability, highlighting the necessity for companies to meet community needs.
c. **Enhancing financial reporting:** Including social cost data in financial reports improves the practical manifestation of unit results, making social responsibility accounting aim for diverse purposes.
d. **Expanding equal employment opportunities:** Demanding equal employment opportunities free from discrimination, including all organizational levels from middle management to laborers.
e. **Building a positive reputation**: Obtaining a positive reputation hinges on social goal realization and ethical fulfillment of social contributions.
f. **Enhancing social welfare:** Ultimately, societal welfare improvement leads to increased profits for units operating within that community; profit increases are closely related to social intellectual and cultural levels.
g. **Encouraging voluntary compliance:** As organizations recognize that tax payments support sustainable development, they become more committed to voluntary tax payment and are more aware of legal risks associated with tax evasion.
h. **Fostering trust among stakeholders:** Disclaiming the organization's tax compliance enhances the credibility among investors, clients, and society, promoting adherence to tax laws and directives as part of its community responsibilities.

The researcher believes that taxes play a fundamental role in supporting essential public services such as healthcare, education, social welfare programs, security, and infrastructure, as well as achieving social justice through income redistribution to fund social support programs for low-income groups. Taxes also help protect the environment, like taxes imposed on pollution and harmful industries, as well as financing security and defense initiatives. All these factors contribute to supporting and achieving welfare for all segments of society, especially the underprivileged. Any attempts by taxpayers to evade, escape, or avoid tax payments, entirely or partially, negatively impact societal interests, known as tax evasion, which involves noncompliance with the laws, legislations, regulations, and guidelines issued by relevant authorities, including the General Tax Authority. This indicates a lack of awareness among taxpayers (individuals and firms) regarding their responsibilities toward society and the environment. When taxpayers feel a sense of obligation to their social responsibilities, they are less likely to resort to evasion methods.

Additionally, there are several forms and methods of evasion, one of which involves inflating or increasing expenditures on social activities by economic units to decrease revenues, consequently reducing their tax obligations to the tax authority. Social responsibility accounting can help minimize or reduce such evasion through enhanced disclosure, transparency, and accuracy in financial reports. It also motivates and supports voluntary tax compliance, rather than relying on penalties and fines. This approach improves the reputation of units in the eyes of investors and customers, considering them members of the community. Furthermore, the integrity and fairness of socially oriented financial data and reports lead to achieving tax justice, given that such data reflects the costs and benefits resulting from individuals adhering to social responsibility principles. Any distortions in representing such data and reports depicting expenditures on social activities could hinder the tax administration's ability to accurately collect the amounts due from units.

Upon reviewing key concepts related to social responsibility accounting, we note that its emergence has led to the development of social auditing, defined as the process of evaluating and preparing reports on the performance of units in fulfilling their legal, economic, ethical, and humanitarian responsibilities expected of stakeholders. The audit is also described as an independent, regular examination of the data, financial statements, records, and operational activities (both financial and non-financial) of any unit. The auditor collects, evaluates, and presents evidence through reports, aiming to verify that the balance sheet fairly and accurately reflects the unit's financial position (Al-Matarneh, 2006: 13-14).

The primary objective of social auditing is to inspect social performance and evaluate the effectiveness of social programs or activities units aim to implement to achieve social objectives for information users, assisting them in decision-making (Al-Qurashi, 2010: 448). Numerous supporting theories for this concept are listed below:

- **Agency theory**
  Agency theory serves as a conceptual framework used as a research tool to explain contractual relationships across various fields in human work and thought. It focuses on issues that arise when one party (the agent) acts on behalf of another (the principal). The interests of the principal do not necessarily align with those of the agent. This theory posits that management acts as an agent for others in managing economic resources, seeking to optimize resource utilization (low interest rates on loans, high stock prices, low salaries). To ensure proper analysis of financial data, such data must be reliable, necessitating hiring a reputable individual to audit and communicate a neutral, truthful opinion regarding the financial statements (Hammad, 2018: 33).
- **Trust inspiration theory**
  This theory, developed in the 1920s, investigates the supply and demand for audit services. It highlights the need for shareholders to have audited data that reflects their return on investment and indicates the level of assurance provided by auditors (the supply). It adopts a normative approach to ensure auditors perform their duties in ways that meet external expectations (Kazem et al., 2020: 6-7).
- **Police man theory**
  Considered the most general up until the 1940s, this theory framed the audit’s goal as confirming the accuracy of financial data, preventing, and detecting fraud. Thus, the auditor’s responsibilities aligned with those of a police officer. However, the theory’s inability to explain auditors’ responsibilities regarding the truthfulness of financial statements diminished its effectiveness.
- **Credibility theory**
  This theory reflects the fundamental importance of auditing in enhancing the credibility of financial data used by management (the agent) to increase stakeholders’ loyalty. However, it does not adequately address the other responsibilities auditors are expected to consider during their reviews.
- **Compliant mediator theory**
  This theory posits that shareholders in economic units must continue contributing, emphasizing the importance of achieving fair returns on their investments. The auditor provides assessments of profitability, acting as a mediator in this context. However, it similarly lacks the capacity to elucidate the additional tasks undertaken by auditors.
- **Liability theory**
  This theory asserts that financial statements serve as liability documents, which are only credible if audited. The liabilities incurred by management are directly associated with the auditor’s accountability, positioning the auditor as the guarantor against deviations, thus reflecting the audit’s confirmatory (insurance) role. Consequently, when losses occur, stakeholders will seek to recover them from auditing firms (Al-Eid & Al-Tahir, 2020: 6).

The researcher contends that social auditing supports corporate governance, defined as a set of rules and practices ensuring that corporations are managed transparently and fairly, balancing the interests of all relevant parties—shareholders, management, suppliers, employees, customers, and society. Governance aims to establish oversight mechanisms to assure sound strategic decisions that promote sustainability and growth.

Social auditing facilitates transparency and accountability, protects shareholder rights, achieves sustainability and growth, fosters trust in financial markets, mitigates corruption and mismanagement, and balances diverse interests. It also acts as a leadership tool for the development and application of effective governance, allowing society to verify the sound management of units safeguarding investors' and borrowers' funds while fulfilling their social responsibilities. Furthermore, social auditing establishes guidelines for control over unit performance and disclosing that performance clearly and transparently. It regulates relationships among boards, managers, shareholders, and other stakeholders, intertwining numerous laws, including those governing corporations, capital markets, banking, accounting, auditing, competition, taxes, labor, and the environment.

In strategic contexts, social auditing aids all parties in developing the governance concept (Noor Al-Din, 2012: 17). A deep examination of social auditing and governance reveals notable convergences in the following aspects (Noor Al-Din, 2012: 14-15):

Security perspective: Social auditing aims to reduce risks associated with breaches of internal and external laws.

Quality of information: Social auditing corroborates that decisions were made based on truthful information.

Cost control perspective: It seeks to control waste and resource misuse while lowering hidden costs by improving strategic choice development.

Strategic choice development: Social auditing contributes to rational management within the corporate leadership aligned with both units' strategic goals.

Effectiveness: It identifies deviations and risks arising from unfulfilled goals within standard policies and programs.

Transparency perspective: Social auditing emphasizes disclosing institutional practices and their social and environmental impacts, while governance necessitates transparency during all processes to guarantee organizational integrity and stakeholder trust.

Accountability perspective: Social auditing ensures organizations are held accountable for their social and ethical performance, while governance aims for accountability in administrative and financial decisions to achieve objectives efficiently.

Sustainability focus: Social auditing prioritizes assessing the organization's social and environmental sustainability, aligning with governance’s strategic sustainability objectives.

Protection of stakeholder rights: Social auditing ensures an organization respects the rights of workers, consumers, and the community, while corporate governance seeks to protect the interests of all concerned parties, including stakeholders and society.

Compliance with standards and laws: Social auditing mandates adherence to social and ethical responsibility standards, while governance guarantees compliance with financial and administrative regulations.

The researcher believes that social auditing supports corporate governance systems by going beyond simple compliance verification against applied rules and international standards. It serves as a leadership tool and facilitates effectively implementing governance practices. Thus, we find that most definitions of governance focus on systems of leadership and oversight. The World Bank has played a significant role in propagating good governance principles as a model for public administration by enhancing oversight and auditing practices allowing for combating corruption and fraud in systems.

Moreover, some theorists view social auditing as a crucial tool for effective implementation of social responsibility practices through the following (Noor Al-Din, previous source: 10):

1. **Evaluation and monitoring:** Social auditing assesses the capacity of economic units to comply with principles of social responsibility, such as worker rights, environmental impacts, and financial transparency. This evaluation aids in identifying areas needing improvement to ensure compliance with required standards.
2. **Compliance with standards:** Social auditing ensures alignment of unit practices with local and international social responsibility standards, such as ISO 26000 or United Nations Global Compact principles. Such compliance enhances corporate credibility and reduces legal risks.
3. **Enhancing reputation and credibility:** Through social audit results, economic units can identify gaps in their social plans and implement necessary corrective measures, thus reinforcing their image among customers, investors, and society.
4. **Sustainable risk management**: Social auditing reveals potential risks related to ethical or environmental violations, enabling economic units to take precautionary measures against future crises.
5. **Strengthening transparency and accountability**: Social auditing clarifies the commitment of economic units to transparency in their social practices, boosting stakeholder trust, including consumers, shareholders, and NGOs.

3. EMPIRICAL STUDY

This section focuses on presenting the results of data analysis collected from field studies using statistical packages (SPSS) and (Amos) to achieve the study's objectives and hypotheses and to answer all its inquiries, as well as employing the (SmartPLS) program.

3.1 Questionnaire structure

Table 1: Questionnaire structure

variable	Dimension	Number of phrases	Symbol
Social Responsibility Accounting (M)	Dimension 1: Moral Responsibility	4	M1
	Dimension 2: Environmental Responsibility	4	M2
	Dimension 3: Human Resources Responsibility	4	M3
	Dimension 4: General Community Responsibility	4	M4
Tax evasion (Y)	Dimension 1: Legal Tax Evasion	4	Y1
	Dimension 2: Tax Evasion by Amount	4	Y2
	Dimension 3: Regional Tax Evasion	4	Y3
	Dimension 4: Electronic Tax Evasion	4	Y4

3.2 Content validity (expert and reviewer validation)

Following the established tradition in qualitative studies, the content validity of the questionnaire was assessed by presenting it to a group of specialists in the research field, totaling (12) individuals. Their feedback on the scale was taken into consideration when developing the questionnaire. The acceptance rate achieved by the items was deemed "good," regarding the accuracy of the items and their suitability for the study title and the nature of the relationship between the variables.

3.3 Content validity test:

Table 2: Results of content validity test.

Variable and Dimension	The symbol	Number of phrases	Honesty	Result
Social Responsibility Accounting	M	16	0.98	Excellent
First Dimension: Moral Responsibility	M1	4	0.92	Excellent
Second Dimension: Environmental Responsibility	M2	4	0.97	Excellent
Third Dimension: Human Resources Responsibility	M3	4	0.97	Excellent

Fourth Dimension: General Responsibility to Society	M4	4	0.97	Excellent
Tax Evasion	Y	16	0.83	Excellent
First Dimension: Legal Tax Evasion	Y1	4	0.92	Good
Second Dimension: Tax Evasion by Amount	Y2	4	0.51	Excellent
Third Dimension: Regional Tax Evasion	Y3	4	0.97	Poor
Fourth Dimension: Electronic Tax Evasion	Y4	4	0.97	Excellent
Total	Q	32	0.99	Excellent

Source: Prepared by the researcher based on SPSS program.

3.4 Content validity (expert and reviewer validation)

Following the established tradition in qualitative studies, the content validity of the questionnaire was assessed by presenting it to a group of specialists in the research field, totaling (12) individuals. Their feedback on the scale was taken into consideration when developing the questionnaire. The acceptance rate achieved by the items was deemed "good," regarding the accuracy of the items and their suitability for the study title and the nature of the relationship between the variables.

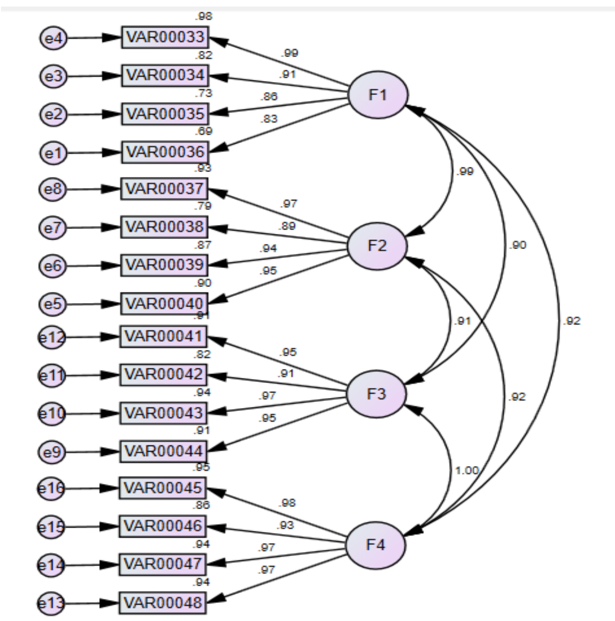

Figure 1: Confirmation of the latent structures and verification of the construct validity of the variable "Social Responsibility Accounting". Table (3) Standard estimates of the scale for the variable "Social Responsibility Accounting."

الفقرة		Estimate	البعد	Chi-square	Probability	IFI	TLI
VAR00020	<---	0.812	F1	1279	0.000	0.789	0.741
VAR00019	<---	0.823					
VAR00018	<---	0.973					
VAR00017	<---	0.968					
VAR00024	<---	0.98	F2				
VAR00023	<---	0.947					
VAR00022	<---	0.906					
VAR00021	<---	0.978					
VAR00028	<---	0.976	F3				
VAR00027	<---	0.96					
VAR00026	<---	0.904					

VAR00025	<---	0.947					
VAR00032	<---	0.923	F4				
VAR00031	<---	0.975					
VAR00030	<---	0.947					
VAR00029	<---	0.975					

Source: Prepared by the researcher based on Amos program.

3.5 Factor analysis (CFO) of the tax evasion variable: CFA was used to confirm the tax evasion scale, and it is clear that there are four factors that form the latent factor structure of the tax evasion scale, which are: (F1: Legal tax evasion; F2: Tax evasion by amount; F3: Regional tax evasion; F4: Electronic tax evasion). Each of these factors is reflected by a group of items that are highly saturated on this factor.

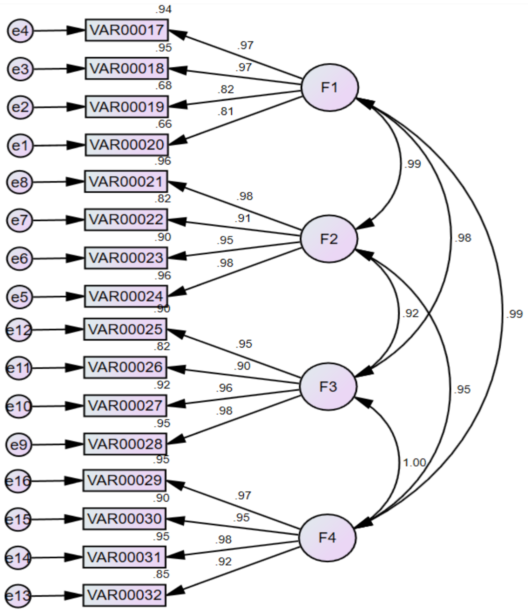

Figure 2: Confirmation of latent structures and verification of the construct validity of the variable "tax evasion."

Source: Prepared by the researcher based on the Amos program.

Table 4: Standard estimates of the scale for the variable "tax evasion."

Paragraph		Estimate	البعد	Chi-square	Probability	IFI	TLI
VAR00036	<---	0.831	F1	1278.97	0.000	0.727	0.664
VAR00035	<---	0.855					
VAR00034	<---	0.907					
VAR00033	<---	0.988					
VAR00040	<---	0.947	F2				
VAR00039	<---	0.935					
VAR00038	<---	0.888					
VAR00037	<---	0.966					
VAR00044	<---	0.952	F3				
VAR00043	<---	0.97					
VAR00042	<---	0.907					
VAR00041	<---	0.954					
VAR00048	<---	0.971	F4				
VAR00047	<---	0.968					
VAR00046	<---	0.928					
VAR00045	<---	0.976					

Source: Prepared by the researcher based on the Amos program

Table (5) Evaluation of the first axis / Social responsibility accounting

The first axis																	
Question Evaluation	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	Total
Totally agree	108	112	98	128	115	121	120	113	100	95	106	105	108	112	105	112	1758
Agree	23	20	41	13	17	18	13	20	31	38	22	31	27	25	29	28	396
Neutral	8	10	3	1	10	3	9	7	8	9	14	6	7	5	8	2	110
Disagree	3							2	3								8
I totally disagree																	
Totally disagree	I totally agree	I totally agree	I totally agree	I totally agree	I totally agree	I totally agree	I totally agree	I totally agree	I totally agree	I agree	I totally agree	I totally agree	I totally agree	I totally agree	I totally agree	I totally agree	I totally agree

Table 6: Evaluations of the second axis/tax evasion

The second axis																	
Question Evaluation	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	Total
Totally agree	115	122	101	131	115	124	118	113	102	93	108	101	108	114	103	107	1775
Agree	12	11	30	9	24	12	23	27	34	35	28	27	23	16	29	28	368
Neutral	13	9	11	2	3	4	1		6	14	6	14	11	12	10	7	123
Disagree						2		2									4
I totally disagree	2																2
Totally disagree	I totally agree	I totally agree	I totally agree	I totally agree	I totally agree	I totally agree	I totally agree	I totally agree	I totally agree	I agree	I totally agree	I totally agree	I totally agree	I totally agree	I totally agree		I totally agree

Source: Prepared by the researcher

3.6 Correlation between the model variables:

A- Table (7) shows the correlation between the independent variable (M) represented by social responsibility accounting combined with the dependent variable (Y) represented by tax evasion.

Table 7: Pearson correlation matrix between the main dimensions of the questionnaire

Variables	R^2	
	Tax evasion Y	Significance level
Social Responsibility Accounting	**0.975	0.000

Table: Prepared by the researcher based on the SPSS program.

Table (7) shows the correlation matrix between the main variables: There are strong and statistically significant direct correlations at the 1% level between the main variables. This confirms the great homogeneity in the researchers' perception of these variables, as the correlation between social responsibility accounting and tax evasion reached "0.975", which is significant and significant at the 1% level.

3.7 Testing the relationship between variables:

Table 8: The first structural study model (SEM-1) The effect of social responsibility accounting on the level of tax evasion.

Track	Transactions Non-standard	Standard Transactions	Standard deviation	Test T	P Values
Social Responsibility Accounting Social -> Tax Evasion	0.566	0.579	0.138	4.10	0.000

Table (8) shows the results of the path analysis between social responsibility accounting and tax evasion and the value of the non-standard coefficients (0.566), which represents the value of the non-standard effect. As for the standard coefficients, they amounted to (0.579), which represents the value of the standard effect. In other words, a change in social audit by one unit leads to a positive effect on the dependent variable represented by tax evasion by an amount of (0.579), and with a standard deviation of (0.138), which indicates the distribution or variance in the data. This result is supported by the calculated (T) test value of (4.10), which is greater than its tabular value of (1.16) with a significance level of (0.01). Based on the information above, especially the results of the correlation and impact in the SPSS program and the results of the AMOSE and SmartPLS programs, the following hypotheses were proven:

Social responsibility accounting contributes to reducing tax evasion, and this hypothesis is divided into the following:

i. Social responsibility accounting has a significant correlation and statistical significance with reducing tax evasion.
ii. Social responsibility accounting has a statistical and moral impact on tax evasion.

4. CONCLUSIONS

Contribution to Ethical Responsibility: Social responsibility accounting contributes to improving the measurement and disclosure of social activities related to ethical responsibility by adopting standards of ethical behavior in their operations.

1. **Enhancing environmental disclosure:** Social responsibility accounting enhances the measurement and disclosure of social activities that have environmental impacts and addresses environmental damage resulting from social activities to increase the beauty of the environment and protect it.

2. **Human resources development:** Social responsibility accounting leads to the qualification and development of human resources working in the unit in line with the requirements of measurement and disclosure in the context of social responsibility accounting.
3. **Improvement of public community activities disclosure:** Social responsibility accounting contributes to enhancing the accounting measurement and disclosure specific to public community activities and improving the social performance of the unit.
4. **Correlation with tax evasion:** In light of the correlation between social responsibility accounting and tax evasion, which showed a strong positive significance level of 0.975, it has been demonstrated that social responsibility accounting contributes to reducing various forms of fraud and deception related to tax evasion through the activities disclosed under social accounting.

5. RECOMMENDATIONS

1. **Implementation of social responsibility accounting:** Implement social responsibility accounting to contribute to improving the measurement and disclosure of social activities related to ethical responsibility by adopting standards of ethical behavior in their operations.
2. **Economic units' adoption:** Economic units should implement social responsibility accounting to enhance the measurement and disclosure of social activities that have environmental impacts and address environmental damages to increase the beauty of the environment and protect it.
3. **Qualification and development of human resources:** Implement social responsibility accounting to qualify and develop the human resources working in the unit in line with the measurement and disclosure requirements under social responsibility accounting.
4. Enhancement of community activities disclosure: Implement social responsibility accounting to enhance the accounting measurement and disclosure specific to public community activities and improve the social performance of the unit.
5. **increased focus on social responsibility accounting:** In light of the correlation between social responsibility accounting and tax evasion, which demonstrated a strong positive significance level of 0.975, indicating that social responsibility accounting contributes to reducing various forms of fraud and deception related to tax evasion through the activities disclosed under social responsibility accounting, there should be an increase in attention given to social accounting to limit or reduce tax evasion

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