

ABSTRACT

The study assessed the impact of technology on tax compliance among small and medium enterprises in Tanzania. Specifically had the following specific objectives; to examine the effect of technology literacy on tax compliance among small and medium enterprises in Tanzania, to examine the effect of system security concerns on tax compliance Among small and medium enterprises in Tanzania and to examine the effect of system quality on tax compliance among small and medium enterprises in Tanzania. The study was conducted in Tunduma Songwe region, and survey method was applied in data collection from respondents. 144 respondents were involved in the study; including TRA officers, SMEs sale electronic devices and sale motorcycles owners from Tunduma Market and shops were chosen to participate in the study. Also, multiple linear regression and descriptive analysis was used to analyse the data. The findings revealed that technology literacy and system quality had significant impact on tax compliance level among SMEs in Tanzania while security concern has contribution but not significant. The study recommended the following:- the government invest on improving and emphasising provision of training service to taxpayers on the usage of technology in taxation; the government to ensuring the existence of reliable technological service in order to ensure service availability on customers need; the government to establish appropriate security measures to secure customers information as well as company privacy; the government to provide reliable technical support to taxpayers to reduce additional assistance cost of using tax system or devices; and application of simple and up to date technology to improve tax compliance to all taxpayers should be emphasized.

Keywords: Technology, Tax Compliance, Small Enterprises, Medium Enterprises.