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## Justice perceptions and cooperation of citizens with the tax-authorities: The group engagement model of cooperation<sup>1</sup>

### ABSTRACT

*One of the mandatory responsibilities of each citizen is paying taxes. Even though it is a legal requirement to do it, citizens have the possibility to adjust their payments and cheat on it. Thus, the paying of taxes can be seen as cooperative act between the state and its citizens. Based on the group engagement model of cooperation, this study (N=474) demonstrates the interplay of perceived justice, national identification, motivational postures and tax compliance. Extending the justice dimensions of the original group engagement model by retributive justice, a positive relationship of all three forms of perceived justice (i.e. procedural justice, resource judgements, and justice of punishment) with national identification was achieved. Furthermore, while national identification was positively associated with deference, its negative association with defiance could not be shown. Tax compliance was high in case of*

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tax compliance  
national identification  
justice  
outcome favourability  
motivational postures  
group engagement  
model

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*strong attitudes of deference and weak attitudes of defiance. Results indicate partial mediation of justice judgments and deference through national identification. Judging justice is not an easy task and thus, citizens should be taught about the rationale behind tax law. Understanding the reasons for the law facilitates making up one's mind regarding the fairness of tax distribution, tax procedures and retribution for cheating on taxes that influences tax compliance in the long run.*

## INTRODUCTION

Tax compliance may be described as cooperation between national authorities and the society. Citizens contribute to the general welfare of a state by paying their taxes that will be used to provide public goods. However, as resources are scarce, citizens are competing for achieving the resources distributed by the state.

Taxpayers have to decide whether to cooperate with the government and honestly pay their taxes, which should result in a better situation for all citizens. Since opinions vary how taxes should be spent, it is of special importance to incorporate fairness issues when investigating tax compliance. If many taxpayers refrain from paying taxes, the government is not able to provide public goods at the loss of every citizen. The social dilemma of taxpaying is best solved when people voluntarily decide to cooperate with the government, since enforcement measures are costly (Alm and Torgler 2011; Alm et al. 2012; Kirchler 2007). Social identification with the group or nation has been argued to be a central factor influencing cooperative attitudes and behaviour (e.g. Hartner et al. 2011; Hartner-Tiefenthaler et al. 2012; Tyler and Blader 2000; Wenzel 2002a). Based on this assumption the group engagement model was developed to explain cooperation in social groups, organizations and societies (Hartner et al. 2008; Tyler and Blader 2000, 2003; Blader and Tyler 2009).

A fundamental assumption of the model is that an individual's willingness to cooperate with a social group or nation depends on the degree to which they identify with it (Blader and Tyler 2009; Turner 1982; Tyler and Blader 2000; 2003). When social identification is high, group membership is integrated into the self-concept and the group's goals and needs are perceived as one's own goals and needs. Consequently, group specific characteristics, attitudes and norms are internalized (Blader and Tyler 2009; Turner 1982; Tyler and Blader 2000).

The model is based on two sources from which individual group members receive identity relevant information, namely judgments about procedural justice and material resources (Blader and Tyler 2009). We argue that judgments about just punishment for rule-breaking are a further source of a positive social identity (Tajfel 1978; Tajfel and Turner 1986) and should therefore be taken into account.

The influence of procedural justice on cooperation has already been investigated in the tax context (Hartner et al. 2008; Murphy 2005; Murphy and Tyler 2008; Murphy et al. 2009). Judgments about procedural justice can be divided in relation to interactional and informational justice (Bies and Moag 1986; Greenberg 1993). Interactional justice implies that group members should be treated politely and respectfully, so that they feel their status is recognized by the respective group or society (Lind and Tyler 1988; Tyler and Blader 2003). Informational justice covers the aspect that everybody who is affected by a

decision should be provided with sufficient information and explanations (Greenberg 1993).

Furthermore, it has been suggested that citizenship behaviour can be created by promoting procedural justice. Through the sending out of different letter styles to taxpayers, M. Wenzel (2006) showed that cooperativeness is higher when taxpayers experience procedural justice.

The material resources people receive from a group serve as a source of information about their status in that group. Resource judgments encompass judgments about the perceived distributive justice (Cropanzano and Ambrose 2001) and judgments about outcome favourability.

*Distributive justice* builds on the assumption that people compare the resources they receive themselves to resources others receive using principles of justice or deservedness (Tyler et al. 1997). Taxpayers evaluate whether the taxes they have to pay are fair in exchange for the resources they obtain from the government (i.e. exchange justice), whether they are fair in comparison to the tax burden of people from the same (income) group (i.e. horizontal justice), or compared to people from different (income) groups (i.e. vertical justice); (Kirchler 2007; Wenzel 2003). Resources are scarce and thus taxpayers are competing for the provision of public goods. Therefore, it is of particular importance to distribute the tax burden and, in return, public goods in a fair and just manner. In the long run, the society on the whole is better off when citizens are contributing their share. Distributive justice of taxation is also related to national well-being. S. Oishi et al. (2012) found progressive taxation to be perceived as just and related to increased well-being of nations.

*Outcome favourability* refers to whether a certain outcome is positive or negative (Skitka et al. 2003). Tax authorities who aim for high tax compliance should consider outcome favorability in addition to outcome justice (Verboon and van Dijke 2007). In the context of taxation, V. U. Trivedi et al. (2003) showed that perceptions about being favourably treated had a positive effect. When participants discovered that they were beneficiaries of tax inequity they significantly increased their compliance.

It is argued that retributive justice should also be incorporated when studying cooperation of taxpayers with tax authorities. Retributive justice refers to the perceived justice of punishment in response to the violation of social rules or norms (Miller and Vidmar 1981; Tyler et al. 1997; Vidmar and Miller 1980; Wenzel 2003). If punishment is considered as just, people are likely to feel respected and valued by the group, its authorities and may identify with it.

Every violation of rules of the social group bears the message of contempt for the rules of the group (Hogan and Emler 1981; Miller and Vidmar 1981), which is perceived as threatening (Hogg and Abrams 1998; Tyler et al. 1997). Consequently, punishment may help to restore the social consensus that the violated rules and values are still intact (Miller and Vidmar 1981; Wenzel and Thielmann 2006). This value restoration function of punishment represents a distinctive form of justice called restorative justice (Wenzel and Thielmann 2006). Additionally, punishment may also incorporate a degradation of the offender and restores the balance of status and power in society. The offender expresses contempt for the victim and changes the relations of status and power in society (Heider 1958; Miller and Vidmar 1981; Vidmar and Miller 1980; Wenzel and Thielmann 2006).

When testing the group engagement model in the tax context, it was shown that motivational postures are relevant antecedents (Hartner et al. 2008). *Motivational postures* have been specifically developed for the tax context to

predict compliance with tax laws (Braithwaite 2003). In total, five motivational postures have been distinguished. The two postures of deference (i.e. commitment and capitulation) encompass an overall positive orientation towards taxpaying and the tax authority whereas the three postures of defiance (i.e. resistance, disengagement and game-playing) refer to an overall negative orientation. This differentiation into deference and defiance corresponds to the argument of K. W. Smith and K. A. Kinsey (1987) that an adequate explanation of tax compliance requires the investigation of positive and negative opinions. V. Braithwaite (2003) argues that motivational postures may vary depending on the social identity of taxpayers. Consequently, deference and defiance are expected to be influenced by national identification.

*Tax Compliance* is seen as cooperative behaviour with the government and is seen as the degree to which taxpayers are compliant with the tax law (James and Alley 2002). However, taxpayers do not like paying taxes and may find various ways to reduce their taxes, for example, by hiding some sources of income or making exaggerated deduction claims (Lea et al. 1987; Wenzel 2002b). There is a long tradition of explaining tax compliance from an economic perspective by taking into account deterrent measures such as tax audits and fines (e.g. Allingham and Sandmo 1972; Srinivasan 1973). However, deterrent measures are often too lenient to explain the high level of tax compliance (Aim et al. 1992; Graetz and Wilde 1985; Skinner and Slemrod 1985). Tax compliance does not solely result from a calculation of costs and benefits related to tax evasion, it may further develop on a voluntary base. If psychological variables are favourable (for a review see Kirchler 2007) the citizens bear responsibility and act according to the spirit of the law. Cooperation on the basis of internal motivation is the form preferred by authorities since it does not rely on provision of rewards and punishment (Kirchler et al. 2008; Tyler and Blader 2003). Consequently, tax compliance is expected to be influenced by internal psychological factors, such as justice considerations, motivational postures and national identification.

In sum, the present study was conducted to show that the predictions of the group engagement model also hold for explaining cooperative behaviour of taxpayers towards the government. According to the model experienced justice with respect to procedures applied by tax authorities (i.e. procedural justice) and received resources (i.e. resource judgments) is predicted to be positively related to national identification (Hypothesis 1). This is because being treated according to justice principles by authorities communicates that one is a valued and respected member of the society. Regarding the influence of justice of punishment, we expected a positive relation between justice of punishment and national identification. National identity is a complex topic and based on previous literature (Wenzel 2002a, 2002b; Tyler and Blader 2000, 2003) it will be tackled here in terms of the degree of identification with the nation (Hypothesis 2). By extending the group engagement model, it is argued that punishing tax offenders is relevant for taxpayers in many ways (cf. Wenzel 2003). If punishment is perceived as just in terms of retribution and value restoration, compliant taxpayers may perceive their own status as being restored and the social consensus about the violated values being re-established. This conveys positive messages for the own identity. Living in a society where the own values are respected should be of particular importance for citizens being highly identified with the nation (cf. Wenzel 2006). Furthermore, we expected national identification to be strongly related to the motivational postures (Hartner et al. 2008). National identification should be

positively related to deference, expressing a favourable stance towards taxpaying, and negatively related to defiance, expressing a negative stance towards taxpaying (Hypothesis 3). Behavioural cooperation in terms of tax compliance should be higher, when holding a stance of deference, and lower, when holding a stance of defiance (Hypothesis 4).

## METHOD

### Participants

In total, 474 self-employed Austrians completed the online survey (for details on data collection see Rechberger et al. 2009). Compared with data from Statistik Austria (2008) respondents were representative for self-employed Austrians with respect to age ( $M=45.29$ ,  $SD=10.44$ ;  $\chi^2=6.28$ ,  $df=9$ ,  $p=0.71$ ), but not to sex. Males were slightly over-represented with 69.83% in the sample compared to 65.08% in the population of self-employed Austrians ( $\chi^2=4.71$ ,  $df=1$ ,  $p<0.05$ ).

### Material

In total, 40 items addressing perceived justice, outcome favourability, national identification, motivational postures as well as tax compliance were presented on a seven-point Likert scale ranging from 1 (completely disagree) to 7 (completely agree) and are presented in the appendix. Forced response format was chosen for all items but tax compliance and socio-demographics to avoid reactance. Means, standard deviations, and correlations of averaged constructs and their dimensions are presented in Table I.

For construct validity of the items confirmatory factor analyses (CFA) were conducted with Amos 5 by using a second-order approach (Arbuckle 2003; Byrne 2001). Fit indices were very good and are listed in Table II.

## RESULTS

Structural equation modelling with Amos 5 (i.e. maximum likelihood method) was used to test the group engagement model. When conducting the analysis, the exogenous variables procedural justice, resource judgments, and justice of punishment were modelled as latent second-order factors, while national identification, motivational postures and tax compliance were modelled as latent first-order factors. Since it was already accounted for residual variance at the level of first-order factors, latent second-order factors were fixed to 1 having no residual variance (cf. Byrne 2001). Obtained fit indicators were satisfactory with  $\chi^2(720, n=474)=1470.03$ ,  $p<0.001$ , CFI=0.91, RMSEA=0.05, and probability of RMSEA being below 0.05 is 0.93).

It was tested whether the structural equation model shows better fit indices when the direct relations between justice considerations and motivational postures are included (cf. Hartner et al. 2008). Since the fit was significantly better for the model including direct relations ( $\Delta\chi^2=218.89$ ,  $\Delta df=6$  and  $p<0.001$ ), we opted for this model ( $\chi^2(714, n=474)=1201.14$ ,  $p<0.001$ , CFI=0.94, RMSEA=0.04, and probability of RMSEA being below 0.05 is 1). By testing iteratively, it was shown that elimination of any of the direct relations would result in a significantly worse-fitting model (cf. Reinecke 2005).

As can be seen in Figure 1, predictions made on grounds of the group engagement model of cooperation were largely supported. National identification was positively related to procedural justice and resource judgments

Variables	M	SD	1	2	3	4	5	6	7	8	9	10	11	12	13
1. National identity	4.74	1.34	1												
2. Procedural justice	4.68	1.22	0.17***	1											
3. Informational justice	4.64	1.28	0.16***	0.93***	1										
4. Interactional justice	4.76	1.44	0.14**	0.87***	0.63***	1									
5. Resource judgments	2.93	0.97	0.15**	0.31***	0.30***	0.25***	1								
6. Distributive justice	2.71	1.21	0.14**	0.29***	0.29***	0.23***	0.93***	1							
7. Outcome favorability	3.23	0.96	0.12*	0.23***	0.22***	0.20***	0.78***	0.50***	1						
8. Justice of punishment	8.63	1.54	0.12**	0.06	0.02	0.09*	-0.06	-0.10*	0.03	1					
9. Retribution	7.98	1.96	0.11*	0.05	0.01	0.08	0.00	-0.04	0.07	0.88***	1				
10. Value restoration offender	9.21	2.10	0.05	0.04	-0.00	0.09	-0.05	-0.07	0.01	0.70***	0.41***	1			
11. Value restoration society	9.30	1.76	0.11*	0.06	0.04	0.06	-0.13**	-0.15**	-0.05	0.75***	0.39***	0.56***	1		
12. Deference	4.87	1.24	0.24***	0.45***	0.41***	0.40***	0.39***	0.36***	0.31***	0.28***	0.26***	0.24***	0.16***	1	
13. Defiance	3.53	1.28	-0.08	-0.43***	-0.41***	-0.34***	-0.25***	-0.24***	-0.18***	-0.15***	-0.15**	-0.15**	-0.07	-0.45***	1
14. Tax compliance	5.68	1.31	0.05	0.12*	0.07	0.14**	0.05	0.09	-0.01	0.24***	0.19***	0.23***	0.17***	0.31***	-0.30***

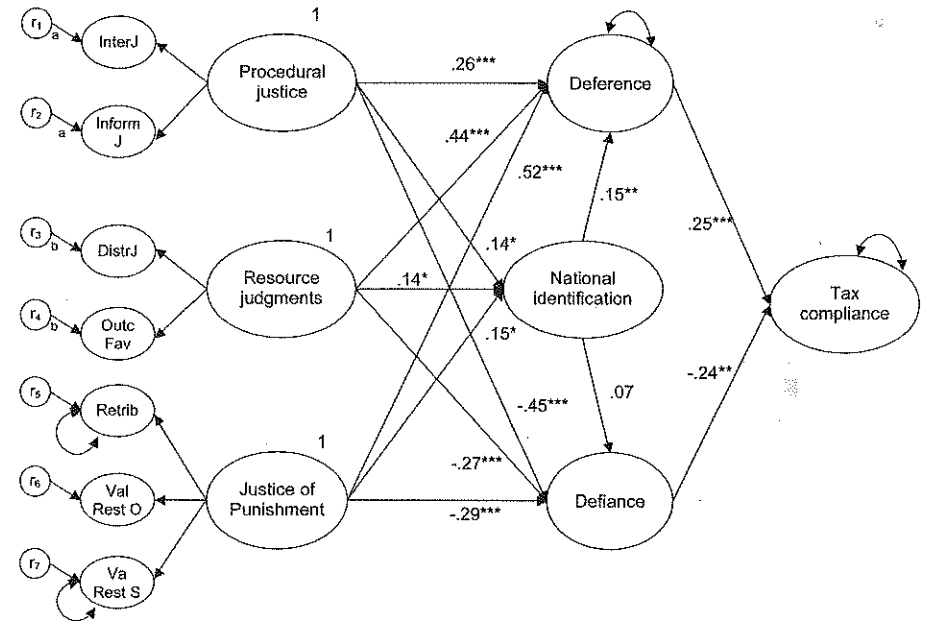
Table 1. Means, standard deviations, and correlations.

Variables	$\chi^2$	df	N	p	CFI	RMSEA	Probability RMSEA < 0.05
National identity	3.21	2	474	0.20	1	0.04	0.53
Procedural justice	8.45	4	474	0.08	1	0.05	0.45
Resource judgments	38.41	13	474	<0.001	0.97	0.06	0.14
Justice of punishment	135.50	38	474	<0.001	0.97	0.07	0.00
Deference	1.15	1	474	0.28	1	0.02	0.52
Defiance	2.05	2	474	0.36	1	0.01	0.69
Tax compliance	3.87	4	474	<0.001	1	0.00	0.83

Table 2: Measurement models for construct validity.

(each with  $\beta=0.14$ ,  $p<0.05$ ) supporting Hypothesis 1. In line with Hypothesis 2, justice of punishment proved to significantly influence national identification ( $\beta=0.15$ ,  $p<0.05$ ).

Additionally, national identification held a positive relation to deference ( $\beta=0.15$ ,  $p<0.01$ ), while the relation to defiance was statistically not significant ( $\beta=0.07$ ,  $p=0.22$ ), providing only partial support for Hypothesis 3. Tax compliance was positively related to deference ( $\beta=0.25$ ,  $p<0.001$ ) and negatively to defiance ( $\beta=-0.24$ ,  $p<0.01$ ) supporting Hypothesis 4.



Note: N=474; \* $p<0.05$ ; \*\* $p<0.01$ ; \*\*\* $p<0.001$

Figure 1: Results of the structural equation model.

Testing the direct effects of justice considerations on motivational postures, we found deference being strongly related to procedural justice ( $\beta=0.26$ ,  $p=0.001$ ), resource judgments ( $\beta=0.44$ ,  $p=0.001$ ) and justice of punishment ( $\beta=0.52$ ,  $p=0.01$ ). Defiance showed strong negative relations to procedural justice ( $\beta=-0.45$ ,  $p=0.001$ ), resource judgments ( $\beta=-0.27$ ,  $p=0.001$ ), and justice of punishment ( $\beta=-0.29$ ,  $p=0.001$ ).

## DISCUSSION

One aim of the present study was to research tax compliance on the basis of an extended version of the group engagement model of cooperation (Blader and Tyler 2009; Tyler and Blader 2003; Hartner et al. 2008). The model has been extended by considering issues about the justice of punishment. Making up one's mind about the fairness of taxes is not an easy task. A prerequisite for that is the knowledge and understanding of the rationale behind the tax law. Thus, citizens should be taught about basics in tax law. However, despite a potential high assessment of procedural justice due to this transparent approach there is still the risk that citizens consider distributive justice as low when they do not approve the spending of taxes.

Summing up the results, it was demonstrated that procedural justice and resource judgments are positively related to national identification (Hypothesis 1). People use these justice judgments to make inferences about their standing in the social group, and therefore, identify more strongly with the social groups providing favourable information (Tyler and Blader 2000, 2003). As an extension of the model, the dimension of justice was enhanced by an additional form of justice, that is, justice of punishment. The present data support this prediction of a positive relationship between justice of punishment and national identification (Hypothesis 2). The relations between the three aspects of justice judgments and national identification were – although rather weak – of equal strength, indicating that people consider all three kinds of justice judgments as equally relevant.

Expectations about the relations between national identification and motivational postures could only be supported partially (Hypothesis 3). While the positive relation between national identification and deference was significant, the negative relation between national identification and defiance could not be demonstrated in this study. However, an earlier study among Australian taxpayers showed the negative relation between national identification and defiance (Hartner et al. 2008). Analogous to previous studies, national identity was operationalized in the present study by the degree of identification. However, it would have also been interesting and a valuable incorporation to analyse the content or meaning of the national identity. Then one could answer what belonging to Austria means for the individuals. Is it among others the citizen's moral obligation to pay taxes?

In correspondence with Hypothesis 4, tax compliance was positively related to deference and negatively to defiance. In the present study, the influence of deference and defiance on tax compliance was equally strong. However, earlier studies show a stronger influence of defiance (Hartner et al. 2008). This difference may be explained by a different focus in measuring tax compliance. The present study focused more on tax compliance in terms of deductions, while the other one focused more on tax compliance in terms of declared income.

A major strength of the present study is that it is based on a representative sample of self-employed taxpayers in Austria. Self-employed taxpayers

were chosen because they have to pay their taxes out-of-pocket and thus think more about optimizing their tax payments than employed people who have their taxes been paid by their employers. Furthermore, they have more opportunities to evade taxes than others (e.g. more deductions can be claimed).

One possible limitation of the study is its reliance on self-reported tax compliance. However, research on tax compliance frequently uses self-report data, since opportunities to get real behavioral data of taxpayers are rare. In order to avoid that the respondents lie about their tax compliance, we allowed skipping these questions. Furthermore, due to the correlative nature of the data, causal relations should only be interpreted with caution.

The extension of the group engagement model allows statements about the influence of just punishment on national identification or tax compliance. When authorities punish offenders, they clearly show that the violation of important rules will not be tolerated and that individuals should not attempt to improve their own position unfairly in relation to others. Through punishment for tax evasion, which may take the form of fines or – in extreme cases – imprisonment, tax evaders may lose their favourable economic or social status. Furthermore, punishment of tax evaders communicates that tax evasion is not a minor concern.

What recommendations can be drawn for improving compliance with tax laws? The present study suggests that all three aspects of justice judgments are important for taxpayers and should be considered when the government communicates with their citizens.

Regarding resource judgments, it might be difficult to communicate to taxpayers that their tax payments and benefits are in line with distributive justice in particular when being in a high income group and paying a higher percentage of taxes on their income than most other taxpayers. This issue is also addressed by those who call for the implementation of a flat tax system. However, there is a way for the tax authority to improve the taxpayers' perceptions of received resources by pointing out the many different ways, in which individual taxpayers benefit from tax funded goods. Different campaigns could be offered for different groups of taxpayers to increase perceptions of exchange justice. In particular, campaigns should emphasize the benefits provided by the tax system, which are not evident but have a high acceptance among citizens. Furthermore, when addressing groups of taxpayers differently, cognitive bias should be taken into account. It has been shown that the preferred tax burden depends on the frame presented (e.g. opinions about a fair tax burden differ when presented in actual amounts of money or in percentages (McCaffery and Baron 2003)). Another possibility would therefore be to teach citizens in tax law in order to create an understanding and awareness for legal possibilities of tax reduction according to the spirit of the law.

When it comes to procedural justice, Wenzel (2006) demonstrated that taxpayers react with higher tax compliance when communication with the tax authorities corresponds to interactional and informational justice. This knowledge about the effect of informational justice is already used by governments. Recently, the Austrian ministry of finance has shown a cooperative attitude by sending out letters to inform taxpayers about their right to reclaim a certain part of their income tax. Interactional justice can be strengthened by treating taxpayers in a friendly and respectful manner with the determination to provide services to their clients instead of a negative perspective in

which taxpayers are seen as being potential criminals that need to be caught for evading taxes (cf. Kirchler et al. 2008).

Regarding just punishment it can be concluded that if tax authorities punish tax evaders too inadequately or execute a tax amnesty, it may be considered as unfair by honest taxpayers and may make them, in the long run, evade taxes themselves (e.g. Hasseldine 1998; Parle and Hirlinger 1986). In line with the responsive regulation approach it is argued that authorities should act according to the beliefs and attitudes of the taxpayers. Tax authorities should react with cooperative strategies towards taxpayers showing compliant behaviour and severe sanctioning towards taxpayers showing deviant behaviour (Alm and Torgler 2011; Ayres and Braithwaite 1992; Braithwaite 2007).

In conclusion, the present study demonstrates that the group engagement model of cooperation can be successfully applied to explaining tax compliance and that the model should be supplemented by perceptions of just punishment. If the government wants to increase tax compliance, our data suggest that it is a good starting point to treat taxpayers with respect and give them adequate information (i.e. procedural justice). In this way taxpayers will feel respected and appreciated as valued member of the society. Additionally, the ways taxpayers benefit from tax-funded goods have to be pointed out (i.e. resource judgments). Taxpayers should be taught about the tax system and the ways to reduce the tax burden according to the spirit of the law. By these educational measures it is aimed to increase distributive justice. Finally, it has to be made clear that tax evaders receive their deserved punishment. This would signal that tax evasion is against societal values (i.e. justice of punishment) and cannot be tolerated by the respective authorities. Increasing the different kinds of justice perception relates to higher identification with the nation and particularly to favourable motivational postures about taxpaying resulting in an improvement of the citizenship behaviour by complying with tax law.

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## APPENDIX

### Interactional justice

Employees of the tax office are friendly.

Employees of the tax office treat taxpayers respectfully.

### Informational justice

Employees of the tax office provide adequate information to taxpayers.

Employees of the tax office are willing to answer questions.

Employees of the tax office hold back important information.

### Distributive justice

The Austrian tax system distributes the tax burden fairly among all tax payers.

The benefits of the Austrian state are distributed fairly among all people.

Overall, the relation between governmental benefits and tax rates is fair in Austria.

Opportunities to reduce tax are fairly distributed among all taxpayers.

### Outcome favorability

In Austria tax rates are higher than in other countries.

In Austria taxes are rather used for the benefit of all Austrians than in other countries.

In Austria there are more opportunities to reduce taxes legally than in other countries.

2. Expressions in brackets indicate that error terms between the corresponding items have been correlated during structural equation modelling.

#### *Retribution*

Jurisdiction in Austria should allow *[allows]* adequate punishment for tax evaders. [c1<sup>2</sup>]

Jurisdiction in Austria should guarantee *[guarantees]* that tax evaders receive their deserved punishment. [c1]

Jurisdiction in Austria should guarantee *[guarantees]* that tax evaders expiate for their offense.

Jurisdiction in Austria should guarantee *[guarantees]* that tax evaders receive a punishment that has an impact on them.

Jurisdiction in Austria should guarantee *[guarantees]* that tax evaders are not treated too gently. [c2]

Jurisdiction in Austria should guarantee *[guarantees]* that tax evaders are punished rigorously. [c2]

#### *Values restoration offender*

Jurisdiction in Austria should guarantee *[guarantees]* that tax evaders have the chance to see that tax evasion is immoral.

Jurisdiction in Austria should guarantee *[guarantees]* that tax evaders have the possibility to learn how to comply with Austrian tax-laws.

#### *Values restoration society*

Jurisdiction in Austria should guarantee *[guarantees]* that all Austrians can learn the values and rules on which the Austrian tax system is grounded. [c3]

Jurisdiction in Austria should guarantee *[guarantees]* that all Austrians understand that tax evasion is against values of the Austrians. [c3]

Jurisdiction in Austria should allow *[allows]* that all Austrians develop a consciousness that tax evasion is not right.

#### *National identification*

I am a typical Austrian.

When the Austrians are praised, I am pleased.

I feel closely connected to other Austrian people.

I like being Austrian.

#### *Deference*

Paying my tax ultimately advantages everyone.

Paying tax is the right thing to do.

If you cooperate with the Tax Office Austria, they are likely to be cooperative with you. [c4]

Even if the Tax Office in Austria finds that I am doing something wrong, they will respect me in the long run as long as I admit my mistakes. [c4]

#### *Defiance*

As a society, we need more people willing to take a stand against the Tax Office in Austria.

It's impossible to satisfy the Tax Office in Austria completely.

I don't care if I am not doing the right thing by the Tax Office in Austria.

If the Tax Office in Austria gets tough with me, I will become uncooperative with them.

#### *Tax compliance*

I have never consciously indicated exaggerated expenses in a tax declaration. [c5]

I partly write off private expenses against tax. *[reversed]*

I collect bills from my friends and acquaintances about expenses which I could use for my tax declaration. *[reversed]*

I am always completely honest with my tax declaration. [c5]

I write off travelling costs against tax for trips I did not make for my profession. *[reversed]*

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