

"A man is  
great by  
deeds, not by  
birth"  
-Chanakya

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**The Determinants of Tax Morale in India**

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## **The Determinants of Tax Morale in India**

### **Abstract:**

India's tax revenue performance remains sub-optimal despite several tax reforms initiated by the government. One aspect of low tax compliance that policymakers in India have overlooked is the taxpayers' moral sentiments towards tax payment, which is captured through the tax morale concept. Tax morale helps in explaining why taxpayers voluntarily pay taxes even when standard deterrent factors such as audits or penalties are absent. Therefore, understanding the factors influencing tax morale can help implement appropriate policies to improve tax revenue productivity by better understanding tax compliance behaviour. In this context, this paper aims to examine the factors determining tax morale in India using an independent survey. The results reveal that tax morale in India is shaped by age, participation in groups or associations, employment and income status, level of financial satisfaction, tax burden, trust in government, national pride, efficiency of public spending, and level of corruption.



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