Effect of Electronic Filing and Payment System (e-FPS) Implementation on the Tax Compliance of Sole Proprietor Taxpayers in RDO 54A-East Cavite Moderated by Taxation Socialization

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Abstract— This study examined the impact of implementing the Electronic Filing and Payment System (e-FPS) and conducting taxation socialization activities on tax compliance among sole proprietorships in RDO-54A East Cavite. It aimed to identify taxpayer characteristics and their perception of e-FPS implementation and taxation socialization. The study found that sole proprietors generally complied with tax obligations, but faced challenges with filing compliance. The research proposed a position paper to enhance tax compliance, addressing issues and recommendations. It suggested further research on tax compliance variables and analyzing the behavior of the entire taxpaying public to improve tax collection efforts.

Keywords— Tax Compliance, Taxation Socialization, Electronic Filing and Payment System (e-FPS), and e-Filing.

I. INTRODUCTION

Taxation is the state's power to compel individuals and organizations to pay taxes, and it is regulated in the Philippines primarily by the constitution, which establishes a progressive taxation scheme. This scheme means that the tax burden of a taxpayer increases in proportion to their income. The Tax Reform Act of 1997, also known as Republic Act # 8424, resulted in the National Internal Revenue Code (NIRC), which governs the country's taxation policies. The most recent amendment to the tax laws in the Philippines is the Tax Reform for Acceleration and Inclusion Law, also known as RA #10963 or the TRAIN law. This law revised certain provisions of the NIRC, particularly affecting various tax types. Additionally, the COVID-19 pandemic had an impact on taxation in the Philippines, leading to the enactment of the Corporate Recovery and Tax Incentives for Enterprises Act or CREATE law, which provides lower tax rates for a specific period of time to help businesses recover from the effects of the pandemic. The Bureau of Internal Revenue (BIR) is the primary government organization responsible for enforcing tax collection guidelines in the country.

As a member of ASEAN and neighboring Asian and Pacific countries, the Philippines falls below the standard set by the Organization for Economic Cooperation and Development (OECD). Data from the International Monetary Fund (IMF, 2005) indicate that in 2003, the BIR collected only $1.6 billion in personal income taxes from less than 2 million individuals in a country with a population of around 86 million. This highlights the Philippines' lower tax compliance rates compared to other neighboring countries in the region.

In the Philippines, the BIR introduced the electronic filing and payment system (e-FPS) through Revenue Regulation 9-2001 (RR-9-2001) on August 3, 2001, to streamline the process of filing and paying tax returns. Large taxpayers, including the top 20,000 private corporations, the top 5,000 individual taxpayers, corporations with a paid-up capital stock of Php 10 million, and entities registered in special economic zones, are mandatorily required to file through the e-FPS. However, taxpayers not included in the e-FPS filing are still burdened with complicated manual tax procedures.

Sole proprietorship taxpayers constitute a significant portion of Philippine taxpayers, yet they are often overlooked, especially in terms of government tax programs. For example, the Corporate Recovery and Tax Incentives for Enterprises (CREATE) law, released to benefit corporations during the pandemic, does not directly benefit sole proprietors, who were equally affected by the economic downturn.

Revenue District Office 54A-East Cavite, under the jurisdiction of Revenue Region 9A-(CaBaMiRo) covering the provinces of Cavite, Batangas, Mindoro, and Romblon, has the highest rate of complaints against sole proprietor taxpayers regarding tax compliance. This district receives an average of 50 to 60 complaints per quarter, compared to single-digit complaint averages in other districts within the region. Out of the 40,513 registered sole proprietors in the district, only 1,180 are currently using the e-FPS. This study aims to examine the issue of tax compliance in the district, evaluate the implementation of the e-FPS, and assess sole proprietors' perception of taxation socialization activities conducted in the district.

II. MATERIALS AND METHODS

A. Research Design

This study utilized a descriptive research design to gather factual and concise information about specific characteristics. Primary data was collected through survey questionnaires

distributed to sole proprietorship taxpayers in RDO 54-A Cavite East, while secondary information was gathered from journals and related studies. The study focused on analyzing the effects of e-FPS filing use and taxation socialization on tax compliance. The goal was to enhance taxpayers' willingness to fulfill their obligations through the e-filing system. The descriptive research design allowed for the collection and description of relevant data to address the research objectives and understand the relationships among the variables of interest.

B. Respondents

The study focused on sole proprietor taxpayers registered at RDO 54-A East Cavite, with a total registered population of 40,513. Out of this population, 1,841 taxpayers were using e-FPS for tax filing. Among the cities and municipalities under RDO 54A-East Cavite, Dasmarinas City had the highest number of e-FPS users, with 290 registered sole proprietor taxpayers. The sample size for the study was determined to be 166 respondents, randomly selected from the list of sole proprietors enrolled in e-FPS in Dasmarinas City. The respondents were characterized as those registered in the Bureau, with a business or registered address in Dasmarinas City and willing to answer the research questions. The retrieval rate for the survey was 83%, with unresponsive participants replaced through random selection from the list of not yet selected participants.

C. Data Gathering Instrument

The researcher prepared a draft survey questionnaire and incorporated comments and suggestions from the thesis adviser and panel members. The final draft was validated and checked by the grammarian for grammatical errors. The questionnaire was piloted among 30 sole proprietorship taxpayers in RDO 54-B West Cavite. The collected data were tabulated and submitted to the statistician for reliability and validity testing, which yielded acceptable results. The survey questionnaire was then shared with the actual respondents, either through face-to-face encounters or online. The questionnaire aimed to collect data on the demographic profile and address the research problem. The nature of business was classified into 14 categories, and size and years in operation were categorized accordingly. The survey tool was divided into sections related to tax compliance, e-FPS, and tax socialization, each using a Likert scale.

TABLE 1. Scoring and Interpretation for Level of Tax Compliance

Response Scale	Mean Score	Response	Interpretation
4	3.50 – 4.00	Always	Very High Compliance
3	2.50 – 3.49	Often	High Compliance
2	1.50 – 2.49	Seldom	Low Compliance
1	1.00 – 1.49	Never	Non-Compliance

Table 2 shows the scoring and interpretation for satisfaction on e-FPS Implementation.

Table 3 shows the scoring and interpretation for perception on tax socialization.

TABLE 2. Scoring and Interpretation for Satisfaction on e-FPS Implementation

Response Scale	Mean Score	Response	Interpretation
4	3.50 – 4.00	Strongly Agree	Very Satisfied
3	2.50 – 3.49	Agree	Satisfied
2	1.50 – 2.49	Disagree	Dissatisfied
1	1.00 – 1.49	Strongly Disagree	Very Dissatisfied

TABLE 3. Scoring and Interpretation for Perception on Tax Socialization

Response Scale	Mean Score	Response	Interpretation
4	3.50 – 4.00	Strongly Agree	Highly Evident
3	2.50 – 3.49	Agree	Evident
2	1.50 – 2.49	Disagree	Least Evident
1	1.00 – 1.49	Strongly Disagree	Not Evident

III. DATA GATHERING PROCEDURES

The researcher conducted the actual survey after obtaining approval for the dry run. A letter was sent to the office of the Revenue District Officer 54A-East Cavite to inform them of the data gathering activity. The survey questionnaires were distributed to the intended respondents, with 101 given face-to-face and 65 through other means such as online links. The reliability test results showed acceptable values for various variables. The distribution of survey questionnaires began on April 18, 2023, and a total of 200 surveys were sent out, with 166 respondents ultimately providing responses. Follow-ups were conducted every three days, resulting in a retrieval rate of 83%. The data gathering process concluded on May 1, 2023.

A. Statistical Treatment

Statistical analysis was crucial in the data gathering process of this study, focusing on the relationship between e-FPS filing, tax compliance, and taxation socialization. The Statistical Package for Social Sciences (SPSS) was utilized for analysis. Tools such as frequency, percentage, standard deviation, statistical mean, ANOVA, linear regression analysis, and Scheffe Test were employed to describe demographics, assess responses, test differences among groups, and examine the effects and moderation of e-FPS implementation and taxation socialization on tax compliance.

B. Results and Discussions

Table 4 results reveal that the largest percentage of respondents in the revenue district are involved in wholesale and retail trade, comprising 22.3% (37 out of 166) of the participants. Other significant sectors include other service activities (9.6%), construction (9%), transportation and storage, and accommodation and food service activities (7.8% each). Agriculture, forestry, and fishing, electricity, gas, steam, and air conditioning supply, and professional,

scientific, and technical activities each make up 6.6% of the participants. Administrative and support service activities account for 6% of the respondents, while arts, entertainment, and recreation represent 4.2%. Finally, information and communication, financial and insurance activities, education, and human health and social activities have the smallest number of respondents, each at 2.4%.

TABLE 4. Distribution of Respondents by Nature of Business

Nature of Business (PSIC Classification)	Frequency	Percent
Agriculture, forestry, and fishing	11	6.6
Manufacturing	6	3.6
Electricity, gas, steam and air conditioning supply	11	6.6
Construction	15	9.0
Wholesale and retail trade; Repair of motor vehicles and motorcycles.	37	22.3
Transportation and storage	13	7.8
Accommodation and food service activities	13	7.8
Information and communication	4	2.4
Financial and insurance activities	4	2.4
Professional, scientific, and technical activities	11	6.6
Administrative and support service activities	10	6.0
Education	4	2.4
Human health and social work activities	4	2.4
Arts, Entertainment and Recreation	7	4.2
Other service activities	16	9.6
Total	**166**	**100.0**

The table 5 illustrates the distribution of sole proprietorship respondents within the revenue district based on their gross sales or receipts. The majority of respondents, comprising 54 out of 166 participants or 32.5%, fell within the ranges of Php 1,000,000.00 to Php 25,000,000.00 and Php 50,000,000.01 to Php 100,000,000.00 per annum. The next size category, ranging from Php 25,000,001 to Php 50,000,000.00, had 43 responses out of 166 respondents, accounting for 25.9%. Only 15 out of 166 respondents reported earning over Php 100 million per annum.

TABLE 5. Distribution of Respondents by Size of Business

Size of Business	Frequency	Percent
Php 1M - Php 25M	54	32.5
Php 25,000,001 - Php 50M	43	25.9
Php 50,000,001 - Php 100M	54	32.5
More than Php 100M	15	9.0
Total	**166**	**100.0**

TABLE 6. Distribution of Respondents by Years in Operations

Years in Operations	Frequency	Percent
Less than 1 year	1	.6
1 year to 5 years	51	30.7
More than 5 years to 10 years	71	42.8
More than 10 years	43	25.9
Total	**166**	**100.0**

The data on the table 6 shows that a large chunk of the respondents in the district that has been using e-FPS were mainly in operations for the last five (5) years to ten (10) years, which gains almost half of the respondents questioned garnering seventy one (71) out of one hundred sixty-six (166) respondents or forty two point eight (42.8). Being followed be 1 year to 5 years in operations having fifty one (51) responses over one hundred sixty six (166) respondents or thirty point

seven per cent. Next is more than ten (10) years in operations which gathered a total of forty three (43) responses over the one hundred sixty six (166) respondents or twenty five point nine per cent. Lastly, only one (1) response over one hundred sixty-six (166) respondents has been recorded for the less than 1 year in operations or point six per cent (.6).

The table 7 shows composite mean of all tax compliance questions in the table is 3.33, indicating high compliance among the sole proprietorship respondents in RDO-54A East Cavite. This implies that they generally register and timely file tax information, report accurate information with good record keeping, and fulfill their tax obligations. The activity with the highest mean score is paying taxes on time, demonstrating consistent adherence. However, the activity related to filing compliance, specifically avoiding un-filed or un-paid taxes, received a lower mean of 2.89, indicating some respondents neglect filing returns when no taxes are due. Grouping taxpayers and considering factors influenced by authorities, such as the Bureau of Internal Revenue, can help understand the gap between very high and high compliance levels.

TABLE 7. Level of Tax Compliance

Tax Compliance Particulars	Mean	Interpretation
1.I pay taxes on time.	3.51	Very High Compliance
2.I file and pay my taxes willingly and correctly.	3.49	High Compliance
3.I have been filing and paying completely all tax types registered in my BIR Certificate of Registration (2303).	3.43	High Compliance
4.I have no unfiled or unpaid taxes (open-cases) as to date	2.89	High Compliance
5.I am completely disclosing necessary information, and all other information needed to be drawn from me being a registered taxpayer on my returns every time I am filing it. (Details like correct business address, TIN, etc.)	3.48	High Compliance
6.I am voluntarily paying my annual registration fee (0605) before January of every year ends as a sole proprietor, without other authorities requiring me to do so.	3.46	High Compliance
7.I keep and save the proofs of all my BIR filings or payments.	3.40	High Compliance
8.I make sure that there are valid proofs of income and expenses on figures being reflected on my BIR returns.	3.31	High Compliance
9.I pay taxes appropriate with the applicable rules (e.g correct BIR RDO, Banks, e-FPS and venue)	3.38	High Compliance
10.I have submitted all periodic reportorial reports (e.g Inventory List, SLSP, QAP, Alpha lists, etc.) that are applicable to my tax types.	3.01	High Compliance
Composite Mean	**3.33**	**High Compliance**

Table 8 shows composite mean for performance expectancy on e-FPS is 2.82, indicating satisfaction among users. The statement regarding the usefulness of e-FPS in tax filing and payment obligations received the highest mean of 3.27, aligning with its purpose as introduced by Revenue

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Regulation 9-2001. However, items related to e-FPS's usefulness in slow or intermittent internet connections and providing updated tax return versions scored the lowest means of 2.04 and 2.05, respectively. These concerns were not addressed in previous research, unlike this study, which highlights these issues despite the long availability

TABLE 8. Satisfaction on e-FPS implementation in terms of Performance Expectancy

Performance Expectancy	Mean	Interpretation
1.The e-FPS enables user to file and pay taxes 24 hours/ day, 7 days/week.	3.17	Satisfied
2. The e-FPS removes the long queues of going to BIR and bank when paying or filing taxes.	3.20	Satisfied
3.The e-FPS via the internet will still be useful even in times of slow and intermittent internet connection.	2.04	Dissatisfied
4.e-FPS is useful in tax filing and paying obligations.	3.27	Satisfied
5.The e-FPS makes filing and payment of taxes available anywhere as long as with internet connection in place.	3.20	Satisfied
6.The e-FPS can provide updated versions of tax returns.	2.05	Dissatisfied
Composite Mean	**2.82**	**Satisfied**

The composite mean shown on Table 9 for the assessment of e-FPS implementation as an e-filing system indicates user satisfaction in terms of effort efficiency, with a mean score of 3.11. This suggests that sole proprietorship taxpayers are generally satisfied with the system's ease of use for tax payment and filing, aligning with previous research. The item indicating that e-FPS makes payment and filing easier received the highest mean score of 3.33, emphasizing the importance of effort expectancy in user acceptance. However, the item "the e-FPS use is not stressful" received the lowest mean score of 2.43, indicating dissatisfaction. This stress may be connected to concerns related to performance expectancies, such as slow or intermittent internet connection and the inability to provide updated tax return versions, which can cause user stress and dissatisfaction.

TABLE 9. Satisfaction on e-FPS implementation in terms of Effort Expectancy

Effort Expectancy	Mean	Interpretation
1.The e-FPS makes tax filing and payment easier.	3.33	Satisfied
2.The e-FPS is user-friendly and easier to fill-out.	3.27	Satisfied
3.The e-FPS provides clear step by step instructions which are easy to follow.	3.22	Satisfied
4.The e-FPS requires less effort and time to operate.	3.25	Satisfied
5.The e-FPS reduces costs associated with conventional manual filing and payment of returns.	3.14	Satisfied
6.The e-FPS use is not stressful.	2.43	Dissatisfied
Composite Mean	**3.11**	**Satisfied**

The table 10 shows a composite mean of 3.12, indicating satisfaction in meeting the social expectancy of e-FPS implementation. The respondents in East Cavite perceive the

e-FPS system positively from a social standpoint, aligning with the belief that others view e-filing as important. The item "The use of e-FPS is highly encouraged by the BIR for filing and payment of taxes" received the highest mean score of 3.28, highlighting the impact of the Bureau of Internal Revenue (BIR) as the implementing and regulating authority of the e-FPS system. However, the item "The use of e-FPS is highly recommended by suppliers in the industry" received a lower mean score of 2.88, suggesting that the encouragement from suppliers has less impact on sole proprietorship taxpayers' adoption of e-FPS, as suppliers may have their own criteria for choosing business partners.

TABLE 10. Satisfaction on e-FPS Implementation in terms of Social Expectancy

Social Expectancy	Mean	Interpretation
1.The use of e-FPS is the practice of the industry	3.20	Satisfied
2.The use of e-FPS provides business connections (e.g suppliers, customers prefer e-FPS taxpayers).	3.01	Satisfied
3.The use of e-FPS is highly encouraged by the BIR for filing and payment of taxes.	3.28	Satisfied
4.The use of e-FPS is highly recommended suppliers in the industry	2.88	Satisfied
5.The use of e-FPS is highly recommended by business professionals.	3.20	Satisfied
6.The use of e-FPS is highly suggested by the governing authorities (e.g LGU's, DTI, etc).	3.14	Satisfied
Composite Mean	**3.12**	**Satisfied**

TABLE 11. Perception on Taxation Socialization by Direct Counseling

Taxation Socialization by Direct Counseling	Mean	Interpretation
1.BIR provides face to face counseling and enough professional service and assistance to taxpayers.	3.44	Evident
2.BIR gives enough advice and information that can rely on through face to face seminars and counseling.	3.36	Evident
3.BIR conducts of consultation or counseling regarding taxpayer's obligation is more informative when done face to face.	3.26	Evident
4.BIR facilitates in person tax awareness activities that are remarkable and helpful for taxpayers.	3.23	Evident
5.BIR performs face to face tax awareness activities that promote its various programs for taxpayers.	3.26	Evident
Composite Mean	**3.31**	**Evident**

The results on table 11 indicate that the existing taxation socialization activities of the revenue district were found effective by sole proprietorships, with a composite mean of 3.31. The Bureau of Internal Revenue (BIR) conducts face-to-

face seminars and briefings to disseminate tax knowledge, and the item "BIR provides face-to-face counseling and enough professional service and assistance to taxpayers" received the highest mean score of 3.44, showing that respondents are receiving adequate support from the Bureau. However, the item "BIR facilitates in-person tax awareness activities which are remarkable and helpful for taxpayers" received a lower mean score of 3.23, suggesting that the effectiveness of such activities may vary based on individual taxpayers' needs and perspectives. Taxation socialization aims to convey messages and change attitudes, opinions, and behaviors related to taxation.

The table 12 on Taxation Socialization through Social Media shows a composite mean of 3.08, indicating that respondents perceive the socialization activities of the revenue district as effective and informative. The highest mean scores were obtained for items related to regular updates on revenue issuances and procedures, tax compliance matters, and answering tax obligation queries on social media platforms, indicating that sole proprietorship taxpayers stay informed about the latest taxation matters through social media. However, the statement regarding responsive social media pages for taxpayer queries received a slightly lower mean score, suggesting a need for improvement in providing timely responses. Tax socialization can also be done through television, as discussed by other studies, but this study focused on data collection from direct recipients of socialization activities.

TABLE 12. Perception on Taxation Socialization through Social Media

Taxation Socialization through Social Media	Mean	Interpretation
1. The BIR is posting regular updates on revenue issuances and procedures on social media like (FB, Tiktok, etc.)	3.10	Evident
2. The BIR is posting regular updates on social media platforms on tax compliance matters and issues, making it more convenient and remarkable.	3.10	Evident
3. The BIR is using social media platforms to answer tax obligation queries clearly and more effectively.	3.10	Evident
4.The BIR uses the social media platform to connect recent tax issuances in a simpler and easier manner that an ordinary taxpayer can understand.	3.05	Evident
5.The BIR provides responsive social media pages for queries of taxpayers.	3.04	Evident
Composite Mean	3.08	Evident

The table number 13 indicates that the perception of tax socialization through television media received a composite mean of 2.87, interpreted as evident. Despite being evident, this mode of socialization had the lowest mean score among the three modes. It suggests that although sole proprietorship respondents found the television activities effective, there are

certain aspects that are lacking. The highest mean score of 2.99 was obtained for the item related to using TV to encourage taxpayer compliance. On the other hand, the lowest mean score of 2.76 was obtained for the item regarding frequent television exposures during tax deadlines, which may be attributed to the use of descriptive words such as "frequently" affecting respondents' perception.

TABLE 13. Perception on Tax Socialization through the Media of Television

Taxation Socialization through Media of Television	Mean	Interpretation
1.The BIR is using mainstream media like television to promote its new programs.	2.85	Evident
2.The BIR is conducting tax awareness programs aired on TV to remind taxpayers of their tax obligations.	2.89	Evident
3.The BIR is using TV to encourage taxpayers to comply.	2.99	Evident
4.The BIR Television exposures were frequently seen during tax deadlines, which remind and informative.	2.76	Evident
5.The BIR TV appearances provide up-to-date information vital to a taxpayer.	2.87	Evident
Composite Mean	2.87	Evident

Table 14 shows a positive correlation (R = .096) between e-FPS implementation and tax compliance. However, only 0.09% of the variation in tax compliance can be explained by e-FPS implementation, and the regression model does not have a significant effect on tax compliance (F-value = 1.524, p-value = .219). The comments from actual taxpayers highlight issues such as slow processing, missing documents, and system problems, which may affect compliance. Overall, the study finds high compliance among respondents, who seek alternatives to fulfill their tax obligations. The difference in results compared to other studies may be attributed to factors like alternative filing facilities and manpower limitations. Some studies support a positive and significant effect of e-filing on tax compliance, while others conclude that the effect is not proven.

TABLE 14. Effect of e-FPS Implementation and Tax Compliance

Variable	B	Std. Error	t-value	p-value	Decision on Ho	Interpretation
Constant	2.861	.387	7.396	.000	-	-
e-FPS Implementation	.157	.127	1.234	.219	Failed to Reject	Not Significant

Model Summary: R = .096; R^2 = .009
Regression Model: F = 1.524; p = .219

Table 15 shows a positive correlation (R = .063) between taxation socialization and tax compliance. However, only 0.04% of the variation in tax compliance can be explained by taxation socialization, and the regression model does not have a significant effect on tax compliance (F-value = .654, p-value = .420). The findings suggest that there is no statistically

significant correlation between taxation socialization and tax compliance. Different studies have shown mixed results, with some indicating a significant effect and others showing no effect or a moderating effect. Cultural backgrounds and the general approach of taxation socialization activities may influence the results. Additionally, taxation socialization can be subjective, and what may be effective for some may not be perceived as effective by others.

TABLE 15. Effect of Taxation Socialization on Tax Compliance

Variable	B	Std. Error	t-value	p-value	Decision on H_o	Interpretation
Constant	3.656	.398	9.192	.000	-	-
Taxation Socialization	-.104	.128	-.809	.420	Failed to Reject	Not Significant

Model Summary: R = .063; R² = .004
Regression Model: F = .654; p = .420

The study explores the moderating effect of taxation socialization on e-FPS implementation and tax compliance among sole proprietor taxpayers in Revenue District 54A-East Cavite. The results from Tables 14 and 15 show no statistical significance between e-FPS implementation and tax compliance, as well as between taxation socialization and tax compliance. This contradicts previous research findings that suggested a moderating effect of taxation socialization on tax compliance. However, it aligns with other studies that concluded no significant moderation between taxation socialization and e-filing on tax compliance. The actual responses from the sole proprietorship taxpayers in the district indicate that the introduction of e-FPS implementation and current taxation socialization activities may have influenced these results. Further research and consideration of the specific context are necessary to understand the impact of these factors on tax compliance.

TABLE 16. Difference on Responses according to Nature of Business

Variable	F-value	P-value	Decision on H_o	Conclusion
Tax Compliance	1.648	.072	Failed to Reject	Not Significant
e-FPS implementation	.632	.835	Failed to Reject	Not Significant
Taxation Socialization	1.052	.406	Failed to Reject	Not Significant

Table 16 presents the results of assessing tax compliance, e-FPS implementation, and perception on taxation socialization based on the nature of business. The computed F-values and p-values indicate that there is no significant difference in tax compliance, e-FPS implementation, and perception on taxation socialization when grouped by nature of business. Therefore, the research fails to reject the null hypothesis, suggesting that nature of business does not have a significant impact on these variables.

The table 17 shows differences in tax compliance, e-FPS implementation, and perception on taxation socialization when

grouped by the size of business. The results indicate that there is a significant difference in tax compliance based on size of business, as reflected by the computed f-value and p-value. However, no significant differences were found for e-FPS implementation and perception on taxation socialization. Businesses with gross sales or receipts between Php 1,000,000.00 and Php 25,000,000.00 showed the highest mean rating for tax compliance and satisfaction with e-FPS implementation. On the other hand, businesses earning over Php 100,000,000.00 had the lowest mean rating for tax compliance, while those in the Php 50,000,000.00 to Php 100,000,000.00 range had the highest mean rating for perception on taxation socialization.

TABLE 17. Difference on Responses when grouped according to Size of Business

Variable	F-value	P-value	Decision on H_o	Conclusion
Tax Compliance	27.69	.000	Reject	Significant
e-FPS implementation	.219	.883	Failed to Reject	Not Significant
Taxation Socialization	1.321	.269	Failed to Reject	Not Significant

TABLE 18. Difference on Responses according to Years in Operation

Variable	F-value	P-value	Decision on H_o	Conclusion
Tax Compliance	1.323	.269	Failed to Reject	Not Significant
e-FPS implementation	.987	.401	Failed to Reject	Not Significant
Taxation Socialization	.544	.653	Failed to Reject	Not Significant

The table 18 above presents the differences in responses regarding tax compliance, e-FPS implementation, and perception of taxation socialization based on years in operation. The results indicate that there is no significant difference in tax compliance, e-FPS implementation, or perception of taxation socialization when grouped by years in operation. The computed f-values and p-values for all three variables are above the significance level of 0.05, leading to the failure to reject the null hypothesis in each case.

IV. RECOMMENDATIONS

The researcher provided several recommendations for the improvement of tax compliance, e-FPS implementation, and tax socialization in light of the aforementioned findings and conclusions.

1. The sole proprietorship taxpayer's may look into the results, findings and conclusions of this study, as it can guide them to continue their initiative on tax compliance.

2. The Bureau of Internal Revenue can review the above findings and conclusions especially on those areas to improve in the e-FPS platform and the taxation socialization programs that has been implemented as it can promote tax compliance among its users, and it will also provide service excellence in terms of the Bureau's service.

3. The future researchers can look into the findings and conclusions of the study, and from this they can further enhance the study on areas that it fall short. Other types of

research methodologies variable combination pertaining to tax compliance can be created to further assess the tax compliance of a certain target group. The aforementioned results and findings should also be their guide and related study.

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