

Essays on Tax Complexity, Tax Compliance and Social Norms

**der Rechts- und Wirtschaftswissenschaftlichen Fakultät
Fachbereich Wirtschaftswissenschaften**

der Friedrich-Alexander-Universität Erlangen-Nürnberg

zur Erlangung des Doktorgrades

Dr. rer. pol.



vorgelegt von
Dipl.-Volksw. Friedemann Richter

Contents

Introduction and Summary	1
Deutsche Zusammenfassung	9
1 Survey Evidence on Determinants of Tax Evasion	17
1.1 Introduction	18
1.2 Clarification of common terms	21
1.3 Determinants of tax compliance	21
1.3.1 Forced compliance	21
1.3.2 Voluntary compliance	22
1.3.3 Interaction between taxpayers and the tax authority	24
1.3.4 Conditional cooperation	25
1.3.5 Evasion possibilities	25
1.4 The survey	26
1.4.1 Data collection	26
1.4.2 Descriptive statistics	27
1.4.3 Multivariate analysis and findings	28
1.4.4 Group comparisons of non-evaders, intended evaders and admitted evaders	32
1.4.5 Robustness checks	35
1.5 Data credibility in tax compliance research	36
1.5.1 Survey limitations	36
1.5.2 Sensitivity analysis - misreporting	38
1.6 Research conclusions	39
1.7 Appendix	41
1.7.1 Questions	41
1.7.2 Linear probability model - Complete case analysis	42
1.7.3 Probit and logit	43

1.7.4	Ordered probit	44
1.7.5	Correlations	45
2	Collusive Tax Evasion and Social Norms	47
2.1	Introduction	48
2.2	Two simple games	52
2.2.1	Independent tax evasion and social norms	53
2.2.2	Collusive tax evasion and social norms	54
2.2.3	Hypothesis	56
2.3	Experiment	57
2.3.1	Experimental proceeding	58
2.3.2	Results	61
2.4	Concluding remarks	65
2.5	Appendix	67
2.5.1	Risk aversion in the theoretical model	67
2.5.2	Norms in the lab	68
2.5.3	General information about taxation in the experiment	68
2.5.4	Instructions in the independent tax evasion game	69
2.5.5	Instructions in the collusive tax evasion game	73
3	Strictness of Tax Compliance Norms: A Factorial Survey on the Acceptance of Inheritance Tax Evasion in Germany	81
3.1	Introduction	82
3.2	Literature review	84
3.3	Hypotheses	86
3.4	Empirical analysis	89
3.4.1	Institutional background of inheritance tax in Germany	89
3.4.2	General method	90
3.4.3	A factorial survey design to measure acceptance of tax evasion	91
3.4.4	Data collection & sample	94
3.4.5	Results	95
3.4.6	Robustness check	100
3.5	Concluding remarks	101
3.6	Appendix	102
3.6.1	Additional regression outputs	102

3.6.2	Characteristics of the respondents	105
4	Attitudes Towards Inheritance Taxation -	
	Results From a Survey Experiment	107
4.1	Introduction	108
4.2	Background knowledge about inheritance taxation - Germany in international comparison	111
4.3	The inheritance tax rate and preferences for redistribution	112
4.3.1	The role of self-interest	113
4.3.2	Fairness considerations	113
4.3.3	Family values	114
4.3.4	Governmental debt and inheritance taxation	116
4.4	Data and methods	117
4.4.1	Study design	117
4.4.2	Survey experiments using vignettes	118
4.4.3	Data analysis	120
4.5	Results	122
4.6	Concluding remarks	124
4.7	Appendix	127
4.7.1	International comparison of inheritance tax laws	127
4.7.2	Comparison of proposed and true tax rates	128
	Concluding Remarks	131
	Bibliography	133