

Audit of the tax revenue management process of the center of commune II in the district of Bamako : case of the fight against tax corruption

Audit du processus de gestion des recettes fiscales du centre de la commune II du district de Bamako : cas de lutte contre la corruption fiscale

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Abstract

The objective of this research is to understand the notion of tax corruption and tax evasion, to make the internal control system more efficient, of the procedures for collecting tax revenue, and also to familiarize with the diversity of the fields of analysis required by the determinants of tax fraud and corruption. It is a research based on a positivist epistemological positioning and a mixed and abductive. Methodological approach with regard to the analysis of our various finance laws, our results show that there is a significant link between, tax and public finance, better managing your taxation means better managing your finances which means better securing the tax revenue against tax evasion and corruption in order to meet the expenses payable by the state.

Through this article, we will conduct a mediation on the cause-and-effect relationships of corruption on fraud, and that of the shared responsibility of the various actors in the fight against tax fraud, the audit function and the tax administration.

Keywords : tax Audit ; tax evasion ; tax corruption ; tax optimization ; tax compliance.

Résumé

La présente recherche a pour objectif de comprendre la notion de corruption fiscale, et de fraude fiscale, rendre plus performant le système de contrôle interne, des procédures de recouvrement des recettes fiscales, familiariser également la diversité des terrains d'analyse que requiert les déterminants de la fraude et de la corruption fiscale. Il s'agit d'une recherche basée sur un positionnement épistémologique positiviste et une démarche méthodologique mixte et abductive. Au regard, de l'analyse de nos différentes lois des finances, de nos résultats obtenus montrent qu'il existe un lien significatif entre : « l'impôt et la finance publique, mieux gérer sa fiscalité, c'est mieux gérer ses finances publiques, ce qui signifie de mieux sécuriser la recette fiscale contre la fraude fiscale et la corruption fiscale afin de faire face aux dépenses exigibles de l'Etat ».

A travers cet article, nous mènerons une méditation sur les relations de cause à effet de la corruption sur la fraude, et celle de la responsabilité partagée des différents acteurs dans la lutte contre la fraude fiscale, la fonction d'audit, et l'administration fiscale.

Mots clés : audit fiscal ; fraude fiscale ; corruption fiscale ; optimisation fiscale ; civisme Fiscal.

Introduction

Taxation is an instrument of economic policy for the State, which sometimes uses and abuses it in a more or less opportune way; at the same time, it is an instrument of company policy, which has its own objectives and its own rationality, by introducing distortions into management choices (Jean-Luc Rossignol) 2010, P.175).

Yes, and after these long years of civilization and development, almost all states retain taxes as the main tool for financing state charges with nearly 970 billion FCFA in taxes made in 2021 (DGI). "The objective of the tax in 1906 in Morocco during the phase of gradual deterioration of national budgetary resources and with the aggravation of the level of public debt and the unsustainability and instability of the macroeconomic framework, was oriented towards the financing of the operation of the State service, and also aimed at the construction of roads, the modernization of rail, maritime and air transport, electrification for the development of mainly foreign entities": (Bellamine, et al., 2021).

This is why tax management nowadays shows a particular interest in auditing and management control. In fact, in view of the many risks that thwart Mali's economic performance, as well as the significant economic and financial repercussions that have resulted from them, have ended up drawing the attention of political and social leaders to the need to strengthen the conditions of the internal control of the tax administration in order to control or reduce certain scandals in our tax administrations and outside (taxpayers) thereof. This scandal results in misappropriation of the last public (tax corruption, tax evasion etc.), by administrative hassles and abuses of power which the majority of Malians observe this deviant behavior. We must add the flexibility of the tax environment of small and medium-sized enterprises, marked by the complexity of the regulatory provisions of tax law, the digitization and digitization of several tax procedures and the development of analysis and control systems. This generates the plausibility of the emergence of this danger for patentees. In view of this, according to the latest report of the General Directorate of Taxes (2020), the net revenue received after an on-the-spot check increased from 2.100 billion 921 FCFA in 2017 to 7.121 billion 802 FCFA in 2019: 1977 files checked in 2017 against 5481 files checked in 2019, an increase of more than 125%.

Indeed, many entities do not have qualified resources or financial resources to comply with all regulatory and administrative requirements, which can also result in the growth of the probability of risks related to tax collection processes. For sound and effective management of tax risk, the tax administration must be equipped with robust internal control systems, which

will ensure protection, promote performance improvement, the quality of information and the safeguarding of assets until to its routing in the account of the general budget of the state.

“Tax” is a duty of every citizen towards his nation. The Constitution of February 25, 1992 provides in its article 23 that: “All citizens must work for the common good. He must fulfill all his civic obligations and in particular fulfill his tax obligations” and in its article 70 that: “The law is passed by the National Assembly by simple majority. The law establishes the rules concerning: the basis, the rate, the tariff and the methods of collection of the taxes”.

In this article, we will attempt to shed more light on the relevant theoretical risks inherent in the process of tax revenue collection (tax fraud, tax corruption, etc.) but also we will describe the objectives and limits of tax audit. and its related concepts. The following central question to which we will try to provide some conceptual and theoretical answers:

What are the contours of tax evasion and tax corruption and how can internal and external actors contribute to the process of effective implementation of tax revenue management?

We will attempt, through this article, to analyze the different aspects of tax risk, starting with the proposed definitions, the sources of risk as well as the steps proposed by the risk management standards. And lastly, to elucidate the role and responsibilities of the various actors in the tax revenue management process.

1. Tax fraud: conceptual and theoretical clarification

1.1 Definition

A review of the literature on the definitions of tax evasion has revealed that, so far, no definition has yet been adopted on tax evasion or on the positioning of this risk in relation to one of the areas of taxpayer risk.

Risk can be defined as the “possibility or probability of a fact, an event considered as harm or damage. " Larousse.

Delimiting the scope of “tax evasion” is therefore not easy, since there is no complete and universal definition of this term. Sometimes tax evasion is confused with other types of behavior such as “optimization” or “evasion”. To properly specify our analysis, it is essential to define “the concept of tax evasion” to avoid ambiguities of definition.

From the Latin “fraus fraudis” which means “cunning”. Tax evasion is an offense punishable by law. At the international level, the O.C.D.E (Organization for Economic Cooperation and Development (2007)) has popularized the notion of "tax indiscipline" to characterize the

attitude of a taxpayer who avoids his tax obligations. In other countries such as France, we only speak of "fraud or tax evasion" to refer to all non-compliance with tax and social obligations. But what does the literature tell us? For Beltrame (1987), tax evasion is "a violation of the law, committed with the aim of evading taxation or reducing the amount thereof". An offense presupposes the combination of a legal element, which by definition is a text called an incrimination text (non-compliance with the law in force), which describes a behavior, an act and provides for a sanction, an element material (the evaded tax) and a moral element (intentional or unintentional fault). In addition, the offense includes several categories sanctioned differently (the contravention, the misdemeanor and the crime).

According to the council of compulsory levies in Mali "there is fraud, when it is a deliberate criminal behavior, consisting in particular in concealing a fraction of the receipts and increasing the charges; it is fraud that is subject to an increase for bad faith and possibly criminal repression.

But if the taxpayer has omitted in good faith to correctly apply the texts in force, there will be a simple error, the recovery of which by the tax services generally involves little or no increase or penalties subject to interest on late payment » CPO (2007).

Another very interesting definition is that put forward by Rossignol (2010, p.157), according to which this risk encompasses two meanings: the first is classic, which concerns voluntary or non-voluntary non-compliance with internal tax control systems, while the second concerns the inefficient which relates to a lack of knowledge of the rules which must lead to a loss of opportunity or which can generate a shortfall.

1.2 The determinants of tax evasion.

- The taxpayer declares part of his actual income;
- The taxpayer does not declare any part of his actual income;
- The taxpayer carrying out an economic activity in the informal sector;
- The taxpayer takes advantage of tax legislation to reduce his tax burden;

In a developing country like Mali, where poverty is high, citizens often resort to corruption. Indeed, corruption is so present that the poor and especially the rich take advantage of the weakness of the Malian tax system. Although essential measures must be taken into account to limit tax evasion, it turns out that, the agents of the administration want the same thing, in fact, sometimes, tax evasion benefits dishonest auditors, if the latter are affected by corruption. In addition, there is also the difficult integration of the informal sector into the formal sector.

Indeed, the efforts to fight against tax evasion, is one of the fights of the tax administration while taking into account the aspects of the informal sector. In Mali, studies have shown the extent of this phenomenon as well as its handicap for the tax administration. Taxpayers continually make the trade-off between working in the informal sector and enjoying the benefit of non-payment of their taxes and entering the formal sector no longer worrying about the risks of detection by Tax Administration. Moreover, it should be noted that even in the event of detection, paying a penalty is more advantageous for the taxpayer than integrating the formal environment. Indeed, the fixed fine in the event of an inspection is sometimes derisory, all the more so if the taxpayer takes into account the expected benefits of the times he escaped inspection.

In addition, tax evasion results from the failure of tax control or from asymmetric information (TDRL, and road tax, ITS for NGOs, etc.). If the auditor has all the necessary means to detect any risk of fraud, if the taxpayer takes into account the effectiveness of the system put in place, then the temptation to defraud will decrease due to the taxpayer's risk aversion.

We can also mention the complexity of the tax regulations, which can cause different interpretations by the tax authorities and the company, as another contributing factor to the difficulty of identifying and assessing the risk. For example, opportunities for tax evasion could vary with income.

High-income earners (ITS) or entities (depreciation mode) can afford to have professional tax advisors, who know the loopholes of tax law (tax optimization, tax evasion) (Slemrod et al. (2001),

Warneryd and Walerud (1982). If tax evasion is possible, the tax burden can be reduced without violating the law or taking the risk of paying a fine (tax optimization; tax evasion). According to Rossignol "Tax risk is, in fact, a permanent risk and not just a one-off, even if it is limited in time due to the recovery period. It is especially difficult to define and delicate to evaluate" (Rossignol, 2010).

2. Definition of tax audit.

The tax audit is a process of accumulation of necessary and sufficient evidence carried out with discernment, methodical and progressive on all of the entity's tax structures and its operation, in order to formulate an assessment on the matters subject to controls. . "It makes it possible to establish a diagnosis of the tax obligations of the company, the obligations of the agents of the tax administration and to propose solutions specific to reducing the tax burden reasonably, to

apprehend cases of tax irregularities, and to prevent agents of the administration from embezzling taxpayers' money in complicity with certain dishonest taxpayers".

2.1. Audit and its equivalents:

The audit has a transversal role in the entities, which leads us to do an introspection on its limits.

2.1.1. Audit and control: The concept of control is essential to that of the audit "the audit is a process of parameterization of control", this means that, the control is a testing tool of the audit, more exactly, the implementation The implementation of the audit involves carrying out various checks, the audit thus encompasses all the methods and techniques deployed independently and documented to collect objective information.

The second difference is the issuance of an opinion (favourable, unfavorable, with reservations or advice) which is the essential purpose of the audit.

2.1.2. Audit and advice: here the distinction is more delicate, the audit cannot in principle lead to the advice, the difference is essentially due to the objectives targeted. In an audit mission, it is a question of verifying that the entity complies with a standard: understanding how it operates

to identify deviations from this standard, then propose actions to adjust. (palmer-consulting.com)

2.1.3. Audit of revision: The distinction between audit and revision imposes to return to the traditional field of the audit, which is accounting, because the accounting revision (the financial statements) is the old name of the accounting audit.

3. The tax audit, its limits and its objectives.

3.1. The objectives of the tax audit

The two main objectives of the tax audit are: compliance, and efficiency.

3.1.1. Tax compliance control: this involves comparing an existing reality with rules enacted (either by the organization itself or by specialized bodies). Analyze the actions taken in relation to the standards or regulatory provisions.

It makes it possible to detect irregularities and their sources in order to identify possible tax offences. Tax compliance is the analysis of how to deal with tax issues within the audited company.

3.1.2. The control of the efficiency of the tax administration: This is a quality control of the procedures (internal control) of collection of tax receipts, but also, the escort actions (E-

payment or cash) of the tax revenues put in place by the administration in order to protect these revenues against possible diversion upstream.

The tax auditor verifies the main tax choices and the risk elements related to these choices. It highlights omitted and ignored provisions. While, for the control of strategic choices, the audit makes it possible to bring the tax complexity of the project closer to the level of the skills of the people, who have dealt with tax problems to examine whether there is not a shortfall or risks involved. In general, the audit at this level will determine the degree to which the question of efficiency of the tax administration is taken into account.

3.2. Tax audit and its limits.

At the time of his investigations, the auditor faces constraints that appear both in the performance of his mission and in his results.

3.2.1. Limits related to the progress of the mission:

The importance of the tax legislation, its multiple incidences, impose long and numerous controls within the framework of the mission which aims at a global control of the tax regularity.

3.2.2. Limits linked to a time interval.

The tax auditor is not a permanent member of the entity when he intervenes, it is for a specific and pre-established limited time interval in accordance with the guidelines of the tax administration.

3.2.3. The limits related to the complexity of assessing tax evasion.

The irregularity is complex, which brings with it a problem of assessment, the entities voluntarily resort to tax audits, it is with the aim of obtaining the opinion of independent specialists to take advantage of or use the flaws in our provisions. tax (tax optimization). This is due to a lack of precision in our legislative and regulatory provisions. Which always opens a clever way that can allow taxpayers to escape their tax obligations.

3.2.4. The results of the audit mission.

It may seem paradoxical at first glance to advance with certainty to apprehend evidence by which the auditor will issue an opinion based on the audit report, in which the irregularities are recorded. The recommendations should adopt measures to improve the tax certainty of the tax administration.

3.2.5. Tax audit versus legal audit.

In the event that a statutory auditor would like to obtain the report drawn up at the end of a tax audit mission, the company's managers cannot refuse to do so, the interest for the statutory auditor to know the content of this report is obvious even if he subsequently obeys to carry out the necessary checks to have his own opinion according to his convictions.

3.2.6. Tax audit versus tax administration.

It would be superfluous to insist on the interest that tax administration officials may have in knowing the content of a report previously drawn up by specialists in order to get an idea of the entity's financial information or of its economic activities.

For this, the administration has the means of communication that can enable it to obtain this previous information, or else, to proceed directly to a physical verification of the documents by sending it a letter mentioning the date of control and its types.

In Mali the question is not limited only to the taxpayer but in addition to the tax agents who indulge in deviant behavior, that is to say, the abuse of power, and who divert the collected tax either part of the tax, or either all of the tax collected in complicity with the taxpayer, hence "the notion of tax corruption"

4. The concept of tax corruption: definition and scope

Corruption is a concept to be defined in all legal texts, it is approached in different ways. However, we are going to cite a few definitions of what "corruption" is, but first of all it is important to know its different forms.

There are several types of corruption:

- Public corruption is a pact between a public agent and a private agent;
- Private corruption is a pact between two private agents;
- National corruption is a pact between two agents of the same country;
- International corruption is a pact between two agents located in different countries;

Passive bribery is the act of a public official requesting or granting, directly or indirectly, an undue advantage, for himself or for another person or entity, in order to perform or refrain from performing an act in the performance of his official duties.

Active bribery is the act of proposing, offering or giving, directly or indirectly, any undue advantage to one of these public officials, for himself or for someone else, in order for him to accomplish or refrains from performing an act in the exercise of his functions.

In the code of conduct of the agents of the tax administration, it is said that: "corruption means the extortion of advantage or promise of advantage solicited or accepted either by the agent himself or by others for facilitate to perform or omit to perform an act falling directly or indirectly within the scope of the function. It is also the extortion of advantage or the fact of receiving a donation without having claimed it as being due.

Researchers have shown that corruption is a hidden phenomenon, therefore not observable Shleifer and Vishny (1993). Any type of behavior by a public official that is contrary to the law governing the exercise of his functions can be considered as corrupt Tignor (1993).

Article 2 of the Council of Europe's Civil Law Convention on Corruption defines corruption as "the act of soliciting, offering, giving or accepting, directly or indirectly, an illicit commission or other improper advantage which affects the normal performance of a function or the behavior required of the beneficiary of the illicit commission, or of the undue advantage or of the promise of such an undue advantage or any advantages whatsoever to obtain from a person who is the recipient of the public authority, charged with a public service mission, whether it performs or refrains from performing an act of its function, mission or mandate or facilitated by its mission or mandate.

In France, corruption is an act punishable by law, the criminal penalties for active or passive corruption of community officials or belonging to member states of the European Union and foreign public officials are mentioned in the criminal code.

In the case of Mali, the dysfunction of the judicial system benefits the aggravation of this concept because of the impunity of the corrupt. Corruption is linked (directly or indirectly) to tax evasion; it is not only an attack on tax justice but to the lesser extent it reduces tax revenues. In a corrupt environment, the risk of fraud is very high because the taxpayer has two safe strategies that do not risk compromising the maximization of his profit. First the taxpayer tries to evade his tax, in case the fraud is detected, due to the assumption that the auditor is affected by corruption, he will try to offer him a "gratitude" which is lower his due (the total amount of the main duty evaded and the fines); otherwise (the taxpayer escapes control), the taxpayer reaches his maximum profit, but in both cases he is always a winner. In such situations, it is said that corruption is all over the place. It is therefore important to know whether it is corruption that influences tax evasion (the auditor encourages the taxpayer to evade his tax) or whether it is tax evasion that influences corruption (the taxpayer encourages the auditor to be corrupt).

Recent literature on tax administration in poor countries suggests that incentivizing tax corruption can help reduce tax evasion and increase tax revenue. But such a paradox could not be held in the long term and damages the credibility of the government. Finally, we will analyze the assumptions about corruption.

4.1. Assumptions about corruption.

One of the sectors of government where the impacts of corruption are greatest is generally found in the collection (collection) of taxes, Galtung (1995).

Studies in various developing countries indicate that it is not uncommon for half or more of the taxes that should be collected to be untraceable by the tax collectors due to corruption and tax evasion, Fjeldstad and Tungodden (2003). This erosion of the tax base is particularly detrimental since the insufficient mobilization of domestic income is considered to be the fund of adjustment and growth problems in many poor countries, Chand and Moene (1999).

To alleviate this problem, tax reforms in recent years have focused on redesigning tax structures and improving tax administration.

Addressing tax corruption and tax evasion is an integral part of this strategy. Much literature emphasizes the importance of incentive programs in motivating auditors to work harder and in line with the objective of improving tax revenue. Such incentive programs can, however, increase corruption. In fact, this is a standard way of justifying that these incentive programs (plans, arrangements) strengthen the position of dishonest auditors and thus make tax evasion less attractive.

However, it appears that in cases where the effect on taxpayer compliance and tax revenue is positive, incentive programs are still justified: the effects on tax evasion and tax revenue are more fundamental (Mookherjee, 1998) .

4.2. The diversity of approaches to corruption on tax evasion, a cause and effect relationship.

Corruption is a universal phenomenon and all over the world, the fierce struggle of each nation, international bodies such as the UN (United Nations Organization), the WB (World Bank), the OECD (Organization for Cooperation and Economic Development), the IMF (International Monetary Fund), the UNDP (United Nations Development Programme), against this scourge is still topical. This proves that the fight is not yet engaged. We can face corruption in all areas but what interests us is the interface between tax evasion and corruption. How could corruption increase the risk of tax evasion?

Indeed, one of the main causes of tax evasion is corruption. Yet researchers diverge in their analysis of the effects of tax corruption. Moreover, although it seems obvious that the increased presence of personnel affected by corruption makes it difficult to fight against tax evasion, other studies have shown that corruption to some extent reduces the risk of fraud.

4.3. Tax corruption contributes to reducing tax evasion.

How can corruption help reduce tax evasion and increase tax revenue? This idea, studied by Mookherjee (1998) is based on the possibility of negotiating "gratitudes" between evasive taxpayers and dishonest auditors, which motivates the latter to work harder to detect fraud. Consequently, tax evasion will be less attractive because taxpayers will foresee a high probability of control.

Since corruption can make tax evasion less attractive and can thus increase tax revenue, bonus systems have been offered to auditors in order to compete with the corruption system already in place in many tax administrations (Fjeldstad and Tungodden (2003)). This technique has been tried in Ghana (Chand and Moene 1999) and suggested in several other countries, including Uganda. The intention behind the bonus system is to induce more work effort among auditors by promising them a share of tax revenue. This way of proceeding is more realistic and beneficial in the presence of honest auditors who, with the bonus system, aim to detect fraud because it increases tax revenue and thus their income. But what about auditors affected by corruption?

The studies of Fjeldstad and Tungodden (2003) consider "gratitudes" as the result of a negotiation between an evasive taxpayer and a corrupt auditor. The introduction of a government bonus certainly makes gratitudes less attractive to the verifier, because he must forfeit the bonus offered to him if he accepts the negotiated gratitudes. But that does not necessarily ensure that the verifier becomes more honest. It cannot be ruled out that the verifier receives both gains. In reality, the situation puts him in a position of strength in his negotiations with the taxpayer and as a result he receives a greater part of the gain not declared to the tax authorities. Thus, the bonus system provides incentives for the dishonest auditor (by increasing negotiated gratitude) and may otherwise contribute to increased tax revenue. This happens because the bonus system strengthens the position of the dishonest verifier and may therefore increase overall corruption.

Generally, the implications of a bonus system depend on whether the tax administration faces dishonest or honest auditors. In both cases, there is a general increase in tax revenue, but in the case of dishonest auditors, the bonus system can also lead to increased corruption.

So in a situation where there is a mix of dishonest and honest auditors, the administration has to make a trade-off between gaining revenue and the problem of increased corruption while evaluating a bonus system.

However, these bonus systems are not justified in the theoretical literature on corruption as well as on the incentive bonus.

Mookherjee (1998), for example, considers bonus systems in a context where there are only dishonest auditors and only considers the possible gain in tax revenue depending on the position of the dishonest auditor. According to Fjeldstad, Tungodden, 2003, this way of justifying bonus systems should be rejected because it does not take into account the long-term effects of increased corruption on tax revenues and on the other hand the legitimacy of the government. They find it unlikely that an institutional structure can develop sustainably in an environment that fosters corruption and illegal tax enforcement. Mookherjee naturally realizes the weaknesses of corruption, but simply suggests that "if encouraging reform causes various undesired side effects, the range of policy instruments must be expanded to moderate their effects". The administration could then tolerate a certain level of corruption (Chand and Moene (1999). However, this is a problematic position in the current mode of reasoning. If one considers that an increase in corruption is an undesirable side effect, which may be moderate, then encouraging reform cannot be justified by proving that it is likely to increase tax revenue while inducing more corruption. Such a claim would undermine policies that aim to fight corruption.

Other examples have been given by considering that the strengthening of the position of dishonest auditors is "a vicious circle" in the reform of tax administration.

Chand and Moene (1999) analyzed the need for honest high-level bureaucrats in tax administration by presenting bonus systems. Take the example of an auditor affected by corruption who tries to negotiate gratitude with an evasive taxpayer to minimize his tax debt. If he does not reach an agreement i.e. if the taxpayer refuses to pay the gratuities and the auditor declares the fraud attempt a high level bureaucrat is informed of the true tax liability of the taxpayer and arrange the case. If the high-level bureaucrat is affected by corruption, the evasive taxpayer pays him gratuities and pays his duties but with an amount less than the real tax debts. Thus the presence of an honest high-level bureaucrat strengthens the position of the auditor

affected by corruption in his negotiations with the taxpayer. Why ? Because reaching an agreement with the taxpayer becomes less important for the auditor.

The auditor knows that as long as the high-level bureaucrat is honest, he will receive the full bonus on tax liability if he has not reached an agreement with the taxpayer.

This would not be the case if the top bureaucrat were also affected by corruption. Indeed, the verifier would not receive any bonus. Therefore, to have an effective bonus system, the presence of uncorrupted high-level bureaucrats within the tax administration should be required. Even if the situation allows the auditor to obtain higher gratitude by strengthening his position in relation to the taxpayers, it also stimulates his work effort. This system will contribute to an increase in tax revenue in the short term.

Furthermore, Fjeldstad, Tungodden (2003) briefly indicate some mechanisms that reflect the real benefits of encouraging reform. First, as already pointed out, an effective bonus system encourages more effort from honest verifiers. Second, and perhaps most importantly, a bonus system, in an administration with honest high-level bureaucrats, can cause less corruption among auditors, Fjeldstad, Tungodden's illustration on this point is simple:

Suppose a company that advertises a profit R while the true profit is the tax rate is t and the bonus rate is g . all verifiers allocate some depreciation $1/m$ to the acceptance of gratuities, if $m \geq 1$. When $m=1$ this implies the receiver is indifferent between receiving a certain amount of money as gratitude or as a regular bonus. If the collector does not accept the gratuities and announces the evasion to an honest high-level bureaucrat, then he receives a bonus on the real profit. In this case, a perceiver would only accept gratuities b if

$$gtR + b/m > gtp \quad (1)$$

Obviously the gratitude will not exceed the tax evaded on the minimized sum $t(P-R)$. hence on the basis of (1), we find that an estimated limit value m^* such that no perceiver with a value above m^* would want to be affected by corruption.

From (2), we can see that an increase in the bonus g decreases m^* which indicates that the number of collectors affected by corruption should decrease in an effective bonus system.

To recap, there are significant positive effects of bonus reforms in tax administration. It makes honest tax collectors work harder and it can reduce

$$m^* = 1/g \quad (2)$$

the number of tax collectors affected by corruption in the administration.

However, we question the claim of positive effects on increasing tax revenue by stimulating corruption among dishonest tax collectors. We now turn to another analysis of this aspect.

According to the NGO Transparency International, Mali is ranked among the most corrupt countries in the world. Since 1995, the NGO Transparency International has published each year, based on surveys conducted by international organizations such as the World Bank and the African Development Bank, the Corruption Perception Index (CPI) classifying countries according to their degree of corruption. The result is disappointing because Mali is ranked 137th in the world out of 174 countries surveyed with a score of 71 points out of 100 for the year 2021. The higher the score, the more massive the corruption. According to the Afrobarometer survey, Malians perceive corruption as an endemic phenomenon that affects all the workings of the administration and the political sphere.

The results of the survey showed that from 2005 to 2021, the number of people affected by corruption continues to grow in each of the following entities: judges and magistrates, government, tax administration officer. Judges and magistrates come first for the years 2005 and 2008. On the other hand, for 2021, government officials are in the lead with 85%. We also note that almost 80% of tax administration officials are judged to be affected by corruption and which is likely to discredit the political regime in place.

4.4. The influence of tax corruption on political power.

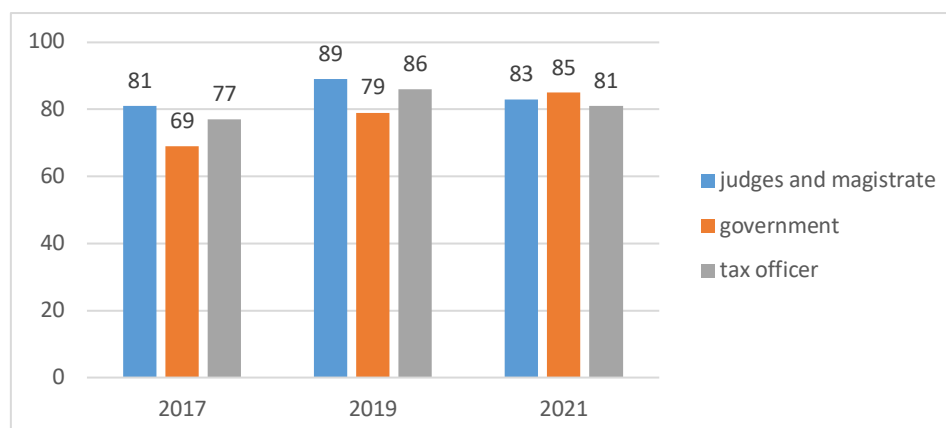
Corruption in tax administration is likely to undermine government reliability and therefore government legitimacy. Legitimacy refers to the approval of the government by the citizens and justifies the obedience of the latter. When institutions are legitimate, citizens have a predisposition to view obedience as just and appropriate.

Otherwise ; lack of government legitimacy reduces the perception of a moral justification for obeying laws and regulations.

Moreover, this context is of particular importance because a failure to respect citizens for tax laws can initiate disrespect for other laws and thus again contribute to undermining the legitimacy of the government (Fjedstad and Tungodden (2003).

It is a vicious circle where mistrust breeds mistrust. In contrast, government loyalty and citizen support tends to legitimize the public sector and may thus impose a certain social norm for paying taxes.

Therefore, it is important to consider a broader view of the social effects of corruption in tax administration.

Figure N°1: - Percentage of people involved in corruption**Source:** Authors

We collected quantified data (quantitative method) using the data collection technique, which is the questionnaire, in order to observe frequentation of corrupt practices. Figure N°1 tells us that in Mali, corruption is present everywhere in the public service. This is a deplorable observation but which does not seem to bother the civil servants or the government despite the disapproval of the people on this illegal practice.

Table N°1: The percentage of various reasons for non-tax registration, case of micro.

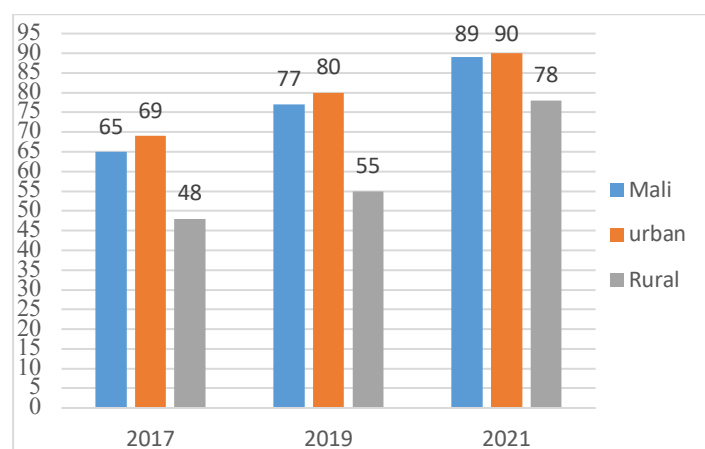
Country	High cost	Complicated approach	Refusal no control	Ignorance	Others of which exempt	Total
Mali	25,6	9,8	4,1	56,0	4,5	100
Niger	4,3	3,2	18,3	62,4	11,8	100
Tunisia		3,2	4,4	92,4	-	100

Source: Afro-barometer (1994 OCDE) income tax.

This table shows us the main causes of non-tax registration of Malian micro-entrepreneurs compared to other nations. Although the reasons are quite diverse, it should be noted that ignorance of tax obligations remains the most important. Even in countries such as Tunisia and Niger, the rate is above 90%. Although the survey is submitted to the good times of the respondents, these rates seem to be very high, for Mali it is 56%, the asymmetry of information is then one of the obvious causes of tax evasion.

Awareness of the taxpayer in relation to his tax duty and the uses of his funds or contribution is essential in order to encourage taxpayers to register voluntarily with the tax administration.

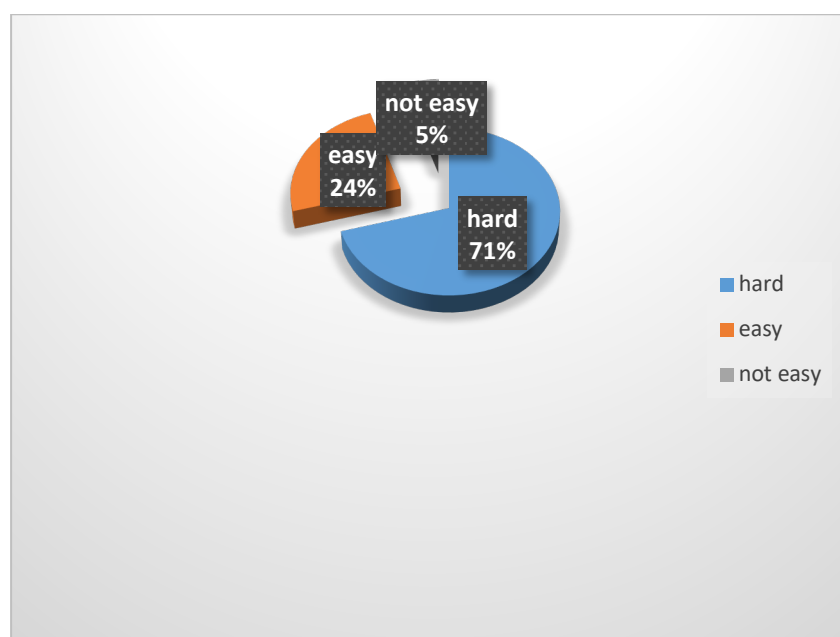
Figure N°2: Percentage of Victims of Corruption for Obtaining an Official Document or Authorization



Source: Authors

We collected statistical data through reasoned-choice probability sampling. Thanks to this quantitative methodology, we questioned a much larger sample through a collection tool called “questionnaire” in order to note a frequency of victimization of tax corruption during the acquisition of an official document. This is why Figure 2 shows us a clear increase in corruption for obtaining an official document or authorization in 2017 for insufficient government awareness. Since 2021 the trend has been on the rise. Indeed, what discourages the Malian people in administrative procedures is the request for an “envelope” from civil servants.

The staff has a bad habit of receiving from people in a hurry to obtain their papers or documents quickly "an involuntary gift" if the document is provided within a requested time. And sometimes, it is the civil servants themselves who ask for an “envelope” to provide the official document in time; this is the case for obtaining, for example, the exemption document. This is why corruption is higher in urban areas than in rural areas.

Figure 3: Accessibility of information on how the government uses taxes.**Source:** Authors

We adopted the mixed approach to allow a more complete and in-depth understanding of the phenomenon through a collection tool called “interview guide, and group discussion”. The sample being larger, we used the survey technique as a data collection tool in order to have quantified information. Figure 3 tells us that the majority of Malians have no idea (asymmetric information) of the purpose of tax revenues and denounce the difficult accessibility of information on how the government uses the taxes collected.

4.5. Tax citizenship and its determining factors.

Tax citizenship which makes the taxpayer a "good citizen" who performs his tax duty by considering them as a moral obligation, social standards (Kant).

The determinants of tax compliance are numerous but the most significant are: the fear of being audited, and the sanction expected thereafter; the lack of self-confidence which makes the taxpayer foresee a high probability rate of control by the administration even if this is not always the case; raising taxpayer awareness that public goods need funding.

In addition, the state of the literature on tax evasion has allowed us to conclude that the taxpayer's decision to evade his taxes or not will depend on the parameters which are:

the level of his real income, the tax rate, the probability of control and the rate of penalization

he incurs in the event of detection (Allingham, M, and A. Sandmo 1972, Borck 2004, Beltrame 1987).

Mali is a special case, because fraud depends on other parameters, namely the existence of corruption within the tax administration; the informal sector and finally the failure of the tax control system by the administration.

Conclusion

Tax evasion presents a fundamental problem for entities. On the one hand, tax evasion can come from an involuntary decision or from the incompetence of the personnel, in this case, the ignorance of creating the conditions of its existence (NIF) or of its economic activities, can not only tarnish the reputation of the entity, but can also have remarkable consequences on the sustainability of the entity in the event of a tax audit or census. On the other hand, tax evasion can find its origin in an aggressive tax policy that aims to maximize savings, the taxpayer's income level, the probability of control permanence, the penalty rate and the tax rate. . For this, the tax risk management process must be based on a rigorous approach that allows the incorporation of the different hierarchical levels and the coordination of strategic and operational actions and decisions. The fight against tax corruption is at the center of the concerns of the leaders since it conditions the survival and the development of a State.

The objective of this research was to analyze the influence (fiscal pressure) of corrupt tax practices but also fraudulent ones on the financial underperformance of the Malian economy. This is a research with a mixed methodological approach. A positivist epistemological position and a deductive approach have been adopted. An exploratory research by interview followed by a survey by questionnaire was carried out in this context. The results found indicate that the practices of the fight against tax evasion and tax corruption have a significant influence on the credibility of the political regime in place but also on the capacity of the State to meet its expenses that it must finance to avoid dysfunction of the public service due to liquidity. These results suggest that these different practices studied must be taken into account and dealt with carefully by the political authorities in order to improve the quality of the public service (health infrastructure, security, transport, education, youth employment centre, etc.).

The research work carried out in this article will serve as a springboard for the scientific community and the Malian State, to bring more vigilance to the processes up to the method of liquidation, but also to draw their attention to corroborate with what type of controller (the theory of the controlled controller) or auditor should be chosen to carry out their mission

without any hypocrisy, the research will make it possible to make the tax legislative provisions simpler and more precise in order to facilitate the issue of a tax audit report. Since it is not easy to eradicate this epidemic, it is possible to leave a lasting immunity while impacting tax evasion on the employability of young people, through the liberalization of the whistleblowing sector (investigation carried out with a camera broken) through a toll-free number. The whistleblower agent will collect part of the penalty percentage paid by the reported entity on its electronic money account if the report proves to be true.

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