

The effect of applying the internal control system COBIT5 framework on tax performance

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Abstract:

The purpose of this research is to analyze the effect of applying the internal control system according to the COBIT5 framework on tax performance. Data was collected from the research sample using the questionnaire form, and the number of distributed questionnaires was (55), distributed to each of the officials and workers in the Iraqi General tax authority, Professionals, and Academics at the University of Baghdad. A set of statistical methods were used to study the relationship between the two research variables, using the statistical program (SPSS) to analyze the data and calculate (the arithmetic mean, correlation coefficient, coefficient of variation, F test, R2 coefficient of determination, T test, Cronbach's alpha coefficient). The research has a significant positive relationship and influence between the framework (COBIT5) and the tax performance. The most influential dimensions of COBIT5 in tax performance dimension delivery, service and support (DSS), followed by evaluation, guidance and control (EDM), while the least influential dimensions in tax performance dimension compliance are planning and organization (APO). The research recommended adopting the COBIT5 internal control framework as a guide for auditors to advise senior management on the efficiency of the internal control system in the tax institution. This includes a governance framework for information technology, which is one of the most important pillars of the corporate governance system. This research also contributes by providing theoretical and practical implications for tax administration to improve the reality of tax performance.

Keywords: internal control system, COBIT5, tax performance.

Introduction:

Organizations face many risks as a result of changes occurring in the work environment and the use of new and updated information systems and technologies, which requires strengthening internal control for the purpose of reducing these risks, and taking the necessary measures to guide and follow them up. Which created a necessity to implement new regulatory frameworks, and among the most important of these frameworks is (Cobit5), which is the latest in governance practices and information technology management applications, to consolidate the concept of governance in general and adopt a set of regulatory principles in particular (Hamad et al., 2020). This framework includes standards for the control procedures that must be applied in order for the automated system to be reliable. It helps in creating the optimal value for information technology by creating a balance between achieving benefits and reducing risk levels. Several studies dealt with the subject of enhancing internal control, including a study (Kazem, 2015), which dealt with the function of internal audit in terms of legal, organizational and administrative basis in the research sample of private banks and the extent to which the Iraqi

banking law is compatible with the requirements of the SOX Law, the extent of compatibility of internal control systems with special banks with COSO and COBIT frameworks, He concluded to develop a proposal framework for the audit function structure in a way that matches recent developments. While the study (Yaaqob& Naiem, 2015) sought to develop auditing procedures for the auditor to carry out the audit of the automated accounting information systems in the General Petrochemical Industries Company, which uses the automated accounting system and ended up developing a suggested manner for the auditor to audit this system according to the frame of Cobit. The study (Albasri & Mohammed, 2020) focused on risks and electronic financial manipulation, which increased with the increase in the use of information technology, as it discussed the level of influence of the (COBIT5) framework on the efficiency and effectiveness of information technology in a sample of banks consisting of 25 banks, and concluded that there is a correlation and a significant impact of the framework (COBIT5) in the efficiency and effectiveness of information technology in maximizing value and benefit. As for the study (Pradana et al., 2019) that was conducted at the Tax Service Office in (Tabanan), Indonesia, which is in need of an audit aimed at assessing and ensuring compliance with objective criteria. The service was audited when submitting annual tax returns using the COBIT5 framework to define the maturity level of IT operations, and bridging the gap between control and technical issues, business risks, and it reached maturity results for a group of selected processes (DSS 02, DSS 03, DSS04, APO 12), and improved results using the COBIT5 standard. While the (Durachman, 2021) study examined the IT governance assessment of the Regional Office of the Directorate General of Taxation in Jakarta to determine the level of expected maturity and improve future performance. By making adjustments to the way we work and existing practices in the use of information technology, with a focus on optimizing the management of IT resources in the organization. The research was conducted using the COBIT5 framework in the field of (Evaluate, Direct, and Monitor) EMD) and found that the largest gap achieved is in the process (EMD01, EMD02) and the smallest gap in (EMD03) and found that the regional office managed resources optimally. While the study of (Aprilinda et al., 2019) discussed the use of IOS and COBIT in corporate governance and the strengths and weaknesses of each standard with the integration of the two standards for more inclusive governance, and concluded that the COBIT framework can complement the IOS framework and can be combined together, as the COBIT framework is a general framework that is often used at the strategic level to organize strategic decision-making processes while IOS is a more specific, narrow and detailed framework so that it can be used at the operational level in Daily operations and guidelines

The objective of the study (Ni putu, 2015) was to audit the accounting information system in a university in Indonesia for the purpose of determining the level of maturity of IT services in supporting the management of financial statements, to improve its IT services. This was done through observation as well as the questionnaire organized based on the objectives of the COBIT framework, then evaluating the results according to the level of their application at the university, and it was found that there was a gap in the application and a special strategy was developed to overcome these gaps using the COBIT 4.1 framework.

In the field of performance measurement, (Wijayanti, 2017) analyzed the performance of information technology governance at Pendidikan University in Indonesia using a set of (COBIT 4.1) framework and (BSC) and the to evaluate performance through a questionnaire that dealt with 26 operations of COBIT and 15 goals from the performance card to achieve the university's strategic plans, which number (17) plans by combining both models. The study found that the balanced scorecard is at the fourth level and that the basic IT operations Determined regularly with the support and approval of business owners.

1. Research Methodology

1-1 The problem: The research problem is that there are weaknesses and difficulties in performing the task of internal control over information technology applications in accordance with modern control frameworks, in light of the development in the business environment and the accompanying risks of manipulation and fraud in data and reports, based on the foregoing, strengthening internal control according to the framework (COBIT5) in its five dimensions limits this problem and enhances tax performance in the General Tax Authority..

1-2 The Importance:

- 1- Adopting an internal control mechanism that is compatible with the technological development in systems using internationally approved control frameworks such as the COBIT5 framework, which represents an integrated framework for internal control and information technology oversight. To improve the internal control procedures adopted by the General Tax Authority.
- 2- Improving the level of tax performance and developing the tax work environment and the level of services provided to increase the effectiveness of tax collection to finance the public treasury.

1-3 The Objectives

- 1- Identify to what extent internal control system is applied in according to COBIT5 framework in General Tax Authority.
- 2- Determining the relationship between the framework of the internal control system COBIT5 with its five dimensions and tax performance.
- 3- Statement of the impact of the application of the internal control system COBIT5 in its five dimensions on tax performance.

1-4 The Hypotheses:

The first hypothesis H1: There is a significant correlation between the (COBIT5) framework and the level of tax performance.

The second hypothesis H2: There is a significant effect of the (COBIT5) framework on the level of tax performance.

1-5 Tools Measurement: to prepare the research. Previous studies related to the subject of the research were reviewed and its tools were used to build and design a questionnaire. And using (SPSS) 26 to calculate (mean, correlation coefficient, coefficient of variation, F test, coefficient of determination R², T test, Cronbach's alpha coefficient) to measure the level of correlation and influence between the two research variables.

1-6 Approach Used: The research used the descriptive analytical approach, which is concerned with describing the phenomenon and expressing it quantitatively and qualitatively, and works to explain the causal relationships between the research variables.

1-7 Research Sample: The random class sample was approved by officials and workers in the General Tax Authority (Director of the Department, IT Department and its employees), professionals, academics in the specialty of accounting and taxes at the university. The questionnaire was distributed with 80 forms, of which 62 were returned and 7 were excluded for incompleteness, and the number of approved forms was 55 forms, representing 70% of the total questionnaires distributed. The distribution of questionnaire forms was taken into account to a quality that has experience in the field of tax, dealing with the Internet and electronic tax administration services, and with regard to academics, it is those who teach accounting and tax in Iraqi universities and higher institutes. In order to obtain useful answers suitable for statistical analysis and obtain statistically significant results for research purposes.

1-8 Sample Properties Analysis: The percentage of officials in the General Tax Authority was 6, employees in the Authority were 32, including 10 IT employees). 5 professionals, 12 academics. The percentage of academic qualifications for BSC degree, MSC degree and PHD degree reached 13%,

44% and 43% respectively. Accounting 58%, taxation 23%, management 3%, IT 16%. The percentage of those who have years of service more than 15 years is 78% of the total sample.

1-9 Research Tool: The questionnaire was used as a tool for collecting raw data, where the questionnaire was developed according to the standards tested in the studies related to the subject of the research, and the first axis of the questionnaire included a set of questions related to the evaluation of the internal control system according to COBIT5 based on the study (Hadad, 2005), (Pradana et al., 2019), (Yaaqob& Naiem, 2014)) and the second axis of the questionnaire included questions related to measuring tax performance based on the study (Wijayanti et al., 2017), (Al-Shmmari and Al-Kawaz, 2015), (Al-Baaj, 2013) included the questionnaire (44 questions for the first axis and 36 questions for the second axis) and on the Likert quintuple scale (totally agree, agree, neutral, disagree, totally disagree).

1-10 Test The Honesty and Stability of The Tool: To achieve the sincerity of the tool was presented to a group of experts with competence has modified its paragraphs according to their opinions , as for the coefficient of stability of the research measures (questionnaire) has been adopted scale (Cronbach's alpha) to calculate the correlation coefficients between the paragraphs of the questionnaire and was (0.87) for all paragraphs of the scale is greater than (0.80) and based on (Hof, 2012) the questionnaire is reliable, and the result indicates the availability of internal consistency for all paragraphs of the scale and its validity for statistical analysis.

2. Theoretical Framework:

2.1 Internal Control:

Internal control is not a single event or circumstance, but a series of policies and behaviors that permeate the activities of the unit and are part of the main management processes (planning, implementation, performance monitoring) and integrated with them. (COSO, 2004: 18) It is therefore a process carried out by the board of directors and employees, to prepare and adjust the strategy of the organization, aimed at identifying possible events that may affect the organization, Risk management within the risk appetite (Al-Amari& Ahmed, 2015), a process designed to provide reasonable assurance regarding the achievement of objectives (adequacy and effectiveness of operations, reliability of financial reports, compliance with applicable laws and regulations) (Whittington & Pany, 2004)

Internal control is based on five components: (an efficient organizational structure, the existence of policies and procedures to protect assets, internal control, a comprehensive accounting system, and the presence of qualified and competent employees) and works within the framework of five components: (control environment, risk

assessment, control activities, information and communication, follow-up and control (McNally, 2013)

2.1.1 COBIT Framework

COBIT is an acronym for (Control Objectives for Information and Related Technologies), a standard framework established by the Information Systems Audit and Control Foundation (ISACF) in USA in 1992. To help organizations develop, organize and implement control and information management strategies which is an essential and valuable tool that turns IT into measurable business value. It consists of several tools that help identify and address the gaps that may exist between the objectives of information technology and the specific objectives of the organization in order to achieve effective guidance and appropriate controls, With acceptable risk management and an appropriate and satisfactory level of compliance, it is originally based on ISACF's control objectives and is supplemented with international technical, professional and regulatory standards specific to specific industries. The resulting regulatory objectives have been set for the applications of information systems adopted at the enterprise level. The term 'appropriate and generally accepted' is used in the same sense as Generally Accepted

Accounting Principles (GAAP). This framework defines (37) a high-level control goal, between governance and management and addresses the needs of stakeholders by creating value through resource exploitation and risk reduction, linking technology goals with corporate goals. It emphasizes control practices to support management needs, provides a viable and acceptable standard for good security of information technology, and provides auditors with a set of acceptable indicators that help them express a technical and professional opinion on the honesty and fairness of financial statements. (COBIT 4.1, 2007) Information technology has the potential to create new jobs and new ways of delivering services and communicating with customers, and it also has the potential to make structural and profound changes in the economy. (Mohammed et al., 2021)

2.1.2 COBIT5 Framework Concept

The current COBIT 5 version is built on five basic principles and seven enablers, and the Plan, Build, Run, Monitor process control model divides COBIT5 operations into two main domains of operations: (Abid, 2019)

- Governance: which includes five processes in each process (evaluation, guidance and monitoring practices (EDM) are defined.
- Management: It includes four areas in line with the areas of responsibility for planning, construction, service delivery and monitoring (PBDM) and these areas provide comprehensive coverage of information technology issues, as follows:
 - (Align, Plan and Organise)APO), (Build, Acquire and Implement (BAI), (Delivery, Service and Support DSS), (Monitoring, Evaluation and Assess (MEA) which are divided into 37 high-level control objectives for these operations, and more than 300 detailed control objectives mentioned in these operations, with standardization and adaptation to other more detailed frameworks, standards and concepts for information technologies, (Al-Ramahi & Barakat,2014)

Robbit (2008) asserts that COBIT's asset in control makes it ideal as a reference framework

for IT internal control as it ensures performance measurement, value creation, and risk management, which are essential knowledge in guiding COBIT's work and in the organization's performance metrics system as well as the measures of those processes.

2.1.3 Major Changes in the COBIT5 Framework

1. Increased focus on enablers for efficient and effective governance.
2. A new model of operations covering the organization from beginning to end.
3. New and modified processes include five new governance processes taking advantage of the governance methods of Risk IT, Val IT, and COBIT4.1.
4. COBIT5 framework clarifies processes at the administrative level and integrates the content of Risk IT, Val IT, and COBIT4.1 in one model.
5. Redeveloping goals and standards in accordance with institutional goals and standards, operational objectives, information technology objectives, administrative practices and processes, which reflects an institution-wide trend. (Abbas et al., 2023)
6. Development of the new capacity maturity model assessment scheme based on ISO/IEC 15504, where the same method is no longer used in previous frameworks. The main objective of COBIT5 is effective integration with other frameworks, standards and practices used such as the COSO Internal Control Framework and the International Organization for Standardization (ISO)/International Electrotechnology Committee ISO/ IEC 27000, ISO/IEC 17799, Internal Control Framework, ISO/IEC 38500, ISO/IEC 15504 and Information Security Business Model Framework. BMIS and COBIT5 Information Technology Assurance Framework, ITAF.

2.1.4. Advantages of Frame (COBIT5)

1. Provides guidelines for a better performance management service for auditors.



2. Bridging the gap between control models and information technology.
3. Maintaining high-quality information to support administrative decisions.
4. Achieving strategic objectives and achieving business benefits.
5. Achieving operational excellence through a reliable and effective application of technologies.
6. Maintain IT-related risks at an acceptable level.
7. Optimizing the cost of information technology services.

8. Support compliance with relevant laws, regulations, agreements and contractual policies. Al-Basri & Muhammad, 2020)

2.1.5. COBIT5 Principles

- The first principle: meeting the needs of stakeholders: that is, creating value for stakeholders by balancing between achieving benefits, reducing risk levels and using resources with maximum value, where the needs of stakeholders can be linked to a set of general institutional objectives developed using the balanced scorecard (BSC), which can be illustrated in Table (1).

Table 1. The Relationship Between Institutional Goals and Balanced Scorecard Objectives

Dimensions of the balanced scorecard		Institutional goals	Relationship with governance objectives		
			Optimize resources	Reduce risk	Realize benefits
Finance	1	Value to stakeholders from business investments	S		P
	2	A portfolio of competitive products and services	S	P	P
	3	Business Risk Management (Asset Protection)	S	P	
	4	Compliance with external laws and rules	S	P	
	5	Financial transparency	S	S	P
Customer	6	Customer-oriented service culture	S		P
	7	Continuity and availability of business services	S	P	
	8	Flexible response to changes in the work environment	S		P
	9	Informed strategic decision-making	P	P	P
	10	Improving the costs of service delivery	P		P
Internal operations	11	Optimizing the functionality of operational processes	P		P
	12	Optimizing operational costs	P		P
	13	Management of change programs in the work environment	S	P	P
	14	Operational productivity and team productivity	P		P
	15	Compliance with internal policies	P	P	
Learning and growth	16	Skilled and motivated individuals	P	P	S
	17	A culture of product and business innovation			P

Source: COBIT 5, Enabling Processes, p23 (P: Primary, S: Secondary)

- The second principle: covering the organization from beginning to end.
- Third Principle: One integrated framework for action: COBIT5 is in line with other relevant standards and frameworks.
- Principle Fourth: Empowerment is a holistic method: The elements of empowerment that he means are (people, policies, organizational

structures, processes, behavior and ethics, information, frameworks, services, infrastructure and applications, skills.

- Principle Five: separating management: from governance, these two areas include different types of activities, require different organizational structures, and perform different goals. As the management is responsible for

(planning, building, operation, monitoring) all operations that take place within the organization. Governance includes assessing stakeholder needs to achieve agreed corporate goals, making decisions, and monitoring performance (Romney & Steinbart, 2018).

The COBIT5 framework defines its operating model through five governance principles and 32 management processes, and these processes are distributed over five areas or dimensions:

- Evaluation, Direct and Monitor (EDM) this dimension is concerned with the development and maintenance of the governance framework, ensuring that benefits are achieved, reducing risks and optimizing resources to ensure transparency and disclosure to stakeholders. (Zyoud et al. 2014).

- Align, Plan and Organise (APO): This dimension covers strategic and tactical plans, and is concerned with identifying the way in which information technology can contribute to achieving the objectives of the organization and shows the adequacy of the infrastructure and information technology systems in the organization and whether they are managed efficiently. (Yaqoob & Naiem, 2014)

Build, Acquire and Implement (BAI): It is concerned with the use of methods and means to own information technology and ensure its implementation and integration with the operations of the institution, and the optimal and effective use of it in order to maintain the continuity of the institution's activities. (Nasoor, 2015)

- Deliver, Service and Support (DSS): This dimension is concerned with providing the services required to support IT systems related to traditional processes around information security, ensuring continuity, training of employees, risk management, quality and performance improvement.

- Monitor, Evaluate and Assess (MEA) This dimension is related to the processing processes under information technology and their compliance with control requirements, especially those related to performance management, follow-up of internal control, and strict application of laws and legislation, to

enable the institution to achieve continuity and implement audit procedures periodically in line with the objectives of the institution. (Al-Johar & Hamoodi, 2015) (Al-Ani & Mohammed, 2012)

2.2. Tax Performance:

2.2.1 (Johns, 2006) defines performance as the ability of an organization to achieve objectives through the optimal use of its available resources efficiently and effectively. The concept of tax performance refers to the performance of the tasks and duties assigned to it by the tax administration in an efficient and effective manner in order to ensure a fair, effective and economical tax system (Maja, 2004). Therefore, tax performance is a reflection of the ability of the tax administration to use its financial and human resources (Jasim & Lafta, 2021), and exploit them efficiently and effectively in a way that makes it able to achieve its goals of increasing tax revenues and achieving taxpayer satisfaction. And the extent of its commitment to guidance in reaching those goals. Tax performance is also effective if the tax policy, regulations and laws in force have the ability to increase tax revenues to finance the public treasury. (Al-sharea et al., 2020)

2.2.1. Tax Performance According to The Balanced Scorecard:

The balanced scorecard is a set of metrics that give a comprehensive view of business performance presented by (Kaplan & Norton) in 1992. It was mainly created to complement traditional financial metrics, through standards from three additional perspectives to measure performance customer perspective, internal operations, learning, growth, non-financial measures are very important, as they are the factors affecting long-term performance. The balanced scorecard tracks key strategic elements through a balanced series of performance indicators to ensure that the procedures followed in the organization meet the strategic objectives in a way that ensures that the organization meets legislative requirements and accountability (Al-Azzawi et al., 2021). It is an integrated framework for

performance that contributes to the delivery of the organization's strategy to the different administrative levels by translating it into operational objectives and creating a balance between the stakeholders in the organization. (Hadi et al., 2023) It balances short- and long-term goals, takes into account financial and non-financial indicators, and measures past, current and future performance. It is a series of cause-and-effect relationships between its four axes.

2.2.2. The Four Dimensions of The Balanced Scorecard:

Measuring tax performance requires a comprehensive evaluation of the tax administration strategy and the balanced performance measurement card is a comprehensive evaluation process based on transforming the vision and strategy of the tax administration into four basic groups of measures, as well as the balance achieved between them, it evaluates the measures of external dimensions represented in people dealing with the tax administration and others, and the internal dimensions represented in the processes that take place within the tax administration from counting and receiving tax returns, examination and guessing, It also perspective of learning and growth from. On the one hand and financial perspectives on the other. As well as combines indicators and results of the past and present and indicators that lead to the future performance of the tax administration on the other hand. It requires defining the goals, standards and objectives of the balanced scorecard according to each of its four dimensions, namely: - The Financial dimension: This dimension is one of the most important performance evaluation measures, represented by level tax revenues achieved in cash and work to maximize them to achieve the strategy of the tax administration. (Ibrahim, 2011)

- Customer's dimension (taxpayers): The interests of taxpayers are focused on four aspects, namely (time, quality, cost, performance, service) as the standard time is measure time required from tax administration

in providing tax service to the taxpayer. While the composition of performance and service measures to meet the needs of the taxpayer, whether a natural or legal person, In addition to measuring time, quality, performance and service, the tax administration should monitor the cost of its products compared to the cost of the service provided through electronic media.

- Internal operations dimension: The tax administration should determine the operations that it must complete, such as the tax accounting process and all internal activities and operations carried out by the tax administration. This dimension assesses the tax administration success Degree and its ability to meet taxpayer's needs.

- Dimension of learning and growth: This dimension expresses the foundations adopted by the tax administration to create continuous growth of employees as well as the development of skills and capabilities to achieve long-term goals and the development of revenue technologies through the development of information production on taxpayers using information technology.

2.3. The Relationship of Internal Control According to COBIT5 with Tax Performance:

Tax performance, which is a reflection of how the tax administration uses the available financial and human resources, and compliance with the COBIT 5 framework, which is a standard and standard framework for internal control with its governance and management aspects and its five dimensions (Evaluate, Direct and Monitor) (Align, Plan and Organise) (Build, Acquire and Implement) (delivery, service and support) (Monitor, Evaluate and Assess) is an effective way to enhance tax performance as it includes a set of tools and resources that institutions can use to control information technology. Such as maturity models that allow performance evaluation and identification of specific necessary capacity improvements. It also includes processes that target the organization's control operations from beginning to end, starting from business planning and organization, ending with

monitoring, providing tax service and evaluating it in a way that enables it to identify, address and avoid areas of defect in the future. In addition, this framework contains a set of general controls imposed on policies, procedures, practices and organizational structures on the management of information systems aimed at providing reasonable assurance that the objectives of the business will be achieved. The great international recognition that information technology has the ability to develop the efficiency of tax performance and the productivity of tax

administration in the field of internal operations (tax accounting) in all its dimensions (tax inventory, tax assessment and tax collection) pushed it to invest in information technology (Hadi et al., 2023). Given the large global spending on ICT, it has generated increasing pressure on public sector units to demonstrate transparency and accountability in using taxpayer money to achieve results. While operating under greater budgetary constraints and more complex regulatory requirements, these units are struggling to satisfy citizens. (Abid, 2019).

Table 2. Relationship Between COBIT5 Operations and Related Internal Control Objectives

Dimensions of the balanced scorecard		Relevant Internal Control Objectives	Relationship with COBIT5 operations
Financial	1	Alignment between the tax administration strategy and the internal control strategy	EDM01, EDM02, APO01, APO02, APO03, APO05, .APO07, APO08, BAI01, BAI02
	2	Comply with the objectives of internal control and support them to comply with external laws and regulations.	APO01, APO12, APO13, BAI10, DSS05, MEA02, .MEA03
	3	The commitment of the executive management to make decisions related to the tax collection process	.EDM01, EDM05
	4	Manage and minimize IT tax risks and ensure that these services are obtained at the lowest possible prices	EDM03, APO10, APO12, APO13, BAI01, BAI06, DSSI01, DSS02, DSS03, DSS04, DSS05, DSS06, .MEA01, MEA02, MEA03
	5	Optimum utilization of financial resources in order to achieve the strategic objectives of the tax administration	EDM02, APO04, APO05, APO06, APO11, BAI01
	6	Transparency in the management and control of financial and non-financial information	EDM02, EDM03, EDM05, APO06, APO12, APO13, BAI09
Taxpayers	7	Providing IT services in line with business requirements and taxpayers' needs.	EDM01, EDM02, EDM05, APO02, APO08, APO09, APO10, APO11, BAI02, BAI03, BAI04, BAI06, DSSI01, DSS02, DSS03, DSS04, DSS06, MEA01
	8	Reducing the costs of ongoing services provided and increasing taxpayer compliance	APO04, BAI05, BAI07
	9	Managing and resolving taxpayer complaints related to the quality of services	DSS06, DSS07, APO08
Internal operations	10	Flexibility of tax accounting procedures	EDM04, APO01, APO03, APO04, APO10, BAI08
	11	Reduce tax revenue collection costs	EDM03, APO12, APO13, BAI06, DSS05
	12	Improve IT assets, resources and capacity	EDM04, APO01, APO03, APO04, APO07, BAI04, BAI09, BAI10, DSSI01, DSS03, MEA01
	13	Enabling and supporting the procedures of the tax accounting process by integrating them with applications and technologies	APO08, BAI02, BAI07
	14	Deliver programs of interest to the business on time, within budget and to meet regulatory requirements	APO05, APO07, APO11, APO12, BAI01, BAI05
	15	Provide useful and reliable decision-making information	APO09, APO13, BAI04, BAI10, DSS03, DSS04
	16	IT control procedures are consistent with internal policies.	EDM03, APO01, MEA01, MEA02
Learning and growth	17	Competent and motivated employees in business management and IT control	EDM04, APO01, APO07
	18	Knowledge, experience and skills that support creativity at work.	EDM02, APO01, APO02, APO04, APO07, APO08, BAI05, BAI08

Source: Preparation of researchers based on (Manual of Governance and Management of Information and Technologies, Jordan Islamic Bank.), (AL-Obeidi& al-Johar, 2019).



3. Analyzing the Results of the Research and Testing its Hypotheses

3.1 Analysis of Research Results

Table (3) shows the measurement of the dimensions of the COBIT5 control system from the point of view of the surveyed sample, in terms of Mean, standard deviations and coefficient of variation as follows:

- The highest mean in the analysis of the dimension of Build, Acquire and Implement (BAI) was (4.104) and a standard deviation of (0.398), as well as the answer to the question of the important electronic system documents are saved in updated and secure copies and the installation of programs and systems with licenses and legal licenses on the highest mean of (4.436). Then came in second place after the service delivery and support DSS with a mean (3.912) and a standard deviation of (0.416) and a question arose that the tax institution puts

strict controls to process data accurately to ensure obtaining the correct outputs in the required time and follow up the levels of continuous service that must be provided on the highest mean of (4.381).

Followed by dimension of monitoring, evaluation and assessment MEA with a mean of (3.768) and a standard deviation of (0.343), as well as a question the authority supports compliance with laws and organizational needs by submitting reports to monitor the performance of information systems to the senior administrative levels on the highest mean of (4.254). Finally, dimension the Evaluate, Direct and Monitor EDM ranked last with a mean (3.715) and a standard deviation of (0.350), which indicates the weakness of the governance procedures carried out by the General Tax Authority.

Table 3. Summary results of the analysis of the dimensions of the COBIT5 control system

COBIT5 Internal Control System Dimensions	Mean	Standard deviation	Coefficient of variation CV	Dimension order
Evaluate, Direct and Monitor EDM	3.715	0.350	9.421	2
Align, Plan and Organise APO	3.647	0.448	12.284	5
Build, Acquire and Implement BAI	4.104	0.398	9.697	3
Deliver, Service and Support DSS	3.912	0.416	10.633	4
Monitor, Evaluate and Assess MEA	3.768	0.343	9.102	1
TOTAL	3.937	0.297	7.543	

Table (4) shows the measurement of the dimensions of tax performance from the point of view of the surveyed sample, in terms of

means, standard deviations and coefficient of variation as follows:

Table 4. Summary of the Results of The Analysis of the dimensions of the tax performance variable

Tax Performance	Mean	Standard deviation	Coefficient of variation CV	Dimension order
Financial	4.297	0.304	7.074	1
Customers (Taxpayers)	4.406	0.364	8.261	2
Internal operations	4.511	0.421	9.332	4
Learning and growth	4.068	0.376	9.242	3
TOTAL	4.214	0.279	6.620	

The highest mean in the analysis of the axis of internal operations reached (4.511) and a standard deviation of (0.402), as the paragraph of traditional tax accounting procedures was unfair to taxpayers due to its long duration on

the largest mean of (4.545). Followed by the customer (taxpayers) axis on the second place with a mean (4.406) and a standard deviation (0.364), where the paragraph of using information technology increases the



satisfaction of taxpayers and thus increases the compliance of taxpayers, got the largest mean of (4.545). Followed by the financial axis with a mean (4.297) and a standard deviation (0.304), and a paragraph indicates that the application of the COBIT5 framework increases transparency in disclosure in the financial statements and reduces fraud and manipulation of declarations and financial statements submitted by taxpayers, which reached the mean (4.672) and finally the axis of learning and growth came in last place with a mean of (4.068) and a standard deviation of

(0.376), where the paragraph of approving promotions and bonuses as an effective system for employee loyalty obtained the highest mean of (4.527).

3.2. Discussion of Test Results

3.2.1 Relationship Hypothesis Testing

For the purpose of testing the first hypothesis (there is a significant correlation between the COBIT5 framework and the level of tax performance). Table (5) shows the results of the correlation between COBIT5 dimensions and tax performance.

Table 5. Results of the Correlation between the dimensions of the COBIT5 control system and tax performance

Y	X COBIT5 Internal Control System Dimensions	R	t- test F0	Sig
Tax Performance	Evaluate, Direct and Monitor EDM	0.831	19.578	S
	Align, Plan and Organise APO	0.601	6.849	S
	Build, Acquire and Implement BAI	0.549	8.862	S
	Deliver, Service and Support DSS	0.738	11.808	S
	Monitor, Evaluate and Assess MEA	0.579	6.348	S
	TOTAL	0.735	11.657	S

* Tabular value (t) at significance level (0.05) and degree of freedom (53) = 1.674

The results in the above table indicate the values of the correlation coefficient and show the existence of a positive and significant correlation between the total dimensions of the COBIT5 framework and tax performance, as the correlation coefficient reached (0.735) and the calculated value of (t) reached (11.657), which is greater than its tabular value at the level of significance (0.05) of (1.674), and it is clear from the table that the strongest correlation was between the dimension of evaluation, guidance and monitoring EDM and tax performance, as it reached (0.831), which is a positive value and a function as the value of (t) The calculated amounted to (19.578), which is greater than its tabular value at the level of significance (0.05), and there is a positive correlation between tax performance and after delivery, service and support DSS, as it reached (0.738), which is a function, as the value of (t) reached (11.808), which is greater than its tabular value at the level of

significance (0.05), then comes in third place after the compatibility of planning and organization APO with a correlation coefficient of (0.601), which is a positive relationship and a function, where the value of (t) calculated (6.849), which is greater than its tabular value at Significance level (0.05).

It is a positive and significant relationship, where the calculated value of (t) was (6.849), which is greater than its tabular value at the level of significance (0.05). The results of the analysis also resulted in the emergence of a positive correlation for the dimension of monitoring, evaluation and assessment MEA and tax performance, as it reached (0.579), which is a function at the level of significance (0.05), where the calculated value of (t) reached (6.348). The weakest correlation between the dimensions of the Cobit5 framework and tax performance after construction was ownership and implementation BAI, as it reached the value of



R (0.549), but it is a positive and significant relationship, as the calculated value of (t) reached 8.862) (which is greater than its tabular value at the level of significance (0.05). The results indicate the ability of the dimensions of the COBIT5 framework to improve tax performance, and this leads us to accept the first hypothesis that (There is a

significant correlation between the COBIT5 framework and the level of tax performance).

3.2.2 Impact Hypothesis Test

To test the second hypothesis that there is a significant effect of the COBIT5 framework (at the level of tax performance), Table (6) shows the results of estimating simple linear regression between the two research variables.

Table 6. Simple Linear Regression Estimation Results

Y	X COBIT5 Internal Control System Dimensions	$\hat{\alpha}$ Constant	β Regression coefficient	F0	R ²	Sig
Tax Performance	Evaluate, Direct and Monitor EDM	2.31	0.81	52.08	0.67	S
	Align, Plan and Organise APO	2.72	0.44	16.79	0.35	S
	Build, Acquire and Implement BAI	2.02	0.76	62.99	0.57	S
	Deliver, Service and Support DSS	1.51	0.76	70.048	0.68	S
	Monitor, Evaluate and Assess MEA	1.51	0.71	58.19	0.53	S
	TOTAL	1.21	0.82	102.43	0.66	S

* Tabular value (F) with a significant level (0.05) and a degree of freedom (1.53) = 4.023

$$Y = \hat{\alpha} + \beta x$$

$$TP = \hat{\alpha} + \beta (\text{COBIT5})$$

$$TP = 1.21 + 0.82 (\text{COBIT5})$$

Whereas, TP: Tax Performance

The table shows that the value of the coefficient of determination (R2) amounted to (0.66) for the total dimensions of the COBIT5 framework, and indicates that the COBIT5 framework is able to explain its ratio (0.66) of the changes in tax performance, while the remaining percentage (0.34) is due to other variables that are not included in the research model. The result of the coefficient of determination is not relied on only after relying on the test (F) as through a comparison of (F0) calculated with (F) tabular at the level of significance (0.05) and the degree of freedom (1.53) shows that (F0) calculated amounted to (102.43), which is greater than its tabular value of (4.023) and This indicates that the relationship is a significant function. As for coefficient of determination at level of each dimension of COBIT5, the results indicated that the highest percentage was in the dimension of delivery service and support DSS, as it reached (0.68), and this means that the DSS dimension is able to explain its ratio (0.68) of changes in tax performance and the

rest (0.32) is due to other variables that are not included in the analysis, which is a significant effect, as indicated by the test (F), as it reached (F0) calculated (70.048), which is greater than its tabular value of (4.023) at the level of significance (0.05) and the degree of freedom (1.53). followed by dimension EDM, as the coefficient of determination (R2) percentage (0.67) and this result means that dimension evaluate, direct and control is able to explain the percentage (0.67) of changes in tax performance and the rest 33% is due to other variables, which is a significant effect as indicated by the test (F) as it reached (F0) calculated (52.08), which is greater than its tabular value of (4.023) at the level of significance (0.05) and degree of freedom (1.53) Then came sequentially dimension the Build, Acquire and Implement BAI was the coefficient of determination R2 (0.57), which is also a significant effect as indicated by the test F where it reached (62.99) and then followed after Monitor, Evaluate and Assess MEA as the coefficient of determination (0.53)

it explains the rate of 53% of the changes that occur in tax performance, which is a significant effect also according to the test F as it amounted to (58.19) which is greater than its tabular counterpart at the level of significance (0.05) and degree of freedom (1.53).

Finally, the least influential dimensions were for the dimension of compatibility planning and organization ABO, as it reached (R²) 0.35), meaning that this dimension is able to explain its ratio of 0.35) only of the changes that affect tax performance and indicates (F₀) calculated (16.79) that this effect is significant as it is greater than its tabular counterpart. As for the constant ($\hat{\alpha}$), it refers to the percentage of tax performance (TP) when (COBIT5) is equal to zero. The value of the constant ($\hat{\alpha}$) for the total.

The results of the analysis of the beta coefficient or regression coefficient (β), which shows the linear relationship between (COBIT5) and tax performance (the rate of change in tax performance when (COBIT5) changes one unit). It indicates a positive relationship between (COBIT5) and tax performance as indicated by the positive coefficient of (β), and the regression coefficient (β) indicates that increasing (COBIT5) by one unit leads to an increase in tax performance by (0.82) units. It is a significant relationship through the (F) test, as the calculated value of (F) reached (102.43), which is greater than its tabular counterpart of (4.023) at the level of significance (0.05) and the degree of freedom (1.53). Dimensions of (COBIT5) was (1.21), meaning when (COBIT5) is equal to zero, the tax performance will not be less than (1.21).

Based on the previous indicators, all the results of the statistical tests indicate a strong effect of (COBIT5) in its five dimensions on tax performance, and this result is consistent with the second hypothesis, which stated that there is a significant effect of the framework (COBIT5) on the level of tax performance.

4. Research Results:

1. The COBIT5 framework is one of the basic internal control tools to improve the performance of the General Tax Authority. To create value for stakeholders by delivering benefits, reducing risk levels, and optimizing the use of resources.
2. Adopting the COBIT5 internal control framework as a guide for auditors to advise senior management on the efficiency of the internal control system in the institution. This regulatory framework includes IT governance, which is one of the most important pillars of the corporate governance system.
3. The highest mean in the analysis of the dimensions of the COBIT5 framework for the dimension (Build, Acquire and Implement) (BAI) this indicates that the authority seeks to identify the software for the required systems and ensure its implementation and integration with the authority's requirements in accordance with the work requirements and the needs of taxpayers. As for the level of tax performance, it reached the highest mean in the analysis of internal operations axis, reaching (4.511). This can be explained by the fact that the use of information technology accelerates the tax accounting procedures in the Authority more than the traditional method by studying the needs and desires of taxpayers.
4. It is clear from the statistical indicators that there is a positive statistically significant correlation of (0.735) between the internal control system COBIT5 and tax performance, and this proves the validity of the first hypothesis. And the diminutions (Evaluate, Direct and Monitor) EDM, (Delivery, Service and Support) DSS has obtained the highest correlation indicators, and the EDM dimension is represented by the governance procedures practiced by the authority on its work. while the lowest correlation relationship was for the (Monitor, Evaluate and Assess) dimension MEA, this indicates that the IT operations in

the authority still need continuous monitoring and do not meet the requirements of regulatory controls. Especially those related to performance management, and follow-up of internal control.

5. It was found through the analysis of the coefficient of determination (R^2), which amounted to (0.66), that the internal control system COBIT5 effects in tax performance and is able to explain 66% of the changes that occur in tax performance. The dimensions (delivery, Service and support) DSS, evaluate, direct and monitor EDM have more impact on tax performance compared to the rest of the dimensions according to the analysis of the coefficient of determination R^2 , while the dimensions that have the least effect on tax performance, dimension (Align, Plan and Organise) APO.
6. The results also showed that the relationship and effect between COBIT5 and tax performance was positive and significant, as indicated by the F test, which explains the severity of this effect. This proves the validity of the second hypothesis.

Data Availability:

The data used to support the results of this study has been included in the article.

Conflict of Interest:

The authors declare that they have no conflicts of interest.

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