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FACTORS AFFECTING TAX COMPLIANCE BEHAVIOR OF BUSINESS HOUSEHOLDS AND INDIVIDUALS WITH E-COMMERCE ACTIVITIES: A STUDY IN VIETNAM

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ARTICLE INFO	ABSTRACT
	The goal of this article is to study the factors affecting tax compliance of individuals and households with businesses on e-commerce platforms. The study conducted a survey of 700 votes corresponding to 700 taxpayers, representing 700 business households/individuals in 07 provinces and cities of the country. The results collected 665 suitable answer votes, the rate reached 95.00%. Through the results of scale reliability analysis, exploratory factor analysis, affirmative factor and linear structure model. The results have identified seven influencing factors and are arranged according to standardized regression coefficients, respectively: Psychological factors, social factors, economic factors, characteristics of tax authorities, legal factors and tax policies, etc the characteristics of the operation of the taxpayer, and the operation of the investment service. From the results of the study, the authors proposed a number of policy implications to contribute to improving the tax compliance behavior of business households/individuals with e-commerce activities in Vietnam in the coming time.

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1. Introduction

E-commerce has shattered all concepts of borders, territorial boundaries, and localities. With the nature of e-commerce is that there is no transaction headquarters, no paper transactions and some goods exchanged in transactions are intangible goods (for example, digital products), so transactions in e-commerce are very difficult to control. Therefore, tax evasion occurs more frequently and is more common. The execution of business activities and transactions in which all steps of trading, signing contracts, deliveries, money transfers, etc. are implemented and processed through a computer network system, creating conditions for organizations and individuals to ignore tax authorities, do not register for business/register to pay taxes with e-commerce activities. This situation is common with organizations that do not have permanent establishments in Vietnam, it is also common with individuals who sell goods through social networks. In addition, another common behavior is not declaring or very under-declaring the value of transactions/income in order to evade taxes, because there is little evidence to compare. Over the past time, the tax industry has come up with many solutions to tighten tax collection for subjects doing business on the e-commerce system, the initial results have achieved certain successes. In 2015, the GDP of e-commerce reached 0.4 billion USD, contributing 13% of the GDP of the digital economy, in 2019 it contributed 42% of the GDP of the digital economy, by 2021 it has contributed 62% of the GDP of the digital economy.

However, through the inspection results of the tax authority, it was shown that the non-compliance of e-commerce activities, specifically: in 2017, uninvoiced revenue was 9,959.2 million VND, in 2018 it increased to 11,065.78 million VND; in 2021, 17,250.41 million VND to October 2022, the amount of uninvoiced sales was 21,538.01 million VND. The average annual increase in tax non-compliance violations increased by an average of 16.81%. This result shows that the value of tax non-compliance is increasing. Therefore, it is necessary to study to have a solution to limit tax fraud of businesses with e-commerce activities.

Stemming from the above reasons, the authors chose to conduct the study "Factors affecting tax compliance behavior of business households and individuals with e-commerce activities: a study in Vietnam" to identify factors affecting tax compliance, thereby studying those factors to have implications to increase tax compliance of individuals and business households on the number.

2. Theoretical basis and research model

2.1. Theoretical basis

This research team uses the following basic theories

Theory of planned behavior (TPB): *The theory of planned behavior, also known as the theory of planned behavior, developed by Icek Ajzen in 1985, is an extension of the theory of rational action by* Ajzen and Fishbein (1975), Ajzen and Fishbein (1980) and was added by him in 1987, 1991. This is a general theory of human behavior. In tax compliance research, behavioral theory is intended to help researchers explain the relationships between factors such as beliefs, culture, social norms,.... and taxpayers' behavioral intentions that lead to tax compliance.

Prospect theory: Prospect theory, developed by Daniel Kahneman and Amos Tversky in 1979, is a behavioral economic theory that describes how people make decisions under conditions of risk and uncertainty (Kahneman & Tversky, 1979). This theory has been widely applied across fields ranging from finance to behavioral science, to better understand

the decision-making process (Tversky & Kahneman, 1986; Fishbur & Kochenberger, 1979; Schoemaker, 1980). Prospect theory is applied by researchers to tax compliance research to explain the relationship between detected risks and the severity of penalties for tax evasion. Prospect theory explains psychological biases and speculative methods that influence taxpayer behavior, providing insights into why individuals may comply with tax laws (Austin et al., 2021; Guthrie, 2002). This theory suggests that the risk of detection and the severity of penalties can significantly affect compliance behavior, as individuals weigh the potential loss more than the equivalent benefits of evasion (Aprile et al., 2019).

Agency Theory: The Agency Theory, also known as the delegation theory, was developed by Berle and Means in 1932, later further developed by Jensen and published by Meckling in 1976. This theory defines the relationship of representation (or fiduciary relationship) as a contractual relationship whereby shareholders (principals) appoint or appoint other persons, business managers (agents) to perform the management of the business for them, which includes giving them the authority to make decisions on the disposition of the assets of the enterprise. karma. The responsibility of the enterprise is to comply with the tax law, but the main task of the business manager (business representative) is to run the business so that it generates as much profit as possible, which shows the nature of the operation of the enterprise for profit. Therefore, the economic factor and the interests of the business will be the key factors to make the representative comply or cheat on taxes.

General Deterrence Theory: General Deterrence Theory was developed by two pragmatic philosophers of the 18th century, Cesare Beccaria and Jeremy Bentham, both to explain the crime situation and as a method to mitigate it. This theory considers the causes of participation in deviant, antisocial or criminal behaviors of some individuals. The general deterrence theory holds that the threat of legal penalties can deter individuals and businesses from engaging in illegal activities, including tax evasion (Kocian, 2021; Abuamria, 2019; Nagin, 2001). The risk of detection and the severity of the punishment are at the heart of deterrence theory. Studies have shown that higher detection risks, such as increased audit rates, often lead to higher compliance rates (Klepper & Nagin, 1989).

Relationship between theories in explaining tax compliance behavior in e-commerce

In the context of e-commerce, the tax compliance behavior of business entities is simultaneously influenced by many psychological, economic and organizational factors. The three foundational theories – Planned Behavior Theory (TPB), Prospect Theory and Agency Theory – have a complementary relationship, helping to explain more comprehensively taxpayer motivations, risk perceptions and decision-making behaviour in a digital business environment.

First of all, Ajzen's (1985, 1991) Theory of Planned Behavior (TPB) argues that behavioral intention is the central determinant of action, influenced by attitudes toward behavior, subjective norms, and perceptions that control behavior. In e-commerce, where the majority of transactions take place online and are difficult to control, merchants' attitudes toward paying taxes (e.g., seeing paying taxes as a civic duty or a burden), social impact (e.g., the online business community tends to comply or evade taxes), and the perception of the possibility of being audited, all contribute to the formation of tax compliance intentions (Bobek & Hatfield, 2003; Hanno & Violette, 1996).

Complementing TPB, Kahneman and Tversky's (1979) Prospect Theory explains how humans make decisions under conditions of risk

and uncertainty. In the context of e-commerce tax, business entities often assess potential losses (fines, arrears) as heavier than the short-term benefits of tax evasion – a manifestation of loss aversion. As a result, as tax authorities strengthen their detection capabilities and penalties, taxpayers tend to change their behavior towards higher compliance (Kirchler et al., 2008; Aprile et al., 2019). As such, Prospect Theory provides a psycho-cognitive perspective that helps explain why detection risks and sanctions are key factors in the extended TPB model.

Meanwhile, Jensen and Meckling's (1976) Agency Theory emphasizes the relationship of interests and economic motivations in organizations. In e-commerce, representatives (businesses, platform managers, or e-commerce platform operators) may prioritize maximizing profits rather than fully complying with tax regulations, especially when the monitoring mechanism is limited (Hanlon & Heitzman, 2010). However, the perception of detected risks (according to Prospect Theory) and social attitudes and norms (according to TPB) can reduce conflicts of interest in representative relationships, thereby improving the level of compliance.

Thus, these three theories have a reciprocal relationship:

(1) TPB explains intentions and behaviors of compliance through psycho-social factors.

(2) Prospect Theory adds aspects of risk perception and loss emotions, clarifying the dynamics of compliance under the influence of sanctions.

(3) Agency Theory emphasizes the motivation of interest and conflict within the organization, helping to understand compliance behavior from an economic-governance perspective.

By integrating the three theories, researchers can build a multi-dimensional model of tax compliance in e-commerce, in which taxpayer behavior is shaped by beliefs, risk perceptions, social norms and economic benefits. This combination helps to further explain the "partial compliance" or "conditional compliance" behaviors that are common in today's e-commerce environment (Kasper et al., 2015; Kirchler, 2007).

2.3. Previous studies

Allingham and Sandmo (1972), using mathematical models in an analysis of income tax evasion behavior, found that the income reported by the taxpayer (taxpayer) directly depends on the taxpayer's actual income factor, which is correlated in the same direction as the Ability to be tested and the penalty for fraudulent behavior, but in the opposite direction to the tax rate. The limitation of this model is that the study has assumed that the probability of being audited for tax is fixed, but in practice this factor is never fixed.

Palil (2010) used a mixed research method consisting of quantitative research combined with qualitative research to carry out an elaborate study on the factors affecting tax compliance of taxpayers (both PIT and CIT), especially in-depth research on the impact of tax knowledge on tax compliance in the context of self-declaration of Malaysia. The research results show that tax compliance is affected by the following factors: Tax knowledge (+); Probability of being audited (+); Positive perception of Government spending (+); Personal financial limitations (-). In particular, Tax knowledge has the most impact on taxpayers' tax compliance.

Azrina Mohd Yusof et al. (2014) conducted a quantitative study examining the determinants of tax non-compliance of SMEs in Malaysia. The results of the study have come to the conclusions: Marginal tax rate, company size and operating industry are the main factors

affecting the compliance behavior of small and medium-sized enterprises; The service and construction industries are less tax-compliant than the real estate industry; Failure to inspect and examine taxes within a period of 5 years increases the risk of tax non-compliance.

Oladipupo and Obazee (2016) conducted a study to investigate the impact of taxpayer knowledge and penalties on the tax compliance of small and medium-sized enterprises in Benin City in Edo State, Nigeria. Regression using the OLS method, the authors have concluded: Tax knowledge has a significant positive impact on tax compliance; Tax penalties have a negligible positive impact on tax compliance.

Scarcella (2019) research on the effective implementation of VAT and sales tax has reported empirical evidence showing that online sales have a higher risk of tax evasion and tax fraud. These risks are mainly related to the status of taxpayers, the nature of transactions (C2C or B2C) and the import of low-value goods. Furthermore, the report also shows how app platforms can be responsible for collecting VAT, sales tax, may be obliged to share information due to their favorable location, can be used as educators for businesses operating through them, It can be partners in cooperative agreements and, finally, can voluntarily act as an intermediary. However, the research paper only raises the issue of the role of online platforms in the implementation of VAT and CIT and only stops in the form of qualitative research.

Di Gioacchino and Fichera (2020) conducted a social media analysis of the influence of tax spirit and social norms on tax evasion. The authors hypothesized that individuals adjust their tax mentality by observing the tax mentality of those around them, while also considering the possibility of the financial institution using knowledge of the network structure and the main objectives of individuals. The results

show that financial institutions can enhance tax compliance by using the positive influence of highly influential individuals on social media.

Hamid, Ibrahim, et al. (2019) conducted a qualitative study in Malaysia exploring factors affecting the tax compliance of small and medium-sized enterprises (SMEs) engaged in e-commerce. Through in-depth interviews with business owners, the study identified tax knowledge as the most crucial determinant of compliance. Conversely, legal complexity and high tax rates were found to hinder compliance efforts. These findings suggest that simplification of tax procedures and education initiatives could enhance voluntary compliance among e-commerce SMEs.

In the United States, Agrawal and Shybalkina (2023) analyzed the effects of e-commerce expansion on local sales tax revenues during the COVID-19 pandemic (2020-2021) using a natural experiment approach. The results revealed that growth in e-commerce led to an increase in local tax revenues in smaller residential areas while reducing revenues in major urban centers. This spatial redistribution highlights the uneven fiscal effects of digital trade and the need for adaptive local tax policies in the digital era.

At the international level, Morini, Pieri Leonardo, Chaudhary, and Hintsa (2024) investigated a cross-border compliance enhancement program aimed at improving tax and customs collection in e-commerce logistics. Using a qualitative approach based on interviews with customs and logistics enterprises, the study found that the program significantly improved data quality, enhanced risk management, and increased the efficiency of tax collection from small consignments. Moreover, it fostered a cultural shift among firms toward more compliant business practices.

Technological solutions have also emerged as critical tools for modern tax enforcement.

Zhang, Nan, Huang, and Liu (2020) developed a RegTech (Regulatory Technology) model that applies multimodal neural networks to detect tax evasion through social media transactions, particularly on Instagram. The model utilized global transaction data and achieved high accuracy in identifying suspicious commercial activities. This study illustrates how AI-driven analytics can supplement traditional audit processes and enhance compliance monitoring in digital platforms.

Similarly, Gholamian, Romani, Rudnikowicz, and Skylaki (2024) explored the use of large language models (LLMs) for automated product classification to support tax calculation and international product compliance within e-commerce. The study compared conventional supervised learning algorithms with LLM in-context learning and found that LLMs significantly improve classification accuracy and reduce compliance time, thereby facilitating more precise tax application across borders.

Finally, Fang and Ma (2024) examined the impact of the European Union's Value-Added Tax (VAT) reform, which shifted tax collection from delivery to the point of checkout, on cross-border e-commerce tax avoidance. Using a quantitative economic model and transaction-level data, the authors found that the reform narrowed the tax gap and enhanced compliance, though it also led to higher retail prices and a decline in transaction volumes. These results provide important empirical evidence supporting policy reforms that aim to balance fairness, efficiency, and competitiveness in the taxation of digital trade.

According to the OECD (2004), compliance risk management consists of 3 issues:

First, factors affecting tax compliance include: Business profile factors: Enterprise structure, size and age, field of operation, domestic or international activities, financial data -

investment capital, business intermediaries...); Industry factors: size of the industry, key players in the industry, profit margins, cost structure, industry regulations, working models, industry issues such as competition level, barriers to entry, seasonal factors, and infrastructure issues; Sociological factors: cultural norms, ethnic background, attitude towards the government, gender and age, educational level; Economic factors: investment, demographic interest rates, tax system, government policies, international influences, inflation, markets; Psychological factors: greed - risk - fear - trust, value, fairness, opportunity to escape.

Secondly, Taxpayers' compliance is divided into 4 groups: Determination not to comply; Do not want to comply but will do it if the tax authority pays attention; Try to comply but not always succeed and Be ready to comply.

Thirdly, corresponding to the 4 levels of tax compliance of taxpayers, there are 4 groups of strategies of the corresponding tax authorities to ensure the best compliance with tax laws: If the taxpayer's behavior is "ready to comply", the tax authority's handling principle is to "create the most favorable conditions" for taxpayers to comply; If the taxpayer's behavior is "trying to comply but not always succeeding", the tax authority's handling principle is to "support" the taxpayer to comply; If the taxpayer's behavior is "do not want to comply but will comply if the tax authority pays attention", then the tax authority's handling principle is "prevent through violation detection measures" for the taxpayer to comply; If the taxpayer's behavior is "determined not to comply", the principle of handling the tax authority is to "apply all powers according to the law" to force the taxpayer to comply. This model of the OECD has been applied by many countries to tax management to limit taxpayers' tax non-compliance. This is also the original model inherited in the research of the topic.

Phan Thi My Dung and Le Quoc Hieu (2015) in a study on factors affecting tax compliance of enterprises, affirmed: Characteristics of enterprises, business lines, quality of tax services, quality of public governance, structure of the tax system, economic factors, etc social standards affect the level of tax compliance of taxpayers.

Luong Hoang Minh (2017) in a study on the current state of tax compliance and the current state of tax administration affecting the tax compliance of Vietnamese taxpayers from 2011 to 2016 explained and clarified the factors affecting the tax compliance of taxpayers, including: Tax policies and laws; Activities of tax administration agencies include tax administrative procedures, tax management functions (propaganda and support for taxpayers, tax declaration management, inspection and examination of taxpayers, tax debt management and tax debt enforcement); Professional qualifications and ethics of tax officials; Material and technical foundations of tax authorities; Group of factors belonging to taxpayers (Characteristics of business activities, Economic factors, behavioral factors, etc.); The development of the tax agent system; Socio-economic characteristics.

Bui Ngoc Toan (2017) published the results of a study on factors affecting corporate income tax compliance behavior of enterprises in Ho Chi Minh City, showing that factors affecting corporate income tax compliance behavior include: Characteristics of tax authorities (+); Legal factors and tax policies (+); Psychological characteristics of businesses (+); Operational characteristics of the enterprise (+); Industry characteristics (+); Economic factors (+); Social factors (+). In which, the characteristic factor of the tax authority has the strongest impact on the income tax compliance behavior of enterprises in Ho Chi Minh City.

Vu Thi Bich Quynh (2019), in a study on personal income tax compliance behavior of taxpayers in Ho Chi Minh City. Ho Chi Minh City has shown the following results: Perception of corruption, mandatory standards of PIT compliance, descriptive standards of PIT compliance, personal standards of PIT compliance, etc feel fairness about the tax system that has an impact on taxpayers' PIT compliance intentions.

Pham Nu Mai Anh (2019) researched tax administration for e-commerce activities in Vietnam, the author has synthesized quite fully the theoretical basis of e-commerce and tax management, the author has combined qualitative and quantitative methods with data in the period 2011-2018, verified that there are 4 factors affecting the voluntary compliance of enterprises: Control of tax authorities - Response to information of tax authorities - Service capacity of tax officials - Awareness of enterprises. This is an important study that the author inherited and referenced. However, Tax Compliance includes both voluntary tax compliance and mandatory tax compliance, which this study does not mention Mandatory Tax Compliance.

2.4. Research Model
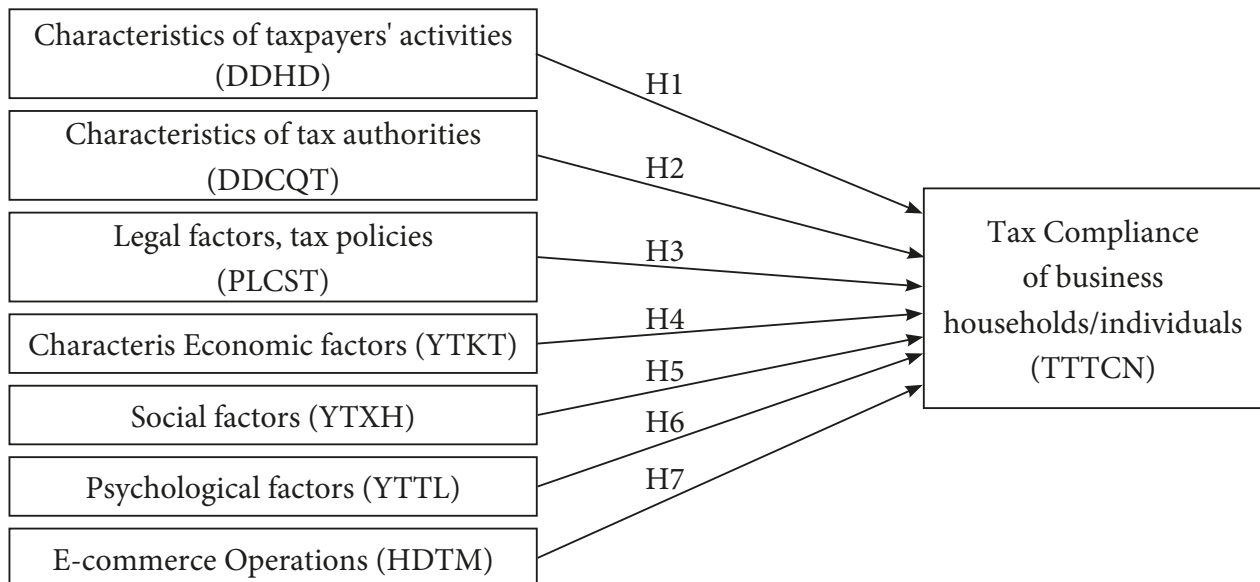
Figure 1. Proposed research model

Research hypotheses

H1: Characteristics of taxpayers' activities have the same impact as tax compliance of business households/individuals.

H2: Characteristics of tax authorities have the same impact as the tax compliance of business households/individuals.

H3: Legal factors and tax policies have the same impact on tax compliance of business households/individuals.

H4: Economic factors have the same impact on tax compliance of business households/individuals.

H5: Social factors have the same impact on tax compliance of business households/individuals.

H6: Psychological factors have the same impact as tax compliance of business households/individuals.

H7: Investment trading activities have the same impact as tax compliance of business households/individuals.

3. Research methodology

The authors used qualitative and quantitative research methods. The qualitative research was consulted by 15 managers in the field of taxation who are deputy heads of tax departments at tax sub-departments in provinces and cities such as Can Tho city, Ho Chi Minh City, Dong Nai, Binh Duong, Ba Ria - Vung Tau, thereby forming a survey.

The quantitative method adopts a 5-level Likert scale in the questionnaire. The authors surveyed 700 taxpayers (taxpayers who are individuals and business households) corresponding to 700 taxpayers in 05 cities of the country including: 5 centrally-run cities, including: Can Tho City, Ho Chi Minh City, etc Da Nang City, Hai Phong City and Hanoi City and 02 provinces with a large number of enterprises such as: Binh Duong Province, Dong Nai Province (called other localities). In each province and city, the author surveyed 100 taxpayers who are business households/ business individuals (collectively referred to as taxpayers). Thus, the data tested is 700 taxpayers, the author put into processing only 665 votes, corresponding to 665 taxpayers, of which 35 votes are due to lack of information, the reason why taxpayers answer the same question or the same answers and some invalid

votes. the pass rate is 95%. The research period is from 06/2022 to 06/2023.

4. Research results

4.1. Statistics of results

Cronbach's Alpha reliability evaluation results

Table 1. Statistics on the reliability of the scale

Factors	Number of Observed Variables	Cronbach's Alpha Reliability
1. Characteristics of the taxpayer's operation (DDHD)	4	0,862
2. Characteristics of tax authorities (DDCQT)	5	0,949
3. Legal factors and tax policies (PLCST)	3	0,937
4. Economic factors (YTKT)	4	0,961
5. Social factors (YTXH)	3	0,789
6. Psychological Factors (YTTL)	4	0,953
7. E-commerce Operations (HDTM)	4	0,946
8. Tax compliance of business households/individuals (TTTCN)	4	0,934

Table 01 shows that the reliability of the scale for factors such as: E-commerce activities (HDTM), economic factors (YTKT), characteristics of tax authorities (DDCQT), operational characteristics of taxpayers (DDHD), legal factors, tax policies (PLCST), psychological factors (YTTL) and social factors (YTXH) are satisfactory because the Cronbach's Alpha coefficient is greater than 0.6. The results of the reliability analysis of the scales are evaluated by the Cronbach's Alpha coefficient, whereby the matching variables are not excluded because the corrected item – total correlation is greater than 0.3 and the scale is acceptable in terms of reliability if the Cronbach's Alpha coefficient is greater than 0.6. This is the condition for the analysis of the next discovery factor.

Analyzing the results of the study

The results *(see Appendix 5 online)* show that $0.5 \leq KMO = 0.818 \leq 1.0$: A large KMO value means that factor analysis is appropriate. The KMO coefficient of 0.818 and the significance level (Sig) of 0.000 indicate that the factor analysis is consistent with the survey data of 700 taxpayers, but 665 samples were processed with 31 questions corresponding to 07 independent variables. The results of the study show that 31 variables included in the analysis of discovery factors are 07 factors symbolized as follows: (1) Characteristics of tax authorities (DDCQT), (2) Economic factors (YTKT), (3) Psychological factors (YTTL), (4) E-commerce activities (HDTM), (5) Characteristics of taxpayers' activities (DDHD), (6) Legal and tax policy factors (PLCST), and (7) Social factors (Social Benefits). The authors continue to use this result to analyze the linear structure model as follows.

CFA inspection results of all scales

Table 2. Matching coefficients of the model

Evaluation indicators	Value	Standard	Conclude
CMIN/DF	3,807	< 5,0	Good
GFI	0,874	> 0,8	Good
TLI	0,934	> 0,9	Good
CFI	0,943	> 0,9	Good
RMSEA	0,065	< 0,08	Good
Sig value for conformity testing	0,00	< 0,05	Good

Table 2 shows indicators measuring the suitability of the model such as squared expenditure, freedom-adjusted squared expenditure (CMIN/df), CFI comparative appropriateness index, TLI index and satisfactory RMSEA index. A model is called appropriate when the quadratic test is less than < 0.05.

Table 3. Analysis of structural linear model results

Correlation between factors			Unstandardized estimation coefficients	Normalized estimation coefficients	Standard Error (S.E)	Critical value (C.R)	P Value
TTTCN	<---	DDHD	0,170	0,070	0,065	2,632	0,008
TTTCN	<---	DDCQT	0,092	0,097	0,032	2,861	0,004
TTTCN	<---	YTKT	0,098	0,114	0,027	3,702	***
TTTCN	<---	YTTL	0,519	0,535	0,034	15,081	***
TTTCN	<---	HDTM	0,058	0,065	0,030	1,974	0,048
TTTCN	<---	PLCST	0,068	0,085	0,026	2,559	0,011
TTTCN	<---	YTXH	0,232	0,130	0,061	3,804	***

Notes: *The significance level is 1%.*

Table 3 shows that the SEM model test results are satisfactory, the value of the regression coefficients is positive and the statistical significance is less than 0.05. The P-value column is the level of significance of the relationship of the impact of the factors. The results shows that all seven factors mentioned above affect the tax compliance of business households/individuals in the same direction with a meaningful level of 5%. The impact factors are arranged according to the normalized estimation coefficient from high to low: the highest is the psychological factor (YTTL) with a standardized estimation coefficient of 0.535 and the lowest is the investment activity (HDTM) with a standardized estimation coefficient of 0.065.

5. Conclusions and policy implications

The results of the study show that there are 7 factors affecting the tax compliance of business households/individuals (TTT), including (1) Characteristics of tax authorities (DDCQT), (2) Economic factors (YTKT), (3) Psychological factors (YTTL), (4) E-commerce activities (HDTM), (5) Characteristics of taxpayer activities (DDHD), (6) Legal and tax policy

factors (PLCST), and (7) Social factors (Social Benefits) with a significance of 5%. Among the influencing factors, the Psychological factor (YTTL) with a standardized estimation coefficient of 0.535 affecting the tax compliance of business households/individuals was identified as the strongest influencing factor and the lowest factor affecting tax compliance of business households/individuals was the e-commerce activity factor (HDTM) with a standard estimation coefficient is 0.065.

The authors propose the following policy implications:

Psychological factor (YTTL) has a standardized estimation coefficient of 0.535; This result shows that the psychology of business households/individuals (SMEs) and employees about tax compliance, such as fear of being fined or the desire to contribute to society, can affect the tax compliance behavior of households/individuals (SMEs). Therefore, the authorities need to build a fair business environment to create a fair and transparent business environment to enhance the trust of taxpayers. Provide transparent information about the use of tax revenue to create consensus from the community. In addition, develop advocacy and education programs to raise awareness of responsibility and tax compliance. Strengthen communication activities so that taxpayers understand the importance of tax compliance to the development of society. Finally, the authorities need to improve the incentive and reward mechanism to create incentives for tax compliance. Establish reward programs for exemplary taxpayers and apply strict sanctions for violations of tax laws.

Social factors have a standardized estimation coefficient of 0.130; The results suggest that social factors such as business/personal culture, pressure from the business community, and societal expectations can also impact the tax compliance of households/individuals.

Therefore, the authorities need to encourage the participation of the community and social organizations in monitoring and promoting tax compliance. Facilitate social organizations to participate in the process of developing and monitoring tax policies. In addition, support and training for disadvantaged groups for disadvantaged groups to enhance tax compliance. Provide free courses and training programs to enhance knowledge and skills for business households and individuals. Finally, tax authorities need to increase transparency and publicize information about the use of tax revenues to create trust and consensus from the community. Establish information and communication channels so that people can easily access and monitor the use of tax revenues.

Economic factors (YTKT) have a standardized estimation coefficient of 0.114; This result shows that economic factors such as the macroeconomic situation, interest rates, exchange rates, and the level of economic development can affect the tax compliance of households/individuals (SMEs). Business households/individuals in a favorable economic environment tend to be better tax compliant. Therefore, the authorities need to adjust the tax rate in accordance with economic conditions, in order to support and encourage the development of online business. To establish preferential tax rates for industries and sectors with potential for economic development. At the same time, the authorities need to develop credit policies and financial support for business households and individuals, especially in difficult economic periods. Provide preferential loan packages and financial support to help business households overcome difficulties and grow. Facilitate investment and business activities by easing administrative procedures and providing tax incentives. Support the development of online infrastructure and a favorable business environment to attract online business investment.

Characteristics of the tax authority (DDCQT) with a standardized estimation coefficient of 0.097; This result shows that the transparency, efficiency, and professionalism of the tax authorities can affect the tax compliance level of households/individuals (TTTCN). Tax authorities with effective management and supervision systems will promote better compliance of business households/individuals (TTT). Therefore, the authorities need to improve the capacity of tax officials through training courses and develop professional skills for tax officials, especially in new fields such as e-commerce. Facilitate tax officials to participate in ongoing training courses and professional development programs. Apply information technology to improve working processes, reduce administrative procedures and enhance the efficiency of tax management 100% online. Establish an internal monitoring and audit system to ensure transparency and accuracy in online tax management. Finally, agencies need to establish a feedback mechanism from taxpayers to improve services and promptly handle arising problems. Provide online counseling and support services so that taxpayers can easily access and receive timely assistance.

Legal and tax policy factors (PLCST) have a standardized estimation coefficient of 0.085; This result shows that clear, reasonable and fair tax regulations and policies will make it easier for business households/individuals to comply. Sudden or unclear changes in tax policies can cause difficulties for business households/individuals (SMEs). Therefore, the authorities need to improve the tax legal system to ensure transparency, clarity and easy understanding. Authorities need to periodically review and update tax policies to reflect changes in the business and social environment. Strengthen the inspection and handling of violations to ensure the strictness of the law. Apply strict sanctions for tax violations to deter and ensure compliance. Continue to simplify administrative procedures and legal processes so that taxpayers can easily comply with the form of 100% online.

Operating characteristics of taxpayers (DDHD) with a standardized estimation coefficient of 0.070; This result shows that the size, industry, and operating model of households/individuals can impact tax compliance. Large business households/individuals with good accounting and management systems are often more likely to comply with taxes. Therefore, the authorities need to organize education and propaganda programs to raise taxpayers' awareness of tax rights and obligations. Provide detailed information and guidance on tax regulations and processes online. Provide online and telephone counseling services to support taxpayers in a timely and effective manner.

E-commerce activities have a standardized estimation coefficient of 0.065; This result shows that the growth and popularity of e-commerce can create challenges and opportunities for tax compliance. Business households/individuals operating in this field need to understand the relevant tax regulations to ensure proper compliance. Therefore, the authorities need to develop and complete clear and specific legal regulations for e-commerce activities. Establish standards and regulations on information security and online transactions to ensure the safety and reliability of tax declaration information. Continue to invest in information technology infrastructure to improve the ability to monitor and collect data from e-commerce transactions. Develop tools and software that support online tax filing and payment in a convenient and easy way. Finally, authorities need to strengthen cooperation with other countries to control and administer taxes on cross-border e-commerce transactions. Participate in international organizations and apply international standards in e-commerce tax administration.

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