Tax or Administrative Burden: A Move Toward Education or Simplification?

Cécile Bazart[1] & Thierry Blayac

Université de Montpellier – UMR LAMETA – FRANCE

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Abstract

A large literature has been devoted to the analysis of tax compliance mixing theoretical and empirical contributions to end up with a large list of determinants to tax decisions, notably reporting decisions. However, taxation being a social topic, taxpayers' perceptions of the tax system, seen as a wide system of levy and control is a starting point of any questioning on tax legitimacy and relevant tax reforms. From 1990 and the extensive work of Dubergé ([1]), no attention has been paid to French taxpayers' opinion on tax matters. This work was built with the aim to bridge this gap starting from the idea that it was important: (i) to isolate to which determinants French taxpayers were more sensitive, and (ii) to appreciate the validity of their perception. To this purpose we designed, and ran, a comprehensive survey over a representative sample of French taxpayers testing both their tax knowledge and perceptions on a large range of tax aspects.

Keywords: Tax compliance, Tax knowledge, Psychological costs, Simplification

1. Introduction

Tax legitimacy is a complex notion. Firstly, taxes are built on a representation principle. Taxes are designed by governments, implemented the tax administration

[1]Corresponding Author: Cécile Bazart
Address: Faculté d'Economie – UMR LAMETA – Site de Richter - Avenue Raymond Dugrand – CS79606 – 34960 Montpellier Cedex 2 – France.
Tel.: +33 4 34 43 24 93
Fax: +33 4 34 43 25 62
E-mail: cecile.bazart@lameta.univ-montp1.fr

to the benefit of all. This means that legitimacy questions are not restricted to technical choices made in terms of type of taxes, rates and brackets. It is also a matter of tax administration, understood widely as the tax collection organization and control. Finally it involves the perceived counterpart to taxes that is the analysis of how funds collected through are used. In the end, the overall complexity of the topic is inevitable due to the conjunction of its political, economic and social dimensions.

The economic literature has initiated the analysis of tax legitimacy by focusing on direct consequences of a diminishing legitimacy of the levy: namely tax evasion. This can be understood looking at the wide nature of what economists call evasion. Effectively in economics tax evasion is defined by its consequences in terms of collection without considering the legal or illegal nature of the cause. It thus gathers besides illegal tax evasion: tax planning, tax optimization tax evasion or any type of behavior resulting in a decreased tax liability and possibly, in prosecutions and correction. Tax evasion is a gamble since the seminal work of Allingham and Sandmo ([2]). Of course, rapidly, models have differentiated high risk gambles (tax evasion) from low risk one (tax avoidance) and have included the costs incurred to open avoidance or planning opportunities, Alm ([3]). But from the 80s it became clear that portfolio analysis could not help predicting and encompassing the complexity of the tax decision.

Alm et al. ([4]) demonstrated that under the threat of current audit policies all taxpayers, if rational in the economic sense, should always declare zero income and evade all their taxes. A shift in tax evasion research occurred hereafter with a reversal in the angle of study from tax evasion decision to tax compliance understanding and a methodological enlargement. New tools among which the first econometric studies based on the TCMP in the US, and experimental works explored the newly discovered area of voluntary tax compliance, with more or less success. While the theoretical debate on the impact of the tax burden on tax compliance decision is still an open area of research due to contradicting results, some clear correlations have been isolated. On the one hand, unfairness, complexity of the tax law, a social norm of dishonesty, lack of transparency or a wasteful use of funds levied through taxes decrease tax compliance. On the other hand, uncertainty (on audit parameters or public goods provided as counterparts), education, direct democracy, rewards of different types increase tax compliance[2] .

Nevertheless one should not conclude that any skilled interventions to solve complexity of the tax law guarantee more tax compliance. The literature has shown that

[2]For surveys of these dimensions, see for instance Bazart ([5]) and Alm ([6]).

tax practitioners driven by a customers' effect give aggressive advices and work to decrease tax liabilities. Conversely, help and services provided to taxpayers by the tax administration as a positive impact on tax compliance, Alm ([7]). Additionally the study of unfairness impact on evasion has led to various studies depending on the nature on unfairness. For instance, Bazart and Bonein ([8]) compare structural unfairness of the tax system (vertical inequity), from unfairness resulting from different opportunities and decisions to evade (Horizontal inequity). Recently, more attention has been paid to procedural unfairness rising from unequal audit experience(see, for instance, Rato and Gemmel [9]). Nothing simple can be proposed to address this complex problem but there is evidence that tax system being different from one country to the other, these theoretical determinants of tax compliance may weight differently in the tax problem.

In this paper we aim at tackling this issue by offering a comprehensive survey on French taxpayers' knowledge and perception about taxes. The general aim of this study is to provide a first empirical assessment[3] of those theoretical items on compliance to estimate and explain French taxpayers' acceptance of taxation.

The paper is organized as follows. Section 2 details the questionnaire structure and its implementation. Section 3 gives insights into our statistical analysis and results. Section 4 concludes.

2. SURVEY AND DATA COLLECTION

2.1. Questionnaire Structure

The questionnaire is built following the main trends and results of the economic and psychological literature. Its framework is organized in 7 parts and in total contains 59 items. The first part deals with some elements of fiscal knowledge such as nature of taxes, dominant taxes in the French tax structure, taxes that are the more evaded, overall level of tax levy, and major public goods and services financed through taxes, *etc*.The second part relates to fiscal duties: the psychological costs of tax reporting, the use of tax practitioners, relationships with tax administration. The third part focuses on deterrence, thus on the frequency, the quality and the harshness of audits. Efficiency and equity of the French tax system are tackled in the fourth part of the questionnaire: notions relative to vertical and horizontal equity as well as

[3]To our knowledge, the work of Dubergé ([1]) is the only and last attempt to assess French Taxpayers' reaction to taxation. Despite the time lag between our study and that of Dubergé ([1]), the methodologies used also widely differ.

distribution of the tax burden among classes are addressed. Assessment of tax legitimacy is provided through the prism of social interactions stereotype, scandals and tax morale by means of 6 questions in the fifth part. The seventh part of the questionnaire investigates perceptions to alternative and debated reforms of the French fiscal system. This part ends on the issue of simplification asking whether the number of taxes, the tax rates, tax loopholes, the administration of taxation should be reformed first. Finally, the last part lists traditional socio-demographics items relevant in tax concerns such as: household income, gender, age, structure of the household, location, political allegiance and religious concerns.

2.2. Endogenous and Exogenous Variables

Our econometric model aims to explain French taxpayers's perception of taxes (endogenous variable) using a large set of exogenous variables gathered under seven categories as described above. These explanatory variables are the following:

- a *Knowledge Index*: Using items of the first part of the questionnaire, we build a specific index that aggregates the answers to ten general questions about French taxation. This *Knowledge Index* can vary from 0 to 100, and can be interpreted as a percentage of right answers (see below for more details);
- a variable named *Motivation*: this qualitative variable captures intrinsic or extrinsic motivations to pay taxes. In line with the literature, five categories were identified: the sense of civic duty, redistribution considerations, public goods provision, fear of audits and prosecutions, and tax moral;
- a *Rejection Motives* variable: this a qualitative variable with eight categories that gives the first difficulty encountered by taxpayers while fulfilling their fiscal duties. Tax burden, tax law complexity, numerous changes, administrative complexity, no transparency in the use, fear of audits, lack of help, suspicious climate;
- a variable untitled *Extent of rejection*: as people were asked whereas fulfilling fiscal duties was a formality, reasonable worry, serious worry or real chore;
- an *Equity Perception* variable applied to the tax system as a whole: the rating was handled using a ten point scale from Perfect Equity (10) to Total Inequity (1);

- a variable called *Complexity*: the subject had to point the core reform to simplify the tax system. Propositions were reduce the number of existing taxes, tax rates, administrative processes or tax loopholes;
- a variable called *Liquidation*: we distinguished three categories : real cost declaration, flat tax and both;
- the *Net Monthly income of household*: eleven categories were initially distinguished from less than €450 to more than €7500. This qualitative variable has been turned into a quantitative one by substituting the class center for each income range. We used the square value of the variable to isolate potential threshold effect in the tax burden ;
- a variable named *Religious Believes*: a dummy variable (Yes/No);
- a *Political Wing* variable: five categories are identified from Extreme left wing to Extreme right wing.

2.3. Subjects and Sample Description

The sample was built hiring the services of Survey Sampling International Inc., to guarantee its representativeness. The sampling method used is the quota method based on the following criteria: gender, age, geographical location (5 areas: Paris region, North West, North East, South West and South East of France) and socio-professional categories. Data collection was implemented by the use of online survey thanks to the LimeSurvey software. This step of the survey occurred from January, the 29 to February, the 8 of 2015. Overall, 1094 questionnaires were collected. The socio-demographic characteristics of the sample are provided in Table 1[4].

3. Results

In this section, we provide a twofold analysis. First, we draw a general picture using descriptive statistics on each part on the questionnaire. Second, we used an econometric analysis of taxpayers perceptions about the tax burden by means of binomial logit regression.

[4]The quota's criteria targeted are specified in brackets

Table 1: Sample descriptive characteristics

Variable	Frequency (%)	Variable	Frequency (%)
Age		**Location**	
18 to 24	10.51 [14]	Paris Area	18.24 [19]
25 to 39	31.99 [31]	North West	23.52 [23]
40 to 49	23.49 [22]	North East	22.87 [23]
50 to 65	32.08 [32]	South West	11.48 [11]
Above 65	1.92 [1]	South East	23.8 [24]
Gender		**Children**	
Male	50.56 [49.5]	Yes	56.48
Female	49.44 [50.5]	No	43.52
Income		**Education**	
Below 450 €	5.09	Certificat d'étude	2.59
451 € to 600 €	3.70	BEPC	3.70
601 € to 750 €	2.31	CAP–BEP	15.09
751 € to 1000 €	6.57	Baccalauréat	23.70
1001 € to 1500 €	15.83	Licence	32.31
1501 € to 2000 €	16.02	Master	19.63
2001 € to 3000 €	23.06	PhD	1.76
3001 € to 4500 €	17.13	Other	1.20
4501 € to 6000 €	6.76	**Religious believe**	
6001 € to 7500 €	2.04	Yes	42.04
Above 7500 €	1.48	No	57.96
Political allegiance		**Socio–professional categories**	
Extreme left–wing	6.30	Upper class	30.56 [34]
Left–wing	30.83	Lower class	42.13 [30]
Centre	30.56	Inactive	27.31 [36]
Right–wing	21.94		
Extreme right–wing	10.37		

3.1. French taxpayers and taxes: the general picture

French taxpayers have a very limited knowledge of the French tax system as their average *Knowledge Index* is about 33.4%, with a standard deviation around 14. The range of the *Knowledge Index* stands from 0 to 80. The French tax system is perceived by taxpayers as unfair since the average *Equity Perception* is about 4.11 on a ten point scale. The average *Monthly Net income of Household* is €2408, with a standard deviation of 1578. This corresponds to a yearly taxable income of €14081 by fiscal part. They declare that they are subject to lump sum taxes (44%), and to real expenses (41%). To the question, « Do you feel that you are paying too many taxes? », individuals responded positively in 77% of the cases. They also report paying taxes because it is a civic duty (45%), because it finances goods and services that benefit to all (25%), because they are afraid of being controlled and paying penalties (14%) or also because cheating is immoral (10%). The redistributive aspect of the tax system is only mentioned in 6% of the cases. As for the variable *Rejection Motives*, the tax liability is mentioned in 28% of responses while the tax law complexity is evoked for 21% of individuals, following by numerous reforms (13%), lack of transparency on the uses of taxes (11%) and complexity of administrative processess (10%). Regarding the simplification of the French tax system, taxpayers prefer mainly two ways: reducing the number of taxes (47%) and reducing the number of rates for income tax (24%). It should also be noted that fulfiling fiscal duties is perceived as a formality by 45% of individuals, following by a reasonable worry (23%), a real chore (23%) and a serious worry (9%). Moreover, individuals declare that they have political ideas close to those of the extreme left wing (6%), left wing (31%), center (31%), right wing (22%) and extreme right wing (10%). Finally, religious beliefs are reported by 42% of the respondents.

3.2. Determinants of tax burden perception

3.2.1. Econometric modeling

In order to identify the main determinants of French taxpayers perception of taxes, we estimate a binary logit model. Indeed, we model the probability that a given taxpayer has the feeling of paying too many taxes. This feeling was measured using a dichotomous variable (Yes/No) in the questionnaire survey. Therefore, the endogenous variable takes the following form:

$$y_i = \begin{cases} 1 & \text{if the } \textit{i-th} \text{ individual has the feeling of paying too many taxes} \\ 0 & \text{otherwise.} \end{cases} \quad (1)$$

A latent variable Z_i is then defined which takes the following form for a given taxpayer i:

$$Z_i = X_i\beta + u_i \qquad \forall i = 1, ..., N \tag{2}$$

expression in which X_i is a vector of explanatory variables, β a vector of coefficients to be estimated and u_i is a random term. If we assume that this random term is distributed according to a logistic law of zero mean and variance equal to $\pi^2/3$, then the expression of the probability that a given taxpayer has the feeling of paying too many taxes is provided by the following simple form:

$$Prob\{y_i = 1\} = \frac{\exp(Z_i)}{1 + \exp(Z_i)} \tag{3}$$

More precisely, in our study, the latent equation incorporates the exogenous variables presented in section 2.2[5]. So, we get:

$$\begin{aligned} Z_i = \beta_0 + \beta_1.KI_i + \beta_2.INC_i + \beta_3.SQINC + \beta_4.EQTY_i + \beta_{5-8}.MO_i + \beta_{9-15}.REM_i \\ + \beta_{16-18}.EXR_i + \beta_{19-22}.CPLX_i + \beta_{23-24}.LQD_i + \beta_{25}.RB + \beta_{26-29}.PW_i + u_i \end{aligned} \tag{4}$$

The results of the econometric process are presented in Table 2 and Table 3. The econometrically modeled probability is the probability of having the feeling of paying too many taxes[6]. Table 2 provides some information about the statistical quality of the estimated model while Table 3 gives the estimated coefficients and their significance. As it can be seen from Table 2, the likelihood ratio test allows us to reject the null hypothesis of simultaneous nullity of the slope coefficients ($p - value < 0.0001$). Therefore, the model is globally valid. The $pseudo - R^2$ is equal to 0.190, which is quite suitable for this type of modeling. In addition, the estimated model accurately forecasts 79.72% of individual observations, with a greater ease to predict the *«Yes»* answer to the question than the *«No»* answer. Still from a statistical point of view, we must now consider the significance of the explanatory variables introduced in

[5]For practical considerations, the variable names will be abbreviated in the equations as follows: KI for Knowledge Index, MO for Motivations, REM for Rejection Motives, EXR for Extent of Rejection, EQTY for Equity Perception, CPLX for Complexity, LQD for Liquidation, INC for Net Monthly Income of Household, SQINC for for the square of Net Monthly Income of Household, RB for Religious Believes and PW for Political Wing.

[6]All estimations were powered by SAS 9.4 software.

the model (Table 3). All the quantitative variables introduced are statistically significant at least at the 10% level. For the qualitative variables, the Type 3 effects analysis shows that the latter are also significant at least at the 10% level, even if some categories are not significant.

Table 2: Goodness of fit

Index	**Value**	**Index**	**Value**
Log Likelihood		**Likelihood Ratio Test**	
$LogL$	-470.47	$\chi^2_{95\%}(29ddl)$	220.32
$LogL_0$	-580.63	$p-value$	<0.0001
$Pseudo-R^2$	0.190	**Proportion Predicted with Succes**	
Information Criteria		$Overall$	79.72%
AIC	1000.93	Yes	94.57%
SC	1150.33	No	30.68%

From an economic and psychological point of view, it is interesting to pay attention to the sign associated with the various explanatory variables during the estimation process. We do this only for statistically significant variables and modalities. With a positive sign, the *Knowledge Index* variable has a positive impact on the probability of having the feeling of paying too much tax. This result could appear to be quite logical given the complexity of the French tax system and the number of direct and indirect taxes (the French tax burden rate is about 44.5% in 2016). However, in our sample, individuals have a poor knowledge of the French tax system (the average of the *Knowledge Index* is only 33.44%), but this variable nevertheless has a positive impact on the previous probability. The *Net Monthly Income of Household* variable is in a linear form with a positive sign and in a quadratic form with a negative sign. Such a configuration reflects the existence of a threshold effect. Thus, in our study, income has a positive effect on the probability of having the feeling of paying too much tax up to the €5214 threshold, beyond this threshold, income has a negative effect on this probability. The *Equity Perception* variable has a negative impact on the probability of having the feeling of paying too much tax. The more individuals perceive the tax system as fair, the more it reduces the feeling of paying too many taxes. Regarding the qualitative variables introduced in our model, only the statistically significant modalities will be commented in relation with the reference modality. For the *Motivation*, the sense of civic duty and public goods provision categories decrease the probability

Table 3: Econometric results of the Binary Logit estimation

Variable	Coefficient	p-value
Quantitative Variables		
Intercept	1.0296	0.0758
Knowledge Index	0.0159	0.0083
Net monthly income of household	0.000462	0.0071
Square of net monthly income of household	-4.43E-8	0.0848
Equity perception	-0.2403	<0.0001
Motivation		
Cheating is immoral	Ref.	Ref.
It is a civic duty	-1.3034	0.0006
It benefits to the most disadvantaged	0.0354	0.9453
It finances goods and services that we all benefit	-1.2946	0.0011
I'm afraid of being controlled and having to pay penalties	-0.6674	0.1466
Rejection Motives		
Tax law complexity	Ref.	Ref.
Tax liability	0.7287	0.0025
Lack of transparency on the use of taxes	0.6067	0.0544
Lack of reliable administrative services	0.5546	0.1356
Complexity of administrative procedures	-0.1096	0.6984
Fear of audits	-0.1189	0.7676
Suspicious climate	0.7340	0.0631
Numerous reforms	0.3839	0.1600
Extent of Rejection		
Fulfilling fiscal duties is a formality	Ref.	Ref.
Fulfilling fiscal duties is a reasonable worry	0.4593	0.0234
Fulfilling fiscal duties is a serious worry	0.1521	0.6058
Fulfilling fiscal duties is a real chore	1.2384	<0.0001
Complexity		
Administrative processes	Ref.	Ref.
Number of different taxes	0.8539	0.0004
Number of tax loopholes	0.2650	0.3523
Number of tax rates	0.4701	0.0702
Other	0.7335	0.2888
Liquidation		
Both	Ref.	Ref.
Lump sum taxes	0.5029	0.0412
Real expenses	0.1925	0.4278
Religious Believes		
Yes	Ref.	Ref
No	-0.3629	0.0337
Political Wing		
Extreme left wing	-1.0661	0.0014
Left wing	-0.6875	0.0006
Center	Ref.	Ref.
Right wing	0.3964	0.1233
Extreme right wing	0.3673	0.2839

of having the feeling of paying too many taxes, with regard to the reference category *Cheating is immoral*. For the variable *Rejection Motives*, which refers to the difficulties of fulfilling fiscal duties, all statistically significant categories exert a positive effect on the feeling of paying too many taxes in relation to the reference category *Tax law complexity*. Thus, the lack of transparency on the use of taxes, the tax liability and the suspicious climate reinforce the feeling of paying too many taxes. For the *Extent of Rejection* variable, compared to the reference category *Fulfilling fiscal duties is a formality*, individuals who state that fulfilling their fiscal duties is a reasonable worry or a real chore, have a sense of paying too many taxes reinforced. The complexity of the French tax system also contributes to the feeling of paying too many taxes. This feeling is largely due to the number of tax rates and number of different taxes. The type of tax liquidation also has an impact on the probability of having the feeling of paying to many taxes. Thus taxpayers who opt for a lump sum taxes see their feeling increased. As might be expected, political orientation plays a major role in the perception of paying too many taxes. This feeling is diminished for the left wing and extreme left wing voters. More counter-intuitively, not having religious believes diminishes this feeling.

3.2.2. Economic implications: elasticity and odds ratio

In order to illustrate the sensitivity of the probability of having the feeling of paying too many taxes, we have calculated the elasticities for the quantitative variables and the odds ratio for the qualitative variables[7]. More precisely, we compute the elasticity of the probability as follow:

$$\epsilon_{Prob/x_i} = \frac{\partial Prob(y_i = 1)}{\partial x_i} \times \frac{x_i}{Prob(y_i = 1)} \tag{5}$$

For qualitative variables, odds ratio are given by:

$$OR_{x_i} = \frac{\frac{Prob(y_i=1/x_i)}{1-Prob(y_i=1/x_i)}}{\frac{Prob(y_i=1/x_{ref.})}{1-Prob(y_i=1/x_{ref.})}} \tag{6}$$

The results are provided in Table 4 and Table 5

Table 4 highlights the strong elasticity of the feeling of paying too many taxes in relation to household income.Indeed, for households whose net monthly income is less than €5214, a 1% increase in their income results in an increase in the probability

[7]Computations are made only for the statistically significant categories.

Table 4: Elasticities of the probability

Variables	Value
Knowledge Index	+0.056
Net Monthly Income of Household	
Income less than €5214 (e.g. 2408)	+4.489
Income more than €5214 (e.g. 6000)	-5.914
Equity Perception	-0.013

of feeling that they pay too many taxes of 4.9%. On the other hand, for households whose income is strictly higher than €5214, a 1% increase in their income results in a decrease in the previous probability of 5.9%. This result should be compared with the work of Landais et al. ([10]) which shows that, in practice, the French tax system is weakly progressive up to the middle class level and is clearly regressive for the 5% of the richest households. In Figure 1, we show the evolution of the probability of having the feeling of paying too many taxes based on the monthly net income of the household. The curve obtained is largely compatible with those describing the evolution of the compulsory levy according to income, as presented in Landais et al ([10])[8].

Table 5 highlights that for individuals who think that paying taxes is a civic duty, the relationship between the feeling of paying too many taxes and the feeling of not paying too much is 4 times lower than for individuals who think that cheating is immoral. Similarly, for individuals who think that fulfilling fiscal duties is a real chore, the relationship between the feeling of paying too many taxes and the feeling of not paying too much is 3.5 times higher than for individuals who think that fulfilling fiscal duties is a formality.

4. Conclusion

This paper indirectly tackles the question of tax compliance and tax legitimacy in France. We do so by linking theoretical determinants of tax compliance to the perceived burden of taxes among a representative sample of French taxpayers. Respondents were in fact asked to specify if they had the feeling of paying too much

[8]See http://www.revolution-fiscale.fr/le-systeme-actuel/un-systeme-regressif.

Table 5: Odds–Ratio

Variable	**Point Estimate**	**Lower Bound** (95% CI)	**Upper Bound** (95% CI)
Motivation			
Cheating is immoral	Ref.	Ref.	Ref.
It is a civic duty	0.272	0.129	0.570
It finances goods and services that we all benefit	0.274	0.126	0.596
Rejection Motives			
Tax law complexity	Ref.	Ref.	Ref.
Tax liability	2.072	1.293	3.322
Lack of transparency on the use of taxes	1.834	0.988	3.404
Suspicious climate	2.083	0.961	4.519
Extent of Rejection			
Fulfilling fiscal duties is a formality	Ref.	Ref.	
Fulfilling fiscal duties is a reasonable worry	1.583	1.064	2.355
Fulfilling fiscal duties is a real chore	3.450	2.025	5.879
Complexity			
Administrative processes	Ref.	Ref.	
Number of different taxes	2.349	1.468	3.757
Number of tax rates	1.600	0.962	2.662
Liquidation			
Both	Ref.	Ref.	
Lump sum taxes	1.654	1.020	2.680
Religious Believes			
Yes	Ref.	Ref	
No	0.696	0.498	0.972
Political Wing			
Center	Ref.	Ref.	
Left wing	0.503	0.339	0.745
Extreme left wing	0.344	0.179	0.663

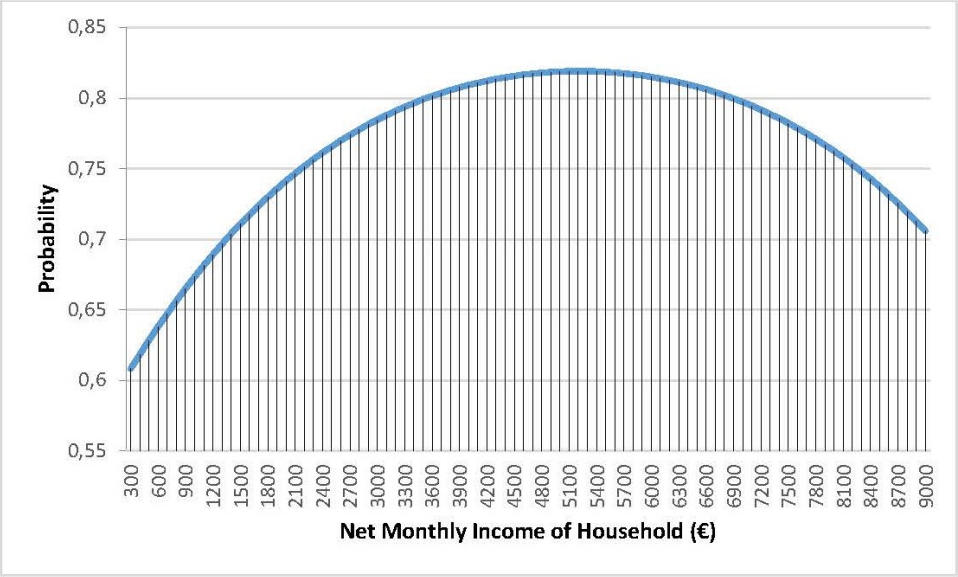

Figure 1: Evolution of the probability of having the feeling of paying to many taxes

taxes or not. This endogenous variable is then studied thanks to numerous explanatory variables among which some elements of general tax knowledge; a set of possible motivations to pay taxes; various concrete elements accounting for compliance costs such as complexity of tax law, perceived compliance costs and fairness of the system, socio demographic characteristics completed of religious and political considerations. We also introduce an estimate of taxpayers knowledge to enlighten and discuss relevance of their perception concerning taxes.

Our results support the distorting impact of inequity, complexity and high compliance costs on the probability to have the feeling of paying too much tax. Complexitys effects are various. The more the calculus of tax liability is complex, the number of taxes and of tax rates to deal with, the lack of transparency increase the feeling of paying too much. Tax compliance costs, that is time efforts engaged to fulfill administrative duties, have a significant negative impact on tax burden perception. Those who answered that reporting income was a real chore had a higher probability to perceive the burden as high. . Knowledge and income are also positively related to the perception of paying too much taxes but this result has to be taken with caution. Firstly, if knowledge increases the perception to pay too much it has to be mitigated by the very low knowledge score obtained in our sample. With a level of 33.44%

over 100% of knowledge index among our sample we have to recognize that French taxpayers show a low level of understanding of their system, its aim and structure. The analysis of the link between the level of income and the probability of having the feeling to pay too much leads to a curve symmetric with that of Landais, Piketty and Saez (2011). These authors show that the overall burden of taxes and social contributions is slightly progressive up to a gross income of 5200 euros and regressive afterward. In our study we show that income has a positive effect on the probability of having the feeling of paying too much tax up to a threshold of 5214 euros of income and, for incomes above this threshold has a negative impact on the probability. As a consequence, perceptions relative to income dont seem to be that much distorted on the income item despite the bad knowledge index. Last, our work concludes on a positive point with 45.16% of the sample ranking the civic sense of duty as the first motivation to pay taxes and 90% of the sample supporting the idea that taxpayers should not cheat while paying taxes there seem to be some room for manoeuver to sustain tax compliance in the long run. Both, the sense of civic duty and the fact to finance goods and services to the benefit of all decrease the probability of paying too much taxes.

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