

Investigating Factors Influencing the Adoption of Income Tax E-Filing in South Africa

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Abstract

The global shift from paper-based administration to digital administration, commonly referred to as e-administration, has significantly transformed operational processes across various sectors. Many government institutions, including the South African Government, have embraced this digital transition, exemplified by the introduction of the e-filing system for annual income tax returns. This study aims to investigate the factors influencing the adoption of income tax e-filing in South Africa. To achieve this objective, a quantitative research approach was employed, employing a descriptive research design. The findings indicate that among the six investigated factors namely: Performance Expectancy, Effort Expectancy, and Government Trust have a statistically significant impact on individuals' adoption of e-filing in South Africa. In opposition, the factors namely: Social Influence, Computer Anxiety, and Internet Trust were found to have no significant effect on adoption behaviour. Based on these insights, South African government officials are encouraged to implement policies that promote the adoption of e-filing, particularly through the SARS Mobile App, as findings suggest that taxpayers are motivated to submit their annual income tax returns via digital platforms. Furthermore, it is crucial for the government to ensure the continuous improvement of the e-filing system, focusing on expectancy and performance, while simultaneously maintaining its reputation as a trusted public institution (SARS). By fostering trust and improving system functionality, the government can further encourage the sustained use of e-filing for income tax submissions in South Africa.

Keywords: Government; Income Tax; e-filing; SARS app; South Africa