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Contribution of Taxpayers' Knowledge of Tax Laws to Mitigating Corporate Tax Objections in Moshi Municipality, Tanzania

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Abstract: ***Tax objections persist in many developing countries, including Tanzania, where inadequate tax literacy among taxpayers contributes to non-compliance, misunderstandings, and objections during tax audits. This study assessed how taxpayers' knowledge of tax laws helps mitigate corporate tax objections in Moshi Municipality. The study adopted a convergent mixed-methods design. The target population comprised 1,752 registered taxpayers and 50 Tanzania Revenue Authority (TRA) officers in Moshi Municipality. Using Yamane's formula to determine the sample size, we selected 326 taxpayers through simple random sampling and five TRA officers through purposive sampling. We ensured instrument validity through expert review and pilot testing involving 10% of the sample, and assessed reliability using Cronbach's alpha coefficient, with a threshold above 0.7. We collected data through questionnaires administered to taxpayers and interviews with TRA officers. We analysed quantitative data using descriptive statistics and regression analysis, while we analysed qualitative data thematically. The study adhered to ethical principles by obtaining informed consent, maintaining confidentiality, ensuring voluntary participation, and obtaining approval from relevant authorities. The findings revealed that taxpayers perceived applicable tax laws, tax rates, timely tax filing, timely responses to audit findings, tax assessment methods, tax exemptions, knowledge of taxpayers' rights, and tax notices as contributing significantly to mitigating corporate tax objections. Regression analysis confirmed that taxpayers' knowledge of tax laws had a positive and statistically significant contribution to mitigating corporate tax objections ($\beta = .482$, $p < .05$). The study concludes that taxpayers' knowledge of tax laws is an important factor in mitigating corporate tax objections in Moshi Municipality and recommends that TRA strengthen taxpayer education programmes through regular training, seminars, and awareness campaigns on tax laws and procedures.***

Keywords: Taxpayers' Knowledge of Tax Laws; Corporate Tax Objections; Tax Compliance; Tax Literacy; Taxpayers' Obligations; Tax Filing.

Nomenclature:
TRA: Tanzania Revenue Authority
SMEs: Small and Medium-Sized Enterprises

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I. INTRODUCTION

A. Background of the Study

Taxation is a major source of government revenue that finances public services and promotes economic development. Effective tax administration depends largely on taxpayers' knowledge of applicable tax laws, rates, filing deadlines, and statutory obligations, which determine how they calculate, report, and pay taxes (OECD) [1]. Countries with effective taxpayer education have reported improved voluntary compliance and fewer tax disputes, whereas limited tax knowledge continues to increase assessment disagreements, tax objections, and administrative costs (Siglé Okeke) [2] [3].

Globally, experiences differ across countries. In the Netherlands and Australia, taxpayer education has improved taxpayers' understanding of applicable tax laws, tax rates, filing requirements, and tax obligations, resulting in fewer audit adjustments and corporate tax objections (Siglé; Lignier & Evans) [2] [4]. Similarly, in the United States, improved knowledge of tax laws has enhanced voluntary compliance and reduced disputes arising from tax assessments (Hite & McGill) [5]. However, several developing countries still face corporate tax objections because taxpayers lack knowledge of applicable tax laws, misunderstand tax rates, fail to file returns by statutory deadlines, and do not fully understand their legal obligations (Aslett et al.) [6].

Taxpayer knowledge remains uneven across Africa. In South Africa, compliance has reached a relatively high level because improved taxpayer education on tax laws, tax rates, filing procedures, and taxpayer obligations has reduced compliance disputes (Naape) [7]. Uganda has also seen improved voluntary tax compliance after launching broader taxpayer awareness campaigns (Mugarura) [8]. In contrast, Cameroon still faces many tax disputes because many businesses do not fully understand tax legislation, filing requirements, or their statutory obligations, leading to frequent disagreements during tax assessments (Wadesango & Mwandambira) [9]. These experiences show that taxpayers' knowledge of applicable tax laws, tax rates, filing deadlines, and obligations is a key factor in corporate tax objections in various African countries.

In Tanzania, the Tanzania Revenue Authority (TRA) has launched taxpayer education programmes, electronic filing systems, seminars, taxpayer service centres, and digital communication channels to enhance taxpayers' knowledge of relevant tax laws, tax rates, filing deadlines, and legal obligations (TRA) [8]. As a result, tax compliance has improved among many taxpayers. However, corporate tax

objections remain a problem because some taxpayers continue to misinterpret tax laws, apply the wrong tax rates, miss filing deadlines, and fail to fully comply with their legal obligations. The TRA [10] found that the Kilimanjaro Region accounted for 45% of corporate tax objections, compared with 38% in the Arusha Region and 19% in the Manyara Region, showing that tax administration challenges persist.

In Kilimanjaro Region, corporate tax objections remain a major challenge despite TRA's taxpayer education initiatives. Regional records indicate that Kilimanjaro Region registered 450 corporate tax objection cases in 2025, reflecting persistent disputes between corporate taxpayers and the tax authority over tax assessments, applicable tax laws, tax rates, filing requirements, and taxpayers' obligations to TRA [10]. Among the districts and councils in the region, Moshi Municipality recorded the highest number of corporate tax objections, with 261 cases, followed by Moshi District Council, Hai District Council, Rombo District Council, Same District Council, and Siha District Council, all of which reported considerably fewer objection cases (TRA) [10]. The concentration of corporate tax objections in Moshi Municipality suggests that knowledge gaps about applicable tax laws, tax rates, tax return filing deadlines, and taxpayers' obligations continue to drive tax disputes despite ongoing taxpayer education programmes. Consequently, Moshi Municipality was selected as the study area because it recorded the highest number of corporate tax objections in Kilimanjaro Region, making it an appropriate setting for examining how taxpayers' knowledge of tax laws helps mitigate corporate tax objections.

B. Statement of the Problem

Corporate tax objections continue to present significant challenges for the Tanzania Revenue Authority (TRA). Despite taxpayer education programmes, taxpayers still lack a comprehensive understanding of tax laws, which is essential to promote compliance and minimise disputes. Persistent corporate tax objections often stem from misunderstandings about tax obligations, assessments, filing requirements, exemptions, and taxpayers' rights. These misunderstandings delay revenue collection and increase administrative costs (Naape) [7]. Tax revenue is critical for financing public services and supporting economic development. Consequently, enhancing taxpayers' knowledge of tax laws is necessary to improve compliance and reduce disputes. In response, the TRA has introduced educational initiatives, including seminars, workshops, taxpayer service centres, and digital platforms, to help taxpayers better understand tax laws and procedures. Nevertheless, corporate tax objections remain prevalent. In 2025, the Kilimanjaro Region reported 450 corporate tax objection cases, with Moshi Municipality recording the highest number (261 cases) among all districts and councils. Although Omary [11] and Mugarura [8] examined tax knowledge and compliance among small and medium-sized enterprises (SMEs), and Naape [7] also focused on tax knowledge and compliance, limited research has addressed the influence of taxpayers' knowledge of tax laws on reducing corporate tax objections, particularly in Moshi Municipality. Therefore, this study investigates how taxpayers' knowledge of tax laws contributes to reducing corporate tax objections in Moshi Municipality.

C. Research Objective

To examine the extent to which taxpayers' knowledge of tax laws contributes to mitigating corporate tax objections in Moshi Municipality.

D. Research Hypotheses

H01: Knowledge of applicable tax laws has no statistically significant contribution to mitigating corporate tax objections in Moshi Municipality.

H02: Knowledge of tax rates has no statistically significant contribution to mitigating corporate tax objections in Moshi Municipality.

H03: Knowledge of the time for returning tax filings does not statistically significantly contribute to mitigating corporate tax objections in Moshi Municipality.

H04: Knowledge of taxpayers' obligations does not statistically significantly contribute to mitigating corporate tax objections in Moshi Municipality.

II. LITERATURE REVIEW

A. The Economic Deterrence Theory

Allingham and Sandmo [12] proposed the Economic Deterrence Theory in their seminal paper, Income Tax Evasion: A Theoretical Analysis. The theory states that taxpayers act rationally and decide on tax compliance by weighing the expected benefits of evasion against the expected costs, including the probability of an audit and the penalties if evasion is detected. According to the theory, taxpayers are more likely to comply when detection is likely, and penalties for non-compliance are severe because these increase the expected cost of evasion. The theory assumes taxpayers are rational, self-interested decision-makers with sufficient information to evaluate the risks and benefits of compliance or non-compliance. They seek to maximise their economic utility and respond predictably to changes in audit probability and penalty severity. Consequently, stronger enforcement mechanisms and greater awareness of tax laws are expected to discourage non-compliance and reduce tax-related disputes.

The theory is relevant to this study because it explains how taxpayers' knowledge of tax laws influences their compliance decisions and reduces corporate tax objections. Taxpayers who understand applicable tax laws, tax rates, filing deadlines, and statutory obligations are more likely to comply because they recognise the legal consequences of non-compliance, including audits, penalties, and additional tax assessments (Allingham & Sandmo) [12]. In this study, greater knowledge of tax laws enables corporate taxpayers to interpret tax regulations correctly, determine tax liabilities accurately, submit tax returns on time, and fulfil their legal obligations. This minimises misunderstandings and objections to tax assessments. Therefore, the theory provides a useful framework for explaining how improved taxpayers' knowledge of tax laws helps mitigate corporate tax objections in Moshi Municipality by encouraging compliance and discouraging behaviours that

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may lead to tax disputes (Kirchler et al.) [13].

A major strength of Economic Deterrence Theory is that it clearly explains taxpayers' compliance behaviour by emphasising audits, penalties, and enforcement as deterrents to tax non-compliance. It provides a strong foundation for tax administration policies that improve voluntary compliance through effective enforcement and taxpayer education (Kirchler et al.) [13]. Despite its usefulness, the theory has notable limitations. It assumes taxpayers are purely rational and make compliance decisions solely based on economic costs and benefits, overlooking psychological, social, ethical, and institutional factors that also influence tax behaviour. It pays limited attention to trust in tax authorities, tax morale, fairness perceptions, and taxpayers' knowledge of tax laws, all of which significantly influence voluntary tax compliance and reduce tax disputes. Consequently, the theory may not fully explain corporate tax objections arising from misunderstandings of tax laws rather than intentional non-compliance (Kirchler et al.) [13].

B. Empirical Literature Review

Siglé et al. [14] examined how tax law knowledge helps mitigate corporate tax objections and empirically assessed cooperative compliance in the Netherlands. The study used a mixed-methods survey paired with audit-adjustment data. From about 8,500 large profit organisations, the study drew a random sample of 274 companies, and 169 firms completed both the questionnaire and audit disclosures. The findings revealed that companies with greater knowledge of tax control frameworks had significantly fewer audit adjustments for both VAT and corporate income tax. This suggests that understanding tax control frameworks helps mitigate corporate tax objections. However, the study primarily defined "tax law knowledge" as familiarity with internal control systems rather than specific legal provisions. It also focused solely on large multinationals, excluding SMEs and other business types. The current study addressed these gaps by focusing on a broader range of corporate taxpayers, including SMEs, within Moshi Municipality. It examined how corporate taxpayers' awareness and understanding of applicable tax statutes and obligations contributed to reducing tax objections.

Wadesango and Mwandambira [9] examined how tax law knowledge helps mitigate corporate tax objections, focusing on tax compliance challenges among SMEs in Eyumojock, Cameroon. Using a cross-sectional design, the study targeted 200 SMEs selected through purposive sampling and collected data using five-point Likert questionnaires and semi-structured interviews. Results indicated that while basic tax law knowledge supports voluntary compliance, widespread knowledge gaps and informal practices persist. These gaps and practices create ongoing risks of non-compliance and disputes with tax authorities. This study's limitation is its focus on informal and small-scale enterprises, without addressing formal corporate tax objection-resolution mechanisms. This study filled this gap by focusing on formal corporate taxpayers in Moshi Municipality, within a regulated tax environment. It examined how knowledge of tax law translated into fewer formal objections to TRA assessments.

Naape [7] explored how tax law knowledge mitigates corporate tax objections in South Africa, focusing on the interplay between tax knowledge, complexity, and compliance. The study used a quantitative approach with descriptive statistics and logistic regression. The target population included 300 personal and small-business taxpayers, and the study collected 151 usable responses via self-administered questionnaires. The study disaggregated tax law knowledge into calculation, reporting, and payment domains and found each component was significantly associated with higher compliance. However, the study focused on individuals and small-business taxpayers and excluded corporate entities and formal objection processes. The current study focused on corporate taxpayers and examined their knowledge of tax laws on formal objection resolution processes in Moshi Municipality.

Mugarura [8] examined how tax law knowledge helps mitigate corporate tax objections in Uganda, highlighting the moderating role of public trust. Using a cross-sectional survey design targeting 150 SME operators through purposive and convenience sampling, the study found that greater tax law knowledge positively influenced compliance, especially when paired with higher trust in public institutions. However, tax law knowledge was assessed broadly. The study did not analyse the direct link between knowledge and objection resolution, nor did it focus on formal corporate taxpayers. The current study addressed this gap by directly assessing how corporate taxpayers' legal knowledge contributes to formal objection processes in Moshi Municipality.

Omary [11] examined how tax law knowledge mitigates corporate tax objections, focusing on determinants of tax compliance among SMEs in Ilala Municipality. The study used a descriptive cross-sectional design and sampled 201 SMEs using simple random and purposive sampling techniques. Results showed that higher legal knowledge was associated with better tax compliance, particularly timely filing and payment, which reduced the incidence of objections. However, the study was limited to SMEs and did not include larger registered corporations or assess the actual frequency of objections. The current study addressed these gaps by targeting a more diverse population of corporate taxpayers in Moshi Municipality, including medium- and large-scale registered firms. It also extended the scope to explore how specific knowledge of Tanzanian tax laws influenced the frequency and nature of formal corporate tax objections.

III. RESEARCH METHODOLOGY

This study adopted a convergent mixed-methods design. The target population comprised 1,752 registered taxpayers and 50 TRA officers in Moshi Municipality. We determined the taxpayer sample size using Yamane's (1967) formula: $n = N / (1 + N(e)^2)$, where n is the sample size, N is the population size (1,752), and e is the level of precision (0.05). This yielded $n = 1,752 / 5.38 = 325.65$, rounded to 326. Therefore,

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we selected 326 registered taxpayers through simple random sampling and included five TRA officers through purposive sampling because they are directly involved in tax administration and corporate tax objection management.

We collected data using questionnaires administered to taxpayers and interview guides administered to TRA officers. We ensured the instruments' validity through expert review and pilot testing with 10% of the sample, and assessed reliability using Cronbach's alpha coefficient, with a threshold above 0.7.

We analysed quantitative data using descriptive statistics and multiple linear regression. The multiple regression model was specified as $Y = \beta0 + \beta1X1 + \beta2X2 + \beta3X3 + \beta4X4 + \varepsilon$, where Y represents mitigation of corporate tax objections; X1, X2, X3 and X4 represent knowledge of applicable tax laws, tax rates, time for filing returns, and taxpayers' obligations, respectively; $\beta0$ is the constant; $\beta1$–$\beta4$ are regression coefficients; and ε is the error term. We used mitigation of corporate tax objections as the dependent variable, and the four indicators of taxpayers' knowledge of tax laws as the independent variables. Data were measured using Likert-scale items ranging from 1 (Very Low Extent) to 5 (Very High Extent), and we computed composite mean scores for each construct to create continuous variables suitable for regression. Before estimation, we conducted diagnostic tests for normality, linearity, and multicollinearity to verify the multiple linear regression model's assumptions.

The study analysed qualitative interview data using thematic analysis grounded in Creswell and Creswell [15], using NVivo version 15 to organise the data. The emerging themes enriched the quantitative findings by providing a deeper understanding of how taxpayers' knowledge of tax laws helps mitigate corporate tax objections. The study adhered to ethical principles by obtaining informed consent, maintaining confidentiality, and ensuring voluntary participation. The study obtained approval from relevant authorities, and participants were informed of their right to withdraw at any stage.

IV. FINDINGS AND DISCUSSION

A. Research Instruments Return Rate

Of the 326 questionnaires distributed to taxpayers, 321 were completed and returned, representing a response rate of 98.5%. Of the five key informants targeted for interviews, three were successfully interviewed, representing a response rate of 60.0%. Table I presents the response rate of the data collection tools.

Table I: Response Rate

Category	Targeted Respondents	Actual Responses	Response Rate (%)
Taxpayers (Questionnaire)	326	321	98.5
Key Informants (Interview)	5	3	60.0
Total	331	324	97.9

Source: Field Data (2026)

The overall response rate of 97.9% indicated high participation among the selected respondents. According to Cohen et al. [16], a response rate of 75% or above is considered adequate for data analysis. Therefore, the response rate in this study provided a reliable basis for data analysis and valid conclusions.

B. Demographic Characteristics of Taxpayers

The demographic characteristics examined included gender, age, highest level of education, type of business, and years in operation, as these help contextualise respondents' backgrounds and the sample's representativeness. Table II presents the demographic characteristics of the taxpayers who participated in the study.

Table II: Demographic Characteristics of Taxpayers (n = 321)

Category	f	%
Gender		
Male	159	49.5
Female	162	50.5
Age		
Below 30	71	22.2
31–40	109	34.1
41–50	113	35.3
Above 50	27	8.4
Highest Level of Education		
Primary	35	11.1
Secondary	81	25.6
Diploma	72	22.8
Degree	90	28.5
Postgraduate	38	12.0
Type of Business		
Service Provider	242	81.5
Manufacturing & Production	32	10.8
Construction & Mining	23	7.7
Years in Operation		
Less than 3 years	77	24.0
3–5 years	94	29.3
Above 5 years	150	46.7

Source: Field Data (2026)

The findings show that both genders were almost equally represented (50.5% female, 49.5% male), providing balanced views on taxpayers' knowledge of tax laws and corporate tax objections. Most respondents (69.4%) were aged 31 to 50 years, indicating they were in active working and business age groups and likely had adequate experience with tax-related matters. Regarding education, 28.5% held a degree and 12.0% held postgraduate qualifications, suggesting relatively high educational attainment that may enhance respondents' ability to understand tax laws, obligations, and objection procedures. Service-oriented businesses dominated the sample (81.5%), reflecting Moshi Municipality's largely service-based business environment, and 46.7% of respondents had operated their businesses for more than five years, suggesting substantial exposure to tax compliance requirements and corporate tax-related issues.

C. Gender and Perceived Contribution of Applicable Tax Laws

We conducted a cross-tabulation analysis between gender and respondents' ratings of the extent to which applicable tax laws mitigate corporate tax objections to assess whether perceptions differed by gender. Table III presents the results.

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Table III: Crosstabulation Between Gender and Extent to Which Applicable Tax Laws Contribute to Mitigating Corporate Tax Objections (n = 321)

Gender	Small Extent (%)	Moderate Extent (%)	High Extent (%)	Very High Extent (%)	Total (%)
Male (n=158)	0.6	1.9	26.6	70.9	100.0
Female (n=162)	0.0	8.0	34.6	57.4	100.0
Total (n=320)	0.3	5.0	30.6	64.1	100.0

Source: Field Data (2026)

The findings indicate that most male and female respondents perceived applicable tax laws as mitigating corporate tax objections to a very high extent (70.9% of males and 57.4% of females). Overall, 64.1% of respondents indicated a very high extent and 30.6% indicated a great extent, while only 5.0% and 0.3% indicated moderate and small extents, respectively. These findings suggest that taxpayers strongly believe a clear understanding and application of tax laws plays an important role in reducing misunderstandings, disputes, and objections related to tax assessments, and that enhancing taxpayers' awareness of applicable tax laws may improve compliance and reduce the incidence of corporate tax objections in Moshi Municipality.

D. Extent to Which Knowledge of Tax Laws Contributes to Mitigating Corporate Tax Objections

Respondents were asked to rate various aspects of tax law knowledge on a five-point Likert scale (1 = Very Small Extent to 5 = Very High Extent). Mean scores were interpreted as follows: 1.00–1.80 = Very Small Extent, 1.81–2.60 = Small Extent, 2.61–3.40 = Moderate Extent, 3.41–4.20 = High Extent, and 4.21–5.00 = Very High Extent. Table IV presents the percentage distribution, mean, and standard deviation for each statement.

Table IV: Taxpayers' Responses on the Extent to Which Knowledge of Tax Laws Contributes to Mitigating Corporate Tax Objections (n = 321)

Statement	VSE %	SE %	ME %	HE %	VHE %	Mean	SD
Applicable tax laws	0.0	0.3	5.0	30.6	64.1	4.5	.60
Tax rates	0.0	0.0	13.2	47.3	39.4	4.2	.67
Time for filing tax returns	0.3	0.3	16.0	35.4	48.0	4.3	.76
Time for response to audit findings	0.0	1.9	11.6	41.5	45.0	4.3	.74
Tax assessment methods	0.6	0.6	12.9	39.3	46.5	4.3	.76
Tax exemptions	0.3	0.3	16.7	38.7	44.0	4.2	.76
Taxpayers' obligations	0.3	1.6	13.2	41.3	43.5	4.2	.77
Taxpayers' rights	0.3	1.9	12.8	44.7	40.3	4.2	.76
Tax notices	0.3	1.9	15.4	40.1	42.3	4.2	.79
Withholding tax obligations	0.6	0.3	15.3	35.3	48.4	4.3	.78
Grand Mean						4.3	.74

Source: Field Data (2026). VSE = Very Small Extent; SE = Small Extent; ME = Moderate Extent; HE = High Extent; VHE = Very High Extent; SD = Standard Deviation.

The overall grand mean of 4.3 (SD = .74) indicates that taxpayers perceived knowledge of tax laws as contributing to mitigating corporate tax objections to a very great extent. Applicable tax laws recorded the highest mean (4.5, SD = .60), with 94.7% of taxpayers rating its contribution as high or very high. Tax rates, timely filing, timely response to audit findings, tax assessment methods, tax exemptions, taxpayers' obligations and rights, tax notices, and withholding tax obligations all recorded means between 4.2 and 4.3, with consistently low standard deviations, indicating broad agreement among respondents that each dimension of tax law knowledge contributes substantially to mitigating corporate tax objections.

To complement the quantitative findings, we interviewed key informants from TRA and organised their responses into four major themes, presented in Table V.

Table V: Themes and Key Informants' Views on the Contribution of Taxpayers' Knowledge of Tax Laws to Mitigating Corporate Tax Objections (n = 3)

Theme	Codes / Sub-Themes	f	%	Key Informants
Knowledge of applicable tax laws	Understanding tax obligations and tax regulations	3	100.0	KI I, KI II, KI III
Knowledge of tax rates	Accurate determination of tax liabilities and reduced assessment objections	3	100.0	KI I, KI II, KI III
Knowledge of time for filing tax returns	Compliance with filing deadlines and avoidance of penalties	2	66.7	KI II, KI III
Knowledge of taxpayers' obligations	Increased tax compliance and reduced misunderstandings with tax authorities	2	66.7	KI II, KI III

Source: Field Data (2026). KI = Key Informant (KI I, KI II, KI III used to Maintain Anonymity and Confidentiality).

On applicable tax laws, a Key Informant explained that clear legal guidance on tax obligations, procedures, and responsibilities reduces the likelihood that taxpayers misinterpret assessments or filing requirements, thereby preventing many disputes before they develop into formal objections. Another informant noted that taxpayers familiar with tax regulations generally cooperate during audits and are more likely to accept assessments supported by legal provisions, while a third observed that taxpayer education programmes focus on applicable tax laws precisely because informed taxpayers are more compliant and less likely to raise unnecessary objections.

On tax rates, informants indicated that objections often arise when taxpayers do not clearly understand

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applicable rates, leading to calculation errors and disputed assessments. In contrast, taxpayers who understand tax rates tend to comply and rarely object on rate-related grounds. On filing deadlines, informants noted that many penalties disputes stem from late submission rather than disagreements with the underlying tax laws, and that following filing schedules helps taxpayers avoid penalties and reduces disputes over late-submission decisions. On taxpayers' obligations, informants observed that most corporate tax objections arise from misunderstandings of responsibilities such as filing returns, maintaining proper records, and paying taxes within required timeframes, and that clarity on these obligations significantly reduces unnecessary objections and promotes voluntary compliance.

Collectively, the qualitative findings reinforce the quantitative results: knowledge across all four dimensions- applicable laws, tax rates, filing deadlines, and taxpayers' obligations- improves taxpayers' understanding of tax requirements and assessment procedures, reducing misunderstandings, disputes, and formal tax objections. These findings align with Economic Deterrence Theory's premise that taxpayers comply more readily when they understand legal requirements and the consequences of non-compliance, and they are consistent with prior empirical evidence (Siglé, 1; Naape, 7; Mugarura) [8].

E. Diagnostic Tests

Before estimating the regression, we tested the assumptions of normality, linearity, and multicollinearity. We assessed residual normality using a Normal P-P Plot, which showed that the points closely followed the diagonal reference line, indicating that the residuals were approximately normally distributed and that the normality assumption was satisfied (Pallant, 17).

The linearity assumption was tested using SPSS's Test for Linearity to examine whether the relationship between the independent variables and mitigation of corporate tax objections deviated significantly from a linear pattern. Table VI presents the results.

Table VI: Linearity Test Between Taxpayers' Knowledge of Tax Laws and Mitigation of Corporate Tax Objections

Source	Sum of Squares	df	Mean Square	F	Sig.
Between Groups (Combined)	987.524	185	5.338	2.714	.002
Linearity	438.716	4	109.679	21.845	.000
Deviation from Linearity	548.808	181	3.032	1.216	.147
Within Groups	1325.417	135	9.818		
Total	2312.941	320			

Source: Field Data (2026)

The significance value for linearity (.000) was less than 0.05, indicating a statistically significant linear relationship between taxpayers' knowledge of tax laws and mitigation of corporate tax objections. In contrast, the significance value for deviation from linearity (.147) was greater than 0.05, indicating that the relationship did not significantly deviate from linearity. The linearity assumption required for multiple linear regression was therefore satisfied, consistent with Omary [9] and Mugarura [8], who similarly reported significant positive linear relationships between taxpayers' knowledge and tax compliance outcomes.

We assessed multicollinearity using Tolerance and Variance Inflation Factor (VIF) values, presented in Table VII.

Table VII: Multicollinearity Test

Variable	Tolerance	VIF
Knowledge of Applicable Tax Laws	.020	51.027
Knowledge of Tax Rates	.023	43.638
Knowledge of Time for Returning Tax Filing	.032	31.352
Knowledge of Taxpayers' Obligations	.038	26.019

Source: Field Data (2026)

All tolerance values were below 0.10, and all VIF values exceeded 10.0, indicating serious multicollinearity among the four knowledge dimensions. Given this high inter-correlation among predictors, the four dimensions were subsequently combined into a single composite index of taxpayers' knowledge of tax laws for the primary regression model (Table IX). The study also reports their individual standardized contributions (Table X) for descriptive comparison, consistent with the study's dual reporting of an overall composite effect and hypothesis-specific coefficients.

F. Regression Results

After the diagnostic tests, we ran a regression analysis to examine how taxpayers' knowledge of tax laws helps mitigate corporate tax objections. Table VIII presents the model summary.

Table VIII: Model Summary for the Relationship Between Knowledge of Tax Laws and Corporate Tax Objections

Model	R	R Square	Adjusted R Square	SEE
1	.482	.232	.230	.513

Source: Field Data (2026). Predictors: (Constant), Knowledge of Tax Laws. SEE = Std. Error of the Estimate.

The model summary indicates that taxpayers' knowledge of tax laws was positively related to mitigating corporate tax objections (R = .482). The coefficient of determination (R^2 = .232) shows that taxpayers' knowledge of tax laws explained 23.2% of the variation in corporate tax objections. In comparison, the excluded factors explained 76.8%. Table IX presents the corresponding ANOVA results.

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Table IX: ANOVA Results for the Relationship Between Knowledge of Tax Laws and Corporate Tax Objections

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	25.226	1	25.226	95.752	.000
Residual	83.499	317	.263		
Total	108.725	318			

Source: Field Data (2026). Dependent Variable: Corporate Tax Objections; Predictors: (Constant), Knowledge of Tax Laws.

The ANOVA results show that the regression model was statistically significant ($F = 95.752$, $p = .000$), confirming that the model was appropriate for predicting corporate tax objections from taxpayers' knowledge of tax laws, consistent with Siglé [2], who found taxpayer knowledge to be a significant predictor of tax compliance outcomes. Table X presents the disaggregated regression coefficients for each knowledge dimension.

Table X: Multiple Regression Coefficients on the Contribution of Taxpayers' Knowledge of Tax Laws to Mitigating Corporate Tax Objections

Variable	B	Std. Error	Beta	t	Sig.
(Constant)	1.284	.215	—	5.972	.000
Applicable Tax Laws	.326	.071	.298	4.592	.000
Tax Rates	.184	.068	.176	2.706	.007
Time for Filing Tax Return	.153	.062	.161	2.468	.014
Taxpayers' Obligations	.128	.059	.139	2.169	.031

Source: Field Data (2026). Dependent Variable: Mitigation of Corporate Tax Objections.

The results in Table X indicate that knowledge of applicable tax laws ($\beta = .298$, $p = .000$), knowledge of tax rates ($\beta = .176$, $p = .007$), knowledge of the time for filing taxes ($\beta = .161$, $p = .014$), and knowledge of taxpayers' obligations ($\beta = .139$, $p = .031$) each had a positive and statistically significant contribution to mitigating corporate tax objections. Because all p-values were below 0.05, we rejected all four null hypotheses. The corresponding regression equation is:

$$Y = 1.284 + 0.326X1 + 0.184X2 + 0.153X3 + 0.128X4$$

The equation indicates that, holding other variables constant, a one-unit increase in knowledge of applicable tax laws increases mitigation of corporate tax objections by 0.326 units, while corresponding one-unit increases in knowledge of tax rates, time for returning tax filings, and taxpayers' obligations increase mitigation by 0.184, 0.153, and 0.128 units, respectively. These findings align with Naape (2023), who found that taxpayers with greater knowledge of tax laws, tax rates, filing requirements, and obligations showed higher compliance and fewer tax-related disputes.

G. Hypotheses Decisions

We based decisions on the four null hypotheses on a significance threshold of 0.05: we rejected a null hypothesis when $p < 0.05$ and retained it when $p > 0.05$.

H01 (Knowledge of Applicable Tax Laws): rejected, as knowledge of applicable tax laws had a positive and statistically significant contribution to mitigating corporate tax objections ($\beta = .326$, $p < .05$), consistent with the Economic Deterrence Theory's premise that understanding the legal framework improves compliance, and with Siglé [2].

H02 (Knowledge of Tax Rates): rejected, as knowledge of tax rates had a positive and statistically significant contribution ($\beta = .184$, $p < .05$), consistent with Naape [7], who found that accurate knowledge of tax calculations reduces disputes with tax authorities.

H03 (Knowledge of Time for Returning Tax Filing): rejected, as knowledge of filing deadlines had a positive and statistically significant contribution ($\beta = .153$, $p < .05$), consistent with Omary [9], who found that awareness of filing requirements reduces late-filing penalties and disputes.

H04 (Knowledge of Taxpayers' Obligations): rejected, as knowledge of *taxpayers'* obligations had a positive and statistically significant contribution ($\beta = .128$, $p < .05$), consistent with Mugarura [8], who found that clear understanding of obligations promotes voluntary compliance and reduces disputes.

Overall, the descriptive findings revealed that taxpayers perceived applicable tax laws, tax rates, tax filing deadlines, taxpayers' obligations, tax assessment methods, tax exemptions, taxpayers' rights, and tax notices as contributing to mitigating corporate tax objections to a great extent. The regression results confirmed that knowledge of applicable tax laws, tax rates, tax filing deadlines, and taxpayers' obligations each contributed positively and significantly to mitigating corporate tax objections, leading to the rejection of all four null hypotheses. These results were corroborated by the qualitative findings from TRA officers, which confirmed that increased knowledge of tax laws enhances taxpayers' understanding of obligations, improves compliance, reduces misunderstandings, and minimises disputes with tax authorities.

V. CONCLUSION

The study concludes that taxpayers' knowledge of tax laws helps mitigate corporate tax objections in Moshi Municipality. Taxpayers with adequate knowledge of applicable tax laws, tax rates, filing deadlines, and their obligations are better able to comply with tax requirements, accurately determine their tax liabilities, and fulfil their statutory responsibilities. Consequently, greater knowledge of tax laws reduces misunderstandings, promotes voluntary tax compliance, and minimises disputes and objections arising from tax assessments. Therefore, enhancing taxpayers' knowledge of tax laws remains an important strategy for reducing corporate tax objections and improving the effectiveness of tax administration in Moshi Municipality.

RECOMMENDATIONS

i. TRA should align taxpayer education programmes with the priorities of the Tanzania Development Vision 2050 by strengthening taxpayers' knowledge of applicable tax laws, tax rates, filing requirements, and taxpayers' obligations through digital platforms and continuous capacity-building initiatives, to enhance voluntary tax compliance, reduce

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corporate tax objections, and improve domestic revenue mobilisation.

ii. TRA should provide clear and regularly updated information on applicable tax rates for different categories of businesses through awareness campaigns, taxpayer education materials, and digital communication platforms, to enable taxpayers to accurately determine their tax liabilities and reduce objections arising from incorrect calculations.

iii. TRA should enhance awareness of tax filing deadlines by providing timely reminders through emails, SMS notifications, and taxpayer portals, to improve timely submission of returns, reduce late-filing penalties, and minimise corporate tax objections.

iv. TRA should intensify taxpayer education on taxpayers' obligations, including compliance with tax laws, timely payment of taxes, and filing responsibilities, to improve understanding, promote voluntary compliance, and reduce misunderstandings that frequently lead to corporate tax objections.

v. Policymakers should formulate and strengthen policies that support continuous taxpayer education, simplify tax laws and procedures, allocate adequate resources for taxpayer awareness programmes, and promote the use of digital technologies in tax administration.

vi. Taxpayers should actively participate in taxpayer education programmes organised by TRA and regularly seek updated information on applicable tax laws, tax rates, filing deadlines, and taxpayers' obligations, to improve understanding of tax requirements, enhance voluntary compliance, and reduce corporate tax objections resulting from misunderstandings of tax laws.

DECLARATION STATEMENT

Some of the cited references are older and are noted explicitly as [11]. However, these works remain significant for the current study, as they are pioneering in their fields.

After aggregating input from all authors, I must verify the accuracy of the following information as the article's author.

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