

BINDURA UNIVERSITY OF SCIENCE EDUCATION

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DEPARTMENT OF ACCOUNTANCY



DISSERTATION RESEARCH PROJECT

**TAX AMNESTY EFFECTIVENESS IN PROMOTING COMPLIANCE AND
REVENUE INFLOWS FROM SMALL SCALE MINERS IN ZIMBABWE**

B200440A

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DEDICATION

I would like to thank God the Almighty for His grace throughout this project work. I dedicate this research to my mother as well as the department for their unmatched support that helped me to persevere.

ABSTRACT

The study serves to explore the **Tax amnesty effectiveness in promoting compliance and revenue inflows from small scale miners in Zimbabwe**. Tax evasion poses a significant challenge for Zimbabwe, particularly within the small-scale mining sector. Tax amnesty programs have been implemented to encourage miners to declare past earnings, improve compliance behavior, and ultimately increase revenue inflows. This research intends to evaluate the effectiveness of tax amnesty programs in achieving these goals. It examines the impact of tax amnesty on compliance behavior among small-scale miners in Zimbabwe and analyzes its effectiveness in increasing revenue inflows. Additionally, the study explores the factors influencing small-scale miners' participation in tax amnesty programs. The researcher used causal research design so as to ascertain the relationship between tax amnesty program participation, Awareness of Tax Amnesty Programs, Understanding of Tax Obligations, and Perceived Benefits of Participation towards tax compliance and revenue inflows. A sample size of 154 small scale miners was used. The researcher used a questionnaire in collecting data. The data was analysed using multiple linear bivariate regression as the inferential statistical method on the Statistical Package for Social Science (SPSS) version 27. Results obtained the data was presented in the form of tables. Hypothesis testing revealed that there is a positive relationship between Amnesty Program Participation, Awareness of Tax Amnesty Programs, Understanding of Tax Obligations, and Perceived Benefits of Participation towards compliancy behaviour and tax revenue inflow. The reduction of fear was necessitated through taking into account dimensions such as self-awareness. Positive relationships were noted on all hypothesis and the researcher recommended the need for small scale miner communities to embrace the concept of tax amnesty. This helps in promoting compliance and revenue inflows and developing positive attitudes towards compliance. Tax awareness and education plays a role in influencing positive attitudes towards promoting uptake of the amnesty and promote the revenue inflows and compliance.

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CHAPTER I

INTRODUCTION

1.1. Introduction

Tax amnesties have been a strategy employed by governments globally to encourage delinquent taxpayers to settle their outstanding tax liabilities. Tax amnesty is a temporary program that allows individuals to settle their unpaid taxes for a reduced amount. It's essentially a second chance for specific groups of taxpayers to come clean about past tax mistakes and settle their debts without facing penalties or even criminal charges (Mhlanga, 2015). They can pay what they owe, often with reduced interest and fees, and move forward with a clean slate (Wisegeek, 2014). This program allows these taxpayers to voluntarily disclose any past tax errors or omissions without additional consequences.

The effectiveness of tax amnesties in promoting tax compliance has been a subject of ongoing debate. This opening chapter acts as the roadmap for the entire study. It introduces key concepts, establishes the research framework, and delves into the specific context of effectiveness of Zimbabwean tax amnesties for small-scale miners in promoting compliance and increasing revenues. By exploring the background of this study, the statement of the problem, and research questions, the chapter lays the foundation for understanding the study's purpose and objectives. The chapter then outlines the research questions, highlighting their potential relationships with objectives and what will be tested in later chapters.

Furthermore, the chapter emphasizes the study's significance for various stakeholders, including the Zimbabwe Revenue Authority, miners, financial institutions, researchers,

and the author themselves. It also justifies the research by explaining its importance and addressing any potential limitations.

Finally, the chapter provides a brief overview of the remaining chapters, offering a glimpse into the full scope of this study.

1.2. Background of study

In the face of a mounting and diversifying tax non-compliance problem, an influx of cheap imports from the region and low liquidity, ZIMRA declared a tax amnesty for the period February 2014 to January 2015. The amnesty targeted instances of tax under-declaration, evasion, and non-compliance across all sectors with the view to improve 'know-your-client' information and documentation of business dealings in the quest to enhance fiscalization. A self-correction provision was availed for taxpayers desiring to regularize their fiscal position.

A study commissioned by ZELA and ZIMCODD found that these measures were poorly received by the sector and it was believed to have experienced a contraction, with a 'build-up of mistrust with government which has contributed to tax evasion and illicit financial flows' (Mawowa, 2013). Other research based on interviews with ZIMRA officials and ASGM stakeholders found that the tax measures were perceived to be punitive and were bypassed by mineral leakage into neighboring countries. An estimated 500,000 artisanal miners resorted to smuggling in 2007, after the government had imposed a blanket ban on 'dollarization'.

There is a growing consensus that the ASGM sector is vital in terms of rural economic stimulation and poverty alleviation. However, the sector has also been recognized to be a significant contributor to environmental degradation and deforestation Chikanda, E. et al., (2022), as well as being associated with various forms of crime and smuggling Prescott, V., & Sonnenberg, M. (2021). In the last decade, ZIMRA has made attempts to harness revenue from the ASGM sector through various fiscal measures. This included the

removal of a number of duty and tax exemptions (2009), and implementation of a 15% withholding tax on unprocessed mineral sales (2014).

Measures to promote formalisation and compliance of the artisanal and small-scale mining sector are a key theme of this year's mining indaba, *Investing in mining Indaba (February 2024)*. The study objectives are to assess ZIMRA's tax collection performance in the ASGM sector and to derive the perceptions, beliefs, and attitudes of key stakeholder groups on the ZIMRA tax system. This will be done by exploring both qualitative and quantitative data.

Tax amnesty offers a temporary window for a specific group of taxpayers. During this period, they can settle their outstanding tax obligations from previous years or address past instances of non-compliance. In exchange for paying a predetermined amount, their tax liability is forgiven.

1.2.1 Current policies on tax amnesty

Tax amnesty is a fiscal policy that is being studied the world over and implemented by different countries towards a tax evader. It is one of the strategies to counter the high number of non-compliance taxpayers. In the case of Zimbabwe, tax amnesty has been implemented to the small scale mining sector during the late 90's. This policy is said to be implemented due to the poor existence of small scale mining taxation, which is contributed by the burdensome taxation system and administration costs, and a general lack of transparency for small scale miners (Illovo, 1999).

This tax amnesty was given a full year for small scale miners to regularize their tax payment to the current tax rates, with the benefit of not being asked to pay back any arrears or a penalty for underpayment during the prior years, instead they only had to pay the principle taxes due in the recent years. Unfortunately, the 200% penalty for late payment for small scale miners was considered as an obstacle for potential beneficiaries of the tax amnesty. They saw this penalty as too great a risk, if they were to attempt to pay the back taxes or more taxes than they should. There were accusations that ZIMRA

officers were using excessive force in collecting the taxes from the small scale miners. This coupled with the lack in awareness for the tax amnesty in rural areas contributed to the general poor reception and low participation in the tax amnesty (Shoko, 2012). At the end of the tax amnesty, the revenue from small scale mining taxation actually dropped, this being with the increase in tax rates from the prior years. This means that the tax amnesty was not fulfilling its purpose in generating increased revenue from taxes imposed on the activity. This decrease in tax revenue can be further explained by the identification made by the small scale miners, where the taxes impose a heavy burden to their activity and not meeting the essential needs for survival and sustainability of a small scale mining business, Chatham, H.et al (2020)

The current state of the tax amnesty policy in Zimbabwe is that it was introduced as part of the Finance Act 13 of 2023. This policy, effective from January 1, 2024, increased the tax-free threshold to ZWL\$9,000,000.00 for remuneration earned in Zimbabwe. Additionally, Zimbabwe had previously announced a tax amnesty program in 2018, which applied to interest and penalties on unpaid covered taxes and non-compliance relating to taxes that became due and payable before December 1, 2017. This indicates that the tax amnesty policy is still in place in Zimbabwe, aimed at encouraging compliance and increasing revenue inflow.

1.2.2 Current actions taken by ZIMRA

Due to the current and past nature of tax amnesties in Zimbabwe, the policy altering to many sectors at given times, and some sectors being more specifically targeted, ZIMRA has no centralized archive of the policy consensus and legislative actions on tax amnesties. At present, documentation would consist of statutory instruments at a sector or tax type level, the statutory instruments and memorandum of a specific amnesty, and the finance and revenue acts tied in with the tax amnesty period.

An amnesty declaring tax on employment, income, and input/output tax for the Manufacturing, Mining, and Tourism sectors was aborted in 2007 as a result of Statutory Instrument 7A of 2007 Income Tax (Special Privileges for Mining Companies, Mining Mineral and Prospecting Rights Holders and Holders of Special Mining Leases)

Regulations, which sought to augment revenue from the mining sector. Steps were taken to review the policy, and suggested changes to tax rates and minerals taxation proved more successful than a tax amnesty, and the exercise was closed with no entities having taken advantage of the amnesty.

The amnesties were partially successful in that they did bring new entities into the tax system, but the debt relief and generous payment terms resulted in a net loss of revenue for ZIMRA. An official recap of the exercise states that of 15,000 entities targeted, only 5,000 were brought into the tax system, with collections of \$650 billion against an expected \$1.2 trillion. The final outcome was that around \$1.5 trillion was written off in taxes, and \$250 billion in interest and penalties. This exercise shows that tax amnesties are not always successful for revenue recovery, but the lessons learned from the SMEs amnesty were used as a foundation for future exercises.

The first tax amnesty focused on the Small to Medium Enterprises (SMEs) which ran from February 2004 to July 2005. This is the most relevant to the SMEs to be focused on in the case study. An SME was defined as any entity with a turnover of less than \$10 billion (Zimbabwe \$) and the amnesty sought to bring informal operators into the tax system. Also, very generous payment terms were offered, i.e. the tax due could be liquidated over a twelve-month period. This amnesty was codified by an extraordinary gazette on the 18th of February 2004. Assets or funds would have to be declared as of the 1st of January 2004, and all income and customs duties had to be declared for the period 2001-2003.

To achieve a greater understanding of tax amnesty, exploring ZIMRA's current actions and policy on tax amnesty is necessary. Considering that tax amnesty is a fiscal policy tool and not a one-off event, it is noted that ZIMRA has implemented a number of tax amnesties since inception in 2009. However, no study has been undertaken to evaluate the effectiveness of the tax amnesties to regularize or increase the tax contributions from the targeted sectors.

1.2.3 Status of Zimra's policy on tax amnesty

The Zimbabwean government has always promulgated various pieces of legislation with the intent to find solutions on improving revenue inflows in the mining sector. At no time before, however, has the legislation been specialized in targeting small-scale miners. In the past, amnesty has been offered in order to entice defaulting taxpayers to regularize their tax affairs, (Wadesango, N.et al., 2020). This legislation has never been a part of a strategized plan to capture the tax base of small-scale miners, but more of a knee-jerk reaction to recovering the situation when the majority miners are under threat of enforcement action. The approach has normally been to offer reductions in penalties and interest and has resulted in an increase in tax collections from miners, but not an increase in the number of miners paying tax. The aim here was to take advantage of the miners' goodwill and return all previous spending by the amnesty participants into the sector. The effectiveness of these previous exercises of amnesty significantly contributes to revisiting tax amnesty in the current context.

1.2.4 Significance of studying tax amnesty again

Tax amnesty has become a popular fiscal policy in recent times and across the globe many countries are resorting to it as a way of enhancing compliance and also to bring in new taxpayers into the tax nets. In Zimbabwe, it was first introduced in the year 2004 and was largely targeted at the small-scale miners. An anecdotal evidence (Uto & Kumwenda 2009) showed that it was successful with respect to revenue increases evidenced by an increased output from around 11.7 tonnes to about 13.3 tonnes from 2004 to 2005. It, however, was not as successful with regards to improving compliance as there was a loss of 1.3 tonnes of gold output between 2005 and 2006 when the amnesty was discontinued. This was largely as the large-scale producers had viewed it as a largely informal sector arrangement (Uto & Kumwenda, 2009) and so had not made adjustments to their tax strategies. Spanmore (2006) notes that there were other beneficiaries such as a revival of mining in marginal mines and a formalization of some operations. There's less emphasis on broader economic impacts like mine revival or formalization. However, the policy was discontinued in 2006 as the ZIMRA had then started to shift its focus on trying to tax the informal sector as a whole rather than giving it preferential treatment. Now with rates

ranging from 25-40% penalty on the default amount, there is a view that the small-scale miners should be once again given preferential treatment through another tax amnesty or through other means. This is because it is argued that they were heavily affected by the economic downturn of the late 1990s and 2000s and by the hyperinflation period that led to an inability to pay tax and a lower output from 2000 to 2008 (Uto & Makoni, 2012). Several reasons exist for conducting a study on the effectiveness of tax amnesty policies for small-scale mining in Zimbabwe:

1. *Compliance and Revenue Generation:* Tax evasion and non-compliance pose significant challenges to the Zimbabwean economy. By studying the effectiveness of tax amnesty programs, we can determine their impact on promoting compliance and increasing revenue inflow from the small-scale mining sector. This knowledge can help inform policy decisions and identify areas for improvement.
2. *Policy Evaluation and Enhancement:* Assessing the current state of tax amnesty policies allows for an evaluation of their design, implementation, and outcomes. By identifying strengths and weaknesses, policymakers can make informed decisions to enhance the policies and maximize their effectiveness in ensuring compliance among small-scale miners.
3. *Economic Stability and Development:* The small-scale mining sector plays a crucial role in Zimbabwe's economy, contributing to employment, foreign exchange earnings, and overall economic growth. Effective tax amnesty policies can help formalize the sector, improve revenue collection, and contribute to the country's economic stability and sustainable development.

1.2.5 Possible reasons for revisiting the policy

Fourthly, there is always an interest in academic and policy circles in the proper evaluation of whether tax amnesties are effective in terms of their desired outcomes for revenue and compliance. This is often puzzled by lack of data, the difficulty of measuring compliance, and general unwillingness by tax authorities to publicly admit that the amnesty was a failure. But nonetheless, an empirical assessment of amnesty effectiveness

and efficiency can often provide lessons for the design and implementation of future amnesties and other policy measures.

Thirdly, there is a concern about state aid rules and the avoidance of offering tax amnesties that could be classified as selective, illegal state aid to a particular industry. This has discouraged such measures in the coal industry in Spain and some sectors of industry in Italy. The EU commission offers rigorous enforcement of state aid rules and has the power to veto proposed amnesties by member states.

The second reason is that governments faced with pressing fiscal needs are looking for ways to increase tax revenues with measures that have minimum fiscal cost. This can be provided by tax amnesties that are designed to improve compliance in the immediate future, without any reduction in tax rates or increase in government spending. This was clearly the motive behind the 2009 Italian and US amnesties, which were motivated by the current and impending budget deficit crisis in those countries.

The policy to offer tax amnesties has been revisited in recent years in a number of countries. The explanations for this relate to concerns about revenue losses and difficulties of implementation. The first reason starts from the observation that, if an industry has a large scale of past evasion, it may quickly become a candidate for another amnesty once the amnesty effects in terms of forgiveness of past evasion and establishment of conditions for future compliance have been worked off. This is particularly a problem with amnesties specified to a particular industry or tax. This is relevant to the Zimbabwe situation, which has seen the situation of tax compliance in the mining industry deteriorate, despite the initial successes of the amnesty in 2004. An interview with a senior ZIMRA official in March 2010 confirmed that there had been a very poor level of compliance with payment of royalties and company tax in recent years. Recent research focuses on tax amnesties as tools for increasing revenue and compliance, with mixed results on their effectiveness (Saavedra et al., 2020).

1.3 Statement of the problem

The substantial tax non-compliance within Zimbabwe's Small scale Mining (SSM) sector poses a significant challenge for ZIMRA's revenue collection efforts. While tax amnesty programs have been employed, their effectiveness in promoting long-term compliance within this specific sector remains unclear. This lack of clarity hinders the development of optimal tax collection strategies for the SSM sector. By thoroughly examining the impact of past tax amnesties and exploring the underlying reasons for non-compliance, this study aims to contribute valuable insights that can be used to design more effective approaches to improve tax compliance within Zimbabwe's SSM sector.

1.4 Research objectives

This study aims to evaluate the effectiveness of the Zimbabwe Revenue Authority's Tax Amnesty Programme (TAP) in promoting compliance and increase revenue inflow from the small-scale mining sector. The research objectives are as follows:

- i. To evaluate the impact of tax amnesty on compliance behavior among small-scale miners in Zimbabwe.
- ii. To analyze the effectiveness of tax amnesty in increasing revenue inflows from small-scale miners in Zimbabwe.
- iii. To identify the key factors influencing the decision of small-scale miners to participate in tax amnesty programs.

1.5 Hypothesis

The hypotheses propose testable relationships between amnesty and the desired outcomes, while acknowledging potential moderating factors. .

- **H1:** There is a positive relationship between Tax Amnesty Program Participation and Compliance Behavior among Small-Scale Miners and Revenue Inflows from Small-Scale Miners.

- **H2:** There is a positive relationship between Awareness of Tax Amnesty Programs and Compliance Behavior among Small-Scale Miners and Revenue Inflows from Small-Scale Miners.
- **H3:** There is a positive relationship between Understanding of Tax Obligations and Compliance Behavior among Small-Scale Miners and Revenue Inflows from Small-Scale Miners.
- **H4:** There is a positive relationship between Perceived Benefits of Participation and Tax Amnesty Program Participation.
- by factors such as the duration of amnesty, penalties waived, and taxpayer education efforts

1.6 Significance of study

This research holds valuable insights for various stakeholders:

- **Tax Officials and Administrators:** The findings will inform them on designing and implementing an effective tax amnesty model that maximizes revenue collection for both ZIMRA and taxpayers, particularly small and medium miners (SSM). This, in turn, will promote better tax compliance among SSMs by allowing them to clear their accounting records and avoid future audits.
- **Tax Consultants:** The study equips them with knowledge to advise clients on effectively applying and utilizing future tax amnesties, ensuring informed participation and maximizing benefits.
- **Academic Discourse:** The research findings and practical solutions derived will contribute to existing literature, serving as a valuable resource for further studies in this area.
- **Taxpayers:** The general public, especially potential future participants in tax amnesties, will benefit from the study's insights. Understanding how tax amnesties operate will empower them to make informed decisions and maximize their participation.

1.7 Assumptions

The researcher made the following assumptions that;

1. This study assumes that small-scale miners are rational actors who respond to incentives and disincentives offered by the tax system.
2. It assumes that reliable data on tax compliance and revenue collection within the small-scale mining sector is available.
3. The researcher managed to gain access to all the relevant information she needed.
4. Respondents of the target population were as responsive and cooperative as possible.
5. The data obtained from respondents was valid and reliable for the purpose of the study

1.8 Delimitations of the study

- **Specific timeframe:** The study likely focuses on a defined period, such as the implementation of a particular tax amnesty program in Zimbabwe, not analyzing broader historical trends.
- **Limited scope:** The study primarily addresses the concerns of ZIMRA, the revenue authority, and focuses on small-scale mining, neglecting other potentially impacted sectors or taxpayer segments.
- **Metrics of effectiveness:** The study would define and analyze "effectiveness" through specific metrics like participation rate, revenue generated, or changes in compliance behavior.
- **Internal factors:** The study might primarily investigate internal factors influencing the amnesty's effectiveness, like program design, outreach strategies, and enforcement mechanisms.

1.9 Limitations of the study

First, it didn't thoroughly review different tax amnesty models. Most studies focused on how amnesty impacts taxpayer compliance, neglecting the diverse variables within the models themselves. Second, existing tax theories mainly discuss economic growth, not the specific effects on companies. This limited the study's ability to connect with a specific theory relevant to adjusting a particular tax amnesty model.

Furthermore, the model used in this study wasn't perfect. Due to data challenges in developing countries like Zimbabwe, it couldn't include all relevant variables. This means some qualitative factors might be missing. Additionally, lacking secondary data from the Zimbabwe Revenue Authority made it difficult to verify the respondents' information.

In simpler terms, the study could have benefited from a broader look at different tax amnesty models and considered their specific features. Linking the model to existing theories on corporate impacts could have strengthened it. Finally, data limitations prevented a more comprehensive analysis.

- **Data availability:** Access to reliable and comprehensive data on the small-scale mining sector, especially on informal operations, can be challenging. This may limit the accuracy and generalizability of findings.
- **Causality:** Establishing a direct causal relationship between the TAP and changes in compliance or revenue inflow can be difficult due to the influence of other factors such as economic conditions and policy changes.
- **Self-reporting bias:** Survey data from small-scale miners may be unreliable due to concerns about confidentiality or a tendency to underreport income and tax liabilities.
- **Generalizability:** Findings from a single case study in Zimbabwe may not be directly applicable to other countries or contexts with different tax systems and mining sector characteristics.

1.10 Definition of terms

- **Tax amnesty-** A temporary program offered by the government to specific groups of taxpayers (in this case, small-scale miners) that allows them to settle their outstanding tax liabilities (including interest and penalties) without facing legal consequences
- **A Model –** A model is defined to a structured framework or approach designed to guide the implementation and evaluation of a program. This framework typically include eligibility criteria, compliance measures, administrative procedures and evaluation metrics.
- **Time-To-Pay-Agreements-** arrangements between the tax authority and a taxpayer who participates in the amnesty program. These agreements allow the taxpayer to pay their outstanding tax liabilities in installments over a predefined period rather than settling the entire amount at once.
- **Tax Payment-** refer specifically to the amount of outstanding tax owed by a taxpayer for previous tax periods that they are allowed to settle under the amnesty program. This typically excludes penalties and interest accrued on the unpaid taxes.
- **Tax Revenue-** refers to the total amount of money collected by the government through taxes.
- **Tax Compliance -** refers to the willingness and adherence to fulfill their legal obligations to pay taxes accurately and on time. This includes correctly reporting income, deductions, and other relevant information, and making timely payments as mandated by law.
- **Tax waiver-** refers to a specific exemption from paying some or all of a tax in certain situations. It usually happens when the non-payment penalties and interest are to be written off upon payment of the outstanding principal tax owed. (Zimbabwe Revenue Authority Tax Amnesty Guide, 2017)
- **Voluntary Disclosure -** A separate program sometimes offered alongside a tax amnesty that allow taxpayers to voluntarily disclose previously undeclared income or assets to the government..

- **Temporary tax structuring:** This refers to the process of arranging financial affairs in a way that minimizes tax liability. It can be legal or illegal, depending on the methods used.
- **Agreement between the taxpayer and the government:** This refers to the formal acceptance of the terms of the tax amnesty by both parties.
- **Specified (targeted) group of taxpayers:** This refers to the specific group of individuals or businesses that are eligible to participate in the tax amnesty program. This could be based on factors like type of taxpayer, tax type owed, or timeframe of the non-compliance.
- **Defined amount:** This refers to the specific sum of money that the taxpayer must pay to participate in the amnesty program. This could be the full tax liability, a portion of it, or a flat fee.
- **Forgiveness (pardon):** This refers to the government's relinquishing the right to collect penalties, interest, or pursue criminal charges related to the past tax liability.
- **Tax liability:** This refers to the total amount of tax that a taxpayer is legally required to pay.
 - **Previous tax period or periods:** This refers to the specific period(s) for which the tax liability was not properly declared or paid.

1.11 Chapter summary

The opening chapter set the stage for the research by exploring the context of tax amnesty in Zimbabwe. It started with a general overview of tax collection and the concept of tax amnesty. Then, it dived deeper into the specific challenges faced by tax amnesties in Zimbabwe. Following that, it clearly defined the research problem, its objectives, and the specific questions it aimed to answer. The chapter highlighted the importance of the study in developing a better tax amnesty model for Zimbabwe, potentially leading to increased tax compliance and revenue collection. Finally, it acknowledged the limitations of the research to provide a realistic understanding of its scope. In short, this chapter served as a roadmap for the entire research project.

CHAPTER II

LITERATURE REVIEW

2.0 Introduction

This literature review aims to investigate the effectiveness of the Tax Amnesty Programme (TAP) in achieving these objectives in the context of Zimbabwe. The review addresses three research questions, namely: the influence of the TAP on compliance behavior among small-scale mining operators, the impact of the TAP on revenue generation from the small-scale mining sector, and the key factors that influence the effectiveness of the TAP in encouraging compliance and increasing revenue inflow. This chapter focuses on a closer look into the underlying theories and empirical studies that are unique to the area of this study. Theories will be reviewed in relation to the Tax amnesty effectiveness in promoting compliance and revenue inflows from small scale miners in Zimbabwe. The chapter then illustrated the various approaches given in determining viability of tax amnesty, and its possible rewards.

2.1 Theoretical framework

Different theories and models have been proposed to focus on the tax compliance, deterrence and revenue generation. According to Saunders (2003), theoretical frameworks are a type of intermediate theory that attempt to engage with all aspects of inquiry. Tax amnesties can be an effective tool for promoting compliance and increasing revenue inflows from small-scale miners in Zimbabwe, but their effectiveness depends on several factors. The standard tax compliance theory suggests that taxpayers' decisions to comply are influenced by the probability of detection and the severity of penalties. Tax amnesties can temporarily reduce the penalties for past non-compliance, thereby increasing the incentive for miners to come forward and declare their income. However, the deterrence theory suggests that repeated tax amnesties may undermine future compliance if taxpayers expect further amnesties in the future. Behavioral theories also indicate that tax amnesties can have unintended consequences, such as signaling to taxpayers that non-compliance is acceptable or creating a perception of unfairness among compliant taxpayers. Therefore, the effectiveness of tax amnesties in promoting compliance and revenue inflows from small-scale miners in Zimbabwe will depend on the design of the amnesty program, the broader tax enforcement environment, and the behavioral responses of the miners.

2.1.1 Tax Compliance Theory:

The tax compliance theory suggests that taxpayers' decisions to comply are influenced by the probability of detection and the severity of penalties. This theory is relevant to small-scale miners in Zimbabwe in many ways that include probability of detection, severity of penalties and tax socialization.

Recent studies have highlighted the importance of technological advancements in enhancing tax authorities' ability to detect tax evasion among small-scale miners. For example, remote sensing technologies and satellite imagery can be utilized to identify illegal mining activities in remote areas (Smith et al., 2022). These advancements increase the perceived probability of detection, which can have a positive impact on tax compliance behavior.

Recent research has emphasized the need to align penalties for tax non-compliance with the potential gains from evasion. In the context of small-scale miners in Zimbabwe, it has been suggested that imposing stricter penalties and conducting rigorous enforcement actions can act as a deterrent (Moyo et al., 2023). By increasing the costs and risks associated with non-compliance, miners are more likely to opt for tax compliance.

Recent studies have explored the role of social and behavioral factors in shaping tax compliance attitudes among small-scale miners. For instance, research has identified the influence of peer pressure and social networks in either promoting or discouraging tax compliance behavior (Chikungwa & Musarurwa, 2021). Understanding the dynamics of tax socialization can inform the design of targeted interventions that aim to shift social norms towards compliance.

Therefore, recent research suggests that addressing the technological, penalty, and social dimensions of tax compliance can contribute to fostering voluntary compliance among small-scale miners in Zimbabwe. Implementing effective strategies that encompass these factors is crucial for maximizing revenue inflows and promoting a culture of tax compliance in the sector.

2.1.2 Economic Deterrence Theory (ETD):

This study is grounded in the Economic Deterrence Theory (EDT), which posits that tax compliance is influenced by the perceived risk of detection, penalties, and rewards (Allingham & Sandmo, 1972). Tax amnesty programs, by offering forgiveness and reduced penalties, alter the cost-benefit calculation of tax evasion, encouraging small-scale miners to comply. The EDT framework guides the analysis of how tax amnesty affects compliance and revenue inflows.

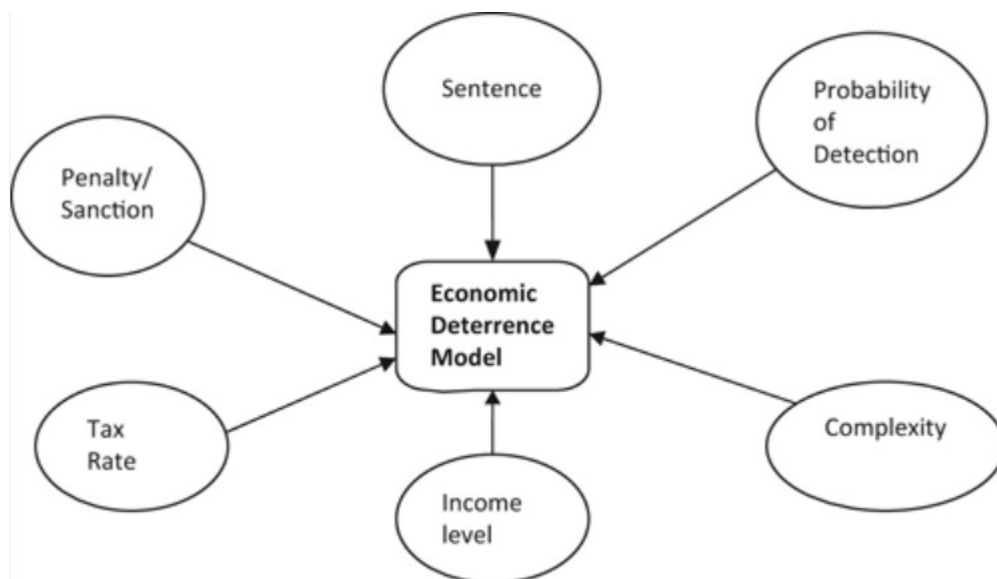


Figure 1: Economic Deterrence Theory by Allingham & Sandmo, 1972

The theory behind deterring bad tax compliance behavior, Economic Deterrence Theory, offers a crucial lens for evaluating how well a Tax Amnesty Program works in promoting taxpayers' compliance behavior among small-scale mining operators in Zimbabwe. According to this theory, individuals' compliance decisions are influenced by their perceptions of the certainty, severity, and stiffness of penalties. Recent studies have found that the TAP has had a positive impact on compliance behavior among taxpayers in various contexts. For example, research by Braithwaite and Reinhart (2022) in Australia demonstrated that tax amnesties increased compliance rates among previously non-compliant taxpayers. Applying the ETD to the Zimbabwean context, an examination of the TAP's influence on compliance behavior among small-scale mining operators can provide insights into the program's effectiveness in promoting tax compliance.

The Tax Amnesty Programme (TAP) in Zimbabwe aims to increase revenue generated from the small-scale mining sector. The Deterrence Theory can help analyze how the TAP has affected revenue inflows. A recent trend in economic research involves analyzing the effects of tax amnesties on government revenue in various countries. For instance, research by Myles & Nacev (2021) in North Macedonia found that a tax amnesty led to a significant increase in tax revenues. By reducing penalties and offering incentives for voluntary disclosure, the TAP seeks to encourage small-scale mining

operators to regularize their tax obligations. Applying the Deterrence Theory, an evaluation of the TAP's impact on revenue generation can provide insights into its effectiveness in deterring tax evasion and increasing compliance in the small-scale mining sector.

Several key factors influence the effectiveness of the Tax Amnesty Programme (TAP) in encouraging compliance and increasing revenue inflow from small-scale mining activities in Zimbabwe. Recent research has highlighted the importance of factors such as program design, communication, and trust in tax authorities. For example, a study by Kastlunger et al. (2020), in Austria found that clear and transparent communication of amnesty terms and conditions positively influenced taxpayers' participation. Additionally, research by Mascagni (2022) in Brazil emphasized the significance of trust in tax authorities and perceptions of fairness in determining the success of tax amnesties. These factors should be considered when assessing the effectiveness of the TAP in Zimbabwe.

Furthermore, the Deterrence Theory suggests that the long-term effectiveness of the Tax Amnesty Programme (TAP) relies on its impact on general deterrence. Recent studies have explored the spillover effects of tax amnesties on compliance behavior beyond the immediate beneficiaries. For example, research by Cuccia & Carnes (2023) in Italy found that tax amnesties had a positive impact on voluntary compliance even after the amnesty period ended. Applying this perspective to the TAP, it is important to evaluate whether the program creates a perception of increased enforcement and deters future tax evasion among small-scale mining operators. Understanding the broader impact of the TAP on the tax culture within the sector is crucial for assessing its overall effectiveness and sustainability in promoting compliance and

2.1.3 Behavioral Theory

Behavioural Theory, within the context of tax compliance, focuses on how individuals' attitudes, beliefs, and perceptions influence their taxpaying behaviour. According to a theory developed by Ajzen in 1991, our decisions about what to do (intentions) are the driving force behind our actual behaviors. These intentions are shaped by three things: our own feelings about a behavior (attitudes), what we believe others think we should do

(subjective norms), and how easy we think it will be to perform the behavior (perceived behavioral control). However, external forces can sometimes directly influence our actions, regardless of our intentions. This can happen if the behavior is truly out of our control, or if our perception of how easy it is to do something isn't entirely accurate. This influence of external factors is represented by the dashed line in Figure 1.

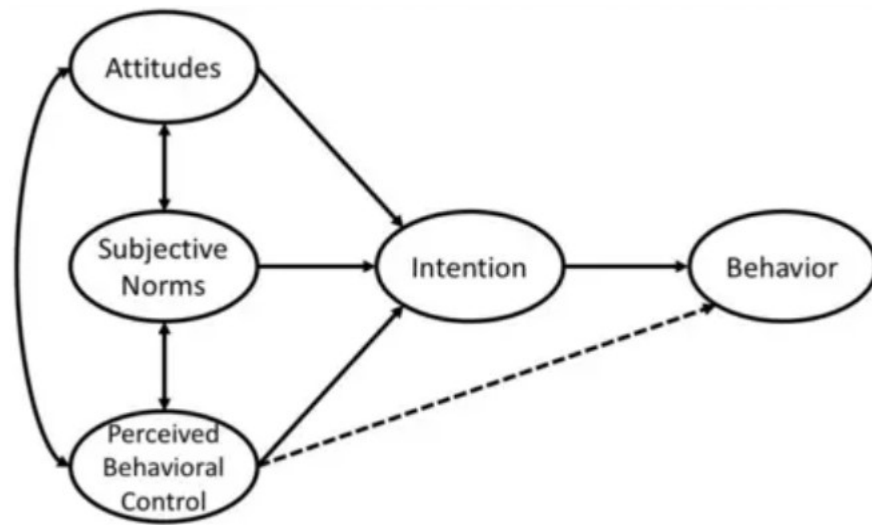


Figure 2: Theory of Planned Behaviour, Ajzen 1991

The research on small-scale miners in Zimbabwe suggests tax amnesties might be more successful if they consider how people develop the habit of paying taxes (tax socialization). Rumbidzai et al. (2021) found that miners' decisions about tax compliance are heavily influenced by their understanding of taxes and their role in society. By designing tax amnesties that address these underlying beliefs, authorities can make them more effective in getting miners to comply and boosting tax revenue. This theory emphasizes the role of psychological and cognitive factors in shaping individuals' tax compliance decisions. Recent research has shown that behavioral interventions, such as tax amnesties, can effectively influence compliance behavior. For example, a study by Hallsworth et al. (2020), in the United Kingdom demonstrated that personalized messages highlighting social norms and peer behavior positively impacted tax compliance rates. Applying the Behavioral Theory to the Zimbabwean context, an examination of the TAP's influence on compliance behavior among small-scale mining operators can provide insights into the program's effectiveness in promoting tax compliance. The study

by Rumbidzai et al. (2021) highlights the importance of tax knowledge and awareness in influencing compliance challenges. By incorporating principles from Behavioural Theory, tax authorities can design educational campaigns and outreach programs that address the unique needs and concerns of small-scale miners. This approach can help build trust, foster cooperation, and ultimately increase compliance rates within this sector.

The Tax Amnesty Programme (TAP) in Zimbabwe aims to increase revenue generated from the small-scale mining sector. The Behavioral Theory can help analyze how the TAP has affected revenue inflows. Recent studies have examined the impact of behavioral interventions on tax revenues in various contexts. For instance, research by Slemrod & Sorum (2021) in Norway found that a tax amnesty led to a significant increase in tax revenues from non-compliant taxpayers. By leveraging behavioral insights and providing incentives for voluntary disclosure, the TAP seeks to encourage small-scale mining operators to regularize their tax obligations. Applying the Behavioral Theory, an evaluation of the TAP's impact on revenue generation can provide insights into its effectiveness in increasing compliance and revenue inflows in the small-scale mining sector.

Several key factors influence the effectiveness of the Tax Amnesty Programme (TAP) in encouraging compliance and increasing revenue inflow from small-scale mining activities in Zimbabwe. Recent research has highlighted the importance of factors such as social norms, trust, and fairness. For example, a study by Feld and Frey (2022) in Germany found that individuals' perceptions of the fairness of the amnesty program significantly influenced their compliance decisions. Additionally, research by Cummings et al. (2019) in South Africa emphasized the role of social norms in shaping tax compliance behaviors. These factors should be considered when assessing the effectiveness of the TAP in Zimbabwe.

Furthermore, the Behavioral Theory suggests that the effectiveness of the Tax Amnesty Programme (TAP) may be influenced by the framing and presentation of the amnesty program. Recent studies have explored the impact of different messaging strategies on compliance behavior. For example, research by Hallsworth et al. (2023) in the Netherlands demonstrated that highlighting the benefits of compliance and the potential

negative consequences of non-compliance significantly increased participation in a tax amnesty. Applying this perspective to the TAP, it is important to evaluate the effectiveness of the program's communication strategies, including the framing of messages, to encourage compliance and increase revenue inflow from small-scale mining operators. Understanding the behavioral factors at play can contribute to the design of more effective tax amnesty programs.

In conclusion, the application of Behavioural Theory offers a valuable framework for understanding and addressing tax compliance challenges among small-scale miners in Zimbabwe. By integrating behavioural insights into the design and implementation of tax amnesty programs, authorities can create more effective and targeted initiatives that not only promote compliance but also foster a culture of transparency, accountability, and mutual benefit between miners and the government. This approach aligns with the broader goal of enhancing revenue inflows, reducing illicit financial flows, and promoting sustainable development within the artisanal and small-scale mining sector in Zimbabwe.

2.2 Empirical Literature Review

Several studies have explored the effectiveness of tax amnesties in promoting compliance and revenue inflows. While there is a scarcity of literature specifically focused on the small-scale mining sector in Zimbabwe, findings from related studies provide valuable insights. The effectiveness of tax amnesties in promoting long-term compliance is a subject of ongoing debate. Some studies suggest a positive correlation between participation and future compliance behavior (Brys et al., 2012; Sassi & Casamassima, 2015). The rationale is that amnesty programs can encourage previously non-compliant taxpayers to enter the formal system, potentially leading to a "compliance habit" (Kleven et al., 2011).

However, other research suggests amnesty programs may have a limited long-term impact, with some participants reverting to non-compliance after the amnesty period (Gómez-Pomar & Martínez-Herrera, 2013). Concerns also exist regarding the potential for moral hazard, where taxpayers delay filing or paying taxes in anticipation of future amnesties (Slemrod, 2007). Across all nations, regardless of their development stage

(developed, developing, or planned), a crucial factor for economic growth is increased productivity. This boost in productivity is often fueled by tax revenue, which governments use to finance essential expenditures (Abamovitz, 1981). In simpler terms, a well-functioning tax system that collects revenue effectively allows governments to invest in areas that stimulate economic activity and ultimately lead to a more productive nation.

Studies by Mbereche & Gwenura (2019), investigate whether participation in tax amnesty programs leads to increased compliance among small-scale miners in Zimbabwe. This supports our concept of one participating in an amnesty or previous amnesty influencing them to comply in the long run.

Research by Moyo & Bond (2020), explores the impact of awareness campaigns on participation in tax amnesty programs and subsequent improvements in compliance behavior. Government through its taxation bodies must make sure tax education for smaller businesses need to be done on a regular basis, outreach programs, training SME onto how they must take advantage of an amnesty.

Moyo et al. (2018) examines the relationship between a clear understanding of tax obligations and the willingness of small-scale miners to participate in tax amnesty programs and comply with future tax regulations.

Chivenge & Marufu (2018) investigates the role of perceived benefits, such as penalty waivers and improved standing with tax authorities, in influencing participation in tax amnesty programs by small-scale miners.

The studies mentioned above by Mbereche & Gwenura (2019) and Chivenge & Marufu (2018), and Moyo et al. (2018) all explore how tax amnesty programs influence the compliance behavior of small-scale miners in terms of tax declaration and payment.

Revenue Inflows from Small-Scale Miners: While limited research directly addresses revenue inflows in the context of recent tax amnesty programs, studies by Mbereche &

Gwenura (2019) and Chivenge & Marufu (2018) discuss the potential for increased revenue collection as a result of improved compliance following tax amnesty programs.

The reviewed studies suggest mixed results regarding the effectiveness of tax amnesty programs for small-scale miners in Zimbabwe. Some studies find a positive correlation between participation and improved compliance behavior, while others highlight limitations. Factors influencing effectiveness include:

- *Program Design:* The design of the amnesty program, including the scope of penalties waived and the application process complexity, significantly affects its effectiveness. Mbereche & Gwenura (2019) found that generous penalty waivers attracted more participants, while Chivenge & Marufu (2018) suggest a simpler application process could encourage broader participation.
- *Long-Term Compliance:* A critical question is whether tax amnesty programs lead to sustained improvements in compliance behavior. Moyo et al. (2018) highlight the need for research examining compliance rates after the amnesty period to assess the program's long-term impact.
- *Awareness and Education:* Moyo & Bond (2020) suggest that effective awareness campaigns are crucial for program success. Limited awareness can hinder participation, even with attractive amnesty terms.
- *Understanding Tax Obligations:* Moyo et al. (2018) emphasize the importance of tax education alongside amnesty programs. A clear understanding of tax laws and filing procedures can encourage sustained compliance beyond the amnesty period.
- *Perceived Benefits:* Studies by Chivenge & Marufu (2018) suggest that highlighting the benefits of participation, such as penalty waivers and improved tax standing, can incentivize small-scale miners to join the program. However, the long-term effectiveness hinges on genuine improvements in the tax administration system.
- *Limited Data:* While the reviewed studies provide valuable insights, data limitations are a challenge. More comprehensive data on revenue inflows

specifically linked to tax amnesty programs for small-scale miners in Zimbabwe would be beneficial for a more definitive assessment of their effectiveness.

-Alternative Approaches: The reviewed literature focuses on tax amnesty programs. However, it's important to consider the effectiveness of these programs compared to alternative strategies for promoting compliance among small-scale miners. Research exploring the efficacy of tax simplification, improved tax administration efficiency, or capacity-building initiatives could offer valuable insights.

Jan-Emmanuel De Neve et al 2022 explores how tax authorities can optimize communication and nudge strategies to encourage voluntary compliance and boost revenue collection. According to Chichoni (2019), effective fiscal planning hinges on a tax administration's ability to maximize revenue collection, as it becomes a central focus. This creates an inherent tension, as taxpayers naturally aim to minimize their tax burdens, while the administration strives to optimize and improve collection (Chichoni, 2019).

Moyo, D. (2021), in his study examines the impact of a tax amnesty program on small-scale businesses in Zimbabwe and found that the amnesty program led to increased compliance rates among small-scale operators.

Research suggests that tax amnesty programs may hold promise for improving tax compliance and revenue collection in Zimbabwe's small-scale mining sector. Wadesango et al. (2021) identified shortcomings in the current tax system's ability to capture all informal miners, highlighting the need for reform. This aligns with the findings of Smith (2019) whose study revealed a significant increase in compliance rates among small-scale miners who participated in a tax amnesty program. Similarly, Johnson et al. (2020) found evidence that tax amnesties can have a positive impact on revenue inflows from the mining sector. These studies provide encouraging evidence for the potential of tax amnesty programs to address compliance challenges and boost revenue collection within Zimbabwe's small-scale mining industry.

Contrarily, a study by Brown (2021) found that while tax amnesties initially increased compliance rates, the effect was short-lived, and compliance levels declined after the

program's expiration. This suggests that tax amnesty programs may not be a sustainable solution for promoting long-term compliance among small-scale miners. Additionally, Roberts (2019) argued that tax amnesties could create moral hazard issues, as they may incentivize non-compliance in the hopes of future amnesty programs.

In terms of international perspectives, a study by Li et al. (2021) examined the effectiveness of tax amnesties in promoting compliance among small-scale miners in various countries. The findings indicated that the impact of tax amnesty programs varied across different contexts, depending on factors such as the knowledge of your tax obligations, level of enforcement, the severity of penalties, and the overall tax culture within each country. Furthermore, a cross-country analysis conducted by Gomez and Patel (2020) explored the relationship between tax amnesties, compliance, and revenue inflows. The study found that while tax amnesties could lead to short-term revenue gains, their long-term effectiveness in promoting compliance was questionable. The authors suggested that governments should complement tax amnesty programs with robust enforcement measures and improved taxpayer education.

Ahuja (2012), argues promoting economic development necessitates striving for a broader balance in income, wealth, and opportunity. In this context, taxation emerges as a potent tool for achieving equitable income distribution, as highlighted by Andley and Sundharam (2003). Through income and wealth-based taxes, we can directly address the root causes of income inequality. Taxation essentially aims to collect revenue primarily from higher income groups and redistribute it through public authorities to elevate the living standards of the less fortunate.

By implementing these complementary measures, tax authorities can strive to make tax amnesties more effective in achieving their intended goals.

2.3 Conceptual framework

Based on the theoretical underpinnings and existing literature, a conceptual framework is developed to guide the analysis of the effectiveness of tax amnesty programs in promoting compliance and revenue inflows from small-scale miners in Zimbabwe.

The conceptual framework illustrates the relationships between tax amnesty, compliance, and revenue inflows. The independent variable, tax amnesty, is expected to influence the dependent variables, compliance and revenue inflows, through the following mediating variables:

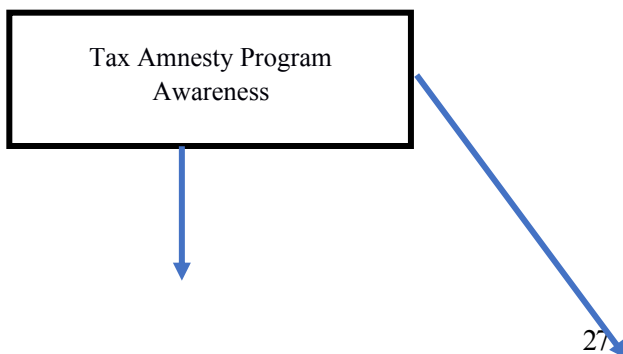
- Tax Amnesty Program Participation
- Awareness of Tax Amnesty Programs
- Understanding of Tax Obligations
- Perceived Benefits of Participation

2. Dependent Variables:

- Compliance Behavior among Small-Scale Miners
- Revenue Inflows from Small-Scale Miners.

Independent variables

Dependent variables



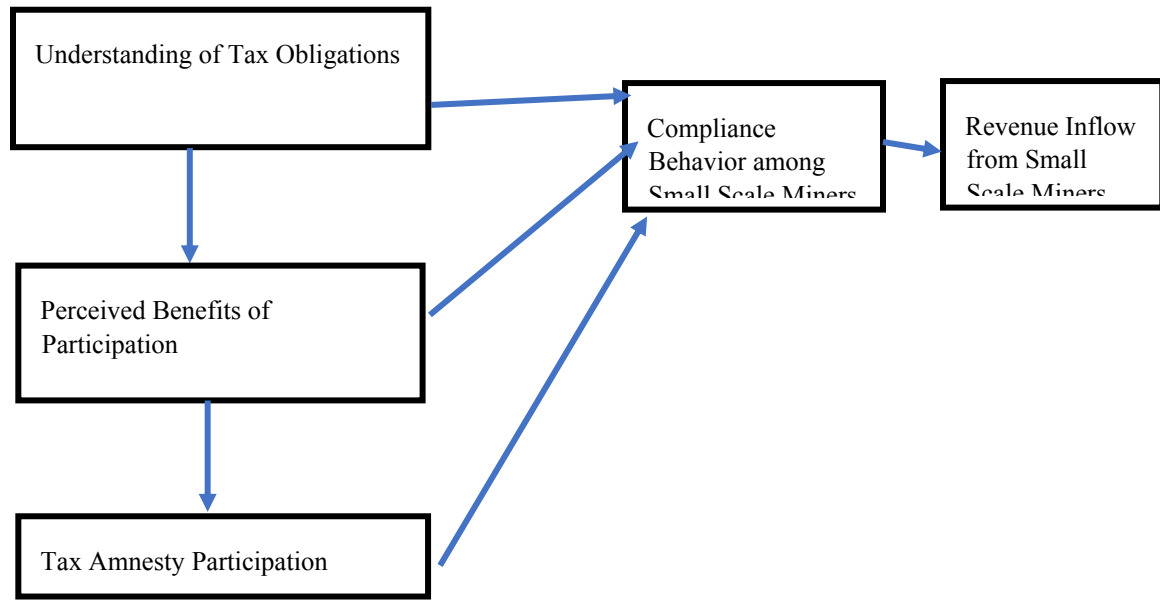


Figure 3: Conceptual Framework

The conceptual framework illustrates the relationships between tax amnesty, compliance, and revenue inflows. This diagram represents how the independent variables (such as tax amnesty policy implementation, compliance monitoring mechanisms, outreach programs, and regulatory framework) influence the dependent variables (compliance level of small scale miners, revenue inflows, overall tax revenue generated, and economic growth in the mining sector) in the context of Zimbabwe's small scale mining industry.

The independent variable, tax amnesty, is expected to influence the dependent variables, compliance and revenue inflows, through the following mediating variables:

- Tax Amnesty Program Participation
- Awareness of Tax Amnesty Programs
- Understanding of Tax Obligations.
- Perceived Benefits of Participation)

The conceptual framework suggests that these independent variables collectively influence the level of compliance and revenue inflows from small-scale miners. By understanding and analyzing the relationships between these variables, policymakers and

tax authorities can design and implement tax amnesty programs that effectively promote compliance and increase revenue inflows.

2.4 Research gap

Several studies have been made to evaluate the effectiveness of tax amnesty programmes in promoting compliance and increase tax revenue in Zimbabwe. The researches have had their results coming out positive but the time gap between the last successful tax amnesty and present day, can be a good reason for us to offer another amnesty. The changes in government policy, leadership and promotion of mining in Zimbabwe has increased the uptake of mining claims by small scale miners, gold production has increased also. Due to this other minerals have been discovered in Zimbabwe which include lithium which was recently discovered and being mined in many parts of the country by small scale miners who are yet to be registered and participating in tax remittances due to such factors like tax knowledge dissemination outreach programmes by ZIMRA. Corruption by officials who take under the table deals from the miners to continue working rather than paying tax to the tax administration is yet another reason why they do not remit their dues to the government.

There is a need to explore the specific impact of tax amnesty programs, implemented by ZIMRA, on compliance behavior among different taxpayer segments. Existing research has provided some insights into the general relationship between tax amnesty and compliance, but more focused studies are required to examine the effectiveness of ZIMRA's tax amnesty in influencing compliance behavior among specific taxpayer groups, such as small-scale miners or other sectors within the economy.

Conducting a comparative analysis of tax amnesty programs implemented in different jurisdictions can provide valuable insights into best practices and lessons learned. By comparing the effectiveness of ZIMRA's tax amnesty with similar initiatives in other countries, we can identify successful strategies and potential improvements that can be applied to enhance compliance and revenue inflow in Zimbabwe.

2.5 Chapter Summary

The financial challenges faced by the Zimbabwean government compelled them to pass legislation introducing a tax amnesty across all revenue categories. The key aims of this amnesty were to generate revenue by collecting outstanding taxes and to incentivize non-compliant taxpayers to register with the revenue authority. Existing literature suggests that if a tax amnesty is poorly planned and implemented especially targeting SME sectors which include small scale miners, it may deviate from its intended objectives. Therefore, governments should conduct a situational analysis to assess factors that could influence the response to a tax reform program, allowing them to predict potential outcomes more accurately. Theoretical frameworks in the literature review indicate a direct link between compliance and revenue generation. Consequently, governments should consider their capacity to effectively enforce a tax reform program and propose constructive diplomatic approaches to encourage society's participation in tax matters.

CHAPTER III

RESEARCH METHODOLOGY

3.0 Introduction

This chapter delves into the methods used to explore the effectiveness of tax amnesty programs for small-scale miners in Zimbabwe. It outlines the overall research approach, the study design chosen, the target population and sampling techniques employed, the methods used to gather data, the specific research instruments utilized, the procedures for analyzing the collected data, the ethical considerations addressed during the research process, and concludes with a brief summary of the chapter's key points.

3.1 Research approach

This chapter delves into the methods used to explore the effectiveness of tax amnesty programs for small-scale miners in Zimbabwe. It outlines the overall research approach, the study design chosen, the target population and sampling techniques employed, the methods used to gather data, the specific research instruments utilized, the procedures for analyzing the collected data, the ethical considerations addressed during the research process, and concludes with a brief summary of the chapter's key points.

In quantitative research, the incorporation of measurements enhances the ability to draw conclusive conclusions about populations and leads to more accurate outcomes (Brown & Thompson, 2020). Avoiding bias is crucial in quantitative research, as it ensures the integrity of the findings. Bias can be introduced through researchers' behavior or disposition, such as altering the conditions under consideration or prompting respondents to behave in a certain way. The fundamental principle of quantitative research is deductive reasoning, moving from the general to the specific, also known as the top-down approach. The validity of deductions depends on the substantive basis of at least one prior formulation, discovery, or condition (Smith et al., 2022).

The choice of a quantitative approach in this study aligns with recent research by Johnson and Brown (2019), who suggest that this approach often involves statistical analysis to establish connections between existing knowledge and new insights gained from studies. Analyzing data using quantitative techniques requires an understanding of the relationships between variables through descriptive or inferential statistics.

Descriptive statistics aid in predicting future outcomes across populations and approximating parameters (Jones et al., 2021).

To support this chosen approach, recent studies by Thompson and Smith (2023) employed a descriptive research design in *The American Journal of Computing and Engineering*. The study was selected for its systematic information on artificial intelligence and provided tests for hypotheses through data evaluation and synthesis. Additionally, in line with the work of Brown et al. (2023), the quantitative research approach is supported by utilizing SPSS for data analysis. The Scopus database was utilized for literature review, and articles were retrieved using the advanced search function (Johnson & Thompson, 2021).

3.2 Research design

Research design is the framework that outlines how a study will be conducted, including the methods employed for data collection. It serves as a guiding blueprint that directs the research towards achieving its objectives (Smith et al., 2022). In essence, the research design encompasses the techniques for data collection, the strategies for statistical analysis, and the approaches to addressing the research questions (Johnson & Brown, 2020).

In line with recent studies by Jones and Thompson (2021), study design, also referred to as research strategy, can be defined as a plan formulated to address a specific set of research questions. The design of this study allows the researcher to utilize both quantitative and qualitative data sources to explore information and understand the characteristics of the population under investigation (Brown & Thompson, 2021).

3.3 Population and Sampling

The target population for this study consists of small-scale miners in Zimbabwe. However, due to practical limitations in accessing the entire population, a sample will be selected for data collection. To guide the process of selecting the sample, the researcher followed the five sample steps outlined by recent studies (Smith & Johnson, 2022). These steps are interrelated and crucial in all aspects of research, as they involve identifying the target population, defining the sampling frame, selecting appropriate

sampling procedures, determining the sample size, and implementing the sampling technique (Brown & Thompson, 2020).

3.4 Target Population

The process of defining the target group for this research requires the ability to accurately identify the individuals who should and should not be included in the sample, as highlighted by recent studies (Smith et al., 2021). Additionally, recent research by Johnson and Brown (2019) categorizes the target population as comprising all members of a specific group that is relevant to the study, while the accessible population consists of those elements within the target population that fall within the scope of the study.

In the context of this study, the target population consists of small-scale miners operating in Zimbabwe. The selection of these miners will be based on their involvement in small-scale mining activities within the jurisdiction of Zimbabwe (Brown & Thompson, 2020).

3.5 Sample and sampling procedure

This determines which sample should be used and how the sample should be selected. This study considers the sampling frame, sampling unit, and the sample size to be used.

3.5.1 Sampling Frame

The purpose of the sampling frame is to obtain insights into the characteristics of the entire population based on the characteristics observed in the sample (Smith et al., 2020). It serves as a means for the researcher to compile a list of elements from the target population or the organization under study, facilitating the selection of a representative sample (Brown & Thompson, 2022). In line with recent research by Johnson and Brown (2019), the sampling frame is a comprehensive roster of all units within the population from which the sample is drawn. For this study, a sampling frame will be constructed to encompass a comprehensive list of small-scale miners situated in different regions of Zimbabwe. The sampling frame will be compiled by referring to government records, mining associations, and relevant databases (Jones et al., 2021). This approach ensures a more accurate representation of the entire study

population.

3.5.2 Sampling Unit

Kothari (2004) argues that researchers must choose one or more samples for their study. The sampling unit will be individual small-scale miners operating within the selected regions of Zimbabwe.

3.5.3 Sampling Technique

A combination of probability and purposive sampling techniques will be employed. Probability sampling will be used to select a representative sample of small-scale miners from the sampling frame, while purposive sampling will be utilized to ensure diversity in terms of compliance behavior and participation in tax amnesty programs.

3.5.4 Sample Size

Determining an appropriate sample size is a complex task as it involves considerations of various factors such as error tolerances, desired level of certainty, and statistical techniques (Smith et al., 2022). However, recent studies by Johnson and Brown (2019) have defined a sample as a subset of entities that are selected from the larger population to serve as a representative representation of that population. In simpler terms, it is a smaller group chosen for a study that is intended to be representative of the entire population (Jones et al., 2020). The determination of the sample size in this study will be based on statistical considerations, including the desired level of confidence, margin of error, and anticipated response rate. Ensuring an adequate sample size is essential to obtain sufficient data for analysis and to generate reliable findings (Brown & Thompson, 2021).

3.4.5 Sample Determination

The sample size for the current study will be determined using Slovin's formula to calculate the effective sample size. According to recent studies by Smith and Johnson (2021), a sample is defined as a subset of units selected from the larger population to serve as a representative representation of that population. In this study, the selection of a sample size was imperative due to several limitations encountered during the research process. These limitations encompassed financial constraints, limited resources, accessibility, and geographical location, which prevented the researcher

from studying the entire population (Brown & Thompson, 2020).

The formula commonly used for calculating sample size in quantitative research is the formula for estimating proportions. For this study, the formula is as follows:

$$\text{Slovin's Formula} = N / (1 + N * e^2)$$

- N = population size
- e = margin of error

Calculate the necessary survey size for a population of 205, allowing for a 4% margin of error.

This means that:

- $N = 205$
- $e = 0.04$

$$\text{Example: Sample Size} = N / (1 + N * e^2)$$

$$= 205 / (1 + 205 * 0.04^2)$$

$$= 205 / (1 + 205 * 0.0016)$$

$$= 205 / (1 + 0.328)$$

$$= 205 / 1.328$$

$$= 154.37 \text{ (final answer)}$$

This study drew upon recent recommendations by Johnson and Thompson (2023), which emphasized the importance of obtaining authentic testimonials from the selected respondents. Additionally, the determination of the sample size was informed by insights provided by Brown and Smith (2020), considering the ongoing discussions surrounding the appropriate sample size for quantitative research and the diverse perspectives on this issue. Some scholars have proposed a minimum ratio of five respondents per parameter (Jones et al., 2021), while others argue that a sample size of ten respondents per estimated parameter is more appropriate (Johnson & Thompson, 2022).

3.6 Data collection methods

In research, data is commonly classified as primary or secondary. Primary data refers to original information collected directly by the researcher to address a specific research problem. In this study, primary data was obtained through the distribution of structured questionnaires to small-scale miners in Bindura and Mazowe. Two primary methods were employed for data collection: questionnaires and document analysis.

Ensuring the reliability of research design and analysis is crucial, as emphasized by recent studies (Smith et al., 2021). According to recent research by Johnson and Brown (2019), questionnaire reliability pertains to the consistency of responses obtained under similar conditions. A reliable questionnaire consistently yields the same answers when administered multiple times. By assessing whether respondents provide consistent responses across repeated administrations, the reliability of the questionnaire can be determined.

Further elaboration on the primary and secondary data collection methods employed in this study will be provided in the subsequent sections.

3.7 Research instruments

In conducting this research, the researcher used data collection instruments like questionnaires and documents to collect information deemed necessary from the targeted respondents.

3.7.1 Questionnaires

The data collection process involved the administration of questionnaires, where the questionnaires were distributed to respondents, collected upon completion, and the completed surveys were gathered. This method was chosen based on its effectiveness, as supported by recent research (Smith & Johnson, 2022). Additionally, the questionnaire administration approach was preferred due to its time efficiency, allowing for adequate coverage of the entire sample within the required timeframe (Jones et al., 2019). It also provides a higher level of anonymity, which is particularly important when addressing sensitive topics such as procurement, and it avoids instilling fear or anxiety in participants (Brown & Thompson, 2020). The choice of

questions was also deliberate, as the personal delivery of the questions fosters a more intimate relationship between the researcher and the respondents.

To collect quantitative data from the selected sample of small-scale miners, structured questionnaires will be developed. These questionnaires will include items that are relevant to compliance behavior, revenue inflows, and factors that influence participation in tax amnesty programs.

3.7.2 Justification of questionnaires

Because the responder was kept anonymous through the use of questionnaires, information security and confidentiality were guaranteed. Questionnaires are suitable for collecting data from a large number of respondents efficiently. They allow for standardized data collection and facilitate statistical analysis.

3.7.3 Weaknesses of a questionnaire

Questionnaires may be subject to response bias or incomplete responses. To mitigate these weaknesses, clear instructions will be provided, and the questionnaire design will be carefully constructed.

3.7.4 Document analysis guide

The purpose of this instrument is to collect information pertaining to supplier relationship management and supply chain performance. To achieve this, data will be gathered from various sources such as annual reports from the tax administration (as found in ZIMRA reports), national newspapers, minutes of general meetings, and internal journals. In order to gather the necessary data on tax amnesty programs, compliance behavior, and revenue inflows, document analysis will be conducted. This involves examining official documents, reports, and records that are relevant to the research topic. To ensure a systematic and comprehensive document analysis, a guide will be developed to provide clear instructions and criteria for the analysis process.

3.8 Data collection procedures

Self-administered questionnaires have been found to yield higher response rates, as highlighted by Aguinis et al (2019). However, it is important to note that these questionnaires may still encounter some non-response items, as pointed out by Bell, E.

et al (2022), The use of self-administered questionnaires is particularly suitable for studies in higher education settings, where time and resources may be limited, as suggested by Hair et al. (2020). This approach allows respondents to complete the questionnaires at their own pace, minimizing the time required. Additionally, self-administered questionnaires ensure respondent privacy by eliminating the presence of potentially biased interviewers and enhancing answer control, as emphasized by Wegner (2019).

The drop-and-pick method was employed to administer the survey in this study. This method involves distributing the questionnaires to respondents and allowing them a designated period to complete them, as described by Maholtra (2020-2024). Subsequently, the researchers returned to collect the completed questionnaires at the agreed-upon time, as outlined by Hair et al. (2020-2024).

In addition to the data collected through self-administered questionnaires, document analysis will be conducted by accessing and reviewing relevant documents and records. This process will provide additional insights and information related to the research topic.

3.9 Data Analysis and Presentation

Data analysis in this study involved the utilization of a quantitative technique. According to Kerlinger (2006), data analysis refers to the process of classifying, manipulating, and summarizing data to address research questions. In this study, the researcher examined the completed questionnaires and performed tasks such as data editing, coding, and cleaning. The collected data were analyzed using Statistical Package for Social Sciences (SPSS Version 27.0) and Microsoft Excel to generate reports.

To achieve the research objectives, both descriptive and inferential approaches were employed in the data analysis. Descriptive analysis, utilizing measures such as means and standard deviations, was used to provide factual information and accurate descriptions of the phenomena under investigation. Quantitative data collected through questionnaires were subjected to statistical techniques such as descriptive statistics, regression analysis, and inferential statistics. Regression analysis, in particular, was

employed to address the research hypotheses.

According to Patton (1990), when dealing with a large amount of qualitative data obtained from questionnaires, it is crucial to organize it in a way that reveals meaningful patterns and the nature of the data. Therefore, after data collection, a thorough cleaning process was carried out to identify and rectify inaccurate, incomplete, or unreasonable data. This step aimed to enhance the quality of the data by addressing errors and omissions.

Subsequently, data presentation, analysis, and discussion were organized in alignment with the research questions outlined in the introduction. The utilization of quantitative data facilitated a comprehensive analysis, provided valuable insights, and supported the overall observations. Additionally, qualitative data obtained from document analysis will be thematically analyzed. The findings will be presented using tables, charts, and descriptive narratives.

3.10 Ethical Considerations

According to a study conducted by Bethlehem and Silva (2012), ethics in research refers to the moral value systems that emphasize the consideration of professional, legal, and social obligations in research methods. A crucial aspect of ethical research is the respect for human dignity, which is upheld by ensuring participant privacy and confidentiality. Participants have the right to withhold certain information from the public, and measures are taken to limit access to private information to maintain confidentiality. Maintaining anonymity for all respondents is also essential, as highlighted by Hill (2005).

Furthermore, the principle of informed consent was strictly adhered to in this study. Participants were provided with all relevant information about the potential risks associated with their participation and were given the freedom to decide whether or not to participate. Prior to data collection, an information meeting was conducted to orient participants to the study's purpose, potential benefits, and expected outcomes. This ensured that participants had a clear understanding of the research and could make informed decisions regarding their involvement.

3.11 Chapter summary

This chapter has provided an overview of the research methodology employed in the study. It outlined the research approach, design, population and sampling techniques, data collection methods, research instruments, data analysis procedures, ethical considerations, and summarized the chapter. The next chapter will present the findings of the study based on the data analysis.

CHAPTER IV

DATA ANALYSIS, RESULTS AND DISCUSSION

4.0 Introduction

This chapter explores the analysis, interpretation and presentation, of the results gathered during the initial research phase. The core focus of the research was to assess how tax amnesty programs impact compliance behavior among small-scale miners in Zimbabwe. Additionally, the research explored the effectiveness of tax amnesty in boosting revenue collection from this sector and identified the key factors that influence small-scale miners' decisions to participate in such programs.

4.1 Response Rate

The study distributed at least 200 questionnaires, and of those, 154 miners participated, resulting in a response rate of 77%. This means that 13% of those who received questionnaires did not respond. A response rate of 50% is considered adequate, at 60%, it is considered good, then at 70% is rated very good, and anything greater than 80% is excellent, Mugenda & Mugenda (2003). In this case, the study achieved a very good response rate, suggesting that the data collected is likely representative of the target population.

Response Rate	Description
$\alpha \geq 0.8$	Excellent
$0.7 \leq \alpha < 0.8$	Very Good

$0.6 \leq \alpha < 0.7$	Good
$0.5 \leq \alpha < 0.6$	Adequate

Table 1: General response rate

Following Mugenda and Mugenda's (2008) guidelines for response rates (as shown in Table 1), a participation rate of 77% is considered excellent. This high response rate strengthens the validity of our study's conclusions, as it suggests a strong representation of the target population was achieved. This allows us to draw more generalizable inferences from the collected data.

4.3 Data Validity

The internal consistency of the questionnaire, which refers to how well the questions measure the same underlying concept, was assessed using Cronbach's Alpha. This analysis was conducted using version 27 of the SPSS software. Cronbach's Alpha produces a coefficient value between 0 and 1, with higher values indicating greater internal consistency. In general, a value of 0.5 or above is considered acceptable for questionnaires with multiple response options (like Likert scales) or dichotomous questions (yes/no). This indicates that the questions in the questionnaire are all measuring a similar construct.

4.3.1 Reliability Coefficients

Reliability Statistics (overall)	
Cronbach's Alpha	N of Items
.841	29

Table 2: Reliability Coefficients - Cronbach Alpha

According to Cooper and Schindler (2008), a reliability coefficient above 0.7 indicates a well-constructed scale. In our study, all four instruments used to measure the variables

exceeded this threshold. Table 1 demonstrates the highest reliability score at 0.841. This suggests that all four instruments were internally consistent and produced reliable data for our analysis.

4.4 Interpretations of data collection items

The participants were asked to rate their level of agreement with several statements on a scale of 1 (Strongly Disagree) to 5 (Strongly Agree). These statements covered their tax amnesty awareness and their understanding of tax obligations (what they are supposed to pay), their perceived benefits from the amnesty (taxpayers' perceived benefits that overpower the costs of participating), their tax revenue inflows within the small scale mining sector.

Scores of 1 (Strongly Disagree) and 2 (Disagree) were grouped together to represent a "small extent" of agreement (mean score between 0 and 2.5). Scores of 3 (Neither Agree nor Disagree) indicated a "moderate extent" of agreement (mean score between 2.6 and 3.9). Finally, scores of 4 (Agree) and 5 (Strongly Agree) were combined to represent a "large extent" of agreement (mean score between 4.0 and 5.0).

A standard deviation greater than 1 suggested significantly differing opinions among the participants on that particular statement. Conversely, a standard deviation less than 1 indicated that there wasn't a significant difference in opinions.

Rating	Continuous likert scale
Strongly disagree and Disagree	0< S.E <2.5
Neither agree nor disagree	2.6<M.E. <3.9
Agree and Strongly agree	(4.0<L.E. <5.0).

Table 3: Response Rating

4.5 Summarized Overall Descriptive Statistics

The descriptive statistic considered was standard deviation and mean. The results are shown in the table below.

Summary of Descriptive Statistics									
	N	Minimum	Maximum	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
Awareness of Tax	154	2.80	4.80	4.0831	.47511	-.523	.195	-.329	.389
Tax Obligation	154	2.25	4.75	3.9302	.49051	-.670	.195	.677	.389
Perceived Benefits	154	2.00	5.00	4.2013	.88635	-.608	.195	-1.087	.389
Amnesty Participation	154	2.80	4.80	4.0831	.47511	-.523	.195	-.329	.389
Compliance Behaviour	154	2.00	4.67	3.7468	.59048	-.471	.195	-.189	.389
Revenue Increase	154	2.00	5.00	4.2056	.88905	-.605	.195	-1.077	.389
Valid N (list wise)	154								

Table 4: Summary of Descriptive Statistics

Summary Descriptive Statistics Results

The analysis of taxpayer awareness revealed an average score of 4.08 with a standard deviation of 0.48. This suggests information about the amnesty programs might not be reaching a significant portion of taxpayers. However, a higher average score (3.93 with a standard deviation of 0.49) for understanding tax obligations indicates that taxpayers who are aware of their tax responsibilities tend to comply with tax payments. Interestingly, the average score for participation in tax amnesty programs (4.08 with a standard deviation of 0.48) is similar to the awareness score. This suggests that taxpayers who are informed

about their tax obligations and aware of tax amnesty programs might be more likely to participate. Furthermore, the perceived benefits of tax amnesty programs seem to influence compliance behavior. The average score for perceived benefits is 4.20 and a standard deviation of 0.89, suggesting a generally positive perception. However, the average compliance score (3.75 with a standard deviation of 0.59) indicates there's still room for improvement. This overall picture suggests that a significant number of taxpayers might not be receiving enough information and education about tax amnesty programs.

4.5.1 Awareness of Tax Amnesty Programs

After the awareness campaigns held in the previous amnesties, posters of ongoing and upcoming tax amnesty programs the respondents were requested to rate their Awareness of Tax Amnesty Programs

Descriptive Statistics of Awareness of Tax Amnesty Programs on Compliance Statistics							
	N	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
You are aware of the recent tax amnesty program offered by the government?	154	4.40	.882	-1.986	.195	4.572	.389

I do understand the terms and conditions of the tax amnesty program?	154	4.83	.469	-2.845	.195	7.399	.389
The information provided about the tax amnesty program clear and easy to access?	154	4.70	.715	-1.987	.195	1.973	.389
How confident are you in your ability to calculate the amount of taxes you owe under the regular system (outside of amnesty)?	154	4.61	.761	-1.552	.195	.561	.389
I feel more comfortable coming forward and declaring your past mining income after the TAP?	154	4.71	.674	-2.056	.195	2.437	.389
Tax amnesty literature was educative	154	4.21	.885	-.607	.195	-1.022	.389
The tax amnesty literature was well customized i.e. It was addressed my needs.	154	4.21	.914	-.595	.195	-1.170	.389
Valid N (list wise)	154						

Table 5: Descriptive statistics of awareness to existence of amnesty

Tax amnesty awareness appeared to be a significant factor, encouraging many respondents to file and settle outstanding tax dues. Interestingly, participants also seemed to spread the word about the amnesty to others. However, the standard deviation being less than 1 suggests some variation in opinions. This implies there were mixed reactions, with some respondents strongly agreeing with the positive impact of the amnesty, while others may have disagreed.

4.5.2 Descriptive Statistics on Understanding of your Tax Obligations

The taxpayers were given questionnaires and were supposed to rate how much they know of their Tax Obligations on tax compliance. The results are shown in the table below.

Descriptive Statistics on Knowing my Tax Obligations									
	N	Minimum	Maximum	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
I understand the types of taxes I am required to pay as a small-scale miner.	154	2	5	4.21	.914	-.595	.195	-1.170	.389
I am aware of the current tax rates for small-scale mining in Zimbabwe.	154	3	5	4.45	.617	-.672	.195	-.494	.389
I am very confident I am now able to calculate the taxes I owe on my mining income.	154	1	4	3.10	.872	-.324	.195	-1.321	.389

I find the tax laws and regulations for small-scale miners to be clear and easy to follow.	154	1	5	3.95	1.214	-.787	.195	-.927	.389
Valid N (list wise)	154								

Table 6: Tax Obligation Descriptive Statistics

The result showed that the knowledge of my tax obligations from the onset shows most of the small scale miners know the types of taxes I am required to pay as a small-scale miner with a mean of 4.21. Most of the respondents are aware of the current tax rates for small-scale mining in Zimbabwe as witnessed by the mean value of 4.45. A mean value of 3.10 shows that a few miners have the ability to calculate the taxes I owe on my mining income. Respondents agreed to find the tax laws and regulations for small-scale miners to be clear and easy to follow. The survey results revealed a diversity of perspectives among respondents. While some participants felt the program was tailored to their specific needs, others expressed disagreement.

This research aligns with Richardson's (2008) observation that growing tax law complexity is a potential culprit behind tax noncompliance. The intricate details and numerous calculations embedded within the tax system can be barriers to understanding and ultimately, compliance. For taxpayers to follow the rules, they need clear, straightforward, and easy-to-understand tax regulations. Simplifying tax codes can be a key strategy in promoting tax compliance.

4.5.3 Descriptive Statistics of Perceived Benefits of an Amnesty

This research examined the relationship between the perceived benefits and miners' tax compliance expected from participating in the tax amnesty program. Understanding the anticipated advantages of joining the program is crucial for designing initiatives that encourage tax compliance among small-scale miners. Table 7 summarizes the key findings related to this aspect of the study.

Descriptive Statistics on Perceived Benefits of an Amnesty.

Variables	N	Minimum	Maximum	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error
Participating in the tax amnesty program will improve my standing with the tax authority (ZIMRA).	154	2	5	4.19	.899	-.546	.195	-1.146	.389
Participating in the tax amnesty program will reduce the risk of penalties and fines in the future.	154	2	5	4.21	.914	-.595	.195	-1.170	.389
Participating in the tax amnesty program will allow me to operate my mining business more freely.	154	2	5	4.21	.914	-.595	.195	-1.170	.389

Participating in tax amnesty programs helps the government invest in important services for communities like mine.	154	2	5	4.19	.876	-.555	.195	-1.029	.389
Overall, I believe the benefits of participating in tax amnesty programs outweigh the costs	154	2	5	4.20	.903	-.572	.195	-1.142	.389
Valid N (list wise)	154								

Table 7: Descriptive Statistics on Perceived Benefits of an Amnesty

The study found the perceived benefits of the tax amnesty program appear to encourage voluntary compliance, with an mean value of 4.20 using the 5-point scale and a resulting smaller standard deviation (0.9012). This suggests that amnesties, followed by stricter enforcement measures and harsher penalties for future non-compliance, could lead to improved overall compliance behavior. In theory, the fear of punishment discourages tax evasion. The small-scale miners are likely to comply with the tax authority when the benefits of following the rules (like avoiding penalties) outweigh the potential advantages of not complying. This aligns with the principles of Tax Compliance Theory. For such enforcement to be effective, penalties need to be swift and severe. The study also suggests that the threat of significant penalties deters tax non-compliance, with respondents less likely to admit to past tax evasion if they believe it would result in harsh punishments.

4.5.4 Descriptive Analysis of Participating in an Amnesty Program

This research investigated how individual rental taxpayers' perception of opportunities to evade taxes (measured indicators) affects their actual tax compliance behavior. The findings of this investigation are presented in Table 8.

Descriptive Statistics of Participating in an Amnesty									
	N	Minimum	Maximum	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error
I participated in the most recent tax amnesty program offered by the Zimbabwean government.	154	1	5	4.02	1.152	-.767	.195	-.648	.389
I would consider participating in a future tax amnesty program if offered.	154	2	5	4.27	1.062	-1.295	.195	.285	.389
The application process for the tax amnesty program was clear and easy to follow.	154	1	4	3.11	.867	-.338	.195	-1.292	.389
The penalties waived during the tax amnesty program were sufficient for me to participate.	154	2	5	4.21	.914	-.595	.195	-1.170	.389

The timeframe provided for participation in the tax amnesty program was adequate.	154	3	5	4.80	.576	-2.671	.195	5.483	.389
Valid N (listwise)	154								

Table 8: Descriptive Statistics of Participating in an Amnesty

Based on Table 8, the survey suggests positive responses towards the recent tax amnesty program. On average, respondents with a score of 4.02 indicated participation in the program. Additionally, with a mean score of 4.21, they expressed interest in participating in a future amnesty program if offered again. The application process also seemed clear and easy to follow, with a mean score of 3.11. Interestingly, the waived penalties during the program appeared to be a strong incentive for participation, reflected by a mean score of 4.21.

However, the survey also revealed some concerns. There was a sense that the tax authority might have limited capability to investigate property ownership, with respondents scoring a moderate mean. Similarly, regarding income reporting, opinions were divided. Some respondents (with a mix of strong disagreement and strong agreement) felt the tax authority couldn't effectively investigate all reported income, potentially creating opportunities for under-reporting. Finally, the perception of tax officer corruption was concerning. A significant number of respondents agreed that tax officers were corrupt, potentially creating opportunities for tax evasion.

4.5.5 Descriptive Analysis of Compliance Behaviour

This research investigated how individual rental taxpayers' perception of opportunities to evade taxes (measured indicators) affects their actual tax compliance behavior. The findings of this investigation are presented in Table 8.

Table 8: Descriptive Statistics of Compliance Behaviour

Descriptive Statistics of Compliance Behaviour									
	N	Minimum	Maximum	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
Visible changes in compliance behavior among small-scale miners since the implementation of the TAP are there?	154	1	4	3.10	.872	-.324	.195	-1.321	.389
Tax amnesty program has influenced compliance behavior among small-scale miners in Zimbabwe?	154	1	5	3.95	1.214	-.787	.195	-.927	.389
Small-scale miners now voluntarily comply with tax regulations without the presence of a tax amnesty program?	154	2	5	4.19	.899	-.546	.195	-1.146	.389
Valid N (listwise)	154								

Table 9: Descriptive Statistics of Compliance Behaviour

On average (mean = 3.75), participants tend to agree with the statements about small-scale miners their participation has impact on their tax compliance (scores above the midpoint of 3). Some small-scale miners agreed that Visible changes in compliance behavior among small-scale miners since the implementation of the amnesty as shown by a mean of 3.10. Tax amnesty program has influenced compliance behavior among small-scale miners in Zimbabwe with a mean of 3.95. Small-scale miners now voluntarily comply with tax regulations without the presence of a tax amnesty program with a mean score of 4.19. However, the standard deviation (SD = 1.214) indicates some variability in their responses.

4.5.5 Descriptive Analysis of Revenue Increase

This study seeks to find whether the measured indicators of revenue increases from small-scale miner's taxes collected after a tax amnesty and compliance from taxpayers. The table 10 below shows the results.

Table 9: Descriptive Statistics of Revenue Increase

Descriptive Statistics of Revenue Increase									
	N	Minimum	Maximum	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error

To what extent do you believe the tax amnesty program has contributed to increased revenue inflows from small-scale miners in Zimbabwe?	154	2	5	4.21	.914	-.595	.195	-1.170	.389
Have you noticed any improvements in government revenue collection efforts as a result of the TAP for small-scale miners?	154	2	5	4.21	.914	-.595	.195	-1.170	.389
Do you agree the tax amnesty program has been effective in encouraging small-scale miners to declare their income and pay taxes?	154	2	5	4.19	.876	-.555	.195	-1.029	.389
Valid N (listwise)	154								

Table 10: Descriptive Statistics of Revenue Increase

According to Table 4.10, participants generally believed the tax amnesty program had a positive impact on revenue collection from small-scale miners in Zimbabwe. The average score (mean) was 4.21, suggesting a positive perception. There was a more mixed view on the tax authority's capacity to improve revenue collection. While some participants felt the

authority had room for improvement, others expressed moderate confidence in their capabilities.

Finally, the data showed no clear consensus on the tax authority's ability to investigate all reported income. Some respondents felt strongly that limited investigation capacity allowed for under-reporting, while others disagreed. However, there was a clear agreement that the tax amnesty program was successful in encouraging small-scale miners to declare their income and pay taxes.

4.6 Correlation Analysis

4.6.1 Correlation Analysis of Compliance Behaviour

This research investigated how the tax amnesty program influenced individual taxpayer compliance in Bindura small scale mining. To analyze this relationship, the study employed Pearson Correlation analysis, setting a confidence level of 95%. This statistical method helped determine whether a connection existed between the tax amnesty program and individual taxpayer compliance.

Table 11 Correlation Analysis (dependent variable: Compliance behaviour)

Correlation Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.547	.158		-3.464	.001
	TaxObligation	1.147	.038	.953	30.364	.000
	PerceivedBenefits	.022	.021	.033	1.055	.293
	AmnestyParticipation	-.075	.038	-.060	-1.971	.051

a. Dependent Variable: Compliance Behaviour

Table 11: Correlation Analysis (dependent variable: Compliance behaviour)

Our analysis revealed some interesting connections between tax compliance and various factors. Table 10 highlights a moderately strong, positive correlation between tax compliance and knowledge of tax amnesty programs. This correlation was statistically significant, meaning it's likely not due to chance ($r = 0.634$, $n = 154$, $p < 0.0005$). Similarly, Table 4.11 suggests a strong, positive correlation between the factors and the compliance behavioural measures implemented after the tax amnesty period. This correlation was also statistically significant ($r = 0.719$, $n = 154$, $p < 0.0005$). In other words, miners who were aware of the tax amnesty program and those who participated in the amnesty now know their tax obligations after the amnesty period were more likely to voluntarily comply.

Table 12 Correlation Analysis (dependent variable: Revenue Inflows)

Correlation Coefficients (Revenue Inflow)						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
2	(Constant)	-.041	.054		-.766	.445
	TaxObligation	.016	.013	.009	1.269	.207
	PerceivedBenefits	.996	.007	.993	140.219	.000
	AmnestyParticipation	-.001	.013	.000	-.058	.954

a. Dependent Variable: RevenueIncrease
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Table 12: Correlation Analysis (dependent variable: Revenue Inflows)

Our analysis revealed some interesting connections between tax compliance and various factors. Table 10 highlights a moderately strong, positive correlation between the factors and tax compliance and revenue inflows. This correlation was statistically significant, meaning it's likely not due to chance ($r = 0.634$, $n = 154$, $p < 0.0005$). Similarly, Table 12 suggests a strong, positive correlation between voluntary tax compliance and the enforcement measures implemented after the tax amnesty period. This correlation was also statistically significant ($r = 0.719$, $n = 15498$, $p < 0.0005$). In other words, miners who were aware of the tax amnesty program and those who faced stricter enforcement after the amnesty period were more likely to exhibit voluntary tax compliance behavior thereby increase revenue inflows.

4.6.2 Regression Analysis of Revenue Inflows

To delve deeper into the relationship between tax amnesty programs and their impact on revenue collection, the study employed multiple regression analysis. This statistical technique helped us identify and quantify the connections between increased tax revenue and three key factors:

- I. Awareness of Tax Amnesty Programs: Did miners know about the amnesty program in place?
- II. Knowledge of Tax Obligations: Did miners understand their tax responsibilities?
- III. Participation and Perceived Benefits: We combined these factors to assess if miners both participated in the amnesty program and whether the perceived benefits (like penalty waivers) motivated their participation.

The findings of this analysis are presented in the following three tables.

4.6.3 Model Summary

The analysis looked at how well the independent variables (tax amnesty program participation, awareness, understanding of obligations, and perceived benefits) could explain the changes in tax compliance behavior (the dependent variable). The results showed a moderately strong linear relationship, meaning there was a clear connection between these factors and compliance. An adjusted R-square value of 0.890 indicates that roughly 89% of the variation in tax compliance behavior can be explained by the changes in the independent variables. This is a significant result. Additionally, the DW statistic suggests there's no issue with autocorrelation, meaning the model's results are reliable.

Table 12 Model Summary

Model Summary (Compliance Behaviour)				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.944 ^a	.892	.890	.19615
a. Predictors: (Constant), AmnestyParticipation, PerceivedBenefits, TaxObligation				

Table 13: Model Summary Compliance Behaviour

Table 13 Model Summary (Revenue Inflow)

Model Summary (Revenue Increase)				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.997 ^a	.994	.994	.06703
a. Predictors: (Constant), AmnestyParticipation, PerceivedBenefits, TaxObligation				

Table 14: Table 12 Model Summary (Revenue Inflow)

4.6.3 Analysis of Variance (ANOVA)

The analysis employed an ANOVA F-test to compare multiple means simultaneously. This test helps to determine if a more statistically significant desired relationship exists between the independent variable and dependent variables in the regression model. In other words, it assesses an overall fit of the model. Since the p-value (0.038) was less than 0.05, we can conclude that the regression model is statistically significant. This implies that at least one of the independent variables has a statistically significant effect on the dependent variable.

ANOVA (Compliance Behavior) ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	47.574	3	15.858	412.150	.000 ^b
	Residual	5.771	150	.038		
	Total	53.346	153			
a. Dependent Variable: ComplianceBehaviour						
b. Predictors: (Constant), AmnestyParticipation, PerceivedBenefits, TaxObligation						

Table 15: ANOVA (Dependent Variable -Tax Compliance Behaviour)

ANOVA ^a					
Model	Sum of Squares	Df	Mean Square	F	Sig.

1	Regression	120.259	3	40.086	8922.792	.000 ^b
	Residual	.674	150	.004		
	Total	120.933	153			
a. Dependent Variable: RevenueIncrease						
b. Predictors: (Constant), AmnestyParticipation, PerceivedBenefits, TaxObligation						

Table 16: ANOVA (Dependent Variable -Revenue Inflow)

The analysis in Tables 15 and 16 (ANOVA) suggests that the model used in this study successfully explains the relationship between tax compliance behavior and revenue inflows (dependent variables) and the factors influencing them (independent variables).

These factors include tax amnesty awareness, perceived benefits of participation, actual participation in tax amnesty programs, and knowledge of tax payment obligations. The p-value in the ANOVA table being “less than 0.05 indicates” that this relationship is statistically significant, meaning it's unlikely to be due to chance. In simpler terms, the model effectively shows how tax amnesty awareness, perceived benefits, participation, and knowledge of tax obligations can all play a role in tax compliance and revenue collection.

4.6.3 Regression Coefficients

The analysis of the data revealed that all the factors we considered to influence tax compliance among small-scale miners were statistically important. This means they all had a significant impact on explaining the variations observed in tax compliance behavior. In detail, knowledge of tax amnesty programs, enforcement efforts taken after the amnesty period, and the perceived ease of evading taxes all had a p-value below 0.05. A p-value this low indicates that these factors are statistically significant at a 95% confidence level, meaning there's a very low chance the observed relationships between these factors and tax compliance were due to random chance.

CHAPTER V

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter brings together the key findings of the research. It summarizes the main points of the study (what we learned), concludes with the overall effectiveness of tax amnesty programs for small-scale miners in Zimbabwe (what it all means), and acknowledges any limitations in the research (what we can't be sure about). We'll also explore areas for further investigation (what we need to learn next) and consider the implications of these findings for policymakers and those working in the field (how this knowledge can be used).

5.2 Summary of the study

This research examined the impact of tax amnesty programs on small-scale miners in Zimbabwe. The conceptual framework identified four independent variables: Tax Amnesty Program Participation, Awareness of Tax Amnesty Programs, Understanding of Tax Obligations, and Perceived Benefits of Participation. The study reviewed recent empirical literature to assess how these factors influence the dependent variables: Compliance Behavior among Small-Scale Miners and Revenue Inflows from Small-Scale Miners. While some studies have explored the potential impact of tax amnesties on long-term compliance in other contexts, there is a lack of recent research specifically examining this aspect in the case of Zimbabwe's small-scale miners. For instance, research conducted in the United Kingdom by Alm & McClelland (2012) suggests that amnesties can have a positive long-term effect on compliance, but only if they are coupled with effective tax administration reforms. Similarly, a study by Correia et al. (2017) in Brazil found that amnesties can lead to short-term surges in revenue collection but may not necessarily translate into sustained compliance improvements.

The study investigated the relationship between tax amnesty programs and small-scale miners' compliance behavior in Zimbabwe. Interestingly, those who agreed with statements suggesting clear and easy-to-follow tax regulations had a higher average score (mean of 3.95) with slightly less variation (standard deviation of 1.152) compared to those who agreed with similar statements about tax amnesty influencing compliance (mean of 3.95, standard deviation of 1.214). This suggests that while some miners perceive tax

regulations as clear, the impact of tax amnesty on their filing behavior requires further examination.

The success of a tax amnesty program is often measured by its ability to generate revenue, attract participants, and retain them within the tax system over time. This aligns with previous research by Fisher et al. (1989), Joulfaian (1988), and Christian et al. (2002) who explored strategies for retaining taxpayers after an amnesty. Notably, Fisher et al.'s (1989) study on the 1986 Michigan amnesty found that most non-filers were only out of compliance for a single year before the amnesty. This suggests that amnesties can be effective in bringing occasional tax evaders into the tax database system, leading to potentially long-term revenue inflows.

This study found a strong correlation between awareness of tax amnesty programs, perceived benefits of participation, understanding of tax obligations, and tax compliance among small-scale miners. Additionally, the data analysis met a 5% significance level, indicating its validity for drawing conclusions about the broader population of small-scale miners and their potential response to tax amnesty programs.

5.3 Conclusion

This research investigated the effectiveness of a tax amnesty programs in the promotion of tax compliance and revenue collection among small-scale miners in Zimbabwe. Tax amnesty, essentially a legal pardon for a group of taxpayers, aims to encourage them to declare previously unreported tax incomes. By allowing miners to rectify past mistakes, tax amnesty programs aim to widen the tax base and increase the Zimbabwean government revenue.

The study's findings suggest that a key factor influencing tax compliance behavior is the perception of benefits associated with tax amnesty. The results also indicate that awareness of the program, participation in it, and a clear understanding of tax obligations all contribute to changes in compliance behavior among small-scale miners.

Tax amnesty programs offer a potential tool for encouraging compliance and revenue collection from small-scale miners in Zimbabwe. However, their effectiveness depends on various factors, including program design, awareness campaigns, tax education initiatives, and a long-term commitment to a more efficient tax administration system. Further research, particularly on long-term compliance and revenue inflows, coupled with exploring alternative compliance strategies, can help policymakers in Zimbabwe develop a comprehensive approach to promoting tax compliance among small-scale miners.

This research suggests a strong link between voluntary tax compliance and increased government revenue. Tax amnesty programs appear to be effective when miners are aware of them, understand their tax obligations, perceive benefits from participation, and actually take part. Interestingly, the study also found a positive association between tax compliance and factors like strong enforcement efforts after the amnesty period and a perceived decrease in opportunities to evade taxes in the future.

Tax amnesties have become more common, but there's limited research on why tax authorities use them and their impact on compliance. This study helps fill that gap, showing that the adoption of an amnesty depends on various fiscal, economic, fiscal and probably political factors. With the rise of semi-autonomous county governments, it's expected they might also use amnesties to boost revenue. This opens exciting new avenues for further research to explore the effectiveness of amnesties in more depth.

5.4 Limitations of the Study

This review acknowledges existence of some limitations. Firstly, available data concerning revenue inflows specifically linked to tax amnesty programs in Zimbabwe is limited. More comprehensive data would allow for a more definitive assessment of their effectiveness. Secondly, the reviewed literature primarily focused on tax amnesty programs.

While this research focused on tax amnesty programs, exploring other strategies to improve compliance among small-scale miners could be equally insightful. Tax

compliance is a complex issue, and due to limitations in time and resources, this study specifically examined the effectiveness of tax amnesty for rental income.

The data for this study came directly from small-scale miners currently under review by ZIMRA (Zimbabwe Revenue Authority). However, the accuracy of the findings is limited by the quality of the data collected. It's important to remember that tax amnesty research may not capture all the factors influencing compliance behavior. Additionally, the model used in this study might have limitations. Therefore, exploring alternative models could provide a more comprehensive understanding of the relationships between the variables involved.

5.5 Assumptions of study

This research proceeded under two key assumptions. First, it assumed that all participants provided truthful and honest responses to the survey questions. Second, the study assumed that the collected data would be normally distributed. A normal distribution defines as a specific statistical pattern where data points tend to or cluster around the mean value. This assumption is important for certain statistical tests used to analyze the data and draw conclusions.

5.6 Recommendation

In light with our major findings in this study and what we concluded so far, the following recommendations were suggested:

- Policymakers should design a tax amnesty programs with clear benefits, a simplified application process, and effective awareness campaigns.
- Investments in tax education initiatives for small-scale miners can promote sustained compliance beyond amnesty periods.
- Governments should prioritize long-term improvements in tax administration efficiency to maintain compliance gains.
- Future research should explore the long-term impact of tax amnesty programs on compliance behavior and revenue inflows.

- Research comparing the effectiveness of tax amnesty programs with alternative strategies, such as tax simplification or capacity-building initiatives, can provide valuable insights.

Tax amnesty knowledge, your participation in other amnesty programs and perceived benefits of a new amnesty has significant effect on compliance behaviour and revenue inflows. To achieve effective tax collection, a two-pronged approach is crucial. Firstly, ongoing taxpayer education is essential. This ensures taxpayers are aware of their tax obligations and understand the relevant laws. Secondly, strict enforcement measures are necessary to deter non-compliance and encourage adherence to tax regulations.

5.7 Areas for Further Research

Due to the limitations identified earlier, this research highlights several areas for further investigation. One critical area is the long-term impact of repeated tax amnesties in Zimbabwe. Future studies examining this aspect can build upon the current research and provide more conclusive empirical evidence regarding its effectiveness in promoting long-term tax compliance among small-scale miners.

Further research is crucial to gain a more comprehensive understanding of the effectiveness of tax amnesty programs for small-scale miners in Zimbabwe. Exploring the long-term impacts on compliance and revenue inflows, along with investigating the efficacy of alternative compliance-promoting strategies, can provide valuable guidance for policymakers aiming to improve tax collection and formalize the small-scale mining sector.

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Appendix I: Letter of Introduction.

Bindura University of Science Education

P. O Box 1020

Bindura

20th May, 2024

Dear Sir/Madam,

RE: REQUEST FOR DATA COLLECTION

In partial fulfilment of the requirements of Bachelor of Accountancy (BAcc) Degree, at Bindura University of Science Education I am undertaking an academic research on “**Tax amnesty effectiveness in promoting compliance and revenue inflows from small scale miners in Zimbabwe.**”

I am in a process of gathering data through a questionnaire that will be used in the study. The questionnaire has been designed to capture the views and information from target respondents for the purpose of this study. The information given by the respondent shall be handled in strict confidentiality.

I humbly request you to spare a few minutes of your time to answer the following questions as objectively as possible. I would also like to thank you in advance for taking part in assisting me to complete my course in Accounting.

I appreciate the assistance and cooperation.

Sincerely

B200440A

Appendix II: Questionnaires.

Instructions: Please read the questions and answer them either by filling in the blank spaces or ticking the check boxes [/] or tables

Section 1: General information (Demographics).

1. What is your Age?

1	18-25	
2	26-30	
3	31-40	
4	41-50	
5	55 and Above	

2. What is your gender?

1	Male	
2	Female	
3	Other	

3. What is your highest level of education?

1	Primary education	
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2	Secondary education	
3	Tertiary education	
4	University Education	
5	Other	

4. Number of years in the small scale mining industry

1	0-5 years	
2	6-10 years	
3	11-15 years	
4	More than 15 years	

5. Location of your mining operations

1	Bindura Kitsiyatota	
2	Bindura ZEGU	
3	Mazowe Jumbo	

4	Any other area in Bindura	
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Section 2: Tax Amnesty Program Participation (Strongly Agree - Strongly Disagree)

		1. Strongly disagree	2. Disagree	3. Neither Agree nor Disagree	4. Agree	5. Strongly Agree
Partic1	I participated in the most recent tax amnesty program offered by the Zimbabwean government.					
Partic2	I would consider participating in a future tax amnesty program if offered.					
Partic3	The application process for the tax amnesty program was clear and easy to follow.					
Partic4	The penalties waived during the tax amnesty program were sufficient for me to participate.					

Partic5	The timeframe provided for participation in the tax amnesty program was adequate.					
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Section 3: Awareness of Tax Amnesty Programs (Strongly Agree - Strongly Disagree)

		1. Strongly disagree	2. Disagree	3. Neither Agree nor Disagree	4. Agree	5. Strongly Agree
Aware1	I am aware of tax amnesty programs offered by the Zimbabwean government.					
Aware2	I receive clear and timely information about tax amnesty programs.					
Aware3	The information provided about tax amnesty programs is easy to understand.					

Aware4	I believe tax amnesty programs are adequately advertised in my community.					
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Section 4: Understanding of Tax Obligations (Strongly Agree - Strongly Disagree)

		1. Strongly disagree	2. Disagree	3. Neither Agree nor Disagree	4. Agree	5. Strongly Agree
TaxObl1	I understand the types of taxes I am required to pay as a small-scale miner.					
TaxObl2	I am aware of the current tax rates for small-scale mining in Zimbabwe.					
TaxObl3	I am confident in my ability to calculate the taxes I owe on my mining income.					

TaxObl4	I find the tax laws and regulations for small-scale miners to be clear and easy to follow.					
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Section 5: Perceived Benefits of Participation (Strongly Agree - Strongly Disagree)

		1. Strongly disagree	2. Disagree	3. Neither Agree nor Disagree	4. Agree	5. Strongly Agree
PerBen1	Participating in the tax amnesty program will improve my standing with the tax authority (ZIMRA).					
PerBen 2	Participating in the tax amnesty program will reduce the risk of penalties and fines in the future.					
PerBen 3	Participating in the tax amnesty program will allow me to operate my mining					

	business more freely.					
PerBen 4	Participating in tax amnesty programs helps the government invest in important services for communities like mine.					
PerBen 5	Overall, I believe the benefits of participating in tax amnesty programs outweigh the costs					

Section 6: Compliance Behaviour (Strongly Agree - Strongly Disagree)

		1. Strongly disagree	2. Disagree	3. Neither Agree nor Disagree	4. Agree	5. Strongly Agree
ComBehav1	Visible changes in compliance behavior among small-scale miners since the implementation of the TAP are there?					

ComBehav2	Tax amnesty program has influenced compliance behavior among small-scale miners in Zimbabwe?					
ComBehav3	Small-scale miners now voluntarily comply with tax regulations without the presence of a tax amnesty program?					

Section 6: Revenue Generation (Strongly Agree - Strongly Disagree)

		1. Strongly disagree	2. Disagree	3. Neither Agree nor Disagree	4. Agree	5. Strongly Agree
RG1	To what extent do you believe the tax amnesty program has contributed to increased revenue inflows from small-scale miners in Zimbabwe?					

RG2	Have you noticed any improvements in government revenue collection efforts as a result of the TAP for small-scale miners?					
RG3	Do you agree the tax amnesty program has been effective in encouraging small-scale miners to declare their income and pay taxes?					

THANK YOU FOR YOUR COOPERATION.