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FACULTY OF COMMERCE

DEPARTMENT OF ACCOUNTING

ADOPTION OF ELECTRONIC FISCAL DEVICES (EFDs) FOR VALUE ADDED TAX (VAT) COLLECTION, A CASE OF SMALL TO MEDIUM ENTERPRISES (SMEs) IN BINDURA

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DEDICATION AND ACKNOWLEDGEMENT;

I give thanks to the almighty for the never ending love and protection since day one.

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I dedicate this hard work to my special mom who has been through a lot to see me get this far and all my family members who supported my mom through the tough times.

ABSTRACT

The major goal of this study is to assess the adoption of electronic fiscal devices for value added tax collection among small to medium enterprises in Bindura. To attain this goal, the study had the following objectives; to determine the extent to which SMEs have adopted to the use of EFDs, to assess why other SMEs are not adapting to the use of EFDs, to assess the challenges and benefits encountered by those that adapted to this change and to recommend measures to improve the adoption. A mixed approach of descriptive and exploratory research design was used to enable a meaningful interpretation of data, both quantitative and qualitative information was used in this research. To gather some qualitative information the study used questionnaires, interviews and some documents were reviewed. The content analysis and basic descriptive analysis was used. The study main aim was review if the introduction of Electronic Fiscal Devices was a successful measure to improve VAT compliance and whether it was well implemented that SMEs would adopt to using fiscal devices.

KEYWORDS

VAT ;   VALUE ADDED TAX

ZIMRA;   ZIMBABWE REVENUE AUTHORITY

EFD;   ELECTRONIC FISCAL DEVICES

SMEs;   SMALL TO MEDIUM ENTERPRISES

ETR   ELECTRONIC TAX REGISTERS

FISCALISATION   refers to configuring of fiscal devices to enable them to record sales and other tax information on the read-only fiscal memory at the time of sale for use by the tax authorities in VAT administration

CHAPTER 1

1.1 Introduction

This chapter is a strategy that reveals the general research topic and the research's objectives to the reader. It includes information about the study's background, problem description, research aims, research questions, study importance, and assumptions. The chapter also includes a review of the study's delimitations and limits.

1.2 Background to the study

Revenue collection is an important aspect of economic development of any country (Malima,2013), Value Added Tax is one of the important aspect for revenue generation in the country. This revenue is important in the accomplishment of government activities for the nation (Ndunda et al., 2015).

Due to corruption and poor methods employed in the collection of government revenue resulted in many governments failure to generate enough income to improve social services in their respective countries. This then led to the introduction of Electronic Fiscal Devices (EFDs) to ensure accurate reporting and recording of Value Added tax collection to Revenue Authorities and also enhance VAT compliance, (Casey and Castro , 2015). These were firstly introduced in Italy in the year 1980, later on in other countries such as Russia, Serbia and Poland adopted EFDs. In Africa, the use of EFDs became obligatory from 2000 onwards, the Revenue Authorities of countries like Kenya, Ethiopia, Tanzania, Rwanda, Malawi, Uganda, Zimbabwe, Mauritius and Zambia adopted the new technology (Kerever, 2008).

In Zimbabwe this was introduced on the 8th of June 2010 through the statutory instrument 104 of 2010 with the requirement that all operators under VAT Category C should record their sales with fiscal memory,(ZIMRA, 2019).

However, most taxpayers are not keen with the adoption of EFDs (Hira, 2011). VAT taxpayers in Italy where EFDs were first introduced, were also resistant to the use of EFDs, (Ainsworth,2008). Three years after the introduction, only 30% of those expected to register had adopted EFDs. A study was conducted to discover why other businesses where unresponsive to the use of EFDs and it was concluded that there are high adoption costs which increases the operation costs of businesses, this being the major reason of not adopting (Ainsworth, 2008).

The Revenue Authority of Kenya in 2012 also reported that out of 10 VAT taxpayers 5 to 6 are not adapting to the use of EFDs. The reason behind that was that most of the taxpayers feared that if they started using EFDs they will begin to pay VAT than they used to do before the use of EFDs since there will be more transparency of their transactions to the tax authority. Martin et al, (2010) came with a conclusion that the strategy that was used by the tax authorities for the adoption of EFDs was poor and it made taxpayers reject the use of EFDs. This was because the strategy imposed the cost burden of the EFDs on the taxpayers, they would pay for their own installation, maintenance and repairs, this discouraged taxpayers to adopt to this change.

In Tanzania the resistance of the adoption of EFDs spread throughout the country and VAT taxpayers complained about the inconvenience caused by EFDs to the extent that some of the businesses had to close for protesting against the use of EFDs (Mbago,2014).

This study then seeks to look at the level of adoption of EFDs in Zimbabwe and analyse the reasons why some SMEs are not adopting and also the challenges facing those that adopted.

1.3 Statement of the problem

Small to medium business enterprises often unveil the highest degrees of noncompliance through underreporting, especially given the majority of transactions conducted for cash, Casey and Castro 2015. This in turn has an effect on the amount of revenue that will be collected by the tax authorities. Therefore, in an attempt to boost their tax revenues, the Zimbabwe Revenue Authority introduced the use of electronic fiscal devices in 2010, this was initially introduced through the statutory instrument 104 of 2010, before being introduced again for the period beginning January 2022, through legal instrument 101 of 2022 . This system aimed to enhance the transparency of information between the revenue authority and the taxpayers (Chung & Trivedi,2003). Despite this effort, many SMEs seem to not have grasped to concept of fiscalisation. As of now many small enterprises are still using receipt books and they do not have any point of sale, most of them did not adopt to the use of Electronic Fiscal Devices when making sales.

There are also other studies also prove that most business enterprises do not adopt to the use of EFDs willingly for instance, 53% of traders with EFDs in Kinondoni Municipality – Dar es Salaam, were not willing to issue correct fiscal receipts as required by Finance Act 2010, Walter (2013). Kira (2016) found that only 8% of traders who have EFDs in Dodoma were using them on their own will. According to Karongo

(2014), challenges facing successfully EFDs usage in Tanzania include reluctance of some traders to use the machines in issuing correct fiscal receipts and sometimes not issuing fiscal receipts at all for some sales. Furthermore, Temba (2015) indicated that 56% of traders in Ilala tax region were unwilling to use EFDs in their daily business transactions.

Lack of awareness among taxpayers can be one of the major reasons most business enterprises do not use EFDs. Bevan (2012) argues that higher installation costs was the major barrier whereas a study by Bashiru (2014) suggested that there are operational costs associated with EFDs which could discourage the use of EFDs. This study therefore seeks to examine the extent of adoption of EFDs in among SMEs in Bindura and the reason why others are not adapting to the change.

1.4 Research objectives
i. To examine the extent to which SMEs in Bindura adopted the use of EFDs
ii. To examine the reasons why some SMEs did not adopt to the use of EFDs
iii. To examine the challenges and encountered by those that adopted the use of EFDs
iv. To identify and recommend measures that can improve the adoption of EFDs and also solve challenges faced by those that adapted

1.5 Research questions
i. Have you adopted the use of fiscal devices in your business operations
ii. If not why have you not adapted to the use of fiscal devices
iii. If you have adapted, what challenges have you faced since you started using the fiscal devices and what positive changes have the fiscal devices brought
iv. What do you think can be done to encourage others to adapt to the use of fiscal devices

1.6 Significance of the study
The study can be very useful to students who study taxation, in that they can be aware of the introduction of Electronic fiscal devices and also know that not all enterprises have adopted to this introduction.
This study can also give feedback to the Zimbabwe Revenue Authority (ZIMRA) on the introduction of EFDs, they can be aware that not all business enterprises are using the fiscal devices they introduced and also be aware of the challenges facing the enterprises that adopted.

They can also get a hint on what to do to improve the adoption of EFDs among SMEs

This research can also be useful to other researchers who may want to do a similar research, they can refer to this research for guidance and get an understanding of the adoption of fiscal devices.

1.7 Assumptions to the study

The following assumptions underpin this research:

i. Respondents were only personnel with the knowledge and understanding of VAT and fiscal devices
ii. Sample chosen is representative of the entire population, and that the results may be applied to the entire population.
iii. Responses given will be valid and accurate

1.8 Delimitations to the study

i. The main scope of this research was only focused on the adoption of EFDs
ii. The sample chosen to represent the entire population was from Bindura only
iii. The research focused on Small to medium enterprises only

1.9 Limitations to the study

This study had two main limitations;

i. Due to lack of experience of conducting researches, the scope and depth of the discussion was compromised
ii. Lack of access to some sites with relevant information about the adoption of EFDs

1.10 Chapter summary

This chapter concentrated on giving the backdrop to the investigation, which led to the researcher defining research objectives and forming the appropriate literature to be studied in the next chapter.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

This chapter aims to analyse, compile and review previous research studies on VAT and the adoption of Electronic Fiscal Devices (EFDs) . This will assist the researcher in grasping knowledge on how other researchers conducted their research and also collect information from other researchers. This also helps the researcher in identifying the gaps that may be left out by previous researchers. This chapter is divided into the theoretical literature and empirical literature.

2.2 Theoretical literature

This is a reveal of the historical content supporting the current research, Munn, A.et al (2018).

2.2i   Value added tax (VAT)

According to ZIMRA annual report (2019), Value Added Tax can be defined as an indirect tax on goods and services, it replaced sales tax in 2004. It is charged when transactions of goods or services takes place and the importation of goods and services and not on income or profit. Value added tax is charged differently, there are commodities that are zero rated, standard rated and exempt from VAT, ZIMRA (2019). The standard rate is currently 14,5% on all commodities, generally all goods are standard rated unless they are specified not to be, all basic commodities such as foodstuffs and exports of goods from Zimbabwe are zero rated, this does not mean that VAT is not charged, it is charged but at 0% rate, ZIMRA (2019). Lastly there are commodities that are exempted from VAT, no VAT is charged on these commodities foe example includes financial services, ZIMRA(2019). Companies registered for VAT are split into categories, Category A,B,C and D, this category is provided in the registration confirmation letter. For those in category A and B, the remit their VAT returns to ZIMRA bi-monthly, those in category C remit monthly and those in category D, their period is allocated by the commissioner, ZIMRA (2019).

2.2ii   Value added tax registration in Zimbabwe

For companies to be able to charge VAT on goods and services, they have to be registered with ZIMRA, there is compulsory registration and voluntary registration , Changunda, G (2021). Within a period of 12 months, if a trader's supplies exceeds or is expected to exceed ZWL $4 800 000 then the trader must register for VAT, the commissioner general of ZIMRA may register the trader if they fail to do so but the trader will

be expected to pay the penalties. According to the VAT act (chapter 23:12), if the trader fails to register for VAT they will pay the VAT due and interest. The following are target limits for the registration of VAT. ZIMRA (2019)

DESCRIPTION	AMOUNT $ZWL
Compulsory registration	$4 800 000. 00
Voluntary registration	Determined by the commissioner
Category C	$ 19 200 000. 00
Category D	$9 600 00.00

Not all traders are required to register for VAT, traders that supply products that are exempt from VAT and businesses with a threshold that does not reach $ 4 800 000.00 cannot register for VAT.

For traders to be able to register for VAT, the following must be done ZIMRA (2019);

• register to ZIMRA and have a business number (BPN)

• Must download an application form (REV1) from www.zimra.co.zw and complete it

• Must have a sales schedule from when the business commenced and current the one

• Projection schedule of sales for the upcoming year

• Bank statement with a current stamp on it

Upon registration traders will bear the following responsibilities ZIMRA (2018);

• Complete and submit VAT returns to ZIMRA

• Issue debit notes, credit notes and fiscal invoices

• Inform the commissioner when they change address on when their business closes

• maintain proper records of their accounting details

2.2iii   Input tax and output tax, altinn (2020)

Input VAT is incurred in the process of purchasing inputs, when an operator purchases taxable supplies that include VAT, when a trader makes taxable supplies they must charge VAT, this is called output VAT. The difference between output VAT and input VAT is the VAT liability which must be remitted to ZIMRA.

VAT is one of the most reliable sources of income for the government, according to DR Mandishona (2009) , in 2009 and 2010 VAT contributed 37% of ZIMRA's collections. It also contributed 40% in 2011, 33% in 2012 and 30 % in 2013, Moyo (2012).

2.2iv   VAT deregistration, ZIMRA(2019)

This may be done at the discretion of the commissioner and notification is provided within 21 days of the date of such suspension. One will need to fill out the VAT 5 form and submit it to the commissioner, when he / she agrees that all obligations have been fully fulfilled then the trader will be deregistered accordingly.

2.2v   Fiscalisation

According to ZIMRA (2019), this refers to constructing of electronic fiscal devices so that they can capture tax information including sales records on the memory of fiscal devices which is read only so that it will be used by ZIMRA for VAT administration. All VAT operators were required to fiscalise as outlined by the statutory instrument (SI) 104 of 2010 and also SI 148 of 2016 and SI 153 of 2016.
Fiscalisation began in Zimbabwe on the 8th of June 2010 through SI 104 of 2010, this became effective on the 1st of October 2011 and every category C VAT registered operator was required to be fiscalised by this date.

Under SI 148 of 2016 all operators in category A, B and D were also expected to fiscalise as of the 1st of January 2017, The Herald (May 2022).SI 153 of 2016 mandated all registered operators to associate their EFDs to ZIMRA's server by 31 December 2017 in order to transmit sales data to the ZIMRA server.

These fiscal memory devices can only be purchased from approved suppliers in terms of the statutory instrument 102 section 9 of 2010 Axis solutions pvt ltd, Cortech solutions and fiscal revenue solutions pvt ltd, mentioning only a few, Government Gazette(2011).

According to Cascio and Montealegree (2016), this change in technology can significantly affect the workplace and make some changes to it either in a positive or negative way depending on how the business will accept the change.

According to Malima (2021), these fiscal devices helps in safeguarding sales for easy collection of VAT for tax authorities, this avoids unnecessary paperwork for companies since all the sales information will be recorded.

Since the devices cannot be tampered with, EFDs improve the revenue government revenue collection, these devices also improve the rate of tax compliance by VAT payers, the (Chronicle 2022).

2.2vi   Types of electronic fiscal devices (EFDs)

   i.   Electronic tax registers (ETR)

Mandari, Koloseni and Nguridada (2017) pointed out that , they use fiscal devices known as electronic tax registers, these devices print receipts in a manual way and these are only used when there is no too much receipting. They are cash registers which have a fiscal memory, they can be used independently since they can store information about transactions in a fiscal memory and print out receipts with a built in printer. This device is unique because it is fixed with a fiscal memory that contains such information as the tax rates, the classification of goods sold and the tax charged. Information stored in this device cannot be erased or tampered with(ZIMRA,2019). These devices have an independent memory that can only be accessed by the tax authorities however, normally they cannot process transactions for returned goods. Below is the figure of an ETR

ii. Electronic fiscal printers
These are high speed printers commonly used in supermarkets, they store all sales transactions and they are connected to a computer, they ZIMRA (2019).They rely on a computer to function, they cannot work on their own since they do not have a display terminal or a keyboard, Ainsworth (2009), these are possibly the cheapest fiscal devices of them all, below is an image of a fiscal printer;

iii. Electronic signature device (ESD)
This one provides signatures electronically , ZIMRA (2019). An ESD provides a unique signature to receipt, bill or invoice issued to

customers. ESDs are used in the environment of computerized transactions. Since the signatures are unique any attempt to change the invoice after it was produced will produce a new signature and considered as another transaction. The information recorded will be stored in the ESD fiscal memory, every tax document that needs to be signed will be sent to the ESD and a signature is prepared, these devices provides an extra level of authenticity and security on invoices issued , Ainsworth (2009). However, ESDs require separate devices to record the sales information hence it is not a standalone device rather a dependent one, It works hand in hand with the EFPs. Below is the figure of the device

2.2vii   The Process of adopting EFDs
The following are the necessary stages for adopting EFDs

i.   Awareness and Knowledge
     This is when the potential adopters are aware of the introduction of EFDs, this does not mean that they are interested about the EFDs, they are just aware of their existence, Meyer and Goes, (1988).

ii. Interest, evaluation and choice
     At this stage the potential adopters become inquisitive on how EFDs can make changes to their corporations and try to evaluate the possibilities of adopting the EFDs, this is when they make choices to adopt or not adopt Rogers, (1995).

iii. Adoption

When the potential adopters finally make a choice to adopt or not adopt they will be at this stage. If they start using the EFDs then they have adopted the use of EFDs and if they choose not to purchase the EFDs then they have not adopted the EFD, Cooper and Zumd, (1990).

The researcher in this study seeks to confirm the extent to which potential adopters are reaching this stage

2.2viii   Challenges of using EFDs

Kapera highlighted eight challenges (2017)

- The high cost of obtaining the equipment is a challenge.
- lack of training for VAT collectors on the usage of EFDs
- failures in the EFD system
- traders' lack of motivation to employ EFDs
- Traders' lack of faith in the EFD mechanism

Omweri et al. identified challenges (2011)

- The machines are pricey.
- ETRs are inappropriate for their type of business.
- ETRs produce incorrect data.
- ETR machines are not suitable for all businesses.

Mativo et al. (2015) identified many challenges, including:

- insufficient training for VAT-collecting firms on the usage of EFDs
- frequent technological upgrades that render ETR equipment obsolete.
- Suppliers do not provide ETR maintenance services.
- The ETR is expensive to purchase.

Kira's recognized challenges (2016)

- EFD machine usability
- EFD machines are expensive.
- EFD network issues
- lack of EFD training for VAT-collecting enterprises
- there aren't enough EFD suppliers

In The Herald (2022), ZIMRA admitted to sleeping on the job after they introduced   fiscalisation. The chairperson of ZIMRA, Willia Bonyongwe,

admitted that they did not complete their job on fiscalisation after they introduced it, in his exact words he said;

> "**On our part I think that we slept on the job, in the sense that when we introduced fiscalisation in 2010 we did not complete it and as a result people were lax. Because if you have the gadget and no one is following you up to say why is it off, nobody is collecting the data on it. If you go to countries like Kenya, Tanzania, Rwanda and Uganda where fiscalisation occurred in Africa, there was a huge impact on the rate of compliance and this has not happened here. But this is what we are now trying to do**", The Herald (2022).

This then proves that fiscalisation has not been efficient in Zimbabwe and even those who adopted are not taking it seriously, making others choose not to adopt.

Customers from small business owners usually do not require a receipt when they make a purchase (Kapera, 2017), usually those who buy products for personal use . Following the implementation of EFDs, the revenue authorities emphasized the responsibility of buyers to request a receipt for each transaction (Casey & Castro, 2015). Some taxpayers, however, continue to be obstructive since they do not provide receipts to their clients. This therefore has an impact on the information that will be captured, and it becomes biased (Cătălina, Dobre, &Serba, 2013), however the revenue authority encourages consumers to whistle-blow whenever receipts are not supplied (Edogbanya & Sule, 2013).

2.3 Theoretical review

This part explores the theory that supports the research study, this helps in understanding the research at the same time it provides a justification for the study, Hasan, N.(2020). The following theory supports this research;

Unified Theory Of Acceptance and Technology Use (UTAUT)

Many theories have been developed in order to fully understand the issues of technology adoption and also tax filling systems, Noor, Azmi and Ramalinga (2014), but The Unified Theory Of Acceptance and Technology Use (UTAUT) is more relevant in supporting the adoption of EFDs in SMEs.

This theory has four key elements that explains user acceptance of information technology;

Performance expectancy;

This is when the user expects that the adoption of new technology will bring positive results to their performance. This expectation can be evaluated in relation to the time spent when undertaking a task, quality of the output produced, quantity of the output produced and effortlessness at which the technology can be used. Expectation that one will be perceived competent by workmates and that the use of technology will increase chances of getting promoted or pay raise can also contribute to acceptability of a system by user, Venkatesh et al.,(2003)

Effort expectancy;

This is when the users consider the effort that they need to put when they adopt the new technology, they consider the level of simplicity associated with using the technology. Users will consider the extensiveness and duration of training expected in

order to learn how to use the technology and whether the user can perform the exact task he or she wants. The users expects the technology to be user friendly and flexible that if the technology if perceived to be difficult the level of acceptance or adoption of the technology will be low, Venkatesh et al., (2003).

Social influence;

This is the degree to which the user considers how others think about adopting the technology. The user then accepts the technology because others think that it is important to adopt the new technology or the user accepts the technology because others are using it. The level of acceptance can also be determined by the level of support shown and given by the senior management and immediate supervisor to the user. When the user observes that the use of the technology is important for the organisation undoubtedly they will accept and use such technology, Venkatesh et al., (2003).

Facilitating condition

This is the degree to which the user believes that the technical and organizational infrastructures are there to support the use of the technology. The availability of resources required by the user to use the technology and the compatibility of the technology with other existing system necessary knowledge to use the technology will help to resolve technology difficulties and influence technology acceptability by users, Venkatesh et al., (2003).

When compared to other behaviour theories, UTAUT incorporates various elements to explain the acceptance of technology by users, as a

result, using UTAUT as the theoretical model in the current study may generate more realistic results in explaining EFD acceptance among taxpayers .

2.4 Empirical literature review

This is an examination into what other researchers examined and discovered on this specific study; it can also be defined as past studies that are linked to the current study; this was established in the 1940s by a Dutch psychologist, de Groot.

previous related studies

2.4i   Afaal, M. (2022);   COMMON IMPACT OF VAT ON BUSINESSES

The impact of VAT on businesses was examined in this article. Individuals, the government, and the economy as a whole are all affected. The researcher in this study, however, will solely look at the impact of VAT on enterprises. According to this article, VAT has an !influence on the purchasing power of consumers and has a negative effect on the demand of products in industries that deal with standard rated supplies. VAT has a negative impact on the working capital of VAT registered enterprises that have longer payment terms with consumers and shorter payment terms with suppliers, and vice versa

2.4ii   Sabinet African Journals March 2021; The impact of EFDS in VAT collection in Malawi;

The study looked into the whether EFDs where efficient in improving revenue collection and compliance . The results showed that employing EFDS for VAT collection did not boost revenue collection during the study period, as seen by a drop after the EFDs were implemented. They ! discovered that VAT registered operators may be inflating purchases in order to decrease their tax due and boost their VAT claims, as indicated by the significance of the shift in purchases between pre- and post-EFD periods; the same was observed in sales fluctuations.

2.4iii   Research gate,2020, determining the taxpayer perception on the rate of using EFDs in small businesses

This study determined the impact of taxpayer perceptions, in the form of the fear of punishment by the Tanzanian Revenue and Government authorities, on the rate of using Electronic Fiscal Devices (EFDs) among small business owners in Tanzania. Results

of the analysis suggested no significant categorical relationship exists between demographic variables (the age, gender, and level of education) and the fear of punishment. Furthermore, the fear of punishment does not impact the rate of EFD use. The study recommends that the Tanzania Revenue Authority should not use age, gender, and level of education to determine the effectiveness of punishment among small business owners. Furthermore, the Tanzania Revenue Authority should not use intimidations as a method to impact compliance.

2.4iv European journal of business innovation and research (2020); Assessment of the effectiveness of ETR in collecting VAT returns
Martin et al. (2020) planned to evaluate the usefulness of EFDs in processing VAT returns in this publication they wanted to determine how many people used electronic tax returns (ETRs), what problems they encountered, and what solutions were available. They discovered that the use of ETR has helped firms to lower the costs connected with VAT processing, as well as enhanced revenue collection.

2.4v ARJHSS journal (2020); This research was carried out among SMEs in Hargesia, the aim was to determine if VAT has an impact on their performance. The findings revealed that SMEs were paying tax to corrupt and illegal tax officials after they pay VAT to tax officials some other unidentified officials would come and collect from them again. These SMEs' concerns are that they might shut down their businesses or suffer business failure as a result of VAT co-collection.

2.4vi Malima, A. (2020); this study aimed to determine whether EFDs improved the rate of tax compliance among SMEs in Tanzania and also if whistle blowers influenced the use of EFDs and also if the proposed punishment on noncompliance in Tanzania improved the rate of using EFDs. It was concluded that, the fear of whistleblowers influenced the use of EFDs. Audit effectiveness, on the other hand, had an impact compliance.

2.4vii Chambi, G. (2020) aimed to evaluate the efficiency of EFDs in Tanzania. He collected data from taxpayers and staff members of VAT registered operators through surveys and interviews. The study concluded that workers needed education on the use of EFDs and also recommended the tax authority to work

on network challenges pertaining to EFDs, if this is done there will be an improvement in revenue collection and compliance.

2.4viii   Financial Market, Institutions and Risk 2019. Impact of VAT on SMEs in Mettu town. The aim of this article was to investigate how value addition tax effects private investment in firms and to investigate the primary other variables responsible for poor business investment in Ethiopia's Mettu town. The study concluded that VAT has a partial impact on business investment in Ethiopia, and that other factors are responsible for business investment in Ethiopia.

2.4ix   Dalu, T. et al 2015 in their research aimed to examine how EFDs affects VAT collection for ZIMRA, whether it has improved revenue collection and if not what areas need improvement and solutions. They also intended to learn how other countries are coping with fiscalisation and to learn from them . They concluded EFDs has a positive impact on the collection of VAT. According to these findings, fiscalisation has boosted taxpayer compliance with ZIMRA's VAT administration.

2.4x   Employees with low educational levels, according to Nyasha et al. (2012), face challenges in using EFDs and they develop a negative opinion of the use of fiscalized electronic devices since they were unaware of the approach and others were just unwilling to change, which indicates that even if they were given all of the resources, they would refuse to adopt the advanced method of recording VAT.

2.4xi   Taye's (2011) study sought to analyze the efficacy of ETRs in the processing of VAT income in Addis Ababa, Ethiopia. The study discovered a beneficial influence on VAT returns from ETRs as well as other independent factors such as tax payer and VAT registered taxpayer awareness, as well as tax audit and follow-up. Administration expenditures had a significant impact on VAT revenue as well.

2.4xii   Mmanda (2019) in his research indicated the advantage that when the fiscal devices capture information on sales, this information cannot be tampered with, the system reports any attempts to tamper with the information. According to this research

almost every organisation in Kenya have acquired these devices and are getting familiar with using it.

2.4xiii Archives Of Business Research, vol 7, 2019. 'Impact Of VAT On SME performance Aba, Abia State, Nigeria. This article aimed to assess how VAT affects the performance of SMEs in Nigeria a case study of Aba Abia State. The questionnaire was employed as an instrument in a survey method. The findings revealed that there is a large and positive association between taxes and how SMEs perform and also collection of taxes have a major impact on the performance of SMEs in Aba. This was due to illegal tax collection by unauthorised personnel with affected the revenue of SMEs. It was then suggested that the Nigerian tax authorities must identify those responsible for the illegal tax collections and barn them so that SMEs can contribute effectively to the growth of the economy.

2.5 Research gap

Most researches on VAT and EFDs were done with the assumption that all SMEs had adopted the use of EFDs, the researchers did not take into consideration that some business enterprises did not adapt to the use of EFDs at all, also most researches did not take into consideration the challenges that those who adopted are facing. Instances of these researches includes, a study by Dalu, T. et al (2015) and also Chege, A. et al (2015), their research assumed full adoption of EFDs. Therefore this study will fill the gap left out by these researchers, it focuses on whether business enterprises adopted the use of EFDs in the first place.

2.6 Chapter summary

Various literatures on VAT and EFDs have been examined in this chapter. The chapter also discussed the significance and characteristics of EFDs and VAT, as well as other research findings. The next chapter describes the research methodology of the research

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This section reveals how the researcher will collect data in order to attain the research objectives of the study. This chapter describes in detail comprehensive steps for collecting data for research, it focuses on the study design, population sampling, sampling units, and the procedure by which the data was collected. It also includes tools for collecting data for research.

3.2 Research design

A research design is a plan for the methods and procedures that researchers must use to gather and analyse the information that they have (Hove et al. 2013), it's an overall attempt to set guidelines for conducting research studies (Polit and Hungler, 1991). In its application, research design acts as a master plan of the methodologies and procedures that should be employed to collect and analyze the data required by the researcher (Hair et al 2013). The researcher employed a mixed approach (descriptive and exploratory). Exploratory research provides an understanding of the researcher's problem, it explores the problem and provides a more clear investigation into the problem, (key differences, 2017). It is used in the situations where the researcher has to define the problem correctly and suggest alternative courses of actions, this makes it suitable for this research since the researcher aims to understand why SMEs are not A descriptive approach on the other hand, aims at describing something, mainly functions and characteristics. Descriptive research design answers questions such as who, what, where, how, and why they are related to the study problem. It is concerned with the conditions or relationships that exist, the ideas that are held, the processes that are taking place, and the obvious causes and effects. In this study, a case study method was applied.

3.3 Case study

Given the character of the research, the researcher opted for a case study as an exploration design. Tacoli et al. (2015) described a case study as an in depth research of a certain subject in its real world context. A Case study can also be defined as a unit of research for example a specific location, it narrows down a broad research field into a single field that is easy to research, Shuttleworth, (2008). In this research, the researcher's content was based on a case study of selected SMEs in Bindura.

3.4 Justification of the case study

This is effective for determining the applicability of situations in real practise. This also narrows down the research base to fully get an understanding of the research problem. Case studies bring out facts pertaining to the research since the information that will be gathered will have been generated in reality.

3.5 Population

Population can be defined as an entire group of individuals for whom investigators need information from, it represents the entire group of people considered for a purpose. Kumar, (2007) point out that accurate identification of the target population is essential because improper identification can lead to ambiguous results. Therefore, it is important for researchers to identify the exact population item of interest, Fraenkel, and Wallen, (2008). Pertaining to this research, the target population consisted of managers of small to medium enterprises in Bindura (those that are VAT registered and have adopted EFDs, those that are VAT registered and did not adopt).

3.6 Sampling

This can be defined as picking out a group from the whole population, from which data will be collected for the research, it can also be defined as selecting a small proportion from a large group (Dawson, 2009). Sampling provides information either qualitative or quantitative by examining a few selected units. In this study the researcher opted to use purposive sampling which is a non- probability sampling technique.

3.7 Purposive sampling

This can also be called subjective sampling, the researcher will choose the population basing with her own judgement. This study needed participants with knowledge of VAT and fiscal devices, so purposive sampling allows the researcher to choose participants basing with their knowledge.

3.8 Justification of purposive sampling

It allowed the researcher to only choose participants that had knowledge of the research which led to more accurate feedbacks and less biased information. This made the data collection faster and easier.

It also helped the researcher to choose the population that could best answer the research questions

3.9 Research instruments

These are tools that are used to collect information for the research. To meet the research objectives of the study the researcher made use primary source data which led to the use questionnaires.

3.10   Questionnaires

The researcher used questionnaires to extract primary data from the respondents about the adoption of EFDs. The advantage of using questionnaires was that they were very practical and standardized (uniform). This makes the analysis and interpretation of the data more objective and easier. The questionnaires were presented in form of Google Forms. The advantage of using Google Forms was that it becomes easier and faster to collect data from respondents and responses are guaranteed since you can easily do a follow up to the ones you sent the questionnaires to. Results can be quantified quickly and easily by Google. This was a faster way to collect information in a wider range especially when compared to interviews, since they could be distributed to a large number of respondents at a time. The questionnaire consisted of both open ended and closed ended questions.

3.11   Data collection procedure

The researcher firstly conducted a questionnaire pilot study to observe if the questionnaire would be easily understood by the actual respondents. The advantage of the pilot study was that it gave advance warnings on where the data collection might fail luckily for this research the pilot study didn't indicate any shortcomings.

After the successful pilot study, the researcher personally sent out the Google forms questionnaires to respective emails of respondents. The respondents were ensured total confidentiality of their responses before they answered the questionnaires.

3.12   Data presentation

The data that was collected was cross checked and verified for any mistakes. The data was compiled and presented in a meaningful and clear way. Potter (2013) points out that graphs have a big impact on the display of data so pie charts, tables, and graphs were used to make the data more meaningful and presentable. It becomes easy to understand and visualizes important variables, clearly understanding the trends, and providing a sum up of all the data collected.

3.13   Data analysis

This narrows the data collected and presented into more meaningful and manageable information. The questionnaire responses were sorted in accordance with the research questions. Material was collected from the respondents, and useful information relating to the study was kept aside for examination while irrelevant data was excluded. Microsoft Excel was used to come up with an acceptable analysis. The Likert scale was used to measure the level of agreement, the data was the analysed using SPSS a software that analyses data

3.14   Validity

This is the extent to which the findings of the research can be generalized to the entire population, (Thomas and Nelson, 2001). The researcher made an effort to ensure that the data collected was accurate and valid through following all ethical considerations. External validity was achieved by comparing the collected data with existing literature.

3.15   Reliability

Reliability is concerned with the accuracy of the research instruments used to collect data, (Joseph, et al. 2003). When the research instrument is administered under different conditions but yields the same result then it is reliable. In this research a questionnaire pilot study was conducted among taxation students with adequate knowledge of VAT and EFDs to ensure the reliability of the questionnaires.

3.16   Chapter summary

This chapter examined the research methodology in the study. It clearly points out how data was going to be collected during the study. The display and analysis of the collected data will be validated in the following chapter.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND DISCUSSION

4.1 Introduction

This chapter presents the findings of the research, analyse the findings and gives a discussion on the findings, this is because data interpretation and discussion gives a clear understanding of the research findings and avoids the distortion of data leading to incorrect conclusions, Adam and Kamuzora (2008).

Data presentation in this chapter is guided by the following research objectives;

  i. To examine the extent to which SMEs in Bindura adopted the use of EFDs
 ii. To examine the reasons why some SMEs did not adopt to the use of EFDs
iii. To examine the challenges and encountered by those that adopted the use of EFDs
 iv. To identify and recommend measures that can improve the adoption of EFDs and also solve challenges faced by those that adapted

The background of the respondents from which the data was collected will be presented firstly to give a clear picture of the nature of respondents that took part in the study.

4.2 Background of respondents

The researcher collected data on the characteristics of the respondents so as to examine or identify trends between different characteristics of the respondents. These characteristics incudes, the response rate, gender, age, education, and business period of operation and ownership of fiscal devices.

4.2i   Response rate

A total of 36 questionnaires were sent out managers of Small and Medium enterprises (SMEs), and all the 36 questionnaires were completed and returned. This represents a 100% response rate which is excellent, therefore this provided a guarantee that the research will produce high-quality results.

4.2ii   Gender of respondents

Gender
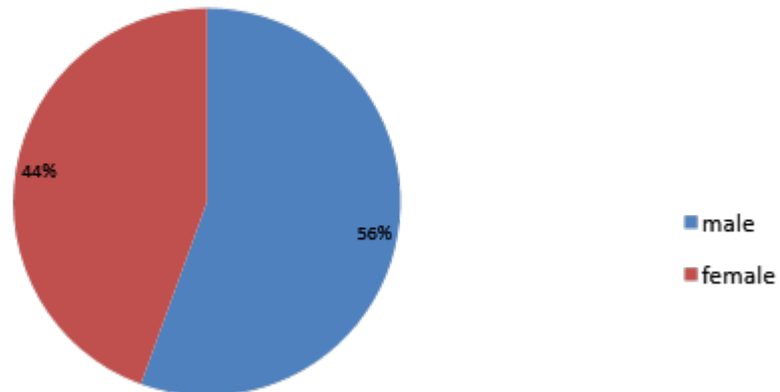
The above pie chart shows that, among the 36 respondents, 16 respondents were female representing 44% of the respondents and 20 respondents were male representing 56% of the respondents. Most of the respondents male but the this shows that the sample was fairly representative.

4.2iii   Age of respondents

Age (years)	frequency	Percentage (%)
18-29	22	61.11
30-40	9	25
41-59	5	13.88
60 and above	0	0
total	**36**	**99.99**

This table shows that the majority of the respondents were between the age group of 18-29 which had a total percentage of 61.11% and the least respondents were from the age group of 41-59 which had a total percentage of 13.88% also 25% of the respondents were between 30 to 40 years and no respondents were 60 years and above.

4.2iv   Education of respondents

Level of education	Frequency	Percentage (%)
Secondary	2	6
Certificate	1	3
Diploma	9	25
Undergraduate	20	56

Masters	4	11
Total	**36**	**100**

This table shows that most of the respondents (managers) were undergraduates since this covered 56% of the total population, the least respondents had only reached secondary and certificate level, since this only covered 6 % and 3 % of the total population respectively, 25% of the respondents had diplomas and 11% had masters degrees. These results indicate that all the managers were educated and would not have challenges in understanding the research aims and questions.

4.2v   Period the organisation has been registered for VAT

Duration	Frequency	Percentage
0-2 years	7	19.4%
3-4years	15	41.7%
5 years and above	14	38.9%
Total	**36**	**100%**

This table indicates that most of the firms have been registered for VAT between 3 to 4 years since this had total percentage of 41.7%, also companies that had been registered for 5 years and above had a significant percentage of 38.9% and companies ranging from 0-2 years had 19.4%. This indicates that the selected sample consisted of companies that were registered for VAT and had knowledge about VAT.

4.2vi   Ownership of fiscal devices
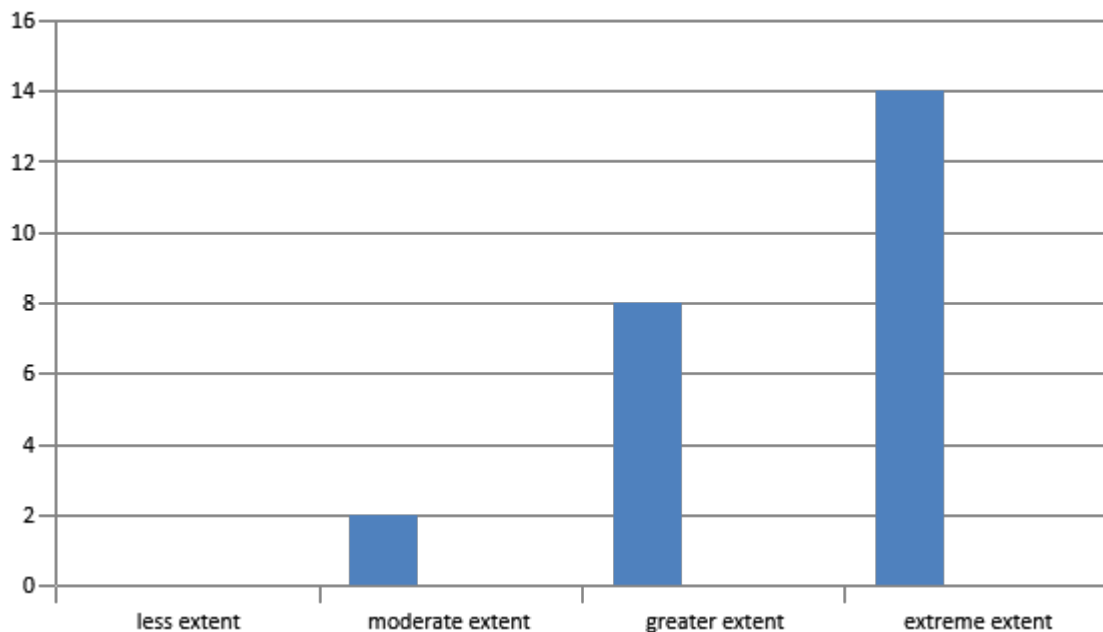
fiscal devices
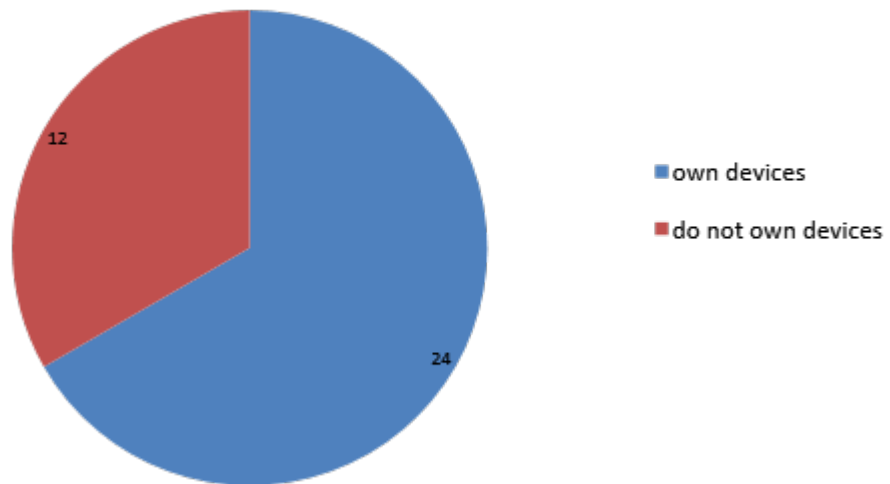
This pie chart indicates 24 SMEs which is 67% of the total population had the fiscal devices in their possession and 12 SMEs which is 33% of the population did not have the fiscal devices. This indicates that most of the SMEs were in possession of the electronic fiscal devices.

4.3 Research Findings

This research had four objectives and the results of the objectives are presented below

4.3i   To examine the extent to which SMEs in Bindura adopted the use of fiscal devices

The first objective of the study aimed to assess the extent to which SMEs have adopted using fiscal devices by asking how frequent they use the devices in their day to day operations in the business. The researcher asked the respondents if they use the devices in their day to day operations and the responses are as follows;

The above graph shows the level of adoption of EFDs in Bindura, among the 24 respondents that agreed to owning fiscal devices, 58% of these respondents use the devices to an extreme extent, 33% use the devices to a greater extent and 8% use the devices to a moderate extent. This results in 99% usage of fiscal devices among those that own the devices. Therefore among the 36 SME respondents in Bindura, 67% adopted to the use of EFDs in their daily business operations showing that there is a high adoption level among SMEs in Bindura. However not all SMEs agreed owning fiscal devices, the reasons why others chose not adopt will be presented below.

4.3ii   To examine reasons why some SMEs did not adapt to the use of EFDs

In addition to the above objective, the researcher moved on to ask those who do not own fiscal devices the reason for them not adopting. Among the 36 SMEs under study, 12 of them revealed that they do not own any fiscal devices, the researcher then presented them with options of whether they were not aware of the introduction of fiscal devices or they were aware but the devices were expensive. Their responses can be presented as follows ;

Reasons for not adopting EFDs

	No extent	Less extent	Moderate extent	Greater extent	Extreme extent
Not aware	0	0	0	2	3

of the introduction					
Aware but the devices were expensive	0	0	0	2	5

The table above is summary of why 12 SMEs among the chosen population did not adapt to using EFDs. 58% of this population confirmed that even though they were aware, they did not adapt because the devices were expensive. These results prove that the major reason why SMES do not adapt to using EFDs is that the devices are costly to them. However 42% of those that did not adapt, confirmed that they were not aware of the introduction of EFDs. This proves that ZIMRA did not do a proper job notifying some SMEs of the devices.

4.3iii To examine the challenges encountered by those that adopted the use of

The researcher moved on to question the 24 SMEs that adopted to using EFDs, the challenges they were facing using the devices. The respondents can be presented as follows

	N	minimum	maximum	mean	Std deviation
You did not get proper training on how to use the devices	24	2	5	4.42	.830
The devices tend to malfuncti on	24	2	5	4.13	.900

Maintenance and repair costs are high	24	3	5	4.29	.751
Network challenges	24	3	5	4.46	.721
The machines are affected by power outages	24	2	5	4.38	.924

The results above indicate that SMEs that adopted to using EFDs were all facing the challenges listed by the researcher. Since the mean in all challenges was above 4 meaning that all the SMEs were affected either to greater extent or extreme extent, the standard deviation is below 1 on all the challenges, this means that that the standard deviation is greater than the variance and it is close to the mean.

4.3iv To identify and recommend measures that can improve the adoption of EFDs and also solve challenges faced by those that adapted

The researcher lastly provided both the SMEs that adapted and those that did not with measures that can improve the level of adoption and solve the challenges of using EFDs. The researcher hoped to gain the knowledge of which measures to implement and those that cannot be implemented, the responses given by the respondents can be presented as follows

	Number	minimum	maximum	mean	Std. Deviation
ZIMRA can host awareness campaigns and also improve awareness through the media	3	3	5	4.42	.604
The machines should be provided to SMEs at no cost	3	3	5	4.72	.615
ZIMRA should provide adequate training to SMEs on the use of EFDs	3	3	5	4.50	.811
The repair and maintenance cost must be provided by ZIMRA	3	1	5	4.50	.878

ZIMRA should monitor the use of EFDs in SMEs so that they can attend to the problems that may arise when using the devices	3	2	5	4.67	.676

The above results indicate that all the SMEs supported that all the above measures must be implemented in order to improve the level of adopting EFDs and also to solve the challenges faced by those that adapted using EFDs. The mean of every measure is above 4 meaning that all the SMEs selected to a greater extent and extreme extent, the standard deviation is below 1 meaning that meaning that it is close to the mean therefore the above measures should all be recommended.

4.4 Discussion of findings
The research findings are discussed based on the study's research objectives

4.1 To examine the extent to which SMEs in Bindura adopted the use of EFDs
The findings of the study concealed that among the SMEs that own the fiscal devices in Bindura , 99% of them use their devices in their daily operations. This proves a higher level of adoption as some may own the devices and not use them in their daily operations. These findings are in line with information provided by the Tanzanian Revenue Authority (TRA) in 2016, they revealed that majority of SMEs in Tanzania installed the devices and were using the devices daily since the traders admitted that the fiscal devices assists them in keeping their sale records properly and also reduced the corruption that occurred during revenue

collection before the machines were introduced. These findings are also in line with a study by Nyasha et al. (2012), in this study it was revealed that traders in Zimbabwe had a positive attitude towards EFDs since the devices had a positive impact on the motor industry since the tax billing assessment had become and corruption was eliminated since there will be no direct contact between tax payers and tax collectors.

4.2 To examine the reasons why some SMEs did not adopt to the use of EFDs

This study revealed that the major reason why some SMEs did not adapt to using EFDs was that some SMEs were not even aware that the fiscal devices were introduced. This proves that ZIMRA did not do a proper job in notifying all SMEs of the introduction of fiscal devices since some SMEs were left unaware. The study also revealed that some of the devices were aware of the introduction but did not adapt because they feared the adoption costs as the devices were expensive to them. These findings are consistent with the study the study by Magutu et al. (2010) ,which shows that the traders in Kenya did not adapt to the use of EFDs because the machines were expensive leaving them with a negative attitude towards the machines. Also a study in Tanzania by the TRA in 2015 proved that traders were reluctant in installing the devices because they believed that the machines were very expensive for them to afford. Also a study by Kira, (2016) proved that traders in Tanzania did not adapt because the machines are costly. Bevan (2012) argues that higher installation costs was the major barrier whereas a study by Bashiru (2014) suggested that there are operational costs associated with EFDs which could discourage the use of EFDs.

4.3 To examine the challenges and encountered by those that adopted the use of EFDs

The first challenge that the study discovered was that most SMEs did not get proper training on how to use the devices, would then cause challenges in business operations since the no one would have the knowledge of the devices really work. A study by Kira, (2016) also proved traders did not get adequate training on how to use the devices, also a study by Siraj, (2015) in Tanzania also proved that traders lacked training on how to use the fiscal devices.

The second challenge that the SMEs encountered was that the devices would malfunction or breakdown during processing receipts. This challenge is in line with a study by Bakar, (2014) which noted that the fiscal devices can breakdown during use.

Another challenge was that the maintenance costs and repair costs in case of a breakdown are high, this can be supported with a study with a study in Kenya by Mativo et al (2015) which revealed that the suppliers of these machines do not provide maintenance services increasing the cost of maintenance on the traders.

The other challenges were that the machines are affected by power outages and also if there is poor network they do not function properly. This is in line with a study by Maisiba and Atambo, (2016) in Kenya which revealed that the machines are affected by poor congested network during peak hours and they switch off immediately there is a power outage.

4.4 To identify and recommend measures that can improve the adoption of EFDs and also solve challenges faced by those that adapted

The finding of this study suggests that ZIMRA should improve how they inform SMEs about changes through hosting awareness campaigns which they will inform and educate SMEs about the EFDs. This is in line with a measure given by Bakar (2014) to improve the awareness level among traders, they should alert everyone through radio stations, television adverts, seminars and host workshops

Another measure in this study was that to improve adoption of the fiscal devices among SMEs, they should be provided at no cost to SMEs, this will encourage every business enterprise aware of the devices to adapt. This is consistent to a study by Mativo et al, (2018), they suggested that the machines must be provided to VAT paying enterprises at no cost.

Other measures were that ZIMRA should provide adequate training on how to use the devices, this can solve the challenges that SMEs encounter when using the fiscal devices and also ZIMRA should provide repair

costs of the machines to SMEs. Kapera 2017 also urged the TRA to provision more training to VAT paying enterprises.

4.5 Chapter Summary

This chapter presented the data collected, analyzed the data and discussed the findings of the data with other research studies. The next chapter will give a summary of the research, conclusion and recommendations.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Introduction

This section grants a summary of the findings and the conclusions drawn from the research findings. Recommendations based on the study findings with proposals which might help improve the adoption of EFDs among SMEs.

5.2 Summary of findings

The aim of this research study was to assess the Adoption of Electronic Fiscal Devices (EFDs) for Value Added Tax collection among SMEs in Bindura. The study specifically was set to examine the extent to which SMEs in Bindura adopted the use of EFDs, to examine the reasons why some SMEs did not adopt to the use of EFDs, to examine the challenges and encountered by those that adopted the use of EFDs and to identify and recommend measures that can improve the adoption of EFDs and also solve challenges faced by those that adapted. The study employed a qualitative research method in collecting and analysing data. The findings of the study revealed that, the majority of SMEs in Bindura have adopted to the use of EFDs and they use them in their daily operations when recording theirs sales information. However not all the SMEs have adapted to using EFDs, some of the SMEs are not even using the devices, with the reasons that they are expensive and some were not aware of the introduction. The study also observed that those that are using the devices, are facing challenges such as high repair costs and lack of knowledge about the devices since they did not get proper training from ZIMRA. The study also recommended measures that can be put in place in order to solve the challenges and also improve adoption. The measures among others includes, providing the machines to SMEs free of charge and also improve training on how the device works.

5.3 Conclusions

Based on the research finding, the study concluded as follows;

5.3i To examine the extent to which SMEs in Bindura adopted the use of EFDs

In line with this objective, the study concluded that the majority of SMEs in Bindura adapted to the use of EFDs after it was introduced. The SMEs are using these devices in their daily operations which show that EFDs were adapted to a greater extent in Bindura. However not all the SMEs in Bindura adapted to using EFDs.

5.3ii   To examine the reasons why some SMEs did not adopt to the use of EFDs

The study concluded that the major reason why some SMEs in Bindura did not adapt to using EFDs was that the devices were expensive for them. The adoption costs limited some SMEs to adopting the devices.

5.3iii   To examine the challenges and encountered by those that adopted the use of EFDs

The study concluded that the introduction of EFDs has not been successful especially when it comes to SMEs. This was because all the SMEs that adapted to using fiscal devices were all facing challenges with the devices , the major challenge being that the SMEs did not receive enough training on how to use the devices therefore they lack enough knowledge on how the devices operate. The research also concludes that the major challenge faced by SMEs using the devices was that maintenance costs and repair costs of the machines are high since the suppliers of the machines do not provide maintenance services.

5.3iv   To identify and recommend measures that can improve the adoption of EFDs and also solve challenges faced by those that adapted

The study strongly recommends that ZIMRA should provide the machines to SMEs at no cost. This will ensure 100% adoption of the EFDs, since the SMEs will not be bearing the costs of purchasing the machines on their own. The study also concluded that ZIMRA should provide adequate training to SMEs on how the fiscal devices work to mitigate the challenge of using the devices after adoption.

5.4 Recommendations

The researcher recommends that ZIMRA should give taxpayers basic knowledge on the use of EFDs through training so that they are aware of

the device, particularly in this era of technological revolution, so that they become accustomed to utilizing it for their business activities. This is to say, ZIMRA should provide taxpayers with a one-month trial of the device following the purchase of EFDs in order for them to become acquainted with the equipment, which will lead to a favorable attitude toward EFDs. Furthermore, the adoption of new technology should be participatory, with policymakers involving users of these EFDs at all levels, particularly in setting prices that are affordable and agreed upon by both parties.

The prices of EFDs should be reduced so that every taxpayer can obtain and utilize EFDs at a fair cost. This is significant since research shows that the higher the expense of installing EFDs, the less eager people are to buy them. This may be accomplished through a government subsidy on EFD procurement costs. Furthermore, there should be government laws governing EFD maintenance contracts in order to ensure that appropriate prices can be set in order to encourage taxpayers to acquire maintenance and repair contracts.

In addition, taxpayers are encouraged to purchase and use EFDs because these devices are useful in maintaining business information like as sales reports and stock reports, which may be tracked at any time the taxpayer desires, even after a long period of time.

5.5 Limitation of the study and suggestion for further research

This investigation was limited to Bindura only as a case study. The study only employed questionnaires to collect data, and no interviews were conducted . As a result, the conclusions of this study cannot be extended to all cities in Zimbabwe . As a result, it may be necessary to do a similar study that includes more data gathering methods and covers more locations in order to gain a more comprehensive knowledge of EFD adoption.

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APPENDIX A

BINDURA UNIVERSITY OF SCIENCE EDUCATION

Research questionnaire to the manager/owner

My name is Tatenda Chiwawa , a student at Bindura University of Science
Education, I am currently studying towards attaining a Bachelors of Accountancy
Honours Degree , and I am carrying out a research.
My research topic reads: Adoption of electronic fiscal devices for Value Added Tax
collection, A case of small to medium enterprises in Bindura
You have been identified as one of the relevant participants and your input in
responding to this questionnaire will be sincerely appreciated. Your contribution will
help in the completion of this study. The information you provide will only be used
for academic purposes. Participation in this research is voluntary and your
confidentiality is guaranteed. Do not include any personal information such as names,
phone numbers and national identity numbers, thank you in advance
My contact details;
Phone number; +263783677764
Email ; chiwawatatenda22@gmail.com

Instructions

Please complete the questionnaire by ticking in the box provided and fill in the spaces
provided

Section A, Demographic data

1. Please specify your gender

   a) Female   ☐

   b) Male   ☐
2. Please specify your age

   a) 18-29   ☐

   b) 30-49   ☐

   c) 50-59   ☐

   d) 60 and above   ☐

3. What is your level of education?

   a) Secondary ☐

   b) Certificate ☐

   c) Diploma ☐

   d) Bachelor's degree ☐

   e) Master's degree ☐

4. For how long has you organisation been registered for VAT

   a) 0-2 years ☐

   b) 3-5 years ☐

   c) Above 5 years ☐

5. Do you own any fiscal device

   Yes   (   )

   No   (   )

<div align="center">Section B</div>

Use the scale below to indicate the extent to which the following statements apply to you

1 No extent, 2 Low extent, 3 Moderate extent, 4 Greater extent, 5 Extreme extent (tick the box you appropriate for you)

STATEMENTS	1	2	3		
Adoption of fiscal devices					
You use the devices in your daily transactions					
Reasons for not adopting					
The fiscal devices were expensive					
You were not aware of the devices					
Challenges of using fiscal devices					
You did not get proper training on how to use the devices					
The devices tend to malfunction					
Maintenance and repair costs are high					
Network challenges					
The machines are affected by power outages					
Measures to solve the challenges and improve adoption					
ZIMRA can host awareness campaigns and also improve awareness through the media					

The machines should be provided to SMEs at no cost					
ZIMRA should provide adequate training to SMEs on the use of EFDs					
The repair and maintenance cost must be provided by ZIMRA					
ZIMRA should monitor the use of EFDs in SMEs so that they can attend to the problems that may arise when using the devices					

Thank you for your cooperation….