**The Understanding of Taxpayer on Land and Building Taxation in Sai Mun Sub District, Phibun Mangsahan District, Ubon Ratchathani Province**

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**Abstract**

This research aims to study the understanding of taxpayers on land and building taxation in Sai Mun sub district, Phibun Mangsahan district, Ubon Ratchathani Province. The populations of this study were 325 of the land and building taxpayers. Using questionnaire to collect data from land and building taxpayer or land and building owner to querying about taxpayer’s understanding in tax payment. Analyzed data by descriptive statistics which obtains frequency, percentage, and mean. The results found the level of understanding of land and building taxpayer to the services of land and building tax officers and staffs were at moderate level in total mean at 2.89.

**Keyword**: the understanding, taxpayer, land and building tax

**Introduction**

Nowadays, local taxation is particularly important to local administration and development. The local administration department able to collect taxes as follows: 1) home and land tax, 2) local development tax and 3) signboard tax. The home and land tax (2475BE) and the local development tax (2508BE) had been used for long period of time. Even though taxations were based on the properties, tax base calculation, the estimation, and procedure credible alternative. The variation may not be suitable to current situation and may cause inequality to taxpayers. Also, taxpayers maybe mislead to understand how those taxation are base from. In practical, home and land tax is collected from the income of the owner, rent e.g., which hold the same principle as tax income, taxpayer consider home and land tax as redundant of taxation that may lead to insufficient. Home and land tax drawback by being regressive tax rate and limited tax base in accordance with few numbers of home and land taxpayers (Direx Patmasiriwat, 2009). The other flaw of the structure of home and land tax is tax exemption for land and build that have owner habitation without considering the value of land nor properties, even the high value and low value are considered on the same tax exemption which lead to consolidation problems in properties ownership and properties hoarding for speculation. Therefore, the appropriated taxation in home and land tax would reduce the speculation and endorse those low incomes possibility to obtain more properties (Sakon Waranyuwattana, 2009)

The notion of combining the home and land tax and local development tax together to land and building tax is to make it more efficiently, more systematic, and decentralization the power to the local government organization. These will encourage more income to local and legitimate taxpayers. In the way to enforce new act to be more efficiently is certainly depend on comprehension and well-prepared of the law enforcer and the support system. To apply the same land and building tax, if the related person such as the local government organization, board of local organization, and local organization officers apprehension and well-prepared to enact this taxation for properties then the taxation would be covered and legitimate. (Land and building tax act, 2019)

Ubon Ratchathani Province contain 239 local government organizations (Department of local administration, 2019). Whether the local government organization unable to provide enough fund on public services, the result would impact on well living of people to receive public services. To embrace acknowledge of land and build tax researchers conducted interview with land and building taxpayers in Sai Mun sub district, Phibun Mangsahan district, Ubon Ratchathani Province. Researchers noticed taxpayers had issues and lack of acknowledge in land and building tax, land and building tax estimation, procedure on how to pay land and building tax, and property taxation. Therefore, the researchers intend to study the awareness of land and building taxpayer. This research would be primary data and data supplied for the workers who responsible for checking the survey and calculating the land and building tax. The results of this study capable to use as a norm to adjust taxation in land and building tax integrity and completion. The integrity and completion of land and building taxation would lead to alternative efficiency and service quality, more tax income for local administrators, and encourage property owners to pay tax.

**Objectives**

To study the understanding of taxpayers on land and building tax in Sai Mun sub district, Phibun Mangsahan district, Ubon Ratchathani province.

**Area of populations**

The populations of this study were the land and building taxpayer in Sai Mun sub district, Phibun Mangsahan district, Ubon Ratchathani Province. The total of land and building taxpayers were 2,083 people. Using Krejcie and Morgan formula to determine the sample size which contain 325 people. The questionnaire categorize into 5 part including:

Part 1: General information.

Part 2: Information on land and building taxpayers acknowledge in land and building taxation.

Part 3: Information on land and building taxpayers acknowledge in the services staffs and officers.

Part 4: Information on land and building taxpayers acknowledge in other topics related to land and building tax.

Part 5: Other related problems and suggestions.

The research analyzed by using descriptive statistics which obtains frequency, percentage, and mean. After the questionnaire had been carried out to respondents in land and building taxpayer as determined, the data from the questionnaire would be process and interpret by these procedures.

Part 1: General information on respondents collected and interpreted by using statistic methods, which are frequency and percentage.

Part 2 - 4: Data on land and build taxpayer awareness and understanding would be interpreted by using Likert psychometric scales (Kuntalee Ruenrom, 2016), which contain 5 scales of measurement that would be evaluate point in each scale as follow:

Average scores point 4.50 – 5.00 is extremely understandable

Average scores point 3.50 – 4.49 is strongly understandable

Average scores point 2.50 – 3.49 is moderately understandable

Average scores point 1.50 – 2.49 is slightly understandable

Average scores point 1.00 – 1.49 is the least understandable

Part 5: Other related problems and suggestions collected and summarized as a tool to improve land and building taxation for more appropriate and suitable.

**Conceptual framework**

The conceptual framework of taxpayers understanding in land and building taxation in Sai Mun sub district, Phibun Mangsahan district, Ubon Ratchathani Province as follow:

**Figure 1.1 conceptual framework**

Land and building taxpayer’s understanding in land and building taxation

Land and building tax act, 2562BE

Rules and regulations

**Literature Review**

Land and building taxation is the tax that calculates individually from the value of the retained land and building e.g., house and architecture. Local administrative organizations such as municipal office, sub district administrative organization (SAO), the City of Pattaya, and Bangkok metropolitan administration (BMA) have responsibility in collecting land and building tax. Land and building tax has been enforced since 13 March 2562BE and collect tax since 1 January 2020 by calculate on utilization categories from 0.01% to 3% of the value of land and building, however, in 2020 the taxation process was postponed for 4 months. (https:www.itax.in.th)

Direx Patmasiriwat (2009), stated that taxpayers conceivably mislead to understand taxation. In practical, home and land tax is collected from the income of the property owner which is the same principle as income tax. Home and land tax also has a drawback by being regression tax rate and a limited tax base according to the few numbers of home and land taxpayers. Another issue is consolidation problems in properties ownership and properties hoarding for speculation which results shown from the recent tax structure.

Pawwadee Kerdtungyung (2015) had been stating that from the prosperous tax analysis guideline which contains principles as: principle of certainty, principle of equity and fairness, principle of economic growth, and principle of practical in action. Discovered that home and land taxation based on home and land tax act (2475BE) and local development taxation which based on local development tax act (2508BE) both have not been following the prosperous tax analysis guideline. On the other hand, with the same analytic protocol, researcher had discovered that land and building tax billhas been following the prosperous tax analysis guideline which should aid to resolve the flaw in taxation under home and land tax act (2475BE) and local development tax act (2508BE).

Rassamee Pattarapakdeekul (2016) stated that most of population paid for home and land tax was at high level from 209 and 191 people never paid taxation. The factors that related to Bangkok Noi district, Bangkok home and land taxation are educational level, occupation, public relation office of the district, home and land tax law acknowledgement, and advice from Bangkok Noi district officers were at 0.05 level of statistical significance.

**Results**

The questionnaire participants were 56.62% male, 43.38% female. Age of participants were between 41-50 years 39.69% and between 51-60 years 26.46%. Level of educations was lower or equal to high school diploma at 40.31% and 57.23% was in certificate or high vocational certificate. Types of business 60.89% was individual business and 17.85% was in company limited. Working as private business/merchant was at 53.85% and working in restaurant business/pub/bar was at 13.54%. Working experience from 6-10 years was at 40.00% and 11-15 years was at 29.46%.

**Table 1** Display percentage and mean of level of understanding in land and building taxation of land and building taxpayer

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Acknowledgement in land and building taxation of land and building taxpayer** |  |  | **Level of understanding** | | | | |  | |  |  |
| **extremely** | | | **highly** | **moderately** | **lowly** | **least** | | **mean** | | |
| 1. Land and building taxation is redundant to other type of tax | 22  (6.77) | | | 28  (8.62) | 88  (27.08) | 121  (37.23) | 66  (20.31) | | 2.44  (lowly) | | |
| 2. Get information about properties declaration form from officer before paying tax | 57  (17.54) | | | 163  (50.15) | 62  (19.08) | 30  (9.23) | 13  (4.00) | | 3.68  (highly) | | |
| 3. Declaring the properties declaration form for land and building taxation | 66  (20.31) | | | 130  (40.00) | 76  (23.38) | 34  (10.46) | 19  (5.85) | | 3.58  (highly) | | |
| 4. Understand in the properties declaration form for land and building taxation | 32  (9.85) | | | 53  (16.31) | 91  (28.00) | 87  (26.77) | 62  (19.08) | | 2.71  (moderately) | | |
| 5. Understand in base properties and income for calculating taxation | 13  (4.00) | | | 26  (8.00) | 86  (26.46) | 129  (39.69) | 71  (21.85) | | 2.33  (lowly) | | |
| 6. Understand the important of documents and evidence preparation for land and building taxation | 15  (4.62) | | | 66  (20.31) | 111  (34.15) | 85  (26.15) | 48  (14.77) | | 2.74  (moderately) | | |
| 7. Supply enough money to pay the whole estimated tax and fee | 22  (6.77) | | | 28  (8.62) | 88  (27.08) | 124  (38.15) | 63  (19.38) | | 2.45  (lowly) | | |
| 8. Learn the document and basic information provided from officers | 68  (20.92) | | | 154  (47.38) | 57  (17.54) | 28  (8.62) | 18  (5.54) | | 3.70  (highly) | | |
| 9. Understand how to calculate land and building tax by themselves | 17  (5.23) | | | 24  (7.38) | 46  (14.15) | 127  (39.08) | 111  (34.15) | | 2.10  (lowly) | | |
| 10. Filing annual land and building tax form | 61  (18.77) | | | 108  (33.23) | 96  (29.54) | 35  (10.77) | 25  (7.69) | | 3.45  (moderately) | | |
| 11. Other tax related to land and building tax | 23  (7.08) | | | 36  (11.08) | 61  (18.77) | 130  (40.00) | 75  (23.08) | | 2.39  (lowly) | | |
| Total Mean | **2.87**  **(moderately)** | | | | | | | | | | |

From Table 1 has shown that the level of understanding in land and build tax of land and building taxpayer is at moderate level which has total mean at 2.87.

The first and foremost understanding is learn the document and basic information provided from officers which in the high understanding level at 3.70.

The next understanding is informed about properties declaration form from officer before paying tax which also at high understanding level at 3.68, declaring the properties declaration form for land and building taxation is at high understanding level that has mean value at 3.58, and filing annual land and building tax form at highly understanding level that has mean value at 3.45.

**Table 2** the percentage and mean of level of understanding separated by the understanding of taxpayers to the service of land and building tax officers.

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **The understanding of land and building of taxpayer to the service of land and building tax officers** |  |  | **Level of understanding** | | | | |  |  | |  |
| **extremely** | | | **highly** | **moderately** | **lowly** | **least** | | | | **Mean** |
| 1. Procedures and methods in land and building taxation of the officer | 42  (12.92) | | | 51  (15.69) | 101  (31.08) | 75  (23.08) | 56  (17.23) | | | | 2.84  (moderately) |
| 2. Tax estimation and tax rate according to certain situation | 25  (7.69) | | | 46  (14.15) | 49  (15.08) | 113  (34.77) | 92  (28.31) | | | | 2.38  (lowly) |
| 3. How to follow the instructions about filing in properties declaration form | 28  (8.62) | | | 125  (38.46) | 85  (26.15) | 52  (16.00) | 35  (10.77) | | | | 3.18  (moderately) |
| 4. Submitting the form to the office that have well acknowledgement in properties declaration form for calculating tax examination | 85  (26.15) | | | 124  (38.15) | 61  (18.77) | 43  (13.23) | 12  (3.69) | | | | 3.70  (highly) |
| 5. The estimated price of properties that use for tax calculation are legitimate and appropriate | 29  (8.92) | | | 39  (12.00) | 69  (21.23) | 119  (36.62) | 69  (21.23) | | | | 2.51  (moderately) |
| 6. The land and building tax amount that must be paid in proper-calculated amount of money | 14  (4.31) | | | 41  (12.62) | 55  (16.92) | 119  (36.62) | 96  (29.54) | | | | 2.26  (lowly) |
| 7. Officers have proper and legitimate land and building taxation | 27  (8.31) | | | 41  (12.62) | 54  (16.62) | 111  (34.15) | 92  (28.31) | | | | 2.38  (lowly) |
| 8. Land and building taxpayer have a chance to meet the expert in land and building tax for advice | 55  (16.92) | | | 99  (30.46) | 74  (22.77) | 60  (18.46) | 37  (11.38) | | | | 3.23  (moderately) |
| 9. Officers able to give the clear information about land and building taxpayer audition and examination | 22  (6.77) | | | 29  (8.92) | 66  (20.31) | 134  (41.23) | 74  (22.77) | | | | 2.36  (lowly) |
| 10. Officers contact swiftly and conveniently whenever the problem occurs | 14  (4.31) | | | 18  (5.54) | 72  (22.15) | 135  (41.54) | 86  (26.46) | | | | 2.20  (lowly) |
| 11. There are enough amount of the officers to provide services | 36  (11.08) | | | 40  (12.31) | 48  (14.77) | 119  (36.62) | 82  (25.23) | | | | 2.47  (lowly) |
| 12. Officers positions have been frequently rotated | 42  (12.92) | | | 45  (13.85) | 171  (52.62) | 40  (12.31) | 27  (8.31) | | | | 3.11  (moderately) |
| 13. Officers composed the proper tax map | 58  (17.85) | | | 61  (18.77) | 154  (47.38) | 30  (9.23) | 22  (6.77) | | | 3.32  (moderately) | |
| 14. Officers and staffs have good knowledge in land and building taxation principles | 61  (18.77) | | | 79  (24.31) | 90  (27.69) | 55  (16.92) | 40  (12.31) | | | 3.20  (moderately) | |
| 15. Contacting with government agencies is convenient | 70  (21.54) | | | 156  (48.00) | 58  (17.85) | 27  (8.31) | 14  (4.31) | | | 3.74  (highly) | |
| 16. There are other officers collecting fee according to land and building tax payment | 52  (16.00) | | | 81  (24.92) | 149  (45.85) | 28  (8.62) | 15  (4.62) | | | 3.39  (moderately) | |
| Total mean | 2.89  (moderately) | | | | | | | | | | |

Table 2 shown that the level of understanding of land and building of taxpayer to the services of land and building tax officers and staffs in summarize is at moderate level which has total mean at 2.89.

The understanding of contacting with government agencies is convenient at high understanding level mean value at 3.74.

The next understanding is submitting the form to the office that have well acknowledgement in properties declaration form for calculating tax examination at high understanding level that has mean value at 3.70, and there are other officers collecting fee according to land and building tax payment at the moderately understanding level that has mean value at 3.39.

**Table 3** percentage and mean of understanding level by others understanding in land and building tax of taxpayer.

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **other understanding in land and building tax of taxpayer** |  |  | **Level of understanding** | | | | |  |  |  |
| **Extremely** | | | **Highly** | **Moderately** | **Lowly** | **Least** | | | **Mean** |
| 1. Understanding in rules and regulations of land and building tax act (2562BE) | 64  (19.69) | | | 84  (25.85) | 124  (38.15) | 34  (10.46) | 19  (5.85) | | | 3.43  (moderately) |
| 2. Knowledge about the penalties from late or absent in payment | 33  (10.15) | | | 38  (11.69) | 72  (22.15) | 112  (34.46) | 70  (21.54) | | | 2.54  (moderately) |
| 3. Knowledge about tax burden that arise when conducting an act related to land and building tax | 34  (10.46) | | | 37  (11.38) | 65  (20.00) | 112  (34.46) | 77  (23.69) | | | 2.50  (moderately) |
| 4. Addition tax evaluation after submitting land and building tax form | 33  (10.15) | | | 49  (15.08) | 86  (26.46) | 99  (30.46) | 58  (17.85) | | | 2.69  (moderately) |
| 5. Understanding in other additional laws related to land and build tax | 35  (10.77) | | | 42  (12.92) | 70  (21.54) | 86  (26.46) | 92  (28.31) | | | 2.51  (moderately) |
| 6. Understanding that the law always change | 36  (11.04 | | | 67  (20.62) | 127  (39.08) | 54  (16.62) | 41  (12.62) | | | 3.01  (moderately) |
| 7. Transparency and clarity in land and building tax collecting | 67  (20.62) | | | 92  (28.31) | 105  (32.31) | 47  (14.46) | 14  (4.31) | | | 3.46  (moderately) |
| **Total mean** | | | | | | | | | | **2.88**  **Moderately** |

Table 3 shown others understanding in land and building tax of taxpayer is at moderate level which has total mean at 2.88.

The first understanding is transparency and clarity in land and building tax collecting at high understanding level that has mean value at 3.46.

The next understanding is understanding in rules and regulations of land and building tax act (2562BE) at moderate understanding level that has mean value at 3.43 and understanding that the law always change at the moderate understanding level that has mean value at 3.01.

**Suggestions from the research**

To help improving the understanding of land and building taxpayer in Sai Mun sub district, Phibun Mangsahan district, Ubon Ratchathani province, researchers would like to provide these suggestions and guidelines:

Government agencies, officers, and staff should collaborate in educate the taxpayers, e.g., providing a public relation on the understanding major details in land and building tax, time frame and location for submitting tax, etc.

1. Study about law, rules and regulations, and proper procedure to help avoiding improper land and building tax payment.
2. Arrange meeting and seminars for both land and building staffs and officers and taxpayers to educate the proper procedure of land and building tax payment.
3. Improve the quality of land and building tax staffs and officers for more swiftly services by providing officers to resolve and settle any issues occurred whenever land and building taxpayer contacts about tax payment.
4. Provide a notice to remind taxpayers in advance about tax payment so taxpayers would have enough time in preparation and able to submit tax on time.

However, the study of understanding of land and building taxpayer in land and building taxation in Sai Mun sub district, Phibun Mangsahan district, Ubon Ratchathani province would be most utilized when received cooperation from all participants, including land and building taxpayer and officers and staffs from government agencies which would lead to guideline to improve and resolve issues occurred to aid more understanding for taxpayers.

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