



Preventing tax invasion in sport industry in Iran

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Abstract

Tax Escaping There are numerous, varied, and complex ways and issues that make it difficult to provide a comprehensive definition of this concept, yet there is a general definition of tax evasion by any allegedly legal or unlawful attempt to pay or Paying less is called tax evasion. The increasing commercialization of the sports industry and its growing popularity, coupled with the lack of a precise and integrated tax system, have complicated the issue of taxation in the country's sport. There is evidence of non-compliance with tax laws and regulations and the evasion of payment by some athletes and clubs in the country. Given the role of tax revenue as one of the most important sources of government revenue in economic stability and less reliance on national resources, especially in developed countries, the present study aimed at preventing tax evasion in the sports industry Iran was done. The statistical population of the study consisted of all club managers as well as all sport managers including heads and deputies of the General Directorate of Sport and Youth, with whom collaboration was possible for researchers. Six barriers and 7 strategies were selected as the main variables and the main questions of the questionnaire were used in the form of a 5-point Likert scale. The face and content validity of the questionnaire was confirmed by the university professors before distribution among the statistical population. Based on the results of the study, strategies for allocating all or part of the tax paid to the sports sector, training and enhancing tax knowledge, cultivating to improve tax insight, and applying incentives and penalties to increase taxpayers' accountability as strategies They were identified to prevent tax evasion in the country's sport.

Keywords: tax evasion, prevention, sports, Iran

Introduction

With the passage of time and the invention of new and rapid methods of communication and the tendency for urbanization, new needs for individuals arose, and the duties of governments expanded and varied widely in various economic, cultural, and social fields. In order to perform these tasks, the government had to identify the sources of revenue, which today include some of the most important sources of government revenue, taxes, the exploitation of natural resources, the sale of services and goods, the monopoly and ownership of government, and the collection of principal and interest on loans. Payments, which in a relatively healthy economy, should have a higher share of taxes than other sources of income. Taxation is one of the best tools to enhance the potential of government performance and efficiency for the public sector, such as insurance and loan payments (Kaldor 1963). However, tax evasion and tax evasion in countries have made tax revenues always lower than estimated, so all countries have made efforts to reduce these two phenomena or seek a solution through tax reform. There have been various definitions of taxation over time as governments have changed and expanded their duties. General has described (Taba'ian, 2013) ^[44].

The sports-related professions and jobs are significantly mobile and this poses challenges in paying taxes internationally as well as domestically. People involved in sports may receive large amounts of money in a club or country for a short time. For example, Tiger Woods made \$ 1 billion in 2009 and Michael Schumacher had \$ 700 million in that year. Athletes in today's

world come from a variety of sources such as advertising, endorsements, awards, sponsorships, and so on that are difficult to identify. They often have the freedom to live in what country, town, or club. An international athlete in a short period of time promotes and sells a particular product in different countries and earn a lot of money. New technologies have also added to the complexity of determining athletes' sources of income. For example, in the case of an athlete who endorses a product on the Internet and which may be viewed in many countries around the world, it is difficult to determine precisely the revenue it generates. Despite the absence of a separate international tax system for the sport in today's world, the importance of the tax debate in sport is increasingly evident.

Tax revenues are one of the most important sources of income in most governments' budgets, especially in developed countries, and are also an economic indicator in the ranking of countries, but in our country, according to statistics published by the Tax Administration, about 20 to 25% of that part of the economy that has to pay taxes are tax evaders. Also, according to official statistics from the Ministry of Economy, the ratio of tax to GDP is now 8% in the country, while in developed countries it reaches over 35%. (Almasi *et al*, 2012) ^[1]. Tax evasion is an inevitable fact, whenever and wherever rulers decide to tax, some individuals and companies have sought to evade or evade payment. This is the case even in advanced countries and people try to evade taxes in various ways. The key difference between

these countries and other countries that do not have a sophisticated tax system is that the extra-tax costs for citizens are very high and at the expense of the death of a prominent figure in professional life, in addition, there is a very complex and difficult tax evasion. This is because tax evasion is blocked. The key question now is what is tax evasion and what are the consequences for society? Tax Escaping There are numerous, varied, and complex ways and issues that make it difficult to provide a comprehensive definition of this concept, yet there is a general definition of tax evasion by any allegedly legal or unlawful attempt to evade or Paying less is called tax evasion. This is done in a variety of ways, with the common denominator being that they do not provide information or distort information. Some areas of tax evasion include complexity and ambiguity in laws and regulations, cultural weakness, lack of tax justice, lack of complete information on taxpayers, weak monitoring and tracking system, delay in tax collection, wide and varied tax exemptions Informing people about tax uses.

The consequences and consequences of tax evasion are vast. Tax evasion reduces government resources. As a result, the government will face shortages in the allocation of necessary investments. Big tasks and responsibilities are expected from the government while they lack the resources to act. Most of these responsibilities are either not attractive to the private sector or lack the capacity and potential to act. Providing security and safeguarding the country's integrity, expanding public education and facilities, providing public facilities and expanding championship sports, promoting health and enhancing citizens' health, expanding and maintaining communications, providing energy and investing in alternative energy. The vacuum in each of these areas can have profound effects on society. Poor citizens, illiterate and uninformed, criminals and ill-mannered, lazy and nonstandard highways, loser science or sports teams, poor communication quality, etc. No country desires. These problems reinforce each other. It is not unfortunate that in some countries they attribute many difficulties and deficiencies to tax evasion and place it among other serious crimes. Tax evasion is also likely to lead to inequality in the fair distribution of income and the accumulation of wealth for particular groups, thereby leading to increased political and social tensions. Groups that have access to resources become richer and richer every day, and those that do not use those resources lose more and more space every day. This affects citizens' perceptions of social justice. (Ministry of Economic Affairs and Finance, National Tax Administration, August 30, 1989).

Sikka and Hampton (2005) [39] stated that tax evasion is one of the major social problems in developing countries that impedes the development of these countries and is also spreading among the politicians and western countries. Tax evasion is a common occurrence in developing countries, largely due to the difficulty in collecting information on income, production, trade, and documentation, due to the weakness of the tax system in these countries. It is also inconvenient and sometimes incomprehensible to tax that this is a tax diligence, and only a small number of people are interested in paying taxes, indicating a weak tax culture amongst the taxpayers.

In developed countries, non-payment of taxes is considered a crime and carries heavy fines and imprisonment, in addition to defaming and discrediting the social and professional reputation of individuals. Tax evasion means any legal or unlawful attempt

to evade or pay less. Tax evasion can be interpreted as abusing and imposing costs on other citizens. The term tax evasion is used to refer to actions taken to evade income or to ignore tax liabilities, meaning that the taxpayer pays less than the amount legally required. Tax evasion is done in two main ways: 1) The taxpayer, by formal observance of the rules, tries to use legal loopholes and pay less tax; and 2) the taxpayer avoids tax evasion by violating laws and regulations such as formal contracts, fraud, fraudulent company registration, giving the wrong address, and so on. Except for those who make money illegally and underground, many evade taxes by hiding their income and employing some tricks. Sometimes taxpayers try to pay less by using existing materials and taxpayers, which is called tax fraud, but without tax evasion means that tax evasion means -The lender tries to avoid tax evasion by fraud and illegal actions such as formal contracts, incorporation, liquidation and re-registration of the company, formal address, etc.

Tax compliance means a detailed reporting of income and an expression of expenses in accordance with tax laws. Hence, the disapproval and acceptance of individuals, companies or organizations for accurate reporting of these cases is referred to as non-compliance (Slemrod, 2004). Some research has shown that taxpayers' subordinate behavior is also influenced by their attitudes and perceptions (Cuccia & Carnes, 2001; Yesegat, 2009). In other words, factors such as the complexity of tax regulations, equity in the structure of the tax organization and its rates, tax deterrence penalties, equity in tax regulations, and the psychological costs of taxation are effective in paying or evading taxes. Based on the definition of tax avoidance and tax evasion, Lewis (1982) stated that it is difficult to distinguish between these two concepts. Figure 1 illustrates non-compliance measures and activities involving tax avoidance and tax evasion.

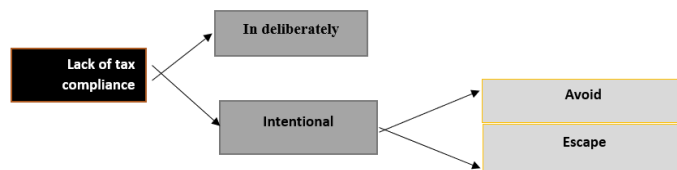


Fig 1: Different forms of non-compliance

Kirchler and Loo (2007 and 2006) [24] consider the topic of tax compliance and tax evasion an interdisciplinary issue that requires thorough research with a comprehensive view to identify all the factors that affect it. Tax evasion is a gamble that ends with the payment of taxes or, if detected, penalties and legal offenses (Torgler, 2003). The desire to evade taxes is related to various motives. It is important for governments to identify behaviors related to tax evasion by taxpayers and can assist them in proper policing and prevention of tax evasion and monetization. Also, identifying the factors that influence tax evasion by taxpayers helps prevent this adverse process. There has been a lot of research into tax evasion by taxpayers, most of whom are out of the sport and unfortunately no internal investigation has been done so far. Some of the common factors examined in the research include tax rate, tax burden, income level, income source, tax audit, tax penalty, public expenditure, public service, tax thinking, tax ethics, age, gender, marital status, education, tax system, Tax management, bureaucracy and democracy. In their time series research, Bohn and Schneider (2012) examined tax

evasion in 38 countries between 1999 and 2010. They found that the average tax evasion rate in those countries was 2.8 percent in 2010, with Mexico (6.8 percent) highest followed by Turkey (6.7 percent), Romania (6 percent) and Bulgaria (5.7 percent). The United States also had the lowest tax evasion rate (0.5%). Tax thinking, tax ethics, citizenship duty and law-abiding citizens have an impact on tax evasion. For example, Feld, Torgler, and Dung (2008)^[11] and Kirchler (1997) stated that there is a positive relationship between tax thinking and tax ethics with tax compliance. Dell'Anno (2009)^[9] reported that tax ethics depends on taxpayers' internal attitudes toward integrity and social labels. Social labels are, in fact, a type of reputation that the higher the probability of tax evasion. Dulleck *et al* (2012)^[11] in an interesting study examined heart rate signals and the relationship between feelings of guilt with tax compliance and finally found a positive relationship between guilt and tax compliance. Bayrakli, Saruc, and Sagbas (2004)^[4] have shown that embarrassment and shame associated with tax evasion decrease the amount of tax evasion that is perceived by others. Research has shown that a higher tax rate is associated with an increased likelihood of tax evasion. There has also been a positive relationship between income levels and tax evasion, meaning that as individuals' incomes increase, so does tax evasion behavior among them. Dubin (2004)^[10] stated that there is a strong significant relationship between per capita income and tax reporting, but Elm, Jackson, and McKay (1992) showed that higher income leads to higher tax compliance. John and Slemrod (2008) stated that low-income taxpayers had less tax compliance. These findings indicate that low-income individuals tend to hide their income, although Feinstein (1991)^[13] found no significant relationship between income and tax evasion. It is believed that the financial constraints of individuals affect their tax evasion. Individuals who face severe financial difficulties may be less likely to evade tax evasion than those who are less pressured (Mohani & Sheehan, 2004; Mohani, 2001)^[28], although some researchers have argued that restrictions During the recession, fiscal deficits have reduced tax compliance, but others have argued that financial problems and constraints play a significant role in normal economic conditions. Aizenhower (2008) concludes in his research that people with freelance jobs have a greater chance of tax evasion than other jobs. Richardson (2006)^[32] found that tax evasion would be much lower if the source of income was related to payroll. The exponential tax rate affects high-income groups more than the low-income groups and motivates them to evade taxes. Loo (2006)^[24] in his research in Malaysia found that high-income people are more tax evasive and income levels play a significant role in tax compliance. In contrast, some researchers, such as Torgler (2007), report that high-income individuals are more tax-deductible. In countries where the distribution of income is not satisfactory, high-income individuals are more inclined to evade taxes (Mohani, 2001) because they may feel that the system does not treat them fairly. Chan *et al* (2000) stated that income level has nothing to do with tax compliance in US and Hong Kong taxpayers. Other scholars have not shown a direct relationship between income level and tax compliance and have considered it ambiguous (Park & Hyun, 2003; Chan *et al.*, 2001), so although some researchers consider income level to be the most important factor in compliance. Taxes are known (Kirchler, 2008), but others have shown that the impact of income on tax compliance is unclear and other factors

need to be considered (Kirchler, 2007). In short, culture has a significant impact on tax compliance, and different cultures in different countries give different levels of tax compliance, so there are conflicting results in research across countries. The impact of demographic factors on tax evasion in the research literature is inconsistent and ambiguous. Some studies show a significant relationship, while others do not. For example, Spicer and Becker (1980)^[42] showed that male taxpayers tend to evade tax more than women. McGee and Tyler (2006)^[25] stated that tax evasion is considered more unacceptable for women than for men. Feinstein (1991)^[13] concluded that individuals over the age of 65 have less tax evasion, and married people are more likely to tax evasion than the single. Frey and Feld (2002)^[17] examined the relationship between tax ethics and tax authorities' behavior and found that when tax authorities' behavior was more respectful of taxpayers, tax ethics was promoted. Riahi-Belkaoui (2006)^[31], by examining the relationship between tax evasion and the complexity of the tax structure, found that the lower the complexity, the lower the probability of tax evasion in different countries. Sultan Hosseini, Salimi, and Etemadi (2015)^[43], in a study examining the factors influencing tax evasion in professional athletes and coaches, showed that among the legal factors, the financial information of clubs was not transparent; Taxes - among the legal factors, lack of enforcement by the relevant authorities on the clubs; among the managerial factors, being the most state-run sports clubs in the country; and among the economic factors, failure to pay the athletes' contract on time - are the most effective tax evasion factors They are professional athletes and coaches.

Overall, empirical literature review has shown that tax evasion has been one of the most important research topics in many developing countries (BaAndreoni *et al*, 1998; Richardson, 2006; Tsakumis *et al.*, 2007; Richardson, 2008; Uadiale *et al*, 2010)^[3, 32, 47, 48]. And in this research, the issue of tax evasion in the field of sport has been examined, because today sport is one of the most important economic aspects in the country and through it, significant income is given to athletes and coaches, especially in football, if their taxes Paying according to the rules and precision can play an important role in the development of a country's sport, while various surveys and news show that many athletes, especially footballers, have hidden their true income in various ways. And somehow they evade taxes. Usually the internal contracts that are closed in clubs are the exact price of the players and the money that these players get from the clubs is based on the same internal contracts, but when it comes to the legal registration of contracts in the boards and federations, the clubs and Players lower the registration figure as much as possible to pay less. While athletes pay a portion of their income as a tax, they can help develop and expand the country's athletic facilities and facilities (Etemadi, 2015)^[43]. Legal agencies have been set up around the world for player transfers, and just as in a notary's office, a property is registered at its original price and taxed there, in these agencies, too. It is not registered in the name of the domestic contract and the player signs the official contract after reaching an agreement. But this is not the case in our country, and unlike in many parts of the world where football as a fully professional sport is self-sustaining and does not rely on government credits, the government has an important role to play in providing team contracts and expenses. As officials have repeatedly stated, most of our country's soccer teams are high-

level government and cover their costs from government-owned factories such as Kerman Copper, Isfahan Mobarak Steel, Iran Khodro, Saipa and so on. They are sitting at the altar table. Therefore, athletes and coaches can contribute to the development of the country, especially in the sports sector, by paying their taxes (Khodafarast, 2014). Unfortunately in our society, there is not a very positive attitude to taxation, and some people consider tax agents to be the agents they want to get their capital from. Many problems in the economies of underdeveloped countries have made their tax system less efficient. At first glance, taxation may seem like a one-off payment to the government and therefore there is resistance to it, but institutionalizing a culture of taxation can be of great benefit. In the sport system, the stakeholder network is very complex and, especially when the issue of sport is discussed internationally, the number of stakeholders increases. The diversity of legal structures in different sectors, different leagues as well as in different countries is another matter, so it is important to prevent tax evasion in the sports industry. This study aimed to prevent tax evasion in the sports industry in Iran.

Methodology

The purpose of this study was to prevent tax evasion in Iranian sport. For this purpose, both quantitative and qualitative methods were used to answer the research questions in order to reduce the weaknesses of each and add to the strengths and adopt a more comprehensive approach to research. This approach was particularly aimed at reducing the impact of the small sample size (n = 59). The statistical population of the present study consisted of all club managers as well as all sport managers including heads and deputies of the General Directorate of Sport and Youth with whom it was possible to collaborate with researchers. Available sampling was used to collect the data because the selection of the samples depended on the presence or absence of them at the time of data collection and their willingness to cooperate. In order to identify the barriers and strategies for preventing tax evasion in the sports industry, two methods of semi-structured in-depth

interview and questionnaire were used. Semi-structured interviewing helps the respondent to express his / her purpose without restriction and in an appropriate manner, and the interviewer has the opportunity to resolve possible ambiguities and elicit the most transparent answer. Before the interview, participants were allowed to record audio conversations. Each interview lasted about 30-40 minutes. The audio file was then loaded onto paper and the coding process was performed. During the coding process, specific key points and themes were categorized from the transcripts of the interviews based on their relevance to similar topics. A researcher-made questionnaire was used as the research tool. The variables of this questionnaire were obtained by reviewing credible scientific sources as well as by conducting targeted and guided interview sessions with a number of tax administration and sport managers. Finally, among the identified variables, 6 barriers and 7 strategies were selected as the main variables and were used as the main questions of the questionnaire in the form of a 5-point Likert scale. The face validity and content validity of the questionnaire were confirmed by a number of university professors prior to distribution. Out of more than 150 questionnaires, 59 were returned. Data were analyzed using SPSS version 16.

Findings

Examination of tax avoidance barriers in sport in Iran based on the total number of very favorable and disagreeable options showed that the following barriers have the highest priority respectively (number of responses and their percentages are listed in Table 1).

- Obstacle One: Not knowing the importance of paying taxes
- Obstacle Two: Lack of confidence in taxation in the right place
- Obstacle Three: Lack of honesty and responsibility for paying taxes
- Obstacle Four: Lack of a rigorous surveillance system with effective incentives and punishments
- Obstacle Five: Lack of efficient and transparent tax laws
- Barrier six: Inability to pay taxes.

Table 1: Number of responses to each obstacle and its percentage

| Barrier five | Three obstacles | Two obstacles | Hinder six | Four obstacles | Hinder one | |
|--------------|-----------------|---------------|-------------|----------------|-------------|-----------------|
| 10 (16.95%) | 7 (11.86%) | 3 (5.08%) | 6 (10.17%) | 5 (8.45%) | 2 (3.39%) | Very much agree |
| 20 (33.90%) | 11 (18.64%) | 9 (15.25%) | 15 (25.42%) | 13 (22.03%) | 9 (15.25%) | agree on |
| 9 (15.25%) | 13 (22.03%) | 17 (28.81%) | 22 (37.29%) | 14 (23.73%) | 17 (28.81%) | No comments |
| 13 (22.03%) | 20 (33.90%) | 22 (37.19%) | 12 (20.34%) | 18 (30.51%) | 23 (38.98%) | Against |
| 7 (11.86%) | 8 (13.56%) | 8 (13.56%) | 4 (6.78%) | 9 (15.25%) | 8 (13.56%) | Very opposed |
| 59 (100%) | 59 (100%) | 59 (100%) | 59 (100%) | 59 (100%) | 59 (100%) | Total |

A survey of tax evasion strategies in the sport of the country based on the total number of very favorable and disagreeable options showed that the following strategies have the highest priority respectively (number of responses and their percentages are in Table 2):

- Solution One: Allocate all or part of the tax paid to the sports sector
- Solution Two: Training and Promoting Tax Knowledge

- Solution Three: Cultivate for Improving Tax Perception and Insight
- Solution Four: Apply incentives and punitive measures to increase taxpayer accountability
- Solution Five: Take steps to increase confidence in the tax system
- Solution six: Review and enact effective tax laws
- Solution Seven: Simplification and Transparency of the Tax System.

Table 2: The number of responses to each solution and its percentage

| Playbook Two | Three solution | One solution | Playbook Five | His way out | Solution | Fourth Way | |
|--------------|----------------|--------------|---------------|-------------|-------------|-------------|-----------------|
| 35 (59.33%) | 27 (45.76%) | 36 (61.3%) | 20 (33.90%) | 23 (38.98%) | 13 (22.03%) | 32 (54.24%) | Very much agree |
| 16 (27.12%) | 22 (37.29%) | 18 (30.51%) | 22 (37.29%) | 18 (30.51%) | 18 (30.51%) | 15 (25.43%) | agree on |
| 6 (10.17%) | 9 (15.25%) | 5 (8.475) | 16 (27.13%) | 12 (20.34%) | 20 (33.90%) | 9 (15.25%) | No comments |
| 2 (3.32%) | 1 (1.69%) | | 1 (1.69%) | 5 (8.47%) | 8 (13.56%) | 2 (3.39%) | Against |
| | | | | 1 (1.69%) | | 1 (1.69%) | Very opposed |
| 59 (100%) | 59 (100%) | 59 (100%) | 59 (100%) | 59 (100%) | 59 (100%) | 59 (100%) | Total |

Discussion and Conclusion

Nowadays, attention and investment in sports has led to the development and income generation in this field and the progress and income generation in some fields have caused some athletes to earn large amounts of money. Provides that the vast majority of them do not declare their actual income, so they pay a small percentage of their contract amount as tax. According to credible reports, the European sports industry accounts for 0.5% to 3.7% of Europe's GDP per capita, and a large proportion of sport-related revenue is attributed to intellectual property rights (such as copyright, advertising and media and video rights) returns. Such a significant amount of money increases the likelihood of fraud, corruption, bribery and other financial and money laundering offenses. In recent years, officials of sports organizations around the world have expressed concern about such issues in the sports industry, even as it has been announced in official channels that: "Today, sports face new challenges and threats such as: There are commercial pressures, exploitation of young players, doping, corruption, racism, illegal gambling, violence, money laundering and other abuses (International Olympic Committee Report, 2013). The stakeholder network in sport is very complex, and especially when it comes to international sports, there are many issues such as transfer, television broadcasting, sponsorship, sales of goods and advertising that add to the complexity and number. Stakeholders are increasing. Also, the variety of legal structures in different sectors, different leagues as well as in different countries is another of the issues that matter. In some countries there are no effective laws and regulations governing the control of financial flows in sport. Despite high earnings in sports, many sports clubs are in financial crisis. Big clubs need a lot of money to buy the coaches and players they want to succeed.

Failure to even compete can have many unfortunate financial consequences (reducing sponsors' income, broadcasting rights, etc.).

In this study, the analysis of data on tax evasion barriers showed that participants rated the barriers mentioned in the study as very important in preventing tax evasion in sport. More than half of the respondents (50.85%) rated awareness of the importance of paying taxes as the most important obstacle. One participant stated: "Our level of sports education is low. Most do not know how to run the country and the role of taxation in the economy"(Interview 2). Lack of confidence in the right place to spend tax was assessed by 45.76% of the respondents as the second barrier, and one interviewee (Interview 6) stated: "If we are sure we will spend our own tax money on the league. Like in the advanced countries, we have a negative attitude towards the one who does not pay taxes, we blame ourselves". The lack of honesty and responsibility for paying taxes was assessed by 47.46% of the participants as the third obstacle. One of the interviewees (Interview 1) stated: "There is no tax in Iran, not like anywhere

else in the world. Was the head coach of the national football team, the national team player, To avoid paying one thousand one trick, The tax agency has exited, Then it comes to the media about chivalry and morality ".

Analysis of data related to tax evasion in sport in Iran showed that participants value the strategies mentioned in the research in preventing tax evasion in sport. A benchmark value of 4.09 (standard deviation 0.72) indicated that public perception of the solutions presented was very high. Almost all of the respondents (over 90%) believed that allocating all or part of their taxes to the sports sector was the most important way to prevent tax evasion. However, some respondents disagreed: "Our economy is a state, which means you can't spend the tax money that you get from sports. Goes to the Treasury for the rest of the taxes"(Interview 2). But overall, respondents believed that allocating tax to the sports sector was an important strategy. Logically taxpayers, and especially those who pay a lot of taxes, are sensitive to where the government pays their taxes. They may be more inclined to tax evasion if they feel that the government is spending their tax money irrationally. According to Roberts, Hite and Bradley (1994), people's attitudes to tax evasion, as well as other people's tax evasion, play an important role. Voluntary compliance increases the likelihood that the government will spend tax revenues on basic and basic matters such as education, health, security and public transportation. Conversely, if the cashiers feel that the government is spending too much money on unnecessary or unnecessary things, they will feel betrayed and try to evade taxes. In short, the government should be very cautious about spending tax people, because how they are spent will have a significant impact on compliance.

Education and promotion of tax knowledge was identified as the second priority in this study, with 86.44% of participants emphasizing it. Most participants stated that there was no training to prevent tax evasion in sport (Interviews 1, 2, 3, 4 and 6). Studies have shown that individuals' general tax knowledge is closely related to their ability to understand tax laws and regulations, as well as their ability to comply with them, as they relate to individuals' attitudes toward tax evasion and tax behaviors. In addition, some attitudes about taxation such as tax ethics and people's perceptions of the fairness of the tax system affect individuals' willingness to tax evasion (Jackson & Milliron, 1986) [18]. In our country, textbooks, cinema, television, radio and various circles do not pay much attention to the issue of taxation, and taxation has a lower place in the media and public space than in other social values. With the exception of the Tax Administration, virtually no other entity is obliged to encourage individuals to pay taxes. This reflects the apparent indifference of the social groups to the important and dangerous concept of taxation (Astrakhi, 2010).

Cultivation was identified as the third solution for improving tax perception and 83.05%. Richardson (2008) in his study of tax

evasion factors in 47 countries stated that governments need to improve their reputation in order to gain the trust of taxpayers. The level of ethical behavior has a great deal to do with people's attitudes and perceptions. Ethics is thought to force individuals to abide by tax laws and regulations (Kirchler *et al.*, 2008). Orviska and Hudson (2002) and Trivedi, Shehata and Mestelmen (2004) reported a significant but weak relationship between tax evasion and ethics. Ethics seems to have a positive effect on obedient behaviors, and this impact is more than the interest of individuals and their personal financial interests. The use of incentives and penalties to increase taxpayers' accountability by 79.66% was identified as a fourth priority strategy. Butler (1993) reported that tax audits can turn compliant behaviors from negative to positive. Auditing can potentially encourage taxpayers to be more cautious about tax regulations and their payment. In recent years, for example, in France it has been approved that incomes above one million euros should be taxed at 75%. The law followed the protests of the clubs and they banned sports for a while, but eventually had to comply with the law. The greater the likelihood of detecting tax evasion, the obedience increases (Aizenhower, 2008), although some researchers have reported conflicting results in some settings (Young, 1994; Slemrod *et al.*, 2001). Penalties and penalties appear to have an effective role in preventing tax evasion. Some research has shown that penalties have a greater impact on tax compliance than auditing (Fischer *et al.*, 1992). There is much debate about how penalties and penalties will work. For example, small and weak penalties indicate that officials are not able to control offending taxpayers, and this will undermine trust among honest taxpayers. It seems that if a taxpayer is aware of the consequences of non-compliance, he or she may avoid tax evasion. On the other hand, if he / she is not aware of the consequences and does not include deterrent penalties, his / her tendency for tax evasion will increase, thus raising awareness and educating the taxpayers is of great importance and a form of prevention. It is generally more effective than treatment (here the punishment).

With the economic importance of sport over the past two decades and the profits raised, money will gradually become more important than ever in the sports world. The huge influx of money in sport, though it has had positive effects, has negative consequences and increases the risk of fraud, corruption, money laundering and tax evasion. It seems that in order to establish an efficient tax system in the sport of the country, the task of many non-governmental organizations and clubs needs to be identified in the first place, in a logical and planned process towards privatization (not quasi-government). Go) Economic transparency will govern all economic activity in the country, so that sportsmen will pay their tax share on their income. Finally, based on the results of the research, strategies for allocating all or part of the tax paid to the sports sector, training and enhancing tax knowledge, cultivating to improve tax insight, and employing incentives and penalties to increase accountability of taxpayers. Strategies to prevent tax evasion were identified in the country's sport. Although this research is one of the first researches of this kind and so far no similar research has been carried out in this field at national level, some limitations are undeniable. In addition to the low number of samples, one of the major limitations of this study was the inability to interview some senior managers. In addition, some executives involved in the research

were not aware of this topic despite the importance and necessity of tax familiarity.

The realistic view of tax evasion is that there will always be this anti-social phenomenon, so there is an attempt to evade it as long as there is tax. The key issue is to reduce the scope and factors and to limit its methods, a critical issue that requires a wide range of activities and partnerships across different sectors of society, strict laws, informed citizens, strong regulatory leverage and enforcement guarantees.

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