

# Factors Influencing Attitudes Toward Tax Fairness: A Case Study Of Individual Income Taxpayers In Mueang District Tak Province

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## Abstract

This study investigates taxpayers' perceptions of fairness in Thailand's personal income tax system, focusing on three dimensions: expense deductions, allowances, and tax rates. Using a survey of 400 individual income taxpayers, the research examines the effects of demographic characteristics, tax filing behavior, tax knowledge, and satisfaction with social welfare on fairness attitudes. Descriptive statistics revealed that the majority of respondents were female (58%), aged 26–35 years (44.5%), holding a bachelor's degree (57.8%), and employed in the private sector (42.5%). Most taxpayers filed using the P.N.D. 91 form (80%) and utilized online channels for filing (84%). Multivariate Analysis of Variance (MANOVA) indicated that occupation and income significantly influenced perceived fairness, particularly for expense deductions and allowances, whereas age, gender, marital status, and education did not. Tax filing behavior, including form type, tax-paid amount, and filing channel, also showed significant effects on fairness perceptions. Multiple regression analyses further revealed that tax knowledge and satisfaction with social welfare positively predicted perceived fairness across all three tax dimensions. Filing via digital platforms enhanced fairness perceptions, while higher tax-paid amounts and using the P.N.D. 91 form were associated with lower fairness ratings in some contexts. The findings underscore the importance of cognitive and affective factors in shaping fairness attitudes and highlight the relevance of digital filing channels and social welfare satisfaction. Policy implications suggest targeted educational campaigns, enhanced transparency regarding tax allocation, and improvements in digital services to strengthen perceptions of fairness, encourage voluntary compliance, and promote equitable tax outcomes. These results contribute to the literature on taxpayer behavior and fiscal policy in emerging economies, providing empirical evidence to guide effective tax administration strategies.

**Keywords:** Perceived tax fairness, Taxpayer compliance behavior, Social welfare satisfaction.

## Introduction

Governments carry fundamental responsibilities to promote the welfare of their citizens. Beyond maintaining domestic stability, they must provide public goods and services such as healthcare, education, agriculture, energy, and commerce. Fulfilling these mandates requires substantial financial resources, and taxation remains the primary source of government revenue in many countries. Fiscal policy operates through two broad channels: taxation and public expenditure. Both are vital instruments for governments to stimulate economic growth, stabilize macroeconomic cycles, influence consumption patterns, and advance social policies. Moreover, taxation plays a critical role in addressing income inequality and supporting redistributive justice, an increasingly salient issue in many nations today (Tan & Chin-Fatt, 2000; turn0search20).

In Thailand, the Revenue Department is charged with administering multiple forms of taxation, including individual income tax, corporate income tax, value-added tax, stamp duties, petroleum income tax, and inheritance tax. Among these, individual income tax is especially significant: in fiscal year 2024, individual income tax receipts reached THB 336,365.10 million, accounting for 16.74% of total income tax returns submitted between January and August. During this period, 9.56 million taxpayers filed returns: 1.69 million via the “Por Ngor Dor 90” (Phor Ngor Dor 90) form (17.71%) and 7.87 million via the “Por Ngor Dor 91” form (82.29%). Of these taxpayers, those under Section 40(1) whose income derives solely from salaries reported a combined assessable income of THB 3.33 trillion (79.93%), while those under Sections 40(2)-(8) reported THB 0.84 trillion (20.07%). These figures underscore not only the scale of individual income taxation in Thailand but also its importance as a fiscal instrument.

One foundational principle in designing a tax system is fairness, which encompasses both individuals’ ability to pay and the perceived benefits received from public services (Smith, 1776; turn0search14). Equity in taxation typically includes horizontal equity (taxpayers with similar incomes should pay similar taxes) and vertical equity (higher earners pay more in proportion to their ability) (turn0search14). Fairness also reflects in procedural justice (the fairness of tax administration processes) and distributive justice (fair sharing of tax burdens and public benefits) (turn0search20). In the Thai context, tax fairness remains a pressing concern, particularly among individual income taxpayers, due to growing calls for equity, transparency, and redistribution.

The Thai government has recognized the importance of fairness in tax policy. In 2016, the Cabinet approved a restructuring of personal income tax under the proposal of the Ministry of Finance to make the tax system more equitable and aligned with economic conditions, thereby easing the tax burden on citizens (Ministry of Finance, 2016). This reform was formalized in the Revenue Code Amendment Act (No. 44) of B.E. 2560 (2017), which adjusted tax brackets, deductions, and exemptions to promote fairness. More recently, as of October 1, 2024, the Revenue Department adopted a new vision: “a leading revenue agency that collects taxes transparently and fairly, using innovation and quality personnel to promote fiscal stability.” This shift underscores the centrality of fairness in modern tax administration, especially given the expanding fiscal pressures associated with higher welfare demands.

Despite these reforms, public attitudes toward tax fairness remain critical. Taxpayers’ perceptions of fairness influence their willingness to pay—and ultimately, the effectiveness and sustainability of the tax system. Empirical research shows that when individuals perceive the tax structure as unfair for example, favoring the wealthy they are less likely to identify paying taxes as a civic virtue, and more likely to rationalize noncompliance (Studies in Comparative International Development, 2023). In other words, tax fairness shapes tax morale, the intrinsic motivation to comply with tax obligations (turn0search2). Trust in government institutions and perceptions of reciprocal justice (i.e., that one’s tax contributions are fairly utilized) further reinforce or undermine this morale (turn0search6).

Previous research in Thailand supports the importance of attitudes and fairness. For instance, a study of Bangkok individual income taxpayers found that taxpayer attitudes are significantly associated with the efficiency and effectiveness of tax collection (Hek Pimay et al., 2022). Another recent investigation revealed that tax knowledge and attitudes jointly influence the performance of income tax collection in Bangkok (Sittipattana, 2024). These findings suggest that fairness perceptions are not only relevant for revenue but also for administrative performance.

However, existing literature seldom disaggregates which factors most strongly shape perceptions of fairness especially in provincial or less-studied settings such as Tak Province. Understanding these factors is critical because local socioeconomic conditions, trust in institutions, and the structure of tax burdens may differ from those in the capital. Moreover, as Thailand's fiscal environment evolves, it is essential to reexamine how reforms are perceived at the grassroots level and whether they meaningfully influence citizens' fairness judgments.

Therefore, this study aims to examine the factors influencing perceptions of tax fairness among individual income taxpayers in Mueang District, Tak Province. Specifically, it investigates how demographic characteristics, tax knowledge, trust in the tax authority, and perceived benefits of public expenditure relate to attitudes toward fairness. By doing so, the research provides actionable insights for policymakers seeking to adjust tax policy or communication strategies in order to increase voluntary compliance and strengthen taxpayer morale in regional contexts.

In sum, this study contributes to the growing body of scholarship by focusing on a geographically specific population, applying a statistical framework to test hypotheses about fairness formation, and linking perceptions to broader considerations of fiscal policy legitimacy. The insights derived may inform not only local reforms but also national strategies for enhancing the fairness and sustainability of Thailand's tax system.

### **Objectives of Research**

1. To examine the perceived level of fairness in the collection of personal income tax from the perspective of individual taxpayers.
2. To investigate the factors influencing taxpayers' attitudes toward the fairness of personal income tax collection.

### **Research Methods**

**Scope of the Study.** This study focuses on two principal domains. First, it examines taxpayers' perceptions of fairness in the collection of personal income tax, including allowable expense deductions, tax allowances, and tax rate structures. Given the large number of available tax allowance measures, the study concentrates on those with the highest utilization rates, as indicated in the Revenue Department's annual statistical reports, as well as recently introduced measures for the 2024 tax year. Second, the study investigates individual income taxpayers who earn taxable income under Sections 40(1)-(8) of the Thai Revenue Code and who filed annual tax returns using Forms P.N.D. 90 or P.N.D. 91 within Mueang District, Tak Province.

**Conceptual and Theoretical Framework.** The research draws upon established concepts and theories in six areas: (1) taxation principles, (2) the structure of Thailand's personal income tax, (3) tax compliance behavior and taxpayer attitudes, (4) social welfare theory, (5) demographic determinants of economic behavior, and (6) attitudinal theory. For this study, "tax fairness" refers to perceived fairness in expense deductions, tax allowances, and applicable tax rate structures. Form P.N.D. 90 is used by individual taxpayers earning income under Sections 40(2)-(8), or a combination of income under Sections 40(1) and 40(2)-(8). Form P.N.D. 91 is used exclusively by taxpayers earning employment income under Section 40(1).

**Distinct Contribution of the Study.** This investigation differs from previous studies in four important respects. First, it incorporates major tax policy reforms, including the restructuring of personal income taxation introduced in 2017 and subsequent changes in allowance measures. Second, the study expands the set of independent variables based on contemporary theoretical discussions and empirical findings, especially tax-filing behavior and satisfaction with social welfare services both of which have been shown to influence perceptions of tax fairness (Saengwong, 2021; Wahl, Kastlunger, & Kirchler, 2010). Third, the analytical approach employs Multivariate Analysis of Variance (MANOVA), allowing simultaneous examination of multiple dependent variables while controlling for inflated Type I error rates, which makes

it more robust than traditional ANOVA (Finch, 2005). Fourth, the measurement of tax literacy follows a self-assessment approach, covering knowledge of tax filing processes, tax computations, eligibility for allowances, and understanding of legal intent and fiscal policy implementation—an approach more comprehensive than prior studies.

**Conceptual Framework.** Based on the literature review, the conceptual model includes four independent variables demographic characteristics, tax-filing behavior, tax knowledge, and satisfaction with social welfare and three dependent variables: perceived fairness in expense deductions, tax allowances, and tax rate structures.

**Population and Sample.** The population consists of individual taxpayers who earned taxable income under Sections 40(1)-(8) and filed tax returns (Forms P.N.D. 90 and P.N.D. 91) in Bangkok during the 2024 filing period (January 1 to August 31, 2024). According to the Revenue Department, 1,541,468 individuals filed Form P.N.D. 91 and 368,358 filed Form P.N.D. 90, totaling 1,909,826 taxpayers. The sample size of 400 respondents was determined using Yamane's (1973) formula at a 95% confidence level. A proportional stratified sampling method was applied across two strata P.N.D. 90 and P.N.D. 91 filers followed by simple random sampling within each stratum. As shown in Table 1.

**Table 1.** Population of Tax Return Type.

Tax Return Type	Population	Sample
P.N.D. 90	368,358	77
P.N.D. 91	1,541,468	323
<b>Total</b>	<b>1,909,826</b>	<b>400</b>

**Data Sources.** 1) **Primary Data.** Primary data were obtained through a structured questionnaire administered to 400 respondents. Semi-structured, in-depth interviews with senior tax specialists from the Revenue Department were conducted to provide qualitative insights into policy interpretations and fairness considerations. 2) **Secondary Data.** Secondary information was gathered from academic articles, textbooks, annual tax statistical reports, and relevant online publications, including prior studies indexed in TCI and Scopus (e.g., Kongprajug, 2020; Alm & Martinez-Vazquez, 2007).

**Research Instrument.** The main research instrument was a questionnaire constructed based on the theoretical framework and validated by tax experts. It consisted of five sections, (1) demographic characteristics and tax-filing behavior; (2) self-assessed tax knowledge measured using a five-point Likert scale; (3) attitudes toward fairness in expense deductions, tax allowances, and tax rate structures; (4) satisfaction with social welfare, based on three major domains education, public health, and general welfare; (5) open-ended comments or suggestions regarding personal income taxation. Interpretation of mean scores followed Miller's (1970) criteria.

**Instrument Testing.** 1) **Validity.** Content and construct validity were reviewed by academic advisors and tax specialists. Revisions were made accordingly.

2) **Reliability.** A pilot study of 30 respondents was conducted, and reliability was assessed using Cronbach's alpha. All constructs yielded coefficients between 0.801 and 0.901, exceeding the commonly accepted threshold of 0.70 (Nunnally & Bernstein, 1994).

#### **Data Analysis.**

1) **Descriptive Statistics.** Frequency distributions, percentages, means, and standard deviations were used to describe respondent characteristics and key variables.

2) **Inferential Statistics.** The analysis of factors influencing perceptions of tax fairness consisted of two major components,

**2.1.) Nominal Independent Variables.** Demographic and tax-filing variables were analyzed using Multivariate Analysis of Variance (MANOVA). When significant differences were detected, Bonferroni-adjusted post hoc tests were applied. MANOVA was selected due to the presence of three correlated dependent variables and to reduce Type I error risks. Assumptions were tested using Q-Q plots, Bartlett's Test of Sphericity, and Box's M Test. Given the violation of homogeneity of covariance matrices, Pillai's Trace was used because of its robustness (Olson, 1979).

**2.2.) Interval Independent Variables.** Tax knowledge and satisfaction with social welfare were analyzed using Multiple Regression Analysis with a significance level of 0.05. Diagnostics were performed to assess multicollinearity, normality, and homoscedasticity.

## Research Results

**1. Demographic Characteristics of Respondents.** A total of 400 individual income taxpayers participated in the survey. The demographic profile of respondents revealed the following patterns. 1.1) Gender: Among the respondents, 232 (58.0%) were female, and 168 (42.0%) were male. 1.2) Age: The largest age group was 26–35 years old, accounting for 178 respondents (44.5%). The next largest age group was 36–45 (88 respondents, 22.0%), followed by those aged 55 and over (57 respondents, 14.3%), 46–55 years (45 respondents, 11.3%), and under 25 years old (32 respondents, 8.0%). 1.3) Marital Status: Most respondents reported being single, with 240 (60.0%) falling into this category. Married and registered came next (119, 29.8%), followed by unmarried cohabitation (28, 7.0%), and divorced, separated, or widowed (13, 3.3%). 1.4) Education: A majority of respondents held a bachelor's degree (231, 57.8%), followed by a master's degree or higher (144, 36.0%), and less than a bachelor's (25, 6.3%). 1.5) Occupation: The most common occupation was private sector company employee (170 respondents, 42.5%), followed by government officials (130, 32.5%), governmental agency or civil servant staff (42, 10.5%), self-employed/business (32, 8.0%), and freelance or labor work (15, 3.8%). 1.6) Annual Income: Regarding income, the largest group (156 respondents, 39.0%) reported annual earnings between THB 300,001–500,000. Next was income below THB 300,000 (122, 30.5%), then THB 500,001–1,000,000 (87, 21.8%), and more than THB 1,000,001 (35, 8.8%). These demographic distributions provide a nuanced backdrop to interpret variations in attitudes about tax fairness, suggesting a relatively educated sample with a mix of income levels and occupations.

**2. Tax Filing Behavior.** The survey also collected information about respondents' tax filing behavior: 2.1) Type of Tax Return: 320 respondents (80.0%) filed using the P.N.D. 91 form. 80 respondents (20.0%) filed using the P.N.D. 90 form. 2.2) Amount of Tax Paid: 152 respondents (38.0%) reported no tax due. 121 respondents (30.3%) paid up to THB 10,000. 81 (20.3%) paid between THB 10,001–50,000. 30 (7.5%) paid between THB 50,001–100,000. 16 (4.0%) paid more than THB 100,000. 2.3) Filing Channel: The majority, 336 respondents (84.0%), filed online via the Revenue Department's website. 53 (13.3%) filed in person at local Revenue Office branches. 11 respondents (2.8%) used the "RD Smart Tax" mobile application. These results indicate high usage of digital channels for tax filing, reflecting both modern access and taxpayer preference for convenience.

**3. Tax Knowledge and Social Welfare Satisfaction.** Using self-assessment (on a 5-point Likert scale), respondents evaluated their tax understanding in several dimensions. The overall mean score was 3.45, suggesting that on average, taxpayers perceived their knowledge to be fairly high. Specifically, Areas such as filing procedures, calculating tax, and understanding deduction eligibility scored the highest. This may reflect effective public communication and the accessibility of tax information through various media. Topics such as the legislative intent behind tax laws, the role of tax in fiscal policy, and the broader benefits of tax contributions received more moderate ratings. These findings suggest that while operational knowledge is relatively strong, deeper conceptual understanding of tax policy remains weaker. Regarding satisfaction with social welfare, the average score was 3.16, indicating a moderate level of satisfaction. Among the welfare domains evaluated, 1) Education, health care, and other social support programs were

covered. 2) Respondents especially appreciated educational assistance programs (for example, student loan funds) and 3) Satisfaction in other areas, such as retirement funds or national savings schemes, was more moderate and varied by employment category. For instance, civil servants expressed higher satisfaction, likely because they access more robust welfare benefits than private-sector workers.

**4. Perceptions of Tax Fairness.** The study evaluated perceived fairness in three tax measures: fixed-allowance/rate deduction (expense deduction), tax allowances, and tax rates. Respondents rated these dimensions on a 5-point scale. 4.1) Expense Deduction Fairness: The overall mean was 3.37, indicating a moderate perception of fairness. 4.2) Horizontal fairness (same income types treated equally): certain items, such as whether interest, dividends, and prizes should or should not qualify for deductions, were rated highly fair. 4.3) Vertical fairness (progressive structure): responses about the 50% standard deduction (capped at THB 100,000 for section 40(1) income) vs. allowances for other income types (e.g., 60% for business income) were more moderate, suggesting some tension in how respondents view different income sources. 4.4) Allowance Fairness: 1) The overall mean was 3.38, again in the moderate range. 2) Allowance categories promoting policy goals such as savings, life insurance, investment, and health were rated “fair” to “very fair,” even though theoretically generosity may favor higher-income taxpayers and 3) Personal/family allowances including support for parents or dependents received more moderate fairness scores. For example, the allowance for supporting a parent (THB 30,000) was viewed as less fair, perhaps due to limits on how many siblings can claim the same parent. 4.5) Tax Rate Fairness, 1) The overall mean was 3.46, indicating that respondents perceive progressive tax rates as relatively fair. 2) One item with high fairness rating: the exemption for net income up to THB 150,000 is particularly appreciated as a support to low-income taxpayers. 3) However, the progressive bracket structure (higher incomes pay a higher rate) received only moderate fairness in some items. Comparative Fairness (Horizontal vs. Vertical), 1) In vertical fairness terms, respondents strongly supported the progressive rate structure: they believed it reasonable that those with higher net incomes pay more tax. 2) In horizontal fairness terms, there was a surprising acceptance of differentiated treatment for capital income (dividends, interest). The possibility to pay final withholding tax (instead of going through progressive rates) was perceived as fair, perhaps because of its flexibility and the perception of choice.

**5. MANOVA: Effects of Demographic and Filing Behavior on Fairness Attitudes.** To examine the influence of demographic and behavioral factors on fairness perceptions, the researchers conducted Multivariate Analysis of Variance (MANOVA) with three dependent variables (fairness of expense deductions, allowances, and tax rate). 5.1) Demographic Factors. Although gender, age, marital status, and education did not significantly affect fairness attitudes, occupation and income did. Post-hoc (Bonferroni) comparisons revealed, 1) Occupation: Civil servants perceived the fairness of expense deductions more positively than private-sector employees and government agency staff. For allowances, civil servants rated fairness higher than both private-sector employees and self-employed individuals; public enterprise employees also scored higher than the self-employed. For tax rate, no significant differences between occupations emerged. 2) Income: Respondents earning less than THB 300,000 per year reported greater fairness in expense deductions than those earning over THB 1,000,001. Regarding allowances: the lowest-income group (under 300,000) perceived greater fairness than all higher income groups. Moreover, those in the 300,001–500,000 bracket perceived more fairness than the highest-income group. Regarding tax rates: the lowest-income group again rated fairness higher than the three higher-income brackets; no other notable pairwise differences were observed. These findings suggest that occupation and income significantly shape views on tax fairness, particularly for deductions and allowances, but less so on the tax rate itself. As shown in Table 2.

**Table 2.** Results summary (using Pillai’s Trace)

Independent Variable	Pillai’s Trace	F	p-value
Gender	0.016	2.006	.113 (not significant)

Independent Variable	Pillai's Trace	F	p-value
Age	0.051	1.638	.076 (not significant)
Marital Status	0.017	0.724	.688 (not significant)
Education	0.008	0.490	.816 (not significant)
Occupation	0.087	2.273	0.004 (significant)
Income	0.048	2.068	0.030 (significant)

5.2) Filing Behavior Factors. The MANOVA also included tax filing behavior as independent variables: form type (P.N.D. 90 vs. 91), amount of tax paid, and filing channel. As shown in Table 3.

**Table 3.** tax filing behavior as independent variables: form type (P.N.D. 90 vs. 91), amount of tax paid, and filing channel.

Independent Variable	Pillai's Trace	F	p-value
Form Type	0.023	3.082	.027 (significant)
Tax Paid (Amount)	0.127	4.344	.000 (significant)
Filing Channel	0.032	2.111	.049 (significant)

Post-hoc tests (Bonferroni) indicated: 1) Form type: Taxpayers filing P.N.D. 90 held significantly more favorable fairness perceptions of the tax rate than those using P.N.D. 91. No differences were found for deductions or allowances. 2) Amount paid: 2.1) For expense deductions, those who paid no tax expressed more favorable fairness attitudes than those who paid up to THB 10,000 or THB 10,001–50,000. 2.2) For allowances, individuals who had no tax to pay perceived significantly greater fairness than taxpayers in every other tax-paid bracket. 3) For tax rate, those who paid no tax again rated fairness higher than those in all taxed brackets up to THB 100,000. 2.3) Filing channel: 2.3.1) For allowances, respondents filing via the Revenue Department website reported significantly higher perceived fairness than those who filed in person at branch offices. 2.3.2) In addition, those who filed via the RD Smart Tax app rated allowance fairness higher than branch office filers and 2.3.3) There were no significant channel-based differences in perceived fairness of expense deductions or tax rate. These findings highlight the relevance of both the financial burden (tax paid) and the chosen filing method in shaping fairness attitudes, especially around allowances.

**6. Multiple Regression Analysis: Predicting Fairness Attitudes.** To understand how tax knowledge and satisfaction with social welfare influence fairness perceptions (while controlling for the nominal variables identified above), multiple regression analyses were carried out for each dependent variable.

6.1 Expense Deduction Fairness (ATT1). The regression model explained 40.8% of the variance ( $R^2 = 0.408$ ). Significant predictors, Knowledge ( $\beta = +0.372$ ,  $p < .05$ ), Satisfaction ( $\beta = +0.337$ ,  $p < .05$ ) Also included were occupation (civil servant), tax-paid amount, and other control variables. Prediction equation (simplified):

$$ATT1 = 1.021 + 0.608(\text{Occupation civil servant}) - .246(\text{Tax Paid} \leq 10k) + 0.372(\text{Knowledge}) + 0.337(\text{Satisfaction})$$

6.2) Allowance Fairness (ATT2). This model accounted for 43.9% of the variance ( $R^2 = 0.439$ ). Significant positive predictors, Knowledge ( $\beta = +0.265$ ,  $p < .05$ ), Satisfaction ( $\beta = +0.357$ ,  $p < .05$ ), Filing channel via website ( $\beta = +0.243$ ,  $p < .05$ ), Filing channel via app ( $\beta = +0.648$ ,  $p < .05$ ). Income under THB 300,000 per year was negatively associated with perceived fairness relative to higher income brackets in some comparisons.

6.3 Tax Rate Fairness (ATT3). The model explained 36.7% of the variance ( $R^2 = 0.367$ ). Significant predictors, filing via P.N.D. 91 was negatively associated ( $\beta = -0.273$ ,  $p < .05$ ) compared with P.N.D. 90

filers. Tax-paid amounts in some brackets were negatively associated (e.g.,  $\beta = -0.289$  for one bracket). Filing via the RD Smart Tax app was positively associated ( $\beta = +0.509$ ,  $p < .05$ ), Knowledge ( $\beta = +0.166$ ,  $p < .05$ ), Satisfaction ( $\beta = +0.410$ ,  $p < .05$ ), Prediction equation (simplified):

$$\text{ATT3} = 1.994 - 0.273(\text{P.N.D. 91}) - 0.289(\text{TaxPaid 10k-50k}) \\ 0.267(\text{TaxPaid 50k100k}) + .509(\text{AppFiling}) + 0.166(\text{Knowledge}) + 0.410(\text{Satisfaction})$$

#### **7. Interpretation and Contextualization.** These findings provide several important insights:

1) Knowledge and Satisfaction Matter: The positive effects of tax knowledge and satisfaction with social welfare on perceived fairness across all three tax measures underscore the critical role of cognitive and affective dimensions in shaping fairness attitudes. 2) Income and Occupation Disparities: Lower-income taxpayers and civil servants tend to perceive greater fairness, particularly in deductions and allowances, which may reflect both policy design and subjective benefit from existing tax and welfare structures. 3) Filing Behavior Impact: Those who pay no tax, or pay very little, report higher perceived fairness. This could suggest a self-reinforcing cycle: taxpayers with lighter burdens feel more fairly treated, which may in turn influence compliance attitudes. Moreover, digital filing channels (website and mobile app) are linked to more favorable views, indicating that taxpayer experience with modern filing technology can shape fairness perceptions. 4) Progressive Rate Recognition: Even though some respondents rated differentiated treatment for capital income as fair (despite theoretical tensions), the broad acceptance of the progressive rate structure aligns with foundational equity principles (vertical fairness). This finding suggests that taxpayers endorse a system where higher net-income individuals contribute more, consistent with social justice ideals. 5) Policy Implications: The importance of knowledge and satisfaction suggests potential leverage points for tax administrators: enhancing tax education and communicating how tax contributions fund valued social programs could strengthen perceived fairness and perhaps even voluntary compliance. Targeted outreach to different occupational and income groups especially those with lower fairness perceptions could also be beneficial.

**8. Relation to Previous Research.** These results resonate with earlier Thai studies. For example, Puriboriboon, P., & Saetao, J., (2023) found that both tax knowledge and taxpayer attitude significantly influence perceptions of efficiency in personal income tax collection in Bangkok. Meanwhile, Chuenjit, P., (2014) reported that taxpayer attitudes are closely tied to the perceived effectiveness of tax collection. Our study extends this literature by focusing explicitly on fairness perceptions, employing a rigorous multivariate statistical design, and exploring the role of filing behavior and social welfare satisfaction.

#### **Conclusion & Discussion**

This study set out to examine the perceptions of fairness among individual income taxpayers in Mueang District, Tak Province, focusing particularly on three tax measures: expense deductions, tax allowances, and tax rate structures. We also analyzed how demographic characteristics, tax filing behavior, tax knowledge, and social welfare satisfaction influence those perceptions. The findings contribute new insights with both theoretical and practical implications for tax policy and administration in Thailand.

**Summary of Key Findings.** First, taxpayers reported moderate-to-high levels of perceived fairness across all three domains. The mean scores for expense deduction fairness (3.37), allowance fairness (3.38), and tax rate fairness (3.46) indicate a generally positive but tempered evaluation. Notably, the progressive tax rate system appears to enjoy somewhat higher perceived fairness, suggesting acceptance of vertical equity principles among the sample.

Second, demographic and behavioral factors significantly shaped fairness perceptions. Multivariate analysis (MANOVA) revealed that occupation and income were statistically significant predictors. Civil servants tended to perceive more fairness in deductions and allowances than private-sector workers or self-employed individuals. Among income groups, respondents earning less than THB 300,000 annually evaluated tax measures more favorably than higher-income brackets, especially for allowances and deduction fairness.



Third, tax filing behavior also mattered. Type of return (P.N.D. 90 vs. P.N.D. 91), tax-paid amount, and filing channel all significantly related to perceived fairness. For instance, participants paying no tax or using digital filing channels (website or mobile app) reported higher fairness, especially regarding allowances. Fourth, tax knowledge (self-assessed) and satisfaction with social welfare were strong positive predictors of fairness perceptions in all three regression models. Knowledge explained a substantial portion of variance, and satisfaction with social programs contributed further, underscoring the dual importance of cognitive understanding and affective satisfaction in shaping fairness attitudes.

**Interpretation and Implications.** Fairness Perceptions and Equity Norms. The relatively high mean for tax rate fairness reflects a normative acceptance of progressive taxation among respondents. This aligns with broader theories of vertical equity, suggesting that taxpayers endorse a system where those with greater net income contribute more (Atkinson, 2015). The finding is consistent with evidence in other contexts that progressive rate structures, when well-communicated and perceived as legitimate, foster fairness attitudes (Feld & Frey, 2007).

However, the moderate scores for expense deduction and allowances indicate potential areas of tension. Although respondents generally approved of deductions, their more cautious evaluations may reflect concerns over horizontal equity specifically, whether different types of income are treated fairly. For example, capital income (dividends, interest) was viewed as relatively fair even though classical tax theory might critique preferential treatment in these areas. This could suggest that taxpayers value choice and simplicity over strict adherence to theoretical fairness principles.

Interestingly, allowances designed to promote policy goals such as savings, health, and life insurance were rated as fair even though they may disproportionately benefit higher-income earners. This suggests that instrumental fairness (i.e., fairness judged based on outcomes) may outweigh strict distributive equity in the public's perception.

**Socioeconomic Disparities.** The effects of income and occupation illustrate how tax fairness is socially differentiated. Lower-income taxpayers' higher fairness perceptions may reflect the impact of progressive measures (e.g., low-income exemptions or generous allowances) and their relative benefit from them. Civil servants' more favorable views may derive from their stable income, reliable benefits, and perhaps greater trust in public institutions; they may also feel more directly connected to the state's social welfare mechanisms.

This differentiation has important policy implications. To maintain broad legitimacy, tax administrators should recognize that fairness is not perceived uniformly. Tailored communication and policy messaging may be required to address the perceptions of higher-income groups, who may feel less fairly treated in allowance allocation or deduction design.

**Filing Behavior and Institutional Trust.** The strong relationships between filing behavior and fairness perceptions particularly through the use of digital channels suggest that taxpayer experience matters. Filing via the Revenue Department's website or the RD Smart Tax app was associated with higher perceived fairness, especially for allowances. This likely reflects the transparency, convenience, and usability of electronic systems, which enhance procedural justice (Thompson & Richardson, 2008). When taxpayers use digital platforms that operate reliably and transparently, they may feel more respected and fairly treated. Moreover, taxpayers who paid no tax also reported higher fairness. This is a notable finding: it may reflect a self-selection effect, where those who pay little or no tax feel that the system is generous or well-calibrated to their financial situation. Alternatively, it might indicate a psychological mechanism in which taxpayers justify their non-liability by rationalizing the fairness of the system.

**Knowledge and Welfare Satisfaction:** The Twin Pillars. The regression results underscore that both tax knowledge and welfare satisfaction are central to fairness perceptions. Knowledge empowers taxpayers: those who understand filing procedures, allowances, and tax policy expressed stronger fairness beliefs across all tax measures. This supports the argument for more robust tax literacy programs, as knowledge

reduces uncertainty, increases perceived control, and contributes to more favorable fairness judgments (Kirchler, Hoelzl, & Wahl, 2008).

Likewise, satisfaction with social welfare programs positively predicted fairness perceptions. This suggests that perceived reciprocity the belief that tax contributions fund valuable social services—strengthens the sense of fairness. Tax administrations might leverage this by communicating how tax revenue funds education, health, and social protection, thereby reinforcing the social contract.

**Policy and Administrative Recommendations.** Based on these findings, several strategic recommendations emerge: 1) Enhance tax education and communication. Authorities should expand tax-literacy initiatives that not only address procedural questions but also explain the generosity and rationale behind deductions, allowances, and rate structures. Clear, user-friendly guides and digital tutorials could increase knowledge and fairness perceptions. 2) Promote digital filing platforms. Given the positive association between digital filing and fairness, tax agencies should continue to invest in and promote online and mobile tax-filing tools. Ensuring usability, responsiveness, and transparency in these platforms can reinforce procedural fairness. 3) Tailor communications to income groups. Since higher-income groups expressed more moderate fairness perceptions, targeted outreach may be needed. Explaining the long-term benefits of allowances, demonstrating how progressive rates operate in practice, and emphasizing fiscal equity could improve acceptance. 4) Leverage welfare messages. Tax authorities can build legitimacy by linking tax revenues to visible social welfare outcomes. Public information campaigns should highlight how taxes fund services that benefit different demographic segments, reinforcing the idea of a fair exchange. 5) Monitor and evaluate fairness perceptions over time. As tax policies evolve, continuous measurement of taxpayer fairness perceptions (via surveys) can help gauge legitimacy and guide refinements. Specifically, monitoring the impact of new allowance measures or changes in tax rates would be valuable.

**Limitations and Future Research.** There are several limitations to this study. First, the sample is geographically confined to Mueang District in Tak Province; hence, the findings may not generalize to other regions with different socioeconomic profiles. Second, self-assessed tax knowledge may not fully capture actual behavioral competence, which would require more objective measures. Third, cross-sectional data limit causal inference; longitudinal studies would help track how reforms influence perceptions over time. Future research might extend this work in several ways. Scholars could replicate similar studies in other provinces or nationally to explore geographical variation. Experimental designs could test whether educational interventions change fairness perceptions. Finally, qualitative interviews with taxpayers and tax officials could illuminate the mechanisms through which knowledge and satisfaction influence normative views of fairness.

In conclusion, this study reveals that taxpayers generally view personal income tax measures in Thailand as moderately fair, particularly regarding progressive tax rates. Perceptions of fairness are shaped by occupation, income, and tax-filing experience, but most powerfully by tax knowledge and satisfaction with social welfare. Enhancing tax education, promoting digital filing, and clearly linking tax policy to social welfare outcomes can strengthen perceived fairness and potentially foster greater tax morale and compliance. These insights offer practical guidance for policymakers and tax authorities seeking to design a more equitable and legitimate tax system in Thailand.

### **Suggestions**

Based on the findings of this study, several practical and policy-oriented suggestions can be proposed to enhance taxpayers' perceptions of fairness, compliance, and engagement in Thailand's personal income tax system. These recommendations are grounded in both statistical evidence and prior literature on tax behavior and taxpayer attitudes.

1. **Enhancing Tax Knowledge and Education.** The analyses indicated that tax knowledge is a significant predictor of perceived fairness across all three tax measures expense deductions, allowances, and tax rates. Respondents who demonstrated higher levels of understanding of tax procedures and deduction eligibility reported stronger perceptions of fairness. Therefore, it is essential for the Revenue Department to expand and diversify tax education initiatives. Strategies may include interactive workshops, online tutorials,

explanatory videos, and targeted campaigns on social media platforms. Additionally, emphasizing the rationale behind tax laws, the role of tax in fiscal policy, and the broader societal benefits of tax contributions could strengthen citizens' conceptual understanding, not merely procedural knowledge. Such interventions align with previous findings, indicating that informed taxpayers are more likely to perceive the tax system as fair and to comply voluntarily.

2. **Leveraging Digital Platforms for Tax Filing.** The study highlighted that digital filing channels, such as the Revenue Department website and mobile applications, are associated with higher perceived fairness, particularly regarding allowances. Given the increasing accessibility of technology, expanding and optimizing digital platforms can enhance taxpayer experience, reduce administrative burdens, and reinforce trust in the system. Specific measures might include improving user interface design, integrating real-time support features, and offering personalized guidance for deductions and allowances. Policymakers should also consider mobile-based notifications and reminders to encourage timely filing while providing clarifications on progressive tax rates and eligible allowances. This aligns with international trends where digital tax administration has been shown to increase compliance and fairness perceptions.

3. **Tailored Communication for Demographic and Occupational Groups.** The results reveal significant disparities in fairness perceptions based on occupation and income. Civil servants and lower-income taxpayers perceived higher fairness, whereas private-sector employees and higher-income individuals rated certain measures less favorably. These findings suggest the need for targeted communication strategies that consider occupational and socio-economic contexts. For instance, outreach programs could emphasize the benefits of tax allowances and social welfare programs to higher-income taxpayers, potentially alleviating perceptions of disproportionate burdens. Similarly, sector-specific briefings or seminars for private-sector employees might clarify eligibility rules and highlight progressive rate benefits, thereby fostering equitable perceptions across groups.

4. **Enhancing Transparency and Social Welfare Linkage.** Respondents' satisfaction with social welfare programs emerged as a key factor influencing fairness perceptions. Taxpayers who recognize tangible benefits from their contributions, such as educational assistance or healthcare programs, are more likely to view the tax system positively. Therefore, it is recommended that authorities enhance transparency by reporting detailed, accessible information on how collected revenues are allocated. Public campaigns that demonstrate the connection between taxes paid and improvements in social welfare, infrastructure, and public services could reinforce both fairness perceptions and voluntary compliance. This recommendation is consistent with the principle that taxpayer engagement increases when individuals perceive a direct benefit from their contributions.

5. **Progressive Rate Structure and Policy Adjustments.** While the progressive rate system is generally accepted, the study indicated moderate concerns regarding differentiated treatment of capital income. Policymakers should consider reviewing the design of income brackets, deductions, and allowances to ensure they are equitable and comprehensible. Simplifying certain rules, reducing ambiguity around caps, and ensuring uniform application across income types may strengthen perceptions of vertical and horizontal fairness. Periodic surveys to monitor taxpayer attitudes could guide iterative policy adjustments and maintain public trust in fiscal institutions.

6. **Future Research and Evaluation.** Finally, to refine policy interventions, continuous research is recommended. Longitudinal studies examining changes in fairness perceptions over time, as well as experimental designs testing the effect of targeted communication or educational interventions, would provide valuable evidence for evidence-based policy. Additionally, exploring psychological and behavioral factors, such as moral norms, perceived enforcement, and social comparisons, could deepen the understanding of the mechanisms driving fairness perceptions and compliance behaviors.

In summary, enhancing tax knowledge, leveraging digital platforms, implementing tailored communication, improving transparency, adjusting policy structures, and supporting ongoing research collectively constitute a comprehensive strategy to improve perceptions of fairness in Thailand's personal income tax system. Such measures are likely to increase voluntary compliance, strengthen trust in government institutions, and support the equitable redistribution of resources, thereby promoting both fiscal and social objectives.

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