Tax Literacy and Compliance Among Tax-Exempt Cooperatives in General Santos City

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ABSTRACT

This research evaluated the correlation between tax literacy and tax compliance among tax-exempt cooperatives in General Santos City. Additionally, the study examined tax literacy in terms of economic, behavioral, and knowledge/awareness factors, while tax compliance was assessed in terms of the filing of tax returns, submission of audited financial statements, maintenance of books of account and accounting records, and updating of members' Tax Identification Numbers (TINs). Data from representatives of tax-exempt cooperatives were collected using a validated structured survey questionnaire. The researchers employed stratified sampling techniques and analyzed the data using descriptive statistics and correlation analysis. The results demonstrated that the overall level of tax literacy was moderate, with economic and behavioral factors rated as high and knowledge/awareness rated as moderate. Overall, tax compliance with the Bureau of Internal Revenue (BIR) was very high, particularly in terms of the filing of tax returns, submission of audited financial statements, and maintenance of accounting records. Furthermore, the updating of members' Tax Identification Numbers (TINs) was rated as high. The results also demonstrated a statistically significant positive correlation between tax literacy and tax compliance ($r = .479$, $p < .001$). The findings indicated that cooperatives that are more knowledgeable about taxes tend to comply better with the requirements set forth by the BIR. As a result, it is recommended that cooperatives receive ongoing tax education, training, and technical assistance to enable them to maintain their tax-exempt status and privileges effectively over time.

Keywords: Tax Literacy, Tax Compliance, Tax-Exempt Cooperatives, Economic Factors, Behavioral Factors, Knowledge and Awareness

INTRODUCTION

Many public and private organizations have cooperatives as part of their operations, and many employees belong to them. Unlike traditional businesses, cooperatives are owned and governed by their members and the members make decisions and take on risk together, as well as share the rewards of their efforts. According to Benavides and Ehrenhard (2021), cooperatives differ from profit-driven corporations in that they are founded on the principles of ownership, member participation, and mutual benefit among all members. In addition, Jamaluddin et al. (2023) indicate that effective governance of cooperatives relies on the principles of democracy, accountability, and active participation by all members. In addition, Morris (2024) discusses the social and community functions of cooperative organizations through their principle of concern for community.

Cooperatives have played an important role in providing economic betterment, helping alleviate poverty, and assisting disadvantaged communities in the Philippines by providing funding, jobs, services, and representation for their members. In order for cooperatives to continue receiving tax-exempt status under the applicable laws of the Philippines, they must follow specific requirements set by the Bureau of Internal Revenue (BIR), including submitting all documents each year and adhering to the rules of the Certificate of Tax Exemption (CTE). Cooperatives frequently do not meet these compliance requirements consistently and often do so only at the time they are submitting applications for CTE renewal. As a result, cooperatives that do not comply with these requirements face substantial penalties and the risk of losing their tax-exempt status.

Cooperatives benefit from tax-exempt status according to three main regulations: The Tax Code or Tax Reform Act of 1997, The Philippine Cooperative Code of 2008, and The Implementing Rules and Regulations promulgated by the Cooperative Development Authority (CDA). Cooperatives enjoy the benefit of taxing exemptions to be able to use more of their resources to grow their organizations, however, they still have an ongoing challenge with tax compliance.According to Tatjana & Tina (2022), cooperative tax compliance provides a partnership between the taxing authority and the taxpayers. This partnership is supported by two types of perspectives, economic and behavioral. The economic perspective sees tax compliance from a cost/benefit standpoint such as influenced by tax rate, likelihood of audit, and penalization (Bătrâncea, et al., 2012; Inasius, 2019), while the behavioral perspective believes that tax compliance will not be achieved with just the use of control and/or punishment.

The purpose of the study was to assess both tax literacy and compliance amongst tax exempt cooperatives located within General Santos City. Tax literacy is defined as an understanding of the various types of tax law as well as the requirements of the Bureau of Internal Revenue (BIR) and the Cooperative Development Authority (CDA). Tax compliance indicates a cooperative has met their obligations under applicable law; for example, by maintaining appropriate records and submitting all required documents on time. The research will also seek to help identify areas where there may be gaps that could impact the cooperative's tax-exempt status and to provide suggestions for improving tax education, awareness, and the implementation of existing tax obligations.

This research was built upon three main dimensions of tax literacy comprising of Economic, Behavioral, and Knowledge determinants. The Economic dimension was based upon the Economic Deterrence Theory which explains compliance through an analysis of costs, benefits and the imposition of sanctions. The Behavioral dimension was based upon the Theory of Planned Behavior and the attitudes exhibited by individuals, their intention to adhere to behavior and how they perceive the level of control they have over their compliance actions. The Knowledge dimension outlines how tax literacy and knowledge contributes to a cooperative's ability to comply with the BIR requirements. The three dimensions, provided a framework for examining the relationship between tax literacy and tax compliance of tax-exempt cooperatives.

Research Problem

The objective of this research is to determine the relationship between the factors determining tax literacy for maintaining tax-exempt status and how compliant cooperatives within General Santos City are with their overall taxation responsibilities.

Specifically, it aimed to answer the following questions:

1. What was the business profile of the cooperatives with Certificate of Tax Exemption in General Santos City in terms of Type of cooperative, Years in operation, Membership size, and Annual Revenue?
2. What was the level of tax literacy of cooperatives in General Santos City in terms of Economic Factors, Behavioral Factors, and Knowledge/ Awareness?
3. What was the level of BIR tax compliance of tax-exempt cooperative in General Santos City in terms of Filing of tax returns, Submission of Audited Financial Statement, Books of Accounts and Other Accounting Records, and Update of the Member’s Tax Identification Number (TIN)?
4. Was there a significant relationship between the level of tax literacy and the level of tax compliance among tax-exempt cooperatives in General Santos City?

Hypothesis

$H_0 1$: There is no significant relationship between the level of tax literacy and the level of tax compliance among tax-exempt cooperatives in General Santos City.

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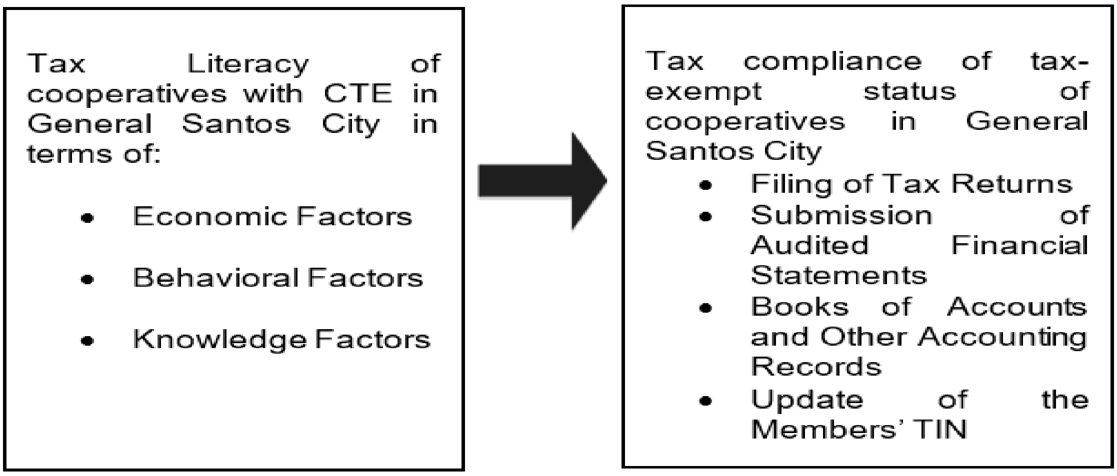

REVIEW OF RELATED LITERATURE

Evidence has been documented regarding the benefits of cooperative laws including accountability, social responsibility, transparency, and financial stability. According to De Guzman (2019), laws promoting cooperation increase member engagement and performance in cooperation in both the rural and urban environments. Conversely, Santos and Reyes (2020) indicated that limitations in knowledge of taxation, compliance issues with taxation, and a lack of awareness of the rights of cooperatives continued to restrict the benefits available to cooperatives based upon cooperative law. The ability to understand tax laws and obligations is regarded as tax literacy. According to the study conducted by Nichita et al. (2019), people with higher levels of tax literacy tend to be more compliant. The authors Bornman and Ramutumbu (2019) stated that an understanding of tax is a fundamental aspect of being able to accurately interpret and apply tax law. Tantriangela and Setyowati (2023) explained that having knowledge and an understanding of the tax laws will improve voluntary compliance with taxes.

Tax literacy is related to economics through a cost-benefit analysis of compliance behavior. According to Slemrod (2019), when making compliance decisions, taxpayers will consider how they will be penalised, audited and sanctioned. Similarly, Allingham and Sandmo's Economic Deterrence Theory support this, in that, when the cost of non-compliance is greater than the potential benefit of complying with the law, compliance increases. Bhattarai et al (2025) point out that audit probabilities, penalties and sanctions all significantly affect how taxpayers behave. Trust in authorities and the perception of enforcement influence compliance (Kirchler et. al., 2008). Torgler and Alm (2006) also note the importance of moral beliefs and the influence of social expectations. Perceived fairness, trust towards institutions, and moral value can create a basis for compliance with tax obligations without strong enforcement practices (Bhattarai et al., 2025). Tax literacy encompasses knowledge of tax regulations and how to file your taxes. Jusoh and others (2021) indicated that individuals with little awareness will less likely comply with their tax requirements, while Lestari and Fuadah (2025) concluded that individuals with more knowledge are more likely to meet their tax liabilities. Tax compliance refers to following laws regarding taxes and certification by governing bodies to ensure that taxes are paid correctly, on time and through an accurate reporting of the data needed to support a tax return or other documents filed with taxing agencies (Fauzan et al., 2022). In fact, Fauzan et al. (2022) also stated tax noncompliance has created a global issue, as non-payment of taxes negatively impacts the funds that provide countries with public services.

Tax literacy is knowledge of the laws, processes, and responsibilities relating to taxation. A study by Nichita et al. (2019) found there is a correlation between compliance and tax literacy, while Bornman and Ramutumbu (2019) highlighted that tax knowledge was essential for properly interpreting tax regulations. Tantriangela and Setyowati (2023) also noted that having good levels of education in taxation led to individuals becoming more compliant through understanding their obligations and requirements more effectively. Tax Literacy is the understanding of tax laws, procedures and obligations (Nichita et al., 2019). Nichita et al. (2019) found a significant relationship between tax literacy and compliance, and Bornman and Ramutumbu (2019) emphasized the need for tax knowledge to interpret and apply tax law correctly.

Tax literacy is also related to tax obligations and regulations, thus, providing better understanding of how to comply voluntarily (Tantriangela & Setyowati, 2023). Economic factors of tax literacy involve cost–benefit analysis in compliance decisions. Slemrod (2019) explained that taxpayers consider penalties, audits, and sanctions. The Economic Deterrence Theory of Allingham and Sandmo (1972) supports this, stating that compliance increases when non-compliance is costly. While according to Bhattarai et al. (2025), audit risk and penalties strongly influence taxpayer behavior. Tax literacy itself includes the ability to properly understand elements of tax procedure and tax obligation. According to research by Jusoh et al. (2021), a lack of understanding can contribute to failure to comply; whereas, research by Lestari and Fuadah (2025) indicates that more tax education results in a higher incidence of compliant behavior.

The components of behavioral factors include attitudes, social norms, and trust. Kirchler et al. (2008) state that a persons' level of compliance with their obligation to pay taxes will mainly depend on how much they depend on their tax authority and its methods of enforcement. Torgler and Alm (2006) noted that both moral beliefs and the expectations of society play important roles in tax compliance. Additionally, Bhattarai, Upreti, and Kadel (2025) found that compliance can be facilitated without strict enforcement when there are fair treatment, trust, and shared values among taxpayers and tax authorities.

RESEARCH METHODOLOGY

The study employed a quantitative research design, specifically a descriptive-correlational research design, to examine the relationship between tax literacy and tax compliance among cooperatives in General Santos City that are exempted from taxation. It also enabled the researcher to determine the degree of association between the variables without manipulation (Creswell & Creswell, 2018). A survey and a review of BIR-compliance documents were done to collect data about tax return filing, tax audit records, and TIN updates. In order to guarantee an appropriate representation for each type of cooperative, a stratified random sample methodology was utilized. A total of 76 tax-exempt cooperatives makes up the larger population, and 63 cooperatives comprised the representative sample using Krejcie & Morgan's methodology (95% confidence and 5% margin of error). All respondents were selected from one of five categories (agricultural, credit, multipurpose, transport, or other) and had to have at least one direct representative from each cooperative that was either directly involved in financial management or tax compliance. The overall design allowed for an examination of the economic, behavioral, and educational factors that impact tax compliance and the continuation of tax-exempt status in cooperatives.

A structured survey questionnaire was the main research tool of this study for evaluating tax literacy and tax compliance among tax-exempt cooperatives in General Santos City. Overall, the questionnaire consisted of three segments. The first segment contained the business profile of the cooperatives, such as type of cooperative, number of years in operation, number of members, and annual revenue or income bracket. Tax literacy was assessed by examining economic, behavioral, and knowledge/awareness factors using a four-point Likert Scale (1 = Strongly Disagree to 4 = Strongly Agree) for each of the three areas. The third part of the survey examined how well a business followed tax requirements that pertained to the Bureau of Internal Revenue (BIR) by filing tax returns, having audited financial statements, keeping accurate bookkeeping records, and updating their members' Tax Identification Number. Data was collected using a 5-point Likert scale (1 = Never; 5 = Always). The TIN is a unique identifier issued by BIR to taxpayers to allow for proper tracking and documenting of tax-related transactions and compliance. The last section asked respondents for their thoughts on the challenges they face with compliance and their suggestions to maintain tax-exempt status through open-ended questions.

RESULTS AND DISCUSSIONS

Table 1. Demographic Profile of Cooperative

Variable	Category	Frequency	%
Types of Cooperatives	Agriculture	5	7.7
	Consumer	1	1.5
	Credit	7	10.8

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	Housing	1	1.5
	Industrial/ Machine Shop	1	1.5
	Marketing	3	4.6
	Multi-purpose	36	55.4
	Service	2	3.1
	Transport	9	13.8
		65	**100.0**
Years in operation	Less than 5 years	8	12.3
	5-10 years	16	24.6
	11-15 years	11	16.9
	More than 15 years	30	46.2
		65	**100.0**
	Less than 50		
	50-100	19	29.2
	101-200	10	15.4
Membership Size	More than 200	17	26.2
		65	**100.0**
Annual Revenue	Below ₱500,000	20	30.8
	₱500, 000 to ₱1,000,000	11	16.9
	₱1,000,001 to ₱5,000,000	25	38.5
	Above ₱5,000,000	9	13.8
Total		**65**	**100.0**

The great majority of survey participants are in multipurpose cooperatives, followed by member transport cooperatives (9), member credit cooperatives (7), member agriculture or farmer coops (5), and member marketing coops (3) with consumer, housing and industrial/machine shop (1) and service cooperatives (2). Therefore, multipurpose co-operatives make up the majority of co-operatives operating in General Santos City. Cooperatives that participate in this survey mostly operated within the last 15 years (30%). Fewer cooperatives operated within 5 - 10 years (16%), 11 - 15 years of operation (11%), and the remaining cooperatives have less than 5 years of business experience (8%). From this, it would appear that the majority of co-operatives are well-established entities. With respect to cooperative membership sizes, cooperatives with a membership size less than 50 and between 50 and 100 both had (19) and cooperatives with memberships greater than 200 had a total of (17) members, whereas there was (10) cooperatives in the range of 101 to 200 member cooperatives, indicating that most cooperatives have small to medium-sized membership structures. The overall results of this study were consistent with the findings of the Cooperative Development Authority (2023), which describes multipurpose cooperatives as the dominant category currently operating within the Philippine cooperative sector due to the number of services offered and the broad base of members, as well as supporting the observation that long-standing cooperatives are generally considered to have a higher degree of organizational stability and sustainability, which is reflected in the demographic profile of cooperatives in General Santos City (Birchall, 2014).

Table 2. Level of Tax Literacy of Cooperatives

Indicators	**Mean**	**Description**
Economic Factors		
1. Our cooperative has sufficient financial resources to meet the tax-exempt requirements set by the Bureau of Internal Revenue (BIR).	3.42	Moderate
2. Tax incentives motivate our cooperative to comply with tax regulations.	3.68	High
3. Our cooperative allocates adequate funds for tax-related compliance activities such as reporting, audits, and legal consultations.	3.40	Moderate
Total Mean:	3.50	High
Behavioral Factors		

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4. Management actively monitors and ensures tax compliance within the cooperative.	3.63	High
5. Members and officers prioritize tax-exempt status in financial and operational decisions.	3.48	Moderate
6. Our cooperative regularly reviews and updates tax policies to ensure compliance with current tax regulations.	3.43	Moderate
Total Mean:	3.51	High
Knowledge/Awareness Factors		
7. Our cooperative is well-informed about tax laws, exemptions, and compliance requirements.	3.32	Moderate
8. Officers and members participate in regular tax compliance training or workshops.	3.06	Moderate
9. Our cooperative consults with tax professionals or legal experts for guidance on tax-related matters.	3.52	High
Total Mean:	3.30	Moderate
Overall Mean:	3.44	Moderate

The high average for economic factors indicates that respondents see economic considerations as critical in influencing tax compliance by tax-exempt cooperatives. The implication is that financial incentives and perceived economic benefits are motivating compliance behavior.

According to Mebratu (2024), the financial consideration and enforcement mechanisms have a significant impact on voluntary tax compliance. Reddy et al. (2024) found that audits and penalties act as the most significant economic deterrents to tax compliance, while tax incentives have a positive effect on compliance behavior (Orkaido et al., 2024). According to Torgler (2007), non-economic factors have an even greater potential impact on compliance than do economic considerations, according to Torgler (2007). This is due to tax morale, trust and ethics being more influential than economics alone. A high average score for behavioral factors indicates there is a substantial effect of attitude, ethical values, and responsibility on taxpayer compliance.

This supports both Ajzen's Theory of Planned Behaviour and Torgler's Framework of Tax Morale, which both state that attitudes, social norms and perceived control over their behaviour form taxpayers' intentions to comply with tax obligations (Tax Compliance). In addition, the studies conducted by Hongari (2025), Wahyuandari & Talithahandari (2025), Zurita-Vaca et al. (2025), Wardani & Hermawan (2024) indicate that positive behavioural traits correlate with an increase in taxpayer compliance.

These results differ from Becker (1968) and Allingham and Sandmo (1972), both of whom argued that deterrence, such as risks of detection and penalties, are the main reasons taxpayers choose to comply. The moderate mean for knowledge/awareness factors indicates that respondents have an adequate but not comprehensive understanding of tax regulations.

Tax requirements are generally easy to understand for cooperative officers, but they continue to lack a sufficient level of understanding for tax purposes. This is in line with the findings of Tomindug and Pelmin (2025), who found that business owners' understanding of taxes was moderate overall, and other researchers (Diaz et al.) found that various micro-business owners had a reasonable to high level of tax knowledge. Cervantes et al. (2025) noted that knowledge of taxes helps businesses to comply with their obligations, but additional training should be given regularly. Kaur (2026) found that there are continuing knowledge gaps in relation to taxes despite there being a generalized awareness of tax regulations and their consequences.

In summary, the composite mean was considerable, indicating reasonable levels of tax literacy among the respondents but indicating areas to strengthen. This is consistent with earlier work by Kirchler (2007), Palil (2010) indicating that knowledge has an important role in tax compliance; however, this is contrary to Torgler (2007), and Allingham and Sandmo (1972), who have indicated stronger roles of trust, tax morale, penalties, and economic incentives. Therefore, enhancing tax compliance will require the enhancement of tax literacy as well as addressing tax compliance by means of behavioral and institutional factors.

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Table 3. Level of BIR Tax Compliance of Tax-Exempt Cooperatives

Indicators		Mean	Description
Filing of Tax Returns			
1.	The cooperative files tax returns on or before the deadline set by the Bureau of Internal Revenue (BIR).	4.57	Very High
2.	The cooperative ensures accuracy in tax return filings to prevent penalties and compliance issues.	4.49	High
3.	A designated officer or team is responsible for filing tax returns and ensuring compliance with BIR regulations.	4.60	Very High
4.	The cooperative uses a reliable system (e.g., software, external accountant, BIR e-services) to file tax returns accurately.	4.58	Very High
	Total Mean:	4.57	Very High
Submission of Audited Financial Statements			
5.	The cooperative prepares and submits its Audited Financial Statements (to BIR annually within the required deadline.	4.58	Very High
6.	The cooperative's financial records are audited by a Certified Public Accountant (CPA) as required by BIR.	4.83	Very High
7.	The cooperative ensures that its financial statements are complete, accurate, and in compliance with BIR regulations before submission.	4.65	Very High
8.	The cooperative allocates sufficient time and resources to properly prepare its Audited Financial Statements.	4.68	Very High
	Total Mean:	4.68	Very High
Books of Accounts and Other Accounting Records			
9.	The cooperative maintains updated and complete books of accounts as required by BIR.	4.51	Very High
10.	The cooperative registers its books of accounts with BIR and ensures that they comply with standard accounting principles.	4.77	Very High
11.	The cooperative regularly updates financial transactions and records them properly in the books of accounts.	4.37	High
12.	The cooperative retains financial records for the period required by BIR (at least 10 years) for compliance and audit purposes.	4.35	High
	Total Mean:	4.50	Very High
Update of Members' Tax Identification Number (TIN)			
13.	The cooperative requires all members to have a valid and updated Tax Identification Number (TIN).	4.62	Very High
14.	The cooperative verifies that all newly registered members have an active TIN before processing tax-exempt transactions.	4.17	High
15.	The cooperative regularly updates its records to ensure all members' TINs are valid and properly documented.	4.17	High
16.	The cooperative assists members in processing or updating their TIN if needed to comply with BIR requirements.	4.31	High
	Total Mean:	**4.32**	**High**
	Overall Mean:	**4.52**	**Very High**

The very high mean for filing of tax returns indicates consistent compliance and strong awareness of reporting requirements, supported by Kirchler (2007) and Palil (2010), and also consistent with Allingham and Sandmo's (1972) deterrence theory. The very high mean for submission of audited financial statements reflects strong adherence to financial reporting, suggesting transparency and accountability, influenced by both compliance awareness and deterrence mechanisms. The very high mean for maintenance of books of accounts shows consistent record-keeping practices that support accurate reporting and regulatory compliance, aligned with tax knowledge and enforcement-based compliance. The high mean for updating members' TINs indicates general

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compliance in maintaining updated taxpayer records, supported by tax awareness and administrative responsibility. Overall, the very high composite mean shows strong tax compliance among cooperatives, driven by a combination of tax literacy, voluntary commitment, and economic deterrence factors.

Table 4. Relationship Between Tax Literacy and Tax Compliance

Tax Literacy Determinants	Filing of Tax Returns	Submission of AFS	Books of Accounts	Update of Member's TIN	Overall Tax Compliance
Economic Factors	0.474 (<.001)	0.424 (<.001)	0.365 (0.003)	0.212 (0.089)	—
Behavioral Factors	0.598 (<.001)	0.532 (<.001)	0.468 (<.001)	0.307 (0.013)	—
Knowledge/Awareness Factors	0.475 (<.001)	0.359 (0.003)	0.397 (0.001)	0.323 (0.009)	—
Overall Tax Literacy	—	—	—	—	0.479 (<.001)

The results showed that economic factors had significant relationships with the filing of tax returns, submission of audited financial statements, and maintenance of books of accounts. However, economic factors were not significantly related to the updating of members' TINs. Behavioral factors showed significant relationships with all areas of tax compliance. This means that management practices and attitudes toward compliance help improve tax compliance. Knowledge and awareness factors also showed significant relationships with all areas of tax compliance. This means that cooperatives with better tax knowledge are more likely to comply with BIR rules and requirements. Overall, tax literacy had a significant relationship with overall tax compliance ($r = .479$, $p < .001$). This means that cooperatives with higher tax literacy also tend to have higher tax compliance.

The findings support the Theory of Planned Behavior as proposed by Ajzen (1991) that states behavior is determined by attitudes, subjective norms (societal expectations), and perceived behavioral control. Additionally, Saad (2014) showed that taxpayers who possess higher levels of tax knowledge and awareness have a greater likelihood of complying with the tax laws. Finally, Palil (2010) found that tax literacy is significantly related to voluntary compliance of taxes for both organizations and institutions. Therefore, the current study supports other studies relating to the importance of tax literacy in increasing tax compliance amongst cooperatives.

CONCLUSION

There is a statistically significant relationship between tax literacy and tax compliance for tax-exempt cooperatives in the City of General Santos leading to the rejection of the null hypothesis for this study. Tax literacy overall was found to be at a moderate level, meaning that tax-exempt cooperatives have an acceptable understanding of taxes, but there is room for improvement. All economic and behavioral variables received high (mean) scores indicating that factors related to finances play a significant role in determining compliance while knowledge and awareness received moderate scores. Tax compliance levels were high across all indicators, including filing tax returns, submitting audited financial statements, keeping accounting records, and updating the members' TIN however there was some minor opportunity for improving TIN updates. The findings of this study suggest that tax-exempt cooperatives demonstrate high levels of tax compliance with only moderate levels of tax literacy and that factors other than knowledge also have an impact on compliance through economic and behavioral variables.

RECOMMENDATIONS

Cooperative officers and members may further strengthen their tax literacy by actively participating in seminars, Members and officers of cooperatives can enhance their literacy about taxes by engaging in seminars, workshops, or other training sessions that focus on increasing their understanding and awareness of tax laws and changes in regulations. In addition, they should keep up-to-date records and change members' Tax Identification Numbers (TINs) in a timely manner so that they can continue to be in full compliance with all applicable tax laws.

The Bureau of Internal Revenue (BIR) could improve tax education and distribute information better to tax-exempt cooperatives by conducting regular orientations, webinars, and compliance assistance activities to help them better understand the laws. Improving and streamlining digital service and procedures may also assist in more efficiently complying with the law. The BIR may provide timely information such as the issuance of memoranda to provide registered email and mobile contacts.

Cooperatives may enhance their internal systems and policies that help them comply with tax laws including, but not limited to consistent tracking of obligations, maintaining of accurate records, timely filing of audited financial statements and regularly updating their members' TINs. Compliance officers or committees may also aid in maintaining compliance with such regulations.

The Cooperative Development Authority, along with various regulatory agencies, can work together with the BIR to conduct training programs for income tax, general accounting, and financial reporting to close knowledge or skill gaps regarding taxes while continuing to ensure compliance with their regulation.

Future research could examine more variables like trust in government and readiness for technology and conduct comparative studies across countries and types of cooperatives. Additionally, using cooperative profile as moderating variables may allow for more nuanced explanations of differences in tax literacy and compliance.

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