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Influence of computer literacy levels on tax compliance among Harare central business district small and medium enterprises

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The goal of this research is to ascertain the influence of computer literacy levels on tax compliance among Harare central business district small and medium enterprises. The research employed a survey descriptive research approach, in which primary data collection methods and self-administered questionnaires were used to collect quantitative data and 13000 SMEs were the intended audience. Using stratified random sampling, a sample size of 389 participants was chosen as being representative of the target population. The data was gathered using descriptive statistics, and was analyzed using the Statistical Package for Social Sciences (SPSS) version 21.0. The study found that SMEs' computer literacy skills were positively correlated with tax compliance. The results demonstrate that the degree of computer literacy has a favourable impact on tax compliance, with each unit increase in computer literacy increasing tax compliance.

Key words: Computer literacy levels, small and medium enterprises, tax compliance.

INTRODUCTION

According to Auyat (2013), the accessibility of the internet and computer proficiency has a direct bearing on the usage of online tax returns. Online tax services commonly employ internet-based platforms, and Azmi and Bee (2010) believe that having a basic grasp of how to use the internet is crucial. Osebe (2013) claims that online tax filing is expensive due to inadequate computer skills. Mandola (2013) asserts that taxpayers must seek the assistance of third parties because they are unable to utilize the e-filing system swiftly and effectively or because they are unaware of the kinds of information that are needed. Ramoo (2006) underlined that the lengthier

time required for online filing is a result of the inability to utilize the system quickly and effectively without often entering the help menus or contacting third parties.

Ofori (2009) asserts that the cost of adopting online tax filing increases when the taxpayer lacks computer literacy, leading to a preference for manual filing. The taxpayers may choose between handling the electronic filing themselves notwithstanding the challenges of navigating the online system (Muhangi, 2012). Hussein et al. (2010) pointed out that in this situation, the user must be able to use the website's self-help menus and self-navigate on the internet platform with little to no trouble

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Similar research on the elements influencing utilization and acceptance of the e-filing system in Kenya by major taxpayers was carried out by Muita (2011). The research examined the technological requirements for e-filing users, the skills they require to utilize that technology, and the willingness of the tax authority to boost the use of tax compliance-based technology.

According to the report, e-filing in Kenya will not take off without the right personnel, infrastructure, and business climate. Kiring'a et al. (2017) made a suggestion that having an online tax filing system set up is one thing, but being able to use it by taxpayers is quite another. With computers available at home or at work, more people are likely to submit their taxes online. Additionally, the more comfortable they are using the internet, the simpler it will become for them to utilize the e-filing system since it will be more accessible to them (Carter et al., 2011). Therefore, because they are computer literate and frequently have access to a computer and highspeed internet, the taxpayers in the Harare Central Business Area may easily access and use the e-filing platform if they wish to. Mandola's (2013) research indicates that the majority are good with computers, which greatly facilitates and encourages them to comprehend and use e-filing technology. Most of them have access to the internet and to computers at their places of work and often use it, which enables them to use the online system with ease. As a result, some choose to file paperwork manually, which has an impact on how well e-services are implemented since consumers are less willing to accept and utilize the technology.

Computer proficiency, familiarity with information technology, and knowledge of tax regulations are some of the technical abilities needed for effective installations of E-tax administration systems.

Eshet (2012) emphasized that computer skills required a wide range of complex sociocultural, intellectual, psychological, and physical abilities. According to Osterman (2013), computer literacy is composed of three key components: develop suitable skills, cognitive abilities, creative abilities, and communication skills. Technological procedural skills are the fundamental computer abilities needed to use information with contemporary graphic user interface design and to browse the internet. Intellectual abilities engage with educational concerns, whereas inventiveness and interpersonal abilities are focused on the media platforms component of computers in modern culture. Such abilities are crucial for the achievement of e-government delivery of services. In order to increase tax income through the acceptance of electronic services, computer proficiency is essential in addition to tax training for Small and Medium Enterprises (Bornman and Wassermann, 2018). While increasing income creation and achieving tax compliance are challenging tasks, the difficulty can be reduced by using basic computer skills and taxation knowledge (Aksnes, 2014).

The capacity of the public to use state e-services, which call for specialized internet and computer capabilities, is essential for their achievement (Kasyoka et al., 2022).

Basic and necessary communication abilities, such as the ability to utilize and administer ICT resources and amenities, are referred to as computer literacy (Tomaszewicz (2015), claims that among various other things, sending emails with attachments, using search engines in online conversations, groups, and discussion boards, and also phone appointments online, are among the fundamental abilities that can be employed to gauge computer literacy.

Government support and citizen adoption are both essential to the effectiveness of e-Government services (Kasyoka et al., 2022). With the state's technological investment and the potential for efficiency savings, it is crucial that taxpayers embrace E-tax management solutions (Muturi and Kiarie, 2015). Even though there is a greater need to strengthen tax collection and implementation, developing nations like Zimbabwe continue to struggle with the adoption of online services, which results in low tax compliance. Even though it's crucial for the success of any electronic service initiatives, academics have not centred on how computer literacy affects people's willingness to utilize online services.

Nonetheless, Muita (2011) concluded that it aids in tax administration and reduces costs in his investigation of the elements that influence the effective adoption of e-filling in Zimbabwe. By examining how computer literacy affects the implementation of computerized tax systems in Harare Central Business District, the current study aimed to close a knowledge gap in the field through the following objectives:

a. To examine the computer literacy levels on tax compliance of SMEs in Harare (Zimbabwe).
b. To identify the effect of tax e-filing security regarding tax adherence among SMEs.
c. To establish SMEs perception towards online tax filing system on tax compliance.

Scope of the study

This study aims to examine how computer literacy affects small- to medium-sized businesses' compliance with tax laws, with a particular focus on those located in the Harare Central Business District. The impact of SMEs' computer literacy on tax compliance should not be disregarded for a number of reasons. As the government's primary function is to raise money through ZIMRA, this is crucial to bring numerous unregulated SMEs on record so that they can pay their taxes and help reduce the nation's soaring debt. Several industrialized and emerging countries are giving this study issue fast-rising priority. The research will broaden our corpus of

expertise that already exists and the body of literature that will be consulted by ZIMRA, the Ministry of Small and Medium Businesses, and other scholars. Whereas there are theories that address the variables affecting computer literacy levels, little is known regarding the actual impact of computer literacy levels on the tax compliance of SMEs in developing nations like Zimbabwe.

Delimitations

(a) Registered participants who are outside Harare Central Business District were not included in the research
(b) SMEs registered on ZIMRA E- Filing system and have been in business for five or more years.

Limitations of the study

i) The sample size could be insufficient to adequately represent all SMEs country wide because it will be challenging to draw meaningful conclusions from the data and because statistical tests typically call for a bigger sample to ensure a fair representation distribution among the population and for it to be regarded sample of the population as a whole for purposes of generalization or transfer.
ii) Harare CBD is comprised of registered SMEs with different information technology backgrounds, that is website literacy or not.

LITERATURE REVIEW AND HYPOTHESIS FORMATION

In this part of the research, a brief summary of past studies on the consequences of computer literacy levels, online tax security, and SMEs' attitudes of tax compliance is given. Based on that review, we formulate the hypothesis on the connections between the elements shown in Figure 1. Many traders lack the computer abilities required to execute the proper tax filings. Worthington (2006) notes that, although academics and policymakers have sought to describe financial knowledge, different people may have different interpretations of what it means. Elmi et al. (2015) backs up this claim. According to Elmi et al. (2015), literacy is" the capability to distinguish, comprehend, clarify, induce, convey, and calculate applying published and authored accoutrements commyned with assorted portions."

According to the Institute of Economic Affairs (2012), the majority of SMEs lack the computer skills necessary to use online tax services. Research on "the performance of SMEs in India" was conducted in 2013 by Nathan Associates Inc. The study discovered that the majority of SMEs could not provide e-services because they lacked the computer knowledge required to connect to the internet.

Information technology competency is essential for the implementation of electronic tax administration systems since technology acceptance is highly dependent on the user's ability to use the technology. Alam and Noor (2010) conducted research in Malaysia to identify the factors influencing SMEs' usage of the internet. The study's size of the sample of SMEs was 465. The findings showed that SMEs' acceptance of web applications is influenced by their level of computer expertise and experience.

Kasyoka et al. (2022) investigated the effective implementation of the online taxation system in Nairobi County. According to the results of the correlation analysis, technical expertise and the adoption of Kenya Revenue Authority e-tax administrations have a Pearson's correlation (r) of 0.746 and a p-value of 0.000. This suggests a strong positive connection among the two factors. It was ruled that there existed a material connection among the two factors. The results of the regression study showed that technical competence is a significant factor in determining the adoption of Kenya Revenue Authority e-tax administrations, with a positive relation to each other. The research came to the conclusion that technical skill is a critical success element in establishing e-tax systems since it favourably effects the adoption of those systems.

Ojeniyi and Adetimirin (2016) conducted research on the impact of ICT literacy on professors' use of online material in Nigeria. Total enumeration sample and a descriptive research methodology were used in the investigation. Ajayi Crowther University and Lead City University contributed 234 scholarly personnel to the sample. The two institutions' scholarly personnel have access to the greatest resources via email and websites. The usage of e-resources by teachers, which determines the adoption of Information technology, and Information technology literacy abilities were shown to be significantly positively correlated in the research. This suggests that user Information technology literacy is essential for the effective use of electronic services.

Ogbuiyi et al. (2014) examined the impact of computer literacy and internet searching on undergraduates' utilization of learning resources in the Babcock University library. In this study, a method of survey research was used. Questionnaire survey was used for the data gathering process. The findings showed that the major issue preventing online academic content searches was the library's inadequate computer infrastructure. The authors came to the conclusion that creating good web searches requires computer proficiency. In order to properly deliver its e-services to all stakeholders, which include the small and medium enterprises, state agencies authorized to develop online services should guarantee that all target users have competency in computer skills.

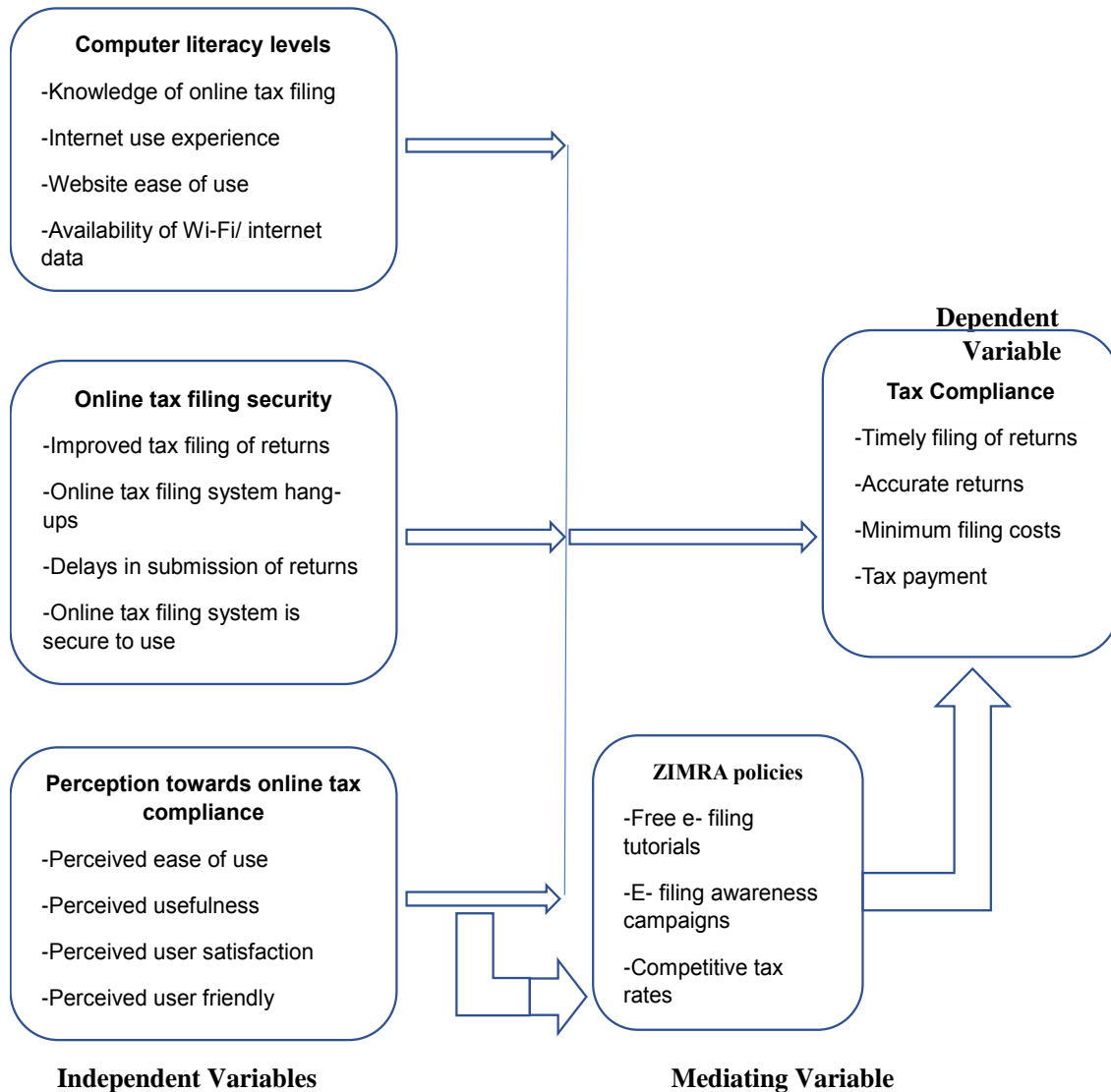This is a fact Zimbabwe Revenue Authority should embrace.

Computer literacy levels

-Knowledge of online tax filing

-Internet use experience

-Website ease of use

-Availability of Wi-Fi/ internet data

Online tax filing security

-Improved tax filing of returns

-Online tax filing system hang-ups

-Delays in submission of returns

-Online tax filing system is secure to use

Perception towards online tax compliance

-Perceived ease of use

-Perceived usefulness

-Perceived user satisfaction

-Perceived user friendly

Independent Variables

ZIMRA policies

-Free e- filing tutorials

-E- filing awareness campaigns

-Competitive tax rates

Mediating Variable

Dependent Variable
Tax Compliance

-Timely filing of returns

-Accurate returns

-Minimum filing costs

-Tax payment

Figure 1. Conceptual framework.
Source: Authors' own design.

Ofcom (2015) posit that SMEs lacked the technical expertise to manage their connection with their internet service providers for information technology (IT) and technical assistance. The survey also discovered that as a result, the majority of SMEs are unable to independently resolve simple connection issues. The introduction of e-services that need internet-based applications has suffered as a result of this lack of technical expertise to address connectivity issues. This poses a problem for a government organization, such as ZIMRA, to introduce e-services among SMEs. Alam and Noor (2010) performed a study in Malaysia in order to evaluate the variables influencing SMEs' use of the internet. The study's sample size was 465 Small and medium enterprises. The findings showed that Small and Medium Enterprises' adoption of internet applications are influenced by their level of computer expertise and experience. The research suggested that the government organizations charged with executing Information Technology improvements solve the intended clients' computer literacy challenges.

Kamarulzaman and Azmi (2010), claim that taxpayers who lack Computer literacy find it difficult to use the online filing procedure. They wind up taking a long time to understand how the system works. The majority of SMEs lack the computer skills necessary to use online tax services (Institute of Economic Affairs, 2012). According to Nathan Associates Inc. (2013) performed research on "the performance of SMEs in India" using the internet. The results showed that the majority of SMEs lacked the technical know-how to utilize the internet, which caused the deployment of e-services to fail. As how innovation is

Table 1. Reliability statistics.

Cronbach's alpha	Part 1	Value	0.899
		No. of Items	5[a]
	Part 2	Value	0.898
		No. of Items	5[a]
	Total N of Items		10
Correlations between forms			0.958
Spearman – brown	Equal length		0.979
Coefficient	Unequal length		0.979
Guttman split- half coefficient			0.979

[a]The items are: E- filing, Online- swift, Slow- internet, E- filing secure, Easywebsite. [b]The items are: Accutax, Easy- tax returns, Design- online, Online- faster, Understanol.
Source: Authors.

embraced relies upon the user's capacity to utilize the technology, computer technology competency is crucial for the adoption of online tax systems administration. Consequently, the following hypotheses have been made in relation to the variables that serve as the foundation of this research:

Hypothesis 1: *Computer literacy levels does not significantly influence SMEs' adherence with tax laws in Harare Central Business District*. The majority of SMEs lack the computer skills necessary to use online tax services (Institute of Economic Affairs, 2012). Therefore, this hypothesis is meant to investigate the impact of SMEs computer literacy levels on tax compliance.

Hypothesis 2*: Online tax filing security does not significantly affect tax compliance among SMEs.* This hypothesis 2 was used to examine how taxpayers would respond to compliance, particularly if they filed their returns online using vulnerable computers. Many information security issues, such as users' safe identification, internet security, authentication procedures, secrecy, trustworthiness, and online verification, have an impact on how effectively online services are deployed (Singh, 2011). Hence, the adoption of online filing systems and tax compliance are hampered by security issues.

Hypothesis 3: *SMEs perception does not significantly impact tax compliance*. Nalendro (2014) agrees that a taxpayer's impression of their own awareness influences how they act in relation to paying taxes. Additionally, he argued that the more aware the taxpayers become, the best prepared they are to effectively govern their behaviour and behave in conformity with the tax regulations, resulting in a higher degree of compliance. In light of this, the purpose of this hypothesis was to investigate whether small and medium-sized businesses had an impact on tax compliance.

RESEARCH METHOD

Survey questionnaires were used to collect quantitative data from chosen SMEs in the Harare CBD that were registered for online filing in the ZIMRA database and have been in operation for at least five years. Cooper (2003) asserts that descriptive design identifies and quantifies the reasons behind the correlations between variables. The three study goals were collected using structured questionnaires. The questionnaire was developed using a 5-Likert Scale, where 1 is Strongly Agree and 5 is Strongly Disagree, in order to achieve certain study objectives and undertake hypothesis testing. Kothari (2009) asserts that 5-point Likert scales are used because they are more trustworthy and able to provide more information. Face validity was used to evaluate questionnaires for readability, arrangement, practicality, clarity, wording, and style; content validity was used to determine the subject matter that is relevant to this inquiry. The researcher also utilized the inter-rater reliability strategy to prove equivalence. Internal consistency was tested using the split-half reliability approach, which confirms that each component of an appropriate tools and techniques the same feature. Cronbach's Alpha scores for the effects of computer literacy levels, the security of electronic tax filing, and the perception of electronic tax filing on tax compliance in Table 1 were .899 and .898, respectively. Cronbach and Meehl (1955), cited by Wasao (2014), discovered that values of 0.70 and above are good markers of internal consistency and dependability.

Study population and sampling procedures

The population of the current study was limited to the Small and Medium Businesses (SME) in Harare's Central Business District (CBD), which includes hardware stores, saloons, auto parts stores, auto repair shops, driving schools, grocery stores, pharmacies, and transporters. The intended audience is 13000 SMEs in Harare (CBD) registered on the ZIMRA e-filing tax system database. This study used a total sample size of 389 as an accurate representation of the desired audience using the stratified random sampling approach. Using a sample to make judgments regarding the population as a whole is standard procedure in research (Saad, 2011). With 380 respondents as the final sample, this research had

Table 2. Correlations of SMEs computer literacy levels and tax compliance.

		Compliance	Easy website	Easy-tax returns	Online-faster
Compliance	Pearson correlation	1	0.079	0.828**	0.839**
	Sig. (2-tailed)		0.124	0.000	0.000
	N	380	380	380	380
Easy website	Pearson correlation	0.079	1	0.064	0.031
	Sig. (2-tailed)	0.124		0.213	0.550
	N	380	380	380	380
Easy-tax returns	Pearson correlation	0.828**	0.064	1	0.744**
	Sig. (2-tailed)	0.000	0.213		0.000
	N	380	380	380	380
Online-faster	Pearson correlation	0.839**	0.031	0.744**	1
	Sig. (2-tailed)	0.000	0.550	0.000	
	N	380	380	380	380

**Correlation is significant at the 0.01 level (2-tailed).
Source: Authors.

a 97.7% response rate, and just 9 forms (2.3%) were left blank. Considering that it exceeded the 50% minimum level that Mugenda and Mugenda (2009) advice, 97.7% is large enough to produce statistically significant results.

Data presentation

Pre-coded data from surveys were entered into Excel spreadsheets and examined using the Statistical Package for the Social Sciences. The impact of computer literacy levels on small- and medium-sized businesses' compliance with tax laws in Zimbabwe's Harare Central Business Area was examined using regression analysis. This was done to assess the independent variables' capacity to explain the variation of the dependent variable (tax compliance). Data were shown using graphs, tables, pie charts, and descriptive narratives. The one-way ANOVA was used to assess if the linear regression model adequately matched the data or whether the three independent variables were useful predictors of the dependent variable.

SMEs demographic and background information

According to the findings, 126 men and 254 women, or 33.16 and 66.84%, respectively, responded to the 380 questionnaires that the sampled SMEs returned. In addition, 45 (11,84%) of the participants are under the age of 30, followed by 66 (17.37%) respondents age range between 31 and 35, 72 (18.95%) respondents age range between 36 and 40, 162 (42.63%) respondents age range between 41 and 45, and 35 (9.21%) respondents who are beyond 45. According to the SME's educational levels, 86 (22.63%) have a college diploma or certificate, 61 (16.05%) have "A" level certificate, 74 (19.47%) have "O" level certificate, 100 (26.32%) have a bachelor's degree, 50 (13.16%) have a master's degree, and the remaining 9 (2.37%) do not have a degree. This demonstrates that all respondents had completed their basic education and that the SMEs sector in Harare CBD had a high literacy rate (Masarirambi, 2013).

DATA ANALYSIS AND RESULTS

Correlation analysis and descriptive statistics

As shown in Tables 2 to 4, multiple linear regression was used to assess the overall influence of computer literacy, the impact of online tax filing security, and attitudes of SMEs on tax compliance within the Harare Central Business District.

Table 2 revealed that the significant Spearman correlation coefficient values of 0.828 and 0.839 shows that there is a very strong positive correlation between SMEs computer literacy levels and tax compliance. Thus, as SMEs computer literacy levels increases, tax compliance levels also increase indicating that this relationship was statistically significant at the 0.01 level. On the other hand, the EASYWEBSITE variable showed a correlation coefficient value of 0.079. This is a very weak positive correlation between SMEs computer literacy levels and tax compliance.

Table 3 indicated that the correlation coefficient values of 0.016 and 0.063 shows that there is a very weak positive correlation between online tax filing security and tax compliance. Hence, as online tax filing security weakly increases, tax compliance levels also weakly increase indicating that this relationship was not statistically significant at the 0.01 level. However, the variable E-FILING SECURE showed a correlation coefficient value of -0.052. This is a very weak negative correlation between online tax filing security and tax compliance.

Table 4 showed that the correlation coefficient values of -0.099 and -0.042 reveals that there is a very weak

Table 3. Correlations of online tax filing security and tax compliance.

		Compliance	Online-swift	Slow- internet	E- filing secure
Compliance	Pearson correlation	1	0.016	0.063	-0.052
	Sig. (2-tailed)		0.754	223	0.314
	N	380	380	380	380
Online-swift	Pearson correlation	0.016	1	0.898**	0.720**
	Sig. (2-tailed)	0.754		0.000	0.000
	N	380	380	380	380
Slow- internet	Pearson correlation	0.063	0.898**	1	0.799**
	Sig. (2-tailed)	223	0.000		0.000
	N	380	380	380	380
E- filing secure	Pearson correlation	-0.052	0.720**	0.799**	1
	Sig. (2-tailed)	0.314	0.000	0.000	
	N	380	380	380	380

**Correlation is significant at the 0.01 level (2-tailed).
Source: Authors

Table 4. Correlations of SMEs perception towards tax compliance.

		Compliance	Design-online	Accutex	Understanol
Compliance	Pearson correlation	1	-0.099	-0.42	0.018
	Sig. (2-tailed)		0.054	0.409	0.731
	N	380	380	380	380
Design-online	Pearson correlation	-0.099	1	0.930**	.605**
	Sig. (2-tailed)	0.054		0.000	0.000
	N	380	380	380	380
Accutex	Pearson correlation	-0.42	.930**	1	.526**
	Sig. (2-tailed)	0.409	0.000		0.000
	N	380	380	380	380
Understanol	Pearson correlation	0.018	0.605**	.526**	1
	Sig. (2-tailed)	0.731	0.000	0.000	
	N	380	380	380	380

**Correlation is significant at the 0.01 level (2-tailed).
Source: Authors.

negative correlation between SMEs perceptions and tax compliance. Thus, as SMEs perceptions decreases, tax compliance also decrease indicating that this relationship was not statistically significant at the 0.01 level. Also, the UNDERSTANOL variable showed a correlation coefficient value of 0.018. This is a very weak positive correlation between SMEs perceptions and tax compliance.

The model's unstandardized coefficients in Table 5 were examined in order to ascertain the effects of computer literacy levels, online tax filing security, and perceptions of online tax filing on tax compliance at a separate level. The levels of tax compliance would increase by 1.609 if the impacts of computer literacy level, perception of online tax filing, and online tax filing security all remained unchanged at zero as alluded by the regression equation's coefficient of intercept (1.609).

A unit decrease in online tax filing security would result in a unit decrease in tax compliance, according to the

Table 5. Coefficients.

Model	Unstandardized coefficients	Std. error	Standardized coefficients	t	Sig.	Correlations	Partial	Part	Collinearly statistics	VIF
	B		Beta			Zero-order			Tolerance	
1 (Constant)	1.609	0.099		16.326	0.000					
Online-swift	-0.363	0.122	-0.419	-2.968	0.003	0.016	-0.152	-0.145	0.119	8.390
Slow-internet	-0.002	0.119	-0.003	-0.017	0.986	0.063	-0.001	-0.001	0.064	15.578
E-filing secure	-0.223	0.104	-0.329	-2.149	0.032	-0.052	0-.111	-0.105	0.101	9.890
E-filing	0.142	0.057	0.417	2.512	0.012	-0.030	0.129	0.122	0.086	11.584
Accutax	0.129	0.067	0.276	1.927	0.055	-0.042	0.100	0.094	0.116	8.627
Easywebsite	0.397	0.127	0.563	3.136	0.002	0.079	0.161	0.153	0.074	13.566
Easy-tax returns	0.143	0.063	0.278	2.264	0.024	0.064	0.117	0.110	0.158	6.340
Design-online	-0.348	0.078	-0.751	-4.450	0.000	0-.099	-0.225	-0.217	0.083	11.999
Online-faster	-0.010	0.069	-0.015	-0.146	0.884	0.031	-0.008	-0.007	0.215	4.662

[a]Dependant variable: Compliance.
Source: Author's Computation from survey research (2023).

beta coefficient of online tax filing security, which is cumulatively -0.588 (-0.363, -0.002 and -0.223); t - statistics -0.751 (-0.419, -0.003, -0.223); and p-significance -5.134 (-2.968, -0.017, -2.149). Similar to the previous example, the cumulative beta coefficient for the perception of online tax filing is -0.215 (0.143, -0.348, and -0.010); the t statistic is -2.332 (2.264, -4.450, -0.146); and the p-significance is 0.908 (0.024, 0.000, 0.884), indicating that a unit decline in the perception of electronic tax filing would result in a 21.5% decline in tax compliance levels. In addition, an increase in computer literacy would result in a 0.668 (0.142, 0.129, and 0.397); t - statistics 7.575 (2.512, 1.927, 3.136); and p-significance 0.069. (0.012, 0.055, 0.002). With regards to the calculations, a single increase in SMEs' computer literacy levels will result in a 66.8% rise in tax compliance. According to their coefficients in the following linear regression equation, two independent variables cumulatively had a negative impact on the dependent variable, whereas one independent variable had a positive impact:

Tax Compliance = $1.609 + 0.668(x_1) - 0.588(x_2) - 0.215(x_3)$

Where x_1 = Computer literacy levels; x_2 = Online tax filing security; x_3 = Perception of online tax filing

DISCUSSION

The multiple correlation coefficients (R) in Table 6 demonstrated a significant and positive link between the dependent variable and the three independent variables, with a value of 0.349. The three independent factors nevertheless accounted for 12.2% of the variance in tax compliance, according to the factor determining the coefficient (R Square).

The three independent variables: computer literacy levels, the security of online tax filing, and attitudes toward tax compliance represented by ONLINESWIFT, SLOWINTERNET, E-FILING SECURE, EFILING, ACCUTAX, EASYWEBSITE, EASYTAXRETURNS, DESIGNONLINE, and ONLINE-FASTER account for the variation in tax compliance. The relationship between the variables under study is shown by the correlation coefficient, or R.

Computer literacy levels, the usage of the online tax filing system, and tax compliance are all correlated. Thus, an incremental rise in SMEs' computer literacy levels will result in an increase in tax compliance of around 66.8%. This proves that SMEs will pay their taxes on time provided they are familiar with online tax filing systems, internet usage, website use, and are supported by constant Wi-Fi or internet data availability. The results of the study by Cadiz- Gabejan and Takenaka (2021) agree with the results of this study, even though they looked at a different field.

Table 6. Summary of the model.

Model	R	R square	Adjusted R square	Std error of the estimate	R Square change	Change statistics F Change	df1	df2	Sig. F Change
1	0.349[a]	0.122	0.100	0.462	0.122	5.701	9	370	0.000

a. Predictors: (Constant), Online-faster, Accutax, Easy-tax returns, E-filing secure, Easy website, Design-online, Slow-internet
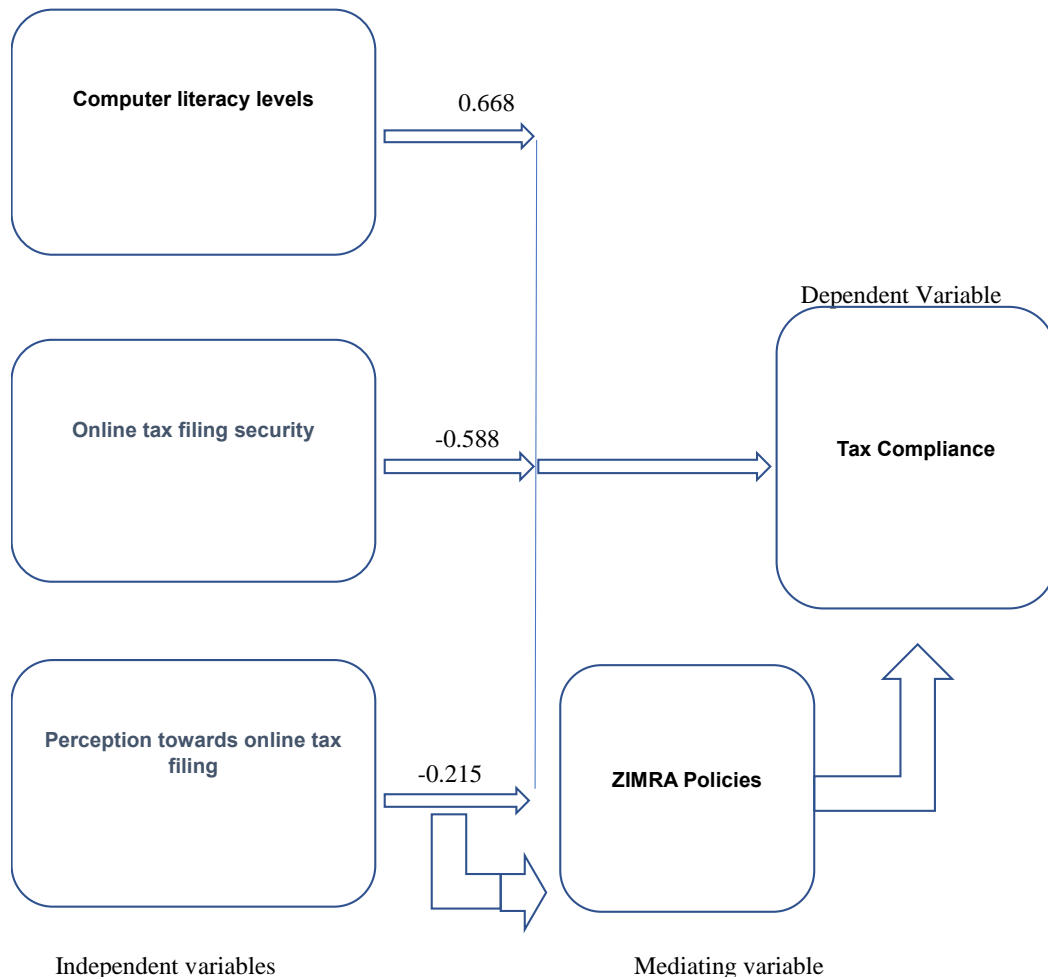Source: Author's Computation from survey research (2023).

Figure 2. Summary of the results model.
Source: Researcher's computation (2023).

Their research aimed to find out how much students in junior high school in the Philippines know about computers and if it affects how well they do in school. The study found out that the students need to improve their computer skills in word processing, making spreadsheets, creating presentations, and using computers in general. The study also revealed that if a student is good at using computers for certain subjects, their grades will be better in those subjects. According to the report, ZIMRA should step in and provide free e-filing seminars in all of its branches nationally in order for the improvement in tax compliance to continue.

A negative association between tax compliance and the security of online tax filing was also revealed by the results in Figure 2. This suggests that there will be a 58.8% decrease in tax compliance as a result of a one-time enhancement in the security of SMEs' online tax filing. This demonstrates that if people believe the online filing system is not safe enough, they will file fewer tax returns, and if the system keeps hanging up, they are

compelled to postpone completing their taxes. ZIMRA can change this by examining the online tax system in order to increase the server's effectiveness both during peak times and during regular times. Figure 2 also depicted the link between SMEs' perceptions of online tax filing and tax compliance. According to the findings, a temporary improvement in SMEs' attitudes toward online tax filing will cause a 21.5% drop in tax compliance. This suggests that taxpayers will not comply if they believe the online tax system is not simple, practical, user-satisfying, and user-friendly. In order to provide SMEs a favourable impression of the online tax filing system as well as by giving reasonable tax rates to improve tax compliance, ZIMRA may increase e-filing awareness programs to remedy this negative association. Consequently, it is anticipated that taxpayers (SMEs) will accurately calculate tax returns, submit tax returns on time, at the lowest possible cost, and pay the numerous tax returns to ZIMRA once all the negative correlations have been addressed and aggregated with the current strong relationships to improve tax compliance.

Recommendations

The study therefore finds that SMEs' computer literacy levels of the electronic tax filing system have a positive impact on their tax compliance. As a result, it recommends ZIMRA to offer taxpayers free computer tutorials on e-filing at its branches throughout the nation, review the online tax filing system to enhance security, and increase awareness campaigns to encourage a positive perception of the electronic tax filing system in order to maximize compliance. The recommendations made above are thoroughly emphasized below.

The study's results revealed a relationship between computer literacy and tax compliance when paying taxes online. This implies that ZIMRA should connect with the taxpayers and give them free computer training on e-filing in order to promote and raise the tax compliance rate of SMEs.

It is believed that people would cooperate to submit and pay for their different tax returns if the online tax filing system was secure. ZIMRA could consistently do this by utilizing well-known media including radio, television, and pamphlets. They were shown to be the most successful, while the use of the internet, newspapers, and workshops was found to be the least effective (Nyamwanza et al. 2014).

ZIMRA should uphold a positive company reputation and make sure that a welcoming client service culture is created in order to encourage taxpayers' voluntary and cooperative compliance (Siavhundu, 2020). He continued by saying that treating taxpayers properly would increase their sense of worth and ownership over the money being collected, which would improve tax compliance. ZIMRA must constantly address the major issue of corruption

among the board members, management, and all employees since it influences how taxpayers see tax compliance.

While we applaud ZIMRA for opening the first WI-FI free Self-service Facility (Kiosk) at Kurima House in Harare, we urge them to do the same as soon as possible in all other centres across the nation. This will improve computer literacy, which will increase tax compliance by encouraging more taxpayers to file tax returns and make payments. The fact that these facilities offer a platform for initial registration into ZIMRA's E-Services, recording Income Tax, VAT, and PAYE Tax Returns on E- Services and E- Taxes, and validating Tax Clearances granted on ZIMRA E-Services makes them essential for all taxpayers, not just SMEs. It is also important to remember that ZIMRA staff will be on ready to assist and direct any taxpayers who are having trouble using the E-Services.

Areas for further study

Based on the study's findings, conclusions, suggestions, and limitations, future research in the following areas might be suggested to advance our understanding of this topic and to support the study's findings. To come to a comprehensive conclusion regarding the effect of the computer literacy levels on the tax compliance of SMEs in Zimbabwe, it is first necessary to conduct more research on small and medium-sized businesses in other tax districts, such as Masvingo, Gweru, Kadoma, Beitbridge, Bulawayo, and Mutare. The effect of computer literacy levels on the tax compliance of important economic sectors including mining, transportation, and energy should also be investigated.

CONFLICT OF INTERESTS

The authors have not declared any conflicts of interests.

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