

Digitalization to Create Ease of Paying Taxes Framework for Real Estate Businesses in Ermita, Manila

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Abstract

This study investigates the impact of digitalization on the perceived ease of tax payments and its implications for achieving high tax compliance rates among real estate businesses in Ermita, Manila. Utilizing a quantitative-correlational analysis, data were collected from 278 employees of the Bureau of Internal Revenue. Findings reveal that the current electronic filing and payment system (eFPS) is generally perceived as user-friendly, yet users' express concerns regarding clarity and accessibility. The overall rating for the current tax payment process was "Moderately Agree" (Mean: 2.96). The digitization of tax payments, both as planned and implemented, shows improvements in efficiency, real-time feedback, and security, with users rating these aspects positively, indicating significant enhancements over the planned process. The transition to a digitized system has resulted in considerable benefits across operational dimensions, such as accuracy, cost efficiency, and transparency, all contributing to increased compliance. Furthermore, the study finds significant positive relationships between the digitization process and the benefits derived, with operational efficiency receiving a high rating (Mean: 3.72). Recommendations include enhancing user support and clarity in the eFPS, involving real estate businesses in feedback processes, and advocating for digital infrastructure investments. The study underscores the importance of continuous improvement in digital tax payment systems to foster higher compliance rates among real estate entities in Manila. Overall, fostering user confidence through robust security measures and responsive support services is essential for enhancing tax compliance.

Keywords: Digitalization, tax compliance, electronic filing, user experience, real estate business