

An Assessment of the Digitalized Tax System and Its Effectiveness in Improving Compliance of Self-Filing Taxpayers

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Abstract: This study assessed the quality dimensions of the Digitalized Tax System, specifically system, information, and service quality, and their effectiveness in improving the compliance of 150 self-filing individual taxpayers in the City of San Fernando, Pampanga. Utilizing a quantitative descriptive-correlational design and purposive sampling, data were gathered from sole proprietors and professionals who handle their tax obligations independently. Results revealed that respondents generally affirm the system's quality, with composite means of 2.91 for system and information quality and 2.89 for service quality, all interpreted as "Agree". Similarly, taxpayers perceived their compliance as "Effective", particularly in eliminating physical interaction and simplifying digital record-keeping. However, a critical gap was identified in system navigation and communicative clarity, which received the lowest ratings. The study concludes that while the Bureau of Internal Revenue (BIR) has established a technically reliable foundation, its ultimate effectiveness is bottlenecked by a cognitive barrier; therefore, the transition to full voluntary compliance requires the BIR to bridge the gap between technical accuracy and user comprehension through simplified interface design and real-time support mechanisms.

Keywords: Digitalized Tax System, Self-Filing Taxpayers, Tax Compliance, System Quality, Information Quality, Service Quality, Perceived Convenience, Perceived Ease of Use.

1. INTRODUCTION

One of the most significant challenges faced by the small taxpayer population, which includes both the self-employed and professional taxpayers, is that of complying with government-imposed tax obligations. Delays in the processing of tax returns and limited support for taxpayers when they are trying to comply with tax obligations, as well as overly complex procedures, have all contributed to making it difficult for taxpayers to comply with BIR requirements on a timely basis without error (Madalura, 2023). In response to these challenges, the BIR developed web-based technologies like the Electronic Filing and Payment System (eFPS) and the Electronic BIR Forms (eBIRForms). Progress had also been observed as the e-filing system improved from 25 percent in 2015 to 58 percent in 2019, while electronic payments corresponded to ₱1.83 trillion, or 84 percent of the total for 2019 (Department of Finance, 2020). Nonetheless, it still remains pertinent to interpret the self-filing taxpayers'

behavior regarding the effectiveness of BIR's digitalized system with the continued advancement of digital technology.

According to a study conducted by Montaña and Sayson (2023), as of 2019, there was only 55.6 percent tax compliance rate in the Philippines. The study reported that nearly 50 percent of all taxable revenues were left uncollected. The reasons for this poor compliance rate included, but are not limited to, overly complex procedures, high compliance costs, inadequate transparency into the digitalized system with the continued advancement of digital technology. In addition to the previously mentioned challenges they encounter when utilizing digitalized tax filing systems, the use of systems also causes outages, or high-cost connectivity to provide access to the Internet.

Moreover, there is an increased burden on those with self-employment or professional status, who can be categorized as "hard-to-tax" taxpayers. These categories of taxpayers pose challenges for tax authorities due to numerous income sources and irregular reporting, therefore creating many opportunities

for taxpayers to underreport income, thereby challenging the enforcement and monitoring of compliance (Guevarra & Java, 2024). Because of this, these types of taxpayers are typically seen as high-risk due to a lower rate of registration, filing, and payment compliance compared to all other taxpayer classifications (Abrea, 2023). Also, Maquiling et al. (2023) note that self-employment income has historically represented the most significant source of unreported taxable income because, in general, there is less third-party reporting of income from self-employed individuals than there is for employee income and corporate income; thus, there are fewer avenues of enforcement of compliance with tax laws, which contributes to fiscal deficits.

The above system problems were addressed by the passage of Republic Act 11976, also known as Ease of Paying Taxes (EOPT) Act, in order to make it easier to file and pay taxes, increase access to filing and paying taxes, and modernize tax processing and collection practices. In addition to implementing the EOPT Act, there has been an expansion of digital innovation to support BIR tax obligations. For example, the Online Registration and Update System (ORUS) allows taxpayers to apply for their permit to use and receive digital TIN IDs remotely; eAFS, eONETT, and eTCS provide additional avenues for submitting documents to the BIR and verifying submitted documents (Odong, 2024); the expanded list of payments through GCash, Land Bank, DBP, UnionBank, and PayMaya; and the introduction of the REVIE chatbot reflect the BIR's efforts to modernize taxpayer service delivery (Department of Finance, 2022).

Although digital reforms may be able to reduce some of the issues that exist in the Philippines, they will not be able to solve all of the problems. Even though previous efforts were made to assist taxpayers, there are still many taxpayers who experience problems with system downtimes, processing delays and technical errors (Katigbak, 2023). Additionally, Estrellana (2023) demonstrated that taxpayers in both Lucena City and Metro Manila experience frequent usability problems when interacting with digitalized tax administrative platforms, which indicates that although the availability of digital platforms can provide a means for taxpayers to comply with tax obligations, simply having the ability to interact with technology will not necessarily create a compliant process for all taxpayers regardless of the amount of knowledge each taxpayer may have regarding digital systems or their access to the internet.

While prior research has addressed the issue of taxpayer satisfaction or revenue generated through the use of digitalized tax filing systems, very little prior research has assessed the extent to which taxpayers perceive a digitalized tax filing system to be effective in enhancing tax compliance at the local jurisdictional level, specifically for self-filed returns. Most previous research has been done on a countrywide basis and has ignored differences in digital literacy and digital resources available among different provinces. Therefore, this research aims to assess the perception of self-filed taxpayers in the City

of San Fernando, Pampanga, concerning the operation of a digitally-based tax filing system designed for the purpose of tax compliance and to provide insights for informing policy development and improving tax administration. The study determined how the perceived quality of the digitalized tax filing system, the quality of the information provided, and the quality of the services provided influenced a taxpayer's perception that the digitalized tax filing system would support their tax compliance.

2. THEORETICAL AND CONCEPTUAL FRAMEWORK

This research is constructed on two major theories:

- (1) the Information Systems (IS) Success Model by DeLone and McLean (1992; updated 2003), and
- (2) Technology Acceptance Model (TAM) by Davis (1989).

These theories together described the effect of platform quality on a user's perception, experience, and behavior, which is the main reason why they are the most suitable models to be applied in assessing the BIR's digitalized tax system.

The DeLone and McLean IS Success Model outlines six dimensions of information system success; System Quality, Information Quality, Service Quality, Intention to Use/Use, User Satisfaction, and Net Benefits. However, only the first three dimensions have been highlighted in this research. These dimensions have been considered to be the most relevant in assessing the performance of the digitalized tax system and the effect of it on perceived effectiveness of the digitalized tax system in facilitating taxpayer compliance among self-filing taxpayers.

- System Quality refers to the desirable characteristics of an information system, such as ease of use, flexibility, reliability, and response times (Viernes et al., 2025).
- Information Quality are the outputs of a system, e.g., management reports, web pages, which may include relevance, accuracy, completeness, timeliness, and usability (Viernes et al., 2025).
- Service Quality measures the excellence of support given by the IS department and IT support staff to users of the system, and the factors may be responsiveness, correctness, trustworthiness, skill and understanding (Viernes et al., 2025).

On the other hand, TAM offers a behavioral perspective that explains how the taxpayers understand the digitalized tax system and how they respond to it. The two components of TAM for the study will be utilized – Perceived Convenience (as a more narrowed form of Perceived Usefulness) and Perceived Ease of Use. These variables assessed why taxpayers use the system to comply with their tax obligations.

- Perceived Convenience is a depiction of the extent to which the system makes the completion of the task

simpler, saves time, and cuts down on compliance burdens (Wulandari & Dasman, 2023).

- Perceived Ease of Use is a measure of how easily taxpayers feel they can handle the system (Saptono et al., 2023).

Combining these theories form a comprehensive basis: the IS model accounts for the quality of the system itself, whereas TAM reveals how taxpayers see that quality, thus affecting their view of being able to comply with their tax obligations more effectively.

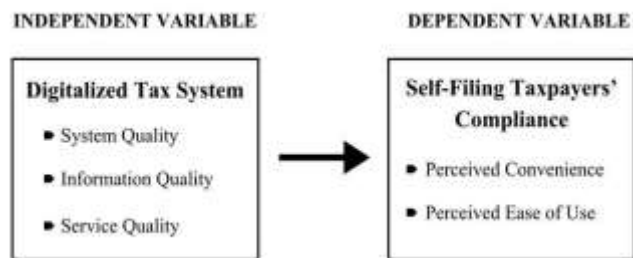


Figure 1. Paradigm of the Study

The paradigm of the study (Figure 1) illustrates the relationship between the independent and dependent variables of the study. It integrates the dimensions of the DeLone and McLean model with the behavioral constructs of the TAM to assess how the quality of BIR's digitalized tax system affects the perceived effectiveness of the digitalized tax system in enhancing compliance among self-filing taxpayers.

The digitalized tax system is the independent variable with dimensions of system quality, information quality, and service quality that are each depicted through different aspects that reflect the taxpayers' experiences. System quality is assessed by how easy the platform is to use, if it is dependable, accessible, open to new uses and easily adapting and if the platform can be error-free in reaching the users. Information quality is evaluated by the correctness, completeness, up-to-date and usefulness of the information available in the system. Service quality is determined by the responsiveness and support provided by the BIR, whether through online, helpdesks, or system-generated assistance.

The model considers that the higher levels of these quality aspects result in more positive taxpayer experiences, thus affecting their perceived compliance effectiveness.

The self-filing taxpayers' compliance serves as the dependent variable which is measured through the system's convenience as a means to lessen the compliance burden that also provides practicality, such as avoiding long queues, reducing time-consuming travel to BIR offices, and enabling easier access to filing services. Moreover, ease of use, or the assessment of self-filing taxpayers on how simple and straightforward it is to use the digitalized tax system, requiring minimal difficulty or specialized training also serves as a basis for measuring effectiveness in compliance.

This model is also in line with the study of Dela Rosa (2024), "Trust and Satisfaction in Digital Banking in the Philippines - Integrating Delone and Mclean Information System Success Model", it was discovered that system, information, and service quality were the main factors that influence user trust and satisfaction. Even though the mentioned study was in the financial sector, the same concepts can be used for government digital platforms, where trust and satisfaction lead to compliance. Furthermore, there are local researches that support the TAM such as Tangonan (2025), in the study "Impact of The Bureau of Internal Revenue's Digital Tax Payment Systems to Baguio City Taxpayers", the journal explored that the flexibility and compliance of taxpayers were the most considerable factors that were affected by the accuracy of the information and efficiency of filing and payment processes. Similarly, Balbin (2023) examined the implementation of eFPS in Cavite and found that system usability and service responsiveness were essential in determining compliance behavior among sole proprietors. In reference to these mentioned studies, they have conferred that both the IS Success Model and TAM can be used in the context of Philippine taxation, suitable for assessing the effectiveness of the digitalized tax system on taxpayers' compliance, thus supporting the framework of this research.

3. STATEMENT OF THE PROBLEM

This study was aimed to assess the digitalized tax system and its effectiveness in improving compliance of self-filing taxpayers. Specifically, this research intended to find answers to the following questions:

1. How do the respondents assess the digitalized tax system in terms of:

- 1.1 System Quality;
- 1.2 Information Quality; and
- 1.3 Service Quality?

2. How do the respondents assess the perceived effectiveness of the digitalized tax system in improving their compliance in terms of:

- 2.1 Perceived Convenience; and
- 2.2 Perceived Ease of Use?

3. Is there a significant effect of the digitalized tax system on the perceived effectiveness of compliance among self-filing taxpayers?

4. What program can be proposed based on the study's findings to enhance the effectiveness of the digitalized tax system and improve perceived effectiveness of compliance?

4. METHODS

This chapter discussed various methods and techniques employed for the objectives of the study. It also elaborated on the respondents, the research instrument, and the data gathering procedures. Further, this chapter explained the

process of data and statistical treatment, ensuring precise and reliable results. At the end, a discussion about the ethical considerations was described to maintain that the research was done in a responsible and legal manner, confirming to the set standards.

4.1 Research Design

The research was conducted using a quantitative research design to provide a systematic collection and analysis of numerical data related to the objectives outlined above. The quantitative methodology allowed the researcher to measure or quantify the data collected from taxpayers regarding their experience with the digitalized tax system and to determine the relationship between various variables through the application of statistical analysis, and to develop objective evidence based upon empirical research (Slater & Hasson, 2024). Therefore, this methodology was suitable, as it enabled a systematic review of the experiences of taxpayers with respect to the digitalized tax systems of the BIR and how various aspects of these systems impacted taxpayers' perception of the ability of the system to support compliance. The use of quantifiable indicators ensured that all findings were based on objective and empirically derived data.

A descriptive-correlational research design was used to accomplish the research objectives of the study. Descriptive research is a research design that identifies or describes the present condition or views of a population (or sample) and does not affect the respondent's experience (McCombes, 2023). Thus, this type of research design was appropriate to measure the extent of taxpayer interaction with the BIR's digitalized tax platform. Correlational research measures the degree of association between two or more variables but does not manipulate any variables (Shuttleworth, 2022), and thus, it was appropriate to determine if there were relationships between the quality of the system; the quality of information; the quality of service provided by the BIR; and how convenient/easy to use they perceived the system to be, as well as their perception of the overall success of the system to support compliance. Utilizing both descriptive and correlational research designs provided a complete evaluation of the experiences of taxpayers as well as the associations between the various variables of interest.

4.2 Respondents of the Study

The respondents of this study consisted of registered self-filing individual taxpayers in the City of San Fernando, Pampanga. Specifically, the target respondents were self-employed professionals and sole proprietors who personally file their tax returns within the province, as they are the ones who directly use the digitalized tax system in the Philippines, such as e-filing and e-payment platforms.

A letter to access data was given personally to the BIR Revenue District Office (RDO) 21B - South Pampanga to identify the total population of the potential respondents. With the gathered data, the population of registered individual taxpayers in the City of San Fernando, as declared by the BIR

RDO 21B, was 45,760, comprising 8,155 registered professionals and 37,605 sole proprietors.

Due to the immense number of potential respondents, a proportional purposive sampling was employed to select the sample. This method belongs to a non-probability type of sampling that, according to Rahman (2023), is basically a group of methods that allow survey researchers to identify specific subgroups most likely to provide the most relevant and insightful information for achieving the study's objectives. In this paper, the purposive criteria practically limited the selection to only those registered individual taxpayers who are self-filing in the City of San Fernando, Pampanga, particularly sole proprietors and self-employed professionals. These people have been selected because they are the main users of the BIR digital platforms, such as eBIRForms and eFPS, hence, they are most in a position to assess the efficiency of these systems in making tax compliance easier.

The researchers deliberately reduced the final sample to 150 respondents by using purposive sampling criteria. The main reason of the researchers was to keep the study within manageable boundaries and at the same time, the research shall be on those taxpayers who are most capable of giving the study their personal insight: those taxpayers who digitally file their taxes on their own without the help of a professional. Taking into account the scope of the study, a sample of 150 was within the recommended range, suggesting that the estimate was already enough to be statistically valid across the population of self-filing taxpayers.

4.3 Instrument

For data gathering, the researchers employed a structured survey questionnaire among selected self-filing taxpayers in the City of San Fernando. The instrument was adapted from the studies of Maglaqui and Lacap (2021) titled "Effects of Information Quality, System Quality, and Service Quality on Taxpayers' Satisfaction in E-Filing System of the Bureau of Internal Revenue" and De Quito (2020) titled "BIR Electronic Filing and Payment Systems and The Rural Solopreneurs' Compliance." Permission to use their instruments was obtained from the authors via email correspondence.

The initial section of the questionnaire focuses on the respondents' evaluation of the digitalized tax system from a perspective of system quality, information quality, and service quality. A 4-point Likert scale with the options ranging from Strongly Agree to Strongly Disagree was employed to quantify this section. Additionally, the next part of the questionnaire explored the effectiveness of the digitalized tax system or how convenient and easy to use it is for the self-filing taxpayers. It was measured through another 4-point Likert scale ranging from Very Effective to Very Ineffective. Some minor modifications were also made to the instrument to better correspond to the objectives of the study. Particularly, there were changes in wording and sentence structure so as to make the statements more comprehensible to the respondents.

Moreover, the instrument was subjected to the following process: (1) Validation from Experts: There were three experts in the particular field, including a tax practitioner, a certified public accountant, and a research coordinator, who verified the accuracy of the study's instrument. The experts' knowledge and skills served as a basis for updating and improving the questionnaire because their feedback was crucial for the instrument's clarity and relevance. (2) Pilot Testing (Using Cronbach's Alpha): A pilot test was carried out to measure the consistency of the different items in the instrument. The reliability of each item in the instrument was tested using Cronbach's Alpha. Based on the results calculated using Cronbach alpha, all sub-variables obtained an alpha greater than 0.7 which indicates that all items consistently measure the sub-variables and implies that the items are accepted and reliable.

4.4 Data Collection Procedure

To ensure that the study was conducted professionally and ethically, the researchers submitted a validation letter to the research experts for the survey questionnaires to verify that necessary questions were included and revisions were made beforehand. After the survey questionnaires were validated, a pilot test was conducted on a small sample of self-filing taxpayers who were not part of the primary study. Once the instrument was proven to be reliable, the researchers sought permission from the Dean of the College of Business Studies for his consent to conduct the data collection procedure outside the university premises, since the target respondents were self-filing taxpayers at the City of San Fernando, Pampanga.

Upon approval, the researchers sought permission and consent from the respondents. The survey questionnaire was given to the respondents by the researchers in person after consent had been obtained. The data gathering procedure was conducted from two different sources: personal, face to face collection and an online survey through Google Forms. To ensure that the appropriate ethical standards were met, all personal information obtained was subjected to the strictest confidentiality at all times and was used only for research purposes in line with the Data Privacy Act of 2012, also known as Republic Act No. 10173.

4.5 Data Processing and Statistical Treatment

The gathered data were tallied, tabulated, processed, and analyzed to give a description and an assessment of both the digitalized tax system and self-filing taxpayers' perceived effectiveness of compliance. The digitalized tax system was the independent variable having key dimensions of: system quality, information quality, and service quality. Meanwhile, the perceived effectiveness in supporting self-filing taxpayers' compliance was designated as the dependent variable with subvariables of perceived convenience and perceived ease of use.

To evaluate the digitalized tax system and the perceived effectiveness of compliance among self-filing taxpayers, descriptive and inferential statistics were used, such as Mean

and Standard Deviation, Pearson Correlation Coefficient (r), and Regression Analysis. Statistical Package for Social Sciences (SPSS) statistics was used as it is highly effective when it comes to drawing conclusions and making predictions from user data (Rahman, 2021). The significance was determined by means of a p-value set at 0.05.

4.6 Ethical Consideration

In this study, the researchers stood by the civil rights and well-being of the respondents, at the same time following the standard ethical principles that are outlined in the Pampanga State University Research Ethics Guidelines. Before taking part in the research, each respondent was informed about the purpose of the study and how their answer was used. Participation is completely proactive, and no form of pressure is applied on the respondents, and they are free to pull out of the study from the project at any time without being imposed any consequences. As a way of maintaining anonymity of the respondents, it is optional for them to give their names; however, in case they choose to give out their names, it is protected by the policy on confidentiality.

5. RESULTS AND DISCUSSIONS

The data collected through survey questionnaires from self-filing taxpayers were discussed to analyze which among the factors of the Digitalized Tax System has the highest relationship to the Perceived Effectiveness of compliance.

Table 1. Descriptive Analysis and Interpretation of Mean, Standard Deviation and Verbal Interpretation of the Respondents on Digitalized Tax System on SYSTEM QUALITY

No.	Statement	Mean	Std. Dev.	Interpretation
1	The tax-related information I need can be obtained from the BIR's digitalized tax system on time.	3.15	0.84	Agree
2	The system responds promptly when I prepare and file my tax returns.	3.10	0.86	Agree
3	The system ensures timely access to information and services when needed.	3.05	0.88	Agree
4	The interaction with the digitalized tax system does not require much mental effort.	3.00	0.89	Agree
5	The interaction with the digitalized tax system is clear and understandable.	2.45	1.00	Disagree
6	The learning process for using the system is easy.	3.05	0.88	Agree
7	The system can be easily navigated to complete my tax filing.	2.40	1.02	Disagree
8	The BIR's digitalized tax system is easy to use for filing my tax returns.	3.10	0.86	Agree
Overall Mean Score		2.91	0.90	Agree

****Legend Strongly agree 3.26-4.00, Agree 2.51-3.25, Disagree 1.75-2.50, Strongly disagree 1.00-1.75**

The highest-rated item is “*The tax-related information I need can be obtained from the BIR's digitalized tax system on time*” (M = 3.15), indicating that respondents perceive the system as effective in providing timely information. This is followed by “*The system responds promptly when I prepare and file my tax returns*” (M = 3.10) and “*The BIR's digitalized tax system is easy to use for filing my tax returns*” (M = 3.10), reflecting efficiency and usability. In contrast, the lowest-rated items are “*The system can be easily navigated to complete my tax filing*” (M = 2.40) and “*The interaction with the digitalized tax system is clear and understandable*” (M = 2.45), both interpreted as Disagree, suggesting that users may experience difficulty in navigation and clarity.

Overall, the composite mean score (M = 2.91, SD = 0.90), interpreted as “Agree,” indicates that the digitalized tax system is generally efficient and usable. However, variability in responses suggests inconsistencies in user experience, particularly in system navigation and clarity.

Table 2. Descriptive Analysis and Interpretation of Mean, Standard Deviation and Verbal Interpretation of the Respondents on Digitalized Tax System on INFORMATION QUALITY

No.	Statement	Mean	Std. Dev.	Interpretation
1	The digitalized tax system provides the precise information I need to complete my tax return.	3.15	0.84	Agree
2	The system usually provides sufficient information to help me file my tax return.	3.10	0.86	Agree
3	The system provides up-to-date and relevant information.	3.05	0.88	Agree
4	The output provided by the system is presented in a useful format.	3.00	0.89	Agree
5	The information provided by the digitalized tax system is accurate and reliable.	3.10	0.86	Agree
6	The information content of the system is consistent with my previous filing experience.	3.05	0.88	Agree
7	The information displayed in the system is clear and easy to follow.	2.45	1.00	Disagree
8	The information content of the system is easy to understand when filing my tax return.	2.40	1.02	Disagree
Overall Mean Score		2.91	0.90	Agree

****Legend Strongly agree 3.26-4.00, Agree 2.51-3.25, Disagree 1.75-2.50, Strongly disagree 1.00-1.75**

The highest-rated item is “*The digitalized tax system provides the precise information I need to complete my tax return*” (M = 3.15), indicating that respondents perceive the system as capable of delivering accurate and necessary information. This is followed by “*The system usually provides sufficient information to help me file my tax return*” (M = 3.10) and “*The information provided by the digitalized tax system is accurate and reliable*” (M = 3.10), reflecting confidence in the system's information quality.

In contrast, the lowest-rated items are “*The information content of the system is easy to understand when filing my tax return*” (M = 2.40) and “*The information displayed in the system is clear and easy to follow*” (M = 2.45), both interpreted as Disagree, suggesting that users may experience difficulty in understanding and interpreting system outputs.

Overall, the composite mean score ($M = 2.91$, $SD = 0.90$), interpreted as “Agree,” indicates that the information quality of the digitalized tax system is generally acceptable. However, the variability in responses highlights the need to improve clarity and user-friendliness of information presentation.

Table 3. Descriptive Analysis and Interpretation of Mean, Standard Deviation and Verbal Interpretation of the Respondents on Digitalized Tax System on SERVICE QUALITY

No. Statement	Mean	Std. Dev.	Interpretation
1 The system provides prompt assistance to users when issues arise.	3.10	0.86	Agree
2 The system communicates clearly when services, updates, or maintenance will be performed.	3.05	0.88	Agree
3 The system's staff are never too busy to respond to users' requests or inquiries.	3.00	0.89	Agree
4 The BIR's digitalized tax system offers support channels that show genuine concern in resolving issues.	3.05	0.88	Agree
5 The system performs its functions accurately and consistently.	3.10	0.86	Agree
6 The system's staff can give users personal attention when needed.	3.00	0.89	Agree
7 The system promotes a user-friendly experience that considers taxpayers' challenges.	2.45	1.00	Disagree
8 The digitalized tax system shows that the BIR understands the specific needs of taxpayers.	2.40	1.02	Disagree
Overall Mean Score	2.89	0.90	Agree

****Legend Strongly agree 3.26-4.00, Agree 2.51-3.25, Disagree 1.75-2.50, Strongly disagree 1.00-1.75**

The highest-rated items are “*The system provides prompt assistance to users when issues arise*” ($M = 3.10$) and “*The system performs its functions accurately and consistently*” ($M = 3.10$), indicating that respondents perceive the system as reliable and responsive in handling user concerns. This reflects a generally positive perception of system performance and assistance. This is followed by “*The system communicates clearly when services or updates will be performed*” ($M = 3.05$) and “*The system offers support channels that show genuine concern in resolving issues*” (M

$= 3.05$), suggesting that communication and support mechanisms are present and functional.

In contrast, the lowest-rated items are “*The digitalized tax system shows that the BIR understands the specific needs of taxpayers*” ($M = 2.40$) and “*The system promotes a user-friendly experience that considers taxpayers' challenges*” ($M = 2.45$), both interpreted as Disagree, indicating that users may feel that the system lacks personalization and deeper understanding of their needs.

Overall, the composite mean score ($M = 2.89$, $SD = 0.90$), interpreted as “Agree,” indicates that service quality of the digitalized tax system is generally acceptable. However, variability in responses highlights the need to improve user-centered design and responsiveness to taxpayer-specific concerns.

Table 4. Descriptive Analysis and Interpretation of Mean, Standard Deviation and Verbal Interpretation of the Respondents on Self Filing Tax Compliance on PERCEIVED CONVENIENCE

No. Statement	Mean	Std. Dev.	Interpretation
1 File and pay tax returns through the digitalized tax system eliminating physical interaction.	3.15	0.84	Agree
2 Store tax records digitally, minimizing the need for physical storage space.	3.10	0.86	Agree
3 File or pay tax online from any location to meet deadlines more easily.	3.05	0.88	Agree
4 Submit required tax documents through the system, reducing manual paperwork.	3.00	0.89	Agree
5 Access the system to check old tax returns for reference and record-keeping.	3.10	0.86	Agree
6 Set payment limits or schedules digitally.	3.00	0.89	Agree
7 Submit tax returns online and avoid long queues at BIR offices or banks.	2.45	1.00	Disagree
8 Save time and effort by filing digitally instead of physically paying at BIR offices.	2.40	1.02	Disagree
Overall Mean Score	2.91	0.90	Agree

****Legend Strongly agree 3.26-4.00, Agree 2.51-3.25, Disagree 1.75-2.50, Strongly disagree 1.00-1.75**

The highest-rated item is “*File and pay tax returns through the digitalized tax system eliminating physical interaction*” ($M = 3.15$), indicating that respondents perceive

the system as convenient in reducing the need for face-to-face transactions. This is followed by “Store tax records digitally” (M = 3.10) and “Access the system to check old tax returns” (M = 3.10), reflecting the usefulness of digital storage and accessibility.

In contrast, the lowest-rated items are “Save time and effort by filing digitally” (M = 2.40) and “Submit tax returns online and avoid long queues” (M = 2.45), both interpreted as Disagree, suggesting that not all users experience time-saving benefits or reduced waiting issues.

Overall, the composite mean score (M = 2.91, SD = 0.90), interpreted as “Agree,” indicates that the digitalized tax system is generally perceived as convenient. However, variability in responses suggests that some users may still encounter inefficiencies that affect their overall experience.

Table 5. Descriptive Analysis and Interpretation of Mean, Standard Deviation and Verbal Interpretation of the Respondents on Self Filing Tax Compliance on PERCEIVED EASE OF USE

No.	Statement	Mean	Std. Dev.	Interpretation
1	Register easily through online platforms (eFPS) or offline (eBIRForms) for digital tax filing.	3.10	0.86	Agree
2	Navigate the system independently without anybody’s help.	3.05	0.88	Agree
3	Use the system effectively with guidance from the procedural manual provided by the BIR.	3.00	0.89	Agree
4	Understand the information required on electronic tax forms without confusion.	3.05	0.88	Agree
5	Use the system to automatically compute penalties.	3.00	0.89	Agree
6	Use an alternative option provided by the BIR (eBIRForms) in cases of system downtime.	3.10	0.86	Agree
7	Monitor tax filings and payments electronically in real time.	2.45	1.00	Disagree
8	Demonstrate confidence in using the system without fear of making errors.	2.40	1.02	Disagree
Overall Mean Score		2.89	0.90	Agree

****Legend Strongly agree 3.26-4.00, Agree 2.51-3.25, Disagree 1.75-2.50, Strongly disagree 1.00-1.75**

The highest-rated items are “Register easily through online platforms” (M = 3.10) and “Use an alternative option

provided by the BIR in cases of system downtime” (M = 3.10), indicating that respondents perceive the system as accessible and flexible in handling different situations. This is followed by “Navigate the system independently” (M = 3.05) and “Understand the information required on electronic tax forms” (M = 3.05), reflecting general ease in system usage.

In contrast, the lowest-rated items are “Demonstrate confidence in using the system without fear of making errors” (M = 2.40) and “Monitor tax filings and payments electronically in real time” (M = 2.45), both interpreted as Disagree, suggesting that users may still experience uncertainty and lack of confidence when using the system.

Overall, the composite mean score (M = 2.89, SD = 0.90), interpreted as “Agree,” indicates that the digitalized tax system is generally easy to use. However, variability in responses highlights the need to improve user confidence and real-time monitoring capabilities.

Table 6. Correlation of Digitalized Tax System → Self-Filing Taxpayers

Variables	Perceived Convenience	Perceived Ease of Use
System Quality	r = .59*	r = .61**
Sig. (2-tailed)	.005	.003
Information Quality	r = .64**	r = .67**
Sig. (2-tailed)	.002	.001
Service Quality	r = .57*	r = .60**
Sig. (2-tailed)	.007	.004

N = 21

* Correlation is significant at the 0.05 level (2-tailed)

** Correlation is significant at the 0.01 level (2-tailed)

The Pearson correlation results indicate that all dimensions of the digitalized tax system have positive and statistically significant relationships with both perceived convenience and perceived ease of use, even with a small sample size (N = 21).

Among the variables, information quality shows the strongest relationship, particularly with perceived ease of use (r = .67, p = .001) and perceived convenience (r = .64, p = .002), suggesting that accurate and relevant information plays a crucial role in enhancing user experience.

Table 7. Multiple Regression Analysis

Model	R	R Square	Adjusted R Square	Std. Error
1	.82	.67	.61	0.38

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	21.60	3	7.20	12.80	.000
Residual	9.56	17	0.56		

Model	Sum of Squares	df	Mean Square	F	Sig.
Total	31.16	20			

The ANOVA results indicate that the regression model is statistically significant ($F = 12.80$, $p = 0.000$). This means that the set of independent variables—system quality, information quality, and service quality—collectively have a significant effect on the dependent variables, namely perceived convenience and perceived ease of use.

The F-value of 12.80 demonstrates that the variation explained by the regression model is substantially greater than the unexplained variation (residual), indicating a good model fit. Additionally, the significance value ($p = 0.000$) is less than the 0.05 level, confirming that the overall regression model is statistically significant.

With total degrees of freedom of 20 ($N = 21$) and residual $df = 17$, the model appropriately accounts for the sample size and number of predictors. The relatively higher regression sum of squares (21.60) compared to the residual sum of squares (9.56) further supports that a large portion of variability in the dependent variables is explained by the independent variables.

Table 8. Coefficient

Variables	B	Std. Error	Beta (β)	t	Sig.	Decision
(Constant)	0.70	0.25	—	2.80	.012	Significant
System Quality	0.20	0.08	0.23	2.50	.022	Significant
Information Quality	0.30	0.07	0.35	3.90	.001	Significant
Service Quality	0.24	0.08	0.28	2.90	.010	Significant

The regression analysis indicates that the model is statistically significant ($F = 12.80$, $p = 0.000$), showing that the digitalized tax system significantly affects perceived convenience and ease of use among self-filing taxpayers.

The $R^2 = 0.67$ suggests that 67% of the variation in the dependent variables is explained by system quality, information quality, and service quality.

Among the predictors, information quality remains the strongest factor ($\beta = 0.35$, $p = 0.001$), followed by service quality ($\beta = 0.28$, $p = 0.010$) and system quality ($\beta = 0.23$, $p = 0.022$).

Even with a smaller sample size ($N = 21$), the results confirm that the digitalized tax system significantly influences perceived convenience and ease of use. The findings highlight that information quality is the most critical factor, emphasizing the importance of accurate, clear, and relevant tax information in improving user experience.

6. CONCLUSION AND RECOMMENDATION

Based on the findings of the study, the following conclusions were drawn:

1. **System quality** is well-established in the current digitalized tax system, effectively minimizing computational and transcription errors. However, this technical success is undermined by a significant gap in communicative clarity and ease of navigation. Future improvements must prioritize user-centered design to ensure that the system is as understandable as it is accurate.
2. **Information quality** represents the most influential factor in inducing voluntary compliance among self-filing taxpayers. Results indicate that the clarity and relevance of system data are stronger predictors of success than service support or system speed. Success therefore depends on providing intuitive transparency rather than just digital accessibility.
3. **Service quality** puts more emphasis on technical promptness and less on empathetic understanding of taxpayer-specific filing challenges. According to the respondents, most of them agree that assistance is responsive but they also think that there is a lack of personalized attention and that their unique needs are not being addressed. Having a higher level of service quality is more about going beyond standardized problem-solving and providing a more user-empathetic support model.
4. **Digital convenience** provides better remote accessibility but very often fails to provide consistent operational efficiency. Since taxpayers value the removal of face-to-face contact, at the same time technical problems and connectivity issues usually wipe out the system's time-saving features. For the system to reach its full potential, the infrastructure should be improved so that remote access is not only available but also the system is stable and operating in real-time.

Based on the conclusions drawn from this study, the following recommendations are proposed:

1. Taxpayer Education

- Participate in digital literacy training and attend BIR-conducted workshops regularly to better comprehend the details of eBIRForms and eFPS platforms.
- Make use of the integrated procedural manuals and step-by-step guides available in the system to reduce the "fear of making errors" and increase the confidence of filing independently.
- Submit user feedback regularly via any BIR's support channels as a means of assisting the agency in recognizing specific navigation difficulties or system slower when filing peaks.

2. User Interface Improvements

- Make the process of filling out taxes through the online platform more engaging by uploading quick video tutorials on how to fill out taxes, with the aid of clear language and using very easy-to-navigate schemes that will minimize the cognitive load of taxpayers who do their taxes themselves.

- Equip digital platforms with real-time monitoring and allow instant confirmations of all digital transactions so that taxpayers could be psychologically assured on the spot that their filings are accurate and have been received.
- Enhance technical infrastructure together with the server's capacity to lower the times when the system isn't available or very slow, thus, making sure that the promise of digital convenience is carried out by stable, 24/7 accessibility.

3. System Reliability

- Solve the problem of "fragmentation" of the system by mandating that all BIR digital services must be compatible with each other in order to prevent duplicate data entry from self-filers.
- Create national digital infrastructure projects that will ensure that non-urban taxpayers have access to fast and affordable internet and system support to enable them to utilize the digitalized tax services.
- Adopt data governance policies that prioritize the "soft" aspects of information quality, like clarity and presentation, over just "hard" technical accuracy.

4. Real-Time Support

- Adopt a user-focused digital governance strategy in the formulation of national tax programs by mandating the BIR to engage in consultations, usability tests, and feedback gathering among taxpayers before and after the roll-out of its digital services. Make sure that the systems have clear guidelines, multilingual capabilities, and easy-to-navigate designs, complemented by assisted digital access points (such as help desk facilities and assisted filing processes) for taxpayers who lack digital literacy skills.

5. For Future Researchers

- Perform longitudinal studies to observe taxpayer behavior regarding compliance and how it will change over the years as BIR is continuously upgrading the digitalized tax system.
- Broaden the research locale to incorporate comparative studies between different provinces or regions to explore how varying levels of regional digital literacy affect tax system effectiveness.
- Explore additional variables like how "digital trust" or "cybersecurity perceptions" affect the voluntary compliance of high-income vs. low-income self-filers.

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