



Understanding the Acceptance Intention for Consumers toward Using E-VAT (Value-Added Tax) Refund System

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ARTICLE INFO	ABSTRACT
Published Online: 23 November 2022	Electronic tax or value-added tax (VAT) refund system is a computerized tax administration system that is especially designed to handle general tax administration from registration, assessment, filing returns and processing of claims and refunds. This study was conducted with the aim to develop a model of factors influencing the intention to use the electronic value-added return tax refund system and the impact of these factors on the intention toward using the system. It provides solutions to encourage enterprises to use when the system is officially deployed. Specifically, this research tried to predict the intention of the taxpayer's interest in using the electronic value added tax refund system by applying Technology Acceptance Model (TAM). This research takes the taxpayers in Dong Nai tax department in Vietnam as the samples with total of 196 respondents. Data were analyzed using Structural Equation Modeling (SEM) which consists of two stages: the measurement model (measurement model) and the structural model. The research finds that the perceive ease of use has a significant positive effect on perceived usefulness, attitude, and intention to use electronic value added tax refund system. In addition, the path from perceived usefulness to attitude and to intention are also supported. Finally, the path from attitude to intention is also supported.
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KEYWORDS: Acceptance intention, electronic value-added tax (e-VAT) refund system, perceived ease of use, perceived usefulness, attitude	

1. INTRODUCTION

The Government of Viet Nam has issued Resolution 36a / NQ-CP in October 2015 to promote the implementation of e-government to ensure the effective function of public agencies, better services for people, and against the competitive of the country. Resolution identifying 2015-2017 is a critical period for the development of e-government, with supporting the development of electronic services, IT infrastructure and human resources for government.

The General Department of Taxation has successfully implemented e-tax declaration services and e-tax payment, continuing to offer new solutions for the provision of electronic public services, namely value added tax (VAT). This solution is considered a new move of the tax branch in the transparent roadmap of state management in the network environment, improving the quality and efficiency of serving the people and enterprises.

The focus of this study is on the intention to use the electronic tax return system. One of the tax mechanisms to

be discussed in this study related to the VAT refund system is an application (software) administered by the General Department of Taxation for use by taxpayers for easy filing. Accordingly, electronic VAT refunds shall be applied in the following cases:

- + Export tax refund.
- + The investment project shall be completed with the refunded tax amount.
- + Proposing the refund of value added tax according to the provisions of the Value Added Tax Law.

This study applied related literature and theory, namely the Technology Acceptance Model proposed by Davis (1989) which is one of the most influential extensions of Ajzen and Fishbein's theory of reasoned action (TRA). Generally speaking, technology acceptance model is one of the famous intention model which examined the attitude toward using IT and IS in technological research field (Venkatesh, 2000).

This present study tries to examine the relationships between perceived usefulness, perceived ease of use with their positive and significant effect on the attitudes towards using electronic VAT refund in Vietnam. We also tries to investigate the attitude towards use electronic VAT refund are having positive and significant effect on the intention to use electronic VAT refund.

This study was conducted with the aim to develop a model of factors influencing the intention to use the electronic value added tax refund system of enterprises in Dong Nai tax department and the impact of these factors on the intention to use the system. It provides solutions to encourage enterprises to use when the system is officially deployed.

2. THEORETICAL BACKGROUND

2.1 VAT AND VAT REFUND SYSTEM

Many taxes should be considered for business who operated in Vietnam. The operations tax including corporate income tax; various with holding taxes; capital assignment profits tax; value added tax; import duties; personal income tax of Vietnamese and expatriate employees; social insurance, and unemployment insurance and health insurance contributions. In particularly, value-added tax (VAT) is imposed on the supply of goods and services at three different rates: 0 percent, 5 percent and 10 percent.

Following the results of the electronic tax declaration and payment services, the taxation sector continues to introduce a new solution for providing electronic public services, it is electronic value added (VAT). This solution is considered as a new move of the tax sector in the roadmap for transparency of state management activities in the network environment, raising the quality and efficiency of serving the people and enterprises.

Electronic VAT refund is an electronic public service that allows the tax sector to receive the dossiers and return the results of VAT refund dossiers electronically. In addition to providing electronic services which receive dossiers and return the results to taxpayers, the tax agency’s system also has internal processing functions such as monitoring, issuing decisions, or informing, ... to facilitate enterprises as well as support the tax agency to well manage the VAT refund. The dossiers, documents, notices, and decisions related to the process of handling tax refund dossiers of taxpayers are sent to tax offices or vice versa via the electronic information gate of the General Department of Taxation will bring many benefits to the parties.

Especially, from the beginning of 2017, the Ministry of Finance has piloted the e-tax refund service at 13 provinces, including Dong Nai, with the aim of striving to reach 100% of enterprises in the field of exports and investment subject to VAT refund registering to use the e-tax refund service. (Hong Van and Kieu Oanh, 2017)

E-tax refund is identified as a public service which is a tax refund form that taxpayers must send tax refund dossiers and receive feedback and refunded amount via electronic

system without presenting at the tax offices. Taxpayers can check the time of dossier submission and the time of receiving the refunded amount as described.

The implementation of the e-tax refund will help to reduce costs and times for enterprises and to create a fairer and opener business environment. From the pilot to now, Dong Nai has implemented the e-tax refund service for over 400 enterprises in the province.

2.2 TECHNOLOGY ACCEPTANCE MODEL (TAM)

TAM (Technology Acceptance Model) is the theory that uses information technology/ information systems (IT/IS) that are considered to be commonly used to describe the individual acceptance of using IT/IS in the field of IS.

TAM replaces many of TRA's attitudinal measures by adopting two technologies - ease of use and usefulness. TRA and TAM both have strong behavioral factors, assume that they will be free to act without limitation when someone forms an intention to act. In the real world, there will be many restrictions, such as limited freedom of act (Bagozzi, Davis & Warshaw 1992). TAM can be investigated in user acceptance of IT/IS. It is examined with posited individual causal links across a considerable variety of technologies, users, and firm context (Hu et al., 1999).

Based on the explanation above and the discussion of this research related to the electronic VAT refund systems, the Technology Acceptance Model (TAM) is the most accurate theory implementation for this study.

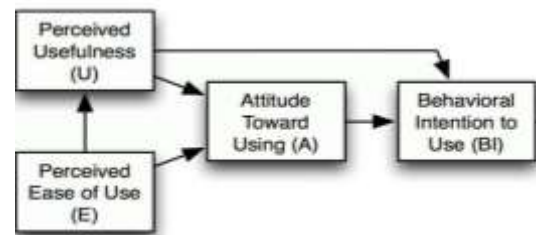


Figure 1: Technology Acceptance Model

Research has been carried out June in 2017 for studying the intention to use e-VAT refund system of taxpayers. This study focuses on the enterprise in Dong Nai taxation department to integrate theorie namely TAM. The results of the study showed that the taxpayers love the benefits of the use of (perceived usefulness) e-VAT refund system.

This research investigated the key factors on receiving e-VAT refund among taxpayers with TAM. The proposed model for further observation consists of three constructs which are perceived usefulness, ease of use and Attitude toward usage.

The results showed that the intention is influenced by all latent variables. Some of the results discussed before regarding the adoption or acceptance of e-VAT refund system by the taxpayers provide the same conclusion. The same result was mainly related to several constructs that are often used by researchers to use application that TAM perceived usefulness and ease of use. intention to use e-

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VAT refund system by the taxpayers when connected to the attitude toward usage, the use of perceived usefulness and ease of use.

3. RESEARCH MODEL AND HYPOTHESES

According to the previously literature review, the research model was shown in Figure 2 following by the hypotheses. This study suggested that the perceived ease of use, perceived of usefulness, attitude towards using e-VAT refund system would positively influence taxpayer’s intention. Totally, there are four constructs being measured in this study: perceived ease of use, perceived of usefulness, attitude towards using e-VAT refund system, and intention towards using e-VAT refund system. Constructs were measured using multi-item scales.

This research used two variables exogenous which are perceived usefulness and perceived ease of use and two variables endogenous which are attitude towards using e-VAT refund and intention to use e-VAT refund system, where all these variables are measured by Likert scale in ranging from 1 to 5. In addition, all of the measurement items selected from previous studies of Davis (1989) and Huang and Chang (2005).

- H1: Perceive ease of use of e-VAT refund system has a significant positive effect on perceived usefulness of e-VAT refund system
- H2: Perceived usefulness has a significant positive effect on attitude towards using of e-VAT refund system
- H3: Attitude towards using e-VAT refund system has a significant positive effect on intention towards using e-VAT refund system
- H4: Perceived ease of use o has a significant positive effect on attitude towards using e-VAT refund system
- H5: Perceived ease of use has a significant positive effect on intention towards using e-VAT refund system
- H6: Perceived usefulness has a significant positive effect on intention towards using e-VAT refund system

4. FINDINGS

4.1 PROFILE OF RESPONDENTS

A total of 21 valid questionnaire items (including items measured constructs and profile of the respondents) were retrieved. SPSS for Windows version 20 is used as the analytical tool for the analysis of data. The profile of the respondents is listed in Table 1.

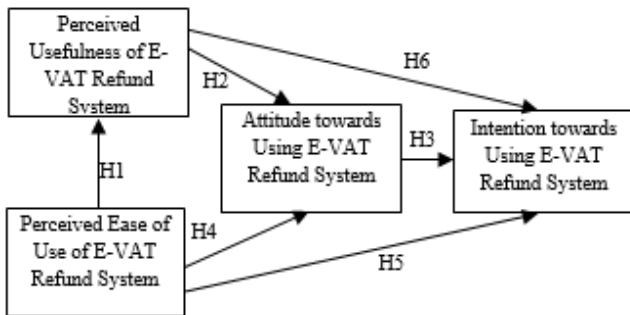


Figure 2: The research model

Table 1: Profile of the respondents

Measure	Items	Frequency	Percentage (%)
GENDER	Male	53	27.0
	Female	143	73.0
AGE	15~24	5	2.6
	25~34	60	30.6
	35~44	128	65.3
	45~54	3	1.5
POSITION	Top manager	2	1.0
	Middle manager	2	1.0
	First-line manager	23	11.7
	Employee	169	86.2
OCCUPATION	IT	1	0.5
	Government employee	14	7.1
	Military, Police and Fireman Department	5	2.6
	Transportation and shipping	22	11.2
	Trade	100	51.0
EDUCATION	Medical	44	22.4
	High school/Vocational High school	65	33.2
	University and College	112	57.1
	Graduate School and Above	19	9.7

EXPERIENCE TO USE	0 year	76	38.8
E-VAT REFUND SYSTEM	1~2 year	84	42.9
	>2 years	36	18.4

4.2 MEASUREMENT MODEL

The first step is to assess the strength of measurement between the items and their associated constructs. According to the CFA results, the weak loadings of AT4 item indicate that it is not constitutive elements of attitude, as initially postulated. After deleting this variable, we re-examined the CFA model again. Consequently, the parameter estimates and fit indices demonstrated that the dimensions are a good fit for the observed covariances among the item measures. In addition, all of the items have the loadings larger than the threshold of 0.5. For the current CFA model, $\chi^2/d.f.$ is 2.88 ($\chi^2 = 181.17, d.f. = 63; p < .001$), AGFI is 0.80, CFI is 0.96, NNFI is 0.95, and SRMSR is 0.039. Hence, the fit statistics seem to indicate that each scale captures a significant amount of variation in these latent dimensions, suggesting adequate model fit.

Furthermore, as can be seen in Figure 3, all of the construct reliabilities (ρ values) are greater than the recommended value of 0.6 (Fornell and Lacker, 1981). Therefore, the reliabilities of these constructs are within acceptable levels.

4.3 STRUCTURAL MODEL

The test results of the structure are summarized in Figure 3. Overall, the fit statistics indicated a good fit of our model with the data collected from the validated measures ($\chi^2/d.f.$ is 2.98, AGFI is 0.88, CFI is 0.97, NNFI is 0.96, and SRMSR is 0.025) Hence, the fit statistics seem to indicate that each scale captures a significant amount of variation in these latent dimensions, suggesting adequate model fit.

With respect to the hypothesis, all of the paths exhibited significance at the $p < 0.05$ level providing strong support for proposed model the of an empirical investigation of intention toward using VAT e-tax refund system. The results showed that, perceive ease of use have a significant positive effect on perceived usefulness (H1, $\gamma = 0.82, p < 0.001$), attitude (H4, $\gamma = 0.24, p < 0.001$), and intention (H5, $\gamma = 0.16, p < 0.01$). In addition, the path from PU to attitude (H2, $\beta = 0.45, p < 0.001$) and to intention (H6, $\beta = 0.51, p < 0.001$) are also supported. Finally, the path from attitude to intention is also supported (H3, $\gamma = 0.68, p < 0.001$).

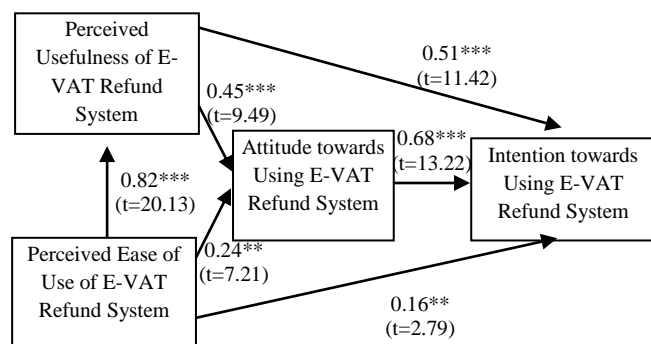


Figure 3: The result of the research model

5. CONCLUSION AND SUGGESTION

5.1 CONCLUSION

The results of this study have clarified some of the issues related to the intention to use the taxpayer's electronic VAT refund system. First, perceive ease of use demonstrated a significant positive effect on perceived usefulness. It means that learning to use the value added tax refund system would be easy for taxpayers, resulting in finding it easy for VAT refund by using the value added tax refund system. Thus, it would be easy for them to become skilful. Thus, the tax payers feel e-VAT refund system is usefulness for them to claim the tax refund.

In addition, perceive ease of use and perceived usefulness also shown have significant positive effects on attitude. However, perceived usefulness showed a more important factor than perceived ease of use when they effect to taxpayer's attitude toward using electronic value added tax refund system, which means that by using electronic value added tax refund system, it is certainly can improve the performance, productivity, enhance effectiveness of taxpayers in value added tax refund than just easy to use.

According to the result of the research model, perceive ease of use, perceived usefulness, attitude also present significant positive effects on intention, while attitude is the most important factor for all of the 3 antecedents, following by perceived usefulness. Thus, the enterprises should to concentrate on the usefulness of an e-VAT refund method and cultivate attitude towards using it, and the compatibility of e-VAT refund method with taxpayers' practice is a crucial antecedent to their intention.

5.2 SUGGESTIONS FOR FUTURE RESEARCH

Future studies can target consumers who have never used e-VAT refund to study the comments and acceptance factors of these two group (have experience of using e-tax services system and have no experience in the system). Additional research is also needed to determine whether the results of this study can be replicated in other tax refunds services. This present empirical research can be used in practical situation and also a reference for other e-tax refunds systems.

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