

Want honesty? Make it the easiest choice, research suggests

November 24 2015

The temptation is always there: include every last bit of income you earned last year on your tax return—or not?

New research has found that we're more likely to do the right thing in situations of moral conflict when it requires little to no effort. If income information is automatically entered into our tax return, we may be less likely to alter it to something that is incorrect once it's there.

However, the passive response can promote cheating, too. When faced with a blank return, we may conveniently "forget" to fill in those bothersome boxes for things like extra money made on investments, which might push our taxes higher.

"We don't think there is one solution for all situations in which you are tempted to be dishonest, but we definitely know from prior research that people tend to accept the status quo," said researcher Nina Maar, an associate professor of marketing at the University of Toronto's Rotman School of Management. She co-wrote the study with Rotman colleague Scott Hawkins, also an associate professor of marketing.

As part of their work, the researchers ran an experiment to gauge how people would behave under different choice scenarios where there was a financial gain attached to their answers.

Participants cheated most when it meant passively ignoring an incorrect answer with higher financial value that had been automatically generated

for them, rather than actively creating the dishonest response themselves.

However, cheating was virtually eliminated when the scenario was set up so that participants were automatically given the honest response and had to override it if they wanted to give a different answer that carried a bigger financial gain.

Participants who cheated had slower reaction times than those who did not, suggesting some psychological struggle.

Previous research has shown that default options can encourage compliance with public policy goals, such as promoting higher rates of organ donation. The results of this study have implications for a variety of self-report situations, including insurance applications and claim forms, as well as tax returns. The paper suggests that more people may comply with tax reporting rules if their reporting mechanisms—such as tax preparation software—require a response even in cases where individuals don't have anything to report (i.e. requiring to type in \$0 rather than leaving the field blank) or pre-fill key fields with available information.

Prof. Maar has already been in discussions with the Canadian revenue agency about how her research may apply to [tax](#) collection issues.

The paper was published in a recent issue of the *Journal of Experimental Social Psychology*.

Provided by University of Toronto

Citation: Want honesty? Make it the easiest choice, research suggests (2015, November 24) retrieved 25 April 2024 from <https://phys.org/news/2015-11-honesty-easiest-choice.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.