

Men more likely to try to dodge paying tax

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Men are significantly more likely than women to try to evade paying tax, researchers have found.

A new study shows men under-report their income, while [women](#) are more honest. Men are more willing to contribute their full share of tax when they are given more information about what their money pays for.

Governments around the world are working to collect more [tax revenue](#) from citizens. Their focus has been on tackling [tax evasion](#), but this research suggests tackling the gender pay gap and increasing female participation in the workforce could be more effective.

Researchers from the "Willing to Pay" project surveyed almost 1,500 people in the US, UK, Sweden and Italy, running tests to gauge attitudes about paying tax among people who self-report their income.

Dr. John D'Attoma, from the University of Exeter Business School, who was part of the research team, said: "We have found robust evidence that tax compliance is greater for women than men. But men are more responsive to the incentives attached to paying taxes.

"Women are compliant even when they do not expect anything in return, and we had this result in every country where we ran the experiment. This shows that equal pay and measures to bring more women into the labour market could really have an impact in shrinking the tax gap."

Researchers conducted a laboratory experiment where groups of people in each country performed a mock clerical task, which entitled them to "earn" a small amount of money. They were then asked to self-report their "income" so the tax they had to pay could all be calculated and collected. Groups taking part in the experiment were told there was a five per cent chance their earnings would be audited, and if they were caught cheating they had to pay a financial penalty of twice what they would

have had to pay in tax. People who took part in the experiment completed a total of three clerical tasks and nine reporting rounds, each with different experimental conditions, such as varying tax rates and tax structure. The tax revenue was divided equally between the participants after every session.

In Italy, in the first round of the experiment, women on average reported 69 per cent of their income, while men reported 38 per cent. As they increased the amount returned in the form of a [public good](#), this difference was reduced to 10 per cent, demonstrating that men are highly sensitive to incentives. In Sweden women reported 69 per cent of their [income](#), and men reported 37 per cent. In the UK the results were 48 per cent for women and 23 per cent for men and in the USA 66 per cent for women and 50 per cent for men.

Dr. D'Attoma said: "We wanted to test both willingness to pay taxes, and willingness to contribute to public services. Our results suggest overall women are more willing to pay taxes and men respond more to the fact that they will get something, such as a public good, in return for their tax money."

The role of gender in the provision of public goods through tax compliance is published in the *Journal of Behavioral and Experimental Economics*.

More information: David M. Bruner et al. The role of gender in the provision of public goods through tax compliance, *Journal of Behavioral and Experimental Economics* (2017). [DOI: 10.1016/j.socec.2017.09.001](#)

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