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# REPORT

## **SATISFACTION LEVEL OF INDIVIDUALS WITH THE TAXPAYER SERVICES AND THE ACTIVITY OF THE STATE TAX SERVICE**

**PREPARED FOR:** The State Tax Service

**IMPLEMENTER:** S.C. MAGENTA CONSULTING S.R.L.

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**Table of contents:**

<b>SUMMARY</b> .....	
.....ОШИБКА! ЗАКЛАДКА НЕ ОПРЕДЕЛЕНА.	
<b>INTRODUCTION</b> .....	<b>8</b>
i.1 Purpose and objectives of the study.....	8
i.2 Applied methodology.....	8
i.3 Research limits and barriers .....	<b>Ошибка! Закладка не определена.</b>
<b>CHAPTER I: GENERAL ASPECTS</b> .....	<b>11</b>
<b>CHAPTER II: GENERAL OPINION OF THE POPULATION ON THE PERFORMANCE, EFFICIENCY AND TRANSPARENCY OF THE STATE TAX SERVICE</b> .....	<b>Ошибка! ЗАКЛАДКА НЕ ОПРЕДЕЛЕНА.</b>
<b>CHAPTER III: THE OPINION OF THE POPULATION ON THE SERVICES PROVIDED BY THE STATE TAX SERVICE</b> .....	<b>19</b>
<b>CHAPTER IV: THE PERCEPTION OF ACTIONS BY THE POPULATION AS PRACTICES THAT REDUCE THE ACCESS, EFFICIENCY AND TRANSPARENCY IN THE ACTIVITY OF THE STATE TAX SERVICE</b> .....	<b>Ошибка! ЗАКЛАДКА НЕ ОПРЕДЕЛЕНА.</b>

**Figures:**

Figure 1.1. Distribution of respondents by gender, age, environment, region and sector. **Ошибка! Залкадка не определена.**

Figure 1.2. Distribution of respondents by occupation and education level..... 11

Figure 1.3. Distribution of respondents by income. .... 12

Figure 1.4: "Q2. Have you interacted with the STS over the past 12 months for the following types of services? (one answer per line)" ..... 12

Figure 1.5: "Q3. Have you communicated with the State Tax Service as an individual or as a representative of a legal entity? (multiple answers)" ..... 13

Figure 1.6: "Q4. How did you interact with the State Tax Service over the last 12 months? (multiple answers)" ..... 13

Figure 1.7: "Q5. How many times have you interacted with the STS as an individual over the last year? Please consider any type of interaction - visit, phone call, letter (one possible answer)" ..... 13

Figure 2.1: "Q6. To what extent were you satisfied with the interaction with the STS employees when you communicated with them...? If you have communicated several times or with different employees and the impression was different - give an average mark. Please use a scale of 1 to 5, where 1 - not at all satisfied and 5 - very satisfied. (one answer per line)" ..... 14

Figure 2.2: "Q7. Could you comment on what exactly you disliked when you communicated with the STS? (free answer)" ..... 15

Figure 2.3: "Q8. How do you assess the following aspects while solving your petitions? Please rate on a scale of 1 to 5, where 1 = unsatisfactory and 5 = very good. (one answer per line)" ..... 15

Figure 2.4: "Q11. When you refer to the STS, is your question solved? Please think both about situations when you needed an answer to a question, and when you needed a service. (one possible answer)" ..... 16

Figure 2.5: "Q12. To what extent do you agree with the following statements on a scale of 1 to 5, where 1 = disagree and 5 = totally agree. (one answer per line). Topics: Accessibility for voluntary compliance; Transparency; Clarity, information" ..... 16

Figure 2.6: "Q12. To what extent do you agree with the following statements on a scale of 1 to 5, where 1 = disagree and 5 = totally agree. (one answer per line). Topics: Employees; Convenience; Tax consciousness" ..... 17

Figure 2.7: "Q29. How would it be most convenient for you to find out about citizens' tax provisions (one answer per line)" ..... 18

Figure 2.8: "Q31. When you visited the STS premises, to what extent have you been satisfied with the ambience and the fitting out of the headquarters? (one possible answer)" ..... 18

Figure 3.1: "Q8B. To what extent are you satisfied with the services provided by the State Tax Service? (one possible answer)" ..... 19

Figure 3.2: "Q9. Have you heard about the electronic services offered by the STS, such as: (one answer per line)" ..... 19

Figure 3.3: "Q10. Have you ever used this service? (one answer per line)" ..... 20

Figure 3.4: "Q12. To what extent do you agree with the following statements on a scale of 1 to 5, where 1 = disagree and 5 = totally agree. (1 answer per line). Topic: Convenience" ..... 21

Figure 3.5: "Q13. Did you submit your income statement in 2018? (multiple answers possible)" ..... 21

Figure 3.6: "Q15. How easy was it for you to fill your paper income statement in? (one possible answer)" ..... 21

Figure 3.7: "Q16. Has anyone helped you fill your paper income statement in? (one possible answer)" ..... 22

Figure 3.8: "Q17. How do you rate the entire process of submitting the paper income statement at the STS premises? (one possible answer)" ..... 22

Figure 3.9: "Q18. How easy was it for you to fill in the income statement in electronic format? (one possible answer)" ..... 22

Figure 3.10: "Q20. Have you ever been in the position when, after filling the statement in, you realize that the state is due to you with a certain amount of money (one possible answer)" ..... 22

Figure 3.11: "Q21. Have you ever tried to recover this money? (one possible answer)" ..... 23

Figure 3.12: "Q22. How easy was it to recover this money? (one possible answer)" ..... 23

Figure 3.13: "Q23. Did you access the STS website (sfs.md) when filing the income statement or for other purposes? (multiple answers)" .....	23
Figure 3.14: "Q24. How satisfied are you with the STS website (sfs.md) on a scale of 1 to 5, where 1 - not at all satisfied and 5 - very satisfied? (one possible answer)" .....	24
Figure 3.15: "Q25. What do you think needs to be improved about the STS website? (free answer)" .....	24
Figure 3.16: "Q30. How do you assess the quality of the services provided by the STS compared to other state institutions? (one possible answer)" .....	24
Figure 4.1: "Q12. To what extent do you agree with the following statements on a scale of 1 to 5, where 1 = disagree and 5 = totally agree. (1 answer per line)". Topic: Corruption" .....	25
Figure 4.2: "Q14. What were the barriers which determined you to submit your income statement in paper form instead of online? (multiple answers)" .....	<b>Ошибка! Закладка не определена.</b>
Figure 4.3: "Q19. Have you faced the following difficulties in connection with the electronic platform? (one answer per line)" .....	26
Figure 4.4: "Q26. Have you ever had to pay a fine / penalty to the STS? (one possible answer)" .....	26
Figure 4.5: "Q27. This fine was the result of the fact.." .....	27
Figure 4.6: "Q28. To what extent are you familiar with the the tax legislation that is applicable to you as a citizen (one possible answer)" .....	27
Figure 4.7: "Q32. What other recommendations do you have for the STS? (free answer)" .....	27

## SUMMARY

The primary purpose of the research was to study the satisfaction level of taxpayers (individuals) who have interacted with the State Tax Service from January 1, 2017 until the day of the interview.

The survey was conducted on a national sample of 1026 respondents, aged 16+. The data was collected from November to December 2018 using face-to-face interviews.

As a result of the survey among individuals who have interacted with the State Tax Service, from January 1, 2017 until the day of the interview (according to the data presented in the table), it was determined that about 69% of them are satisfied by the services provided by the STS.

Using the survey data, an integrated indicator was calculated. The method of the integrated indicator calculation, which represents the satisfaction of individuals with the services provided by the State Tax Service, was developed together with the beneficiary, based on the strategic priorities of the institution. For the calculation of this indicator, some questions (presented in the table) that correspond to the development priorities of the institution were selected. Each aspect has been assigned a coefficient of importance that has been used for weighting. Thus, the integrated indicator of the satisfaction of individuals with the services provided by the STS, which represents the weighted average of the selected items, was calculated.

<b>The share of individuals who agree with the statements below.</b> % = the sum of the weights for 5 points (totally agree) and 4 points (rather agree).		<b>Weighting</b>	<b>Weighted indicator, %</b>
<b>Statement</b>	<b>%</b>		
"The STS offers various services (conditions) for taxpayers to comply with tax laws voluntarily"	71	5%	3.55
"The legislative framework is sufficiently accessible for taxpayers to act in accordance with it"	60	5%	3.00
"The STS provides services in an operative manner"	63	5%	3.15
"The STS has provided a description of the tax administration processes, thus ensuring transparency of actions and decisions"	59	5%	2.95
"Every time I search for tax information, I find it without difficulty"	62	5%	3.10
"The STS employee speaks an accessible language with me (Romanian/Russian)"	78	5%	3.85
"The STS employees are competent and often know how to answer my questions"	72	5%	3.60
"The STS employees I interacted with showed kindness and willingness to help"	73	5%	3.65
Individuals who are generally satisfied with the interaction with State Tax Service employees	83	10%	8.30
Individuals who are satisfied with the services provided by the State Tax Service	68	50%	34.00
<b>INTEGRATED INDICATOR (weighted average)</b>			<b>69.15%</b>

As a result of the survey, it was established that over the past 12 months most individuals have interacted with the State Tax Service in the process of filing the income statement (66%) and about 38% contacted the STS in order to obtain information. Most of the respondents also claimed that they communicated face to face with a STS employee (80%) as an individual, representing their own interests (96%). A quarter of the participants claim to have interacted with the State Tax Service by phone using the Call Center number.

About 56% of the citizens who visited the STS premises are satisfied with the ambience and location of the headquarters.

Regarding the frequency of interaction, more than half of the citizens (57%) said they had interacted with the STS once during the last year. And about a quarter said they communicated twice during the same time period.

On a scale of 1 to 5, where 1 is not satisfied at all and 5 - very satisfied, the respondents assessed the degree of satisfaction with the interaction with STS employees, depending on the way of communication. Thus, more respondents were generally satisfied with the interaction (82%) and with the face-to-face conversation (72%). At the same time, more than half of the people were undecided about the level of satisfaction with the telephone interaction, but not with the hotline, electronic mail and traditional letters.

Respondents who were not satisfied with communicating with the STS employees listed the following unpleasant issues: the employees do not explain clear enough (19%), employees should be more affable (15%), and the disrespect for the citizen (14%).

The population was offered a list of issues present at the time of resolving the petitions made to the State Tax Service. Respectively, more than half of the participants rated most of the issues as good and about half gave the same appreciation to the electronic services available at the moment. However, the most appreciated aspects are: courtesy (77%) and the professional competence of the STS officials.

Regarding the ability of the State Tax Service to answer the questions of the population, most of the respondents argue that always or in most of the cases when they referred to the STS, their petitions have been solved (88%).

On a scale of 1 to 5, where 1 is strongly disagree and 5 - totally agree, individuals have declared their agreement or disagreement with some claims about the accessibility for voluntary compliance, transparency and clarity of information. Generally speaking, over half of the citizens claim that they agree with positive statements about the subjects mentioned above. And the largest share of respondents said they agreed with the assertion that the STS provides various services for taxpayers to comply with the tax legislation voluntarily (71%).

In terms of claims about the employees, convenience and fiscal consciousness, the population's answers were more diverse. Thus, 78% agree that the STS employee talks to the citizens in a usual language for them, and about three-quarters have agreed to the statements about the competence, kindness and willingness to help of the STS officials. On the other hand, most respondents said they disagreed with the claim that if they paid higher taxes and fees, they would live in a more developed country (40%).

The population has expressed their preferences regarding the methods of informing about the tax provisions for the citizens. Respectively, the largest share of respondents finds it convenient to be informed through the Call Center (61%). Half of them claimed they would like to find out about tax information through SMS notifications from the State Tax Service (49%), and about 44% prefer electronic notifications. Most people mentioned specialty magazines as the most inconvenient method of information (49%).

Most respondents are satisfied with the services provided by the State Tax Service (68%).

The people who heard about the services provided by the STS have expressed their opinion about the frequency of use. One third of the population uses the tax calendar, which sends emails about important tax reporting events, and 30% accesses taxpayer information and the taxpayer's current account. To a lesser extent, the online real estate service (21%) is used. In this context, it should be noted that about half of the citizens said they never used any of the services on the list.

47% of the population believe that the quality of the services provided by the State Tax Service is the same as in other state institutions, and about 42% have assessed the quality of the services provided by the STS as being better.

On a scale of 1 to 5, where 1 is strongly disagree and 5 - totally agree, people have expressed their views on some statements about the convenience of accessing the services provided by the STS. Thus, about one-third of the respondents agreed that when they came to the STS, they had to wait in line for a long time, and in the opinion of 45% of the citizens - there are still more services that could be provided online, so that the need to visit the STS premises for filing documents is eliminated.

In 2018, a 40% rate of the population filed the paper income statement, and about 18% completed the online statement. At the same time, a share of 36% chose not to file the income statement in 2018.

71% of the respondents who submitted the paper income statement claim that this procedure was easy for them. In this respect, 46% said they were not helped by a third person to complete the paper income statement. About 29% were helped by a personal acquaintance, and 26% referred to the STS for help with completing the paper income statement.

Most survey respondents claim to have filed their income statement on paper, and not in electronic format, because they did not know they could fill in the statement online (40%) and because they considered submitting the paper statement as safer (38%). And a quarter of citizens did not complete the online statement because they do not have an electronic signature.

For 69% of respondents, the process of filing a paper statement at the STS premises is easy, and a quarter said that this procedure is largely complicated. Of the people who filled in the electronic income statement, about 85% said the procedure was easy.

Among the difficulties encountered by respondents who submitted the online income statement, it is often mentioned that sometimes they cannot enter the online platform to access online services (39%).

Most of the citizens surveyed have never been in the position when, after completing the statement, they were told that the state owed them a certain amount of money (79%), and about 11% have been in this position. Most respondents, to whom the state owed a certain amount of money, have tried to recover that money. Assessing the degree of difficulty in the recovery process, 55% argue that it was easy to return the money, for 29% it was complicated and a rate of 16% of the citizens said it was very complicated to recover the debt from the state.

A quarter of the population visited the State Tax Service site in order to inform themselves, 14% filed the online statement, and 11% viewed the premise location and contact number. At the same time, a 63% share did not visit the State Tax Service's official website.

61% of the people who visited the STS website have claimed to be satisfied with the content and format of the page. At the same time, the respondents called for the following improvements that need to be implemented: the information should be written in a simpler language (9%) and the site should be simplified (5%).

About half of the participants agree that STS employees are honest and work properly without asking for gifts or bribes. About 47% of respondents strongly disagree with the statement that they have offered gifts to solve their problem. And 45% disagree with the statement: "The STS employee has never alluded that I should pay for any service."

Most of the population did not have to pay a fine to the State Tax Service (87%). Of those who have paid a penalty to the STS, about 61% claim that the fine was caused by the fact that they did not know that they had to pay certain fees. And one-third did not pay fees, though they knew about this obligation.

Respondents were asked to assess their knowledge of the tax legislation. Thus, about 38% know some of the tax legislation, a quarter knows little, and 27% are well aware of the legislative provisions in the field of taxation.

Among the citizens' recommendations to the State Tax Service, the most frequently mentioned were: taxes should be lower (8%), employees should be more friendly (4%) and work faster (4%). At the same time, 12% of the population said that everything was good in the STS activity.

## Introduction

This study was conducted by *Magenta Consulting* for the State Tax Service.

### i.1 Purpose and objectives of the study

**The primary purpose** of the research is to study the level of satisfaction of taxpayers (individuals) who have recently interacted with the STS - from January 1, 2017, until the day of the interview.

**The objectives of the study** are:

- Determining the perception** of the STS performance, efficiency, transparency, corruption in the STS, public trust and security about the fact that the STS is able to implement tax laws with efficiency, integrity and fairness.
- Establishing the perception** of the STS performance in delivering key services at a high quality level consistent with fair access, transparency and efficiency. These services can include key services, including phone and online channels, and compliance processes, such as digital services, controls and debt recovery.
- Determining the perception** of the way / practices by which the STS limits the access, efficiency and transparency, creates opportunities for corrupt practices and barriers to public confidence.

### i.2 Applied methodology

The data presented in this report was collected through a survey of citizens who have interacted with the State Tax Service over the last year. Similarly, patent holders and self-employed persons (i.e. notaries, lawyers, bailiffs, mediators, authorized administrators, judicial experts in judicial expertise offices) were included in this sample.

**Sample:** 1026 respondents.

**Margin of error:** ±3.1%.

**Method of data collection:** face-to-face survey, CAPI.

**Respondents:** representative national sample, respondents' age - 16+ years

#### i.2.1 Sample and data collection

Figure 1. Collected sample, N=1026, %

Group	District	Environment	No. of interviews
Group 1	Briceni, Edineț, Ocnița and Dondușeni	Urban	22
		Rural	52
Group 2	Soroca, Drochia and Florești	Urban	24
		Rural	56
Group 3	Bălți, Fălești, Glodeni, Râșcani and Sângerei	Urban	61
		Rural	73
Group 4	Orhei, Rezina, Șoldănești and Telenești	Urban	19
		Rural	65
Group 5	Chișinău	Urban	224
		Rural	22
Group 6	Anenii Noi, Criuleni, Ialoveni and Strășeni	Urban	15
		Rural	84
Group 7	Ungheni, Călărași and Nisporeni	Urban	24
		Rural	50
Group 8	Basarabesca, Hâncești, Leova and Cimișlia	Urban	18
		Rural	57
Group 9	Căușeni, Ștefan Vodă	Urban	9
		Rural	36
Group 10	UTA Găgăuzia	Urban	20
		Rural	28
Group 11	Taraclia, Cahul and Cantemir	Urban	20
		Rural	47
<b>Total</b>			<b>1026</b>



### **- Locality choice**

*Step 1.* In order to obtain a representative national sample, the territory of the country was divided into 11 geographical groups of the regions, each of them comprising on average 3 districts. This procedure allowed for geographically uniform interviews. The 11 geographic groups are similar to the former counties, which existed before the administrative-territorial reform of the Republic of Moldova.

For each geographical group, a list of urban, large rural, medium rural and small rural localities was compiled. These localities were randomized and a list of required localities was selected. The number of localities was determined by the fact that the interviews conducted in each locality were limited. Thus, in the big villages 15 interviews were conducted, in the middle villages - 13 interviews, and in the small villages - 10 interviews. Urban locations were randomly selected from the list of cities in each group.

### **- Household choice**

**In Chişinău**, the streets and starting points for each street were randomly selected. If the starting point was not a dwelling house or no one lived at that address, the operator went further, on the same side of the street, until he/she reached a dwelling house.

Using the random number table, depending on the number of apartments in the house, **the starting apartment** was selected. After that, the operator walked into every third apartment, bypassing two apartments.

**Return:** The operator returned twice to the apartments that were unavailable for the first time with an interval of minimum 4 hours.

**For other cities:** With the Google Maps map, the city has been divided into 4 proportional quadrants. Randomly, one of the quadrants was selected.

By default, the **street** and the **exact house** were randomly selected. Next, the rule was +3, bypassing 2 apartments and knocking on the third door in order to conduct the next interview.

**Villages:** The village has been divided into quadrants (for a small village of up to approximately 300 inhabitants - without quadrants, for villages of up to about 1000 inhabitants - 2 quadrants, for villages of up to about 1500 inhabitants - 3 quadrants and for villages larger than 1500 inhabitants - 4 quadrants). Subsequently, for each village that entered the sample, the quadrant was randomly selected. The starting point was fixed by default, and if the starting point was not accessible, the operator went on to the next house. Next, the +3 houses step was followed.

### **- Respondent choice**

If the household opened the door, the interviewer invited the person that **met the criteria** and **the last one who celebrated his/her birthday** to the interview. If this person was away for a long time (for example, working abroad), the interviewer chose the person who celebrated the birthday before the first person.

The operator entered the next household **without following the statistical step** in the following cases:

- the respondent refused to participate in the survey/interrupted the interview and refused to complete it;
- the respondent was drunk / behaved inappropriately;
- there were no persons in the household who met the selection criteria.

### **i.2.3 Structure of the questionnaire**

The questionnaire included 39 questions and lasted 15-20 minutes.

### **i.2.5 Interviewing**

The data was collected through face-to-face interviews using tablets. The interviews were conducted in Romanian or Russian, depending on the respondents' preferences. The person in charge of project logistics kept record of all the questionnaires coming out of the field, checked the quality of the work done and monitored the collection process.

### **Data entry**

The questionnaires filled in with the tablets were entered into the database when the interview was conducted. As soon as the interviewer completed the questionnaire, the data were transferred directly to the database via the Internet, eliminating thus the cost of duplicate insertions and helping to reduce errors.

**i.2.6 Data analysis**

After collecting the data, the obtained sample was compared with the planned sample. Due to the fact that several teams of interviewers are involved in the collection process at the same time, more questionnaires than the planned number were recorded for some regions / quotas. In this situation, the data weighting procedure was applied in order to adjust the obtained sample to the planned one. The data were based on data from the National Bureau of Statistics, according to region, environment and gender.

The collected data were analyzed using the SPSS statistical software.

**i.3 Research limits and barriers**

No barriers have been encountered during the research.

## CHAPTER I: GENERAL ASPECTS

In this chapter the information about the manner and frequency of interaction of individuals with the State Tax Service, the types of requested services and demographic data about the respondents is presented.

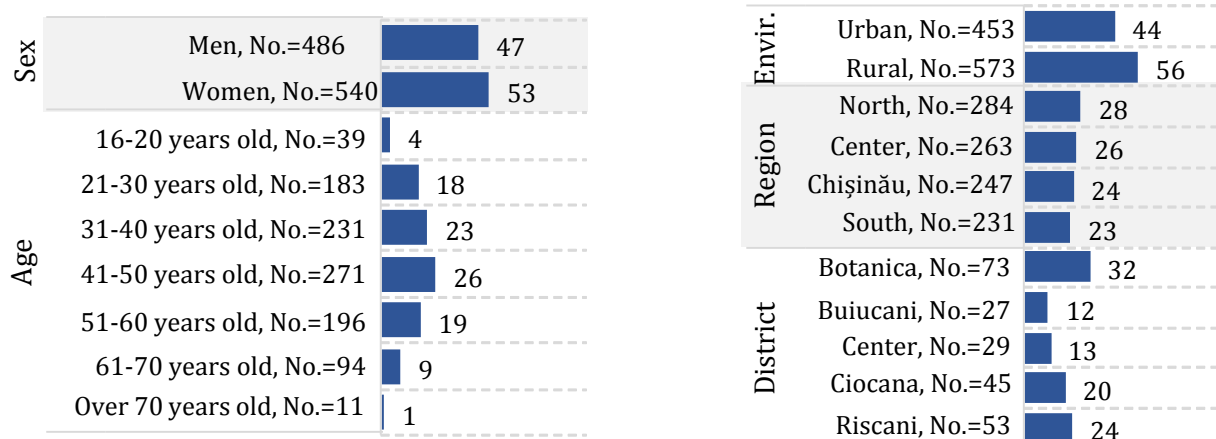
### The socio-demographic characteristics of interviewed individuals

In the survey, 53% of women and 47% of men were interviewed. Most respondents are aged between 31 and 50 (49%). Fewer participants in the research are 21-30 years old (18%) and 51-60 years (19%).

More than half of the respondents are from rural areas (56%) and about 44% are urban residents. The geographical distribution of interviewees is almost uniform - about one quarter of citizens are interviewed in each region.

Respondents in Chisinau predominantly live in Botanica (32%) and Râșcani (24%).

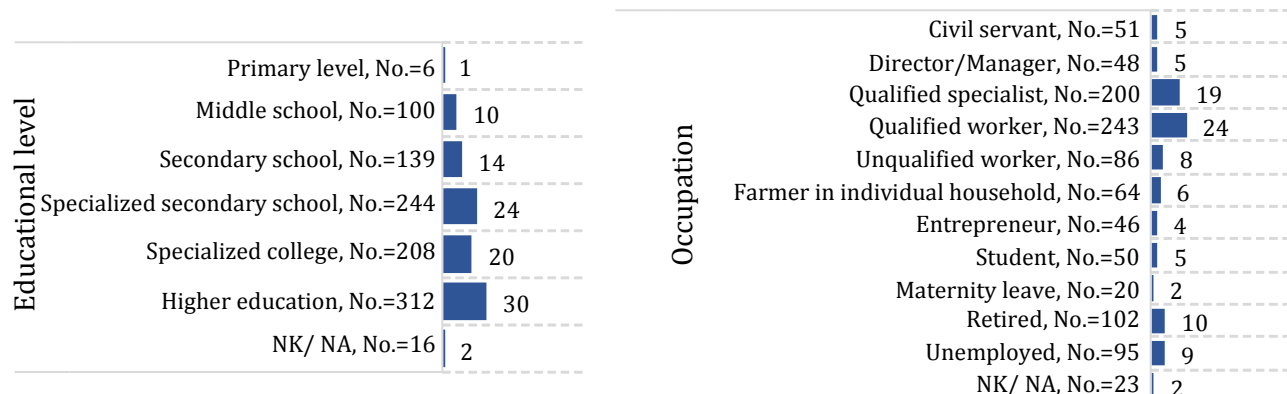
Figure 1.1. Distribution of respondents by gender, age, environment, region and sector.



A 30% rate of interviewed individuals have higher education and about a quarter reported about the completion of specialized secondary education.

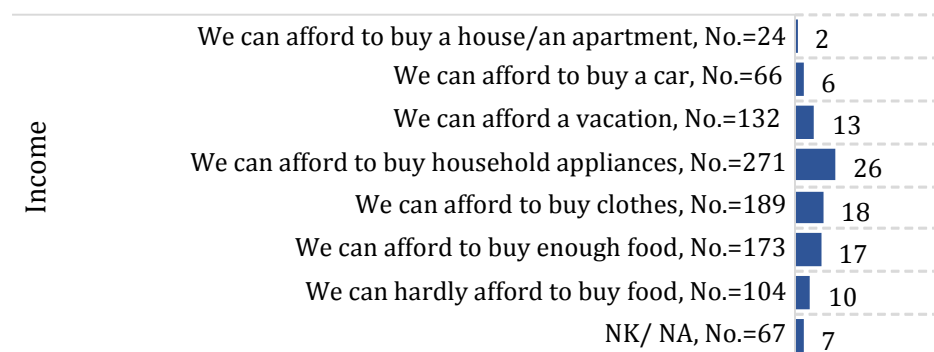
Depending on the occupation, we notice that about a quarter are skilled workers, 19% are qualified specialists and about 10% are retired.

Figure 1.2. Distribution of respondents by occupation and education level.



A quarter of interviewees claim they have a monthly income that allows them to buy household appliances. Fewer respondents said they were able to buy clothes (18%) and enough food (17%). A share of 13% of the participants in the study reported about the possibility of being able to pay for a holiday.

Figure 1.3. Distribution of respondents by income.

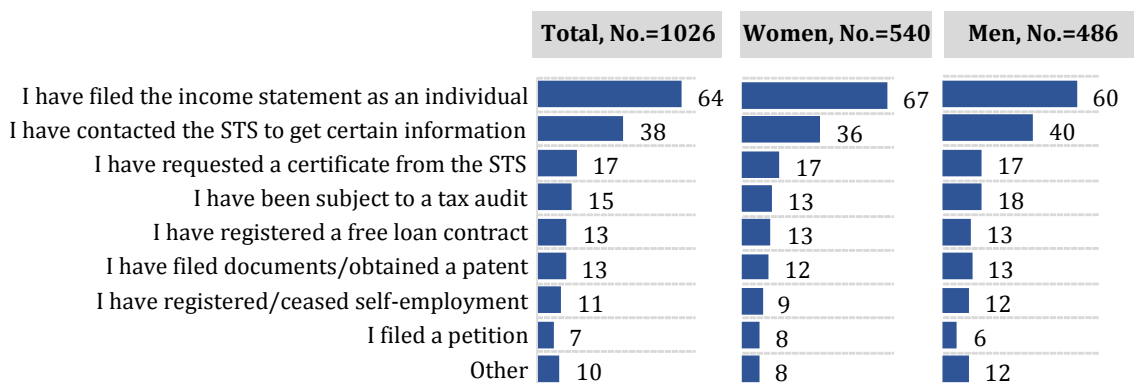


Individuals claimed that over the last 12 months they have interacted with the State Tax Service preponderantly in order to file the income statement as an individual (64%). A 38% rate contacted the STS to get certain information. And fewer respondents reported about services, such as: requesting a certificate (17%), being subject to tax audits (15%), registration of a free loan contract (13%) and filing documents / obtaining a patent (13%).

The submission of the income statement as an individual was the most frequently mentioned service among both women (67%) and men (60%). A share of 40% of men and 36% of women said they had contacted the STS over the past 12 months in order to get information.

While 18% of men claim that over the last 12 months they have been subject to tax audits, 5 % fewer women claimed the use of the same service during this period.

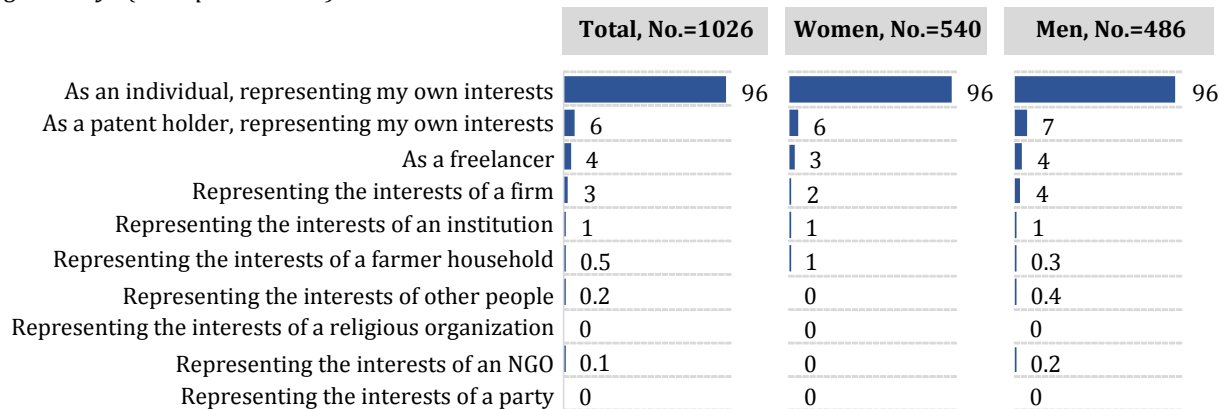
Figure 1.4: "Q2. Have you interacted with the STS over the past 12 months for the following types of services? (one answer per line)"



The majority of respondents (96%) communicated with the State Tax Service as individuals. Significantly fewer reported about the communication with the STS as patent holders (6%) and freelancers (4%).

The same trends were observed among both women and men - 96% of each category said they interacted with the STS as individuals.

Figure 1.5: "Q3. Have you communicated with the State Tax Service as an individual or as a representative of a legal entity? (multiple answers)"

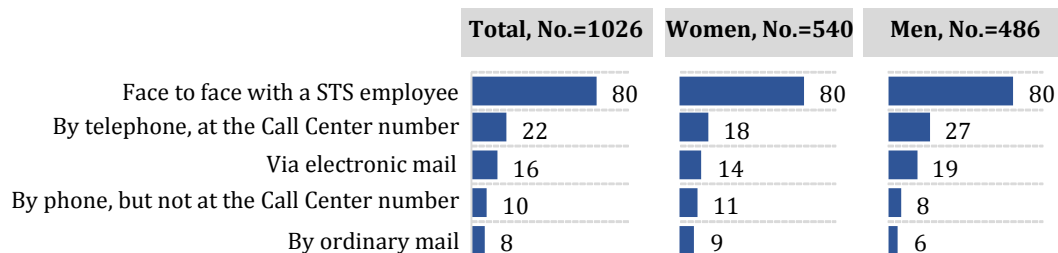


Regarding the way of interaction with the State Tax Service, about 80% of individuals said that over the last 12 months they communicated face to face with an employee of the STS. A 22% rate reported about telephone interaction at the Call Center number, and about 16% have communicated with the STS via electronic mail.

80% of women and men have personally interacted with a STS employee over the last 12 months. While 18% of women said they communicated by phone, at the Call Center number, 9 % more men have named the same way of interaction.

Also, e-mail interaction was more commonly named among men (+5%) than women (14%).

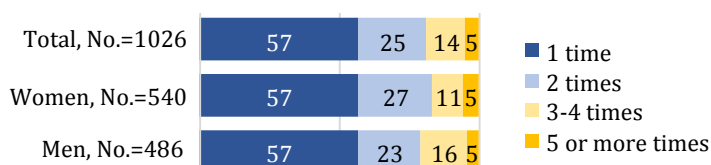
Figure 1.6: "Q4. How did you interact with the State Tax Service over the last 12 months? (multiple answers)"



A little over half of the individuals (57%) have interacted with the State Tax Service once over the last year. A quarter has interacted twice and about 14% have communicated with the STS 3-4 times over the last year.

About 27% of women and 23% of men have interacted with the STS twice over the last year. A higher rate of men (16%) have mentioned the communication with the STS for 3-4 times over the last year compared to women who reported the same frequency (11%).

Figure 1.7: "Q5. How many times have you interacted with the STS as an individual over the last year? Please consider any type of interaction - visit, phone call, letter (one possible answer)"



## CHAPTER II: GENERAL OPINION OF THE POPULATION ON THE PERFORMANCE, EFFICIENCY AND TRANSPARENCY OF THE STATE TAX SERVICE

In this chapter, the data about the population's opinion with reference to the activity of the State Tax Service is illustrated and analyzed. Mostly, respondents' views on the performance, efficiency and transparency of this institution are presented.

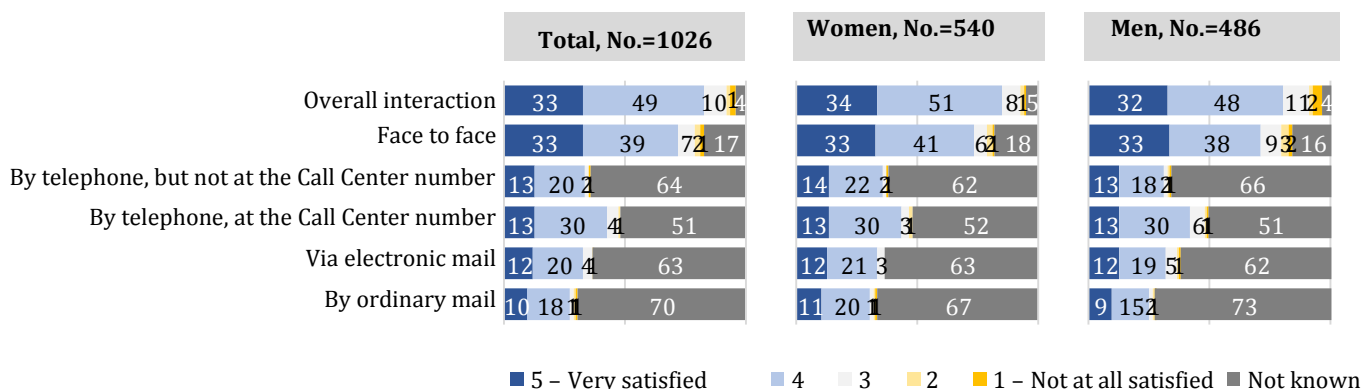
Respondents were asked to assess to what extent they remained satisfied with the interaction with the STS employees on a scale of 1 to 5, where 1 - not at all satisfied and 5 - very satisfied. One third of respondents said they were very satisfied with the overall interaction with the STS employees and almost half - rather satisfied (49%). One third of the respondents who interacted with the STS employees said they were very satisfied, and 39% said they were rather satisfied.

34% of women and 32% of men said they were very satisfied with the general interaction with the STS employees. A little over half of the women (51%) and almost half of men (48%) claim that they are rather satisfied.

Following a face-to-face interaction with the STS employees, one quarter of women and men said they were very satisfied, with a share of 41% of women and 38% of men - rather satisfied.

Regarding phone interaction, electronic letters or ordinary mail letters, one can notice that more than half of the study participants were undecided in assessing the level of satisfaction.

Figure 2.1: "Q6. To what extent were you satisfied with the interaction with the STS employees when you communicated with them...? If you have communicated several times or with different employees and the impression was different - give an average mark. Please use a scale of 1 to 5, where 1 - not at all satisfied and 5 - very satisfied. (one answer per line)"

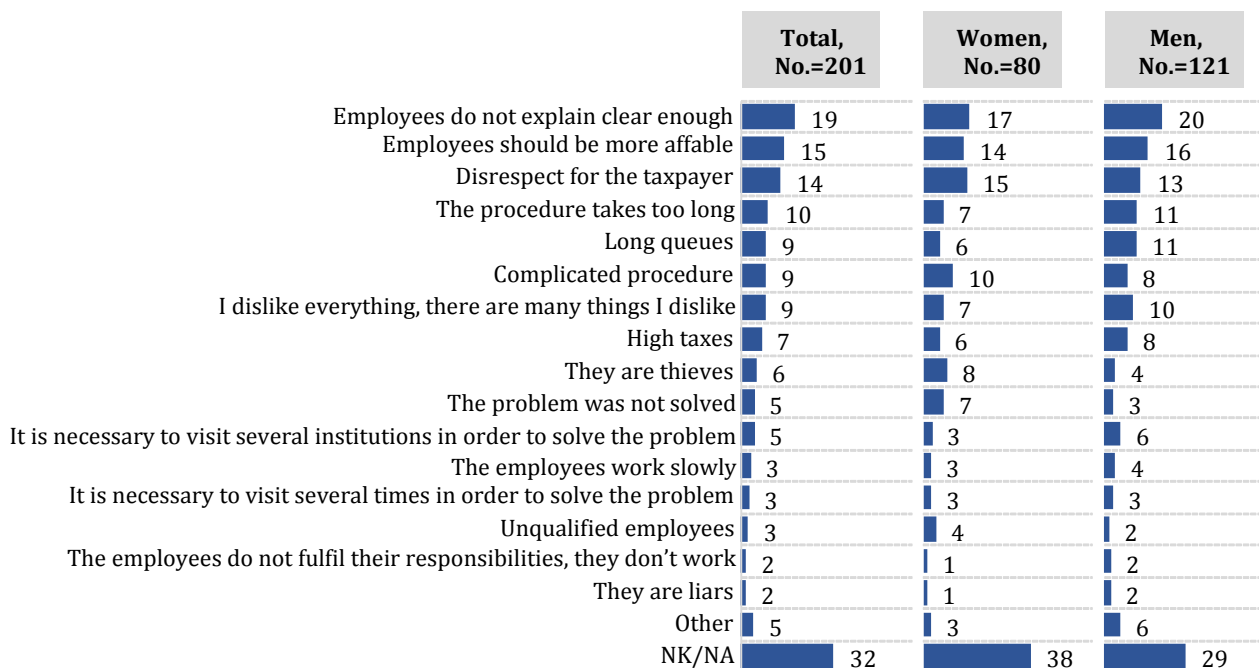


The overall population who rated the interaction with the STS employees as a less positive one invoked several reasons, the top of which is that employees do not explain clear enough (19%). This is followed by the citizens' wish that STS employees should be more affable (15%) and the disrespect for the taxpayer (14%).

Among women, 17% mentioned that employees did not explain clear enough, 15% noted the lack of respect for the taxpayer, and 14% would like for the STS employees to show more courtesy.

20% of men think that employees do not explain clear enough, 16% say employees are not affable, and 13% have noted a lack of respect for the taxpayer.

Figure 2.2: "Q7. Could you comment on what exactly you disliked when you communicated with the STS? (open answer)"



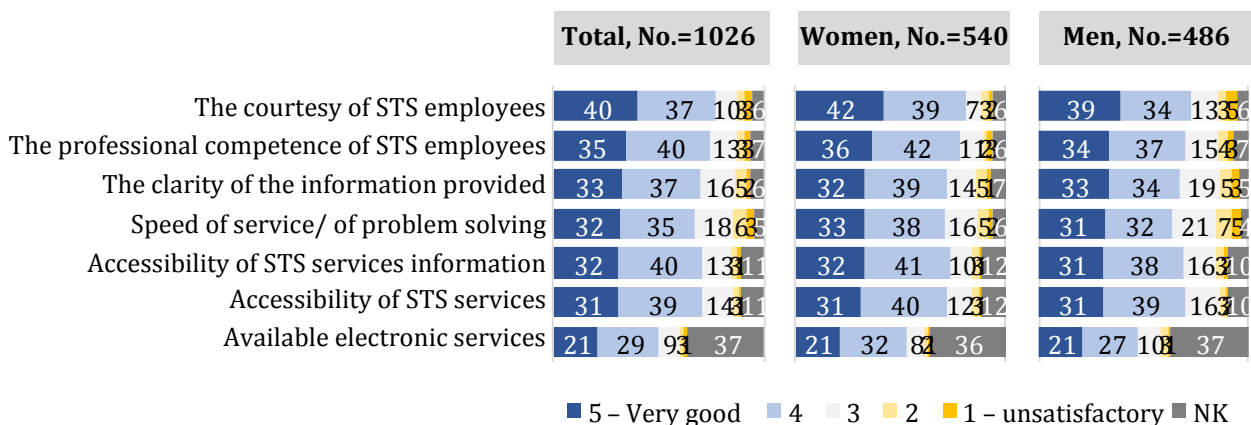
Respondents assessed some issues while solving petitions on a scale of 1 to 5 where 1 = unsatisfactory and 5 = very good. Accordingly, more than half rated as "good" or "very good" the courtesy of the employees (77%), the professional competence of STS employees (75%) and the accessibility of STS services information (72%). 70% rated as "good" or "very good" the clarity of the information and the accessibility of the services provided by the STS. To a lesser extent, the speed of servicing / solving the problem (67%) and the electronic services currently available (50%) were appreciated.

The top of the positively assessed aspects by the respondents was occupied by the affability of the employees (81% of women and 73% of men), the professional competence of STS employees (78% of women and 71% of men) and the accessibility of STS services information (73% of women and 69% of men).

The clarity of the information provided was appreciated as being better by a higher proportion of women (71%) than men (67%). Also, more women (71%) said the "speed of service" aspect was good or very good compared to men (63%).

53% of women and 48% of men rated the available electronic services as very good or rather good.

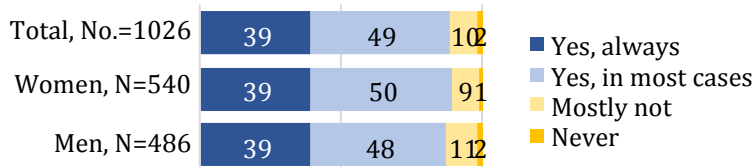
Figure 2.3: "Q8. How do you assess the following aspects while solving your petitions? Please rate on a scale of 1 to 5, where 1 = unsatisfactory and 5 = very good. (one answer per line)"



With regard to service requests or questioning, 39% of the overall population answered that both of the aforementioned are always solved. Nearly half of the respondents argue that any question they address to the STS employees is solved in most cases, while 12% responded that their requests are more or less never solved.

Most women (89%) and most men (87%) said that when addressing the STS, always or in most cases, their problems are solved.

Figure 2.4: "Q11. When you refer to the STS, is your question solved? Please think both about situations when you needed an answer to a question, and when you needed a service. (one possible answer)"

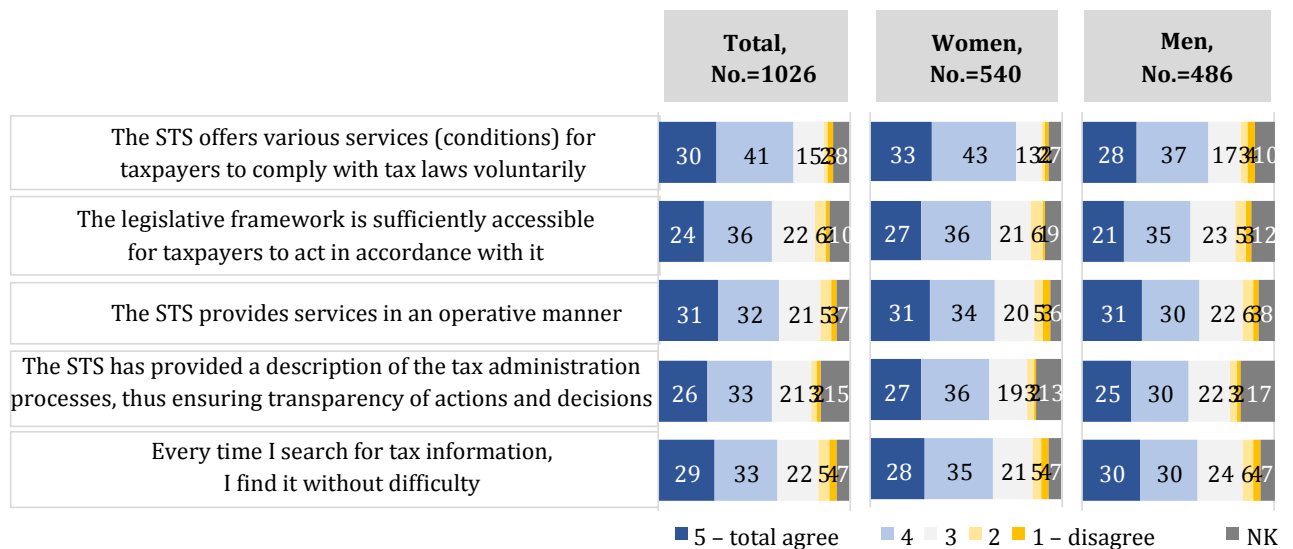


Respondents agreed or disagreed with the following statements using a scale of 1 to 5, where 1 = disagree and 5 = totally agree. Thus, 71% of the general population agrees or totally agrees that the STS offers diverse services, 63% say that services are provided in an operative manner and 62% said they found tax information without difficulty. About 60% of individuals agree or totally agree that the legal framework is sufficiently accessible and 59% agree that the STS provides descriptions of tax administration processes.

Most women said they agreed or totally agreed that the STS provided a variety of services (76%) and provided services in an operative manner (65%). As many as 63% of women have agreed that the legislative framework is sufficiently accessible, that the STS provides descriptions of tax administration processes and that they always find information in the field of taxation easily.

In the top of the statements that men have agreed with is that the STS offers diverse services (65%), provides services in an operative manner (61%), and they find tax information every time (60%).

Figure 2.5: "Q12. To what extent do you agree with the following statements on a scale of 1 to 5, where 1 = disagree and 5 = totally agree. (one answer per line). Topics: Accessibility for voluntary compliance; Transparency; Clarity, information"



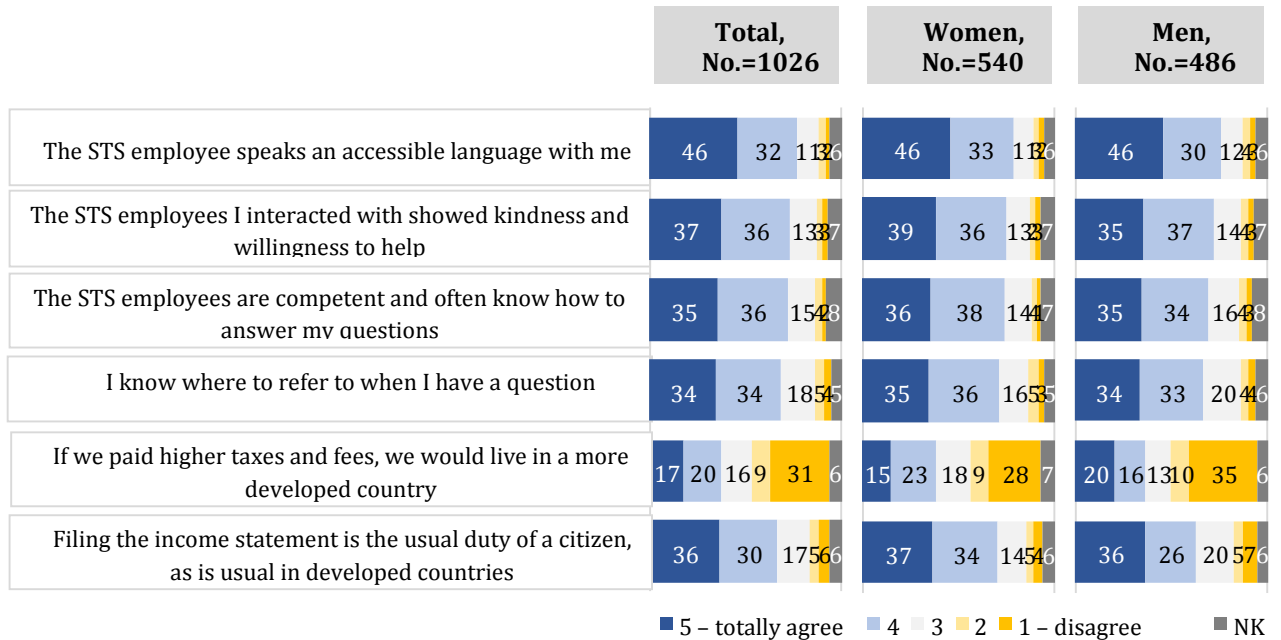
On the same scale from 1 to 5 where 1 = disagree and 5 = total agree, individuals have expressed their agreement or disagreement with the topics - employees, convenience and tax conscience. Thus, 78% of the overall population agrees or totally agrees that the STS employee speaks an accessible language for the citizen, 71% say that STS employees are competent and 73% agree that employees show kindness and willingness to help. About 68% of respondents know where to refer to when they have a question, and 2/3 of the overall population agree that filing income statements is the ordinary duty of any citizen. Fewer people agreed that if



they paid higher taxes and fees, the citizens would live in a more developed country (37%). And 40% disagreed with this statement.

More women (71%) than men (61%) said they agreed with the statement that filing the income statement is the usual duty of a citizen. Compared to men (69%), women in a higher proportion (+5%) agree that the employees are competent and often know how to answer their questions.

Figure 2.6: "Q12. To what extent do you agree with the following statements on a scale of 1 to 5, where 1 = disagree and 5 = totally agree. (one answer per line). Topics: Employees; Convenience; Tax consciousness"



Respondents have expressed their preference for methods of tax information. More than half said that it would be convenient for them to be informed by the Call Center (61%) and about half of them favored the notification via SMS (49%).

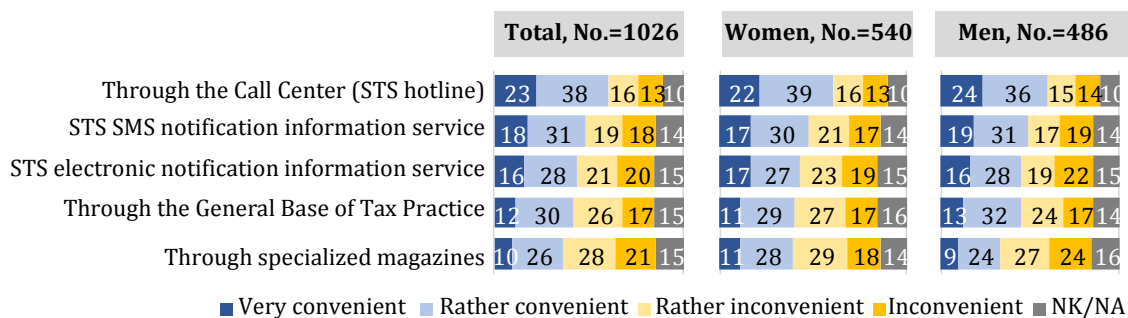
Other two information methods considered to be comfortable by larger parts of respondents are: the electronic notifications information service (44%) and information from the General Base of Tax Practice (42%).

About half of the individuals do not find it convenient to be informed through specialized journals.

Men (45%), to a greater extent, would prefer to be informed from the generalized base of tax practice, compared to women (40%) who chose the same information method.

More men (51%) than women (47%) reported the inconvenience of being informed through specialized magazines.

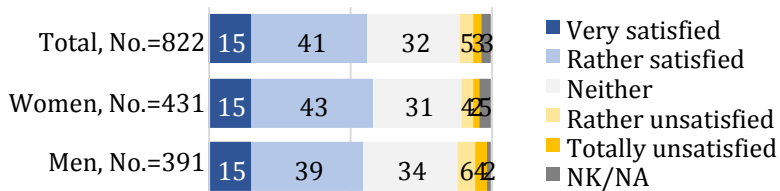
Figure 2.7: "Q29. How would it be most convenient for you to find out about citizens' tax provisions (one answer per line)"



Regarding the ambience and the arrangement of the STS headquarters, 15% of the overall population appreciated it as very satisfying and 41% - rather satisfying.

More women (58%) claim that they were satisfied with the ambience and headquarters when they visited the STS premises, compared with men (54%).

Figure 2.8: "Q31. When you visited the STS premises, to what extent have you been satisfied with the ambience and the fitting out of the headquarters? (one possible answer)"



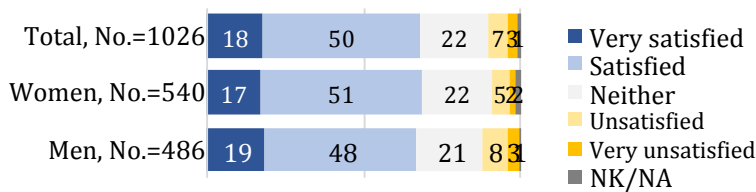
## CHAPTER III: THE OPINION OF THE POPULATION ON THE SERVICES PROVIDED BY THE STATE TAX SERVICE

In this chapter, the opinions of the individuals regarding the diversity, the quality and the usefulness of the services provided by the State Tax Service are reported. Also, the degree of knowledge of the services provided by the STS is analyzed and the level of satisfaction of the population with the electronic services is presented.

18% of the individuals said they were very satisfied and half of respondents said they were satisfied with the services provided by the State Tax Service.

A share of 17% of women and 19% of men have stated they were very satisfied with the services provided by the State Tax Service. At the same time, more women (51%) and men (48%) claim that they are satisfied with the STS services.

Figure 3.1: "Q8B. To what extent are you satisfied with the services provided by the State Tax Service? (one possible answer)"

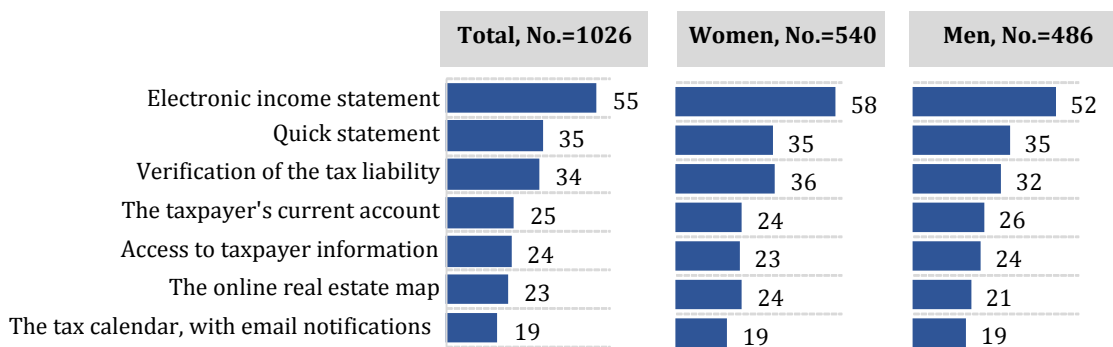


From the list of electronic services presented to respondents, most people heard about the electronic statement (55%). Approximately one third of individuals claim they have heard about the quick statement and verification of the tax liability. About a quarter of the interviewed individuals have heard about the taxpayer's current account and access to taxpayer information.

Fewer respondents have heard of the tax calendar, which sends email notifications about important events for tax reporting (19%).

More women (58%) claim that they have heard about the electronic statement compared to men (52%). Also, the share of women (36%) who reported on the knowledge of tax liability verification is higher than that of men (32%).

Figure 3.2: "Q9. Have you heard about the electronic services offered by the STS, such as: (one answer per line)"



People who heard about the electronic services offered by the STS reported the frequency of their use. Thus, the following electronic services are regularly used by higher rates of respondents: the tax calendar (14%), access to information about taxpayers (12%), the electronic statement (11%), verification of tax liability (11%) and the current account of the taxpayer (10%).

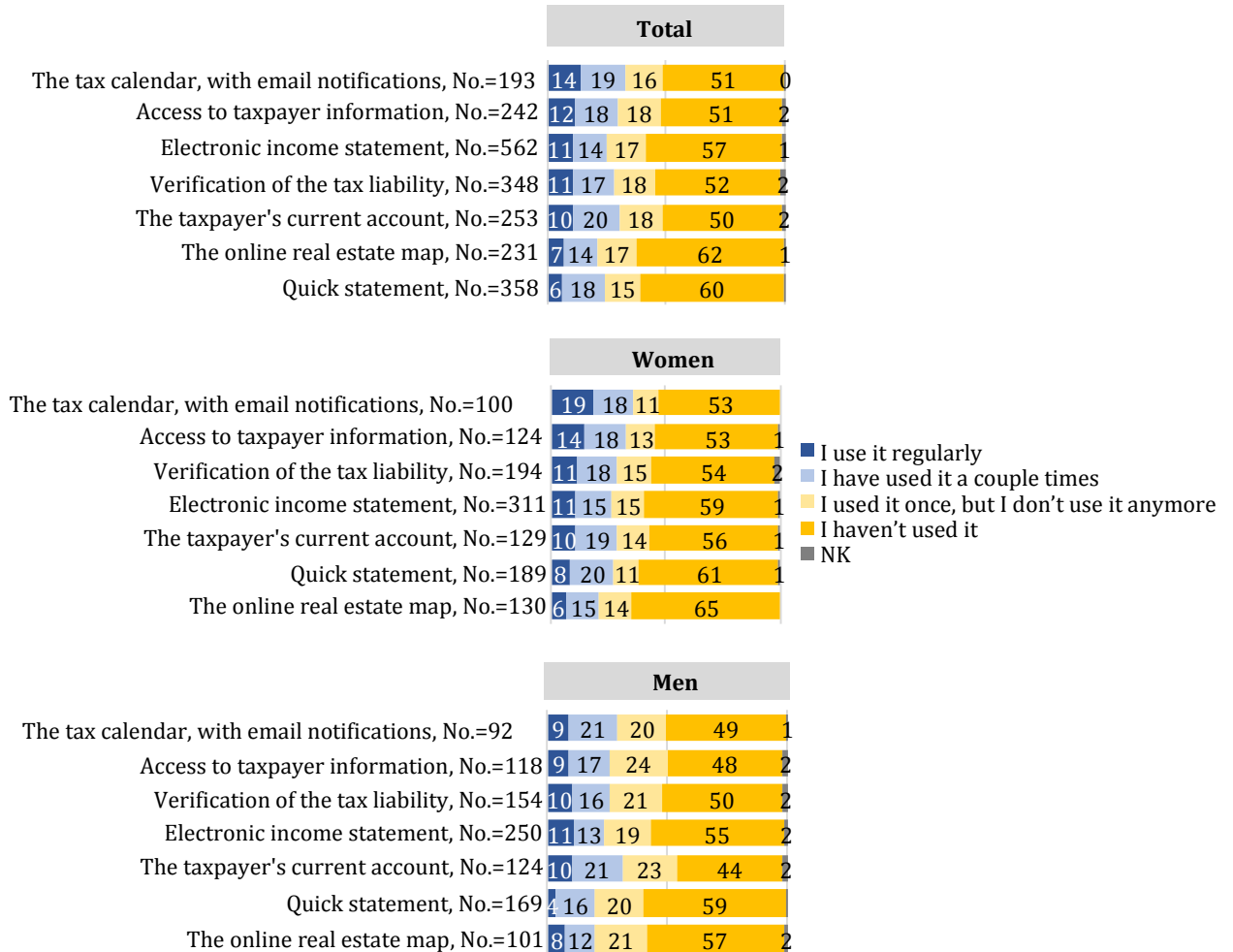
18-20% used several times the taxpayer's current account, the tax calendar, access to taxpayer information, and the quick statement.

At the same time, over half of the respondents said they never used any of the mentioned electronic services.

The tax calendar, which sends email notifications about important events for tax reporting, is regularly used by more women (19%) than men (9%). Also, to a greater extent, women (14%) regularly access information about taxpayers, compared to men (9%).

While 11-15% of women claimed that they used once, but do not use the electronic services presented anymore, the percentage of men who said the same ranged between 19-24%.

Figure 3.3: "Q10. Have you ever used this service? (one answer per line)"



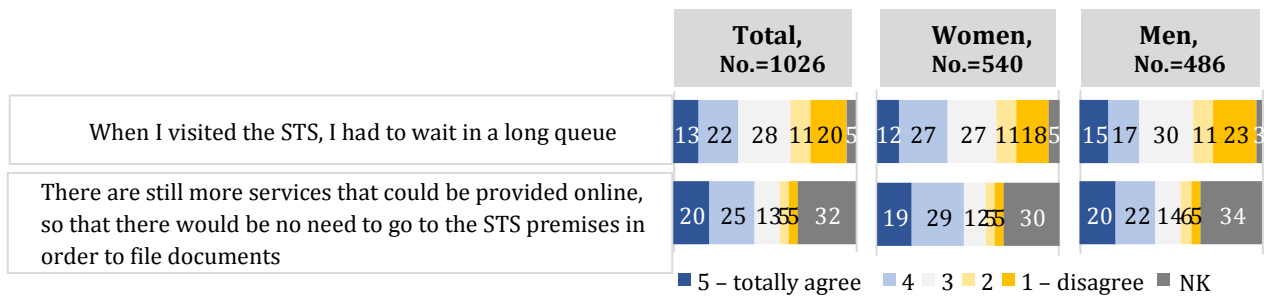
The respondents were asked to assess on a scale of 1 to 5, where 1 = disagree and 5 = totally agree, the level of agreement with some statements regarding the convenience in the interaction with the State Tax Service. Thus, about 13% totally agree, and 22% rather agree that when they visited the State Tax Service, they had to wait in a long queue. At the same time, a 20% rate did not agree with this statement.

A share of 12% of women and 15% of men fully agree with the statement that when visiting the State Tax Service they had to wait in a long queue.

While 17% of men said they were more likely to agree with the statement regarding the waiting in queues, more women (27%) shared the same opinion. Meanwhile, more men (+5%), compared to women (18%) say they do not agree that when they visited the STS they had to wait in a long queue.

A quarter of the individuals said they rather agree with the statement that there are still more services that could be provided online, so that there would be no need to go to the STS premises in order to file documents, and 20% fully agree with this statement. Among the interviewed women, there was a higher rate (+7%) of those who agree with this statement compared to men (22%).

Figure 3.4: "Q12. To what extent do you agree with the following statements on a scale of 1 to 5, where 1 = disagree and 5 = totally agree. (1 answer per line). Topic: Convenience"

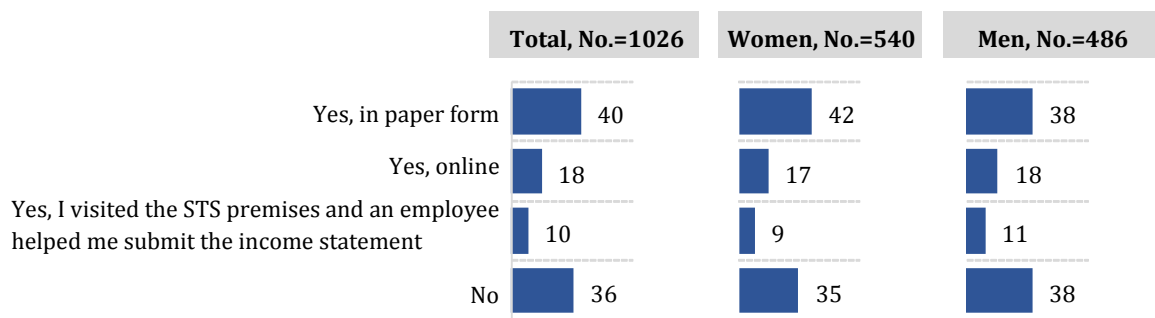


In 2018, most respondents filed their income statement on paper (40%). Fewer filled out the income statement in electronic format (18%) and visited the STS premises and submitted the income statement, being guided by an employee (10%).

At the same time, 36% of individuals claim that they did not file the income statement in 2018.

Several interviewed women (42%) reported filing the paper-based income statements compared to men. On the other hand, about 38% of men and 35% of women said they did not file the income statement in 2018.

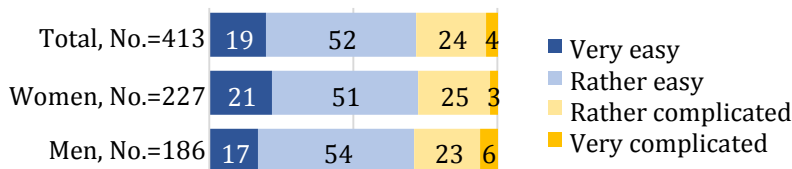
Figure 3.5: "Q13. Did you submit your income statement in 2018? (multiple answers possible)"



People who filed the paper income statement mentioned the difficulty level in completing the statement. Respectively, about 19% said it was very easy to complete the paper income statement, and just over half said that it was rather easy. At the same time, about a quarter reported that for them this process was rather complicated.

A rate of 21% of women and 17% of men said it was very easy to complete the paper income statement. Approximately 54% of men and 51% of women perceive this procedure as being rather easy.

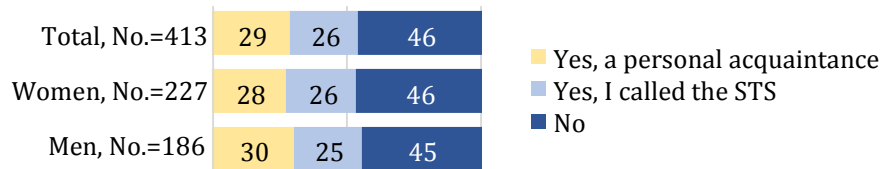
Figure 3.6: "Q15. How easy was it for you to fill your paper income statement in? (one possible answer)"



Most respondents (46%) claimed that they were not helped by other people in completing the paper income statement. About a quarter called the STS to ask for help in the completion process, and 29% were helped by a personal acquaintance.

There were no significant differences depending on the gender of the respondents. Thus, 28% of women and 30% of men claim that a personal acquaintance has helped them complete the paper income statement, and about a quarter of each category of respondents called the STS to ask for help.

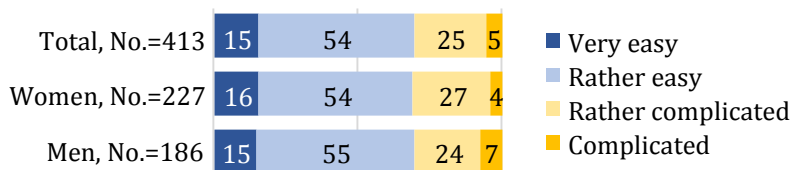
Figure 3.7: Q16. Has anyone helped you fill your paper income statement in? (one possible answer)



More than half of the interviewed individuals rated the process of filing the paper income statement at the STS premises as being largely easy, and about 15% said that this process was very easy. In the opinion of a quarter of the respondents, the process of filing a paper income statement at the STS premises was largely complicated.

Approximately 16% of women and 15% of men consider that the process of filing a paper income statement at the STS premises was very easy. More women (27%) rated this process as being largely complicated compared to men (24%).

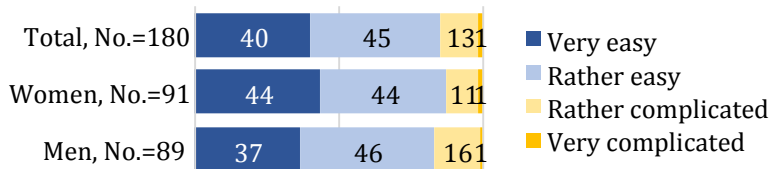
Figure 3.8: "Q17. How do you rate the entire process of submitting the paper income statement at the STS premises? (one possible answer)"



A rate of 40% of the respondents said that it was very easy to complete the electronic income statement, and about 45% rated this experience as largely easy.

A higher percentage of women (44%) said it was very easy to complete the electronic income statement, compared with men (37%). At the same time, for about 16% of men and 11% of women, the process of completing the electronic income statement was largely complicated.

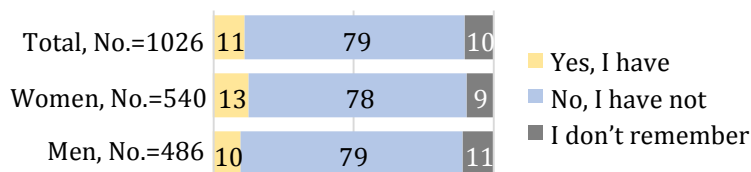
Figure 3.9: "Q18. How easy was it for you to fill in the income statement in electronic format? (one possible answer)"



Most individuals have never been in the situation when, after completing the statement, they were told that the state was due to them with a certain amount of money (79%) and about 11% have been in this situation.

More women (13%) claim that they have been in the situation when, after filing the statement, they noticed that the state was due to them with a certain amount of money, compared to men (10%).

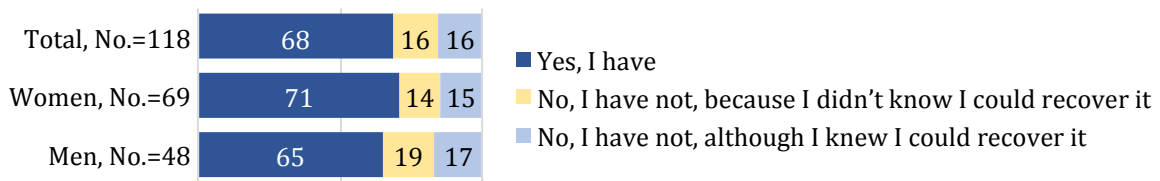
Figure 3.10: "Q20. Have you ever been in the position when, after filling the statement in, you realize that the state is due to you with a certain amount of money (one possible answer)"



From the total amount of people who, after filing the income statement, found that the state owed them a certain amount of money, about 68% tried to recover that money. Regardless of whether or not they were aware of the possibility of debt recovery, 16% of the respondents did not try to return this money.

Women claimed to a higher extent (71%) that they tried to recover the debt from the state compared to men (65%). At the same time, about 19% of men and 14% of women did not try to recover this money because they did not know about the possibility of recovery.

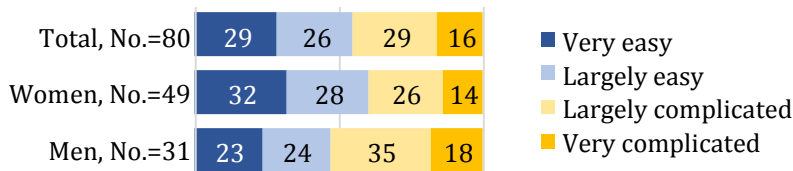
Figure 3.11: "Q21. Have you ever tried to recover this money? (one possible answer)"



People who tried to recover the debt from the state budget talked about the degree of difficulty of this process. Thus, 55% rated the recovery process as easy, and 45% claimed that this procedure was complicated.

About a third of women and about a quarter of men said the debt recovery process from the state was very easy. At the same time, more men (53%) rated this process as complicated and fewer women (40%) shared this opinion.

Figure 3.12: "Q22. How easy was it to recover this money? (one possible answer)"

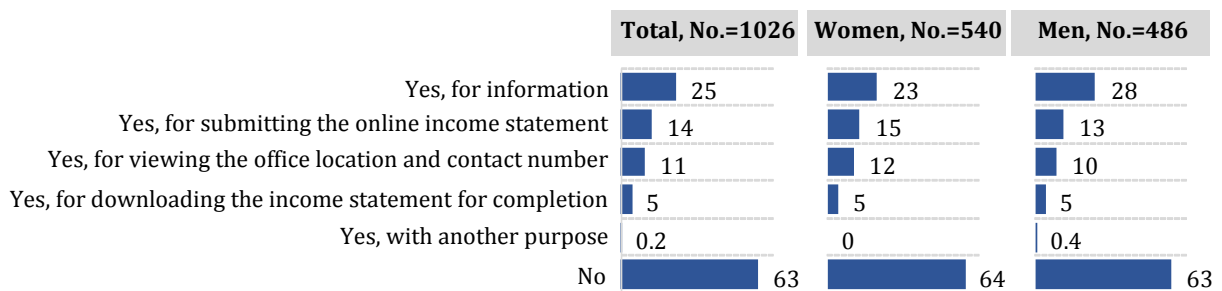


A quarter of the individuals accessed the State Tax Service's website for information when they were required to file an income statement or for other purposes. Fewer respondents visited the site to submit the online income statement (14%) and to view the office location and contact number (11%).

At the same time, about 63% of the respondents did not visit the State Tax Service website.

Men reported to a greater extent (28%) that they visited the STS official page for information compared to women (23%).

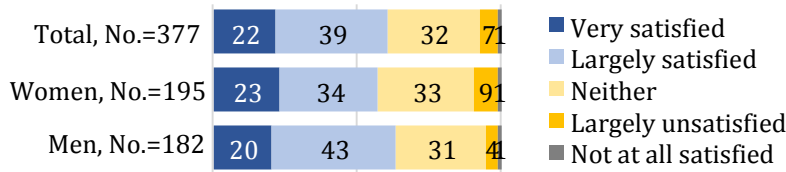
Figure 3.13: "Q23. Did you access the STS website (sfs.md) when filing the income statement or for other purposes? (multiple answers)"



The level of satisfaction with the STS site was assessed on a scale of 1 to 5, where 1 means not at all satisfied and 5 - very satisfied. Thus, most respondents were largely satisfied (39%), and about a quarter was very satisfied with the official STS website.

A share of 23% of women and about 20% of men claim they are very satisfied with the State Tax Service website. While one third of women said they were mostly satisfied with the site, a higher rate of men (43%) mentioned the same level of satisfaction.

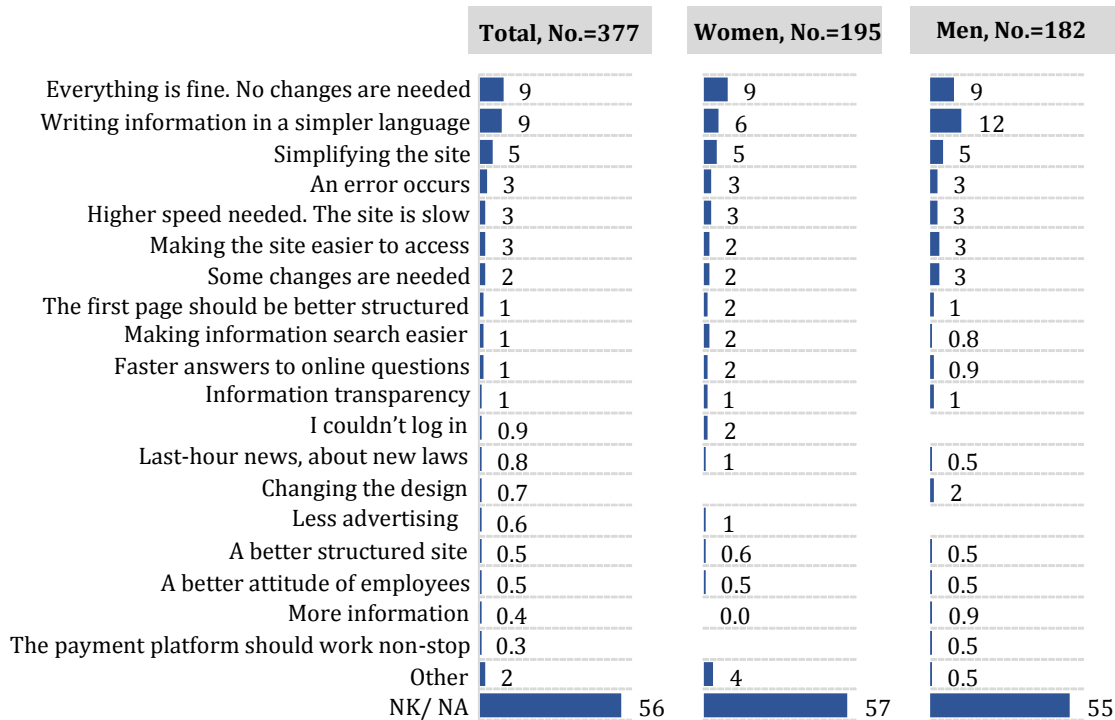
Figure 3.14: "Q24. How satisfied are you with the STS website (sfs.md) on a scale of 1 to 5, where 1 - not at all satisfied and 5 - very satisfied? (one possible answer)"



When being asked about the improvements needed to be made to the STS website, about 9% of the respondents think everything is fine and no changes are needed. At the same time, the most commonly mentioned changes that need to be implemented, in the opinion of people, are: writing information in a simpler language (9%) and simplifying the site (9%).

Women and men tend to have the same opinion on the improvements needed to be made to the STS website - 9 percent think that everything is good, and 5 percent rates of men and women have argued in favor of simplifying the site. However, much more men (12%) argued in favor of writing information in a simpler language than women (6%).

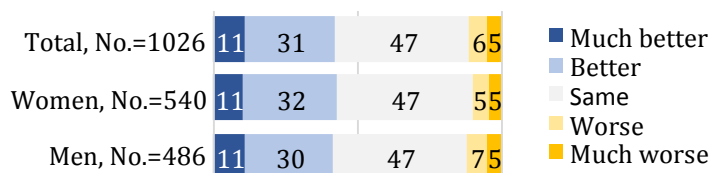
Figure 3.15: "Q25. What do you think needs to be improved about the STS website? (open answer)"



Individuals assessed the quality of the services provided by the STS compared to other state institutions. Approximately half of the respondents consider that the quality of the services is the same, almost one third has assessed the quality of the services as being better and 11% has rated them as "much better".

Regarding this, no gender differences were observed.

Figure 3.16: "Q30. How do you assess the quality of the services provided by the STS compared to other state institutions? (one possible answer)"





## CHAPTER IV: THE PERCEPTION OF ACTIONS BY THE POPULATION AS PRACTICES THAT REDUCE THE ACCESS, EFFICIENCY AND TRANSPARENCY IN THE ACTIVITY OF THE STATE TAX SERVICE

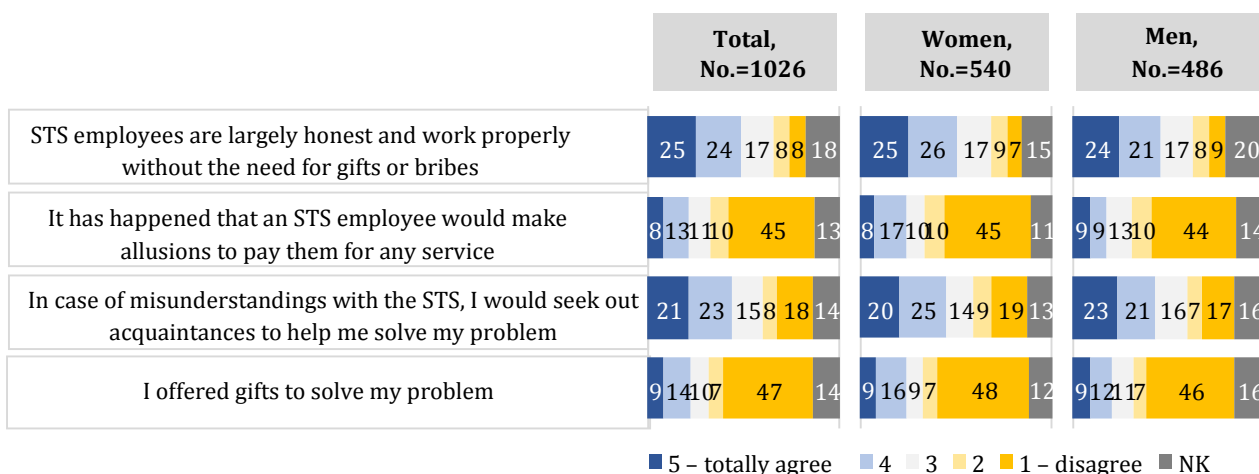
This chapter presents information on actions that individuals perceive as practices limiting the access, efficiency and transparency in the activity of the State Tax Service.

About half of the surveyed individuals agree that STS employees are honest and work properly without the need for gifts or bribes. About 54% of the respondents disagree with the claim that they offered gifts to solve their problem.

A share of 44% agrees with the statement that in case of misunderstandings with the STS, they would seek out acquaintances to help them solve their problem. At the same time, about 55% disagreed with the statement: "It has never happened that an STS employee would make allusions to pay them for any service."

Half of the women (51%) and less than half of men (45%) agree with the statement that STS employees are honest and work properly without the need for gifts or bribes. Also, about a quarter of women and fewer men (18%) agreed with the statement that it happened that STS employees would make allusions to pay them for any service.

Figure 4.1: "Q12. To what extent do you agree with the following statements on a scale of 1 to 5, where 1 = disagree and 5 = totally agree. (1 answer per line)". Topic: Corruption"

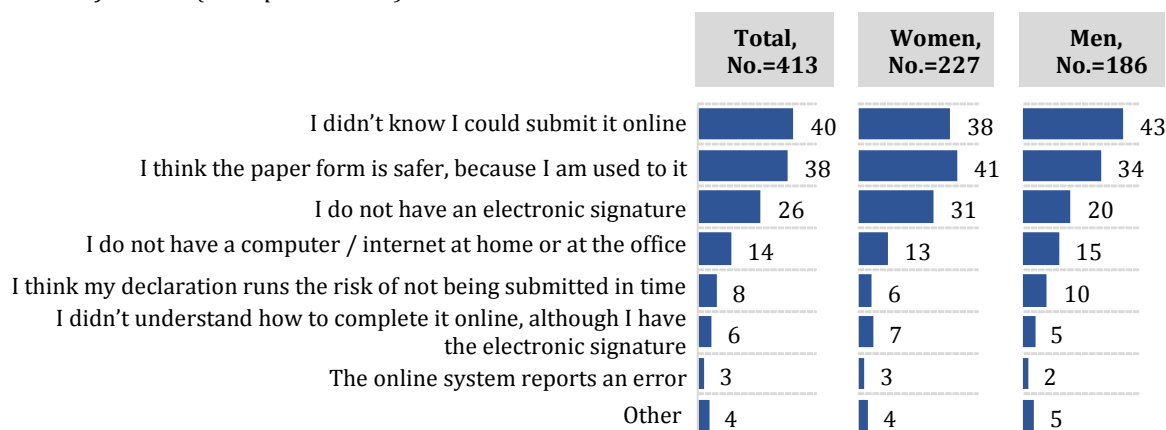


Most people who filed the paper income statement, instead of the online one reported about barriers such as: the lack of knowledge about the possibility of filing the electronic income statement (40%) and the belief that the paper form is safer, because they are used to it (38%). About a quarter of the respondents said they did not have an electronic signature and 14% did not have a computer / internet at home or at the office.

Among women, there was a greater proportion of those who considered the submission of the paper income statement safer, because they are used to it (41%) compared to men (34%) who share the same opinion. At the same time, more men (43%) were unaware about the possibility of submitting the statement online than women (38%).

Approximately one third of women and fewer men (20%) did not complete the electronic statement because they did not have an electronic signature.

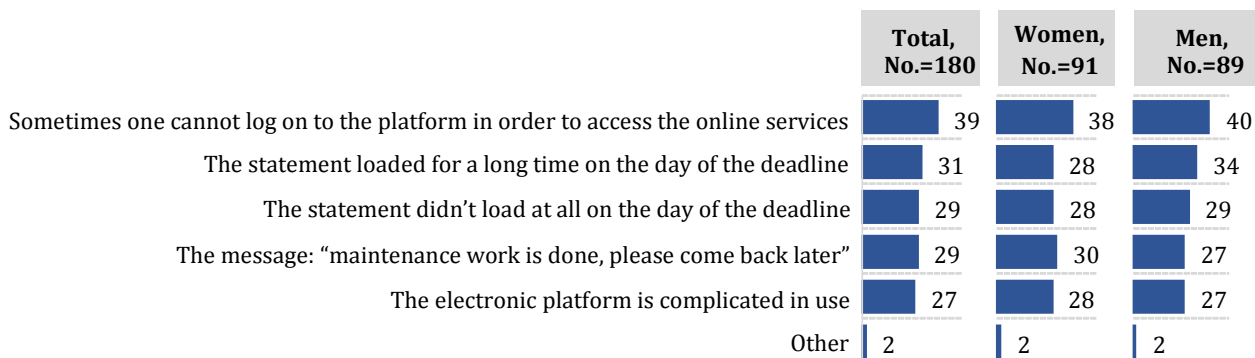
Figure 4.2: "Q14. What were the barriers which determined you to submit your income statement in paper form instead of online? (multiple answers)"



Most respondents claim that sometimes they cannot log on to the online platform in order to access online services (39%). About 29-31% talked about the following difficulties: the statement loaded for a long time on the day of the deadline or didn't load at all, and the message about maintenance work appears. In the opinion of 27% of citizens, the electronic platform is complicated in use.

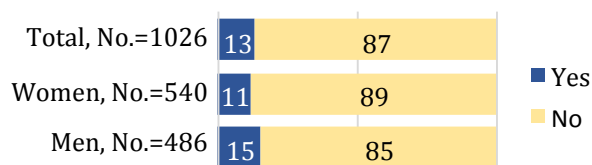
About 38% of women and 40% of men said that sometimes they cannot log on to the platform to access e-services. The interviewed women (28%) reported less about the fact that on the day of the deadline the statement loaded for a long time compared to men (34%).

Figure 4.3: "Q19. Have you faced the following difficulties in connection with the electronic platform? (one answer per line)"



Most of the interviewed individuals did not have to pay a fine to the State Tax Service, and about 13% have had this experience. Fewer women (11%) were forced to pay a penalty to the STS, compared to men (15%).

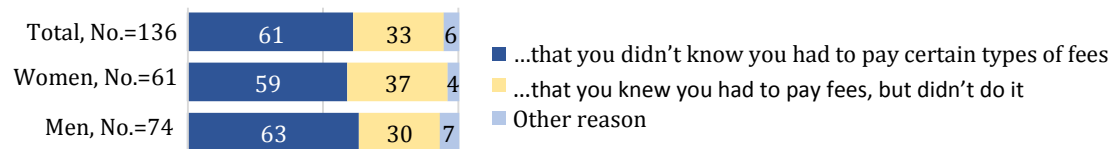
Figure 4.4: "Q26. Have you ever had to pay a fine / penalty to the STS? (one possible answer)"



More than half of the respondents claim that the fine they had to pay to the STS was the result of not knowing that they had to pay certain fees (61%), and about a third reported that they knew about the need of paying fees, but didn't do it.

Women (59%), to a lesser extent, said they did not know about the need to pay fees, compared to men (63%). At the same time, more women (37%) than men (30%) had to pay a penalty as a result of knowing they had to pay fees but not paying them.

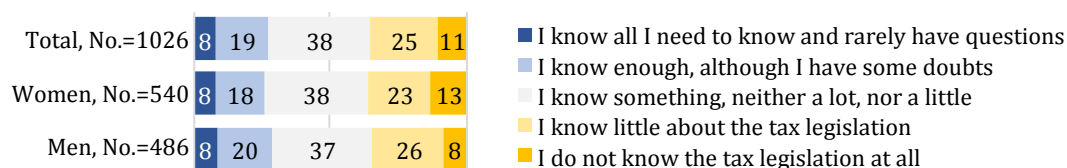
Figure 4.5: "Q27. This fine was the result of the fact..."



Respondents were asked to assess their knowledge on the tax legislation. Thus, 8% know all they need to know and rarely have questions, 19% know enough, although they have some doubts, and 38% have evaluated their own knowledge as neither rich nor poor. A quarter of the individuals know little and 11% do not know the tax legislation at all.

More women (13%) have said that they do not know the tax legislation at all, compared to men (8%). More men (26%) than women (23%) said they know little about the tax legislation.

Figure 4.6: "Q28. To what extent are you familiar with the tax legislation that is applicable to you as a citizen (one possible answer)"



When being asked to provide recommendations for the STS, 12% of individuals said that everything was good. The other most common recommendations to the STS were to reduce taxes (8%), for employees to be more affable (4%) and to work faster (4%).

More women (14%) said everything was good compared to men (10%).

Figure 4.7: "Q32. What other recommendations do you have for the STS? (open answer)"

