

Received: May 2023 Accepted: June 2023
DOI: <https://doi.org/10.58262/ks.v11i2.393>

The Role of Internal Control in Rationalizing Tax Spending / An Applied Study at the General Tax Authority

Khetam Mahdi Ghaedib¹, Assistant Professor Dr Wafa Hussein Salman Al-Haidari²

Abstract

The research aims to clarify the concept of internal control as an important tool in serving management, due to its fundamental role in ensuring the safety and security of work, addressing deviations, and stating the role of internal control as an independent variable in rationalizing tax spending as a responsive variable. In addition to identifying the levels of its practices, the importance of the research lies in shedding light on the reality of internal control and the importance of this system in providing decent work and economic growth, especially considering the significance of the research topic in public organizations, and its importance to the General Tax Authority and society, and the variable related to tax expenditures. The research community was represented by the General Tax Authority, and the research sample was represented by the department of major taxpayers for two foreign national companies. The research years were (2020, 2021), and the data was analyzed based on the annual controls issued by the General Tax Authority for calculating the taxpayer's tax, as well as calculating it based on exemptions, allowances. The researchers reached a number of conclusions, the most important of which is that internal control plays a role in implementing and applying laws, regulations, and instructions, leading to an increase in tax revenue.

Keywords: internal control, tax spending, taxpayer, tax.

First: Internal Control

1- Definition of Internal Control

Several definitions of internal control have been mentioned, and it has been defined

as a systematic and clear process that leads to indicating the degree of correlation between the established standards and the actual results of the work (Brian, 2013:2)).

It is also defined as the organizational plan and all the methods, procedures, and techniques set by the economic unit management, aiming to preserve the economic unit's assets, ensure the accuracy and validity of accounting information, increase reliance on it, achieve operational efficiency, and verify employees' compliance with administrative policies (Al-Sahn et al, 2008,13). It is further defined as a set of measures, policies, activities, and plans set in the economic unit to achieve the desired objectives, seeking to provide reasonable assurance to achieve its mission and intended goals (Dinapoli, 2007:4)). The known that it is the

¹ The Higher Institute for Accounting and Financial Studies / University of Baghdad
Email: khetam.mahdi1202m@pgiafs.uobaghdad.edu.iq

² The Higher Institute for Accounting and Financial Studies / University of Baghdad
Email: wafaa.alhaidari@pgiafs.uobaghdad.edu.iq

organizational plan, records, and procedures aimed at preserving the assets of the economic unit, ensuring their efficient use, and ensuring the safety and accuracy of the accounting records, allowing the preparation of financial statements based on them and prepared in accordance with the recognized accounting principles (Al-Tamimi, 2006, 81).

2- Internal Control Objectives

Internal control seeks to achieve several objectives as outlined below:

- a. Identifying the authorities and responsibilities within the economic unit at all levels within the unit's organizational structure.
- b. Achieving accuracy and confidence in accounting information for its adoption in policy-making and decision-making.
- c. Achieving productivity sufficiency, protecting the assets of the economic unit from embezzlement and manipulation while preserving the rights of third parties in the economic unit (Abdullah, 2000:168).
- d. It is noted that there are three interpretations attributed to asset protection.
- e. The first interpretation is that the assets must be protected from any undesirable actions or situations, while the second interpretation is to protect the assets from unintended errors and deviations and correct them. The third and final interpretation is to protect the assets from deliberate errors and deviations and prevent them. (Morelo, 2011:21).
- f. Enhancing the effective and efficient use of available resources in the optimal way to achieve the desired economic unit goals with minimal costs. (Arens and Lubeck, 2009:179).
- g. Determining the laws, regulations, and instructions for work, along with outlining procedures to ensure smooth workflow, identifying risks, and attempting to reduce them to ensure smooth operations. (Suleiman, 2014:310).
- h. Providing guidance, evaluations, and all necessary information to employees in the economic unit to assist them in performing their duties effectively. (Jumaa, 2011:46).
- i. Settling the assets listed in the records and the items that have been audited on a regular basis. (Al-Hassban, 2009:47).
- j. Obtaining confirmations of the debtor and creditor balances and matching them with the records, identifying differences, and taking the necessary action to settle them. (Khalf, 2018:18).

3- Elements of Internal Control

The elements of internal control are represented by administrative control, accounting control, internal regulation, and internal auditing. The following is a brief explanation of these elements:

A- Administrative Control

It includes the organizational plan and coordination methods, and procedures aimed at achieving the highest possible level of productivity while encouraging compliance with administrative policies and decisions. It relies on various means to achieve its goals, such as statistical disclosures, time and motion studies, performance reports, quality control, budgeting, standard costs, the use of maps and charts, and diverse training programs for users. (Abdullah, 2000:168).

It is possible to formulate methods of administrative control by

defining the main general objectives of the economic unit, as well as the subsidiary objectives at the level of departments and sections that help in achieving the main general objectives." A

system has been established to monitor the organizational plan in the economic unit to ensure the implementation of the procedures and steps outlined in it, through the preparation of the annual report at the beginning of each fiscal year, which includes a summary of the economic unit's work and estimates for all unit activities, divided by seasons, for the purpose of implementation and thus comparing the actual performance with the estimated performance to identify deviations and their causes in order to address them or attempt to overcome them in the following year. Finally, by establishing a specific system for the various policies and procedures for the important elements in the economic unit for guidance. (Saraya, 2007, 81-82).

B- Accounting Control

This type of control aims to protect assets and ensure the accuracy of the accounting data and information recorded in the books in order to provide the auditor with a reasonable degree of assurance that financial operations have been carried out in accordance with the general policies of the unit or based on specific instructions, and that the operations have been recorded accurately to enable the preparation of financial reports in accordance with generally accepted accounting principles."

The accounting control relies on a set of methods to achieve its objectives

including clear job descriptions and defining responsibilities so that a specific person does not carry out an entire process, separating the duties of the accountant from those related to production or inventory storage, adjusting entries and correcting errors by the responsible employee, using general accounts or control accounts such as the total debit and total credit accounts, preparing periodic audit balances, preparing periodic bank reconciliation statements and making adjusting entries at specified times, sending customer confirmations and reconciling supplier statements, following a continuous inventory system and conducting periodic and surprise inventories from time to time to reconcile item balances with actual quantities (Al-Alusi, 2003: 217).

C-Internal Control

Internal control is represented by the organizational plan and all means of coordination and procedures aimed at controlling the operations of the economic unit automatically and continuously, preventing cases of embezzlement or manipulation. Internal control relies on dividing the work with self-monitoring, as each employee's work is subject to review by another employee with whom they share the process. It also depends on defining the competencies, authorities, and responsibilities (Hlehel, Karim, 2019, 83). It represents the organizational plan and all means and procedures concerned with protecting assets from theft, waste, and preserving them, as well as the extent of reliance on financial data recorded in the records (Messier, 2000:200).

There are a number of issues that must be considered in internal control procedures, including those related to financial and accounting aspects, such as preparing audit balances, organizing documents, tabulating and recording accounts in accordance with the approved accounting system, comparing actual performance with the plan (budgets), as well as horizontal and vertical comparison, and emphasizing the maintenance of storage records and monitoring the input and output of materials and goods (Guideline, 2007:12) The organizational and administrative aspects involve adopting job descriptions, defining and distributing duties among employees to ensure that no employee works on a specific task in isolation, as well as defining responsibilities, adopting the availability of alternatives, and rotating work to detect errors and manipulation.

As for the technical aspects, they include issues and matters that must be considered regarding the examination, scrutiny, and evaluation of production and service activities in the workshops, sections, and departments of the economic unit, as well as the various activities practiced, all of which require special programs developed by a number of specialists and technicians. (Noureddine & Amara, 2016: 120-121).

D-Internal Auditing

Internal auditing represents a set of procedures and means adopted by the management of the economic unit in developing the organizational plan for the purpose of protecting assets and ensuring the accuracy of accounting and statistical data (Al-Hassani, 2018: 216) to achieve productive efficiency and to ensure employees' adherence to the drawn administrative policies and plans, as the internal audit is a periodic examination of the resources placed under the control of top management with the aim of monitoring and managing the economic unit (IFAC, 2015:645), and that the policies and structures seek to provide reasonable assurance that the economic unit's objectives have been achieved by preventing undesirable events such as fraud and errors (Pickett, 2011:111) as defined by (Metwally) as the systematic examination of the economic unit's operations by reviewing accounting records and documents through auditors affiliated with the economic unit (Metwally, 2009: 124), this and auditing represents one of the eight pillars of the national integrity system. (ibrahim, Al-Haidari, 2022: 215)).

This and internal auditing seeks to achieve a set of objectives, as defined by the Institute of Internal Auditors: ensuring that the policies, plans, and procedures set by management are implemented as intended without deviation, as well as auditing, evaluating the efficiency and effectiveness of the financial and accounting control measures followed by the economic unit, and ensuring the adequate protection of the economic unit's assets against theft, embezzlement, and extravagance. Also, verifying the reliability of the accounting and statistical data recorded in the economic unit's books and records. (Al-Alusi, 2008:17)), discovering whether the management's set objectives for the unit have been achieved as planned.

(Akram, 2016:8), evaluation of information technology risk management (Al-Haidari, 2022:3) and auditing of books, and accounting records to detect errors, fraud, and prevent their recurrence in the future, and make appropriate recommendations to improve the performance of the economic unit, and achieve the greatest possible administrative and productive efficiency (Malek, 2014:32). Adopting an objective approach to evaluate and improve the effectiveness of risk management and institutional control management (Ali, & others, 2013:106).

Secondly: Tax Expenditure

1- Definition of Tax

Given the importance of taxes as one of the tools used by the state to achieve social, economic, financial, and political objectives (Taher Lafta, 2021:1822) (Al-Anbaki, 2018:13), several definitions of tax have been provided:

"The tax is known to be a mandatory cash duty imposed by the government on income, expenditure, or any capital asset without providing any return to the taxpayer (Al-Zubaidi, 2015:92). (Dup, 2014:13)

(Al-Zubaidi) also defines it as a compulsory cash duty imposed by the state due to its sovereignty over its territory without compensation, taking into account the taxpaying capacity

of each individual for the purpose of covering public expenses and achieving its economic and social objectives.

It is also defined as a cash fee forcibly paid by individuals to the state or one of its national and local authorities to contribute to bearing the burden and public costs without receiving any benefit or private gain (Hamad, 2020:822), and to transfer it to the state budget (Khurasan, 2020:13).

2- Characteristics of Tax

Tax possesses the Following Characteristics

A-Cash Obligation

The essence of taxation is that it is a cash amount, i.e., a cash deduction. This is the case in the modern era. If the state seizes non-cash assets, it goes beyond the scope of taxation and becomes a confiscation of those assets. This only occurs in exceptional cases, such as national defense to finance war expenses (Al-Ali, 2011: 119).

(Deodhar 2004:7) refers to the political framework of the state's role and sovereignty over the societal territory under its jurisdiction. The state deducts a portion of the cash income from natural and legal taxpayers under its sovereignty to increase funds allocated for public services.

B- Mandatory Obligation

In most countries' constitutions, taxes are not imposed except by a law issued by the legislative authority. This is because tax laws, once approved by the legislative authority, become mandatory for everyone, whether they are natural or legal persons, residents or non-residents, citizens or foreigners, as they are considered integral members of the state that decides on the tax (Khasawneh, 2010: 85). The Iraqi legislator subjects natural and legal persons to income tax if they have income sources mentioned in Article 2 of the effective Income Tax Law (Wheeb, Haba, 2022: 232).

C- Gratuitous Obligation

The state is not committed to providing a specific service to the taxpayer, but rather collects taxes and other public revenues to finance public spending that results in achieving general benefits. With increased intervention, taxes are now used to achieve economic and social purposes, such as protecting domestic industry through customs duties, encouraging savings, and limiting consumption to mobilize surpluses for development, and reducing inequality within society (Al-Janabi, 2009: 138). Taxes are thus one of the main resources of the state (Ibrahim, Daoud, 2020: 553).

D- Final Payment

After paying the tax, the taxpayer is not entitled to claim a refund of the amounts paid for the tax after it has been imposed on him and paid in accordance with the provisions of the tax law, except in cases where an amount is paid in excess of what is legally prescribed, in which case he is entitled to claim a refund (Khasawneh, 2010: 85).

3- Allowances and Exemptions

Tax expenditure represents allowances, exemptions, or tax facilities.

It refers to measures and policies that grant benefits for investment, as well as reductions granted for various reasons, taking various forms, including:

A- Tax exemptions: These involve waiving the state's right to tax the natural and legal persons' income, as determined by general or specific legislative provisions, for the purpose of achieving tax justice by considering the personal and family circumstances of the taxpayer (Hamed, 2019: 3), as granted by the public authority in accordance with the law to both natural and legal persons (Ahmed, Abdel Reda, 2023:223), tax exemption represents the state's waiver of its right to impose and collect taxes on income originally subject to taxation under its tax laws (Khalaf, Al-Ghabban, 2023:387). This means that anything exempt from tax is inherently subject to it, while income not subject to tax does not fall within its scope in the first place (Al-Salameen, Al-Daqq, 2014:22). Therefore, exemptions differ from allowances because if the legislator intended exemptions to be allowances for the collection of both items in a single legal provision, the legislator deliberately allocated a separate legal provision for exemptions and another for allowances, as exemptions involve the state's relinquishment of its tax right (Income Tax Law No. 113 of 1982:12).

B- Tax Allowances: The amounts that the legislator allows to be deducted from the individual taxpayer's income before calculating the tax are a legal term used by the legislator of the income tax law, and it is used for personal exemptions (Al-Jajawi, Al-Anbaki, 2013:105).

C- Annual Controls: These are percentage rates or fixed amounts set by the tax administration to estimate the profits of taxable income sources (determining the tax base) (Al-Kaabi, 2008:65). The principle behind these controls is to arrive at the actual profits of the taxpayers, reduce disparities in estimation efforts, and establish a general basis for estimating taxpayers' income to contribute to achieving a degree of fairness in distributing the tax burden according to the current situation (Regulations on professions and businesses, 2020: 4).

D-Tax incentives: These are reductions that affect the amount of tax due in exchange for the same conditions, such as reinvesting profits, meaning utilizing tax incentives based on the targeted economic and social policy directions. In light of the assumption of high tax rates on foreign companies and individuals in a certain country, the tax exemption policy cannot play its role in attracting and stimulating foreign investment, as the foreign investor will keep in mind the high tax amount that he must pay after the end of the tax exemption period, which may lead him to escape to other countries where the tax amount is low (2010:22, Al-Mahaini).

E-Extension of the Reporting Deadline: The taxpayer shall submit the final accounts as of 31/5 of each year to the financial authority, represented by the General Tax Authority. The payment process is linked to the submission of these accounts; thus, upon submission, the taxpayer is obligated to pay the tax in accordance with the applicable regulations and instructions. The financial authority has the power to grant an additional period of several months for the submission of the final accounts beyond the aforementioned original period. However, there is no extension for the payment period as it is not applicable and is not included in Income Tax Law No. (113) of 1982 as amended, when the taxpayer submits their accounts, they are subject to late payment penalties if submitted after three days, with a penalty rate of 10%. The Minister of Finance has the authority to waive these late payment penalties. In accordance with the annual instructions and regulations applied by the General Tax Authority, it encourages delinquent taxpayers to settle their past tax liabilities for previous years and urges them to resolve their tax positions.

F-Increase in Tax Bracket: The decree issued by the dissolved Coalition Provisional Authority No. 49 of 2004 was implemented from the estimated year 2005 and is still in effect. Under this decree, the tax ratios or brackets were doubled, along with their corresponding amounts. In

the estimated year 2009, the tax allowances were also doubled. Furthermore, this decree did not differentiate between resident and non-resident individuals, treating them equally without considering the taxpayer's family burdens (Al-Obaidi, 2019:54).

Thirdly: Practical Aspect

1- Overview of the Research Sample: The research sample consists of (H) Engineering and Construction Limited Company (of Chinese nationality) and (K) Oil Field Drilling Company (of Chinese nationality), a branch in Iraq.

Company (H) was established on 25/5/1947, with its headquarters in Baghdad, Iraq. The company's branch was established on 7/4/1980, in accordance with the Foreign Companies and Institutions Branches Law No. 5 of 1989, and the company has a single branch in Iraq.

Company (K), based in Iraq - Al-Kut, was registered with the Companies Registrar under license number M/3189 on 8/12/2011, in accordance with the Companies Law No. 21 of 1997. The company operates as a sole branch in Iraq.

2- Income Tax in Accordance with Annual Regulations, Exemptions, and Authorizations

A- Income Tax in Accordance with Annual Regulations

Table (1) Income Tax Based on Annual Regulations Company (H).

Year	Operating surplus according to taxpayer's accounts (1)	Operating surplus according to annual regulations (2)	Tax according to taxpayer's accounts (3)	Tax according to annual regulations (4)	Difference (5) (4-3)	Percentage (6) (4-3)
2020	114,245,114,067	137,770,583,832	17,136,767,110	20,665,587,575	3,528,820,465	17%
2021	154,108,263,08	337,511,051,42	2,311,623,946	5,062,665,771	2,751,041,825	54%

Annual regulations are one of the internal control methods, and it is evident from table (1) the taxpayer's tax base and the amount presented by the taxpayer (114,245,114,067). When calculating the tax base according to the regulations, it increases to (137,770,583,832). Consequently, the income tax imposed on Company (H) increases by an amount of (3,528,820,465), or (17%). In 2021, the increase percentage amounted to (54%), highlighting the significant role of annual regulations in raising the tax base and income tax revenues, and which is considered an important resource for the state in providing its services at all social, economic, financial, and political levels. Below, we illustrate how to calculate income tax according to the taxpayer's accounts and in accordance with the annual regulations.

Income tax according to the taxpayer's accounts = Operations surplus \times Tax rate in the General Tax Authority Law

2020 = 114,245,114,067 \times 15% = 17,136,767,110 dinars.

Income tax according to annual regulations = Revenue amount \times Profit percentage = Surplus \times Tax rate

2020 = 688,852,919,160 \times 20% \times 15% = 20,665,587,575 dinars.

Income tax according to the taxpayer's calculations = Operating surplus \times Tax rate in the General Tax Authority Law

2021 = 15% of 15,410,826,308 = 2,311,623,946 dinars.

Income tax according to annual regulations = Revenue amount \times Profit percentage = Surplus \times Tax rate

2021 = 168,755,525,710 \times 20% \times 15% = 5,062,665,771 dinars

Table No. (2) Income Tax Based on Annual Regulations.

Year	Operating surplus according to the taxpayer's calculations (1)	Operating surplus according to regulations (2)	Tax according to calculations (3)	Tax according to regulations (4)	Difference 5(4-3)	Percentage
2020	6,695,162,558	16,466,211,000	2,343,307,000	5,763,174,000	3419867000	59%
2021	19,646,979,246	8,027,599,000	-	2809660000	-	-

Company (K)

The annual controls are one of the methods of internal control. It is evident from Table (2) the taxable base of the taxpayer and submitted by him (6695162558), and when calculating the taxable base according to the controls, it increases to (16466211000). Consequently, the corporate income tax imposed on Company (K) increases by an amount of (3419867000), i.e., by (59%). In 2021, the tax amounted to (2809660000) according to the controls. However, according to the taxpayer's calculations, a deficit was incurred, and the tax is calculated on the surplus, highlighting the significant role of the annual controls in increasing the taxable base and income tax revenues, which are an important resource for the state in providing its services across all social, economic, financial, and political levels. Below, we illustrate how to calculate income tax according to the taxpayer's calculations and according to the annual controls.

Income tax according to the taxpayer's calculations = Operating surplus \times Tax rate in the General Tax Authority Law

2020 = 6695162558 \times 35% = 2343307000 dinars.

Income tax according to annual regulations = Revenue amount \times Profit percentage = Operating surplus \times Tax rate

2020 = 82331052337 \times 20% \times 35% = 5763174000 Dinars.

Income tax according to annual regulations = Revenue amount \times Profit percentage = Operating surplus \times Tax rate

2021 = 40137991332 \times 20% \times 35% = 2809660000 Dinars.

As mentioned above, the role of internal control methods in rationalizing tax spending becomes evident through increasing the taxpayer's tax base (by adopting annual regulations), after excluding a percentage (20%, depending on the type of activity) from the revenues provided by the taxpayer to reach the operating surplus according to the annual regulations and income tax.

From the above research sample, control measures were applied through financial data analysis and the use of tax ratios and tax rates to reach the realized tax, representing the tax revenue for the General Tax Authority, and the tax-exempt revenues, under the annual controls that serve as a control tool. This is done using financial data analysis, as well as tax ratios and profits, leading to the determination of the actual tax for each company if the revenues of each company are subject to tax. The aim of the control and its implementation is to obtain the maximum tax revenue for the financial authority, represented by the General Tax Authority, to benefit from this revenue for the development of the economic sectors deemed appropriate by the government.

B- Income Tax According to Exemptions

The researchers here address the following case:

A piece of land with an area of 200 square meters, with a single-story building consisting of a reception area, two bedrooms, a living room, and bathrooms, with an estimated area of 150 square meters.

When calculating property tax, the value of the land and the building is taken into account.

The price per square meter of the land is 200,000 dinars (the official price).

The price per square meter of the concrete building is 250,000 dinars.

200 square meters \times 200,000 = 40,000,000 dinars, the value of the land.

120 square meters \times 250,000 = 30,000,000 dinars, the value of the building.

Total property value: 70,000,000 dinars.

The first 50 million is exempt from tax.

20,000,000 \times 3% = 600,000 dinars, the amount of property tax.

Without exemptions, the tax amount is calculated as follows:

50,000,000 \times 3% = 1,500,000 dinars.

20,000,000 \times 4% = 800,000 dinars.

Total tax due: 2,300,000 dinars.

If the land value is 2,500,000 (market price)

2,500,000 \times 200 m² = 500,000.00 dinars

250,000 \times 120 m² = 30,000,000 dinars

Total: 530,000,000 dinars

The tax is calculated as follows:

First 50 million exempt

50 million \times 3% = 1,500,000

50 million \times 4% = 2,000,000

50 million \times 5% = 2,500,000

Excess of 200 million \times 6%, i.e., 330,000,000 \times 6% = 19,800,000

Total tax: 25,800,000

Without the exemption, the tax calculation is as follows:

50 million \times 3% = 1,500,000

50 million \times 4% = 2,000,000

50 million \times 5% = 2,500,000

Remaining amount \times 6%, i.e., 380,000,000 \times 6% = 22,800,000

Total tax: 28,800,000

Income Tax According to Allowances:

The following case was considered:

From the 2018 data, the monthly salary of the employee is 1,000,000 dinars, knowing that he is married and has 2 children.

Monthly salary \times number of months = Annual income.

1,000,000 \times 12 = 12,000,000 dinars annual income.

Legal Allowances:

2,500,000 dinars allowance for himself.

2,000,000 dinars allowance for his wife.
400,000 dinars allowance for the children.
Total: 7,100,000 dinars taxable income.

The percentage ratios according to the regulations are as follows:

$250,000 \times 3\% = 7,500$
 $250,000 \times 5\% = 12,500$
 $500,000 \times 10\% = 50,000$
 $6,100,000 \times 15\% = 915,000$
Total: 985,000 Dinars - The accrued tax

In the event of not granting permits, the tax calculation is as follows:

Monthly salary \times number of months = Annual income.
 $1,000,000 \times 12 = 12,000,000$ Dinars - Annual income (taxable income).

The percentage ratios according to the regulations are as follows:

$250,000 \times 3\% = 7,500$
 $250,000 \times 5\% = 12,500$
 $500,000 \times 10\% = 50,000$
 $11,000,000 \times 15\% = 1,650,000$
Total: 1,720,000 Dinars - The accrued tax

It is evident from the above that the amount of tax imposed on the taxpayer would be higher in the event of not granting permits and exemptions. However, the granting of permits and exemptions serves as a means to encourage the taxpayer to pay the tax and promote investment.

By reviewing the details of the income criteria issued by the General Authority for Taxes and Exemptions, as well as the legal permissions granted to the taxpayer based on their social status and the tax scale according to the prevailing law and the realized tax, the implementation of tax expense control measures has led to the maximization of tax revenue. This revenue contributes to the development of various economic sectors. Furthermore, the application of control measures on employee incomes could lead to an abundance of tax revenue.

Fourthly: Conclusions

The researchers have reached several conclusions based on the theoretical and practical aspects presented in the study, as follows:

The application of internal control methods plays a significant role in increasing taxable income (tax base) and consequently increasing income tax. This is achieved through the application of annual criteria, exemptions, and permissions.

Sources and References

First- Laws and Legislative Orders

- 1-Income Tax Law No. 113 of 1982, as amended
- 2-Coalition Authority Order No. 49 of 2004
- 3-Regulations on professions and businesses for the year 2020

Secondly- Arabic Sources

1. Boula, Muhammad Boutin (2009) "Audit and control of accounts from theory to application," Diwan of University Publications, Ben Aknoun, Algeria - 3rd edition.
2. Khasawneh, Jihad Saeed, Public Finance and Tax Legislation between Theory and Practical Application, Dar Wael Publishing Press, Amman, 2010.
3. Al-Khatib, Khaled Shehadeh and Tafesh, Nadia Farid, Scientific and Practical Principles in Tax Accounting, first edition, Dar Al-Hamid for Publishing and Distribution, Amman, 2008.
4. Al-Khurasan, Muhammad Helou Daoud (2020) "Tax accounting and its applications under the legislation in force in Iraq," second edition, Iraq.
5. Al-Janabi, Taher(2009)"Public Finance and Financial Legislation" Al-Atak Book Industry, Cairo.
6. Dowidar, Muhammad(, 2004)" The Tax System between Theory and Financial Law" Al-Azarita, Al-Jadeed University House.
7. Al-Anbaki, Haitham Ali Muhammad (2018) "The basics of tax examination between theory and practice," second edition, Baghdad, Iraq.
8. Al-Kaabi, Jabbar Muhammad Ali, (2008) "Tax Legislation in Iraq", Dar Al-Sajjad Printing, Baghdad.
9. Al-Mahaini, Muhammad Khaled, "Corporate Governance and its Importance in Attracting Investments and Developing Human Resources," Forum of Scientific Activities of the Syrian Society of Certified Public Accountants, 2010.
10. Al-Jajjawi, Talal Muhammad Ali, Al-Anbaki, Haitham Ali Muhammad (2013) "Accounting and Tax Accounting," first edition, Dar Al-Kutub Distributors-Publishers, Karbala, Iraq.
11. Al-Jajjawi, Talal Muhammad Ali, Al-Anbaki, Haitham Ali Muhammad (2014) "Accounting and Tax Accounting," second edition, Dar Al-Kutub Distributors-Publishers, Karbala, Iraq.
12. Arens, Alvin, Lubeck James, (2009) "Reviewing is an Integrated Introduction," translated by Al-Dusaiti, Muhammad Muhammad Abdul Qadir, Dar Al-Marrekh for Publishing and Distribution, Kingdom of Saudi Arabia.
13. Al-Alusi, Hazem Hashem (2003) "The Path to the Science of Reviewing and Auditing, Part One, Reviewing in Theory," first edition, Dar Al-Nahda Al-Arabiyah, Tripoli.
14. Jumaa, Ahmed Helmy (2011): Internal and Government Auditing, first edition, Dar Safaa for Publishing and Distribution, Amman.
15. Hleihel, Jalila Idan, Karim, Hussein Saleh (2019) "Modern Approaches to Internal Control," first edition, Al-Dhad Library for Publishing and Distribution, Baghdad.
16. Khalaf, Sabah Hassan (2018) "The Development of Auditing and Control Methods," first edition, Shams Al-Andalus Office for Digital Printing, Design and Publishing, Baghdad, Iraq.
17. Suleiman, Muhammad Mustafa (2014) "Scientific and Practical Foundations of Auditing," published by Dar Al-Jamaea, Alexandria.
18. Al-Sahn, Abdel Fattah, Saraya, Mohamed El-Sayed, Nasr, AbdelWahab, Shehata, El-Sayed Shehata, (2008) "Operational Review and Internal Control," University House, Alexandria.
19. Abdullah, Khaled Amin (2000) "The Science of Auditing from the Practical Aspect," Wael Publishing House, Amman, Jordan.
20. Abdullah, Khaled Amin (2004) "The Science of Auditing from the Theoretical Perspective," third edition, Dar Wael Publishing, Jordan.
21. Federal Financial Supervision Office, (2007), "Guide Guide for Internal Audit Units in Ministries," Department of Technical Affairs and Studies.

22. Al-Hisban, Atallah Sweilem (2009) "Internal Control and Auditing," 1st Edition, Al-Raya Publishing House, Amman, Jordan.
23. Nour El-Din, Hamed, Maryam, Amara (2016) "Internal Audit of Confirmations in Economic Institutions," Zahran Publishing and Distribution House, Amman.
24. Al-Zubaidi, Abdul Basit Ali Jassim. (2015). "Public finance, the state's general budget, and its control - a comparative study." 1st edition. The modern university office. Alexandria.
25. Al-Ali, Adel (2009) "Public Finance and Financial and Tax Law," Part One, First Edition, Ithraa Publishing and Distribution.
26. Suleiman, Muhammad Mustafa, (2014), "Practical and Scientific Foundations of Auditing," University House, Alexandria – Egypt.
27. Al-Salameen, Yasser, Al-Daqq, Abdel-Rahman (2014) "Tax Accounting and its Applications in Palestine," first edition, Academic Library.

Third-Theses and Dissertations

1. Mahani, Majmoud Nimr Tawfiq (2010) "The impact of incentives in the Palestinian income tax law on tax revenues in the Gaza Strip," Islamic University, Gaza.
2. Akram, Qassima, (2016), "The role of internal audit in improving financial performance in the economic institution - a case study in the Great Mills Corporation of the South, Oumash Unit - Biskra", published thesis, Faculty of Economic, Commercial and Management Sciences, Mohamed Khidir University - Biskra. .
3. Malek, Amina, (2014), "Internal Auditing and its Role in Banking Risk Management," published thesis, Faculty of Economics and Management Sciences, Oum El Bouaghi University - Algeria.
4. Al-Obaidi, Nahed Najm Hamad (2019) "The role of corporate governance in rationalizing tax expenditures" An applied research in the General Authority for Taxes and a sample of foreign investment companies, submitted to the Council of the Higher Institute for Accounting and Financial Studies to obtain a higher diploma certificate equivalent to a master's degree in rights and privileges.

Fourth- Magazines, Research, and Periodicals

1. Ahmed, Khader Karim, Abdel Reda, Nidal Raouf, (2023) "The Role of Tax Incentives in Reducing Environmental Pollutants," Journal of Accounting and Financial Studies, Volume 18, Issue 62.
2. Hamad, Nahed Najm, Al-Zubaie, Salem Awad Hadi (2019) "The role of tax expenditures in encouraging foreign direct investment in Iraq" Journal of Accounting and Financial Studies.
3. Al-Haidari, Wafa Hussein Salman (2022) "The effect of the relationship between the internal auditor and the external auditor on the quality of profits in Iraqi companies listed on the Iraqi Stock Exchange" Journal of Accounting and Financial Studies, Volume (17) Issue (59). (
4. Al-Haidari, Wafa Hussein Salman, Ibrahim, Muhammad Abdullah (2022) "The effectiveness of the internal audit process and the work team in exposing financial and administrative corruption in the Iraqi public sector," International Journal of Economics and Financial Studies, Volume 14, Issue 3.
5. Wheeb, Hamza faeq, Haba, Nadjoua (2022) "The Legal Framework to Support Entrepreneurship," Bild Law Journal, Volume 7, Issue 1.
6. Taher, Muhammad Saad, Lafta, Bayda Sattar (2021) "The use of open administrative practices and their impact on expanding the tax base," applied research in the General Tax Authority, Turkish Journal of Computer and Mathematics Education, Volume 12, Issue 13.

7. Ali, Mustafa Abdel Hussein, Hussein, Ali Kazem, Yaqoub, Faiha Abdullah (2013) "The role of governance in improving the strategic performance of tax administration" *Journal of Accounting and Financial Studies*, Volume 8, Issue 22.
8. Ibrahim, Maha Sabah, Dawoud, Iman Hussein (2020) "The impact of entrepreneurial dimensions on continuous tax improvement" *An experimental analysis for the General Tax Authority, International Journal of Innovation, Creativity and Change*, Volume 10, Issue 11.
9. Khalaf, Al-Ghabban, Riam Tariq, Faiza Ibrahim Mahmoud (2023) "Analysis of tax policy strategy and its impact on the technical regulation of taxes (tax exemption)" *Journal of Accounting and Financial Studies*, Volume 18, Issue 63.
10. Hamed, Qasim Kadem (2020) "The role of the media in raising tax awareness among taxpayers" *International Journal of Innovation, Creativity and Change*, Volume 10, Issue 11.

Fifth, Foreign Sources

1. Pickett , K H spener (2011))"the essential Guide to internal Auditing, A johon wiley& sons "second edition .
2. Dup, Gach Giel, (2014) " Tax awareness and compliance determinants in selfassessment system in Gambella Region" acase study of Gambella Revenue Administration Authority, Master Thesis, Ethiopian Civil Service University, Institute of Tax and Customs, Administration, , Department of Public Financial Management
3. Morelo , Natan, Newcomer, Kathryn E. ,(2011) The Importance of Intenal control in the Brazilian public Adminis tration the hnstitute , Minerva program .
4. Messier . William f., (2000), *Auditing and Assurance Services 2nd ed* Cram – Hill Co , Boston.
5. Brian , Mwachiro D , (2013), "Effects of internal controls on Revenue Collection : A case of kenya Revenue Authority" the Degree of master of Business Administration (MBA), school of Business ,University of Nairobi .
6. DiNapoli . Thomas (2007) "Standards for Internal control in New york state Government" , state of New York com patroller .