

GOOD TAX COMPLIANCE PRACTICES: AN EXPLORATORY STUDY IN COMPANIES IN SERRA GAÚCHA

Cristiano Adriel Covolo Dutra

Centro Universitário Uniftec
Bento Gonçalves, Rio Grande do Sul-Brasil
ORCID ID: 0009-0006-4702-6664

Diego Luís Bertollo, Dr.

Centro Universitário Uniftec
Bento Gonçalves, Rio Grande do Sul-Brasil
ORCID ID: 0000-0002-4066-9185

Maria Emilia Camargo, Dr.

Federal University of Santa Maria
Santa Maria, Rio Grande do Sul-Brasil
ORCID ID: 0000-0002-3800-2832

Rosecler Mashio Gilioli, Dr.

Universidade de Caxias do Sul
Nova Prata, Rio Grande do Sul-Brasil
ORCID ID: 0000-0001-8263-7117

Abstract

Tax compliance has become a crucial element in business administration, assisting in fulfilling legal obligations, reducing potential risks, and consolidating corporate governance. The purpose of this study was to examine exemplary tax compliance practices adopted by companies in the Serra Gaúcha region and evaluate the impact of these practices on reducing tax uncertainties and optimizing business management. The investigation is descriptive in nature, focusing on numerical data, and was conducted through a survey using a questionnaire directed at 53 companies in the area. The findings revealed a strong commitment of the entities to complying with tax requirements, highlighting the timely payment of taxes (94% agreement; average score of 4.60), the regular analysis of tax responsibilities (81%; average score of 4.36), and the involvement of senior management with guidelines and standards (87%; average score of 4.34). A widespread adoption of integrated management software (ERP) and technological resources was also observed (79%; average score of 4.15). The main obstacle identified by 89% of participants was Brazil's intricate tax legislation (average score 4.66). Additionally, 85% stated that compliance enhances the company's image, while 80% recognized its influence on increasing credibility with investors and employees. It is concluded that the companies investigated demonstrate an adequate level of development in tax compliance, although there is still room for improvement in risk management, supervision of internal control mechanisms, and the application of performance metrics.

Keywords: Tax compliance. Corporate governance. Risk management.