



**Briefing Paper BP10/2017**

**The Evidence: what psychologists say about tax compliance**

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Using evidence to inform policy is a key mantra of modern government, not least when it comes to developing tax policy. But where is suitable evidence to be found – particularly with a developing scepticism of experts and of data? This article looks at one aspect of evidence collection from the public – what can and do psychologist researchers contribute to this area on the subject of tax compliance motivators?

Your stance against authority, your personal values, or your regard for the opinions of your loved ones – these are just some of the factors that have been studied by research psychologists trying to figure out why people avoid or evade taxes, or what motivates them to be compliant. This article will take you through some of the main insights from academic psychologists over the last few decades on the subject of what motivates individual tax compliance.

The historical journey starts – funnily enough – with a non-psychologist. In the 1950s, German economist Günter Schmolders published a series of articles where he argued – very much against thinking in public economics at the time – that in order to solve the ‘big’ problems of fiscal policy, psychological and social factors need to be investigated. He speaks of the need to ‘[dig] down deeply into the motivational and emotional layers of the mind of taxpayers and other citizens’ in order to describe people’s ‘tax mentality’.

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