

## **Abstract**

Electronic tax service have proved to facilitate easy communication between clients and the authority in the aspect of helping the clients to have access to the service without time and location boundaries, it is the fact that adoption of electronic tax service in most of developing countries remain poor. As a result of this e-tax service in place are marked with limitations such as technological barriers, low utilization of services, poor electronic service provision, poor customer support. A major contributor to the low adoption rates for e-tax services is the lack of appropriate models to explain e-tax adoption in the Revenue authority. This study aimed to e-tax develop a model that support electronic tax services adoption in Tanzania Revenue authority to fully utilize potential benefits of electronic tax service.

A questionnaire based exploratory field study was administered to taxpayers and administrators working with Tanzania Revenue authority. Out of a total of 300 respondents who were given questionnaires, 267 respondents returned validly filled questionnaires showing a response rate of 89%. The factors obtained from the results of the field study were used to extend TOE framework in order to derive a appropriate model that explains the adoption of electronic tax service in Tanzanian context. To validate the model, expert opinions were compared with the results of the field study. The validated results showed that four factors namely: Financial institution participation, Trust, electronic payment systems availability and Training had significantly impact on adopting electronic tax services in Tanzania.

These factors could be used as measures to overcome the challenges of e-tax adoption in Developing countries like Tanzania. The results also contribute to electronic tax literature by providing a model for improved understanding of the factors that are vital for the electronic tax adoption. The model is generic and can be adopted for use by other economically and technologically transitioning countries with similar contexts as Tanzania