-RESEARCH ARTICLE-

MEASURING THE IMPACT OF THE INTERNAL CONTROL AND AUDIT SYSTEM IN ACHIEVING THE FINANCIAL OBJECTIVES OF THE TAX AUTHORITY

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─**Abstract**─

This study explores the efficacy of the internal monitoring and management system within the Tax Authority in meeting its organisational financial objectives. It specifically examines the extent to which internal control frameworks, alongside auditing procedures, contribute to the attainment of financial goals within the General Tax Authority. A quantitative design was used, selecting fifty employees through

stratified random sampling from various positions across the authority. Data were gathered using a structured questionnaire assessing three fundamental dimensions: the control environment, control activities, and mechanisms for monitoring and control. Hypotheses were tested using SPSS software, employing analytical techniques such as frequency distributions, means, standard deviations, and linear regression. Findings indicate that each of the three dimensions of internal control meaningfully improves the Authority's financial performance. Among the examined variables, the control environment exhibited the highest correlation coefficient ($r = 0.887$) and coefficient of determination ($R^2 = 0.785$) followed by monitoring and control ($r = 0.916$; $R^2 = 0.836$), and control activities ($r = 0.863$; $R^2 = 0.738$). The results underline the position of clearly delineated responsibilities, equitable allocation of authority, and independent oversight mechanisms in promoting financial effectiveness and organisational goal realisation. The evidence suggests that internal control systems serve a critical strategic role, offering valuable insights for increasing public sector accountability and operational performance. The study supports for the reinforcement of internal control procedures throughout the central authority and its subsidiaries. For better results, it is recommended that the organisation adopt enhanced surveillance protocols, conduct routine assessments, and introduce systematic adjustments in answer to emerging challenges. These interventions are vital for confirming accurate tax disclosure and refining tax revenue collection efficiency.

Keywords: Internal Audit and Control System, Fiscal Objectives of Taxation, Tax Authority.

INTRODUCTION

(Hanoon et al., 2021) state that an Internal Control System (ICS) establishes a structured integration of operations and procedures embedded in the supervisory framework by management to realise business purposes. (Keitany, 2000) indicated that the ICS encompasses management-devised methods and operational protocols designed to simplifying coordination among directors, safeguard assets, and enable the early fraud detection of, so ensuring timely financial reporting. Likewise, (Okidi et al., 2021) compare the ICS to a human nervous system, distributing directives between management and the broader organisation. This system is rooted in the organisational hierarchy and policies. An ICS is financial reporting and accounting operations and a comprehensive mechanism for assessing actual business consequences against predetermined standards (Hajiani et al., 2024). The system also entails independent evaluations carried out by appointed auditors to verify financial compliance within established legal parameters, as stipulated by the APC. The fundamental purpose of internal control is to furnish managerial personnel with accurate service-related insights and to assist staff members in enhancing task efficiency. ICSs are utilised by organisations as strategic tools that generate substantial value through their

implementation. The research investigates how a unified internal control approach contributes to enhanced organisational efficiency (Lakis & Giriūnas, 2012). As a preventive framework ensuring the integrity of financial statements, internal control is both functional and structural.

This investigation also elaborates on the definition of internal control and outlines the framework upon which it operates. Included within this study are measurable parameters that management may employ to evaluate control effectiveness. Regardless of size or complexity, every institution must establish a robust ICS to realise its objectives (Baya, 2023). A well-functioning control system forms the bedrock of secure operations across government bodies. Conversely, inadequate controls can result in ineffective programmes and consequent organisational losses. Taxation constitutes a foundational element of any governmental financial framework. It not only provides the primary channel for generating public funds but also serves as an instrument of economic, political, and social policymaking. Fiscal policies employed by tax authorities are essential components of public financial management. In the dynamic between the taxpayer and the government, the state maintains a dominant role through sovereign control, empowering tax entities with significant oversight. Tax instruments include income tax stands out because it is significant. It chiefly serves to (a) fund the public treasury, (b) stimulate economic activity and investment, and (c) social justice by equitable income redistribution.

According to objectives, the sound internal oversight system establishment within tax authorities becomes a need. These systems protect national fiscal interests, regulate revenue collection and disbursement, and maintain consistent treasury funding ensuring a record accuracy, secure asset protection, prevent misuse, and enforce regulatory compliance among staff. Interest in oversight mechanisms has risen in the public sector, driven by the growing complexity of institutional operations. For tax systems to function effectively, internal control has to align with service quality and support performance monitoring. Robust control systems produce accurate data essential for effective planning and policy formulation which improves resource allocation, and enhance state revenues (Lai et al., 2020). So, tax administrations adopt a holistic internal oversight system governing all functional operations. Senior leadership must routinely review these systems for identifying deficiencies, whether structural or personnel-related. Such incessant assessment is vital as it directly influences the efficiency of tax collection, constituting a major constituent of domestic revenue.

The ICS is also a dependable method to identify procedural shortcomings and is instrumental in boosting institutional performance and fulfilling strategic goals. This work studies the central issue of a deficient internal control framework in the General Tax Authority, adversely influencing organisational efficiency and obstructs the attainment of key aims. The contributing factors are the lack of a cohesive control

environment supported by enforceable policies, ineffective risk-mitigation procedures, or inadequate monitoring mechanisms for reviewing system performance in tax departments. The work helps in the accomplishment of a number of key objectives:

1. Determine how the internal audit and control system affects the Tax Authority's ability to meet its financial goals.
2. Evaluate how the regulatory environment contributes to the Tax Authority's budgetary objectives.
3. Analyse how regulatory actions affect the Tax Authority's capacity to achieve its budgetary goals.
4. Assess how well monitoring and control systems are working to achieve the Tax Authority's budgetary objectives.

THEORETICAL FRAMEWORK

Internal Control System

The analysis of the internal control system comprises three distinct components. The initial section provides a definition of internal control, the second outlines its primary objectives, and the third explores the fundamental elements underpinning the internal control framework. The concept of internal control has undergone significant evolution over time in response to the dynamic nature of economic conditions. Its scope now extends beyond the mere safeguarding of financial resources from fraud or theft. At present, internal control encompasses a broad array of regulations, standards, and practices designed to assist management in attaining organisational goals in an efficient and effective manner (Jensen, 1993).

The American Institute of Certified Public Accountants (AICPA) sets forth principles that structure an internal control system aimed at establishing organisational frameworks, supervising operations and procedures, protecting assets, ensuring the reliability of accounting data, enhancing operational performance, and securing compliance with managerial directives. The efficacy of an internal control system is influenced by the collective involvement of the board of directors, the management team, and all employees. It seeks to provide reasonable assurance regarding the effectiveness and efficiency of operations, the accuracy of both internal and external financial and non-financial reporting, and conformity with applicable legal and regulatory requirements (Koo & Ki, 2020). In accordance with the Institute of Chartered Accountants in England and Wales, internal control systems constitute a holistic arrangement of checks devised to ensure operational efficacy, accurate financial reporting, and legal compliance. The International Standard on Auditing and Assurance Practices, as issued by the International Federation of Accountants, defines internal control frameworks as the policies and procedures an organisation enacts to realise its objectives. These measures encourage sound operational conduct, internal policies

compliance, asset safeguarding, fraud prevention, error detection, accurate accounting records, and trustworthy financial statements. Many aims are considered supreme (Saeed, 2024).

The internal control system aim involves protecting the assets and property belonging to the tax authority entailing the identification and prevention of fraud, misuse, or unauthorised access. Control mechanisms counteract violations, such as sophisticated financial concealment by complex structures such as shell corporations and offshore entities minimised tax liabilities. Also, internal controls prevent advanced forms of forgery by technical or strategic manipulation, arising from either professional fraudsters embedded in large organisations or covert networks operating in the tax authority itself (Ogbebor et al., 2020). Also, the system promote the optimal use of resources and enhance the tax authority's operational efficiency by thoughtful governance. These outcomes are achieved by structured internal processes formulated by perceptive tax administrators undertaking detailed analyses of diverse taxpayer data. Adherence to progressive tax policies and administrative directives ensure that operations in a manner that serves the public interest. Such a commitment ensures that tasks are used based on laws, regulations, and established procedures to benefit the wider community. Also, the internal control system is vital in ensuring the credibility and reliability of data and enhance its usefulness in decision-making, and fostering mutual understanding between tax officials and the general public (Rashid, 2022).

The COSO framework, promotes an integrated, process-oriented, and management-led approach, five interrelated factors constitute the core of an internal control system (Kova & Zulkifli, 2025). delineated by the COSO Committee, include (Lawson et al., 2017): the control environment, risk assessment, control activities, information and communication systems, and monitoring. The first, comprising procedures, structures, and standards, serves as the foundation internal controls across the entity. As the most fundamental element, it reflects the ethical climate and organisational culture in which internal controls are enacted. The second affect employee perception and interaction with internal systems. Its key elements are staff competencies, managerial ethos, organisational hierarchy, ethical standards, the board of directors, and the the audit committee work (Fabioux, 2023).

Within the COSO model, control activities are defined as the operational procedures, policies, programmes, strategies, and directives that guide management in achieving its goals (Ayimpoya et al., 2020). These activities are implemented across all tiers and operational stages of the organisation, including within its technological infrastructure (Almusawi et al., 2023; Jeong et al., 2022). COSO specifies three central tenets of control activities: the design and application of suitable controls, the implementation of controls over technology systems, and the communication of relevant policies and procedures (Arens et al., 2015). Risk assessment represents a proactive function of

management aimed at mitigating the likelihood of adverse events (Wainaina, 2011). It is incumbent upon management to develop control strategies that reduce risk to an acceptable threshold, thereby enabling the organisation to achieve reasonable assurance concerning operational performance (Ayimpoya et al., 2020). COSO links risk assessment with three key principles (Arens et al., 2015).

Monitoring involves the regular and systematic evaluation of internal control components by the administration to assess their effectiveness and identify areas for improvement, modernisation, and development. It also assists in pinpointing organisational strengths and weaknesses (Akinleye & Kolawole, 2020). Information systems play an indispensable role in collecting, processing, and disseminating pertinent data in a timely and accurate manner, thereby enabling employees to fulfil their responsibilities efficiently. These systems underpin internal communication and facilitate interactions with external stakeholders, such as clients, vendors, and investors. Additionally, they manage information related to internal events, organisational activities, and external variables that influence business operations (Xinyu, 2023).

Financial Objectives of Tax

The financial objectives of the tax authority are examined across three distinct dimensions. The first addresses the conceptual definition of the tax authority. The second elucidates its primary financial aims. The third evaluates the role of internal audit and control mechanisms in safeguarding public assets. Operating as a component of the executive branch and affiliated with the Ministry of Finance, the tax authority is entrusted with the enforcement and accurate implementation of tax legislation. It aims to protect the public treasury whilst simultaneously upholding the rights of taxpayers (Aytaç, 2018; Devas et al., 2001). As the counterpart to taxpayers in the fiscal relationship, the tax authority functions as the nucleus of the taxation system, serving as the conduit between legal statutes and citizens. Its operational effectiveness has a significant impact on public awareness regarding the importance of taxation and its contribution to national objectives. The efficiency and reliability of the tax accounting infrastructure are intrinsically tied to the capability of the tax administration. As one of the most substantial entities within the public sector, it comprises a central administrative body supported by numerous regional offices that encompass the entire economic landscape of the country (Araki & Claus, 2014).

Despite its critical role, the characteristics of an effective tax system remain underexplored, with limited consensus regarding its objectives or framework (Vence & López Pérez, 2021). In jurisdictions with high-performing administrations, tax authorities often adopt a strategic orientation that transcends mere revenue collection, incorporating elements of comprehensive planning and institutional advancement. As outlined by (Araki & Claus, 2014), tax administrations typically exhibit three core organisational traits: (1) a centralised configuration supplemented by various regional

offices; (2) legal authority to enforce tax laws; and (3) accountability not only for revenue collection but also for fulfilling broader fiscal policy goals. Active tax administration requires a nationwide network of offices, a substantial workforce for managing the tax regulations, and personnel equipped with specialised knowledge of tax law and fiscal management.

Modern fiscal discourse harmonies taxes a projecting role as a principal source of public revenue, underpinning governmental budgets by systematically collecting tax authorities. The rationale and definitions of taxation significantly transformaed over time (Olufemi et al., 2018). Historically, taxation was predominantly as a mechanism for the generation of state income. Yet, in modern contexts, additional economic, social, and political functions can be done. Scholars have documented taxation from a narrowly fiscal instrument to a multifaceted policy tool for the promotion of economic stimulation, revitalise enterprise activity, employment, and rectify economic disparities (Nwanakwere, 2019). Also, taxes are pivotal in resource allocation, investment encouragement, economic acceleration, and inflation control. Theoretical contributions to the optimal taxation paradigm show the need for designing tax structures balancing equity and efficiency, so improving societal welfare such as Ramsey's model, basing optimal taxation on consumption patterns, and Mirrlees' theory, identifying revenue as the focal element of taxation. Both frameworks identify tax rates that satisfy fiscal demands reducing distortions to economic behaviour.

Taxation is thus intended to a dependable source of income to financing state expenditures across various sectors and fostering national growth (Jones et al., 2020). Also, taxes influence macroeconomic dynamics, such as the mitigation of inflationary pressures—a role before attempted through monetary policy alone (McKinnon, 1992). The tax system incentivises or disincentivises specific economic activities; such as, by exemptions to particular sectors or imposing heavier taxation to dissuade undesirable practices. Moreover, tax policy is leveraged to shield domestic industries by discouraging the importation of similar foreign products through protective tariffs or high levies (Limberg, 2022). Taxation also serves vital social objectives, such as reducing wealth disparities through progressive tax schemes and discouraging consumption of harmful substances like tobacco and alcohol (Kalaš, 2021). Politically, it functions to regulate intergovernmental relations, such as the avoidance of double taxation or the establishment of tax treaties for diplomatic entities (Daurer, 2014).

A primary concern of supervisory mechanisms within tax administration is the preservation of institutional assets against risks including misappropriation, loss, waste, and theft. It is essential that internal control systems evolve in response to changing internal and external conditions to ensure their continued efficacy in protecting assets against manipulation and embezzlement. Administrative actions must include the accurate and prompt recording of financial transactions, daily deposits into designated

bank accounts, routine inventory assessments, and reconciliation of physical assets with recorded data. These must be corroborated with bank statements and internal documentation (Andrews et al., 2015).

In addition to asset protection, supervisory efforts must aim to prevent and detect errors, irregularities, and misconduct. Control processes are inherently evaluative, assessing whether operations align with prescribed plans and directives, identifying operational strengths and weaknesses, and instituting remedial actions. This is achieved through direct supervision, employee engagement, and guidance aimed at reducing the incidence of error and fraud (Van Dyck et al., 2005). The overarching responsibility for preventing and uncovering discrepancies lies with the administration, which must ensure the effective application of internal control protocols. Control personnel, in cooperation with the management, bear collective accountability for the integrity of unit operations. This requires the establishment of a regulatory and supervisory culture that promotes ethical conduct, procedural compliance, and organisational efficiency.

RESEARCH METHODOLOGY

The study uses primary sources, a sample drawn from managers, staff members, and operational personnel at the General Tax Authority, Karrada branch. It evaluates employees' opinions on the internal audit and control system in the authority's financial aims. The practical phase assesses how these individuals perceive the effectiveness of the system in supporting the financial goals of the tax authority. A structured questionnaire, covering three core aspects of the internal control system, is used for data collect: (1) the the control environment effect, (2) the effectiveness of control operations, and (3) the monitoring and supervision function. Responses are calculated by five-point Likert scale, which allows for a range of responses from strongly agree to strongly disagree. For accuracy and reliability of the collected data, statistical methods like correlation analysis, arithmetic mean, and standard deviation are used. These techniques confirm the consistency and dependability of the responses and provide insight into the relationship between the control system and financial aims. The study's applied a detailed description of the sample, the data collection tool (the questionnaire), its design, and the the results from the questionnaire responses. It also shows the methodology for selecting the sample and information on the time frame. This approach is a comprehensive examination of the effectiveness of the internal audit and control system in the achievement of the financial aims of the General Tax Authority.

Sample Collection

The research population is many statistically homogeneous strata adequately represented, the study used a stratified random sampling method with 50 General Tax Authority employees, including directors, associate directors, division heads, estimators, and auditors. The data collection process, which spans approximately 12

days, begins with the distribution of questionnaires and concludes with the retrieval of completed forms. Of the 55 surveys distributed, 50 valid responses are obtained and utilised in the study. The survey comprises 17 items and focuses on three key dimensions. To convert qualitative feedback into quantifiable data, the study applies a five-point Likert scale (ranging from 1 to 5), assessing the level of agreement for each statement. Data analysis is performed using the SPSS software suite. The primary statistical techniques employed include frequency distributions, arithmetic mean, standard deviation, and basic linear regression. These methods are selected due to their suitability for the type of data collected. Refer to Table 1 for further details

Table 1: Distributed, Recovered and Subject to Analysis

Number of Forms Sample	Distributed Forms Number	Forms Returned and Analysed Number
Tax Authority	55	50

Source: Prepared by the researcher by relying on the questionnaire data.

Moreover, the researcher calculated the frequencies and percentages for each demographic variable in the research sample. These variables include gender, age group, educational level, academic specialization, job title, and years of service. The summarized results are presented in Table 2.

Measurement

Cronbach's Alpha was used to assess the internal consistency and reliability of the questionnaire items pertaining to the three axes: monitoring and supervision, control activities, and control environment. The findings confirmed the reliability and validity of the items for each axis separately, as well as for the full questionnaire. The results of the Cronbach's Alpha test indicated a significant effect and strong internal correlation, validating the reliability of the study's measurement instrument. Key statistical indicators, such as arithmetic means, standard deviations, response levels, and the relative weight of each item along the main axes, were calculated based on the responses from the study sample. The primary goal of this analysis was to quantify how the various components of the internal control system influenced the Tax Authority's ability to achieve its financial goals.

Table 2: Repetitions and Lineage of General Information in the Research Sample

Years of Service			Functional Title			Scientific Specialization			Academic Achievement			Age			s		
Percentage	Repetition	Years of Service	Percentage	Repetition	Functional Title	Percentage	Repetition	Scientific Specialization	Percentage	Repetition	Scientific Achievement	Percentage	Repetition	Age Group	Percentage	Repetition	Gender
6	3	Less than 5	2	1	Branch Manager	52	26	Accounting	2	1	Preparatory	4	2	Less than 25	44	22	Male
10	5	5-10	2	1	Associate Director	24	12	Business Management	26	13	Diploma	10	5	25-35	56	28	Female
28	14	10-15	6	3	Section Manager	6	3	Economy	62	31	Bachelor	46	23	35-45	100.0	50	Total
56	28	More than 15	8	4	Divisional Officer	12	6	Computer	10	5	Higher Diploma	24	12	45-50			
100.0	50	Total	2	1	Audit Manager	6	3	Other	100.0	50	Total	16	8	More than 50			
			8	4	Checker	100.0	50	Total				100.0	50	Total			
			34	17	Appraiser												
			6	3	Chief Observer												
			4	2	Note												
			2	1	Account Manager												
			16	8	Accountant												
			4	2	M. Engineer												
			6	3	Statistical												
			100.0	50	Total												

Source: Prepared by the researcher by relying on the questionnaire data.

Descriptive Statistics

The statistical results for the five-item control environment variable are displayed in Table 3.

Table 3: Statistical Description After Measuring the Impact of the Supervisory Environment in Achieving the Financial Objectives of the Tax Authority

No.	Paragraphs	The Average Arithmetic	Standard Deviation	The Answer Level	Relative Importance
1	The tax authority has written rules that define the responsibilities and duties of employees working in it	4.12	.720	Very High	5
2	There is an accredited system that defines the competencies, responsibilities and powers of the tax authority	4.18	.700	Very High	4
3	The tax authority is concerned with reports issued by the internal audit unit	4.36	.630	Very High	1
4	The tax authority informs all employees of their roles within the framework of internal control operations in a clear and written way	4.34	.650	Very High	2
5	The tax authority establishes the principle of considering internal control of all the responsibilities of all its working individuals	4.32	.670	Very High	3
	For the dimension as a whole	4.34	.680	Very High	

Source: From the researcher relying on the results of statistical analysis (SPSS.VR.24).

A strong consensus among respondents regarding the importance of this component in achieving the Tax Authority's financial goals is indicated by the overall mean of 4.34, with a standard deviation of 0.680. Item 3 ("The Tax Authority is concerned with reports issued by the Internal Audit Unit") had the highest mean of 4.36 and a standard deviation of 0.652, demonstrating a high degree of consistency in responses. In contrast, item 1 ("The Tax Authority has written rules that define the responsibilities and duties of its employees") recorded the lowest mean of 4.12 and a standard deviation of 0.720, yet it is still classified as "very high" in terms of response level. These results validate that the control environment is perceived by the sample as a crucial factor in facilitating the financial objectives of the Tax Authority.

Descriptive Analysis of the Impact of Regulatory Activities on Achieving the Financial Objectives of the Tax Authority

Table 4 provides statistical results for the regulatory activity variable, comprising five items. The overall mean score is 4.05 (SD = 0.780), suggesting consistent agreement on the importance of regulatory actions in supporting the Tax Authority's financial objectives. Item 5 ("The process of distributing powers to different administrative levels

contributes to improving control procedures") recorded the highest mean (4.08; SD = 0.850), indicating very strong agreement. In contrast, Item 2 ("The Tax Authority uses financial and administrative reports as a control tool") had the lowest mean (3.97; SD = 0.97), yet remained within the "high" response category. These results underscore the perceived significance of regulatory activities in enhancing financial performance.

Table 4: Statistical Description of the Dimension Measuring the Extent of the Impact of Regulatory Activities in Achieving the Financial Objectives of the Tax Authority

No.	Paragraphs	The Average Arithmetic	Standard Deviation	The Answer Level	Relative Importance
1	The tax authority is keen to apply the principle of separation of tasks	3.84	.750	High	4
2	The tax authority uses financial and administrative reports as a supervisory tool	3.97	0.97	High	5
3	Data and information are documented and entered as soon as they are completed on the computer	4.01	.700	Very High	3
4	A system for approval and control of tax documents is available in the General Tax Authority	4.03	.880	Very High	2
5	The process of distributing powers at various administrative levels contributes to improving control procedures	4.08	.850	Very High	1
	For the dimension as a whole	4.05	.780	High	

Source: The researcher prepared the research based on the results of the statistical analysis (SPSS.vr.24).

Descriptive Analysis of the Impact of Monitoring and Control on Achieving the Financial Goals of the Tax Authority

Table 5 presents a statistical overview of the monitoring and control variable, which comprises seven items assessed through response levels, means, and standard deviations. The overall mean of 3.94 (SD = 0.870) indicates general agreement on the importance of this dimension. Item 1 ("There is an independent internal control unit in the General Tax Authority") received the highest mean score of 4.45 (SD = 0.760), classified as "very high," reflecting strong consensus among respondents. Conversely, Item 2 ("All records and documents are fully accessible to control personnel") recorded the lowest mean of 3.73 (SD = 0.840), yet still fell within the "high" response category. These outcomes underscore the respondents' recognition of monitoring and control as essential to achieving the Tax Authority's fiscal goals.

Table 5: Statistical Description After Measuring the Impact of Monitoring and Control in Achieving the Financial Objectives of the Tax Authority

	Items	Mean	Standard Deviation	Response Level	Relative Importance
1	There is an independent unit for internal control in the General Tax Authority	4.45	.760	Very High	1
2	Censorship workers have full powers to access all records and documents	3.73	0.84	High	7
3	Internal control workers have long experience and scientific rehabilitation	3.82	.840	High	6
4	Independent control workers enjoy independence	3.92	.820	High	5
5	The internal control process is sometimes done by requesting a sample of files from the tax authority employees	4.01	.960	Very High	4
6	The independence of the internal auditor contributes to improving internal control procedures	4.03	.920	Very High	3
7	The results of censorship reports are used in the processing of palaces and the development of work	4.12	.890	Very High	2
	For the dimension as a whole	3.94	.870	High	

Source: From the researcher relying on the results of statistical analysis (SPSS.VR.24).

Hypothesis Testing

Hypothesis testing is central to the research process. This section outlines the analysis and interpretation of hypotheses, examining the direct impact relationships between key variables using data from 50 employees of the General Tax Authority. The statistical approach assesses how components of internal control influence the achievement of financial goals, offering empirical support for accepting or rejecting each hypothesis. The specific hypothesis tested here states: There is no significant effect of the supervisory environment on achieving the Tax Authority's financial goals. A simple linear regression analysis was employed to evaluate this claim. Table 6 confirms a significant impact of the control environment on the Tax Authority's financial goals. The correlation coefficient is 0.887, reflecting a strong positive relationship. The coefficient of determination ($R^2 = 0.785$) indicates that 78.5% of the variance in financial goals is explained by the control environment, with 21.5% attributed to other factors. The F-value of 165.112 is significant at the 95% confidence level, and the p-value is 0.000, well below the 0.05 threshold. These results lead to the rejection of the null hypothesis, affirming that structured policies and managerial oversight significantly support financial goal achievement.

Table 6: Analysing the Impact of the Control Environment on the Financial Targets of the Tax Authority

Variable	Correlation Coefficient R	Determination Coefficient R^2	Corrected Determination Coefficient	Value F	Sig
The supervisory environment	0.887	0.789	0.785	165.112	0.000

Source: From the researcher relying on the results of statistical analysis (SPSS.VR.24).

Table 7 presents the regression coefficient for the control environment variable, which is 0.81. This indicates that a one-unit increase in the control environment results in a corresponding increase of 0.81 units in the financial goals of the Tax Authority. The positive regression coefficient confirms a significant and strong effect, reinforcing the conclusion that enhancing the control environment plays a key role in achieving the financial objectives of the Tax Authority. The hypothesis tested in this study stipulates that (there is no significant impact of regulatory activities on the achievement of the financial goals of the Tax Authority). To assess this hypothesis, the researcher employed a simple linear regression analysis.

Table 7: Results of the Analysis of the Supervisory Environment and the Financial Objectives of the Tax Authority

Model		The Unstandardized Value of the Regression Line Equation		Normalized Value of the Parameters
		β	Standard Error	β
	Constant	0.855	0.244	
	The Supervisory Environment	0.81	0.062	0.887

Source: From the researcher relying on the results of statistical analysis (SPSS.VR.24).

Table 8 indicates a significant impact of control activities on the Tax Authority's financial goals. The correlation coefficient of 0.863 reflects a strong positive relationship, while the coefficient of determination ($R^2 = 0.738$) shows that 73.8% of the variance is explained by control activities, with 26.2% attributed to other variables. The association is statistically valid, supported by an F-value of 128.067 and a p-value of 0.000, confirming significance at the 95% confidence level. These results warrant rejection of the null hypothesis and acceptance of the alternative, affirming that well-structured control activities addressing operational risks play a crucial role in achieving financial objectives.

Table 8: Analysing the Impact of the Control Environment on the Financial Objectives of the Tax Authority

Variable	Correlation Coefficient R	Determination Coefficient R^2	Corrected Determination Coefficient	Value F	Sig
Control Activities	0.863	0.744	0.738	128.067	0.000

Source: From the researcher relying on the results of statistical analysis (SPSS.VR.24).

The regression coefficient for the control activities variable, as shown in Table 9, is 0.663. This indicates that for each unit increase in control activities, there is a corresponding increase of 0.663 units in the achievement of the Tax Authority's financial objectives. This demonstrates a positive and direct effect of control activities on the attainment of the Authority's financial goals. The hypothesis under consideration

asserts that (there is no significant impact of monitoring and controlling in achieving the financial goals of the Tax Authority). To test this hypothesis, the researcher employed a simple linear regression analysis.

Table 9: Results of the Analysis Between the Supervisory Activities and the Financial Objectives of the Tax Authority

Model		The Unstandardized Value of the Regression Line Equation		Normalized Value of the Parameters
		β	Standard Error	β
	Constant	1.276	0.247	
	Control Activities	0.663	0.060	0.865

Source: The researcher's dependence on the statistical analysis's findings (SPSS.VR.24).

Table 10 reveals a substantial impact of monitoring and control on the Tax Authority's financial objectives. The correlation coefficient, which stands at 0.916, indicates a very strong relationship. According to the coefficient of determination (R^2) of 0.836, monitoring and control explain 83.6% of the variation in the Authority's financial goals, with the remaining 16.4% accounted for by other factors not included in the model. The statistical significance of this association is confirmed by the computed p-value (Sig.) of 0.000, which is less than the 0.05 threshold. Additionally, the F-value of 237.597 is significant at the 95% confidence level. Consequently, the alternative hypothesis is accepted, and the null hypothesis is rejected. This supports monitoring and control significant and positive effect on the Tax Authority's financial aims. It highlights the structured monitoring systems assessment of the performance of internal controls which identifys strengths and weaknesses, and ensuring alignment with the financial aims the General Tax Authority.

Table 10: Analysing the Effect of Monitoring and Controlling the Financial Targets of the Tax Authority

Variable	Correlation Coefficient R	Determination Coefficient R^2	Corrected Determination Coefficient	Value F	Sig
Monitoring and tuning	0.916	0.844	0.836	237.597	0.000

Source: From the researcher based on the results of statistical analysis (SPSS.VR.24).

In addition, Table 11 is the regression coefficient to monitor and control variable, 0.920. So, every unit rises in monitoring and control, the Tax Authority's financial objectives rise by 0.920 units. This finding confirms the significant and direct positive effect of monitoring and control on the Authority's financial goals.

Table 11: Results of the Analysis Between Monitoring, Control and Financial Objectives of the Tax Authority

Model		The Unstandardized Value of the Regression Line Equation		Normalized Value of the Parameters
		β	Standard Error	β
	Constant	1.280	0.245	
	Monitoring and Tuning	0.920	0.05	0.917

Source: From the researcher based on statistical analysis (SPSS.VR.24).

CONCLUSION AND RECOMMENDATIONS

The findings show that integrating internal control with audit mechanisms guides the General Tax Authority towards its financial aims. Empirical support across all hypotheses affirms the importance of the control environment, control activities, and monitoring in enhancing fiscal results. A structured control environment—by formal policies and clear role assignments—make effective oversight and operational coherence easy. Control activities, procedural compliance, documentation, and decentralised authority, enhance administrative efficiency and reduce risks. Monitoring and audit functions, by independent personnel and informed by expert knowledge, offer the strongest predictive capacity for financial performance. These control components are interlinked and collectively strengthen governance within the Authority. The results establish quantitative associations between internal controls and financial success, contributing to both theoretical and applied public financial management literature. The study offers practical recommendations for tax reform officials, advocating for increased transparency, improved financial discipline, and stronger oversight. Enhancing audit capabilities, conducting regular control evaluations, and enforcing leadership accountability are essential for meeting current goals and building institutional resilience against future fiscal pressures.

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