INVESTIGATING THE ROLE OF GOVERNANCE, TAXATION, THE RULE OF LAW, AND CONTROL FOR THE MINISTRY OF FINANCE

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Abstract

This paper investigates the role of governance, taxation, and control in enhancing tax collection for Lebanon's Ministry of Finance, focusing on the development of tax administration and its impact on collection improvement. In Lebanon, tax administration is applied through specific regulations and rules (Uwaydah & Kassir, 2024). Governance is vital for the Lebanese taxation process (Alabdullah et al., 2019). The study examines three governance parameters: accountability, responsibility, and the rule of law, and their relationship with the dependent variable, collection improvement. Using a descriptive method and quantitative approach, a sample of 335 employees responded to a structured questionnaire analyzed via SPSS 25 software. The findings reveal a statistically significant positive relationship ($\alpha \leq 0.05$) between the governance variables and collection improvement, underscoring their critical role in strengthening tax administration. The study recommends upgrading electronic systems to enable taxpayers to submit declarations using their tax numbers via email, thereby addressing inefficiencies and fostering compliance. This research contributes to understanding how governance reforms can mitigate Lebanon's entrenched issues of tax evasion, inequitable systems, and inadequate technological infrastructure, historically undermining public trust and fiscal stability. This vision inspires public policy makers that good governance boosts public trust and tax-paying willingness, supporting economic progress and development.

Keywords: Governance, Taxation, Control, Accountability, Responsibility, Collection, Ministry of Finance

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1. INTRODUCTION

Over the past 20 years, Lebanon has aimed to develop and restructure its tax administration to enhance tax collection and increase national income. Consequently, it has shifted its focus from the types of taxes to the tasks needed to achieve the required development (AlAdelbi, 2020). A modernization program for tax administration in Lebanon began in 2010; it ranks 116th out of 190 nations in tax payment, down 0.4% from the previous year. At 42%, tax collection remains notably low (Choueiri et al., 2019). Businesses encounter numerous tax payments, complex regulatory requirements, and evaluations. The strategies include expanding the tax base, maintaining low maximum tax rates, eliminating wasteful tax expenditures, and enhancing progressivity (Dagher & Nehme, 2021). As a result, there is a need for better modern methods to manage those in charge, reducing tax evasion and increasing

the voluntary commitment of those responsible for tax performance by tightening their tax obligations, effectively controlling compliance, and adopting suitable means to support these obligations. This approach aims to foster a better relationship between tax administration and stakeholders, benefiting both parties (El-Manaseer et al., 2023). Thus, Lebanon has sought to improve the relationship between the Ministry of Finance and the two officials. The tax administration has transitioned from tax-based to distribution-based regulation. It has also opened branches in provinces lacking financial services, such as Akkar and Baalbek, to bring tax administration closer to those responsible for enhancing collection (Aslett et al., 2023). Lebanon's fiscal systems have faced significant strain from a four-year economic crisis, prompting regulatory authorities to propose reforms centered on a semi-autonomous taxation model. This strategy aims to enhance efficiency and mitigate political interference by granting greater autonomy to tax administrations, improving governance, streamlining processes, and strengthening accountability mechanisms. Ultimately, this approach seeks to improve revenue collection and address systemic inefficiencies within the Ministry of Finance. To ensure success, the following questions must be considered:

RQ1: How does accountability extend to the improvement of tax collection?

RQ2: What is the influence of responsibility on enhancing tax collection?

RQ3: How do the rules of law influence the improvement of tax collection?

The purpose of this research is to examine the extent to which the evolution of tax administration has affected the improvement of the levy, particularly since tax administration has been restructured and the transition from tax-based regulation to task-based regulation has been established (Al Najjar et al., 2024), so we will measure the extent to which the establishment of these services has affected the improvement of the levy and will focus on the following objectives.

At first, to determine the extent to which the establishment of the Personnel Service within the new structure has affected the improvement of the collection. Knowledge of the impact of the modernization of electronic management on the improvement of collection. Second, to measure the extent to which the establishment of the collection service within the new structure will affect the improvement of the collection (Rocchi, 2018). Third, the importance of this research is that the researchers will measure the extent to which the modernization of tax administration from regulation by type of tax to regulation by type of administrative function has an impact on the improvement of the levy, as well as the extent to which the modernization of e-management has an impact on the charger by determining the liability through the respective national tax turnover, to what degree the establishment of the collection service rather than the accounts in the regions, its role in improving the collection, and the measure to which the establishment of the service of the duty bearers has an impact on the improvement of the levy (Uwaydah & Kassir, 2024). Finally, this investigation is that it has focused on the development of tax administration in Lebanon, where the transition has been made from functional regulation based on tax types to regulation based on types of tasks,

particularly in the three departments (e-service, duty service, and collection service), which are important services in the central tax administration and in regional finances in all governorates of Lebanon (Fuertes et al., 2020).

The present research investigation is organized as follows. The ideas and present status of the literature review on the interaction between governance and collection improvement are explained in Section 2. The research methodology is then covered in Section 3. The research findings are analyzed and discussed in Section 4. Finally, the conclusions, recommendations, and further directions of the research are offered in Section 5.

2. LITERATURE REVIEW

2.1. Governance in financial institutions

Corporate governance structures are fundamental in addressing economic issues, assessing financial results, and establishing control (Alabdullah et al., 2019; Franzoi et al., 2021). They also help review administrative risk and enhance industry progress (Daw et al., 2023). Rules are essential for avoiding system failure and safeguarding the entire field. A weak governance level can lead to operational and liquidity risks in financial institutions. To ensure safety and risk minimization, regulators and policymakers must ensure strong and adequate governance guidelines (Srivastava, 2023). In the Lebanese sector, several critical topics related to corporate governance are unregulated, leading to inconsistencies in legislation. Firms often fail to consider stakeholder requests, and corruption is a significant issue. Therefore, strong and adequate governance guidelines are essential for ensuring the safety and success of financial institutions (Djuric & Cigna, 2021).

2.2. Accountability

Accountability is crucial for balancing shareholders and institutional management, as transparency is a primary requirement. It plays a significant role in financial budgets and reporting. Following the crisis in Lebanon in 2019, better regulations and procedures were needed to eradicate corruption effectively. One practical solution was to enhance accountability, promoting more practical behavior (Chbeir, 2020). Core accountability refers to performance assessment, which involves coordinating goals and rewards to meet financial institution objectives and ensure smooth operations, including money collection (Bank for International Settlements [BIS], 2009). Employees and team members in financial firms tend to show higher levels of accountability when organizational practices are implemented effectively, such as leadership behavior management and performance management. Accountability at all levels, including senior management and staff, helps avoid unethical behavior and improves collection (Verwaeren & Nijstad, 2022). In Lebanon, it is necessary to develop and activate accountability to plan and execute a strategy against corruption and abide by the goals of the US-Ukraine Convention against Corruption. Identifying responsible parties is one of the elementary steps applied to both sectors, being private and public (Office of the Minister of State for Administrative Reform, 2020). As a major part of corporate governance, accountability is crucial for

institutions to be accountable for all decisions and actions. Firms take responsibility for managing improvement, such as collection improvement or correcting mistakes (Keay & Loughrey, 2015).

2.3. Rule of law

Once regulations are applied effectively, they strengthen an organization's dedication to providing excellent working conditions and coordinating all activities with the company's goals. This ensures all requirements are met and encourages alignment with the company's objectives (Erwin et al., 2024). Banque Du Liban oversees the regulation of Lebanese financial institutions, and the regulations differ according to the complexity and nature of the business (Abou Jaoude et al., 2025). Maintaining confidentiality and adhering to international standards while striking a balance with the company's policies is essential. Good management and efficient execution are essential to these institutions' success (Carter et al., 2017). Financial policies assist financial institutions in carrying out their responsibilities and establish limits for employee behavior. The prosperity of financial institutions in Lebanon depends on well-crafted laws and regulations (Kumar, 2014).

2.4. Responsibility

In order to guarantee that work is completed with the fewest possible mistakes and prejudices, responsibility is essential (Handoko et al., 2022). It entails workers being conscious of their behavior and comprehending their responsibilities. In financial organizations, communication is crucial, especially when processing financial documents and interacting with clients (Deloitte, 2024). Workers must be aware of their responsibilities and put up the effort necessary to fulfill them. They must evaluate and analyze circumstances, look at results, and make the right choices. When interacting with financial organizations, this is extremely important. Financial institutions can better delegate responsibilities when workflow, business procedures, and everyday operations are defined (Rodiņš, 2023). By giving constructive criticism and keeping staff members informed about development plans, supervisors at Lebanese businesses have been attempting to boost employee enthusiasm. This strategy fosters greater accountability among teams and employees, boosting commitment and performance (Ismail et al., 2019).

2.5. Improvement of collection

The Lebanese tax system is considered unfair, and leaks result in inadequate revenue generation and collection of payments, especially during the Lebanese crisis (Bifani et al., 2021). Lebanese financial secrecy

regulations are the primary obstacle to efficient tax collection (Azzi, 2022). Accordingly, a simplified tax structure with fixed rates is necessary to boost revenue collection and enhance taxpayer compliance. In weak states, tax administration may be improved and tax collection rates raised by simplifying tax processes and systems (Martínez et al., 2022). Using big data and strategic information management may boost compliance and fight corruption, which will raise tax revenue. The total tax collection ratio can be raised by encouraging individuals to cooperate and pay taxes through automated systems and information exchange between banks, tax authorities, and taxpayers (Yan et al., 2022).

2.6. Tax administration in Lebanon

Improper tax collection in Lebanon has resulted in debt interest and a 1% unraised tax value, endangering the capacity of the tax administration. Increased openness and fundamental institutional design modifications are essential for better tax collection (Institut des Finances Basil Fuleihan [IOF], 2023). As cited by Beshi and Peci (2023), improving tax collection and guaranteeing tax revenue are crucial for the nation's advancement, and tax administration plays a big part in both (Kareh, 2020; Çollaku et al., 2023). An overview of Lebanon's tax administration, including its operations, reorganization, electronic services, and tax permit accounting, is given by Hassan and Ali (2023). It is also crucial that employer responsibility be consolidated across all tax services in Lebanon. The importance of the tax administration in enhancing revenue collection and guaranteeing the nation's economic expansion is emphasized. Ultimately, it is crucial to consolidate employer liability across all tax services in Lebanon to strengthen accountability. Furthermore, continuous monitoring and strict enforcement of penalties related to check issuance and verification processes are necessary to enhance compliance and curb tax evasion.

H_0: There is no statistically significant level ($\alpha = 0.05$) between the evolution of the tax administration in Lebanon and the variable for improving the collection.

H1: There is a direct relationship between accountability and the improvement of tax collection.

H2: There is a direct relationship between responsibilities and the improvement of tax collection.

H3: There is a direct relationship between the rules of law and collection improvement.

Figure 1 shows the variables in this research: the independent variables *Accountability*, *Responsibility*, and *Rule of law*, and the dependent variable *Collection improvement*.

Figure 1. Investigating the role of governance, taxation, and control for the Ministry of Finance
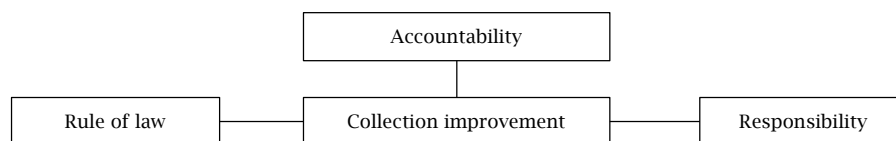
Source: Authors' elaboration.

3. RESEARCH METHODOLOGY

This paper examined the role of governance determinants in improving data collection in

the Ministry of Finance in Lebanon. It describes the study design, the population and sample, the data collection instrumentation, and the processes of gathering and analyzing the data.

3.1. Research design

A quantitative study design, in the form of a cross-sectional survey design, was used. A quantitative approach was utilized to enable measurement of the variables, statistical analysis of the relationship between the variables, and the ability to generalize the results to the larger population. A systematic, impartial framework for testing hypotheses and gaining generalizable insights is provided by quantitative research (Lim, 2024). Data were gathered over three months from December 2023 to February 2024, enabling measurement of the variables and statistical analyses of the correlations between them. Albeit data gathering covered a number of months, the design is still cross-sectional because it measured perceptions and reported behaviors at a unique, limited time frame, instead of observing changes within the same subjects over time. The method was appropriate to test the prevalence of the concerned characteristics and investigate correlations between the variables among the targeted population over the study's lifespan. The design being a cross-sectional design implies that the target respondents were surveyed at a single point in time to create a picture of their perceptions and self-reported behaviors concerning governance responsibility, accountability, and tax collection behavior. This design applies to the study of the prevalence of some attributes and associations between the variables among the specified population.

3.2. Population and sampling

The population targeted in this study was 352. Based on the context of governance, accountability, the rule of law, responsibility, and tax collection, the population can be assumed to comprise persons directly related to or significantly affected by tax collection operations. The exact figure of 352 reflects a delineated and available group, proposing a particular administrative division, the department of tax collection in the larger public administration from Tripoli, Beirut, Akkar, Saida, Nabatieh, Baalbek, and Mount Lebanon to cover all the Ministry of Finance in Lebanon. A total of 335 participants were targeted to take part in the study. This reflects a large sample ratio (335 / 352) * 100, around 97.15% of the specified population. This near-census method greatly increases the representativeness of the results to the overall population of 352, reducing the possibility of sampling error and improving the generality of results within this specified group.

Due to the unusually high sample ratio to the population and the "very reachable" designation, a census (or near-census) method was utilized over a typical survey method for much larger populations. This would designate an exhaustive attempt at covering all persons in the population of 352 who qualify for the study. This strategy was possible because the population was of a workable size and was easily accessible, so complete coverage of the sample could be collected from nearly the entire population of interest. The "very reachable" designation implies immediate accessibility to the population, likely through organizational structures or already in place administrative frameworks.

3.3. Questionnaire development

A questionnaire of 24 questions (statements) split into five sections is the study tool. The first section of the questionnaire asked about the employees' age, gender, level of education, and experience. Four sections comprised the independent variables' figures:

- Section 1: Accountability (five elements).
- Section 2: Responsibility (five elements).
- Section 3: Rule of law (five elements).
- The dependent variable was presented in Section 4: Collection improvement, and these questions ask respondents to rate their perceptions of the real practices and behaviors witnessed in tax collection procedures in the Ministry of Finance, Lebanon (five elements; see Appendix).

3.4. Sampling technique

Convenience sampling was used in this investigation to select respondents from a highly accessible, nearly reachable population over a three-month data collection period. This method ensured that not all members of the 352-person population were automatically included, reducing the potential for bias. Despite its ease and speed, the large number of responses (335 out of 352) addressed some of the concerns with the method in more dispersed, less accessible populations. The researcher relied on resolution as a key tool for obtaining the data needed to measure the role of the development of the tax administration and its impact on the improvement of tax collection. This rating system usually uses a Likert-type style to evaluate several variables: governance, taxation, control, accountability, responsibility, and collection. This search applied SPSS 25 software for the analysis of the results.

The Ministry of Finance in Lebanon distributed the questionnaire to the employees after a book report to the chief department of tax collection in Lebanon, located in Beirut. This ordinal scale provided a more comprehensive measure of attitudes and perceptions.

During the three-month collection period, informed consent forms were offered to all respondents detailing the research purpose, confidentiality procedures, and voluntary participation, and they could withdraw at any time. Anonymity and confidentiality were ensured by not allowing individual responses to be traced back to a respondent. Regular follow-up was exerted to promote participant engagement and reach the target sample of 335 within the collection timeframe.

4. RESEARCH RESULTS

The data of the governance elements, including accountability, responsibility, and rule of law, and collection improvement, collected from the questionnaires, were interpreted through the SPSS software to provide the following outputs.

4.1. Data analysis and hypothesis testing

The data was analyzed, and the hypotheses were tested through the following interpretations.

Table 1. Variables means

Variables mean		*Accountability*	*Responsibility*	*Rule of law*	*Collection improvement*
N	Valid	335	335	335	335
	Missing	0	0	0	0
Mean		4.7	4.5	4.3	4.19
Std. deviation		0.27	0.28	0.40	0.37

As shown in Table 1, a mean of 4.7 on *Accountability* indicates that respondents largely approve that *Accountability* is well applied within the Ministry of Finance's governance systems; it is due to good training of the employees and suitable leadership applied by the managers. High *Accountability* suggests that clear processes exist to hold people and teams accountable for their actions and choices. This demonstrates good openness, a culture of *Accountability*, and likely trust in the management system. The Ministry of Finance may continue to strengthen its position by ensuring that *Accountability* processes are routinely implemented and enhancing transparency about how decisions are evaluated and reviewed. With a mean score of 4.5, *Responsibility* is the strongest governance factor assessed. Respondents sense a strong level of ownership and dedication to their responsibilities inside the business. Employees are likely to feel empowered and understand their responsibilities and expectations. This suggests a healthy workplace culture where employees enjoy their tasks. The Ministry should use this strength to improve organizational efficiency and encourage future collaboration. Emphasizing ethical *Responsibility* and collaboration may magnify this favorable outcome. A mean score of 4.3 indicates a generally good impression of adherence to the *Rule of law*, but lower than *Accountability* and *Responsibility*. While laws and regulations are generally followed and enforced, some irregularities may require improvement. Challenges may include insufficient information regarding rules and regulations. The Ministry should prioritize correcting gaps in legal compliance and ensuring that rules are administered equally and uniformly. This component might be improved even further by increasing training and knowledge of the *Rule of law*.

The high levels of *Accountability* and *Responsibility* suggest a solid governance system in which individuals understand their duties and are held accountable for their actions. The mean collection improvement score of 4.19 indicates that respondents generally believe that governance processes contribute favorably to collection improvement, albeit there is still space for improvement. The effectiveness of governance factors like *Accountability*, *Responsibility*, and the *Rule of law* may impact collection improvement. A mean of 4.19 suggests that, while the governance structure has had a considerable beneficial influence, some sections of the collecting procedures may require more attention for improvement.

Table 2. Analysis of the overall correlation between the dependent variables and the independent variable

Variable		Total
Accountability	Pearson correlation	0.794**
	Sig. (2-tailed)	0.000
	N	335
Responsibility	Pearson correlation	0.724**
	Sig. (2-tailed)	0.000
	N	335
Rule of law	Pearson correlation	0.890**
	Sig. (2-tailed)	0.000
	N	335
Collection improvement	Pearson correlation	0.883**
	Sig. (2-tailed)	0.000
	N	335

*Note: ** two-tailed.*

We find in Table 2 that all of the independent variables including *Accountability, Responsibility, Rule of law*, and *Collection improvement* with the total dependent variable are greater than $0.724 > 0.5$, meaning that there is a strong relationship between all the variables with the total of the variables, which indicates that all variables are connected and achieve the objective of the research. This result implies that it doesn't imply causation, only association between variables.

The high correlation between *Accountability* and the total dependent variable ($r = 0.794$) defines a suitable accountability application for the tax practical process. The high correlation between *Responsibility* and the total dependent variable ($r = 0.724$) defines the good employees' concern about applying tax practices. The high correlation between the *Rule of law* and total dependent variable ($r = 0.890$) suggests legal enforcement is a critical driver for tax compliance. The high correlation between the *Collection improvement* and total dependent variable ($r = 0.883$) suggests a great application and output of the collection results.

Table 3. Sample adequacy measurement study

Kaiser-Meyer-Olkin measure of sampling adequacy		0.788
Bartlett's test of sphericity	Approx. Chi-square	1356.811
	df	193
	Sig.	0.000

The Kaiser-Meyer-Olkin (KMO) index and Bartlett's test of sphericity are used in the study to guarantee data validity for statistical processes such as factor analysis. The test determines if the variables are sufficiently correlated for factor analysis by calculating the significant difference between the correlation matrix and an identity matrix. High shared variance and adequate sampling are indicated by values near 1, which is the KMO index's estimate of the proportion of variation among variables. In general, numbers below 0.50 are unsuitable for factor analysis, whereas values above 0.80 are regarded as satisfactory.

As shown in Table 3, KMO indicates (0.788) good sampling adequacy; Bartlett's test (p < 0.001) confirms that the data are suitable for factor

analysis. It is a good signal that the factor analysis is suitable for the four variables of the sample study. Measurement of the adequacy of samples indicates the validity of the indicator ratio among the variables. Evidence of the validity of the working analysis of data is good, indicating that each variable is correct according to the complete research model. These findings show the appropriateness of the data for working analysis.

4.2. Analysis of the Cronbach's alpha test

The result of the Cronbach's alpha coefficient of $0.76 > 0.5$ indicates that more than 5% of the items used to measure each construct have acceptable internal consistency. The researchers

apply five items for each variable, and four is the total number of variables. Accuracy in the way questions are asked and answered between the independent variables and the dependent variable. These findings are evidence of a correlation between the rigidity of the questionnaire questions and the reliability of the measurement.

4.3. Simple linear regression analysis coefficients

This subsection analyzes the three following tables related to the simple linear regression analysis between each of the independent variables, including *Accountability, Responsibility, Rule of law,* and the dependent variable, *Collection improvement.*

Table 4. Analysis of the simple linear regression between the independent variable, *Accountability,* with the *Collection improvement* variable

Model		Unstandardized coefficients		Standardized coefficients	t	Sig.
		B	Std. error	Beta		
Dependent variable: Collection improvement						
1	(Constant)	1.78	0.327		5.769	0.000
	Accountability	0.45	0.071	0.378	7.056	0.000

$$Y(Collection\ improvement) = 1.78 + 0.45\ X(Accountability) \qquad (1)$$

The regression model indicates that for each unit increase in *Accountability,* collection improvement increases by 0.45 units ($p < 0.001$). Therefore, H_0 is

rejected. There is a statistically significant positive relationship between *Accountability* and *Collection improvement.*

Table 5. Analysis of the simple linear regression between the independent variable, *Responsibility,* and the *Collection improvement* variable

Model		Unstandardized coefficients		Standardized coefficients	t	Sig.
		B	Std. error	Beta		
Dependent variable: Collection improvement						
1	(Constant)	0.740	0.322		2.393	0.017
	Responsibility	0.620	0.068	0.525	10.647	0.000

$$Y(Electronic\ management) = 0.740 + 0.62\ X(Collection\ improvement) \qquad (2)$$

According to the regression model, collection improvement increased by 0.62 units ($p < 0.001$) for every unit increase in *Responsibility.* H_0 is thus

rejected. *Responsibility* and *Collection improvement* are positively correlated in a statistically significant manner.

Table 6. Analysis of the simple linear regression between the independent variable, *Rule of law,* with the *Collection improvement* variable

Model		Unstandardized coefficients		Standardized coefficients	t	Sig.
		B	Std. error	Beta		
Dependent variable: Collection improvement						
1	(Constant)	1.76	0.185		9.505	0.000
	Rule of law	0.46	0.043	0.607	13.201	0.000

$$Y(Collection\ improvement) = 1.76 + 0.46\ X(Rule\ of\ law) \qquad (3)$$

According to the regression model, for every unit rise in the *Rule of law, Collection improvement* increases by 0.46 units ($p < 0.001$). Therefore, H_0 is

rejected. There is a statistically significant positive relationship between the *Rule of law* and *Collection improvement.*

Table 7. Analysis of the multiple linear regressions between the independent variables, *Accountability, Responsibility,* and *Rule of law,* with the *Collection improvement* variable

Model		Unstandardized coefficients		Standardized coefficients	t	Sig.	Collinearity	
		B	Std. error	Beta			Tolerance	VIF
1	(Constant)	0.112	0.319		0.352	0.725		
	Accountability	0.323	0.070	0.240	4.623	0.000	0.643	1.556
	Responsibility	0.206	0.059	0.158	3.526	0.000	0.860	1.163
	Rule of law	0.372	0.048	0.405	7.707	0.000	0.625	1.600

Note: VIF — variance inflation factor.

$$Y(Collection\ improvement) = 0.112 + 0.323\ X1(Accountability) + 0.206\ X2(Responsibility) \\ + 0.372\ X3(Rule\ of\ law)$$

(4)

The *Rule of law* ($\beta = 0.405$) had the strongest standardized impact on collection improvement among the three governance variables. *Accountability* ($\beta = 0.240$) and *Responsibility* ($\beta = 0.158$) had a low standardized impact on collection improvement among the three governance variables. The model explains that R-squared is equal to 42.9% of the variance in collection improvement. The tolerance results of the three variables are above 20% providing excellent results. The tolerance of accounting is 64.3%, *Responsibility* is 86% and the *Rule of law* is 62.5% of the variance in each predictor is not explained by the other predictors. The VIF results of the *Accountability* is 1.556, of the *Responsibility* is 0.860, and of the *Rule of law* is 0.625, which are below 2.5, indicating that predictors are highly independent of the others. The results indicate that there is a strong correlation between the independent variables *Accountability, Responsibility, Rule of law* with the dependent variable *Collection improvement,* and, therefore, the result of Sig. is equal to 0.000, which is less than 0.05, so the there is a direct relationship between accountability, responsibilities and rule of law with the collection Improvement and there is a statistically significance level ($\alpha = 0.05$). There is a statistically significant positive relationship between *Accountability, Responsibility,* and the *Rule of law* with the *Collection improvement.*

4.4. Finding explications

This paper's objective scrutinizes the responsibility of the government's parameters from *Accountability, Responsibility,* and the *Rule of law* in their impact on the *Collection improvement.* The challenge revealed that respondents' answers are distributed consistently and that skewness/kurtosis is beneficial. These responses showed a range of perspectives and were mainly positive and normally distributed. Moderate to low collinearity between the VIF and tolerance values indicates that using the variables together should not provide any issues. Improvement in collection is influenced by all factors with significant relationships. Bartlett's test (p < 0.001) verifies that the data are appropriate for factor analysis, and KMO suggests (0.788) acceptable sampling adequacy. The fact that the factor analysis is appropriate for the four variables in the sample study is a positive indication. The various dimensions' Cronbach's alpha is 0.76, indicating high to outstanding internal reliability. The regression approach demonstrates that a 0.45 unit increase in *Collection improvement,* a 0.62 unit increase in *Collection improvement,* and a 0.46 unit rise in *Collection improvement* are caused by strengthened *Accountability, Responsibility,* and the *Rule of law.* According to this study, the *Accountability, Responsibility,* and the *Rule of law* predictors are highly independent, with tolerances of 64.3%, 86%, and 62.5%, respectively, and VIF values below 2.5. R-squared explains 42.9% of the variation in *Collection improvement,* with tolerance results over 20%. It was confirmed that *Accountability, Responsibility,* and the *Rule of law* have a strong influence on *Collection improvement.*

These outcomes show that *Responsibility* has the lower standardized sway for coefficient (0.158), which suggests that despite responsibilities positively impacting the *Collection improvement* in

the second hypothesis *H2.* The ratio 0.158 exposes that staff, particularly those employed by financial organizations, must take responsibility for their choices and actions. When standard business processes and workflow are specified, responsibility and delegation improve. In order to enhance performance and commitment levels, supervisors in Lebanese businesses try to boost motivation by giving employees constructive criticism and keeping them informed about plans for development. It disproves the study of Rodiņš (2023) and Ismail et al. (2019) that examined *Responsibility* toward the collection. In light of the outcome, it established that *Accountability* expressively stimulates the collection with $\beta = 0.240$, which implies that *Accountability* beneficially affects the *Collection improvement* in the first hypothesis, *H1.* As approved by Keay and Loughrey (2015), higher levels of *Accountability* and better collection can result from effective organizational processes like performance management and leadership behavior management. Planning and carrying out a strategy against corruption and adhering to the objectives of the US convention in Lebanon requires the development and activation of accountability. The outcomes showing expected associations with the effect of *Rule of law* deployment on *Collection improvement* are displayed in the last variable in Table 7. This finding supports hypothesis *H3,* with a coefficient value of 0.158. The ratio of 0.158 suggests the findings are consistent with earlier surveys by Erwin et al. (2024) and Abou Jaoude et al. (2025) that maintaining confidentiality and upholding international standards depend heavily on efficient implementation and administration. Financial policies establish guidelines for employee behavior, guaranteeing a harmony between corporate regulations and global norms. By facilitating communication between the tax service and the customer, the establishment of a service for duty-bearers has improved tax collection by persuading the employees of the need to pay their dues. Through the application of legal regulations, the collection service assisted in determining the tax collector's due and demand for collection, resulting in a more than 50% increase in collection.

5. CONCLUSION

This survey is valuable because it describes the function of governance's determinants in the public sector, focused on the Ministry of Finance and its impact on improving tax collection. By analyzing governance's variables, *Accountability, Responsibility,* and *Rule of law.* These hypotheses have validated the validity of the chosen research model and ensured a better understanding of the role of governance in enhancing the tax collection that is required to describe the status of the tax department. This, in turn, has led decision-makers in government to provide vital services like social security, infrastructure, healthcare, and education, and for economic stability, governments rely heavily on tax revenue. Tax revenue collection is greatly impacted by governance quality, which includes institutional capacity, the rule of law, regulatory quality, and corruption control. Higher

tax revenues are the result of reduced corruption and stronger institutions. Good tax administration guarantees complete adherence to the law and its enforcement, which promotes citizen accountability and responsiveness. Economic growth and development are supported by good governance, which increases public trust and willingness to pay taxes. As a managerial and theoretical benefit of governance via collection, this investigation converts the management techniques into practical enhancements, and theoretical viewpoints emphasize the way effective governance fosters an atmosphere that supports efficient tax administration. In conclusion, effective governance enhances the ability of states to implement tax policies, boosts tax revenue, promotes economic expansion, enhances public services, builds confidence, and lowers tax evasion. Additionally, it promotes revenues and taxpayer compliance. In addition, tax administration frameworks increase tax collection by fostering uniformity, equity, and efficiency in

the way taxpayers are treated. Integrity and performance must be fostered by leadership. The uniform implementation of laws and the reduction of corruption are ensured by streamlining the tax system, leveraging information technology, establishing targeted compliance measures, and giving frontline officials more authority. The paper's limitations are defined through substantive limits of this research has been limited to measuring the evolution of tax administration and its impact on the improvement of tax collection. Spatial boundaries have limited the development of tax administration in Lebanon. Time limits for December 2023 and February 2024 were defined. Human boundaries are defined by financial staff in the collection, client service, and tax management services in Lebanon. For future research, we suggest taking a more developed country and analyzing different parameters of governance using mixed methods to capture the nuance.

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APPENDIX. QUESTIONNAIRE

Part 1: Demographic						
Respondent education		High school	Bachelor		Master	Doctorate
Gender		Male			Female	
Position		Employee	Tax controller		Head of department	
Experience		Below 5 years	6–10 years		11–15 years	Over 16 years
Please put "X" in the box that applies		*Strongly agree*	*Agree*	*Neutral*	*Disagree*	*Strongly disagree*
Part 2: Independent variables						
Accountability						
Employees are held accountable for their practices.						
Employees take suitable action and make a decision.						
Accountability is well monitored by a suitable system.						
Transparency is reached by explaining decisions related to the director.						
Mistakes and failures are easily solved within the Ministry.						
Responsibility						
Employees accomplish their duties accurately.						
Employees take responsibility for fulfilling their tasks.						
Employees feel a strong sense of responsibility for the results of their work.						
Responsibility is spread equally between employees.						
Ethical responsibility is highly emphasized in decision-making.						
Rule of law						
Policies and procedures are highly controlled by employees.						
Decision-making originates from laws and regulations.						
A strategy is applied in controlling ethical guidelines.						
Leadership is highly practiced and involves applying rules and regulations.						
Employees are confident in applying rules and regulations.						
Part 3: Dependent variable: Collection improvement						
Collection improvement leads to an enhanced governance process.						
Collection improvement leads to enhanced cash and liquidity.						
Collection improvement leads to an enhanced gross domestic product (GDP).						
Collection improvement leads to an enhanced overall economy.						
Collection improvement facilitates debt payments.						