CHRISTIAN SERVICE UNIVERSITY COLLEGE, KUMASI

SCHOOL OF BUSINESS

DEPARTMENT OF ACCOUNTING AND FINANCE

THE IMPACT ON BUSINESS REGISTRATION ON REGULATORY COMPLIANCE: A CASE STURDY OF SMEs IN THE KUMASI METROPOLIS

BY

KWABENA BREFO

DAVID ADOMAKO MENSAH

BEATRICE BOATENG GENFI

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DECLARATION

We have read the university regulations relating to plagiarism and certify that this report is all our own work and do not contain any unacknowledged work from any other source. We also declare that we have been under supervision for this report herein submitted.

Name	Index No.	Signature	Date
Kwabena Brefo	13022400	……………………	…..……………..
Beatrice Boateng Genfi	13016992	……………………	…..……………..
David Adomako Mensah	13023371	……………………	…..……………..

SUPERVISOR'S DECLARATION

I hereby declare that the preparation and presentation of the dissertation were supervised in accordance with the guidelines on supervision laid down by Christian Service University College

Supervisor's Name	Signature	Date
Mr. Ernest Obeng	……………………	…..……………..

Head of Department's Name		
Dr. Mrs Joyce Ama Quartey	……………………	…..……………..

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DEDICATION

We dedicate this work to our family especially our parents and supervisor for their support and

encouragement, as well as those who helped us in diverse ways.

ABSTRACT

The main objective of the study is to assess the impact of business registration on regulatory compliance. In developing countries, Tax compliance is currently a topical policy issue, as governments are seeking ways to improve efficiency in tax revenue collection to finance their budgets. The study used a sample of 302 responses; all three hundred and two (302) responses of questionnaire were completed and collected representing 100% of responses. Reliability analysis was done using the Cronbach Alpha with Business Registration 0.898, Perception on Business Registration 0.927, Challenges with Tax and SSF Payment 0.886, Compliance 0.515 to measure reliability of the variables. Linear regression was used to assess the relationship between business registration and regulatory compliance. Frequencies were used to examine the perception of business owners on business registration and 240 (79.5%) respondents said yes whereas 62(20.5%) of respondents said no respectively, challenges business owners face in paying tax and paying SSF or employee and 256 (84.8%) respondents said yes whereas 46(15.2%) of respondents said no respectively. Findings of the study showed that the perception of business owners in registration of business based on activities outlined constituted expensive and complex. Again, the challenges business owners face in paying taxes (79.5%) was high and challenges face in paying ssf for employees (84.8%) was very high. In addition, the study found that Business registration ($\beta1 = 0.496$, $t = 9.755$, $p = 0.000$). The study recommended that; Policy makers like SSNIT, GRA and Register General could make flow of information and assess to training of businesses increase. A lot more decrease in processes for registration, filling tax returns and calculations on SSNIT for employers who would be much more burdensome for businesses. Limitations of the study were; Lack of trained interviewer to clarify and probe can possibly lead to less reliable data. The study is based on limited sample.

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CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Business registration provides to a business entity the last in a series of legal requirements that it must meet in order to become a subject of rights, or to acquire legal personality and the power to be an independent holder of rights and obligations in legal transactions in its own name and for its own account. The state is interested in regulating the registers of companies and business entities in general, because by the very act of registration and its publication, a business entity can influence legal and economic transactions by its business, enter into legal relations with third parties and legal persons. Also, for the sake of legal security, it is very important that third parties are acquainted with the basic data of business entities, and this is achieved only through the application of digital technologies, or the online availability of such data. However, in recent years it has been supplemented by enabling online or e-registration of business entities.

The registration of business entities could be defined as a public presentation of the attributes of the business to all interested third parties. The beginning of the 21st century is also characterized by IT progress in terms of the expansion of electronic connectivity and business. In accordance with that, the state introduces electronic systems regarding the registration of business entities, and it has been possible at any time, from anywhere on the planet to inspect the register of companies, and find data concerning a particular company, its attributes, capital, solvency, persons authorised to represent, etc. Thus, the public registration of companies has gained a global dimension that is adequate to the modern way of communication and business. In addition to legal certainty, the registers of companies also

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have control significance, ie a control function, because during each application it is checked whether it meets all the prescribed conditions, and incomplete applications would be rejected, etc.

In comparative and domestic positive law, the bodies responsible for the registration of companies are either commercial courts or their special departments, or independent and specialized administrative bodies, or certain ministries in whose jurisdiction is such a register kept. (Škorić Sanja,2020)

Many countries, including Ghana, depend on taxation as a means of generating the requisite resources to meet their expenditure requirements. According to Atuguba (2006), the advancement of a country rest largely on taxation for in the absence of adequate revenue, progress efforts will be hindered. The budget of any country is financed mostly through the imposition of taxes thus taxes has a vital role in the budget of any economy. It is through the imposition of the taxes that governments are able to generate revenue to fund its expenditure requirements and redistribute resources. Taxes remain an important source of government revenues. These tax revenues are obtained from individuals and business activities in the country. The varying class of taxpayers in Ghana range from persons employed in the public sector, private formal sector and the self- employed also referred to as private informal sector (Aryeety & Ahene, 2004).

With the changing business environment in Ghana after the economic reforms of the mid 80's and early 90's, which saw a lot of state owned companies divestiture; SMEs have become an integral part of the nation's growth. In 2001, the government of Ghana proclaimed the "Golden Age of Business" with a popular slogan; "The private sector as the engine of growth." This was all in an effort to enable the citizenry see the importance of developing themselves to be entrepreneurs, which has brought to light the importance of SMEs.

A report from the Ghana Statistical Service in 2014 entitled Living Standards Survey shows that Ghana's economy is largely comprised of activities of enterprises in the private sector (GSS, 2014). The report indicates that over 90% of the citizenry are engaged in this sector. Even though available data on SMEs is not readily available, data from the Registrar General's Department suggests that ninety two percent (92%) of companies registered are micro, small and medium enterprises which indicates a chunk of companies registered are SMEs. SMEs in Ghana have been noted to provide employment to most of the citizens and also contribute greatly to Ghana's GDP. They are therefore credited with having an effect on economic growth, income and employment.

The problem of tax compliance is as old as taxes themselves. Tax administrations are challenged with finding ways to characterize and describe the perceived forms of non-compliance and eventually find ways to reduce it. Getting taxpayers to comply with the necessary tax laws has been and is still a major concern for most tax administrators around the world since it is not easy to convince tax payers to comply with tax requirements. This has an undesirable impact on the economy. (James & Alley, 2004; Chepkurui, Namusonge, Oteki, & Ezekiel, 2014).

The objective of most tax administrations is to increase voluntary tax compliance (Silvani, 1992) thereby reduce 'tax gap' and 'compliance gap'. It is in the quest of encouraging voluntary compliance that the self-assessment basis was introduced so that taxpayers could calculate their own tax obligations and to pay voluntarily whatever is due both regularly (through withholding from wages and through estimated tax payments, if necessary) and at year end (by filing tax returns and paying any additional balances due). By placing the onus on taxpayers, the government avoids the costly alternative of determining each individual's tax liability and doing whatever it must to collect it. However, one cost of relying so heavily on the voluntary compliance of taxpayers is that not all tax is voluntarily paid.

Compliance costs involved in taxation are major impediments to elicit compliance behaviour of taxpayers. It is also believed by most tax policy researchers that compliance costs for tax payment are quite high especially for SMEs, which lack knowledge and skills of the tax laws and regulation (Shome, 2004). Sometimes the administration of income tax creates problems for business taxpayers when it imposes burdensome reporting and record keeping requirements. This has led to increased costs of tax for those who try to comply with the tax law (Baurer, 2005).

The taxpayers' attitude on compliance may be influenced by many factors, which eventually influence taxpayer's behaviour. These factors which influence tax compliance and/or non-compliance behaviour are differing from one country to another and also from one individual to another (Kirchler, 2007).

The expansion of pension coverage and sharp practices in management of pension funds exaggerated the problem of pension liabilities to the extent that pensioners, due to poor condition of their health status, were slumping and/or dying on verification queues for payments of their pension rights or go home without receiving their pensions and gratuities (Olurankinse and Adetula, 2010). Retirees and their families were subjected to ridicule and unbearable lives as they could not meet their social needs. Employer's reason for the restructuring of pension schemes include the desire to reduce overall pension costs, moderate the effect of government regulations, reduce administrative costs and respond to perceived worker preferences (Clark and Munzenmaier, 2000).

The expansion of pension coverage in Africa has registered negative effect on the employers' compliance (Impavido, 2002). The International Social Security Association (ISSA) attributes poor compliance by employers on pension funds to a number of reasons including macroeconomic factors, unfavorable market conditions, poor portfolio planning, and limited

knowledge in pension contributions to the employees. Impavido (2002) linked poor expansion of coverage to undue political interference. He argues that, governments have often imposed on financial intermediaries, explicitly mandate are absent, governments have often relied on their power of coercion to ensure sufficient demand for their debt to finance public expenditure or demand for other securities to finance well connected enterprises and public enterprises. Many employers are not paying the right pension funds to cover their employees leading to poor employers' compliance to the payment of pension funds. This study seeks to examine the effect of expansion of coverage and employers' compliance on pension fund case study of Social Security and National Insurance Trust (SSNIT).

1.2 Statement of the Problem

Compliance occurs when employers and employees do pay required pension contributions. It is a critical problem for Social Security programmes when non-compliance occurs. In some countries, it has even caused the Social Security System to collapse with revenue falling far short of that needed to pay benefits. Non-compliance of employers / employees contributions especially those in the private sector had attracted public attention and officials of the Social Security and National Insurance Trust (SSNIT) Pension Scheme in Ghana. However, problem of non-payment of contributions had led to huge indebtedness by employers and subsequently, reducing the quantum of funds needed which affects the operations of the Scheme since a significant portion of the benefits are derived from investment income.

Non-payment of contributions had led to a situation where most defaulting employers had been taken to the Law Court to seek redress for employees. But unfortunately instituting legal action against defaulting employer had not yielded much more gains. The increasing number of nonpayment of contributions have led to a situation where most of employees after retirement do not get high benefits because non-payment of contribution reduces the margin of

profits on investments made by the Trust. Due to the high level of non-payment of contributions, management of the SSNIT have intensified public education on the dangers of the non-payment of contributions on the scheme.

Despite this public education, majority of employers still do not honour their obligations even though, they are mandated under the law to do so. Also, many of the studies in employers' compliance on pension were done in the developed countries with very small attention in Africa, particularly in Ghana. Most of these studies did not include how expansion of coverage affected pension funds.

However, there exist little literature on the factors that account for the few enterprises to comply with their tax obligations voluntarily. Some factors like compliance cost, penalties, tax rates and training have been determined to influence tax compliance but however, business size, type of industry and form of capital structure has rarely been investigated to find out if such factors can influence voluntary tax compliance. There is therefore the need for more studies to be conducted in this area in other contexts like Ghana to test earlier findings in other contexts to aid in a better understanding of the factors that influences business registration on regulatory compliance in Ghana with the aim in formulating policies that can help business owners in paying tax and SSNIT.

1.3 Objectives of the study

The main objective of the study is to assess the impact of business registration on regulatory compliance. Specifically, the study seeks to explore:

1. The perception of business owners on business registration

2. Challenges business owners face in paying tax

3. Challenges business owners face in paying SSF pay on employees

4. The relationship between business registration and regulatory compliance

1.4 Research question

The study seeks to test the following questions.

i. What are the perception of business owners on business registration?

ii. What are the challenges business owners face in paying tax?

iii. What are the challenges business owners face in paying SSF pay to employees?

iv. What are the relationship between business registration and regulatory compliance?

1.5 Scope of the study

The study focused on business registration on regulatory compliance using Tax and SSNIT as a case study. With the scope of the study narrowed to the impact of business registration on regulatory compliance. Tax and SSNIT payment from different firms and Staff would be the focus of information.

1.6 Significant of the study

This study which probes into compliance of tax and ssnit payment by business owners would highlight the causes of compliance by employers. This knowledge can help the management of the Scheme to put remedial actions in place to help improve and encourage compliance rate. It is believed that without an acceptable level of compliance, a social security scheme cannot live up to its stated objectives.

Another significance of the study is that, the employers would be more sensitive to the implications of non-compliance rate. Employers and workers who have a real interest in the scheme may be much more prepared to cooperate with the administrators of the scheme when they are knowledgeable of the benefits of the scheme. It is also envisaged that this study can

provide materials for public education on social insurance principles. Finally, the data from this study would serve as benchmark data for further research and academic purposes.

1.7 Organisation of the study

The study is organized into five chapters. Chapter One is the background of the study and dealt with the problem to be researched, scope and objectives of the study. Chapter Two focuses on conceptual review, conceptual framework and the empirical review of the study. Chapter Four describes the methods employed in undertaking the study. The chapter also provides an overview of the research approach employed, specified the procedure followed in collecting data and outlined the data collection technique. Chapter Five focuses on the summary, conclusions and recommendation of the analyzed data.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter delves into a wide range of relevant publications that relate to the subject matter of the study. This chapter entails the conceptual review which explains the review of the study's objectives and empirical review which review past studies that are directly related to the study in terms of the key variables in the study.

2.1 Conceptual Review

2.1.1 Business Registration

Business registration is increasingly recognized as an important gateway for entrepreneurs into the formal economy. Through formal business registration, they can benefit from increased rights, such as access to government services, fair treatment under law, and limited liability (in many cases). Registered enterprises also have opportunities to grow through improved access to finance and through potential clients in the formal economy and government. Formalization also involves increased obligations, including compliance with tax laws as well as regulatory and information disclosure requirements.

Empirical evidence has shown that significant reductions in the time and costs required to register a business can have a material effect on new registrations. While many countries have already undertaken legal and procedural reforms to reduce the burden of registration on new and existing firms, further significant gains in efficiency and accessibility can only be realized through the application of technology. Thus, leveraging technology to improve client service and data-sharing capabilities is at the top of the agenda for most company registrars.

According to the Doing Business report, 54 economies introduced new technology in their company registration processes during the past seven years.3 The driving forces behind registry automation are manifold, including competitive pressures to reduce the time and costs for business registration as well as improve access for smaller firms that operate at a distance from the registrar's offices (in many countries, a businessperson must still go to the capital city to register); increasing demands for company information within government for regulatory oversight and audit purposes and the consequent need for government databases to share information; and revenue opportunities arising as businesses and financial institutions seek company information to inform their risk analysis of potential trading counterparties and borrowers.

According to Asare (2021), The department that authorized to undertake the registration or incorporation of businesses in Ghana is the Registrar General Department. Therefore, if you want to start your business the Registrar general department is the first point of call to start with the registration. The types of companies that can be incorporated under the relevant company act include,a company limited by guarantee, an unlimited by guarantee, a company limited by shares and an external company. The required documents must be a available if you want to start the process at the registrar generals department.

In Ghana, business owners are required by law to provide information on his business, himself and partners to the registrar generals department and thereafter, the business should also be registered at the Ghana Revenue Authority. Registering your business helps tax authority in tax collection as they will have adequate knowledge about businesses in the area including the location of the businesses. In Ghana, the effect of registration requirement on tax payment is not known. It is this gap that the study seeks to fill by looking at the relationship between of business registration and tax evasion in the Ghanaian informal sector. The study found a significant association between of business registration and tax payment. The study also

indicated that unregistered businesses and businesses registered with District Assembly only are more likely to evade tax than those registered with Ghana Revenue Authority. Adu and Amponsah (2020).

Tax registration is the basic element of tax compliance since any effort to exact compliance from taxpayers begins with registration with the tax authority. However,in Ghanaian informal sector, previous studies such as Baba (2010), Baba and Asante (2012) and Razak and Adafula (2013) have focused mainly on aggregate tax compliance (registration, filing, reporting and payment combined) without given specific attention to this fundamental component of tax compliance risk. The study found that, the important discriminations of tax registration compliance are age of the self-employed, number of times tax officers visit and inspect self-employed, experience in business, number of years of schooling, distance to tax office and estimated annual profit. Adu and Amponsah(2017).

2.1.2 Tax payment

Tax compliance is taxpayers' willingness to pay their taxes (Kirchler, 2007). The Internal Revenue Service Act, 2000 Act 592 defines tax compliance, "as the ability and willingness of taxpayers to comply with tax laws, declare the correct income in each year and pay the right amount of taxes on time." This entails registering the business for tax purposes or informing tax authorities of status as a tax payer, submitting a tax return every year (if required), and finally making payments on the time frames given (Ming, Normala, & Meera, 2005). In simple words, tax compliance refers to satisfying all tax responsibilities as stated by the law freely and completely.

To be able to be comply with the tax law, it is required that a degree of honesty, sufficient knowledge and capability to use this knowledge, timeliness, accuracy and adequate records in

order to complete the tax returns and associated tax documentation are adhered to (Singh & Bhupalan, 2001).

Tax compliance is a serious challenge for many tax authorities because it is not an easy task to convince tax payers to comply with tax requirements (James & Alley, 2004). SMEs in Ghana are mostly found in the informal sector of the economy hence are difficulty to tax. Hence, most of these SMEs succeed in evading tax payments. The few SMEs that are tax compliant are also overly taxed to the detriment of the growth of the business. Terkper (2007) posits that one of the key problems facing the nation is how to widen the tax net since if taxes are levied on only a few citizens, the situation calls for concern.

According to Atawodi and Ojeba (2012) most of the SMEs in Nigerian prefer to remain in the informal sector because the cost of compliance is perceived to be high and a considerable number of those who pay only do so because they are pressed by the authorities. Tax compliance requirements is also said to be a stumbling block and places a heavy administrative burden on SMEs (Abrie & Doussy, 2006).

Tax is a charge or contribution imposed on the citizens by government. Tax is an compulsory payment which the government imposes on its citizens, organisations, and firms not as any exchange of goods or a penalty for any offence but as income for the government to meet its expenditure (Ali-Nayea, 2008). According to Tee and Opoku (2016), the Income Tax Administration in Ghana started in 1943. The Income Tax Ordinance No. 27,1943 came into law and was established by Income Tax Department. There are some other taxes and duties that has been added to the income Tax Ordinance over the years by way of amendments and enactments. The enactment of the Ghana Revenue Authority Act, 2009 (Act 791) which established the Ghana Revenue Authority (GRA) is the continuous restructuring of the Ghana tax system. The commissioner General is the head of these three revenue agencies namely,

Internal Revenue Service (IRS), Value Added Tax (VAT) Service and Customs, Excise and Preventive Service (CEPS) , which the GRA was formed to integrate them.

The three divisions are; the Customs Division , the Support Service Division and the Domestic Tax Revenue Division . The Customs Division is responsible for the preventive duties at the country's borders and the functional operations of the collection of customs and excise duties while the Support Services Division responsible for such services as estates and general services, information and communication technology and financial and administration and also a fusion of the support service of the three agencies. The Domestic Tax Revenue Division combines the Value Added Tax (VAT) Service and the financial operations of the Internal Revenue Service.

2.1.3 SSF payment

Asare, (2000), states that the Social Security Scheme as is currently operated in Ghana has not been without its own peculiar problems and challenges. According to him, the major area of concern is the payment of contributions. He quotes that PNDC Law 247 (1991) as well as the legislative instrument regulating the operation of the Scheme stipulates the obligation of the employer. In order to facilitate the collection or payment of contributions, the law provides for the deduction at source by an employer, the workers' portion of the contribution and adds the employer's portion of the contribution and pays this contribution to SSNIT, by the 14th day of the subsequent month. However, he states that employers are often found falling into arrears in the payment of Social Security contribution of their workers which in some cases run into several millions of cedis. He further stresses that the Social Security law empowers the Trust to take civil and criminal action against employers who do not comply with the law, such as evading payment of Social Security contributions.

Chonzi (2000), states that the National Social Security Authority (NSSA) was established by an Act of parliament primarily to administer the National Pension and other Benefits Schemes, (which covers every employee in formal employment with the exception of civil servants and domestic workers employed in individual household), and the workers compensation insurance Scheme. He mentions that the Scheme is designed in such a way that the employer is the main source for all input, NSSA needs from the employee ranging from registration to deduction and remittance of contributions. Evasion by employees is directly linked to the employer and therefore an employee cannot evade registration and payment of contribution to the Scheme unless he / she connive with the employer. He states that, employers are required by law to register and contribute to NSSA by the 10th day of each month and submit the list of names of their employees, the employee's insurable earning as well as contribution amount by the 16th of each month.

However, according to Chonzi, evasion is high in the construction and mining industries where additional employees to the permanent staff are mostly engaged depending on the projects being undertaken. If the project is small then the additional employees are engaged and terminated at the end of it, before NSSA learns about the project. He points out that this is an area where NSSA faces serious problems in trying to combat evasion. Madukwe (2014), stresses that, in a contributory Social Security Scheme, collection of contributions is of critical importance. Contributions are the means by which the Social Security Scheme obtains the financial resources on which it depends. The administration of the collection system often constitutes the largest block of the work in the social security organization. Sometime there are serious problems in enforcing the legislation and in coping with the workload resulting from collection (Cannon & Tonks 2012). These problems tend to become more prevalent as schemes expand into new areas and sectors of the economy (e.g. to smaller employers).

Social Security programmes involve the transfer of funds in the form of cash benefits or services. In centrally organized contributory scheme, a financial plan has to be carefully devised to meet the projected benefit and administrative expenditures (Kawor, 2008). Kay (2003), states that the financing is established through Social Security legislation which specifies who must participate in the financing (the contributors to the Scheme) and the amount they must pay (the contribution rate). It is in the manual that in the majority of the Scheme, the employing establishments (the employers) and the eligible workers (the ensured members) are required to contribute though not always in equal parts. The employer is responsible for collection (from the employee) and for the remittance of the total contribution (employee's and employer's share combined) to the Social Security institution.

To Neuberger (2005), contribution payments must be supported with a schedule and must be delivered within a prescribed number of days after each calendar month end. This time is commonly set at 15 days, where payment is made late, a penalty will automatically be imposed. From the manual, the achievement and maintenance of satisfactory standards of compliance, with the legislation relating to payment of contribution, poses serious administrative problems for most Social Security organizations. According to Manchester (1999), compliance procedures are of basic importance in any contributory Scheme and all Social Security Schemes are engaged in a constant search for the most effective compliance procedures for their national Social and economic condition. Without a satisfactory level of compliance, a Social Security Scheme cannot function and properly meet the needs of its members. Manchester (1999), points out that, one of the measures of success of a Social Security Scheme is the extent of the acceptance of and compliance with the legislation. He stresses that there is always employers and indeed Scheme members who will seek to evade their liabilities.

The payment made to qualified disabled people, retirees and to their spouses , survivors and children is social security. The U.S. has come up with comprehensive federal benefits program that is designed to provide partial replacement income for retirees and their spouses, the disabled and those whose spouse or qualifying ex-spouse has died. Under specified conditions, it also supports the children of beneficiaries. The original Social Security Act law 1935 was signed by President Franklin Roosevelt. The current law, after a number of amendments, encompasses several social insurance and social welfare programs, including the issuance of Social Security benefits. Benefits are determined by a specific set of criteria issued by the Social Security Administration (SSA) Kagan (2021)

The key problem of ensuring that social security becomes a human right in reality is sufficient fund. However, calculations by the ILO have shown that most countries can afford basic social security for all. It is often not a question of resources per se, but of efficient, fair and economically sound mechanisms of resource collection. This requires a constant debate in society about the best forms of financing and providing social security. The answers change over time as societies themselves change. If and where contributory systems are failing to ensure universality then an examination of national tax systems may provide solutions. This is particularly true when there is now increasing evidence that contributory social insurance deters workers and employers from formally declaring their activities. Funding mechanisms which incorporate the informal economy, such as "user pays" systems, license fees, wealth or consumption taxes, could be explored and debated by unions.

2.1.4 Perception of business owners on business registration

In Uganda business registration is based on trade licensing Act of 1969. Licensing is much more complicated regulatory process of inspections such as regarding health and safety inspections. Licensing and registration in Uganda are typically lumped together. Business registration whether incorporated or not serves to establish the type and location of business operating in the municipality and feeds into council planning and budgeting as well as reporting to the Uganda bureau of statistics. The registration and licensing fees serves as an important source of revenue for the local authority and not only a regulatory device but also a generator for revenue. Moreover, in Uganda the way of raising revenue from local businesses has been increased as a result of decentralisation process. This process has transferred greater authority to local government (per local government Act of 1998) and has led many municipalities into their different requirements and a range of additional business licenses have also appeared. In system in lengthy process and transparency, macro and small business remain unregistered so as to reduce cost and also their exposure to potential hassle by the authorities. Public information and streamlined business registration leads to better compliance and increased fee revenues even at lower fees per registration as well as a steadier revenue flow for the registrar.

2.2 Conceptual Framework

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│     Tax and SSF      │                   │    Tax    │
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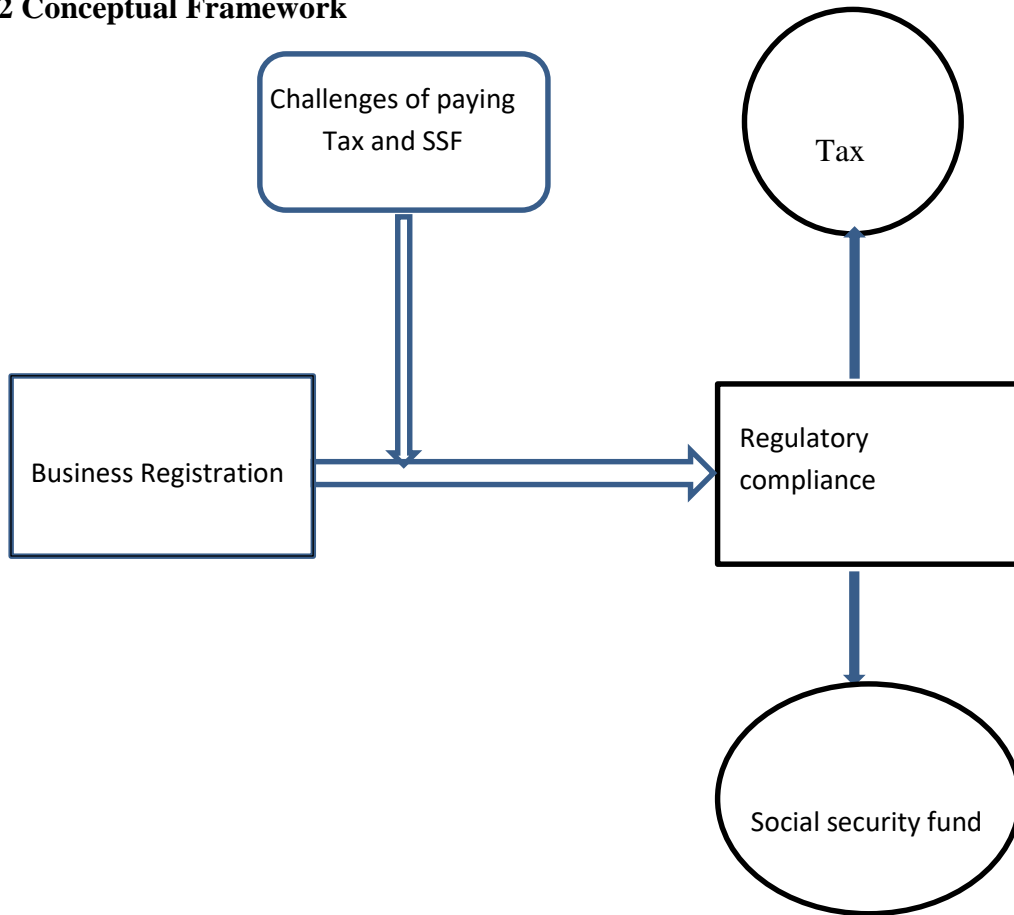
2.3 Empirical review

2.2.1 The costless business registration intervention

All three treatment groups share the main intervention of making business registration costless. To do this, we18 visited business owners in the treatment groups and offered assistance in registering their businesses, while conveying to them a single-page information flyer with the potential benefits offered by registration. For those that were interested, we assisted them in filling out the Business Registration form, took the required photo, and delivered their entire application to the DRG, including paying the Business Registration fee on their behalf. Once ready – on average certificates take two weeks to be prepared - we delivered the Business Registration Certificates (BRC) back to these firms. Thus, the only cost

to these firms was the time it took to fill out the registration form (where they were assisted by our team).

Across the three treatment groups, we invited 2,245 firms from our sample of informal MSMEs to register at the DRG through this costless process. This took place between June and September 2012. There are two competing aspects that make our cost structure different from the normal registration process of individual entrepreneurs. On one hand, the NGO working on this with us has to deploy enumerators to offer hand-holding to firms in the registration process. This is costly. On the other, the NGO is able to save by bringing to the Registrar's General office a large set of applications, minimizing the transport costs. The all-in costs19 of conducting the business registration intervention was $22 per registration offered and approximately $27 per registration offer accepted. The costless business registration intervention. All three treatment groups share the main intervention of making business registration costless. To do this, we18 visited business owners in the treatment groups and offered assistance in registering their businesses, while conveying to them a single-page information flyer with the potential benefits offered by registration. For those that were interested, we assisted them in filling out the Business Registration form, took the required photo, and delivered their entire application to the DRG, including paying the Business Registration fee on their behalf. Once ready – on average certificates take two weeks to be prepared - we delivered the Business Registration Certificates (BRC) back to these firms. Thus, the only cost to these firms was the time it took to fill out the registration form (where they were assisted by our team).

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2.2.2 Obtaining the Business Registration Certificate

The business registration process involves filling in the Application for Registration of Business Name form and submitting it with one passport photo or a copy of the National ID card to the Registrar General's office in Blantyre. The cost of applying to register as a sole trader or in partnership was Malawian Kwacha (MWK) 200, or US$ 1.30, at time of baseline. This cost was increased during the study (in mid-2012) to MWK 2,000 (equivalent to $8 in 2012 when intervention took place, but $4 in 2013). In addition to the registration costs, there are transport costs for those not living in Blantyre.4 The transport cost for firms in capital city of Lilongwe of traveling to Blantyre and returning to collect the certificate is around $32 by bus ($8 each way for one trip to drop off the paperwork and another trip to pick up the certificate when ready, with it being a 5-6 hour bus ride each way). The official wait time for processing a registration application is 14 days. However, this appears to vary considerably in practice, with conversations with lawyers and business owners suggesting that it takes some people just one day to register, while others are told it takes two months to register (and they are often offered help by a middleman for 5 to 10 times the actual price).

Enforcement of the BRC is very limited, with no general inspection process at present for checking whether firms have this document. The BRC does not, by itself, impose any further obligations on the firm to pay annual fees or taxes. In common with evidence from other

countries (e.g. de Mel et al, 2013; Andrade et al, 2014), baseline knowledge of the registration process and cost was limited. Eighty three Percent of respondents said they did not know the minimum cost of obtaining a BRC, while for the remaining 17 Percent, the median response was ten times more expensive than the actual cost at that time. This difference may partly be associated with incorporating the costs of travelling, as for those that provided a response in Lilongwe the median estimated cost was fifteen times higher than the actual cost. In Blantyre, the median response was five times more expensive (16 and 18 Percent of those in Lilongwe and Blantyre were able to provide a response). The response may also be influenced by the cost experienced by peers when using the services of a middleman to submit the application.

2.2.3 Business Registration

I study the impact of a business registration reform in Mexico, the Rapid Business Opening System (SARE), on the occupational choices of informal business owners, keeping in mind their division into wage worker and formal business owner species. SARE simplified local business registration procedures, reducing the average the number of days, procedures, and office visits required to register a business, from 30.1 to 1.4, from 7.9 to 2.7, and from 4.2 to 1, respectively. The reform was organized by a federal agency, the Federal Commission for Improving Regulation (COFEMER), which had to coordinate with municipal governments since many business registration procedures are set locally in Mexico. As a result of this need for coordination, SARE was implemented in different municipalities at different times, staring in May 20027.

Bruhn (2008) shows that the implementation of SARE increased the number of formal business owners by 5 Percent. It also increased wage employment by 2.2 Percent. However, the results indicate that the increase in formal business owners was due to former wage earners

opening businesses. Former informal business owners were not more likely to register their business after the reform. This conclusion is based on the average effect of the reform on all informal business owners in the sample. The paper also separates informal business owners by whether they have any employees or not or by whether they have fixed or mobile premises, but it does not find an effect on business registration for any of these sub-groups of informal business owners.

Bruhn (2008) relied on business characteristics to separate informal business owners into different groups, recognizing that the informal sector is heterogeneous and trying to isolate the informal business owners that would be most likely to register their business after a reform. However, De Mel, McKenzie, and Woodruff suggest that it may be more appropriate to use the personal characteristics of Business Registration Reform and Hypotheses

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CHAPTER THREE

METHODOLOGY

3.1 Introduction

This research was conducted to investigate the impact of business registration on regulatory compliance thus (tax and ssf payment). It begins with the research design, research approach, population and sample, data collection and questionnaire design and finally data analysis.

3.2 Research Design

A cross-sectional survey was used to carry out the study in Asokwa a suburb in the Kumasi metropolis. Asokwa is one of the two hundred and twenty-eight (228) district, municipal, metropolitan Assemblies in the country. A cross sectional study was used because it is the most important and common descriptive design, it provides a snapshot of the variables of interest at a single point of time, it is also based on a specific probability sample survey and cross-classifications of data and correlations (Churchill, 2006).

3.3 Research Approach

There are two helpful research methodologies: quantitative and qualitative. Bryman and Bell (2003) pointed out that the connection between theory and research, epistemological considerations and ontological considerations, quantitative and qualitative research can be considered as two distinctive clusters of research strategy. Quantitative Qualitative Principal orientation to the role of theory in relation to research Deductive; testing of theory Inductive; generation of theory Epistemological orientation Natural science model, in Particular positivism Interpretivism Ontological orientation Objectivism Constructionism Fundamental differences between quantitative and qualitative research strategies Source: (Bryman and Bell,

2003) Due to the fact that the purpose of this research is to test the proposed hypothesizes which were derived from the review of literatures on the determinants of tax compliance, ssf compliance and business registration in Ghana, a quantitative method is chosen. Quantitative research can be construed as a research strategy that emphasizes quantification in the collection and analysis of data and that entails a deductive approach to the relationship between theory and research, in which the accent is placed on the testing of theories; which has incorporated the practices and norms of the natural scientific model and of positivism in particular; and embodies a view of social reality as an external (Churchill, 2006). and embodies a view of social reality as an external (Churchill, 2006).

3.4 Population and Sample

In this research, the case selection is focused on the small, medium and large businesses in the Asokwa Municipal Assembly. One of the reasons is that we are studying in the Asokwa Municipality, and it will be easier for the researchers to do research by focusing on the businesses in and around. On the other hand, Ghana has a relatively complex tax regime however, the business registration process seems fairly simple, there is therefore a very interesting relationship between these, that must be explored especially tax and social security payment.

3.5 Population

A population is the whole group that the research focuses on (Jacobsen, 2002). In quantitative research, the need to sample is one that is almost invariably encountered and sampling constitutes a key step in the research process in social survey research (Bryman and Bell, 2003). Due to the fact that the research is studied from owners 'and regulators point of view, the population is expected to involve the people who are owners of the business environment

used for the study. However, it is not possible for researchers to get in touch with a big number of samples, as the sample size is a critical question in practice, so business owners in the Asokwa Municipality were selected in this regard.

3.6 Sampling Techniques

This denotes the process of choosing the research units of the target population, which are to be included in the study (Agbesinyale and Anoff, 2003). The application of simple random and convient sampling methods was employed. Simple random sampling is the method of drawing a portion of a population or universe so that each member of the population has an equal chance of being selected. Convenience sampling is the method of collecting samples by taking those that are conveniently located around a location. The simple random method was used in sampling owners who were located in their shops and the convenient sampling technique was used in sampling people the researcher met around the Asokwa Municipality.

3.7 Sample Size

Table 4.0 Krejcie and Morgan Table

The ever-increasing need for a representative statistical sample in empirical research has created the demand for an effective method of determining sample size. To address the existing gap, Krejcie & Morgan (1970) came up with a table for determining sample size for a given population for easy reference (see Table 1).
The Table is constructed using the following formula for determining sample size.

But there is no need of using the formula since the table of determining sample size has all the provisions you require to arrive at your sample size

N	S	N	S	N	S
10	10	220	140	1200	291
15	14	230	144	1300	297
20	19	240	148	1400	302
25	24	250	152	1500	306
30	28	260	155	1600	310
35	32	270	159	1700	313
40	36	280	162	1800	317
45	40	290	165	1900	320
50	44	300	169	2000	322
55	48	320	175	2200	327
60	52	340	181	2400	331
65	56	360	186	2600	335
70	59	380	191	2800	338
75	63	400	196	3000	341
80	66	420	201	3500	346
85	70	440	205	4000	351
90	73	460	210	4500	354
95	76	480	214	5000	357
100	80	500	217	6000	361
110	86	550	226	7000	364
120	92	600	234	8000	367
130	97	650	242	9000	368
140	103	700	248	10000	370
150	108	750	254	15000	375
160	113	800	260	20000	377
170	118	850	265	30000	379
180	123	900	269	40000	380
190	127	950	274	50000	381
200	132	1000	278	75000	382
210	136	1100	285	1000000	384

Note.—N is population size. S is sample size.

Source: Krejcie & Morgan, 1970

Table 4. 1: Krejcie and Morgan Table

Yin (1994) has recognized five popular ways of collecting and analyzing empirical data in business research. It includes experiments, survey, and analysis of archival information, histories and case studies. We the researchers are using survey as the main method to carry out the research. Primary data will be collected from 302 samples by the use of questionnaire. In the opinion of Agbesinyale and Anoff (2003), this is a set of formal questions framed and written down for the respondents to provide answers to. It is an efficient method in the sense that many respondents can be reached within a short space of time. In surveys, data are standardized and comparison is easy. However, it costs much time to do it. In this study, self-completion questionnaires with closed questions will be developed. This is because the respodents will not have all the time to provide answers to an open ended question in the mist on their tight schedules and responsibilities. The self-completion questionnaire is a very similar method of business research, and the research instrument has to be especially easy to follow and its questions have to be particularly easy to answer (Bryman and Bell, 2003). Meanwhile, whether to ask a question in an open or closed format is one of the most significant considerations for many researchers. According to Bryman and Bell (2003), closed questions have some advantages: it is easy to process answers; it enhances the comparability of answers, and makes them easier to show the relationship between variables. It is better than open question for this research. The questionnaire will be composed of two parts. The first part is about individual characteristics with four questions by asking respondents 'gender, age, marital status and educational background. The second part contains all seven constructs in the research model in total. Several items on each construct are developed and adopted from relevant literatures, all of the items were measured by using the binary-type response scales, anchored on Yes or No. Questionnaires will be administrated in different ways: face to face, telephone, e-mail and Web Bryman and Bell (2003). This survey will choose the face to face

and web i.e Google sheet method to administer the questionnaire and to collect data. We will send out 302 questionnaires to business owners in Asokwa, both male and female who are operating and managing businesses in Asokwa for the study.

3.9 Data Analysis

The results of the survey will be analyzed using descriptive and inferential statistics. There are many basic techniques for analyzing quantitative data. In this study, the software of Statistical Product and Service solutions (SPSS) version 20.0 will be used to generate frequencies, percentages, tables for the write up. SPSS 20.0 for Windows is probably the most widely used computer software for analysis of quantitative data for social scientists.

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.0 Introduction

This section presents the research findings, analysis and interpretation in relation to the research questions of the study. The study examined "the impact of business registration on regulatory compliance". 302 respondents, representing 100%.were selected using the purposive sampling technique. Online questionnaires were administered. Statistical tables and Microsoft Excel were used during the data presentation and analysis by the researcher. The data was analyzed in two stages; the first stage consisted of the demographic data and the second stage involving the research questions.

4.1 Demographics Analysis of Respondents

The demographic profile of the respondents was considered in terms of gender, age range. Marital status and education of respondents. This is the first step to the analysis.

Table 4.1.1 Demographic data

Variables	Components	Frequency	Percentages%
Gender	Male	134	44.4
	Female	168	55.6
	Total	302	100.0
Age range	15-25	48	15.9
	25-35	52	17.2
	35 - 45	28	9.3
	45 - 55	111	36.8
	55 and above	63	20.9

		302	100.0
Marital status	Single	93	30.8
	Married	69	22.8
	Divorced	68	22.5
	Widowed / widower	72	23.8
	Total	302	100.0
Education	No formal Education	2	.7
	JHS	2	.7
	SHS	38	12.6
	Tertiary	260	86.1
	Total	302	100.0

Source; Field survey (2022)

The study revealed that, majority of respondents were female which represented 168(55.6%) and 134(44.4%) signified male respondents. This implied that female respondents dominated the study and this is associated with respondents' availability to participate in the study.

The study showed that respondents who were 15-25years were 48(15.9%) respondents who were between 25-35years were 52 (17.2%), followed by respondents who were 35 – 45years representing 28 (9.3%), majority of the respondents were 45 – 55years representing 111(36.8%) and 55 and above were 63(20.9%). This implies that all the respondents were energetic and had knowledge on the topic under study.

On marital status, the study showed that 93(30.8%) of the respondents were Single, Married respondents were 69 representing (22.8 %), 68(22.5%) are Divorced and 72(23.8%) of the respondents were widowed / widower. This implies that the respondents were majored and responsible to own, manage and run a business

On educational levels of respondents, the data showed that 2(0.7%) had no formal education and JHS certificate respectively. SHS holders were 38(12.6%) and 260 (86%) were tertiary

respondents. This implies that majority of the respondents were educated and understood the questions posed and responded as such. Hence data responses for the study is reliable.

Table 4.1.2 Demographics for Business

Variables	Components	Frequency	Percentages%
How long has your business be in existence?	Below 1 year	34	11.3
	1 - 5 years	59	19.5
	6 - 10 years	12	4.0
	11 - 15 years	21	7.0
	16 - 20 years	78	25.8
	Above 20 years	98	32.5
	Total	302	100.0
Have you received any training or information on tax compliance?	Yes	245	81.1
	No	57	18.9
	Total	302	100.0
Have you received any training on payment of employees SSNIT?	Yes	245	81.1
	No	57	18.9
	Total	302	100.0

Source; Field survey (2022)

On demographics for business, the study revealed that on the question how long has your business be in existence, respondents mentioned; Below 1 year 34 representing (11.3%),12

(4.0%) representing 1 - 5 years, 6 - 10years were 12 representing (4.0%), 11 - 15 years were 21(7.0%), respondents who were 16 - 20 years were 78(25.8%) and Above 20 years were 98(32.5%). This implied that majority of people are actively doing business in Ghana.

On the have you received any training or information on tax compliance, the should that majority of the respondents 245(81.1%) had received some form of training or information on tact compliance whereas 57(18.9%) had no training or information on tax compliance

On the question have you received any training on payment of employees SSNIT, the study that yes majority of respondents 245(81.1%) had received training on payment of employees SSNIT and 57(18.9%) said no they had no training on payment of employees SSNIT

4.2 Reliability Analysis

These tests are needed to ensure that indicators and variables in this study are feasible to serve as input to test the data. The reliability test was carried out using Cronbach's Alpha with criteria a variable which has reliability estimate of .5 or higher suggests as a variable with good reliability (Hair et al., 2014).

Table 4.2.1 Reliability analysis

Variables	Cronbach	Numbers
Business Registration	.898	3
Perception On Business Registration	.927	3
Challenges With Tax And SSF Payment	.886	4
Compliance	.515	4

Source; Field survey (2022)

A higher value shows a more reliable generated scale. Cooper & Schindler (2008) indicated 0.7 to be an acceptable reliability coefficient. The shows that all the variables used for the data are reliable.

4.3 The perception of business owners on business registration

This showed the representation of data in frequencies on the perception of business owners on business registration

Table 4.3.1 Frequencies on Perception of business

Variables	Components	Frequency	Percentages%
Do you think the process involved in registering a business is complex?	Yes	123	40.7
	No	179	59.3
	Total	302	100.0
Do you think the cost involved in registering your business is expensive?	Yes	114	37.7
	No	188	62.3
	Total	302	100.0
Do you think the time range to receive your business registration certificate is long?	Yes	127	42.1
	No	175	57.9
	Total	302	100.0

On the question do you think the process involved in registering a business is complex? 123 (40.7%) said yes they think the process involved in registering a business is complex. 179 (59.3%) disagreed that they think the process involved in registering a business is not complex. Again, 114(37.7%) respondents mentioned yes they think the cost involved in registering your business is expensive whereas 188(62.3%) mentioned no they think the cost involved in registering your business is not expensive. Lastly 127(42.1%) of respondents said yes they think the time range to receive your business registration certificate is long whist 175(57.9%) said no the time range to receive business registration is not long.

4.4 Challenges business owners face in paying tax on employees

This showed the representation of data in frequencies on the challenges business owners face in paying tax on employees

Table 4.4.1 Challenges in paying tax on employees

Variables	Components	Frequency	Percentages%
Do you have any difficulties accessing the tax to be paid by your business?	Yes	240	79.5
	No	62	20.5
	Total	302	100
Do you have any difficulties in filling tax returns?	Yes	240	79.5
	No	62	20.5
	Total	302	100

Source; Field survey (2022)

On the question do you have any difficulties accessing the tax to be paid by your business? And do you have any difficulties in filling tax returns? 240 (79.5%) respondents said yes whereas 62(20.5%) of respondents said no respectively. Meaning that business owners face a big challenge in paying taxes.

4.5 Challenges business owners face in paying SSF pay on employees

This showed the representation of data in frequencies on the challenges business owners face in paying tax on employees

Variables	Components	Frequency	Percentages%
Do you have any difficulties accessing the SSF to be pain for employees?	Yes	256	84.8
	No	46	15.2
	Total	302	100.0
Do you have any difficulties in paying SSF for employees?	Yes	256	84.8
	No	46	15.2
	Total	302	100.0

Source; Field survey, 2022

On the question do you have any difficulties accessing the SSF to be pain for employees? And Do you have any difficulties in paying SSF for employees? 256 (84.8%) respondents said yes

whereas 46(15.2%) of respondents said no respectively. Meaning that business owners face a huge challenge in paying social security fund for employees.

4.6 The relationship between business registration and regulatory compliance

Using linear regression the study ascertained the relationship between business registration and regulatory compliance.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.496ᵃ	.246	.244	.749

a. Predictors: (Constant), Business regulatory

The R value of 0.496 shows the relationship between the dependent and independent variables is positively lowly correlated. From the finding of this study, it is evident that the relationship between business registration and regulatory compliance is low and that it is preferred data. The R square value is .246, this means that 24.6% of the variations in business registration has to do with regulatory compliance

ANOVA^b

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	53.338	1	53.338	95.169	.000^a
Residual	163.092	291	.560		
Total	216.430	292			

a.   Predictors: (Constant),   Business

regulatory

b. Dependent Variable: Compliance

From the ANOVA results shown that, business registration and regulatory compliance is statistically significant with F value as 95.169 with significance level at p=000a. F-statistics of 1 show that the model is fit for the study

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
1 (Constant)	4.071	.154		26.493	.000
Business regulatory	1.226	.126	.496	9.755	.000

a. Dependent Variable: Compliance

From the coefficient table, ($\beta1 = 0.496$, t = 9.755, p = 0.000). A linear regression model was adopted and the B value was 1.226, implying that business registration contributed to 1.226 linear changes in regulatory compliance. The findings have shown that business registration statistically significantly impact on compliance positively.

The table shows that t-values of 9.755 with significant level of .000 of compliance. This means that business registration significantly impacted on compliance positively. This implied that business registration will increase significantly with compliance when there is a change in activities of business registration.

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATION

5.0 Introduction

This chapter sought to present the summary of the research findings, conclude on the study and make recommendation for practical and theoretical implications.

5.1 Overview of the Study

The purpose of the study was to explore the impact of business registration on regulatory compliance. Specifically, the study sought to test three research questions: the perception of business owners on business registration? Challenges business owners face in paying tax and paying ssf pay on employees? The relationship between business registration and regulatory compliance? The descriptive survey design was adopted for the study. A census 302 business owners of Asokwa Municipality was used for the study. One set of self-designed questionnaire was used as the instruments for data collection.

Major Findings

Findings of the study showed that the perception of business owners in registration of business based on activities outlined constituted expensive and complex. Again, the challenges business owners face in paying taxes (79.5%) was high and challenges face in paying ssf for employees (84.8%) was very high. In addition, the study found that Business registration ($\beta1 = 0.496$, $t = 9.755$, $p = 0.000$).

5.2 Conclusion

The main empirical findings were provided in the findings chapter as also followed by a deep discussion on the study's respondent's point of view. It became easier to answer the proposed research question, once the questionnaires were analyzed. To this end it highlights and draws upon good practice cases and already-implemented reforms for business regulations. Regulatory compliance places a lot of strain on both the top and bottom lines of financial institutions in the business, to achieve regulatory compliance is a significant cost which is likely to affect all stakeholders. The focus here is on how to streamline the procedures an entrepreneur or businesses must comply with in order to set up a generic business by acquiring licenses, or certifications for activities. Consequently, compliance nowadays has an elevated dynamics in day-to-day business as it is involved from the operation as an entity to the development and introduction of its products. Therefore, it is completely justified that this needs to report directly to the management and be independent from the other units and functions of the businesses.

5.3 Recommendations and Further research for the study

The study recommends the following;

1. As a result of these regulations compliance, existing firms could decide to focus solely on their core services, and outsource non-core functions, which could provide an opportunity for new entrants

2. Policy makers like SSNIT, GRA and Register General could make flow of information and assess to training of businesses increase. A lot more decrease in processes for registration, filling tax returns and calculations on SSNIT for employers would be much more burdensome for businesses.

3. Regulatory compliance could also open up new opportunities for ancillary industries. Auditing firms which specialize in ensuring compliance or IT firms which provide comprehensive, compliance-related IT solutions could benefit from the new regulatory environment.

4. Business regulations and regulatory compliance would assist issuers, acquirers, and networks that adhere to regulatory standards sooner than their competitors will have an early advantage. Customers and merchants might prefer to use their products and services because of their ability to offer higher security and better service quality.

5. While regulation is often synonymous with constraint, some regulations often enable innovation either directly or indirectly. Increasingly complex market conditions caused by regulations might force the industry to embrace greater innovation.

6. These regulations, while facilitating the emergence of new players, also provide opportunities for existing firms in the form of inorganic growth and economies of scale. The industry is likely to be driven by how quickly, efficiently, and innovatively firms adhere to these regulations and bring out products and services which are cost efficient, easy to use, and secure

7. The researcher recommends that future research should be directed towards validating the results of this study by conducting a similar research in other sectors in Ghana.

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Appendix
QUESTIONNAIRES

Forth year Accounting Student at Christian Service University College, Kumasi. We are conducting a research on the impact of business registration on regulatory compliance. This is an academic research and confidentiality is strictly emphasized. Thus, your name and location will not appear anywhere in our report. Kindly choose the answer among the options which best constitute your views, by ticking the space provided.

For the following questions please indicate whether is a Yes or No.

SECTION A

DEMOGRAPHICS FOR BUSINESS OWNERS

1. Gender?

a) Male [ ]

b) Female [ ]

2. Age range?

a) 15-25 [ ]

b) 25-35[ ]

c) 35 - 45 [ ]

d) 45 – 55[ ]

e) 55 and above [ ]

3. Marital Status?

a) Single [ ]

b) Married I]

c) Divorced [ ]

d) Widowed / widower [ ]

4. Educational Level?

a) No formal Education [ ]

b) JHS [ ]

c) SHS [ ]

d) Tertiary [ ]

DEMOGRAPHICS FOR BUSINESS

1. How long has your business be in existence?

a) Below 1 year [ ]

b) 1 - 5 years [ ]

b) 6 - 10 years [ ]

c) 11 - 15 years [ ]

d) 16 - 20 years [ ]

c) Above 20 years [ ]

2. Have you received any training or information on tax compliance?

a) Yes [ ]

b) No [ ]

3. Have you received any training on payment of employees SSNIT?

a) Yes [ ]

b) No [ ]

SECTION B

BUSINESS REGISTRATION

1. Have you registered your business with Registrar General?

a) Yes [ ]

b) No [ ]

2. Have you registered your business with SSNIT contributions?

a) Yes [ ]

b) No [ ]

3. Have you registered your business with Ghana Revenue Authority?

a) Yes [ ]

b) No [ ]

SECTION C

PERCEPTION ON BUSINESS REGISTRATION

1. Do you think the process involved in registering a business is complex?

a) Yes [ ]

b) No [ ]

2. Do you think the cost involved in registering your business is expensive?

a) Yes. [ ]

b) No [ ]

3. Do you think the time range to received your business registration certificate is long?

a) Yes [ ]

b) No [ ]

SECTION D

CHALLENGES WITH TAX AND SSF PAYMENT

1. Do you have any difficulties accessing the tax to be paid by your business?

a) Yes [ ]

b) No [ ]

2. Do you have any difficulties in filling tax returns?

a) Yes [ ]

b) No [ ]

1. Do you have any difficulties accessing the SSF to be pain for employees?

a) Yes [ ]

b) No [ ]

2. Do you have any difficulties in paying SSF for employees?

a) Yes [ ]

b) No [ ]

COMPLIANCE

1. Do you pay Tax?

a) Yes [ ]

b) No [ ]

3. If YES how long?

a) Below 1 year

b) 1-5 year

c) 6-10 years

d) 11-15 years

e) 16-20 years

f) Above 20 years

3. Do you pay SSF?

a) Yes [ ]

b) No [ ]

4. If YES how long?

a) Below 1 year

b) 1-5 year

c) 6-10 years

d) 11-15 years

e) 16-20 years

f) Above 20 years