

## ON THE TAX CONSCIOUSNESS SURVEY<sup>o</sup>

AGUSTIN KINTANAR, JR.

Recently, the Joint Legislative-Executive Tax Commission published its report on the tax consciousness phase of a nation-wide survey conducted in 1961 under its auspices. The results are of great significance and usefulness to legislators, policy-makers, and students of taxation and should be of interest to all persons in the Philippines who will eventually be affected by tax modifications based on them. The report deserves the widest possible dissemination and discussion.

To this end, this paper describes the survey briefly, and focuses attention on a few salient findings. It attempts to evaluate the study as a whole in terms of methodology, usefulness and significance and, wherever evident, it points out areas of further investigation which may now be possible because of the new information unearthed in the survey.

### I

The Joint Legislative-Executive Tax Commission (henceforth referred to as the Tax Commission) was created as a continuing study group on tax and fiscal matters. Through its technical staff, it has undertaken studies of increasing size and sophistication to gather, collate, develop and analyze data relevant to policy-making in these areas. One of its early interests was to measure the level of tax consciousness of the potential and actual taxpayers in the Philippines. In 1960, it conducted a series of pilot surveys in the provinces of Tarlac, Leyte, Negros Occidental and Davao, the results of which were put out for limited circulation in 1961.<sup>1</sup>

From the experience gained in the pilot surveys, it was decided to conduct a nationwide survey on tax consciousness. However, widening interests of the Tax Commission, dictated by its wide frame of reference, required that two additional phases be included in the national survey, namely: the survey on the fiscal positions of local

<sup>o</sup> Joint Legislative-Executive Tax Commission, *Survey on Tax Consciousness in the Philippines* (Manila, 1962).

<sup>1</sup> For some of the results of these pilot surveys, see Angel Q. Yoinco, "Tax Consciousness Survey", *Economic Research Journal*, (Manila, University of the East), Vol. VIII, No. 2, pp. 74-80.

governments and the survey on incidence of taxation. Thus far, only the results of the survey of tax consciousness have been published. This paper, therefore, will discuss only this phase of the survey. The avowed objectives of this survey were 1) to determine the level of tax consciousness among actual and potential tax payers, 2) to determine the degree of compliance with tax obligations by the various occupation groups, and 3) to determine common problems in tax revenue administration<sup>1a</sup>.

The Tax Commission defines "tax consciousness" as the attitudes of the people towards taxation as manifested in their compliance with tax obligations, interest or motives in meeting or evading them, awareness of tax laws and regulations, their views on the disposition of tax collections, and their attitudes towards tax administrators.<sup>2</sup> Admitting that the concept of tax consciousness is itself vague, the problem was to find indicators that would reflect in some meaningful way the tax consciousness of the people and thereby in some sense measure the degree of their tax consciousness. The questionnaires formulated and the experience gathered in the pilot surveys were invaluable to the present survey. A committee on the design of the questionnaire was formed to revise the interview schedules of previous surveys (and to formulate a new one for the survey on tax incidence and local finance).

To ensure the high reliability of the survey results, a committee on sampling design was constituted, drawing on the expertise of leading statisticians of the country. To avail of the long experience of the Division of Surveys of the Bureau of the Census and Statistics and to reduce the cost of operations, a memorandum of agreement was concluded between the Tax Commission and this bureau whereby the Tax Commission would sponsor the survey and shoulder all expenses in connection with the project while the Bureau of the Census and Statistics would serve as the operating unit of the survey. Without the experienced staff and field enumerators of the Bureau of the Census and Statistics, the survey would have been more expensive and more difficult to undertake.

The survey conducted by the Tax Commission was truly an example of successful cooperative efforts by government agencies with the Office of Statistical Coordination and Standards of the National Economic Council as the coordinating agency, the Bureau of the Census and Statistics of the Department of Commerce and Industry as the operating agency, and the Statistical Center and the Institute of Economic Development and Research of the University of the Philippines as the cooperating agencies. The report on the tax consciousness phase

<sup>1a</sup> *Ibid.*, p. 2.

<sup>2</sup> JLETC, *Tax Consciousness*, p. 8.

is the fruit of these joint efforts. The Tax Commission should be commended for showing that greater cooperation among government agencies is possible along these lines.

## II

Over 3,200 sample respondents were interviewed. These respondents consisted of all persons in the sample households who were 18 years old and over and who earned ₱1,800 or more in 1960 and/or owned real property assessed at ₱300 or over. The preceding qualifications would include persons who were liable to direct taxes like the Residence Taxes A and B, the real property tax, the occupation taxes, or who were obligated by law to fill income tax and tax census returns. The attitudes of these persons would represent the attitudes of taxpayers both actual and potential.

The sample households were drawn through a stratified multi-staged sampling method based on the sample design of the Philippine Statistical Survey of Households. Four sectors were distinguished, namely: (1) barrios, (2) poblaciones, (3) chartered cities including provincial capitals, and (4) Metropolitan Manila. One sampling design was used for the barrios and poblaciones, and another for chartered cities including provincial capitals, and Metropolitan Manila.<sup>3</sup> Suffice it to say that, in general, the sampling design for the survey was in accordance with accepted sampling techniques.

It was unfortunate, however, from the viewpoint of minimizing possible bias that, simultaneous with the survey, the Tax Commission launched a full scale tax education drive. In line with this drive, "Seminars were held at every opportunity among local officials, professional groups, civic leaders and other private citizens, during which problems of local and national taxation were discussed."<sup>4</sup> The concurrent tax education drive introduced the possibility that some of the attitudes of the sample respondents were newly acquired so that the measured level of tax consciousness of the sample might not accurately reflect the tax consciousness of the whole population. There is a probable upward bias although it is difficult to say how much this bias actually is.

At the outset, all attempts to elicit information on tax matters by the survey method are suspect. Conscious of this inherent limitation, great care was placed on the formulation of the questionnaire to minimize loading the questions, or introducing sampling biases. The experts of the Bureau of the Census and Statistics, drawing on field

<sup>3</sup> For details of sampling design, see *Ibid.*, pp. 3-5, 67-68.

<sup>4</sup> *Ibid.*, p. 1.

experience were of great help at this juncture. Through hindsight, however, it appears that several loaded questions still remained despite all efforts. No amount of assurances that the results of the interviews would be kept confidential could totally erase the natural fear of the respondents that these information might be used by tax collectors against them. It has to be recognized that the difficulties encountered in surveys on tax matters are probably greater than in other fields of social research. Until better techniques are devised, social researchers have to rely on sample surveys by interview or questionnaire method.

Primarily for purposes of administrative control of field operations, the Philippines was divided into ten regions, namely:<sup>5</sup>

- I. Metropolitan Manila
- II. Ilocos and Mountain Province
- III. Cagayan Valley and Batanes
- IV. Central Luzon
- V. Southern Luzon and Islands
- VI. Bicol
- VII. Western Visayas
- VIII. Eastern Visayas
- IX. Southwestern Mindanao
- X. Northeastern Mindanao

The regional tables show differences in tax compliance and attitudes which are proving, it now appears, highly useful to the Tax Commission in making specific recommendations.

The main format of the analysis, however, is based on broad sectors or areas, namely: urban and rural. The urban area includes chartered cities, provincial capitals and poblaciones. The urban area is further subdivided into urban Metropolitan Manila and urban excluding Metropolitan Manila. The rural area consists of barrios surrounding the poblaciones. To provide a national picture, a consolidated category for total Philippines was included in almost every table, chart or analysis. However, the consolidated figures may be less accurate and useful as a basis for specific policies because of the fairly wide differences between urban and rural sectors of the Philippines in certain aspects covered by the survey.

### III

The summary of findings of the survey on tax consciousness is appended for easy reference.<sup>6</sup> Only a few of the findings will be

<sup>5</sup> For specific provinces and cities included in the regions, see *Ibid.*, p. 7.

<sup>6</sup> See Appendix A.

discussed in this paper to illustrate the significance and usefulness of some of the results of the survey.

Notwithstanding its recognition of the complexity of the task and the hazards that would be involved, the technical staff of the Tax Commission felt compelled to present a composite index of tax consciousness for the Philippines as a whole, and for the different areas: urban and rural. Inasmuch as there were several indicators of tax consciousness elicited from the survey, the problem of consolidating and of weighting these indices had to be faced. It was decided that, in general, the weighted average (weighted by the number of respondents) would be the most reasonable index. It should be noted that of itself this decision involved a host of value judgments. It should be said of the technical staff of the Tax Commission, however, that it was forthright enough to invite policy-makers as well as others to use separate indicators insofar as they could not accept the value judgments implied in the index.<sup>7</sup> With these limitations duly noted, the measure of tax consciousness was placed at 75.6% on the average for the Philippines in Calendar Year 1960, 76.8% for the urban areas (chartered cities, provincial capitals, and poblaciones), 78.5% for Metropolitan Manila area, and 68.9% for the rural areas (barrios).

What probably would be more interesting to note are the degrees of non-compliance. More than 20% of those obliged by law or regulations did not comply with certain obligations. For example:

- (a) 22% did not file income tax returns, although they were required by law;
- (b) 40% did not file tax census declaration;
- (c) 9% did not pay Residence Tax A;
- (d) 21% did not pay Residence Tax B (including those of the professions and listed occupations);
- (e) 13% did not pay real property taxes (of those who paid real property taxes, it was not possible to determine whether payment was made for the full liability).

In terms of interest in the payment of taxes and the disposition of tax collection, the score was 76%. In terms of awareness of tax payments and regulations, the score was 71%. Some 64% said they were aware of the payment of certain indirect taxes; 92% were aware of the requirement to file income tax returns. However, it has to be noted that only some 78% actually complied with this requirement and only 15% of taxpayers actually paid income taxes.

<sup>7</sup> Personally, I believe that the technical staff should not have attempted the making of a composite index of tax consciousness because in its attempt to give a specific number (whatever that number may mean), it hides more than it reveals many interesting facets of the problem.

Of non-filers of income tax returns for the Philippines as a whole, some 39% claimed ignorance of the requirement, while only 35% gave this reason in the Metropolitan Manila area. From regional tables, there appear to be wide differences in the degree of non-compliance and the reasons given for this non-compliance.

Contrary to the notion prevailing in the tax literature that so-called indirect taxes are painless because the taxpayers are unaware of them, the survey results show a surprisingly high level of awareness to certain indirect taxes. For example, 68% of the taxpayers were aware that they pay certain taxes in buying a commodity, 64% in riding a public conveyance and 62% in going to an amusement place.

Again there are fairly wide disparities in the level of awareness to these taxes in different areas: 80% in Metropolitan Manila, 72% Outside Metropolitan Manila and 59% in rural areas.

Urban, rural and regional differences point to the need for investigation in greater depth than what has already been attempted by the Tax Commission.<sup>8</sup> The next round of analyses of these data should try to bring out the factors which account for these differences so that appropriate action may be recommended to raise the level of tax consciousness all around. Other rounds of analyses utilizing not only the published data of the survey but also the work sheets and interview schedules as well might bring out new inferences concerning attitudes and responses of taxpayers in the Philippines. This seems to be a fertile field of investigation not only for the serious student of taxation but also for the student of political science and psychology, among others.

Students of the law and public administration who are interested in tax revision will find a wealth of new data that will be useful in the reformulation of the tax laws to make them easier to administer.<sup>9</sup> For example, data on the number and categories of dependents claimed will serve as a bench-mark in the revision of taxes. This information has current relevance because there are bills being proposed to raise the level of personal exemption and to make the categories of dependents eligible for exemption for tax purposes more liberal.

In fact, the survey has actually been used to determine the response of the taxpaying group to new tax proposals, such as the school tax. For the entire Philippines it was established that some 87.6% of taxpayers were willing to pay an additional school tax ranging in amount

<sup>8</sup> JLETC, *4th Annual Report*, 1962 (Manila, 1963), pp. 30-32.

<sup>9</sup> I am confident that several graduate students willing to shift the data to arrive at some useful generalizations can readily squeeze out from the results of the recent survey the materials for at least one or two master's theses.

from ₱1.00 annually (45%) to ₱2.00 annually (11%). Some 5% were willing to pay ₱1.50 annually, 7.1% gave other amounts and 19% did not know what amount to give. What is significant is the fact that the taxpayers' resistance to a direct school tax is relatively small, contrary to the belief of many politicians that such taxes are unpopular.<sup>10</sup>

Other important results of the survey have to do with the principal reasons for paying taxes, the benefits desired by taxpayers, the payment of residence taxes A and B and professional and occupation taxes, the attitude towards tax officials, and the characteristics of the taxpayers surveyed, such as nationality, age distribution, level of education, property ownership, cash income, civil status and number of dependents. While this brief paper will not discuss them, there are many obvious implications for new investigation in these areas.

From a practical point of view, the usefulness of the findings in the tax consciousness survey cannot be gainsaid. Published results should give a more definite direction to the tax education program of the Tax Commission and the tax collection campaign of the Bureau of Internal Revenue. In determining the scope and the intensity of these efforts, these agencies should be guided by the findings of the survey regarding the concentration of taxpayers in different regions, as well as the degree of non-compliance in these regions for 1960.

Looking further, the results of the 1960 survey can serve as the bench-mark for testing the effectiveness of these efforts and for measuring the change in the level of tax consciousness five to ten years from today.

#### IV

Many of the results of the survey bear out, while others contradict, popularly held notions regarding taxation. Several pieces of information, such as the level of compliance and awareness, have been revealed for the first time. On the whole, the nationwide survey confirms many of the tentative findings of the pilot surveys of the Tax Commission conducted in 1960.

From the viewpoint of serious students of fiscal policy, the efforts of the Tax Commission are encouraging because they reflect an increasing recognition of the need for basic information for guiding tax policy. In the past, many tax modifications instituted by Congress were based on not much more than hunches, notions and pet causes for lack of basic data. Now, tax policy may be made on much stronger bases.

<sup>10</sup> In the pilot surveys, taxpaying households suggested that, should there be an upward revision of taxes, the income tax be increased first followed by business and occupation taxes, and the real property tax, in that order.

APPENDIX A  
SUMMARY OF FINDINGS\*

The problem of choosing (or making) a composite index of tax consciousness is a complex one. In the first place, the concept of tax consciousness itself is vague. In the literature of taxation, the term "tax consciousness" usually denotes the people's *response* to the imposition of tax obligations. Tax consciousness may be defined as "the *responses* of the taxpayers both in their *consent, resistance*, and habits of compliance, and on the impact of tax measures on the whole *complex of economic motivation*."<sup>1</sup> (Underscoring supplied). The Tax Commission defines tax consciousness as the attitudes of the people towards taxation as manifested in their compliance with tax obligations, interest or motives in meeting or evading them, awareness of tax laws and regulations and their views on the disposition of tax collections and attitudes towards tax administrators.

In the second place, any composite index of tax consciousness will necessarily embody a set of normative judgments as to the relative weights to be given to the different indicators of tax consciousness. In using the composite index, therefore, policy makers should carefully take these judgments into account. Insofar as they prefer their own value judgments they may use the separate indicators.

It cannot be denied that the level of tax consciousness of the people (together with the level of national income, the structure and administration of the tax system, and the purposes for imposing the taxes) is an important determinant of the taxable capacity of a given country.

This study attempts to quantify the level of tax consciousness in terms of (1) the degree of compliance by the country's taxpayers with their obligation (a) to pay various direct taxes, (b) to file income tax returns, and (c) to file tax census returns; (2) their awareness of certain indirect taxes; (3) their interest in certain proposed taxes; and (4) their attitudes towards tax officials. Each of these items reflects an aspect of tax consciousness.

The results of the nationwide survey on tax consciousness are summarized below to bring out some of the salient findings of the survey. Full appreciation of the wealth of new information unearthed by the survey would require a close study of the Statistical Tables themselves, as well as the accompanying Statistical Analysis.

\* Excerpted from the Joint Legislative-Executive Tax Commission, *Survey on Tax Consciousness in the Philippines* (Manila, 1962), pp. 8-12.

<sup>1</sup> Dan Throop Smith, et. al., *The Limits of Taxable Capacity*; Monteath Douglas, *Taxable Capacity and British and Canadian Experience* (Princeton: Tax Institute, Inc.), p. 36.



## General Tax Consciousness

1. On the average, three fourths (75.6 per cent) of potential and actual taxpayers<sup>2</sup> complied, in one way or another, with their tax obligations, manifested interest in, or showed awareness of, tax laws and regulations.<sup>3</sup>
  - a. Almost four out of five (79.9 per cent) complied with tax laws and regulations.
  - b. Over seven out of ten (76.0 per cent) manifested interest in paying taxes and in the disposition of tax collections.
  - c. Seven out of ten (71.0 per cent) were aware of the payment of indirect taxes.

## Income Tax

2. Nine out of ten (91.8 per cent) taxpayers who were subject to the filing of income tax returns were aware of this obligation.
3. Nearly eight out of ten (78.3 per cent) of taxpayers with cash income of ₱1,800 or more filed income tax returns for 1960. Compliance in urban areas was 80.9 per cent and in rural areas, 71.3 per cent. Among the regions, Eastern Visayas showed the highest ratio of compliance (94.8 per cent), followed by Metropolitan Manila (84.4 per cent); the lowest is the Southern Luzon and Islands (63.2 per cent).
4. Fifteen out of one hundred (15.3 per cent) of taxpayers paid income tax.

## Reasons for Not Filing Income Tax Returns

5. An average of two out of five (39.2 per cent) non-filers did not file income tax returns because of ignorance of the obligation; about three out of ten (33.9 per cent) did not file because they believed they were not subject to pay income tax; almost two out of ten (16.6 per cent) failed to file because tax administrators did not question them for previous failures; and 4.3 per cent saw no benefit in paying taxes.
6. Slightly over three out of ten (35.0 per cent) taxpayers in Metropolitan Manila who were subject to the filing of income tax returns did not file due to ignorance of the obligation.

<sup>2</sup> The term "taxpayers" as used in this summary refers to actual and potential taxpayers and is equivalent to the term persons used in the Statistical Analysis and Tables.

<sup>3</sup> See table.

7. One out of five (20.9 per cent) income tax return filers required the assistance of a second party in filling out the tax forms. Almost four out of ten filers needed help due to their inability to understand the meaning of many terms used in the form; about two out of ten found the forms too complicated; and almost two out of ten could not, from the text, work out the full exemption to which they believed they were entitled.

#### Optional Standard Deduction

8. Two-thirds (65.6 per cent) of the taxpayers who filed income tax returns elected the ten per cent standard deduction.

TAX CONSCIOUSNESS IN THE PHILIPPINES, CY 1960  
(Based on the 1961 Sample Survey on Tax Consciousness of the JLETC)

	Philip- pines	Urban (Outside) Metropolitan Manila	Urban Metropolitan Manila	Rural
Average	75.6	76.8	78.5	68.9
Compliance of Tax Laws and Regulations: .....	79.9 <sup>a</sup>	76.8	78.0	71.9
1. Filing of income tax returns.	78.3	77.4	84.4	71.3
2. Filing of Tax Census Declarations .....	60.1	67.3	68.8	55.5
3. Payment of Residence Tax A	90.7	—	—	—
4. Payment of Residence Tax B <sup>1</sup>	79.1	—	—	—
5. Payment of Real Property Tax .....	86.8	86.1	74.8	88.5
Interest on Paying Taxes and on Disposition of Tax Collections:	76.0	79.1	70.9	71.9
1. Reason for paying taxes ..	70.2	74.4	73.5	56.3
2. Willingness to pay school tax	87.6	88.9	76.7	89.7
3. Ratings on attitudes towards tax officials .....	70.0	73.8	62.7	69.4
Awareness of Tax Payments and Regulations: ....	71.0	74.6	86.5	62.8
1. Payment of indirect taxes	64.3	68.2	79.7	58.7
2. Filing of income tax return	91.8	91.8	94.7	87.9

<sup>a</sup> This does not reflect the average for urban and rural. The separate averages for these areas do not include data on payment of Residence Taxes A and B.

<sup>1</sup> Professions and listed occupations.

### Filing of Tax Census Declaration

9. Three out of five (60.1 per cent) real property owners filed Tax Census Declarations for 1957. In Metropolitan Manila, 68.8 per cent of real property owners filed declarations. By region, the highest percentage (70.8 per cent) of compliance was given by Ilocos and the Mountain Province; the lowest was in Cagayan Valley and Batanes (46.2 per cent).

### Payment of Selected Taxes

10. Nine out of ten (90.7 per cent) taxpayers paid Residence Tax A. Nearly three out of ten (29.9 per cent) taxpayers, composed mostly of self-employed professionals, businessmen and landlords, paid Residence Tax B. Four out of ten (40.3 per cent) businessmen paid license and fixed tax. Six out of ten (60.7 per cent) self-employed professionals paid occupation tax.

### Payment of Real Property Tax

11. Almost nine out of ten (86.8 per cent) taxpayers with real property paid real property tax.<sup>4</sup> It was noted that the degree of compliance of this obligation rises as the value of property increases. The degree of payment of real property tax was better in rural areas (88.5 per cent) than in the urban areas excluding Metropolitan Manila (86.1 per cent), which in turn was better than Metropolitan Manila itself (74.8 per cent).

### Principal Reasons for Paying Taxes

12. Nearly six out of ten (57.1 per cent) taxpayers paid taxes in order to help the government carry out its functions; slightly more than one out of ten (13.1 per cent) paid taxes in anticipation of public services; over two out of ten (22.3 per cent) paid taxes out of fear of fine or imprisonment and 3.2 per cent paid taxes because of fear of censure of other people.

### School Tax Proposal

13. Almost nine out of ten (87.7 per cent) taxpayers were willing to pay a school tax. By area, 89.7 per cent of the taxpayers in rural areas signified willingness to pay a school tax, 88.9 per cent in the urban area excluding Metropolitan Manila, and 76.8 per cent in Metropolitan Manila.

---

<sup>4</sup>This finding does not include the degree (full or partial) of real property tax payments by property owners.

## Attitudes Towards Tax Officials

## 14. Attitudes of taxpayers towards tax officials:

- a. Tax officials were deemed generally honest by 65.0 per cent of the taxpayers, not generally honest by 3.3 per cent, and 31.2 per cent expressed no opinion.
- b. Seventy-one and one-tenth (71.1) per cent of the taxpayers believed that tax officials are helpful, 5.2 per cent said they are not, and 22.8 per cent gave no opinion.
- c. Tax officials are courteous according to 69.1 per cent of the taxpayers, discourteous to 5.2 per cent, and 24.9 per cent rendered no opinion.
- d. Slightly more than one-half (53.8 per cent) of the taxpayers thought tax officials to be hardworking, 7.2 per cent said they are not, and 37.9 per cent had no opinion.

## Awareness of Indirect Taxes

15. More than six out of ten (64.7 per cent) taxpayers were aware that they are paying taxes when buying a commodity, riding in a public conveyance, or going to an amusement place.
16. Slightly over seven out of ten (71.8 per cent) taxpayers in urban areas knew of the payment of the above-mentioned indirect taxes, whereas almost six out of ten (58.7 per cent) taxpayers in rural areas knew of these taxes. Metropolitan Manila gave a ratio of 79.7 per cent.
17. The four regions with the lowest ratios of awareness of the payment of the above-cited indirect taxes were: Ilocos and Mountain Province, 37.1 per cent; Northeastern Mindanao, 51.6 per cent; Eastern Visayas, 56.8 per cent; and Central Luzon, 58.7 per cent.

## Benefits Desired by Taxpayers

18. A plurality of taxpayers in urban areas signified that the principal public benefits they would like to have in return for taxes paid were health, sanitation and medical facilities; rural areas gave priority to roads, bridges and communication facilities.
19. The principal public services preferred by a plurality of taxpayers in the following regions are: (a) roads, bridges and communication facilities in Ilocos and Mountain Province, Cagayan Valley and Batanes, Southern Luzon and Islands, Bicol, Western Visayas, Southwestern Mindanao and Sulu, and Northeastern Mindanao; (b) water supply and irrigation in Central Luzon; and (c) health,

sanitation and medical facilities in Metropolitan Manila and Eastern Visayas.

#### Dependents in Public Schools

20. In general, five out of ten taxpayers had children or dependents attending public elementary schools. Only about three out of ten taxpayers in Metropolitan Manila had children or dependents in these schools.
21. Two out of ten taxpayers had children or dependents attending public high schools.

#### Characteristics of Taxpayers Surveyed

22. The foregoing findings represent the attitudes of an estimated 1,887 thousand actual and potential taxpayers possessing the following characteristics:
  - a. About 97.5 per cent were Filipinos.
  - b. Almost two-thirds were within the age group 25 to 49 years.
  - c. About nine out of ten went to school. A little over one-half reached the elementary level; one-seventh, high school; and one-fifth, college. Urban taxpayers had better educational attainment than those in rural areas.
  - d. Eight out of ten (80.5 per cent) or 1,519 thousand taxpayers were real property owners which includes 246 thousand who were also cash income earners. Around 91.4 per cent of the taxpayers in rural areas and 67.5 per cent in urban areas were property owners.
  - e. Slightly over three out of ten (32.4 per cent) or 611 thousand taxpayers had cash income which includes 246 thousand who were also real property owners. Eighty-three (83.0) per cent reported cash earnings in Metropolitan Manila. The highest ratio of cash earners for other regions was 30.3 per cent in Western Visayas.
  - f. Over four-fifths of the cash earners had income of only ₱1,800 to ₱3,999. About 94.5 per cent of cash earners in rural areas and 83.6 per cent in urban areas were in this income class. The median cash income was computed at ₱1,930 per year and the average cash income, ₱2,590.

- g. An average of six out of ten taxpayers with cash income reached college.
- h. Married taxpayers had an average of seven dependents, of which four-fifths of their total dependents were children. Single taxpayers had an average of three dependents, of which over two-fifths of their total dependents were parents. Around 86.0 per cent of married taxpayers and 99.0 per cent of single taxpayers had cash income of ₱1,800 to ₱3,999.