

**THE EFFECT OF THE ELECTRONIC FISCAL RECEIPTING AND INVOICING
SOLUTION (EFRIS) ON TAX COMPLIANCE AMONG SMES IN NAKAWA
DIVISION: A CASE OF SELECTED SUPERMARKETS IN LUZIRA, NAKAWA
DIVISION**

ELIZABETH AINEMBABAZI BAINGANA

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**A DISSERTATION SUBMITTED TO THE SCHOOL OF BUSINESS IN PARTIAL FULFILLMENT
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**UGANDA CHRISTIAN
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DECLARATION

I, Elizabeth Ainembabazi Baingana declare that this research report titled the effect of the electronic fiscal receipting and invoicing solution (EFRIS) on tax compliance among select supermarkets in Luzira, Nakawa division, is my original work and has never been submitted to any institute of higher learning education for any academic award.

Signature: ..Elizabeth.....
Elizabeth Ainembabazi Baingana

Date: ..23 / 04 / 2026.....

APPROVAL

This dissertation entitled “The effect of the electronic fiscal receipting and invoicing solution (EFRIS) on tax compliance among selected supermarkets in Luzira, Nakawa division” has been conducted under my supervision and its therefore ready for submission to the school of business of Uganda Christian University for examination.

Signature: J. Abiyar N. Date: 23/04/2026
Jennifer Abiyar N. (Mrs.)

DEDICATION

This work is dedicated to my family, friends, classmates and towards their unending support, encouragement and prayers throughout my academic journey. Your sacrifices and belief in me surely have made this to be accomplished and achieved easily.

May the Almighty God indeed bless you exceedingly beyond measure.

ACKNOWLEDGEMENT

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ABSTRACT

This study investigated the effect of the Electronic Fiscal Receipting and Invoicing Solution (EFRIS) on tax compliance among small and medium enterprises, focusing on selected supermarkets in Luzira, Nakawa Division. The study was anchored on four major objectives, which included analysing the effects of EFRIS on the correctness of tax information reporting, evaluating its effects on tax submission, determining its effects on transparency and tax evasion, and investigating difficulties in its adoption and potential remedies.

The researcher opted for a cross-sectional research design, which made possible the gathering of data at one point in time from 35 selected supermarkets that are registered in EFRIS and have substantial business volume. Purposeful sampling method was used in selecting supermarkets, while simple random sampling was employed to select respondents, namely managers, accountants, and cashiers. Data were gathered using questionnaires and were statistically analysed using descriptive statistics and Pearson correlation.

The study results indicated that EFRIS was effective in improving the timeliness of tax filing and payment, increasing transparency, and minimizing tax evasion. However, there was a negative correlation between EFRIS usage and the accuracy of tax filing, which was mainly attributed to technical issues and lack of user training. The main challenges associated with EFRIS implementation were high costs, poor Internet connectivity, inefficient systems, and poor technical support.

Overall, although EFRIS has a positive influence on tax compliance, especially in promoting transparency and lowering tax evasion, there are some challenges in implementing the system due to operational and infrastructure factors. The study recommends that proper training for the users should be provided in order to fully harness the potential of EFRIS.

CHAPTER ONE: INTRODUCTION

1.0 Introduction

The Chapter introduces the basic groundwork for the research study on the influence of the Electronic Fiscal Receipting and Invoicing Solution (EFRIS) on tax compliance within selected supermarkets in Nakawa division of Uganda. The introduction provides an overview of the study, including its background, the problem being addressed, and the purpose and objectives. It also outlines the research questions, defines the scope of the study, highlights its significance, and presents the theoretical framework guiding the research.

1.1 Background to the Study

In the past, there have been numerous instances where various countries adopted digitalization of their tax administrations as a measure to boost efficiency, enlarge the tax base, minimize leakages, as well as enforce voluntary and involuntary compliance (Bellon et al, 2019). For instance, Electronic Fiscal Receipting and Invoicing Solutions compel organizations to make use of digitalized invoices or receipts, which will either be automatically registered or verified by the tax authorities. These technologies function as both instruments of auditability (real-time transaction records) and deterrents (minimizing underreporting and corruption). Through comparisons across different countries, various pieces of research indicated that implementation of structured e-invoices or fiscal tools is strongly related to VAT/tax compliance. In a case study involving Rwanda and its adoption of an enhanced EBM called EBMv2 using general administrative data, Kotsogiannis et al. (2025) showed that e-invoicing results in higher VAT collections and more effective audits. According to Qi et al. (2021), in “Factors affecting electronic invoice adoption and tax compliance process efficiency”, in firms that adopt e-invoicing, tax compliance processes have been made efficient due to the high levels of benefit perceptions and trust in e-governments which serve as predictors of e-invoicing adoption. In Kenya, Menin et al (2024) observed that there was a statistically significant positive correlation between usage of Tax Invoice Management Systems and VAT compliance in the small and medium-sized enterprises located in Foretold town. In Narok County, Kimani et al (2024) observed that electronic Tax Invoice Management System positively influenced VAT compliance.

The Uganda Revenue Authority (URA) in Uganda enacted Electronic Fiscal Receipting and Invoicing Solution (EFRIS) under the Tax Procedures Code (Electronic Invoicing and Receipting) Regulations, S.I. No. 82 of 2020, with an objective of better management of taxes, improving documentation, reducing underreporting of taxable income, efficient collection of value-added taxes, and decreasing cases of tax frauds (Uganda Revenue Authority Financial Report, 2021). According to EFRIS, value-added tax (VAT)-registered entities (and notification of other eligible

businesses) are obliged to give e-invoices or e-receipts or employ URA-authorized devices (Akunobera, et al 2025). Tax alert: URA

Advocates of EFRIS contended that its implementation would mechanize the creation and recording of receipts/notes, thus eliminating mistakes and the loss of paper documents. Nevertheless, the implementation and enforcement of EFRIS have faced some problems. Many companies, especially SMEs, claim that their operating expenses have risen as a result of purchasing equipment, accessing the internet/electricity, and training personnel. There is evidence that EFRIS has impacted tax collection. For example, the official reports from the URA itself and the Public Accounts Committee of the Ugandan Parliament have cited the prompt implementation of the EFRIS program as one of the factors behind the growth in VAT collections. (Parliament of Uganda Financial Report, 2024) [Report on electronic fiscal receipting and invoicing (EFRIS) and VAT compliance], URA records growth in VAT collections). According to the Business Climate Index Report (EPRC) released for April-June 2024, more than half of the companies surveyed reported being impacted by the EFRIS implementation, despite some improvements in performance.

Nevertheless, there were gaps, particularly on the influence of EFRIS on businesses based on their size, industry, level of digital literacy, degree of enforcement, and perceived costs-benefits by traders. Moreover, numerous small traders have not been part of the official tax system or faced challenges in adhering to the requirements of EFRIS due to technical and financial difficulties. Consequently, additional research is needed to gain insights into these issues. maximize EFRIS's effectiveness while minimizing burdens on businesses.

1.2 Problem Statement

Although the government has undertaken several programs aimed at increasing tax compliance within Uganda, tax revenue collection is still subpar, and most informal and semi-formal firms have been under-declaring their incomes (in 2022, Uganda's tax-to-GDP ratio stood at 12.5%, African Union et al., 2024; Ashaba, 2022). To remedy the situation, URA launched the Electronic Fiscal Receipting and Invoicing Solution (EFRIS), which seeks to automate the process of issuing fiscal receipts and e-invoices, increase auditability, and improve compliance among taxpayers. [Report on electronic fiscal receipting and invoicing (EFRIS) and VAT compliance.

Even though EFRIS is expected to make transactions more transparent and efficient, some studies and anecdotal reports have shown that the results are not entirely favourable. Some of the traders using EFRIS have indicated that the process helps improve documentation and tax compliance, while others have not implemented the technology for reasons such as high cost of implementation, lack of knowledge about technology use, unavailability of technology resources, and fear of increased government surveillance (Niwagaba, 2023; Makir, 2022). Reports from urban market

places show that VAT collections have risen partly due to EFRIS, but small traders struggle to use the system

Furthermore, the available literature mostly examined the attitudes or general innovations related to ICTs, but there were no concrete empirical investigations about how the adoption of EFRIS influenced the actual behaviour of the tax compliance of traders in urban areas such as Luzira (Ashaba, 2022; Niwagaba, 2023). In addition, there is an inadequate knowledge regarding how variables like digital literacy, compliance costs, enforcement pressure, and benefits perceptions could moderate the performance of EFRIS.

his kind of information is vital for policymakers in determining if EFRIS has met its intended goals such as increased tax compliance, decreased informal trade, and expanded tax base. The purpose of this study is to provide this missing piece of information about the impact of EFRIS on tax compliance in the selected supermarket chains located in Kampala central region.

1.3 Purpose of the Study

The purpose of this study was to examine the effect of the Electronic Fiscal Receipting and Invoicing Solution (EFRIS) on tax compliance among selected supermarkets in Nakawa central, Uganda as a case study.

1.4 Objectives of the Study

This study examined the effect of the Electronic Fiscal Receipting and Invoicing Solution (EFRIS) on tax compliance among selected supermarkets in Nakawa Division.

To assess how the adoption of EFRIS influence the accuracy of tax reporting among select supermarkets in Nakawa Division.

To determine the extent to which EFRIS improve timely filing and payment of taxes by select supermarkets in Nakawa Division

To identify the challenges faced by select supermarkets in Nakawa Division in using EFRIS and how these challenges affect their level of tax compliance and possible solutions to the challenges

To examine EFRIS on transparency and reduction of tax evasion among select supermarkets in Nakawa Division

1.5 Research Questions

The study sought to answer the following questions:

How does the adoption of EFRIS influence the accuracy of tax reporting among selected supermarkets in Nakawa Division?

To what extent has the use of EFRIS improved timely filing and payment of taxes among selected supermarkets in Nakawa Division?

What are the difficulties facing selected supermarkets in Nakawa Division while using EFRIS, and how will the difficulties influence their degree of tax compliance?

What are the feasible solutions that could be undertaken to overcome the difficulties that selected supermarkets in Nakawa Division are facing in using EFRIS?

How has the adoption of EFRIS affected transparency and tax evasion among selected supermarkets in Nakawa Division?

1.6 Scope of the Study

Scope of the Study

1.6.1 Content Scope

This research study concentrated on identifying the impact of the Electronic Fiscal Receipting and Invoicing Solution (EFRIS) on tax compliance. The study examined the impact of EFRIS on the precision of tax reporting, payment of taxes, the readiness of traders to fulfill their VAT obligations, the problems that traders experience when utilizing EFRIS, and how EFRIS helps increase transparency.

1.6.2 Time Scope

In addition, the research was conducted from 2020 to 2025, a timeframe that provided the opportunity to evaluate not only the difficulties associated with the introduction but also the current results of its implementation. The period under consideration was the one when EFRIS was introduced and implemented step-by-step by URA.

1.6.3 Geographical Scope

This study was conducted in some carefully selected supermarkets in Kampala central, because the area comprises many small and medium traders who are directly impacted by the implementation of EFRIS by the Uganda Revenue Authority (URA), and therefore it is the best area to evaluate its impact.

1.7 Significance of the Study

This study was significant in several ways:

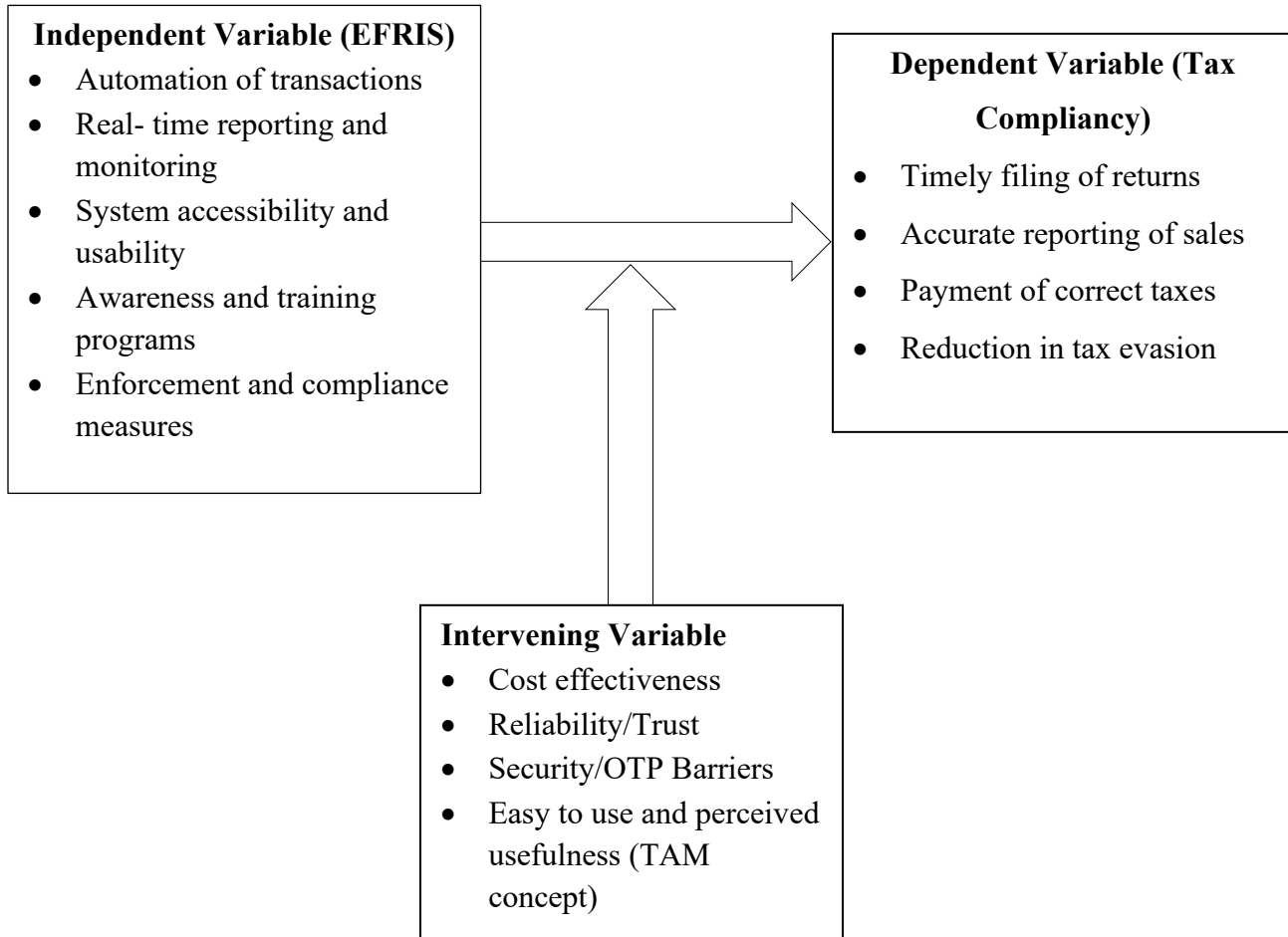
The results of the study would provide insights into the areas where the system works effectively and the areas where problems still persist. This way, the reformers will be able to develop policies that are not only equitable and feasible for the business organizations but also contribute significantly to government income generation. In this regard, the policymakers can make use of the outcomes of the research to develop effective intervention measures to deal with any compliance issues. The study would also contribute to the formulation of tax policies and digital strategies to boost compliance and increase the tax base. The reasons that made compliance easier were also identified, together with the obstacles that hindered the process of adopting the system fully. The results would enable URA to optimize its efforts in educating its taxpayers, enforce compliance, and offer technological assistance. This makes it possible for URA to achieve its revenue targets without losing a good relationship with its taxpayers.

The research brought out the strengths and weaknesses of adopting EFRIS in their day-to-day transactions. They were able to appreciate the impact of the system on the way they keep records, accounting, and operating costs. This helped them to make informed choices regarding compliance while enhancing their financial management skills. It also allowed them to bring up any problems that may be sorted out by the URA and other relevant stakeholders. In effect, the research enabled them to adapt to the changes in taxation in a manner that was mutually beneficial.

The research makes an addition to the existing literature about tax compliance and e-tax administration practices among developing nations. The research is a case study about Uganda, which was to be compared with similar attempts in other nations. The literature has been enriched in terms of technology-led systems, like EFRIS, and their impact on taxpayers. The literature will enable researchers to

in order to conduct studies on taxation and public finance. Therefore, the research enhanced theoretical and practical knowledge in academia.

1.8 Conceptual Framework



Source: Adapted from (Davis, 1989); (Bellon et al., 2022). And modified by the researcher (2025)

The logical framework highlights how EFRIS affects the tax compliance of taxpayers through connections between system attributes and taxpayer actions. As the independent variable, EFRIS attributes include automation, timely reportage, ease of use, training, and enforcement that ensure efficiency, transparency, and accountability. The dependent variable is demonstrated through timely submission, correctness in tax reporting, payment of taxes, and avoidance of tax evasion. Cost-effectiveness, security, reliability, and usefulness were among the intervening variables that affect the effectiveness of EFRIS in improving tax compliance.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter reviews the literature that deals with the influence of EFRIS on tax compliance. The discussion starts with the definitions of the major concepts, including EFRIS and tax compliance. The theoretical and experimental literature on the topic is reviewed next.

2.1 Conceptual Review

2.1.2 Tax Compliance

Tax compliance was the extent to which taxpayers complied with tax laws and regulations by reporting their income accurately, calculating their tax liability correctly, filing their tax returns in time, and paying their taxes (Alabede,2018). It is typically classified into voluntary compliance (taxpayers who voluntarily comply with their responsibilities) and coercive compliance (taxpayers who comply out of fear of sanctions). Tax compliance in emerging markets like Uganda has been a problem because of insufficient tax literacy, poor compliance enforcement, and lack of trust in how the government uses tax revenue (Mukasa, 2022).

For instance, the EFRIS system intended to ensure that tax collection processes were automated in order to prevent any form of evasion. Through this system, transaction monitoring can be done in real time, which makes it easy to detect any irregularities.

2.2 Theoretical Review

The study discussed several theories that explained the relationship between technology adoption and tax compliance.

2.2.1 Technology Acceptance Model (TAM)

Davis (1989) came up with TAM which explained how users adopt new technology. The theory suggests that factors such as perceived usefulness and perceived ease of use determine the likelihood of adopting the new technology. For example, when dealing with EFRIS, if taxpayers perceive that the technology is easy and useful in simplifying the process, then there will be

adoption. Complex systems were responsible for non-compliance from small traders because of low technological competence.

2.2.2 Deterrence Theory

The theory of deterrence, propounded by Becker (1968), states that people would obey laws only when the penalty is greater than the gains from disobeying the law. EFRIS enhanced compliance with tax rules because the chances of detection were much higher.

2.2.2 Deterrence Theory

According to the Deterrence Theory, which was proposed by Becker (1968), people will adhere to the law when the costs associated with breaking the law exceed the rewards for such a course of action. EFRIS enhances collaboration among participants because it makes it easier to detect instances of fraud since everything is monitored in real time.

2.2.3 Fiscal Exchange Theory

According to the Fiscal Exchange Theory, there was an increased likelihood that taxpayers would cooperate where they believed that taxes collected were efficiently utilized for the provision of public goods and services (Fjeldstad & Semboja, 2001). Where taxpayers believe that tax systems such as EFRIS improve accountability and efficiency in tax administration, their confidence in the tax system is improved.

2.3 Empirical Review

2.3.1 How the adoption of EFRIS influences the accuracy of tax reporting among supermarkets

Electronic Filing and Real Time Information (EFRIS) is one of the automated tax systems and it's mandatory for all the tax payers including the supermarkets. This has helped improve the accuracy of tax reporting as well and this has been seen from the URA Annual report 2021/22 which has seen a growth of 10.66% as compared to the previous year. The Authority has collected 69.16% of its annual target for the year and a remarkable growth has been seen in revenue generation through an increase of 10.24% in registered taxpayers. The accuracy of tax reporting among the supermarkets has also improved through identification of a number of VAT frauds, 94 of which have led to the loss of UGX 9.78 billion.

Impacts of Electronic Fiscal Receipting & Invoicing Solution on Value Added Tax Compliance and Revenue Collection in Uganda (Doctoral dissertation, KDI School). The transparency in the tax process ensures accuracy of the tax filing process through real-time data processing. To enhance compliance with the EFRIS law, the URA had to introduce several measures such as amendments to the Tax Law of Uganda, phased implementation, penalties for non-compliance, awareness programs, technical support like a helpdesk and technical support team, and compliance monitoring. ANASO, N. (2025). Impacts of Electronic Fiscal Receipting & Invoicing Solution on Value Added Tax Compliance and Revenue Collection in Uganda (Doctoral dissertation, KDI School). Misinformation about EFRIS has discouraged many people from adopting EFRIS, affecting its real-time data processing capability and increasing the accuracy of tax filing. Mugisha, S. T. (2025). Analysis of Government Communication Strategies in Combating Information Disorder on Social Media: Case Study of Uganda's Tax Monitoring System.

Additional empirical research validated this positive impact on accuracy. According to Anaso (2025), supermarkets that adopted the use of the EFRIS system had lower audit errors and were more accurate in their VAT filings than those using conventional systems. Also, according to Arenji (2023), the use of electronic invoicing results in consistency of data as it directly links sales invoices with the tax assessment system of URA. Therefore, there is no chance of tampering with data and its verification in real time.

Office of the Auditor General Financial Report (2024). Government of Uganda. The system makes it possible to verify the sales data through cross-referencing with tax payments and inventory records, thus minimizing mistakes in record-keeping and eliminating fraudulent activities. Such transparency has made it easier for supermarkets to keep good records, improving their adherence to regulations. Eventually, this has fostered a culture of honesty in Uganda's retail industry.

In conclusion, the implementation of EFRIS had greatly enhanced the precision of tax returns reported by supermarkets in Uganda through automated bookkeeping, standardized financial receipts, and instantaneous transmission of sales information to the URA. According to the Organization of Economic Co-operation and Development Financial Report (2024), such technological innovations ensure that tax data are accurate and help eliminate inefficiencies,

making it easier to assess taxes. Therefore, EFRIS had revolutionized the tax return landscape in Uganda.

Additionally, electronic receipts help in verifying consumers' purchases through auditing, thus confirming the validity of the transactions recorded in the reports. Such a mechanism builds trust in the reliability of the data reported, thus eliminating any form of disputes arising during tax audit exercises. Conclusion EFRIS has revolutionized the reporting of tax data in Uganda by eliminating the chances of manual mistakes, increasing consistency, and promoting integrity of the process. By implementing an automated platform for reporting, the system has increased the efficiency of transactions reported and helped URA implement tax laws effectively. Although some technological and operational issues remain, continued efforts in educating taxpayers and investing in ICT systems will ensure that EFRIS enhances tax reporting accuracy.

2.3.2 The extent to which EFRIS improves timely filing and payment of taxes by supermarkets

The digital automated tax system EFRIS was created to improve the effectiveness and efficiency of timely filling and payment of taxes by tax payers including supermarkets.

The correlation between the implementation of the EFRIS system and tax compliance indicators ($r = .337^{**}$) has been established through a study by Ashaba (2022). It is stated that implementation of EFRIS was associated with better compliance practices which led to on-time filings and payments. Nevertheless, it should be noted that in future studies the impact of usability, integration, and awareness of the EFRIS on the speed of tax compliance practices has been questioned. Thus, according to Niwagaba (2023) in the Kampala Central Division 83 % of participants did not find EFRIS convenient and 85% did not believe it to be reliable. Despite a positive connection between convenience and tax compliance has been established, high level of disagreement leads one to question whether EFRIS is really helping people to file and pay faster or just providing more precise documents (Besigomwe, 2025)

According to the Ministry of Finance, Planning and Economic Development (2024), the main purpose of EFRIS was to cut down the time lag during the filing of tax returns by making sure that all the transactions made in supermarkets were recorded digitally in the form of fiscal receipts, which were immediately sent to the URA database.

The role of EFRIS in facilitating prompt filing and payment was achieved through the provision of accurate and updated sales data, which makes it easier to calculate tax liabilities. According to Anaso (2025), the integration of supermarkets within the EFRIS framework led to a notable reduction in the delay related to VAT filing because the system automatically generated summary reports for taxable transactions. In addition, pre-filled tax returns enable supermarkets to make their tax filing processes faster and more precise.

Moreover, the system enhanced the timeliness of payments due to the connection that exists between sales data and tax payable. According to Arenji (2023), the use of EFRIS by the supermarket enables it to determine the tax payable instantly after each sale; hence, it is easy for taxpayers to make timely tax payments. It is also possible for URA to give automated alerts to taxpayers, making it easy for it to monitor tax deadlines.

The effectiveness of this improvement, however, differs based on the ability of the supermarket to implement this method effectively. Difficulties such as poor Internet access, system failures, and insufficient training of personnel could hinder effective implementation of the EFRIS process. According to the Office of the Auditor General Financial Report (2024), although larger supermarkets have been able to file reports promptly owing to their better IT systems, some small-scale supermarkets experienced problems, thus undermining the full effect of the EFRIS system on prompt compliance.

In conclusion, the review of literature shows that although there is room for improvement regarding the efficacy of EFRIS in improving timely tax filing and payment, this would depend greatly on the factors of usability, training, and integration among other issues. Considering that the supermarkets operate using large volumes and quick turnarounds, the aforementioned limitations will be significant. Your research objective of determining "the extent to which EFRIS improve timely filing and payment of taxes by supermarkets" shows an expected positive impact from the review of literature but one whose extent may significantly differ from business to business.

2.3.3 The challenges faced by supermarkets in using EFRIS and how these challenges affect their level of tax compliance and possible solutions to the challenges.

Some of the problems that arose for the supermarket stores were those related to complexity associated with the EFRIS system and insufficient integration with the point-of-sale systems used by these companies. As described by Niwagaba (2023), "83% of respondents within Kampala Central Division disagreed with convenience associated with the use of EFRIS while 85% believed the system to be unreliable due to lack of integration with their business activities." The issue has become even more challenging for bigger supermarket chains that already had their POS software installed for billing, loyalty, and Inventories

A further obstacle in the adoption of EFRIS included poor internet connection and power cuts, which made it impossible for real-time transfer of sales information to the servers at URA. According to the findings of the research conducted by Ssuuna (2024) to assess the level of awareness about EFRIS in the municipality of Mukono, unstable power and internet connection were identified as the key obstacles for utilizing EFRIS. The supermarkets, especially those operating in the outskirts of the Central Business District of Kampala, experienced downtimes, which led to the inability to generate e-receipts or upload transactions.

The third issue was that there were no enough trainings and technical supports provided to supermarket workers. According to Ashaba (2022), EFRIS is a positive tool for tax compliance, but due to the insufficient trainings received by users, the efficiency of the software is compromised. Supermarket employees, including cashiers and accountants, do not have adequate skills on how to operate the system, for example, how to create credit notes, voiding receipts, or how to address customers' complains regarding electronic invoices. Supermarkets owners lacked understanding of how to use the software effectively (Ashaba, 2022). It is also important to note that supermarkets experienced significant operational and compliance costs from EFRIS deployment. Both the Uganda Manufacturers Association and KACITA have decried the costliness of EFRIS hardware and software installations, as well as maintenance costs (Parliament of Uganda Financial Report, 2022). In addition, for supermarkets that handle thousands of transactions daily, the need for issuing electronic receipts per transaction results in increased costs related to buying internet bundles, receipt papers, and labor. Small and medium supermarkets

cannot afford such costs and have called for tax relief as a way to cover their compliance costs (Parliament of Uganda Financial Report, 2022).

When the supermarket was experiencing problems when sending out e-invoices and reconciling the transactions for the day, there is a likelihood that they will reduce their reporting of sales and delay returns, hence making it difficult to comply with tax laws. This indicates that although the intention behind implementing EFRIS was to make the tax filing process easy, it had an adverse effect on its implementation if not solved. In addition, poor internet access, expensive compliance measures, and insufficient employee training hindered EFRIS implementation and usage. Likewise, according to Ashaba (2022), the positive influence of ICT innovations on tax compliance is contingent on the level of competence of the users and access to technology. For the supermarkets, the operational costs are too high, and the technical competence among the users is low; thus, the use of EFRIS does not seem attractive to them but cumbersome. To avoid unnecessary expenses, some of the supermarkets engaged in informal tax compliance measures. According to the Parliament of Uganda Financial Report (2022), effective tax compliance cannot be achieved through force alone; there should be sufficient training, resources, and other support systems.

A significant solution involves the enhancement of system integration and technology infrastructure. As highlighted by Niwagaba (2023), the recommendation from the URA and software developers was that EFRIS should have an integrated system with supermarket point of sale systems. In doing so, the supermarket can be assured of avoiding errors arising from manual inputting of the information into EFRIS. In addition, system integration will save the supermarkets time on reports thus ensuring that tax payments are submitted promptly. According to the 2023 report by the URA, the system requires cloud-based backups and more powerful servers to ensure availability during busy times.

A third strategy worth considering includes improved training and capacity building of staff working in supermarkets. In his study, Ashaba (2022) noted that the effectiveness of ICT-based taxation systems, such as EFRIS, depended mainly on users' awareness of how the system worked and the requirements of using it. The URA could provide regular training and refresher training sessions aimed specifically at retailers and covering practical skills, such as creating electronic

receipts, reconciling sales, and troubleshooting the system. Likewise, the idea of incorporating training on the application of EFRIS within the program services provided by business associations like KACITA was suggested by Ssuuna (2024).

Another crucial step toward tackling the problem is addressing the associated high costs. The Parliament of Uganda Financial Report (2022) suggests implementing tax incentives in the form of reductions or credits that firms can enjoy if they implement digital compliance solutions. Ensuring access to inexpensive fiscal tools and provision of free EFRIS software updates would help mitigate financial concerns. This would be particularly helpful for smaller supermarkets.

Furthermore, increased engagement and communication facilitated trust creation between Uganda Revenue Authority and businesses. Most supermarket proprietors perceived EFRIS to be a supervisory tool instead of a facilitatory tool due to inadequate consultation when implementing the tool. Niwagaba (2023) and Ugandan Revenue Authority Financial Report (2023) indicated the significance of consistent communication through business forums, help desks, and feedback mechanisms to eliminate any form of misunderstanding. Satisfied taxpayers due to acknowledgment and resolution of issues have fostered compliance with taxes without any coercion.

2.3.4 To examine the impact of EFRIS on transparency and reduction of tax evasion among supermarkets

The development of the Electronic Fiscal Receipting and Invoicing Solution (EFRIS) by the Uganda Revenue Authority (URA) has been considered an important reform towards ensuring transparency in the country's tax administration system. The implementation of EFRIS took place in the year 2020 as a result of the government's effort towards digitizing its operations in order to overcome problems of under-declaration and evasion. As indicated by the Ministry of Finance, Planning and Economic Development (2024), the main goal of EFRIS has been to guarantee that all business activities are documented electronically and submitted to URA in real time without any form of human involvement..

The introduction of EFRIS increased transparency through automated generation of invoices and receipts, minimizing the chances for tampering with financial documentation on the side of the taxpayer or tax official. According to the Economic Policy Research Centre (2023), automation of tax documents has increased the ability to track business transactions, making it harder for businesses to manipulate transaction numbers or amounts. The process has made it impossible for businesses to tamper with their sales figures because all business transactions are recorded electronically at the Uganda Revenue Authority.

The empirical evidence has demonstrated that the introduction of EFRIS has promoted increased visibility and transparency in the taxation process in Uganda. According to Anaso (2025), the use of EFRIS in VAT procedures has resulted in the increased visibility and transparency of sales, thereby increasing the compliance rate of medium-sized and large taxpayers. In addition, according to Arenji (2023), the use of EFRIS has played a critical role in ensuring the reduction of informal behavior and corrupt practices in the URA through electronic documentation..

Nevertheless, although there were many positive outcomes, there were some challenges that prevented the complete attainment of the objectives of EFRIS as far as transparency was concerned. According to the Office of the Auditor General Financial Report (2024), some of the problems encountered included the lack of information among taxpayers, interruptions in the system, as well as unwillingness by some firms to embrace electronic invoicing. In addition, SMEs stated that poor digital infrastructure and expenses related to complying with the process constituted barriers to their involvement.

To conclude, it can be noted that EFRIS was an important move in ensuring transparency and accountability in the revenue collection system of Uganda. EFRIS had brought improvements regarding data accuracy, decreased corruption risks, and increased public trust in the operations of the Uganda Revenue Authority. However, to fully utilize the capacity of the tool, there is a need for ongoing taxpayer education, technical assistance, and infrastructure development. As highlighted in the Ministry of Finance Financial Report (2024), and the Organisation for Economic Co-operation and Development (2024), continuous digitalization initiatives together with consistent policies will contribute to transparency and accountability.

The introduction of EFRIS has greatly helped in reducing the cases of tax evasion by supermarkets in Uganda because it has introduced a clear system where all business transactions are accounted for. Every transaction that takes place in the supermarket through the EFRIS is automatically transmitted to the URA computerized database. There was no way that the taxpayer could under-report his sales figures or give false receipts since everything was monitored digitally. As stated in the Ministry of Finance, Planning, and Economic Development (2024), the tax declaration process through EFRIS is completely accurate, and there can be no misrepresentation.

In addition, EFRIS improved accountability as a result of issuing electronic fiscal receipts which were subject to verification by the consumers and tax authority. Supermarkets were mandated to issue receipts to consumers for every transaction, hence, making it hard to under-report sales. The Economic Policy Research Centre (2023) stated that the use of digital receipts led to increased accountability and established a culture of compliance within big retail outlets as it was very difficult for them to indulge in any form of tax evasion activities. Consumers were also important enforcers as they could authenticate receipt genuineness through the Uganda Revenue Authority (URA) website, hence, avoiding any form of collusion between the two parties.

Research confirms that tax evasion is indeed lower because of this change. According to Anaso (2025), retailers who were integrated into the system had higher rates of VAT compliance and lower differences between their sales declarations and the actual sales. In addition, Arenji (2023) stated that e-invoicing made misreporting less attractive because all activities could be traced automatically and would have been easily checked by the auditor. Real-time reporting made tax evasion unprofitable for companies. Further, due to the availability of electronic information, URA was able to carry out its audit based on the availability of data rather than depending on manual audit checks. It is not easy for supermarket owners to make alterations to their invoices once the sale transaction is done since the invoices will be recorded safely in the URA database. As per the report by the Office of the Auditor General Financial Report (2024), this has helped in eliminating revenue leakages.

In summary it can be seen that through EFRIS, evasion of taxes in Uganda's supermarket sector was mitigated due to issues related to increased transparency, enhanced traceability, and greater accountability via the use of digital receipts. In line with the Organisation of Economic Co-

operation Development Financial Report (2024), it is clear that automation of processes ensures less human discretion in conducting tax assessments.

2.4 Summary of Research and Literature gap

From the literature review, the Electronic Fiscal Receipting and Invoicing Solution (EFRIS) is very significant because it is an important technological innovation that has been introduced by Uganda Revenue Authority. It improves transparency, ensures accuracy in tax declaration, and ensures compliance among registered taxpayers. According to research findings, EFRIS technology has made it possible to monitor transaction details in real time, minimize underreporting, and make audits more efficient (URA, 2021; Mugisha, 2023). However, despite the advantages offered by these theoretical frameworks, several issues such as the high cost of implementation, lack of proper internet connectivity, low levels of digital literacy, and misinterpretation of information have prevented its complete adoption, particularly among small and medium enterprises (PwC Uganda, 2023; Odongo, 2024). Additionally, there was no empirical evidence regarding the actual impacts of EFRIS on improving the accuracy and timeliness of tax reporting and the transparency of processes in preventing tax evasion among specific industries like supermarket businesses in Kampala Central.

This clearly indicated a research gap in terms of the contextual factors that determine the use and effectiveness of EFRIS. The current study intends to fill this research gap through empirical evidence about the effect of automation, real time reporting and enforcement using EFRIS on tax compliance by some selected supermarkets in Luzira Nakawa Division, Uganda.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

This chapter presents the research methodology the researcher will use in examining the effect of the Electronic Fiscal Receipting and Invoicing Solution (EFRIS) on tax compliance among SMEs, with a focus on selected supermarkets in Nakawa Division. It outlines the research design, study population, sampling procedures, data collection methods, instruments, validity and reliability procedures, data analysis techniques, ethical considerations, and limitations of the study.

3.2 Research Design

The study adopted a descriptive and analytical cross-sectional research design. Descriptive designs allowed the researcher to gather detailed information on existing conditions, while analytical components enabled the assessment of relationships among variables. A cross-sectional design had been cost-effective and suitable for collecting data at a single point in time.

3.3 Study Population

The study population consisted of all registered SMEs operating as supermarkets in Luzira, Nakawa Division and mandated by the Uganda Revenue Authority to use EFRIS. The population comprised of approximately 38 supermarkets in Luzira Nakawa division as documented by Nakawa division Office records. These included managers, accountants, cashiers, and compliance officers responsible for tax-related activities.

3.4 Sample Size

To determine the sample size the researcher used the Yamane (1967)

The study engaged 35 supermarkets. By either manager or cashier or accountant depending on who was available. This means that the unit of analysis was the selected supermarkets like the manager, cashier or accountant.

3.5 Sampling Techniques

The study used purposive and simple random sampling techniques.

Purposive sampling used to select supermarkets that are registered under EFRIS and generating sizable sales volumes.

Simple random sampling was applied to select respondents (managers, accountants, cashiers) within those supermarkets to allow equal representation.

3.5.1 Data Collection Methods and Instruments

3.5.2 Data Collection Methods

The research utilized quantitative data collection techniques: Quantitative data was collected through structured questionnaires with closed-ended questions. Quantitative data was collected through structured questionnaires with closed-ended questions since this technique helps researchers collect standardized data that is easily measurable. Through such a data collection technique, consistency was achieved as the researcher posed the same standardized questions to all the respondents. The technique was very helpful especially when dealing with large sample sizes because it made data collection easy and inexpensive. Closed-ended questions make data measurable and easy to analyze trends and even test hypotheses. The data collected in the study was done by administering the questionnaires to selected respondents who then chose from among the alternatives.

3.5.3 Data Collection Instruments

Questionnaires:

Likert scale was used to assess the impact of EFRIS on reporting accuracy, timely filing, and tax compliance. Likert scales were used in this study to determine the effect of EFRIS on reporting accuracy, timely filing, and tax compliance as the use of Likert scales facilitated the determination of the respondents' perceptions and levels of agreement. The use of Likert scales was deemed appropriate in this case in that it enabled the conversion of subjective opinions to numerical data

which can then be analyzed to establish the various relationships. It is also noteworthy that the use of Likert scales enhances comparability and reliability as both measures were made on the same scale regardless of whether they were from the same respondent. Data was obtained through the use of a questionnaire where respondents indicated their agreement to the statements made about EFRIS's effectiveness.

3.6 Validity and Reliability of Instruments

3.6.1 Validity

Validity was achieved by obtaining expert judgments from academic supervisors and tax practitioners at the Uganda Revenue Authority. They provided useful advice for enhancing the questionnaire to make it relevant, clear, and consistent with the research objectives. The Content Validity Index (CVI) was calculated; only instruments with CVI ratings above 0.7 were used.

3.6.2 Reliability

Reliability test was done by conducting a pilot survey using 10 respondents from supermarkets that were not part of the research sample. The reliability level should be 0.70 or higher to achieve internal consistency among the questionnaires.

3.7 Data Analysis

3.7.1 Quantitative Data Analysis

The quantitative data was analyzed by using the SPSS version 25 software package. Descriptive statistics, which includes frequencies, mean, and percentages, was used in describing the responses of the sample respondents. Inferential statistics, which includes Pearson correlation and regression analysis, was used in determining the association between EFRIS use and tax compliance indicators.

3.8 Ethical Considerations

The research strictly followed ethical practices. Participants were informed about; Approval for research and letter of introduction were sought to ensure genuineness and transparency. Confidentiality and anonymity, where no personal identification is revealed. Informed consent before the experiment. Participation by choice, with freedom to leave anytime.

3.9 Limitations of the Study and Possible Solutions

Non-response bias, as some respondents were reluctant to discuss tax-related issues. However, this limitation was mitigated by time constraints, since the cross-sectional design captured information at only one point in time. And ensured questions were clear and specific, and an optional open-ended section was included for additional comments

Addressed the identified challenges, continuous taxpayer sensitization and training on EFRIS should be strengthened and improved understanding and acceptance of the system. Enhancing system. However, the limitation was mitigated by limiting generalizability because the study focused solely on selected supermarkets in Nakawa Division.

Some respondents provided socially desirable answers, particularly regarding tax compliance. This was minimized by assuring respondents of confidentiality and encouraging honest responses.

Time and resource constraints limited the number of respondents included in the pilot and main study; however, careful planning and scheduling ensured that data collection is completed efficiently and maintained quality.

3.10 Summary

This chapter has outlined the methodological framework used to assess the effect of EFRIS on tax compliance among SMEs in Nakawa Division. It has presented the research design, sampling procedure, data collection methods, analysis strategies, and ethical considerations that guided the study

CHAPTER FOUR

PRESENTATION, INTERPRETATION AND DISCUSSION OF RESULTS

4.0 Introduction

This chapter presents the results of analysis that has been done to look at the specific objectives of the study and in relation to the reviewed literature. The study was carried out using questionnaires with a total of 35 select supermarket. This discussed the results of analysis that has been done to look at the specific objectives of the study which included the following;

- i. To assess the adoption of EFRIS influences the accuracy of tax reporting among select
- ii. supermarkets in Nakawa Division.
- iii. To determine the extent to which EFRIS improved timely filing and payment of taxes by select supermarkets in Nakawa Division.
- iv. To identify the challenges faced by select supermarkets in Nakawa Division in using EFRIS and how these challenges affect their level of tax compliance and possible solutions to the challenges.
- v. To examine EFRIS on transparency and reduction of tax evasion among selected supermarkets in Nakawa Division.

The purpose of this chapter, therefore, was to present the results of the survey carried out using questionnaires with the managers of the selected supermarket in Luzira, Nakawa Division. Therefore, this chapter begins with the presentation and interpretation of results from the demographic characteristics of the respondents, followed by presentation of the descriptive statistics. Next is presentation of the correlation results, and finally, the discussion of findings in relation to the literature.

4.1 Descriptive analysis of the demographic characteristics of respondents

The researcher established the demographic characteristics of respondents who are the managers of the selected supermarkets in Luzira, Nakawa Division and these included; gender, age, highest level of formal education, and period spent operating the business.

Table 1: Showing of demographic characteristics of respondents

Item	Description	Frequency	Percentage (%)
Gender	Male	30	60.0
	Female	5	40.0
	Total	35	100.0
Age	21-30 years	25	60.0
	31-40 years	10	40.0
	Total	35	100.0
Level of education	Primary	20	60.0
	Secondary	5	20.0
	Tertiary	10	20.0
	Total	35	100.0
Period spent operating the business	1-5 years	10	20.0
	6-10 years	20	60.0
	Above 10 years	5	20.0
	Total	35	100.0

Source: *Primary data*

Table 1 presented the demographic characteristics of respondents, providing a foundational understanding of the sample used in the study. The findings revealed that the majority of respondents were male (60%), while females constituted 40%, indicating that supermarket management in the study area is largely male-dominated. However, representation from both genders improves the reliability of the findings.

Age-wise, majority of the participants (60%) fell within the age range of 21-30 years old, whereas 40% were in the age range of 31-40 years old. It can be noted that the respondents belonged to the productive age group, and thus could make rational decisions about business-related matters. In regards to educational attainment, the respondents had completed their primary, secondary, and tertiary education.

The majority of respondents (60%) had operated their businesses for 6–10 years, indicating that they had sufficient experience to evaluate changes in tax compliance before and after the introduction of EFRIS.

4.2 the relationship between EFRIS adoption and accuracy of tax reporting

Table 2 summarizes respondents’ responses on the perceptions on the link between EFRIS and Tax compliance among select supermarket in Luzira Nakawa Division by using a Likert scale where SA (Strongly Agree), A (Agree), NS (Not Sure), D (Disagree) and SD (Strongly Disagree).

Table 2: Perceptions of respondents on relationship between EFRIS Adoption and Accuracy on Tax Reporting among select supermarkets in Luzira, Nakawa Division.

Statements	Extent of agreement and disagreement				
	SA	A	NS	D	SDA
	Freq. (%)	Freq. (%)	Freq. (%)	Freq. (%)	Freq. (%)
Our supermarket has fully adopted the EFRIS system for recording transactions.	10 28.6%	5 14.3%	20 57.1%	00 0%	00 0%
EFRIS is easy to use in our daily business operations.	3 8.6%	10 28.6%	2 5.7%	20 57.1%	00 0%
Staff are adequately trained to use the EFRIS system effectively.	20 51.4%	10 28.5%	00 0%	2 5.7%	3 8.6%
EFRIS integrates well with our existing scales or POS system.	7 20%	2 5.7%	20 57.1	5 14.3%	00 0%
The use of EFRIS has improved our compliance with tax regulations.	10 58.6%	5 14.3%	5 14.3%	10 28.6%	5 14.3%
EFRIS has increased the accuracy of our tax reporting.	3 8.6%	2 5.7%	10 28.6%	20 57.1%	00 0%
Errors in tax calculations have reduced since adopting EFRIS.	20 57.1%	3 8.6%	5 14.3%	10 28.6%	00 0%
All sales transactions are properly captured using EFRIS.	20 57.1%	2 5.7%	00 0%	10 28.6%	3 8.6%

Technical challenges (e.g system downtime internet issues) affect our see of EFRIS.	10 28.6%	10 28.6%	5 14.3%	7 20%	3 8.6%
Increased use of EFRIS leads to more accurate tax reporting.	3 8.5%	2 5.7%	10 28.6%	00 0%	20 57.1%

Source: *Primary data*

According to the study in table 2 above the findings indicated that the majority of supermarkets have adopted the EFRIS system, with 72% strongly agreeing that their supermarkets fully use it for recording transactions. Additionally, 64% strongly agreed that EFRIS is easy to use, suggesting a generally positive perception of usability. On the other hand, when it comes to the issue of accuracy, there seem to be some conflicting opinions. While 48% of respondents strongly agreed, and 44% agreed that EFRIS enhances compliance with tax obligations, no less than 56% were unsure about the accuracy enhancement of EFRIS. Such a figure shows that despite the fact that the system is commonly used, its influence on accuracy in terms of tax reporting is still unclear to many supermarket owners.

In addition, 56% strongly agreed that mistakes in calculating tax have decreased, proving the assertion that EFRIS leads to accuracy in reporting. Nonetheless, technical problems persist since 64% strongly agreed that problems such as system downtime hinder their use. Correlation results ($r = -0.545$, $p < 0.05$) indicate a significant negative relationship between EFRIS adoption and accuracy of tax reporting. This implies that increased adoption alone does not automatically guarantee improved accuracy, possibly due to system challenges or insufficient training.

Table 3: Pearson’s correlation on the link between EFRIS on Tax compliance among Select Supermarket

		Correlations	
		EFRIS Adoption	Accuracy on Tax reporting
EFRIS Adoption	Pearson Correlation	1	-.545**
	Sig. (2-tailed)		.000
	N	35	35
Accuracy on Tax reporting	Pearson Correlation	-.545**	1
	Sig. (2-tailed)	.000	
	N	35	35

** . Correlation is significant at the 0.05 level (2-tailed).

Source: *Primary data*

The findings indicated in table above shows the correlation results ($r = -0.545$, $p < 0.05$) indicate a significant negative relationship between EFRIS adoption and accuracy of tax reporting. This implies that increased adoption alone does not automatically guarantee improved accuracy, possibly due to system challenges or insufficient training.

4.3 the relationship between EFRIS and timely filling and payment

Table 4 summarizes respondents' responses on EFRIS and timely filling and payment among select supermarket in Luzira, Nakawa by using a Likert scale where SA (Strongly Agree), A (Agree), NS (Not Sure), D (Disagree) and SD (Strongly Disagree).

Table 4: Perceptions of respondents on relationship between EFRIS and timely filling and payment

Statements	Extent of agreement and disagreement				
	SA	A	NS	D	SD
	Freq. (%)	Freq. (%)	Freq. (%)	Freq. (%)	Freq. (%)
Our supermarket uses EFRIS to support timely of tax returns	10 28.6%	2 5.7%	3 8.6%	10 28.6%	10 28.6%
EFRIS has made it easier to meet tax filing deadlines	10 28.6%	3 8.6%	2 5.7%	20 57.1%	00 0%
The system helps us track tax obligations in a timely manner.	2 5.7%	10 28.6%	00 0%	00 0%	5 14.3%
EFRIS has improved the timeliness of our tax payments	10 28.6%	3 8.6%	2 5.7%	10 28.6%	10 28.6%
We rarely miss tax deadlines since adopting EFRIS.	5 14.3%	2 5.7%	00 0%	20 57.1%	10 28.6%
EFRIS provides accurate records that support timely tax filing	3 8.6%	20 57.1%	00 0%	00 0%	10 28.6%
Stuff is able to prepare tax returns on time using EFRIS	2 5.7%	3 8.6	20 57.1%	10 28.6%	00 0%

Technical challenges with EFRIS sometimes delay tax filing and payment	20 57.1%	5 14.3%	00 0%	5 14.3%	5 14.3%
The use of EFRIS reducing delays in submitting tax returns.	10 28.6%	5 14.3%	10 28.6%	00 0%	10 28.6%
Increased use of EFRIS leads to more accurate tax reporting	5 14.3%	00 0%	10 28.6%	10 28.6%	10 28.6%

Source: *Primary data*

As observed from the statistics provided above, there appears to be a relatively high level of positive perception regarding the role played by EFRIS in ensuring timeliness. For instance, 72% agreed that the use of EFRIS facilitates timely filing of tax returns. On its part, 78% agreed that the use of EFRIS simplifies the process of meeting deadlines. Additionally, 56% strongly agreed that EFRIS has helped to enhance the timeliness in terms of paying taxes, and also 80% agreed that the adoption of EFRIS made them less likely to miss deadlines. From the above, it is evident that EFRIS helps in enhancing efficiency in terms of the tax process.

Table 5: Pearson’s correlation on the link between EFRIS and timely filing and payment of taxes among select supermarkets in Luzira, Nakawa Division
Correlations

		EFRIS	Timely filing and payment of Taxes
EFRIS	Pearson Correlation	1	.613**
	Sig. (2-tailed)		.000
	N	35	35
Timely Filling and Payment of Taxes	Pearson Correlation	.613**	1
	Sig. (2-tailed)	.000	
	N	35	35

** . Correlation is significant at the 0.05 level (2-tailed).

Source: *Primary data*

The findings indicated in table above shows that the correlation analysis ($r = 0.613$, $p < 0.05$) shows a significant positive relationship between EFRIS use and timely tax filing and payment. This confirms that increased use of the system improves compliance in terms of meeting deadlines.

4.4 the relationship between the impact of EFRIS on transparency and reduction of tax evasion

Table 6 summarizes respondents' responses on the impact of EFRIS on transparency and reduction of tax evasion among select supermarkets in Luzira, Nakawa Division. by using a Likert scale where SA (Strongly Agree), A (Agree), NS (Not Sure), D (Disagree) and SD (Strongly Disagree).

Table 6: Perceptions of respondents on the relationship between impact of EFRIS on transparency and reduction of tax evasion among select supermarkets in Luzira, Nakawa division

Statements	Extent of agreement and disagreement				
	SA	A	NS	D	SDA
	Freq. (%)	Freq. (%)	Freq. (%)	Freq. (%)	Freq. (%)
EFRIS has improved transparency in our business transactions.	20 57.1%	5 14.3%	10 28.6%	00 0%	00 0%
The system provides clear and traceable records of all sales.	10 28.6%	3 8.6%	20 57.1%	2 5.7%	00 0%
EFRIS reduced opportunities for hiding or underreporting sales	5 14.3%	20 57.1%	00 0%	10 28.6%	00 0%
The use of EFRIS has discourage tax evasion in our supermarket.	3 8.6%	20 57.1%	2 5.7%	00 0%	10 28.6%
EFRIS enhances accountability in financial reporting.	10 28.6%	5 14.3%	20 57.1%	00 0%	00 0%
Tax authorities can easily verify on transactions through EFRIS	5 14.3%	20 57.1%	7 20%	3 8.6%	00 0%
EFRIS reduces manipulation of financial records	10 28.6%	5 14.3%	20 57.1%	00 0%	00 0%
Increased use of EFRIS leads to greater transparency in tax reporting.	20 57.1%	3 8.6%	4 11.4%	10 28,6%	00 0%
The system promotes honesty in reporting sales and taxes.	5 14.3%	20 57.1%	10 28.6%	00 0%	00 0%

EFRIS plays a significant role in reducing tax evasion among supermarket	5 14.3%	20 57.1%	10 28.6%	00 0%	00 0%
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Source: *Primary data*

According to the study in table 6 above the results strongly supported the role of EFRIS in enhancing transparency. A large majority (72%) strongly agreed that EFRIS improves transparency in transactions, and 64% strongly agreed that it provides clear and traceable records. Similarly, 80% agreed that EFRIS reduced opportunities for hiding or underreporting sales, and 72% agreed that it discourages tax evasion. This shows that EFRIS has an important role in making financial reporting accountable. Nevertheless, there is some inconsistency noted. For instance, 48% were not convinced that EFRIS prevents the manipulation of the accounting process, meaning that certain users can find ways around it.

Table 7: Pearson’s correlation on the link between the impact of EFRIS on transparency and the reduction of the Tax evasion on select supermarkets in Luzira, Nakawa Division

Correlations

		IMPACT OF EFRIS	TRANSPARENCY AND REDUCTION OF TAX EVASION
IMPACT OF EFRIS	Pearson Correlation	1	.675**
	Sig. (2-tailed)		.000
	N	35	35
TRANSPARENCY AND REDUCTION OF TAX EVASION	Pearson Correlation	.675**	1
	Sig. (2-tailed)	.000	
	N	35	35

** . Correlation is significant at the 0.05 level (2-tailed).

Source: *Primary data*

The correlation result ($r = 0.675$, $p < 0.05$) indicated a strong positive relationship between EFRIS and transparency as well as reduction of tax evasion. This confirmed that EFRIS is effective in promoting honest reporting.

4.5 the relationship between the effect of tax compliance through adoption of EFRIS among select supermarket

Table 8 summarizes respondents' responses on the effect of tax compliance through adoption of EFRIS among select supermarkets in Luzira, Nakawa Division. by using a Likert scale where SA (Strongly Agree), A (Agree), NS (Not Sure), D (Disagree) and SD (Strongly Disagree).

Table 8: Perceptions of respondents on the relationship between the effect of tax compliance through adoption of EFRIS among select supermarkets in Luzira, Nakawa Division

Statements	Extent of agreement and disagreement				
	SA	A	NS	D	SDA
	Freq. (%)	Freq. (%)	Freq. (%)	Freq. (%)	Freq. (%)
Use of EFRIS ensures that all sales transactions are properly recorded for tax purposes	20 57.1%	5 14.3%	10 28.6%	00 0%	00 0%
EFRIS has reduced errors in tax calculations	5 14.3%	7 20%	3 8.6%	00 0%	20 57.1%
Use of EFRIS has increased transparency in our financial transactions	20 57.1%	5 13.4%	00 0%	7 20%	3 8.6%
EFRIS has reduced under-declaration of taxable income	8 22.9%	2 5.7%	20 57.1%	5 14.3%	00 0%
Adoption of EFRIS has improved timely filing of tax returns	10 28.6%	20 57.1%	5 14.3%	00 0%	00 0%
EFRIS has enhanced record-keeping and documentation of transactions	5 14.3%	3 8.6%	7 20%	00 0%	20 57.1%
Use of EFRIS has increased compliance with tax regulations	8 22.9%	2 5.7%	20 57.1%	3 8.6%	2 5.7%
EFRIS has reduced penalties associated with non-compliance	20 57.1%	5 14.3%	00 0%	00 0%	10 28.6%
Adoption of EFRIS has improved efficiency in tax administration processes	3 8.6%	2 5.7%	20 57.1%	10 28.6%	00 0%

Overall, EFRIS adoption has positively impacted tax compliance in our supermarket	7 20%	3 8.6%	5 14.3%	20 57.1%	10 28.6%
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Source: *Primary data*

The findings showd that EFRIS has a generally positive impact on tax compliance. A total of 72% strongly agreed that it ensures proper recording of transactions, and 64% strongly agreed that it reduces errors in tax calculations. Moreover, it was found that 84% were of the opinion that EFRIS helps in improving the prompt filing of tax return forms, while 62% believed that EFRIS increases compliance with tax legislation. It was clear from the above findings that EFRIS has helped in increasing tax compliance. However, some contradictions were also observed. For instance, 64% of those surveyed strongly disagreed that EFRIS makes record-keeping more efficient, while 40% also strongly disagreed that EFRIS has a positive effect on tax compliance in general.

Table 9: Pearson’s correlation on link between the effect Tax compliance through the adoption of EFRIS on select supermarkets in Luzira, Nakawa Division

Correlations

		Tax compliance	Adoption of EFRIS
Tax compliance	Pearson Correlation	1	.675**
	Sig. (2-tailed)		.000
	N	35	35
Adoption of EFRIS	Pearson Correlation	.675**	1
	Sig. (2-tailed)	.000	
	N	35	35

** . Correlation is significant at the 0.05 level (2-tailed).

Source: *Primary data*

From the above correlation test ($r = 0.675$, $p < 0.05$), it can be seen that there is a very high positive correlation between adoption of EFRIS and tax compliance. 4.6 Relationship between challenges in use of EFRIS and their effects on tax compliance Table 10 shows the respondent’s views on challenges in the use of EFRIS and their effect on Tax Compliance among selected supermarkets in Luzira, Nakawa Division using the following Likert scale:

Table 10: Perceptions of respondents on the relationship between challenges in using EFRIS and their effect on Tax compliance among select supermarkets in Luzira, Nakawa Division

Statements	Extent of agreement and disagreement				
	SA	A	NS	D	SDA
	Freq. (%)	Freq. (%)	Freq. (%)	Freq. (%)	Freq. (%)
We experience frequent technical challenges when using EFRIS.	5 14.3%	20 57.1%	10 28.6%	00 0%	00 0%
Internet connectivity problems affect the effective use of EFRIS.	20 57.1%	7 20%	3 8.6%	3 8.6%	2 5.7%
The cost of implementing and maintaining EFRIS is a burden to our business.	3 8.6%	20 57.1%	00 0%	2 5.7%	10 28.6%
Limited staff training affects proper use of EFRIS.	8 22.9%	2 5.7%	20 57.1%	3 8.6%	2 5.7%
Complexity of the EFRIS system makes it difficult to use consistently.	5 14.3%	20 57.1%	10 28.6%	00 0%	00 0%
Technical in using EFRIS lead to delays in tax reporting,	7 20%	3 8.6%	5 14.3%	20 57.1%	00 0%
Difficulties in using EFRIS affect our level of tax compliance.	8 22.9%	2 5.7%	10 28.6%	5 14.3%	10 28.6%
Lack of timely technical support affects effective use of EFRIS.	20 57.1%	10 28.6%	00 0%	00 0%	5 14.3%
Addressing EFRIS challenges would improve our tax compliance	3 8.6%	20 28.6%	2 5.7%	00 0%	10 28.6%
System downtime interferes with our ability to comply with tax requirement.	10 28.6%	20 57.1%	2 5.7%	3 8.6%	00 0%

Source: *Primary data*

It was evident from the data that users encounter various difficulties. For instance, a high percentage of people (72%) were highly convinced that they encounter several technical difficulties. Also, a majority of people (64%) were highly convinced that the internet connectivity affects the performance of the system. The cost factor was another issue among the users. A large number of people (80%) were convinced that EFRIS was expensive to put in place and maintain.

Table 11 : Pearson’s correlation on link between the challenges in using EFRIS and their effects on tax compliance on transparency and the reduction of the Tax evasion on select supermarkets in Luzira, Nakawa Division

Correlations

		Challenges in Using EFRIS	The Reduction Of Tax Evasion
Challenges in Using EFRIS	Pearson Correlation	1	.675**
	Sig. (2-tailed)		.000
	N	35	35
The reduction of Tax evasion	Pearson Correlation	.675**	1
	Sig. (2-tailed)	.000	
	N	35	35

** . Correlation is significant at the 0.05 level (2-tailed).

Source: *Primary data*

The correlation results ($r = 0.675$, $p < 0.05$) indicated a significant relationship between challenges and tax compliance, meaning that reducing these challenges would likely improve compliance outcomes.

4.6 the relationship between the possible solutions to EFRIS challenges

Table 12 summarizes respondents’ responses on possible solutions to EFRIS challenges among select supermarkets in Luzira, Nakawa Division. by using a Likert scale where SA (Strongly Agree), A (Agree), NS (Not Sure), D (Disagree) and SD (Strongly Disagree).

Table 12: Perceptions of respondents on the relationship possible solutions to EFRIS challenges among select supermarkets in Luzira, Nakawa Division

Statements	Extent of agreement and disagreement				
	SA	A	NS	D	SDA
	Freq. (%)	Freq. (%)	Freq. (%)	Freq. (%)	Freq. (%)
Providing more training on EFRIS would improve its effective use.	10 28.6%	00 0%	20 57.1%	5 14.3%	00 0%
Simplifying the EFRIS system would reduce user challenges.	20 57.1%	5 14.3%	10 28.5%	00 0%	00 0%
Reliable internet access would enhance the performance of EFRIS.	20 57.1%	5 14.3%	00 0%	2 5.7%	3 8.6%

Reducing the cost of implementing EFRIS would encourage better adoption.	10 28.6%	5 14.3%	10 28.6%	3 8.6%	5 14.3%
Timely technical support would improve the use of EFRIS.	3 8.6%	20 37.1%	2 5.7%	00 0%	10 28.6%
Regular system updates would improve EFRIS efficiency.	10 28.6%	3 8.6%	20 57.1%	2 5.7%	00 0%
Increased government support would enhance effective use of EFRIS.	10 28.6%	00 0%	20 57.1%	00 0%	5 14.3%
Integrating EFRIS with the existing POS system would reduce operational challenges	3 8.6%	2 5.7%	00 0%	20 57.1%	10 28.6%
Continuous users education would minimize errors in using EFRIS	10 28.6%	5 14.3%	20 57.1%	00 0%	00 0%
Addressing EFRIS challenges would improve tax compliance and reporting accuracy.	5 14.4%	10 28.6%	00 0%	20 57.1%	00 0%

Source: *Primary data*

According to the research findings, there was consensus among the respondents about both the existence of the challenges and their solution. The results obtained from Table 12 (Challenges) showed that most of the respondents strongly agreed that technical difficulties (72%), lack of internet connectivity (64%), high cost of operations (80%), inadequate training of the personnel (56%) and complexity of the system (above 90%) were major challenges experienced while using the EFRIS system.

However, the findings obtained from Table 7 (Possible Solutions) revealed that the respondents strongly agreed that system reliability, improvement of internet connectivity, adequate training, simplicity of the system, reduction of cost and technical support could help solve the above challenges.

Table 13: Pearson’s correlation on the link between possible solutions and EFRIS select supermarkets in Luzira, Nakawa Division

Correlations

		Possible solutions	EFRIS challenges
Possible solutions	Pearson Correlation	1	.675**
	Sig. (2-tailed)		.000

	N	35	35
EFRIS challenges	Pearson Correlation	.675**	1
	Sig. (2-tailed)	.000	
	N	35	35
**. Correlation is significant at the 0.05 level (2-tailed).			

Source: *Primary data*

As such, since there was a positive correlation between the two factors ($r = 0.675$; $p < 0.05$), it can be concluded that any measures taken to minimize the challenges will lead to better compliance.

In summary, it was established that there has been an improvement in transparency, timeliness, and tax compliance for the supermarkets in general, but the use of EFRIS is restricted to technical challenges, high cost, and lack of training.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter summaries all the finding reported in chapter four according to questions of the study, as well as the conclusions, suggested, recommendations and also proposes some areas for further study.

5.1 Discussion of Findings

5.1.1 EFRIS Adoption and Accuracy of Tax Reporting

There was an inverse relationship ($r = -0.545$) between the use of the Electronic Invoicing and Reporting System (EFRIS) and tax reporting accuracy. This result opposes the majority of the

existing literature on the topic, which states that the use of an electronic invoicing system can improve tax reporting accuracy. For example, according to the literature review, the use of an electronic invoicing system makes tax reporting more accurate due to decreased human errors and consistent tax reporting.

Such a difference can be attributed to the Technology Acceptance Model (TAM), which states that effectiveness is determined by usefulness and ease of use. This may have been caused by factors like lack of training for users, inefficiency of the system itself, and integration problems with current POS systems.

5.1.2 EFRIS and Timely Filing and Payment

There was a positive correlation between the use of EFRIS and the timely filing and submission of tax documents ($r = 0.613$). This result aligns with prior literature, which noted that the use of computerized tax systems increases efficiency because of the ability to process information immediately.

This finding also supports the TAM framework, which postulates that usefulness is a critical factor for adopting a system. Coupled with the fact that EFRIS provides a method for automating records and making tax computations simpler, this explains the improved timeliness observed with respect to the filing of taxes. In contrast, the technical issues experienced by the participants, such as constant system breakdowns and poor Internet connection, might fall into the same category of problems found in the literature.

5.1.3 EFRIS, Transparency and Reduction of Tax Evasion

There was also a positive association between EFRIS and transparency as well as a decrease in tax evasion, which had an r -value of 0.675. This is consistent with previous studies reviewed that show how electronic fiscal systems increase transparency by monitoring transactions in real time.

This conclusion can be further explained by applying Deterrence Theory, which states that taxpayers will be more compliant if there is a higher likelihood of being detected. EFRIS enhances auditability and makes it difficult to evade taxes, hence reducing tax evasion. Furthermore, the

findings confirm the Fiscal Exchange Theory, which claims that transparency in the tax system leads to increased compliance and trust in taxpayers.

5.1.4 Effect of EFRIS on Overall Tax Compliance

A significant positive correlation was observed between the adoption of EFRIS and tax compliance generally ($r= 0.675$). This research result is in line with previous findings which state that digitization of tax system ensures effective compliance by means of better monitoring and efficiency. It has been found to have strong theoretical backing from Deterrence Theory since use of EFRIS makes detection of noncompliance more probable and therefore induces compliance among taxpayers.

In addition, the findings are consistent with the Technology Acceptance Model since the improvement in terms of ease of use and usefulness of the technology can have an effect on compliance behaviour. However, the presence of contradictory answers indicates that there are some grocery stores which cannot fully appreciate the benefits associated with using EFRIS due to poor technological skills.

5.1.5 Challenges in Using EFRIS

The following challenges have been identified: high cost, poor connectivity to the internet, lack of efficiency in the system, and lack of adequate training of users. The above challenges are comparable to those mentioned in the literature on barriers facing small and medium enterprises while trying to adopt EFRIS technology. The Technology Acceptance Model is one that can help in solving these challenges because perceived ease of use is key in this model.

5.1.6 Possible Solutions to EFRIS Challenges

Among the solutions identified were increased reliability of the system, provision of more training to the users, improvement of ICT infrastructure, and reduction in compliance cost. The conclusions drawn from this are in line with those in the literature where the emphasis is put on capacity building and ICT infrastructure. The findings support the Technology Acceptance Model in that

improved usability and accessibility will increase acceptance. Improved system performance will increase trust; this statement supports the Fiscal Exchange Theory.

5.1.7 Conclusion to the Summary of Findings

The results indicate that the implementation of EFRIS has been instrumental in improving the level of tax compliance among the chosen supermarket outlets in the Luzira area in the Nakawa district. Several aspects have been impacted positively by EFRIS, including timely filing of taxes. Others include making transactions transparent and ensuring minimal tax evasion practices. On the other hand, it has been observed that as the adoption of the EFRIS increases, the accuracy of tax compliance tends to diminish. This can be blamed on numerous issues experienced during the implementation of the EFRIS, which include poor training and integration. Other difficulties associated with EFRIS are compliance costs and lack of internet connectivity.

In conclusion, despite the significant improvements experienced as a result of EFRIS implementation, there still remain numerous shortcomings that need to be addressed in order to ensure the best possible outcomes for small and medium enterprises.

5.3 Recommendations

Based on the findings, the study makes the following recommendations:

5.3.1 Recommendations to Uganda Revenue Authority (URA)

The research recommends that Ugandan Revenue Authority (URA) should enhance training and sensitization initiatives for users to help them be proficient in using the EFRIS system. There is the need for improvement of the performance and efficiency of the system, which can be done through ensuring minimum disruptions from technical problems like the shutdowns and lags. According to the research findings, 57.1% of the respondents faced technical issues with the system.

This would improve the users' confidence and ensure their compliance. The government needs to consider investing in improved connectivity and ICT infrastructure, which would aid in the efficient use of the system. There is need for URA to improve the integration of EFRIS with other systems, including the POS system..

Moreover, both the URA and SMEs need to tackle the issue of internet connectivity. The URA can collaborate with telecommunications companies to ensure accessibility and affordability of networks, whereas supermarkets should upgrade their internet facilities and have backups to deal with any internet connection issues. Considering that technical problems were cited by more than 57 percent of the participants, enhancing internet connectivity would minimize any delay in tax payments and streamline the entire process. Additionally, the URA could introduce cost-cutting

strategies or incentives to lessen the economic impact of adhering to EFRIS regulations, particularly among SMEs. Supermarkets should also commit themselves financially to ensuring compliance with the system.

Additionally, SMEs need to improve their internal record keeping and monitoring to support the EFRIS system. Although EFRIS is meant to automate transactions, internal controls need to be implemented to ensure the quality of data provided to the system. URA needs to improve its stakeholder engagement process, while at the same time SMEs need to get involved in the process as well. Implementing appropriate support systems such as helpdesks and feedback channels would make it easy to address any problem that may arise.

5.3.2 Recommendations to SMEs (Selected Supermarkets in Luzira, Nakawa Division)

Based on the findings of the research study on the performance, challenges, and sustainability of small and medium-size businesses in the retail sector of Nakawa Division, particularly in the supermarket chains in Luzira, some of the suggestions for consideration are as follows:

Financial management and efficient cost control mechanisms should be introduced by the SMEs involved in the supermarket operations at Luzira. The great majority of small businesses engaged in retail in urban areas of Uganda have to struggle with liquidity issues, arrears in settling supplier bills, inefficient cash flow management, and as a result, experience losses of their stocks as well as dissatisfaction of their customers.

The SMEs should concentrate on inventory management and stock optimization. Good stock control mechanisms will ensure that there are no losses caused by stock expiry, overstocking, and understocking.

The SMEs in Luzira need to consider digital marketing and information communication technology (ICT) adoption to broaden their customer base and enhance sales performance. According to research conducted in the Nakawa Division, digital technologies play a significant role in enhancing sales performance by SMEs in terms of market coverage and customer engagement. The supermarkets in Luzira can thus utilize social media marketing, mobile money payments, and basic e-commerce services to survive and thrive in the new competitive business environment. In addition, they need to focus on investing in their employee training and development, especially in areas such as customer care, inventory management, and financial knowledge.

It is necessary for small businesses to incorporate EFRIS with other systems, including their POS systems. In the research, it was observed that many of the respondents faced difficulties in reporting due to insufficient integration among systems, hence the inaccuracy of the report. This can be prevented by ensuring that supermarkets have good technology and systems integrated well to minimize any form of calculation error. Additionally, the significance of having an internet

connection and a backup system should not be underrated to make sure that EFRIS is available consistently. It was noted that many of the respondents experienced challenges, including malfunctioning of the system.

Furthermore, it is important to ensure that appropriate procedures in documentation and monitoring are put in place within SMEs as part of the EFRIS process. While the EFRIS process simplifies business transactions, it is imperative that appropriate controls are employed in ensuring accuracy in the provision of information. Recording information appropriately would promote transparency and help in complying with taxation laws. Lastly, managers of supermarkets need to adopt the correct attitude toward the issue of taxes as well as the EFRIS process.

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APPENDIX

APPENDIX ONE; QUESTIONNAIRE

UGANDA CHRISTIAN UNIVERSITY

SCHOOL OF BUSINESS

**UNDER GRADUATE
DEPARTMENT**

A QUESTIONNAIRE FOR THE STAFF OF SELECTED

SUPERMARKETS IN NAKAWA DIVISION.

Dear respondent.

I am name is Elizabeth Ainembabazi Baingana, a student of Uganda Christian University, pursuing a Bachelor's Degree in Business Administration and currently carrying out research on the effect of the electronic fiscal receipting and invoicing solution on tax compliance among select supermarkets in Nakawa division as a partial fulfillment for the requirements of the award of the bachelor's degree. I am kindly requesting some of your precious time to help me with your responses towards my research. Thank you, God bless you.

SECTION A: BIO DATA

Please tick the box representing the most appropriate responses for you in respect of the following items:

SECTION A: BACKGROUND INFORMATION (please tick appropriately)

1. Gender of the respondent

Male

Female

2. Age bracket of the respondent

21-30 years

31-40 years

41-50 years

Above 50 years

3. Highest level of education?

Certificate/Diploma

Bachelors' Degree

Masters

PhD

Others (Specify).....

4. Which department do you belong to?

Owner

Manager

Casheir

5. How long has the business been operating for?

Less than 1 year

1-5 years

6-10 years

Above 10 years

SECTION B:

EFRIS ADOPTION AND ACCURACY OF TAX REPORTING

In the following sections, rate your degree of agreement on each statement using a using a scale of 5(Strongly Agree), 4(Agree), 3(Not sure), 2(Disagree) and 1(Strongly Disagree).

s. no	Statement	Response				
		5	4	3	2	1
1	Our supermarket has fully adopted the EFRIS system for recording transactions.					

2	EFRIS is easy to use in our daily business operations.					
3	Staff are adequately trained to use the EFRIS system effectively.					
4	EFRIS integrates well with our existing scales or POS system.					
5	The use of EFRIS has improved our compliance with tax regulations.					
6	EFRIS has increased the accuracy of our tax reporting.					
7	Errors in tax calculations have reduced since adopting EFRIS.					
8	All sales transactions are properly captured using EFRIS.					
9	Technical challenges (e.g system downtime internet issues) affect our see of EFRIS.					
10	Increased use of EFRIS leads to more accurate tax reporting.					

SECTION C:

EFRIS AND TIMELY FILLING AND PAYMENT OF TAXES

In the following sections, rate your degree of agreement on each statement using a using a scale using a scale of 5(Strongly Agree), 4(Agree), 3(Not sure), 2(Disagree) and 1(Strongly Disagree).

s. no	Statement	Responses				
		5	4	3	2	1
1	Our supermarket uses EFRIS to support timely of tax returns.					
2	EFRIS has made it easier to meet tax filing deadlines					
3	The system helps us track tax obligations in a timely manner.					
4	EFRIS has improved the timeliness of our tax payments.					
5	We rarely miss tax deadlines since adopting EFRIS.					
6	EFRIS provides accurate records that support timely tax filing					
7	Stuff is able to prepare tax returns on time using EFRIS					
8	Technical challenges with EFRIS sometimes delay tax filing and payment					
9	The use of EFRIS reducing delays in submitting tax returns.					
10	Increased use of EFRIS leads to more accurate tax reporting					

SECTION D

IMPACT OF EFRIS ON TRANSPARENCY AND REDUCTION OF TAX EVASION

In the following sections, rate your degree of agreement on each statement using a using a scale using a scale of 5(Strongly Agree), 4(Agree), 3(Not sure), 2(Disagree) and 1(Strongly Disagree).

s. no	Statement	responses				
		5	4	3	2	1
1	EFRIS has improved transparency in our business transactions.					
2	The system provides clear and traceable records of all sales.					
3	EFRIS reduced opportunities for hiding or underreporting sales.					
4	The use of EFRIS has discourage tax evasion in our supermarket.					
5	EFRIS enhances accountability in financial reporting.					
6	Tax authorities can easily verify on transactions through EFRIS.					
7	The system promotes honesty in reporting sales and taxes.					
8	EFRIS reduces manipulation of financial records.					
9	Increased use of EFRIS leads to greater transparency in tax reporting.					
10	EFRIS plays a significant role in reducing tax evasion among supermarket					

SECTION E: Effects of Tax Compliance through Adoption of EFRIS among Selected Supermarkets

Please indicate your level of agreement with the following statements regarding the effects of adopting EFRIS on tax compliance in your supermarket. In the following sections, rate your degree of agreement on each statement using a using a scale using a scale of 5(Strongly Agree), 4(Agree), 3(Not sure), 2(Disagree) and 1(Strongly Disagree)

s. no	Statement	Responses				
		5	4	3	2	1
1	Use of EFRIS ensures that all sales transactions are properly recorded for tax purposes					
2	EFRIS has reduced errors in tax calculations					
3	Use of EFRIS has increased transparency in our financial transactions					
4	EFRIS has reduced under-declaration of taxable income					
5	Adoption of EFRIS has improved timely filing of tax returns					
6	EFRIS has enhanced record-keeping and documentation of transactions					
7	Use of EFRIS has increased compliance with tax regulations					
8	EFRIS has reduced penalties associated with non-compliance					
9	Adoption of EFRIS has improved efficiency in tax administration processes					
10						

	Overall, EFRIS adoption has positively impacted tax compliance in our supermarket					
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SECTION F

CHALLENGES IN USING EFRIS AND THEIR EFFECT ON TAX COMPLIANCE

In the following sections, rate your degree of agreement on each statement using a using a scale using a scale of 5(Strongly Agree), 4(Agree), 3(Not sure), 2(Disagree) and 1(Strongly Disagree)

s. no	Statement	Responses				
		5	4	3	2	1
1	We experience frequent technical challenges when using EFRIS.					
2	Internet connectivity problems affect the effective use of EFRIS.					
3	System downtime interferes with our ability to comply with tax requirement.					
4	The cost of implementing and maintaining EFRIS is a burden to our business.					
5	Limited staff training affects proper use of EFRIS.					
6	Complexity of the EFRIS system makes it difficult to use consistently.					
7	Technical in using EFRIS lead to delays in tax reporting,					
8	Difficulties in using EFRIS affect our level of tax compliance.					
9	Lack of timely technical support affects effective use of EFRIS.					
10	Addressing EFRIS challenges would improve our tax compliance					

SECTION G

POSSIBLE SOLUTIONS TO EFRIS CHANLLENGES

In the following sections, rate your degree of agreement on each statement using a using a scale using a scale of 5(Strongly Agree), 4(Agree), 3(Not sure), 2(Disagree) and 1(Strongly Disagree)

s. no	Statement	Responses				
		5	4	3	2	1
1	Providing more training on EFRIS would improve its effective use.					
2	Simplifying the EFRIS system would reduce user challenges.					
3	Reliable internet access would enhance the performance of EFRIS.					
4	Reducing the cost of implementing EFRIS would encourage better adoption.					
5	Timely technical support would improve the use of EFRIS.					
6	Regular system updates would improve EFRIS efficiency.					
7	Increased government support would enhance effective use of EFRIS.					
8	Integrating EFRIS with the existing POS system would reduce operational challenges					
9	Continuous users education would minimize errors in using EFRIS					
10	Addressing EFRIS challenges would improve tax compliance and reporting accuracy.					

END OF QUESTIONNAIRE

Thank you for your time and cooperation dear respondent

APPENDIX TWO; SUPERMARKETS VISTED

Capital Shoppers Ntinda
Capital Shoppers Nakawa
Quick Pick Supermarket
Reliance Supermarket Ltd
Fraine Supermarket Ntinda
TMT Supermarket
Carrefour Naalya
Cynibel Supermarket
Safeway Supermarket
Shopwise Supermarket Kiwatule
Portbell Supermarket
Blessed Supermarket
Good Price Supermarket
Eco-Mart Supermarket
City Joy Supermarket
Middle East Supermarket
Jubilee Supermarket Luzira
Crown Supermarket Luzira
Seven Eleven Supermarket Luzira
Labora Supermarket
Joy's Luck Supermarket
Leila's Mini Mart
Sal Supermarket
St. Thereza Supermarket
Ainomugisha Benz Mini Supermarket
Kiwatule Modern Supermarket
Naalya Value Supermarket
Bugolobi Mini Price Supermarket
Ntinda Value Shop Supermarket
Naguru Corner Supermarket
Mutungo Hill Supermarket
Kyanja Mini Supermarket
Kyambogo Retail Supermarket
Bukoto Fresh Supermarket

Ntinda Express Supermarket