

**The Role of Tax Audit in Discovering Creative Accounting– An
Empirical Study from the Tax Auditors Perspective of the Income
& Sales Tax Department**

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Abstract

This study aimed to identify the role of tax auditing in discovering creative accounting practices in Jordan.

The researcher used the descriptive and analytical approach in order to collect and analyze data and test hypotheses to answer the study's questions. A questionnaire was designed as a tool for the study, and it was distributed to a selected sample of the Jordanian income and sales tax.

According to the statistics available with the Income and Sales Tax Department, about 200 tax auditors have been numbered, 163 questionnaires have been retrieved, and 7 questionnaires excluded for lack of answers, and thus a total of 156 questionnaires were subjected to study, which constitutes 78%.

The study found that there is a statistically significant effect between the articles of the income tax law and the discovery of creative accounting practices, as it was found that the compatibility of some articles of the income and sales tax law with the financial reporting standards has a role in discovering creative accounting

practices, in addition to the existence of a statistically significant relationship between the systems of the tax department Income and discovery of creative accounting practices.

One of the most important recommendations that came out of the study is the importance of having clear legal texts referring to creative accounting in terms of methods and methods, so that all tax auditors can get acquainted with it and deal with it legally, in addition to the need to have instructions and regulations for accounting and tax accounting auditing to reveal creative accounting practices.