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Corporate Social Responsibility (CSR) Of Quoted Consumer Goods Companies in Nigeria Is Impacted by Education Taxes

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Abstract

This study looked at how Nigerian listed consumer goods businesses' corporate social responsibility was affected by the education tax. The ex-post-facto research design was used in the study. Secondary sources provided the data. The audited financial reports of all the chosen quoted consumer goods companies were used to derive the representative data for the independent variable (education tax) and the dependent variable (corporate social responsibility). To calculate the sample size, the study used the census sampling technique. The data was analyzed using the OLS regression technique, and the model was estimated using the Pearson correlation. Additionally, the study performed a number of robustness checks on the findings, such as unit root, data normality, and multicollinearity and heteroskedasticity tests. The study's findings showed that the cost of corporate social responsibility is significantly impacted by the tertiary education tax, with a coefficient of 0.356182 and a probability of 0.0070, both below the 0.05 level of significance. The study concluded that the government has to think about waiving the tax on tertiary education for consumer goods companies that have made considerable progress in the area of corporate social responsibility (CRS).

Keywords: Taxation, corporate tax, education tax, financial performance and corporate social responsibility,

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Introduction

Following World War I in the 1930s, the idea of taxes gained significant traction because of the necessity to raise funds for social amenities that were essential to maintaining and advancing higher living standards. Like other developing countries, Nigeria imposes a variety of taxes. Communities are able to be protected from outside violence and attacks because to these taxes. [35], taxes are a civil duty of a group of economic actors and are paid as a mandatory levy that the general public contributes to in order to run and sustain the economy. Taxes have a significant impact on an economy's investment choices [21]. Decision-makers in the business sector must therefore be equipped to handle any complexity in the current tax structure.

If business tax complications are not effectively addressed, they can jeopardize investment decisions [24] However, one method that allows for the oversight of tax assessment complexities without negatively impacting venture decisions is the use of the components of a robust expense rate [3]. The compelling assessment rate is frequently used by policymakers to ensure that the influence of cost complexities on venture decisions is unquestionably reduced. Financial supporters have been observed to link tax rates to speculating decisions while taking into account the nation's monetary and political power at any given time. the degree of safety, the cost of relocation, and the accessibility of infrastructure offices to name a few [7] Tax payments date back to the colonial era, according to the country's history. Since taxes have an effect on the nation's economic activities, both domestic and foreign specialists are now interested in them. Tax laws can provide incentives for savings, investment, and production while also influencing consumer demand. Because of this, taxes have an impact on company strategy decisions in addition to macroeconomic policy. [34] list a number of business choices that are impacted by tariffs. Taxation unavoidably affects a firm since it is an expense.

the degree of safety, the cost of relocation, and the accessibility of infrastructure offices to name a few [7] Consequently, there has been a growing interest in finding ways to lessen the tax burden on companies. This has led to the establishment of a sizable corpus of research on effective tax rates [43]; Naiyaju, 2010; [1]; cited in Bauer, [5] Bauer, [11] assert that corporate profitability is a clear indicator that can change the effective tax rate. It is assumed that more productive businesses will generate more revenue and pay more taxes when profit is measured before taxes. This opinion is supported by the literature.

LITERATURE REVIEW

Conceptual review

Taxation

Many definitions of taxation are offered by academics. According to [2] and [23] taxes are a burden that all citizens must pay in order for their government to continue carrying out its duties. Accordingly, taxes are defined by [17] and Musgrave and Musgrave (2004) as the required payment or installment (or recurring) of products and services from private individuals, businesses, or organizations to the government. [23] taxing is the act of collecting taxes in a certain area. Supporting government spending is also viewed as a financial burden on people or property.

Tertiary education tax

The Tertiary education tax Act was promulgated as Tertiary education tax decree no 7 of 1993. It was amended through decree no 40 of 1998 to mainly provide for the appointment of committee members by the Board of Trustees. It forced a tax at the rate of 2.5% on Profit before Tax earned by all companies registered in Nigeria, including those operating in the petroleum sector of the economy. The income chargeable to this tax is the assessable profit of any company registered in Nigeria. A Tertiary education tax of 2.5% of assessable benefits is forced on all organizations consolidated in Nigeria. This tax is seen as a social commitment put on all organizations in guaranteeing that they contribute their quota to developing educational facilities in the country. [19] taxation is both a concept and the science of taxing people. The unpleasantness of paying taxes is meant to generate revenue that may be used to fund social services and security measures. It establishes the framework for society's economic prosperity. According to [16] governments all over the world use income taxes as a fiscal policy tool to either favorably or unfavorably affect specific economic activity in order to accomplish their goals. Furthermore, [18] believes that increasing the rate of monetary development and, consequently, per capita income—which leads to a higher standard of living—are the primary financial goals of emerging countries. To ensure a fair allocation of resources, a progressive tax rate might be used [23] . [2] adds that taxes, which often account for 90% or more of current legislatures' revenue, are the most important source of funding. A corporation is therefore considered a separate entity for tax purposes, which implies that the corporate entity is reliant on tax on corporate-level occasions. [10] one of the most effective tools available to any administration for promoting long-term investment and growth is corporation tax. Faster economic growth, according to [5] is ultimately the means by which a country may reach its full potential and provide incredible opportunities for its citizens to thrive. Consequently, a corporation tax can be thought of as a levy imposed on a company's profits. According to [8] these taxes are levied against profits earned by businesses during a specific tax period. Typically, they are applied to operating earnings following the deduction of expenses like depreciation, general and managerial costs, and the cost of goods sold. Since companies are unable to pay taxes, Lederman (2002) emphasizes that tax incidence must be linked to individuals. If this is true, corporations shouldn't be subject to taxes. However, there are a number of potential explanations. First, incorporation has important advantages including reduced liability (Myles, 2007).

The corporate tax ought to have been obvious since it was a charge on that value. Second, companies may generate pure economic profits that exceed the return on capital, which is why they are subject to taxes [4] [16]. This does not excuse taxing such profits at the corporate level instead of when they are received by the corporation's owners. Additionally, international tax credits or exports to foreigners with capital are absorbed by the corporate tax. The company tax is a way to indirectly obtain their income from domestic assets because individuals who reside in foreign countries cannot be saddled with their income [16]; [10]. Last but not least, the academics see corporate income tax as a safeguard against personal income tax. By making it difficult for the government to identify the recipients of corporation income, people may try to avoid paying personal income tax. All things considered, it might be more effective in this case to burden firms. Each of these corporate income tax justifications has unique ramifications for the design of an effective business tax [45] From the foregoing, it is generally clear that corporate tax is a mandatory payment required of corporate organizations as a legal entity. High compliance costs are also involved, despite the widespread belief that corporation taxes may lessen the motivation to invest. Resources may be reallocated to potentially less productive industries as a result of the distortion of relative factor pricing, yet even so, For the government, it is a vital source. Generally speaking, corporate taxes are very high, which means they raise more money for the nation's overall growth and development. Over the years, tax reforms have also been implemented to address additional concerns and guarantee that the impact on the taxpayer is as small as possible. Since 2020, the corporation tax rate in Nigeria has been reduced to 0%, 20%, and 30% for small businesses with annual revenue under $25 million, medium-sized enterprises with annual revenue over $25 million but under $100 million, and large businesses with annual revenue over $100 million. This is lower than the previous rate of 35%. Consequently,

Therefore, it can be said that the nation is engaged in its development and expansion, which promotes investment, expands the number of good job possibilities, and improves tax compliance. The rates of personal income tax and corporation income tax must not differ significantly in order to reduce the chances for tax evasion. Regardless of the precise quantity of service rendered in exchange, taxes are a mandatory levy levied by the government on the assets and income of businesses and individuals as defined by government decrees, acts, or laws [8]

In order to accomplish some of the country's economic and social objectives, taxes are paid to the public sector in exchange for assets and income rather than for the immediate exchange of labor and goods. These objectives could be in favor of high employment, stable prices, fast GDP growth, a favorable balance of payments position, the promotion of a free market economy, the satisfaction of group demands, equitable income redistribution, the growth of new businesses, the assistance of the need sector, the comfort of equilibrium population improvement, and the advancement of labor and capital development.

Corporate Social Responsibility (CSR)

Different parties discuss their perspectives on CSR. The idea of the triple bottom line—people, profit, and planet—was first put forth by [34]According to [12] corporate social responsibility (CSR) is the dedication of businesses to uphold moral standards, support economic growth, and enhance the standard of living for employees, local communities, and society at large. The CSR pyramid, which consists of economic, legal, ethical, and philanthropic components, was proposed by Carroll (1979) and improved in 1991, making it one of the most prominent works of CSR literature. According to the pyramid, a business that participates in CSR will endeavor to make money, follow the law, act morally, and be a good business. [48] and [16] state that

A firm is a real-world entity that needs to be related with numerous entities and people in order to survive in a competitive commercial climate. A business will create policies, plans, and practices that are not only focused on the interests of shareholders but also on those of the public, government, lawmakers, business communities, employees, suppliers, and consumers. According to Porter and Kramer (2006), a company with a high level of social responsibility will have a positive reputation, a powerful brand, and an expanding market value. We might conclude that corporate social responsibility (CSR) encompasses not just the company's obligation to stakeholders and the public, but also the use of ethical business practices. Numerous studies conducted in Indonesia have connected CSR to a range of factors, such as earnings response coefficient [48 and financial performance [55]

Theoretical Review

Ability to Pay Theory

Adams Smith introduced the ability to pay theory of taxation in 1776. The theory is regarded as one of the most well-known and widely accepted theories of taxation, having been popularized and expanded by author Cicil Pigou in his book "The Wealth of a Nation" in 1877. It permits citizens to pay taxes to the government based on their individual financial capabilities [42] as cited in [41] Jones and Rhoades (2011) claim that the thesis was developed by the Swiss philosopher Jean Jacques Rousseau between 1712 and 1778 in the 16th century, and that several academics later expanded it scientifically. Ever since the theory was first proposed,

It has dominated a number of literary works that aim to explain the foundation of a sound tax system [45] The most well recognized and widely used equity or justice principle in taxation is that a nation's residents should pay taxes to the government based on their financial capacity. The "ability-to-pay principle" typically predominates in contemporary equity talks rather than the benefits premise. According to this view, taxes need to be progressively imposed on taxpayers' incomes, meaning that those with higher incomes should pay more in taxes than those with lower incomes.

Because it considers the differences in income between different tax payers, the ability to pay theory of taxation is regarded as the most logical and equitable theory of taxation (Jones & Rhoades, 2011). It appears that justice can be served if taxes are imposed in accordance with the previously mentioned premise. However, our problems don't stop here. The truth is that our problems really start when we use this theory. The definition of "ability to pay" is where the problem lies. There is disagreement among economists over the best way to gauge an individual's capacity or ability to pay. Scholars have also contested the ability to pay thesis, arguing that it lacks a specific method for calculating the equity of sacrifice in absolute, proportional, and marginal terms [31]

Expectancy Theory

The Tax Expectancy Theory serves as the foundation for this study. Every tax proposal should satisfy the practicality test, which should be the only consideration made by government representatives when choosing a tax policy, according to [3] This theory explains how the economy functions and is based on the economic canon. The effectiveness and efficiency of tax collection instruments Adam (1776) asserts that taxes give the government a wide range of policy tools that should be effectively used to combat social, economic, and societal ills like unemployment, income inequality, and regional imbalances. Nigeria's current economic problems can be lessened with the aid of efficient corporate tax management [23]

[21] good corporate governance promotes more investment in the nation, which in turn creates more jobs. [11] assert that effective tax administration increases a nation's revenue base, promoting economic expansion and development.

Empirical Review

According to [5], if these complexities are not handled strategically, business taxes have a tendency to jeopardize investment decisions at every stage. The purpose of the study was to evaluate how corporation taxation affected the investment strategy of Nigerian manufacturing companies that were mentioned. The annual reports of the chosen companies provided the secondary data, which was then analyzed using static panel least square regression methods. They discovered that the stated manufacturing firm's (INV) investment choice is strongly correlated with Company Income Tax (CIT), which in turn enhances the INV's investment in Nigeria.

The probability analysis revealed a statistically significant relationship between the listed manufacturing firm's investment in Nigeria and corporation income tax (CIT). This suggests that reduced investment in manufacturing enterprises is associated with higher corporate income taxes. Although the study's primary focus in this context was on the impact of company taxation on financial performance, it veered off course. The study did, however, evaluate its impact on investing choices. Therefore, the study suggested that by developing an appropriate corporate income tax policy, the Nigerian government should promote and improve manufacturing investment decisions. An investment option that is developed on fresh cash promotes the implementation of new creation processes and should, thus, be created to enhance manufacturing companies.

[11] investigated the connection between Nigeria's foreign direct investment inflow and various taxes between 1996 and 2015. The review's objectives included evaluating the relationship between foreign direct investment and company income tax, investigating the relationship between education tax, value-added tax, and foreign direct investment, and using an ex-post-facto research design. The national bureau of statistics and Nigeria's central bank provided secondary data for the evaluation. Education Tax, Value Added Tax, Company Income Tax, and Custom and Excise Duties were considered proxies for other taxes, with inflation acting as a mediating variable of several taxes, while Foreign Direct Investment was considered the dependent variable.

According to the survey's findings, at a 5% significance level, the information and communication tax, the education tax, and the company income tax all significantly reduce net investment. Accordingly, the study recommends, among other things, that the Federal Government of Nigeria reduce the amount of taxes due at the end of the year in order to free up funds for further investment.

[22] examined how Nigerian corporate income tax affected foreign investment. The study used secondary data collected from the National Bureau of Statistics and the Central Bank of Nigeria (CBN) Statistical Bulletins (different issues). The 25-year period covered by the data was 1991–2015.

Multiple regressions and Pearson product-moment correlation were used to analyze the connection between the independent variables and the dependent variable (investment). The results suggest that when imports (IMPT) rise, so does investment in Nigeria. Additionally, in Nigeria, there is a positive correlation between investment (0.9273*) and the exchange rate (EXCH). This finding suggests that rising exchange rates (EXCH) also result in higher investment in Nigeria. In other words, interest rates and investment in Nigeria are significantly correlated negatively, with a value of -0.7823*. It follows from this that investment in Nigeria declines as interest rates rise.

[5] used data from Rivers State to examine the pressing problems with the Nigerian tax system and the effects of tax reforms on revenue generation. Y

A sample size of 80 responders was established using Taro Yamen's formula. To provide sufficient evidence that the correlation coefficient is not zero, the t-test was employed. Additionally, the model's overall relevance was tested using the F-statistic. The result showed that since better tax reforms will raise total income, they have a favorable association with and a considerable impact on revenue generation. Since a rise in tax evasion and avoidance results in a sharp decline in overall revenue, it was found that these behaviors have a negative relationship with revenue creation.

Methodology

Research Design

To investigate the impact of corporate income tax on retained earnings of quoted consumer goods companies in Nigeria, the study used an ex-post-facto research design.

Sources of data

Secondary sources provided the data used in this study. The audited financial reports of all the chosen quoted consumer goods companies were used to extract the representative data for the independent variable (corporate income tax) and the dependent variable (retained earnings).

The population of the Study

All consumer products companies listed on the Nigerian Stock Exchange (NSE) floor made up the research population. 7UP Plc, Cadbury Nig. Plc, Champion Brewery Plc, Dangote Flour Mill Plc, Dangote Sugar Plc, Flour Mill Nig. Plc, Golden Guinea Brewery Plc, Guiness Nig. Plc, Honeywell Flour Plc, International Brewery Plc, McNichols Plc, Nasco Allied Industry Plc, Nestle Nig. Plc, Nigerian Brewery Plc, Nigerian Enamelware Plc, Northern Nig. Flour Mill Plc, PZ Cussons Plc, Unilever Nig. Plc, and Union Dicon Salt Plc are the consumer goods companies that were quoted.

Sample Size Selection

The entire population will be used as the sample size since the census sampling procedure will be used to choose the sample size.

Model Specifications

The investigation of how the Tertiary Education Tax affects quoted consumer goods in relation to corporate social responsibility Nigerian businesses implemented the [25] They used quarterly data from 1999 to 2019 and the autoregressive distributed lagged model (ARDL) to examine the short- and long-term effects of internal security spending on Nigeria's economic growth.

Their model is stated below;

$GDPGR_t = \alpha_0 + \alpha 1 INTESEC_t + \alpha 2\ GEX_t + \alpha 3\ POPGR_t + \alpha 4\ GCAP_t + \alpha 5\ INFR_t + \alpha 6\ FDI_t + \mu_t$

Where;

GDPGR = Gross domestic product growth rate

$INTESEC$ = Internal security expenditure as a percentage of GDP

GEX = Non-defense government expenditure as a percentage of GDP

$POPGR$ = Population growth rate

$GCAP$ = Share of gross capital formation as a percentage of GDP

$INFR$ = Inflation rate

FDI = Foreign direct investment as a percentage of GDP

[21] model was chosen because it best fits our needs and piques our curiosity in the quantity of variables employed in the data analysis process. Because there is just one dependent variable (the tax on tertiary education) and one independent variable (the cost of corporate social responsibility), the study uses a single model to accomplish its goals.

The model is therefore specified below;

TET = f(CCSR)

TET = f(CCSR, TOTAN/C)

Where;

Independent variable;
TET = Tertiary Education Tax
Dependent Variables
CCSR = Cost of Corporate Social Responsibility
Control Variable
TOTAN /C = Total Annual Investment
The mathematical model is as follows;
$TET_{it} = \alpha_0 + \Sigma\, \alpha_t\, X_{it} + \varepsilon_t$
$TET_{it} = \alpha_0 + \alpha_1 CCSR_{it} + TOTAN /C + \varepsilon_t$ - - - - - equation 1
Where;
α_0: The intercept of an equation
α_i: Coefficients of X_{it} variables
X_{it} : The different independent variables for corporate tax i at time t
t: Time = 1, 2,3,4,5……10 years.
ε_t: The error term.

Hypothesis
There is a significant influence of Tertiary education tax (Education Trust Fund) on cost of corporate social responsibility of quoted consumer goods companies in Nigeria.

$$TET_{it} = \alpha_0 + \alpha_1 CCSR_{it} + TOTAN /C + \varepsilon_t$$

Techniques For Data Analysis
The data was analyzed using the OLS regression technique, and the model was estimated using the Pearson correlation. Additionally, the study performed a number of robustness checks on the findings, such as unit root, data normality, and multicollinearity and heteroskedasticity tests. Version 26.0 of the Statistical Software Package for Social Sciences (SPSS) was used to conduct the analysis.

Results

Descriptive Statistics Test
The descriptive statistics of the study's variables, including the mean and standard deviation of the several variables of interest, are displayed in Table 1 below. It shows how the variables' normalcy has been measured. The summary statistics of the ten-year observations used in this study are displayed in the table.

Table 1: Descriptive Statistics

	LOG_CCSR	LOG_TET
Mean	15.02503	13.69060
Median	16.28149	12.87832
Maximum	21.16143	20.89052
Minimum	3.218876	7.142827
Std. Dev.	4.166517	3.937488
Skewness	-1.096659	0.345665
Kurtosis	3.472486	1.886999
Jarque-Bera	14.26267	7.367535
Probability	0.000800	0.025128
Sum	1021.702	1410.132
Sum Sq. Dev.	1163.111	1581.389

Observations	68	103

Source: Author's Computation using E-views Statistical Software.

Where:
Log CCSR = log of Cost of Corporate Social Responsibility
LogTET = Log of Tertiary Education Tax

The data was negatively skewed at -1.096659, indicating that the distribution of the data leans in a negative direction. The mean value of the log of corporate social responsibility is 15.02503, with a standard deviation of 4.166517. The logCCSR is regularly distributed, as indicated by the mesokurtic kurtosis value (3.472486), which was used to gauge how steep a distribution is. In addition, the Jacque-Bera statistics have a probability of 14.26267. The mean score for TET is 13.69060. Every variable had a positive skew. With the exception of TET, which has a probability value of 0.516152, all independent variables are leptokurtic, with a Jacque-Bera probability value less than 0.05. This demonstrates that the data is normal.

Table 2: Augmented Dicky-Fuller unit roots test summary

Variables	ADF Statistics @5% significance level	Prob. Value	Order of integration@5% level of sig.
logCCSR	24.2069	0.0191	First difference
LogTET	46.9866	0.0006	First difference

Source: Author's Computation using E-views Statistical Software.

The findings of the augmented Dicky Fuller test, which was used to assess the stationarity of the variables being studied and choose the regression model to employ for the hypothesis analysis, are displayed in Table 2 above. The data is regularly distributed, as both variables were stationary at first difference 1(1).

Table 3: Multicollinearity Test

	LOG_CCSR	LOG_TET
LOG_CCSR	1.000000	0.606086
LOG_TET	0.606086	1.000000

Source: Author's Computation using E-views Statistical Software.

Since there isn't a pairwise correlation coefficient in the correlation matrix that is more than 0.8 or -0.8, the above result suggests the existence of multicollinearity issues. The variables were so broken down. This explained the models we employed to accomplish the goals of the study. It should be noted that every variable was kept for estimating purposes.

Test of Hypothesis

The influence of the independent variable on the dependent variable was examined using the Panel Ordinary Least Square Regression Technique's Random influence Model.

HO1: Tertiary Education Tax has a significant effect on the Cost of Corporate Social Responsibility of Quoted Consumer Goods Companies in Nigeria.

Table 4: Effect of TET on CCSR
Dependent Variable: LOG_CCSR
Method: Panel EGLS (Cross-section random effects)
Date: 11/24/22 Time: 17:00
Sample: 2012 2021
Periods included: 10
Cross-sections included: 17
Total panel (unbalanced) observations: 61
Swamy and Arora estimator of component variances

Variable	Coefficient	Std. Error	t-Statistic	Prob.
LOG_TET	0.356182	0.127575	2.791950	0.0070
C	10.72603	1.915931	5.598336	0.0000
	Effects Specification			
			S.D.	Rho
Cross-section random			2.174942	0.4579
Idiosyncratic random			2.366402	0.5421
	Weighted Statistics			
R-squared	0.110030	Mean dependent var		7.269256
Adjusted R-squared	0.094946	S.D. dependent var		3.176415
S.E. of regression	2.446252	Sum squared resid		353.0647
F-statistic	7.294402	Durbin-Watson stat		1.134520
Prob(F-statistic)	0.009014			
	Unweighted Statistics			
R-squared	0.250295	Mean dependent var		15.59094
Sum squared resid	603.5847	Durbin-Watson stat		0.663633

Source: Author's Computation using E-views Statistical Software.

The regression analysis of the impact of the tertiary education tax on the cost of corporate social responsibility is shown in Table 4. The findings showed that the cost of corporate social responsibility is significantly impacted by the tertiary education tax, with a coefficient of 0.356182 and a probability of 0.0070, both below the 0.05 level of significance. This indicates that the cost of corporate social responsibility for businesses rises in tandem with a 1% increase in the levy on postsecondary education. This outcome is in line with our presumption. The R-Squared clearly demonstrates that changes in the tertiary education tax account for 11.0% of the fluctuations in the cost of corporate social responsibility.
This suggests that variables outside the model account for almost 89% of the variation in the cost of corporate social responsibility of listed consumer goods companies in Nigeria. Conclusion: It was decided to adopt the alternative hypothesis that the tax on higher education significantly affects the cost of corporate social responsibility.

Discussion of Findings

The study focused on how tax costs affect the mentioned consumer companies' investment prospects as it investigated the impact of the Tertiary Education Tax on Corporate Social Responsibility on quoted consumer goods companies in Nigeria. Tertiary education tax served as a stand-in for corporate income tax. At the same time, the cost of corporate social responsibility was used as a lens to view investments. They developed and tested hypotheses. According to the hypothesis, the cost of corporate social responsibility for quoted consumer goods companies in Nigeria is significantly impacted by the tertiary education tax.

The fact that this theory was accepted suggests that the cost of corporate social responsibility is impacted by the tax on postsecondary education. This is consistent with the findings of Gulzar, Cherian, Sial, Badulescu, Thu, Badulescu, & Khuong (2018), who pointed out that corporate social responsibility has an impact on Chinese listed businesses' corporate tax evasion. Therefore, as a kind of taxation, the Chinese government should encourage businesses to engage in corporate social responsibility. This bolsters the claim that corporate social responsibility is impacted by taxes.

Conclusion

The impact of the Tertiary Education Tax on the CSR of Nigerian quoted consumer goods companies was the main subject of this study. The results showed that the cost of corporate social responsibility is greatly impacted by the tax on postsecondary education. The study came to the conclusion that it is impossible to overstate the importance of corporate income tax in relation to the long-term viability of consumer goods enterprises. As a result, corporate income tax has a significant impact on a company's ability to survive and expand. This demonstrates unequivocally that corporate income tax has a significant impact on the performance of consumer goods companies even while it provides the government with a means of raising money to use and enhance the economy. The tax expectancy theory was validated by the study's results. Any change in the tax rate would have an economic impact on work, output, employment, and, ultimately, the performance of impacted enterprises, according to the tax expectation hypothesis. The results demonstrated that corporate social responsibility is greatly impacted by the tax on postsecondary education.

Recommendations

Based on this conclusion, the study suggests that the government take into account offering tax breaks for tertiary education to consumer products corporations that have made notable progress in the field of corporate social responsibility (CRS). These businesses' CRS expenditures can be viewed as their tertiary education fund contribution. To guarantee that it affects the targeted economic sector, the corporations' CRS activities can be regulated and they can be required to carry out such CRS in the field of tertiary education.

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