

## **Abstract**

### **The Extent of principles application of Corporate Governance in the Income Tax Departments in West Bank governorates and their impact in increasing the efficiency and effectiveness of performance**

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This study was carried out in 2010 and includes only Income Tax Departments of West Bank governorates. The number of those Income Tax Departments rose up to (14) departments.

This study aimed at identifying the extent of principles application of corporate governance in Palestinian Income Tax Departments in West Bank governorates and their impact in increasing the efficiency and effectiveness of performance.

The researcher relied on the descriptive analytical method to achieve the goal of this study. While she was working on this study; she relied on secondary data from books, periodicals, research, conferences and preliminary data through a questionnaire distributed in tax departments in West Bank. (14) questionnaires were distributed and (37) valid ones were recovered for statistical procedures. The researcher computed the frequencies and percentages of the demographic factors, and the independent paragraphs and standard deviations of the clauses of the principles of corporate governance (Management discipline, Transparency and Disclosure , Independency, Accountability, Responsibility, Equity , social awareness) , The arithmetic averages show that there is a moderate application to the corporate governance principles in the Palestinian tax departments and that is due to the fact that many tax officials lack

knowledge in the mechanism of the corporate governance and how it works. The findings show that there is a strong correlation between the effectiveness and the efficiency on the one hand and the corporate governance principles on the other.

Pearson correlation coefficient between efficiency and corporate governance showed (0.91) and (0.8 ) between effectiveness and corporate governance.

The findings confirm that applying efficiency and effectiveness in the Palestinian tax departments needs to apply the corporate governance principles as one package.

The researcher recommends abiding by the principles of corporate governance as well as providing evidence of appropriate tax services to be applied and to provide a practical guide for corporate governance in public sector institutions. This will enhance transparency, equity, justice, responsibility and moral obligation to work. The researcher also recommends that the ministry of finance should provide employees with more training courses and capacity building programs for the sake of enhancing their ability of dealing with corporate governance which will help achieving higher tax returns and help maintain the public welfare.

These programs will also help increase the employees' awareness of the corporate governance and its essential role in creating basics of good corporate governance and help establishing independent experts and consultants that will be supervising the application of corporate governance in the Palestinian Public Sector.