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The Impact of Corporate Social Responsibility on Tax Avoidance in the Listed Companies on the Iraqi Stock Exchange

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Abstract:
This study explores the impact of corporate social responsibility on tax avoidance in the Iraqi listed companies on the Iraqi stock exchange. The sample of companies include companies which are listed on the Iraqi Stock Exchange, numbering (33). Data was taken for the years from 2016 to 2021, and the data was analyzed using multiple regression and panel data analysis.The results indicated (corporate social responsibility) that there is a negative relationship between corporate social responsibility and tax avoidness and Iraqi companies suffer from slight levels of tax avoidance through adopting social responsibility practices. We note from the study that there is a weakness in the application of social responsibility accounting. Commitment to corporate social responsibility leads to reduced tax avoidance. Among the conclusions is the clear weakness in the internal control systems of companies in terms of the extent of commitment to social responsibility and attempts to benefit from tax savings to achieve personal gains. The research came out with a set of recommendations, the most prominent of which is the need to strengthen the supervisory role to reduce tax evasion operations, as using social work as a means of tax evasion harms government revenues in the state's general budget.

Keywords: corporate social responsibility, tax avoidance. Iraqi listed companies.

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INTRODUCTION:

Taxes are one of the most important financial and economic tools through which they can influence the economic life of society. They have expanded and extended to encourage the process of social and economic development and achieve balance at the local level of the overall economy. Because taxes represent a burden that is deducted from the company's revenues, some companies resort to dealing with financial matters in different ways that lead to reducing that burden. It has become common for companies to design and implement administrative procedures to reduce tax payments through tax avoidance activities. (Lanis and Richardson, 2015) Since that Tax authorities are considered one of the most important stakeholders. Paying taxes has social impacts on society because the state's tax revenues represent a basic factor for financing education, health care, etc (Watson, 2014).

in the other hand Corporate social responsibility is concerned with the need to take into account stakeholders and not just shareholders. And since that Corporate social responsibility (CSR) reporting is an emerging issue in corporate information transparency. Disclosing CSR, as well as meeting the information needs of a wide range of stakeholders, provides managers with a unique opportunity to highlight their companies' behavior and participation in economic and social development. Also Since CSR reporting is influenced by decision makers' choices, motivations, and values, it is assumed that corporate governance characteristics significantly influence CSR disclosure (Chan et al., 2014). Corporate governance refers to the system of internal and external checks and balances that ensures that companies are accountable to their stakeholders and conduct their business in a socially responsible manner (Solomon, 2013).furthermore Taxes are the main part of financing the economy because taxes have a higher contribution to the national revenue and expenditure budget line item compared to other sources of revenue (Deiwi et al., 2019). Tax is an obligation that the state must fulfill by individual or corporate taxpayers, which is legally defined in legal regulations (Mardiasmo, 2021). Taxation is something the state can do to cover the costs that need to be incurred (Ramandeiy, 2020). Corporations contributing their fair share of taxes is important. An integrated aspect of their social responsibility towards the wider community. This is because governments use corporate taxes to finance public goods and services (such as education and public healthcare) and thus improve the well-being of society as a whole. Therefore, encouraging companies to contribute their fair share of taxes is a key dimension of many CSR initiatives (Lanis and Richardson, 2018) .Although previous research has examined the benefits and incentives of CSR in developed countries, the drivers of CSR performance issues in emerging economies remain largely unknown; Therefore, the purpose of this research is to provide new insights into the drivers and consequences of CSR practices in an emerging market: Iraq. This research uses a data set of companies listed on the Iraq Stock Exchange to examine how tax avoidance and governance mechanisms may prompt companies to report on social responsibility. Companies should take into consideration that tax avoidance can damage a company's image and reputation in terms of being socially responsible (Lin et al., 2017), therefore, a socially responsible company should engage in less tax avoidance practices (Hui et al., 2013). So we expect there is a relation ship between csr activities and tax avoidness. Commitment to social responsibility and the ability to predict tax policies, in terms of consistency in tax regulations and avoiding frequent changes, helps companies make long-term investment decisions and plan their operations with confidence, and this may be reflected in the extent of commitment to social responsibility (OECD, 2018). Compliance with laws would improve commitment to social responsibility in terms of eliminating loopholes in applicable laws. Some indicate that corporate social responsibility information is receiving increasing attention from the public, governments, official professional bodies and investors, which has prompted companies to participate in social responsibility activities, disclose them and prepare sustainable reports on the extent of commitment, in addition to increasing pressure from stakeholders to integrate environmental and social considerations into companies' activities and strategies, in order to improve the quality of disclosed information and take into account the impact of social and environmental issues on business, the economy, public policy of countries, the environment and society. This is what was agreed upon by (Hyde and Julko, 2022). (Abdullah, 2023).This study's structure is as follows: the research begins with the theoretical framework, presenting foundational theories and concepts relevant to the study. Subsequently, the research method is discussed, outlining the methods and techniques used for data collection and analysis. Regression analysis is employed to examine the relationships between variables. Finally, the research concludes with a comprehensive discussion and conclusion, summarizing the findings and their implications. Previous studies related to this topic were as follows:

"Tax planning, evasion, and CSR" (Huseynov, Klamm, 2012)

This study examines how corporate governance, community, and diversity affect tax avoidance in audited tax service firms. This study empirically links tax avoidance, tax management, and CSR literature. By analyzing each CSR measure's strengths and weaknesses, we can determine how a firm's social actions affect tax avoidance. Community concerns and tax management fees positively affect GAAP and Cash ETR, while corporate governance strengths and diversity concerns negatively affect Cash ETR.

"The Effect of Corporate Social Responsibility on Tax Avoidance and Earnings Management: The Moderating Role of Political Connections" (Pratiwia, Siregar, 2019)

This study examines how CSR affects tax avoidance and earnings management, as well as political connections as a moderator. CSR improves tax avoidance, real earnings management, and aggregate earnings management, this study found. The findings show that broader CSR disclosure covers opportunistic behavior and maintains stakeholder legitimacy and image.

"The Impact of Strategic Corporate Social Responsibility on Tax Avoidance via Job Meaningfulness and the Mediating Role of Ethical Leadership" (Ghadakforoushan, eat,al, 2022)

This paper examines how ethical leadership and strategic corporate social responsibility affect work meaning and tax avoidance. Tax evasion was significantly affected by corporate social responsibility. Work's importance also affected social responsibility's inverse relationship with tax avoidance. This study emphasizes job meaning and ethical leadership in CSR and integrates it with tax avoidance. This study refines CSR analysis in a developing country and its effects on Iranian companies.

"Integrating Reporting Bridge, the Gap Between CSR Performance and Tax Avoidance Relationship? Insights from South Africa " (Lajnef & Dhifi, 2024).

This research contributes to the existing literature by exploring the role of integrated reporting in influencing the relationship between CSR performance and tax avoidance, particularly within the specific context of South Africa. this study analyses data collected from 107 companies operating in South Africa over the period spanning from 2010 to 2022. The analysis presents valuable insights into the relationship between CSR performance, tax avoidance, and the mediating effect of integrated reporting. This research contributes to the existing literature by exploring the role of integrated reporting in influencing the relationship between CSR performance and tax avoidance.

"The Effect of Corporate Social Responsibility on Tax Avoidance and Earnings Management: The Moderating Role of Political Connections " (Pratiwi & Siregar, 2019)

This study aims to examine the effect of CSR towards tax avoidance and earnings management practices as well as the role of political connections as moderating variable. This study finds evidence that CSR has a positive effect toward tax avoidance, real earnings management. The results indicate that broader CSR disclosure is done to cover opportunistic behaviors and maintain the legitimacy and corporate image in the eyes of the stakeholders. However, for political connections, it is generally not proven to have a significant role in moderating the effect of CSR towards tax avoidance and earnings management practices.

"Impact of Corporate Soial Responsibility (CSR) on Tax Avoidance with the Moderating Role of Business Strategy: Evidence from Pakistan" (Rehman, eat,al, 2024).

This study aims to examine the impact of corporate social responsibility on tax avoidance with the moderating role of business strategy in the context of Pakistan. The

CSR spending ratio measures CSR, while tax avoidance is measured by GAAP ETR from 2016 to 2020. Data for this study was acquired from the Pakistan Stock Exchange (PSX), 120 listed nonfinancial firms. The study examined that CSR and profitability have a positive impact on tax avoidance, whereas board size, leverage, and dividend payout ratio has an inverse relationship to tax avoidance. This study also explored that business strategy has positive moderates with the association of CRS and tax avoidance in the context of Pakistan.

Comment on previous studies:

The first paper examined how corporate governance, community and diversity affect tax avoidance and explained how corporate social actions affect tax avoidance as well as the positive impact of community concerns and tax administration fees on accounting principles and cash income. The second paper examined the impact of corporate social responsibility on tax avoidance and earnings management and concluded that corporate social responsibility improves tax avoidance, real earnings management and total earnings management. The third paper examined the impact of strategic corporate social responsibility on tax avoidance through the meaning of the job and the mediating role of ethical leadership. This paper examined how ethical leadership and strategic corporate social responsibility affect the meaning of work and tax avoidance and how tax avoidance significantly affects corporate social responsibility. The importance of work also affected the inverse relationship of social responsibility with tax evasion. The fourth paper examined the gap between corporate social responsibility performance and the relationship with tax avoidance and contributed by exploring the role of integrated reporting in influencing the relationship between corporate social responsibility performance and tax avoidance. The fifth paper examined the impact of corporate social responsibility on tax avoidance and earnings management: the moderating role of political connections. It aimed to study the impact of corporate social responsibility on tax avoidance and earnings management practices, as well as the role of political connections as a moderating variable. The results of this paper indicated that broader disclosure of corporate social responsibility is done to cover up opportunistic behaviors and maintain legitimacy and corporate image in the eyes of stakeholders. The last paper examined the impact of corporate social responsibility on tax avoidance with the moderating role of business strategy. This paper aimed to study the impact of corporate social responsibility on tax avoidance with the moderating role of business strategy. The percentage of corporate social responsibility spending was measured, and it showed that corporate social responsibility and profitability positively affect tax avoidance, while board size, financial leverage, and dividend payout ratio have an inverse relationship with tax avoidance.

In summery, the literature review showed that Tax revenues are a component of revenue in both developed and developing countries, and the rate of tax avoidance has increased significantly in recent years as a result of the inadequacy of the tax accounting system. so This study intend to identify the factors affecting reducing tax avoidance in Iraq. Research gap that analyzes and obtains evidence for the impact of CSR on tax avoidance. Companies that practice social responsibility, on the other hand, will avoid tax evasion because taxes are part of social responsibility activities. A company that engages in CSR activities can be considered an ethical company because business ethics is the foundation of the CSR concept. The goal of this study is to investigate the relationship between CSR and tax avoidance: Therefore, the hypothesis of our research is as follows:

H1: Corporate social responsibility affects on the tax avoidance.

Theoretical Framework :

Corporate Social Responsibility: Employee social responsibility is defined as the social role played by employees, due to their effective role in protecting the environment, developing society, and reducing poverty, through their contribution to improving and developing their institutions and communities. Employees can also benefit from social responsibility because it improves the company's productivity and thus increases the value of its resources. (Kraus, et. al, 2020). Social responsibility is the idea of imposing strict laws on organizations so that they refrain from immoral behaviors and actions that in turn negatively affect society, to stimulate actions that support the well-being of all individuals and communities in which they exist and communicate, and thus the concept of social responsibility is applied to everyone, examples of which include institutions, individuals, and governments.". (Islam, et. al, 2021). Social responsibility is the ongoing commitment of business organizations to act ethically, participate in economic development. Such initiatives enhance corporate reputation and increase customer loyalty and employee satisfaction. It is clear from this concept that socially responsible institutions must combine in their activities the social and environmental dimensions in addition to the economic dimensions. Through these previous concepts, it becomes clear to us that social responsibility is a moral commitment between the institution and society, the institution remains more accepting of what is happening around it towards the diverse owners, based on the existence of an internal motive stemming from the institution's desire to survive and continue. (Abbas, 2020). Corporate Social Responsibility includes a strategic and proactive way of doing business, going beyond social work, in which economic, environmental, and social aspects must be considered in a balanced manner, and it should not. The company to meet the expectations of stakeholders and preserve the environment. (Trinh, & Elnahass, 2023).Social responsibility has three dimensions: The economic dimension: It does not refer to profit, as an aspect of business, but rather refers to a commitment to ethical practice within institutions such as corporate government, preventing bribery and corruption, protecting consumer rights, and ethical investment. The social dimension: In this case, we find that there are some individuals whose responsibilities stop with family or work, but there are other individuals whose social responsibilities expand when they join the social and cultural elite. They add to the work responsibility general responsibilities because they are among the elite, and in this case their responsibilities expand to become responsibilities towards society as a whole. Environmental dimension: Precautionary methods to prevent or reduce harmful effects, support measures and initiatives that promote greater environmental responsibility, and develop and disseminate desirable and environmentally friendly technologies. (Al-Hashemi, and Al-Fitri, 2020). The interest in the concept of corporate social responsibility has increased with more than 50 years of history and has become a global concern, in addition to becoming a reality in the life of companies. This concept has imposed a fact on most companies that their evaluation no longer depends on their profitability alone, and they no longer depend on building their reputation on their financial positions alone.,:(Marom & Lussier, 2020).(Kraus, et. al, 2020).

- Sustainable development: Companies seek to achieve sustainable development by adopting practices that allow them to obtain profits and economic growth while controlling the environmental impact and improving the social and economic life of local communities. Companies can achieve this by developing sustainable products and services and enhancing cooperation with local communities, government agencies, and non-governmental organizations to achieve sustainable development.
- Globalization: With an accompanying focus on cross-border trade, multinational corporations, and global supply chains - Economic globalization increasingly raises corporate social responsibility.
- Impact of the corporate sector: Companies have entered a period of intense competition for workers, which means that increasing social interaction and

awareness is no longer just the right thing for companies to do, but is also critical to attracting the best talent.

- Communication: Advancements in communication technology, such as the Internet and mobile phones, make it easier to track and discuss corporate activities.
- Ethics: Humanitarian work is considered an important corporate social responsibility practice, as companies work to provide a healthy and safe work environment for employees, promote workers' rights, and improve their living, educational, and health standards. Companies can achieve this by providing continuous training and development programs for employees working to improve working conditions and providing job opportunities for youth, women, and ethnic and sexual minorities.

Tax Avoidance: The agency theory of tax avoidance holds that opportunistic managers use tax avoidance as a tool to maximize their interests. (Hasan, et. al, 2021).Tax avoidance is greater in companies with more leverage, international operations, research and development, intangible assets, and financial derivatives. Hedge. Linking Tax Avoidance to Managerial Incentives Tax avoidance is greater when managers are compensated based on after-tax earnings, with stock options, or when they have less debt-like retirement wealth attached to the company. A particular manager, especially a tax manager, is also important in achieving corporate limits and corporate tax avoidance in general. What is less known is whether companies use these structures to avoid taxes. Tax avoidance showed that multinational corporations have subsidiaries in tax haven countries reporting lower effective tax rates than other corporations. (Demere & Donohoe, 2020). Tax avoidance is a legal and safe act by taxpayers, but it harms the terms and conditions of taxation through the use of weaknesses and loopholes in the tax laws and policies themselves to reduce tax liability, which results in saving more money for the company and investors. Tax avoidance and tax avoidance can be viewed as a strategy that benefits the company and shareholders because it provides the resources necessary to develop the company through investment or increase the cash available to shareholders through the distribution of profits, and tax avoidance is a legal activity to uses tax benefits, and there is generally no law controlling Tax avoidance, and the European Court of Justice defined tax avoidance as artificial interference to circumvent the tax law, and described tax avoidance activities in the following four methods (delaying tax-related payments, determining a tax base subject to lower tax rates, not being subject to taxation, transferring income from a person with a tax rate High taxes to someone who pays less tax. Tax avoidance is associated with terms such as "legal", "tax savings", and "intelligence", and therefore investors and the market can view tax avoidance negatively because it may cause additional costs for the company. Has described it as difficult to define. Although it is used extensively by taxpayers to reduce their tax liability, it has used concepts such as tax planning, tax administration, and opportunistic behavior. Tax and tax havens, although there are differences between them, in the description of tax avoidance, it includes any activity, behavior, transaction, or procedure that is implemented to reduce the tax burden on taxpayers legally, and that tax avoidance is an illegal aspect of it. As any measure aimed at reducing the explicit tax liability of the taxpayer, it is a continuum of all tax planning strategies, one end of which is legitimate tax avoidance and the other is tax evasion. (Irawan, & Turwanto,2020).

Three views of tax avoidance are offered: (Zaytoun, 2021)

- Tax avoidance is a less expensive alternative to financing external sources to replace debt.
- Tax avoidance is a tool for transferring value from the government to shareholders.
- Companies use their money to invest in the absence of other sources of financing or if they are very expensive.

Two types of tax avoidance can be distinguished: (Guo, et.al, 2023)

- Acceptable tax avoidance: this is consistent with the tax legislator's intent, which aims to achieve some economic and social goals by encouraging certain sectors to attract taxpayers towards a specific activity, and thus tax avoidance is through investing in tax-exempt activities.
- Arbitrary tax avoidance: This leads to a violation of the moral duty of managers and does not take into account the intention.

Tax avoidance results in cash savings that may be used to improve the company's financial performance, and may entail some costs and risks due to activities associated with tax avoidance. (Khorsheed, 2021).

There are many and varied methods and practices of tax avoidance as follows: (Mohammed, 2021), (Kyere & Ausloos, 2021)

- Accounting strategies and policies followed by the company: Accounting standards allow flexibility in selecting various accounting methods and methods that are appropriate to the nature of the company's activity, and this flexibility can be exploited in tax avoidance.
- Transfer pricing: which takes place between the companies of the group and this method is used especially in intangible assets or services. The parent company may use incorrect transfer prices to transfer goods between its branches in different countries of the world, which may differ in tax treatment. (Khan et al., 2022)
- Tax havens: It is used by multinational companies that benefit from the different tax systems between different countries in the practice of tax avoidance, as they transfer profits to areas with low or non-taxable tax rates.
- Benefiting from some provisions of the law that exempt certain activities and the exemptions stipulated in tax-exempt areas.
- Financing assets with debt: companies finance their assets through debt in exchange for financing by ownership, and therefore these companies enjoy higher financial leverage, which leads to a decrease in taxable income as a result of higher financing expenses, and thus a reduction in tax expenses. (Alduais, et al., 2022)..
- Income carryover: Companies may transfer income from periods that are subject to higher tax brackets to periods that are subject to lower tax brackets, meaning that the company postpones income recognition for subsequent periods that are subject to tax at a lower rate, which leads to a reduction in the tax due.

THE RESEARCH METHOD:

The study sample:

The present study includes data from 33 companies listed on the iraqi Stock Exchange the years from 2016 to 2021.

Variables:

Dependent: tax avoidance

Independent: corporate social responsibility

Controls variables : (Size, AGE, ROA, GROW, EVA, Leverage, LIQ).

Findings:

Descriptive statistics of research variables:

The dependent variable of the research, which is tax avoidance, has a mean and median close to each other, and it indicates that almost 3% of the pre-tax profit is tax expense (for profitable companies) and zero value for unprofitable companies. Who have not paid taxes as a result.. the independent variable which is social responsibility has a mean and median of almost equal to 0.38. What is clear is that 7 proxies of social responsibility proxies have been observed in more than half of the companies, and the maximum number of observations is equal to 11, and the minimum number is 2, indicating that there are still companies in Iraq that follow the indicators of responsibility. They pay very little attention to social issues, and in general, compliance with social responsibility issues is weak in Iraq.

Table 1. Descriptive statistics of research variables

Varbilae		Average	Median	STD	Min	Max
tax avoidance	dependent	031/-0	016/-0	064/0	497/-0	000/0
CSR	Independent	384/0	388/0	105/0	111/0	611/0
LEV	controls	322/0	221/0	202/0	004/0	784/1
Growth	Controls	348/0	054/ 0	040/1	00/-1	595/4
CapROA	Controls	044/0	015/0	040/0	693/-0	584/0
CapEVA	Controls	$4^*10^8/1$	5* $1eighth0^8$ /3	5* $1eighth0^8$ /5	$8^*10^8/-1$	2* $1eighth0^8$ /4
AGE	Controls	481/3	397/3	332/0	639/2	330/4
DIV	Controls	364/0	165/0	384/0	000/0	958/0
LIQ	Controls	177/2	791/1	523/1	044/0	154/7
Size	Controls	477/22	412/22	427/1	895/26	321/19

Inferential statistics:

Various statistical analytical techniques were used to take advantage of the data obtained from the sample to reach conclusions about the research sample. The primary goal of this work is to reach conclusions regarding the characteristics of the sample based on the data collected. Only a minority of statistical problems are completed during the descriptive statistics stage.

Pearson correlation coefficient matrix in Iraq:

The statistical program was used to measure the results, which are shown in the table below. Table 2.

Table 2

	TA	*CSR*	*Size*	*AGE*	*ROA*	*Growth*	*EVA*	*LEV*	*DIV*	LIQ
TA	1.00									
CSR	-0.61	1.00								
CG	-0.73	0.06								
Size	-0.10	-0.01	1.00							
AGE	-0.07	0.03	0.06	1.00						
ROA	-0.25	-0.15	0.18	0.05	1.00					
Growth	0.03	-0.18	0.13	-0.06	0.26	1.00				
CapEVA	-0.21	0.27	-0.19	0.09	-0.58	-0.49	1.00			
LEV	-0.07	-0.02	-0.07	-0.05	-0.07	-0.17	0.14	1.00		
DIV	0.05	-0.15	-0.01	-0.07	0.18	0.27	-0.27	-0.05	1.000	
LIQ	0.05	0.01	0.19	0.23	0.18	0.14	-0.10	-0.13	0.10	1.00

From the table above it appears that the correlation coefficient of social responsibility (independent) and tax avoidance (dependent) had a significant effect of -0.61. The other variables for (certified) tax evasion in Iraq are indirect, with an effect of -0.73. The correlation coefficient between return on assets is -0.25

Test of the hypothesis:

Below are the results of testing the research hypothesis based on the results measured previously. Table 3 is as follows.

Table 3. Limmer, Hausman, and Durbin-Watson F test the hypothesis

Country			Iraq
Test	Number of years - firm	Chi-statistic	P value
Flimer	198	86/7	000/0
Hasman	198	40/12	191/0
Durbin-Watson	198	55/1	-

According to the results of Table No. 3, the Limmer F test and its significance level in Iraq (0.00) is less than 0.05, as it shows that the panel data is used instead of the aggregated data method. The significance level of the Durbin-Watson test in Iraq (1.55) indicates

It indicates that there is no serial autocorrelation between the disturbance components in the model.

Table 4. Regression testing of the research hypothesis and showing the extent to which the research results match.

$$Subscripttax\ avoidance_{i,t} = b_0 + b_1 CSR_{i,t} + b_2 LEV_{i,t} + b_3 Growth_{i,t} + b_4 ROA_{i,t} + b_5 EVA_{i,t} + b_6 DIV_{i,t} + b_7 LIQ_{i,t} + b_8 Size_{i,t} + b_{10} AGE_{i,t} + \varepsilon_{i,t}$$

Variable		Coefficient	STD	T statistic	P-value	VIF	
β		-0/345	1/098	-0/354	0/723	-	
CSR	Independent	-0/654	0/067	-9/68	0/000 ***	1/27	
LEV	Contrlol	0/032	0/025	1/272	0/204	1/43	
$Growth$	Contrlol	-0/009	0/004	-2/039	0/042 **	1/67	
ROA	Contrlol	-0/082	0/040	-2/203	0/028 **	1/89	
EVA	Contrlol	-1/181	2/413	-0/492	0/623	1/67	
DIV	Contrlol	0/009	0/016	0/579	0/563	1/65	
LIQ	Contrlol	0/002	0/000	2/449	0/015 **	1/07	
$Size$	Contrlol	0/006	0/009	0/639	0/523	1/52	
Age	Contrlol	-0/015	0/034	-0/464	0/642	1/26	
Adjusted R	0/35	F		09/13) 0/000((			
Observation	198	Durbin- Watson		1/55			

***he significance appeared at the range of 1% * * and the level of 5% * and between the level of 10%. Table 4 shows the results of testing the hypothesis. It can be shown that social status (the independent variable) in Iraq has an ineffective or direct relationship, while the significance of tax evasion (the dependent variable) is at a factor of 0/654. Therefore, the research hypothesis in Iraq is accepted at a confidence level of 99%. As indicated by the values of the variance inflation statistic (variance inflation <5).

DISCUSSION:

The results of the research hypotheses generally indicate that companies' commitment to corporate social responsibility would add value to the company through services or meeting needs, which in turn leads to creating a good reputation for the company by gaining customer satisfaction. We note through the research that the relationship between corporate social responsibility (the independent variable) and tax avoidance (the dependent variable) is indirect in Iraqi companies listed on the Iraqi stock market, and this results from the weak application of social responsibility accounting. Commitment to corporate social responsibility leads to a reduction in From tax avoidance. Large companies committed to corporate social responsibility pay taxes and do not resort to tax avoidance. Commitment to corporate social responsibility represents a real challenge for companies implementing it, so companies try to use tactics such as misleading claims about their products or services in an attempt to reduce costs. This is considered unethical behavior that reduces the company's reputation. Through the above, private Iraqi companies should pay attention to implementing corporate social responsibility because of its positive results for the company in the short and long term. Companies that apply tax avoidance should stay away from it because of its negative effects on the company's reputation and continuity. The government should support companies by using tax incentives for CSR activities and maintaining the credibility of taxes. New controls must be put in place to clarify the indicators that companies must disclose in their social responsibility activities. For researchers, the researcher recommends expanding the research topic to include other variables such as (tax evasion, tax planning, tax incentives, as well as sustainability) and linking them to the following variables (sustainability, risk management and company value, mergers and acquisitions, innovation, monitoring and performance, stakeholders, ownership, owned companies of the state, boards of directors, internal auditing and control, corporate strategy). The researcher recommends that new researchers choose a specific sample such as the banking sector and compare it with another similar sample in another country (comparative study).

Conclusion:

The study shows important results on tax avoidance and non-compliance with social responsibility as evidence to reduce the high costs that companies may incur as a result of these opportunistic practices by management. Among these different perspectives, the research aims to clarify the benefits and effects of corporate social responsibility on the financial aspects of companies' performance and the perceptions of the public and stakeholders in the company and the extent to which this is reflected in tax avoidance. Recently, there has been increasing interest by the public in the concept of social responsibility, hence the importance of studying this topic and clarifying the extent of its impact on corporate tax avoidance and trying to benefit from commitment to social responsibility in achieving sustainable growth by companies.

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