



Tax Planning in Personal Income Tax: A Systematic Literature Review

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Abstract

The systematic literature review analyses and synthesizes research conducted regarding personal income tax planning within the time period of 2012 to 2022, 30 articles were reviewed. The review discovered that most of the articles dwelled mostly on unincorporated businesses and their owners/entrepreneurs/sole proprietors/investors as well as those articles that discussed issues relating to tax authorities' regulations on personal income tax. The articles reviewed, gave insights on issues relating to personal income tax planning of wealth transfers, such as inheritance and bequest; gifts and in-ta-vivos; deathbed planning, etc. Importantly, they provided insights into how unincorporated businesses and entrepreneurs can optimize their disposable income through good personal income tax planning. In addition to the above, it highlighted such financial instruments that were resorted to, the most by taxpayers, which made their personal income tax planning more effective. (life insurance policies are the most widely used tax-saving tool, followed by provident funds and tax-saving fixed deposits, loans for homes and schools, National Savings Certificates, unit-linked insurance plans, health insurance plans, and equity-linked savings schemes, Infrastructure Bonds, in that order); we also found out that government strategies that influenced tax planning in favour of the state include: cooperation, increased uncertainty, creation of models, and maintaining a friendly atmosphere to avoid aggressive tax planning and improve revenue. Finally, direction for future research was suggested.

Keywords: Personal income tax; tax planning, systematic literature review

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INTRODUCTION

Tax is a global fiscal tool used by the government or those in authority at all levels in order to achieve some macroeconomic objectives, such as income redistribution, income generation to finance governmental projects, influencing patterns of consumption, etc. Taxes have been collected by governments at different levels, from time immemorial to date, government officials and their revenue collectors have been taxing their constituents with astonishing inventiveness and a variety of innovative methods. Taxes are imposed on tax subjects who can either be personal individuals formally known as the personal income tax or on corporations formally known as corporate income tax.

Tax subjects tend to see tax as a burden placed on them by the government, which triggers their urge to try to boycott or minimize as much as possible the amount they pay to the government as tax. They attempt to avoid or evade such taxes through tax planning. A crucial aspect of any financial planning is tax planning. Taxpayers may keep their tax liability to a minimum by using effective tax planning. Making sure that their investments are in line with their long-term objectives and legally taking advantage of all tax exemptions, deductions, refunds, and allowances which will help them achieve this (Savita & Gautam, 2013)

Tax planning otherwise known as tax optimization refers to such a choice of the structure of a planned legal act that will assist the taxpayer in minimizing his tax liability in order to maximize his disposable income. The objective of every tax planning should be to create optimum frameworks and options that have to do with specific economic actions that will be taken by the tax subject to lessen the tax burden (Nyk, 2016). To lower their tax obligations, taxpayers engage in a variety of activities. Some of these methods are legal, commonly referred to as tax avoidance, such as deferring taxes; income splitting and tax arbitrage between different types of income. Others involve unlawful practices commonly referred to as tax evasion which if a taxpayer is found guilty is punishable under tax laws of virtually all countries of the world, such unlawful acts may include, engagement in barter; failing to file

appropriate tax returns; underreporting incomes, sales, or wealth; overstating deductions, exemptions, or credits, etc among others (Alm, 2014).

However, there is ample, if frequently ambiguous, evidence that tax evasion and avoidance practices are pervasive and frequent in the whole world. Although the line between lawful tax avoidance and illegal tax evasion may be obvious in theory, it is less clear in practice. Some studies have attempted to draw a dichotomy line between the two, therefore tax payers and other practitioners can seek to see the dichotomy in order to be able to plan their economic actions well without repercussions. Onu et al. (2019) states that tax avoidance is part of tax planning which is considered legal, and it amounts to employing structures created exclusively for the goal of saving tax or exploiting regulations even though in a way that is not intended, but legitimately. Whereas tax evasion is distinct from tax planning as it is considered illegal and it amounts to such actions that are illegitimate such as concealing income or declaring false expenses.

Tax planning shouldn't be done with the intention of defrauding income from the state; instead, it should be done so that all arrangements made to save money on taxes do so in a way that complies with legal obligations and requirements (Savita & Gautam, 2013).

Literature review on tax planning in general has received conservative level of attention in the research world due to the relevance of tax planning in the broad field of financial planning, even though most of researchers' attention was paid to the review on corporate tax planning with little or no attention paid to personal income tax planning review. Additionally, researches conducted on personal income tax planning such as Sanket and Charkha (2018); Gautam (2013); Mathew (2016) and other researchers mostly focused on tax planning of salaried individuals in various sectors and other income earners such as investors and entrepreneurs, which made the research limited in scope. In more recent researches on personal income tax planning, quite a number of authors now focus on more specific and unique areas of this type of tax, these areas may include wealth transfer e.g., inheritance and bequeath, gifts and donations etc (Sommer, 2017). Spousal bequest (Escobar, 2017) and (Buettner et al., 2019), how tax planning of owners of SME's affects them and their businesses (Nyk, 2016); (Agostini et al., 2018). Thus, there is deficiency of a more encompassing and systematic review that takes these new approaches into account. It is against this background that the authors seek to address the perceived gap by including these unique areas into their intended systematic literature review SLR work. This review intends to avail the reader a bird's eye view of the research work conducted from 2012 to 2022, on personal income tax planning. Particularly, this review seeks to provide insights to the following key issues: 1) What are those factors influencing individual taxpayers urge to engage in tax planning, 2) What major strategies (financial instruments) did the taxpayers resorted to the most in the course of the tax planning activity, 3) What are those strategies by government that will likely influence tax payers tax planning that will favour the state, 4) To examine how tax planning was carried out in special scenarios which may include, 5) Identify some of the gaps in the existing body of literature and suggest direction for future research.

Through a systematic analysis and synthesis of the available literature, the authors intend to provide some insights to the above raised issues. The study made use of some tabulations in an attempt to specify the trends and patterns in the research. Next section of this paper which is section 2, presents the methodology employed, followed by an analysis of the trends in the selected articles in section 3, section 4 is about organisation and synthesis of the literature, while the last section, section 5 constitutes the conclusion, limitation and direction of future research.

RESEARCH METHODOLOGY

In order to condense a significant amount of data into a manageable, transparent, and reproducible manner, a systematic literature review is necessary, (Denyer and Tranfield, 2006) in (Kumar et al., 2019). In search of relevant literature, 2 databases were utilized, Google Scholar and Semantic Scholar. The search key words used were "Tax planning in Personal Income Tax" and "Personal Income Tax Planning". The search targeted all published articles that were published between 2012 and 2022. The Results obtained from the data base amounted to 17, 237 articles. In order not to include irrelevant articles, we set up some criteria to filter out all irrelevant articles to our study. The criteria implored is itemized below: 1) Such articles that purely discussed about Personal Income Tax Planning or those

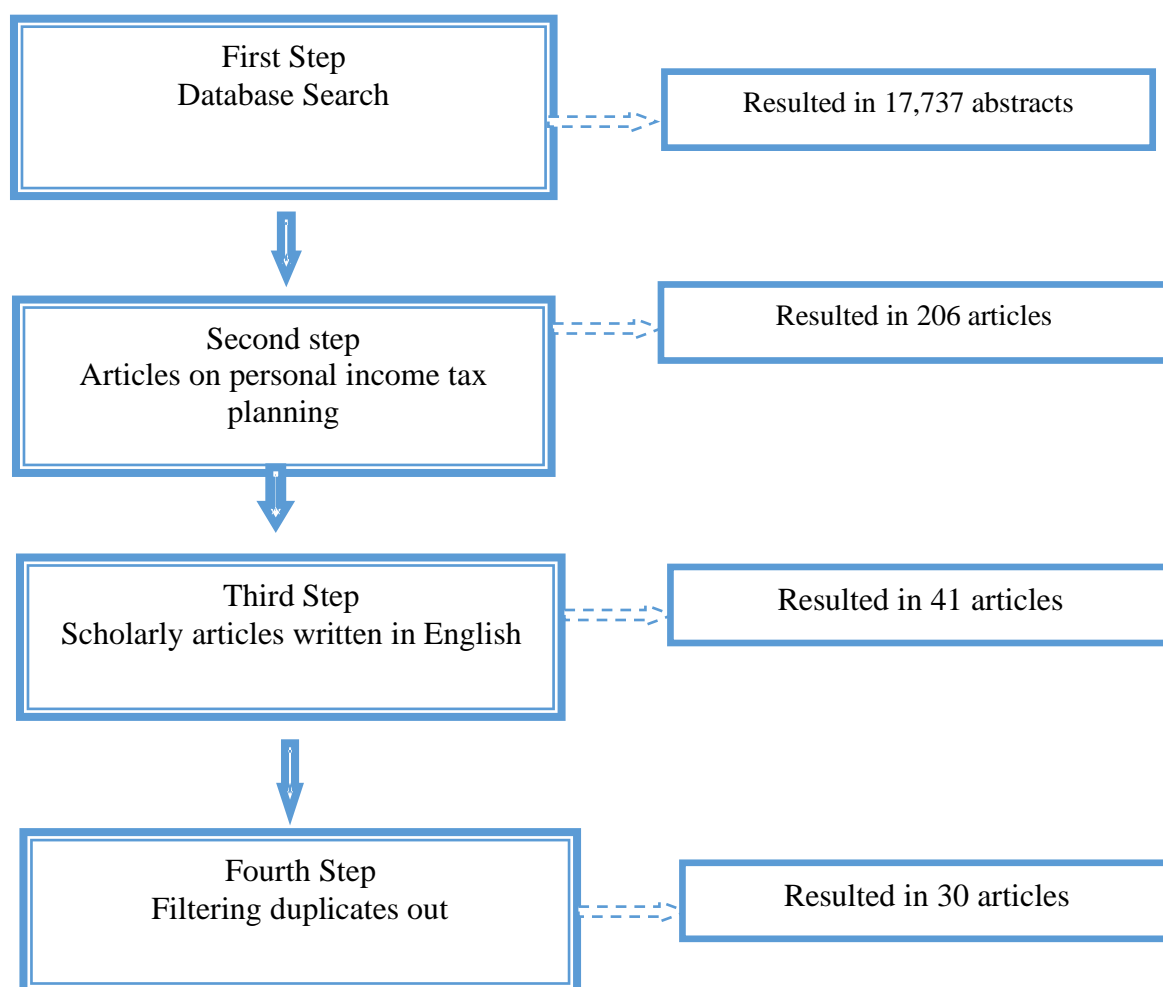
mixed with other Income Tax Planning like the corporate income tax etc, 2) Articles written on concept that relates to or affects personal income tax planning, 3) Articles written in English language, 4) Scholarly published articles.

After subjecting the extracted articles to pass the above criteria, we were left with 206 articles, as a huge chunk of the articles were focusing on the corporate income tax planning, after which, we subject them to further scrutiny to take only the relevant ones, finally only 30 were found to scale through, consequently their full texts were secured. Below is a table presenting a summary of the data base searching protocol and a figure below it highlighting how the search process went by.

Table 1.
Summary of the Data Base Searching Protocol

S/N	Database Used	Search key words	Time of Search	No. of Papers
1	Google Scholar	Tax planning in personal income tax	December 2022	17,500
2	Semantic Scholar	Tax planning in personal income tax	December 2022	237
Total				17,737

Source: Author's work 2023



Source: Author's Work (2023)

Figure 1. Highlight of the Search Strategy

Targeted Group of the Studies

In this segment, we attempt to classify the articles based on the targeted group of the researchers, that is, those personal individuals the researchers studied. In personal income tax, tax subjects may include those personal individuals or household other than corporations who earn income within a tax year e.g., salaried income earners, entrepreneurs/sole proprietors, investors, small and medium businesses, those in receipt of wealth transfers etc., for the purpose of this paper we categorised the articles into 5 classes, whether an article is focusing on paid income earners; or focusing on small businesses/their owners; as well as those focusing on tax subjects different from the 2 above-mentioned tax payers, those articles focusing not on the tax subject but rather on the tax authorities themselves and lastly those focusing on more than one class; which we merged with the unspecified ones, making 5 classes all in all. From among the 30 articles under review, 8 articles discussed about unincorporated businesses and their owners; another 8 dealt with issues relating to the tax authorities; 7 focused on paid-income taxpayers; another 5 discussed on a unique aspect different from the above-mentioned, such as wealth transfers & marital issues and lastly 2 articles fell in the unspecified class, as 1 article in the unspecified category, jointly discussed about more than one category, while the remaining 1 article was unspecific.

DISCUSSION

The featured articles and their patterns will be succinctly synthesized chronologically in this section. A future study agenda is suggested after limitations of the trends are acknowledged. As in the methodology section above, equally in this section we are going to synthesize the articles with regards to the targeted stakeholder or activity. In the categorization above, it can be discerned that majority of the articles dwell on issues relating to taxation of unincorporated businesses and their owners as well as those dwelling on issues relating to personal income tax affecting the tax authorities or tax authorities affecting the personal income tax planning of the subject. The synthesis here will be conducted taking those 4 categories as the subheadings in this section.

Unincorporated Businesses/owners

Nyk (2016), sought to outline criteria for SME sector firms (SMEs) not designated as corporations in order to help them choose the most advantageous form of taxes. He posited that, how SMEs operate and grow is heavily influenced by the types of personal income taxation they select. The ever-shifting economic landscape drives organizations to continuously seek for new ways to save money. Tax optimisation is one such opportunity, since it allows an organization to pay less in taxes while still achieving better financial results.

Agostini et al. (2018) examined whether strategic tax planning for individuals is related to the use of STRs (Special Tax Regimes) in Chile, they concluded that after a reform that tightened the requirements for a particular STR, reported individual revenues from businesses that filed under that STR declined by 10% to 15%, although income reported from alternative sources increased. The overall taxable income rose by 4% to 7%. The stringent scenario for evading taxes through STRs, which is consistent with people adopting these regimes for tax planning, explains this growth.

Olsen et al. (2019) attempted to look at whether self-employed persons manage their income tax by using mental accounting, and they found that some taxpayers (segregators) mentally separate taxes from revenue while others do not (integrators). Lower impulsivity and more favourable opinions toward taxes were linked to tax segregation. However, people with higher mental accounting scores indicated more evident levels of tax planning. Mental accounting was not associated to intents of tax evasion. We discover a positive relationship between tax optimization and mental accounting. Also, (Onu et al., 2019) sought to investigate small business owners' attitudes to tax avoidance, tax planning, and tax evasion, and they posited that tax avoidance was linked to a belief that the tax system is unjust and that there are legal weaknesses that can be taken advantage of, whereas tax evasion was predicted by the

belief that evasion is not a serious crime that can be overlooked. Both tax avoidance and tax evasion were linked to poor individual attitude to contribute to the tax system.

Still on businesses and entrepreneurs, (Geisler & Drnevich, 2019) attempted to study how individual owners of business entities in US would take advantage of a certain tax deduction, he submitted that, some taxpayers who are owners of SSTBs can dramatically lower tax by reducing or eliminating the phase-out of (i.e., raising) the QBI deduction with smart tax planning at the corporation level, or at least at the single owner level.

Moreover, in 2021 also, 3 articles surfaced, (Fossen et al., 2021) studied how entrepreneurial portfolios respond to taxation in Germany, they posited that lower marginal personal tax rates raised the conditional portfolio share that business owners invest in their own company while simultaneously decreasing the likelihood of owning a firm. This is consistent with a motivation for owning a marginal firm to evade or avoid taxes, but it also shows the deterrent effect of higher marginal tax rates on marginal investment in profitable businesses. In the same period and direction, (Harju & Kosonen, 2021) attempted to assess the causal relationship between tax incentives (2 finished tax reforms) and small firms' economic activity. They concluded that, the two reforms provided exogenous variation in the tax burden of business owners because they only applied to owners of unincorporated enterprises. This is in line with research on the elasticity of taxable income, which shows that those with higher incomes react to changes in tax incentives more strongly. In a nutshell they suggested that indeed, offering entrepreneurs better tax incentives can encourage economic activity within their businesses. In this same vein and period, (Dastan et al., 2022) explored how entrepreneurship might be affected by a high personal income tax rate. And his findings affirmed the above findings, as he demonstrated that, both in the short and long term, the top income tax rate has a detrimental and statistically significant impact on entrepreneurship. The estimate of this study predicts that a one percentage point rise in the top statutory marginal income tax rate will result in a short-term decline of 0.13 percentage points and a long-term decline of 0.41 percentage points in the rate of new company creation.

It is worthy to note that Nyk (2016); (Agostini et al., 2018); Olsen et al. (2019) provided us with some highlights on how unincorporated businesses and entrepreneurs can optimize their disposable income through the observance of a good tax planning and tax management in general. (Onu et al., 2019) on his side gave us an insight into what constitute tax planning, tax avoidance and tax evasion and also, what usually triggers each of the aforementioned. (Geisler & Drnevich, 2019); (Fossen et al., 2021); (Harju & Kosonen, 2021) and (Dastan et al., 2022) provided us with some insights on how tax incentive or lack of it affects the income and economic activities of entrepreneurs and their business.

In relation To Tax Authorities

Alm et al. (2012) sought to map the evolution of research paradigms from those that prioritized enforcement to those that prioritized cooperation. They submitted that an atmosphere of cooperation, not hostile opposition, must prevail throughout the state for interactions between citizens and authority to be successful. Elected political officers and the tax authorities have to take an orientation according to which they govern and run the country at the mandate of, and with the revenue provided by, the taxpayers. In a different study, Alm made an effort to build on the above findings in 2014 where he examined whether uncertain tax system encourages aggressive tax planning, he later came up with two conclusions, (1) that it is possible to make a compelling case that increased uncertainty causes more ATP to be used, at least when both individual and collective motives are taken into account. Uncertain tax regimes may theoretically result in either higher or lower levels of ATP. (2) that individuals behave quite differently, regardless of the precise type of behavioural reaction to uncertainty, many different individual and group incentives influence behaviour, but only some of these motivations can be seen and only some of these reasons are influenced by taxation laws (Alm, 2014).

Pfeifer and Yoon (2016) posited that due to the ongoing development of stringent norms of conduct that apply to tax practitioners and the mounting demand on tax professionals to uphold ever-higher ethical standards, the scope of legal tax planning by US tax experts has been dramatically curtailed in recent decades.

Bueschkens and Mann (2019) provided an insight of how Canadian government planned to deal with abusive tax planning by enforcing a general anti-avoidance rule, known as GAAR. They highlighted that the enforcement process wasn't successful, they suggested that direct modifications to the law,

which might not be detailed enough to catch the kind of planning that the government considers to be abusive, are the main method for discouraging aggressive tax planning. Also in the same year and direction, (López et al., 2019) made effort to contribute to tax fraud detection profession through the use of neural network, he posited that the application of neural networks allowed for the segmentation of taxpayers and the computation of the likelihood that a particular taxpayer will try to avoid taxes. According to the findings, the chosen model is 84.3% efficient. These models will assist tax offices in making the best decisions possible regarding the course of action to take in order to combat tax fraud.

Guner et al. (2020) aimed at ascertaining whether if Spanish government generate more tax revenue by making personal income taxes more progressive, he found out that such policy that raises labour income taxes for people who make more than the average wage and lowers them for people who make less than that raises a limited amount of extra revenue. If marginal taxes are only increased for the wealthiest earners, the overall tax revenue is higher. In support of the above (Merriman et al., 2021) found out Illinois government that tried to charge those earning lower than the average income more, couldn't generate more revenue for the government compared to its counterparts in Wisconsin, Minnesota, Iowa or Missouri, who charge marginal tax to high income earners.

Bergolo et al. (2021) sought to examine how individual taxpayers react to personal income taxation in a setting with several chances for sheltering, he came up with conclusion that in order to reduce tax evasion, authorities should be cautious when implementing measures that increase the number of tax deductions available and boost the reliability of third-party reporting systems. This is especially important in the context of developing nations with weak enforcement capabilities. They further stressed that expanding the tax base and strengthening the administrative capabilities of tax authorities rather than weakening the progressivity of the tax system may be the best course of action in the case of considerable deductions or tax evasion reactions to income taxes.

Importantly, we observed that (Alm, 2014), attempted to support and buttress their findings in Alm et al. (2012), where they emphasize the need for maintenance of a friendly atmosphere by the authorities in their interactions with the subjects, in order to avoid aggressive tax planning. Also (Pfeifer and Yoon, 2016); (Bueschkens and Mann, 2019) and (Bergolo et al., 2021) emphasized on how tax laws should be enforced in order to attain better compliance from tax payers. Meanwhile (Guner et al., 2020) and (Merriman et al., 2021) contributed with strategies by which tax authorities will maximize revenues they collect.

Paid Income Earners

Mansuri & Dalvadi (2012) tried to investigate the connection between chosen individual taxpayers' tax awareness and tax planning behaviour, he found that good knowledge of tax planning among tax payers influence the level of their engagement in it. Those having proper knowledge of tax saving techniques, took tax planning various.

Savita & Gautam (2013) worked on finding out the most suitable and popular tax saving instrument used to save tax and their impact on income, he submitted that life insurance policies are the most widely used tax-saving tool, followed by provident funds and tax-saving fixed deposits, loans for homes and schools, National Savings Certificates, unit-linked insurance plans, health insurance plans, and equity-linked savings schemes, Infrastructure Bonds, in that order. Additionally, it demonstrates that saving is extremely low in both youth and old age. Savings rates were higher among middle-class people. (Kreiner et al., 2014) assessed top managers use of year-end tax-avoidance strategies in Denmark, he posited that 5-7 percent of all top managers use year-end tax planning techniques in order to reduce their tax obligations using a tax change that decreased the marginal tax rate for this group. This they believe supports the previous findings in (Kreiner et.al., 2013), demonstrating that among other things, income shifting occurs at all income levels, but is more prevalent among taxpayers who earn higher salaries.

Varotsis & Katerelos (2018) examined the identification of traits and viewpoints that are significant in tax behaviour and persistence of evasion, they asserted that economic, social, and psychological elements are vastly superior in describing tax behaviour, hence reducing tax evasion. These findings logically imply that Greek tax behaviour may be influenced by fiscal, social, and psychological considerations.

Kalgutkar (2018) investigated how tax planning and awareness affect a person's ability to accumulate wealth, he explained that having knowledge of current tax laws and doing tax planning would help you build wealth. Simply said, tax planning and awareness result in wealth generation for the individual assessee.

Vyas and Gondaliya (2020) studied an individual's knowledge of tax planning in relation to demographic data. The study's conclusions demonstrated that salaried individuals' understanding of tax planning is influenced by their demographic characteristics. The analysis shows that while qualified people have the necessary knowledge for the job, higher-income persons require the assistance of specialists to handle their taxes. They added that insurance, followed by mutual funds, housing loans, and PPF, is one of the most popular ways people choose to handle their tax bills. Also (Dastan et al., 2022) aimed to analyse the income tax planning procedure and personal tax reduction measures of individuals they concluded that if done correctly, tax planning benefits both the government and the general public. Therefore, it is the responsibility of the people to implement adequate tax planning strategies in order to protect both their own interests and those of the government.

Nevertheless, we can infer from above that (Mansuri & Dalvadi, 2012); (Kalgutkar, 2018); (Vyas and Gondaliya, 2020) and (Dastan et al., 2022) dwell their studies on taxpayers knowledge of tax planning and how it affected them in executing appropriate tax plans that will aid them achieve their tax related goals. While (Savita & Gautam, 2013); (Kreiner et al., 2014) and (Vyas and Gondaliya, 2020) suggested some financial instruments tax payers used the most in executing effective tax plans. Finally (Varotsis & Katerelos, 2018) elaborated more on those factors that move a taxpayer in committing tax evasion or tax avoidance.

Special Scenarios

Wrede (2014) examined the impact of tax planning on the perceived fairness of the inheritance tax rate level, he revealed that tax planning was found to significantly raise the perceived fairness of the inheritance tax rate, according to a German survey. The amount, kind, and relationship of the heir to the bequeather, as well as the bequeator's intentions, were determined to be important factors in determining the acceptable tax rate. Within the same scope of inheritance, (Sommer, 2017) evaluated how closely tax laws are targeted by taxable bequests. He examines bunching at specific increases in the marginal tax rate. The results revealed that there is acute and significant bunching for taxable bequests that exceed the basic allowance. While there is proof that inter-vivo gifts can be tax-planned, inheritances do not show bunching. Findings indicate that bequest tax planning mostly affects donors as opposed to receivers of wealth transfers. Still on inheritances, (Escobar, 2017) studied underreporting of inheritances and spousal bequests in Sweden, he posited that under-reporting of estate size was common and that many persons were able to significantly lower their tax obligations. He demonstrates that a significant amount of the inheritance tax was avoided, especially by individuals who received the highest inheritances.

Buettner et al. (2019) examines married couples' tax planning under separate taxation, and they discovered that if tax planning is linked to a greater fall in the net-of-tax income of the secondary earner, a couple is less likely to choose the tax-minimizing strategy. This holds true whether the primary earner is the husband or the wife. Couples where the female is the main earner, however, are typically more hesitant to give the wife the more advantageous tax treatment. Finally (Erixson & Escobar, 2020) built on Kopczuk's (2007) work by utilizing exogenous variation in tax plan incentives brought about by the removal of the inheritance tax in Sweden, they discovered that no decreases in tax payments or estate values among people who pass away from a terminal illness, indicating that deathbed tax planning is not significant in the situation they examine.

From the forgoing, we observed that (Wrede, 2014); (Sommer, 2017); (Escobar, 2017) and (Erixson & Escobar, 2020) focused more on tax planning relating to inheritance, they had individual findings, though we observed how related were the findings. Buettner et al. (2019) on the other hand, highlighted tax planning relating to married couple under separate taxation.

Unclassified

Del Castillo & Villanueva-Garcia (2021) examined the link between personal income tax payments and tax morale, they discovered that all of the correlations were of low magnitude; from the standpoint of the declared income, the relationship relies on the source, corresponding to employment and capital sources of income; tax morale has a positive reliance, rising with income level; business income is unrelated.

Batrancea et al. (2022) sought to respond to the topic of whether students and business owners have different professed tax evasion attitudes within the context of tax compliance's slippery slope. They are of the view that tax evasion was more common among students, but that this effect may be lessened by strengthening the authority of authorities in particular. On the other hand, for business owners, enforcement of the law had less of an effect on tax compliance. In both categories, high tax evasion was significantly predicted by low tax morale. This finding is different from the findings of (Del Castillo et.al., 2022) above that didn't find significant relationship between tax payment and tax morale.

CONCLUSION

Conclusively, the systematic literature review studied tax planning in personal income tax. The search activity resulted in 17,737 articles that mentioned tax planning, which were later screened down through the use of certain criteria in order to arrive at the relevant ones needed for our review, we found 30 articles to be relevant. first and foremost, the review revealed that most of the studies used a quantitative methodology, and are mostly conducted in India and Germany and concentrated within the period of 2018-2022 (5years). Secondly, we discovered that most of the articles dwelled mostly on unincorporated businesses and their owners/entrepreneurs/sole-proprietors/investors as well as those articles that discussed issues relating to tax authorities' regulations on personal income tax. These 2 categories provided us with insights on how unincorporated businesses and entrepreneurs can optimize their disposable income through the observance of a good tax planning; what constitute tax planning, tax avoidance and tax evasion; what makes tax planning legal or illegal; how tax laws should be enforced in order to attain better compliance from tax payers; strategies by which tax authorities will maximize revenues they collect etc., another interesting aspect of our review is on articles that gave insights on issues relating to tax planning of wealth transfers, such as inheritance and bequest; gifts and *intra-vivos*; deathbed planning etc. Thus, we found out that those factors influencing individual taxpayers urge to engage in tax planning include, good knowledge of tax planning among tax payers which is also determined by individual demographic characteristics.; economic, social, and psychological elements are vastly superior in describing tax behaviour as well as higher mental accounting scores among others. With respect to the major strategies (financial instruments) in which taxpayers resorted to the most in the course of the tax planning activity, we found that life insurance policies are the most widely used tax-saving tool, followed by provident funds and tax-saving fixed deposits, loans for homes and schools, National Savings Certificates, unit-linked insurance plans, health insurance plans, and equity-linked savings schemes, Infrastructure Bonds, in that order.

Additionally, we found those strategies by government that will likely influence tax payers tax planning that will favour the state to include: an atmosphere of cooperation, not hostile opposition, must prevail throughout the state for interactions between citizens and authority to be successful; that increased uncertainty causes more ATP to be used; creation of models is important as it will assist tax offices in making the best decisions possible regarding the course of action to take in order to combat tax fraud; importantly the maintenance of a friendly atmosphere by the authorities in their interactions with the subjects, in order to avoid aggressive tax planning and improve the amount of revenue collected. Nevertheless, there are quite a number of limitations that ought to be tackled in the review. The sourcing of relevant articles for example was restricted to only 2 databases, namely Google Scholar and Semantic Scholar. Thus, other databases such as Directory of Open Access Journals (DOAJ),

Business Source Complete (EBSCO), Web of Science, Science Direct etc., may be explored to increase the chance of having more relevant articles to review. Virtually all sources should be exhausted in order to have a bigger picture of how tax planning in personal income tax has been looked in to by researchers to date. Additionally, a wider time frame may be considered in order to have a more encompassing coverage that will cover up to period of 20-40 years. Some of the gaps identified may include, first, as observed in the review, most of the articles fell within the period of 2018 to 2022, a period that witnessed the occurrence of a global phenomenon called the covid-19, a phenomenon that brought about enormous changes in the way things are done, a phenomenon that affected economies of individuals, corporations, nations etc., virtually, our review never came across studies that featured in how covid-19 impacted on the tax plans of tax payers, especially in personal income tax, thus future studies should seek to measure whether if and how the phenomenon impacted the personal income tax. Additionally, it is obvious that the articles reviewed are mostly articles of researches conducted in mostly Europe, North America, few of South America and also few in Asia, India to be precise. For the sake of having a vaster and encompassing review, future research should seek to include researches conducted in other continents not included here, such as Africa, Australia, Middle-East etc.

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