A Graduation Research About

The Electronic Commerce Impacts on Improving Accounting Information Systems and Taxing Systems

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The Electronic Commerce Impacts on
Improving Accounting Information Systems
and Taxing Systems

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وَقُلْ رَبِّ زَدِّني عِلْمًا
Regards

Flowers have nectar publish fragrance to vast horizons

Plantings have harvest season and candles have light and burning.

For our dear fathers.

For our precious mothers.

For all our struggled brothers and sisters.

For all our teachers and all who helped us to succeed.

We regard with nectar pollinate and years learning harvest and seed that make it through leaning years.
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The E-commerce Impacts on Improving Accounting Information Systems & Taxing Systems

ABSTRACT

The explosion of information technology (IT) nowadays has created new phenomena in shopping activities. Consumers can easily buy products via Internet. Within a minute, the products will be delivered instantly and accurately. This scenario is known as e-commerce. The emergence of e-commerce affects consumers’ shopping behavior as well as accounting information and taxation systems. The using of e-commerce in auditing process was greatly spread to introduce the best services to clients and to immediate performance for audit work, according to the increase of financial transaction in the large establishments, the increase of its details and accuracy. Appearance of e-commerce has created economic challenges including the taxation systems in all developed and developing countries. This research summarizes these challenges and focuses on the inability of the income taxation system, or indirect taxes to follow the development in the e-commerce in all countries. It also identifies the main features for future taxation manipulation, and the measures that should be taken to achieve balance between the development of the e-commerce and the necessary change in the taxation systems. The objective of this research is to reveal the application of e-commerce in Palestine and its effect on accounting information of and tax systems by using descriptive analysis and questionnaires that distributed to a number of accountants in Gaza Strip, which has electronic web sites on the Internet. The research findings shown that there is to some extent an application of e-commerce in Palestine, there is a positive relationship between e-commerce and AIS and strong relationship between e-commerce and taxes. Finally, the study concluded a set of recommendations from the upgrading of e-commerce in the companies in Gaza strip, the need for the use of electronic accounting information, the obligation to pay tax through the enactment of tax laws for the profession of e-commerce, and the contribution of the Palestinian universities in doing what is necessary for the integration of diversification in the teaching of the impact of e-commerce in the development of AISs and the prevention of tax evasion and the application of e-commerce laws to protect the tax systems.
الملخص

انفجار تكنولوجيا المعلومات في هذه الأيام قد خلق ظواهر جديدة في أنشطة التسوق، ويمكن للمستهلكين بسهولة شراء المنتجات عبر الإنترنت، في غضون دقيقة أو فجوة، سوف يتم تسليم المنتجات على الفور وبدقة. ويعرف هذا السيناريو بأنه التجارة الإلكترونية. ظهور التجارة الإلكترونية يؤثر بشكل كبير استخدام التجارة الإلكترونية في عملية مراجعة الحسابات لتوفير أفضل الخدمات للعملاء والأداء الفوري لأعمال المراجعة، وفقاً لزيادة عدد المعاملات المالية في السنوات الأخيرة، وزيادة تفاعيلها ودقتها. وقد خلق ظهور التجارة الإلكترونية التحديات الاقتصادية بما في ذلك نظام الضرائب في جميع الدول الممتدة والدول النامية. هذا البحث يلخص هذه التحديات، ويركز على عدم قدرة نظام ضريبة الدخل أو الضرائب غير المباشرة لمعالجة التطور في التجارة الإلكترونية في جميع البلدان. كما أنه يحدد الملامح الرئيسية للتلاعب الضريبي في المستقبل، والتدابير التي ينبغي اتخاذها لتحقيق التوازن بين النمطية في التجارة الإلكترونية والتغيير الضروري في النظام الضريبي. والهدف من هذا البحث هو الكشف عن آثار التجارة الإلكترونية على نظم المعلومات المحاسبية في فلسطين، وذلك علاقة إيجابية بين التجارة الإلكترونية ونظم المعلومات المحاسبية، والعلاقة القوية بين التجارة الإلكترونية والضرائب. وأظهرت نتائج البحث أن هناك إلى حد ما تطبيق لل التجارة الإلكترونية في فلسطين، وهناك علاقة إيجابية بين التجارة الإلكترونية ونظم المعلومات المحاسبية، والعلاقة القوية بين التجارة الإلكترونية والضرائب. وأخيرًا، خلقت الدراسة إلى مجموعة من التوصيات من وضع مستوى التجارة الإلكترونية في شركات قطاع غزة، وضرورة استخدام المعلومات المحاسبية الإلكترونية والالتزام بدفع الضرائب من خلال قوانين ضريبية للمهنة التجارية الإلكترونية، ومساهمة الجامعات الفلسطينية بعمل ما هو ضروري لإدخال التنوع في تدريس أعمال التجارة الإلكترونية في تطوير نظم المعلومات المحاسبية، ومنع التلاعب الضريبي وتطبيق قوانين التجارة الإلكترونية لحماية النظم الضريبية.
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Chapter 1
Research Plan and Methodology
Introduction:

We can say that mankind has not witnessed during its long history, changes in the pattern of production, exchange and communication in the way of life in depth and coverage as quickly as witnessed by the community, since it came in its modern techniques of information and communication, these different kinds of information permeates most sectors, including the trade sector to the extent that turned with the methods and practices used by the public institutions in this sector, a paradigm shift and have a comprehensive world-wide wave of interest in mounting a noisy trade through the internet - E-commerce - as collateral to enter the twenty-first century.

The growth, integration as well as sophistication of information technology and communication are changing the society and its economy. Today, computers and other electronics devices increasingly communicate and interact directly with other.

Several organization have embraced E-commerce as means of doing effective business on information stature from E-commerce base, as AIS can be about system of records maintained by the organization to keep its accounting system in functionality relating to buying, selling and other process within the organization upon building up statistics and give decisions makers like investors, creditors and managers, the data to make decisions.

AIS offers advanced analysis for better resources allocation and performance tracking, there has been periodic function of E-commerce impacting on some business, reviews should be conducted to be sure that AIS remains in compliance with the E-commerce intended business function as several quality standards dictate that research should be done according to periodic scheduling concerning E-commerce along with AIS domains.

The need to recognize E-commerce, AIS as two major keywords in research, focusing on the impact of E-commerce on accounting system with central question of how to measure input and output of accounting system through E-commerce processes. Signifying in positive impact of
E-commerce on AIS as well as the negative impact of E-commerce of on AIS from which it may comprise to simple hypothesis. The integration of literature organization is necessary for the study as it is notably successful, if there are supports and evidences information that caters to E-commerce and its impacts on the accounting information along with comprehensive case studies that relates to E-commerce and AIS according to research standards. (ivythesis.typepad.com)

In light of this research we can identify the problem under consideration.

**Research Problem:**

It is clear from the foregoing that the E-commerce greatly influenced AISs, as well as tax systems, which led to the creation of new issues need to be reconsidered because of the massive development, created by E-commerce in accounting due to the Internet and the era of progress and technology, which impact on all fields of life including trade and especially accounting and also affected the taxes that government collects like income tax, and this led to significant challenges faces taxes, so the problem can be formulated to study in the following questions:

1. What is E-commerce and its impact on AISs?
2. What are the challenges created by E-commerce on tax systems?
3. Is the application of E-commerce solutions in Palestine led to the development of AISs?
4. Does E-commerce affect producing reliable information for tax purposes?

**Research Objectives:**

This research seeks to achieve the following objectives:

1. Identify the E-commerce and its advantages and disadvantages.
2. The application of accounting information in electronic form.
3. To interpret the effect of E-commerce in developing AIS.
4- To show the challenges of E-commerce on tax systems.
5- To identify the problems and obstacles impeding the application of E-commerce in Palestine.

**Significance of the project (work):**

Emergence of E-commerce play an important role in activating the movement and activity of most of the global economic events, exceeding the limits of its producers even arrived to improve the welfare of consumers, E-commerce also become affecting the accounting information and taxing systems so that it become necessary to discuss these issues as we are going to do in this research.

The importance of this research lies to explain E-commerce and its impact on AISs also show the challenges faces E-commerce with the tax systems and their application in the accounting field as it greatly affects the tax assessment and the application of the new AIS in companies.

**Scope and limitations of the project (work):**

**Limits of the place: -**

Research will be attending a number of companies, institutions operating in Gaza, due to the difficulty of movement between Gaza and the West because of the blockade.

**Limits of the time: -**

The research will be done within two months through summer semester.

**Research Methodology:**

To achieve the previous objectives of the research and access to the best techniques and methods for detecting the impact of E-commerce on developing AIS and taxing systems, the researcher will depend on the following scientific approaches:-
Primary research: - we conducted the descriptive method in our research In order to describe, interpret and analyze the results of the practical study, which will be applied by the researcher to test the assumptions of the research and verifying the test results.

Secondary Research: - we use the extrapolation method that aims to study and extrapolate some of the literature and previous studies in the accounting thought related to the subject of the research, and how to use them in addressing the problem of search.

Research Hypothesis:

2. There is a positive relationship between the application of E-commerce and developing AIS.
3. There are many problems facing the taxing system when it’s applied on E-commerce contracts.

Related works:

1- (Study of Zayod,2007):

This study addressed The Taxing Challenges of Arab E-commerce and the Possibility of its Development. It concluded the possibility of developing the current tax system, including making it an efficient suitable to be able to adapt and keep up with the rapid spread of E-commerce system, in addition to the need to study the tax structure for the spread of E-commerce on the one hand and ensure the rights of the state in tax revenue on the other.

The study showed that Syrian tax system faces many of the current accounting problems, administrative, and behavioral, that are related to the nature of the system and affect efficiency.
2- (Study of Sümen, 2007)

“The Relationship between the Historical Development of the AIS and Its Applications with Information Technologies”

This study focused on the developments in Information Technologies, which have had numerous impacts on both individual, social life and businesses, also it had an important impact on AISs and accounting applications in terms of every aspect such as concept, scope and operation.

This study concluded that, communicating the data and information to the journals, ledgers and current accounts simultaneously once they are entered into accounting receipts, enable fast preparation of financial statements and other reports whenever needed, also the change of the role of accounting in the business into the design of management systems due to the reduction in the workload of accounting in such functions as recording, classification and reporting; presenting the members of the profession the opportunity to find new clients and to open to new geographical areas.

3- (Study of Jarbou, 2006)

This study addressed The Contribution Fields of Using Computer in The Performance of Auditing Process According to The International Standards of Auditing in Palestine.

The main object of this research is to indicate the extent of use of computers in the evaluation of control system, internal customers, planning review process and identify the elements of
audit samples statistically and identify the constraints to use of computers in the review process.

The researcher concluded a set of conclusions and recommendations: -

1. When the External Auditor implement auditing process in an environment of automated processing Data, he must understand the nature of the electronic operating sufficiently for planning the audit.

2. The auditor should be versed in the applications that are processed computerize, and the nature of this treatment.

3. The auditor should ensure that all primary records in the accounting system have been transfer carefully to the files pertaining on computer through the review procedures used in it.

**The Organization of the Study:**

To achieve the objectives of the research and address the problem in a significance way, the research has been divided in the following section:

- **The first topic:** - Introduction to E-commerce.
- **The second topic:** - The nature of electronic AIS and its improvement.
- **The third topic:** - Study and evaluate the impact of E-commerce on the development of AIS.
- **The fourth topic:** - the challenges of E-commerce because of taxing system.
- **The fifth topic:** - the reality of E-commerce and its application in Palestine and the challenges faced by.
Chapter 2

Introduction to E-commerce

1. The Definition of E-commerce

Commonly known as E-commerce consists of the buying and selling of products or services over electronic systems such as the Internet and other computer networks. (AL Basoos, 2009)

3. Reasons for the spread of E-commerce

Can be said that there are a number of reasons have helped the spread of this trade at present and what is expected to be it increased in the near future, and these reasons are:

1- Development and great prosperity in the use of computers and programs.

2- Expansion of the international telecommunications network (the Internet).

3- The application of international economic agreements and the resulting trade liberalization and the elimination of barriers.

4- Expansions in the use of plastic money (Card Visa Card, Master's staff). (صبيح وآخرون، 2003، ص14)
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Second II: - The importance, benefits, limitations of e-commerce

1. Importance of E-commerce:-

Where to take shape in that it is the way a distinct and unprecedented access to world markets, all in one time and with less expenditure, helping buyers and sellers to overcome the barriers of distance, access to distant markets, diverse and multiple, as it also helps overcome the barriers of time, and dealing with customers over the time, which is an application of a real idea of globalization, as it helps companies to follow modern manufacturing systems that are computer aided, as well as a gateway to export, where it passes all the barriers that limit the start of trade between nations. (مكي، 2002)

2. The Benefits of E-Commerce.

2.1 Benefits to consumer:-

1- E-commerce enables customers to shop or do other transactions 24 hours a day, all year round, from almost any location.

2- E-commerce facilitates competition, which results in substantial discounts.

3- E-commerce frequently provides customers with less expensive products and services by allowing them to shop in many places and conduct quick comparisons.

4- In some cases, especially with digitized products, E-commerce allows quick delivery.

5- E-commerce allows customers to interact with other customers in electronic communities and exchange ideas as well as compare experiences.
2.2 Benefits to society:

1- E-commerce enable more individuals to work at home and to do less traveling for shopping, resulting in less traffic on the road and lower air pollution.

2- E-commerce allows some merchandise to be sold at lower prices, so less affluent people can buy more and increase their standard of living.

3- E-commerce enables people in Third World countries and rural areas to enjoy products and services that otherwise are not available to them. This includes opportunities to learn professions and earn college degrees.

4- E-commerce facilitates delivery of public services, such as health care, education, and distribution of government social services at a reduced cost and/or improved quality. (Rayort, 2003)

3. The limitations of E-commerce

The technical limitations of E-commerce are as follows:

1- There is a lack of system security, reliability, standards, and some communication protocols.

2- There is insufficient telecommunication bandwidth.

3- The software development tools are still evolving and changing rapidly.

4- It is difficult to integrate the internet and EC software with some existing application and databases.

5- Some of the European Union software might not fit with some hardware, or may be incompatible with some operating systems or other component. (Turban and other, 2000, p14-16)

4. Proposed solutions to control the risk of E-commerce

I have tried several points of the proposal of a lot of steps to counter the risks of E-commerce, was the Institute of Chartered Accountants American of the first that have provided valuable suggestions at a meeting held in Paris on the first of August, 2000, which
included several points of an accounting professional to find solutions the risk of E-commerce faced by the consumer, and these proposals can be summarized as follows:

1- Be careful to give personal information, not giving personal information only to trusted parties, and know the reasons for the need of those actors to this information, including personal information is essential both postal address, phone numbers and e-mail.

2- Use secure software to access the Internet; it is known that every computer has a special program to access the Internet, often; these programs contain specific mechanisms stored in the device memory of all the information that has been circulating in the network through it. In many cases, the hacker can access via the Internet and to the memory of this program and get all the user-specific information and without knowing it; therefore advised to purchase a special program has a highly protected to prevent hackers from accessing memory.

3- Use of licensed sites, and is intended licensed sites, those sites that have been evaluated and rehabilitated by a third party qualified protection matters, as this type of sites, should be signed by a special electronic third-party professional specialist, the American institute of Chartered Accountants.

4- Beware of downloading software via the Internet is not a reliable source, it is known that a user of the Internet and toured across multiple sites within the network can download free programs on his computer, they are used for many purposes: for example, display drivers, video and audio for many purposes. Must be very careful when you download these programs, especially from sites doubtful about them, because they may be programmed a certain mechanism, based on a compilation of all the things on your computer and post them to the point of establishing the program, without feeling so. (Rosen, 2000)
The III Section: - E-commerce relationships with all of the tax and AIS.

1. **Relationship between E-commerce and AIS**

   All bodies and associations of accounting profession of accounting interested in E-commerce pay very close attention, arguing that the sale made through the company is closely linked to the direct and automated accounting system, it has become inevitable, and the accountant and auditor knowledge of this new science. It was reported (Albert Marcella) in his article entitled E-Commerce in the Journal of auditing, information technology, "has caused E-commerce major changes in the science of the World Trade and mechanism for business processes, making it necessary to have a knowledge of both the accountant and auditor to these changes and its impact on their profession and work they are doing it and the circumstances of the legal environment for the profession".

2. **The relationship of E-commerce and tax:-**

   Tax treatment is a key factor in the success of E-commerce, if imposed new taxes and increased regulations, the benefits of E-commerce and prospects could be limited.

   Moving government policy not to approve any tax on E-commerce activities in line with the liberalization of trade and services, if the traditional activities directed towards liberalization, it is the first door that does not impose any limitations on E-commerce because it is self-contained nature of global omnipotence and unencumbered by regulations Geographic list. (Turban and other, 2002, p 16)
Chapter 3

The Nature of AIS and its Improvement
Section I: The definition of information system and AIS.

1.1 Information System

An information system defined as:

"Information system is a network of elements, developed to provide information to decision makers."

"A network of all methods of communication within the organization".

"System designed on the basis of computer, to give managers the appropriate information, and specified timing."

"System provided with computer for the collection, storage and installation of useful information, to take an administrative decision." (FAQOUR, 2007)

1.2 AISs

Accounting is an information system.

- It identifies, collects, processes, and communicates economic information about a firm using a wide variety of technologies.
- It captures and records the financial effects of the firm’s transactions.
- It distributes transaction information to operations personnel to coordinate many key tasks. (Buhaisi, 2011)

Section II: Types, advantages, and objectives of AIS

1. Types of AISs:-

1.1 The transaction processing system: is the most structured component of the management information system; it provides information used by clerical and managerial personnel at the operational level.

1.2 The budgeting system: allows top management to communicate corporate objectives to all managers in the organization. It provides for the top-down information flows.
1.3 **The responsibility reporting system:** summarizes historical data on a periodic basis and provides the bottom-up information flows. It is an example of highly structured information system that is useful for management control. (boockholdt,1996,p.79)

3. **Advantages of AISs:**

1. One view is that the AIS is part of the management information system, Given that the AIS concerned with measuring the historical accounting information.

2. One view is that economic unit as a whole About modern AIS is that it is no longer limited to the interest in providing Historical information only, but extended to include other types of information such as: The current data (operational and operational control) and future Problem-solving and planning.

3. One view is that the role of AIS is not just preparation of financial statements To people outside the economic unit only, but interested in the preparation of reports for others Within the economic unit, is also represented in all types of information needed different administrative levels in the planning, control and management decision making. (الداية،2009)

4. **Objectives of accounting information:**

Accounting products, financial statements, are prepared for two separate user groups, each with different interests, needs, and points of view. One group is external to the corporate body in an operational sense and is concerned principally with the financial strength and performance of the business. The other group is internal management and focuses primarily on organizational planning through the use of budgets and data refined for use in control and decision-making.

4.1 **Financial accounting systems**

Generally accepted accounting principles (GAAP) have evolved over the years mainly through the Coordinating efforts of the accounting
principles board (FASB). These principles govern the accounting treatment for the broad spectrum of financial transactions and the content and format of published financial information. Generally, they provide uniformity of reporting within the required financial statements (Income statement, Balance sheet, and statement of changes in financial position. (Romney, 2006)

4.2 Managerial accounting systems.

Managers need financial information for at least three fundamental purposes (1) Effective planning and the subsequent analysis of deviations from operating plans, (2) Activation and direction of daily operations, and (3) Problem solving and intelligent decision making.

No less than 8 major differences between financial and managerial accounting have been identified:

1. The system focuses on providing financial data for internal (management) uses.
2. Management information needs are relatively more oriented to the future than to the past.
3. Management accounting is not governed by generally accepted accounting principles.
4. The system emphasizes relevance and flexibility of data, in contrast to financial accounting.
5. Relatively more emphasis is placed on nonmonetary data, often at the expense of financial precision.
6. Managerial accounting focuses more on organizational divisions (segments) than on the entity as a whole.
7. The system draws heavily from other disciplines (economics, quantitative methods, etc.).
8. Managerial accounting is not mandatory. (Henson, 2006)

Section III: Importance and technology of AIS

1. Importance of AIS within the organization:-

As a support activity, the AIS adds value by providing accurate and timely information so the five primary value chain activities can be performed more effectively and efficiently, Well-designed AIS can do this by:
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1. **Improving the quality and reducing the costs of products or services**: For example, AIS can monitor machinery so operators are notified immediately when performance falls outside acceptable quality limits. This helps maintain product quality limits.

2. **Improving efficiency**: Well-designed AIS can make operations more efficient by providing more timely information. For example, a just-in-time manufacturing approach requires constant, accurate, up-to-date information about raw materials inventories and their locations.

3. **Sharing knowledge**: Well-designed AIS can make it easier to share knowledge and expertise, perhaps thereby improving operations and even providing a competitive advantage. For example, the largest public accounting firms all use their information systems to share best practices and to support communication between people located at different offices.

4. **Improving the efficiency and effectiveness of its supply chain**: For example allowing customers to directly access the company's inventory and sales order entry systems can reduce the costs of sales and marketing activities. Moreover, if such access reduces customers' costs and time of ordering, both sales and customer retention rates may increase.

5. **Improving the internal control structure**: Security, control, and privacy are important issues in today's world; AIS with the proper internal control structure can protect systems from problems such as fraud, errors, equipment and software failures, and natural and political disasters.

6. **Improving decision making**. Because improve decision making is complex, multistep activity to identify the problem, collect and interpret information, evaluate ways to solve the problem, select a solution methodology, and implement the solution. An AIS can provide assistance in all phases of decision making. (Romney and others, 2006, p.12)

2. **AIS Technology**: 

- **Input** The input devices commonly associated with AIS include: standard personal computers or workstations running applications; scanning devices for standardized data entry; electronic communication devices for electronic data interchange (EDI) and E-commerce. In addition, many financial systems come "Web-enabled" to allow devices to connect to the World Wide Web.
• **Process** Basic processing is achieved through computer systems ranging from individual personal computers to large-scale enterprise servers. However, conceptually, the underlying processing model is still the "double-entry" accounting system initially introduced in the fifteenth century.

• **Output:** Output devices used include computer displays, impact and nonimpact printers, and electronic communication devices for EDI and E-commerce. The output content may encompass almost any type of financial reports from budgets and tax reports to multinational financial statements.

• **Financial applications** make up the heart of AIS in practice. Modules commonly implemented include: general ledger, payables, procurement/purchasing, receivables, billing, inventory, assets, projects, and budgeting.

• **Human resource applications** make up another major part of modern information systems. Modules commonly integrated with the AIS include: human resources, benefits administration, pension administration payroll, and time and labor reporting. (http://investwhy.com/wiki/Accounting-Information-Systems)

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**Section IV: - The Nature of E-commerce and its Relationship to the Work of the AISs.**

1. **Information System of Accounting and E-Commerce**

   The information system greatly influenced by the exercise of accounting systems, E-commerce, the assumption being that there is a close link between both systems bear many of the client organization and the responsibilities of the pilot when providing and receiving services through electronic communication networks.

   - Expansion of the introduction of IT systems experience resulting from electronic intelligence systems within the information system of accounting.

   - Increase the efficiency of enterprise performance and lower operating costs and costs of doing retail operations domestically and internationally.
- The possibility of the arrival of the Foundation for a large segment of customers, in addition to speed and make the delivery of new and innovative products.
- The possible adoption of the institution on external sources of technical support for electronic service provided.
- Reduction in the volume of inputs and change is almost entirely in the online systems.
- Increase the efficiency of enterprise performance and lower operating costs and costs of doing retail operations domestically and internationally.
- The complexity of procedures and controls review, audit and tax for settlements and the urgent need to review accounting standards and sophisticated take into account the dimension of mail resulting from the introduction of continuous and rapid development of networks of electronic communications in settling accounts.
- Increasing the official controls of operations.
- Increasing the operating risk is: lack of adequate insurance systems
- Inadequate design of systems or complete the work or the work of maintenance and abuse by customers. (2007, www.acc4arab.com)

2. **Qualitative Characteristics of Information in The Automated Accounting System**

It is important here to recall that E-commerce and the Internet can contribute to the qualitative characteristics of information, providing convenience feature dramatically, particularly by providing property subsidiary of timeliness.

These characteristics are as followed:-

1 - Security, which is a proposal for specific technological measures to prevent the other from penetrating through the automated accounting system the company's website on the internet.

2 - New vaccine Assurance, which is on the mechanisms and procedures to be followed to secure the quality of good information, has been defined by the Institute of Chartered Accountants AICPA on its U.S.
3- reliability, which is a procedure to be followed to make the information trusted by the stakeholders in general and decision-makers in particular, and persuade them to viability, it has taken a lot of accounting bodies as well as some prestigious universities the subject of E-commerce and made the control mechanism accounting processes that are whereby the core competence of accounting and auditing, and on top of those bodies, the Institute of Chartered Accountants American AICPA, which approved the five principles check for E-commerce sites for companies in a joint venture with the Canadian Institute of Chartered Accountants CICA. (Marcella, 1998).

Section V: - The Impact of E-commerce on The Components of AISs.

1. Components of Accounting System

I Qualified Individuals:-

Individuals a fundamental component of AIS, the more important of the individuals within the components of AIS in light of the work for E-commerce in terms of the need for qualified personnel and scientific practice and the extent of their ability to perform the accounting work in light of the use of modern techniques and the multiplicity of actors that make up her relations with the economic unit that is to work with as well as increased data and information that requires assembly, operation and delivery to the concerned authorities. (بخيتي, 2003)

II Computers:-

They represent the primary means in the work of AIS at work under the E-commerce because it cannot perform without it in terms of both running and processing data required speed and accuracy in terms of the possibility of contacts with the bodies that we are dealing with and communicating data and information are available.

The use of computers in the work of AISs can lead to take advantage of the following characteristics:
1. The use of a computer leads to internal control and self-implementation processes so that can avoid the errors in the different phases of operation first hand, where the computer contains media for control and monitoring and verification of results.

2. Using a computer to assist in completing the business accounting and management quickly and thus lead to reduce costs.

3. Using a computer provides the ability to produce multiple documents the process of a single mechanism and these documents are either multiple copies of a document and one or accounting documents and accounting records used to satisfy the same data.

4. Provides automation of the data to provide an enormous amount of accounting and other information that can be used for different purposes such as planning, control and decision-making.

5. Apply the principle of writing data back and one where data is entered and the first time data is changed in all the related files directly in the same time, reports are extracted automatically. (Marcella, 1998)

**III. Procedures**

And are intended to set policies and methods to be followed in the use and operation and deal with the information system, for example, are the procedures to be followed to run the payroll program to set a date to run the program (the end of the month, middle of the month, ... etc.) and has the power to run the program and who has the right to see on the output of this system from payroll. (بحبي، 2003)

2. **Relationship of E-commerce to Accountancy**

All bodies and associations of accounting and auditing interested in the profession of accounting give E-commerce very great interest, arguing that the sale made through the company is closely linked to and direct the accounting system automated, it has become inevitable, the accountant and auditor knowledge of this new science.
E-commerce has caused major changes in the science of the World Trade and mechanism for business processes, making it necessary to have knowledge of both the accountant and auditor to these changes and its impact on their profession and work they are doing it and the circumstances of the legal environment for the profession.

It is important here to recall that E-commerce and the Internet can contribute to the qualitative characteristics of information, providing convenience feature dramatically, particularly by providing property subsidiary of timeliness. The researcher believes that the accounting system, and since provide him with the very important information for stakeholders in general, and decision-makers in particular, become useless in the case of a lack of confidence in that information, including that the system of trade-mail and related Internet access tied directly to the accounting system Automated In the case of damage or penetration of the accounting system through the Internet accounting system outputs become questionable credibility and thus lose the confidence of users. (Yogen, 1998)

3. Impact of E-commerce on The Profession of Accounting and Auditing

The accounting and auditing profession is facing new challenges to the technical development of information
The rapid growth in the market for E-commerce.
These technical challenges of contemporary divided into seven sections, namely:
1) knowledge and skills of information technology.
2) Electronic publishing of financial statements.
3) Accounting issues in E-commerce companies.
4) The new services just malicious.
5) The continuous review (electronic). (www.acc4arab.com)
Section VI: - Problems Facing the AIS with E-Commerce

1. **Privacy**

The protection of data related to personal life, was raised in the course of the protection of databases, he returned to occupy a prominent place to discuss the secrets of trade relations and the seriousness of inspection systems and the pursuit of information to the right of privacy, as the common technical means, necessitated by E-commerce, allowing the tracing of communications and find out detailed information about the user network, and if the discrepancy existed between the duties of security protection and the protection of privacy obligations, the harmonization of the rules came across the legislative and standards, and licensed activities does not violate the privacy at the same time protect E-commerce activity. (بيحيى، 2003)

2. **Intellectual Property Challenges and Impacts of the TRIPs Agreement.**

Intellectual property issues in the digital environment, and the challenges of E-commerce-related intellectual property, licensed products sold, stored within the technical systems and as part of Sales, and there is also the problem of licensing of intellectual property coated with Sales, as well as intellectual property rights in the field of electronic publishing, especially with the growing acquisition of designs used by the site, and intellectual property rights to the names of locations, and ownership of the site itself, and intellectual property rights for trademarks for goods and brand names, as well as the rights of authors on the content of technology software that break the line or shopping through E-commerce sites, that all these problems, which doubled the domination of E-commerce necessitated a comprehensive review of the legal rules on intellectual property and linked with activities of international trade in the field of goods and services. (المطيري، 2006)
3. **Electronic Publishing of Financial Statements.**

The accounting and auditing profession is facing new challenges regarding the publication of lists.

Finance on the Internet, which leads to a weakening of confidence in the financial statements, these challenges:-

a- Resort companies to publish unaudited financial statements on their websites or, the link between their financial statements audited and unaudited online, leading to mislead the users.

b- The financial statements published on the Internet and the audited or unaudited, to manipulation or change by the other parties due to non-secure website.

c- The financial statements published on the Internet and audited to manipulate and change by the owner of the plant.(www.article.com)
Chapter 4

The Challenges of E-commerce because of Taxing System
Section I: Introduction to Tax System

1. The concept of tax:

As tax defined: An enforced contribution exacted pursuant to legislative authority in the exercise of the taxing power and imposed and collected for the purpose of raising revenue to be used for public or governmental purpose. (Tabbah, 2012)

Objectives of the tax system:

Good and the tax system is a system that seeks to achieve the aforementioned objectives in a balanced manner, and Adam Smith in his book The Wealth of Nations four basic rules of the tax system, namely:

1- Equality and justice: that does not favor one over the other.
2- Certainties and clarity: the certainty and clarity of the tax law.
3- Appropriate: that is not confined to tax law directs the taxpayer.
4- Economies: the proceeds of the tax should be greater than the costs of taxation. (قاعور، 2007)

3. The most important problems of e-commerce in the Arab area of taxation are as follows:

1 - e-commerce is not visible and therefore easier to smuggle revenues.
2 - Difficulty in identifying a few of the tax community for e-commerce.
3 - The difficulty of tracking and understanding of the transactions which reflect over the internet.
4 - Lack of clarity of the principle of fiscal and clear application of e-commerce.
5 - Application of traditional rules on e-commerce leads to a duplication of an international tax.
6 - Lack of current tax legislation and the lack of documents can be reviewed.
7 - Non-development departments and staff to fit the tax e-commerce, and shortcomings in the field of international tax cooperation. (الشافعي، 2002)
Section II: - The possibility and not possibility to impose a tax on electronic commerce

1. The possibility of imposing a tax on electronic commerce

Some writers and researchers need to impose the tax on electronic commerce, to economic considerations, required by the need to provide appropriate conditions for competition and freedom in the market. Beside the need to revise the tax system to avoid negative expected under the new digital economy, which imposed trade online, so you can use the tax to avoid these negatives, or reduction, in particular those affecting the work and workers.

Must not stand the current rules for taxing a barrier to electronic commerce, subject to the tax, but it is possible to develop these rules to adapt them to the special nature of electronic commerce.

One of the main arguments to justify the imposition of the tax as follows:

1. Use tax in support of unemployment resulting from electronic commerce:

Expected to lead e-commerce to reduce the chance of getting a job, as well as people being forced to abandon their jobs and adapt to new requirements for work, and this means the need for government to support the unemployment developed by the Internet, is a tax, in general, one of the basic resources to provide this support, and at a time when peaks generated new income opportunities for new classes should be dealt with in order to achieve tax justice tax.

2. Reduce the projected growth of the hidden economy:

Is expected to increase the size of the underground economy, which is without government controls or taxes, and be able to plant - especially international ones - through electronic commerce by using innovative methods to tax evasion, for ways to Policy Transfer pricing, does not limit such practices only tax policy that does not Excellence - in terms of submission to the tax - between traditional commerce and electronic commerce.
2. **The not possibility of imposing a tax on electronic commerce**

Not possible to impose a tax on electronic commerce Compared with the previous opinion, which favors a tax on electronic commerce, highlighting a different opinion does not prefer it. The proponents of this view are based on economic considerations, relating to the novelty of the Covenant to electronic commerce, and the need for adequate time to grow, and describe their impact on the market.

It is also based on technical considerations, relating to the special characteristics of the Internet, which makes it difficult to impose a tax on electronic commerce, according to the rules currently being applied to traditional trade. Hence, the researcher explained as follows:

**Firstly: Economic considerations:**

1. Threatens to impose taxes on the Internet at the current stage - characterized by rapid technological changes - causing the slow movement, and impeding the breakthrough required, which would prefer to wait with the imposition of this tax until evolve this technology, and settle in its final form.
2. Lack of constitutional requirements and legal requirements in some States, which gives the right of the State in imposing and collecting taxes on electronic commerce, as these rules but developed under traditional trade governed by the properties and conditions of different characteristics and conditions that govern electronic commerce, which he did not exist at that time.
3. To call for equality between electronic commerce and traditional commerce on the pretext of justice tax to justify the imposition of tax on electronic commerce, since this is not based on the practice, which affirms that in all ages, has resulted in development to inequality among all groups, and enjoy some advantages at the expense of others, without the return of this difference in benefits to the tax system.

**Secondly: Technical considerations:**

Opponents believe the idea of imposing a tax on electronic commerce, the rules mechanism to impose the tax is not applicable to electronic commerce, because these rules were drawn up under the traditional trade
The E-commerce Impacts on Improving Accounting Information Systems & Taxing Systems

which did not take into account the technical characteristics of the Internet, and the difficulties created by the imposition of the tax.

It is difficult to measure electronic commerce on some photos that are traditional trade-style postal orders, and explains the researcher most important of these objections is as follows:

**Technical characteristics of the Internet and tax implications of:**

Characterized by the Internet a number of characteristics that make it possible - if not impossible - the application of a tax system that is designed to comply with the trade depends on the physical image in most situations, and can be observed and followed by the tax administration, on the trade are mostly intangible transfers (or digital), and difficult for the tax administration to track, or trace effects, and therefore easier to conceal movement and controlled by the dealers themselves.

The most important of these properties as follows:

1. **Does not work online through a central body or a regulatory framework that can be monitored it:**

   Not for the internet and the presence or physical location can be inferred easily, and cannot be Internet users identify in advance what broadcasters for information, and cannot therefore control and control. Limited the role of these users or participants in the Internet simply provided links that enable the system to function in the mechanism of information transfer, and the conclusion of transactions, and payment. And this is done smoothly, whether the operations or transactions entered into between two parties or more, living in one country, or in a different country, where not give internet attention to national borders of States.

   Such a property would create difficulties in tracking the tax administration of transactions, and identifying their contents, and the countries that have sovereign tax on income. It is possible to dispute the sovereignty of tax on Internet sales, more than one country, complicated or difficult procedures to collect tax determined by each state.

   And this may cause the situation to double taxation, or even not to impose the tax in the State concerned, with the possibility to download some areas the burden of taxation to no avail them, or right of another
area of the imposed without linking the fact of the tax, just because it is the State of delivery of products sold online.

2. **Do not need the intervention of mediators between the parties when dealing Sell Online:**

The efficiency of tax collection, in many cases the presence of a third party intermediary between taxpayers and tax administration, the reporting on the transactions of the taxpayer, or the book is part of the tax figures with these transactions, either when using the Internet so you can establishments engaged in e-commerce deals are signed without the need for a mediator.

This results in damage to any tax deduction at source, or jail account of the tax, upon which some of the tax legislation to ensure that tax collection in the final transactions of non-resident, or to ensure the flow amount of tax under the tax account in the final financiers. This leads to increased cost administrative, borne by the tax administrations, tax collection and arrears.

3. **Not possible to link the title taken by the facility on the computers and the truth:**

May help Internet address or name of the site / domain administrator in the definition of this name, but it might not do nothing indicates that the real link to the computer address on the Internet, and the location of the computer associated with it.

And therefore problems arise in locating taxpayers, tax administration and collection of relevant linking tax, and who is committed to representations to it, and other measures to prevent tax evasion.

4. **Lack of control and registration:**

Note that, when dealing with online easy touch any computer to the Internet, without the need for pre-registration requirements in certain quarters - despite the difficulty of achieving this.

It is also easy, too, and without any administrative restrictions, moving sites on the Internet from people with others, making it difficult to trace in control of such sites or their beneficiaries.
It is therefore difficult to impose obligations required by the tax registration, in particular, the departments of sales tax, or value-added tax play and therefore difficult to set the charge of tax in each country.

5. Difficulty in the ability to audit or review and oversight of post:

There is difficulty in tracking or tracing of a user web site, owing to the ease of entry to the site once they get a permit from the controlling it, and then everyone can live in a country that operates, or manages a business for the Internet to consumers of the State, or other countries, using the computer in a third country.

And made available to the taxpayer on this basis the conclusion of transactions between enterprises to succeed without proof of the leaves evidence, where the process is done electronically at all levels, starting from receiving the purchase order to delivery of the product to load on a computer buyer, and the end of the payment of the value of electronic payment methods.

The nature of the connection between the computers leads to ease deals with buying and selling any individual, and through many forms of payment, including digital cards.

These lead the possibilities for the Internet, the difficulty of identification and access to documents that reflect the fact that the activity of the taxpayer and inventory operations subject to tax, and determine for each of them.
Chapter 5

The Reality of E-commerce and its Application in Palestine and the Challenges Faced By
The Reality of E-commerce in Palestine:-

With the expansion in the use of the Internet and the increasing number of users, where he became the communication between peoples without limits or restrictions and that attract business people to look towards the Palestinians and access to global markets and showcase their products and promote trade with the outside world.

Hence the company decided to have information systems Palestinian and Palestinian businessmen openness to trade via the Internet and e-commerce with a view to know the status of Palestine on the map of the trade and use of services provided by the international information network.

But despite this looking to enter those markets, but there will be a delay of access to achieve this aspiration.

Factors and causes that led to the delay in growth of e-commerce in Palestine

* The first and fundamental reason for the delay in recovery of e-commerce in Palestine is the lack of awareness and maturity of this type of trade, whether the seller or the buyer.

* Failure of many Palestinian businesses from conducting e-commerce as well as the various lack of awareness of most members of society, there are a lot of these individuals have not even heard the term so-called e-commerce.

* Lack of confidence to the buyer in the other parties, which will deal with them through those sites of active e-commerce.

* The absence of a Palestinian law regulates this kind of business dealings, and preserves the right of each buyer or seller in the event of any dispute resulting from the e-commerce transactions.

* The absence of a third party to ensure the completion of business processes peace without the presence of fraud, fraud or theft, such as the
presence of insurance companies to protect against this kind of notification. (صبح وآخرون، 2003)

Case study

The E-commerce is a goal aspire to a lot of people, where they have developed technology in a very large, and spread the use of the Internet in all the world, and particularly in Palestine, in spite of the blockade is located in the Gaza Strip by the Israeli occupation, but we consider Palestine one of the first Arab leader in the development and technology and the use of the Internet, and the ability to open up to the world, and the first company in the Gaza Strip has already started the application of Internet services and use it in electronic form in the marketing of products and goods to customers is Tasawaq Company For E-commerce, where you provide the service for people who are sitting in their homes, the can only access to the Internet on their computer, access to the website of the company, and choose what they need from all of the needs of the home of the vegetables and fruits, meat and other basic needs of the home and other supplies.

We have conducted an interview with the CEO of Tasawaq Company in the afternoon of Sunday 22/7/2012, the engineer Sheriff Naim, who graduates of Al-Azhar University Department of Software Engineering. He began developing the idea through his study of computer software, web design, and we started asking him the following questions:

1. When was the founding of the company and where the idea of its establishment came from?

The company was founded in February 2010, as was actually the first sale of the company via the Internet and I say that the idea is not new to the world, but its application in Palestine is a matter which was difficult because of the political and economic conditions existing due to the occupation, but we, thank God because we fulfill it, and because of the vast technological development, where currently there is no house in
Gaza does not have internet access and in the fact the people in Gaza from small one to old had a greater awareness of using the Internet and access of website online easily, so it was easy for us to design a web site, to meet the needs of people and dispose them from fatigue and effort that confronted when they go to market directly, and to meet the needs of all varieties of food, clothing, perfumes, and soon electrical tools and household items.

2. What is the idea of the company in terms of marketing?

Tasawaq system is an electronic system linking the consumer directly with the POS as the request comes through the company to the point of sale, the company connect to the consumer to his whereabouts through the use of motorcycles during the half-hour of receiving a request from the customer.

3. How can shopping via the Internet and the application of e-commerce?

First you must visit the website of Tasawaq, and in the member place, you must register a new account, and after registration you will receive a short SMS on the mobile phone number holds the security code, enter in the box the security code, and then become a member of the website, then you can use the search box in the system, if you reach for the product that you want enter it to your cart by raising the amount from box next to the product, when you are finished shopping, choose your address and then send the order, you will receive the orders that you have sent in half an hour, so the e-commerce applicated in a direct form in Gaza Strip, but we face a problem of interruption of electricity, so the company had to open a direct number to the public when they do not have an Internet connection.

4. How is the payment method, is it directly or through a special account for customer?

The payments are in two ways, either by that a customer opens an account with the company and allocate a certain amount paid by the
company at specified times, or pays directly upon receipt of the order from the person who deliver it. In both cases there was the company's book bills non-tax, the company which logged all orders in terms of quantity and price and three copies of the invoice are available one copy held by the Company, a copy sent to the point of sale, and a copy provided to the customer upon receipt of the order. There are shops and restaurants have websites but do not use e-business, whereupon a company that markets upon receipt of order to connect to these stores directly via the Internet, it is processing of the application within a moment of receipt and then the company sent one person to shop for receipt of the application and connect it to customers.

5. What is the work duration of the company?

The company works 24 hours and provides ongoing service to customers where; there are people who specialize in the area of the Internet in the company, and their deals on the internet are sitting in front of computer screens 24 hours straight through shifts; in order to deliver services to customers to their homes as soon as possible.

6. Is it able to implement the company property online payment by credit card?

At this moment, we cannot, because the company is now trying to convince people about the idea of working e-commerce ,and began working to open an account is simple for customers ,which is the payment method and aspiring company in the near future to head for this property through cooperation with local banks to provide credit cards for the company, but the idea is difficult to apply in Gaza Strip, because of the circumstances and political pressure and blockade by the occupation which imposes considerable constraints to narrow the trade work, whether traditional or electronic.
7. From your point of view is no effect of e-commerce on AISs?

An AIS "one system, the Sub-Economic Unit, which consists of several sub-systems work together in a coherent and consistent, with a view to provide financial information and non-financial, for all those interested in is economic integration, which serve to achieve their objectives." Since the orientation of many units in economic use of e-commerce was increasing dramatically, the AIS is an open system affects and is affected by the environment in which it operates in scope, should the unit working under e-commerce can take into account all the changes and developments that occur in multiple areas surrounding environment and particularly with regard to developments in the use of information technology and modern communications and E-commerce is one of them.

8. What is the relationship of e-commerce and (AIS)?

We can say that the relationship of e-commerce work of AIS will require accounting information to take on new developments that will be produced by business requirements in light of e-commerce in particular with regard to the need to use modern electronic means in the work of accounting systems as well as redesigning the system to suit the operation of electronic data and the consequent effects of the other.

9. How to pay the tax, Is there nothing to tax e-commerce?

We pay the tax normally, it is the income tax based on profits earned by the company, and it is annual tax, and even now the Company has not paid the tax because the work did not exceed several months, either for a tax on e-commerce until now there is no provision in the tax law provides for the taxation of the company which deals in e-commerce, but from my point of view is assumed that the state should enact tax laws on e-commerce in order to prevent the phenomenon of tax evasion is found in all the world even in developed countries, which largely operates in the field of e-commerce.
Chapter 6

Methodology & Data Analysis
Section I: - Methodology

1. **Methodology:**

This chapter describes the methodology that was used in this research. The adopted methodology to accomplish this study uses the following techniques: the information about the research design, research population, questionnaire design, and statistical data analysis.

2. **Research Design:**

The first phase of the research thesis proposal included identifying and defining the problems and establishment objective of the study and development research plan.

The second phase of the research included a summary of the comprehensive literature review. Literatures on claim management were reviewed.

The third phase of the research included a field survey which was conducted with the views of professionals and workers in the use of e-commerce applications in some companies and banks Gaza

The fourth phase of the research focused on the modification of the questionnaire design, through distributing the questionnaire to pilot study. The purpose of the pilot study was to test and prove that the questionnaire questions are clear to be answered in a way that help to achieve the target of the study. The questionnaire was modified based on the results of the pilot study.

The fifth phase of the research focused on distributing questionnaire. This questionnaire was used to collect the required data in order to achieve the research objective.
The sixth phase of the research was data analysis and discussion. (SPSS) was used to perform the required analysis. The final phase includes the conclusions and recommendations.

Thirty five questionnaires were distributed to the research population and thirty questionnaires were received.

Figure (1) shows the methodology flowchart, which leads to achieve the research objective.

3. Research methodology

In order to collect the needed data for this research, We will use the analytical descriptive approach that attempts to describe and assess the reality of "the views of professionals and workers in the use of e-
commerce applications in some companies and banks Gaza, and will try to describe, compare, interpret and evaluate in order to reach meaningful generalizations, which is increasing the stock of knowledge for Subject.

The study relies on two main sources of information which are:

1- Secondary sources: where to address the general framework of the study by drawing on sources of secondary data, which is in books, Arab and foreign-related references, also periodicals, articles, reports, research and previous studies on the subject of study, and reading in the various Internet sites.

2-Primary sources: to address the analytical aspects of the subject of the study, relying on the collection Preliminary data from the questionnaire as a tool specifically designed for this purpose.

**4. Population and sample size:**

The population will include Employees the companies and banks Gaza Palestine, and we select random sample with size 35 employees, a thirty five questionnaires were distributed to the research population and a thirty questionnaires are received, and the following tables illustrated the properties of the samples:

1. Gender:

Table No. (1) Show that 76.7% from the sample are “Male”, and 23.3% from the sample are “Female”.

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>23</td>
<td>76.7</td>
</tr>
<tr>
<td>Female</td>
<td>7</td>
<td>23.3</td>
</tr>
<tr>
<td>Total</td>
<td>30</td>
<td>100.0</td>
</tr>
</tbody>
</table>
2. Education:

Table No.(2) show that 33.3 % from the sample there's education are "Diploma", and 60.0 % from the sample there's education are "bachelor degree", and 6.7% from the sample there's education are "higher education".

<table>
<thead>
<tr>
<th>Education</th>
<th>Frequency</th>
<th>Percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diploma</td>
<td>10</td>
<td>33.3</td>
</tr>
<tr>
<td>bachelor degree</td>
<td>18</td>
<td>60.0</td>
</tr>
<tr>
<td>higher education</td>
<td>2</td>
<td>6.7</td>
</tr>
<tr>
<td>Total</td>
<td>30</td>
<td>100.0</td>
</tr>
</tbody>
</table>
3- Major:
Table No.(3) show that 60.0 % from the sample the major are "Accounting ", and 6.7% from the sample the major are "finance & administrative ", and 33.3% from the sample the major are "other ".

<table>
<thead>
<tr>
<th>Major</th>
<th>Frequency</th>
<th>Percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounting</td>
<td>18</td>
<td>60.0</td>
</tr>
<tr>
<td>finance &amp; administrative</td>
<td>2</td>
<td>6.7</td>
</tr>
<tr>
<td>Other</td>
<td>10</td>
<td>33.3</td>
</tr>
<tr>
<td>Total</td>
<td>30</td>
<td>100.0</td>
</tr>
</tbody>
</table>

4- Years of experience in working on computerized systems:
Table No.(4) show that63.3 % from the sample the years of experience are "Less than 6 years ", and 20.0 % from the sample the years of
experience are "6-10 years ", and 16.7% from the sample the years of experience are "more than 11 years ".

Table No. (4)
Experience

<table>
<thead>
<tr>
<th>Experience</th>
<th>Frequency</th>
<th>Percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 6 years</td>
<td>19</td>
<td>63.3</td>
</tr>
<tr>
<td>6-10 years</td>
<td>6</td>
<td>20.0</td>
</tr>
<tr>
<td>more than 11 years</td>
<td>5</td>
<td>16.7</td>
</tr>
<tr>
<td>Total</td>
<td>30</td>
<td>100.0</td>
</tr>
</tbody>
</table>

5- Chronological age of the company:

Table No.(5) show that 36.7 % from the companies there ages are "Less than 6 years ", and 10.0% from the companies there ages are "6-10 years ", and 53.3 % from the companies there ages are "more than 11 years ".


Table No. (5)
Chronological age of the company

<table>
<thead>
<tr>
<th>Chronological age of the company</th>
<th>Frequency</th>
<th>Percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 6 years</td>
<td>11</td>
<td>36.7</td>
</tr>
<tr>
<td>6-10 years</td>
<td>3</td>
<td>10.0</td>
</tr>
<tr>
<td>more than 11 years</td>
<td>16</td>
<td>53.3</td>
</tr>
<tr>
<td>Total</td>
<td>30</td>
<td>100.0</td>
</tr>
</tbody>
</table>

5. **Questionnaire content**

The questionnaire was provided with a covering letter explaining the purpose of the study, the way of responding, the aim of the research and the security of the information in order to encourage a high response. The questionnaire included multiple choice questions: which used widely in the questionnaire, the variety in these questions aims first to meet the research objectives, and to collect all the necessary data that can support the discussion, results and recommendations in the research.
The sections in the questionnaire will verify the objectives in this research related to the effects of e-commerce on developing AISs and taxing systems as the following:

**First field:** e-commerce applications consist from 10 questions

**Second field:** the impact of e-commerce on the development of AISs within the client company consist from 7 questions

**Third field:** there are challenges facing the tax system in light of the development of e-commerce and proliferation consists from 8 questions.

And all questions follow lekart scale as the following:

<table>
<thead>
<tr>
<th>Level</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scale</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

6. **Criterion Related Validity**:

1) **Internal consistency**:

Internal consistency of the questionnaire is measured by a scouting sample, which consisted of sixteenth questionnaires, through measuring the correlation coefficients between each paragraph in one field and the whole filed. Tables No.’s (6-8) below show the correlation coefficient and p-value for each field items. As show in the table the p-Values are less than 0.05 or 0.01, so the correlation coefficients of this field are significant at \( \alpha = 0.01 \) or \( \alpha = 0.05 \), so it can be said that the paragraphs of this field are consistent and valid to be measure what it was set for.
Table (6)
The correlation coefficient between each paragraph in the field and the whole field
(E-commerce applications)

<table>
<thead>
<tr>
<th>Question</th>
<th>Pearson coefficient</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Provide general information about the company.</td>
<td>0.481</td>
<td>0.007</td>
</tr>
<tr>
<td>2. Provide general information about the company's products and services.</td>
<td>0.459</td>
<td>0.011</td>
</tr>
<tr>
<td>3. Provide specialized information on product specifications provided by the company.</td>
<td>0.609</td>
<td>0.000</td>
</tr>
<tr>
<td>4. Provide e-mail service for customers</td>
<td>0.305</td>
<td>0.101</td>
</tr>
<tr>
<td>5. Provide a system for direct query for any information needed by the client.</td>
<td>0.731</td>
<td>0.000</td>
</tr>
<tr>
<td>6. Provide electronic connectivity to other sites of interest to the client.</td>
<td>0.656</td>
<td>0.000</td>
</tr>
<tr>
<td>7. Provide a system for the client to pay the price through a credit card.</td>
<td>0.694</td>
<td>0.000</td>
</tr>
<tr>
<td>8. Provide a system for how to request customers to the company's products and services electronically.</td>
<td>0.789</td>
<td>0.000</td>
</tr>
<tr>
<td>9. Selling products and services through the Web site.</td>
<td>0.734</td>
<td>0.000</td>
</tr>
<tr>
<td>10. Provide a system of electronic connectivity through the website with distributors.</td>
<td>0.828</td>
<td>0.000</td>
</tr>
</tbody>
</table>

Table (7)
The correlation coefficient between each paragraph in the field and the whole field
(The impact of e-commerce on the development of AISs within the client company)

<table>
<thead>
<tr>
<th>Question</th>
<th>Pearson coefficient</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Impact of the presence of e-commerce on AIS.</td>
<td>0.432</td>
<td>0.017</td>
</tr>
<tr>
<td>2. Affected the status of e-commerce security, which is characterized by information systems.</td>
<td>0.552</td>
<td>0.002</td>
</tr>
</tbody>
</table>
The E-commerce Impacts on Improving Accounting Information Systems & Taxing Systems

3. E-commerce has affected the flexibility of the AIS.  

4. Affecting e-commerce on the speed and capacity of the work of the accounting system.  

5. Show output AIS is evident when the use of e-commerce.  

6. E-commerce has changed the way financial reporting of companies.  

7. Affecting e-commerce on the process of communication within the company.  

<table>
<thead>
<tr>
<th>No.</th>
<th>Question</th>
<th>Pearson coefficient</th>
<th>P-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1. The rules of the mechanism to impose the tax cannot be applied to e-commerce.</td>
<td>0.595</td>
<td>0.001</td>
</tr>
<tr>
<td>2</td>
<td>2. Tax on e-commerce is not considered to be novel or impossible.</td>
<td>0.737</td>
<td>0.000</td>
</tr>
<tr>
<td>3</td>
<td>3. Exploit loopholes in the tax law with a view to reduce the amounts shall be due on the company used for e-commerce.</td>
<td>0.724</td>
<td>0.000</td>
</tr>
<tr>
<td>4</td>
<td>4. Auditors do not bear responsibility for the accuracy of financial statements submitted to the tax administration in light of e-commerce.</td>
<td>0.541</td>
<td>0.002</td>
</tr>
<tr>
<td>5</td>
<td>5. Does not provide the accompanying financial statements by recognizing tax sufficient information on the sources of income for dealers customers to e-commerce</td>
<td>0.674</td>
<td>0.000</td>
</tr>
<tr>
<td>6</td>
<td>6. There is no treatment for the problems of taxation of e-commerce in the tax code.</td>
<td>0.760</td>
<td>0.000</td>
</tr>
<tr>
<td>7</td>
<td>7. Not to follow developments in the world of e-commerce to find out how tax treatment.</td>
<td>0.797</td>
<td>0.000</td>
</tr>
</tbody>
</table>

Table (8)  
The correlation coefficient between each paragraph in the field and the whole field  
(There are challenges facing the tax system in light of the development of e-commerce and proliferation)
8. The lack of qualified staff and efficient scientifically and practically to deal with e-commerce transactions.

<table>
<thead>
<tr>
<th>Number</th>
<th>Section</th>
<th>Pearson correlation coefficient</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>e-commerce applications</td>
<td>0.805</td>
<td>0.000</td>
</tr>
<tr>
<td>2</td>
<td>the impact of e-commerce on the development of AISs within the client company</td>
<td>0.471</td>
<td>0.009</td>
</tr>
<tr>
<td>3</td>
<td>challenges facing the tax system in light of the development of e-commerce and proliferation</td>
<td>0.668</td>
<td>0.000</td>
</tr>
</tbody>
</table>

6. **Structure Validity of the Questionnaire**

Structure validity is the second statistical test that used to test the validity of the questionnaire structure by testing the validity of each field and the validity of the whole questionnaire. It measures the correlation coefficient between one filed and all the fields of the questionnaire that have the same level of liker scale.

As shown in table No. (9), the significance values are less than 0.05 or 0.01, so the correlation coefficients of all the fields are significant at $\alpha = 0.01$ or $\alpha = 0.05$, so it can be said that the fields are valid to be measured what it was set for to achieve the main aim of the study.
7. **Reliability of the Research**

Reliability of an instrument is the degree of consistency with which it measures the attribute it is supposed to be measuring. The test is repeated to the same sample of people on two occasions and then compares the scores obtained by computing a reliability coefficient. For the most purposes reliability coefficient above 0.7 are considered satisfactory. Period of two weeks to a month is recommended between two tests. Due to complicated conditions that the contractors is facing at the time being, it was too difficult to ask them to respond to our questionnaire twice within short period. The statistician’s explained that, overcoming the distribution of the questionnaire twice to measure the reliability can be achieved by using required data. (العيسوي،2002)

Alpha coefficient and Half Split Method through the SPSS software.

**Half Split Method**

This method depends on finding Pearson correlation coefficient between the means of odd rank questions and even rank questions of each field of the questionnaire. Then, correcting the Pearson correlation coefficients can be done by using Spearman Brown correlation coefficient of correction. The corrected correlation coefficient (consistency coefficient) is computed according to the following equation:

$$\text{Consistency coefficient} = \frac{2r}{(r+1)}$$

where $r$ is the Pearson correlation coefficient. The normal range of corrected correlation coefficient $2r/(r+1)$ is between 0.0 and + 1.0. As shown in Table No.(10), all the corrected correlation coefficients values are between 0.812878 and 0.8539 and the general reliability for all items equal 0.834, and the significant ($\alpha$) is less than 0.05 so all the corrected correlation coefficients are significance at $\alpha = 0.05$. It can be said that according to the Half Split method, the dispute causes group are reliable.
The E-commerce Impacts on Improving Accounting Information Systems & Taxing Systems

Table (10)

Split-Half Coefficient method

<table>
<thead>
<tr>
<th>Number</th>
<th>Section</th>
<th>person-correlation</th>
<th>Spearman-Brown Coefficient</th>
<th>Sig. (2-Tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>e-commerce applications</td>
<td>0.6847</td>
<td>0.8128</td>
<td>0.000</td>
</tr>
<tr>
<td>2</td>
<td>the impact of e-commerce on the development of AISs within the client company</td>
<td>0.6924</td>
<td>0.8182</td>
<td>0.000</td>
</tr>
<tr>
<td>3</td>
<td>challenges facing the tax system in light of the development of e-commerce and proliferation</td>
<td>0.7451</td>
<td>0.8539</td>
<td>0.000</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>0.7158</td>
<td>0.8344</td>
<td>0.000</td>
</tr>
</tbody>
</table>

**Cronbach’s Coefficient Alpha**

This method is used to measure the reliability of the questionnaire between each field and the mean of the whole fields of the questionnaire. The normal range of Cronbach’s coefficient alpha value between 0.0 and + 1.0, and the higher values reflects a higher degree of internal consistency. As shown in Table No. (11) The Cronbach’s coefficient alpha was calculated for the first field of the causes of claims, the second field of common procedures and the third field of the Particular claims. The results were in the range from 0.8274 and 0.8678 and the general reliability for all items equal 0.8561. This range is considered high; the result ensures the reliability of the questionnaire.
Table (11) for Reliability Cronbach's Alpha

<table>
<thead>
<tr>
<th>Number</th>
<th>Section</th>
<th>No. of Items</th>
<th>Cronbach's Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>e-commerce applications</td>
<td>10</td>
<td>0.8274</td>
</tr>
<tr>
<td>2</td>
<td>the impact of e-commerce on the development of AISs within the client company</td>
<td>7</td>
<td>0.8341</td>
</tr>
<tr>
<td>3</td>
<td>challenges facing the tax system in light of the development of e-commerce and proliferation</td>
<td>8</td>
<td>0.8678</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>25</td>
<td>0.8561</td>
</tr>
</tbody>
</table>

**Statistical Manipulation:**
To achieve the research goal, researcher used the statistical package for the Social Science (SPSS) for Manipulating and analyzing the data.

**Statistical methods are as follows:**
1- Frequencies and Percentile
2- Alpha- Cronbach’s Test for measuring reliability of the items of the questionnaires
3- Person correlation coefficients for measuring validity of the items of the questionnaires.
4- Spearman –Brown Coefficient
5- One sample t test

**Section II: - The Data Analysis & Discussion:-**

1. **Shapiro-Wilk Test:-**
Shapiro-Wilk test will be used to identify if the data follow normal distribution or not, this test is considered necessary in case testing
hypotheses as most parametric Test stipulate data to be normality distributed and this test used when the size of the sample are less than 50.

Results test as shown in table (12), clarifies that the calculated p-value is greater than the significant level which is equal 0.05 (p-value. > 0.05), this in turn denotes that data follows normal distribution, and so parametric Tests must be used.

Table (12)
Shapiro-Wilk Test

<table>
<thead>
<tr>
<th>Number</th>
<th>Section</th>
<th>items No.</th>
<th>Statistic</th>
<th>P-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>e-commerce applications</td>
<td>10</td>
<td>1.161</td>
<td>0.135</td>
</tr>
<tr>
<td>2</td>
<td>the impact of e-commerce on the development of AISs within the client company</td>
<td>7</td>
<td>0.660</td>
<td>0.776</td>
</tr>
<tr>
<td>3</td>
<td>challenges facing the tax system in light of the development of e-commerce and proliferation</td>
<td>8</td>
<td>0.533</td>
<td>0.938</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>25</td>
<td>0.820</td>
<td>0.512</td>
</tr>
</tbody>
</table>

2. **Discussion for Research Hypothesis and interpretation of each section's items.**

In the following tables we use a one sample t test to test if the opinion of the respondent in the content of the sentences are positive (weight mean greater than "60%" and the p-value less than 0.05) or the opinion of the respondent in the content of the sentences are neutral (p-value is greater than 0.05) or the opinion of the respondent in the content of the sentences are negative (weight mean less than "60%" and the p-value less than 0.05)
1- The are an application of E-commerce in The Market at significance level $\alpha = 0.05$

We use a one sample t test to test if the opinion of the respondent about the application of E-commerce in The Market according to weight means from heights to lowest, and the results shown in table No. (13) as follows:

1- In item No. (2) the weight mean equal "92.00%" and p-value equal "0.000 " which is less than 0.05, that means(E-commerce used to provide general information about the company's products and services).

2- In item No. (1) the weight mean equal "87.33%" and p-value equal "0.000 " which is less than 0.05, that means(E-commerce used to provide general information about the company).

3- In item No. (3) the weight mean equal "86.21%" and p-value equal "0.000 " which is less than 0.05, that means(E-commerce used to provide specialized information on product specifications provided by the company).

4- In item No. (5) the weight mean equal "84.83%" and p-value equal "0.000 " which is less than 0.05, that means(E-commerce used to provide a system for direct query for any information needed by the client).

5- In item No. (8) the weight mean equal "83.33%" and p-value equal "0.000 " which is less than 0.05, that means(E-commerce used to provide a system for how to request customers to the company's products and services electronically).
6- In item No. (10) the weight mean equal " 82.67%" and p-value equal "0.000 " which is less than 0.05, that means(E-commerce used to Provide a system of electronic connectivity through the website with distributors).

7- In item No. (9) the weight mean equal " 78.00%" and p-value equal "0.000 " which is less than 0.05, that means(E-commerce used to Selling products and services through the Web site).

8- In item No. (6) the weight mean equal " 77.33%" and p-value equal "0.000 " which is less than 0.05, that means(E-commerce used to Provide electronic connectivity to other sites of interest to the client).

9- In item No. (7) the weight mean equal " 77.33%" and p-value equal "0.000 " which is less than 0.05, that means(E-commerce used to Provide a system for the client to pay the price through a credit card).

10- In item No. (4) the weight mean equal " 76.67%" and p-value equal "0.000 " which is less than 0.05, that means(E-commerce used to Provide e-mail service for customers).

For general the results for all items of the field show that the average mean equal  4.13 and the weight mean equal  82.59 which is greater than " 60% " and the absolute value of t test equal 11.235 which is greater than the critical value which is equal 2.05 and the p-value equal 0.000 which is less than 0.05, that means The are an application of E-commerce in The Market at significance level $\alpha = 0.05$
### Table (13)
Application of E-commerce in The Market

<table>
<thead>
<tr>
<th>No.</th>
<th>Items</th>
<th>Mean</th>
<th>standard deviation</th>
<th>Weight mean</th>
<th>t-value</th>
<th>P-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Provide general information about the company.</td>
<td>4.37</td>
<td>0.850</td>
<td>87.33</td>
<td>8.804</td>
<td>0.000</td>
</tr>
<tr>
<td>2</td>
<td>Provide general information about the company's products and services.</td>
<td>4.60</td>
<td>0.498</td>
<td>92.00</td>
<td>17.58</td>
<td>0.000</td>
</tr>
<tr>
<td>3</td>
<td>Provide specialized information on product specifications provided by the company.</td>
<td>4.31</td>
<td>0.712</td>
<td>86.21</td>
<td>9.906</td>
<td>0.000</td>
</tr>
<tr>
<td>4</td>
<td>Provide e-mail service for customers</td>
<td>3.83</td>
<td>1.053</td>
<td>76.67</td>
<td>4.334</td>
<td>0.000</td>
</tr>
<tr>
<td>5</td>
<td>Provide a system for direct query for any information needed by the client.</td>
<td>4.24</td>
<td>0.739</td>
<td>84.83</td>
<td>9.040</td>
<td>0.000</td>
</tr>
<tr>
<td>6</td>
<td>Provide electronic connectivity to other sites of interest to the client.</td>
<td>3.87</td>
<td>0.900</td>
<td>77.33</td>
<td>5.277</td>
<td>0.000</td>
</tr>
<tr>
<td>7</td>
<td>Provide a system for the client to pay the price through a credit card.</td>
<td>3.87</td>
<td>1.106</td>
<td>77.33</td>
<td>4.292</td>
<td>0.000</td>
</tr>
<tr>
<td>8</td>
<td>Provide a system for how to request customers to the company's products and services electronically.</td>
<td>4.17</td>
<td>0.913</td>
<td>83.33</td>
<td>7.000</td>
<td>0.000</td>
</tr>
<tr>
<td>9</td>
<td>Selling products and services through the Web site.</td>
<td>3.90</td>
<td>0.960</td>
<td>78.00</td>
<td>5.137</td>
<td>0.000</td>
</tr>
<tr>
<td>10</td>
<td>Provide a system of electronic connectivity through the website with distributors.</td>
<td>4.13</td>
<td>0.973</td>
<td>82.67</td>
<td>6.378</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>4.13</td>
<td>0.551</td>
<td>82.59</td>
<td>11.23</td>
<td>0.000</td>
</tr>
</tbody>
</table>

Critical value of \( t \) at df "28" and significance level 0.05 equal 2.05
2- The application of E-commerce affects on the developing AIS at significance level $\alpha = 0.05$

We use a one sample t test to test if the opinion of the respondent about the developing AIS according to weight means from heights to lowest, and the results shown in table No. (13) as follows:

1. In item No. (1) the weight mean equal " 84.67%" and p-value equal "0.000 " which is less than 0.05, that means Impact of the presence of e-commerce on AIS ().

2. In item No. (4) the weight mean equal " 82.00%" and p-value equal "0.000 " which is less than 0.05, that means (Affecting e-commerce on the speed and capacity of the work of the accounting system).

3. In item No. (3) the weight mean equal " 78.00%" and p-value equal "0.000 " which is less than 0.05, that means (E-commerce has affected the flexibility of the AIS).

4. In item No. (5) the weight mean equal " 77.33%" and p-value equal "0.000 " which is less than 0.05, that means (Show output AIS is evident when the use of e-commerce).

5. In item No. (7) the weight mean equal " 77.33%" and p-value equal "0.000 " which is less than 0.05, that means (Affecting e-commerce on the process of communication within the company).

6. In item No. (2) the weight mean equal " 76.67%" and p-value equal "0.000 " which is less than 0.05, that means (Affected the status of e-commerce security, which is characterized by information systems).

7. In item No. (6) the weight mean equal " 76.67%" and p-value equal "0.000 " which is less than 0.05, that means (E-commerce has changed the way financial reporting of companies).
For general the results for all items of the field show that the average mean equal 3.95 and the weight mean equal 78.95 which is greater than "60%" and the absolute value of t test equal 11.470 which is greater than the critical value which is equal 2.05 and the p-value equal 0.000 which is less than 0.05, that means The application of E-commerce affects on the developing AIS at significance level $\alpha = 0.05$

**Table (14)**
Developing AIS

<table>
<thead>
<tr>
<th>No.</th>
<th>Items</th>
<th>Mean</th>
<th>standard deviation</th>
<th>Weight mean</th>
<th>t-value</th>
<th>P-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Impact of the presence of e-commerce on AIS.</td>
<td>4.23</td>
<td>0.568</td>
<td>84.67</td>
<td>11.886</td>
<td>0.000</td>
</tr>
<tr>
<td>2</td>
<td>Affected the status of e-commerce security, which is characterized by information systems.</td>
<td>3.83</td>
<td>0.791</td>
<td>76.67</td>
<td>5.767</td>
<td>0.000</td>
</tr>
<tr>
<td>3</td>
<td>E-commerce has affected the flexibility of the AIS.</td>
<td>3.90</td>
<td>0.712</td>
<td>78.00</td>
<td>6.924</td>
<td>0.000</td>
</tr>
<tr>
<td>4</td>
<td>Affecting e-commerce on the speed and capacity of the work of the accounting system.</td>
<td>4.10</td>
<td>0.885</td>
<td>82.00</td>
<td>6.810</td>
<td>0.000</td>
</tr>
<tr>
<td>5</td>
<td>Show output AIS is evident when the use of e-commerce.</td>
<td>3.87</td>
<td>0.776</td>
<td>77.33</td>
<td>6.117</td>
<td>0.000</td>
</tr>
<tr>
<td>6</td>
<td>E-commerce has changed the way financial reporting of companies.</td>
<td>3.83</td>
<td>1.020</td>
<td>76.67</td>
<td>4.475</td>
<td>0.000</td>
</tr>
<tr>
<td>7</td>
<td>Affecting e-commerce on the process of communication within the company.</td>
<td>3.87</td>
<td>1.042</td>
<td>77.33</td>
<td>4.557</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td>3.95</td>
<td>0.453</td>
<td>78.95</td>
<td>11.470</td>
<td>0.000</td>
</tr>
</tbody>
</table>

Critical value of $t$ at df "28" and significance level 0.05 equal 2.05

3. There are many problems facing the taxing system when it’s applied on E-commerce contracts at significance level $\alpha = 0.05$

1. In item No. (2) the weight mean equal "76.00%" and p-value equal "0.000" which is less than 0.05, that means (Tax on e-commerce is not considered to be novel or impossible).
2. In item No. (8) the weight mean equal " 69.33\%" and p-value equal "0.017" which is less than 0.05, that means(The lack of qualified staff and efficient scientifically and practically to deal with e-commerce transactions).

3. In item No. (5) the weight mean equal " 66.67\%" and p-value equal "0.057" which is greater than 0.05, that means(the accompanying financial statements provide by recognizing tax sufficient information on the sources of income for dealers customers to e-commerce moderately).

4. In item No. (6) the weight mean equal " 66.00\%" and p-value equal "0.083" which is greater than 0.05, that means(There is treatment for the problems of taxation of e-commerce in the tax code moderately).

5. In item No. (3) the weight mean equal " 64.67\%" and p-value equal "0.182" which is greater than 0.05, that means(Exploit loopholes in the tax law with a view to reduce the amounts shall be due on the company used for e-commerce moderately.).

6. In item No. (7) the weight mean equal " 64.67\%" and p-value equal "0.257" which is greater than 0.05, that means(follow developments in the world of e-commerce to find out how tax treatment moderately).

7. In item No. (1) the weight mean equal " 60.67\%" and p-value equal "0.861" which is greater than 0.05, that means(The rules of the mechanism to impose the tax can be applied to e-commerce moderately).
8. In item No. (4) the weight mean equal "56.67%" and p-value equal "0.305" which is greater than 0.05, that means (Auditors bear responsibility for the accuracy of financial statements submitted to the tax administration in light of e-commerce).

For general the results for all items of the field show that the average mean equal 3.28 and the weight mean equal 65.58 which is greater than "60%" and the absolute value of t test equal 2.573 which is greater than the critical value which is equal 2.05 and the p-value equal 0.015 which is less than 0.05, that means There are many problems facing the taxing system when it’s applied on E-commerce contracts at significance level $\alpha = 0.05$

<table>
<thead>
<tr>
<th>No.</th>
<th>Items</th>
<th>Mean</th>
<th>Standard deviation</th>
<th>Weight mean</th>
<th>t-value</th>
<th>P-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The rules of the mechanism to impose the tax cannot be applied to e-commerce.</td>
<td>3.03</td>
<td>1.033</td>
<td>60.67</td>
<td>0.177</td>
<td>0.861</td>
</tr>
<tr>
<td>2</td>
<td>Tax on e-commerce is not considered to be novel or impossible.</td>
<td>3.80</td>
<td>0.847</td>
<td>76.00</td>
<td>5.174</td>
<td>0.000</td>
</tr>
<tr>
<td>3</td>
<td>Exploit loopholes in the tax law with a view to reduce the amounts shall be due on the company used for e-commerce.</td>
<td>3.23</td>
<td>0.935</td>
<td>64.67</td>
<td>1.366</td>
<td>0.182</td>
</tr>
<tr>
<td>4</td>
<td>Auditors do not bear responsibility for the accuracy of financial statements submitted to the tax administration in light of e-commerce.</td>
<td>2.83</td>
<td>0.874</td>
<td>56.67</td>
<td>-1.044</td>
<td>0.305</td>
</tr>
<tr>
<td></td>
<td>Does not provide the accompanying financial statements by recognizing tax sufficient information on the sources of income for dealers customers to e-commerce</td>
<td>3.33</td>
<td>0.922</td>
<td>66.67</td>
<td>1.980</td>
<td>0.057</td>
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</tr>
<tr>
<td>5</td>
<td>There is no treatment for the problems of taxation of e-commerce in the tax code.</td>
<td>3.30</td>
<td>0.915</td>
<td>66.00</td>
<td>1.795</td>
<td>0.083</td>
</tr>
<tr>
<td>6</td>
<td>Not to follow developments in the world of e-commerce to find out how tax treatment.</td>
<td>3.23</td>
<td>1.104</td>
<td>64.67</td>
<td>1.157</td>
<td>0.257</td>
</tr>
<tr>
<td>7</td>
<td>The lack of qualified staff and efficient scientifically and practically to deal with e-commerce transactions.</td>
<td>3.47</td>
<td>1.008</td>
<td>69.33</td>
<td>2.536</td>
<td>0.017</td>
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<tr>
<td>8</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>3.28</td>
<td>0.594</td>
<td>65.58</td>
<td>2.573</td>
<td>0.015</td>
</tr>
</tbody>
</table>

Critical value of t at df "28" and significance level 0.05 equal 2.05
Chapter 7

Conclusion & Recommendation
8.1 CONCLUSION

- There are some application of e-commerce in the market with some limitations and the companies use e-commerce to provide general / specialized information about their products and services.
- The rapid advances in electronic commerce are one of the challenges to traditional commerce in all markets.
- The results showed that the existence of barriers to the use of electronic commerce in all companies in Gaza Strip, due to the lack of material capabilities of computers and networks, and others.
- Do not format the internal climate of the state of such trade and the ability to absorb the methods and in particular commercial law.
- There is a strong relationship between the application of E-commerce and the developing of AIS and these some results:
  - The change of the role of accounting in the business into the design of management systems due to the reduction in the workload of accounting in such functions as recording, classification and reporting.
  - Presenting the members of the profession the opportunity to find new clients and to open to new geographical area.
  - Creating new areas of specialization such as forensic accounting, information technology and e-commerce in the accounting profession.
  - Presenting the services in the profession in electronic environment and helping members of the profession to save on time and money through such applications as e-statement and e-tax report.
  - Bringing accuracy and effectiveness to the information; and allowing some of the auditing techniques to be carried out
automatically with information processing systems in computer environment.

- There are many problems facing the taxing system when it's applied on E-commerce contracts.

- The nature of commercial activity by these companies, whether to provide services or produce goods and sell them online has led to increased tax evasion by these companies because of the difficulty of auditing and examining data from the company by the staff of income tax.

- In addition, a close link to a high degree of inadequacy of laws and legislation governing the operations of electronic commerce via the Internet and tax evasion, which led to some companies go to the practice of business activities through the network to hide the profits that would be subject to tax.
8.2 Recommendations

- Belief in the management of various sectors in the State to Importance of electronic commerce, and to engage in this area is no longer an option Only economically but a necessity that should be met and that the delay in the implementation of integrated strategies of electronic commerce itself lead only to economic marginalization in a global economy of increasing the volume of electronic transactions, but to a further deterioration Economic competitiveness due to declining share of exports of Arab countries export the world.

- Work on new laws and amend the current trade rules, which specialize in traditional trade organization to fit with e-business processes so that they control it.

- The need to contain the subjects, in particular Article accounting information systems on the vocabulary for using methods of information and communication technologies in general and e-commerce in particular, to create the cadre of accounting that is narrating the colleges and scientific institutes on how to understand the nature of the work of these methods and also how they are used in the work of Accounting Information Systems.

- Keep peace with developments in electronic commerce and work on legislation and regulations commensurate with any change or development in the trade.

- Must be developed financial services, enhance the credit system and upholding standards of financial transfers that Can facilitate the adjustments of accounts and payments resulting from e-commerce.

- The establishment of a unified network of computers at the Department of income and sales tax and the Customs Service and linked to the Internet and full coordination between these interests to exchange information among themselves for the transactions through which electronic commerce.
- Requiring banks and financial institutions need to News Service tax remittances, which are on the way between the companies, whether parties to the process residing within the state or outside it.

- That the Income Tax Department to study the advantages of having an organization or an international body be established to assist the State in the exchange of information to reduce tax evasion through electronic commerce.
The E-commerce Impacts on Improving Accounting Information Systems & Taxing Systems

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- The E-commerce Impacts on Improving Accounting Information Systems & Taxing Systems

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Appendix
In the name of God the Merciful

Dear brother/

Peace, mercy and blessings of God ...... and after

Questionnaire to get to know the views of professionals and workers in the use of e-commerce applications in some companies and banks Gaza.

This resolution is one way that research for the degree of complementary to the BS, presented to the Islamic University (Faculty of Commerce - Department of Accounting), aimed to identify the views of professionals and workers in companies and sectors that are interested in using e-commerce applications in their work and knowledge of its effects on the development regulate the AISs tax.

The cooperation with us is to support the development and scientific research in Palestine, note that the information will be obtained, will be treated confidentially and will only be used for the purposes of scientific research.

We would like to seize the opportunity and offer you our heartfelt thanks for your cooperation with us.

Greetings Researchers:-

MAM
Part I: Personal Information:-

1 - Gender:
Male  Female  

2- Education:
Diploma  bachelor degree  higher  education  

3- Major:
Accounting  finance & administrative  other  

4- Years of experience in working on computerized systems:
Less than 6  6-10  more than 11  

5- Chronological age of the company:
Less than 6  6-10  more than 11  
**Part II: e-commerce applications**

Please specify the extent of use of company e-commerce applications following through your site on the Internet, by ticking (√) in the box that applies to the case of Company:

<table>
<thead>
<tr>
<th></th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Provide general information about the company.</td>
<td></td>
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<tr>
<td>2.</td>
<td>Provide general information about the company's products and services.</td>
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<tr>
<td>3.</td>
<td>Provide specialized information on product specifications provided by the company.</td>
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<tr>
<td>4.</td>
<td>Provide e-mail service for customers</td>
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<tr>
<td>5.</td>
<td>Provide a system for direct query for any information needed by the client.</td>
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<tr>
<td>6.</td>
<td>Provide electronic connectivity to other sites of interest to the client.</td>
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<tr>
<td>7.</td>
<td>Provide a system for the client to pay the price through a credit card.</td>
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<tr>
<td>8.</td>
<td>Provide a system for how to request customers to the company's products and services electronically.</td>
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<tr>
<td>9.</td>
<td>Selling products and services through the Web site.</td>
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</tr>
<tr>
<td>10.</td>
<td>Provide a system of electronic connectivity through the website with distributors.</td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>
Part III: the impact of electronic commerce on the development of AISs within the client company

<table>
<thead>
<tr>
<th></th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Impact of the presence of electronic commerce on AIS.</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>2. Affected the status of electronic commerce security, which is characterized by information systems.</td>
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<tr>
<td>3. Electronic commerce has affected the flexibility of the AIS.</td>
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<tr>
<td>4. Affecting electronic commerce on the speed and capacity of the work of the accounting system.</td>
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</tr>
<tr>
<td>5. Show output AIS is evident when the use of electronic commerce.</td>
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<tr>
<td>6. Electronic commerce has changed the way financial reporting of companies.</td>
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<tr>
<td>7. Affecting electronic commerce on the process of communication within the company.</td>
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</tr>
</tbody>
</table>
### Part IV: there are challenges facing the tax system in light of the development of electronic commerce and proliferation.

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The rules of the mechanism to impose the tax cannot be applied to electronic commerce.</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>2. Tax on electronic commerce is not considered to be novel or impossible.</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>3. Exploit loopholes in the tax law with a view to reduce the amounts shall be due on the company used for electronic commerce.</td>
<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>4. Auditors do not bear responsibility for the accuracy of financial statements submitted to the tax administration in light of electronic commerce.</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>5. Does not provide the accompanying financial statements by recognizing tax sufficient information on the sources of income for dealers customers to electronic commerce</td>
<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>6. There is no treatment for the problems of taxation of electronic commerce in the tax code.</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>7. Not to follow developments in the world of electronic commerce to find out how tax treatment.</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>8. The lack of qualified staff and efficient scientifically and practically to deal with electronic commerce transactions.</td>
<td></td>
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</tr>
</tbody>
</table>
بسم الله الرحمن الرحيم

الاخ/ت الكريم:

السلام عليكم ورحمة الله وبركاته.....وبعد

استبيانه للتعرف على آراء المتخصصين والعاملين في مجالات استخدام تطبيقات التجارة الإلكترونية في بعض شركات غزة.

إن هذه الاستبيانة هي أحد الوسائل البحثية للحصول على درجة مكملة للبكالوريوس، مقدمة إلى الجامعة الإسلامية (كلية التجارة - قسم المحاسبة)، تهدف إلى التعرف على آراء المتخصصين والعاملين في الشركات والقطاعات التي تهتم باستخدام تطبيقات التجارة الإلكترونية في أعمالها ومعرفة أثارها على تطوير أنظم المعلومات المحاسبية والنظام الضريبية.

إن تعاونكم معنا هو دعم للتنمية والبحث العلمي في فلسطين، علماً بأن المعلومات التي سيتم الحصول عليها سوف يتم التعامل بسرية تامة، ولن نستخدم إلا لأغراض البحث العلمي.

نود أن نتهني الفرصة ونقدم لكم شكرنا الجزيل على تعاونكم معنا.

مع تحيات الباحث

MAM
الجزء الأول: معلومات شخصية

1- الجنس:
- ذكر
- أنثى

2- المؤهلات العلمية:
- دبلوم
- شهادات عليا

3- التخصص:
- مالية
- مصرفية
- وآخر

4- سنوات الخبرة في العمل على الأنظمة المحاسبية:
- أقل من 6 سنوات
- من 6 إلى 10 سنوات
- 11 سنة

5- العمر الزمني للشركة:
- أقل من 6 سنوات
- من 6 إلى 10 سنوات
- أكثر من 11 سنة
الجزء الثاني: تطبيقات التجارة الإلكترونية

الرجاء تحديد مدى استخدام الشركة لتطبيقات التجارة الإلكترونية التالية من خلال موقعك على شبكة الإنترنت وذلك بوضع إشارة (√) في المربع الذي ينطبق على حالة الشركة:

<table>
<thead>
<tr>
<th>رقم</th>
<th>تقييم معلومات عامة عن الشركة</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>تقدم معلومات عامة عن الشركة</td>
</tr>
<tr>
<td>2</td>
<td>تقدم معلومات عن منتجات الشركة وخدماتها</td>
</tr>
<tr>
<td>3</td>
<td>تقدم معلومات متخصصة عن مواصفات المنتجات التي تقدمها الشركة</td>
</tr>
<tr>
<td>4</td>
<td>توفير خدمة البريد الإلكتروني للعملاء</td>
</tr>
<tr>
<td>5</td>
<td>توفير نظام للاستعلام المباشر عن أي معلومات يحتاجها العمليل</td>
</tr>
<tr>
<td>6</td>
<td>توفير إمكانية الربط الإلكتروني بمواقع أخرى ذات فائدة للعمليل</td>
</tr>
<tr>
<td>7</td>
<td>توفير نظام لقياس العميل بتسديد الثمن من خلال بطاقة الائتمان</td>
</tr>
<tr>
<td>8</td>
<td>توفير نظام لكيفية طلب العملاء لمنتجات الشركة وخدماتها الإلكترونية</td>
</tr>
<tr>
<td>9</td>
<td>بيع المنتجات والخدمات من خلال الموقع على الشبكة</td>
</tr>
<tr>
<td>10</td>
<td>توفير نظام ربط الالكتروني من خلال الموقع مع الموزعين</td>
</tr>
</tbody>
</table>

80
The E-commerce Impacts on Improving Accounting Information Systems & Taxing Systems

الجزء الثالث: تأثير التجارة الإلكترونية على تطوير أنظمة المعلومات المحاسبية المتعامل بها داخل الشركة

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</table>

1. أثر وجود التجارة الإلكترونية على نظام المعلومات المحاسبي.
2. أثر التجارة الإلكترونية على صفة الأمان التي تتصف بها نظم المعلومات.
3. أثر التجارة الإلكترونية على مرونة نظام المعلومات المحاسبي.
4. أثر التجارة الإلكترونية على سرعة وسعة عمل النظام المحاسبي.
5. تظهر مخرجات نظام المعلومات المحاسبي بشكل واضح عند استخدام التجارة الإلكترونية.
6. غيرت التجارة الإلكترونية من طريقة إعداد التقارير المالية في الشركات.
7. أثر التجارة الإلكترونية على عملية التواصل داخل الشركة.
الجزء الرابع: وجود تحديات تواجه النظام الضريبي في ظل تطور التجارة الإلكترونية وانتشارها

<table>
<thead>
<tr>
<th>رقم</th>
<th>تحدي</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>إن القواعد الآلية لفرض الضريبة لا يمكن تطبيقها على التجارة الإلكترونية.</td>
</tr>
<tr>
<td>2</td>
<td>الضريبة على التجارة الإلكترونية لا تعتبر أبداً مستحثاً أو مستحيلاً.</td>
</tr>
<tr>
<td>3</td>
<td>استغلال ثغرات قانون الضرائب بقصد تخفيف المبالغ الواجب الاستحقاق على الشركة المستخدمة للتجارة الإلكترونية.</td>
</tr>
<tr>
<td>4</td>
<td>عدم تحمل المحاسب القانوني مسؤولية صحة القوائم المالية المقدمة للإدارة الضريبية في ظل التجارة الإلكترونية.</td>
</tr>
<tr>
<td>5</td>
<td>لا تقدم القوائم المالية المرفقة بالإقرار الضريبي معلومات كافية عن مصادر دخل الزبائن المعاملين بتجارة الإلكترونية.</td>
</tr>
<tr>
<td>6</td>
<td>لا توجد معالجة للمشكلات الضريبية للتجارة الإلكترونية في القانون الضريبي.</td>
</tr>
<tr>
<td>7</td>
<td>عدم متابعة التطورات في عالم التجارة الإلكترونية لمعرفة كيفية المعالجة الضريبية.</td>
</tr>
<tr>
<td>8</td>
<td>عدم وجود الكادر الكفء المؤهل عملياً وعملياً للتعامل مع وجود صفقات التجارة الإلكترونية.</td>
</tr>
</tbody>
</table>