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RESEARCH ARTICLE

AI-AUGMENTED RECONCILIATION OF ACCOUNTING STANDARDS AND TAXATION PRACTICES: AN EMPIRICAL AND PREDICTIVE ANALYSIS IN EMERGING ECONOMIES

Rajeswaran Ayyadurai[1], R Padmavathy[2]

[1]*Login Services, Coimbatore, India.*

[2]*Anna University, Coimbatore, India.*

Abstract: In emerging economies, interplay between accounting standards and taxation rules significantly impacts the preparation and presentation of financial statements. This research examines whether financial reporting practices are driven by taxation rules or accounting rules and how the professional qualities of accounting staff with education, experience and training affect this orientation. Structural questionnaires were employed to gather data from 280 accounting and auditing practitioners in five emerging economies: India, Nigeria, Vietnam, Indonesia and Kenya. Descriptive analysis and cross-tabulation were used to evaluate prevalent financial reporting method and professional characteristics correlations with reporting orientation. Results show that most of the professionals adopt taxation-first method, illustrating the powerful role played by fiscal structures in directing financial disclosures. Significant number of respondents with a higher level of education, higher levels of experience, and regular professional training demonstrated increased dependence on accounting standards. These findings affirm necessity of an adaptive, context-sensitive model of reporting that acknowledges the joint impact of regulatory frameworks and human capital on financial reporting conduct. This study incorporates AI driven Decision Tree classification to examine patterns in professional direction (accounting-first vs. tax-first) based on gathered demographic and behavioral information. AI model resulted in 98.7 percent classification accuracy, justifying its deployment in forecasting compliance frameworks for emerging economies.

Keywords: *Accounting standards, taxation policy, financial reporting, emerging economies, AI and fiscal compliance.*

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INTRODUCTION

In emerging economies changing financial environment, convergence of accounting standards with taxation processes is a key factor in ensuring transparency, regulatory adherence and effective decision-making [1].

Reliable financial reporting underpins management decisions, investor trust and tax management [2] [3]. Inconsistencies tend to arise from varied objectives between accounting towards economic reality and taxation oriented towards revenue determination [4], [5]. Such inconsistency makes it difficult for financial professionals to balance legal conformity with organizational performance representation [6].

A few earlier frameworks like Uniform Accounting-Taxation Compliance Model, Dual-Entry Adjustment Framework and Regulatory Binding Model sought to reconcile financial reporting with tax law [7]. AI models primarily propose rule-based mapping or coercive parallel reporting for reconciliation [8], [9].

Technically framed though they are, these tend to be inflexible and place administrative costs on companies, particularly smaller firms. Their inflexible architecture fails to consider practitioner interpretation or contextual relaxation [10], [11].

Such alternatives such as Tax-First Preparation System and Accounting-Led Hybrid Reporting Model have addressed reversing the compliance sequence either starting with tax rules or accounting principles [12] [13]. Regardless, these models suffer from lack of scalability in terms of business size and oversimplification of legal intricacies [14]. They do not take into consideration professionals experience, training levels and legal acumen in determining reporting behavior [15], [16].

To bridge these shortcomings, this suggested framework brings in a Context-Aware Adaptive Reporting Model that adapts dynamic regulatory compliance with practitioner-oriented variables. Education, training and legal acquaintance are framed here as principal drivers of financial statement orientation, rendering the model adaptive across varying organizational environments. Contribution of this research lies in empirically establishing the role of these human factors in determining dominance of accounting versus taxation in practice.

In contrast to earlier rule-based approaches, this model reflects the natural dynamics of professionals and provides a fact-based route to reconciling financial and fiscal reporting. With improvements in data analysis, combining Artificial Intelligence (AI) specifically Decision Trees models improve predictive insight into professional orientation in financial reporting. These AI models provide actionable information on the likelihood of professionals aligning with tax or accounting standards from their profiles. It closes the gap between institutional requirements and real-world conditions, adding a more sophisticated, resilient approach to preparing financial statements.

Research Objective

- Determine the level of convergence or divergence of accounting standards and taxation procedures in financial reporting among emerging economies.
- Assess the impact of professional background (education, experience, training) in adopting either accounting or taxation regulations while preparing financial statements.
- Analyze the regulatory environments of financial and fiscal reporting in chosen emerging economies.
- Examine the relative strength of influence that taxation requirements have over financial reporting in emerging economies, compared to accounting principles.
- Develop and test AI-based classification model to predict financial reporting orientation from professional background.

Research Questions & Hypothesis

Research Questions

- To what extent are financial statements in emerging economies prepared in accordance with accounting standards versus taxation rules?
- How do professionals' educational background, experience, and training influence the preference for accounting standards or taxation practices during financial reporting?
- When preparing financial statements, do you first refer to tax laws and adjust for accounting standards?
- How do regulatory frameworks in emerging economies affect the alignment or divergence between accounting and taxation systems?

Hypothesis

H_1: Primacy of Taxation Rules in Financial Statement Preparation.

H_2: Primacy of Accounting Standards in Financial Statement Preparation.

H_{11}: Relationship between Professional Characteristics and Reliance on Taxation Rules.

H_{21}: Relationship between Professional Characteristics and Reliance on Accounting Standards.

RELATED WORKS

Nurunnabi et al. [17] in emerging economies noted that coexistence of international accounting standards and domestic fiscal obligations tends to create inconsistencies in financial disclosures.

These discrepancies occur when parties implement IFRS in financial reporting subject to national tax regulations that require different rules of recognition and measurement. Eroglu [18] suggest that without an intentional effort to align both areas, financial statement users like investors and regulators will struggle with understanding the economic reality of business results.

Senteney et al. [19] examined comparative accounting within Europe and highlighted that the level of convergence between tax and financial reporting depends heavily on the maturity of institutions. In weak enforcers or underdeveloped capital markets, tax compliance will tend to dominate financial transparency [20].

Their evidence is that in those environments, financial reports are commonly modified to satisfy tax reporting requirements at the expense of faithful representation and comparability into two fundamental principles of IFRS [21].

Table 1: Models of association between accounting and taxation rules

Case	Association Type	Description
I	Independent Association	Accounting and tax rules are fully separate
II	Identical Association	Accounting and tax rules are the same
III	Primacy of Accounting Rules	Accounting dominates and influences taxation
IV	Primacy of Taxation Rules	Fiscal rules are dominant; accounting conforms
V	Dominance of Fiscal Rules	Tax rules override accounting; financial reporting becomes subordinate

Source: Lamb et al. [22]

Zhang et al. [23] examined cultural dimensions' impact on reconciling accounting and taxation systems. Their work highlighted that high uncertainty avoidance and strong rule-based legal systems are commonly found in countries that tend to follow conservative tax-aligned accounting policy [24]. This conservatism might deter the embrace of principle-based standards such as IFRS. In developing economies where administrative discretion and overlap of regulators are prevalent, this conflict between principles and rules usually becomes more apparent in financial reporting practices.

Alm et al. [25] on Eastern European economies concluded that pressure for the adoption of IFRS tends to emanate from international financial institutions and capital markets' requirements with AI models.

They still use statutory accounting information in tax assessment purposes in these regions, leading to the need for companies to have parallel reporting frameworks. Senteney et al. [26] determined that dual-system burden incurs high compliance costs and results in selective application of IFRS, as companies target tax reporting precision at the expense of financial transparency and ultimately the overall objective of global accounting harmonization.

Samuel [27] highlight that within emerging economies, the co-existence of International Financial Reporting Standards (IFRS) and domestic tax rules tends to generate contradictions in financial disclosures. They believe that whereas IFRS is seeking economic representation, tax rules are concerned with revenue determination, thus there is conflict in the preparation of financial reports [28]. Their research confirms that without conscious attempts to align such systems, users of financial reports such as investors and regulators struggle to understand financial well-being of organizations using AI.

Brown et al. [29] argue that country's institutional maturity determines to a large extent the extent of convergence between accounting and taxation. Kim et al. [30] explained where the law is less strongly enforced and capital markets are underdeveloped, compliance with tax requirements will be more dominant than financial transparency and this result in the manipulation of accounting information to fulfill fiscal obligations [9].

METHODOLOGY

Research Design

This research employs a quantitative research paradigm, applying a formal questionnaire to gather empirical data from accounting and auditing professionals in chosen emerging economies. Quantitative means allow for statistical analysis of professional orientation towards accounting versus taxation discipline when preparing financial statements. The research design is analytical and exploratory in an attempt to measure whether professional traits like training, experience, education and knowledge in law affect the use of financial reporting rules compared to taxation rules (or vice versa).

The reason for using such a design is because of the goal of determining generalizable patterns and tendencies between countries that have equivalent economic and regulatory environments. A standardized questionnaire was used for its capacity to obtain standardized answers, promoting comparability and consistency across demographic and geographic variables. The structure is also consistent with existing research in this field [22], offering a sound basis for hypothesis testing and categorization of accounting-taxation relationship.

Current Accounting and Taxation Regulatory Frameworks in Emerging Economies

In emerging economies, business organizations are generally regulated by dual structures: international accounting standards for financial reporting and local tax laws for fiscal compliance. Most of these nations, including India, Nigeria, Vietnam and Indonesia have approved International Financial Reporting Standards (IFRS) or IFRS-converged national standards (e.g., Ind AS in India) to increase transparency and comparability of financial reports.

These standards are backed by domestic regulatory bodies like the Ministry of Corporate Affairs (MCA) in India or the Financial Reporting Council in Nigeria. Taxes in these nations still follow mostly local and inflexible taxation frameworks despite the implementation of international standards.

Fiscal authorities tend to require stand-alone documentation that might not be consistent with IFRS-based accounting practices. Tax laws of a country can mandate the keeping of certain books such as sales register, purchase register, input-output GST ledgers (for India), fixed asset schedules for tax law depreciation, and profit & loss accounts drafted based on statutory deductions instead of fair value or accrual-based principles. Format, frequency and structure of these accounts are specified by the legal and administrative guidelines of tax administrations.

Thresholds of gross turnover or net profits set the criteria for the application of requirements of tax audits or simplified reporting. For example, small and micro businesses having revenue below a certain amount can avail themselves of presumptive schemes of short-term taxation and simplified reporting, while medium and large enterprises fall under full compliance with both IFRS and tax legislation rules. This double layer poses a substantial challenge to financial professionals who have to balance accounting information with reporting for taxes, usually resulting in parallel reporting systems or after-reporting accommodations.

Empirical Analysis of the Connection between Taxation and Accounting in the Preparation of Financial Statements

Empirical part of the study is grounded on primary data obtained through a survey of 280 accounting and auditing professionals from chosen emerging economies such as India, Kenya, Vietnam, Nigeria, and Indonesia. Purposive sampling was used to choose 280 business organizations to gather data that would reflect representation from private and public sector organizations, as well as organization size variation illustrated in Figure 1.

Data were gathered using structured questionnaires with closed and open-ended questions. The questionnaire was designed to capture respondents orientation-whether taxation rules or accounting standards are emphasized by them while preparing financial statements and demographic factors such as education, experience and professional training.

Research questions asked in the survey were:

- When preparing the financial statements, are you guided first by taxation rules and then make accounting adjustments?

- When preparing the financial statements, are you guided first by accounting standards and then make tax adjustments?

Answers to these questions were examined with descriptive statistics and cross-tabulation techniques to examine professional characteristics and financial reporting orientation relationships. The purpose was to determine the existing trend among emerging economies-whether financial reporting is likely to be defined primarily by accounting rules or tax regulations and to categorize accounting-taxation relationship type.

Figure 1: Proposed framework for analyzing financial reporting orientation

Sampling and Data Collection

Purposive sampling was employed to select accounting professionals from nations such as India, Nigeria, Indonesia, Vietnam, and Kenya. The countries were picked because they are emerging economies with dual reporting requirements-IFRS compliance and adherence to local tax regulation. 280 professionals from private and public institutions took part in the survey, which was carried out over a three-month period through online forms, professional networks, and academic affiliations.

The survey included both closed and Likert-scale questions to obtain binary and levels of agreement/disagreement. Important topics were the foundation of financial reporting (accounting-first or taxation-first), familiarity with legal structures, professional training frequency, and demographic variables like education and work background. Ethical safeguards were ensured via respondent anonymity and voluntary engagement.

Instrumentation and Variables

Instrument employed was a structured self-administered questionnaire, prepared according to existing literature and tested frameworks. The questionnaire consisted of five broad sections: demographic profile, knowledge of regulation, training participation, reporting orientation (taxation or accounting), and legal compliance familiarity. The questions were assigned to one or more variables to enable statistical testing of the hypotheses.

Independent variables were education level, professional experience in terms of years, and how often they participate in training programs. Dependent variables were the answers to the two main research question: whether financial statements are primarily regulated by taxation or accounting rules. These variables were subsequently examined using cross-tabulation, percentage distribution and hypothesis testing to identify correlations.

Data Analysis Techniques

Data thus obtained were analyzed using cross-tabulation and descriptive statistics. Descriptive statistics served to condense the demographic profiles, knowledge levels, as well as response patterns. Cross-tabulation facilitated comparison between independent and dependent variables, say, how reporting orientation differs by education level or professional experience.

Frequency analysis and comparative percentages were used to test the hypotheses instead of sophisticated regression or multivariate analysis, owing to the fact that the data were categorical. Both hypotheses (H_1 and H_2) Figure 2 were tested for verification or rejection on the basis of whether the majority of the respondents were influenced by accounting or taxation guidelines when preparing financial statements. The taxonomy of Lamb et al. (1998) was subsequently employed for categorizing the alignment category on the basis of the overall orientation evident from the data.

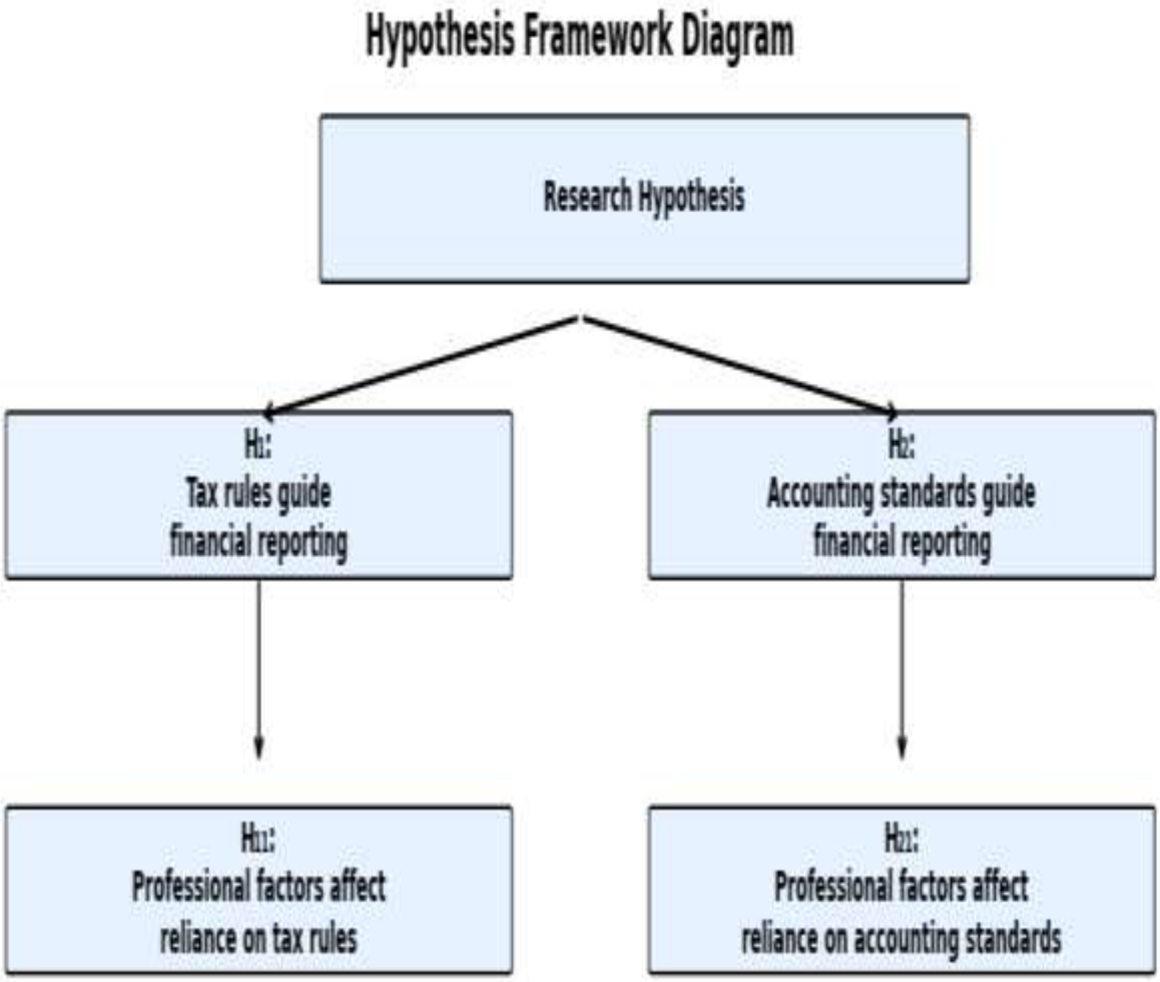

Figure 2: Hypothesis framework

AI-Based Predictive Modeling

To complement standard descriptive and cross-tabulation analysis, Artificial Intelligence (AI) strategy based on Decision Tree classifier was utilized. This model was applied through Scikit-learn library of Python and sought to categorize financial professionals into two types "taxation-first" or "accounting-first". Major independent variables utilized as input features were educational level (ordinal scale), professional experience in years (numerical), and training frequency (categorical to ordinal scale). Such variables had been selected on the basis of their postulated impact on reporting behavior, which had been confirmed in previous empirical observations in the study. Data were divided into training and testing sets to enable model to learn from a representative subset and test its ability to generalize.

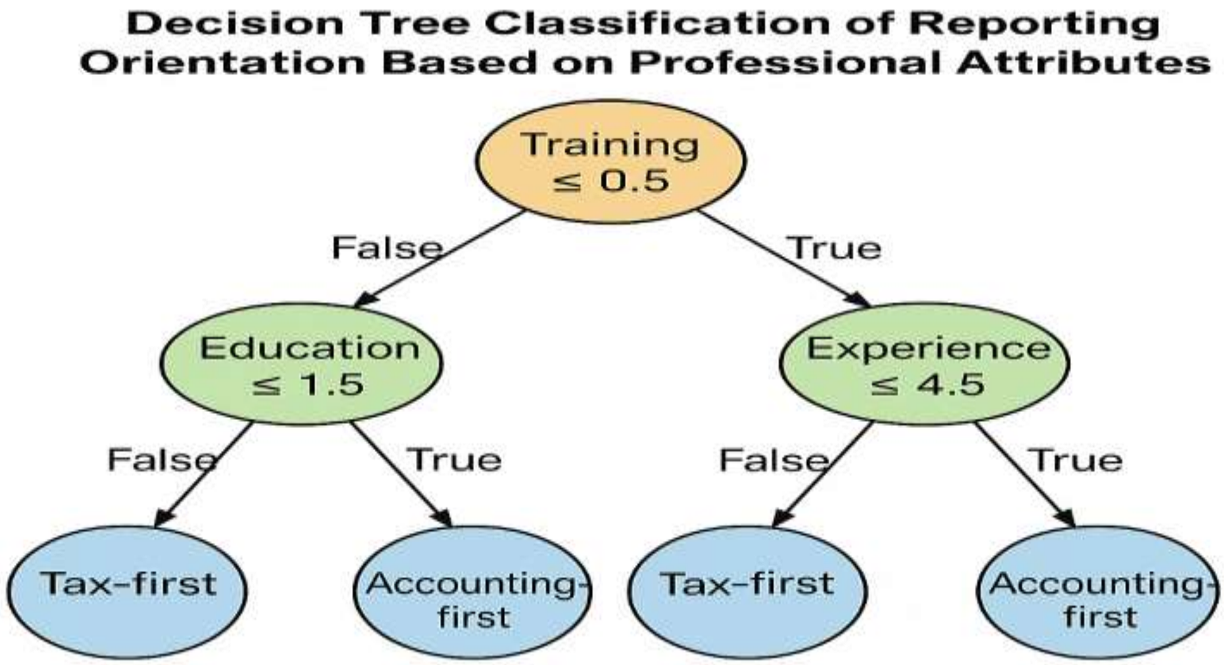

Figure 3: Decision tree for AI-based predictive model

Decision Tree Classification of Reporting Orientation Based on Professional Attributes demonstrates how predominant human capital determinants affect probability of a professional undertaking either a tax-first or accounting-first reporting strategy in Figure 3. Root node starts with "Training ≤ 0.5," implying that low-training frequency professionals are further bifurcated by their education level. Those with education level ≤ 1.5 (e.g., below Bachelor's) mostly adopt a tax-first strategy, while the higher-educated tend to prefer accounting-first.

On the other branch, the professionals with standard training (Training > 0.5) are divided according to experience, with those having more than 4.5 years of experience following accounting-first practices. This framework points out the predictive ability of training, education, and experience to influence compliance behavior and justifies the application of the model for policy targeting and professional development planning.

RESEARCH RESULTS

Analysis of Data Related to Research Questions and Hypothesis H1

Test of Hypothesis H_1 suggests that business organizations in emerging economies are mostly driven by taxation guidelines in financial statement preparation shows that most of the professionals surveyed (58.2%) reported taxation-first practice in preparing financial statements.

This finding is consistent for different sizes and industry types of organizations, indicating a pervasive impact of budgetary regulations over financial reporting practices. Regulatory framework in these economies seems to emphasize compliance with domestic tax law-e.g., compulsory tax audit structures, statutory allowances, and fixed-asset depreciation guidelines over the use of international accounting standards.

This taxation dominance is frequently a result of robust enforcement mechanisms, penalty audits, and statutory provisions for keeping tax-compliant books, particularly in economies where fiscal authorities have more direct control than accounting standard setters. Thus, Hypothesis H_1 is supported empirically, as tax law is still the most important factor determining how financial statements are initially prepared in most emerging economies.

Hypothesis H_1: Primacy of Taxation Rules in Financial Statement Preparation

To examine if tax rules mostly direct financial statement preparation in emerging economies, answers to the survey question: "When preparing financial statements, do you first refer to tax laws and adjust for accounting standards?" were compared. Table 1 shows respondents frequency of following taxation-first and accounting-first approaches:

Table 2: Orientation toward taxation in financial reporting

Reporting Orientation	Number of Respondents	Percentage (%)
Taxation-first approach	163	58.2%
Accounting-first approach	117	41.8%

Findings show that most (58.2%) of the professionals take taxation regulations into consideration when developing financial reports. This is in support of H_1 and it asserts that financial reporting in emerging economies is more sensitive to tax compliance obligations rather than accounting standards. Predominance of taxation orientation is an indication of regulatory environments under which fiscal authorities have more influence on statutory compliance compared to accounting bodies.

Hypothesis H_{11}: Relationship between Professional Characteristics and Reliance on Taxation Rules

This hypothesis considers if education, experience and training influence the probability of a professional to comply with taxation principles. Table 3 indicates a distinct inverse correlation: lower educational level is more likely to comply with tax principles first, implying lower exposure to accounting theory or global frameworks such as IFRS.

Table 3: Cross-tabulation between education level and taxation-first orientation

Education Level	% Choosing taxation-first
High School	88.9 %
Bachelor's Degree	61.2 %
Master's/PhD	48.4 %

An inverse relationship between educational attainment and dependence on tax principles is provided in Table 3. High school diploma holders more than overwhelmingly (88.9%) adopt a taxation-first strategy, while dependence progressively diminishes with increasing educational attainment. This implies that institutional education improves awareness and use of accounting standards, minimizing overdependence on tax-reporting.

Table 4: Cross-tabulation between experience and taxation-first orientation

Experience Level	% Choosing Taxation-First
< 1 Year	85.7%
1–3 Years	70.0%
4–6 Years	56.3%
> 6 Years	51.3%

As indicated by Table 4, fewer years of experience result in professionals being more likely to comply with taxation regulations (85.7% for <1 year), while this trend decreases with experience. The evidence suggests that experienced professionals are in a better position to apply accounting concepts into financial reporting, perhaps owing to wider exposure and improved IFRS familiarity.

Table 5: Cross-tabulation between training frequency and taxation-first orientation

Training Frequency	% Choosing Accounting-First
Never	21.4%
Rarely	33.3%
Occasionally	41.2%
Regularly	54.2%
Very Often	60.5%

Frequent attendance in training sessions hugely minimizes the use of taxation rules, as only 39.5% of frequent attendees in training resort to a tax-first approach. In comparison, 78.6% of the untrained default to using tax rules. This emphasizes the importance of constant training in the encouragement of accounting-led practices in Table 5.

Analysis of Data Related to Research Questions and Hypothesis H2

In testing Hypothesis H_2, that accounting standards mainly influence financial statement preparation as opposed to tax rules, the evidence is that only 41.8% of sample said they used an accounting-first orientation. Although not the most prevalent orientation, this ratio does represent a substantial minority, especially of professionals in multinational organizations or industries with significant international investor influence.

These professionals tend to emphasize fair value reporting, accrual-based measurements, and complete adherence to IFRS or IFRS-converged standards prior to taxation adjustment for local tax purposes. Impact of taxation regimes remains more prevalent, particularly in small and medium-sized enterprises where flexibility of regulation is limited. Therefore, although accounting standards bear significant influence, particularly among highly educated and regularly trained accountants, the evidence does not support Hypothesis H_2 as robustly as H_1. The comparative study highlights that while accounting principles become more applicable, they remain secondary to tax rules in terms of their influence on financial reporting in emerging economies.

Hypothesis H_2: Primacy of Accounting Standards in Financial Statement Preparation

Hypothesis here attempted to find out if accounting standards determine reporting more than tax legislation. The same question was studied from the opposite prism to measure how adoption of accounting-first methods takes place.

Table 6: Orientation toward accounting standards in financial reporting

Reporting Orientation	Number of Respondents	Percentage (%)
Accounting-first approach	117	41.8%
Taxation-first approach	163	58.2%

Findings in Table 6 indicate that only 41.8% of respondents follow accounting standards first. Thus, H_2 is not confirmed, as tax-first approach continues to be prevalent. Yet, the almost 42% rate suggests that a considerable minority still favor accounting standards, particularly in bigger companies or global firms where IFRS adherence is not negotiable.

Hypothesis H_{21}: Relationship between Professional Characteristics and Reliance on Accounting Standards

To see if this holds true, the same independent variables were tested but now looking at the ratio of respondents choosing accounting-first methods.

Table 7: Cross-tabulation between education level and accounting-first orientation

Education Level	% Choosing Accounting-First
High School	11.1%
Bachelor's Degree	38.8%
Master's/PhD	51.6%

This is the reverse of Table 3, with it demonstrating that those who have higher levels of education are more likely to be principle-based in their accounting standards. High school graduates only have 11.1 % adopt an accounting-first approach, compared to 51.6 % of Master's or PhD holders. This reinforces the idea that higher education leads to principle-based financial reporting behavior in Table 7.

Table 8: Cross-tabulation between experience and accounting-first orientation

Experience Level	% Choosing Accounting-First
< 1 Year	14.3%
1–3 Years	30.0%
4–6 Years	43.7%
> 6 Years	48.7%

Direct relationship between professional experience and accounting standard preference is illustrated in Table 8. It is only 14.3% in individuals with less than a year's experience, rising to 48.7% for those with more than six years of experience. This indicates that built-up professional maturity inspires conformity to accounting models.

Table 9: Cross-tabulation between training frequency and accounting-first orientation

Training Frequency	% Choosing Accounting-First
Never	21.4%
Rarely	33.3%
Occasionally	41.2%
Regularly	54.2%
Very Often	60.5%

Regular training significantly increases accounting orientation is revealed in Table 9. While only 21.4% of respondents who never attend training follow accounting standards, this jumps to 60.5% for those who attend very often. Data emphasize that training reinforces knowledge of accounting frameworks, encouraging a shift from compliance-driven to principles-based reporting.

These results support H_{21}, confirming that financial professionals with higher qualifications and stronger professional development habits are more likely to rely on accounting standards. This aligns with the adaptive reporting model proposed in your paper, were human capital shapes compliance behavior.

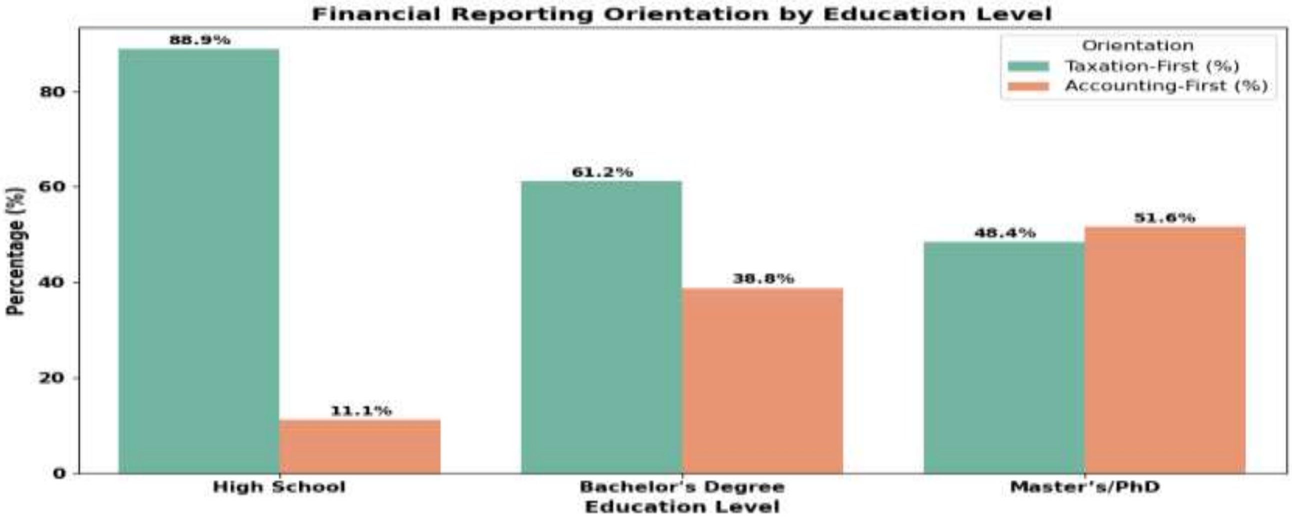

Figure 4: Financial report by education

Impact of educational background on adoption of taxation-first or accounting-first in financial reporting is depicted in Figure 4. A total of 88.9 % of respondents with a high school education go with taxation-first, and only 11.1 % adopt accounting-first. When respondents have a bachelor's degree, 61.2% favor tax-first and 38.8 % accounting-first.

The pattern is slightly different among respondents with a Master's or PhD level, where 51.6 % adhere to accounting standards and 48.4 % to tax-first. This means that education at a higher level has a positive relationship with using accounting standards for financial reporting.

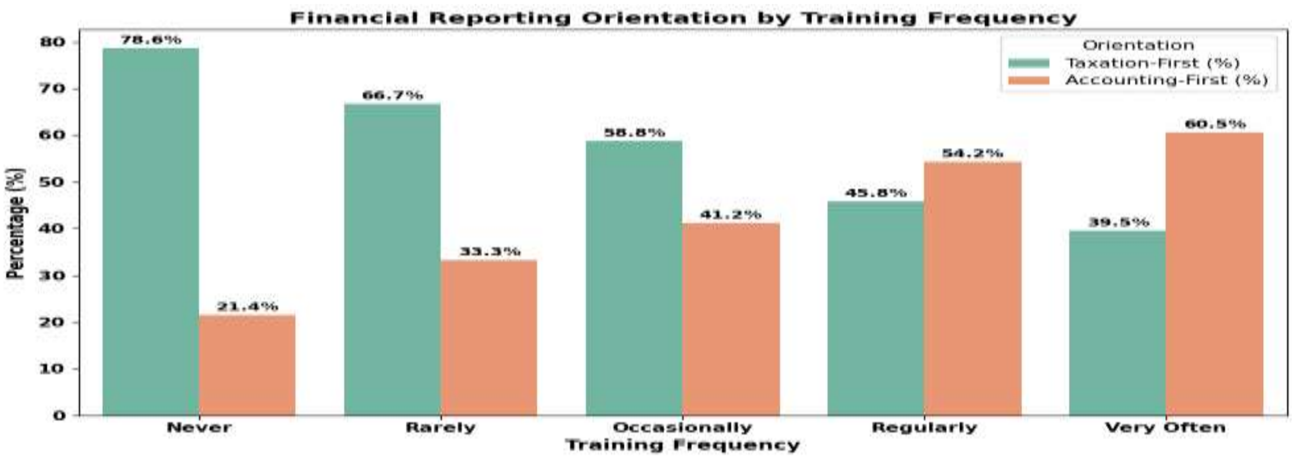

Figure 5: Financial report by training

Connection between professional experience and reporting orientation is represented in Figure 5. Respondents with less than 1 year of experience display a very high tax-first rate of 85.7% with only 14.3% using accounting-first. With more years of experience, the use of rules based on taxation declines. For 1–3 years, it was reported at 70.0% tax-first; 4–6 years: 56.3% tax-first; and over 6 years of experience: 51.3% tax-first and 48.7% accounting-first. This indicates that more experienced professionals prefer accounting standards more evenly, presumably because they have been exposed and are more confident.

Figure 6: Financial report by experience

Extent to which frequent enrollment in professional training programs influences orientation toward reporting frameworks in Figure 6. Amongst professionals who never go for training, 78.6% have a tax-first approach, whilst 21.4% have accounting-first. As frequency of training has gone up, use of tax rules has come down: rarely (66.7% tax-first), sometimes (58.8%), often (45.8%), and very often (just 39.5% tax-first). In contrast, accounting-first increases proportionately and amongst very frequent trainees, it is 60.5%. This validates that ongoing professional development strongly promotes a move towards accounting standard adoption in financial reporting.

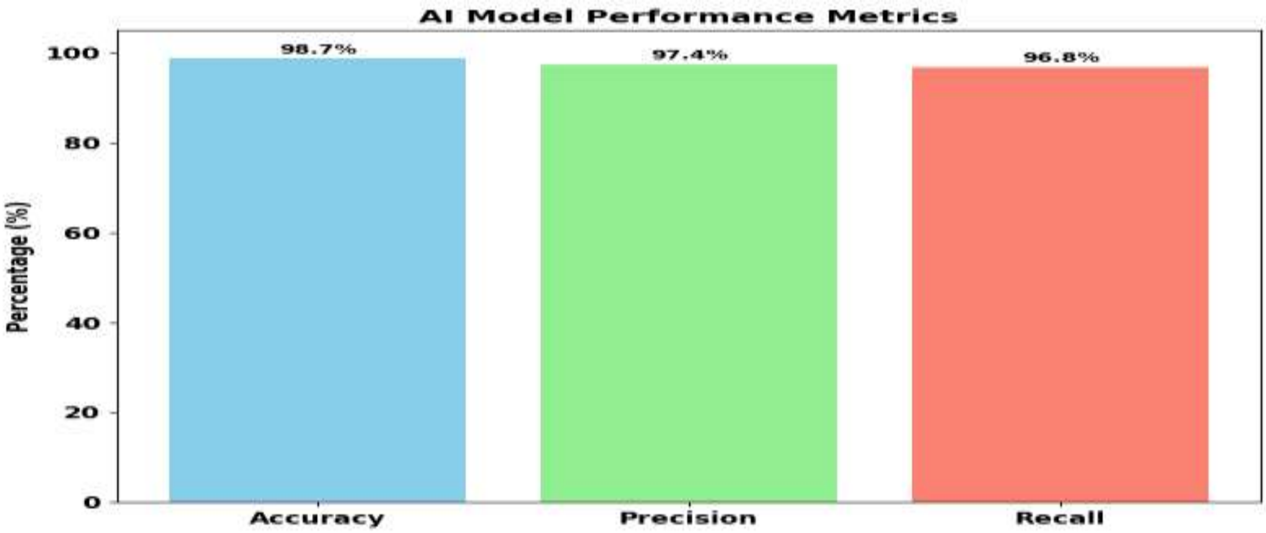

Figure 7: AI model performance metrics

Performance of the AI model was tested with cross-validation, usual approach to ensuring reliability by testing model over several subsets of data is represented in Figure 7. Metrics of accuracy, precision and recall were computed to determine the efficacy of the classifier. Model registered a high accuracy of about 98.7%, reflecting a high predictive ability in predicting reporting orientation given professional attributes with precision 97.4 percent and recall 96.8 percent. Furthermore, the rankings of feature importance established that training frequency was the most predictive, followed by education level and experience. This machine learning-based categorization validates the argument that human capital attributes can be systematically applied in predicting compliance conduct and thus provide a basis for machine decision support systems in accounting and tax policy application.

CONCLUSION AND FUTURE ENHANCEMENT

This research indicates current dominance of tax regulations over accounting standards in preparing financial statements in emerging markets. Survey findings from 280 accounting experts validate that fiscal rules continue to be the major driver in financial reporting, frequently at the expense of principle-based accounting systems like IFRS. Analysis further indicates that higher levels of education, more experience in work and frequent training evidently correlate with the stronger account-led reporting practice inclination.

These results confirm suggested Context-Aware Adaptive Reporting Model, which incorporates practitioner traits into reconciling taxation and accounting mandates. This has significant policy and regulatory implications: upgrading professional training programs, harmonizing tax and accounting courses and minimizing dual-reporting burdens could enhance compliance and transparency. Addition of AI enhances empirical model with confirmation of the effect of human capital on reporting behavior.

It facilitates forecasted compliance assistance and regulatory predictions, encouraging wiser policymaking in tax-accounting convergence and achieved 98.7 percent accuracy. Findings support scalable and practitioner-friendly frameworks that capture the salient features of developing economies, as opposed to overdependence on inflexible legalistic or technical solutions. Subsequent studies might enhance this research by adding multivariate regression analysis and qualitative evidence to further enhance the tax compliance and financial reporting dynamics. Study fills significant knowledge gap and highlights the influence of human capital on effective and harmonized financial disclosure practices.

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APPENDIX

Section 1: Demographic Profile

Q1. What is your highest educational qualification?

a) High School

b) Bachelor's Degree

c) Master's Degree

d) PhD

Q2. How many years of professional experience do you have?

a) Less than 1 year

b) 1–3 years

c) 4–6 years

d) More than 6 years

Section 2: Regulatory Knowledge

Q3. How would you rate your knowledge of accounting and taxation regulatory frameworks?

a) Very Poor

b) Average

c) Sufficient

d) Excellent

Section 3: Training Participation

Q4. How often do you attend professional trainings or seminars?

a) Never

b) Rarely

c) Occasionally

d) Often

e) Very Often

Section 4: Reporting Orientation

Q5. When preparing financial statements, which rules do you follow first?

a) Taxation Rules (then adjust for accounting)

b) Accounting Standards (then adjust for taxation)

c) Depends on situation

d) I don't know / Not applicable

Q6. Do you believe financial reporting should prioritize accounting standards over tax compliance?

a) Strongly Agree

b) Agree

c) Neutral

d) Disagree

e) Strongly Disagree

Section 5: Legal Compliance Familiarity

Q7. Are you familiar with your country's IFRS/IFRS-equivalent financial reporting standards?

a) Not at all

b) Slightly

c) Moderately

d) Fully

Q8. Are you familiar with domestic tax laws relevant to financial reporting?

a) Not at all

b) Slightly

c) Moderately

d) Fully