

Abstract

The tax related revenues of judiciary individual is of a significant origin of tax revenue integrations, and since these persons maintain for papers, books and reliable documentation to the making of financial statements as compared with judiciary individual and it is obligatory that the ways of calculation and specification and gathering of taxes to be regarded; however it make difference between announced taxable income and tax paying decisive income of judicial person; and these distinctions are, in addition growing discontent of the people, making delays and lingering of tax imbursement and spend a while to resolving by the tax managing that would ultimately heighten costs of collection. Present investigation tried to scrutinize the relation between financial and legal disturbances and the tax policies of the firms registered in the Stock Exchange of Tehran. Around 120 corporations were investigated from the firms registered in Tehran Stock Exchange for a period of six years since 2005 to 2012. The obtained results suggest the firms with higher financial, legal, tax and other distortions, the difference between the announced tax and diagnostic tax goes up. The results indicate important distortions in escaping and exempting from tax.

Key words: *legal distortions, tax distortions, financial distortions, the difference between the declared tax and tax diagnostic.*