

Fiscal Trust in Transfer Pricing: A Critical Literature Review and Construction of a Tripartite Conceptual Model. Evidence from Morocco

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Disclosure Statement :	The authors declare that they have not received any financial support that could have influenced the objectivity of this study. They take full responsibility for any potential plagiarism, the use of artificial intelligence in the writing process, as well as for the results presented in this article.
Conflict of Interest :	The authors report no conflicts of interest.
Cite this article :	BACHIRI, C., & BENHRIMIDA, M. (2026). Fiscal Trust in Transfer Pricing: A Critical Literature Review and Construction of a Tripartite Conceptual Model. Evidence from Morocco. <i>International Journal of Accounting, Finance, Auditing, Management and Economics</i> , 7(8), 265–286. https://doi.org/10.5281/zenodo.21307619
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International Journal of Accounting, Finance, Auditing, Management and Economics - IJAFAME

ISSN: 2658-8455

Volume 7, Issue 08 (2026)

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Abstract:

Fiscal trust in transfer pricing is a multidimensional phenomenon that the literature has long approached in a fragmented manner, mobilizing either deterrence theory or fiscal psychology, without integrating them into a coherent framework adapted to the specificities of emerging economies. This article provides a critical and structured review of eight foundational theoretical bodies, namely deterrence theory, procedural justice, the Slippery Slope Framework, responsive regulation, neo-institutionalism, agency theory, psychological contract theory, and social exchange theory, and reconstructs on this basis the genesis of a tripartite conceptual model. The model is structured around institutional determinants (H1: legal certainty; H2: documentary coherence), organizational determinants (H3: technical competence; H4: procedural efficiency), and relational determinants (H5: perceived transparency; H6: quality of fiscal dialogue; H7: reciprocity and recognition). The five-stage abductive construction process is explicitly retraced, from the systematic review of theories through contextual anchoring in the Moroccan regulatory framework, including the CGI, Decree 2-16-571, the DGI Control Guide 2023, and Decree 2.22.1020 of December 2025. The article makes two main contributions. First, it characterizes a theoretical gap that the model seeks to address, arguing why no single framework, taken individually, accounts for fiscal trust in the TP context of a post-BEPS emerging economy. Second, it sets out the theoretical rationale for each hypothesis on the basis of the triangulation produced by the review.

Keywords: Fiscal trust, transfer pricing, literature review, tripartite conceptual model, Slippery Slope Framework, procedural justice, emerging economies, Morocco, BEPS, abductive design

JEL Classification: H26, H83, F23, K34, M41

Paper type: Critical literature review and conceptual model construction

Resume :

La confiance fiscale en matière de prix de transfert est un phénomène multidimensionnel que la littérature a longtemps appréhendé de manière fragmentée, mobilisant soit la théorie de la dissuasion, soit la psychologie fiscale, sans les articuler dans un cadre intégrateur adapté aux spécificités des économies émergentes. Cet article propose une revue critique et structurée de huit corps théoriques fondateurs, à savoir la théorie de la dissuasion, la justice procédurale, le Slippery Slope Framework, la régulation responsive, le néo-institutionnalisme, la théorie de l'agence, le contrat psychologique et la théorie de l'échange social, et reconstruit, sur cette base, la genèse d'un modèle conceptuel tripartite original. Ce modèle est structuré autour de déterminants institutionnels (H1 : sécurité juridique ; H2 : cohérence documentaire), organisationnels (H3 : compétence technique ; H4 : efficacité des procédures) et relationnels (H5 : transparence perçue ; H6 : qualité du dialogue fiscal ; H7 : réciprocité et reconnaissance). Le processus de construction est explicitement retracé dans ses cinq étapes abductives, depuis la revue systématique des théories jusqu'à l'ancrage dans le cadre réglementaire marocain, notamment le CGI, le décret 2-16-571, le guide DGI 2023 et le décret 2.22.1020 de décembre 2025. La contribution originale de cet article est double. D'une part, il identifie le vide théorique que comble ce modèle, en montrant pourquoi aucun cadre pris isolément ne permet de saisir la confiance fiscale dans le contexte des prix de transfert d'une économie émergente en transition post-BEPS. D'autre part, il justifie architecturalement chaque hypothèse par la triangulation théorique produite par la revue.

Mots-clés : Confiance fiscale, prix de transfert, revue de littérature, modèle conceptuel tripartite, Slippery Slope Framework, justice procédurale, économies émergentes, Maroc, BEPS, démarche abductive

Classification JEL : H26, H83, F23, K34, M41

Type du papier : Revue critique de la littérature et construction de modèle conceptuel

1. Introduction

Transfer pricing occupies an unusual position in the tax literature. Technically among the most complex areas of international taxation, it has been studied predominantly from a normative perspective, covering methods of determination, documentation standards, and profit-shifting measurement, while its relational dimension has remained relatively underexplored. The relationship between tax administrations and multinational enterprises in the transfer pricing domain is not merely a technical exercise in applying the arm's length principle. It is a sustained institutional interaction shaped by asymmetries of information, asymmetries of technical expertise, competing interests, and implicit expectations that no formal rule can fully specify. Trust, or its absence, conditions whether this interaction produces cooperative compliance or adversarial confrontation. Yet the academic literature on fiscal trust has been constructed predominantly in the context of individual income tax compliance in developed economies, using experimental designs and treating compliance as a bilateral taxpayer-authority dyad. Its transposition to the specific context of transfer pricing between sophisticated corporate actors in an emerging economy involves non-trivial theoretical challenges that remain largely unaddressed. Comparable challenges have been examined for transfer pricing in other developing and Francophone jurisdictions (Ayangma Ayangma, 2017; El Hadji Dialigue, 2011; Randriamanalina, 2019), and Francophone tax theory offers doctrinal grounding for reading the administration-taxpayer relation beyond its purely technical dimension (Bouvier, 2018).

Morocco provides a particularly revealing terrain for this investigation. Since 2019, the country has introduced four major legislative amendments to its TP framework. The Finance Laws of 2019 and 2021 structured the documentation obligation and strengthened audit procedures under CGI Articles 213 and 214. Decree 2-16-571 (2017, in force since 2018) formalized the APA mechanism under CGI Articles 234 bis and 234 ter. The DGI Transfer Pricing Control Guide (2023) provided the administration with its first comprehensive methodological reference. And Decree 2.22.1020 (December 2025) operationalized the master file and local file requirements under Article 214-III-A. These normative investments are real. Yet a documented trust deficit persists. APAs remain marginally used, mutual agreement procedures are seldom invoked, and the relational dynamic continues to be characterized by anticipation deficits and adversarial postures. Understanding this gap requires more than cataloguing the legislative evolution. It requires a structured conceptual model of what the determinants of fiscal trust actually are in this specific context, and why they produce different effects depending on their position in a hierarchical architecture. Within Moroccan scholarship, transfer pricing has so far been examined mainly from regulatory and empirical-determinants perspectives (Abkar & Chaihab, 2024; Elhammoudi & Abkar, 2022), while the administration-taxpayer relationship and the fiscal trust climate have only begun to be addressed (El Ghazali & Benkendil, 2020; El Gdaihi, 2021; Rhazouani, 2019); the determinants of fiscal trust specific to transfer pricing have not yet been modeled.

This article addresses that gap. It proposes a critical structured review of the theoretical literature on fiscal trust and its determinants, and reconstructs on this basis the genesis of a tripartite conceptual model, proposed here as a testable architecture. The article makes three contributions to the existing literature on fiscal trust in transfer pricing. First, it maps the theoretical landscape across eight distinct bodies of theory, showing what each contributes to the understanding of TP-specific fiscal trust and where its limits lie. Second, it makes explicit the five-stage abductive construction process through which these theoretical inputs were combined with regulatory analysis and field signals to produce a coherent seven-hypothesis model. Third, it situates this model within the emerging economy context and explains why the standard theoretical frameworks, taken individually, are insufficient to account for the specific trust dynamics of a post-BEPS transition.

The article proceeds as follows. Section 2 defines fiscal trust and maps its conceptual and typological foundations. Section 3 conducts the critical structured review of the eight theoretical frameworks. Section 4 reconstructs the five-stage abductive construction process. Section 5 presents the full tripartite conceptual model and its seven hypotheses. Section 6 discusses the model's theoretical positioning and contributions. Section 7 concludes.

2. Fiscal Trust: Conceptual Foundations and Typologies

2.1 From Compliance to Trust: A Paradigmatic Shift

The classical paradigm of tax compliance, formalized by Allingham and Sandmo (1972), treats the taxpayer as a rational economic actor performing a cost-benefit calculation: expected gains from non-compliance weighed against the expected cost of detection and penalization. This framework dominated the analysis for several decades and generated a substantial body of empirical research on the deterrence effects of audit probability and penalty severity. Its limitations became increasingly apparent, however, as empirical evidence consistently showed compliance rates far exceeding what deterrence alone could predict. Kirchler (2007) termed this the tax compliance puzzle: the gap between predicted and observed compliance that deterrence models cannot explain.

The paradigmatic response to this puzzle was to incorporate behavioral, psychological, sociological, and institutional dimensions into the analysis. Wenzel (2002) demonstrated that procedural justice predicts compliance independently of deterrence variables. Scholz and Lubell (1998) showed that trust in public institutions is a significant predictor of compliance beyond sanction effects. Braithwaite (2003) identified motivational postures that mediate the relationship between administrative treatment and declarative behavior, with trust operating as a mediator between treatment and conduct. Tyler (2006) established that people obey authorities primarily when they perceive procedures as fair, independent of outcome favorability. Together, these contributions shifted the analytical focus from the individual taxpayer's calculus to the quality of the relationship between taxpayers and tax institutions, placing trust at the center of this relationship.

In the specific domain of transfer pricing, this shift has practical urgency. TP determination requires functional analysis, comparability analysis, and method selection, with each step involving substantial professional judgment where reasonable parties can disagree in good faith. The conditions for genuine technical disagreement are therefore permanently present, making a purely coercive approach to compliance both technically illegitimate and practically counterproductive. The OECD (2008, 2013, 2022) formalized this recognition through the concept of cooperative compliance, positing an enhanced relationship based on transparency, disclosure, and mutual trust as the mature endpoint of TP governance. Morocco's formal adoption of this model makes the analysis of its trust preconditions directly operationally relevant.

2.2 Defining Fiscal Trust: A Multidimensional Construct

Fiscal trust has been defined from multiple disciplinary perspectives, and its conceptual boundaries require clarification before determinants can be identified. Kirchler et al. (2008) operationalize trust as taxpayers' confidence that the tax authority acts in the common interest and is motivated by genuine concern for the common good. Gangl, Hofmann, and Kirchler (2015) decompose fiscal trust into three dimensions aligned with Mayer, Davis, and Schoorman's (1995) classic organizational trust model: competence trust (belief that the authority can perform its function), integrity trust (belief that the authority acts honestly and consistently), and benevolence trust (belief that the authority cares about taxpayer welfare beyond legal obligations). This three-dimensional structure is particularly relevant for transfer

pricing, where each dimension corresponds to a distinct vulnerability. MNEs doubt the MTA's technical competence to analyze complex arrangements. They question the consistency and predictability of interpretations. And they perceive little recognition of their compliance investments.

In the present research, the fiscal trust climate (CG) is defined as the shared perception by actors on both sides of a relational environment characterized by behavioral predictability, loyalty in exchanges, equity in treatment, and mutual recognition of rights and obligations, drawing on Kirchler et al. (2008) and Gangl et al. (2015). This definition integrates cognitive (reliability belief), affective (feeling of respectful treatment), and behavioral (propensity to cooperate spontaneously) dimensions. It is broader than compliance-oriented definitions and captures the bilateral character of the relationship: trust is not merely a taxpayer attitude toward the administration, but a shared property of the interaction space between the two parties.

2.3 Typologies of Fiscal Trust Relevant to Transfer Pricing

Before mapping them, it is useful to distinguish three analytical registers: the trust dimensions defined above (competence, integrity, benevolence) describe the content of trust; the trust types set out below describe its institutional object; and their developmental ordering describes successive stages of the relationship. The fiscal trust literature has produced several typologies that must be integrated in the conceptual model. Institutional trust refers to confidence in the rule system, norms, and legal framework, independent of the behavior of specific agents (Giddens, 1990; North, 1990). Procedural trust designates the trust generated by perceived fairness of administrative processes (Tyler, 2006; Tyler and Lind, 1992). Competence-based trust derives from the recognized technical capacity of the administration (Mayer et al., 1995; Braithwaite, 2003). Relational trust is built through repeated direct interactions (Blau, 1964; Rousseau, 1995). Cooperative or mature trust represents the institutionalized endpoint of the enhanced relationship (OECD, 2008; Murphy, 2005). Table 1 maps these typologies onto the hypotheses of the conceptual model.

Table 1: Typologies of Fiscal Trust and Their Correspondence with Model Hypotheses.

Type of Fiscal Trust	Definition	Key References	Hypothesis Generated
Institutional trust	Confidence in the rule system, norms, and legal framework governing fiscal interactions, independent of individual agent behavior.	Giddens (1990); North (1990); DiMaggio and Powell (1991)	H1 (legal certainty) and H2 (documentary coherence)
Procedural trust	Trust generated by the perceived fairness, consistency, and respectfulness of administrative processes, regardless of outcome favorability.	Tyler (1990); Tyler and Lind (1992); Murphy (2005)	H4 (procedural efficiency) and H6 (fiscal dialogue quality)
Competence-based trust	Trust derived from the recognized technical capacity of the MTA to credibly analyze, challenge, and adjudicate complex TP arrangements.	Mayer, Davis and Schoorman (1995); Braithwaite (2003)	H3 (technical competence)
Relational or interpersonal trust	Trust built through repeated direct interactions: openness, transparency, good faith, and respectful dialogue during audits and pre-contentious procedures.	Blau (1964); Rousseau (1995); Scholz and Lubell (1998)	H5 (perceived transparency) and H6 (fiscal dialogue quality)
Cooperative or mature institutional trust	Trust embedded in a mature cooperative relationship: mutual recognition of compliance efforts, differentiated treatment of cooperative taxpayers, and institutionalized good-faith practices.	OECD (2008, 2013, 2022); Murphy (2005)	H7 (reciprocity and recognition)

Source: Authors

This typological mapping reveals an important structural insight: the five trust types are not merely substitutes or alternative measures of the same construct. They form a developmental sequence. Institutional and procedural trust must be established before competence-based and relational trust can consolidate, and cooperative maturity trust represents the endpoint reachable only when the preceding types are sufficiently developed. This sequential logic is a foundational premise of the model.

3. Critical Structured Review of Theoretical Frameworks

This section reviews the eight theoretical bodies that were systematically mobilized in the construction of the conceptual model. For each framework, the core proposition is presented, its application to the TP context is developed, and its specific limitation or gap is identified. This gap analysis is what motivates the integration of multiple frameworks rather than the application of any single one. Table 2 synthesizes these contributions and their mapping onto the model's hypotheses. Subsection 3.9 then provides an intermediate synthesis of this gap analysis and makes explicit the integrative logic that orders the eight frameworks and leads to the tripartite model.

Table 2: Synthesis of Theoretical Frameworks. Core Propositions, TP Application, and Hypothesis

Theoretical Framework	Core Proposition Applied to Fiscal Trust	Contribution and Limitation in the TP Context
Deterrence or economic approach (Allingham and Sandmo, 1972)	Rational taxpayer performs a cost-benefit calculation: expected gain from non-compliance weighed against the expected cost of detection and penalization. Compliance is a function of audit probability and penalty severity.	Necessary but insufficient foundation. Explains calculative compliance but cannot account for cooperative compliance exceeding deterrence predictions (Kirchler, 2007). Ignores trust, institutional quality, and relational dynamics. Establishes the boundary condition motivating trust-based hypotheses.
Procedural justice theory (Tyler, 2006; Tyler and Lind, 1992; Murphy, 2005)	Perceived fairness of administrative processes predicts institutional trust and compliance independently of outcome favorability. Four dimensions: consistency, accuracy, ethicality, and respectful treatment.	Generates H4 (procedural efficiency) and H6 (fiscal dialogue quality). In TP: audits involving genuine technical exchange are perceived as legitimate even when resulting in reassessment. Limitation: assumes technical competence that cannot be taken for granted in emerging economy contexts.
Slippery Slope Framework (Kirchler, Hoelzl and Wahl, 2008)	Two independent axes, administrative power and taxpayer trust, jointly determine compliance posture: enforced (fear-based), calculative (cost-benefit), or committed (voluntary). High trust enables committed compliance.	Overarching macro architecture. Applied to TP: technical asymmetries orient interaction toward the power pole, making the trust axis critical. Limitation: treats trust as a single axis without specifying its internal architecture or developmental sequence. The tripartite model introduces the missing sequential logic.
Responsive regulation (Ayres and Braithwaite, 1992; Braithwaite, 2003)	Administration should modulate intervention intensity according to taxpayer behavior. Professionalization and technical specialization of the administration are sources of epistemic authority and regulatory legitimacy.	Generates H3 (technical competence). In TP: MTA epistemic authority depends on its capacity to credibly analyze complex arrangements. Compliance is not durable if taxpayers perceive auditors as technically inferior to themselves. Limitation: does not connect organizational capacity to normative stability conditions.
Neo-institutionalism (North, 1990; DiMaggio and Powell, 1991; Giddens, 1990)	Institutions reduce uncertainty by establishing stable structures for human interactions. Trust in abstract systems (Giddens): actors trust institutional rules rather than individual agents. Isomorphic pressures shape organizational behavior toward legitimate standards.	Generates H1 (legal certainty) and H2 (documentary coherence). In TP: normative stability and interpretive consistency are structural preconditions for any trust relationship. Morocco's 2019-2025 reform acceleration tests this proposition empirically. Limitation: explains structural preconditions without capturing relational dynamics.

Agency theory (Jensen and Meckling, 1976)	Information asymmetry between principal (MTA) and agent (MNE): the agent holds superior knowledge of its own intra-group organization. Documentation, APAs, and MAPs function as mechanisms designed to reduce these asymmetries and improve compliance assessment quality.	Structural framework for the MTA-MNE information gap. The epistemic power asymmetry in TP is specific: MNEs systematically command more technical knowledge than auditors can acquire in a time-limited audit. Reinforces H3 (technical competence) as a prerequisite for enforcement legitimacy. Limitation: identifies the asymmetry without specifying the relational mechanisms through which it can be managed.
Psychological contract theory (Rousseau, 1995)	Implicit expectation structures between parties: each holds unwritten beliefs about the other's obligations regarding predictability, consistency, and good faith. Contract violations generate trust ruptures more durable than formal legal disagreements.	Generates H5 (perceived transparency) and H7 (reciprocity and recognition). In Moroccan TP practice: retroactive interpretive shifts and automatic penalty application violate implicit contracts, generating trust ruptures disproportionate to their formal legal significance. Limitation: captures expectation dynamics without specifying the institutional conditions for fulfillment.
Social exchange theory (Blau, 1964)	Durable cooperation requires a perceived equilibrium of reciprocal contributions. When one party's compliance investments are unrecognized or unreciprocated, trust erodes and cooperative postures shift toward minimalism and defensiveness.	Generates H7 (reciprocity and recognition). In Moroccan TP: MNEs cooperating fully and documenting their positions report no differentiated treatment. The reciprocity norm is violated, removing incentives for continued cooperative investment and driving regression toward defensive postures. Limitation: explains the reciprocity logic without specifying when it becomes institutionally operative.

Source: Authors

3.1 Deterrence Theory: Necessary but Insufficient Foundation

Allingham and Sandmo's (1972) model establishes the formal baseline: compliance is a function of expected utility from non-compliance, determined by audit probability and penalty severity. This framework captures a real dimension of the TP compliance dynamic, since MNEs do respond to audit risk and the probability of detection matters to their documentation and disclosure decisions. It is, however, structurally insufficient for three reasons in the TP context. First, it treats compliance as the result of a unilateral calculation by the taxpayer, ignoring the administrative side of the relationship and the quality of institutional interactions. Second, it cannot explain cooperative compliance, that is, the voluntary disclosure posture that the OECD enhanced relationship model seeks to institutionalize, because cooperation exceeds what deterrence can motivate. Third, in the TP domain specifically, the high technical complexity means that compliance cannot be characterized as a simple behavioral choice: even well-intentioned MNEs with cooperative dispositions may produce documentation that is contested, not because they are evading but because genuine technical disagreement is inherent. Deterrence theory therefore serves as a boundary condition for the model, establishing what trust must add to deterrence, rather than as a constructive input for hypothesis generation.

3.2 Procedural Justice Theory: The Core Mechanism of Process-Based Trust

Tyler's (1990) foundational work established that people obey the law and cooperate with authorities primarily when they perceive procedures as fair, a finding replicated across numerous empirical studies in different national and institutional contexts (Tyler and Lind, 1992; Murphy, 2005; Wenzel, 2002). The procedural justice model identifies four core dimensions of perceived fairness: consistency (equal treatment across similar cases), accuracy (decisions based on correct information), ethicality (conduct consistent with moral standards), and respectful treatment (voice and dignity in interactions). Applied to transfer pricing, this

framework generates two direct theoretical predictions. H4 (procedural efficiency) captures the structural dimensions of process fairness, including predictable timelines, accessible interlocutors, and clear appeal pathways. H6 (quality of fiscal dialogue) captures the interactional dimension: the respectfulness, constructiveness, and technical quality of exchanges during audits and pre-contentious procedures. The critical theoretical implication is that procedural justice operates independently of outcome favorability. An audit resulting in a significant reassessment can be more trust-building than one producing a favorable outcome if the former was conducted with genuine transparency and attention to taxpayer arguments. This prediction explains why investment in dialogue quality has independent trust-building power beyond legal certainty alone.

Procedural justice theory's limitation in the TP context lies in its implicit assumption that procedural fairness can be perceived independently of the technical quality of the process. In transfer pricing, an audit conducted by agents who lack the expertise to analyze comparability data or functional profiles will not be perceived as legitimate, regardless of how respectfully it is conducted. The integration of agency theory and responsive regulation is therefore necessary to complete the procedural justice picture.

3.3 Slippery Slope Framework: The Overarching Architecture

The Slippery Slope Framework (Kirchler, Hoelzl and Wahl, 2008) provides the most comprehensive macro-level architecture for the present model. By distinguishing two independent axes, administrative power and taxpayer trust, and showing that their combination determines compliance posture (enforced, calculative, or committed), the SSF captures the dual nature of the TP compliance problem. In the TP domain, the technical asymmetries between MNEs and administrations systematically orient interactions toward the power pole: MNEs possess superior information and expertise, and compliance is driven by audit risk rather than cooperative disposition. This makes the trust axis particularly critical.

The SSF's central limitation is precisely what the present model addresses: it treats trust as a single-dimensional construct without specifying its internal architecture, developmental sequence, or the conditions under which its different components must be built. In an emerging economy like Morocco, where the institutional substrate is still consolidating, the assumption of a minimal institutional base that is implicit in SSF applications to developed economy contexts cannot be taken for granted. The tripartite model introduces the missing sequential logic: institutional trust must be established before organizational competence conditions can amplify it, and both must be consolidated before relational and cooperative maturity can become operative.

3.4 Responsive Regulation: Technical Authority as Legitimacy Condition

Braithwaite's (2003) responsive regulation theory, building on Ayres and Braithwaite's (1992) enforcement pyramid, establishes that administrative professionalization is a source of regulatory legitimacy independent of formal enforcement authority. A technically competent administration commands epistemic authority, that is, the capacity to be recognized as technically capable of analyzing complex arrangements, and enterprises acknowledge this authority regardless of hierarchical power relations. In the TP domain, this insight has particularly strong force: MNEs invest substantial resources in TP documentation, functional analysis, and comparability studies, and they interact with MTA auditors who may or may not possess equivalent technical depth. When auditors lack the methodological expertise to credibly challenge or evaluate documentation, their assessments lose legitimacy even when formally correct. This is the epistemic power asymmetry that distinguishes TP from simpler tax compliance situations. H3 (technical competence) directly operationalizes this insight: the MTA's capacity to conduct credible functional analyses, engage with comparability data, and

participate as an equal in technical discussions is a prerequisite for its enforcement power to be accepted as legitimate.

3.5 Neo-Institutionalism: Normative Stability as Structural Precondition

North's (1990) neo-institutionalism holds that institutions reduce uncertainty by establishing stable structures for human interactions, enabling cooperative exchange that would otherwise be inhibited by anticipation deficits. Giddens' (1990) concept of trust in abstract systems specifies the mechanism for fiscal contexts: taxpayers extend trust not to individual auditors they may barely know, but to the systemic reliability of the rules and procedures governing fiscal interactions. This distinction, whereby systemic trust must precede interpersonal trust, is foundational to the model's institutional tier. DiMaggio and Powell's (1991) neo-institutional analysis of isomorphic pressures adds a further dimension: the alignment of Moroccan TP norms with OECD standards creates normative isomorphic pressure that shapes both MTA and MNE behavior, but the gap between formal convergence and operational effectiveness depends on whether the accompanying organizational and relational conditions are in place. H1 (legal certainty) and H2 (documentary coherence) directly operationalize the neo-institutionalist proposition: without normative stability, predictability, and territorial consistency of requirements, the institutional foundation for trust cannot exist.

3.6 Agency Theory: The Information Asymmetry Structure

Jensen and Meckling's (1976) agency theory illuminates the structural information asymmetry characterizing the MTA-MNE relationship. The MTA (principal) must assess the compliance of TP arrangements without full access to the MNE's (agent's) internal information, including functional profiles, risk allocations, intra-group contracts, and the commercial rationale underlying intercompany pricing. MNEs systematically command more technical knowledge about their own structures than any external regulator can acquire during a time-limited audit. This creates the fundamental epistemic challenge of TP governance. The documentation obligation, the APA mechanism, and the mutual agreement procedure can all be interpreted as institutional mechanisms designed to reduce this informational asymmetry: they provide the principal with structured access to agent information in exchange for legal certainty and reduced audit risk. Agency theory provides the information-theoretic foundation for H2 (documentary coherence) as an asymmetry-reduction mechanism and reinforces H3 (technical competence) as the MTA's capacity to exploit the information provided. Critically, agency theory also explains why trust cannot be built on formal compliance alone: when the principal lacks the technical capacity to evaluate the agent's disclosure, formal documentation compliance produces neither verified accuracy nor genuine trust.

3.7 Psychological Contract Theory: Implicit Expectations and Their Violation

Rousseau's (1995) psychological contract theory provides the relational micro-level foundation for H5 and H7. Psychological contracts are the implicit beliefs held by each party about their reciprocal obligations, beliefs that are not formally specified but that structure expectations and shape reactions to perceived violations. In the MTA-MNE relationship, each party holds unwritten expectations: MNEs expect consistent rule application, technical competence, predictable timelines, and recognition of cooperative efforts; the MTA expects transparent disclosure, reliable documentation, and good-faith conduct during audits. When these expectations are violated, for instance through retroactive interpretive shifts, automatic penalty application regardless of demonstrated good faith, or inconsistent treatment between similar cases, the resulting trust rupture is typically more durable and harder to repair than any explicit legal disagreement. Rousseau (1995) terms this mechanism felt obligation reversal: a party that has invested in the relationship and perceived its contributions as unrecognized shifts from

cooperative to defensive postures. The framework explains H5 (perceived transparency) as a mechanism for building shared expectation clarity, and H7 (reciprocity and recognition) as the institutionalization of psychological contract fulfillment.

3.8 Social Exchange Theory: The Reciprocity Foundation

Blau's (1964) social exchange theory establishes that durable cooperation between social actors requires a perceived equilibrium of reciprocal contributions. When one party invests in the relationship through voluntary transparency, good-faith documentation, cooperative audit conduct, or proactive disclosure, and perceives that its contributions are neither recognized nor reciprocated, trust erodes and cooperative postures shift toward minimalism. The social exchange logic is particularly powerful for understanding the asymmetric dynamics observed in Moroccan TP practice: MNEs that cooperate and document their positions report no differentiated treatment, no reduced audit intensity, no recognition of compliance efforts, and no right to good-faith error. The reciprocity norm is systematically violated, which removes the incentive for continued cooperative investment and drives a regression toward defensive postures. H7 (reciprocity and recognition) operationalizes this insight and positions it as the most advanced dimension of the relational tier, requiring institutional changes in MTA practice that go beyond rule-setting to the recognition of compliance as a cooperative contribution deserving of differentiated response.

3.9 Synthesis: The Integrative Logic of the Eight Frameworks

The order in which the eight frameworks have been reviewed reflects the analytical progression through which the conceptual model was assembled, rather than a thematic juxtaposition. The review opens with deterrence theory (3.1) because it constitutes the parsimonious baseline of the compliance literature and defines, through its very limits, what a trust-based account must add. Procedural justice theory (3.2) supplies the first constructive mechanism, process-based trust, and the Slippery Slope Framework (3.3) situates this mechanism within the macro architecture of power and trust that structures the model as a whole. The next three frameworks specify the conditions that this architecture presupposes but does not itself theorize: responsive regulation (3.4) identifies the organizational competence on which administrative legitimacy rests; neo-institutionalism (3.5) identifies the normative stability on which trust in abstract systems depends; and agency theory (3.6) formalizes the informational structure of the MTA-MNE dyad that makes both competence and stability necessary. The review closes with psychological contract theory (3.7) and social exchange theory (3.8), the two micro-relational frameworks that describe the mature state of the relationship and that can become operative only once the institutional and organizational conditions are in place. Each framework is thus introduced at the point where it addresses the limitation identified in the framework preceding it. The sequence therefore forms a hierarchical architecture in which every layer completes the previous one, and it mirrors the developmental ordering of trust types established in Section 2.3, with institutional and procedural trust first, competence-based trust second, and relational and cooperative maturity trust last. Table 3 makes this relay structure explicit.

Table 3: Intermediate Synthesis of the Eight Frameworks: Contributions, Limits, and Relay Structure.

Theoretical Framework	What the Framework Explains	What It Unexplained	Leaves	Relay Within the Integrated Architecture
Deterrence theory and (Allingham Sandmo, 1972)	Calculative compliance driven by audit probability and penalty severity.	Cooperative exceeding predictions; quality and dynamics.	compliance deterrence institutional and relational	Boundary condition of the model: defines what trust must add to enforcement; generates no hypothesis directly.

Theoretical Framework	What the Framework Explains	What It Leaves Unexplained	Relay Within the Integrated Architecture
Procedural justice (Tyler, 2006; Tyler and Lind, 1992; Murphy, 2005)	Process-based trust operating independently of outcome favorability (H4, H6).	Presupposes a technical competence of the administration that cannot be taken for granted in emerging economies.	Hands the competence question over to responsive regulation and agency theory.
Slippery Slope Framework (Kirchler, Hoelzl and Wahl, 2008)	Joint determination of compliance postures by administrative power and taxpayer trust.	Internal architecture and developmental sequence of the trust axis.	Supplies the overarching frame whose trust axis the three tiers of the model decompose.
Responsive regulation (Ayres and Braithwaite, 1992; Braithwaite, 2003)	Epistemic authority of the administration as a condition of enforcement legitimacy (H3).	Connection between organizational capacity and the stability of the normative framework.	Hands the stability question over to neo-institutionalism.
Neo-institutionalism (North, 1990; Giddens, 1990; DiMaggio and Powell, 1991)	Normative stability and trust in abstract systems as structural preconditions (H1, H2).	Relational dynamics between concrete actors within the institutional frame.	Hands the dyadic interaction question over to agency theory.
Agency theory (Jensen and Meckling, 1976)	Information asymmetry of the MTA-MNE dyad and its reduction mechanisms (H2; reinforces H3).	Relational mechanisms through which the asymmetry is managed in practice.	Hands the expectation question over to psychological contract theory.
Psychological contract theory (Rousseau, 1995)	Implicit expectation structures and the durability of trust ruptures (H5, H7).	Institutional conditions under which implicit expectations are fulfilled.	Hands the reciprocity question over to social exchange theory.
Social exchange theory (Blau, 1964)	Reciprocity equilibrium as the foundation of durable cooperation (H7).	Point at which the reciprocity norm becomes institutionally operative.	Closes the sequence by defining the cooperative maturity horizon (N3) of the model.

Source: Authors

Read column by column, Table 3 establishes why the combination of the eight frameworks is necessary rather than merely convenient. Each framework explains a dimension of TP-specific fiscal trust that the others do not, and each leaves unexplained a dimension that another framework covers; no single framework, nor any pair of frameworks, simultaneously accounts for the seven hypotheses of the model. Read row by row, the table shows how the review leads progressively to the tripartite structure. Neo-institutionalism grounds the institutional family (H1 and H2). Responsive regulation and agency theory ground the organizational family through H3, which procedural justice completes on its structural side through H4. Procedural justice, psychological contract theory, and social exchange theory jointly ground the relational family (H5, H6, and H7). The Slippery Slope Framework supplies the overarching two-axis architecture within which these three families are ordered, and deterrence theory delimits the boundary beyond which enforcement alone cannot operate. The tripartite structure presented in Section 5 is therefore not imposed on the literature; it emerges from the systematic confrontation of the contributions and limits recorded here, before being consolidated by the comparative, contextual, and empirical stages of the abductive process described in Section 4.

4. The Abductive Construction Process: From Literature to Model

The conceptual model was not derived through deductive application of a single framework, nor generated inductively from field data alone. It was constructed through a five-stage abductive process (Peirce, 1903; Dubois and Gadde, 2002), a method characterized by permanent oscillation between theoretical inputs and empirical signals, in which neither the framework nor the data is fixed a priori. In line with the requirements of methodological transparency, each of the five stages is presented below with the materials it mobilized, the

criteria governing their selection, the logic of comparison applied to them, and the way its output conditioned the following stage.

4.1 Stage 1: Systematic Multi-Theoretical Review

The first stage was the critical structured review of the eight theoretical frameworks presented in Section 3. The review was organized to answer three questions for each framework: What does this theory contribute to the understanding of TP-specific fiscal trust? Where does it fall short in the TP context? What specific hypotheses does its application generate? This grid was applied uniformly to each framework, so that contributions and limitations could be recorded on a comparable basis and synthesized in Tables 2 and 3. The systematic review was conducted across four bibliographic databases (Web of Science, Scopus, Google Scholar, and EconLit), covering publications from 1972 to 2025. The key finding of this stage was that no existing model integrates all eight theoretical bodies into a structure addressing the specific informational and relational asymmetries of TP interactions in an emerging economy. This theoretical gap is what motivates the present model.

The documentary protocol underlying this review can be specified as follows. The three commercial databases were interrogated through their advanced search interfaces, while Google Scholar served as a complementary source, capturing Francophone and Moroccan scholarship indexed outside them. The full search equation combined three blocks of keywords: a trust and compliance block ('fiscal trust' OR 'tax trust' OR 'tax compliance' OR 'tax morale' OR 'cooperative compliance'), a transfer pricing block ('transfer pricing' OR 'intra-group transactions' OR 'intercompany pricing' OR 'arm's length principle'), and a contextual block ('emerging economies' OR 'developing countries' OR 'Morocco' OR 'BEPS'), applied in both English and French. Database interrogation was complemented by backward and forward citation tracking from the seminal works of each framework, and by the systematic collection of the official corpus (OECD and IMF publications, Moroccan legal texts, and DGI doctrinal documents), which by construction is not indexed in academic databases.

Four inclusion criteria were applied: (i) peer-reviewed articles, scholarly books and chapters, doctoral theses, or official institutional publications; (ii) publication in English or French; (iii) explicit treatment of at least one of the three objects of the review, namely the determinants of fiscal trust, the taxpayer-administration relationship, or the governance of transfer pricing; and (iv) a conceptual, theoretical, or empirical contribution usable for hypothesis construction. Symmetrically, the review excluded: purely computational contributions on TP methods lacking any relational or institutional dimension; opinion pieces and professional commentaries without a theoretical apparatus; duplicates across databases; and documents whose full text could not be accessed. Screening proceeded in two steps, on titles and abstracts first and on full texts second, and was conducted by the first author and verified by the second author, with divergences resolved by discussion until consensus. Table 4 summarizes this selection process.

Table 4: Documentary Selection Process.

Phase	Sources and Actions	Criteria Applied	Outcome
Identification	Interrogation of Web of Science, Scopus, EconLit, and Google Scholar using the three keyword blocks, in English and French; removal of duplicates.	Search equations; publication period 1972-2025.	Initial corpus of academic records.
Screening	Reading of titles and abstracts by the first author, verified by the second author.	Inclusion criteria (i) to (iii); exclusion of purely computational and non-theoretical contributions.	Records retained for full-text assessment.
Eligibility	Full-text reading and assessment of the contribution to hypothesis construction; divergences resolved by discussion.	Inclusion criterion (iv); accessibility of the full text.	Studies retained for the critical review.

Phase	Sources and Actions	Criteria Applied	Outcome
Complementary sources	Backward and forward citation tracking from the seminal works of each framework; collection of the official corpus (OECD, IMF, CGI, decrees, DGI guides).	Direct relevance to one of the eight frameworks or to the Moroccan TP framework.	Institutional and regulatory corpus mobilized in Sections 2 to 4.
Inclusion and coding	Consolidation of the final corpus; coding of each source by framework, contribution, and limitation.	Three-question analytical grid presented above.	Corpus underlying Tables 2 and 3.

Source: Authors

The output of this first stage, the gap analysis synthesized in Table 3, defined the requirement that the second stage had to satisfy: identifying, in observed governance systems rather than in theory alone, the structural conditions under which trust-based TP compliance actually operates.

4.2 Stage 2: Comparative Analysis of International Cooperative Compliance Programs

The second stage was a comparative analysis of five international cooperative compliance programs: Australia's Justified Trust program (ATO, 2018), the OECD International Compliance Assurance Programme (ICAP, OECD 2021), the Netherlands' reformed ruling regime (post-2020), Italy's cooperative compliance program (Legislative Decree 128/2015), and the OECD enhanced relationship framework (OECD, 2008, 2013). This comparative analysis revealed three structural invariants shared by all high-performing TP governance systems: a clear, stable, and interpretively consistent normative framework; a technically proficient and professionally credible administration; and a quality relationship founded on transparency and reciprocity. These three invariants directly generated the tripartite family structure of the model, providing an empirically grounded structural justification that no single theoretical framework could supply. The materials mobilized were the official program documentation and the published evaluation and implementation reports of the five regimes. The programs were selected on three criteria: an explicit cooperative compliance orientation covering transfer pricing, several years of documented operation, and institutional settings sufficiently diverse, across legal traditions and administration sizes, for convergence between them to be meaningful. The comparison followed a matrix logic: each program was coded on the same three dimensions (normative framework, administrative capacity, relational practices), and only the properties observed in all five systems were retained as invariants. These invariants supplied the three-family skeleton of the model but remained generic; giving them operational content in the Moroccan setting was the task assigned to the third stage.

4.3 Stage 3: Contextual Anchoring in the Moroccan Regulatory Framework

The third stage anchored each theoretical construct in its specific Moroccan legal expression, mapping theoretical dimensions onto their operational regulatory equivalents. Legal certainty (H1) was anchored in CGI Articles 213-II through 213-V (arm's length principle), Articles 234 bis and 234 ter (APAs), and the interpretive doctrine developed through DGI circulars and the 2023 Control Guide. Documentary coherence (H2) was anchored in CGI Article 214-III, Article 154 ter (country-by-country reporting), and the documentation standards operationalized by Decree 2.22.1020 (December 2025). Technical competence (H3) was anchored in the OECD and IMF capacity-building partnerships documented in DGI annual reports and the specialized training programs for TP auditors. Procedural efficiency (H4) was anchored in the procedural timelines and appeal pathways specified in the CGI and the Finance Laws. Relational dimensions H5 through H7 were anchored in the cooperative compliance aspirations articulated in the DGI Guide 2023 and the OECD Tax Morale reports (OECD, 2019, 2022). This contextual anchoring gives the model operational specificity and distinguishes it from a generic emerging economy framework. The materials mobilized at this stage were the primary legal corpus: CGI

Articles 213, 214, 154 ter, 234 bis, and 234 ter, Decree 2-16-571, Decree 2.22.1020, the Finance Laws of 2019 and 2021, the DGI Control Guide (2023), and the related circulars. A text was retained when it directly governed a TP obligation, procedure, or guarantee, and set aside otherwise. The comparison took the form of a mapping matrix confronting each theoretical construct with its Moroccan regulatory expression, a correspondence reproduced in the theoretical anchoring column of Table 5. This mapping established what the rules provide, but not how the actors concerned perceive them; capturing these perceptions was the object of the fourth stage.

4.4 Stage 4: Preliminary Practitioner Consultations

The fourth stage consisted of informal preliminary exchanges with fiscal practitioners from all three actor categories, including MTA officials, MNE tax directors, and independent tax experts, conducted before the formal data collection phase. These consultations served to identify field concerns and perceptions not directly expressed in the academic literature. Two themes emerged with particular insistence. First, the scarcity of Moroccan comparability data: in the absence of a Moroccan equivalent to Orbis or Amadeus, MNE documentation relies on European databases that MTA auditors frequently contest without proposing credible alternatives, generating what practitioners described as a dialogue of the deaf that undermines trust regardless of formal compliance. Second, the temporal unpredictability of audit cycles: the duration and phasing of TP audits varied substantially across brigades and time periods, creating an anticipation deficit that respondents described as more trust-damaging than the level of reassessments themselves. These practitioner signals refined the indicator specification within H1 and H4 without modifying the model's theoretical architecture. The interlocutors were selected on the criterion of direct operational exposure to TP audits or documentation, and were deliberately drawn from the three actor categories so that perceptions could be triangulated rather than collected from a single side. The comparison logic was a cross-category convergence test: a theme was retained only when it was raised independently by at least two of the three categories, which was the case for the two themes reported above. Because these consultations were exploratory and informal, their function was confined to refining indicators; verifying that the architecture itself withstood systematic empirical material was the object of the fifth stage.

4.5 Stage 5: Iterative Refinement Through Early Qualitative Data

The fifth stage involved iterative refinement through the early phases of formal qualitative data collection. The initial coding of the first interviews under NVivo revealed three emergent themes not anticipated by the model: the absence of institutional memory within MTA audit brigades, making consistency across audits of the same MNE difficult; the heterogeneity of practices between central and regional directorates, producing a structural justice violation; and the role of tax experts as trust mediators absorbing institutional friction between the two parties. These emergent themes refined the indicator formulation within H2 (the territorial uniformity dimension of documentary coherence) and H6 (the pre-contentious channels dimension of dialogue quality) without altering the hypothesis structure. They also generated an important interpretive hypothesis that H2's effect on trust is mediated through H1 because coherent documentation reduces interpretive uncertainty, thereby amplifying legal certainty. The materials mobilized were the transcripts of the first formal semi-structured interviews, selected chronologically as the opening wave of the collection so that refinement rested on material not used to formulate the model. The comparison followed the systematic combining principle of Dubois and Gadde (2002): each emergent code was confronted with the existing constructs and classified as matching a construct, refining an indicator within a construct, or signaling a dimension absent from the model. The iteration was closed when newly coded material continued to refine indicators without calling any of the seven hypotheses into question, a

stabilization criterion indicating that the architecture had reached conceptual saturation. The model presented in Section 5 is the direct output of this fifth stage.

5. The Tripartite Conceptual Model and its Seven Hypotheses

The five-stage abductive process produced a tripartite conceptual model organizing the determinants of the fiscal trust climate between the MTA and MNEs in transfer pricing into three interdependent families, institutional, organizational, and relational, each comprising operational components measured by specific indicators anchored in both the theoretical literature and the Moroccan regulatory corpus. Table 5 below presents the complete model architecture.

5.1 Institutional Determinants: Hypotheses H1 and H2

H1 posits that the perceived legal certainty of the TP framework exercises a positive effect on the fiscal trust climate. This hypothesis integrates three theoretical inputs: North's (1990) proposition that institutional stability is a prerequisite for cooperative exchange; Giddens' (1990) concept of trust in abstract systems as the foundation for interpersonal trust; and the emergent practitioner insight that interpretive consistency across brigades constitutes a legal certainty dimension. In the Moroccan context, H1 is particularly salient because the 2019-2025 reform period introduced normative changes faster than implementation guidance could stabilize. This created a temporal asymmetry where enterprises applying valid rules at transaction time faced reassessments based on subsequently crystallized doctrines, a structural legal certainty violation whose trust cost no relational investment can offset.

H2 posits that the coherence and accessibility of the TP documentation framework constitute significant determinants of the trust climate. This hypothesis integrates the Braithwaite (2003) proposition that rule legitimacy (perceived as proportionate, consistent, and accessible) is a condition for voluntary compliance with the BEPS Action 13 architecture that ties documentation standards to both transparency and predictability. Within the model, H2's effect on trust is theorized as mediated through H1: documentary coherence builds trust by amplifying legal certainty rather than by generating trust directly and independently.

5.2 Organizational Determinants: Hypotheses H3 and H4

H3 posits that the technical competence of actors involved in TP interactions positively influences the trust level. This hypothesis is grounded in the epistemic authority proposition of responsive regulation theory (Braithwaite, 2003) and the information asymmetry reduction logic of agency theory (Jensen and Meckling, 1976). The organizational construct integrates three competence dimensions: MTA agents' specialized training in OECD TP methods; their access to and mastery of comparability databases; and the technical depth of MNE in-house fiscal teams enabling balanced dialogue. The practitioner consultations identified the comparability data gap as the most acute operational manifestation of H3. The absence of Moroccan comparable databases forces reliance on European data that MTA auditors contest without proposing credible alternatives, undermining the basis for substantive technical dialogue.

H4 posits that perceived procedural efficiency is a decisive lever of the trust climate. Grounded in Tyler and Lind's (1992) procedural justice framework, this hypothesis predicts that the perceived fairness of administrative processes, including timelines, interlocutor accessibility, clarity of appeal pathways, and proportionality of requests, conditions trust independently of audit outcomes. The qualitative triangulation confirms that audits involving substantive technical exchanges are perceived as professionally legitimate even when resulting in

significant reassessments, since the process quality overrides outcome evaluation in building trust.

5.3 Relational Determinants: Hypotheses H5, H6, and H7

H5 posits that perceived transparency in exchanges reinforces MNE trust in the fiscal relationship. Drawing on Rousseau's (1995) psychological contract theory and the OECD's (2008) enhanced relationship framework, this hypothesis distinguishes two transparency directions: downward transparency (MTA communicating its methods, expectations, and interpretive doctrine clearly) and upward transparency (MNEs voluntarily disclosing intragroup policy information beyond minimum formal requirements). Both are theorized as interdependent: downward transparency is a precondition for upward transparency because MNEs will not invest in voluntary disclosure unless they trust the institutional use of the information provided.

H6 posits that the quality of fiscal dialogue is positively correlated with the trust level. This hypothesis operationalizes the relational axis of the Slippery Slope Framework (Kirchler et al., 2008) and Tyler's (2006) insight that interaction quality, including respectful conduct, active listening, and genuine consideration of taxpayer arguments, predicts trust and cooperation. In the TP context, dialogue quality during audits has a multiplying effect: when auditors engage substantively with functional analysis and comparability arguments, the audit gains technical legitimacy that transcends its formal coercive character.

H7 posits that reciprocity of behaviors and mutual recognition of compliance efforts constitute the foundations of lasting fiscal trust. This hypothesis, the most relational and institutionally demanding of the seven, draws on Blau's (1964) social exchange theory and Murphy's (2005) finding that institutional recognition of compliance efforts activates voluntary compliance motivation. In current Moroccan practice, field signals suggest that MNEs cooperating fully and documenting their positions report no differentiated treatment: penalties are applied automatically regardless of demonstrated good faith, and the right to good-faith error remains largely informal. This institutional gap explains why H7 emerges as a normative horizon (N3) rather than an observed practice.

Table 5: Tripartite Conceptual Model. Families, Hypotheses, Key Indicators, and Theoretical Anchoring.

Family	H	Component	Key Indicators (operationalization)	Theoretical Anchoring
INSTI-TUTIONAL	H1	Perceived legal certainty of the TP framework	Stability of the legislative framework over time (CGI reforms 2019-2025) Clarity and precision of applicable norms (Art. 213-II/III/IV/V CGI) Interpretive consistency across DGI central and regional units Effective availability and use of APAs (Art. 234 bis and 234 ter; Decree 2-16-571) Accessibility of MAPs (procedure amiable) and advance rulings (CFP) Predictability of audit triggers and accepted TP methodologies	North (1990): institutions reduce uncertainty Giddens (1990): trust in abstract systems Bouvier (2018): legal certainty and fiscal loyalty OECD (2022); CGI Arts. 234 bis and 234 ter
	H2	Documentary coherence and accessibility	Formal documentation guidance (DGI guides, circulaires, notices) Territorial uniformity between central and regional brigades Readability of master file and local file requirements (Art. 214-III CGI) Alignment with BEPS Action 13 three-tier documentation standard Absence of regional inconsistencies in documentation enforcement	Braithwaite (2003): rule legitimacy and compliance OECD BEPS Action 13 (2015) CGI Art. 214-III and Art. 154 ter Decree 2.22.1020 (December 2025)
ORGAN-IZATIONAL	H3	Technical competence of actors	MTA agent specialized training on OECD TP methods (functional and risk analysis) Mastery of comparability analysis and benchmarking methodology Access to comparable databases (Orbis, Amadeus, BvD) MNE in-house fiscal expertise enabling balanced technical dialogue OECD and IMF capacity-building leverage (DGI Control Guide 2023)	Boyatzis (1982): competence as causal performance driver Mintzberg (1994): expertise as organizational legitimacy Jensen and Meckling (1976): reducing information asymmetry DGI Transfer Pricing Control Guide (2023)
	H4	Procedural efficiency	Predictability of audit timelines and declaration cycles Reasonable processing delays for information requests and controls Accessibility and responsiveness of competent MTA interlocutors Clarity and practicability of appeal pathways (CLT, CNRF, MAP) Proportionality of documentation requests to actual risk level	Tyler and Lind (1988): procedural justice foundations Lind and Tyler (1992): relational model of authority Braithwaite (2003): responsive regulation and legitimacy Murphy (2005): procedural fairness and tax compliance
RELA-TIONAL	H5	Perceived transparency in exchanges	Clarity of MTA expectations and audit methodology communicated in advance Readability of declarative and documentary obligations for all firm sizes Proactive MTA communication on interpretive changes and doctrine updates MNE voluntary sharing of intragroup policy and transaction information Perceived security of sensitive data disclosed to the tax administration	Rousseau (1995): psychological contract and trust emergence Six (2004): organizational trust dynamics OECD (2008 and 2013): enhanced relationship and transparency pillar

	H6	Quality of fiscal dialogue	Ease of contact and availability of technically qualified MTA interlocutors Constructive and respectful tone during audits and formal procedures Active listening and genuine consideration of taxpayer technical arguments Availability of pre-contentious technical dialogue channels Perceived good faith in MTA agent conduct and communications	Tyler (1990, 2006): why people obey the law Kirchler, Hoelzl and Wahl (2008): Slippery Slope Framework Blau (1964): social exchange theory and cooperation
	H7	Reciprocity and mutual recognition	Perceived equity and proportionality of reassessments to actual risk Institutional recognition of documented compliance efforts and good faith Differentiated treatment for cooperative versus defensive MNEs Absence of systematic suspicion or stigmatizing administrative behaviors Right to good-faith error practice embedded in MTA audit culture	Blau (1964): reciprocity as durable cooperation foundation Murphy (2005): recognition activates voluntary compliance Rousseau (1995): psychological contract breach dynamics OECD (2021): cooperative compliance maturity model
Endogenous variable. Fiscal Trust Climate (CG): shared perception of a relational environment characterized by behavioral predictability, loyalty in exchanges, equity in treatment, and mutual recognition of rights and obligations (Kirchler et al., 2008; Gangl et al., 2015; Mayer, Davis and Schoorman, 1995). <i>Psychometric quality: alpha = 0.882; KMO = 0.869; variance explained by first principal component = 64.1%.</i>				

CGI = Code General des Impôts. APA = Advance Pricing Agreement. MAP = Mutual Agreement Procedure. CFP = Consultation Fiscale Preamble. CLT = Commission Locale de Taxation. CNRF = Commission Nationale du Recours Fiscal.

Source: Authors.

6. Theoretical Positioning and Contributions

6.1 What the Model Adds to the Existing Literature

The tripartite model contributes to the existing literature on fiscal trust in four specific directions. First, it provides a systematic integration of eight distinct theoretical bodies into a coherent framework for TP-specific fiscal trust in an emerging economy. Prior work has applied single frameworks to general tax compliance without integrating the information asymmetry dimensions specific to TP or the epistemic authority dimension specific to technically complex fiscal domains. Second, the model explicitly addresses the trust typology problem: different types of fiscal trust require different interventions and are not interchangeable. Policies targeting relational trust will be ineffective if institutional trust is not first established, a theoretical prediction that the model expresses through a three-level hierarchical logic (N1: institutional and procedural foundation; N2: organizational consolidation; N3: cooperative maturity). Third, the model introduces the epistemic power dimension into the SSF, a dimension specific to technically complex domains like TP that explains why MTA capacity-building is not a service quality improvement but a prerequisite for enforcement legitimacy. Fourth, the abductive construction process is made explicitly reproducible, making the model adaptable to other emerging economy contexts through contextual anchoring in different regulatory frameworks.

6.2 The Theoretical Gap the Model Fills

The critical structured review in Section 3 reveals a consistent pattern: each theoretical framework contributes a partial but insufficient account of TP-specific fiscal trust. Deterrence theory cannot explain cooperative compliance. Procedural justice assumes technical competence that cannot be taken for granted. The SSF provides macro architecture without sequential specification. Responsive regulation addresses administrative legitimacy without connecting it to normative stability. Neo-institutionalism explains structural preconditions without the relational dynamics. Agency theory explains the information asymmetry without the trust mechanisms through which it can be managed. Psychological contract theory captures implicit expectations without the institutional conditions for their fulfillment. Social exchange theory explains the reciprocity logic without specifying when it becomes institutionally operative. No single framework, nor any pair of frameworks, simultaneously covers all seven hypotheses of the model. The theoretical gap is precisely the integration of these partial accounts into a sequentially organized architecture appropriate for an emerging economy context, and this is what the tripartite model provides.

6.3 Limitations and Directions for Future Research

Several limitations of the theoretical framework should be acknowledged. First, the five-stage abductive process, while making explicit the combination of theoretical and empirical inputs, does not produce a formally derived model in the deductive sense: the hypothesis structure reflects a set of theoretically grounded choices rather than logically necessary derivations. Alternative hypothesis structures are possible and might be warranted by different theoretical emphases. Second, the contextual anchoring in the Moroccan regulatory framework gives the model specificity but also limits its direct generalizability to other emerging economies: each context will require its own regulatory mapping in Stage 3 of the construction process. Third, the typological identification of five trust types and their mapping onto seven hypotheses, while theoretically grounded, remains to be validated through confirmatory factor analysis on larger samples. Fourth, several constructs in the model are conceptually adjacent, for instance legal certainty and documentary coherence, or perceived transparency and dialogue quality, so a risk

of conceptual overlap and partial circularity in the hypothesized relationships cannot be excluded and will require careful operationalization. Future research should extend the model comparatively across North African and West African BEPS-convergent economies, test the mediation hypotheses formally through structural equation modeling on larger samples, and track the trust dynamics longitudinally through the implementation of Decree 2.22.1020 (December 2025).

7. Conclusion

This article has provided a critical structured review of eight theoretical frameworks bearing on fiscal trust in transfer pricing, and has explicitly reconstructed the five-stage abductive process through which they were combined to generate a tripartite conceptual model. The model organizes the determinants of the fiscal trust climate between the MTA and MNEs in TP into seven hypotheses across three families: institutional (H1: legal certainty and H2: documentary coherence), organizational (H3: technical competence and H4: procedural efficiency), and relational (H5: perceived transparency; H6: fiscal dialogue quality; H7: reciprocity and recognition). Each hypothesis is justified by specific theoretical triangulations and anchored in the Moroccan regulatory corpus.

The article's distinctive contribution is to make visible the theoretical architecture underlying empirical research, answering not only which hypotheses are proposed but why these hypotheses, derived from which theories, through which construction process, and anchored in which regulatory reality. This visibility serves three scientific functions: it makes the model critically evaluable rather than merely adoptable; it identifies the specific theoretical gaps that motivate an integrative rather than single-framework approach; and it makes the construction process reproducible for other contexts, providing a methodological template for similar work in other emerging economies navigating post-BEPS transition.

The theoretical foundation developed here constitutes a coherent basis for the empirical investigation of the fiscal trust climate between the MTA and MNEs in Moroccan transfer pricing. At this stage, the hypothesized relationships are advanced as a testable architecture and are not yet empirically established.

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