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THE IMPACT OF BLACK TAX ON THE INTENTION TO START A BUSINESS AMONG BLACK ENTREPRENEURS: COMPARATIVE ANALYSIS BETWEEN FEMALE AND MALE ENTREPRENEURS IN THE VHEMBE DISTRICT MUNICIPALITY, SOUTH AFRICA

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DECLARATION OF WORK AND COPYRIGHT

I, Salani Lungelo Giycia, hereby declare that the mini-dissertation titled "**The impact of Black Tax on the intention to start a business among black entrepreneurs: comparative analysis between female and male entrepreneurs in the Vhembe district municipality, South Africa**", for the Master of Commerce in Business Management at University of Venda, is my original work and has not been previously been submitted to this or any other institution of higher education. I further declare that all sources cited are indicated and acknowledged by means of a comprehensive list of references.

SIGNED: …SALANI LG…………… **DATE:** 19 JANUARY 2026

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To my family, my parents Mr Johannes Salani and Mrs Johanna Salani, my siblings, Vulani, Mihloti, Pretty, Xitshembhiso and my twin sister Mpumelelo, I sincerely thank you for your support and always having my back.

DEDICATION

This dissertation is dedicated to my son, who is now my priority and has made me see things from a different perspective. I also dedicate it to my mom and dad, being my two favourite mentors and prayer partners who made me the woman I am today.

ABSTRACT

Black tax represents a multifaceted and sensitive issue that is frequently subjected to discourse among young black South Africans. It pertains to the financial obligations that black professionals often encounter in supporting their families and communities, including extended family members. This study undertakes a comparative analysis of the impact of black tax on the entrepreneurial intentions of black female and male entrepreneurs within the Vhembe district municipality. Employing a comparative analysis approach, this research investigates how black women and men navigate the complexities associated with black tax and its influence on their entrepreneurial aspirations. Drawing upon existing literature, empirical data, and theoretical frameworks, the study examines the differential experiences and barriers faced by black women and men in their pursuit of entrepreneurship in the context of black tax. Intersectionality theory and Kinscripts framework were used in the study. A qualitative methodology was employed, engaging entrepreneurs from the Vhembe district municipality, with purposive sampling utilized for participant selection. Data were collected through semi-structured interviews, which were subsequently transcribed and analysed using thematic analysis facilitated by ATLAS.ti software. The findings indicate that black tax exerts a significant impact on entrepreneurial intentions by restricting access to start-up capital, intensifying financial pressure, and increasing the perceived risks associated with business establishment. Male entrepreneurs were primarily influenced by culturally ingrained expectations to serve as the principal financial providers, while female entrepreneurs encountered additional pressures stemming from obligations to provide financial support, childcare responsibilities, and emotional labour. Despite these challenges, the study also identified that, for some entrepreneurs, black tax acted as a motivating factor, prompting business initiation to fulfil family obligations more sustainably. The study concluded that black tax has a complex and dual role in shaping entrepreneurial intentions, functioning simultaneously as both a barrier and a motivator. These findings underscore the necessity for context-sensitive entrepreneurship support interventions that acknowledge family financial responsibilities and address the gender-specific challenges faced by black entrepreneurs in South Africa.

Keywords: Black tax, Comparative analysis, Entrepreneurship, Gender, Intention to start a business, Men, South Africa, Women

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CHAPTER 1: INTRODUCTION AND BACKGROUND OF THE STUDY

1.1. Chapter Overview

This chapter introduces the study by presenting an overview of the research background through a brief review of relevant literature, identifying the research gap, and outlining the research problem and topic. It further explains the significance of the study, followed by the delimitations of the research, a concise overview of the methodology used to address the main research question, definitions of key concepts applied in the study, and a summary of the overall structure of the dissertation.

1.2. Introduction and Background of Study

Black economic participation in contemporary South Africa continues to be shaped by historical inequalities and ongoing socio-economic pressures, which influence entrepreneurial activity and business formation. One significant and widely discussed phenomenon within this context is black tax. Black tax refers to the financial and material support that professionals or entrepreneurs of colour are expected to provide to their immediate and extended family on an ongoing basis, often beyond their own personal living expenses (Dyomfana, 2022). This obligation may not always be explicitly imposed, but can be internalised as a moral responsibility or a form of reciprocity for the sacrifices made by previous generations or family members. As explained by Magubane (2017), black tax encompasses various forms of support, including the provision of food, money, and shelter, often carried by members of the emerging Black middle class. Similarly, Ndebele (2022) highlights that this obligation reflects a broader legacy of inequality, where individuals who achieve economic progress are expected to uplift their families. This burden, which is disproportionately experienced by Black South Africans compared to other racial groups, has been identified as a constraint on upward mobility and economic empowerment (Harriman & Williams, 2021). Within this broader phenomenon, the intention to start a business among recently established Black African female and male entrepreneurs becomes an important area of inquiry.

Black Tax for black professionals in South Africa includes the obligation to provide for the nuclear and extended family whilst simultaneously trying to accumulate capital and generate wealth (Maluleke, 2021). Therefore, ‘black tax’ is sometimes simultaneously presented as a burdensome and exploitative process for those who provide the aid, as is often discussed in the popular press. For example, one article reads, “the burden of supporting extended family can cripple an individual’s financial aspirations” (Dube, 2022:1). Media comments and public debate are increasingly focused on ‘black tax’ benefactors as the so-called ‘sandwich generation’ that is caught between supporting present and past generations (Dube, 2024). Black tax is furthermore exacerbated by historical and societal issues, including access to education and social services.

The differential impact of black tax on the intention to start a business among Black female and male entrepreneurs in South Africa were investigated. While entrepreneurship presents a viable pathway for economic advancement, the financial obligations associated with black tax may serve as a significant constraint. Gaining insight into the gendered dimensions of how black tax influences entrepreneurial aspirations is essential for the development of targeted interventions aimed at promoting business ownership among Black South Africans (Meyer, 2018).

The burden of black tax is not distributed equally across genders. This obligation extends beyond financial support and is often embedded within cultural expectations, including notions of filial responsibility and strong commitments to family (Magubane, 2016). Such expectations can create complex emotional pressures, where individuals feel compelled to meet these obligations even when doing so entails personal sacrifice (Mangoma & Wilson-Prangley, 2019).

Research conducted among recent Black African graduates in South Africa has examined the experiences and implications of black tax (Maboa, 2022). However, several aspects remain insufficiently explored, including whether black tax influences the intention to start a business, how entrepreneurs navigate these financial and social obligations, and whether the challenges associated with black tax affect male and female entrepreneurs differently in shaping their entrepreneurial intentions. These gaps in the literature constitute the central focus of this study.

Business ownership provides increased flexibility in generating income and offers opportunities for the accumulation of intergenerational wealth. The development of a strong Black entrepreneurial sector is therefore essential in addressing persistent socio-economic inequalities in South Africa (Mboweni, 2019).

1.3. Background to the study

The phenomenon of black tax in contemporary South Africa cannot be fully understood without situating it within the broader historical and socio-cultural context shaped by coloniality and indigenous value systems. Coloniality refers to the enduring legacy of colonial and apartheid systems that systematically excluded Black South Africans from access to economic opportunities, land ownership, quality education, and wealth accumulation (Mhlungu, 2015; Mangoma & Wilson-Prangley, 2018). These structural inequalities have contributed to persistent socio-economic disparities, where a relatively small proportion of economically active individuals are required to support extended family networks that remain financially vulnerable. Consequently, black tax emerges not merely as an individual financial obligation, but as a structural outcome of historical injustice and intergenerational inequality (Matentjie, 2017).

At the same time, the practice of black tax is deeply embedded within the African philosophical framework of ubuntu, which emphasises collectivism, interdependence, and shared humanity (Migheli, 2017). Ubuntu, often expressed through the principle “I am because we are,” reinforces the moral expectation that individuals who attain economic success should support their families and communities. Within this cultural context, financial support is not solely perceived as a burden, but also as a social obligation and an expression of solidarity, care, and reciprocity (Sibiya, 2018; Magubane, 2017). Thus, black tax exists at the intersection of historical necessity and cultural expectation, where economic redistribution within families is both structurally induced and socially reinforced.

This dual foundation creates a complex dynamic for Black entrepreneurs, who must navigate the tension between individual economic advancement and collective responsibility. While entrepreneurship is widely recognised as a pathway to financial independence and wealth creation (Mboweni, 2019), the financial and social obligations associated with black tax may constrain individuals' ability to accumulate start-up capital, invest in business growth, and take entrepreneurial risks (Mangoma & Wilson-Prangley, 2018; Mikioni, 2019). Understanding black tax through the lenses of coloniality and ubuntu therefore provides a more nuanced and contextually grounded explanation of its impact on entrepreneurial intentions among Black female and male entrepreneurs.

This burden transcends mere financial assistance; it is often deeply woven into the cultural fabric, coupled with concepts of filial piety and a strong sense of family responsibility (Magubane, 2016). This creates a complex emotional dynamic in which individuals feel compelled to fulfil these obligations, even if it comes at a personal cost (Mangoma & Wilson-Prangley, 2019). Many studies, like Maboa (2022), have focused on exploring the experience of 'Black Tax' amongst Recent Black African Graduates in South Africa.

For black South Africans, entrepreneurship presents a promising pathway for achieving economic independence and contributing to broader community development (Adesile, 2020). Owning a business allows for greater flexibility in income generation and the potential to build wealth across generations. Fostering a vibrant Black entrepreneurial class is vital for addressing the ongoing socioeconomic disparities in South Africa (Mboweni, 2019).

1.4. Black tax and entrepreneurship

Numerous studies, particularly in anthropology and economics, have examined how traditional communal values may at times hinder economic development (Alby et al., 2020). Platteau (2017) noted that in many African societies, the accumulation of individual wealth is often perceived as selfish or socially unacceptable. Individuals who are seen to possess more resources than they require are generally expected to share with family members and the wider community. In many African social networks, resource sharing is regarded as a moral obligation, whereas retaining wealth for personal use is often viewed negatively (Alby et al., 2020). Such social norms and expectations can, in certain contexts, constrain or slow economic advancement.

Black tax within South Africa's middle class was found to take two forms: compulsory, in which family members expected or demanded support, and voluntary, in which individuals chose to assist relatives out of love or a sense of duty (Magubane, 2016). Among African Americans, the concept of family was often understood to extend beyond the immediate or nuclear household.

These extended family ties strongly influence how people share money and resources, as well as their overall economic position (Stewart, 2015). Similarly, in many African cultures, it is seen as natural and important to share what one has with relatives who are struggling financially (Mikioni, 2019).

Many individuals experience pressure to provide financial support to their extended family while simultaneously attempting to build their own long-term wealth (Mangoma & Wilson-Prangley, 2018). The term "black tax" is often used to describe this continuing social expectation, which is closely linked to evolving family structures and cultural identities (Carrim & Nkomo, 2016). However, when middle-class individuals allocate a portion of their income to support relatives, their capacity to save, invest, or even develop the intention to start a business may be reduced, with broader implications for economic growth (Mangoma & Wilson-Prangley, 2018). These ongoing financial transfers may also constrain the expansion and stability of the Black middle class, as fewer resources remain available for investment, wealth creation, and entrepreneurial activity (Planting, 2013).

Research on barriers to business start-up indicates that both male and female entrepreneurs may fail to initiate or even intend to start a business due to factors such as limited creativity, inadequate planning, weak management practices, insufficient skills, and lack of access to finance (Tripathi, Tripathi & Dedhia, 2016; Chimucheka & Mandipaka, 2015; Sharma, 2014; Schwartz & Hornych, 2010). Nevertheless, the specific role of black tax in shaping business start-up decisions and outcomes, particularly within the South African context, remains insufficiently understood and requires further investigation.

1.5. Identification of the research gap and development of the research problem

Although the concept of black tax has been widely discussed in South Africa, its relationship with the intention to start a business has not been comprehensively examined. Previous scholars, including Mangoma and Wilson-Prangley (2018), Magubane (2016), and Alby (2020), have investigated the origins and broader implications of black tax, but have not specifically analysed its influence on entrepreneurial intentions.

This study therefore examined how black tax shapes the motivation to establish a business, emphasising the need for further scholarly attention in this area. The research explored the different forms of black tax experienced by entrepreneurs, as well as the challenges encountered during the process of starting a business. In particular, the study considered the experiences of both female and male entrepreneurs, seeking to address this gap in the literature by evaluating the impact of black tax on their entrepreneurial intentions.

1.5.1. Research problem

Entrepreneurship is widely recognised as a critical mechanism for promoting economic participation, reducing unemployment, and addressing persistent inequalities in South Africa (Mboweni, 2019). However, the socio-economic realities faced by many Black South Africans introduce unique constraints that may hinder the translation of entrepreneurial intention into actual business formation. Among these constraints, the phenomenon of black tax has emerged as a significant yet under-examined factor shaping financial decision-making and long-term economic behaviour.

Despite growing public discourse on black tax, existing academic literature remains limited in scope and depth. Current studies have largely focused on its economic and financial dimensions, particularly in relation to income redistribution, consumption patterns, and wealth accumulation (Mangoma & Wilson-Prangley, 2018; Mhlungu, 2015). While these contributions are valuable, they do not sufficiently capture the psychological and behavioural implications of black tax, especially in relation to entrepreneurial intention. The extent to which ongoing financial obligations to extended family influence individuals' willingness, motivation, and capacity to initiate business ventures remains inadequately explored.

Empirical findings suggest that black tax is not experienced uniformly. Instead, it is shaped by individual circumstances, cultural expectations, and social positioning, resulting in both constraining and enabling effects (Msibi, 2020; Sibiya, 2018). For some individuals, financial support to family members is perceived as an altruistic and culturally embedded practice, reflecting values of care and reciprocity rather than burden (Kasper & Mulder, 2015). However, for others, these obligations may impose significant financial strain, limiting their ability to save, invest, and pursue entrepreneurial opportunities. This duality highlights the need for a more nuanced and context-specific understanding of black tax.

The empirical gaps, limitations also exist within the theoretical frameworks commonly used to examine this phenomenon. While theories such as Intersectionality and the Kinscripts Framework provide valuable insights into social identity and family obligations, they do not fully account for how historically embedded inequalities and culturally reinforced expectations interact to influence entrepreneurial decision-making. As a result, there remains a need to extend these theoretical perspectives by integrating the socio-historical context of black tax with its behavioural and economic outcomes.

Given these gaps, there is a clear need for scholarly investigation into how black tax shapes entrepreneurial intentions among Black South Africans, with particular attention to gendered experiences. Understanding how financial and social obligations influence the intention to start a business is essential for developing contextually relevant interventions that support entrepreneurship. This study therefore examined the nature of black tax, its impact on entrepreneurial intention, and the differences in how male and female entrepreneurs experience and respond to these obligations.

1.5.2. Aims of the study

The aim of this study was to examine the impact of black tax on the intention to start a business among Black entrepreneurs in the Vhembe District Municipality, South Africa.

1.5.3. Objectives of the study

- To investigate the impact of “black tax” on the intention to start a business.
- To examine the challenges the “black tax” poses among men and women entrepreneurs.
- To compare the influence of “black tax” on the entrepreneurial aspirations of male and female black entrepreneurs.

1.5.4. Research questions

RQ1: How does the black tax impact the intention to start a business?

RQ2: What challenges does the black tax present to the intention of starting a business among Black entrepreneurs?

RQ3: How do gender differences influence entrepreneurial aspirations?

1.6 Assumptions of the study

The study was based on several underlying assumptions. First, it assumed that the concept of black tax is a common experience affecting a substantial proportion of Black

South Africans. Second, the research assumed that both Black women and men generally regard entrepreneurship as a desirable pathway towards economic independence. Third, the study assumed that access to financial resources, in addition to the financial pressures associated with black tax, plays a critical role in the establishment of a successful business. Lastly, it was assumed that traditional gender roles remain prevalent in South African society, with Black women often bearing the primary responsibility for childcare and domestic duties.

1.7 Definition of key terms

Black Tax: An informal financial obligation felt by many Black South Africans to support extended family members (Ndebele, 2022).

Intention to Start a Business: The desire and commitment to launch a new business venture (Liñán & Fayolle, 2015).

Comparative Analysis: Comparing and contrasting two groups (Black women & Black men) to understand differences (Bryman, 2016).

Entrepreneurial Goals: Long-term ambitions to become an entrepreneur (Klychev, 2018)

Resource Access: Ability to get financial and social capital for a business (Brush & Elam, 2023).

Racial Economic Gaps: Social and economic inequalities between races (Wirajing & Nchofoung, 2023).

1.8 Delimitation of the study

In carrying out the research study, the researcher foresaw some challenges that may impede the smooth conduct of her research.

1.8.1 Costs

The researcher anticipated potential financial constraints during the study, particularly in relation to travel expenses for consulting with the supervisor. To mitigate these costs, communication with the supervisor was conducted via email, thereby minimising travel and associated expenditures. Additional financial challenges were expected concerning the printing and administration of research instruments, as well as the ongoing travel required to meet with respondents.

1.8.2 Role Conflict

There was also a potential for role conflict, as the researcher concurrently fulfilled responsibilities as both a student and an employee. Managing these dual roles presented the challenge of balancing time between research activities and other obligations. To address this issue, the researcher prioritised tasks according to their urgency and importance, allocating time accordingly to ensure that research responsibilities were effectively managed.

1.8.3 Official Secrecy Act

The Official Secrets Act restricts employees from disclosing information related to the execution of their official duties. This posed a potential challenge for the researcher, as it could have affected the validity and reliability of the research findings, particularly regarding data from government ministries and companies involved with SMEs in South Africa. To address this, the researcher obtained the necessary permission from the relevant authorities.

1.9. Scope of the study

The social group under investigation in this study comprised Black women and Black men. The primary phenomena of interest were black tax—the financial obligation experienced by many Black South Africans to support extended family members—and the intention to start a business, defined as the desire and commitment to establish a new business venture. The research employed a comparative approach to examine how black tax and various socioeconomic factors differentially influence the intention to start a business among Black women and men.

Within the scope of the study, socioeconomic factors such as income, education, and access to resources were explored to assess their influence on the relationship between black tax, gender, and entrepreneurial intentions. The study particularly focused on the challenges and opportunities faced by Black South Africans, highlighting the gendered dynamics of black tax as both a potential barrier to, and an influence on, entrepreneurial aspirations.

1.9.1. Intention to start a business

This variable represents the initial desire and commitment to establish a new business venture (Liñán & Fayolle, 2015). The study aims to examine how black tax may discourage or constrain Black South Africans, particularly Black women and men, from developing this initial intention to engage in entrepreneurial activity

1.9.2. Entrepreneurial Goals

This variable extends beyond the initial intention and considers the long-term ambitions to pursue entrepreneurship (Klychev, 2018). The study examined how black tax may affect the development of these sustained entrepreneurial aspirations, with particular attention to potential differences between Black women and men.

1.9.3 Resource Acquisition Efforts

This variable emphasises the actions individuals take to obtain the financial and social capital required to establish a business (Magubane, 2016). The study examined how black tax may constrain Black South Africans’ ability to allocate these resources particularly financial resources towards business start-up, due to existing family obligations.

1.9.4. Time Allocation for Business Development

This variable centres on the time invested in planning and launching a business venture (Yoo, 2016). The study examined how the time demands associated with fulfilling black tax obligations especially for Black women and men due to societal expectations may reduce the time available to dedicate to their entrepreneurial activities.

1.9.5 Perceived Risk Tolerance for Entrepreneurship

This variable concerns an individual's evaluation of the risks involved in starting a business. The study investigated how black tax may shape Black South African entrepreneurs' perceptions of risk, with those experiencing financial obligations to family potentially viewing business start-up as a higher-risk endeavour due to the added financial strain.

1.10. Research Methodology

The study was conducted in the Vhembe District Municipality, located within the Vhembe District. Its purpose was to investigate the impact of black tax on the intention to start a business among female and male entrepreneurs, employing a qualitative research methodology. The study adopted a constructivist paradigm and a phenomenological research design, which facilitated an in-depth exploration of entrepreneurs' lived experiences of black tax.

The population for this study comprised female and male entrepreneurs within the Vhembe District Municipality. A total of 14 entrepreneurs participated, with the sample selected using a purposive sampling strategy. Data were collected through semi-structured, face-to-face interviews, with the assistance of a research assistant. The collected data were analysed using a framework thematic approach, facilitated by ATLAS.ti software. A detailed discussion of the study's methodology is provided in Chapter 3.

1.11. Outline of the dissertation

The dissertation is structured into five chapters.

Chapter 1 provided the background to the study, offering a general, historical, and theoretical overview of the research. It also outlined the research problem, conceptual framework, research objectives and questions, and provided an overview of the research methodology.

Chapter 2 presented a more detailed review of the existing literature on black tax, incorporating sources such as textbooks and other relevant published articles. This chapter explored current perspectives and debates regarding black tax.

Chapter 3 focused on the methodological aspects of the study, including a description and evaluation of the research design and methodology, the sampling strategy and process, and the procedures used for data collection and analysis.

Chapter 4 presented the research findings and discussed them in relation to the research objectives, questions, and previous studies. All primary data collected were analysed and interpreted in this chapter.

Chapter 5 provided a summary of the findings, drew conclusions in relation to the research questions, and offered recommendations. This chapter also highlighted directions for future research and discussed the ethical considerations applied throughout the study.

CHAPTER 2: LITERATURE REVIEW

2.1 Chapter Overview

Building on the introduction and background provided, this chapter explored insights into the concept of black tax as discussed in previous studies. It began by examining the understanding of black tax, including key definitions, and then outlined the various forms of black tax experienced by entrepreneurs. The chapter further contextualised black tax within the South African setting and explored its role as a factor influencing the intention to start a business. As highlighted in Chapter 1, there is a limited body of research on black tax in relation to entrepreneurial intentions among male and female entrepreneurs. By the end of this chapter, the study addressed this gap within the South African context.

2.2. Introduction

The purpose of this chapter is to examine the relationship between black tax and the intention to start a business, with a particular focus on female and male entrepreneurs who are planning to establish a business. Accordingly, this chapter aims to review previous studies and identify the gaps that exist within the current body of knowledge.

2.3. Understanding black tax

This section provides an overview of the concept of black tax as examined in previous studies.

2.3.1. Black tax Definition

Black tax refers to the shorthand used to express the financial obligations of providing for extended family because of challenges faced by black people in a society(Mhlungu,2015). In Zimbabwe, a neighbouring country of South Africa, studies have examined the phenomenon of Black Tax (Mhlungu, 2015; Vakira, 2021). It was argued that due to the high unemployment rate in Zimbabwe, which surpasses 95%, and the traditional collectivist orientation of Black people, it is likely that every individual who is employed or is financially stable pays some form of Black Tax (Mhlungu,2015).

Black tax refers to both social and economic care, such as money, shelter, food and clothing. Overall, black people who are working provide for their extended families (Magubane, 2016). The Black tax is necessitated by high rates of unemployment in Africa (Matlala & Shambare, 2017) . Broken family structures, such as divorce or the death of a parent, cause other people to stretch their hands financially to the extended families and friends. Growing up in such a situation strengthens family bonds and teaches those who are involved to consider family networks (Matlala & Shambare, 2017).

Given the high unemployment rate in South Africa and the traditional collectivist orientation of black people, it is almost likely that every person who is working or who is financially stable is, in one way or another, paying black tax. In a family set up in South Africa, few people are employed, and they are obliged to take care of their parents, young siblings and other family members. Therefore, it can be noted that the black tax is a very significant factor, especially for black people in Africa (Mhlungu, 2015).

Similarly, however, in a different context, Matubatuba (2016) views black tax as black working-class individuals who are faced with the responsibility of supporting family members while (Mhlungu, 2015) posits that “real financial and social implications for being a member of one or more groups or societies, people who are deliberately and systemically denied opportunities, equal rights and freedoms; who are paid less; who travel further to work; who have little or no social security nets; who come from backgrounds where there are fewer family members employed or educated”

2.3.2. Forms of black tax

This section focuses on the forms of black tax that were established by previous scholars, and their views and arguments regarding the phenomenon.

2.3.2.1. Black bursary

One form of black tax as the black tax bursary was identified by Carnelley (2011) which refers to funds paid by parents for school fees when a student's education is not covered by a company or government sponsorship. Similarly, it was highlighted by Mikioni (2019), that black tax often manifests in the educational context, where a family or broader community collectively supports a student through college or university. Once the student graduates and becomes employed, they are expected to financially assist the next person in line. Although this obligation may be temporary, lasting only a few years, it can nonetheless limit the individual's ability to pursue further studies and to accumulate personal financial reserves (Mikioni, 2019).

2.3.2.2. Compulsory black tax

Some entrepreneurs are compelled to adhere to compulsory informal insurance obligations, which involve sharing resources with their families. Refusal to comply may result in sanctions that pressure entrepreneurs into sharing, even when investing those resources would be more beneficial from an individual perspective, as noted by Grimm, Hartwig, and Lay (2017).

The one thing the contributors seem to agree on is that black tax is a daily reality for nearly every black South African, from sons and daughters who build homes for their parents to brothers and sisters who put siblings through school and to the student who diverts bursary money to put food on the table back home (Mhlongo, 2019). There are several stories that refer to how people would simply open their homes to near and distant family, or even relative strangers, in need of help or a place to stay (Mhlongo, 2019).

Other scholars have conceptualised compulsory black tax as a form of family-enforced solidarity (Di Falco & Bulte, 2011; Stewart, 2015; Grimm et al., 2017). Magubane (2016) observed that firstborn children are often expected to shoulder a disproportionate share of this responsibility, as they are culturally obligated to support younger siblings. Alby (2020) further found that coercive family solidarity can constrain entrepreneurial activity. Drawing on studies of the Hadza hunter-gatherers in Tanzania, it is noted that individuals who possess more than their basic needs are subjected to strong social pressure to share their resources. This illustrates the persistence of black tax and the social expectations attached to redistributive practices. Within many African social networks, sharing is viewed as a moral duty, while wealth accumulation is frequently regarded unfavourably (Findler, 2019).

Financially successful Africans are often expected to redistribute their resources to support less advantaged relatives and extended family members (Alby, 2020). While entrepreneurship and participation in the formal sector are generally regarded as indicators of economic success, in many African contexts they also come with significant financial responsibilities toward family networks. In a similar view, the accumulation of personal wealth is frequently interpreted as antisocial behaviour in several traditional African communities (Sibiya, 2018). This reflects the idea that wealth creation is not purely an individual pursuit but a collective responsibility that influences expectations about an individual’s financial obligations within the broader family structure.

2.3.2.3. Voluntary black tax

Another form of black tax is voluntary black tax, where individuals choose to support their siblings or family members without any external pressure to do so (Magubane, 2016). In this context, black tax is not intended to sustain a lavish lifestyle for others but is rather understood as a sense of responsibility toward supporting those in need. This responsibility may include providing essential resources such as school-related necessities, including textbooks, for less advantaged individuals (Mikioni, 2023; Mkhonto & Hanssen, 2018).

Other scholars also acknowledged that people are usually altruistically motivated to assist their kin or family members (Mikioni, 2023), hence supporting the other form of black tax as being voluntary.

2.4. Black tax challenges on business establishments

2.4.1. Reduced profitability

A study by Mikioni (2019) found that individuals with strong familial and community ties are more likely to invest in less profitable ventures than those with weaker family ties, and the latter are even willing to incur costs to conceal their income. These findings support Alby's (2020) argument that kinship networks may constrain profitable investment decisions, as individuals seek to avoid redistributing wealth to a wide family network. Similarly, Buvinić and Nichols (2016) found that both women and men, particularly unmarried entrepreneurs, tend to accept lower expected profits, especially after receiving requests for financial assistance from relatives, to avoid making higher-income activities visible.

2.4.2. Credit and development constraints

There is considerable empirical evidence that social capital can both create credit constraints and serve as informal insurance in contexts where formal institutions are weak or absent. The entrepreneurship literature in Africa has consistently highlighted the link between kinship obligations and entrepreneurial performance. Mikioni (2019) argued that heavy reliance on family support can hinder business growth, even among immigrant entrepreneurs, as resources are diverted away from reinvestment despite increased earnings.

However, some studies question the extent to which the black tax affects men and women differently. Guessan (2023) found that both male and female entrepreneurs in South Africa experience financial pressure arising from family support obligations, with the magnitude of this pressure being influenced more by access to capital than by gender. Similarly, Wilton and Suciu (2024) reported that challenges such as limited access to finance, high operating costs, and weak business networks constitute more significant barriers for both men and women than black tax alone. This perspective suggests that black tax may represent a shared constraint across genders rather than a disproportionately female burden.

Mikioni (2019) further demonstrated that although strong family involvement can foster cooperation and social cohesion that support development, it can simultaneously impose constraints that restrict individual progress. In a comparable vein, Alesina and Giuliano (2011) showed that societies characterised by strong family ties tend to exhibit lower participation in market activities, which may slow economic development. Additionally, Di Falco and Bulte (2011) found that extensive kinship networks are associated with higher consumption of non-sharable goods and reduced investment in sharable or productive assets, thereby limiting individual economic advancement.

2.4.3. Reduced productivity

Black tax is conceptualised as a form of family tax (Alby, 2013). As formal economic success is achieved, both female and male entrepreneurs in the formal sector bear a social responsibility to create employment and redistribute wealth to members of their extended families. However, family-taxed businesses tend to be less productive than their foreign counterparts, making it more difficult to provide jobs and redistribute wealth effectively. High family tax obligations reduce profit margins, which can, in turn, negatively influence the intention to establish additional businesses and discourage engagement in formal entrepreneurship (Alby, 2013).

Many scholars agree that the black tax effects men and women entrepreneurs differently. Hill (2022) explains that black women often earn less yet still help their families financially, leaving them with little money to grow their businesses. Similarly, Diko (2021) found that family responsibilities take up both time and energy, making it hard for women to focus on their ventures. Ackah et al. (2024) also report that female entrepreneurs in Africa face heavy informal financial demands, such as black tax, which reduces productivity. These findings show that black tax increases the pressure women face, as they must balance work, family, and social expectations at the same time.

2.4.4. Social distortion

Family taxation may undermine business formation by incentivising entrepreneurs to employ inefficient labour, thereby pushing local firms away from the productive efficiency frontier (Mikioni, 2019). Both female and male entrepreneurs in the formal sector often fulfil family tax obligations by employing relatives and making direct monetary transfers (Ribas, 2014). Although some of these requests are occasional and relatively small, such as contributions towards funerals, weddings, medical expenses, or hospital fees, scholars argue that the broader norms of forced solidarity prevalent in Sub-Saharan Africa can hinder economic growth. These norms may discourage many capable individuals from entering formal entrepreneurship, ultimately constraining the continent's economic development (Alby, Auriol & Nguimkeu, 2014).

In contrast, other studies emphasise that the emotional burden of black tax is more pronounced among women than men. Hill (2022) notes that women often experience feelings of guilt when they are unable to provide financial support to their families, whereas men are more likely to view such support as an expected duty and plan for it accordingly. Dlamini (2024) further suggests that sustained family pressure can lead to emotional exhaustion among women, causing them to abandon new entrepreneurial initiatives prematurely. Similarly, Mathebula (2025) found that persistent family demands often compel female entrepreneurs to postpone business expansion. These emotional strains demonstrate how black tax can erode women's motivation and capacity to sustain business growth over time.

Beyond the African context, Curry and Bloch observed that in Papua New Guinea, many businesses are established primarily to facilitate gift exchanges and to enhance the social status of owners and investors. Similarly, Mikioni (2019) highlights that neglecting kinship obligations may be perceived as immoral and equated with social deviance. These perspectives underscore the extent to which deeply embedded social norms can shape and influence entrepreneurial decision-making.

2.6. Impact of black tax on business performance

2.6.1. Abating Ontogeny

Abating ontogeny refers to a stage in the growth or development of a business or product when it begins to slow down or even decline. This could happen due to factors like market saturation, competition, reduced innovation, or other external challenges that limit further growth or evolution. Yeh (2022) found that the black tax has a detrimental impact on the business's overall influence. The author argued that black tax results in the perception that an entrepreneur lacks seriousness in terms of their entrepreneurial endeavours (Yeh, 2022). This is owing to the notion that when others, they see a disparity in performance, which is often attributed to a lack of business seriousness and acumen on the part of the entrepreneur (Yeh, 2022). This indicates that black tax has an impact on the business's overall operations that adversely impacts the business's capacity and prospects. Hence, black tax impacts on a decline in business performance.

Studies show that black tax influences the goals and dreams of male and female entrepreneurs differently. Hill (2022) explains that women who carry family responsibilities often start small, low-risk businesses because they fear losing money needed for household needs. Magubane (2017) adds that women may avoid expanding their businesses because they worry about meeting both family and business expectations. Similarly, Ackah et al. (2024) found that many female entrepreneurs in Africa choose slower business growth to balance family responsibilities. These findings show that black tax can make women more cautious about their business goals and limit their desire to grow.

2.6.2. Increase in debt

Black tax may lead individuals who are affected by it to resort to borrowing in order to meet financial obligations that their income cannot fully cover (Boucher, 2022). In the business context, this situation is also evident, as entrepreneurs may be compelled to borrow funds to sustain business operations after allocating business revenue towards black tax responsibilities. As a result, black tax is viewed as a contributing factor that forces entrepreneurs to depend on external financing in order to keep their businesses operational as going concerns (Boucher, 2022).

2.6.3. Business failure

The role of black tax in contributing to business failure has been established (Magubane, 2017; Mikioni, 2019). Business failure linked to black tax is based on the notion that drawings made by entrepreneurs to support or provide for their family or kinship networks can result in liquidity problems within the business (Stewart, 2015). When a business experiences liquidity challenges, its operations and the intention to start additional ventures are also negatively affected, as the inability to meet day-to-day obligations may ultimately lead to business failure and closure (Magubane, 2017).

Furthermore, complementary evidence indicates that black tax can simultaneously inspire business creation. Mangoma & Wilson-Prangley (2019) revealed that family obligations motivate some entrepreneurs to pursue ventures aimed at improving household welfare. Mangoma & Wilson-Prangley (2019) show that positive media portrayals of entrepreneurs supporting extended kin foster a sense of pride and responsibility that strengthens entrepreneurial drive. In this perspective, black tax transforms from a barrier into a catalyst that reinforces communal upliftment and intergenerational mobility. Hence, the same cultural obligation that limits some individuals can stimulate others to engage in entrepreneurship as a pathway to fulfil social duty.

2.6.4. Enervated retains

The impact of result in enervated returns for businesses (Mikioni, 2019). The retained earnings are owing to the drawing made by the entrepreneurs from the business to take care of family needs or emergencies. The results will show that the retention of the intention to establish a business will be negatively impacted. This means that black tax has an adverse effect on business retention, especially when business is prioritised over personal transactions. Hence, black tax has been established to affect the retained earnings; the black tax has been established to affect the business's profits (Mangoma & Wilson-Prangley, 2019).

2.7. Black tax experiences across demographics

This section discusses black tax experiences across different demographic groups, highlighting both the similarities and differences as identified in the existing literature.

2.7.1. Gender and black tax

Black women entrepreneurs are more likely than members of other groups to provide financial assistance to their family members, despite being among the lowest-paid and most economically insecure workers in society (Hill, 2022). As a result, the financial burden of caregiving often falls disproportionately on black women. A gender report from the University of Minnesota further indicates that black female entrepreneurs are frequently economically disadvantaged due to various factors, including labour market discrimination, deindustrialisation in urban centres, and mass incarceration (Whitelaw & Branston, 2020).

It is also argued that throughout history, black female entrepreneurs have formed networks of survival for themselves and their families, in which they both provide and receive aid in the form of money and other forms of assistance (Hill, 2022). The economic advancement of black households is still being driven primarily by black women (Hill, 2022).

2.7.1.1. More experiences among Male entrepreneurs

Within the South African context and other African countries, black tax is devoted to being experienced more amongst male than female entrepreneurs because men are expected to be the head of the families and ultimately are expected to be responsible for the well-being of the families (Magubane, 2017). Culturally, men are expected to be the providers of the needs of the family, hence are regarded as being black taxed more than their female counterparts (Mhlongo, 2019). The notion that men bear a greater burden of black tax than women is largely shaped by cultural and societal beliefs, as men have traditionally been expected to provide for women and support the family (Msibi, 2020). However, questions remain regarding the applicability of this expectation in the context of women entrepreneurs: Are women perceived in the same way, and does black tax exert a lesser influence on their intention to start businesses compared to their male counterparts?

2.7.2. Race and black tax

This racial wealth gap was attributed to the discriminatory government policies that provided white men with access to educational subsidies, affirmative action in labour and employment dictates (Hill, 2022). This resulted in the establishment of an economic safety net for white families. Within the context of black families, historically, the legal systems intentionally blocked black families from accessing the same goods that were accessible to their white counterparts. These political acts are responsible for the racial wealth disparity and, consequently, the ongoing financial disadvantages that necessitate socioeconomic collectivism (Hill, 2022).

Within the South African context, a study conducted by Magubane (2017) used the lived experiences of black middle-class individuals in Gauteng as a lens through which the meaning of black tax, as well as the causes and situations that give rise to it, were investigated.

This study will also establish that the black tax is prevalent amongst the emerging black middle class. In line with the findings of Magubane (2017), Mangoma and Wilson-Prangley (2019) explored the financial transfers of the emerging black middle class and attributed the black emerging class to making substantive transfers within the kinship network. This also establishes that the black tax is contextualised and associated with the black communities.

2.8. Theoretical Framework

This section presents the theoretical foundations underpinning the study, focusing on Intersectionality Theory and the Kinscripts Framework. These theories provide insights to understand how gender, race, and family obligations shape the influence of black tax on entrepreneurial intentions.

2.8.1. Intersectionality Theory

Intersectionality Theory was first conceptualised by Kimberlé Crenshaw (1989) within the domain of critical legal studies. Crenshaw (1989) introduced the concept to demonstrate that systems of oppression such as racism and sexism are not mutually exclusive, but rather intersect to produce distinct and compounded forms of disadvantage, particularly for Black women. The theory challenges single-axis approaches that examine social identities in isolation, arguing instead that individuals simultaneously occupy multiple social positions shaped by race, gender, class, and other socio-economic factors. As such, intersectionality provides a multidimensional framework for understanding how overlapping structures of power and inequality influence individuals' lived experiences, opportunities, and constraints (Crenshaw, 2022).

Intersectionality Theory (Faham & Davis, 2019) explores how the entrepreneurial intentions of Black South Africans are influenced by the complex interplay of black tax, gender, and race. The theory posits that social identities such as race, gender, and class are not experienced in isolation, but intersect to produce unique sets of opportunities and challenges for individuals. Societal expectations often place primary responsibility for childcare and domestic duties on women, thereby limiting their time and resources for business ventures (Schiebinger, 2020). Intersectionality provides a framework for analysing how the interaction of race and gender creates specific burdens for Black women and men entrepreneurs.

Intersectionality is central to this study, as it highlights how race, gender, and class collectively shape the experiences of Black entrepreneurs who bear the burden of black tax. In the South African context, Black entrepreneurs face not only economic challenges but also intersecting social expectations that are informed by historical and cultural contexts (Sasinky, 2020). Intersectionality facilitates the examination of how Black men and women experience Black tax differently, influenced by social norms, patriarchal culture, and racial inequality. It emphasises that women frequently bear greater emotional and domestic responsibilities, whereas men confront heightened expectations to be providers. This theory elucidates how intersecting elements influence decisions to initiate or expand a business and how familial responsibilities affect entrepreneurial motivation (Faham, 2019).

Past scholars like Sasinky (2020) argued that in South Africa, Black females and males construct their experience through the framework of their intersecting identities as shaped by the country's social and political past. Although this is true for all individuals, the nature of Black males and females 'construction will be different to individuals of other races, genders, classes and racial ethnicities. Thus, in this study, the intersectionality will be employed to analyse how the social identities of race and gender intersect to influence the impact of black tax on entrepreneurial intentions among Black South Africans.

2.8.2. The Kinscripts Framework

The Kinscripts Framework provides the theoretical foundation for understanding how family obligations and cultural expectations shape individual behaviour within this study. Developed by Carol Stack and Linda Burton, the framework explains how roles and responsibilities within families are socially constructed, organised, and transmitted across generations. It emphasises that individuals' economic decisions and life choices are influenced by culturally prescribed expectations regarding kinship support, thereby offering a relevant lens for analysing how black tax is embedded within family systems and impacts entrepreneurial intentions (Stack & Burton, 2016).

Kinscripts is a conceptual framework that explains the interaction between family ideology, norms, and behaviours across the life course (Mikioni, 2019). The framework emerged from ethnographic research on multigenerational, low-income Black families in the United States of America (Stack & Burton, 2016). It proposes that individual behaviour is shaped by cultural context, social values, and historical experiences (Moher & Shamseer, 2015). Furthermore, the framework highlights how family expectations and traditions influence individual development and decision-making processes (Moher et al., 2015). The Kinscripts Framework comprises three culturally defined family domains: kin-work, kin-time, and kin-scription (Magubane, 2016).

The relevance of the Kinscripts Framework lies in its ability to explain how familial expectations and cultural obligations shape individual financial behaviour. By distinguishing between kin-work, kin-time, and kin-scription, the framework clarifies how family labour, time, and responsibilities are allocated among members. This perspective is particularly applicable to the study of black tax, as it recognises that financial contributions are not random but are culturally prescribed and embedded within established family narratives. Within the South African context, these narratives are strongly influenced by the principles of ubuntu and communal survival. Applying the Kinscripts Framework, therefore, helps to illustrate how Black entrepreneurs often assume the role of primary economic providers for their families, frequently at the expense of their own business aspirations. It also enhances understanding of how cultural identity and familial expectations shape economic decision-making (Stack & Burton, 2016).

The framework consists of three culturally defined domains: kin-work, which refers to the labour and tasks families undertake to ensure survival across generations; kin-time, which relates to the timing and sequencing of family roles and transitions; and kin-scription, which involves allocating kin-work responsibilities to specific family members.

The Kinscripts Framework is partly rooted in the life course perspective, which emphasises how individual behaviour and roles evolve over time within social and familial contexts (Mikioni, 2019).

In Stewart's (2015) study, *"You Moved Up, Did You Forget us? The Influence of African American Intra-Familial Social Mobility on Extended Family Relationships*," the Kinscripts Framework was employed to examine how family traditions and expectations shape individual behaviour, life choices, opportunities, and developmental trajectories. Similarly, in the present study on the intention to start a business among Black female and male entrepreneurs in the context of black tax, it is argued that entrepreneurs remain embedded within the values of ubuntu, cultural ideology, and social norms that define responsibilities toward family members. Consequently, the Kinscripts Framework is highly relevant for understanding how these culturally grounded obligations influence entrepreneurial intentions and decision-making.

2.9. Empirical Review

A global study by Gomes (2021) examined the determinants of entrepreneurial intention among higher-education students in Portugal before and during the COVID-19 pandemic. The findings revealed that a positive attitude toward entrepreneurship and higher perceived behavioural control significantly increased entrepreneurial intention, whereas subjective norms and environmental instability (e.g., crisis) had a negative effect (Gomes, 2021). Although not explicitly about "black tax," the study underscores how social pressures and resource constraints reduce intention to start a business. Its relevance lies in showing that external obligations or norms. such as familial obligations, can lower intention. The limitation is that the sample consists of students in Europe and does not capture the specific cultural mandates for financial support in collectivist contexts. Nevertheless, the study provides a global benchmark for how non-financial obligations can suppress entrepreneurial aspiration.

On the African continent, Alby, Auriol, and Nguimkeu (2020) empirically tested the "forced mutual help" hypothesis in 31 Sub-Saharan African countries using data from formal-sector firms. They found that local entrepreneurs faced family-taxation-type obligations (extended kin support) that distorted firm productivity and reduced the entry of local entrepreneurs, estimating that missing local entrepreneurs accounted for 8%-12.6% of the formal sector workforce (Alby et al., 2020). The study highlights how social obligations of wealth-sharing undermine formal entrepreneurship. Its relevance to black tax and entrepreneurial intention is direct: it shows that redistributive obligations reduce entrepreneurial activity. However, the study uses firm-level productivity data rather than intention or nascent entrepreneurs, and the data are somewhat dated. Still, it points to a structural mechanism across Africa that may map onto the phenomenon of black tax.

In Zambia, Kawimbe (2022) conducted a conceptual study of black tax and its impact on SME growth among Zambian entrepreneurs. He argued that in highly collectivist societies, entrepreneurs feel obligated to help older relatives or siblings, even when their businesses lack capacity, and that this obligation partly explains SME under-performance and slow growth (Kawimbe, 2022). Although not purely empirical (it is conceptual), the study situates black tax in a Southern African context, which is relevant as it demonstrates cultural obligations affecting entrepreneurs at the regional level. It supports the internal logic behind the present study’s focus on black tax and entrepreneurial intention. Its weakness is that the findings are not derived from empirical survey data, limiting generalisability. Nevertheless, it offers region-specific insight into how family financial obligations interact with entrepreneurship.

In the South African context, Phaswana (2025) conducted a study on black tax, or familial financial socialisation, in Black South African families. He found that many young black professionals feel strong expectations to contribute to their extended family networks, and that women often coordinate support, though men are often seen as providers (Phaswana, 2025). This study showed how black tax is both cultural (Ubuntu, collectivism) and structural (legacy of apartheid) and how it affects financial behaviour and ultimately may constrain resources for business startups. The relevance is high because it directly addresses the black tax in South Africa among the emerging Black middle class. The limitation is that it focuses on familial behaviour and not specifically on entrepreneurial intention or business formation. But it provides empirical grounding for how black tax can shape entrepreneurial decisions in South Africa.

2.10. Contextualisation of black tax in South Africa

The term “black tax” lacks a scientific definition. This phenomenon is new and has received little attention from researchers and scholars. The only attention captured about black tax in South Africa is through newspaper articles, which are largely opinion and views rather than scientific. Although all of this has stimulated debates and triggered a new line of thinking, there still exists a multiplicity of definitions of what constitutes black tax. According to Seid (2016), the term “black tax” refers to the obligation of employed black South Africans to provide for their extended family.

Black tax is viewed as black working-class individuals who are faced with the responsibility of supporting family members (Matubatuba, 2016). It is also described as having real financial and social implications for being a member of one or more groups or societies of people who are deliberately and systemically denied opportunities, equal rights, and freedoms; who are paid less; who travel further to work; who have little or no social security nets; and who come from backgrounds where there are fewer family members employed or educated (Mhlungu, 2015).

Black tax, as explored in an international exploratory study in the South African context, may be advantageous if the costs to the individual are lower than the benefits generated for those being helped, and this is influenced by the degree of familiarity between them (Carpenter, 2021; Hamilton, 1964; Okasha & Martens, 2016). The familiarity between black South Africans and their extended family is therefore a key determinant of these financial transfers (Carpenter, 2021). While familiarity among family members is strong globally, it is particularly significant in poorer countries such as South Africa (Mikioni, 2019).\\ class in South Africa to their economically disadvantaged families, as demonstrated in a study on financial transfers within this group (Mangoma & Wilson-Prangley, 2018). Mangoma and Wilson-Prangley (2018) contended that black tax in South Africa primarily manifests as remittances, which are historically associated with mining, migrant labour, colonialism, and apartheid. Additional researchers recognise that black tax is predominantly associated with the apartheid period (Mhlungu, 2015; Magoma

& Wilson-Prangley, 2018; Skade, 2018). Mhlungu (2015) articulated her experience with black tax in South Africa as follows: "The obligation to support family is not exclusive to black individuals; it is not confined to working and middle-class people within a global economy characterised by declining income and employment prospects for those outside the top 1%." The family unit constitutes the cornerstone of nearly all societal structures, including in South Africa. The notion of "black tax" examines black families and breadwinners in isolation, failing to enquire into the reasons behind the unique lived experiences of black individuals, which are rooted in the persistent privileges they are denied.

Financial dependency may develop into a harmful cycle if it is not adequately managed, ultimately weakening a family's ability to accumulate wealth (Skade, 2018). It is further argued that paying black tax may result in the provider becoming dependent on their children in the future (Skade, 2018). Contributing factors to black tax include an initial lack of assets, which suggests that black South Africans occupy a more insecure position within the middle class (Matentjie, 2017). In addition, inadequate compensation is associated with individuals' financial obligations, as all earned income is often directed toward improving the family's standard of living (Mbuzo, 2018).

Transfers are argued to bring several advantages, with the experience being regarded as beneficial in terms of providing a sense of fulfilment through improving the lives of others, reducing inequality, enabling self-insurance, and strengthening one's reputation both within the household and across generations (Mangoma & Wilson-Prangey, 2018). This suggests that black tax is perceived differently in South Africa compared to other contexts. While some individuals view it as a financial burden, others regard it as a responsibility rooted in the principle of Ubuntu and the obligation to care for family members (Mangoma & Wilson-Prangey, 2018).

2.11. Understanding the intention to start a business between men and women in South Africa.

Entrepreneurial intention refers to an individual's conscious and self-acknowledged commitment to starting a new business venture in the future (Maheshwari & Arokiasamy, 2023). It is regarded as a central element in understanding the process of new venture creation (Hueso & Liñán, 2021). Abbasianchavari (2021) argues that lower levels of entrepreneurial intention among women are often linked to limited access to entrepreneurial knowledge and skills.

Empirical research indicates that men generally report stronger entrepreneurial intentions than women (Elnadi & Gheith, 2021). Studies suggest that men tend to exhibit higher levels of risk-taking and entrepreneurial self-efficacy, along with a reduced perceived need for entrepreneurial education. Other scholars contend that observed differences in entrepreneurial activity are largely shaped by socially and culturally constructed gender roles (Henry, 2016). Conversely, some research maintains that similarities in entrepreneurial intentions between men and women outweigh the differences, suggesting that gender gaps may be less pronounced than commonly assumed (Elnadi & Gheith, 2021).

2.12. The phenomenon of black tax

Black tax is a commonly used term describing a phenomenon among the Black middle class in South Africa, in which financial support is exchanged among family members to improve living conditions and facilitate social mobility. Despite its growing prominence in public discourse, this concept remains underdeveloped in the academic literature, with only a limited number of scholars referencing it (Di Falco & Bulte, 2011; Magubane, 2017), and it is not the central focus of their studies. These authors did not seek to provide a formal definition of black tax. Instead, Magubane (2017) documented the lived experiences of individuals who had achieved upward mobility and the financial responsibilities they carried towards their families through kinship ties, while Di Falco and Bulte (2011) examined how resource sharing within kinship networks influences consumption patterns and wealth accumulation in low-income South African households. Building on these foundational works, the present study seeks to extend the literature by offering a clearer conceptualisation of black tax.

2.12.1. Black tax and remittances

Black tax shares certain characteristics with remittances, as both involve financial transfers among family members. Remittances are generally defined as funds sent by migrant workers residing abroad to their countries of origin. These transfers constitute an important source of both monetary and non-monetary support for households and contribute to poverty alleviation and the reduction of inequality at the nuclear family level (Sibiya, 2018).

Similarly, black tax functions as a mechanism for intra-family financial support; however, it typically extends beyond the nuclear family to include a broader network of extended relatives. Motivations underlying remittance behaviour, such as altruism, insurance, loan repayment, and investment, have been well documented in the literature (Sibiya, 2018). In a comparable manner, Magubane (2017) found that support provided through black tax is often motivated by a sense of humanity and personal fulfilment derived from assisting family members.

2.12.2. Black tax as social capital

Within the framework of social capital theory, black tax can be linked to the philosophy of ubuntu, grounded in African humanism and emphasising that an individual’s identity and well-being are inherently connected to the community (Migheli, 2017). Ubuntu fosters social capital through its emphasis on collective responsibility, mutual support, and the sharing of resources with those in need. These values are reinforced through the social ties that exist between female and male entrepreneurs and their communities (Sibiya, 2018). Black tax reflects the principles of ubuntu, as individuals with greater financial means often feel morally obligated to support less advantaged family members by redistributing their resources (Magubane, 2017).

Those who financially support their families are typically individuals who have attained higher social status and experienced upward mobility. As a result, they often have little choice but to provide support the enduring family ties that persist despite social advancement (Magubane, 2017). These close-knit family relationships, coupled with limited alternatives, can increase individuals' vulnerability, as the financial obligations imposed by immediate and extended family members may significantly influence their personal and economic decision-making.

Although South Africa has transitioned to a democratic system, a significant proportion of the population remains economically marginalised and excluded from stable participation in the labour market. This situation mirrors conditions observed in parts of Latin America, where insecurity and instability arise from precarious employment arrangements and limited access to quality services (Lopez-Calva & Ortiz-Juarez, 2011; Stampini et al., 2016; Torche & Lopez-Calva, 2013). As a result, many households are compelled to rely on alternative sources of income and support, including black tax, to maintain their livelihoods.

2.13. Chapter Summary

This chapter reviewed the literature and theoretical frameworks concerning the impact of black tax on the entrepreneurial intentions of male and female entrepreneurs. The Intersectionality Theory and the Kinscripts Framework were employed to explain how race, gender, and family expectations shape these experiences. Empirical studies from global, African, and South African contexts demonstrated that social and financial obligations influence entrepreneurial behaviour in varying ways across different regions. Overall, the chapter established that black tax remains a key socio-economic factor affecting business motivation and performance among Black South Africans.

CHAPTER 3: RESEARCH METHODOLOGY

3.1. Chapter Overview

In the preceding chapters, the researcher reviewed the existing literature related to the study and developed a conceptual model to guide the research. This chapter outlines the methods employed to address the research questions. It begins by presenting the selected research approach, followed by a discussion of the research paradigm and the rationale for its selection. The chapter then details the sampling frame, units of analysis, and the research procedures and instruments used. It concludes with an overview of the ethical considerations applied throughout the study.

3.2. Introduction

The literature review in the previous chapter identified a gap in existing research and clarified the research problem. In response, a conceptual model was developed, drawing on theoretical perspectives to explain how black tax influences individuals' intentions to start businesses. This chapter presents the research methodology employed in the study. Research methodology refers to a structured plan that guides the research process, specifying the methods and techniques used to collect, analyse, and interpret data (Ahmad & Wilkins, 2025). A well-structured methodology is essential for ensuring that the study is objective, rigorous, and reproducible, allowing researchers to generate valid findings that contribute meaningfully to existing knowledge. The selection of methodology should align with the research topic and objectives (Tracy, 2019). For this study, a qualitative research approach was adopted.

3.3 Research Approach

The researcher adopted a qualitative research approach, employing a phenomenological research design. Qualitative methodology focuses on phenomena that cannot be quantified (Lockwood, 2015) and often involves unstructured or flexible data collection techniques. To ensure a more systematic and reliable presentation of data, the researcher utilised interview questions and conducted semi-structured interviews.

In qualitative research, quality is measured by the extent to which creativity, innovation, and discovery are balanced with rigour and accountability (Pownall, 2024). This approach emphasises words and narratives over numerical data during both data collection and analysis. A qualitative method was selected to capture the perspectives, experiences, and opinions of women and men intending to start businesses, making it particularly suitable for exploring the influence of black tax on the entrepreneurial intentions of Black female and male entrepreneurs (Ahmad & Wilkins, 2025).

3.4 Research Paradigm

A research paradigm is a foundational set of beliefs, assumptions, and methodological approaches that guide a study (Mikioni, 2019). It provides a broad framework that influences how researchers perceive the world, formulate research questions, and interpret findings (Karasi, Shambare, & Nkondo, 2018). Research paradigms encompass ontological assumptions (the nature of reality), epistemological assumptions (how knowledge is acquired), and methodological preferences (the techniques used to collect and analyse data).

Panya and Nyarwath (2022) describe a research paradigm as an interconnected system of practices and ideas that shapes the nature of inquiry, commonly represented through four main perspectives: Positivism, Post-positivism, Critical Theory, and Constructivism.

Positivism, for example, asserts that truth and reality exist independently of the observer (Rehman & Alharthi, 2016). It assumes that real-world phenomena can be measured through observation and explained via logical reasoning, with cause-and-effect relationships governed by universal laws. However, Mikioni (2019) notes that positivism has limitations, as it may struggle to provide deep or nuanced insights. Issues with induction, generalisation, and applicability, along with epistemological concerns, challenge its effectiveness as a research foundation (Park, Konge, & Artino, 2020).

Realism holds that things exist independently of human perception or theories (Karasi, Shambare, & Nkondo, 2018). The realist paradigm aims to produce findings that can be generalised from individuals' perceptions of their environments (Karasi, 2018). According to Makumbang, Marchal, and Belle (2020), realist research seeks to generate a range of explanations by examining different contexts and participants' diverse perspectives.

In contrast, Critical Theory views social reality as being shaped by historical and social forces and constructed through human action. Researchers within this paradigm aim to challenge existing social structures, exposing the inequalities and constraints that shape society. Critical theory encourages analysis of cultural, political, social, and gender-based assumptions relevant to the research topic (Marcuse, 2020).

The paradigm adopted for this study, constructivism, posits that reality is created by individuals, allowing for multiple interpretations and worldviews formed through interaction and communication (Mikioni, 2019). Constructivist researchers focus on the specific historical, cultural, and social contexts of participants to gain a deeper understanding of their experiences (Khatri, 2020). Accordingly, this study employed a constructivist paradigm, which asserts that humans construct their own understanding and knowledge of the world through experience and reflection (Khatri, 2020).

3.4.1. Justification of the constructivism paradigm

This study adopted a constructivist paradigm, which asserts that reality is shaped by researchers and influenced by the multiple perspectives arising from human interaction and communication (Bada & Olusegun, 2015). To explore the impact of black tax on the entrepreneurial intentions of Black men and women, it was essential to engage directly with participants and understand their experiences. This paradigm enabled the researcher to interpret the world through the participants' viewpoints and lived realities.

Constructivist researchers focus on how individuals interact and create meaning through social engagement, while also considering the historical, cultural, and social contexts of their environments (Mikioni, 2019). This study adopted a constructivist paradigm as it facilitates understanding diverse participant perspectives and supports the development of new theoretical insights.

3.5 Research Design

A research design is a structured plan that guides the selection of participants and the methods used to collect or generate data in a study (Asenahabi, 2019). It provides a framework that directs the research methods and informs how data are analysed and interpreted. Essentially, a research design specifies the procedures for sampling, data collection, measurement, and analysis, serving as the organising structure for the research process (Creswell & Creswell, 2017).

For this study, a phenomenological research design was employed, as it is particularly suited to exploring relatively uncharted areas with the aim of generating theoretical insights. Phenomenology, according to Mikioni (2019), seeks to uncover the true meaning of a phenomenon through individuals' descriptions of their lived experiences. It is an inductive and descriptive approach that enables the researcher to understand the essence of experiences as they are encountered in everyday life.

This study utilised a descriptive phenomenological design within a qualitative research approach. Phenomenological research aims to understand the essence of individuals' experiences with a particular phenomenon (Palaza, 2022). Qualitative research, which encompasses a range of approaches, focuses on understanding people and their experiences within natural contexts. According to Lim (2025), it seeks to interpret phenomena based on the meanings that individuals assign to them. A qualitative method was chosen for this study to explore black tax from the perspectives of female and male entrepreneurs. Furthermore, qualitative research recognises that reality is dynamic and constructed through social interaction (Palaza, 2022).

3.5.1. Justification of the phenomenological research design

Phenomenological research centres on how individuals experience situations, emphasising not only what exists but also how people perceive and interpret it (Wilson, 2015). In this study, the aim was to examine the impact of black tax on the entrepreneurial intentions of female and male entrepreneurs, and the descriptive phenomenological design facilitated an in-depth exploration of their experiences. Additionally, phenomenology seeks to identify shared or universal elements of an experience, offering richer insights into the phenomenon under study (Adeniran and Tayo-Ladega, 2024).

As a qualitative approach, descriptive phenomenology enabled the researcher to identify patterns in the ways black tax influences entrepreneurial intentions, while taking the broader social and cultural context into account. This approach allowed for a deeper understanding of participants' lived experiences and the meanings they ascribe to them.

By using a qualitative descriptive phenomenological approach, the study remained focused on accurately capturing participants' lived experiences without unnecessary bias. In addition, the research upheld qualitative rigor through principles such as credibility, dependability, and confirmability by using appropriate methods, selecting relevant participants, and analysing data carefully to reflect true experiences. The use of established academic sources and transparent procedures further strengthened the validity and reliability of the study.

3.6. Study area

A study area refers to the geographical location where a study is conducted (Moise, 2020). Selecting an appropriate research site is a critical aspect of the research process (Dudovskiy, 2016). This study was conducted in the Vhembe District Municipality, located in Limpopo Province. The district comprises four local municipalities: Musina, Collins Chabane, Thulamela, and Makhado. According to Statistics South Africa (2022), the estimated population of the district is approximately 1 653 022. A map illustrating the locations of these municipalities is provided below.

Municipalities > Limpopo

Vhembe District Municipality (DC34)

Overview | Contacts | Map | Management | Demographic | Financial | Employment | Services | Resources

Demographic Information

	2022	2016	2011
Population	1 653 022	1 393 949	1 294 722
Age Structure			
Population under 15	32.3%	34.2%	34.9%
Population 15 to 64	61.2%	61.0%	58.9%
Population over 65	6.5%	4.7%	6.3%

Figure 3.1. Vhembe District Municipality STATS

Figure 3.2: Vhembe District Municipality map

3.7. Sample groups and sample methods.

3.7.1. Population and Sample Size

The population consists of all units, or the universe, people or things possessing the attributes or characteristics within which the researcher is interested on (Pandey, 2021). Creswell (2018) also defines population as a collection of people or elements of concern. According to Kovaz (2017) and Singh (2018), population in the research context is defined as a group of individuals who share similar features, such as ethnicity, position in an organisation, and religion. The research target population, according to Rahman & Tabash (2022) is a group of people about which researchers wish to make a broad generalisation. Based on (Ahmad & Wilkins, 2025).

Considering the above, the target population for the study consisted of entrepreneurs with Black Tax Experience. Basically, Black South African business owners (both men and women) who currently experience or have previously experienced black tax. According to

World Meter (2024), the Black population in South Africa is estimated to be around 47.7 million. The Global Entrepreneurship Monitor (GEM) reports that the adult entrepreneurial activity rate in South Africa was 13.4% in 2022-2023. This translates to roughly 7.3 million South Africans (out of a total adult population of 54.5 million) actively involved in early-stage entrepreneurial activity.

In thematic data analysis, the ideal sample size is typically determined by reaching thematic saturation. This point occurs when no new themes or significant information emerge from further interviews (Ahmad & Wilkins, 2025) . For this, a sample size of 14 participants was considered sufficient to achieve thematic saturation.

3.7.2. Sample technique

Sampling is the statistical process of selecting a subset of a population of interest making observations and statistical inferences about that population (Ahmad & Wilkins, 2025). The researcher used purposive sampling. The purposive sampling technique, also called judgment sampling, involves deliberately selecting a participant based on the qualities they possess (Ahmad & Wilkins, 2025). Purposive sampling enables researchers to select participants who possess specific characteristics directly relevant to the research questions. In this study, the researcher sought to understand the experiences of Black South Africans both men and women who have considered starting a business and have encountered black tax. Purposive sampling ensures that participants are specifically chosen for their ability to provide valuable insights into the phenomenon under investigation. This sampling strategy is particularly useful when a targeted sample is required quickly, and proportional representation is not the primary concern (Ahmad & Wilkins, 2025).

A maximum variation, or heterogeneous, purposive sampling strategy was employed to capture a broad range of perspectives on how black tax affects entrepreneurs. This approach seeks to obtain as much insight as possible into the phenomenon under investigation. In this study, both Black and Indian participants were included to develop a more comprehensive understanding of the black tax issue. Participants were required to meet the following criteria:

(a) Participants were required to be Black entrepreneurs, as the study specifically focused on black tax and its influence on the intention to start businesses.

(b) Their businesses had to be operating or not operating, as the study included start-ups and required more established experiences with black tax.

(c) They had to be older than 20 years, in line with ethical requirements to avoid interviewing minors.

(d) Their businesses had to be located within the Vhembe District Municipality, which was the study area.

(e) They had to be Black female and male entrepreneurs to show that black tax is not limited to one gender group.

3.8. Research instrument

A research instrument, or interview guide, is the interviewer's sheet or document that lists questions and topic areas to be covered in the interview (Mikioni, 2019). A structured interview guide was used in this study; this provides a clear set of instructions for interviewers and can provide reliable, comparable qualitative data (Mikioni, 2019).

This type of interview is usually conducted after observation and deeper questioning, so that researchers can gain a solid understanding of the topic and develop meaningful, relevant questions (Mikioni, 2019). This early interaction also allowed the researcher to ask participants for factual information and their opinions, and to seek clarification about certain events.

3.9 Data collection

This study employed primary data collection methods, including semi-structured interviews. Data collection is a critical component of research, as no study can be conducted without gathering data (Choenyane, 2022). Semi-structured interviews were used to capture participants' experiences and observations in their own words, providing relevant and rich information for the study. Secondary data were obtained from literature sources, including books, journal articles, the internet, and government gazettes. The accuracy of this information was verified through cross-checking with interview transcripts and observation notes. The researcher utilised the following data collection tools:

3.9.1. Interviews

An interview is a structured or semi-structured discussion conducted in person or online with the purpose of obtaining relevant information to achieve the objectives of a study. In this research, interviews were conducted with all respondents (Wilson, Onwuegbuzie, & Manning, 2016). The researcher employed a semi-structured interview guide, allowing the conversation to develop naturally based on participants' responses while maintaining an overall framework to ensure comparability across interviews (Bell & Bryman, 2022). A total of 14 respondents were interviewed, comprising seven men and seven women. Interviews were audio-recorded to ensure accurate capture of the data.

The use of interviews enabled the researcher to clarify questions related to specific areas aligned with the research objectives and to gather detailed information on participants' personal feelings, perceptions, and opinions regarding the topic. Interviews were selected because they allowed for in-depth, personal questioning, enabling the researcher to obtain rich and detailed responses within a relatively short period.

3.9.2. Conducting the interviews

Most in-depth interviews were conducted at locations selected by the participants, which helped them feel comfortable and at ease. For many participants, this meant being interviewed at their workplaces while actively managing their businesses. During the interviews, the researcher focused on building rapport and creating a relaxed environment, carefully listening, observing, and guiding the conversation to ensure that all topics in the interview guide were adequately addressed.

An audio recorder was used to capture the interviews accurately, as it is not feasible to document every detail manually. Participants provided their consent before recording. Each interview lasted between 35 and 48 minutes, with opportunities for participants to provide additional information through follow-up questions. The interviews were conducted in Tshivenda, Xitsonga, and English. Given the researcher's fluency in all three languages, the interviews were subsequently translated into English. Additionally, a research assistant fluent in Tshivenda, Xitsonga, and English supported the data collection process.

3.10 Data Analysis

Data analysis involves breaking down information, conceptualising it, and developing categories in terms of their properties and dimensions to understand what the parts reveal about the whole (Ahmad & Wilkins, 2025). This qualitative approach enables the researcher to explore the meanings behind participants' responses and to examine the impact of black tax on the intention to start a business among female and male entrepreneurs.

The researcher employed thematic data analysis, which Ahmad and Wilkins (2025) define as a qualitative method for identifying, analysing, and reporting patterns or themes within data. Following the approach suggested by Palaza (2022), the analysis process began with transcribing the audio-recorded interviews. The transcripts were then carefully reviewed and read multiple times to fully comprehend the meaning of the text. Content analysis techniques were applied to the data, leading to the identification of key themes and codes relevant to the study.

3.10.1. Archive of Technology, Life world and Language for text interpretation (ATLAS.ti)

ATLAS.ti is a specialised software tool designed for the analysis of qualitative data, facilitating systematic coding, organisation, and interpretation of textual, audio, and visual information. It allows researchers to add codes or labels to text, audio, images, or video, search for patterns within these codes, and organise them into categories that represent meaningful concepts within the data (Mikioni, 2019). In this study, the researcher utilised ATLAS.ti version 8 to organise, code, and analyse the qualitative data systematically.

While many other qualitative data analysis methods exist, ATLAS.ti was chosen for three main reasons: firstly, training and support for the software were easily accessible; secondly, compared to other qualitative analysis tools, ATLAS.ti was more affordable and fit within the research budget; and lastly, the decision to use ATLAS.ti was also supported by recommendations from other researchers, including (Soratto & Friese, 2020). The following sections explain each of these steps in more detail.

Thematic analysis is flexible, not tied to a specific epistemological or theoretical perspective (Martins & Branco, 2019). The following six steps, as outlined by Daly and Reed (2022), were followed in the thematic analysis process:

Step 1: Becoming familiar with the data

The researcher thoroughly read and re-read the interview transcripts to gain an in-depth understanding of the entire dataset. Audio recordings were transcribed to facilitate a comprehensive review of the content.

Step 2: Generating initial codes

Initial codes were developed by systematically organising the data in a meaningful way. Each transcript was carefully reviewed, and segments relevant to the research questions were assigned codes.

Step 3: Searching for themes

Themes, defined as patterns capturing significant aspects of the data, were identified through a process of meaning condensation. Key themes emerged, and participants' narratives were presented in their original form to preserve their intended meanings.

Step 4: Reviewing themes

Codes and themes were revisited, and portions of the interviews were examined again to ensure that previously identified themes accurately represented the data. Additional codes were generated where necessary.

Step 5: Defining themes

Themes were refined and linked back to the research questions, resulting in a coherent and non-redundant thematic structure. Steps 4 and 5 were conducted concurrently to ensure accuracy and consistency.

Step 6: Writing up

The researcher compiled the study report by synthesising the analysis, interpreting the findings, and integrating insights from existing literature to provide a meaningful discussion of the results.

3.11 Establishing Trustworthiness

The trustworthiness of a research study is essential for enhancing its value and credibility, as highlighted by Amankwaa (2016). In qualitative research, which does not rely on instruments with standardised measures of validity and reliability, it is important to demonstrate how trustworthiness was maintained. Introduced by Lincoln and Guba in the 1980s, trustworthiness comprises four key components: Credibility, Transferability, Confirmability, and Dependability (Connelly, 2016).

Credibility refers to the researcher's confidence in the truthfulness of the study's findings, focusing on their accuracy and authenticity (Korstjens & Moser, 2018). In this study, credibility was enhanced by citing relevant authors and providing supporting references.

Transferability concerns the extent to which the findings can be applied to other contexts. To strengthen transferability, the researcher provided thick descriptions, detailing all stages of the research process from data collection to analysis and interpretation. This allows readers to determine whether the research context is comparable to other settings (Kocaman, 2025).

Confirmability relates to the degree to which the findings can be verified or supported by other researchers. Confirmability was ensured through careful documentation and review of all research procedures and decisions, including data collection, recording, and analysis. The researcher also engaged in continuous self-reflection to minimise personal bias during the research process (Johnson & Rasulova, 2017).

Dependability refers to the consistency and stability of research findings over time (Abidin & Patah, 2024). In this study, a consistent interview guide was used with entrepreneurs actively managing microenterprises, ensuring uniform data collection and reliable results (Jacobs, 2023).

3.12 Ethical Considerations

Ethical number: FMCL/25/BMA/36/1809

Research studies can affect respondents' lives; hence, they should be conducted ethically. Mikioni (2019) articulates that research ethics are principles of right or wrong that govern the operations of researchers during the research process. Three basic points considered by the researcher as critical to maintaining the ethical code include privacy, confidentiality, and informed consent (Ahmad & Wilkins, 2025).

To ensure ethical integrity in conducting this study, all procedures adhered to the regulations and guidelines established by the University of Venda Research Ethics Committee. The following key ethical considerations, as outlined by Mikioni (2019), were observed:

i. Informed consent – All participants were fully informed about the nature of the study and their role within it before participation. The researcher explained what was expected of them, their rights as participants, and their freedom to withdraw at any point. Consent was obtained from every participant prior to the commencement of interviews.
ii. Age requirement – Only participants aged 20 years and above were included in the study. No minors were involved.
iii. Right to privacy – The identities and personal views of participants were kept strictly confidential. To safeguard privacy, participants were instructed not to disclose identifying information such as names or addresses. Pseudonyms (e.g., 'Respondent 1' to 'Respondent 14') were used throughout the study.
iv. Dignity – The dignity and integrity of all participants were respected, and no participant was subjected to any form of behaviour that could cause embarrassment or discomfort.
v. Honesty – The study's findings were presented accurately and truthfully, even when results were unexpected or did not align with the researcher's initial assumptions. All sources of information that were not the researcher's own work were properly acknowledged and cited.

3.13. Chapter summary

The methodology section provided a clear explanation of how data were collected, organised, and analysed. This is a critical aspect of the study, as a poorly designed research approach can lead to inaccurate or invalid conclusions. The population and sampling methods were described in detail to demonstrate how participants were selected from the broader research population.

The study also offered a thorough account of the data collection process, including the tools utilised and the procedures followed for data analysis. This level of detail is essential, as meaningful conclusions and recommendations both for future research and for the participants depend on rigorous and careful analysis. The following chapter presents the findings that emerged from this process.

CHAPTER 4: DATA PRESENTATION, ANALYSIS, AND INTERPRETATION

4.1 Introduction

This chapter presents the findings of the study titled "The Impact of Black Tax on the Intention to Start a Business Among Black Entrepreneurs: A Comparative Analysis between Female and Male Entrepreneurs in the Vhembe District Municipality, South Africa." Semi-structured interviews were used as the primary data collection method to explore in depth how black tax shapes entrepreneurial intentions. The study focused on the experiences and perspectives of Black male and female entrepreneurs to gain insight into the complex challenges and opportunities associated with this socio-economic practice.

The data are presented and analysed according to themes aligned with the research objectives. The chapter begins with the demographic profiles of the participants to provide context, followed by a discussion of their responses to the interview questions.

The study was guided by the following objectives:

4.1.1 Objectives

• To investigate the impact of the black tax on the intention to start a business.

• To examine the challenges black tax poses among men and women entrepreneurs.

• To compare the influence of black tax on the entrepreneurial aspirations of male and female black entrepreneurs.

4.2 Demographic Data

This section presents the demographic profiles of the 14 participants involved in the study. The variables considered include age, gender, highest level of education, business status, and residence within the Vhembe District Municipality. These demographic characteristics provide important context for interpreting participants' perspectives on black tax and entrepreneurial intentions.

Table 4.1: Demographic data

Participant ID	Age	Gender	Highest Level of Education	Business Status	Reside in Vhembe District
P1	23	Female	Degree	Already running	Yes
P2	27	Male	Diploma	Planning to	Yes
P3	31	Female	Certificate	Already running	No
P4	35	Male	Degree	No plans	Yes
P5	29	Female	Other	Planning to	Yes
P6	40	Male	Degree	Already running	No
P7	33	Female	Diploma	Planning to	Yes
P8	26	Male	Certificate	Already running	Yes
P9	38	Female	Degree	No plans	Yes
P10	30	Male	Other	Planning to	No
P11	24	Female	Degree	Already running	Yes

P12	36	Male	Diploma	No plans	Yes
P13	28	Female	Certificate	Planning to	No
P14	32	Male	Other	Already running	Yes

4.2.1 Age of participants

The age distribution of the 14 participants spans from early twenties to forty years, with a concentration in the 26–36 age bracket. This suggests that many participants belong to the prime working-age group, a group highly relevant to entrepreneurship research. According to Syed (2024), age plays a crucial role in translating entrepreneurial intentions into action, with mid-career individuals often having the maturity and resources to navigate the risks associated with starting a business.

In the South African context, Malebana (2023) highlights those younger entrepreneurs, particularly those in their early twenties, may express entrepreneurial intentions but are often constrained by limited exposure, financial resources, and family obligations. This limitation resonates strongly with the concept of black tax, as younger adults frequently prioritise supporting their families over pursuing entrepreneurial ventures. By contrast, older participants in their thirties and forties tend to leverage accumulated skills, professional networks, and greater financial security, which helps them balance family responsibilities while still considering business ventures (Mothibi, 2025).

Mhlongo (2025) further observes that entrepreneurial intention varies across age groups, with younger South Africans being less likely to plan new businesses than their older peers, mainly due to financial pressures and a lack of support structures. In the case of Vhembe District participants, this dynamic is evident: the younger group may delay entrepreneurial pursuits because black tax obligations reduce their capacity for savings and investment, while older participants might pursue entrepreneurship to generate supplementary income to sustain both personal and family needs.

Taken together, the findings align with broader theoretical perspectives on push-and-pull factors in entrepreneurship. Age shapes how individuals experience black tax: for some, it acts as a barrier to risk-taking, while for others, it becomes a motivator to pursue self-employment as a strategy for coping with intergenerational financial responsibilities. This underscores the importance of considering age as a critical determinant when analysing the impact of black tax on entrepreneurial intentions in the Vhembe District.

4.2.2 Gender Distribution of participants

The gender distribution of the 14 participants is equal, with 7 male and 7 female entrepreneurs. This balance allows for meaningful comparison of experiences and perceptions of black tax across gender lines. Recent research emphasises that gender remains a critical factor in shaping entrepreneurial intentions, behaviours, and constraints (Solesvik, 2019).

In South Africa, female entrepreneurs often face compounded socio-economic challenges, including limited access to financial resources, cultural expectations, and household responsibilities (Malebana & Swanepoel, 2015). These challenges intersect with black tax, where women may shoulder both financial contributions to extended families and unpaid domestic labour, thereby constraining their capacity to engage in entrepreneurial ventures. According to Mthimkhulu and Aziakpono (2021), female entrepreneurs in the country frequently report that family obligations reduce their ability to reinvest business profits, directly influencing business sustainability.

On the other hand, male entrepreneurs, while equally expected to support extended families, are often perceived as primary breadwinners. This societal expectation can place significant pressure on men to provide consistent financial support, thereby influencing their entrepreneurial risk appetite. Neneh (2020) highlights that while men may have greater access to networks and capital, black tax obligations still act as a deterrent to business start-ups, as disposable income is redirected towards household support.

The equal representation in this study thus highlights the dual gendered impact of the black tax. For women, black tax intersects with broader structural inequalities, while for men, it manifests primarily as societal pressure to fulfil breadwinner roles. Both scenarios affect entrepreneurial intentions differently, reflecting the importance of incorporating gendered analysis in entrepreneurship research. These findings align with theories of intersectionality, which suggest that socio-economic burdens like black tax cannot be understood in isolation from gender roles and expectations (Crenshaw, 1991; Mthimkhulu & Aziakpono, 2021).

4.2.3 Highest Level of Education of participants

The highest level of education attained by the participants shows variation across degrees, diplomas, certificates, and other qualifications. The pie chart shows that participants with university degrees make up the largest proportion, followed by those with diplomas and certificates, and a smaller group classified as ‘other’. This educational diversity is important in assessing how black tax influences entrepreneurial aspirations.

Education has long been recognised as a key driver of entrepreneurial intention and performance, particularly in contexts where access to resources is limited (Urban & Ratsimanetrimanana, 2019). Participants with degrees are more likely to have acquired formal skills, networks, and knowledge that can help them start and manage a business. However, research by Mahadea and Kaseeram (2018) indicates that, even among graduates in South Africa, financial constraints, such as black tax, reduce the translation of entrepreneurial intention into action.

For diploma and certificate holders, entrepreneurship may be both a necessity and an opportunity. As Lekhanya (2021) observes, graduates of vocational or technical training often pursue self-employment when formal employment opportunities are limited. Yet, the persistent burden of family financial obligations can restrict their ability to mobilise capital. Similarly, those in the ‘other’ category, often with informal or short-term training, may face even greater structural barriers and rely heavily on personal networks for entrepreneurial activities.

The distribution in this study highlights the importance of aligning educational attainment with entrepreneurial ecosystem support. Neneh (2022) argues that while education enhances self-efficacy and entrepreneurial capability, external socio-economic obligations, such as black tax, can neutralise these advantages. Thus, while education is positively correlated with entrepreneurial aspirations, its impact is mediated by family financial responsibilities. This finding reinforces the need for entrepreneurship-support policies that are sensitive to both educational backgrounds and socio-cultural obligations in South Africa.

4.2.4 Business Status of participants

The already running a business, those planning to start one, and those with no current entrepreneurial plans. The distribution shows that the largest group consists of participants already engaged in business activities, followed by those planning to start, while a smaller proportion reported no plans. This distribution provides important insights into how black tax shapes both current entrepreneurial engagement and future aspirations.

Existing entrepreneurs face the challenge of balancing reinvestment into their businesses with fulfilling family financial obligations. According to Herrington and Kew (2020), South African entrepreneurs often struggle to scale their ventures due to limited capital retention, a challenge further compounded by socio-cultural demands such as black tax. Entrepreneurs already in business may thus experience slower growth trajectories, as disposable income is redirected to extended family responsibilities.

Participants planning to start businesses represent an aspirational group whose intentions may be hindered by the immediate demands of black tax. Research by Fatoki (2019) highlights that financial obligations often delay entrepreneurial start-ups, particularly among younger adults. This group frequently expresses strong intentions but lacks the savings and investment capacity to actualise their goals. In such cases, the black tax acts as a barrier to entry into entrepreneurship.

The small proportion of participants without entrepreneurial plans suggests that black tax may discourage some individuals from even considering self-employment. Neneh (2019) found that in South Africa, socio-economic burdens can suppress entrepreneurial motivation altogether, leading individuals to prefer formal employment for financial security. These findings align with the theory of planned behaviour, which posits that external pressures influence perceived behavioural control and subjective norms (Ajzen, 2020).

The findings suggest that black tax exerts a dual impact: for those already running businesses, it slows growth; for those planning to start a business, it delays start-up activity; and for those uninterested, it entrenches reliance on stable employment. Understanding this dynamic is crucial for policy interventions aimed at reducing barriers to entrepreneurship.

4.2.5 Residence in Vhembe District Municipality

The findings show that 10 of 14 participants reside in the Vhembe District Municipality, while 4 live outside the district. This distribution highlights the importance of locality in shaping the experience of black tax and its influence on entrepreneurship.

Residence in Vhembe places participants closer to their extended families and communities. Utete (2024) notes that rural and local entrepreneurs often face heightened expectations for financial and social support because their physical proximity makes requests more frequent and urgent. As a result, participants residing in Vhembe may feel stronger pressure to prioritise family obligations over investing in entrepreneurial activities.

Conversely, participants living outside the district may experience less direct pressure from black tax because distance reduces the frequency of face-to-face requests. However, they also face other barriers. Mulibana, Kruss, and Booyens (2024) argue that entrepreneurs operating outside local communities often encounter structural disadvantages, such as reduced access to markets, finance, and networks that are critical to business success. This suggests that not residing in Vhembe may ease some obligations but also limit access to local support systems.

From the perspective of the Theory of Planned Behaviour, Ajzen (1991) explains that subjective norms or perceptions of what important others expect significantly influence intentions. Participants in Vhembe are likely to encounter stronger normative expectations to fulfil black tax obligations, which can diminish their perceived behavioural control and weaken entrepreneurial intentions. In contrast, those outside the district may escape some of these subjective norms, but their entrepreneurial aspirations may be constrained by structural barriers such as distance and weaker networks.

Therefore, residence emerges as a mediating factor in the way black tax impacts entrepreneurship. For those in Vhembe, the challenge lies in managing intense social obligations, while for those outside, the issue revolves around access to entrepreneurial ecosystems. Both dynamics reveal how location shapes entrepreneurial intentions in the Vhembe District context.

Table 4.2 Themes and sub-themes from the collected data

Table 4.2: Themes and Sub-Themes from Interview Data

Theme	Sub-themes	Number of Participants
Theme 1: Impact of the black tax on the intention to start a business	• *Limited financial resources to invest in businesses*	10
	• *Delays in starting entrepreneurial ventures due to black tax*	7
	• *Reduced risk appetite linked to family obligations*	8
	• *Difficulty accessing credit/finance due to diverted income*	10
	• *Pressure to remain in employment rather than risk entrepreneurship*	5
	• *Trade-offs between immediate family needs and long-term business goals*	10
Theme 2: Challenges of black tax among male and female entrepreneurs	• *Gendered differences in financial obligations*	9

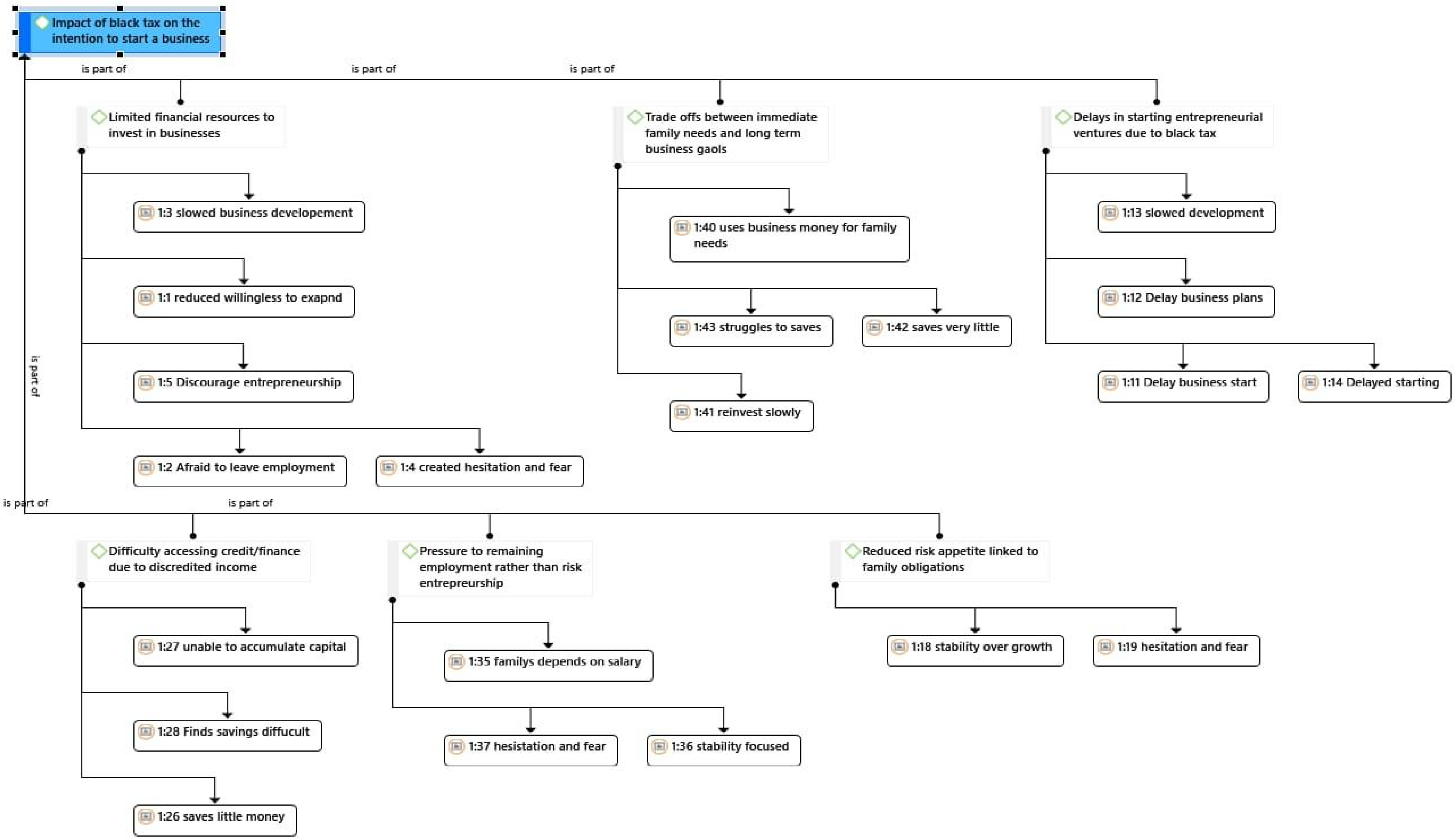
	• *Balancing business growth with extended family support*	14
	• *Psychological and emotional stress from black tax*	6
	• *Conflict between spousal/household responsibilities and business roles*	7
	• *Unequal distribution of family expectations across genders*	8
	• *Strain on reinvestment into business ventures*	10
Theme 3: Comparison of influence of the black tax on the aspirations of male and female entrepreneurs	• *Male entrepreneurs prioritising provision over risk-taking*	8
	• *Female entrepreneurs facing dual burdens of care and finance*	8
	• *Differences in long-term entrepreneurial aspirations*	8

	• *Shifts in business motivation between genders under the black tax*	5
	• *Impact of cultural expectations on entrepreneurial ambition*	10
	• *Gendered strategies for coping with black tax*	6

4.3 Theme 1: Impact of black tax on the intention to start a business

Table 4.3: Theme 1: Impact of black tax on the intention to start a business

Sub-themes	Number of Participants (out of 14)
Limited financial resources to invest in businesses	10
Delays in starting entrepreneurial ventures due to the black tax	7
Reduced risk appetite linked to family obligations	8
Difficulty accessing credit/finance due to diverted income	10
Pressure to remain in employment rather than risk entrepreneurship	5
Trade-offs between immediate family needs and long-term business goals	10



Impact of black tax on the intention to start a business
is part of
is part of
is part of
is part of
is part of
is part of
Limited financial resources to invest in businesses
1:3 slowed business developement
1:1 reduced willingless to exapnd
1:5 Discourage entrepreneurship
1:2 Afraid to leave employment
1:4 created hesitation and fear
Trade offs between immediate family needs and long term business gaols
1:40 uses business money for family needs
1:43 struggles to saves
1:42 saves very little
1:41 reinvest slowly
Delays in starting entrepreneurial ventures due to black tax
1:13 slowed development
1:12 Delay business plans
1:11 Delay business start
1:14 Delayed starting
Difficulty accessing credit/finance due to discredited income
1:27 unable to accumulate capital
1:28 Finds savings diffucult
1:26 saves little money
Pressure to remaining employment rather than risk entrepreurship
1:35 familys depends on salary
1:37 hesistation and fear
1:36 stability focused
Reduced risk appetite linked to family obligations
1:18 stability over growth
1:19 hesitation and fear

Figure 4.1: Theme 1 subthemes diagram

Participants' reflections reveal how black tax shapes their intentions to pursue entrepreneurship. Participant 1 shared, "*I wanted to start a poultry project, but nearly half of my salary supports my parents and siblings, leaving little to save*." Participant 3 added, "*Family needs always come first; every time I plan to invest in my business, another emergency arises at home*." Participant 7 commented, "*I fear leaving my job because if the business fails, my whole family will suffer*." Participant 9 said, "*Accessing finance is difficult when banks see that most of my income already goes to family responsibilities*." Finally, Participant 12 reflected, "*I feel trapped; my family relies on me, so I cannot take the risks that entrepreneurship requires*." These testimonies underscore how black tax undermines financial readiness, heightens the fear of failure, and delays entrepreneurial ventures.

The evidence from Theme 1 suggests that black tax significantly constrains participants' intention to pursue entrepreneurship. Across the sub-themes, participants consistently described financial pressures that limit their capacity to save, invest, or take risks. The tension between providing for extended family and building independent livelihoods reflects what scholars describe as a central trade-off for many African entrepreneurs (Fatoki, 2019; Herrington & Kew,2020).

The narratives highlight how financial obligations diminish disposable income, echoing Malebana et al., (2023) findings that resource scarcity is a core barrier to moving from entrepreneurial intention to action. Reduced risk appetite, as expressed by participants, also resonates with Chigumira and Mutenheri (2020), who observe that consistent family obligations create psychological stress and fear of failure, thereby delaying entrepreneurial engagement.

These findings align closely with the Kinscripts Framework, which explains how intergenerational norms and family scripts shape financial behaviour. The expectation that participants prioritise household needs over personal investment illustrates the collective orientation underpinning black tax. From this perspective, entrepreneurial intention is negotiated within family obligations rather than purely individual choice. The framework clarifies why participants described feeling 'trapped':

their financial behaviours are guided by cultural scripts of obligation, even when these clash with entrepreneurial goals.

Similarly, Intersectionality Theory is useful for understanding how overlapping social identities compound these pressures. Gender, age, and socio-economic status intersect with the cultural expectation of black tax, producing differentiated impacts on entrepreneurial intention. For example, male participants emphasised provider roles, while women described feeling an added burden of balancing household duties with financial contributions. Intersectionality thus explains the layered nature of the constraints, showing that not all participants experience black tax in identical ways.

In linking back to the literature review, prior studies have underscored that socio-cultural and structural obligations often outweigh individual entrepreneurial ambitions in African contexts (Urban & Ratsimanetrimanana, 2019). The present findings extend this argument by demonstrating how black tax specifically undermines perceived capacity and willingness to start a business. Through the lenses of Kinscripts and Intersectionality, the evidence makes clear that black tax is not just an economic drain but also a cultural script that redefines entrepreneurial intention. This underscores the need for policy interventions that support entrepreneurs in balancing family obligations with business creation.

4.4 Theme 2: Challenges of black tax among male and female entrepreneurs

Table 4.4: Theme 2: Challenges of black tax among male and female entrepreneurs

Sub-themes	Number of Participants (out of 14)
Gendered differences in financial obligations	9
Balancing business growth with extended family support	14
Psychological and emotional stress from the black tax	6

Conflict between spousal/household responsibilities and business roles	7
Unequal distribution of family expectations across genders	8
Strain on reinvestment into business ventures	10

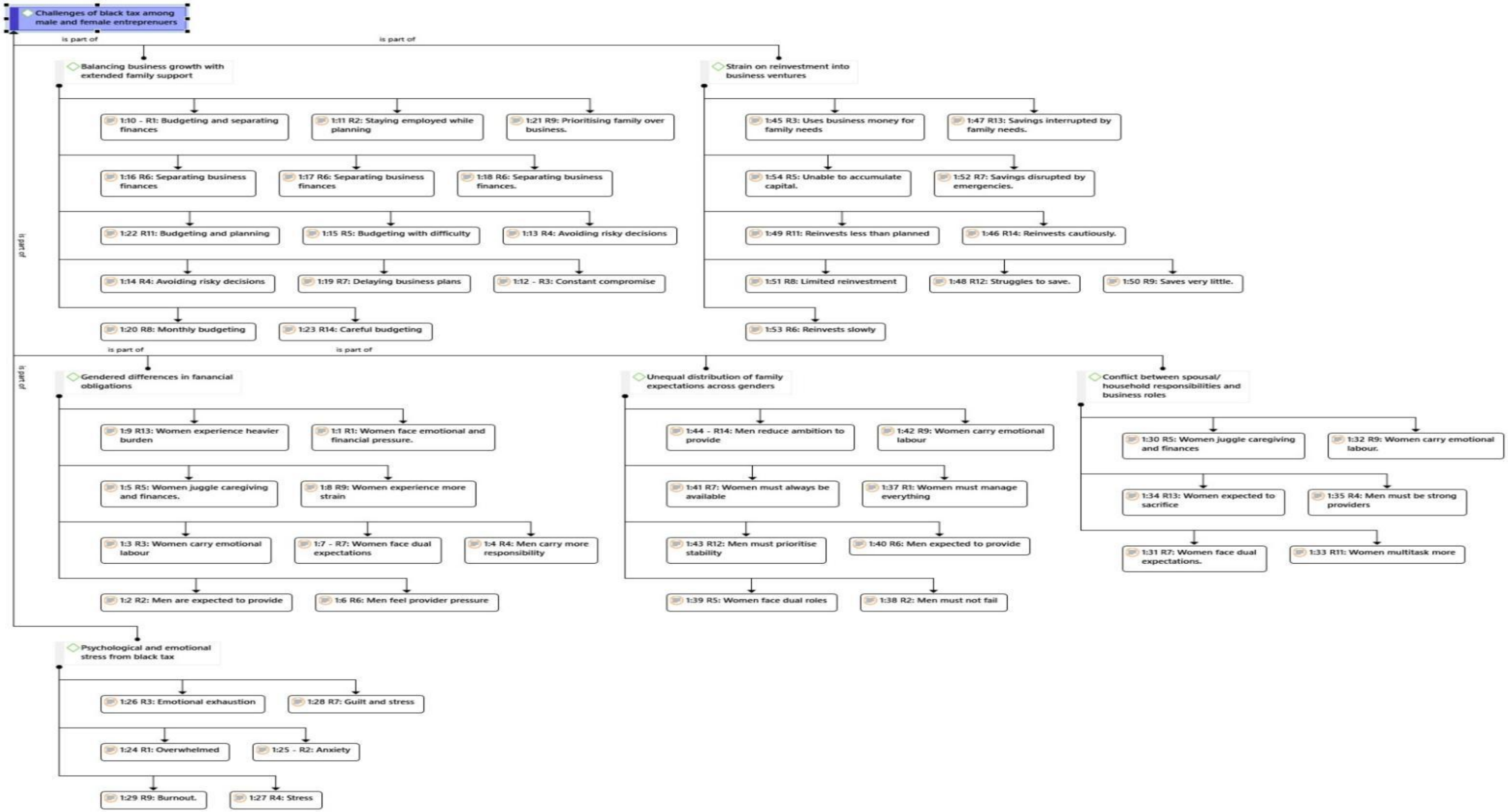


Figure 4.2: Theme 2 Subthemes Diagram

Participants described how gender shaped the nature and extent of challenges they faced due to black tax. Participant 2 explained, "*As a man, I am expected to provide financially every month, regardless of my business performance.*" Participant 5 remarked, "Even when my business is struggling, I cannot reduce my contributions at home, which leaves me drained." Participant 8 observed, "*As a woman, I am expected to contribute financially and still take care of household duties, which doubles my workload*." Participant 10 reflected, "*At times, my roles as a mother and entrepreneur clash, but family support obligations don't stop.*" Finally, Participant 13 noted, "*The expectations are unfair; men are pressured to provide money, women are pressured to juggle both money and care, and either way our businesses suffer*." These reflections illustrate how black tax produces gender-differentiated burdens for entrepreneurs.

The evidence from Theme 2 shows that the challenges posed by black tax are deeply gendered, shaping entrepreneurial experiences in ways that reflect both cultural norms and socio-economic structures. Male participants often highlighted expectations to be consistent financial providers, while female participants described dual pressures to contribute financially and to care for others. These findings correspond with Neneh (2020), who emphasised that men frequently face breadwinner expectations, whereas women face compounded economic and social burdens.

The Kinscripts Framework provides an important lens to interpret these results. Family obligations are embedded within scripts of interdependence, where expectations differ for men and women. Men are socialised to prioritise provision, even at the cost of entrepreneurial growth, while women are expected to blend financial contributions with domestic labour. This explains why participants reported difficulties reinvesting in their businesses: family scripts demand that resources be directed first to household stability (Utete, 2024).

The narratives also align with Intersectionality Theory, which shows how overlapping social identities create unique burdens. Women entrepreneurs in this study face the intersection of gender, culture, and economic vulnerability. This resonates with Mthimkhulu and Aziakpono (2021), who argue that female entrepreneurs in South Africa experience greater structural barriers in finance and higher stress levels due to social expectations. Male entrepreneurs, while advantaged in access to networks, remain constrained by cultural expectations of unwavering provision.

The psychological effects were also notable, with participants describing stress and exhaustion. Chigumira and Mutenheri (2020) found that prolonged financial obligations undermine entrepreneurial resilience, which aligns with reports of burnout and role conflict. Herrington & Kew (2020) further contend that consistent diversion of financial resources to family support constrains the scalability of South African businesses, limiting economic growth.

These findings, when tied back to the literature review, confirm that entrepreneurship in African contexts cannot be understood without considering family obligations. Black tax introduces gendered challenges that weaken entrepreneurial capacity, both financially and psychologically. By using Intersectionality and Kinscripts, this study demonstrates that black tax is not simply an economic burden but also a culturally embedded practice that reinforces gendered inequalities, ultimately shaping the entrepreneurial ecosystem of the Vhembe District.

4.5 Theme 3: Comparison of the influence of the black tax on the aspirations of male and female entrepreneurs

Table 4.5: Theme 3: Comparison of the influence of the black tax on the aspirations of male and female entrepreneurs

Sub-themes	Number of Participants (out of 14)
Male entrepreneurs prioritising provision over risk-taking	8
Female entrepreneurs facing dual burdens of care and finance	8
Differences in long-term entrepreneurial aspirations	8

Shifts in business motivation between genders under black tax	5
Impact of cultural expectations on entrepreneurial ambition	10
Gendered strategies for coping with black tax	6

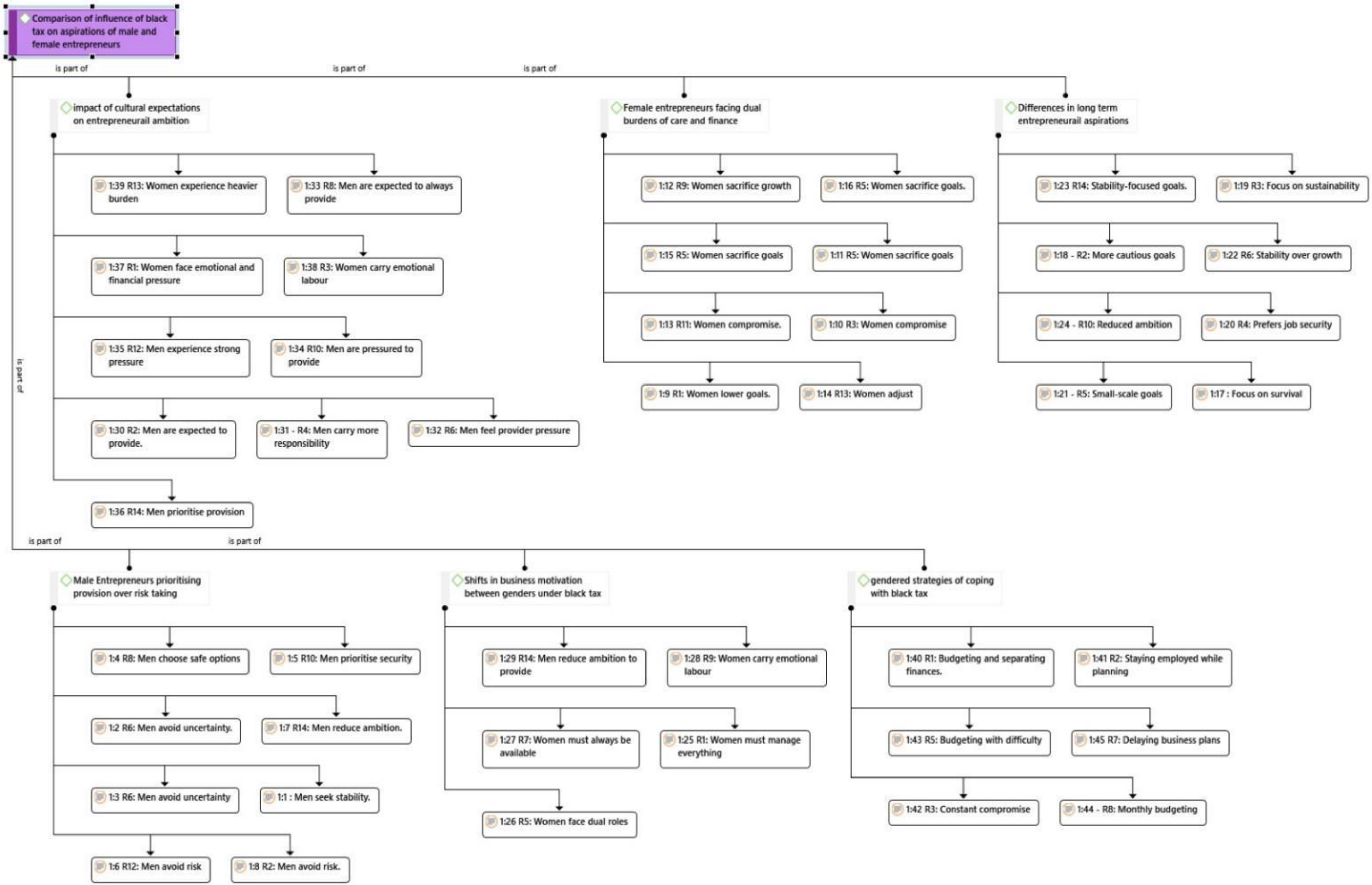

Comparison of influence of black tax on aspirations of male and female entrepreneurs
is part of
is part of
is part of
is part of
is part of
is part of
impact of cultural expectations on entrepreneurail ambition
1:39 R13: Women experience heavier burden
1:33 R8: Men are expected to always provide
1:37 R1: Women face emotional and financial pressure
1:38 R3: Women carry emotional labour
1:35 R12: Men experience strong pressure
1:34 R10: Men are pressured to provide
1:30 R2: Men are expected to provide.
1:31 - R4: Men carry more responsibility
1:32 R6: Men feel provider pressure
1:36 R14: Men prioritise provision
Female entrepreneurs facing dual burdens of care and finance
1:12 R9: Women sacrifice growth
1:16 R5: Women sacrifice goals.
1:15 R5: Women sacrifice goals
1:11 R5: Women sacrifice goals
1:13 R11: Women compromise.
1:10 R3: Women compromise
1:9 R1: Women lower goals.
1:14 R13: Women adjust
Differences in long term entrepreneurail aspirations
1:23 R14: Stability-focused goals.
1:19 R3: Focus on sustainability
1:18 - R2: More cautious goals
1:22 R6: Stability over growth
1:24 - R10: Reduced ambition
1:20 R4: Prefers job security
1:21 - R5: Small-scale goals
1:17 : Focus on survival
Male Entrepreneurs prioritising provision over risk taking
1:4 R8: Men choose safe options
1:5 R10: Men prioritise security
1:2 R6: Men avoid uncertainty.
1:7 R14: Men reduce ambition.
1:3 R6: Men avoid uncertainty
1:1 : Men seek stability.
1:6 R12: Men avoid risk
1:8 R2: Men avoid risk.
Shifts in business motivation between genders under black tax
1:29 R14: Men reduce ambition to provide
1:28 R9: Women carry emotional labour
1:27 R7: Women must always be available
1:25 R1: Women must manage everything
1:26 R5: Women face dual roles
gendered strategies of coping with black tax
1:40 R1: Budgeting and separating finances.
1:41 R2: Staying employed while planning
1:43 R5: Budgeting with difficulty
1:45 R7: Delaying business plans
1:42 R3: Constant compromise
1:44 - R8: Monthly budgeting

Figure 4.3: Theme 3 Subthemes Diagram

When comparing how black tax shaped aspirations, participants shared experiences that revealed strong gender contrasts. Participant 4 said, "*As a man, my dream is to grow my business, but every risk I take feels like gambling with my family's survival*." Participant 6 explained, "*My focus is not just on growth but on making sure my family has food and security first*." Participant 11 added, "*As a woman, I cannot separate my role at home from my role in business; I am expected to succeed at both.*" Participant 9 shared, "*I know men are expected to provide money, but as a woman, I feel the pressure of money and care responsibilities*." Finally, Participant 14 reflected, "*I have changed my goals; instead of expanding fast, I just want a steady business that pays the bills and allows me to keep helping my family*." These voices underscore how black tax shapes not only current challenges but also how male and female entrepreneurs imagine their future aspirations.

The findings in Theme 3 clearly show that black tax does not affect men and women equally. While both groups carry the weight of family expectations, the way this pressure translates into business goals and future planning is quite different. Men often spoke about their role as providers and how that role makes them more cautious about taking risks. In their view, one wrong business move could leave the whole family worse off. This sense of responsibility pushes some men to settle for safer, less ambitious paths. Neneh (2020) makes a similar observation, showing that provider roles tend to reduce men's willingness to pursue bold growth strategies.

Women participants, on the other hand, described what could be called a double load. They are not only expected to support their families financially but also to continue with unpaid care and domestic work. This makes their entrepreneurial journey particularly heavy. Mthimkhulu and Aziakpono (2021) explain that women entrepreneurs in South Africa face structural barriers to finance and cultural expectations to remain primary caregivers. This explains why some female participants said they adjusted their business goals to focus more on survival than on rapid expansion.

Looking at the findings through the Kinscripts Framework, it becomes clear that family expectations are not neutral. They follow cultural scripts that assign men and women different roles. For men, the script emphasises provision, for women, a combination of provision and care. These roles directly shape how entrepreneurs set their ambitions and make choices about risk, reinvestment, and long-term growth. Utete (2024) also highlights that these family scripts often lock entrepreneurs into patterns of behaviour that prioritise household needs over personal aspirations.

From the perspective of Intersectionality Theory, these challenges are layered. Gender interacts with class, age, and cultural expectations to produce unique experiences. A young male entrepreneur in Vhembe may feel strong pressure to prove himself as a provider, while a female entrepreneur may face combined expectations of financial and emotional care. Intersectionality helps us see that black tax does not produce a single story, but rather multiple, overlapping ones.

Linking back to the literature review, studies such as Urban and Ratsimanetrimanana (2019) confirm that entrepreneurship in African settings is deeply embedded in social obligations. The present findings extend this by showing how aspirations are shaped differently for men and women. In short, black tax is not just a financial challenge; it is a cultural force that shapes how entrepreneurs dream about their futures, with men leaning towards caution and women adapting their ambitions around dual responsibilities.

4.6 Chapter summary

This chapter has presented and analysed the findings of the study on the impact of black tax on the intention to start a business among Black entrepreneurs in the Vhembe District Municipality. The discussion began with participants' demographic data to provide context, followed by an exploration of three core themes derived from the study's objectives. Each theme was examined through sub-themes, direct participant quotations, and detailed analysis supported by contemporary literature.

The findings indicate that black tax significantly influences entrepreneurial intentions, not only through its financial implications but also via cultural and social expectations that shape decision-making. Theme 1 highlighted how financial obligations limit participants' ability to save, invest, and take entrepreneurial risks. Theme 2 revealed gendered differences in experiencing these challenges, with societal roles affecting how men and women manage and perceive their obligations. Theme 3 showed that long-term entrepreneurial aspirations are impacted, as men often adopt more cautious approaches, while women adjust their ambitions to accommodate dual responsibilities.

Overall, the findings emphasise that black tax is not merely an economic burden but a socio-cultural practice deeply embedded in family norms and intergenerational responsibilities. By applying the Kinscripts Framework and Intersectionality Theory, the analysis demonstrated that black tax intersects with gender, age, and social status, shaping entrepreneurial experiences in nuanced ways. These insights provide a foundation for the subsequent chapter, which will present the study’s conclusions and offer recommendations for policy, practice, and future research.

CHAPTER 5: SUMMARY OF FINDINGS, RECOMMENDATIONS AND CONCLUSIONS

5.1 Introduction

This chapter synthesises the key insights from the study and links them to the broader research objectives. It begins with a summary of the research journey, outlining how each chapter contributed to understanding the impact of black tax on entrepreneurial intentions in the Vhembe District Municipality. The chapter then presents the main findings, highlighting both the challenges and the nuanced ways in which black tax affects male and female entrepreneurs differently. It also identifies gaps in the existing literature, provides practical recommendations for policymakers and supporting institutions, and concludes with reflections on the study's overall contribution to knowledge.

5.2 Research Summary

Chapter One introduced the study by outlining the problem of black tax and its influence on the intention to start a business among Black entrepreneurs in the Vhembe District Municipality. It provided the research background, problem statement, objectives, and significance of the study. The chapter highlighted that, although entrepreneurship is widely promoted as a solution to unemployment and poverty in South Africa, cultural obligations such as black tax continue to drain financial resources and influence decision-making. The scope and limitations of the study were also discussed, emphasising the importance of examining how male and female entrepreneurs experience this phenomenon differently. This chapter thus laid the foundation for the research and clarified the motivation for undertaking the study.

Chapter Two presented the literature review, examining both local and international scholarship on black tax, entrepreneurship, and gendered financial obligations. The review showed that, while there is increasing research on cultural and socio-economic pressures in African entrepreneurship, few studies directly address black tax in the South African context, highlighting a clear gap in knowledge. The chapter also discussed the theoretical frameworks guiding the study, particularly the Kinscripts Framework and Intersectionality Theory, which explain how cultural scripts and overlapping social identities shape entrepreneurial experiences. Key concepts and debates identified in the literature informed the development of the research questions and objectives.

Chapter Three outlined the research methodology. It described the qualitative research approach and phenomenological design, explaining why these were suitable for exploring a socially and culturally embedded issue such as black tax. The chapter detailed the target population, sampling strategy, and sample size of 14 participants, as well as the data collection tools, specifically semi-structured interviews. Thematic analysis was employed to interpret the findings, and ethical considerations, including confidentiality and informed consent, were discussed. This chapter demonstrated the rigor and ethical soundness of the study.

Chapter Four presented the findings and analysis. It began with demographic data to contextualise the participants, then examined three key themes derived from the research objectives. These themes explored the impact of black tax on entrepreneurial intention, the gendered challenges experienced by men and women, and differences in long-term entrepreneurial aspirations. Data were presented using tables, direct participant quotations, and in-depth analysis linked to literature and theory. The chapter highlighted that black tax not only reduces financial resources but also acts as a cultural script that shapes decision-making and gendered experiences, influencing both immediate and long-term entrepreneurial plans.

Chapter Five synthesises the study by reflecting on its findings and implications. It revisits each stage of the research journey, summarises the main insights, and shows how black tax affects entrepreneurial intentions, shapes gendered experiences, and influences long-term aspirations. The chapter identifies research gaps, particularly in understanding gender dynamics and the long-term effects of cultural obligations on entrepreneurship. Practical recommendations are offered for government, financial institutions, incubators, and community stakeholders to mitigate the barriers posed by black tax. Finally, the chapter reflects on the study's contributions, its limitations, and avenues for future research, emphasising both the scholarly and practical value of the work.

5.3 Summary of Findings

The findings of this study clearly demonstrate that black tax exerts a significant influence on entrepreneurial intentions and behaviours. Across the participants, one common thread was that family obligations consume a large share of income, leaving very little room to save or reinvest in business opportunities. This means that many aspiring entrepreneurs either delay starting their businesses or adjust their goals to match what they can realistically afford. Some participants explained that they often choose to stay in salaried jobs, even if these jobs are unsatisfying, because the risk of business failure would have serious consequences for their families. This shows how cultural and financial responsibilities intersect with economic decisions. In other words, entrepreneurship is not just an individual choice in this context; it is a collective one shaped by the needs of the extended family. The study, therefore, highlights how black tax reduces the financial freedom necessary for entrepreneurship, while also creating psychological stress and fear of failure. These pressures lead many to adopt cautious strategies, aiming for security rather than growth, and sometimes abandoning entrepreneurial ambitions altogether.

A second major finding is that black tax does not affect men and women entrepreneurs equally. Gender roles strongly influence how obligations are experienced and managed. Male participants often described themselves as being pressured to act as consistent financial providers, regardless of how well their businesses were doing. Female participants, on the other hand, spoke of a double burden: they were expected to contribute financially while also carrying domestic and caregiving duties. This gendered reality directly shaped entrepreneurial aspirations. Women tended to prioritise business models that allowed them to balance home responsibilities, often aiming for stability rather than aggressive expansion. Men, meanwhile, reported being cautious about risk because failure would mean failing their families, which is seen as unacceptable. These gender differences are further shaped by cultural expectations and social scripts, which normalise unequal roles in families. The study also found that long-term aspirations are heavily influenced by black tax, with both men and women scaling back their ambitions to ensure they can continue meeting family needs. Taken together, the findings show that black tax is more than a financial constraint; it is a powerful socio-cultural force that influences how entrepreneurs plan, dream, and act.

5.3.1. Conclusion of findings based on research objectives

Objective 1: To investigate the impact of "black tax" on the intention to start a business

The findings of the study revealed that black tax had a significant and multifaceted impact on the intention to start a business among Black entrepreneurs. Participants indicated that financial obligations toward extended family members reduced their ability to accumulate start-up capital, thereby limiting their capacity to initiate business ventures. In addition, the constant need to provide financial support increased financial pressure and heightened perceived risk, leading many individuals to delay or reconsider entrepreneurial activities. However, the findings also indicated that black tax did not function solely as a constraint. For some participants, the responsibility to support their families acted as a motivating factor, encouraging them to pursue entrepreneurship as a means of generating sustainable income. This demonstrated that black tax played a dual role, both inhibiting and stimulating entrepreneurial intentions.

Objective 2: To examine the challenges that "black tax" posed among men and women entrepreneurs

The study found that black tax posed several challenges that affected both male and female entrepreneurs, although these challenges manifested differently across genders. A key challenge identified was the limitation of financial resources, as funds that could have been invested in business development were often redirected toward family obligations. Time constraints also emerged as a significant challenge, particularly for participants who had to balance business activities with family responsibilities. Furthermore, emotional and psychological pressure was identified as an additional burden, as participants expressed feelings of obligation and stress associated with meeting family expectations. Female entrepreneurs, in particular, reported experiencing compounded challenges, including the dual burden of financial support and caregiving responsibilities, while male entrepreneurs highlighted pressure related to societal expectations of being primary providers. These findings indicated that black tax contributed to both financial and non-financial barriers to entrepreneurship.

Objective 3: To compare the influence of "black tax" on the entrepreneurial aspirations of male and female Black entrepreneurs

The comparative findings demonstrated that black tax influenced the entrepreneurial aspirations of male and female entrepreneurs in distinct ways. Male entrepreneurs were found to be primarily influenced by cultural expectations that positioned them as financial providers, which increased their sense of responsibility and, in some cases, motivated them to pursue entrepreneurship as a means of fulfilling this role. In contrast, female entrepreneurs experienced a more complex set of pressures, including financial obligations, childcare responsibilities, and emotional labour, which often constrained their ability to fully pursue or expand business opportunities. As a result, female entrepreneurs tended to adopt more cautious approaches to entrepreneurship, often opting for smaller or lower-risk ventures. Despite these differences, both groups experienced the overarching impact of black tax as a significant factor shaping their entrepreneurial aspirations. Overall, the findings highlighted that gender played a critical role in mediating how black tax was experienced and how it influenced entrepreneurial decision-making.

5.4 Research Gaps

Although black tax is widely discussed in public discourse, there remains limited academic research directly linking this cultural obligation to entrepreneurial behaviour. Most existing studies address financial obligations in general terms, without specifically examining how black tax affects business start-up decisions among South African entrepreneurs.

The gendered dimension of black tax is also underexplored. While some literature considers women's multiple roles and men's breadwinner expectations, few studies systematically investigate how male and female entrepreneurs experience and navigate these pressures differently. This represents a notable gap in understanding the intersection of gender, culture, and entrepreneurship.

Furthermore, much of the research has focused on immediate financial constraints, with less attention on how black tax influences long-term entrepreneurial aspirations. There is a need to explore whether entrepreneurs adjust, scale back, or abandon their ambitions over time due to these ongoing obligations, and how such dynamics affect local economic growth.

Policy discussions likewise rarely consider the impact of black tax on entrepreneurship. Current support initiatives tend to emphasise funding, training, and market access, without recognising that cultural obligations may consume a substantial portion of the resources provided. This underscores the need for more culturally sensitive approaches in entrepreneurship development programmes.

5.5 Contribution to the body of knowledge

Theoretical Contribution

This study makes a significant theoretical contribution by extending the application of Intersectionality Theory, as advanced by Kimberlé Crenshaw, and the Kinscripts Framework developed by Carol Stack and Linda Burton, within the context of black tax and entrepreneurial intentions in South Africa. While previous studies have applied these theories independently, this study integrated them to demonstrate how intersecting social identities such as race and gender and culturally embedded family obligations jointly shape entrepreneurial decision-making. The findings revealed that themes such as financial pressure, gendered responsibility, and the dual role of black tax as both a constraint and a motivator are best understood through an intersectional lens, which highlights differentiated experiences between Black men and women. The Kinscripts Framework provides deeper insight into how these financial obligations are not arbitrary but are structured through culturally prescribed family roles, influencing how resources, time, and responsibilities are allocated among entrepreneurs.

Furthermore, the study contributes to theory by demonstrating that black tax should not be conceptualised solely as a financial burden, but rather as a socially embedded phenomenon with both constraining and enabling dimensions. The emergence of themes related to motivation and resilience suggests a refinement of existing theoretical assumptions, indicating that familial obligations can, in some cases, stimulate entrepreneurial activity as a strategy for long-term financial sustainability. In this regard, the study advances theoretical discourse by bridging the gap between social theory and entrepreneurship literature, offering a more nuanced and contextually grounded understanding of how socio-cultural dynamics influence entrepreneurial intentions in developing economies.

Practical Implications

From a practical perspective, the study provided an important implications for entrepreneurship development, policy formulation, and support programmes in South Africa. The findings highlight that black tax significantly affects access to start-up capital, risk tolerance, and business sustainability, particularly among Black entrepreneurs operating within resource-constrained environments. As such, entrepreneurship support initiatives should move beyond generic financial assistance and incorporate context-sensitive interventions that recognise the impact of family financial obligations. This may include tailored funding models, flexible financing mechanisms, and financial literacy programmes that account for the realities of black tax.

In addition, the study elevated the discourse on entrepreneurship by emphasising the need for gender-responsive support systems. Female entrepreneurs, in particular, face compounded challenges related to financial obligations, caregiving responsibilities, and emotional labour, which require targeted interventions such as mentorship programmes, childcare support, and inclusive funding opportunities. At the same time, the findings suggest that entrepreneurship can be positioned as a viable strategy for managing and sustaining family obligations, transforming black tax from a constraint into a potential driver of economic participation. Therefore, policymakers, development agencies, and entrepreneurial support institutions should design holistic programmes that integrate social, cultural, and economic dimensions, ultimately fostering a more inclusive and sustainable entrepreneurial ecosystem.

5.6 Recommendations

5.6.1 The Department of Small Business Development should design targeted funding schemes that consider the financial strain on black entrepreneurs.

5.6.2 Local municipalities in Vhembe should create entrepreneurship hubs offering mentorship and financial literacy workshops to help young entrepreneurs balance family obligations and business growth.

5.6.3 Commercial banks should consider flexible loan products tailored for entrepreneurs with family support responsibilities, reducing barriers to accessing credit.

5.6.4 Non-governmental organisations should run community-based training that addresses cultural expectations and encourages families to view entrepreneurship as collective progress.

5.6.5 Universities and TVET colleges should incorporate modules on cultural finance and entrepreneurship into their curricula to equip future entrepreneurs with the knowledge and skills to navigate the financial and social obligations associated with black tax.

5.6.6 Policymakers should consider tax incentives or relief measures for small businesses run by first-generation entrepreneurs who support extended families.

5.6.7 Private sector incubators should provide psychosocial support, including stress management and counselling, for entrepreneurs balancing heavy family obligations.

5.6.8 The government should expand social welfare programmes to reduce the financial dependency of extended families on working entrepreneurs.

5.6.9 Community leaders and traditional councils should promote dialogue on balancing cultural obligations with economic independence, creating supportive social norms.

5.6.10 Development finance institutions should introduce grant options specifically for women entrepreneurs facing dual responsibilities of care and finance.

5.6.11 Research councils and universities should prioritise and invest in longitudinal studies to examine the long-term effects of black tax on entrepreneurial intentions, behaviour, and business outcomes.

5.6.12 The National Planning Commission should integrate cultural considerations, such as black tax, into national entrepreneurship and employment strategies.

5.7 Limitations

The researcher recognised the various limitations of this study. The study only included a small qualitative sample of business owners from the Vhembe District Municipality, which restricts the findings' applicability to other areas or larger demographics. Since the study used self-reported information gathered from semi-structured interviews, the findings are based on the individual opinions and experiences of the participants, which could be impacted by social desirability or memory bias. Furthermore, the cross-sectional methodology only recorded experiences at one moment in time and failed to take into consideration the potential for changes in black tax responsibilities or entrepreneurial goals over time. Conclusions about long-term economic outcomes were also limited by the study's primary focus on entrepreneurial intention rather than quantifiable firm performance metrics.

5.8 Suggestions for future research

By using larger, quantitative, or mixed-methods studies to examine the connection between black tax and entrepreneurial outcomes more generally, future research could overcome these constraints. Determining how financial commitments and company expansion change over time would be aided by longitudinal research. Deeper contextual understanding could be obtained by comparative research between provinces, urban and rural situations, or even other African nations. Coping mechanisms, resilience techniques, and governmental initiatives that might lessen the negative consequences of the black tax could potentially be investigated in future studies. Furthermore, more thorough gender and intersectional analyses would improve knowledge of how various social identities influence entrepreneurial experiences.

5.9 Research Conclusion

This study set out to explore how black tax influences the intention to start a business among black entrepreneurs in the Vhembe District Municipality, with a specific focus on gender differences. The findings confirm that black tax is not only a financial constraint but also a cultural and social script that strongly influences entrepreneurial decisions. For many participants, family obligations consumed resources that could have been used for business start-ups, resulting in delayed ventures, scaled-down ambitions, or a preference for stable employment.

The research also highlighted the gendered nature of black tax. Men frequently felt pressure to act as primary financial providers, leading them to be more cautious about taking risks. Women, on the other hand, described the heavy weight of carrying both financial and caregiving responsibilities. These gendered differences shaped not only day-to-day business operations but also long-term aspirations, showing that black tax is deeply intertwined with cultural expectations and family structures.

By applying the Kinscripts Framework and Intersectionality Theory, the study showed that entrepreneurship in this context cannot be understood in isolation from culture and identity. Black tax is more than an individual challenge; it is a collective reality that shapes how entrepreneurs plan, act, and dream. The study makes a valuable contribution by linking cultural obligations to entrepreneurship in South Africa and opens pathways for future research and culturally sensitive, responsive policy interventions that reflect the lived realities of entrepreneurs.

5.10 Chapter Summary

This chapter brought together the study’s main insights, summarising each stage of the research and highlighting the core findings. It identified research gaps, provided practical recommendations, and concluded that black tax significantly shapes entrepreneurial intentions and aspirations. Overall, the chapter sets the stage for future policy and academic discussions.

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ANNEXURE A: INTERVIEW GUIDE

INTERVIEW GUIDE

for the

Research Project entitled:

THE IMPACT OF BLACK TAX ON THE INTENTION TO START A BUSINESS AMONG BLACK ENTREPRENEURS: COMPARATIVE ANALYSIS BETWEEN FEMALE AND MALE ENTREPRENEURS IN THE VHEMBE DISTRICT MUNICIPALITY, SOUTH AFRICA.

COMPLIED BY: Salani Lungelo

Dear Participant,

My name is Salani Lungelo Giycia, a postgraduate student at the University of Venda conducting research titled “**The Impact of Black Tax on the Intention to Start a Business Among Black Entrepreneurs in South Africa**.” This interview aims to understand how family financial obligations, commonly referred to as black tax, influence entrepreneurial decisions among male and female entrepreneurs. All information shared will be treated confidentially and used strictly for academic purposes. Participants have the right to withdraw from the interview at any time without penalty.

The research questions formulated for the study are:

RQ1: How does black tax impact the intention to start a business?

RQ2: What challenges does black tax present to the intention of starting a business among Black entrepreneurs?

RQ3: How do gender differences influence the entrepreneurial aspirations?

Be assured that all the information gathered from you will remain confidential.

Thank you for taking the time to participate

Yours sincerely,

Lungelo Giycia Salani

Email: **lungelosalani@gmail.com**

Cell phone number: +27 76 670 5091

Section A: Demographic Information

Gender: ___________________________

Age: ______________________________

Educational level: ______________________________

Marital status: ______________________________

Occupation / Type of business: ______________________________

Years in business (if applicable): ______________________________

Household size / number of dependents: ______________________________

Monthly income range: ______________________________

Section B: The Impact of Black Tax on the Intention to Start a Business

1.How would you describe the meaning of *black tax* in your own experience?

2.In what ways has black tax influenced your motivation or hesitation to start a business?

3.Can you explain how financial obligations to family members affect your ability to save or invest in a new business idea?

4.Do you think black tax affects men and women differently when deciding to start a business? If so, how?

5.What strategies have you used to balance family financial responsibilities and your own business ambitions?

Section C: The Challenges Black Tax Poses on Men and Women Entrepreneurs

6.What specific challenges do you face in managing black tax while running or planning a business?

7.How do gender expectations (for example, being a man or woman) influence your experience of black tax?

8.Have family or community expectations ever caused you to delay or abandon a business opportunity?

9.How does black tax affect your emotional wellbeing or work-life balance as an entrepreneur?

10.In your opinion, what kind of support systems could help entrepreneurs cope with black tax responsibilities?

Section D: The Influence of Black Tax on the Entrepreneurial Aspirations of Male and Female Entrepreneurs

11.How does black tax shape your future business goals or ambitions?

12.Do you believe black tax motivates or discourages people from pursuing entrepreneurship? Please explain.

13.How do you think men and women respond differently to black tax when it comes to setting business goals?

14.What long-term effects do you think black tax has on wealth creation or financial independence among entrepreneurs?

15.What recommendations would you give to policymakers or financial institutions to support entrepreneurs affected by black tax?

Closing Statement

Thank you for participating in this interview. Your responses will provide valuable insights into how black tax influences entrepreneurship in South Africa. The information you have shared will be analysed anonymously, and the results will contribute to a better understanding of the challenges faced by black entrepreneurs.

ANNEXURE: CONSOLIDATED RESEARCH FINDINGS

Participant	Age	Gender	Education	Business Status	Reside in Vhembe	Financial Impact of Black Tax	Gendered Challenges	Aspirations Under Black Tax
P1	23	Female	Degree	Already running	Yes	Half of income goes to family, little left to save	Balances caregiving with financial contributions	Wanted to start small project but limited savings
P2	27	Male	Diploma	Planning to	Yes	Delays in saving due to obligations	Breadwinner pressure regardless of business success	Entrepreneurial dreams postponed
P3	31	Female	Certificate	Already running	No	Business profits reduced by emergencies	Expected to give financially even during downturns	Focus shifted to survival business
P4	35	Male	Degree	No plans	Yes	Chooses job	Provider role	Prefers

						security over investment	discourages risk-taking	employment stability
P5	29	Female	Other	Planning to	Yes	Family needs outweigh start-up capital	Dual role: supporter & caregiver	Hopes to start small-scale business later
P6	40	Male	Degree	Already running	No	Uses revenue for family support, slows growth	Provider expectations override business reinvestment	Business expansion slowed
P7	33	Female	Diploma	Planning to	Yes	Household emergencies drain savings	Conflicts between family roles & business goals	Keeps postponing start-up
P8	26	Male	Certificate	Already running	Yes	Family support reduces	Expected to provide consistently	Settles for low-risk business

						reinvestment capacity	as man	
P9	38	Female	Degree	No plans	Yes	Constant family obligations delay ventures	Dual burden: financial & caregiving	Aims for survival goals, not growth
P10	30	Male	Other	Planning to	No	Salary diverted to family, capital shortfall	Struggles to balance obligations with start-up	Keeps ambitions modest
P11	24	Female	Degree	Already running	Yes	Fear of leaving job due to family dependence	Must reinvest and manage household duties	Chooses safe business path
P12	36	Male	Diploma	No plans	Yes	Obligations prevent business exploration	Provider stress undermines aspirations	Remains employed

P13	28	Female	Certificate	Planning to	No	Savings consistently drained	Dual caregiving & financial roles	Focuses on sustainability not growth
P14	32	Male	Other	Already running	Yes	Household demands reduce reinvestment	Household financial demands shape goals	Prefers steady income over expansion

ANNEXURE C: ETHICAL CLEARANCE CERTIFICATE

ANNEXURE D: RESEARCH BUDGET

CATEGORY	ESTIMATED COSTS
PERSONNEL	
Research assistant	8000
Data Analyst	8000
EQUIPMENT AND SUPPLIES	
Computer	12000
Data	1500
Printing	2000
Stationery	1500
TRAVEL	
Transport	650
Meals	500
Accommodation	3000
ADMINISTRATIVE COSTS	
Language editor	5000
TOTAL COSTS	42150

ANNEXURE E: RESEARCH SCHEDULE

STAGES	ACTIVITIES	START DATE	END DATE
Research Planning	Finalise research problem and questions	18 July 2024	26 July 2024
	Develop Research design	26 July 2024	17 August 2024
	Prepare research proposal	19 August 2024	14 October 2024
Literature review	Search relevant literature	06 November 2024	11 November 2024
	Prepare literature review draft and faculty presentation	12 November 2024	15 November 2024
Faculty oral defence presentation	Proposal presentation	19 November 2024	22 November 2024
Data collection	Finalise sampling plan	18 November 2024	19 November 2024
	Develop interview questions	02 May 2025	30 July 2025
	Carry out data collection	24 August 2025	08 September 2025
	Write up data collection	08 September 2025	04 October 2025
Data analysis	Prepare data for analysis	05 October 2025	15 October 2025
	Analyse data	16 October 2025	04 November 2025
	Interpret data	05 November 2025	20 November 2025
	Draw conclusions and make recommendations	22 November 2025	31 November 2025
Writing up	Final draft of report	05 December 2025	16 December 2025
	Review draft with supervisor	16 December 2025	16 December 2025
	Final Editing	12 January 2026	03 February 2026
Submission	Submission of final research report	04 February 2026	11 February 2026

ANNEXURE F: EDITORS LETTER

ANNEXURE G: TURNITIN REPORT

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