

Technology and Tax Administration in Oyo State Internal Revenue Service

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Certification

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Dedication

This thesis is dedicated to God Almighty for His abundant grace in my life.

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Abstract

This study examines the impact of technology on tax administration effectiveness within the Oyo State Internal Revenue Service (OIRS). The study addresses the challenges posed by traditional manual tax systems, which have historically led to inefficiencies, tax evasion, and revenue losses. Employing a mixed-methods approach, the research integrates both quantitative and qualitative methodologies. Data were collected through structured questionnaires distributed to key stakeholders, including taxpayers and tax officials, supplemented by in-depth interviews to capture nuanced perspectives. The study utilized a descriptive research design, targeting a stratified sample of taxpayers and administrative staff in Ibadan, Oyo State, ensuring representation across various demographic groups. Data analysis involved statistical tools such as regression analysis to examine the relationships between technological applications—like e-tax filing, online tax payments, and electronic tax verification—and tax administration outcomes, including compliance rates, revenue generation, and administrative efficiency. Findings revealed that technological interventions significantly improve tax compliance and administrative transparency while reducing operational inefficiencies and opportunities for corruption. Specifically, the e-tax payment system was identified as a critical driver for timely revenue collection, while online tax registration enhanced taxpayer engagement and ease of compliance. However, the study identified several limitations. First, the scope was geographically limited to Ibadan, which may affect the generalizability of the findings across other regions of Oyo State or Nigeria. Second, challenges in accessing comprehensive data due to privacy concerns and bureaucratic barriers limited the robustness of some analyses. Lastly, the reliance on self-reported data from respondents introduced potential biases, including social desirability bias. The research concludes that adopting robust technology frameworks can transform tax administration in Oyo State, enhancing revenue mobilization and taxpayer satisfaction. It recommends expanded investment in digital infrastructure, stakeholder training, and policy reforms to sustain these gains. Future studies should explore comparative analyses across states and incorporate longitudinal data to assess the long-term impact of technology on tax systems.

Keywords: *Tax Administration, Technology Adoption, E-Tax System, Revenue Generation, Compliance Efficiency, Oyo State*

Word count: 307

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Chapter One

Introduction

1.1 Background to the Study

Government at all level has the responsibility of driving a country's economic growth and development and ensure the well-being of the citizens. Indeed, the social contract between governments and citizens loosely translate to the effect that people will hand over power to government who will in turn do for the people what they cannot do for themselves. In line with this, the government invests in healthcare, education, infrastructure, peace and security, and social security through fiscal expenditures to promote the growth and development of the country¹.

It is the responsibility of the government, to build roads, ensure internal security by establishing and maintaining a police force, civil defense outfit and other paramilitary organs. The government also has to secure the country against external aggression by maintain a strong military consisting of infantry, naval and, air force. This does not preclude the government from its responsibilities to multilateral organisations such as the United Nations, ECOWAS, African Union and others. From any angle one looks at the matter, the government requires funds to cover its fiscal obligations².

In the past, Nigeria government can rely on revenue generated from crude oil export. There is a popular anecdote of a Nigerian leader saying in those days that money is not a problem for Nigeria but how to spend it. Today, the situation is different. The Nigerian government is seeking alternative revenue sources due to its increasing responsibilities, financial challenges caused by population growth and infrastructure decay, and the impact of low oil

prices and inflation on the country's funds for social services³. Government has explored alternative sources such as external borrowing from institutions like the World Bank and International Monetary Fund⁴. This has further worsened the situation. As a result, the government has shifted attention to tax revenue.

Taxation is the government's imposition on individuals and private organisations to pay a portion of their income, property, transactions, and goods in order to generate revenue for government spending. Government spending includes activities such as creating jobs, fostering economic growth, improving infrastructure, developing underprivileged regions, ensuring economic stability, and maintaining price stability⁵. Nigeria's oil revenue is no longer sufficient to finance its developmental goals due to the significant reduction in oil prices in recent years, resulting in oil price volatility and a decrease in government revenue. The Nigerian tax system aims to enhance the welfare of all citizens by improving policy formulation and utilising tax revenue for the people's benefit, as stated by the Presidential Committee on National Tax Policy in 2008⁶. Hence, it is crucial for the government to collect sufficient money from domestic sources via taxation.

The global economy is transitioning from reliance on crude oil to taxation on oil, aiming to develop a diversified economy capable of generating enough non-oil revenue and foreign exchange to offset the impact of decreasing oil prices. The 2020 Covid-19 pandemic also negatively affected Africa's economy, leading to interventions by the bank and national governments⁷. The lockdowns have caused a decrease in economic operations, particularly in oil income, and debt service payments are a major issue for Nigeria. Experts are unanimous in their insistence that Nigeria must look beyond oil revenue and rely heavily on

taxes to generate a substantial portion of government revenue in order to address the challenges posed by the oversupply of oil in the global market⁸.

Taxation is a longstanding and significant source of government income. Taxation in Nigeria has existed since the pre-colonial era. Various systems of taxation, such as compulsory services, contributions of goods, money, and labour, were in place in different kingdoms and tribes under the control of rulers like Obas and Emirs. These systems aimed to support the Monarch and promote community development⁹.

Taxation was initially implemented in Nigeria in 1904 by Lord Lugard, with the introduction of community tax in Northern Nigeria. He subsequently implemented modifications that resulted in the Native Revenue Ordinance of 1917. In 1918, an amendment ordinance was passed to extend the restrictions of the 1917 law to Southern Nigeria. The initial ordinance was enforced in Abeokuta in Western Nigeria and Benin-city in Mid-Western Nigeria. In 1928, it was expanded to Eastern Nigeria⁷. Modern taxation in Nigeria started around 1940. Ordinance No.29 of 1943 Cap 92, a more progressive income tax law, was implemented on April 1, 1943. It applied to Europeans nationwide and Africans living in Lagos. The Commissioner, appointed by the Governor-General by a notice in the Gazette (now known as the Federal Republic of Nigeria Gazette), was in charge of administering the ordinance. The Federal Service of Inland Revenue replaced the Commissioner according to Ordinance 39/58, 1st Schedule¹⁰.

Currently, tax administration in Nigeria is assigned to different tax agencies based on the specific type of tax being addressed. There are three tax authorities: the Federal Inland Revenue Service Board, State Internal Revenue Service Board, and Local Government Authorities. The Federal Government plans to utilise data and analytics to streamline tax

collection and enhance revenue generation¹¹. These agencies were developed in line with the federalist system of government being adopted by Nigeria. the main idea is that each arm generate revenue to fund its responsibilities, especially those on the concurrent list such as education, primary healthcare, basic infrastructure and public administration¹².

Despite facing challenges, the Federal Inland Revenue Service (FIRS) collected N4.9 trillion in taxes during the 2020 fiscal year, reaching 98% of its target. Only 30.6% of this was ascribed to Petroleum Profits Tax, down from almost 50% previously¹³. The FIRS has achieved this height by shifting focus from oil taxes to non-oil taxes and implementing automation and digitalization in tax assessment, compliance, and collection operations. The new decade signals the start of an exciting future for generating non-oil revenues through the utilization of technology and automation methods for collecting Stamp duties¹⁴.

Despite the reported success of the Federal Inland Revenue Services, the Nigerian tax structure is imbalanced and mostly influenced by oil revenue. Experts have argued that the tax system has not achieved its intended goals due to various obstacles such as lack of taxpayer responsibility, multiple taxes, complicated payment procedures, absence of a comprehensive database, tax evasion and avoidance, corruption, and government instability leading to non-adherence to tax laws¹⁵. This has led to calls for tax reform and an overhaul of the tax collection and administration in Nigeria. one of the approaches that have been suggested by several scholars is the application of information and communication technology (ICT) to tax administration in Nigeria.

In a constantly evolving technological landscape, tax administrations globally employ information technology (IT) solutions to fulfill their operational and strategic requirements.

Contemporary technological solutions for tax administrations, while diverse, encompass four primary capabilities. A core tax system offers assistance, automation, workflow management, and authorization management for tax administration tasks. An e-tax system provides taxpayers with information, education, and support, and helps with compliance and administration. A compliance performance system uses risk-based procedures to identify and prevent non-compliance. A management information system aids in collecting and distributing performance information to staff and management. Information technology (IT) is a vital part of tax administration reform. It helps tax administrators collect and analyse information effectively, manage workload and resources efficiently, engage with taxpayers collaboratively, and ensure consistent treatment of taxpayers and application of the law¹⁶.

The emergence of Information Technology in this age has significantly boosted economic and corporate operations in both private and governmental institutions. It has uncovered overlooked opportunities and prevented organisations from losing millions to ongoing fraud through its applications. Information Technology is essential in Nigeria's tax administration for its ability to facilitate quick, easy, and precise computation, storage, and retrieval of data and records.

Specific computer software have been developed to simplify the calculation of complex data. Examples of such programmes are Microsoft Excel (Electronic Spreadsheet) and Microsoft Access (Database). Additional database programmes and accounting software that facilitate the simple calculation and assessment of an individual's or a company's tax obligations are Peachtree Accounting, PeopleSoft System, SQL Database, QuickBooks, Management Information Processing System, Quikens, and others¹⁶.

The application of information technology to assist in tax administration is the foundation of the electronic tax system in use today. The incorporation of information technology into tax administration through E-tax, also known as electronic taxation, has been shown to be a crucial tool in addressing challenges within tax systems¹⁰. It enables the maintenance of comprehensive tax records for seamless information sharing and effectively reduces administrative costs, ultimately resulting in increased tax revenue. The E-tax system offers more than just information, education, and help to taxpayers through its distinctive features like electronic registration, tax return filing, and electronic tax payment.

Automated solutions can significantly improve company processes efficiently and cost-effectively compared to the costly and ineffective bureaucratic government structure. Tax authorities are increasingly utilising e-government solutions such as electronic tax filing (e-filing) to improve public service delivery and fiscal efficiency, while avoiding expensive recurring expenses¹⁷. The United Nations defined e-taxation as the electronic submission of tax documents or returns over the internet, typically without the requirement of a physical paper submission, utilising internet technology¹⁸.

The quick expansion and progress of Nigeria resulted in a significant rise in population and a growing number of industries. Tax planning and tax administration have become more intricate due to business growth and the subsequent expansion in operations and fiscal size. Due to the large volume of data required for tax assessment and computation. There is a multitude of argument for the application of suitable computer systems to improve tax planning and administration. Currently, the world is more interconnected, and Nigeria's connection to the rest of the world is mostly through the widespread use of Information Technology in various sectors of the economy. To enhance tax administration efficiency in

Nigeria, it is recommended to implement Information Technology across the entire process of tax collection to the final stage of Tax Administration¹⁸.

However, while majority of studies have focused on the usefulness of technology application in effective tax administration, there is less attention to the improvement that technology application has brought to tax administration, particularly in the case of Nigeria. Understanding this through empirical studies is important for policy making which is why this study examines the impact of technology on tax administration and effectiveness in Nigeria

1.2 Statement of the Problem

In Nigeria, tax administration has historically faced significant challenges, particularly due to outdated manual processes that hinder efficiency, transparency, and revenue generation. These issues are evident within the Oyo State Internal Revenue Service, where traditional tax collection methods have led to revenue loss due to tax evasion, record manipulation, and administrative inefficiencies. Manual tax administration also increases the likelihood of taxpayer friction, as aggressive collection tactics are sometimes employed, particularly at the local government level. Additionally, identifying and tracking taxable individuals and entities can be challenging, limiting the service's ability to enforce compliance and contributing to economic stagnation. The use of technology in tax administration has been suggested as a means to address these challenges, offering the potential for enhanced revenue tracking, more transparent processes, and a streamlined taxpayer experience. While technology adoption is growing across various Nigerian government sectors, most studies focus broadly on e-taxation, with limited attention given to its specific effects on tax administration at the state level. This study will therefore investigate the impact,

implementation, and application of technology within the Oyo State Internal Revenue Service, assessing its potential to improve tax revenue, administrative effectiveness, and taxpayer relations.

1.3 Aim and Objective of the Study

The aim of the study is to examine Technology on Tax administration in Oyo State Internal Revenue Service. The specific objectives are to;

1. to investigate whether E-tax filling has a significant effect on tax administration in Oyo State Internal Revenue Service.
2. to determine the influence of online tax registration on tax administration in Oyo State Internal Revenue Service.
3. to examine the effect of the e-tax payment system on tax administration in Oyo State Internal Revenue Service.
4. to analyze the effect of e-tax verification on tax administration in Oyo State Internal Revenue Service.
5. to assess the overall combined effect of technology on tax administration in Oyo State Internal Revenue Service.

1.4 Research Questions

1. What are the key characteristics and patterns of tax planning in Oyo State?
2. How efficient is tax registration in Oyo State, and what factors influence its efficiency?
3. What is the level of tax payment compliance efficiency in Oyo State, and what are the contributing factors?

4. How efficient is tax verification in Oyo State, and what measures can improve its effectiveness?
5. What is the overall combined effect of technology on tax administration in Oyo State Internal Revenue Service

1.5 Research Hypotheses

Based on the research questions, the likely hypotheses could be stated as follows:

H₀₁ Tax technology has no significant effect on planning in Oyo State Board of Internal Revenue

H₀₂ Online tax Registration Has No Significant Influence on Tax administration in Oyo State Internal Revenue Service

H₀₃ E-tax Payment System Has No Significant Effect on Tax Administration in Oyo State Board of Internal Revenue

H₀₄ E-tax Verification Has No Significant Effect on Tax Administration in Oyo State Board of Internal Revenue

H₀₅ Technology has no combined significant effect on tax administration in Oyo State Board of Internal Revenue

1.6 Significance of The Study

This study on the impact of technology on tax administration effectiveness in Nigeria holds significant implications for various stakeholders involved in the country's fiscal governance. Firstly, tax authorities stand to gain invaluable insights into how technology adoption influences their operational efficiency, revenue collection strategies, and overall administrative performance. Understanding the effectiveness of technological interventions

can empower tax authorities to make informed decisions regarding investments in digital infrastructure, data management systems, and capacity-building initiatives aimed at enhancing tax compliance and service delivery.

Government officials and policymakers responsible for shaping tax policies and regulations can also benefit from this research. By understanding the transformative potential of technology in tax administration, policymakers can design and implement reforms that harness digital tools to improve transparency, accountability, and fairness in the tax system. Insights from the study can inform the development of regulatory frameworks, incentives for technology adoption, and strategies for combating tax evasion and avoidance, thereby fostering a more efficient and equitable tax regime in Nigeria.

Taxpayers in Nigeria represent another key constituency that stands to benefit from advancements in technology-enabled tax administration. By streamlining compliance procedures, enhancing taxpayer services, and promoting greater transparency in tax processes, technology can contribute to a more positive taxpayer experience. This, in turn, can foster increased voluntary compliance and trust in the tax system, ultimately leading to improved revenue collection and fiscal sustainability for the government.

Furthermore, the business community, including small and medium enterprises (SMEs) and multinational corporations operating in Nigeria, can reap the rewards of a more efficient and transparent tax administration system facilitated by technology. Simplified compliance requirements, enhanced regulatory certainty, and reduced administrative burdens can create a more conducive environment for business growth, investment, and entrepreneurship, driving economic development and competitiveness in the country.

Academic researchers, scholars, and institutions focusing on tax policy, governance, and technology adoption in Nigeria can also benefit from this research. The study findings can enrich academic literature, stimulate further inquiry, and inform evidence-based policymaking and practice in the field of tax administration and public finance.

Lastly, international development partners and donor agencies supporting capacity-building efforts and reforms in Nigeria's tax administration sector can utilize insights from the study to tailor technical assistance programs, training initiatives, and policy dialogue efforts. By aligning interventions with the identified needs and challenges in technology-enabled tax administration, development partners can maximize the impact of their support in strengthening the country's fiscal governance and revenue mobilization efforts.

1.7 Scope of the Study

This study investigates the role of information technology in enhancing tax administration within the Oyo State Internal Revenue Service. It will focus on how technology applications—such as tax filing and management systems—contribute to effective tax administration. This effectiveness will be evaluated through metrics like an increased tax base, improved revenue generation, and the reduction or elimination of multiple taxation instances. The geographical scope is centered in Nigeria, with a focus on Oyo State. Within this context, the study will examine how tax administration practices, bolstered by technology, align with national tax goals and local regulatory standards, particularly within the Nigerian setting. For the population, the study narrows its focus to taxpayers in Ibadan, the capital city of Oyo State. By concentrating on this population, the study aims to gather and analyze data specific to the experiences and feedback of taxpayers who interact with the tax system. This localized approach allows for a more practical and detailed assessment

of how technology impacts tax compliance, collection efficiency, and taxpayer satisfaction within the chosen demographic.

1.8 Limitation of the Study

This study faced several notable limitations that could impact the generalizability and robustness of its findings. First, the research was geographically confined to Ibadan, the capital city of Oyo State, limiting the applicability of its results to other regions within the state or the broader Nigerian context. This narrow focus might not fully capture the diversity of tax administration practices and technological adoption in other areas. Second, data collection faced challenges due to privacy concerns and bureaucratic barriers, particularly when accessing detailed records from tax authorities. These limitations hindered the comprehensiveness of the analysis and may have affected the reliability of certain findings. Additionally, the study relied heavily on self-reported data from respondents, such as taxpayers and tax officials. This introduces potential biases, including social desirability bias, where respondents might overstate positive aspects of technological adoption or underreport challenges. Finally, the study's cross-sectional design offers a snapshot of the current state of technology in tax administration without addressing long-term trends or changes. A longitudinal approach could provide more insights into the evolving impact of technological interventions over time. Addressing these limitations in future research could enhance the depth and applicability of findings, particularly through comparative studies across multiple states and incorporating long-term data collection.

1.9 Operational Definition of Terms

In order to avoid confusion surrounding the words, the following technical terms have precisely been defined, as they relate to the context of the research work.

Tax- An amount of money levied by a government on its citizens and used to run the government, country, a state, a county or a municipality/ local government.

Tax Evasion- This is an act whereby the taxpayer can achieve the minimization of tax through illegal means. It involves outright fraud and deceit.

Tax Avoidance- This arises in a situation where a taxpayer arranges his financial affairs in a form that will make him pay the least possible amount of tax without breaking the law.

Information Technology: Information technology (IT) refers to the use of computers, software, networking, and other electronic devices to store, retrieve, process, and transmit data and information. It encompasses a wide range of technologies and tools that enable individuals and organizations to automate tasks, streamline processes, communicate effectively, and access information in various forms.

E-tax Filing System: An e-tax filing system is a digital platform or software application that allows taxpayers to submit their tax returns electronically over the internet. This system enables taxpayers to fill out tax forms, calculate tax liabilities, attach relevant documents, and submit their returns online, eliminating the need for paper-based filing methods. E-tax filing systems typically provide secure authentication, encryption, and electronic payment options to ensure the confidentiality, integrity, and reliability of tax data and transactions.

Multiple Taxation: Multiple taxation refers to the practice of imposing more than one tax on the same taxpayer, income, transaction, or asset by different levels of government or taxing authorities. It occurs when overlapping or duplicate taxes are levied on the same economic activity or resource, leading to a higher tax burden for taxpayers. Multiple

taxation can create administrative complexities, compliance challenges, and economic distortions, potentially hindering investment, entrepreneurship, and economic growth.

Tax Base: The tax base refers to the total amount of income, transactions, assets, or economic activities subject to taxation within a particular jurisdiction or tax system. It represents the broadest measure of taxable resources from which governments collect tax revenues. The tax base may vary depending on the type of tax being levied, such as income tax, sales tax, property tax, or corporate tax. A broader tax base typically allows governments to generate higher tax revenues with lower tax rates, while a narrow tax base may require higher tax rates to raise the same amount of revenue.

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Chapter Two

Literature Review

This chapter examine the existing studies relating to the subject of the current study. It focus on empirical studies, review works, government documents and other relevant information sources necessary to provide a context for the current study. The review examine literature in order to identify trends, patterns, theories and research methods adopted in previous studies. This is necessary in order to show research gaps and justification for this study. The chapter is organized as follows;

2.1 Conceptual Review

2.1.2 Concept of Taxation

2.1.3 Tax Administration in Nigeria

2.1.4 The Concept of the Use of Technology

2.1.5 Concept of Information Technology in Tax Administration

2.1.6 Challenges of Technology Adoption in Tax Administration

2.2 Theoretical Review

2.2.1 The Unified Theory of Technology Acceptance (UTAT)

2.2.2 Theory of Innovation Diffusion

2.3 Review of Empirical Studies

2.4 Conceptual Framework

2.5 Summary of Gaps in Literature Reviewed

2.1 Conceptual Review

2.1.1 Concept of Taxation

The idea of taxes dates back to ancient times. Tax and taxation were evidently present ancient times as revealed in several of the old archives that have been found to include business records created for the intention of tax assessment. According to a scholar, taxation is a system of collecting money for the purpose of governance through contributions from private citizens or corporate entities. Taxes are defined as the obligatory exaction of funds by a public authority for public purposes¹.

Another scholar asserts that taxes are considered mandatory payments levied against the citizens or members of a society by a governing body (national, state, or local)². According to another author, tax is defined as an obligatory charge imposed by the federal, state, or municipal government on the earnings, assets, or expenditures (such as sales tax or value-added tax) of a person or estate through an executor, trustee, or corporate entity³.

In essence, tax refers to a compulsory financial charge or levy imposed by a government on individuals, businesses, or other entities to fund public expenditures and government activities. Taxes are commonly imposed to restrict the production of specific goods and services, safeguard emerging firms and local enterprises, mitigate income inequality in society, regulate corporate activities, and maintain control over inflation⁴. Taxes are typically levied on income, profits, property, transactions, goods, services, or wealth, and are collected by governmental authorities to finance public services, infrastructure, social programs, defense, and other functions of the state. Taxes are enforced by law, and failure to comply with tax obligations may result in penalties, fines, or legal

consequences. While tax is the levy paid to authorities, taxation is the process involved in determining what is paid and when it is paid.

Given the importance of taxes in generating government revenue for various purposes, their impact on consumption patterns, and their influence on economic variables, every nation's government aims to maximize tax revenues. The efficacy and efficiency in tax administration result in an increase in revenue, enabling the government to provide amenities for citizens and carry out capital projects. However, the fraudulent activities and schemes carried out by tax authorities, together with the incompetence of tax staff, are perceived as risks and difficulties that impact revenue by diverting tax dollars for personal gain⁵.

Taxation refers to the process or system of imposing and collecting taxes from individuals, businesses, or other entities by a government or taxing authority. It involves the administration, enforcement, and regulation of tax laws, policies, and procedures to ensure compliance with tax obligations. Taxation encompasses various forms of taxes, including income tax, sales tax, property tax, corporate tax, excise tax, customs duties, and tariffs. Another definition of taxation is the forced imposition of a charge on people, businesses, organizations, commodities, and services within a society⁴. A sovereign power may impose taxes as a mandatory contribution on the incomes, profits, goods, services, or properties of individuals, corporations, trusts, and settlements. The collected taxes fund the government's operations.

Taxation is a fundamental aspect of governance, serving as a compulsory imposition of levies within a society on individuals, organizations, companies, goods, and services⁶. Simply put, taxation entails a mandatory contribution levied by a sovereign power on

incomes, profits, goods, services, or properties of individuals, corporate entities, trusts, and settlements. The revenue collected through taxation is utilized for carrying out government functions and financing public services essential for societal well-being.

Taxation is characterized by three fundamental features. Firstly, it is a compulsory levy, implying that individuals and entities are legally obligated to pay taxes as prescribed by law. Secondly, taxation is imposed by the government or local authorities, ensuring that tax payments are made to public authorities for legitimate purposes. Any payment made to an individual instead of a public authority would be considered extortion rather than taxation. Lastly, taxes are levied for public purposes, emphasizing that tax revenues must be utilized for the collective benefit of society rather than serving the interests of individuals or specific groups.

To understand taxation comprehensively, it is essential to recognize the key elements that constitute a tax. These include the tax base, tax rate, and tax yield or revenue. The tax base refers to the legal description of the object on which tax is imposed, such as income, profits, property, or services received. For instance, the income received by a taxpayer constitutes the tax base for Income Tax, while profits from petroleum operations form the tax base for Petroleum Profit Tax⁷.

The tax rate signifies the proportion of the tax base that is payable as tax, typically determined by law but subject to occasional review. For example, the Company Income Tax rate is presently set at 30% of profits, while the Petroleum Profit Tax rate stands at 85% of profits. Finally, tax revenue or yield represents the total amount of revenue generated from taxes imposed, calculated as the product of the tax rate and the tax base. This formulaic relationship highlights the direct correlation between the tax rate, tax base,

and resulting tax revenue, elucidating the mechanisms underlying taxation and its fiscal implications⁸.

Taxes are mandatory levies that the government, through its representatives, imposes on its subjects or their property in order to accomplish specific goals⁹. It is paid "quid pro quo," meaning without anticipating anything in return. This reflects the principle that taxation is compulsory and not directly linked to receiving specific benefits or services in exchange for the taxes paid. In essence, taxpayers are obligated to contribute a portion of their income or wealth to the government, regardless of whether they directly benefit from the public services funded by those taxes.

Taxation is the practice of imposing taxes on citizens, whereas tax itself is seen as a compulsory payment required from every person of a state. The act of paying taxes is referred to be a civic duty¹⁰. This principle is based on the idea of civic duty and social contract, where individuals acknowledge their responsibility to contribute to the collective needs of society through taxation. When individuals pay taxes, they are fulfilling their obligations as members of society and contributing to the common good, even if they may not directly receive tangible benefits or services in return for their tax payments.

However, experts aver that, while taxes may not be directly tied to receiving specific benefits, they do contribute to the overall functioning of society and the provision of public goods and services. Tax revenue is used by governments to finance essential services such as education, healthcare, infrastructure, public safety, and social welfare programs, which benefit society as a whole.

Additionally, the concept of tax being paid "quid pro quo" does not negate the indirect benefits that taxpayers may receive from public investments funded by tax revenue. For example, investments in education and infrastructure can contribute to economic growth, job creation, and improved living standards, which ultimately benefit taxpayers and society as a whole. This means that, while taxpayers may not anticipate receiving specific benefits or services in exchange for their tax payments, the payment of taxes serves as a fundamental obligation and contribution to the collective well-being of society. It underscores the principle of civic responsibility and the role of taxation in supporting the common good and ensuring the functioning of government and public services^{11, 12}.

The primary objectives of taxation are to raise revenue for public expenditures, redistribute wealth, promote economic stability, and achieve social and economic policy goals¹³. The government uses taxes as one tool to raise public revenue. It is a mandatory tax that the government levies on the earnings, profits, or assets of private citizens, social groups, and business entities. Obviously, the idea of giving tax without expecting anything in return is to ensure that everyone, including the rich pay taxes. While the rich may not send their children to public schools, use government hospitals or receive unemployment benefits from the government, they still benefit from the society.

Wealthy people become wealthy by using the labour of the people in the society enjoy government infrastructures and exploit natural resources meant for the whole society. Even if this is not totally applicable, there is the moral point of helping to make the society a better place for both the haves and have nots. The quid pro quo principle also applies to low-income earners. No matter how low an income is, it is still an income. It is

therefore important to contribute whatever a little a citizen can give to help the society. When this is done, everyone will eventually benefit.

Scholars globally have given ample reason why paying taxes to the government is justified. Nigerian scholars for instance observed that allocation of funds for social services has been increasing due to the growth in population. Nevertheless, the government's ability to generate income has not kept pace with the population growth, leading to a deficit in social services within the country. In order to address the persistent revenue shortfall and ongoing budget imbalance, the government must enhance its revenue generating. In order to enhance revenue production, the government is confronted with various alternatives, with the initial one being the issuance of additional currency into the economy. Nevertheless, implementing this option may not be viable due to the potential for excessive monetary supply, which might result in inflation. Therefore, considering our current inflation rate of 12.13% as of January 2020 (according to Economic Confidential), it may not be the most suitable choice at this time¹⁴.

Another course of action that the government can consider is to generate revenue through borrowing, however this may not be highly practical due to the country's existing debt burden, which amounted to #25 trillion as of 2020¹⁵. The final option is to increase revenue through taxation. Currently, the government deems increasing money through taxation as the optimal choice due to the stability and accuracy of tax revenue compared to other sources. However, the crucial inquiry pertains to the specific category of tax that the government should prioritize.

Presently, Nigeria relies heavily on direct taxes, such as Companies Income Tax (CIT), Petroleum Profit Tax (PPT), and Personal Income Tax (PIT), as its primary source of

government tax revenue. However, this tax system is not conducive to promoting growth. Recognizing this, Nigeria has shifted its tax system towards indirect taxes, with a major focus on Value Added Tax (VAT)⁸. VAT is the most efficient form of indirect taxation in Nigeria, as evidenced by its significant contribution to the national treasury.

Experts observed that revenue from VAT has grown from #7.26 million in 1994 to #802.98 million in 2014. In 2015, Nigeria saw a decrease of 0.04% in VAT revenue compared to the previous year. The amount collected in 2015 was #767.33 million, while in 2014 it was #802.98 million. Despite the reduction in VAT revenue, its contribution to total revenue in Nigeria increased from 17% in 2014 to 21% in 2015. In 2016, the total value-added tax (VAT) collected amounted to #828.20 million, representing a 6% growth compared to the previous year. In 2017, the total VAT collected increased to #972.35 million, indicating a 17% growth compared to the amount collected in 2016. In 2018, the value-added tax (VAT) revenue experienced a 14% growth, rising from #972.35 million to #1,108.14 million. In 2019, the total VAT collected amounted to #1,188.58 million, reflecting a 7% rise compared to the previous year⁸.

Government borrowing and taxation are widely employed fiscal instruments for producing government money globally. External debt is a form of funding that must be repaid with interest at the end of its term. It is not a favorable method for the government to generate money¹⁶. Taxation remains a dependable and efficient method for the government to generate money¹⁷. Taxation is primarily employed by the majority of developed nations as a means to produce government revenue.

In contrast to other countries, such as Nigeria, the tax system in developing nations faces challenges such as poor political will, weak legal structures, low voluntary compliance

among taxpayers, and a shortage of tax workers¹⁸. These factors have a negative impact on the ability to fully realize the expected tax revenue. The tax system in Nigeria is inadequately operational, thereby hindering the government's ability to depend on it for income generation. The inadequacy of the country's tax structure has resulted in the external debt becoming an appealing method of earning income. The impact of external debt on economic growth has been a subject of criticism and worry in the literature. It is suggested that the Nigerian government should enhance its tax system as a dependable source of income generation^{19, 20, 21}.

The tax system is a complex framework of laws, regulations, and processes that control the process of taxes. It involves the coordination and interaction of several administrative bodies to create funds for the government. Economists frequently contend that the tax system ought to be structured in a manner that prevents the imposition of taxes on intermediate items. The rationale is that it might result in inefficiencies due to varying relative prices in different industries, leading to unequal rates of transformation between inputs or between inputs and outputs. Consequently, it is necessary to tailor each tax system to align with the specific and unique circumstances of a country²².

In the case of Nigeria, the Tax System is made up of three distinct elements as follows; a. Tax policy b. Policy Implementation c. Tax administration²³. Tax policy refers to the set of principles, objectives, and strategies adopted by the government to guide the design, implementation, and evaluation of tax laws and regulations. In Nigeria, tax policy formulation is driven by various goals, including revenue generation, economic development, social equity, and fiscal sustainability. Tax policies are developed through legislative processes and are aimed at establishing a fair, efficient, and effective tax

system that balances the needs of the government with the interests of taxpayers and the economy as a whole. Key aspects of Nigerian tax policy include the determination of tax rates, tax exemptions, incentives, and the allocation of tax revenues to fund public expenditures and government programs. The Nigerian tax policy provides guidelines for the entire tax systems. . Therefore, any tax that significantly contradicts these fundamental characteristics should not be included in Nigeria's tax system. The policy has outlined various principles to guide taxation in the country²⁴; a) The principles of simplicity, certainty, and clarity. In order to foster understanding and trust in the tax system, it is crucial for the Nigerian Tax Policy to ensure simplicity in all taxes, establish certainty by minimizing the need for discretionary judgments, and promote clarity by educating the public on the application of relevant tax laws. Hence, it is crucial that the Nigerian Tax System be characterized by simplicity (easily comprehensible by all), certainty (with consistent laws and administration), and clarity (where stakeholders grasp the underlying principles of its application). b) Minimal Compliance Cost; In order to ensure a high level of compliance, it is essential to minimize the economic costs in terms of time and expenses that taxpayers may face during the compliance operations. Moreover, taxpayers ought to be considered as clients who are entitled to be handled with respect. c) Cost-effective administration. An essential characteristic of an effective tax system is that the expenses associated with its management should be relatively little in comparison to the advantages gained from its implementation. Prior to implementing any taxes, it is crucial to conduct a thorough cost-benefit analysis. Additionally, it is essential for the Tax Administration in Nigeria to operate efficiently and cost-effectively. d) Equity. The tax system in Nigeria should adhere to the principles of horizontal and vertical equity

in order to ensure fairness. Considering the information provided, there should be compelling justifications for providing tax advantages, and these benefits should be broad and applicable to all taxpayers wherever feasible. f) The tax system in Nigeria should possess the necessary adaptability to effectively address evolving circumstances. It is important to take into account the current conditions before implementing new taxes or evaluating the ones already in place. g) Economic efficiency refers to the ability of an economic system to allocate resources in a way that maximizes the production of goods and services, while minimizing waste and inefficiency. These principles guide the national tax policy in Nigeria²⁴. A policy is a formal declaration of the government's thoughts and objectives that guide its thinking and actions in order to achieve specific goals. Tax policy refers to the strategic approach used by the government in relation to taxation, with the aim of achieving fiscal objectives. The government aims to intervene and rectify any inefficiencies observed in the market or promote specific sectors within society as part of its fiscal objectives. The government will officially establish this as a tax policy²⁵.

The National Tax Policy is a comprehensive document that primarily focuses on taxation and related concerns. The National Tax Policy aims to establish a framework of principles and procedures that will govern the tax system in Nigeria and serve as a foundation for tax laws and tax administration in the country. The National Tax Policy is an undertaking of the Nigerian Federal Government, spearheaded by the Federal Ministry of Finance, based on the findings of a study group in July 2003. The study group was established on 6th August, 2002 with the purpose of analyzing the tax system and providing suitable proposals to establish a more effective tax policy and enhance tax administration in the

country. The task of formulating tax policy is carried out by macroeconomists. Typically, they are spelled out in government annual budgets, development plans, and other official documents of government plans. In January 2004, a working group, headed by the business sector, was formed to assess the recommendations of the study group. Both the study group and the working group focused on macro and micro issues, including tax policy, taxes and federalism, tax incentives, and tax administration. Their proposals were thoroughly examined and implemented by many stakeholders²⁴.

The impetus for reforms and the determination to establish a national tax may be traced back to the configuration of the current tax system and some inherent issues it possesses.

One of the tax strategies implemented by the Nigerian Government from the early 1990s is the promotion of taxpayer involvement in the tax assessment process through the establishment of a self-assessment program. - Decreasing the amount of taxes that individuals have to pay by implementing a low tax system in order to promote saving and investment. - Shifting the focus of taxation from income tax to consumption tax in order to mitigate tax evasion²⁵.

The transition from the conventional coercive approach to the voluntary compliance approach in tax collecting using legal procedures and implementing effective tax administration to combat tax evasion and tax avoidance. Another element of the Nigerian tax policy is the tax law which clearly enumerated the types of taxes to be paid, who would receive them and punishment for tax evaders. Tax laws are the legislative mechanisms that implement fiscal policy based on legislated tax policies. After the government adopts a tax policy and legally documents it, the policy will be transformed into law in order to be implemented. This tax law is established by legal professionals to

align with the tax policy²⁵. Following the writing process, the legislation will be implemented or ordered, depending on the circumstances. This legislation will authorize government intervention in implementing her goal. Lawyers and justices in the court interpret and provide clarification on tax legislation. The complexity of tax law arises from the multiple meanings and interpretations of the phrases used, compounded by the dynamic nature of taxation itself. Therefore, it is necessary to exercise more care while formulating tax policies in order to prevent any confusion, inconsistency, or contradiction. Laws enacted in democratic settings are referred to as Acts, while those established in military contexts are known as Decrees or Edicts at the state level.

Basically, the tax laws backing the tax system in Nigeria today are; **Personal Income Tax Act of 2004**: This piece of law is a revision of the Income Tax Management Act (IIMA) Cap 173 LFN 1990 as well as the Income Tax (Armed Forces and Other Persons) Special Provisions Act, which originally came into effect in 1961. It is the responsibility of this legislation to define the individuals or businesses that are subject to taxation, to ascertain the amount of their income that is subject to assessment, and to levy taxes on that income. The Act also provides for the determination of the taxpayer's residence as well as the location or origin of the taxpayer's income. This Act includes two different kinds of taxes: pay-as-you-earn (PAYE) taxes, which are taken from someone's income from their job, and taxes that are imposed on activities that are considered to be commercial or trade-related. **Companies Income Tax Act Cap (21 LFN 2004**: The Inland Revenue Services of the United States of America are in charge of enforcing this federal statute. This applies to the taxes that are assessed on all limited liability businesses in Nigeria, with the exception of those that are involved in petroleum

operations. These companies are subject to the Petroleum Profit Tax Act P13 LFN 2004, which is also examined. The Act imposes a tax at a particular rate, which is now thirty percent, on the earnings of any corporation that is generated within, gained from, brought into, or received in Nigeria in relation to trade or business activity, among other things.

Industrial Development (Income Tax Relief) Act Cap P17 LFN 2004: It is also known as the pioneer law, and it is a piece of legislation that offers financial incentives to businesses that invest in particular sorts of industries. A number of industries are included in this category: i) those that are not currently being operated in Nigeria; ii) those that are already in existence but have the potential for further development in Nigeria; and iii) those that are considered to be expedient in the public interest to stimulate their establishment and development.

As a result of the ministry of Industries' classification of the industries as pioneer industries, the products of these industries are also considered pioneer products.

Petroleum Profits Tax Act CAP P13 LFN 2004) PPT); With the passage of the Petroleum Profits Tax Act in 1959, Nigeria became the first country in the world to begin levying taxes on petroleum operations. The federal government of Nigeria has full ownership and control over all natural petroleum products (including crude oil and gas) within the country. This is due to the fact that petroleum operations play a significant role in the generation of government revenue, accounting for more than 80 percent of the nation's annual foreign exchange earnings²⁵.

As this Act defines it, petroleum operations include all of the activities that are associated with the exploration, development, production, and sale of crude oil and gas. In the oil and gas industry, the activities of petroleum corporations are regarded to be a part of the

upstream sector. These activities are subject to taxation according to the legislation that operates within the petroleum industry. The downstream sector of the oil and gas industry is comprised of businesses that are engaged in activities such as refining petroleum, marketing petroleum products, and implementing projects linked to gas consumption. On the other hand, businesses that are active in these activities are classified as functioning in the downstream sector. This latter class is taxed under the Companies Income Tax Act (Cap C21 LFN 2004)²⁵.

Value Added Tax Act Cap V1 LFN 2004: The tax was initially implemented under the name Value Added Tax Decree 102 of 1993. A consumption tax is imposed on the ultimate consumer, and only taxpayers are subject to this tax if they pay for specific classes of products or services. The Federal Inland Revenue Services collect the Value Added Tax (VAT), which is currently set at a rate of 5% of the value of taxable goods and services²⁵.

The text refers to the Capital Gains Tax Act, which is abbreviated as CAP C1 LFN 2004. The federal Inland Revenue services are responsible for administering the management of the Capital Gains Tax Act for corporate bodies, individual residents in the federal capital territory, and non-resident people (individuals outside Nigeria). This pertains to matters related to returns, assessment, appeals, collection, recovery and repayments, crimes and penalties, and law. The administration of the Act, with regard to individuals (excluding Non-Residents), is entrusted to the State Internal Revenue Services²⁵.

Education Tax Act CAP E4 LFN 2004: This tax is applicable to all firms that are registered in Nigeria, and it imposes a tax at a rate of 2% on the profits that are taxable for all incorporated bodies. The objective is to produce distinct finances for the purpose

of guaranteeing the continued existence of the tertiary institutions inside the country. The FIRS is in charge of the administration of the tax, and it has the responsibility of transferring all of the collections to the Education Tax Fund Revenue services of Trustees, who are responsible for managing the fund.

Stamp Duties Act CAP S8 LFN 2004: Paper documents, which are more commonly referred to as instruments, are subject to stamp duties, which are levies. Due to the fact that failing to properly mark instruments would result in their inadmissibility as evidence, with the exception of criminal cases, and the fact that they cannot be used to demonstrate ownership or rights, it is of the utmost importance to do so²⁶.

Stamping fees vary depending on the type of instrument being used, and the duties might be collected by either the Internal Revenue Service of the federal government or the organization that is responsible for collecting taxes in the state. One of the parties concerned must pay the tax to the Federal Inland Revenue Services if it is a corporate business. The remaining parties, on the other hand, are required to pay their taxes to the Internal Revenue Services of their respective states.

Custom and Excise Duties Management Act CAP C45 LFN 2004: It is the customs duty that importers of certain commodities are required to pay, and it is a significant source of revenue for the federal government. Only the federal government is responsible for levying the tax, and the Nigerian customs services are the ones responsible for collecting it. A wide range of locally manufactured commodities are subject to the imposition of excise duty. However, beginning on January 1, 1999, it was partially reinstated after having been eliminated in the year 1998. The Nigerian customs service is also responsible for collecting it upon request. In accordance with the nature or

categorization of the commodities or products, the rates are different. (2009) According to ICAN²⁶.

By preserving marginal tax rates that do not interfere with the propensity to save and invest, the Nigerian Tax System seeks to lessen the negative impact that taxes have on the efficiency of the economy. Experts are aware of the necessity of putting in place an efficient policy implementation structure in order to guarantee that all of the principles that are described in the policy are adhered to, despite the fact that all of these instructions appear to be rational and simple to follow²⁶.

The process of transforming tax policies into concrete measures and operational processes is known as policy implementation. This is done to guarantee that there is effective execution and enforcement of the rules. Coordination among the various government agencies in Nigeria, such as the Federal Inland Revenue Service (FIRS), state revenue bodies, and local government councils, is necessary for the successful execution of tax policy in the country. The successful execution of a policy requires the passage of pertinent legislation, the formation of administrative structures, the deployment of resources, and the adoption of enforcement procedures to guarantee compliance with tax rules and regulations. It is possible that capacity restrictions, institutional flaws, administrative bottlenecks, and enforcement gaps are among the challenges that may arise during the implementation of policies in Nigeria. These challenges have the potential to impair the effectiveness of tax policies and limit efforts to facilitate revenue mobilization²³.

The structure of the Nigerian Tax System, basically, deals with classification and types of taxes. Nigerian taxes can be classified in any of the following ways. The structure of the

Nigerian Tax System, basically, deals with classification and types of taxes. Nigerian taxes can be classified in any of the following ways; a. Rates i. Proportional Tax ii. Progressive Tax iii. Regressive Tax b. Incidence i. Direct Tax ii. Indirect Tax Under (a) above, Nigerian taxes are classified into; i. Proportional Tax. This form of tax assesses a taxpayer to tax at a flat rate on his total assessable income. Therefore, the tax payable is proportional to the taxpayer's income. For instance, at a flat rate of 20%, a taxpayer with total assessable income of N100,000 will pay tax of N20,000, while a taxpayer with income of N1,000,000 pays tax of N200,000 and so on. ii. Progressive Tax; This form of tax is graduated as it applies higher rates of tax as income increases. For instance, the progressive tax concept can be explained using the current Personal Income Tax table as follows;

| Annual income (NGN) | Personal income tax (PIT) rate (%) |
|---------------------|------------------------------------|
| First 300,000 | 7 |
| Next 300,000 | 11 |
| Next 500,000 | 15 |
| Next 500,000 | 19 |
| Next 1,600,000 | 21 |
| Above 3,200,000 | 24 |

Note that employees who earn not more than the national minimum wage (currently NGN 30,000) are no longer liable to tax or deduction of monthly PAYE.

Source: PwC⁹

iii. Regressive Tax; Under this type of tax, the tax payable decreases as the taxpayer's income increases. This type of tax is not commonly applied (ICAN, 2010). i. Direct Tax

This form of tax is assessable directly on the taxpayer who is required to pay tax on his property, profit or income. The type of taxes that fall under this heading are; a) Personal Income Tax; imposed on the income of all Nigerian citizens or residents who derive income in Nigeria or outside Nigeria. b) Companies' income Tax; imposed on the profits of all corporate entities who are registered in Nigeria other than those engaged in petroleum operations. c) Capital Gains Tax; imposed on capital gains derived from sale or disposal of chargeable assets. d) Education tax; imposed on all corporate entities registered in Nigeria. e) Petroleum Profit Tax; imposed on the profit of companies engaged in petroleum operations. ii. Indirect Taxes; Indirect taxes are those taxes which are imposed on commodities before they reach the final consumer and are paid by those upon whom they ultimately fall, not as taxes but as part of the selling price of the commodity¹⁷. Indirect taxes may affect the cost of living as they constitute taxation on expenditure. The types of taxes that fall under this heading are; a. Value Added Tax; imposed on the supply of goods and services (except those specifically exempted or zero-rated) made by incorporated companies and other business organizations. b. Stamp Duties; imposed on instruments otherwise called written documents. c. Excise Duties; is levied on locally produced goods. It was established in 1998 but was partially re-introduced from 1st January, 1999. d. Custom Duties; is payable by importers of specified goods.

The Objective of Taxation; the Nigerian Tax System is anticipated to make a significant contribution to the overall welfare of all Nigerians. The taxes collected by the government should have a direct and tangible influence on the lives of the population. The achievement of these goals can be attained by effectively and wisely utilizing the

government's gathered revenues. Consistent with the aforementioned, the tax system is anticipated to accomplish specific purposes. The aims encompass the following: To promote and enhance Economic Growth and Development²³

The primary goal of the Nigerian Tax System should be to attain economic growth and development. Therefore, the system should facilitate economic stimulation without impeding growth, as it is only through continuous economic progress that the capacity to enhance the wellbeing of Nigerians would emerge. The tax structure should not hinder investment and the inclination to save. Taxes should not be viewed as a hindrance, but rather as a tool that can be strategically implemented alongside other policy measures to actively promote economic growth and development²⁴.

To ensure a consistent and reliable source of funding for the government to offer public goods and services. In order for Nigeria to effectively pursue a proactive development plan and fulfill the fundamental responsibilities of the government, it is imperative that its tax system generates ample resources to enable the government to deliver essential public goods and services such as education, healthcare, security, and infrastructure. Therefore, the major purpose of taxation is to provide the government with resources that may be used for wise spending, thereby benefiting the overall welfare of all Nigerians²⁴.

To tackle disparities in the distribution of income; The tax system in Nigeria should consider our unique economic circumstances and aim to reduce the disparity between the wealthiest and lowest income categories. Individuals with the highest income should be subject to the highest tax rate, and the resulting tax revenue should be allocated towards providing Nigerians with affordable social amenities, fundamental infrastructure, and other essential utilities.

To ensure economic stability. Nigeria should leverage its tax system to mitigate the adverse effects of unpredictable economic upswings and downturns, as well as to complement the endeavors of monetary policy in attaining economic stability. In order to strive for impartiality and justice.

The tax system in Nigeria should provide fairness and establish both horizontal and vertical equity as institutional norms. Horizontal equity guarantees that individuals who are equal in relevant aspects are treated equally. The Nigerian tax system should strive to prevent any form of bias against economically comparable firms. Vertical equity pertains to the concept of justice in relation to varying economic groups. The Nigerian tax system would acknowledge the principle of ability-to-pay, meaning that individuals will be taxed based on their capacity to bear the tax burden. High-earning individuals and corporations should be subject to a proportionately high tax rate. The tax system must be equitable, ensuring that identical cases are addressed in a similar manner²⁶.

To rectify market failures or deficiencies; One of the goals of the Nigerian tax system is to address market flaws where it is the most effective method to use. Taxes can be adjusted either higher or downward, as needed, to fulfill government objectives. The Nigerian tax system can potentially alleviate market failures caused by externalities and those resulting from natural monopolies.

2.1.2 The Concept of Tax Administration

Tax administration encompasses the various tactics and principles implemented by a government to effectively manage the planning, imposition, collection, accounting, management, and coordination of staff responsible for taxation. Additionally, it encompasses the proficient allocation of tax income to ensure the efficient supply of essential social amenities and facilities for taxpayers. Tax administration encompasses the

tax authorities and the organs of tax administration that are entrusted with the duty of executing the tax laws in accordance with the established rules. According to Nigerian tax legislation, the term "tax authority" refers to either the Federal Inland Revenue service, state Service of internal revenue, or the local government revenue committee. Periodically, FIRS and joint tax boards provide practice guidelines and newsletters to address concerns related to interpretation and provide appropriate clarifications²⁶.

The Tax Administration is the pivotal and paramount component of the taxation procedure. It refers to the practical implementation of taxation. Given that taxes are obligatory charges, they must be implemented by a legislative statute. Indeed, taxation cannot be levied in the absence of an enforceable legislation. Tax administration is the outcome of implementing the requirements set forth by these laws. Tax administration encompasses the day-to-day activities and processes involved in collecting, assessing, and enforcing taxes within the legal framework established by tax policy²⁷.

The Nigeria tax administration procedure is modelled in the British Model of tax administration with trace of the American model. As a result of the British model's presumption that taxpayers are not knowledgeable about the tax process, the authorities in charge of collecting taxes do not rely on the information that customers provide. Audits are performed on each and every return that is provided by the taxpayer, and independent verification is carried out on the data that is provided. Therefore, it is quite costly to operate because the cost of collection is typically rather high²⁷.

On the other hand, the American model is based on the assumption that taxpayers are competent. Although it accepts the information that the taxpayer has provided, it severely punishes them for any declaration that is incorrect or false. In the United States of

America (USA), this model is considered by many authors to be more efficient than other models because it only audits 5% of returns and it only checks return very infrequently.

As a country relying on the British model, tax administrations in Nigeria have the main function of managing tax compliance to detect and prevent criminal behaviour and provide service and education to help taxpayers meet their tax obligations with the least complexity and burden of compliance²⁸.

Tax administration entails the process of interpreting and implementing tax regulations in practical situations. Tax officials and tax advisors have the responsibility of aiding taxpayers in calculating their taxes. The governmental officials in charge of tax administration are referred to as Tax Authorities. All of these tax bodies have operational divisions responsible for the day-to-day management of tax administration. Tax administration basically involves the following activities: i. making of returns or information gathering ii. Assessment. iii. Objection and Appeals. iv. Collection and Recovery of taxes.

Returns; Returns is a statement of income and expenditure of a tax payer made in respect of his income source to the tax authority. It is a sort of information gathering procedure it can be made by the tax payer himself or his agent in respect of tax. Returns, in the context of tax administration, refer to documents or forms submitted by taxpayers to report their financial activities, income, deductions, credits, and tax liabilities to the government or tax authorities. Tax returns provide a comprehensive overview of an individual's or entity's financial affairs for a specific period, typically a fiscal year, and serve as the basis for determining the amount of tax owed or refundable to the taxpayer²⁹.

Tax returns vary depending on the type of tax and the jurisdiction's tax laws and regulations. Common types of tax returns include individual income tax returns, corporate tax returns, partnership tax returns, and value-added tax (VAT) returns. These returns typically require taxpayers to provide detailed information about their income, expenses, investments, assets, and other financial transactions, as well as to calculate their tax liabilities or entitlements accurately.

Taxpayers are generally required to file their tax returns within specified deadlines prescribed by law, which may vary depending on the taxpayer's filing status, business structure, or type of income earned. Failure to file tax returns or filing late may result in penalties, interest charges, or other enforcement actions imposed by tax authorities. Once tax returns are submitted, tax authorities review the information provided, verify its accuracy, and assess the taxpayer's tax liability based on the reported income and deductions. Tax authorities may also conduct audits, examinations, or investigations to ensure compliance with tax laws and regulations and to detect errors, discrepancies, or potential tax evasion³⁰.

If the tax return accurately reflects the taxpayer's financial activities and tax liability, tax authorities may issue a tax assessment or refund accordingly. However, if discrepancies or errors are identified, tax authorities may request additional information, clarification, or documentation from the taxpayer, or they may initiate further inquiries or audits to resolve any issues.

Tax Assessment

Assessment, in the context of tax administration, refers to the process of determining the amount of tax payable by an individual, business, or other entity to the government or tax

authority. It involves evaluating various factors, such as income, profits, assets, transactions, or liabilities, to calculate the tax liability owed by the taxpayer within the framework of applicable tax laws, regulations, and guidelines.

The assessment process typically begins with the taxpayer filing a tax return, which provides information on their financial activities and tax obligations for a specific period. Tax authorities then review the tax return, verify the accuracy of the information provided, and assess the taxpayer's tax liability based on the relevant tax laws and regulations. Assessment may involve determining the taxable income or profits earned by the taxpayer, applying applicable tax rates or formulas to calculate the amount of tax owed, and considering any tax credits, deductions, or exemptions that may reduce the overall tax liability. Tax authorities may also conduct audits, investigations, or examinations to verify the accuracy and completeness of the taxpayer's financial records and tax reporting. Once the assessment is completed, tax authorities issue a formal assessment notice or tax bill to the taxpayer, specifying the amount of tax owed, any penalties or interest charges applicable, and the deadline for payment³¹. Taxpayers are generally required to review the assessment notice carefully and may have the right to dispute or challenge the assessment if they believe it is incorrect or unjustified.

Assessment plays a critical role in tax administration, as it determines the amount of revenue collected by the government to fund public services, infrastructure, and other governmental activities. It also ensures that taxpayers fulfill their legal obligations to contribute to the financing of government operations and public expenditures in a fair and transparent manner³¹.

Method of Tax Assessment

Tax assessment is carried out by all the three tiers of government under the following statutory bodies: federal Service of Inland Revenue, state Service of internal Revenue, and local Government Revenue committee. Tax assessment could be carried out using the following method; a. Best of Judgment method: this could be carried out where it is discovered that the taxpayer is in the habit of not giving adequate information as regards the true position of sources of income or where there is an obvious case of tax evasion. b. Tax assessment based on previous years income; under this agreement, income assessment may be based on lost year's income with a slight income margin over the proceeding year. The applicable tax rate is then applied as appropriate to determine tax liability. c. Assessment based on Standardized Income: here, the relevant tax authority employed a standard income in the tax assessment process to counter the tendency of the taxpayers to evade tax by way of under-determining their incomes. d. The actual year basis of assessment method: this method is based on the current or the actual year income. This method is synonymous with petroleum profit tax and companies income tax³².

Objection and Appeal

Objections in tax administration refer to disputes or challenges raised by taxpayers regarding their tax liabilities, assessments, or other tax-related matters. These objections typically arise when taxpayers believe that they have been unfairly assessed, overcharged, or subjected to incorrect tax treatment by tax authorities. Objections can encompass various aspects of tax administration, including the interpretation of tax laws, the calculation of taxable income or liabilities, the application of tax credits or deductions, and the imposition of penalties or interest.

In the context of the Nigerian tax system, objections play a crucial role in safeguarding taxpayers' rights and ensuring the integrity and fairness of tax administration processes. Taxpayers have the legal right to object to tax assessments or decisions made by tax authorities if they believe there are errors, discrepancies, or unjust treatment in their tax affairs. The ability to lodge objections provides taxpayers with a mechanism to seek redress and resolution for perceived injustices or inaccuracies in their tax assessments³³.

When taxpayers raise objections, tax authorities are responsible for conducting thorough reviews and investigations to assess the validity of the objections raised. This may involve examining relevant tax laws, regulations, and documentation provided by the taxpayer to determine whether the objection is justified. Tax authorities may also engage in discussions or negotiations with taxpayers to resolve objections amicably and reach mutually acceptable outcomes³³.

In Nigeria, taxpayers typically lodge objections through formal procedures established by the relevant tax laws and regulations. This may involve submitting written objections to tax authorities within specified timeframes, providing supporting evidence or documentation to substantiate the objections, and participating in meetings or hearings to present their case. Tax authorities are required to consider objections objectively and impartially, ensuring that taxpayers are afforded due process and fair treatment throughout the objection process³⁴.

In cases where objections are upheld, tax authorities may adjust tax assessments, revise tax liabilities, or provide refunds or credits to taxpayers accordingly. However, if objections are rejected, taxpayers may have recourse to further appeal mechanisms, such as tax tribunals or courts, to seek judicial review and resolution of their disputes. Overall,

objections in tax administration serve as an important mechanism for promoting transparency, accountability, and compliance in the Nigerian tax system. By providing taxpayers with avenues to challenge tax assessments and decisions, objections help uphold the rule of law, protect taxpayers' rights, and maintain public confidence in the fairness and integrity of the tax administration process³⁵. Tax payers also have the option of appeal.

An appeal in tax administration refers to the formal process through which taxpayers can challenge or contest decisions made by tax authorities regarding their tax liabilities, assessments, or other tax-related matters. When taxpayers disagree with the outcome of their tax assessments, objections, or other decisions made by tax authorities, they have the right to appeal to higher authorities or judicial bodies for review and reconsideration. In the context of the Nigerian tax system, the appeal process provides taxpayers with a mechanism to seek redress and resolution for perceived injustices, errors, or discrepancies in their tax affairs. Taxpayers may file appeals if they believe that tax assessments are incorrect, unfair, or based on inaccurate information. Appeals can also be lodged to challenge penalties, interest charges, or other enforcement actions imposed by tax authorities³⁵.

The appeal process typically involves several steps and may vary depending on the specific procedures outlined in tax laws, regulations, and administrative guidelines. Taxpayers are generally required to follow formal procedures and adhere to prescribed timelines when filing appeals. This may include submitting written notices of appeal, providing supporting documentation or evidence to substantiate their claims, and participating in hearings or proceedings conducted by appellate bodies³⁵.

In Nigeria, appeals in tax administration are typically heard by specialized tribunals or boards established for this purpose, such as the Tax Appeal Tribunal (TAT) or the Value Added Tax (VAT) Tribunal. These tribunals are independent bodies tasked with adjudicating tax disputes and resolving appeals in a fair and impartial manner. They have the authority to review evidence, hear arguments from both taxpayers and tax authorities, and render decisions based on the merits of the case and applicable tax laws³⁶.

Taxpayers have the right to legal representation during appeal proceedings and may present their case before the tribunal through oral arguments, written submissions, or other forms of evidence. Appellate bodies have the discretion to uphold, modify, or overturn decisions made by tax authorities, depending on the facts of the case and the applicable legal standards. The decision rendered by the appellate body is final and binding on both the taxpayer and the tax authorities, subject to any further recourse available under the law. Appeals provide taxpayers with a mechanism for seeking judicial review and resolution of tax disputes, ensuring that tax administration processes are fair, transparent, and accountable. Any tax payer being aggrieved by assessment made on his income after objection to tax authority may appeal in writing within 30 days from date of service of notice of refused to amend. Such notice of appeal should be given to the secretary to the appeal commissioners and the Board³⁷.

Collection, Recovery and Repayment

Collection, recovery, and repayment are integral components of the tax administration process, involving the retrieval of tax revenues owed to the government, the pursuit of outstanding tax debts, and the reimbursement of overpaid taxes or erroneous assessments.

Each phase plays a crucial role in ensuring compliance with tax laws, maintaining revenue integrity, and facilitating fair treatment of taxpayers.

Collection refers to the process of gathering tax revenues from taxpayers in accordance with their assessed tax liabilities. Tax authorities employ various methods and channels to collect taxes, including electronic payments, bank transfers, direct debits, checks, and cash payments. Collection mechanisms are often governed by established procedures and deadlines outlined in tax laws and regulations. Tax authorities may issue notices, reminders, or demand letters to prompt taxpayers to settle their tax obligations promptly. Effective collection ensures the timely receipt of tax revenues, which are essential for funding government operations, public services, and infrastructure development³⁸.

Recovery involves efforts by tax authorities to retrieve outstanding tax debts or arrears from taxpayers who have failed to meet their tax obligations. When taxpayers fail to pay taxes on time or in full, tax authorities may initiate recovery actions to recover the overdue amounts. Recovery methods may include issuing warnings, imposing penalties or interest charges, initiating legal proceedings, or enforcing tax liens or levies against taxpayer assets. Tax authorities may also collaborate with debt collection agencies or engage in negotiations with taxpayers to establish repayment plans or settlements. Effective recovery mechanisms are crucial for maintaining tax compliance, deterring tax evasion, and safeguarding revenue integrity³⁹.

Repayment refers to the process of reimbursing taxpayers for overpaid taxes, erroneous assessments, or tax credits or deductions to which they are entitled. Taxpayers may be eligible for repayment if they have paid taxes in excess of their actual tax liabilities, received tax refunds due to administrative errors or adjustments, or claimed tax credits or

deductions that result in a tax refund. Tax authorities typically review taxpayer claims for repayment, verify the accuracy of the information provided, and issue refunds or credits accordingly. Repayment ensures fairness and equity in the tax system by correcting any inaccuracies or discrepancies in tax assessments and returning excess tax payments to taxpayers⁴⁰. Tax charged by an assessment not objected to or appealed against must be paid within two months from the date of service of assessment notice. Self-Assessed Tax: Any taxpayer filing self-assessment returns to the tax authority must pay such tax within two months from the date of filing such self-assignment in one lump sum. However, such taxpayer is entitled to installment payment (not more than six times if approved by the relevant tax authority).

Place of Payment and Currency of Payment

"Place of Payment" refers to the designated location where taxpayers are required to remit their tax payments to the tax authorities. Tax laws and regulations typically specify the acceptable methods and locations for making tax payments. Common places of payment may include designated government offices, tax collection centers, authorized banks or financial institutions, or online payment portals provided by tax authorities. Taxpayers are obligated to remit their tax payments in accordance with the specified deadlines and procedures outlined by the tax authorities³⁹.

Currency of Payment refers to the accepted monetary units or currencies in which tax payments are made to the tax authorities. Tax laws and regulations typically specify the permissible currencies for tax payments, which may include the national currency of the country or other internationally recognized currencies. Taxpayers are required to make their tax payments in the designated currency specified by the tax authorities. In cases

where taxpayers are required to make payments in foreign currencies, exchange rates may be applied to convert the tax liability into the designated currency at the prevailing rates on the date of payment. Compliance with currency requirements ensures uniformity and consistency in tax administration and facilitates accurate record-keeping and accounting of tax revenues. Payment of taxes should be made at the place indicated in the assessment notice and be made to the Service in the currency in which the income giving rise to tax is derived and paid to the taxpayer³⁹.

Recovery of Tax

The Service can sue for and recover, in a court of competent jurisdiction, the full amount of chargeable tax and the cost of action from a person charged as a debt to the Service or to the government section 96(1) PITA allows tax authority, in order to enforce tax payment, to detain taxpayer of his goods or other chattel bonds or other sanities, land premises or places. On satisfaction of some conditions can seal such detained property to recover the tax due after days of detain⁴¹. Tax Administration Organs in Nigeria. The functions of tax administration include the registration of taxpayers, the determination of tax liabilities, the collection of taxes, the enforcement of tax laws, the education of taxpayers, and the resolution of tax administration disputes. For the purpose of ensuring the integrity of the tax system and maximizing revenue collection, effective tax administration necessitates the deployment of experienced individuals, sophisticated information systems, taxpayer-friendly services, and compliance measures. On the other hand, there are substantial impediments that stand in the way of attaining optimal revenue outcomes in Nigeria. These issues include tax evasion, tax avoidance, corruption, and inefficiencies in the procedures of tax administration.

Among the components of the Nigerian tax system that have an impact on the collection of revenue, the development of the economy, and the outcomes of governance are tax policy, the execution of tax policy, and tax administration. The promotion of fiscal stability, the enhancement of taxpayer compliance, and the advancement of national development objectives in Nigeria are all dependent on the existence of a well-designed tax policy framework that is backed by effective implementation mechanisms and efficient tax administration procedures⁴¹.

In Nigeria, tax administration is primarily carried out by various organs and agencies at both the federal and state levels. Some of the key tax administration organs in Nigeria include: Federal Inland Revenue Service (FIRS): The Federal Inland Revenue Service is the primary tax authority responsible for assessing, collecting, and accounting for federal taxes in Nigeria. It administers taxes such as Value Added Tax (VAT), Company Income Tax (CIT), Petroleum Profit Tax (PPT), Personal Income Tax (PIT) in respect of the Federal Capital Territory (FCT), and other taxes as assigned by the federal government.

The administration of taxation on the profit of incorporated companies is vested in the Federal Inland Revenue Service (FIRS) whose management Service is known as the federal Inland Revenue Service Service (FIRSB) (Sections 1-3 FIRS Establishment Act).

Composition of the FIRSB: The federal inland Revenue service Service comprises, a. Executive Chairman – Who shall be a person within the service to be appointed by the president. b. Six members with relevant qualifications and expertise, to be appointed by the president to represent each of the six geopolitical zones c. A representative of the Attorney-General of the Federation d. The governor of the Central Bank of Nigeria or his representative. e. A representative of the minister of finance not below the rank of a

director f. The chairman of the Revenue Mobilization Allocation and Fiscal Commission or his representative who shall be any of the commissioners representing the 36 states of the federation. g. The Group Managing Director of the N.N.P.C. or his representative who shall not be below the rank of a Group Executive Director of the Corporation or its equivalent. h. The comptroller General of the Nigeria Customs Services or his representative not below the rank of Deputy Comptroller General. i. Registrar-General of the corporate Affairs Commission or his representation, not below the rank of a director j. The Chief Executive Officer of the National Planning Commission or his representative not below the rank of a director the members of the board, other than the executive chairman, shall be part-time members. Powers and Functions of FIRSB³⁸.

The Service shall: a. Provide the general policy guidelines relating to the functions of the service b. Manage and superintend the policies of the service, on matters relating to the administration of the revenue assessment, collection and accounting system under this Act or any enactment or law. c. Review and approve the strategic plans of the Service d. Employ and determine, the terms and conditions of service including, disciplinary measures of the employees of the service. e. Stipulate remuneration, allowances, benefits and pensions of staff and employees in consultation with the National Salaries, Income and Wages Commission. f. Do such other things, which in its opinion, are necessary to ensure the efficient performance of the functions of the service under the Act. The FIRS also work hand in hand with the joint tax board. The Joint Tax Service is a coordinating entity consisting of the leaders of the different tax bodies in Nigeria, operating at both the federal and state levels. It functions as a platform for tax authorities to collaborate, harmonize, and share information in order to enhance consistency and effectiveness in tax

administration nationwide. Section 86 of the Personal Income Tax Act, Cap P8, LFN 2004 (PITA), creates the Joint Tax Service (JTB)³⁹.

The Joint Tax Service consists of the head of the Federal Inland Revenue Service Board, who also serves as the chairman of the Joint Tax Board. b. One representative from each state, who is knowledgeable in income tax matters, shall be selected by the commissioner responsible for income tax affairs in that state, either by name or by position, periodically.

The secretary, who is not a member of the Board, is appointed by the Federal civil service commission. The legal adviser of the FIRS also serves as the legal adviser to the Joint Tax Board. Roles of the Joint Tax Board. The Service is responsible for carrying out the powers and obligations granted to it by the PITA and other Acts. b. Provide counsel to the federal government, upon request, regarding the establishment of agreements to mitigate double taxation with any foreign nation. c. Provide expert guidance to the federal government, upon request, regarding the rates of capital allowances and other taxation matters that apply nationwide in Nigeria, specifically in relation to any proposed amendment to the Personal Income Tax Act (PITA). d. Ensure consistency, both in the implementation of PITA and in the imposition of tax on persons across Nigeria. e. Enforce its rulings, regarding the procedures and interpretations of PITA, on any state, in order to ensure compliance with agreed-upon procedures or interpretations⁴⁰.

State Boards of Internal Revenue (SBIR): State Boards of Internal Revenue are established by state governments to oversee tax administration within their respective states. They work in collaboration with the State Internal Revenue Services to implement tax policies, enforce tax laws, and collect taxes within their jurisdictions.

The Internal Revenue Service Service for each State and FCT, Abuja comprises a. the executive head of the State Internal Revenue Service is chairman. b. the directors and Head of Departments within the state internal revenue services. c. A director from the state ministry of finance. d. the legal Adviser to the State Internal Revenue Service, e. three other persons nominated by the commissioner for finance on their personal merit. f. the secretary of the state Internal Revenue Service, who shall be an ex-official member. The state Internal Revenue Service Service is responsible for the following: a. Ensuring the effectiveness and optimum collection of all taxes and penalties due to the government under the relevant laws b. Doing all such things as may be demand necessary and expectant, for the assessment and collection of the tax and shall account for all sums so collected, in a manner to be prescribed by the commissioner. c. Making recommendations, where appropriate, to the JTB tax policy, tax reforms, tax legislation, tax treaties and exemptions as may be required, from time to time. d. Generally controlling, the management of the service (state) on matters of policy, subject to the provisions of the law setting up the state internal Revenue service e. Appointing, promoting, transferring and imposing discipline on employees of the state Internal Revenue Services⁴¹.

In order to assist the state Internal Revenue Service in the performance of its duties, PITA also, established a committee of the Board, known as “The technical committee”. Section 89 establishes the Technical Committee of the State Service which comprises. a. the chairman of the state Service as chairman, b. The director within the state service c. The legal Advisers to the State Services d. The secretary of the state services. The technical committee shall: a. has powers to co-opt additional staff from within the state service, in the discharge of its duties b. Consider all matters that that require professional and

technical expertise and make recommendation to the state Service c. Attend to such other matters as may, from time to time, be referred to it by the Board⁴¹.

Local Government Revenue Committees: Local government councils in Nigeria also have revenue committees or boards responsible for collecting certain local government taxes and levies, such as tenement rates, market taxes, and business permits fees. These committees operate under the supervision of the respective local government councils. Section 90 of the law establishes a committee called the Local Government Revenue Committee (LGRC) for each local government area within a state. It is important to mention that in Nigeria, the authority to control local governments is often given to the state's House of Assembly, rather than being governed by federal law. This is a constitutional issue that needs to be addressed, particularly in the context of a federal system of government⁴¹.

The Revenue committee, often known as the LGRC (Local Government Revenue Committee), typically consists of the finance supervisor who serves as the chairman. b. Three local government councilors serving as members c. The chairman of the local government will nominate two individuals who have expertise in revenue concerns based on their personal qualifications. The Local Government Revenue Committee (LGRC) is tasked with the evaluation and retrieval of all taxes, fines, and rates under its jurisdiction. It is also responsible for accurately documenting and reporting all collected amounts, following the guidelines set by the local government chairman⁴¹.

The revenue committee operates independently from the local Government Treasury Department and is in charge of the daily management of the Department, which serves as its operational division. Challenges of Tax Administration in Nigeria: In the context of

the Nigeria Tax policy, the salient issues in tax administration include the following; Intelligence and Information Gathering. As a first step in the tax administration process, tax authorities require adequate and correct information to carry out their duties of assessment and collection of taxes. Ideally, such information should be provided voluntarily by taxpayers. However, this is not always the case and in a large number of instances, tax authorities have to source for and obtain information other than voluntarily from the tax payer. In addition, even in instance, where taxpayers voluntarily provide information, such information, may either not be complete or accurate⁴².

Registration of Taxable Persons: In order to have an effective tax system in which all taxpayers are covered, every taxable person must be registered for tax purposes. Registration is a fundamental step in the tax administration process but this is not done efficiently as manual process are still in use. **Payment Processing and Collection.** This is the culmination of the core tax functions carried out by tax officials and usually signifies the successful conclusion of a filing and return cycle. The process of collection is made rigorous by some tax agents who collect forecly and also the accuracy of the amount being paid as tax is doubtful. **Record Keeping.** Record keeping is another core and integral function in tax administration. It is a sustainable system for the retention and retrieval of information gathered by tax authorities. As important as this process is, it is poorly executed because manual record keeping systems are still in sue **Tax Evasion and Non-Compliance:** Tax evasion and non-compliance are pervasive issues in Nigeria, with many individuals and businesses underreporting income, exploiting loopholes in tax laws, and engaging in informal economic activities to evade taxes. This undermines the tax

base and reduces government revenue, limiting the funds available for public services and infrastructure development⁴³.

Weak Tax Infrastructure: Nigeria's tax infrastructure, including tax administration systems, processes, and human resources, is often inadequate and inefficient. Limited technological capabilities, outdated tax laws, and administrative bottlenecks hamper the ability of tax authorities to effectively assess, collect, and enforce tax compliance.

Informal Economy: A significant portion of economic activity in Nigeria operates in the informal sector, where businesses and individuals operate outside the formal tax system. Informal businesses often evade taxes or underreport income, leading to a loss of tax revenue for the government. Addressing tax compliance in the informal economy presents a considerable challenge for tax authorities⁴³.

Complex Tax Laws and Regulations: Nigeria's tax laws and regulations are complex and fragmented, making compliance difficult for taxpayers and enforcement challenging for tax authorities. The multiplicity of taxes, overlapping jurisdictions, and frequent changes in tax policies create confusion and compliance burdens for taxpayers, leading to non-compliance and administrative challenges⁴⁴. **Tax Incentives and Exemptions:** Nigeria offers various tax incentives and exemptions to attract investment and promote economic development. However, the administration of these incentives is often opaque and susceptible to abuse, leading to revenue leakages and distortions in the tax system.

Corruption and Bribery: Corruption and bribery remain pervasive in Nigeria, including within the tax administration system. Tax officials may engage in corrupt practices, such as soliciting bribes or offering preferential treatment to certain taxpayers, undermining the integrity of the tax system and eroding public trust⁴⁵.

Capacity Constraints: Tax authorities in Nigeria often face capacity constraints in terms of staffing, training, and resources. Limited human and financial resources hamper the effectiveness of tax administration efforts, including taxpayer education, enforcement activities, and audit functions⁴⁵.

2.1.3 The concept of the use of Technology

The concept of the usage of Information Technology (IT) has evolved significantly over recent years, reflecting its expanding role across various sectors. Today, IT is not only an enabler of communication and data management but also a transformative tool that drives innovation, supports organizational efficiency, and enhances individual productivity. This review examines recent scholarly work on the usage of IT, with particular focus on its adoption, impact, and challenges in different sectors.

Recent literature highlights that the adoption of IT remains a central concern, driven by rapid technological advancements and the increasing demands for digital proficiency in the workforce. Research indicates that IT adoption is influenced by factors such as perceived usefulness, ease of use, and organizational support⁴⁶. For instance, organizations are more likely to adopt IT solutions if the technology is seen as user-friendly and capable of enhancing productivity. The Technology Acceptance Model (TAM) continues to be a widely used framework in recent studies to explain the factors that affect IT adoption⁴⁷. Additionally, the COVID-19 pandemic has accelerated IT adoption in sectors like healthcare, education, and remote work environments, where digital tools have become essential for continued operations⁴⁸.

The use of IT has shown substantial impact on organizational performance, particularly in enhancing efficiency and enabling data-driven decision-making. Scholars emphasize

that IT facilitates faster communication, supports knowledge sharing, and enables real-time data access, all of which contribute to better decision-making⁴⁹. In particular, industries such as finance, logistics, and retail benefit from IT-driven data analytics, which helps in optimizing operations and tailoring services to meet customer needs. Studies also reveal that IT implementation positively affects organizational flexibility, allowing firms to respond quickly to market changes and customer demands⁵⁰. Furthermore, digital transformation through IT has become a priority for businesses seeking to maintain competitiveness in a globalized market.

Despite its numerous benefits, IT usage presents significant challenges, especially concerning security, privacy, and the need for continuous adaptation. Cybersecurity threats have become a pressing issue, as organizations and individuals increasingly rely on digital platforms to store sensitive information. Recent studies underscore that the rise of cyber threats has necessitated greater investment in IT security measures and staff training⁵¹. Additionally, privacy concerns are prevalent, particularly in sectors handling personal data, such as healthcare and finance. Scholars argue that the protection of data privacy is crucial for maintaining public trust and meeting regulatory requirements⁵².

Another challenge lies in keeping up with rapid technological advancements, which require frequent updates, system upgrades, and ongoing user training. As technology continues to evolve, organizations must invest in upskilling their workforce to effectively use new tools and applications⁵³. The cost of these continuous updates and training can be a barrier, especially for smaller businesses with limited resources.

The usage of IT has become particularly prominent in education and remote work, where digital tools facilitate learning and collaboration. During the COVID-19 pandemic,

educational institutions worldwide adopted IT solutions such as virtual classrooms, e-learning platforms, and digital assessment tools⁵⁴. These tools have provided new opportunities for interactive learning and have proven critical in ensuring continuity of education. In remote work settings, IT has supported seamless communication and collaboration through video conferencing tools, shared workspaces, and project management software⁵⁵. These developments have prompted scholars to explore how IT can enhance work-life balance, productivity, and employee satisfaction.

Recent literature also examines the role of IT in promoting sustainability. IT solutions that facilitate telecommuting and digitalization contribute to reduced carbon footprints, as they lower the need for physical commuting and paper-based processes⁵⁶. Moreover, advancements in green IT, such as energy-efficient data centers, are helping organizations to manage their environmental impact. Future research directions emphasize the need for continued exploration of IT's role in achieving sustainable development goals and promoting digital equity across different socioeconomic groups.

In summary, the usage of IT has transformed various sectors, improving efficiency, productivity, and accessibility while posing challenges related to security, privacy, and adaptation. As IT continues to evolve, organizations and individuals must navigate these challenges to fully realize its benefits. The role of IT in promoting sustainability and supporting digital equity remains a growing field of interest, signaling the importance of continued research and development in this area.

2.1.4 Concept of Information Technology in Tax Administration

Information Technology refers to the technology that encompasses the creation, upkeep, and utilization of computer systems, software, and networks for the purpose of processing and distributing data. It focuses on the utilization of electronic technology to handle and manipulate information, particularly inside large organizations. Information Technology (IT) encompasses the utilization of electronic computers and computer software to transform, store, safeguard, manipulate, transmit, and recover information⁴⁶.

Information technology has existed for a considerable duration. Throughout human history, information technology has coexisted with humanity, as various forms of technological communication have always been accessible during different eras. The history of information technology is divided into four distinct epochs. Only the most recent era of electronics and certain aspects of the electromechanical era have a significant impact on our lives today. The four stages are the pre-mechanical stage, mechanical stage, electro-mechanical stage, and electronic stage⁴⁶.

The pre-mechanical stage marks the earliest phase of information technology evolution, characterized by manual methods of data processing and communication. During this stage, information was primarily recorded and transmitted through manual processes such as writing, drawing, and oral communication. Examples of pre-mechanical tools include cave paintings, clay tablets, and parchment scrolls, which served as primitive forms of documentation and information storage. In the pre-mechanical stage, tax authorities relied primarily on manual processes and physical documentation to manage tax-related activities, including tax assessment, collection, and enforcement⁵⁷.

The highlight of this era is manual record keeping. Tax authorities maintain tax records and documents manually, using paper-based ledgers, registers, and files to record

taxpayer information, transactions, and assessments. Taxpayers were required to submit paper forms, declarations, and returns to tax authorities, which were manually processed and recorded by tax officials. In line with this, tax calculations were performed manually using arithmetic methods, without the aid of mechanical or electronic devices. Tax officials manually computed tax liabilities, deductions, exemptions, and assessments based on prescribed tax rates, rules, and formulas. Calculations were prone to errors and inconsistencies, requiring careful scrutiny and verification by tax authorities⁵⁸.

In addition, tax enforcement activities, such as audits, investigations, and compliance checks, were conducted manually by tax officials through physical inspections, interviews, and document reviews. Tax authorities relied on manual enforcement methods to detect tax evasion, fraud, and non-compliance, often relying on the diligence and expertise of tax inspectors and enforcement officers.

Furthermore, tax administration was typically localized, with tax authorities operating at the municipal, regional, or national levels to manage tax affairs within their respective jurisdictions. Tax policies, procedures, and enforcement practices varied among different jurisdictions, leading to inconsistencies and disparities in tax administration across regions. Despite the localised tax administration, the most significant drawback of this era is limited communication between authorities and taxpayers. Communication between tax authorities and taxpayers was limited and often conducted through face-to-face interactions, written correspondence, or public notices. Taxpayers were required to visit tax offices in person to submit documents, make inquiries, or resolve tax-related issues, leading to delays and inefficiencies in communication and service delivery⁵⁹.

The pre-mechanical stage in tax management reflects a rudimentary and labor-intensive approach to tax administration, characterized by manual processes, limited resources, and localized practices. While manual methods served as the foundation for early tax systems, they were often inefficient, error-prone, and susceptible to abuse. The transition to mechanical and electronic stages of tax management marked significant advancements in automation, efficiency, and effectiveness in tax administration, laying the groundwork for modern tax systems and practices⁴⁸. This next stage is the mechanical stage.

The mechanical stage represents a period of technological advancement characterized by the development of mechanical devices for processing information. Key innovations during this stage include the invention of mechanical calculators, such as Blaise Pascal's Pascaline and Gottfried Wilhelm Leibniz's stepped reckoner, which facilitated arithmetic computations and mathematical calculations⁶⁰. The invention of mechanical telegraph systems, such as Samuel Morse's telegraph, revolutionized long-distance communication by enabling the transmission of coded messages over electrical wires. Mechanical printing presses, such as Johannes Gutenberg's printing press, also played a crucial role in the dissemination of information through the mass production of books, newspapers, and other printed materials.

In the context of tax management, the mechanical stage represents a period of technological advancement characterized by the introduction and utilization of mechanical devices and equipment to automate various aspects of tax administration. During this stage, tax authorities transitioned from manual methods of recordkeeping and calculation to the adoption of mechanical devices for processing tax-related information. For instance, the mechanical stage saw the development and widespread use of

mechanical calculators for performing arithmetic computations and mathematical calculations related to tax assessment and accounting. Innovations such as the Pascaline, developed by Blaise Pascal, and the stepped reckoner, developed by Gottfried Wilhelm Leibniz, revolutionized numerical computation and facilitated more accurate and efficient tax calculations⁶¹.

In those days, mechanical tabulating machines, such as those invented by Herman Hollerith, became instrumental in tax administration for processing large volumes of data and generating statistical reports. These machines used punch cards to input and store information, enabling tax authorities to tabulate census data, analyze tax returns, and produce summary reports with greater speed and accuracy than manual methods⁶². Mechanical sorting and filing systems were introduced to organize and manage tax records, documents, and correspondence more efficiently. Innovations such as rotary filing cabinets and card-sorting machines enabled tax authorities to categorize, store, and retrieve tax-related information with greater speed and accuracy, improving administrative workflows and document management practices⁵⁰.

The mechanical stage in tax management represented a significant leap forward in administrative efficiency, data processing capabilities, and communication infrastructure. The adoption of mechanical devices and equipment laid the foundation for subsequent technological advancements in tax administration, paving the way for the transition to electro-mechanical and digital stages of tax management in the modern era. The electro-mechanical stage represents a transitional phase marked by the integration of electrical and mechanical components in information processing systems. During this stage, electromechanical devices, such as relays, switches, and vacuum tubes, were utilized to

automate and enhance various computing and communication tasks. The development of electro-mechanical tabulating machines, such as Herman Hollerith's punch card tabulator, revolutionized data processing and information management, particularly in fields such as census tabulation and statistical analysis. The introduction of electromechanical telecommunication systems, such as telephone exchanges and telex machines, further expanded the capabilities of long-distance communication, enabling real-time voice and text transmission over electrical networks⁵¹.

The digital stage represents the modern era of information technology, characterized by the widespread adoption of electronic components and digital systems for information processing and communication. The invention of electronic computers, such as the ENIAC (Electronic Numerical Integrator and Computer) and the UNIVAC (Universal Automatic Computer), marked the beginning of the electronic age, ushering in a new era of programmable computing machines capable of performing complex calculations and data processing tasks at unprecedented speeds. The development of electronic storage devices, such as magnetic tapes, disks, and semiconductor memory, enabled the efficient storage and retrieval of large volumes of digital data. The advent of electronic communication technologies, such as the Internet, mobile phones, and email, transformed the way information is transmitted, shared, and accessed globally, facilitating instantaneous communication and collaboration across geographical boundaries⁶³.

In modern tax administration, technology plays a pivotal role across various facets of the tax system, revolutionizing traditional processes and enhancing efficiency. One of the key areas where technology finds extensive application is in electronic filing and payment

systems. Tax authorities have embraced online portals, electronic tax filing software, and mobile applications to facilitate convenient and secure submission of tax returns and payments by taxpayers¹⁸. These digital platforms reduce paperwork, streamline processing times, and improve accuracy, ultimately fostering greater compliance with tax regulations.

Another critical area of technology application in tax administration is data analytics and business intelligence. Tax authorities harness data mining tools, predictive analytics software, and dashService reporting systems to analyze vast volumes of taxpayer data. By identifying patterns, trends, and anomalies, tax authorities can detect tax evasion and fraud more effectively, optimize resource allocation, and make data-driven decisions to enhance tax compliance and enforcement efforts^{64, 65}.

Digital recordkeeping and document management represent yet another realm where technology brings significant benefits to tax administration. Electronic document management systems, digital scanning software, and cloud storage solutions streamline the organization, storage, and accessibility of tax records and documents. These technologies reduce reliance on paper-based processes, enhance data security, and improve backup capabilities, ensuring the integrity and availability of critical tax information. In addition, online taxpayer services and support have been revolutionized by technology, offering taxpayers easy access to information, guidance, and assistance related to their tax obligations. Interactive websites, chatbots, and self-service kiosks provide real-time communication channels, enhancing taxpayer satisfaction and compliance through personalized support and guidance⁶⁶.

In the realm of compliance monitoring and enforcement, technology enables tax authorities to conduct electronic audits, automate compliance checks, and enhance risk assessment capabilities. Audit management software, risk assessment tools, and electronic data interchange systems streamline audit processes, improve accuracy, and enhance transparency, ultimately strengthening tax enforcement efforts. The advent of emerging technologies such as blockchain, artificial intelligence, and cybersecurity solutions further augments the capabilities of tax administration. These technologies offer enhanced security, transparency, and efficiency in tax transactions and data management, safeguarding taxpayer information and mitigating risks of fraud and cyber threats⁶⁷.

The integration of technology into tax administration processes represents a transformative shift toward efficiency, transparency, and compliance in the modern tax landscape. By leveraging technological advancements effectively, tax authorities can enhance service delivery, improve taxpayer experiences, and uphold the integrity of tax systems in the digital age. However, while there is technologies have led to critical changes in international politics, reducing information collection costs, decreasing market friction and significantly driving the process of world market expansion. In taxation, the impact has focused on digitalization, robotization, machine-to-machine (M2M) technologies and blockchain. This has aroused the interest of researchers who mainly point to the negative effects on tax collection and the cost that companies must assume when implementing electronic tax systems⁶⁸.

The term "electronic tax filing" was initially used in the United States, namely by the Internal Revenue Service (IRS), which started providing the option of electronically filing tax returns only for the purpose of receiving tax refunds. Currently, around 20% of

individual taxpayers are filing their taxes electronically. However, this has occurred due to the implementation of several improvements and additions to the program during the years. Electronic filing is now available in several industrialized nations, including Australia, Canada, Italy, United Kingdom, Chile, Ireland, Germany, France, Netherlands, Finland, Sweden, Switzerland, Norway, Singapore, Brazil, Mexico, India, China, Thailand, Malaysia, and Turkey. Nigeria, along with other emerging nations like Uganda, Rwanda, and Kenya, has also adopted the practice of computerized tax return submission⁶⁹.

But new technologies can also be used to improve taxpayer services and achieve tax compliance, and to implement new audit mechanisms, especially considering the large volume of data generated, known as 'big data'⁷⁰. Big data refer to the large volume of information assets, of high speed and/or in a variety of formats, that demands cost-effective and innovative ways of processing for better a knowledge, decision making and process automation¹². It is characterized by having three dimensions: volume, speed and variety.

Under a common denominator approach, the European Data Protection Supervisor has defined big data analytics as to the practice of combining and analyzing large volumes of information from diverse sources using sophisticated algorithms to inform decisions¹³.

Big data analytics uses sophisticated techniques and tools, generally beyond business intelligence, to discover deeper knowledge, make predictions or generate recommendations; including data mining, machine learning, pattern matching, forecasting, visualization, semantic analysis, network and cluster analysis, multivariable statistics, graph analysis, simulation, complex event processing and neural networks¹⁴.

Continued and intensive analysis of big data is necessary to improve the already high standards of user experience that we all enjoy and that we would be quite reluctant to abandon¹⁵.

The OECD has recommended that tax administrations intensify international cooperation for access to massive user data on online platforms. Thus, 19 of 22 countries surveyed in America, Asia Pacific, the Middle East and Africa, use big data tools as part of their taxpayer audit process¹⁷. In Latin America, new technologies are being used by most tax administrations to introduce regulations related to remote audits in the legal system, through electronic systems¹⁸. Chile and México are two examples of this. Studies show that online tax audit minimizes face-to-face interactions between taxpayers and inspectors, reducing tax compliance costs and eventually allowing to increase revenues for the government, also contributing to global transparency in automatic information exchange. In the United Kingdom, technological applications are used to better track tax revenues, while the Australian Government is conducting a comprehensive review aimed at strengthening government services²³.

From a technical point of view, the digital consumer is a great contributor to the web and data content that feeds the intelligence of applications and platforms, giving rise to big data. Data mining and AI were born from these technological processes and have been incorporated into the planning of tax audits, mainly to detect patterns of fraud or tax evasion. Since 2000, the Internal Revenue Service (IRS) of the United States has restructured and modernized its operational divisions. For this, they improved data capture through information systems, also using data mining techniques for different purposes, such as measurement of taxpayer compliance risk, detection of tax evasion,

electronic fraud, fraud by tax credits and money laundering. To accomplish all the above, the IRS developed logistic regression models, decision trees, neural networks, clustering algorithms and visualization techniques such as link-analysis, among others²⁸. In 2004, Peru perfected an AI tool based on neural networks to detect tax evasion, through the application of diffuse and association rules in the pre-processing of variables and classification and regression trees (CART)²⁸.

Approximately on the same date, investigations were conducted in Brazil to apply the HARPIA project (Risk Analysis and Applied Artificial Intelligence) to detect various types of fraud through the application of AI.

This project contributed to the elaboration of two processes: first, a detection system based on outliers that help customs officials identify suspicious customs operations; and second, an information system for foreign products and exporters that aims to help importers in the registration and classification of their corresponding products and exporters. Likewise, since 2016, Brazil began applying selective intelligent inspection based on big data and data analytics, destined to control VAT (ICMS) and vehicle tax²⁸.

1. The effective utilization of information technology is crucial for achieving the aims of intelligence and information collecting by ensuring the acquisition of comprehensive and precise information. Put simply, utilizing data obtained through automated collecting systems yields more precise outcomes.

2. To establish a proficient tax system that encompasses all taxpayers, it is necessary for every individual subject to taxation to be registered. An effective method of registering involves the issuance of a unique tax identification number (U-TIN) by the federal Inland

Revenue Service. This will enable seamless and comprehensive retrieval of taxpayer data across the entire country, facilitated by the effective utilization of information technology.

3. In order to improve the filing and processing of tax returns, it is necessary to design systems that will improve and simplify compliance. This may be achieved through the establishment of a dependable database of taxpayers, an electronic system for ensuring compliance, and the automation and standardization of the filing and returns process.

4. To guarantee an efficient payment and collection system, tax authorities must adopt the utilization of electronic payment (e-payment) system in all transactions to facilitate automatic and enhanced remittance and collection. The utilization of an electronic payment system ensures the preservation of the authenticity and reliability of the tax payment and collection system.

5. To attain an effective tax administration, it is recommended to reduce the importance of manual record keeping systems and prioritize electronic systems. It is anticipated that in cases where tasks such as taxpayer registration, return filing and processing, and payment are already automated, a record-keeping system will be in place.

Overall, it is crucial for the tax authorities to ensure consistent implementation of technology to assist in all areas of tax administration. This would facilitate the implementation of a streamlined and productive tax administration system in Nigeria, with a specific focus on Enugu State. An automated method would effectively decrease or remove any leaks in the system, ensuring the system's integrity, promoting higher specialization, and decreasing the cost and time needed for tax administration²⁸.

In order to improve efficiency and effectiveness in tax administration, tax authorities worldwide are utilising e-tax administration systems to interact with taxpayers in

compliance settings, administration, and tax collection (Dowe, 2008). A system that combines spatial information systems, or ICT, with data management capabilities can significantly improve the implementation of tax revenue generation planning. While Otieno, Oginda, Obura, Aila, Ojera, and Siringi (2013) reported that ICT had a strong and positive relationship with revenue collection and that there was a relationship between ICT, effectiveness, and efficiency in revenue collection, Harrison and Nahashon (2015) found that the level of tax compliance was unaffected by the online tax system⁶⁰.

For a long time, there has been a lack of certainty, low motivation and enthusiasm among tax personnel, equity issues, convenience in Nigeria, and other factors that have led to ineffective monitoring, improper planning, fraudulent practices, weak control, underqualified and ill-equipped manpower, as well as public distancing as a result of government misappropriation of tax revenue⁷¹. Recently, the government forced all private organisations, including individuals, to register their companies through the FIRS website in order to prevent tax evasion and elusion. New global infrastructures like the Taxpayer Identification Number (TIN), the Integrated System of Tax Administration, and the Factual Accurate Complete Timely Project (FACT) encourage eligible taxpayers to complete their tax obligations online at any time and from any location.

2.2 Theoretical Review

The theoretical review provides a structured lens through which we can analyze how and why individuals or organizations adopt and use new technologies. For this study, we draw on the Unified Theory of Technology Acceptance and Use (UTAUT) and the Theory of Innovation Diffusion, both of which offer valuable insights into the factors influencing technology adoption.

The UTAUT framework, developed to consolidate key factors from previous models of technology acceptance, emphasizes constructs such as performance expectancy, effort expectancy, social influence, and facilitating conditions. By using UTAUT, we can examine not only whether individuals accept a technology but also the organizational and social factors that shape this acceptance, making it a robust tool for understanding technology use across different contexts. Similarly, Innovation Diffusion Theory (IDT) by Everett Rogers focuses on how new ideas and technologies spread within and between social groups over time. Key components, including relative advantage, compatibility, complexity, trialability, and observability, allow us to explore the broader, often gradual process by which innovations are adopted within a community or industry. Together, UTAUT and IDT offer a comprehensive theoretical foundation for analyzing both individual and collective factors in technology adoption, providing insights into motivations, challenges, and the pace at which innovations permeate society. By integrating these frameworks, we can more accurately evaluate the acceptance and sustained use of new technologies, illuminating the processes that underlie successful technology integration.

2.2.1 The Unified Theory of Technology Acceptance (UTAT)

The Unified Theory of Technology Acceptance (UTAT) is a well-defined technology model developed by Venkatesh, which is integrated with the concept of User Acceptance of Information Technology. The objective was to clarify the user's intentions regarding system usage, subsequent attitude towards usage, and revenue collecting mechanism. This notion is utilised to standardise the acceptance and utilisation of technology for the purpose of collecting money in the county. The theory identified effort expectancy,

performance expectancy, facilitating environments, and social influence as the four main constructs. According to the theory, the primary factors that directly influence usage behaviour are attitude and intention, whereas the fourth factor directly influences adopted behaviour⁶¹.

This theory was formulated and validated by synthesising and integrating eight existing models that were previously used to explain usage behaviour. These models include reasoned action theory, motivational model, technology acceptance model, planned behaviour theory, a combination of technology acceptance model and planned behaviour, personal computer usage model, social cognitive theory, and diffusion of innovation theory⁶¹.

When examining the effectiveness of taxation in this research, it is found that taxation is essential for the government to obtain the necessary funds to build the infrastructure that is crucial for economic development and growth. Additionally, taxation creates a favourable environment for businesses to thrive and wealth to be generated.

It also improves the efficiency of government activities and plays a vital role in mobilising domestic resources, as explained in the performance expectancy theory⁷². According to this hypothesis, taxes has an impact on the local environment and therefore supports the national economy by stimulating investment and international trade through information and communication technology (ICT). Businesses greatly value the accessibility of ICT in order to ensure double taxation avoidance, effective tax administration, and consistency and certainty of tax treatment.

2.2.2 Theory of Innovation Diffusion

The definition of innovation, is "the modification of what is already established; something that is newly introduced". The Macquarie Dictionary has the definition of

"introducing new objects or ways, while Roget's Thesaurus provides the synonyms 'newness' and 'change'. The diffusion of innovations hypothesis aims to elucidate the mechanisms, reasons, and pace at which novel ideas and technological advancements disseminate. Everett Rogers, a professor of communication studies, popularized the notion in his book *Diffusion of Innovations*. The book was initially published in 1962 and has since reached its fifth edition in 2003⁷³.

Rogers defines diffusion as the transmission of an innovation among the participants of a social system over time, while diffusion refers to the transmission of an innovation through specific channels among the members of a social system over time. Since decisions inside the social system are neither authoritative nor collective, each member is confronted with their own innovation-decision, which involves a 5-step process: 1) Knowledge - an individual acquires awareness of an innovation and possesses a basic understanding of its functionality. 2) Persuasion - an individual develops a positive or negative opinion towards the innovation. 3) Decision - an individual participates in actions that result in making a deliberate choice to either accept or reject the innovation. 4) Implementation - an individual applies an innovation in practice. 5) Confirmation – an individual assesses the outcomes of a decision to adopt an invention. A notable characteristic of diffusion theory is that, for the majority of individuals in a social system, their decision to adopt an invention is greatly influenced by the decisions made by other members of the system. Rogers contends that once approximately 10-25% of individuals inside a system embrace an innovation, there is a subsequent swift adoption by the remaining members, followed by a phase where the last holdouts eventually adopt the

innovation. Nevertheless, there is still a propensity for unsuccessful diffusion. Failed diffusion does not imply that the technology was not embraced by anyone⁶².

Failed diffusion, in essence, pertains to the absence of achieving or approaching complete acceptance, primarily due to inherent flaws, competition from other inventions, or a mere lack of awareness. Rogers posits that the dissemination of a novel concept is influenced by four primary factors: the nature of the innovation, the channels of communication, the passage of time, and the social structure. This method is highly dependent on human resources. In order to achieve self-sustainability, widespread adoption of the innovation is necessary. Within the process of adoption, there is a specific point at which an innovation crosses a threshold where it becomes widely accepted and adopted by a significant number of people, known as critical mass⁶².

Rogers classifies adopters into five categories: innovators, early adopters, early majority, late majority, and laggards. Nigeria might be classified as a laggard in terms of e-taxation. Despite being the largest country in Africa, Nigeria failed to adopt this invention before other African nations, since its inception in 1986. This theory is pertinent to this study as the Federal Inland Revenue Services have taken into account the several factors that impact the dissemination of a new idea. Specifically, they have involved the Nigeria Inter-Bank Settlement System as a means for taxpayers to conveniently pay their taxes.

2.3 Review of Empirical Studies

Experts have opined that an automated system improves administration by providing various scenarios that enable senior management in a multi-campus university system to generate multiple income scenarios. This allows them to make well-informed decisions

regarding the operation of their institution and to efficiently calculate and allocate resources to academic departments⁷⁴.

Due to the proliferation of information, technology, and the Internet, we have observed a shift in the tax administration towards online or digital services. The study seeks to ascertain the successful factors in the implementation of e-government in tax services. The main components encompassed in this context are the formulation of e-government in tax processes, variables related to acceptance and use, effects, and difficulties encountered during the execution. A scoping review was conducted to systematically identify and summarize the available data about the use of information and technology systems in providing tax services, also referred to as e-government. A set of specific search phrases were created and organized. This scoping study utilized specific databases and important journals⁶³.

Based on the established criteria, we have found 79 publications that best exemplify the objective of this study. However, we only provided a comprehensive account of the findings from ten selected studies. The highlighted studies mostly focused on examining the factors that contribute to the success or failure of e-government programs in the field of tax administration. This research suggests that in a resource-constrained government context, the implementation of e-government in tax administration has the potential to enhance government finances. Research, policy, and practice prioritize gaining a comprehensive understanding of the goal, adoption, acceptability criteria, impact, and problems associated with implementing e-government programs in tax services⁷⁵.

Scholars also investigated the influence of information technology on tax administration in the southwestern region of Nigeria. The study conducted a thorough examination of

the impact of information technology (IT) on tax productivity, as well as the correlation between IT and tax planning and implementation. The study utilised descriptive research methodology and employed a questionnaire as the primary data collection instrument. The Pearson product moment correlation (PPMC) and multiple regression were utilised to examine the collected data obtained from the questionnaire. The findings revealed that Information Technology (IT), namely through the use of Online Tax Registration, Online Tax Remittance, and Online Tax Filing, had a significant impact on tax productivity. This study specifically focused on the impact of ICT on tax administration in the south west region. The findings and conclusions of this study are limited to the south west region and do not apply to Oyo State. Nevertheless, the study was conducted as a pilot in the southwest region of Nigeria, and hence the findings cannot be extrapolated to broader contexts⁷⁶.

In a related study conducted by another researcher, the impact of information and communication technologies (ICTs) on modernised tax administration operations and revenue collection in the Taxpayer Department of Revenue Authority in Tanzania was investigated. The ICT was implemented in 2001 at the department to streamline maintenance processes and ensure timely access to records. The study findings, obtained through descriptive research, demonstrated that ICT had a significant impact on the modernization of tax administration operations and revenue collection in the Taxpayer Department of the Revenue Authority in Tanzania. ICT reduced operational expenses by eliminating mail delays, preventing revenue losses, and deterring cheating⁷⁷.

A Nigerian scholar also examined the impact of ICT on Tax Administration in Nigeria. The study conducted a comprehensive analysis of the efficacy of ICT in tax

administration. The study utilised a questionnaire and personal interviews, which were then analysed using descriptive analysis. The research findings uncovered the extent to which ICT is useful for the fundamental functions of a tax administration in Nigeria. However, it did not provide any analysis on other important factors such as ICT skills and infrastructure. The results indicated that Information and Communication Technology (ICT) had a positive and motivating effect on tax administration. However, the study was conducted as a trial in Nigeria without the use of numerical analysis, and its scope is restricted to the year 2013⁷⁸.

Similarly, a researcher conducted an empirical inquiry on the impact of ICT on accounting practice (AP). Data were collected from accountants in both the public and commercial sectors using both unstructured and structured questionnaires. The analyses were conducted using Pearson's product moment coefficient, descriptive statistics, and multiple regression. The verdicts demonstrated a positive, robust, and statistically significant link between AP and ICT. Investing in power infrastructure is a necessary requirement for organisations to fully utilise the potential of information and communication technology (ICT). However, the study was focused on accounting practices and did not include research on taxation⁷⁹.

Researcher however suggested that the type of digital system adopted determine the success of tax administration. An expert stated that the macro model is more effective in capturing the fluctuations in funds allocated to counties compared to the representative tax system⁸⁰. In the same vein, another expert revealed that the most suitable approach for planning revenue collection involves utilising a system that integrates spatial and attribute data management capabilities, such as geographical information systems⁸¹.

However, it was found that the use of online tax systems has an impact on the level of tax compliance among small taxpayers⁸². There is a connection between information systems and the efficiency and effectiveness of revenue collection. Additionally, they found a strong positive relationship between Internal Control Systems and revenue collection.

Scholars in Tanzania conducted a study on the influence of Information and Communication Technology on taxation, specifically focusing on the Large Taxpayer Department of Tanzania Revenue Authority. The study investigates the impact of information technology (IT) on the modernization of tax administration procedures and the enhancement of revenue collection at the Large Taxpayer Department of the Tanzania Revenue Authority. The research findings indicated that the implementation of IT was intended to streamline record maintenance, ensure prompt access to information, expedite return processing, eliminate postal delays, reduce operating expenses, prevent fraudulent activities, and address revenue losses. While the study has made a valuable contribution to the existing body of knowledge, it is important to note that its scope was limited to the tax administration procedure in Tanzania. Therefore, the conclusions of this study may not be directly relevant to other countries, such as Nigeria. The study primarily examined the impact of IT on tax administration operations at the Large Taxpayer Department in Tanzania, while neglecting the micro and small tax offices⁸³.

In Nigeria, researchers examined the influence of tax administration on government revenue in Nigeria, focusing on the context of a developing economy. The study examines the effectiveness of Nigeria's Tax administration in reducing tax evasion and generating income to meet the development needs of the population. The study utilised 121 online survey questionnaires with 25 pertinent questions. The study's findings

indicate that the increase in tax revenue is directly linked to the effectiveness of the enforcement strategy, which falls solely under the responsibility of the tax administration. Additionally, the findings highlight the lack of enforcement machinery in Nigeria, including insufficient manpower, computers, and an effective postal and communication system. Nevertheless, the study did not propose feasible strategies for Nigeria to enhance its tax enforcement apparatus. As a result, the report lacks explicit practical ramifications for tax professionals⁸⁴. The study conducted by another set of Nigerian scholars focused on the role of Information and Communication Technologies (ICT) in achieving effective goals in institutional administration. The study investigated the utilisation of Information and Communication Technology (IT) by institutional administrators to enhance efficient administration. The study emphasised the necessity for institutional administrators to utilise information technology efficiently in order to manage and regulate operations in accordance with the institution's governing principles. The research findings uncovered a range of IT resources that are utilised to enhance institutional administration. Additionally, it demonstrated the level of usefulness of information technology (IT) in the fundamental operations of a tax administration. However, it overlooked important factors such as the IT capacity in terms of skills, values, relationships, knowledge, and attitudes⁸⁵.

The study conducted by a group scholar focuses on the challenges and potential of tax administration. The study investigated the challenges and potential of the Gombe state Service of internal revenue service. The research findings indicated several difficulties, including inadequate staffing, insufficient facilities, inadequate record keeping, and an unfavourable environment. The findings indicate that factors such as limited public

knowledge, inadequate training, unfavourable working conditions, inadequate compensation, and a lack of motivational incentives contribute to the low collection of tax revenue⁸⁶. The study suggests the necessity of hiring skilled and knowledgeable personnel with expertise in accounting and tax discipline. Nevertheless, the study primarily examined the Service of internal revenue in Gombe state. It is important to note that the issues observed in this state cannot be extrapolated to represent the obstacles encountered by other tax administration organisations, such as the Adamawa State Service of Internal Revenue.

In another study conducted in Adamawa state, Nigeria, scholars examined the influence of information technology on the management of taxes in the Adamawa State Service of Internal Revenue in Yola, Nigeria. The study aims to analyze the influence of information technology on tax administration at the Adamawa State Service of Internal Revenue in Yola, Nigeria. A survey research methodology was adopted with the population of the study consists of both senior and junior staff members of the Adamawa State Service of Internal Revenue in Yola, totaling 483 individuals. In determining the sample size, the study used the methodology proposed by Yemani and arrived at a sample size of 210. Both primary and secondary data were utilized in this work. For this study, a wide range of resources were consulted, including questionnaires and relevant materials such as textbooks, journals, newspapers, and official documents from the Federal Inland Revenue Service (FIRS). Both printed and electronic sources were used to gather information on the effects of information technology on tax administration⁷⁵.

The hypothesis was evaluated by regression analysis with a significance level of 0.05 (5%). The analysis of individual variables in the model reveals that the t-statistics are

positively signed (1.770, 0.844, 7.445) and are statistically significant at a 5% level of significance. The F-statistics of 264.448 indicated that the variables in the model collectively accounted for the dependent variables. The p-value of less than 0.05 shows that there is a significant impact of information technology on tax administration in Adamawa State Service of Internal Revenue, Yola. It was discovered that the IT infrastructures, including digital devices and internet facilities, were not consistently maintained. The web portal network for e-filing of taxes is not accessible for business taxpayers to quickly submit their taxes. Additionally, there is a lack of sufficient online resources to assist in tax collection. The paper suggests that IT infrastructures, such as digital devices and internet facilities, should undergo regular maintenance⁸⁷.

Another study conducted in Oyo state examined the effect of ICT on tax income in Oyo State. The Oyo State Service of Internal Revenue Service employees as well as other taxpayers completed questionnaires to provide primary data. A total of 350 questionnaires were sent and completed by taxpayers and state Service of internal revenue service employees; 300 of those were returned. To test the hypothesis, data were examined using descriptive statistics, chi-square, ANOVA, and Multivariate Analysis of Variance and Covariance (MANOVA). It is determined that ICT significantly and statistically positively affects Oyo State's ability to generate tax income. ICT is a very powerful weapon that increases the state's revenue from taxes. Government should prioritize digital taxation by implementing excellent ICT governance standards and providing assigned tax authorities with a comprehensive accounting platform. This will increase the authorities' productivity in a more precise, efficient, and responsible way⁸⁸.

As a result, this study looks at how applicable ICT is and how it affects the Federal Inland Revenue Service's ability to administer stamp duty. The study was supported by the Technology Acceptance Model (TAM), and Stata 13 software was utilized as a statistical tool to analyze the quantitative data. The study concludes that ICT has significantly increased the efficiency and effectiveness of stamp duty administration by demonstrating that it plays a significant role in the administration of stamp duties in Nigeria. As a result, the report suggests that FIRS increase its spending on disruptive technologies and upgraded ICT infrastructure to promote compliance, contribution, and stamp duty collection. Above all, it is crucial that FIRS employees participate in ongoing training and retraining at every stage of their careers. Ultimately, it is critical to run a taxpayer education and awareness campaign about using ICT to pay stamp duty⁸⁹.

A study by scholars from Bells University, Nigeria focused on the impact of ICT on tax administration in Nigeria. The research examined the effect of electronic tax filing on the generation of tax revenue in Nigeria. The study established three research goals: to examine the effects of electronic tax filing on government tax revenue in Nigeria and to examine the effects of electronic tax filing on the growth of non-oil and oil tax income in Nigeria. Essentially, the study analyzed the revenue from government taxes, non-oil taxes, and oil taxes in Nigeria before and after e-tax filing (2011-2014) and after e-tax filing (2016-2019). The Federal Inland Revenue Service provided the quarterly data used in the study. The analytical method of choice was the one-way Analysis of Variance (ANOVA). According to the study's findings, electronic tax filing only considerably affected Nigeria's oil tax collection; non-oil tax revenue and overall government tax revenue were unaffected. Based on these findings, the report suggests that the government create a

comprehensive database on taxpayers so that it can quickly determine each taxpayer's potential revenue source for filing taxes. In order to improve the nation's understanding and awareness of the usage of all electronic services on their platform, the study also suggests that the Federal government, through the Federal Inland Revenue Services (FIRS), hold further educational programs⁹⁰.

This study investigated the influence of E-Taxation on the revenue and economic growth of Nigeria. The study empirically analyzed the impact of implementing E-taxation in 2015 on Tax Revenue, Federally Collected Revenue, and Tax-to-GDP ratio. The purpose of introducing electronic tax system is to enhance revenue collection, leading to improved economic growth in the country. The study's findings indicate that the introduction of electronic taxes in Nigeria has not resulted in any improvements in tax revenue, federally collected revenue, or the tax-to-GDP ratio. Nevertheless, the results indicated a notable decline in both Federally Collected Revenue and Tax-to-GDP ratio following the implementation of e-taxation. Furthermore, the implementation resulted in a fall in Tax Revenue, but the observed change in means was not statistically significant. It was suggested that the federal government, specifically the Federal Inland Revenue Services, should organize additional educational workshops in all 36 states of the country to enhance awareness and understanding of the many technological services available on their platform⁶².

The study investigated the influence of E-Taxation on the management of taxes in Nigeria. The objective of the study was to ascertain the extent to which e-taxation has enhanced the efficiency of tax administration in the country. The study utilized original data. The study's population comprised taxpayers, tax professionals, chartered

accountants, and tax administrators from the Federal Inland Revenue Service branches in Benin and Auchi. The study utilized a stratified random sampling technique to select a sample size of 399. Data were gathered using a meticulously designed questionnaire. 390 questionnaires were collected from the respondents.

The study employed descriptive statistics, correlation analysis, and panel regression to analyze the variables using SPSS 23. The analysis revealed that e-taxation had a negative impact (-0.032) on the Ease of Paying Taxes in Nigeria. However, this impact is not statistically significant ($p = 0.221$) at a 5% level. Therefore, it can be concluded that e-taxation has not considerably improved the ease of paying taxes in Nigeria. (2) The variable E - Taxation has a negative influence (-0.129) on the Processing time of Tax Returns and Assessment. This impact is statistically significant ($p = 0.013$) at a 5% level of significance. This means that E - Taxation has contributed to a reduction of 12.9% in the processing time of tax returns and assessment. The study suggested that taxpayers should receive training on how to make electronic tax payments, particularly with the recently adopted TaxPro Max. Additionally, it advised that the e-tax system be regularly evaluated to enhance its efficiency⁹¹.

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In their study titled "Effects of Electronic Tax System on Tax Collection Efficiency in Domestic Taxes Department of Kenya Revenue Authority (KRA), Rift Valley Region," researchers utilized a case study research design to determine the impact of electronic tax payment on revenue collection efficiency by KRA in the Rift Valley region. The study also aimed to assess the effect of electronic tax filing on revenue collection efficiency, examine the influence of staff competency on revenue collection efficiency, and evaluate the level of taxpayers' knowledge in operating the electronic tax system. The primary instruments used for data collection were questionnaires, which were distributed to a total of 130 participants, including both personnel of KRA and taxpayers. Data analysis was conducted using descriptive and inferential statistics. The study's findings indicated that

the majority of taxpayers expressed a strong agreement with their ability to fully access and utilize the E-Tax system. The level of employee competence (X3) had a strong impact on the efficiency of tax collection (Y), as indicated by the results ($t = -2.243$, $P = .154 > 5\%$). The number of taxpayers seeking clarifications on tax concerns online is minimal. The resolution of E-Tax concerns expressed by taxpayers was unsatisfactory, and the management of the Kenya Revenue Authority (KRA) as well as other staff in different departments showed only limited support for the E-Tax system⁹³.

In their study titled "Taxation and Revenue Generation: an Empirical Investigation of Selected States in Nigeria, scholars analyzed the impact of tax revenue generation on the overall revenue and Gross Domestic Product of the Nigerian economy. They also investigated the influence of tax evasion and tax avoidance on revenue generation in Nigeria. The study utilized both primary and secondary sources of data. The study employed a survey research design to examine the whole staff of the Federal Inland Revenue Service. The researcher selected the Abuja FCT office, the States Service of Internal Revenue in Kogi State (North Central Zone), in Delta State (South Southern Zone), in Ondo State (South Western Zone), in Niger State (North Western Zone), in Ebonyi State (South Eastern State), and Abuja FCT as replacements for Taraba State (North Eastern State)⁸².

The secondary data includes the Internally Generated Revenue (IGR) of the six Geo-Political Zones, the taxes collected by the Federal Inland Revenue Service in Abuja FCT, and the country's Gross Domestic Product (GDP) from 2002 to 2011. An analysis was conducted on the data using both descriptive and regression methods. The study's findings indicate that taxation has a substantial role in generating income and

contributing to the Gross Domestic Product (GDP) in Nigeria. Additionally, tax evasion and tax avoidance have a notable impact on revenue collection⁹⁴.

A couple of researchers investigated the correlation between federally collected revenue and the generation of specific tax revenue from sources such as custom and Excise Duties (CED), value added tax (VAT), petroleum profit tax (PPT), and corporation income tax (CIT). Data from secondary sources were obtained for each tax source from 1981 to 2011. The study utilized sophisticated econometric analysis techniques, including regression, co-integration, error correction modeling, and pairwise Granger causality testing. The independent variables of the study were the different income taxes, whereas the dependent variable was the "Federally collected Revenue". The analysis shows that the different income taxes have a statistically significant and positive correlation with the revenue collected by the federal government. The Granger causality analysis demonstrates that custom and excise duties, as well as value-added tax, have a causal influence on the revenue received by the federal government⁹⁵.

Researchers reported that e-tax systems enhance tax compliance, even among low income individuals. A study investigated the impact of electronic taxation methods on tax compliance in a specific group of fast-food outlets in Lagos state, Nigeria, from the perspective of taxpayers. The study employed a survey research design. The data collected from the administration of a structured questionnaire on small and medium-sized enterprises (SMEs) in Lagos state were analysed using descriptive statistics, structural equation model analysis, and regression. The study found that there was a significant positive correlation between the level of awareness (LOA) and tax compliance ($\beta= 0.276$; $t=2.689$; $p=0.008$). Similarly, it was discovered that the perceived ease of use

(PEU) ($\beta = 0.249$; $t = 2.331$; $p = 0.022$) has a favourable impact on tax compliance, although it did not reach statistical significance. The tax compliance cost (TCC) ($\beta = -0.289$; $t = -2.568$; $p = 0.012$) demonstrated a statistically insignificant, nevertheless detrimental impact on tax compliance⁹⁶.

Another set of researchers also reported that e-taxation enhance national revenue by expanding the tax base, enhance compliance and improving efficiency. The scholars conducted a pre-post analysis to examine the effects of e-taxation on Nigeria's revenue and economic growth. Utilising secondary data acquired from the Federal Inland Revenue Service and the Central Bank of Nigeria Statistical and Economic Reports on a quarterly basis, spanning from the second quarter of 2013 to the fourth quarter of 2016. The results indicate that the introduction of electronic taxes in Nigeria has not contributed to an improvement in tax revenue, as well as federally collected revenue and the tax-to-GDP ratio. However, the results also showed that the money collected by the federal government and the ratio of taxes to GDP declined dramatically after the implementation of e-taxation. Furthermore, the implementation resulted in a fall in Tax Revenue, but the observed change in means was not statistically significant⁹⁷.

A similar study examined the impact of taxes on both Company Income Tax (CIT) and Value Added Tax (VAT). The study employed an ex post facto research approach and collected data from the Federal Inland Revenue Service for a period of six years and three quarters, starting with the first quarter of 2012 and ending in the second quarter of 2018. The data acquired were analysed using a paired sampled t-test. The analysis showed a little positive difference between the pre and post corporate income tax revenue. The measurement variables, t-statistics and p-value, were reported as 0.833 and 0.421,

respectively. Furthermore, there was a negligible increase in the value-added tax revenue between the pre and post periods, as indicated by the t-statistics of 0.520 and 0.612, with corresponding p-values⁹⁸.

Furthermore, scholars conducted a study to examine the influence of electronic tax systems on the administration of taxes in Nigeria using comparative analysis. The study posited that the decline in worldwide wealth resulting from the decrease in crude oil prices, which is Nigeria's primary source of income, led to a redirection of the government's focus and those of key players towards domestically generated money. Nevertheless, the daunting challenge of increasing the Internally Generated Revenue has made it necessary to implement computerised tax systems technologies in order to enhance Tax administration. The study determined that electronic tax systems are crucial in driving the growth of domestically generated revenue in Nigeria by promoting adherence to tax regulations, therefore enhancing productivity and economic activity in the nation⁹⁹.

2.4 Conceptual Model

Tax Technology

Administrative Effectiveness

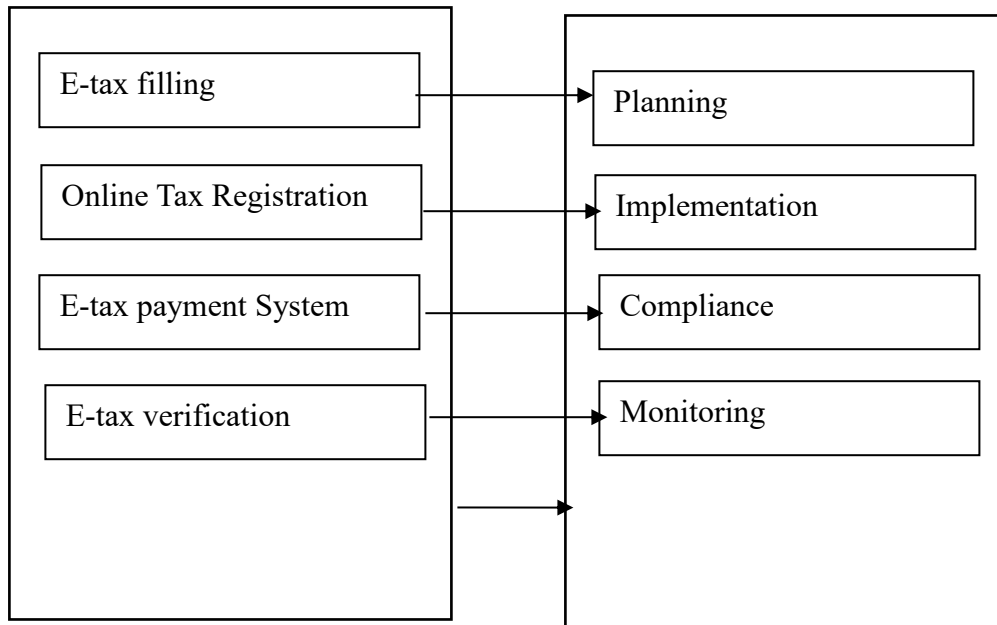


Figure 2.1 *Conceptual model on tax technology and administrative effectiveness of the Oyo State Internal Revenue Service (Source: Researcher, 2024)*

Conceptual Model of Tax Technology and Administrative Effectiveness: Interaction of Variables

The conceptual model illustrated in Figure 2.1 delineates the interaction between tax technology and administrative effectiveness within the Oyo State Internal Revenue Board. This model categorizes variables into two primary sets: Tax Technology and Administrative Effectiveness. Understanding how these variables interact is essential for optimizing the tax administration process and improving overall effectiveness. The interaction between tax technology and administrative effectiveness is integrative, with each variable influencing and being influenced by others. This holistic approach ensures a cohesive and efficient tax administration system.

E-Tax Filing involves the electronic submission of tax returns, simplifying the process for taxpayers and enhancing data accuracy. The success of e-tax filing hinges on effective Planning, which involves anticipating the needs of both taxpayers and the revenue board, determining the necessary infrastructure, and devising strategies to mitigate potential challenges. Effective planning ensures that the e-filing system is user-friendly, reliable, and capable of handling large volumes of submissions without technical issues. It also involves budgeting for system development, training, and maintenance to ensure the system's smooth operation⁸⁶.

Online Tax Registration allows taxpayers to register electronically, streamlining the registration process and reducing administrative burdens. The success of online tax registration is closely tied to Implementation, which involves executing planned strategies, including the deployment of a secure and accessible registration portal. Key aspects of implementation include developing a user-friendly interface, ensuring robust cybersecurity measures, providing training for staff and taxpayers, and establishing support systems. Effective implementation ensures that the online registration system operates smoothly, facilitating higher registration rates and better data accuracy⁸⁶.

The E-Tax Payment System allows taxpayers to pay their taxes electronically, providing convenience and efficiency. Its success is closely linked to Compliance. A well-implemented e-tax payment system makes it easier for taxpayers to fulfill their obligations, leading to higher compliance rates. The system must be secure, reliable, and easy to navigate. Automated reminders, payment confirmations, and real-time updates help ensure that taxpayers are aware of their obligations and deadlines, fostering a culture

of compliance. Simplifying the payment process reduces the likelihood of errors and delays, further enhancing compliance.

E-Tax Verification involves the electronic checking of tax returns for accuracy and fraud prevention. Its interaction with Monitoring is crucial for maintaining the tax system's integrity. Effective monitoring systems track the submission and verification process, ensuring that discrepancies are identified and addressed promptly. Continuous oversight helps maintain trust in the tax system, as taxpayers can be confident that the system is fair and accurate. Monitoring also involves analyzing data to identify trends, detect anomalies, and improve the verification process, ensuring that the e-tax verification system remains effective and up-to-date with evolving tax regulations and technologies⁸⁶.

The interaction between tax technology and administrative effectiveness variables is not linear but integrative, with each variable influencing and being influenced by others. This integrative approach ensures a cohesive and efficient tax administration system.

Planning and implementation must be aligned to achieve desired outcomes. Planning involves setting goals, identifying resources, and developing strategies, while implementation involves executing these plans. For instance, the planning phase for e-tax filing includes anticipating potential challenges and devising strategies to address them. During implementation, these strategies are put into action, ensuring that the e-tax filing system operates smoothly. Effective planning and implementation ensure that tax technology systems are robust, user-friendly, and capable of handling large volumes of transactions.

The success of e-tax filing, online tax registration, and e-tax payment systems significantly impacts compliance. When these systems are well-planned and effectively

implemented, they simplify the tax process for taxpayers, leading to higher compliance rates. For example, a user-friendly e-tax payment system with automated reminders and confirmations encourages taxpayers to meet their obligations on time. Similarly, an efficient online tax registration system ensures that more taxpayers register, providing the revenue Service with accurate and comprehensive data. This, in turn, supports compliance efforts by ensuring that all eligible taxpayers are in the system and can be monitored for compliance⁸⁷.

Monitoring is an ongoing process that involves evaluating the effectiveness of tax technology systems and making necessary adjustments. It interacts with all other variables to ensure continuous improvement. For example, monitoring the e-tax filing system helps identify any technical issues or user challenges, which can then be addressed to improve the system. Similarly, monitoring the online tax registration and e-tax payment systems helps ensure that they are secure, reliable, and user-friendly. Continuous monitoring and improvement ensure that tax technology systems remain effective and up-to-date, supporting overall administrative effectiveness.

The integration of e-tax filing, online tax registration, e-tax payment systems, and e-tax verification generates a wealth of data that can be used for decision-making. Data collected through these systems provides insights into taxpayer behavior, compliance trends, and system performance. This data is invaluable for planning, implementation, compliance, and monitoring efforts. For example, data from the e-tax filing system can be used to identify common errors and develop strategies to address them. Similarly, data from the e-tax payment system can be used to identify payment patterns and develop

targeted compliance initiatives. Data-driven decision-making ensures that the revenue Service can make informed decisions to enhance tax administration and effectiveness.

Effective tax administration requires collaboration among various stakeholders, including the revenue board, taxpayers, technology providers, and other government agencies. Collaborative efforts ensure that tax technology systems are designed and implemented to meet the needs of all stakeholders. For example, collaboration with technology providers ensures that systems are built using the latest technologies and best practices. Collaboration with taxpayers ensures that systems are user-friendly and address their needs. Collaborative efforts enhance the effectiveness of tax administration by ensuring that all stakeholders are engaged and invested in the success of the systems.

The integrative interaction of tax technology and administrative effectiveness variables offers several practical implications and benefits: Streamlining tax processes through technology reduces administrative burdens, allowing the revenue Service to operate more efficiently. User-friendly and efficient systems encourage taxpayers to comply with their tax obligations, leading to higher compliance rates. Electronic systems reduce the likelihood of errors in tax filings and payments, ensuring accurate data collection and processing. Automation of tax processes reduces the need for manual intervention, leading to cost savings for the revenue board. Electronic systems provide comprehensive and accurate data, supporting better decision-making and policy development. Monitoring and verification systems enhance transparency, building trust among taxpayers in the integrity of the tax system. Technology systems can be easily scaled to accommodate growing numbers of taxpayers and transactions, ensuring that the revenue Service can handle increased demand.

The conceptual model of tax technology and administrative effectiveness for the Oyo State Internal Revenue Service demonstrates the integrative interaction of various variables to enhance tax administration. By understanding and leveraging the interactions between e-tax filing, online tax registration, e-tax payment systems, e-tax verification, planning, implementation, compliance, and monitoring, the revenue Service can improve efficiency, compliance, and overall effectiveness. This holistic approach ensures that the tax administration system is robust, user-friendly, and capable of adapting to changing needs and technologies. Through continuous monitoring and improvement, data-driven decision-making, and collaborative efforts, the revenue Service can achieve its goals of efficient and effective tax administration.

2.5 Summary of Gaps in Literature Reviewed

Several significant conclusions and insights are revealed by the literature analysis on the effect of technology on tax administration and efficacy in Nigeria. It highlights how important technology is to updating tax administration procedures, increasing productivity, and boosting compliance. In spite of these developments, there are still a number of important gaps and issues in the literature that need to be investigated further in order to maximise the influence of technology on tax administration in Nigeria.

First off, the benefits of electronic filing and payment systems for expediting tax compliance procedures are covered in great detail in the literature. Both tax authorities' processing of returns and payments and taxpayers' ability to comply with their duties have been facilitated by these systems. Nevertheless, there is a noticeable lack of empirical research measuring the true influence of these systems on compliance rates and efficiency in administration. Anecdotal evidence points to beneficial effects, but robust

data-driven study is required to show these advantages in hard data. Furthermore, it has been noted that digital recordkeeping and document management systems are useful tools for organising, storing, and retrieving tax-related data. These technologies improve data accuracy, accessibility, and security by reducing paperwork and administrative burdens. Notwithstanding these benefits, thorough analyses of the long-term viability and economic efficiency of putting such systems in place in Nigeria are lacking in the literature. Subsequent studies must concentrate on evaluating the return on investment and possible difficulties associated with updating and maintaining these digital systems.

Additionally, tax authorities may now analyse enormous amounts of taxpayer data, spot compliance issues, and focus enforcement efforts thanks to technology-enabled data analytics and business intelligence tools more effectively. By leveraging predictive analytics and risk assessment models, tax authorities can prioritize compliance activities, detect tax evasion, and optimize resource allocation for enforcement activities. However, the literature often overlooks the practical challenges and limitations associated with implementing these advanced technologies in the Nigerian context. For instance, there is limited discussion on the availability of skilled personnel, the quality of data inputs, and the integration of these tools with existing tax administration systems.

Furthermore, online taxpayer services and support platforms have enhanced communication and interaction between tax authorities and taxpayers. These platforms provide accessible channels for information dissemination, assistance, and feedback. Through interactive websites, chatbots, and self-service portals, taxpayers can access tax-related information, submit queries, and resolve issues more efficiently. While these advancements contribute to improved taxpayer satisfaction and compliance, the literature

does not sufficiently address the disparities in access to these services across different regions and socio-economic groups in Nigeria. The digital divide remains a significant barrier to the equitable distribution of these technological benefits.

The literature underscores the transformative impact of technology on tax administration in Nigeria, highlighting its role in enhancing efficiency, transparency, and compliance. However, it also points to several persistent challenges and gaps. One major challenge is the digital divide, which refers to the unequal access to technology and internet services among different populations in Nigeria. This divide can hinder the widespread adoption and effectiveness of technology-driven tax administration solutions. Future research should explore strategies to bridge this gap and ensure that technological advancements benefit all segments of the population.

Cybersecurity threats and data privacy concerns are other critical issues that the literature identifies but does not comprehensively address. As tax administration becomes increasingly digital, the risk of cyber-attacks and data breaches grows. Ensuring the security and privacy of taxpayer data is paramount, yet the literature lacks detailed analyses of the measures necessary to mitigate these risks. More research is needed to develop robust cybersecurity frameworks and data protection policies tailored to the Nigerian context.

Moreover, while the literature highlights the potential of technology to improve tax compliance and administrative efficiency, it often falls short in examining the specific barriers to technology adoption within tax authorities. Factors such as resistance to change, lack of technical expertise, and insufficient funding can impede the successful implementation of technology-driven initiatives. Future studies should delve into these

organizational and institutional challenges, providing insights into how they can be overcome to maximize the benefits of technological advancements.

The literature also suggests that technology can enhance transparency in tax administration by providing taxpayers with greater visibility into their tax obligations and the processes involved in fulfilling them. However, empirical evidence supporting this claim is scarce. There is a need for more studies that empirically assess the impact of technology on transparency in tax administration, particularly in the Nigerian context. Such research should consider various dimensions of transparency, including the availability of information, the ease of understanding tax procedures, and the perceived fairness of the tax system.

Furthermore, while the literature acknowledges the role of technology in improving taxpayer satisfaction, it often lacks in-depth analyses of the specific factors that contribute to this improvement. Understanding the elements of technology-driven services that most significantly influence taxpayer satisfaction can help tax authorities design more effective and user-friendly systems. Future research should employ qualitative methods, such as surveys and interviews, to gain deeper insights into taxpayer experiences and preferences regarding digital tax services.

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Chapter Three

Methodology

3.1 Research Design

In this study, the researcher plans to use the survey research design method. Survey research design involves the systematic collection of data or information from a broad population using questionnaires and interviews.

3.2 Population of the Study

The study population comprises the total workforce of the Oyo State Internal Revenue Service and the general public, amounting to a total of 469 individuals. Specifically, the Oyo State Internal Revenue Service has a staff population of eighty-five (85), all of whom are included in the study. Additionally, a sample of 384 taxpayers was selected using purposive random sampling across the Ibadan metropolis, based on the Krejcie and Morgan sampling table. This approach ensures an adequate representation of the study population, facilitating comprehensive and reliable findings.

3.3 Sample Size and Sampling Technique

Due to the fact that there is no way the researcher would have reached the entire population, the researcher will make use of purposive sampling method by Randomly selecting respondents to obtain information gathered.

3.4 Research Instruments

The researcher will use questionnaire for the purpose of obtaining the desired result. Multiple choice and opened question will be used in the questionnaire. They will be used to assist the respondents in expressing their which in turn helped this study to obtain the needed information

3.5 Reliability and Validity of Research Instrument

The reliability of the research instrument refers to the consistency of results over time and across different measurements of the same phenomenon. To establish reliability, the test-retest method will be employed, ensuring that repeated measurements yield consistent results. The validity of the instrument is ensured by designing questions that accurately reflect the research objectives and by conducting a pilot study to refine the questionnaire. To further assess the internal consistency of the research instrument, Cronbach's alpha coefficient will be calculated. The Cronbach's alpha value of 0.70 was considered good enough and acceptable, indicating good reliability of the instrument. This process enhances the precision and accuracy of the data collected.

3.6 Administration of Research Instruments

The administration of research instrument will be in two stages. The first stage involves the employees of the Oyo State Internal Revenue Board. The researcher will obtain a letter of introduction from Lead City University. This letter will be presented to the management of the Service in order to secure approval for administration of the research instrument. Once the approval is granted, the research will administer the instrument on the employee who willing consent to respond to the questionnaire.

The second section will be members of the public. This group will be contacted in their place of business in order to administer the questionnaire. Only those who agree to respond to the questionnaire will be include in the study.

3.7 Method of Data Analysis

To address the research questions and test the hypotheses, the study will employ a combination of descriptive and inferential statistical methods. Descriptive analysis will be used to summarize and present the key characteristics and patterns of tax planning, implementation efficiency, compliance efficiency, and monitoring efficiency in Oyo State. Through the use of tools such as means, percentages, frequencies, and standard deviations, the study will provide a clear understanding of the trends and variations in the data. The findings will be visually represented using tables, charts, and graphs to enhance clarity. To test the hypotheses and evaluate relationships between variables, inferential statistical techniques will be applied. Specifically, multiple regression analysis will be employed to examine the effects of tax technology, online tax registration, e-tax payment systems, and e-tax verification on tax administration and planning within the Oyo State Board of Internal Revenue. T-tests and F-tests will be used to determine the statistical significance of these relationships, with a p-value threshold of 0.05 guiding the decision to accept or reject the null hypotheses.

For the first research question, descriptive analysis will provide insights into the key features and trends in tax planning within Oyo State. To answer the second question, regression analysis will be utilized to identify the factors influencing the efficiency of tax implementation. For the third question, logistic regression will assess the factors affecting compliance efficiency, providing a deeper understanding of compliance behavior. Finally, for the fourth question, correlation analysis will be used to evaluate the efficiency of tax monitoring and to propose measures for improvement. A multivariate regression model

will also be applied to examine the combined effect of tax technology including online registration, e-tax payment, and verification systems on tax administration. This approach will align with the fifth hypothesis, which explores the cumulative impact of tax technology on tax administration.

The data analysis will be conducted using statistical software such as SPSS or STATA to ensure accuracy and reliability. The results will be interpreted in relation to the research objectives, providing actionable insights and recommendations for improving tax administration efficiency in Oyo State.

Chapter Four

Results and Discussion of Findings

The empirical findings from the data analysis that was carried out are presented in this chapter, together with an interpretation of the findings and discussions on the study's outcomes. The purpose of this research is to investigate the impact tax technology on tax administrative efficiency in Oyo State, Nigeria. The research was carried out by means of a questionnaire, which was employed for the purpose of obtaining the necessary information in order to accomplish the purpose of the study. Information regarding respondent's demographic, response rate, response to each variable and test of hypotheses are presented in this chapter. The last section presents the test of the hypotheses and the discussion of findings. The data was analyzed using Statistical Package for Social Sciences (SPSS) version 25.

4.1 Response Rate

A total of four hundred and sixty nine (469) copies of questionnaire were administered, and three hundred and forty-one (341) copies were returned. After sorting the questionnaires, 336 copies were found properly filled and considered usable. The useable questionnaire represented 75% response rate. The high response rate was recorded as the researcher administered the instruments with the help of research assistants who put concerted efforts to regularly visit the respondents to request them to fill the instrument.

4.2 Demographic Data of Respondents

Table 4.1: Demographic Characteristics of Respondents

| Demographics | Items | Frequency | Percentage |
|---------------------|--------------------|------------------|-------------------|
| Gender | Male | 124 | 37.0 |
| | Female | 211 | 63.0 |
| | Total | 335 | 100.0 |
| Age | 20-30 years | 146 | 43.6 |
| | 31-40 years | 129 | 38.5 |
| | 41-50 years | 50 | 14.9 |
| | 51 years and above | 10 | 3.0 |
| | Total | 336 | 100.0 |
| Experience | 1-4 years | 39 | 11.6 |
| | 5-9 years | 119 | 35.5 |
| | 10-15 years | 140 | 41.8 |
| | 16 years and above | 37 | 11.0 |
| | Total | 335 | 100.0 |

Source: Field Survey Results (2024)

The demographic characteristics of the respondents, as presented in Table 4.1, provide a detailed overview of the gender, age, and work experience distribution within the sample.

The gender distribution shows a significant imbalance, with 63.0% of the respondents being female, while males constitute 37.0%. This skew towards female respondents may reflect the gender composition of the population being studied or suggest higher participation rates among women in the survey. The predominance of female respondents could influence the study's outcomes, particularly if gender is a factor in the variables being examined.

In terms of age distribution, the largest segment of respondents falls within the 20-30 years age range, comprising 43.6% of the sample. This is closely followed by the 31-40 years age group, which represents 38.5%. Together, these two younger age groups account for 82.1% of the respondents, indicating that the majority of participants are relatively young and likely in the early to middle stages of their careers. In contrast, only 14.9% of the respondents are in the 41-50 years age group, and a mere 3.0% are 51 years or older, suggesting that older individuals are underrepresented in the sample. This age distribution might suggest a workforce or population that is predominantly youthful, which could have implications for the study, especially if age influences perspectives or behaviours.

Regarding work experience, the majority of respondents have between 10-15 years of experience, representing 41.8% of the sample. This indicates that a substantial portion of the respondents are mid-career professionals with significant experience in their field. The next largest group, those with 5-9 years of experience, accounts for 35.5%, followed by those with 1-4 years of experience at 11.6%, and those with 16 years or more at 11.0%. The concentration of respondents with moderate levels of experience suggests that the

sample is composed mainly of individuals who have been in their careers long enough to develop informed perspectives but are not yet at the most senior levels.

4.2 Research Questions

Table 4.2 Descriptive Analysis of Level of Technology Adoption in tax administration in Nigeria

| Tax Technology | SA | A | D | SD | Mean |
|-------------------------------------------------------------------------------------------------------|----------------|----------------|----------------|---------------|-------------|
| There is an option of e-tax filing in Oyo State. | 62 (18.5%) | 135 (40.2%) | 133 (39.6%) | 6 (1.8%) | 2.75 |
| Residents of Oyo State can complete tax registration online. | 82 (24.4%) | 86 (25.6%) | 102 (30.4%) | 66 (19.6%) | 2.55 |
| The Oyo State Internal Revenue Service has an effective e-tax payment platform. | 114 (33.9%) | 150 (44.6%) | 71 (21.1%) | 1 (0.3%) | 3.12 |
| The Oyo State Internal Revenue Service has an effective e-tax verification system. | 130 (38.7%) | 133 (39.6%) | 71 (21.1%) | 2 (0.6%) | 3.16 |
| The Oyo State Internal Revenue Service provides digital receipts for tax payments. | 65 (19.3%) | 176 (52.4%) | 89 (26.5%) | 6 (1.8%) | 2.89 |
| Taxpayers can access their tax records online through a secure portal. | 100 (29.8%) | 168 (50.0%) | 66 (19.6%) | 2 (0.6%) | 3.09 |
| The Oyo State Internal Revenue Service offers online support and resources for tax-related inquiries. | 71 (21.1%) | 129 (38.4%) | 127 (37.8%) | 9 (2.7%) | 2.78 |
| The use of ICT has reduced the time required for tax processing in Oyo State. | 127 (37.8%) | 145 (43.2%) | 63 (18.8%) | 1 (0.3%) | 3.18 |
| The Oyo State Internal Revenue Service uses mobile applications to | 104 (31.0%) | 163 (48.5%) | 68 (20.2%) | 1 (0.3%) | 3.10 |

| | | | | | |
|----------------------------------------------------------------------------------------------|----------------|---------------|----------------|---------------|-------------|
| facilitate tax payments. | | | | | |
| There are regular updates and maintenance of the e-tax platforms to ensure smooth operation. | 75 (22.3 %) | 88 (26.2%) | 107 (31.8%) | 66 (19.6%) | 2.51 |
| Aggregate mean | | | | | 2.91 |

Source: Field Survey (2024)

Table 4.2 presents the level of technology adoption in tax administration in Oyo State, Nigeria, by examining responses to various statements regarding the availability and effectiveness of digital tax services. The results showed that a total of 18.5% of respondents strongly agreed, and 40.2% agreed that there is an option of e-tax filing in Oyo State making a combined agreement rate of 58.7%. However, a significant 39.6% disagreed, and 1.8% strongly disagreed, resulting in a mean score of 2.75. also, when asked about the ability to complete tax registration online, 24.4% strongly agreed and 25.6% agreed, making a total agreement rate of 50%. However, a significant portion of respondents were negative, with 30.4% disagreeing and 19.6% strongly disagreeing. This led to a mean score of 2.55, reflecting a lower level of satisfaction with the online registration process.

The effectiveness of the e-tax payment platform was more positively perceived, with a mean score of 3.12. A substantial 33.9% strongly agreed with the effectiveness of the platform, and 44.6% agreed. In contrast, only 21.1% disagreed, and a negligible 0.3% strongly disagreed. This strong positive reception indicates that the e-tax payment platform is largely effective and well-regarded by the respondents. Similarly, the response to the availability of e-tax verification system received high approval, with a mean score of 3.16. A total of 38.7% strongly agreed, and 39.6% agreed. Only 21.1% disagreed, and 0.6% strongly disagreed.

Furthermore, the provision of digital receipts for tax payments has a mean score of 2.89. Out of the respondents, 19.3% strongly agreed, and 52.4% agreed. Meanwhile, 26.5% disagreed, and 1.8% strongly disagreed. Regarding secure online access to tax records, the statement achieved a mean score of 3.09, reflecting strong positive perceptions. About 29.8% strongly agreed, and 50.0% agreed, making for a high overall agreement rate of 79.8%. On the contrary, only 19.6% disagreed, and 0.6% strongly disagreed. These results suggest that the secure portal for accessing tax records is well-established and trusted by the majority of users. The responses regarding the availability of online support and resources show that 21.1% strongly agreed and 38.4% agreed while a significant 37.8% disagreed, and 2.7% strongly disagreed. This led to a mean score of 2.78 indicating that there may be shortcomings in the quality or accessibility of online support.

The statement that "the use of ICT has reduced the time required for tax processing in Oyo State" received the highest mean score of 3.18. A strong 37.8% strongly agreed, and 43.2% agreed, resulting in a high overall agreement rate of 81%. Only 18.8% disagreed, and a minimal 0.3% strongly disagreed. In the same vein, the use of mobile applications to facilitate tax payments also received a favourable response, with a mean score of 3.10. Of the respondents, 31.0% strongly agreed, and 48.5% agreed, leading to a total agreement rate of 79.5%. Meanwhile, 20.2% disagreed, and only 0.3% strongly disagreed. The high levels of agreement suggest that mobile applications are a popular and effective tool for tax payments among the respondents.

Finally, the statement regarding "regular updates and maintenance of the e-tax platforms" received the lowest mean score of 2.51, indicating a less favourable perception. Only

22.3% strongly agreed, and 26.2% agreed, resulting in a total agreement rate of 48.5%. In contrast, 31.8% disagreed, and 19.6% strongly disagreed, indicating that nearly half of the respondents are dissatisfied with the maintenance of the e-tax platforms.

Overall, the aggregate mean score of 2.91 suggest that while significant progress has been made in adopting tax technologies, there are still areas that require attention to ensure comprehensive and effective technology integration in tax administration in Oyo State.

Table 4.3 Descriptive Analysis of Tax Planning in Oyo State

| Planning | SA | A | D | SD | Mean |
|---------------------------------------------------------------------------------------------------------------------------------|---------------|----------------|----------------|---------------|-------------|
| Oyo state internal revenue Service has clear guidelines on tax planning. | 59 (17.6%) | 134 (39.9%) | 133 (39.6%) | 10 (3.0%) | 2.72 |
| ICT provides Oyo state internal revenue Service with information to plan tax collection. | 23 (6.8%) | 74 (22.0%) | 203 (60.4%) | 36 (10.7%) | 2.25 |
| Oyo state internal revenue Service use ICT to updates tax planning information to reflect current laws and regulations. | 69 (20.5%) | 103 (30.7%) | 100 (29.8%) | 64 (19.0%) | 2.53 |
| The tax planning process of Oyo state internal revenue Service is straightforward and easy to understand due to the use of ICT. | 73 (21.7%) | 95 (28.3%) | 104 (31.0%) | 64 (19.0%) | 2.53 |
| Oyo State Internal Revenue Service has a strategic plan that aligns with state tax objectives. | 70 (20.8%) | 100 (29.8%) | 107 (31.8%) | 59 (17.6%) | 2.54 |
| The tax planning team at Oyo State Internal Revenue Service is well-trained and knowledgeable. | 68 (20.2%) | 103 (30.7%) | 103 (30.7%) | 62 (18.5%) | 2.53 |
| Stakeholders are involved in the tax planning process at Oyo State Internal Revenue Service. | 52 (15.5%) | 136 (40.5%) | 79 (23.5%) | 69 (20.5%) | 2.51 |
| Oyo State Internal Revenue Service regularly reviews and updates its tax planning strategies. | 67 (19.9%) | 128 (38.1%) | 76 (22.6%) | 65 (19.3%) | 2.59 |

Source: Field Survey Results (2024)

Table 4.2 presents a detailed descriptive analysis of tax planning practices within the Oyo State Internal Revenue Service (OSIRS). According to the table 17.6% of the respondents strongly agreed and 39.9% agreed with the statement that "Oyo State Internal Revenue Board has clear guidelines on tax planning". Meanwhile 39.6% disagreed, and 3.0% strongly disagreed, resulting in a mean score of 2.72. This distribution indicates that while a combined 57.5% of respondents agree or strongly agree that OSIRS has clear tax planning guidelines, a significant 42.6% disagree or strongly disagree. For the statement "ICT provides Oyo State Internal Revenue Board with information to plan tax collection," 6.8% strongly agreed 22.0% agreed while 60.4% disagreed and 10.7% strongly disagreed, yielding a mean score of 2.25. The overwhelming disagreement (71.1%) highlights a critical shortfall in leveraging ICT for informed tax collection planning in Oyo State.

Furthermore, 20.5% strongly agreed, 30.7% agreed while 29.8% disagreed and 19.0% strongly disagreed to the statement "Oyo State Internal Revenue Board uses ICT to update tax planning information to reflect current laws and regulations. This results in a mean score of 2.53. Also, 21.7% respondents strongly agreed, 28.3% agreed, 31.0% disagreed while 19.0% respondents strongly disagreed with the statement "The tax planning process of Oyo State Internal Revenue Board is straightforward and easy to understand due to the use of ICT", resulting in a mean score of 2.53. This division suggests that while ICT may have streamlined certain aspects, it may also have introduced complexities or inconsistencies that hinder overall clarity.

Similarly, the statement "Oyo State Internal Revenue Service has a strategic plan that aligns with state tax objectives" received responses of 20.8% strongly agreed, 29.8% agree, 31.8% disagree, and 17.6% strongly agree, leading to a mean score of 2.54. A combined 50.6% of respondents agree or strongly agree, while 49.4% disagree or strongly disagree. Also, 20.2% respondents strongly agreed, 30.7% agree, 30.7% also disagree, and 18.5% strongly disagreed with the statement "The tax planning team at Oyo State Internal Revenue Service is well-trained and knowledgeable," resulting in a mean score of 2.53. This suggests that while a portion of the team is viewed as well-trained and knowledgeable, there is a significant perception of inadequacy that may affect the effectiveness of tax planning efforts.

In term of stakeholders involvement in tax planning, 15.5% of the respondents strongly agree, 40.5% agree to the statement "Stakeholders are involved in the tax planning process at Oyo State Internal Revenue Service" received. On the other hand, 23.5% disagree and 20.5% strongly disagree resulting in a mean score of 2.51. This indicates a majority support for stakeholder involvement, yet a substantial minority perceives limited or no involvement. For the statement "Oyo State Internal Revenue Service regularly reviews and updates its tax planning strategies," the results showed 19.9% strongly agree, 38.1% agree, while 22.6% disagree and 19.3% strongly disagree, leading to a mean score of 2.59.

The grand mean score across all eight tax planning statements is 2.53. This indicates a moderate overall perception of tax planning practices within OSIRB.

Table 4.4 Descriptive Analysis of Tax Implementation Efficiency in Oyo State

| Implementation | SA | A | D | SD | Mean |
|-----------------------|-----------|----------|----------|-----------|-------------|
|-----------------------|-----------|----------|----------|-----------|-------------|

| | | | | | |
|----------------------------------------------------------------------------------------------------------|----------------|----------------|----------------|---------------|-------------|
| The process for filing taxes is efficient and user-friendly. | 77 (22.9%) | 148 (44.0%) | 100 (29.8%) | 11 (3.3%) | 2.87 |
| Oyo state internal revenue Service provides adequate support during the tax filing process. | 132 (39.3%) | 165 (49.1%) | 39 (11.6%) | -- | 3.28 |
| The online tax filing system is reliable and easy to use. | 89 (26.5%) | 192 (57.1%) | 49 (14.6%) | 6 (1.8%) | 3.08 |
| Tax payers receive timely updates and reminders about tax deadlines. | 100 (29.8%) | 192 (57.1%) | 41 (12.2%) | 3 (.9%) | 3.16 |
| Oyo state internal revenue Service effectively communicates changes in tax laws and procedures. | 59 (17.6%) | 167 (49.7%) | 100 (29.8%) | 10 (3.0%) | 2.82 |
| Oyo State Internal Revenue Service provides clear instructions for tax filing procedures. | 79 (23.5%) | 140 (41.7%) | 103 (30.7%) | 14 (4.2%) | 2.85 |
| Taxpayers can easily access support services through multiple channels (online, phone, in-person). | 79 (23.5%) | 147 (43.8%) | 46 (13.7%) | 64 (19.0%) | 2.72 |
| The feedback mechanism for taxpayers is effective and leads to improvements in the tax filing process. | 77 (22.9%) | 150 (44.6%) | 42 (12.5%) | 67 (19.9%) | 2.71 |
| Oyo State Internal Revenue Service has contingency plans to handle disruptions in the tax filing process | 123 (36.6%) | 200 (59.5%) | 11 (3.3%) | 2 (.6%) | 3.32 |
| Grand Mean | | | | | 2.98 |

Source: Field Survey (2024)

Table 4.4 provides a descriptive analysis of the efficiency of tax implementation processes in Oyo State, focusing on respondents' perceptions across various aspects of the tax filing process. The results show that 22.9% respondents strongly agree, 44.0% agree while , 29.8% disagree, and 3.3% strongly disagree that the process for filing taxes is efficient and user-friendly" received resulting in a mean score of 2.87. This suggests that while the process is generally seen as effective, there are still significant challenges that

some taxpayers face, possibly related to complexity or accessibility. The response to the second statement "Oyo State Internal Revenue Service provides adequate support during the tax filing process" indicates 39.3% strongly agree, 49.1% agree, and 11.6% disagree, yielding a mean score of 3.28 which indicates that the support services are effective and well-regarded by the taxpayers.

In term of reliability and ease of use of the online tax filing system 26.5% strongly agree, 57.1% agree, while 14.6% disagree, and 1.8% strongly disagree that the online tax filing system is reliable and easy to use," resulting in a mean score of 3.08. Furthermore, 29.8% strongly agree, 57.1% agree, while 12.2% disagree, and 0.9% strongly disagree, leading to a mean score of 3.16 suggesting that the OSIRS effectively communicates important information to taxpayers. Also, respondents evaluating the statement "Oyo State Internal Revenue Service effectively communicates changes in tax laws and procedures" showed 17.6% strongly agree, 49.7% agree, 29.8% disagree, and 3.0% strongly, resulting in a mean score of 2.82. suggesting that there is room for improvement in the clarity, frequency, or reach of communication regarding changes in tax laws and procedures.

In term of clarity of instructions majority of the respondents agreed as shown by 23.5% who strongly agree and 41.7% who agree that Oyo State Internal Revenue Service provides clear instructions for tax filing procedures". On the other hand, 30.7% disagree and 4.2% strongly disagree, resulting in a mean score of 2.85 indicating that a significant portion of taxpayers may struggle with understanding the procedures, potentially due to complexity or unclear communication. For the statement "Taxpayers can easily access support services through multiple channels (online, phone, in-person)," the results show

that 23.5% of respondents strongly agreed, 43.8% agree, 13.7% while 19.0% of the respondents disagreed leading to a mean score of 2.72. With 67.3% agreement, there is a general satisfaction with the accessibility of support services, although the 32.7% disagreement reflects that some taxpayers may find it challenging to access support, possibly due to limitations in the availability or effectiveness of certain channels.

The result for the statement "The feedback mechanism for taxpayers is effective and leads to improvements in the tax filing process" show that 22.9% strongly agree, 44.6% agree, 12.5% disagree, and 19.9% strongly disagree, resulting in a mean score of 2.71. In addition, 36.6% strongly agree, 59.5% agree, 3.3% disagree, and 0.6% strongly disagree, resulting in a mean score of 3.32. The high mean score suggests strong confidence in the OSIRB's preparedness to manage disruptions, reflecting well-developed contingency plans that ensure continuity in tax filing processes even in unforeseen circumstances.

Overall, the grand mean score across all nine statements is 2.98, indicating a generally positive perception of tax implementation efficiency within the OSIRS. The scores suggest that most taxpayers find the tax filing process to be efficient, user-friendly, and well-supported by reliable online systems and effective communication channels.

Table 4.5 Descriptive Analysis of Tax Compliance Efficiency in Oyo State

| Tax Compliance | SA | A | D | SD | Mean |
|-----------------------------------------------------------------------------------------------------|----------------|----------------|---------------|--------------|-------------|
| Oyo state internal revenue board ensures that all taxpayers comply with tax regulations. | 101 (30.1%) | 144 (42.9%) | 76 (22.6%) | 15 (4.5%) | 2.99 |
| Oyo state internal revenue Service can easily apply the penalties for non-compliance with tax laws. | 136 (40.5%) | 181 (53.9%) | 13 (3.9%) | 6 (1.8%) | 3.33 |

| | | | | | |
|----------------------------------------------------------------------------------------------------------------|----------------|----------------|---------------|-------------|-------------|
| Oyo state internal revenue Service is able to take relevant actions against tax evaders. | 162 (48.2%) | 165 (49.1%) | 8 (2.4%) | 1 (.3%) | 3.45 |
| Oyo state internal revenue Service provides adequate support to help taxpayers remain compliant with tax laws. | 99 (29.5%) | 162 (48.2%) | 66 (19.6%) | 9 (2.7%) | 3.04 |
| Oyo State Internal Revenue Service conducts regular awareness campaigns on tax compliance. | 164 (48.8%) | 165 (49.1%) | 5 (1.5%) | 2 (.6%) | 3.46 |
| The penalties for non-compliance are well-publicized and understood by taxpayers. | 102 (30.4%) | 209 (62.2%) | 25 (7.4%) | -- | 3.23 |
| Oyo State Internal Revenue Service collaborates with other agencies to enforce tax compliance. | 94 (28.0%) | 168 (50.0%) | 68 (20.2%) | 6 (1.8%) | 3.04 |
| Taxpayer education programs are regularly conducted to ensure understanding of tax obligations. | 136 (40.5%) | 193 (57.4%) | 7 (2.1%) | -- | 3.38 |
| Grand mean | | | | | 3.24 |

Source: Field Survey (2024)

Table 4.5 presents a descriptive analysis of tax compliance efficiency within the Oyo State Internal Revenue Board (OSIRS). The results presented in the table show that 30.1% of the respondents strongly agree and 42.9% agree that "Oyo State Internal Revenue Service ensures that all taxpayers comply with tax regulations". However, 22.6% (disagree and 4.5% strongly disagree resulting in a mean score of 2.99 indicating that there are areas of improvement. On penalising noncompliance, 40.5% strongly agree and 53.9% agree that "Oyo State Internal Revenue Service can easily apply the penalties

for non-compliance with tax laws,". However, 3.9% of respondents disagree and 1.8% strongly disagree resulting in a mean score of 3.33.

The response to the statement; "Oyo State Internal Revenue Service is able to take relevant actions against tax evaders" saw 48.2% strongly agree, 49.1% agree, 2.4% disagree, and 0.3% strongly disagree, leading to a mean score of 3.45. Also, in response to the statement "Oyo State Internal Revenue Service provides adequate support to help taxpayers remain compliant with tax laws," 29.5% strongly agree, 48.2% agree, 19.6% disagree and 2.7% strongly agree, the mean score was 3.04. Similarly, 48.8% strongly agree, 49.1% agree, 1.5% disagree, and 0.6% strongly disagree that Oyo State Internal Revenue Service conducts regular awareness campaigns on tax compliance leading to a mean score of 3.46.

For the statement "The penalties for non-compliance are well-publicized and understood by taxpayers," 30.4% (102 respondents) SA, 62.2% (209 respondents) A, 7.4% (25 respondents) D, with no SD responses, leading to a mean score of 3.23. The combined agreement of 92.6% indicates that the penalties for non-compliance are well-communicated and generally understood, which is critical for ensuring that taxpayers are aware of the consequences of non-compliance.

The results also show that 28.0% strongly agree, 50.0% agree, 20.2% disagree, and 1.8% strongly disagree that "Oyo State Internal Revenue Service collaborates with other agencies to enforce tax compliance". This item has a mean score of 3.04. In addition, 40.5% strongly agree, 57.4% agree, and 2.1% disagree, that "Taxpayer education programs are regularly conducted to ensure understanding of tax obligations" resulting in a mean score of 3.38.

Overall, the grand mean score across all eight statements is 3.24, indicating a generally positive perception of tax compliance efficiency within the OSIRS. The high mean scores suggest that the OSIRS is seen as effective in ensuring compliance, applying penalties, and conducting awareness campaigns, with strong support for taxpayer education.

Table 4.6 Descriptive Analysis of Tax Monitoring Efficiency in Oyo State

| Tax Monitoring | SA | A | D | SD | Mean |
|--------------------------------------------------------------------------------------------------------------|----------------|----------------|----------------|---------------|-------------|
| Oyo state internal revenue board is able to monitors tax compliance effectively. | 108 (32.1%) | 146 (43.5%) | 69 (20.5%) | 13 (3.9%) | 3.04 |
| Oyo state internal revenue Service can easily conduct accurate tax audits with the use of ICT | 93 (27.7%) | 136 (40.5%) | 40 (11.9%) | 67 (19.9%) | 2.76 |
| Oyo state internal revenue Service uses modern technology for effective tax monitoring. | 95 (28.3%) | 135 (40.2%) | 41 (12.2%) | 65 (19.3%) | 2.77 |
| Oyo state internal revenue Service provides transparent and detailed reports on tax monitoring activities. | 114 (33.9%) | 144 (42.9%) | 69 (20.5%) | 9 (2.7%) | 3.08 |
| Oyo State Internal Revenue Service uses data analytics to identify non-compliant taxpayers. | 110 (32.7%) | 129 (38.4%) | 75 (22.3%) | 22 (6.5%) | 2.97 |
| The process for conducting tax audits is transparent and consistent. | 139 (41.4%) | 187 (55.7%) | 5 (1.5%) | 5 (1.5%) | 3.37 |
| Tax monitoring systems are regularly updated to incorporate new technologies and methodologies. | 155 (46.1%) | 175 (52.1%) | 6 (1.8%) | -- | 3.44 |
| Oyo State Internal Revenue Service has a feedback system for taxpayers to report issues with tax monitoring. | 57 (17.0%) | 112 (33.3%) | 100 (29.8%) | 67 (19.9%) | 2.47 |
| Grand Mean | | | | | 2.99 |

Source: Field Survey (2024)

Table 4.6 presents a descriptive analysis of tax monitoring efficiency within the Oyo State Internal Revenue Service (OSIRS), based on respondents' perceptions. The responses to the statement "Oyo State Internal Revenue Service is able to monitor tax compliance effectively" show that 32.1% of the respondents strongly agree, 43.5% agree, 20.5% disagree, and 3.9% strongly, with a mean score of 3.04. For the statement "Oyo State Internal Revenue Service can easily conduct accurate tax audits with the use of ICT," 27.7% strongly agree, 40.5% agree, 11.9% disagree, and 19.9% strongly disagree. The mean score was 2.76. In addition, 28.3% strongly agree, 40.2% agree, 12.2% disagree, and 19.3% strongly disagree with the statement that "Oyo State Internal Revenue Service uses modern technology for effective tax monitoring" garnered, resulting in a mean score of 2.77.

In response to "Oyo State Internal Revenue Service provides transparent and detailed reports on tax monitoring activities," 33.9% strongly agree, 42.9% agree, 20.5% disagree, and 2.7% strongly disagree, resulting in a mean score of 3.08. Also, the statement "Oyo State Internal Revenue Service uses data analytics to identify non-compliant taxpayers" saw 32.7% strongly agree, 38.4% agree, 22.3% disagree, and 6.5% strongly disagree, leading to a mean score of 2.97. The statement "The process for conducting tax audits is transparent and consistent" received the highest mean score of 3.37, with 41.4% strongly agree, 55.7% agree, 1.5% disagree, and 1.5% strongly disagree.

In response to "Tax monitoring systems are regularly updated to incorporate new technologies and methodologies," 46.1% strongly agree, 52.1% disagree, and 1.8% strongly disagree, the mean score was 3.44. The Table also show that 17.0% strongly agree, 33.3% agree, 29.8% disagree, and 19.9% strongly disagree with the statement

"Oyo State Internal Revenue Service has a feedback system for taxpayers to report issues with tax monitoring". This item has the lowest mean score of 2.47. This lower score indicate that the feedback system may not be as effective or accessible as needed, representing a critical area for improvement.

The grand mean score across all eight statements is 2.99, indicating a generally positive perception of tax monitoring efficiency within the OSIRS, albeit with several areas for improvement.

4.3 Presentation of Hypotheses

H₀₁ Tax technology has no significant effect on planning in Oyo State Board of Internal Revenue

Table 4.7 Summary of Regression Analysis on the Influence of e-Tax Filling on Tax Administration in Oyo State Internal Revenue Service

Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1 | .292 ^a | .185 | .182 | .52386 |

a. Predictors: (Constant), e-Tax Filling

b. ANOVA^a

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|-------|------------|----------------|-----|-------------|--------|-------------------|
| 1 | Regression | 8.488 | 1 | 8.488 | 30.930 | .000 ^b |
| | Residual | 91.384 | 333 | .274 | | |
| | Total | 99.872 | 334 | | | |

a. Dependent Variable: Tax Administration

b. Predictors: (Constant), e-Tax Filling

Coefficients^a

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|-------|---------------|-----------------------------|------------|---------------------------|--------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 2.115 | .147 | | 14.407 | .000 |
| | e-Tax Filling | .317 | .057 | .292 | 5.561 | .000 |

a. Dependent Variable: Tax Administration

Table 4.7 presents the results of regression analysis on the influence of e-tax filling on tax administration in Oyo State internal revenue service. The model summary presents an R value of .292, indicating a moderate positive influence e-tax filling and on tax administration. The R Square value of .185 suggests that approximately 18.5% of the improvement in tax planning can be explained by e-tax filling.

The ANOVA results further support the significance of this relationship, with a F value of 30.930 and a significance level of .000. This indicates that the overall model is statistically significant, and that e-tax filling has a significant effect on tax administration. The low p-value confirms that the observed relationship between e-tax filling and tax administration is unlikely to be due to chance.

In terms of the coefficients, the unstandardized coefficient (B) for e-tax filling is .317, with a standard error of .057. The standardized coefficient (Beta) is .292, and the t-value is 5.561 with a significance level of .000. This indicates that e-tax filling has a positive and significant impact on tax administration, where a one-unit increase in the application of tax technology is associated with a .317 increase in tax planning effectiveness. Overall,

the analysis demonstrates that the use of tax technology is a significant predictor of tax planning effectiveness in the Oyo State Board of Internal Revenue, meaning that the null hypothesis tax filling has no significant effect on tax administration in Oyo State Board of Internal Revenue is rejected.

H₀₂ Online tax Registration Has No Significant Influence on Tax administration in Oyo State Internal Revenue Service

Table 4.8 Summary of Regression Analysis on the Influence of Online Tax Registration has no Significant Influence on Tax administration in Oyo State Internal Revenue Service

Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1 | .597 ^a | .357 | .355 | .43927 |

a. Predictors: (Constant), Online Tax Registration

a. Dependent Variable: Tax Technology

ANOVA^a

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|-------|------------|----------------|-----|-------------|---------|-------------------|
| 1 | Regression | 35.618 | 1 | 35.618 | 184.593 | .000 ^b |
| | Residual | 64.254 | 333 | .193 | | |
| | Total | 99.872 | 334 | | | |

a. Dependent Variable: Tax administration

b. Predictors: (Constant), Online Tax Registration

Coefficients^a

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|--------------------------------|------------------------------------|-------------------|----------------------------------|----------|-------------|
| | B | Std. Error | Beta | | |
| (Constant) | .757 | .161 | | 4.715 | .000 |
| Online Tax Registration | .725 | .053 | .597 | 13.587 | .000 |

Dependent Variable: Tax Administration

Table 4.8 presents the summary of regression analysis on the influence of online tax registration and effective tax administration in the Oyo State Internal Revenue Service. The model summary reveals a strong positive correlation between online tax registration and tax administration, with an R value of .597. The R Square value of .357 indicates that 35.7% of the variance in tax administration effectiveness is explained by online tax registration by the Oyo State Internal Revenue Service. The adjusted R Square value of .355 confirms that this relationship remains robust when accounting for the number of predictors.

The ANOVA results further solidify the significance of this relationship, with a high F value of 184.593 and a significance level of .000. This demonstrates that the model is statistically significant, confirming that tax technology has a significant effect on implementation. The extremely low p-value confirms that the association between tax technology and tax implementation is not due to random chance.

In the coefficients table, the unstandardized coefficient (B) for tax implementation is .725, with a standard error of .053. The standardized coefficient (Beta) is .597, and the t-value is 13.587 with a significance level of .000. These results indicate that tax administration

is significantly and positively impacted by online tax registration. Specifically, a one-unit increase in online tax registration is associated with a .725 increase in tax administration efficiency.

Overall, the analysis demonstrates that online tax registration is a substantial predictor of tax administration effectiveness within the Oyo State Internal Revenue Service. The findings provide strong evidence against the null hypothesis, leading to the rejection of the null hypothesis (H02) that online tax registration has no significant effect on Tax administration in Oyo State Internal Revenue Service.

H03 E-tax Payment System Has No Significant Effect on Tax Administration in Oyo State Board of Internal Revenue

Table 4.9 Summary of Regression Analysis on the Influence of E-tax Payment System on Tax Administration in Oyo State Internal Revenue Service

Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|--------------|-------------------|-----------------|--------------------------|-----------------------------------|
| 1 | .240 ^a | .158 | .155 | .53162 |

a. Predictors: (Constant), E-tax Payment System

ANOVA^a

| Model | Sum of Squares | df | Mean Square | F | Sig. |
|-------------------|-----------------------|-----------|--------------------|----------|-------------------|
| Regression | 5.758 | 1 | 5.758 | 20.375 | .000 ^b |
| Residual | 94.114 | 333 | .283 | | |
| Total | 99.872 | 334 | | | |

a. Dependent Variable: Tax Administration

b. Predictors: (Constant), E-tax Payment System

Coefficients^a

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|-----------------------------|------------------------------------|-------------------|----------------------------------|----------|-------------|
| | B | Std. Error | Beta | | |
| (Constant) | 1.788 | .251 | | 7.114 | .000 |
| E-tax Payment System | .348 | .077 | .240 | 4.514 | .000 |

a. Dependent Variable: Tax Administration

Table 4.9 shows the regression results on the influence of e-tax payment system on tax administration within the Oyo State Internal Revenue Service, a regression analysis was conducted. The model summary shows a moderate positive correlation between e-tax payment system and tax administration, with an R value of .240. The R Square value of .058 indicates that 15.8% of the variance in tax administration is explained by e-tax payment system, suggesting a relatively modest explanatory power. The adjusted R Square value of .155 aligns closely with the R Square, reinforcing the consistency of this relationship.

The ANOVA table confirms the statistical significance of this model, with an F value of 20.375 and a significance level of .000. These results provide strong evidence that e-tax payment system has a significant effect on tax administration of the Oyo State internal revenue service, suggesting that the relationship observed is not due to random variation.

The coefficients table further elaborates on the nature of this relationship. The unstandardized coefficient (B) for e-tax payment system is .348, with a standard error

of .077. The standardized coefficient (Beta) is .240, and the t-value is 4.514 with a significance level of .000. This indicates that e-tax payment system positively and significantly affects tax administration, where a one-unit increase in e-tax payment system application is associated with a .348 increase in tax compliance.

In summary, while the influence of tax compliance on tax technology is not as strong as seen with other factors, it is still statistically significant. The findings demonstrate that tax compliance plays a role in the effectiveness and adoption of tax technology within the Oyo State Internal Revenue Service. Therefore, the null hypothesis is rejected,

H₀₄ Tax technology has no significant effect on tax administration in Oyo State Internal Revenue Service

Table 4.10 Summary of Regression Analysis on the Influence of Tax Technology on Tax Administration in Oyo State Internal Revenue Service

Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1 | .129 ^a | .051 | .042 | .54742 |

a. Predictors: (Constant), Tax Technology

ANOVA^a

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|-------|------------|----------------|-----|-------------|------|-------------------|
| 1 | Regression | .082 | 1 | .082 | .273 | .602 ^b |
| | Residual | 99.791 | 333 | .300 | | |

| | | |
|-------|--------|-----|
| Total | 99.872 | 334 |
|-------|--------|-----|

a. Dependent Variable: Tax Administration

b. Predictors: (Constant), Tax Technology

Coefficients^a

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|----------------|-----------------------------|------------|---------------------------|--------|------|
| | B | Std. Error | Beta | | |
| (Constant) | 2.815 | .194 | | 14.549 | .000 |
| Tax Technology | .033 | .064 | .029 | .523 | .002 |

Dependent Variable: Tax Administration

The regression analysis conducted to examine the relationship between tax technology and tax administration within the Oyo State Internal Revenue Service. The results reveals that there is a weak and statistically insignificant influence of tax technology on tax administration within the Oyo State Internal Revenue Service. The model summary shows an R value of .129, indicating a very low positive correlation between tax technology and tax administration. The R Square value of .051 implies that only 5.1% of the variance in tax administration is explained by tax technology. The adjusted R Square value of .042 suggests that the model might even slightly overestimate the relationship when adjusting for the number of predictors.

The ANOVA table further highlights the weak relationship between the variables model, with an F value of 0.273 and a significance level of .602. Since the p-value is well above the common threshold of .05, this indicates that the observed relationship between tax technology and tax monitoring is likely due to random chance rather than a meaningful

effect. Therefore, the null hypothesis (H04) that tax technology has no significant effect on monitoring cannot be rejected.

The coefficients table provides additional details on the nature of the relationship. The unstandardized coefficient (B) for tax monitoring is .033, with a standard error of .064. The standardized coefficient (Beta) is .029, and the t-value is 0.523 with a significance level of .002. These values suggest that tax monitoring has a negligible but statistically significant impact on tax technology.

Overall, the analysis clearly demonstrates that tax monitoring has a weak but significant effect on tax technology within the Oyo State Internal Revenue Service. The null hypothesis (H04) is rejected.

H₀₅ E-tax Verification Has No Significant Effect on Tax Administration in Oyo State Internal Revenue Service

Table 4.11 Summary of Regression Analysis on the Influence of E-tax Verification on Tax Administration in Oyo State Internal Revenue Service

Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1 | .428 ^a | .183 | .181 | .49432 |

a. Predictors: (Constant), E-tax Verification

ANOVA^a

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|-------|------------|----------------|-----|-------------|--------|-------------------|
| 1 | Regression | 18.305 | 1 | 18.305 | 74.911 | .000 ^b |
| | Residual | 81.614 | 334 | .244 | | |
| | Total | 99.919 | 335 | | | |

a. Dependent Variable: E-tax Verification

b. Predictors: (Constant), Tax Administration

Coefficients^a

| Model | Unstandardized Coefficients | Standardized Coefficients | t | Sig. |
|--------------------|-----------------------------|---------------------------|-------|------|
| | B | Beta | | |
| (Constant) | .728 | | 2.867 | .000 |
| E-tax Verification | .745 | .428 | 8.655 | .000 |

a. Dependent Variable: Tax Administration

The regression analysis provided in Table 4.11 examines the influence of e-tax verification on tax administration in the Oyo State Board of Internal Revenue. The model summary indicates that the R value is 0.428, which suggests a moderate influence of e-tax verification on tax administration in the Oyo State Internal Revenue Service. The R Square value of 0.183 indicates that approximately 18.3% of the variance in the effectiveness of tax administration is explained by e-tax verification. The Adjusted R Square of 0.181 adjusts for the number of predictors in the model, confirming that the fit of the model is relatively consistent.

The ANOVA results indicate that the overall model is statistically significant, with an F-statistic of 74.911 and a p-value of 0.000. This suggests that e-tax verification significantly influences tax administration in Oyo State Internal Revenue Service.

Furthermore, the coefficient for administrative effectiveness is 0.745, indicating that for every unit increase in application of e-tax verification, there is a corresponding 0.745 unit increase in tax administration. The t-statistic for this coefficient is 8.655, and the p-value is 0.000, showing that this relationship is highly significant.

In summary, the analysis reveals that e-tax verification has a significant positive impact on tax administration in the Oyo State Internal Revenue Service. This means that the null hypothesis stating that tax technology has no significant effect on tax administrative effectiveness in Oyo State Internal Revenue Service

4.4 Discussion of Findings

The study focused on the influence of tax technology on effective tax administration by the Oyo State Internal Revenue Service. The analysis is divided into descriptive (for

research questions) and inferential (for hypotheses). The descriptive analysis indicates a moderate level of technology adoption in tax administration by the Oyo State Internal Revenue Service. This finding aligns with what has been reported in other studies conducted around the world about the adoption of tax technology.

A study has disclosed how developed countries are using big data technology in tax management. Big data analytics uses sophisticated techniques and tools, generally beyond business intelligence, to discover deeper knowledge, make predictions or generate recommendations for effective tax management; including data mining, machine learning, pattern matching, forecasting, visualization, semantic analysis, network and cluster analysis, multivariable statistics, graph analysis, simulation, complex event processing and neural networks¹.

Another study revealed that the OECD has recommended that tax administrations intensify international cooperation for access to massive user data on online platforms. Thus, 19 of 22 countries surveyed in America, Asia Pacific, the Middle East and Africa, use big data tools as part of their taxpayer audit process^{2,3}. In Latin America, new technologies are being used by most tax administrations to introduce regulations related to remote audits in the legal system, through electronic systems⁴. Chile and México are two examples of this. Studies show that online tax audit minimizes face-to-face interactions between taxpayers and inspectors, reducing tax compliance costs and eventually allowing to increase revenues for the government, also contributing to global transparency in automatic information exchange. In the United Kingdom, technological applications are used to better track tax revenues, while the Australian Government is conducting a comprehensive review aimed at strengthening government services⁵.

It is therefore encouraging to learn that Oyo State of Nigeria is making good effort to integrate technology into its operation. However, it must be highlighted from the responses that there is a lot more to do as citizens are not totally satisfied with some aspect of technological innovation in tax administration and how it affects tax administration.

The second research question focus on the effectiveness of tax administration by the Oyo State Board of Internal Revenue. The study also found a high level of tax administration effectiveness as indicated by high mean scores for various dimensions of tax administration such as planning (Mean = 2.53), implementation (Mean = 2.98), compliance (Mean = 3.24), and tax monitoring (Mean = 2.99). The descriptive analysis of tax planning in Oyo State reveals a mixed landscape of perceptions among respondents. While there is some agreement on the presence of clear guidelines, strategic alignment, and stakeholder involvement, these areas are counterbalanced by significant levels of disagreement, indicating inconsistencies and potential gaps in implementation.

The finding on tax implementation efficiency in Oyo State reveals a largely positive perception among taxpayers, with high levels of agreement across most metrics. The findings suggest that the OSIRS has implemented effective processes for tax filing, providing adequate support and reliable online systems. However, there are areas for improvement, particularly in enhancing the clarity of instructions, increasing the accessibility of support services, and making the feedback mechanism more effective. Addressing these issues could further enhance taxpayer satisfaction and compliance, ultimately leading to more efficient and effective tax administration in Oyo State. The grand mean of 2.98 reflects an overall positive outlook but underscores the need for

continuous improvement to maintain and build upon the existing strengths in tax implementation.

The finding on the level of tax compliance efficiency in Oyo State reveals a positive perception among respondents, with high levels of agreement on most metrics. The OSIRS is generally perceived as effective in ensuring compliance, applying penalties, and taking action against tax evaders. Awareness campaigns and taxpayer education programs are particularly well-regarded, contributing to a better understanding of tax obligations and compliance requirements.

However, some areas, such as the perceived adequacy of support for compliance and collaboration with other agencies, received lower agreement levels, indicating potential areas for improvement. Enhancing these aspects could further strengthen the OSIRS's ability to enforce compliance and maintain a high level of taxpayer satisfaction.

The descriptive analysis of tax monitoring efficiency in Oyo State reveals a mixed but overall positive perception among respondents. The OSIRS is seen as generally effective in monitoring tax compliance, using data analytics, and maintaining transparency in audit processes. However, the use of ICT in audits, the effectiveness of modern technology, and the feedback system for tax monitoring received lower ratings, suggesting these areas require attention.

This finding is contrary to what has been reported by related studies in Nigeria. A scholars observed that tax administration in Nigeria is often marred by inefficiencies, including corruption among tax officials, which undermines public trust and compliance. Studies indicate that tax evasion and avoidance are prevalent due to a lack of effective

enforcement and the perception of unfair tax practices⁶. In addition, another study observed that many tax institutions in Nigeria still rely on manual processes, leading to difficulties in data retrieval and increased opportunities for manipulation. The adoption of automated systems is recommended to enhance efficiency and reduce leakages in tax revenue⁷.

In another study, researchers observed that Nigeria's tax base is narrow, with a significant portion of the economy operating outside the tax net. This situation is exacerbated by low compliance rates and a lack of taxpayer education, which further restricts revenue generation. This means that tax planning, monitoring and implementation is generally below average indicating that the current study may have discovered some improvement in tax administration in Nigeria.

The first research hypothesis focused on the influence of e-tax filling on tax administration in Oyo State Internal Revenue Service. The study found a significant influence of e-tax filling on tax administration. This finding is in line with related studies. Scholars also investigated the influence of information technology on tax administration in the southwestern region of Nigeria. An expert revealed that the most suitable approach for planning revenue collection involves utilising a system that integrates spatial and attribute data management capabilities, such as geographical information systems⁸.

In a related study conducted which examined the impact of information technology (IT) on tax productivity, as well as the correlation between IT and tax planning and implementation, the findings revealed that Information Technology (IT), namely through the use of Online Tax Registration, Online Tax Remittance, and Online Tax Filing, had a significant impact on tax productivity⁹.

In a related study conducted by another researcher, the impact of information and communication technologies (ICTs) on modernised tax administration operations and revenue collection in the Taxpayer Department of Revenue Authority in Tanzania was investigated. The study findings, obtained through descriptive research, demonstrated that ICT had a significant impact on the modernization of tax administration operations and revenue collection in the Taxpayer Department of the Revenue Authority in Tanzania. ICT reduced operational expenses by eliminating mail delays, preventing revenue losses, and deterring cheating¹⁰.

Another Nigerian scholar also examined the impact of ICT on Tax Administration in Nigeria. The study conducted a comprehensive analysis of the efficacy of ICT in tax administration. The research findings uncovered the extent to which ICT is useful for the fundamental functions of a tax administration in Nigeria. The results indicated that Information and Communication Technology (ICT) had a positive and motivating effect on tax administration. However, the study was conducted as a trial in Nigeria without the use of numerical analysis, and its scope is restricted to the year 2013¹¹. Similarly, a researcher conducted an empirical inquiry on the impact of ICT on accounting practice (AP). The findings revealed a positive, robust, and statistically significant link between AP and ICT. Investing in power infrastructure is a necessary requirement for organisations to fully utilise the potential of information and communication technology (ICT)¹².

The second research hypothesis focused on the influence of online tax registration on tax administration in Oyo State Internal Revenue Service. The finding also revealed a significant influence of online tax registration on tax administration in Oyo State Internal

Revenue Service. This finding is also in line with what has been reported in related studies. A researcher reported that the implementation of information technology in tax administration was intended to streamline record maintenance, ensure prompt access to information, expedite return processing, eliminate postal delays, reduce operating expenses, prevent fraudulent activities, and address revenue losses¹³. Another related study examined the influence of tax administration on government revenue in Nigeria, focusing on the context of a developing economy. The study's findings indicate that the increase in tax revenue is directly linked to the effectiveness of the enforcement strategy, which falls solely under the responsibility of the tax administration. Additionally, the findings highlight the lack of enforcement machinery in Nigeria, including insufficient manpower, computers, and an effective postal and communication system. Nevertheless, the study did not propose feasible strategies for Nigeria to enhance its tax enforcement apparatus. As a result, the report lacks explicit practical ramifications for tax professionals¹⁴.

A related study conducted by a group of scholars focuses on the challenges and potential of tax administration. The findings indicate that factors such as limited public knowledge, inadequate training, unfavourable working conditions, inadequate compensation, and a lack of motivational incentives contribute to the low collection of tax revenue¹⁵. The study suggests the necessity of hiring skilled and knowledgeable personnel with expertise in accounting and tax discipline.

The third research hypothesis focuses on the influence of e-tax payment system on Tax administration in Oyo State Internal Revenue Service. The finding shows that e-tax payment system has a significant influence on tax administration in Oyo State Internal

Revenue Service This finding corresponds to what has been reported in other systems. A previous study in Oyo State similarly found that ICT significantly and statistically positively affects Oyo State's ability to generate tax income. ICT is a very powerful weapon that increases the state's revenue from taxes. Government should prioritize digital taxation by implementing excellent ICT governance standards and providing assigned tax authorities with a comprehensive accounting platform. This will increase the authorities' productivity in a more precise, efficient, and responsible way¹⁶. A related study also found that the use of online tax systems has an impact on the level of tax compliance among small taxpayers¹⁷. There is a connection between information systems and the efficiency and effectiveness of revenue collection. Additionally, they found a strong positive relationship between Internal Control Systems and revenue collection.

The fourth research hypothesis examine the influence of tax technology on effective tax administration in Oyo State Internal Revenue Service. The study found that values suggest that tax monitoring has a negligible but statistically significant impact on tax technology. This finding is supported by related studies why it also contradicts other studies. A study by scholars from Bells University, Nigeria focused on the impact of ICT on tax administration in Nigeria. According to the study's findings, electronic tax filing only considerably affected Nigeria's oil tax collection; non-oil tax revenue and overall government tax revenue were unaffected¹⁸.

This study investigated the influence of E-Taxation on the revenue and economic growth of Nigeria. The study empirically analyzed the impact of implementing E-taxation in 2015 on Tax Revenue, Federally Collected Revenue, and Tax-to-GDP ratio. The study's findings indicate that the introduction of electronic taxes in Nigeria has not resulted in

any improvements in tax revenue, federally collected revenue, or the tax-to-GDP ratio. Nevertheless, the results indicated a notable decline in both Federally Collected Revenue and Tax-to-GDP ratio following the implementation of e-taxation. Furthermore, the implementation resulted in a fall in Tax Revenue, but the observed change in means was not statistically significant. It was suggested that the federal government, specifically the Federal Inland Revenue Services, should organize additional educational workshops in all 36 states of the country to enhance awareness and understanding of the many technological services available on their platform⁶².

Another study investigated the influence of E-Taxation on the management of taxes in Nigeria. Similar to the findings of the current study, the study concluded that e-taxation has not considerably improved the ease of paying taxes in Nigeria. The variable E - Taxation has a negative influence (-0.129) on the Processing time of Tax Returns and Assessment. However, the study reported that tax technology has contributed to a reduction of 12.9% in the processing time of tax returns and assessment¹⁹.

The fifth hypothesis focused on the influence of e-tax verification on tax administration by Oyo State Internal Revenue Board. The finding revealed that -tax verification has a significant effect on tax administration by Oyo State Internal Revenue Board. However, a study revealed that tax technology has a negative impact (-0.032) on the Ease of Paying Taxes in Nigeria. However, the study reported that tax technology has contributed to a reduction of 12.9% in the processing time of tax returns and assessment. The study suggested that taxpayers should receive training on how to make electronic tax payments, particularly with the recently adopted TaxPro Max. Additionally, it advised that the e-tax system be regularly evaluated to enhance its efficiency²⁰.

The role of tax technology in effective tax administration was also explored in other countries. In a study titled "Effects of Electronic Tax System on Tax Collection Efficiency in Domestic Taxes Department of Kenya Revenue Authority (KRA), Rift Valley Region," researchers found that tax technology has positive influence on tax administration. However, the level of employee competence had a strong impact on the efficiency of tax collection. In addition, the resolution of E-Tax concerns expressed by taxpayers was unsatisfactory, and the management of the Kenya Revenue Authority (KRA) as well as other staff in different departments showed only limited support for the E-Tax system²¹.

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Chapter Five

Conclusion

5. 1 Summary of Findings

This study examines the transformative role of technology in enhancing the tax administration processes of the Oyo State Internal Revenue Service (OIRS). The findings are systematically presented according to the objectives outlined in the research, offering insights into the efficiency and challenges of tax planning, implementation, compliance, monitoring, and the overall impact of technology.

1. The study reveals that tax planning in Oyo State is moderately effective, with clear limitations in adopting advanced technologies. Traditional methods continue to dominate planning efforts, resulting in inefficiencies in forecasting and aligning tax strategies with the dynamic economic environment. While there are efforts to incorporate digital tools, such measures remain underutilized, hampering the ability to develop proactive and strategic tax frameworks. These gaps in tax planning undermine the capacity of the OIRS to adapt to rapid changes in policy or taxpayer behavior.
2. Technological adoption has positively influenced tax implementation in Oyo State, especially in areas such as tax assessment, documentation, and processing. These systems have streamlined operations, significantly reducing human error and administrative delays. However, the study identifies infrastructural gaps, insufficient training of personnel, and bureaucratic red tape as persistent barriers. These factors limit the full realization of the benefits technology offers in implementation

efficiency. Furthermore, taxpayer feedback suggests that inconsistent enforcement of regulations and occasional technical glitches further impede the system's overall effectiveness.

3. The research highlights a moderate level of tax compliance efficiency, attributable to the convenience and reliability offered by digital systems. Automation has reduced manual errors and enabled easier access to services, fostering a culture of compliance among taxpayers. Despite these improvements, several factors still affect compliance rates. Key challenges include limited public awareness of the benefits of compliance, occasional distrust in the tax system, and technical issues such as system downtimes. These issues discourage certain taxpayer segments from fully engaging with the tax system.
4. Tax monitoring is a critical component of administration, and the study found moderate success in this area due to the application of technology. E-audit systems and real-time monitoring tools have improved transparency and enhanced the accuracy of tax audits. However, the study also uncovers deficiencies in data integration and predictive analytics capabilities, which hinder comprehensive monitoring efforts. These gaps prevent the OIRS from fully leveraging available technologies to detect and address non-compliance effectively.
5. Tax technology has a demonstrable impact on the planning processes within OIRS. It facilitates more accurate data collection, better decision-making, and improved efficiency in aligning tax policies with economic goals. However, the lack of advanced analytics tools and inconsistent stakeholder engagement diminishes its full potential. The study emphasizes the need for a more strategic and widespread

adoption of technological solutions in tax planning to strengthen policy formulation and implementation.

6. The study finds that online tax registration is a key driver of administrative efficiency in Oyo State. The ease of access and user-friendly platforms have encouraged a significant number of taxpayers to register through online channels, thereby simplifying the registration process and reducing administrative burden. This system has also contributed to increased compliance and taxpayer satisfaction. Nonetheless, there are opportunities to further optimize the system, such as addressing accessibility challenges faced by rural and technologically underserved populations.
7. E-tax payment systems are found to have a positive impact on tax administration, fostering convenience, timeliness, and security in payment processes. Taxpayers report a high level of satisfaction with the reliability of these systems. However, concerns about cybersecurity risks and limited payment options for certain demographics remain areas of concern. The study suggests that broader adoption of alternative payment methods, such as mobile money, could further enhance the reach and effectiveness of e-tax payment systems.
8. The implementation of e-tax verification systems has significantly improved administrative transparency and reduced fraudulent practices. These systems enable the OIRS to verify taxpayer information quickly and accurately, fostering trust and compliance among taxpayers. This positive impact underscores the importance of maintaining and upgrading verification systems to ensure continued effectiveness.

9. The study concludes that the combined application of tax technologies in Oyo State has led to notable improvements in revenue generation, transparency, and administrative efficiency. However, the uneven integration of these technologies across different domains limits the full realization of their potential. Some areas of tax administration continue to rely on manual processes, highlighting the need for a more holistic and strategic approach to technological adoption.

5.2 Conclusion

This study investigated the role of tax technology in enhancing tax management and administration in Nigeria, particularly within the Oyo State Internal Revenue Service. The findings indicate a moderate level of technology adoption, with tools in place for e-tax filing, verification, notification, and payment. While tax administration in the country is generally effective, tax planning remains the weakest component, though still significant. The study's results show that tax technology significantly influences key areas such as tax planning, implementation, and compliance, which are all crucial for a functional and efficient tax system. However, it was also found that tax technology has no significant influence on tax monitoring, indicating areas that need further attention.

5.3 Recommendations

Based on the findings, the study provides detailed recommendations tailored to each of the research objectives. These suggestions aim to address identified gaps, optimize the use of technology and enhance the overall effectiveness of tax administration in Oyo State.

1. To improve tax planning, it is essential for OIRS to invest in advanced data analytics tools that can process large volumes of taxpayer data and generate actionable insights.

These tools should be integrated into strategic planning processes to enable accurate forecasting and policy alignment. Capacity-building programs must be introduced to equip staff with the skills necessary to utilize these technologies effectively. Additionally, fostering collaboration with policymakers and stakeholders will ensure that tax planning processes are inclusive and adaptable to changing economic conditions.

2. The efficiency of tax implementation can be significantly improved by upgrading digital infrastructure to support seamless operations. The OIRS should prioritize eliminating redundant bureaucratic processes that slow down implementation. Regular training sessions for tax officials will ensure they are well-versed in using technological tools, reducing errors and enhancing service delivery. Simplifying procedural requirements and establishing clear guidelines for taxpayers will further contribute to implementation efficiency.
3. To bolster compliance, the OIRS should expand its taxpayer education programs. These programs should focus on building public awareness about the benefits of compliance and addressing misconceptions about the tax system. Providing a transparent mechanism for handling taxpayer concerns and grievances can foster trust and encourage voluntary compliance. Technical issues in digital systems must also be addressed to ensure uninterrupted access to tax services.
4. Advanced monitoring tools, such as artificial intelligence and machine learning systems, should be introduced to enhance the OIRS's ability to predict and prevent non-compliance. Interoperability between databases is critical to enable comprehensive data analysis and improve monitoring accuracy. Transparency in

audit processes and real-time feedback mechanisms will further encourage voluntary compliance while strengthening the enforcement capabilities of the tax authority.

5. To fully leverage technology in tax planning, OIRS should adopt innovative tools like machine learning models for predictive analysis and policy development. Regular stakeholder engagement sessions should be conducted to align planning efforts with taxpayer needs and expectations. By fostering a participatory approach, the agency can create tax policies that are more responsive and effective.
6. Online tax registration systems should be further simplified to remove barriers to access, particularly for rural and underserved populations. Multilingual support and mobile-friendly platforms can help bridge the digital divide, encouraging more taxpayers to register online. Introducing incentives, such as reduced registration fees or faster processing times, will further promote the adoption of online registration.
7. To address cybersecurity concerns, the OIRS should invest in robust security protocols and regular system audits to protect taxpayer data. Expanding payment options, including mobile money and alternative digital payment channels, will cater to diverse taxpayer needs and enhance the inclusivity of the system. Collaborations with financial institutions can ensure that payment systems remain reliable and accessible to all.
8. E-tax verification systems must be regularly updated to incorporate the latest technological advancements and address emerging challenges. Public awareness campaigns should highlight the benefits of these systems in ensuring fairness and transparency. Regular stakeholder feedback should be incorporated into system updates to maintain their relevance and effectiveness.

9. A centralized digital platform that integrates all aspects of tax technology, from registration to compliance, should be established to ensure seamless operations. This platform must be user-friendly and scalable to accommodate future advancements in technology. A phased approach to adoption will enable consistent implementation and allow for periodic assessments to refine the system. Continuous monitoring and evaluation will guide improvements, ensuring the sustainability and success of technological interventions.

5.4 Contribution to Knowledge

This study has made significant contributions to knowledge which can be outlined in term of conceptual theoretical and empirical contributions. The study has made empirical contributions by exploring the relationship between tax technology and the effectiveness of tax administration in Nigeria, particularly focusing on the Oyo State Internal Revenue Service. In doing this, the study offers data-driven insights into how technology adoption affects overall tax system efficiency. The findings contribute to the body of knowledge by confirming that technology plays a significant role in tax administration, especially in planning, compliance, and implementation.

This study also make conceptual contributions to knowledge by refining the understanding of tax technology's role in the tax management process. It develops a unique conceptual framework that connects tax technology adoption to various components of tax administration—planning, implementation, compliance, and monitoring. By linking these components with technological innovations, the study broadens the conceptualization of tax technology, not only as a tool for automation but as a comprehensive system that can shape and enhance the operational efficiency of tax

authorities. The study adds to the conceptual discourse on digital governance, positioning tax technology as a key enabler of effective tax administration.

From a theoretical perspective, this study advances the application of technology adoption theories, such as the Unified Theory of Acceptance and Use of Technology Model (UTAUT) and the Diffusion of Innovations Theory, in the domain of tax administration. The findings support the idea that technological innovations can significantly impact organizational processes, such as tax planning and compliance, reinforcing the validity of these theories in the context of public finance.

5.5 Suggestions for Further Study Topics

Future researchers can explore the following topics;

1. Exploring the Role of Data Analytics in Enhancing Tax Planning and Monitoring
2. Barriers to Effective Adoption of Tax Technology in Developing Countries
3. Impact of Training and Capacity Building on Tax Compliance and Technology Usage

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Appendix 1

Questionnaire

**Lead City University, Ibadan
Faculty of Management and Social Sciences
Department of Management and Accounting .**

Dear Respondent,

We crave your indulgence to elicit information on an academic research titled: Tax Technology and Tax Administrative Effectiveness in Oyo State Service of Internal Revenue Ibadan, Oyo state. Through the filling of this questionnaire, we promise that all the information provided will be solely used for academic purpose. Thanks for your honest response.

Yours faithfully,

Section A

1. Gender: Male () Female ()
2. Age: 20-30 years (), 31-40 years, 41-50 years (), 51 years and above ()
3. Experience: 1-4 years (), 5-9 years (), 10-15 years (), 16 years and above

Section B: Application of ICT in Tax Management

| | Tax Technology | SA | A | D | SD |
|----|------------------------------------------------------------------------------------|-----------|----------|----------|-----------|
| 1. | There is an option of e-tax filing in Oyo State. | | | | |
| 2. | Residents of Oyo State can complete tax registration online. | | | | |
| 3. | The Oyo State Internal Revenue Service has an effective e-tax payment platform. | | | | |
| 4. | The Oyo State Internal Revenue Service has an effective e-tax verification system. | | | | |
| 5. | The Oyo State Internal Revenue Service provides digital receipts for tax payments. | | | | |
| 6. | Taxpayers can access their tax records online through a secure portal. | | | | |

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| 7. | The Oyo State Internal Revenue Service offers online support and resources for tax-related inquiries. | | | | |
| 8. | The use of ICT has reduced the time required for tax processing in Oyo State. | | | | |
| 9. | The Oyo State Internal Revenue Service uses mobile applications to facilitate tax payments. | | | | |
| 10. | There are regular updates and maintenance of the e-tax platforms to ensure smooth operation. | | | | |

Section C: Tax Administration Effectiveness Questionnaire

| | Planning | SA | A | D | SD |
|-----|---------------------------------------------------------------------------------------------------------------------------------|-----------|----------|----------|-----------|
| 11. | Oyo state internal revenue Service has clear guidelines on tax planning. | | | | |
| 12. | ICT provides Oyo state internal revenue Service with information to plan tax collection. | | | | |
| 13. | Oyo state internal revenue Service use ICT to updates tax planning information to reflect current laws and regulations. | | | | |
| 14. | The tax planning process of Oyo state internal revenue Service is straightforward and easy to understand due to the use of ICT. | | | | |
| 15. | Oyo State Internal Revenue Service has a strategic plan that aligns with state tax objectives. | | | | |
| 16. | The tax planning team at Oyo State Internal Revenue Service is well-trained and knowledgeable. | | | | |
| 17. | Stakeholders are involved in the tax planning process at Oyo State Internal Revenue Board. | | | | |
| 18. | Oyo State Internal Revenue Service regularly reviews and updates its tax planning strategies. | | | | |
| | Implementation | | | | |
| 19. | The process for filing taxes is efficient and user-friendly. | | | | |
| 20. | Oyo state internal revenue Service provides adequate support during the tax filing process. | | | | |
| 21. | The online tax filing system is reliable and easy to use. | | | | |

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| 22. | Tax payers receive timely updates and reminders about tax deadlines. | | | | |
| 23. | Oyo state internal revenue Service effectively communicates changes in tax laws and procedures. | | | | |
| 24. | Oyo State Internal Revenue Service provides clear instructions for tax filing procedures. | | | | |
| 25. | Taxpayers can easily access support services through multiple channels (online, phone, in-person). | | | | |
| 26. | The feedback mechanism for taxpayers is effective and leads to improvements in the tax filing process. | | | | |
| 27. | Oyo State Internal Revenue Service has contingency plans to handle disruptions in the tax filing process | | | | |
| | Tax Compliance | | | | |
| 28. | Oyo state internal revenue Service ensures that all taxpayers comply with tax regulations. | | | | |
| 29. | Oyo state internal revenue Service can easily apply the penalties for non-compliance with tax laws. | | | | |
| 30. | Oyo state internal revenue Service is able to take relevant actions against tax evaders. | | | | |
| 31. | Oyo state internal revenue Service provides adequate support to help taxpayers remain compliant with tax laws. | | | | |
| 32. | Oyo State Internal Revenue Service conducts regular awareness campaigns on tax compliance. | | | | |
| 33. | The penalties for non-compliance are well-publicized and understood by taxpayers. | | | | |
| 34. | Oyo State Internal Revenue Service collaborates with other agencies to enforce tax compliance. | | | | |
| 35. | Taxpayer education programs are regularly conducted to ensure understanding of tax obligations. | | | | |
| | Tax Monitoring | | | | |
| 36. | Oyo state internal revenue Service is able to monitors tax compliance effectively. | | | | |
| 37. | Oyo state internal revenue Service can | | | | |

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| | easily conduct accurate tax audits with the use of ICT | | | | |
| 38. | Oyo state internal revenue Service uses modern technology for effective tax monitoring. | | | | |
| 39. | Oyo state internal revenue Service provides transparent and detailed reports on tax monitoring activities. | | | | |
| 40. | Oyo State Internal Revenue Service uses data analytics to identify non-compliant taxpayers. | | | | |
| 41. | The process for conducting tax audits is transparent and consistent. | | | | |
| 42. | Tax monitoring systems are regularly updated to incorporate new technologies and methodologies. | | | | |
| 43. | Oyo State Internal Revenue Service has a feedback system for taxpayers to report issues with tax monitoring. | | | | |

Bio-data

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This is to certify that this thesis by **Olayemi Saheed OGUNBODE** with Matric Number LCU/PG/003182 in the Department of Management and Accounting, Faculty of Management and Social Sciences, Lead City University, Ibadan, is in FULL compliance with the approved university format and style.