

**Tax Revenue and Infrastructural Development of Health Sector in Nigeria**

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Accounting**

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## Certification

This is to certify that Abayomi Oluwaseun ADELEYE with the matriculation number LCU/PG/002127 carried out this research work titled “Tax Revenue and Infrastructural Development of Health Sector in Nigeria” in the Department of Management & Accounting, Faculty of Management & Social Sciences, Lead City University Ibadan, Oyo State, Nigeria for the award of Master of Science Degree (MSc) in Accounting and has not been previously submitted.

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## **Dedication**

This research work is dedicated to God Almighty.

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## Acknowledgement

I give profound gratitude to God Almighty for His mercies, protection, and for sustaining me throughout the duration of this programme. To the great institution that provides the platform for this degree program, Lead City University, I am forever grateful for giving me the opportunity to study this course and to consolidate on my academic success.

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Even though the above-mentioned institutions and persons have assisted in the process of this research work, I alone stand responsible for the errors, if any, found in the work.

## Abstract

A nation's healthcare infrastructure is a cornerstone of its socioeconomic development and the well-being of its citizens. In the case of Nigeria, a nation known for its diverse and dynamic landscape, the provision of accessible and high-quality healthcare services presents an ever-pressing challenge. Against the backdrop of a rapidly growing population and an ever-evolving healthcare landscape, the ability of the government to fund and enhance the healthcare system becomes paramount. Hence, this study examined the impact of tax revenues collected by the federal government of Nigeria on infrastructural development of the health sector. The study adopted an ex post facto research design. The data required for the study was obtained from secondary sources through relevant federal government agencies such as CBN Statistical Bulletin, Federal Inland Revenue Services (FIRS). Tax revenue collected from CIT, PPT, EDT, and VAT sources from 2013 to 2021 made up the population of the study. Sample size consists of all tax revenue collected between 2013 and 2021 because, most of the data last update (like FIRS) was 2021. The findings from the descriptive analysis showed that average level of inflation rate in Nigeria for the period under study (2013-2021) is approximately 12.4% which is relatively high. The hypothesis showed that the expenditure on Health Infrastructural Development has positive relationship with company income tax (CIT), Petroleum Profit Tax (PPT), Value Added Tax (VAT) and has a non-significant positive relationship with Education Tax (EDT). The study therefore concluded that the that petroleum profit Tax (PPT) and Company Income Tax (CIT) and Value Added Tax (VAT) are the only three taxes that significantly influences the development healthcare infrastructure in Nigeria while Education Tax do not significantly influence health care infrastructural development in the country. The study recommended that effective, efficient and transparent structure of collection should be encouraged to support the contribution of these taxes to transparently spending these funds generated on health care development in a manner that will improve the nations Heath facilities and also adequate and transparent revenue should be generated through Value Added Tax (VAT).

**Keywords:** Federal Government, Health Sector, Infrastructural Development, Nigeria, Tax Revenues

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## List of Acronyms

### Abbreviation Meaning

AE	Advanced Economies
BOJ	Best of Judgment
CAMA	Companies and Allied Matters Act
CBN	Central Bank of Nigeria
CGT	Capital Gains Tax
CHEW	Community Health Extension Workers
CIT	Company Income Tax
CIT	Company Income Tax
CITA	Companies Income Tax Act
EDT	Education Tax
EM	Emerging Markets
EPZ	Export Processing Zones
ETF	Education Tax Fund
FIRS	Federal Inland Revenue Services
FTZ	Free Trade Zones
GDP	Gross Domestic Product
GFCF	Gross Fixed Capital Formation
IGR	Internally Generated Revenue
IMF	International Monetary Fund
LIDC	Low-income Developing Countries
MAN	Manufacturers Association of Nigeria
MDG	Millennium Development Goals
NCCIMA	National Chamber of Commerce, Industry, Mines and Agriculture
NCS	Nigeria Customs Service

NITDL	National Information Technology Development Levy
OECD	Organization for Economic Cooperation and Development
PIT	Personal Income Tax
PIT	Personal Income Tax
PPT	Petroleum Profits Tax
PPTA	Petroleum Profit Tax Act
RGDP	Real Gross Domestic Product
SD	Stamp Duties
SIRS	State Internal Revenue Service
SOC	Social Overhead Capital
TIN	Taxpayer Identification Numbers
US	The United States
VAT	Value Added Tax
WHT	Withholding Taxes

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