

**Tax Audit, Tax Investigation and Revenue Generation in Oyo State**

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Faculty of Management and Social Sciences,  
Lead City University, Ibadan, Oyo State, Nigeria**

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Certification

This is to certify that Kamil Abiodun Moradeyo with matriculation number LCU/PG/001743 carried out this research work titled "Tax Audit, Tax Investigation and Revenue Generation in Oyo State" in the Department of Management and Accounting, Faculty of Management and Social Sciences, Lead City University, Ibadan, Oyo State, for the award of Master Degree (M.Sc.) in Accounting.

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Dedication

This research work is dedicated to God Almighty.

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## Acknowledgement

I want to express my sincere gratitude to the management of the Lead City University, Ibadan for providing me with the opportunity and requisite training to carry out this research.

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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.

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## Abstract

In recent years, tax audits and investigations have been a prevalent topic of discussion in Nigeria. The increase in government operating costs, coupled with the government's desire to address the infrastructure deficit and the social needs of its citizens, has left various governments with little choice but to develop measures to boost their revenue base. The Theory of Reasoned Action (TRA) and Benefits Theory of Taxation serves as the theoretical backbone. The descriptive survey design method was used in this research work. The population consist of 9800 staffs at the Federal Inland Revenue Service. Taro Yamane formula was adopted to arrive at 384 sample size. The simple random sampling technique was use to distribute a well-structured questionnaire to the respondents. The data was analysed using descriptive and influential statistics. The findings revealed that tax auditors' proficiency, integrity and competence, desk tax audit, field tax audit and back duty tax correlates with revenue generation in Nigeria at 0.375, 0.261, 0.331 and 0.202 which are positive all correlations. This means that tax auditors' proficiency, integrity, desk tax audit, field tax audit and back duty tax influences revenue generation in Nigeria and the relationships was statistically significant at the  $p = .001$  level ( $F=10.738$ ,  $P<0.05$ ). The study concludes that Tax is an important source of government revenue. As such, the government must adopt strategies that will promote a sustainable level of tax revenue and avoid leakages that will defer government developmental projects. It is therefore recommended that the Tax audit should be carried out on a routine basis to serve as a check and a preventive tool for tax evasion and revenue generation

**Keywords:** Auditors, Integrity, Tax Audit, Tax Investigation, Revenue Generation

**Word Count:** 269

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## List of Acronyms

<b>Abbreviation</b>	<b>Meaning</b>
ARDL	Autoregressive Distributed Lag
CAC	Corporate Affairs Commission
CAMA	Companies and Allied Matters Act
CBN	Central Bank of Nigeria
CGT	Capital Gains Tax
CITA	Companies Income Tax Act
CITN	Chartered Institute of Taxation of Nigeria
CPA	Certified Public Accountants
FIRS	Federal Inland Revenue Service
FMOLS	Fully Modified Least Square
GDP	Gross Domestic Product
IGR	Internally Generated Revenue
MPTPs	Mandatory Professional Training Programmes
NBS	National Bureau of Statistics
NCS	Nigeria Custom Service
OECD	Organization for Economic Cooperation and Development

OLS	Ordinary Least Square Regression
PITA	Personal Income Tax Act
SD	Stamp Duties
SEM	Structural Equation Modeling
SIRSs	State Inland Revenue Services
SMEs	Small and Medium-sized Enterprises
SPSS	Special Package for Social Sciences
TAXREV	Tax Revenue
VAT	Value Added Tax
WHT	Withholding Tax

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