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PREDICTING TAX COMPLIANCE STRUCTURE AND LENS OF TAX REVENUE MOBILIZATION PARADIGM IN NIGERIA.

BY
Nwaiwu, J.N.
Department Of Accounting, Faculty of Management Sciences,
University of Port Harcourt, Choba Port Harcourt.
Email: johnsonnwaiwu@gmail.com

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Abstract:

The contributions of companies income tax to any economy globally cannot be overemphasized. Apart from the revenue function of performs for the government, it has been observed over the years in Nigerian economy that the taxes derived from companies has been grossly understated due to the improper administration of Nigeria tax system. In the collection and assessment of companies in any fiscal year, Companies are known to be evading tax which is criminal in nature and also avoiding tax due to various loopholes in the tax laws. Non-compliance with tax rules and regulations has been a bottle neck which is the key factor in the effectiveness in the management of Nigerian tax system. The aim of this research is to empirically analyze and predict tax compliance structure and lens of companies income tax paradigm in Nigeria. data on different types tax compliance structure and companies income tax from 1981-2021 were collected from the world bank data index, central bank of Nigeria statistical bulletin, National Bureau of Statistics and Federal Inland Revenue Service pro-mass. Descriptive statistics, ordinary least square regression analysis, unit root test, Johansen co-integration, error correction model and granger causality test were used in analyzing the data. The empirical results indicate that pay payer education significantly relate to companies income tax. No insignificant relationship was shown to exist among legal support, tax payer service, technology adoption, law enforcement and companies income tax. We concludes that tax compliance structure relate to tax revenue generation paradigm and recommends that government should promote strong fiscal responsibility and transparency in governance to encourage voluntary compliance to tax payments and urgently implement the national tax policy and fight the endemic corruption in Nigeria.

Keywords: Tax Payer Education, Legal Service, Companies Income Tax, Tax Revenue Generation and Tax Compliance

INTRODUCTION

Tax revenue mobilization as a source for financing developmental activities has been a different issues primarily because of various forms of resistance, such as evasion(Amina & Sniy, 2018; Yonas, 2018; Yong, Lo, Frundenberg & Sawyer, 2019; Patrick & Kirinya, 2019; Maithya, Abdul & Sang, 2020), avoidance(Kessy, 2019; Mamudu & Gayouwi, 2019) and other forms of corrupt practices (Oginni, El-Mande, Mohammed & Onith, 2022). These activities are considered as sabotaging the economy and are readily presented as part of the reasons for present stale of underdevelopment in Nigeria(Okete, Nwamgbebe, Nkwede & Graekwueta, 2021). Governmental exists in order to effectively collect taxes from available economic resources and make use of same to create economic prosperity such that available and willing manpower and other resources are gainfully employed Aliyi & Bakare, 2019; Nwaiwu, 2022), infrastructures provided(Ayo, 2017; Gandy, Igbanito, Uzu-Ahunaya 2017), essential public services (Gandy, Iybanibo & Uzo-Ahumaya, 2017; James & Moses, 2022) are put in place among others(Okee & Isoso, 2022). Tax therefore is one of the major sources of government revenue and thus, an essential feature of government income structure and a component of government fiscal policy thrust(Amos, John & Eric, 2019; Nwaiwu, 2022). The serious decline in price of oil in recent years has led to a decrease in the funds available for distribution to federal and state governments(Niway & Wondwossen). The need for state and local governments to generate adequate revenue from internal sources has therefore become a matter of extreme urgency and importance. This need underscores the eagerness of revenues or to become aggressive and innovative in the mode of collecting revenue for existing sources (Olaoye & Awe, 2018; Nwaiwu, 2022).

Aguolu (2004); Nwaiwu (2021) stated that through taxes may not be the most important source of revenue to government in terms of the magnitude to revenue desirable from taxation, however, taxation is the most important source of revenue to the government, from the point of view of the certainty and consistency of taxation. Onuoha and Daln(2016), Nwaiwu(2022) further mentioned that taxation is the most important source of revenue mobilization to the government (Abiola, 2016; Abudul & Wong'ombe, 2018). Owning to the inherent power of the government to impose taxes, the government assured at all times of its tax revenue not matter the circumstances (Akpa & Ohaka, 2017; Adeboye, Alao-Owma & Egharegbu, 2018). In both developed and developing economies (Allingham & Jandmo, 1972; Abadejebi, 2018), the primary purpose of taxation is mainly to generate revenue for provision of social amenities and the welfare of the populace (Alm & Mckee, 1998; Alode, Abiola & Afolabi, 2020). Taxes are used as an instrument of economic regulations for the purpose of discouraging and encouraging certain forms of certain behavior (Okafor, 2012; Alm & Torgler, 2006; Nwaiwu, 2022). The imposition of tax by the government is not a new phenomenon. There is hardly any government today that does not rely on taxes as a source of national income. However, apart from the major complications that have crept into the tax system in recent times, the reason for the imposition of tax, infact, ceased to be only for the generation of revenue for the state, it has also become the avenue for the redistribution of wealth and re-adjustment of the economy(Alm & Targler, 2006; Alm, Kirchler & Muchlbacher, 2012; Amah & Nwaiwu, 2018; Alm, Sanchez & Juan, 2020).

Raising a sufficient amount of tax revenue is essential for all countries, developed as well as developing (Amina & Saniya, 2015; Andreonier, Erarol & Feinstein, 2018; Nwaiwu, 2022). Success in taxation to a large extent depends on tax compliance(Azaka, 2015; Anyam, 2016; Bandara & Wearasooriyao, 2019). Tax compliance can be problematic because it reflects the willingness of taxpayers to meet their tax obligations in line with applicable regulations, within the broader context of government performance and the functioning of public finance systems (Chigbu, Aknwudike, Appah, 2019; Nwaiwu, 2022). In this context, the willingness to comply depends on conditions of vertical reciprocity (i.e. the relationship between taxpayers and government in terms of taxes paid and government out consumed) and horizontal reciprocity(i.e. the relationship between taxpayers especially in term of equity). Disharmonious vertical and horizontal relationship can have a negative impact on tax compliance(Brooks, 2014; Ezejiofor, Olise & Emmanuel, 2020; Fashina, Adeyhite & Olowookere, 2021). Although this is true for all countries (Eriksen & Falloh 2016; Hite & Hasseldime, 2021), this is especially true for developing countries. Complexity of the system, high compliance costs, tax loopholes and exceptions that are perceived as unjust (Ibrahim & Alkai, 2020; IMF, 2021; James, 2021), lack of integrity of tax officials due to poor salary structures (IMF, 2019; Jamel & Michael, 2021; Nwaiwu, 2022), insufficient law enforcement (Kirchler, Hoelzl & Wahl, 2018), poor governance performance on the expenditure side (James, 2014; Jamel, 2021), and corruption are examples of features of public finance systems in developing countries that make tax compliance especially bothersome (Mansfield, 1987; Burgess & Stern, 1993; Laurence, 1999; Taye, 2000; You, 2000; Islam, 2001; Bird, 2004; Jamel & Michael, 2021).

As a developing country, Nigeria also has a significant problem with tax compliance, resulting specifically from the gap perceived by taxpayers between the public goods needed and the public goods – actually provides by the states. This condition is exacerbated by tax corruption involving both taxpayers and tax officials. As a consequence, the trust of taxpayers in government and in the tax system is generally low, and so is tax compliance. This is reflected by the low capability of government to collect taxes from society, as measured by the tax ratio (Liu, 2013; Ladi & Henry, 2015; Le, 2016; Mohammed, 2015; Albilla, Abjire, Atindara & Ayinpoya, 2019). Given its low tax ratio, it is not surprising that tax compliance and more generally the performance of the tax system have received much attention in Nigeria.

An extensive literature, largely empirical, has been done towards predicting tax compliance structure and through the lens of companies income tax paradigm of developing economies; see for examples Amina and Sawyer (2019), Patrick and Kirinya (2019), Maithiya, Abdul and Sany (2020), Jamel and Michael (2021), Okere and Isoso (2022), Nwaiwu (2023) of this selected referenced studies Patrick and Kirinya (2019 Abdul and Sang (2020 Okere and isoso (2022) documented that tax compliance relate to tax revenue generation. Suggesting therefore that companies income tax contribute to compliance. Other analysis by Sniy (2018), Yong, LO, Focendenbery and Sawyer (2019) find a negative association between tax compliance and tax revenue generation while empirical studies such as Ezejiofor, Olise and Emmanuel (2020), Verborn and Dijke (2021) provides strong and insignificant to the general view that tax compliance are important determinant of companies income tax. Tanzi and Zee (2020), Nwaiwu and Ironkwe (20210 reached a similar conclusion using panel data for a sample 20 countries over the period of 1970-2011. As seen from the evidence presented by Okafor (2012), Oyelele (2019), Olaoye, Ashaolu and Adewoye (2019) tax compliance are not on the whole contribution. In the few empirical studies that have focused on developing economies, Nwaiwu and Benevolio (2022) finds that movement sin tax compliance can be explained by tax policies and political instability, while earlier studies in Nigerian data by Mohammed (2015), Mehari, Abdulmojeez and Posh (2017) yielded mixed and conflicting results on the predicting tax compliance structure and tax revenue mobilization relationship. This paper undertakes a further investigation of this relationship.

The rest of this paper is structured as follows after the introduction. Section two provides the review of related literature with hypotheses development while section three deals with the study methodology. The empirical result findings and discussion are presented in section four, while section five provides the concluding remark and recommendations, limitation and suggestion for further studies.

LITERATURE REVIEW AND HYPOTHESES VERIFICATION

Theoretical Framework

The theoretical framework is generally seen as a bedrock on which knowledge is constructed for research work. It provides a platform for understanding and guiding the discussions that underlie the study. In this study, the following theories formed a platform on which the empirical study is placed.

Fiscal Exchange Theory

The proponents of the fiscal exchange theory assert that the occurrence of expenditures by the government a recipe to encourage greater adherence to tax obligations and that state can enhance voluntary submission by availing amenities that people favor in a highly effective and manageable fashion (Cowell & Gordon 1988; Levi 1988; Tilly 1992; Moore 2004; 1998). Alm et al., (1992) noted that tax compliance rises with (perceptions of) the abundance of goods and services of public interest. Accordingly, taxpayers majorly look at the direct benefit for using their resources to pay tax; this may be through provision of public goods and services (quid pro quo). This model interprets the process of taxation and the provision of goods and services of public interest in the form of a contractual connection that binds the government through its tax management authority and the tax paying agents (Moore 2004). Citizens of a country and organizations may voluntarily honor their tax obligations because they appreciate the benefits of the amenities availed by the state, they recognize that their tax remittances are significant by either helping to fund provision of public utilities that include goods and services or by motivating other citizens to voluntarily participate in tax payment (Fjeldstad &Semboja, 2001). The anticipated progressive rewards or incentives are likely to enhance the possibility of voluntary compliance by the taxpayers; this will be with minimal or zero coercion. Irrespective of the fact that a number of taxpayers may not be able to determine the actual benefit of the provisions by the government as rewards for their tax payment commitment, it is possible to be able to argue that taxpayers elicit overall impressions and feelings with respect to their own and others' improved conditions of exchange with their state (Richupan,1987). Therefore, it is significant to have a general assumption that taxpayer attitude towards tax compliance is influenced by his/her fulfillment or failure to achieve fulfillment with regard to his/her conditions of interaction with the state. Finally, when the regime of taxation is seen as being unfair and unjust, fraud may, at least partly, be viewed as a concerted effort by the tax paying agent to alter his conditions or preference to transact with the government. This fiscal exchange principle has attracted great interest as a center of focus and is satisfactorily developed theoretically. Empirical prove necessary to authenticate the theory is, however, unclear (D'Arcy 2011).

Regulatory Compliance Theory

Regulatory compliance theory was first proposed in the 1970s when the relationship between compliance with rules was compared to compliance with best practice standards and outcome data. The theory of regulatory compliance (TRS) deals with the importance and significance of complying with rules or regulations. This theory has implications for all rule, regulatory, standards development throughout human service and economic domains. It emphasis on selecting the right rules rather than having more or less rules and the nature of this rules as being significantly predictive of positive outcomes by being in compliance with said rules.

The compliance theory provides justification for the empirically established behavior of the tax controllers to institute concurrently numerous, heterogeneous target (Jayapalam, 2018). Empirical studies confirm the possibility of having a combination of physical, psychological and normative targets taking effect on compliance and non-compliance tendencies. In particular, a regulate could be focusing on enhancing his profitability, safeguard self from any anticipated loss, derive pleasure, and respond in an appropriate manner, all at once (Karingi, etal 2015). However, Machagu and Amayi (2013) believe that the theories advocating for voluntary compliance rely only on one kind of these motives. Particularly, the rational actor theories of compliance, assume and fail to account for a substantial portion of the empirical certainty, the way a number of experimental studies have concluded.

Erick (2007) believes that individuals who have advanced compliance theories often perceive compliance as "planned" and not as an "automatic", response. In an attempt to concur with the Weberian approach to describing behaviour, compliance proponents regard goal-oriented responses as approximate indications of satisfaction for realistic response processes. This assumption has merited a number of intuitive analyses. To date, important concerns are unexplained, consequently, this has had a limiting effect on the uninterrupted growth of the compliance model. Two of them call for attention (Valeria, 2004). To start with, the compliance theory needs to provide justification for the empirically established behavior of the tax controllers to institute concurrently numerous, heterogeneous targets (Jayapalan, 2003). Empirical studies confirm the possibility of having a combination of physical, psychological and normative targets taking effect on compliance and noncompliance tendencies. In particular, a regulatee could be focusing on enhancing his profitability, safeguard self from any anticipated loss, derive pleasure, and respond in an appropriate manner, all at once (Karingi et al., 2005). However, Machogu and Amayi (2013) believe that the said targets may not necessarily translate into a generally accepted standard for utility. Therefore, the theories advocating for voluntary compliance rely only on one kind of these motives, particularly the rational actor theories of compliance, assume and fail to account for a substantial portion of the empirical certainty, the way a number of experimental studies have concluded.

Fiscal Psychology Theory

This theory of tax compliance assumes that psychological factors including moral and ethical concerns are also important to taxpayers. Among these theories is the Theory of Planned Behavior which was developed by Ajzen in 2011.This theory is a successor to the Theory of Reasoned Action of Fishbein and Ajzen (2005), Ajzen and Fishbein (2000) and Ajzen (2008). This theory tries to explain human behavior. According to this theory, behaviors of the individuals within

the society are under the influence of definite factors, originate from certain reasons and emerge in a planned way. The ability to perform a particular behavior depends on the fact that the individual has a purpose towards that behavior (behavioral intention). Behavioral intention in turn depends on three factors that is Attitude towards the behavior, Subjective norms and Perceived behavioral control. These three factors are also under the influence of behavioral beliefs, normative beliefs and control beliefs. The focus of this theory therefore is on the taxpayer's morals and ethics. The theory suggests that a taxpayer may comply even when the probability of detection is low. As opposed to the economic theories that emphasize on increased audits and penalties as solutions to compliance issues, psychological theories lay emphasis on changing individual attitudes towards tax systems.

Conceptual Framework

The key concepts of the study are briefly discussed in this sub. Section, specifically, the concepts of tax revenue generation, tax compliance expenditure and its measures, together with the justification for the proxies used are provided.

Conceptual framework is a written or visual presentation that "explains either graphically, or in narrative form, the main things to be studied, the key factors, concepts or variables and the presumed relationship among them (Miles; 1999; Nwaiwu 2021). It can also be defined as a set of broad ideas and principles taken from relevant fields of enquiry and used to structure a subsequent presentation (Wong & Wai-Yee 2015; Nwaiwu& Joseph, 2021). The figure 2.1 below shows the conceptual framework depicting the relationship between company income tax prediction with tax compliance in Nigeria.

Tax Revenue Generation Mobilisation Paradigm

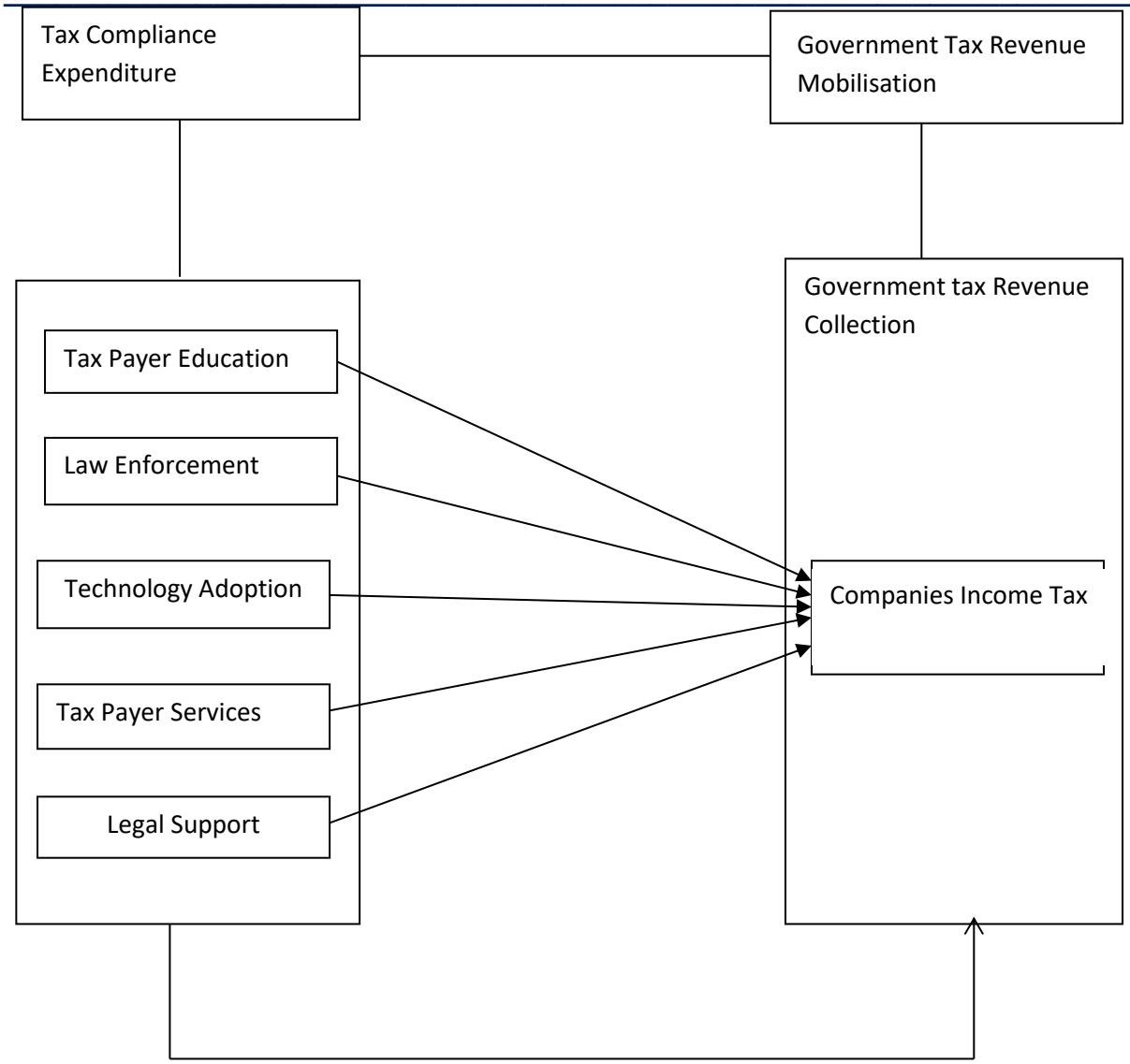
Tax revenue is one of the major sources of revenue to government and for financing the government expenditures in term of programmes and infrastructural developments. Alaaray, Mohammed and Bastaman (2018), countries depend on revenue generated from taxes to fund and support government expenditures as highlighted in the annual budget. In both developed and developing economy, taxes are seen as a major sources of revenue and ranked high in developed countries like France, Norway, Untied Kingdom (UK), United State of Americans, Weden and others (Ofurum, Amaefule, Okonya and Amaefule, 2018). In a developed economy such as USA, report according to organization for Economic Cooperation and Development (OECD), 2017) stipulated that taxes accounted for50 percent of all government revenues for the past decade while Ofurumetal., (2018), reported that in line with the USA revenue budget for 2018, taxes accounted for higher percentage of the revenue generated by the USA government as highlighted in the 2018 annual budget performance.

Companies Income Tax

The current enabling law that governs the collection of taxes on profits made by companies operating in Nigeria excluding companies engaged in petroleum exploration activities is companies' income tax Act, 1990. This tax is payable for each year of assessment of the profits of any company at a rate of 30%. Ola (2004) companies' income tax administration in Nigeria does not measure up to appropriate standards. He further said that company income tax is a major source of revenue in Nigeria but non-compliance with laws and regulations by tax payers is deep in the system because of weak control. There is the need for a general tax reforms in the Nigerian company income tax system. Ogbonna and Appah (2016) defined company income tax as a tax imposed on the profit of companies accruing in, derived from, brought into or received in Nigeria in respect of any trade or business, rent, premium, dividends, interest, loyalties and any other source of annual profit. Chigbu and Njoku (2015) denote that company income tax is a tax on profit made by companies. Company income tax was introduced in Nigeria in 1961 and administered by the federal inland revenue service. Since enactment, the law on CIT has passed through series of amendment and the rate of CIT varies according to operation and size of turnover per annum.

Tax Compliance Expenditure

It is a requirement that all tax management authorities focus their attention on attainment optimum compliance. This implies that overall adherence to taxation laws and regulations should be maximum. To achieve this, authorities have allocated a substantial amount of resources, consequently, a lot of caution should be taken when making decisions on the mode and through which the assigned resources will be used to realize the most superior result as far as enhanced compliance with the revenue collection rules are concerned. One of the major issues that has a close relationship with compliance to the tax requirements, is the fundamental question of determining the priorities for adherence response and the particular activities to be undertaken (Jamel & Michael, 2021). The main objective and concern of any tax administration, is raise the taxes and other levies expected to be paid with regard with established policy and carry out this process in a way that is bound to develop and nurture sustainable trust in the tax regime and its management. Adherence to tax obligations is a critical issue to many tax agents. To persuade taxpayers to conform to the tax regulations is also another demanding task that is not easy to achieve owing to the fact that tax laws are complex, rigid and never precise (James & Alley, 2014).The concept of compliance to taxation requirements in the simplest form possible is often perceived in terms of the extent to which tax paying agents conform with the taxation rules (James, 2019).However, in concurrence with other similar concepts, compliance is always considered to have a range of explanations. One particular dimension fronted and popularly accepted is that the extent of failure to comply may be determined in relation to the „tax gap". This describes the deviation between the actual tax income raised and the levels projected to be raised if conformity to tax regulations were 100% (James, 2019).



Source: Tax Compliance Expenditure (Ibrahim, 2015), Company Income Tax (Ayorinde, 2018), Taper Education (Ofishe, 2015; Nwaiwu, 2023), Law Enforcement (Ozele, Ralph, Ma & Alu, 2018), Technology Adoption (Tancheu, 2016), Taxpayer Services (Stoilova & Patunov, 2020), Legal Support (owino, 2019; Hakin, 2020). Figure 1: Operational Framework of tax Compliance Expenditure and company income tax in Nigeria.

EMPIRICAL REVIEW

Jackson and Fred (2022) studied effect of taxpayer education and law enforcement strategies on the level of tax revenue in Kenya. This empirical study sought to establish the effect of taxpayer education on government tax revenue in Kenya. The study is pegged on the fiscal regulatory compliance theory. Revenue data between 1980-2020 were used in the study. Ordinary least square technique (OLS) were employed to establish the long run effect of expenditure on taxpayer education and law enforcement on government tax revenues. The effect of variables were established through analysis and regression analysis. The results indicated a positive and significant effect of tax enforcement strategy on tax revenue in Kenya. The study concluded that taxpayer education strategy and law enforcement strategy affected tax revenue in a positive and significant way. The study recommended that government should continue providing taxpayer education. Further, the government should continue to up its tax compliance enforcement efforts.

Karemera (2022), examined the impact of tax audit on taxpayer's compliance in Rwanda. The aim of this research is to assess the impact of tax audit on tax payers' compliance. Towards the fulfillment of general objectives of the research, the following were specific objectives. To assess the extant to which tax audit helps the tax officials to identify the tax evasion and other tax malpractices. To find out if tax audit help in submission of accurate tax return. To find out whether taxpayers cooperate during tax audit exercise. To examine whether outcome of tax audit help improve taxpayers' compliance. For this study, the researcher applied descriptive analysis using the fact that a descriptive research design is used to describe the data and characteristic about what is being studied. The population under this research consisted of tax auditors totally 113. This study incorporated both quantitative and qualitative research approaches. The stratified sampling technique was used to select 88 respondents to be included in the sample. The main finding of the study include among other; revealed that tax audit towards achieving tax target revenue, that tax audit reduce the problems of tax evasion, that tax payers sod not usually cooperation. With tax audit personnel during the exercise. The Pearson correlation coefficient above reveals that there is a positive moderate relationship between tax audit and tax compliance. Therefore accepted that the hypothesis at tit is shown by the Pearson correlation of 0.673** tested at 0.01 level of significance. Also the correlation shows a gap of 0.327 that needs to be closed by the auditors of Rwanda revenue authority. In concluding, the results not only have the potential to contribute theoretically to public finance but also to the area of institutional performance. the study also recommends that Rwanda revenue Authority auditors should make all possible ways that taxpayers feel comfortable and cooperate during tax auditing exercise and to continue intensify taxpayer education and sensitization programme across the country, it needs to keep strengthening the use of new technologies to case the work of its partners in business.

Oluyombo and Olayinka (2022) Study tax compliance and government revenue growth in Nigeria. The study examines the effects of tax compliance on the growth of government revenue in Nigeria with emphasis on federally collected non-oil revenue. Secondary data were sourced from the Federal Inland Revenue Service Management Bulletin. The data were analyzed using ordinary least square regression. The findings revealed that tax compliance have significant effect on boosting tax revenue generation and that tax default can cause significant variation in government revenue. The variables in the model is significant at the 5% critical level and the regression coefficient reveals that 88.8% of the total variation in revenue is accounted for by tax compliance with other variables in the stochastic term accounting for their remaining 11.2%. It is recommended that Federal Inland Revenue service should open more offices across the federation to increase the case of paying taxes, set performance targets for managers of tax offices and sanction for non-performance, improve on leadership accountability at all levels of government and ensure that tax revenue is transparently utilized so that taxpayers can see the benefits accruable from tax payment and take ownership of public infrastructures.

Abata (2022). Investigate the impact of tax revenue using questionnaire administered on one hundred staff of federal Board of Inland Revenue in Lagos State to determine the effect of tax evasion on Nigeria economy, the relationship between tax policies and social development, and the effect of incompetent tax officials on Nigeria economy. Chi-square tests were used in analyzing data. The study found that tax avoidance is due to low level of income while failure to pay tax is because people don't feel the impact of doing so. The implementation of government budget is usually not successful in Nigeria because of ineffective tax administrative system, while training and development of tax officials in Nigeria because of ineffective tax administrative system, while training and development of tax officials does not significantly affect the generation of tax revenue in Nigeria. The study recommended that notice of tax returns should be supported with hand bills in local languages such as Yoruba, Hausa, Igbo, and other languages as this will enable illiterates perform their civil responsibilities.

Onafowokam and Olalekan (2022) conducted empirical study on tax compliance and government revenue growth in Nigeria. The study examine the tax compliance on growth of government revenue in Nigeria with emphasis on federally collected non-oil revenue secondary data was sourced from the federal inland revenue service management bulletin. The data were analyzed using ordinary least square regression. The findings revealed that tax compliance have significant effect on boosting tax revenue generation an that tax default can cause significant variation in government revenue. The variables in the model is significant at the 5% critical level and the regression coefficient reveals that88.8% of the total variation in revenue is accounted for by tax compliance with other variables in the stochastic term accounting for the remaining 11.2%. it is recommended that federal inland revenue service should open more offices across the federation to increase the ease of paying taxes, set performance targets for managers of tax offices and sanction for non-performance, improve on leadership accountability at all levels of government and ensure that tax revenue is

transparently utilized so that taxpayers can see the benefits accruable from tax payment and take ownership of public infrastructures.

The topic of company income tax prediction with tax compliance in Nigeria ha snot been holistically studied. Although, there have been many empirical studies done on tax compliance, other study don't have an immediate study done to reveal the relationship between tax compliance expenditure and tax revenue generation (Okafor, 2012; Ladi& Henry, 2015; Marange, 2018; Olaode, Aribeha, Ahmoda, Yusa & Alade, 2019; Olaoye, Ashaola & Adewoye, 2019). Beside, although the topic on tax compliance has been exhaustively done in developed countries such as United States of America, Russia, China, United Kingdom, there exist major gap in the Horn Africa and Most importantly in Nigeria, a developing country whose main income comes from oil revenue and taxation since the study don't have any published source for the same. This study aim to full this gap.

Research Question and Hypotheses Verification.

The main research question of this empirical study is a derivative of the foregoing facts, leading to predict a priori a positive relationship between predicting tax compliance structure through the lens of companies income tax paradigm in Nigeria.

RQ1: What is the relationship between predicting tax compliance structure and through the lens of companies income tax in Nigeria?

However, the above research question generated five hypotheses, stated in the null form as thus:

H_{01}: There is no significant relationship between tax payer education and companies income tax.

H_{02}: Law enforcement does not significantly relate to companies income tax.

H_{03}: There is no significantly relationship between technology adoption and companies income tax.

H_{04}: Tax payer services does not significantly relate to companies income tax.

H_{05}: There is no significant relationship between legal support and companies income tax.

Methodology

The study employed an expost facto research design. The study covers a period of twenty-seven (27) years (1981 - 2021). The data for the study were entirely secondary in nature because its design suggested content analysis of data in historical economic events and business transactions which were reported as tax compliance expenditure to justify with tax revenue generation. Such were sourced from the Central Bank of Nigeria Statistical bulletin, and Federal Inland Revenue Service. The choice of secondary data and its sources were based on the fact that they assumed to be reliable, adequate and are assumed to be error free (Nwaiwu, 2015; Nwaiwu& Joseph, 2022).The technical concepts among the study variables are measure operationally for analytical convenience under this subheading. The study will employ proxies in the literature to measure the criterion variable (tax revenue generation) as personal income tax, company income tax, value added tax and petroleum profit tax. These dependent variables depict the adjustments that exist in tax revenue generation due to tax compliance expenditure. It was also employed in some empirical studies (Aladejebi, 2018).Similarly, the explanatory variable (tax compliance expenditure) which is discussed with its dimensions as taxpayer education, law enforcement, technology adoption and taxpayer services respectively(Mbilla, Abiire, Atindaara, Ayimpoya, (2020).

Table 1: Operational Measurement of sub-variables of Company income tax prediction with tax compliance in Nigeria.

Sub-variables	Measurement	Authorities
Taxpayer Education	Taxpayer education/Total expenditure	Mbilla, Abirie and Atindana (2020)
Law Enforcement	Law Enforcement Expenditure/Total Expenditure	Rotimi, Foluso, Abdul-Lateet, Saliu and Muyiwa (2019)
Technology Adoption	ICT Sector Income (Aggregate Income Made from ICT	Adewoye and Olaoye(2007), Olaoye and Kehinde (2017), Oseni (2021)
Taxpayer Service	Taxable Services rendered (ATM)	Ibrahim (2016)
Company income Tax	Revenue collected over a period of a fiscal year.	Osho, Omotayo and Ayorinde (2018)

Model Specification

This study employed the investigative research process. It will be reinforced with three fundamental models arising from theoretical constructs. This study employed personal income tax as a proxy for government tax revenue collection. Accordingly, the empirical model is formulated in a functional form as follows;

$CIT = f(TEDU_t, LEMF_t, TCAD_t, TPSV_t, LPS_t)$ i

Secondly, company income tax will be formulated as a function of this study's explanatory variables as follows;

$CIT = f(TEDU_t, LEMF_t, TCAD_t, TPSV_t, LPS_t)$. ii

Where;

TEDU = Tax payer education

LEMF = Law enforcement

TCAD = Technology adoption

TPSV = Tax payer service

LPS = Legal support

CIT = Company income tax and TEDU, LEMF, TCAD, TPSV, LPS retain their notations in equation. i

Thirdly, the study employed petroleum profit tax as a proxy for government tax revenue collection with valuable results. Accordingly, and in line with the above study, it is proposed that:

$PPT = f(TEDU_t, LEMF_t, TCAD_t, TPSV_t, LPS_t)$. ii

Where; PPT = Petroleum profit tax and TEDU, LEMF, TCAD, TPSV, LPS retain their notations in equations i and ii. For estimation purposes, equations i, ii, and iii are re-written as follows to accommodate the estimation parameters;

$CIT_t = \beta_0 + \beta_1 TEDU_t + \beta_2 LEMF_t + \beta_3 TCAD_t + \beta_4 TPSV_t + \beta_5 LPS_t + \pi_t$ iii

$PPT_t = \varphi_0 + \varphi_1 TEDU_t + \varphi_2 LEMF_t + TCAD_t + \varphi_4 TPSV_t + \varphi_5 LPS_t + \psi_t$ iv

Where;

PIT, CIT and PPT retain their previous notations, α_0, β_0, and φ_0 are the constants for equations iii, iv and v, while α_1-α_5, β_1- β_5, and φ_1- φ_5 are the respective coefficients for TEDU, LEMF, TCAD, TPSV, and LPS for the respective equations iii, iv and v. Further, μ_t, π_t, and ψ_t are the error (stochastic) terms for the estimated equations iii, iv and v respectively.

Methods of Data Analysis

This study will employ various methods of statistical analysis. For the purpose of clarity, the study proposes to proceed with presentation of the following analytical tools;

Stationarity (Unit Root) Test:

Given the specific objectives of this study, unit root tests were conducted on all the study time-series variables in order to ascertain the extent or not, the data could be relied upon for further estimates in order to avoid spurious estimates. Maddala (2007), as well as Gujarati and Porter (2009), spell out the unit root procedure as for a given time series within the differencing framework. However, if the time series are found stationary at levels, i.e. I(0), then there was need for any further differencing. Accordingly, equation 3.7 below provides a general framework for differencing as follows;

$\Delta Y_t = \alpha + \beta_1 + \delta Y_t\text{-}1 + \gamma i \Delta Yt\text{-}i + \varepsilon_t$ vi

Where;

Y is the dependent variable of choice.

α is the slope, while Δ is the first difference operator.

β_i = (for i = 1 and 2) and δi (for i = 1, 2 –δ) are given parameters.

ε equals the stochastic process which is assumed stationary t is the number of lags preferred in t accordance with Akaike criterion in order to ensure that ε_t remains white noise. Accordingly, the resulting hypothetical situations for possible testing arising from equation 3.7 above are;

H0: $\beta_1 = 0$. This implies that there is a unit root. As such, the time series data collected is non-stationary and, HA: $\beta_1 \neq 0$. This implies that there is no unit root in the time series. As such, series is stationary.

Following this, the decision rule for unit root test is that the Augmented Dickey-Fuller (ADF) test statistics should in absolute terms, be higher than all the corresponding McKinnon's critical values at 1%, 5% and 10% levels of significance. Consequently, a rejection of the null hypothesis will for all-time series variables constitute sufficient basis for reliance of the time-series data for subsequent analyses and employment of same for Johansen's co-integration test. However, if the null hypothesis fails to be rejected at first differencing, further differencing will be conducted on the first differenced variants in order to achieve stationarity in accordance with equation vii below:

$\Delta^2 Ÿt = Ÿ\Delta\, Yt\text{-}1 + \beta T + \delta Yt\text{-}1 + \gamma i \Delta Yt\text{-}i + \varepsilon\, t$ Vii

Given this further differencing in equation vii above, the resulting hypotheses for testing will be;

H0: Ÿi = 0, implies the existence of a unit root. Consequently, time series is non-stationary

H0: Ÿi ≠ 0, implies non-existence of a unit root. As such, time series is stationary. However, if stationarity is not achieved at the first and second stages of differencing, either due to fractional integration or the problem of small sample/lower time coverage, then Auto Regressive Distributed Lag Bound (ARDL) test will be employed.

Johansen's Co-integration Test:

This test will be employed to evaluate the extent of the prevailing long-run relationship between each set of the study variables to be employed as expressed in equations i, ii and iii.

Given a time series with assumed stationary disturbances as well as a defined order of integration say n, the set of time series variables are said to be consequently integrated of order n also. Brooks (2009) observed that where a given set of variables prevail, which consist of a minimum of two variables, it necessitates setting up a variance auto regression (VAR) model that equally accommodates the variables in their differenced first forms inclusive of given k lags of the nature k-1 which is associated with a matrix of T-coefficient in nature. Accordingly, Brooks (2009) expressed the nature of Johansen's co-integration within a multivariate framework with a given number of g variables as expressed below in equation 3.8

$$\Delta Y_t = \varepsilon \tau_1 \Delta Y_{t-1} + \ldots\ldots + \tau_{k-1} \Delta Y_{t-k+1} + \pi Y_{t-k} + \varepsilon \quad \text{viii}$$

The decision rule is that the trace statistics value should be higher than the critical value at the 0.05 level.

Equilibrium/Error Correction Estimations:

To evaluate the nature of long-run/short-run relationships that may prevail between the dependent variable in each set of equation and each of the explanatory variables as well as the rate at which the relationship is corrected to equilibrium

in the long-run, the Error Correction estimation technique is employed. If all study variables converge to a given set of long-term values, they by implication will not change. Hence, everything in the expression would cancel out. However, Brooks (2009) observed that error correction model approach can avert this problem by employing combinations of the first differences as well as lagged values of the co-integrated time series in accordance with equation.

Where:

ƛxt-1 + ƛ2T represents the error correction term. Θ represents the long-term relationship between the time series variables x and y. ƛt is the short-term relationship between x and y while ƛ2 represents the speed at which the variables adjust to equilibrium.

Granger Causality Test

The standard pair-wise Granger causality test seeks to examine the extent to which variations in a given set of time series say Y, tend to promote, support or reinforce growth in another variable say X. It also, evaluates the extent to which inclusion of the lagged values of the variables would tend to significantly improve the explanation by virtue of the significance of their coefficients in a regression framework. In this sense, Brooks (2009), Maddala (2007) as well as Gujarati and Porter (2009) advance a formulation for the Pair-wise Granger causality framework as below in equation.

$$\Delta X_t = \lambda_0 + \lambda_1 X_{t-1} + \lambda_2 T + \sum_{i=1}^{n} \varphi i \Delta X_{t-i} + \epsilon \quad \text{ix}$$

RESULTS AND DISCUSSION

The employed time series data are presented in this section as follows to reflect the numerical trend of employed variables over the study period 1981- 2021.

Table 2 Data on Companies Income Tax (CIT), Tax Payer Education (TEDU), Law Enforcement (LEMF), Technology Adoption (TCAD), Tax Payer Service (TPSV) and Legal support (LPS) in Nigeria over the period of 1981 - 2021.

Year	CIT	TEDU	LEMF	TCAD	TPSV	LPS
1981	403	0.486	7.285	3.107	1.735	0.246
1982	550	0.506	9.068	3.867	2.16	0.239
1983	561.5	0.457	9.918	4.23	2.363	0.334
1984	787.2	0.464	10.593	4.518	2.524	0.397
1985	1,004.30	0.465	11.11	4.738	2.647	0.386
1986	1,102.50	0.518	12.96	5.527	3.088	1.469
1987	1,235.20	0.556	17.921	7.643	4.269	2.728
1988	1,550.80	0.797	23.227	9.906	5.534	4.193
1989	1,914.30	0.962	25.843	11.021	6.157	6.743
1990	2,997.30	1.261	28.516	12.161	6.793	5.553
1991	3,827.90	2.211	35.15	14.99	8.374	1.082
1992	5,417.20	2.946	49.405	21.07	11.77	16.507
1993	9,554.10	4.713	108.05	46.08	25.741	23.446
1994	12,274.80	5.547	71.994	32.025	16.564	15.53
1995	21,878.30	7.053	80.503	36.251	18.326	50.76
1996	23,100.00	9.884	91.214	41.854	20.418	43.847
1997	27,800.00	14.071	103.826	48.645	22.795	46.932
1998	33,300.00	15.521	112.253	52.82	24.544	41.756
1999	46,200.00	21.892	125.026	59.712	26.945	87.484
2000	53,300.00	34.976	139.798	67.852	29.646	132.14
2001	69,400.00	64.835	168.108	84.455	34.377	250.737
2002	89,100.00	76.211	189.513	96.741	38.073	350.439
2003	114,800.00	90.099	210.968	109.059	41.777	378.372
2004	113,000.00	87.217	248.333	131.32	47.867	405.726
2005	140,300.00	79.156	294.857	159.306	55.33	415.734
2006	244,900.00	128.311	344.931	189.511	63.327	1,232.40
2007	275,300.00	732.947	487.586	277.579	85.21	888.336
2008	450,000.00	892.908	915.486	543.925	149.88	1,459.16
2009	630,100.00	927.236	1,119.38	670.268	180.95	1,208.80
2010	712,000.00	1,082.38	1,187.09	711.496	191.591	1,210.52
2011	806,000.00	1,245.14	1,100.13	656.052	179.032	1,606.49
2012	963,200.00	1,301.54	1,474.34	888.844	235.649	1,885.16

2013	8,270,667.00	1,447.61	1,595.97	963.77	254.379	2,101.34
2014	334,662.00	1,368.00	1,829.98	1,108.94	289.965	1,894.08
2015	4,193,496.00	1,458.04	2,028.38	1,231.84	320.209	1,493.04
2016	933,537.00	1,822.94	2,266.91	1,379.83	356.475	1,765.58
2017	1,215,057.00	1,782.67	2,354.75	1433.642	370.1363	1,987.89
2018	371,317.00	1,892.30	2,527.97	1540.811	396.6041	2,063.95
2019	357,158.70	1,995.78	2,701.19	1647.981	423.0719	2,140.01
2020	426,951.27	2,099.25	2,874.40	1755.15	449.5396	2,216.07
2021	589,406.83	2,202.73	3,047.62	1862.319	476.0074	2,292.13

Stationarity Test

This study proceeds to evaluate the stationarity of employed variables over the study period, which results are presented in table 2;

Table 2: Results of Unit Root Test: (Augmented Dickey Fuller) at First Difference

	ADF T-statistics	Mackinnon's test critical values @			Probability Level	Order of Integration	
Variable	**1st difference**	**1%**	**5%**	**10%**			**Decision**
D(CIT)	-8.407534***	-3.632900	-2.948404	-2.612874	0.0000	I(1)	Stationary
D(TEDU)	-5.737456***	-3.769597	-3.004861	-2.642242	0.0001	I(1)	Stationary
D(LEMF)	-4.553106***	-3.699871	-2.976263	-2.627420	0.0000	I(1)	Stationary
D(TCAD)	-8.767163***	-3.632900	-2.948404	-2.612874	0.0000	I(1)	Stationary
D(TPSV)	-8.802553***	-3.632900	-2.948404	-2.612874	0.0000	I(1)	Stationary
D(LPS)	-4.990043***	-4.571559	-3.690814	-3.286909	0.0046	I(1)	Stationary

*** sign at 10%, 5% and 1%, ** sign at 10% and 5%.

The stationarity test results at first difference presented in table 4 above shows that all the employed variables are significant at first difference. The results therefore confirm absence of any unit root in the time series. To that extent therefore, all the employed variables are confirmed reliable for further estimations with minimal possibility of biases in long run estimations as well as satisfy conditions for employment in Johansen Co-integration analysis. In light of the observe stationarity, the study therefore proceeds to the cointegration test.

Presentation of Johansen Co-integration Test for Study

The Johansen's Cointegration results of the study variables with company income tax as shown in table 3 below:

Table 3: Johansen Cointegration: Company Income Tax (CIT):

Date: 11/01/23Time: 11:37
Sample (adjusted): 1981 2021
Included observations: 37 after adjustments
Trend assumption: Linear deterministic trend
Series: D(CIT) D(TEDU) D(LEMF) D(TCAD) D(TPSV) D(LPS)
Lags interval (in first differences): 1 to 1
Unrestricted Cointegration Rank Test (Trace)

Hypothesized No. of CE(s)	Eigenvalue	Trace Statistic	0.05 Critical Value	Prob.**
None *	0.884537	176.4434	95.75366	0.0000
At most 1 *	0.610086	103.0441	69.81889	0.0000
At most 2 *	0.527867	71.02186	47.85613	0.0001

At most 3 *	0.448587	45.50505	29.79707	0.0004
At most 4 *	0.370824	25.26586	15.49471	0.0013
At most 5	0.244042	9.512153	3.841466	0.8620

Trace test indicates 5 cointegrating eqn(s) at the 0.05 level
* denotes rejection of the hypothesis at the 0.05 level **MacKinnon-Haug-Michelis (1999) p-values

Unrestricted Cointegration Rank Test (Maximum Eigenvalue)

Hypothesized No. of CE(s)	Eigenvalue	Max-Eigen Statistic	0.05 Critical Value	Prob.**
None *	0.884537	73.39936	40.07757	0.0000
At most 1 *	0.610086	32.02221	33.87687	0.0019
At most 2 *	0.527867	25.51681	27.58434	0.0098
At most 3 *	0.448587	20.23919	21.13162	0.0063
At most 4 *	0.370824	15.75370	14.26460	0.0089
At most 5	0.244042	9.512153	3.841466	0.8620

Max-eigenvalue test indicates 5 cointegrating eqn(s) at the 0.05 level
* denotes rejection of the hypothesis at the 0.05 level **MacKinnon-Haug-Michelis (1999) p-values

The results of Johansen's Co-integration analysis on employment of company income tax indicate that, both the Trace and Maximum Eigen show the presence of five significant co-integrating equations. This confirms evidence of prevalence of significant long run relationship between tax compliance expenditure and Company income tax (CIT), as well as non-prevalence of full-rank situation.

Presentation of Error Correction Model Estimations;

To ascertain the nature of long run dynamics in the study models, the Error Correction Model was employed. The results are presented in table 4 below;

Error Correction Model Estimation for Company Income Tax (CIT):

The results of Error correction estimation for Companies Income Tax are shown in table 4 below:

Table 4: Results of Error Correction Model Estimation: Companies Income Tax (CIT):

Dependent Variable: D(CIT)
Method: Least Squares
Date: 11/01/23Time: 12:07
Sample (adjusted): 1981 2021
Included observations: 39 after adjustments

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.004708	0.005178	0.909167	0.3710
D(TEDU)	9.89E-07	2.577663	3.839940	0.0006
D(TEDU-1)	3.72E-06	5.73E-06	0.648398	0.5217
D(LEMF)	1.96E-08	4.18E-07	0.046918	0.9629
D(LEMF-1)	3.15E-08	6.98E-07	0.045160	0.9643
D(TCAD)	-2.48E-06	2.00E-05	-0.123993	0.9022
D(TCAD-1)	4.19E-06	2.55E-05	0.164034	0.8708
D(TPSV)	-1.40E-06	4.85E-06	-0.289012	0.7747
D(TPSV-1)	-4.46E-07	6.22E-06	-0.071755	0.9433
D(LPS)	-3.86E-07	2.16E-06	-0.178718	0.8594
D(LPS-1)	2.97E-07	1.02E-06	0.292236	0.7721
ECM(-1)	-0.316296	0.150948	-2.095397	0.0074
R-squared	0.622424	Mean dependent var		0.004846
Adjusted R-squared	0.565629	S.D. dependent var		0.027675
S.E. of regression	0.028569	Akaike info criterion		-4.096141
Sum squared resid	0.022853	Schwarz criterion		-3.785072

Log likelihood	-78.68247	Hannan-Quinn criter.	-3.988760
F-statistic	6.510091	Durbin-Watson stat	2.081170
Prob(F-statistic)	0.020164		

The Error Correction estimates results shown in table 4 above indicate that in the long run, after adjusting for short-run distortions, variations in the study's explanatory variables jointly explain 62.24% of company income tax in Nigeria. The ECM has an expected negative sign. Its associated F-statistic value of 6.510091 has a probability of 0.020164 which is significant at a 5% level. It thus, confirms a good line of fit. Further, the model's Durbin-Watson statistic of 2.081170 is within the acceptable range. The absolute value of the ECM is 31.62%. This implies that 31.62% of the disequilibrium in company income tax (CIT) is offset by short-run adjustments in the explanatory (predictor) variables yearly. The ECM value of 31.62% is also associated with a probability value of 0.0074, which is statistically significant at the 0.05 level.
In the long run, model (2) shows that tax payer education passes the significance test with respect to the Company income tax (CIT) in the Nigerian economy. This shows that variations in Nigeria' personal income tax relate significantly with tax compliance expenditure from the tax payer education. All lagged tax compliance expenditure values have insignificant influences on Companies Income Tax (CIT).

DISCUSSION OF FINDINGS

Company income tax Model: This model is represented as:
CIT = f(TEDU, LEMF, TCAD, TPSV, LPS).
On specific basis, and relying on results shown in tables 5 which are discussed as follows;
Tax Payer Education (TEDU): This study variable showed positive and significant influence on Company income tax (CIT). The Granger causality results in table 5 provide substantial support for this result as shown in table 5 where tax payer education significantly promoted Company income tax. The positive and significant influence of tax payer education on Nigerian CIT suggests that tax payer education significantly promotes company income tax. The substantial support from Granger causality results further strengthens this finding.
Law Enforcement (LEMF): From tables 5, law enforcement insignificantly relates and also, insignificantly promotes or supports Company income tax. Law enforcement insignificantly relates to and promotes Nigerian CIT. The lack of a significant relationship between law enforcement and CIT, as indicated by both tables 5, suggests that law enforcement measures may not play a significant role in supporting or promoting company income tax.
Technology Adoption (TCAD): This study element demonstrates a negative and insignificant influence on Companies income tax (CIT), as shown in table 5.The negative and insignificant influence of technology adoption on Nigerian CIT implies that, in this context, technology adoption may not significantly impact companies income tax. The results suggest a neutral relationship, and the lack of significant causality supports this finding.
Tax Payer Service (TPS): This study element has an inverse and insignificant relationship with CIT. The results are in agreement with those of Kithinji (2010), although there is significant causality. The inverse and insignificant relationship between tax payer service and Nigerian CIT, along with insignificant causality, indicates that tax payer service does not significantly influence company income tax. This aligns with the findings of Kithinji (2010), and the lack of significant causality suggests a weak relationship.
Legal Support (LPS): This study element shows a negative and insignificant influence on Companies income tax (CIT) as well as insignificant causality. The negative and insignificant influence of legal support on Nigerian CIT, coupled with insignificant causality, suggests that legal support may not play a significant role in supporting or promoting company income tax. The lack of significant causality indicates a disconnect between legal support and CIT.

CONCLUSION AND RECOMMENDATIONS

This study evaluated the nature of prevailing interrelationships between tax compliance expenditure and her government tax revenue collection over the period 1981-2021. The study employed both the current and one-year lagged values of the tax compliance expenditure as appropriately determined through the appropriate lag-length selection test to determine the optimal lag length appropriate. This is because of the profound fact that some current compliance expenditure could become of significant effect on government tax revenue collection in later periods. The study accordingly employed both the current and one-period lagged values of Tax compliance expenditure on basis. These include tax payer education (TEDU), law enforcement (LEMF), technology adoption (TCAD), tax payer service (TPSV) and Legal support (LPS).
Three crucial indicators of Nigerian Government tax revenue collection were employed which include personal income tax (PIT), Company income tax (CIT) and Petroleum profit tax (PPT). Further, the study employed stationarity test and observed all the variables to be stationary at the first difference. The study proceeded to evaluate the nature of prevailing long-run relationships by employing the Johansen cointegration method. The results show significant long-run relationships between all employed variables per model of the study. In the long run, the study assessed the varying influences of employed tax compliance expenditure on Nigerian Government tax revenue collection and observed that;

i. Tax payer education (TEDU) showed positive and significant influence on company income tax (CIT).
ii. Law enforcement (LEMF) insignificantly related with Company income tax in Nigeria.
iii. Technology adoption (TCAD) demonstrated a negative and insignificant influence on company income tax.
iv. Tax payer service (TPSV) has an inverse and insignificant relationship with company income tax.

ix. Legal support (LPS) showed a negative and insignificant influence on Company income tax (CIT).

In conclusion, the results of the model provide valuable insights into the complex dynamics of tax revenue generation in Nigeria. The implications of these findings have several practical implications for policymakers, financial institutions, and other stakeholders. The positive and significant influence of tax payer education on Company Income Tax (CIT) emphasizes the importance of educational initiatives in promoting corporate tax compliance. The positive influence of law enforcement on CIT indicates that legal measures play a crucial role in providing reliable compliance expenditure for tax revenue. The unexpected inverse relationship with CIT indicates challenges in the effectiveness of tax payer services in promoting tax compliance.

In accordance with the results of this study, the following recommendations are made;

i. Recognizing the positive impact of law enforcement on CIT, there is a need to strengthen legal and regulatory frameworks. This includes improving the enforcement of tax laws and ensuring that legal measures serve as reliable collateral for tax revenue. Policymakers should consider initiatives to enhance the capacity and effectiveness of law enforcement agencies in dealing with tax-related matters.
ii. Given the generally insignificant impact of technology adoption on CIT, policymakers should reassess the role of technology in tax administration. This may involve investing in more advanced and integrated technology solutions, promoting the adoption of electronic payment systems, and exploring innovative ways to leverage technology for tax compliance and collection.
iii. The positive but insignificant influence of tax payer services on CIT suggest challenges in the effectiveness of service delivery. Policymakers should conduct a thorough review of existing tax payer services, identify bottlenecks, and implement reforms to enhance the quality and accessibility of services. This may involve leveraging technology for efficient service delivery and providing clearer and more user-friendly information.
iv. In light of the dynamic nature of tax compliance factors, policymakers should establish mechanisms for continuous monitoring and evaluation. Regular assessments of the effectiveness of implemented policies and the identification of emerging challenges will enable timely adjustments and improvements in tax administration.

LIMITATION AND SUGGESTION FOR FURTHER STUDIES

This empirical and cum theoretical study explore the relationship between predicting tax compliance structure and lens of tax revenue mobilization paradigm in Nigeria. It is limited to tax payer education, law enforcement, technology adoption, taxpayer services, legal support and companies income tax in Nigeria spanning from 1981-2021. Further studies should be conducted using other variables of tax revenue mobilization, both primary and secondary spanning from 1980-2023 across Nigeria.

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