

Tax Collection Strategies and Revenue Generation: Kwara State Verdict

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Abstract

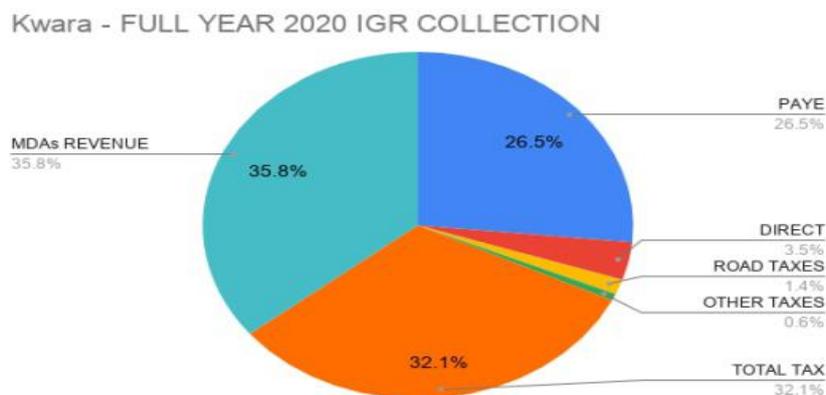
The dwindling of allocation from federal government has drilling all the state government extensively in Nigeria to develop tax collection strategies for revenue realization in their respective state. The extant literatures examined a single component of tax collection strategies on revenue generation but this study therefore examined the effects of different component of tax strategies on revenue generation of Kwara state. A sample of 396 staff of Kwara State revenue service was used in the study. It employed ANOVA and MANOVA to analyse the data. The findings divulged that tax penalty, public enlightenment, road block, law enforcement agencies, staff recruitment, tax cut and ICT have positive significant effects on revenue generation in Kwara state. Therefore, it is concluded that tax strategies have positive significant effects on Kwara state revenue generation. It however recommended that more efforts should be expended by the government to enlighten taxpayers, equip and empower the tax authority to enforce more compliance on taxpayers for enhancement of revenue performance in the state.

Keywords: Tax Cut, Law Enforcement Agencies, Tax penalty, Public Enlightenment, Roadblocks

1. Introduction

Every state in Nigeria has been looking inwards to increase the revenue base of their respective state. This are done by employing realizable and vital tax strategies for effective and efficient taxes collection. Tax strategies are considered as a channel of realizing desired objectives and goals. Due to the tax evasion and avoidance rate, the adoption of strategies has crucially become necessary to achieving objectives. These strategies are rooted by the government through effective tax administration under the purview of the state inland revenue which must back by the state government. The tax administration is majorly concerned with administration, conduct, management, supervision and direction of the application and execution of laws, and tax conventions of the internal revenue (Ganyam & Ivungu, 2019). It is not new that the inward revenue is realized through taxes for the implementation and actualization of fiscal responsibilities. In all generations, the fiscal responsibilities of government in the provision of infrastructural facilities which includes roads, schools, health and education, transportation, securities, social amenities etc. continue to surface in one form or the other in which virtually these cannot be done if government has no resources or funds. These resources cannot be generated without the efficient tax administration. In developing countries like Nigeria, tax administration is being mandated to ensuring that enough revenue are generated for government operation through tax strategic enactment (Ganyam & Ivungu, 2019).

According to Alao and Alao (2013), the pertinent reason behind tax collection as laid down by the Federal Government is income generation for effective implementation and provision of ingredient to fulfilling life through personal and income taxes, adverts or bill-board, business premise registration among others. Due to the voluminous sources of revenue sources, and declining in tax payment through either tax evasion or tax avoidance, the strategic plans are needed to garner resources, enable collection, and eradication or reduction of tax evasion and avoidance. This is emanated if the citizens are impatient to pay taxes justly despite the assurance from the government necessary social amenities (Maimako et al., 2002). The difficulty facing tax revenue realization, and active management of tax administration is worrisomely important to all government (Emmanuel, 2018). Nevertheless, tax collection strategies employed have increased the tax revenue of the government over the past years in Kwara State. For instance, according to National Bureau of Statistics (2020), the sum of ₦17.25billion was realized in 2016 in Kwara state but increased to ₦19.64billion and ₦23.1billion in 2017 and 2018 respectively. In 2019, Kwara state realized ₦38billion in 2019 that ₦16.139 billion was collected in the first half of 2019 while ₦18billion was also realized in second half of 2019. This served as 2.3% increment compared to the income realized in 2018. Despite COVID19 crisis in the country Kwara state also realized 9.6 billion in half of year 2020 in which 19.6 billion are eventually realized in 2020 as indicated 36.3% reduction as compared to 2019. But in 2021, ₦26.9 billion was realized as IGR of the state which represented 95.61% of the annual budgetary target of the agency, and it is the highest target achievement since the inception of the agency in 2016. ₦9.6 billion was collected in the first quarter of the year which represented the highest in the history of the KWRS since inception. It was declared by Shehu (2022) that ₦26,96 billion generated as IGR in year 2021 is a remarkable revenue accomplishment which is 37.34 percent improvement over the entire IGR of ₦19.638 billion realized in year 2020.



Source: NBS (2020)

This indelible income from taxation, according to Shehu (2022), which have been recorded so far in Kwara State, and the milestone achievement would not have been attained without involvement of different tax collection strategies. Many taxpayers have been grumbling on tax collection strategies employed by the state government to realize tax revenue in the state while some considered it unfriendly and inhumane which has not been yielding positive

results on revenue because of the enforcement on the tax defaulters. These divergent views, therefore, prompted this study to examine the effect of tax collection strategies employed by Kwara state on revenue generation in the state.

2. Literature Review and Hypotheses Development

2.1 Tax Revenue

Tax revenue has been noted as the income gathered by government forcefully from the income of individuals, trade, and private organization for the purpose of implementation of government responsibilities (Adegbite & Azeez, 2021). The mobilization of tax revenue as a financing instrument for state development besides allocation from federal government has been a major issue because of numerous forms of difficulties such as corruption and evasion in the state which have been sabotaging the efforts of the state to implement their responsibilities (Onwelumadu & Onuora, 2021). Enormous revenues are realized through formidable tax collection strategies within the purview of organized and patriotic tax personnel with the mindset of state economic goals. Taxes are imposed in every country globally, with the disposition of raising revenue for expenditure of the government, building of schools, construction of roads, provision of essential services as well as other purposes. Tax revenue is expected to be channeled to state government purse have been siphoning as a corruption to corruptive purses for person enrichment, this difficulty can be eradicated with effective and formidable tax collection strategies (Adegbite, 2021).

2.2 Tax Collection Strategies

This refers as designated methods of attaining targeted tax revenues. The involvement of tax collection strategies is very important because of the rapid technological development. This can be done through road blocking, enforcement of tax penalty, ICT involvement, recruitment of new staff, public enlightenment and involvement of law enforcement agencies. Strategy is a way of attaining set objectives. It achieves revenue generation needed strategically, and lays plans to execute the real disposition of revenue generation particularly state, Local Government and other public sector (Alao & Alao, 2013). Therefore, tax strategies are tactics directed to achieve tax income for the government in order to achieve specific and planned goals. Tax strategies employed by the government reduces or eradicates corruption in public institution, tax income misappropriation, inadequate tax education and awareness, inadequate enforcement on tax defaulters, tax authority ignorance, income inequality, loopholes in tax laws, taxes proliferation, information asymmetric, high tax rates, proper record-keeping problem and illiteracy (Dada & Taiwo, 2020). To mediate tax clash between liable taxpayers and tax authority, to maintain and develop a resilient mechanism, to curb tax evasion and avoidance, tax strategies of any state must be active and effective so as to catch tax defaulter and bring them into tax authorities 'net.

According to Shehu (2022) as revealed by the chairman of KWRS, the achievement of ₦26.96 billion generated as IGR in year 2021 is attributable to the gradual economy recovery after the COVID 19 pandemic, persistent and continuous consolidation as well as revenue digitization in lines with the state, redeployment and employment of competent staff which helped in reducing leakages revenue loss, and revenues diversion in state government. Regular tax advocacy via several platforms of mass media, prompt payment, tax compliance, tax arrears remittance, non-remittance taxes and under deduction eradication. Therefore, it is hypothesized that:

HI₁: Tax collection strategies have positive significant effects on Kwara state revenue generation in Kwara state

2.2.1 ICT and Revenue Generation

ICT is defined as computer-based tools adopted to work by people with the communication and information processing requests of an organization. It incorporates the network, computer software and hardware, and numerous other devices (photography, video, camera, audio) that translate information text, sound, images, and motion into digital form. These also include hardware such as modems, cell phones, computers, software like computer programs, applications in mobile phone, and networks such as Internet, wireless communications. These are principally concerned with processing, purpose of collecting, storing and relevant information transmitting to aid operations of management in an organizations (Adegbite et al., 2019). ICT has been employed by the KWRS as a tool to track the taxpayers for exigent payment of their taxes. According to Adegbite et al., (2019), e-registration, e-tax payment, and e- tax filling are implemented through ICT. Perhaps, ICT affect revenue generation positively in Kwara state.

HI₂: ICT has positive significant effects on Kwara state revenue generation in Kwara state

2.2.2 Tax Cut and Revenue Generation

This is another tax strategies which garner tax revenues tremendously. Tax rate cuts, most importantly in developing nations like Nigeria, affect revenue generation negatively but ultimately encourage taxpayers to spring up by fulfilling their tax liability thereby affecting economy positively. This goes a long way to increase ability of tax payers for prompt payment of taxes levied on them. If tax administrators are conscious to tax cuts it would invariably attract revenue.(Ganyam & Ivungu, 2019). Therefore, tax rate cut is expected to enhance revenue generation.

HI₃: Tax cut has positive significant effects on Kwara state revenue generation in Kwara state

2.2.3 Tax Penalty and Revenue Generation

Tax law refers to the embodiment of regulations, norms, rules and policies on the collection of Nigeria tax revenue. These tax laws are enacted by the law makers in the country (legislative arms) which are subjected to amendment constantly. Unequivocally, the constant amendment of tax law by law makers trigger the inconsistencies, and subsequently hinders the attainment of goals (Maimako et al., 2002). The tax penalty is imposed invariably on the taxpayers so as to trigger them to fulfilling their tax payment which ultimately increases revenue realized by government (Solanke et al., 2021). The necessity of tax law is to impose tax debtors to comply with regulations and rules of the government; and taxation activity is to realize revenue to improve the wellbeing of citizens, and improve the economy of the state. Economic and social sectors can be improved through tax, when government s imposes tax penalty on tax defaulters (Adegbite & Fasina, 2019).

HI₄: Tax law has positive significant effects on Kwara state revenue generation in Kwara state

2.2.4 Public Enlightenment and Revenue Generation

The awareness of the payment of tax in any state is very sacrosanct due to the ignorance of the taxpayers on the usefulness and the disposition of the government on tax collection. The taxpayer need to be educated so as to increase the revenue base of the government. Government must increase tax education services and extension to educate more people, most importantly at grassroots level on tax payment benefits, how to pay tax, and the important of taxpayers' identification number (Salman et al., 2019). Therefore, the avenue to discuss with taxpayer are to be created for enhancement of tax revenue. Dissemination of information from the sides of tax administrator to the taxpayers is important but inadequate. That is public enlightenment of the taxpayers on the importance of paying taxes are lacked attention which lead to evasion and avoidance of taxes by the taxpayers.

HI₅: Public enlightenment has positive significant effects on Kwara state revenue generation in Kwara state

2.2.5 Staff Recruitment and Revenue Generation

Staff recruitment plays important roles in revenue generation in any state, organisation and country. This is pertinent in the sense that staff recruited are saddle with the responsibilities of ICT monitoring, e-tax filling, supervision, e-tax registration and other vital responsibilities for prompt performance. If the staff recruited are corrupt, irresponsible, and nonchalant, the saddled responsibilities are affected. According to Shehu (2022), the remarkable achievement of ₦26.96 billion generated as IGR in year 2021 is attributable to staff recruitment and redeployment. This advocated that staff recruitment is vital to revenue generation. It is therefore hypothesized that

HI₆: Staff Recruitment has positive significant effects on Kwara state revenue generation in Kwara state

2.2.6 Law Enforcement Agencies

The involvement of Police officers, Lawyers, Vehicle inspection officers and other pertinent law enforcement officers are vital to the revenue generation in the state. Tax defaulters, most of the time, need enforcements before fulfilling their civil right. Tax defaulter, sometimes, are charged to court through law enforcement agencies in order to forcefully mandate them to pay their tax dues (Adegbite & Azeez (2021). This showcases that the roles of law enforcement agencies in tax revenue collection cannot be underestimated. Therefore

HI₇: Law Enforcement Agencies have positive significant effects on Kwara state revenue generation in Kwara state

2.2.7 Roadblock and Revenue Generation

Roadblocks are mounted on the strategic roads in the state to arrest the tax defaulters in the state. This is done to garner the tax revenues from motorists and other road users in the state which is implemented ultimately with the assistance of Vehicle Inspector Officers, Police officers and other law enforcement agencies who regularly and punctually check and verify the particulars of the motors, cars, motorcycles, and tricycles in the state (Adegbite & Azeez, 2021). This prompts the motorist and other road users to register and renew their cars particular at when due. It has been discovered that without roadblock mounted by the law

enforcement agencies, road taxes would have been averted by the motorists in the state. Therefore, it is hypothesized that:

H₃: Roadblock has positive significant effects on Kwara state revenue generation in Kwara state

2.3 Theoretical Underpinning

2.3.1 The Policeman Theory

This theory was developed in by Dutch in 1920 as stated Awe (2008) on the assumption that once the systems monitoring is effectively done at unstipulated times, corruption and connivance of taxpayers and tax authorities are reduced or eradicated. This is in a tandem with policeman protecting certain place, and however, refers as policeman theory. This divulges that once the necessary tax strategies are put in place, the leakages within tax revenue would be blocked thereby reducing, preventing and detecting tax revenue fraud. It was however asserted that tax auditing would be purely on arithmetical accuracy, prevention, detection and minimization of fraud (Eleng, 2019). This theory ignites auditor to prevent, and detect fraud and errors on tax revenue of the government organizations but failed to enumerate the punishments to be meted on defaulters and corrupt tax personnel. Also, it failed to enumerate motivation for efficient and devoted tax personnel respectively. However, this study is hinged on this theory in the sense that the tax personnel (staff) are saddled with the responsibility of detecting fraud and error in tax revenue which one of the components of tax collection strategies. The theory also advocated that tax personnel are responsible for searching, preventing and discovering tax fraud.

2.3.2 Psychology Theory (Taxpayers' Moral Ethics and Attitude Theory)

This theory was propounded by Lewis (1982) which stated that sanction and punishment should not be adopted and meted on the tax defaulters. It further displayed that punishment would not absolutely motivate compliance of tax payers but taxpayers' moral ethics and attitude would ultimately guarantee their compliance. Many extant authors such as Solanke et al., (2021), and Usman and Anao (2015) supported taxpayers' moral ethics and attitude as the best compliance theory in the sense that the moral ethic and attitude of the taxpayers triggers compliance in the payment of taxes. This are derived from public enlightenment of the taxpayers where the usefulness of taxation and the reasons behind payment of taxes are highlighted by the tax authority. Despite the weaknesses of this theory such as negligence of methods of winning taxpayers minds and attitude, and unavailable parameter to detect declined minds and attitude of the taxpayers, it regards as the vital theory adopted by the tax policy makers in Nigeria (Solanke et al., 2021). However, this study as a result of relevance, also anchored on psychology theory (taxpayers' moral ethics and attitude theory) and policeman theory because of the involvement of the strategies employed in this study such as public enlightenment, monitoring and tax penalty.

2.4 Empirical Review

Alao & Alao, (2013) examined how strategic control application as well as balanced scorecard transformed the workers' attitude with the disposition of improving organization goal in terms of revenue generation. With the involvement of descriptive analysis, the study established that re-engineering of the entire system is needed through balanced scorecard and strategic controls as a yardstick for workers' performance which invariably led to

improved revenue generation. The study concluded that balanced scorecard and strategic controls had significant impact on the performance's enhancement of workers.

Effects of tax penalty on the revenue of government in Nigeria was examined by Solanke et al., (2021). The study identified how tax penalties increased Nigeria government revenue with the involvement of multiple-regression model for analysis. The analysis divulged that positive relationship occurred between Nigeria government revenue and tax penalty. It was further emphatically stated that tax penalty impacted government revenue positively and significantly. The study advocated that government should formulate new economic policy on the payment of tax through e-payment as well as prompt proper accountability.

Maimako *et al.*, (2002) determined the relationship amid tax revenue and plateau state tax administration. Survey research was conducted through four hundred plateau staff revenue board. This, according to the study, was sampled using Morgan and Krejcie table which was resulted to 196 questionnaires distributed, and analyzed with correlational method in order to determine the relationship amid tax administration and tax revenue. The outcome of the analysis revealed that tax administration imparted tax revenue positively in plateau state. It was advocated by the study that tax administration is an instrument to plateau state revenue generation. In another study of Emmanuel, (2018) who also examined the tax administration effects on Gombe state revenue generation in which survey research design was employed to garner the opinion of the respondents through questionnaire. The real reliability of the questionnaire was tested with Cronbach's Alpha. The results of the analysis through spearman's rank correlation and pearson correlation divulged that the state tax administration was not effective and efficient because revenue generated through the state tax administration was very low to meet government objectives due to inadequate public enlightenment of taxpayers, and high level of tax avoidance in Gombe state. Nevertheless, the study recommended that tax authorities with the assistance of the state government should put more efforts on public enlightenment campaign on the importance of paying taxes especially PIT in the state, and tax workers welfare should be upgraded so that it would give birth to more effective administration and automated tax system.

Eleng, (2019) analyzed tax audit effect on Internal revenue service productivity in Cross River State. The result after thorough analysis divulged that the strategies of tax audit had insignificant relationship with productivity but tax audit employed by tax authority reduced tax evasion and avoidance. The study also revealed that taxpayers did not cooperate always with the personnel of tax audit during audit. The study suggested that tax authority should establish policies that would trigger the cooperation of taxpayers with the personnel of tax audit during audit exercise.

Ganyam and Ivungu, (2019) also examined tax administration effect on Benue state revenue generation from 2015 to 2018. Data related was garnered through 187 questionnaires evaluated through the staff of Internal Revenue Service (BIRS) in Benue state. The outcome realized through standard deviation, mean and T-test statistics showed that e-tax payment significantly increases revenue generation and tax accountability in Benue state. It also broadened tax bracket and decreasing one-time payment which improved revenue generation significantly in Benue state. The study ultimately concluded that Benue state tax administration increased revenue generation significantly. However, the study recommended that government should support and cooperate with relevant tax authorities to allow effectively management of tax system for anticipated output.

Dada and Taiwo, (2020) studied the tax audit impact on Ekiti state revenue generation. The

study employed regression analysis to analyse the structured questionnaire gathered from three hundred and twelve (312) workers of Internal Revenue Service in Ekiti State. The outcome of their study exhibited that auditing official's corruption, auditing access inadequate, non-compliance, ineffective tax audit, inadequate tax audit control, corruption and audit fieldwork inaccuracy affect Ekiti state revenue generation. However, the study invariably concluded that government should embrace tax audit so as to maximize the revenue collection in the state for effective implementation of developmental projects.

Ifeanyi *et al.*, (2017) examined critically how the states' IGR are to be enhanced, and the challenges that were facing sufficient states' IGR. The findings of analysis revealed that IGR constituted states' small proportion of finance. However, the study propagated that IGR can be enhanced when strategies such as dependable data establishment are accessible, leakages are eliminated through automated revenue collection devices, tracking informal sectors, and revenue base diversification through creation of wealth.

Salman *et al.*, (2019) examined TIN contribution on Lagos state IGR, and its influence on tax compliance from 2010 to 2015, which was bifurcated into pre-TIN period and post-TIN period. Three hundred (300) questionnaires were randomly distributed to selected workers in Lagos Inland Revenue Service but two hundred and twenty - one (221) were filled properly and returned. The outcome of regression found that TIN had positive relationship which was significant with Lagos state IGR. Further, TIN contributed significantly to taxpayers' compliance in the State.

Chiamaka *et al.*, (2021) examined e-tax system effects on Ebonyi State IGR. In order to fulfill the disposition behind the study, e-tax registration, e-tax filing and e-tax payment were employed as proxies of e-tax system. This study supported the research with technology acceptance model and expediency theory. The data were realized from 94 respondents which cut across experienced and qualified respondents from board of internal revenue, Ebonyi State. Findings revealed that e-tax registration and e-tax filing affect Ebonyi State IGR positively but e-tax payment had insignificant effect on IGR of state. The study however recommended that board of internal revenue of Ebonyi State should employ user friendly e-tax system which can easier e-tax filing and e-tax payment for taxpayers.

Adegbite *et al.*, (2019) investigated ICT impacts on Oyo state revenue generation. Data employed were gathered through 350 copies of questionnaire administered by the staff board of internal revenue service in Oyo state, and other numerous taxpayers. The collective outcome of MANOVA, chi-square, and ANOVA advocated that ICT positively impacted revenue generation significantly and statistically. According to the study ICT is an effective tool for the enhancement of Oyo state taxation inflow.

Onwelumadu & Onuora, (2021) actually investigated tax reforms' effects on revenue performance of Nigeria employing data which is time series from 1991 to 2018. The data of the tax reform were gathered from CBN and NBS statistical bulletin in which cointegration test, multiple regression and Augmented Dickey Fuller (ADF) statistics were chosen to analyse the variables. The results showed that tax reforms had significant positive contributions on Nigeria revenue performance. It was concluded from the study that tax reforms impacted revenue performance significantly.

Hence, the examined literatures such Emmanuel (2018), Ganyam and Ivungu, (2019), Maimako *et al.*, (2002), Alao & Alao, (2013), Solanke *et al.*, (2021), restricted their studies to tax administration, tax penalty on revenue generation. Nonetheless, the reviewed extant

researchers focused on plateau state, Benue state and Nigeria but limited their studies a single tax strategy in their respective state but not extended to Kwara state. Why did they limit their study to a single component of tax strategies? This study bridged the gap by examining four components of tax strategies effects on revenue generation in Kwara state.

3 Data and Methods

Data were collected through a well-structured questionnaire which were designed by the researcher. The structured questionnaire was sent to the staff of Kwara State revenue service through Google form in other to sample opinion of respondents. The respondents filled the Google form and sent back immediately. The Google form was designed to restrict respondents from multiple responses. Questionnaire was divided into two sections in which section A comprised personal data such as age, sex, qualification while section B displayed the pertinent questions that directly related to tax strategies and revenue generation. This was structured as five likert scale (strongly agree, agree, neutral, disagree and strongly disagree) response types relating to research study. 396 respondents filled and promptly sent back their responses. Further, data collected were analyzed using PPMC, ANOVA and MANOVA to analyze the effect of tax strategies on revenue generation in Kwara state.

3.1 Model Specification

This model was established to determine the relationship between tax strategies and revenue generation. The models are stated below:

$$REV = f(Tax\ strategies, \mu) \quad 1$$

$$REV = f(ICT, TAXCUT, TAXPTY, PUBENLGT, SRCUT, LAWENF, ROAD, \mu) \quad 2$$

$$REV = \beta_0 + \beta_1 ICT + \beta_2 TAXCUT + \beta_3 TAXPTY + \beta_4 PUBENLGT + \beta_5 SRCUT + \beta_6 LAWENF + \beta_5 ROAD + \mu \quad 3$$

Where:

ICT	-	Information Communication Technology (ICT)
TAXCUT	-	Tax Cut
TAXPTY	-	Tax Penalty
PUBENLGT	-	Public Enlightenment
SRCUT	-	Staff Recruitment
LAWENF	-	Law Enforcement
ROADB	-	Road Block

4 Data Analysis and Discussion of Findings

4.1 Correlation Matrix

Table 1 displayed the relationship amid Tax Strategies and Revenue Generation in Kwara State. It is shown in Table 1 that ICT positively correlated with REV with the value of 0.6461*. This divulged that ICT with the involvement of Tax identification number (TIN) increases the revenue generation in Kwara state. Further, e-registration, e-tax payment, and e- tax filling are done through ICT. Also, there is no multicollinearity in staff recruitment (TAXCUT) as shown in Table 3. This further proved that positive correlation existed amid TAXCUT and REV (0.6956*). Also, TAXPTY, PUBENLGT, SRCUT, LAWENF and ROADB displayed positive significant corrections with REV (0.2985*, 0.6657*, 0.3563*,

0.5277* and 0.5441* respectively). This signposted that tax strategies upsurges revenues generated by Kwara state positively.

Table 1: Relationship between Tax Strategies and Revenue Generation in Kwara State

	REV	ICT	TAXCUT	TAXPTY	PUBENLGT	SRCUT	LAWEN F	ROADB
REV	1.0000							
ICT	0.6461*	1.0000						
TAXCUT	0.6956*	0.6337*	1.0000					
TAXPTY	0.2985*	0.0738	0.1850*	1.0000				
PUBENLGT	0.6657*	0.8247*	0.6034*	0.2033*	1.0000			
SRCUT	0.3563*	0.2393*	0.3475*	0.0956	0.1608*	1.0000		
LAWENF	0.5277*	0.4395*	0.5527*	0.1064*	0.3109*	0.8491*	1.0000	
ROADB	0.5441*	0.3918*	0.5639*	0.0623	0.2849*	0.7506*	0.8252*	1.0000

Source: Authors' Computations (2022)

4.2 Analysis of effect of Tax Collection Strategies on Revenue Generation in Kwara State

It is realized from Table 2 that tax strategies employed by Kwara state had significant impact on revenue generation of the state. This is revealed in Table 2 with $f = 236.66$ together with $Prob > F$ which displayed 0.0000 below the threshold of significant value 0.005. ICT, TAXCUT, TAXPTY, PUBENLGT, SRCUT, LAWENF, and ROADB with $Prob > F$ of 0.0000, 0.0000, 0.0000, 0.0000, 0.0000 and 0.0431 respectively are less than 0.05. Therefore, this negated the hypothesis that tax strategies employed in Kwara state has no relevant impact on revenue generated. Therefore, it is advocated that tax strategies employed in Kwara state has relevant impact on revenue generated in Kwara state. The determinant coefficient, R-squared, together with Adjusted R-squared with the value of 0.6434 (64.3%) and 0.6391 (63.9%) respectively advocated the fitness of the model.

To verify the effects of confirm the results of the effect of Tax Strategies on Revenue Generation in Kwara State displayed by ANOVA in Table 2, MANOVA was further tested. From Table 3 all the parameter of MANOVA advocated the significant contributions of Tax Strategies on Revenue Generation in Kwara State. In Table 2, a percent increment in one of the tax strategies enhance the revenue generated in Kwara state by 0.05%, 0.94%, 16.6% and 16.6% approximately as displayed by the parameters, W, P, R and L respectively. This also supported that Tax Strategies positively influenced Revenue Generation in Kwara State.

Table 2: Analysis of effect of Tax Collection Strategies on Revenue Generation in Kwara State

Source	Sum of Square	Df	Mean Square	F	Prob > F	Remark
MODEL	230.47151	26	8.864289	236.66	0.0000	Accepted
ICT	10.002122	4	2.5005306	66.76	0.0039	
TAXCUT	1.2568773	4	.31421932	8.39	0.0000	
TAXPTY	6.4824098	4	1.6206024	43.27	0.0000	
PUBENLGT	.91157672	2	.45578836	12.17	0.0000	
SRCUT	2.6673795	4	.66684488	17.80	0.0000	
LAWENF	1.4458282	4	.36145706	9.65	0.0000	
ROADB	.3727846	4	.09319615	2.49	0.0431	
Residual	13.821415	369	.03745641	Number of obs =		
TOTAL	244.29293	395	.61846311	396		
R-squared	=	Adj R-squared =	Root MSE =	.193537		
0.6434		0.6394				

Source: Authors' Computation, 2022

Table 3: Effect of Tax Strategies on Revenue Generation in Kwara State by MANOVA

Source	Statistic	Df	F(df1, df2)	F	Prob>F	Remark		
Model	W	0.0566	26	26	369	236.66	0.0000 e	Significant
	P	0.9434	26	26	369	236.66	0.0000 e	Significant
	R	16.6750	26	26	369	236.66	0.0000 e	Significant
	L	16.6750	26	26	369	236.66	0.0000 e	Significant
Residual		369						
ICT	W	0.5802	4	4	369	66.76	0.0000 e	Significant
	P	0.4198	4	4	369	66.76	0.0000 e	Significant
	R	0.7237	4	4	369	66.76	0.0000 e	Significant
	L	0.7237	4	4	369	66.76	0.0000 e	Significant
Residual		369						
TAXCUT	W	0.9166	4	4	369	8.39	0.0000 e	Significant
	P	0.0834	4	4	369	8.39	0.0000 e	Significant
	R	0.0909	4	4	369	8.39	0.0000 e	Significant
	L	0.0909	4	4	369	8.39	0.0000 e	Significant
Residual		369						
TAXPTY	W	0.6807	4	4	369	43.27	0.0000 e	Significant
	P	0.3193	4	4	369	43.27	0.0000 e	Significant
	R	0.4690	4	4	369	43.27	0.0000 e	Significant
	L	0.4690	4	4	369	43.27	0.0000 e	Significant
Residual		369						
PUBENLGT	W	0.9381	2	2	369	12.17	0.0049 e	Significant
	P	0.0619	2	2	369	12.17	0.0049 e	Significant
	R	0.0660	2	2	369	12.17	0.0049 e	Significant
	L	0.0660	2	2	369	12.17	0.0049 e	Significant
Residual		180						
SRCUT	W	0.8382	4	4	369	17.80	0.0000 e	Significant
	P	0.1618	4	4	369	17.80	0.0000 e	Significant
	R	0.1930	4	4	369	17.80	0.0000 e	Significant
	L	0.1930	4	4	369	17.80	0.0000 e	Significant
Residual		369						
LAWENF	W	0.9053	4	4	369	9.65	0.0001 e	Significant
	P	0.0947	4	4	369	9.65	0.0001 e	Significant
	R	0.1046	4	4	369	9.65	0.0001 e	Significant
	L	0.1046	4	4	369	9.65	0.0001 e	Significant
Residual		369						
ROADB	W	0.9737	4	4	369	2.49	0.0431 e	Significant
	P	0.0263	4	4	369	2.49	0.0431 e	Significant
	R	0.0270	4	4	369	2.49	0.0431 e	Significant
	L	0.0270	4	4	369	2.49	0.0431 e	Significant
Residual		369						
TOTAL			395					

Revenue Generation (REV) = Dependent variable

Roy's (R) largest root, Wilks' lambda (W), Pillai's trace (P), and L = Lawley-Hotelling (L) trace. u is Upper bound on F (U), exact (e), while approximate (a),

Source: Authors' Computation, 2022.

4.3 Discussion of Findings

This study examined the effects of tax strategies on revenue generation of Kwara state. It analyzed the effects of ICT, TAXCUT, TAXPTY SRCUT, LAWENF and ROADB on Kwara state revenue generation. According to the results ICT has positive significant effect on revenue generation in Kwara state. This in line with the disposition of Salman et al., (2019) and Adegbite et al.,(2019). With this, ICT has been considered as effective instrument to Kwara state revenue generation because of the e-tax registration, e-tax filing and e-tax payment as advocated by Chiamaka et al., (2021). Also, tax cut also increases the revenue

base of the state because of the prompt payment by the taxpayers, this reduced the level of tax evasion and avoidance in the state due to reduction in the tax payable to the state as also supported by Maimako et al., (2002). The implication of the tax cut is that reduction in tax invariably triggers taxpayers to fulfill the righteousness promptly which ultimately enhance revenue generation in the state.

The involvement of tax penalty for tax defaulters also encourages the taxpayers to fulfill their fiscal responsibilities promptly in the state. This divulges the significance of tax penalty on revenue generation in Kwara state as in consonance with views of Solanke *et al.*, (2021) and Adegbite & Fasina, (2019). Tax penalty has significant effect on revenue generation in Kwara state with support of the law enforcement agencies such as police, civil defense and others. Some taxpayers need strong enforcement to fulfill their fiscal responsibilities, this can only be achieved through law enforcement agencies. Also, staff recruitment (SRCUT) impacted revenue generation significantly in Kwara state which in line with advocacy of Shehu (2022). That is staff are saddled with the responsibilities of ICT monitoring, e-tax payment supervisions and tax net broaden for revenue generation enhancement. Moreover, public Enlightenment displayed positive impacts with revenue generation as in line with Emmanuel, (2018). The higher the level of public enlightenment about the importance and reasons for tax collection, the higher is increment in revenue generation. Lastly, roadblock has been seen having positive effect on revenue generation in the state. The implication of this is that the tax defaulters are arrested for prompt payment of their tax due especially motorists and road users as advocated by Adegbite and Azeez (2021). Therefore, all the components of the tax strategies involved has positive relationship with revenue generation in Kwara state.

5 Conclusion and Recommendations

This study examined the effects of tax strategies on revenue generation of Kwara state. It employed ANOVA and MANOVA to analyse the data collected through structured questionnaire from 396 staff of Kwara State revenue service. The findings divulged tax penalty, public enlightenment, road block, law enforcement agencies, staff recruitment, tax cut and ICT have positive significant effects on revenue generation in Kwara state. Therefore, it is concluded that tax strategies have positive significant effects on Kwara state revenue generation. This is due to the revenue digitalization (e payment), blockage of loopholes, and other employed tax collection strategies which invariably minimized leakages, revenue loss, and diversion of accruable revenue in the state. It however recommended that more efforts should be expended by the government to enlighten taxpayers, equip and empower the tax authority to enforce more compliance on taxpayers for enhancement of revenue performance in the state. Also, tax authorities with the assistance of the state government should put more efforts on public enlightenment campaign on the importance of paying taxes in the state which will invariably enhance the turnout of taxpayers in fulfilling their civil responsibilities.

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