

ELECTRONIC TAX SYSTEM AND TAX COMPLIANCE

(CASE STUDY: SMALL AND MEDIUM SCALE ENTERPRISES IN EDO STATE)

BY

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DECEMBER, 2022

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**A PROJECT WORK SUBMITTED TO THE DEPARTMENT OF ACCOUNTING,
FACULTY OF MANAGEMENT SCIENCES, IN PARTIAL FULFILLMENT OF
THE REQUIREMENT FOR THE AWARD OF BACHELOR OF SCIENCE (B.Sc.)
DEGREE IN ACCOUNTING, UNIVERSITY OF BENIN, BENIN CITY**

DECEMBER, 2022

DECLARATION

I, Okiemute Friday ENAKEMU declare that:

1. This research is based on a study undertaken by me in the Department of Accounting, Faculty of Management Sciences, University of Benin, Benin City, under the supervision of Prof. P.O. Ibadin of the Department of Accounting, Faculty of Management Sciences, University of Benin, Benin City, Nigeria.
2. This work has not been submitted for the award of any degree elsewhere.
3. All ideas and views are products of my personal research and where the views of others have been expressed, they have been duly acknowledged.
4. I shall be totally, wholly, and fully responsible for the liability that may flow from this study, if any.

Okiemute Friday ENAKEMU
MGS1706347

Date

CERTIFICATION

We certify that this research was carried out by Okiemute Friday ENAKEMU in the Department of Accounting, Faculty of Management Sciences, University of Benin, Benin City, Nigeria and it is considered adequate in scope and quality in partial fulfillment of the requirements for the degree of B.Sc. (Accounting).

Prof. P. O. Ibadin

Project Supervisor

DATE

Dr. Nosa Ohonba

Project Coordinator

DATE

Prof. K.O Ogiedu

Head of Department

DATE

DEDICATION

This work is dedicated to God Almighty for his consistent direction, mercy, favour and infinite mercy upon my life throughout my years of study.

ACKNOWLEDGEMENTS

The successful completion of this study will not have been possible without the help of a number of persons. I wish to express my profound gratitude to God almighty, who has been faithful and merciful during the duration of the program.

My utmost gratitude goes exclusively to my project Supervisor, Prof. P.O. Ibadin for his consistent guidelines and directions. My appreciation also goes to all lecturers who indirectly and directly had a positive effect during the course of the program, am grateful for the impact of knowledge which is un-denying and unending

I am extremely grateful to my parents Mr. Enakemu Peter and Mrs. Enakemu Christiana for their support financially, morally and their prayer towards the success of my education. My appreciation also goes to my uncle Orakpor Prosperity Okpada, Dr Audu Gabriel, Late Prof P.A Kuale, to my friends Adazor Benedict, Iboyi Destiny, Okejotor Emmanuel, Akporotu Prosperity, for their support and encouragement through the period of the program, I pray the lord replenish and bless you, thank you.

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ABSTRACT

The study employed a survey research design and used self-administered questionnaires. A sampling design of 100 respondents was selected which composed of 20 welding shop owners, 20 tailoring shop owners, 20 transportation company, 20 shoe making shop owners and 20 technicians in Edo State.

Findings from the study show that electronic tax system has improved tax compliance as it is easy for tax payers to assess their tax obligation accurately and enable them file their returns on time. On other hand, the new system has also helped ease the work of EIRS staff and to a small extent led to an increase in tax collection in Edo State. Findings from the study also show that the attitude of tax payers and that of EIRS staff towards the use of e-tax is positive as a considerable number viewed the use of the system as being good. Findings from the study further indicate that the new system has increased costs on the tax payers side. Findings from the study also show that the current e-tax servers are overwhelmed by the number of users hence they are so slow. Findings from the study further show that the electronic tax filing system has the potential of increasing tax compliance and revenue collection in EIRS but a lot has to be done to avert the obstacles that may not make it possible.

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

In the past 10 years, technology has advanced at a rate that has never before been seen, to the point that many jobs that formerly required physical labor from humans are now performed by computers. Most governments, organizations, enterprises, and individuals have implemented technology systems and the internet of things in a variety of industries in order to remain competitive and viable. Since it has become necessary to utilize computer systems and networks in the process of tax registration, filing of tax returns, and payment of taxes, the adoption of technology has advanced the evolution of the concepts of e-commerce and e-governance, including tax administrators worldwide (Newman & Eghosa, 2019). Technology has impacted people's life in a variety of ways and will likely continue to alter how things are done, from ordinary daily routines to more difficult and unusual jobs. Every aspect of life is affected by technology, including business, entertainment, education, communications, healthcare, military, and taxation (PWC, 2013).

Many developed and developing economies around the world have conducted experiments and demonstrated that no country can truly develop without developing a technology-based tax system; as a result, the main goal of a good tax system is to generate enough revenue to cover the costs of essential government purchases of goods and services (Emmanuel, 2010). Therefore, a well-structured tax system based on technology is without a

doubt a highly lucrative way to generate the amount of cash required for providing the essential infrastructure for our country through taxation.

Therefore, the International Monetary Fund (IMF) officials' request to evaluate the Nigerian tax system in accordance with international standards served as the justification for the introduction of an electronic tax system in Nigeria. After examining the Nigerian tax system critically, the IMF advised modernizing the Federal Inland Revenue Service (FIRS) to ensure its viability and relevance in the face of changing economic conditions. In accordance with the International Monetary Fund's guidelines (IMF), The FIRS developed a seven-point reform program that includes streamlining and automating tax administration in general as well as revenue collection. Most nations, whose tax revenues make up a considerable portion of the economy's income, have been employing an electronic tax system for years, according to observations (Umenweke & Ifedora, 2016).

To make the backdrop notion clearer, an electronic tax system is the incorporation of information technology (IT) into the tax administration process (E-Tax). The use of IT to aid in tax administration was the initiative that resulted in the well-known E-tax system. As it gives taxpayers information, education, and assistance while facilitating compliance and administration, this is a master tool for overcoming the difficulties that each tax system faces. However, it should be made clear that the E-tax system does more than only inform, educate, and help taxpayers because of its special features like Electronic Tax Registration, Electronic Tax Filing, and Electronic Tax Payment. It also ensures lower administrative costs for collecting taxes. Taxpayers benefit from the ease of an electronic tax system for tax

assessment and payment. 2016 (Agrawal). This ease of use may be a major factor in the adoption of electronic filing, particularly in developing nations like Nigeria. Taxpayers benefit from numerous elements of the electronic tax system, including the ability to file their returns at any time and from any location, ease of system usage, ease of information search, and other online transactions not available through more conventional methods (Ndayisenga & Shukla, 2016). Additionally, it provides scheduling flexibility, lowers calculation mistakes on taxpayers' tax return forms, and protects the privacy and security of taxpayers (Agrawal, 2006). Furthermore, because tax returns are submitted in a paperless environment, electronic tax systems reduce the workload of tax authorities and operating costs. As well lowers the price of managing, storing, and processing tax returns (Jayakumar & Nagalakshmi, 2006).

1.2 Statement of the Research Problem

The problem of tax evasion and avoidance, which is frequently a result of corruption, is one of the biggest obstacles to effective taxation in Nigeria. This can be observed in the forms of patronage/nepotism, collaboration between taxpayers and tax authorities, and bribery of tax officials by taxpayers for a decrease in the amount of tax to be paid or complete non-payment of tax. Other significant issues with the traditional system of taxation at the Ebonyi State Board of Internal Revenue include a lack of tax statistical data or a poor data base because it is manual, poor recordkeeping of the information they do have, which has led to missing files, torn records, and a variety of taxes., Poor tax administration and the state government's failure to focus its tax efforts have all contributed to a relatively low tax yield.

However, the EBSBIR approved the electronic tax system (Revo-tax) in 2013 in accordance with the Federal Government and put it into effect in 2015. This was done in an effort to increase tax collection. An independent ICT consulting company by the name of APPMART Limited offers this computerized tax solution, named revotax. When properly applied, it aims to remove the gaps, weak points, and issues with the manual method of taxes in EBSBIR, hence removing direct interactions between taxpayers and tax collectors and boosting her revenue production.

Electronic registrations, tax return filings, and tax payments offer sufficient tax records for straightforward information sharing and successfully reduce administrative costs in order to increase internal revenue collection. To the best of our knowledge, studies that are currently available examined how e-taxation affected Nigeria's ability to generate income (Eneojo & Gabriel, 2014; Leyira, Chukwuma & Asia, 2012).

Because of this, it is still unclear what effective approach governments in developing nations like Nigeria may employ to ensure complete tax compliance. One such technique is the use of an electronic tax system that allows taxpayers to self-evaluate (Nawawi & Salin, 2018).

1.3 Research Questions

- 1 The following research questions were developed in light of the aforementioned statement.
- 2 1. How much of an impact does the Electronic Tax Register have on tax compliance?
- 3 2. Is there a connection between electronic tax administration and tax compliance?

- 4 3. How does Tax Compliance affect Electronic Filing?
- 5 4. How does Tax Compliance Affect Electronic Payment?
- 6 5. How is Tax Compliance are affected by Electronic Receipt?

1.4 Objectives of the Study

This study's main goal is to determine how effectively small and medium-sized businesses in Edo State use the electronic tax system and how frequently taxpayers file their taxes electronically. Analyze how the Electronic Tax Register affects tax compliance.

Evaluation of the impact of electronic tax administration on tax compliance.

the effect of electronic tax filing on tax compliance might be challenged.

Analyze how electronic tax payments affect tax compliance.

Analyze how Electronic Tax Receipts Affect Tax Compliance

1.5 Research Propositions

To address the research questions, the following null hypotheses will be developed and evaluated for this study:

H1. The Electronic Tax Register has no appreciable effect on Tax Compliance

H02. Tax Compliance is not significantly impacted by electronic tax administration.

H03. The use of electronic tax filing has no appreciable impact on tax compliance.

H04 Tax compliance is not improved by electronic tax payments.

H05 Electronic Tax Receipt has no beneficial effects on tax compliance.

1.6 Importance of the Research

As they design and put into practice policies aimed at promoting economic growth and development through a better tax system, policymakers and the government will be able to utilize the research's findings to evaluate the difficulties encountered in administering personal income tax in Edo State.

Theoretically, the study will be important to tax administrators and payers because it will be necessary to educate them about the importance of ongoing tax assessment and the need to fulfill their civic obligations as citizens of the nation, respectively, with a general goal of expanding the government's tax base.

The research's findings will also be useful to upcoming researchers, particularly those with an interest in related fields of study as it will provide them access to secondary data and serve as a solid foundation for their future work.

The study will be important for the public since it will provide essential details on personal income tax. The explicit administration of income tax, including its assessment in its entirety, will be covered in this work.

1.7

The Scope of the Study

The research aims to get access to the situation of Edo's small and medium-sized businesses' tax compliance and electronic tax system. Primary data (questionnaire) from one hundred (100) taxpayers from the University of Benin, Benin City, Edo State, was used to gather the study's data.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

Any government must drastically enhance its fiscal depth without racking up expensive recurrent overheads if it is to execute on par with the growth and expectations of its populace. It has been demonstrated that automated solutions may significantly boost corporate process efficiency, which can lead to more income. Applying technology solutions to government's strategic objectives will be a crucial step in making it an organization that can keep up with the demands, expectations, and needs of today's modern society. (Wasao 2014)

This chapter will emphasize the theoretical analysis, empirical research, and theoretical review conducted by various writers on the difficulties and potential of Nigeria's personal income tax administration.

2.2 Concept of Taxation

Taxes are viewed as a requirement that the government imposes on citizens' earnings and corporate profits, as well as on certain purchases of products, services, and other items (Majura, 2013). According to Holban (2007), taxes are anticipated to play three important roles: generating enough revenue to pay for social transfers and public services; offering incentives to increase employment and make the best use of natural resources; and

reallocating income. Nigeria, like other economies throughout the world, pursues the route of ongoing tax reform to address the realities of the global economy because so much is expected from taxes.

2.2.1 Electronic Tax System

The method of collecting taxes through the use of electronic devices is known as an electronic tax system. Computer networks and systems. It involves the use of computerized methods for tax assessment, collection, and administration—commonly known as e-payments and e-filing. It involves the interchange of data through information communication technology systems between the tax authorities and taxpayers, and it is an extension of the expanding idea of e-commerce and e-governance. This system's goal is to replace inefficient, adversarial, process-driven, and insecure manual, bureaucratic service systems with effective, collaborative, and secure online delivery platforms (Arya, 2012).

The use of information technology to enforce key tax procedures, including registration, return filing, payment, and general database maintenance, resulted in what is now known as now recognized as an electronic-based taxation system, or e-tax. Therefore, an electronic tax system is one that automates fundamental tax procedures and allows taxpayers to register, file, and make payments electronically while also receiving education and information. The electronic tax system is, in general, a comprehensive internet portal that offers secure self-service options to taxpayers, can serve as a single point of contact for information and action, is typically accessible around the clock, seven days a week, and does not require assistance from tax administrative staff. Tax administrators and experts

have pushed for a technology-driven tax system to widen the nation's tax base and achieve economic diversification away from oil income to improve the provision of public services and financial responsibility (Harrisson & Nahashon, 2015; Yekeen, 2017). The government of Nigeria has implemented the distinct Taxpayer's Identification Number (TIN) (effective February 2008), an automated tax system that makes it easy to track taxpayers' tax statuses, an e-payment system (also known as e-tax), and an enforcement program (involving special purpose tax officers in collaboration with other security agencies to ensure strict compliance in payment of taxes). All of these actions have improved the nation's tax administration (Asuquo, 2016).

In accordance with this, Oseni (2015) came to the conclusion that tax evaders cannot utilize this current technology to hide since the system detects all potential taxpayers. However, if information communication technology (ICT) is used carelessly by tax authorities as well as taxpayers, fraudsters and hackers of internet facilities may take advantage of the lack of knowledge or weak security of the system.

2.2.2 Electronic Tax System Components

Online tax registration: Taxpayers must get a tax identification number (TIN) in order to register for electronic taxes. The necessary form, which needs proof of each person's real identity and substantiating status, must be filled out by the taxpayer in order to get their unique taxpayer identification number. This supporting paperwork must be mailed to the address on the form along with it. Accordingly, the unique taxpayer identity number is

given following the The competent tax authority verifies the provided documentation and information (Umenweke & Ifediora, 2016).

Taxpayers who wish to file their taxes electronically must possess an email address, access a computer, and download the necessary forms from the tax office's website. Relevant data must be entered, including the taxpayer's name, residence, ID number, exemption, income, tax credit/deduction, other taxes and payments, amount outstanding, etc. The taxpayer completes the tax return form, signs it with a self-chosen identification number, and files it with the tax office. The returned and complete electronic record is transmitted when the filled-out return form is submitted to the tax office where the free file is being used for processing. When the tax return is received, an email is immediately forwarded to the taxpayer. The tax return is then evaluated, and the taxpayer's tax is determined within 48 hours. When mistakes are found, a notice instructing the transmitter to make the necessary corrections and resend the return to the tax office is sent (Umenweke & Ifediora, 2016). For instance, the Ebonyi state board of internal revenue has made tax software available to taxpayers in partnership with a tax consulting business called Appmart Integrated Limited. This allows taxpayers to file forms electronically and get assessments electronically.

The tax office automatically withdraws the amount due from the taxpayer's account from his bank with additional costs if the taxpayer uses a debit or credit card to make a payment through a payment processing service after receiving notice of the tax due through email.

Electronic Tax Services 2.2.3

According to the Deloitte Nigeria Blog (2017), the F.I.R.S redesigned the electronic tax system in June 2017 to function nationally by launching six new electronic tax services (e-services).

E-registration: for the F.I.R.S. to register new taxpayers for the different taxes. With this assistance, taxpayers do not need to visit any tax office to register for tax purposes they just need to visit the F.I.R.S website and register.

E-stamp duty: For payment of stamp duties on qualifying documents. This innovation will increase the ease of doing businesses in Nigeria. Physical stamping in the past was required to perform transactions that require stamping. With e-stamping, stamping can be done anywhere at any time online, one area in which this innovation is very useful is when a new company is being incorporated at the corporate Affairs Commission (CAC). From the CAC registration site, you can migrate to the FIRS e-service site and pay your stamp duties.

E -Tax Payment: *All Federal Government taxes and levies may be paid electronically using any of the following channels. Remita, Interswitch, and Nigeria Inter-Bank Settlement. As a result, you may conveniently pay your taxes from the comfort of your home, bringing tax payment to your doorway.*

E-receipt: *You may use the new e-tax payment to produce e-receipts for taxes that you have already paid. When you do this, you will instantly get information that your tax payment has been received.*

E-filing: *This enables taxpayers to electronically submit their tax returns to the FIRS ITAS. One of the e-tax services' most novel features is this. It is a legally required obligation. to*

file tax returns. By allowing you to upload necessary papers and complete your tax returns instantly, this platform eliminates the need to visit any tax office.

Tax clearance certificates electronically (e-TCC): Taxpayers can use this platform to apply for, receive, and confirm the validity of their e-TCC. It is difficult to get a tax clearance certificate via the manual tax administration method. With e-Tcc, a certificate is immediately issued to taxpayers' email addresses, and their ability to verify its authenticity on the e-service website is available. To make the F.I.R.S. Services convenient, simple, and always available, these e-service projects integrate innovation and technology in tax administration (vanguard newspaper, 2017). The Nigerian National Tax Policy (NTP) emphasizes the use of technology in the enforcement of tax laws despite the lack of a complete legislative framework for the functioning of the electronic tax system in that country. The policy stipulates.

2.3 Tax compliance

Tax compliance is the complete payment of all owed taxes (Braithwaite, 2009). Any discrepancy between the actual amount of taxes paid and the total amount of taxes owed is referred to as tax noncompliance. This discrepancy results from understating revenue and overstating costs or deductions. Both purposeful tax evasion and inadvertent non-compliance, which results from calculation mistakes and a lack of awareness of tax regulations, are considered forms of compliance (Robben et al., 1990 & Webley, 2004). Taxpayer errors may be unintentional and hence not always constitute attempts to escape taxes; they may even result in overreporting taxes, according to Robben & Antonides (1995).

Every government's goal has been to make it as simple and painless as possible for people to pay their taxes. The work has never been easy, though, not since the development of contemporary information technology. In the area of information technology, the globe has seen extraordinary growth since the early 1980s. These technological advancements are significantly affecting the management of fiscal systems and the manner that taxation is managed (Teltscher, 2002). When most people willingly file their tax returns and pay the resulting tax, tax compliance is primarily attained without the involvement of the tax authorities via enforcement, obligations as specified in the tax rules.

A taxpayer in compliance would provide accurate returns, the right forms to the revenue authorities, and prompt payment of any tax obligations. If the three dimensions are not adequately completed, a taxpayer would be deemed non-compliant (Wasao, 2014). The trust and cooperation that develop between the tax authority and the taxpayer, as well as the taxpayer's desire to abide by the rules and directions of the tax authority, are what enable voluntary compliance. This is made easier by things like the effectiveness and efficiency of government services, the perception of the extent of fraud and corruption inside the government, and the seriousness of the government. protecting against fraud and corruption (Fagbemi & Abogun, 2010; Wang, 2010). Tax non-compliance occurs as a result of a number of factors, including growing dissatisfaction with the fairness of the tax system (Chau and Leung, 2009), errors made by taxpayers when filling out their tax forms or intentional omissions (Fagbemi & Abogun, 2010), and rising administrative costs associated with tax collection (Tanko, Okpara & Ajape, 2013). As a result, increasing tax compliance

has continued to be a priority for policymakers, tax administrators, and society at large (Wasao, 2014). This is primarily because tax compliance has an impact on revenue collection and the government's capacity to meet its fiscal and social objectives (Tan & Sawyer, 2003). To increase voluntary compliance and build bridges, In order to close the tax gap, academics have called for tax education, a revision of the tax code that includes strict penalties for tax evasion, and the implementation of an electronic tax system (Tanko et al., 2013). (Khadijah, 2013). A contemporary tax system's main goal is to raise money so that the government can pay growing public sector spending (Afuberoh & Okoye, 2014). According to Aguolu (2004), from the perspective of tax predictability and consistency, taxes are the most significant source of governmental income.

2.3.1 Elements That Influence Electronic Tax Compliance

tax levy: One of the key components of the tax base that affects whether the tax amount is large, or little is the tax rate. Tanzi and Parthasarathi's (1993) study highlights the association between marginal tax rates and tax evasion that is favorable. As a result, tax evasion is more likely to occur with higher tax rates.

The awareness level: While tax payment is a matter that necessitates taxpayers to have a feeling of compliance and awareness of this activity, this is a state of knowing and understanding (Mubarok & Faridah, 2019). Whether or not taxpayers have a favorable opinion of the government depends on how well it performs its duties, which has an impact on how compliantly people file and pay their taxes (Jackson & Milliron, 1986). Tax awareness, according to Loo et al. (2009), is essential for taxpayers to understand, respect,

and strictly adhere to the current tax laws. In other words, a taxpayer's voluntary compliance will be improved by strong tax awareness. Three key aspects of tax perception were examined by Rantung & Adi (2009). First, since taxes are a significant source of income, taxpayers desire to pay taxes because they recognize the advantages of contributing to the common good. Taxpayers want to pay taxes because they understand that delaying payment of taxes will deplete the nation's financial resources, which will slow down economic growth. This is because delaying tax payments, tax exemptions, or tax reductions will have a significant negative impact on the country's growth. Third, tax compliance entails timely and correctly paying taxes. Anyone in society has an unquestionable responsibility to do this. Taxpayer acceptance must work along with tax awareness. As taxpayers become more informed, there there will be more people who pay their taxes (Nalendro, 2014)

Business performance: The state of tax compliance is reflected in business performance, which includes industry, operation period, and type of ownership. Profitability of businesses has an impact on their capacity to pay taxes. A freshly created business or one that has only recently started operations has lower tax compliance than others. Varying types of ownership will have different effects on a company's level of tax compliance (Turban et al., 1997)

The utility of technology: This is seen to be a crucial aspect in fostering user confidence in the usage of cutting-edge technology to support their existing occupations (Davis, 1989).

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Business performance: The state of tax compliance is reflected in business performance, which includes industry, operation period, and type of ownership. Profitability of businesses has an impact on their capacity to pay taxes. A freshly created business or one that has only recently started operations has lower tax compliance than others. Varying types of ownership will have different effects on a company's level of tax compliance (Turban et al., 1997)

The utility of technology: This is seen to be a crucial aspect in fostering user confidence in the usage of cutting-edge technology to support their existing occupations (Davis, 1989). The PEU in this research (Perceived Ease of Use) taking into consideration all pertinent personal traits. This is the most well-known and widely accepted tax fairness or justice concept since it states that residents of a nation should pay taxes to the government in line with their financial capacity. It appears that justice can be served if taxes are imposed in accordance with the idea. Personal levies are the best types of taxes from this perspective (income, net worth, consumption, and inheritance taxes). (Wasao 2014). Regarding the precise definition of a person's ability or faculty to pay, economists are divided. The following are the primary arguments made in this regard: Basics of Income: Most economists believe that income should be the benchmark for determining a man's financial capacity. It seems perfectly reasonable and fair to ask one individual to contribute more to the support of the government than another if their income is higher than theirs. For this reason, income has been considered as the greatest indicator of a person's ability to pay in the current tax systems of the nations of the globe.

benefit Theory: Knut Wicksell and Erik Lindahl first created the benefit concept in 1896. (1919). This argument contends that the state ought to tax people in proportion to the benefits they get. The more advantages a person has because of The more he should contribute to the government, the greater the state's initiatives. The following reasons have led to harsh criticism of this principle:

The state preserves a particular link between the advantages granted and the advantages received. It will go against the tax's fundamental tenet. As is common knowledge, taxes are mandatory payments given to the government to cover costs and provide for the general welfare. A tax does not directly result in anything. Most public expenditures are made for the general good of the people, hence it is impossible to predict the annual benefit received by a specific person. If we use Since they receive greater benefits from state services, the poor will be required to pay the highest taxes when this theory is put into action. Is it against the fairness principle if we raise taxes on the poorer people more? According to this notion, tiny taxpayers may be required to pay higher taxes than medium- and large-sized taxpayers. (Wasao 2014)

2.5 Empirical Research

Numerous studies on the subject of the use of information technology in tax compliance have been conducted both domestically and abroad. For instance, Amitabh et al. (2009) conducted research on the causes of young Indian professionals submitting their income taxes electronically. aiming for The goal of this study was to better understand compliance by examining how young Indian professionals may embrace or act toward paperless or

online filing of tax returns. Regression study revealed that the perceived simplicity of the tax system, individual information technology innovation, relative advantage, filing service performance, and compatibility were the antecedents for young Indian professionals. According to the results of the current study, any online system, whether it is intended for small, medium, or big taxpayers, must be user-friendly, inventive, and accessible in order to be successful.

Ling and Nawawi (2010) conducted a survey in Malaysia on Integrating ICT Skills and software for taxes in tax education. The study's objective was to identify the abilities that taxpayers need to effectively utilize an online tax system. The respondents were tax practitioners. The study discovered that using spreadsheet software, word processing software, and email are the three abilities a taxpayer needs to effectively interact with a technology-based tax system. The results of this study have relevance for the current study in that one must consider the necessary skills that system users would need to possess while analyzing the efficacy of an electronic filing system. The aim of the system could not be accomplished as intended if such talents are not taken into consideration according to Maede (2002). He verified that after three years of deployment, just 20% of the targeted taxpayers were able to utilize the new online system, despite the Malaysian tax authorities investing much on it. This was mostly due to a lack of required user abilities, such as computer literacy, although taxpayer behavior also contributed.

Numerous research on technology and tax compliance with a focus on tax filing have been conducted in Kenya, particularly at the Kenya Revenue Authority. (2010) Muita and

Makanga (2010). Research on the use of technology as a tactical tool to improve tax compliance in Kenya was conducted by Makanga in 2010. According to the case study, large taxpayers included businesses having annual revenues of Ksh. 750 million or more, or government agencies and corporations. The study's goal was to assess how technology may help Kenyan large taxpayers improve their tax compliance. The study discovered that technology has become an integral aspect of any firm growth in the quickly evolving corporate sector. To increase the effectiveness of tax compliance, either KRA or Large Taxpayers must use current technologies. A similar research on the variables influencing the acceptance and use of the e-filing system among Large Taxpayers in Kenya was conducted by Muita (2010) for her MBA thesis. The research looked at the technological requirements, the skills needed by e-filing users, and the readiness of the tax authorities to improve the use of technologies based on tax compliance. The study showed that Kenya needs skills, infrastructure, and a friendly business climate for e-filing to effectively take off.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

The method and approach used to accomplish the study's goal are covered in this chapter. It includes study design, methodology, and data gathering and analysis procedures. The demographic and sample of the Study are covered after a description of the research strategy chosen for the study. The sources and procedures used to gather the study's data, as well as the kind of data analysis used, are also covered in this chapter.

3.2 Research Design A research design is a plan used by researchers to create an investigation into a phenomenon and to come up with rational responses to research questions (Hassan, 1995). Musbah (2010) states that the goal of this study is to establish testable hypotheses concerning connecting two or more variables together. It is supported by organized processes that let statistical techniques be used to make quantitative findings that can be generalized. In assessing the gathered data and producing acceptable outcomes to meet the study's goals, the researcher assumes the position of an objective analyst. To investigate the degree of acceptance and related advantages of tax reforms on taxpayers' perceptions, a survey research approach was used. This makes it easier to gather data from the study's sample in a way that allows for objective generalization to the entire population.

3.3 Population of the Study

100 taxpayers from five (5) small and medium-sized businesses in Edo State, Nigeria make up the sample size.

3.4 Sampling Techniques and Sample Size

Sampling procedures outline the process by which a sample is taken from a particular population. In many circumstances, the gaps in our quantitative data on important events cannot be filled without using a selection strategy. The convenience sampling method was used in the study to choose the necessary sample from the target population. Samples are taken using the convenience sampling approach from the population that is closest to the researcher. It is utilized since the researcher may make use of respondents who are easily accessible and within their range. The most effective tools for doing market research can include convenience sampling.

100 active business owners from Nigeria's Edo State make up the sample size.

NAMES OF ENTERPRISES	SAMPLE
WIELDING SHOP OWNERS	20
TAILORING SHOP OWNERS	20
TRANSPORTATION COMPAAANY	20
SHOE MAKING SHOP OWNEWRS	20
TECHNICIANS	20
TOTAL	100

3.5 Types and Sources of Data

The study was based on primary information that was collected from respondents through the use of a standardized questionnaire. This method of data collecting was chosen for the following reasons. First of all, it is time, money, and objectively straightforward to analyze, according to Green (2015). Additionally, gathering information from a sizable section of a group may be done rather quickly. The questionnaire is a key tool for acquiring quantitative data that may be used to verify existing assumptions, according to Wahyudi (1999).

3.6 Instruments for Data Collection

Questionnaires were utilized as the data gathering tool. As a method for data gathering, questionnaires are created, distributed, and used because respondents readily provide accurate and true information because their identities are not revealed. Questionnaires are also considered as a simpler and faster way to obtain feedback.

3.7 Data Analysis Technique

Using SPSS, the validity and reliability of the data were tested using the Cronbach's Alpha. The respondent's data will be analyzed using a straightforward percentage approach, and the analysis of variance (ANOVA) statistical methodology will be utilized to test the hypothesis.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND FINDINGS

4.1 INTRODUCTION

This chapter primarily focuses on the examination of data that the researchers acquired through the distribution of questionnaires.

The surveys, which are mostly sent to company owners in the state of Edo, were intended to collect data by asking the respondents their thoughts about the electronic tax system and tax compliance. The methodical presentation and analysis of the data from the questionnaire are elaborated in this chapter. Using SPSS, the validity and reliability of the data were tested using the Cronbach's Alpha. The respondent's data would be analyzed using a straightforward percentage approach, and the hypothesis would be evaluated using analysis of variance. statistical procedure called (ANOVA). The responder was given a total of 100 questionnaires, out of which 100 were completed and returned. A 100% response rate resulted from this. Following is the response and percentage of 100 respondents:

4.2 PRESENTATION AND ANALYSIS OF DATA ACCORDING TO DEMOGRAPHIC CHARACTERISTICS

Table 4.2.1 Sex of Respondents

SEX	RESPONSES	PERCENTAGE
Male	65	65%
Female	35	35%
Total	100	100%

Source: Field survey, 2022

According to the questionnaire distribution, the table highlights gender respondents by providing 65% male responses and 35% female responses.

Table 4.2.2 Age of Respondents.

AGE	RESPONSES	PERCENTAGE
18-24	10	10%
25-34	30	30%
35-45	35	35%
46 above	25	25%
Total	100	100%

Source: Field survey, 2022.

According to the table, 10% of respondents are between the ages of 18 and 24, 30% are between the ages of 31 and 34, 35% are between the ages of 35 and 45, and only 25% were beyond the age of 46.

Table 4.2.3 Years in Business

YEARS IN BUSINESS	RESPONSES	PERCENTAGE
1 year	15	15%
2>5 years	25	25%
6>10 years	30	30%
Above 10 years	30	30%
Total	100	100%

Source: Field survey, 2022.

The table displays the respondents' years in business, of which 15% have been in operation for one year, 25% for two to five years, 30% for six to ten years, and 30% for more than ten years.

Table 4.2.4 Marital Status

Marital Status	RESPONSES	PERCENTAGE
Single	30	30%
Married	65	65%
Divorce	5	5%
Total	100	100%

Source: Field survey, 2022.

Each respondent's marital status is shown in the table. thirty percent of respondents are single, sixty five percent are married, and five percent are divorced.

Table 4.2.5 Educational Qualification

Variables	Respondents	Percentage
SSCE/OND	85	85%
B.Sc.	12	12%
B.Sc./ACA	3	3%
Total	100	100%

Source: Field survey, 2022.

According to the table above, senior management accounted for 85% of the respondents, middle management accounted for 12%, and junior management accounted for 3%.

4.3 PRESENTATION AND ANALYSIS OF DATA ACCORDING TO ANALYSES OF RESEARCH OBJECTIVES

4.3.1 Descriptive Statistic of Electronic Tax Register and Tax Compliance.

The study's initial goal was to show how the computerized tax register and tax compliance interact. The descriptive findings of respondents who agreed to each of the assertions in the survey instruments using the electronic tax register as a variable are shown in the form of strongly agree, disagree, disagree, not sure, agree, and strongly disagree.

Table 6: Electronic Tax Register and Tax Compliance

	STATEMENT	Strongly disagree (1)	Disagree (2)	Agree (3)	Strongly Agree (4)
1	Electronic tax register can affect tax compliance in the organisation	8%	8%	51%	33%
2	There is a law backing electronic tax register in the organisation	5%	55%	40%	0%
3	More than 50% of tax payers still do not understand how electronic tax register works	0%	0%	68%	32%
4	Business owners should adhere to the electronic tax register for accurate record keeping	0%	%	77%	23%
5	Electronic tax register is maintained in an organisation for tax purpose and record keeping	0%	0%	85%	15%

Source: field survey, 2022

The empirical findings of the respondent's reaction to the research statement or questions regarding the electronic tax register and tax compliance are listed in the table above.

The tabulated replies to the first questionnaire question, which asked if using an electronic tax register had an impact on tax compliance, show that some respondents were more involved than others. 84% of respondents agreed or strongly agreed that the computerized tax register had an impact on tax compliance. Half of those who disagreed and strongly disagreed with 16% of the responses. This sums up an electronic tax register's beneficial impact on tax compliance.

Regarding whether the organization's electronic register is supported by legislation, 40% of respondents agreed, whereas the The remaining 40% were split evenly between strongly disagree and disagree, indicating that there is no law supporting the organization's use of an electronic tax register.

68% of respondents agreed with the assertion that the majority of taxpayers don't understand how computerized tax registers operate, and 32% strongly agreed.

When it came to the second question, which advised company owners to follow the electronic tax register for correct record keeping, 100% of respondents agreed that they would do so.

In terms of whether an organization maintains an electronic tax register for tax purposes and record keeping, the tabulated responses showed that 15% of respondents strongly agreed, while 85% of respondents agreed.

.4.3.2 Descriptive Statistic of Electronic Tax Administration and Tax Compliance

The study's survey instruments included a list of 5 questions evaluating the impact of electronic tax administration on tax compliance, the results of which are described. The questionnaires that were given out to the respondents were reviewed by the researcher. The replies were based on a Likert scale, with one representing strongly disagrees and four representing strongly agree.

Table 7: Electronic Tax Administration and Tax Compliance

STATEMENT		Strongly disagree (1)	Disagree (2)	Agree (3)	Strongly Agree (4)
1	Electronic tax administration has very huge role to play towards an accurate record keeping	0%	0%	40%	60%
2	There is high demand and interest in electronic tax administration on tax compliance in the organisation	15%	75%	10%	0%
3	Electronic tax administration helps to curb tax evasion and avoidance in the organisation	0%	0%	38%	62%
4	Electronic tax administration has some side effects on some business organisation	43%	56%	0%	0%

5	The Edo state government should amend existing laws to meet the requirements of electronic tax administration.	0%	0%	38%	62%
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Source: field survey, 2022

The overwhelming majority of responses—100%—indicate that electronic tax administration will play a significant role in accurate record keeping when asked whether it will have a significant impact on record keeping.

Responses to the question of whether electronic tax administration is highly desired inside the organization revealed that 80% disagreed and strongly disagreed, while 10% agreed.

Responses indicated that all respondents agreed with the study question provided there on whether electronic tax administration aids in reducing tax evasion and avoidance in organizations. Since there was no negative response, electronic tax should be introduced. All answers seem to be split between strongly disagreeing and disagreeing when it comes to whether or not electronic tax administration has any negative consequences on some company organizations.

Regarding the question of whether the Edo state government should change current laws to comply with the demands of electronic tax administration 38% of respondents agreed, compared to 62% who strongly agreed, that the legislation should be changed. This ruling, which represents the respondent's majority opinion, is that the current laws should be changed.

4.3.3 Descriptive Statistic of Electronic Filing and Tax Compliance

Table 7: **electronic tax filing and tax compliance**

STATEMENT		Strongly disagree (1)	Disagree (2)	Agree (3)	Strongly Agree (4)
1	Electronic tax filing has positive impact on tax compliance in the organisation	0%	0%	56%	44%
2	Electronic tax filing is significant in detecting fraud	0%	0%	67%	34%
3	Electronic tax filing enhances the quality of investigative service on tax compliance	0%	0%	60%	40%
4	As an organisation do you file your returns electronically	20%	74%	6%	0%
5	Electronic tax filing helps to curb corruption and fraudulent practices in the organisation,	0%	0%	51%	47%

Source: field survey, 2022.

According to the tabulated replies, 56% of respondents strongly agreed, while 44% agreed, that electronic tax filing has a beneficial influence on tax compliance in the organization.

Overall, this has a favourable effect on tax compliance.

The tabulated replies showed that 100% of respondents affirmed the statement that electronic tax filing is significant in identifying fraud, with a split between strongly agreed and agreed. This all adds up to an important role for computerized tax filing in identifying fraud.

There is no disagreement regarding the claim that electronic tax filing improves the calibre of tax compliance investigation services, therefore 100% of respondents agreed with it.

The tabulated replies revealed whether returns are completed electronically at an organization. 6% of respondents agreed, while 94% of respondents either strongly disagreed or disagreed.

In terms of whether electronic tax filing aids in reducing fraud and corruption inside the organization, 100% of respondents agreed, with a split between strongly and agreeing. **4.3.4**

Descriptive Statistic of Electronic Tax Payment and Tax Compliance

Table 6: Electronic Tax Payment and Tax Compliance

	STATEMENT	Strongly disagree (1)	Disagree (2)	Agree (3)	Strongly Agree (4)
1	There is high demand and interest in electronic tax payment on tax compliance	2%	8%	57%	33%
2	Electronic tax payment has been used to reduce corruption activities in the organisation.	0%	2%	40%	58%
3	Electronic tax payment increased tax compliance in the organisation	0%	0%	45%	55%
4	Electronic tax payment is fast and makes work simple compared to manual payment	0%	%	77%	23%
5	Electronic tax payment has positive effect on tax compliance in the organisation	0%	0%	82%	18%

Source: field survey, 2022

The empirical findings of the respondent's answer to the research statement or questions on electronic tax payment and tax compliance are summarized in the table above.

The tabulated replies to the first questionnaire question, which asked whether there was a strong demand for and interest in electronic tax payments for tax compliance, show that a majority of respondents were involved. 90% of respondents agreed or strongly agreed that the computerized tax register had an impact on tax compliance. While 50% of those who disagreed and strongly disagreed shared 10% of the respondents. The overall impact of electronic tax payment on tax compliance is favorable.

Whether computerized tax payments have been utilized to lessen corruption in the organization (40%) agreed, the rest 58% were evenly split between agree and strongly agree, and 2% disagreed, suggesting that the adoption of electronic tax payment has helped the organization cut down on corruption.

In response to the question of whether electronic tax payment improves tax compliance inside the firm, 45% of respondents agreed with the statement, and 55% strongly agreed.

Every responder was on the same page about compliance, which added up to 100%, when it came to the next question, which pointed out that electronic tax payment is quick and easier than manual payment.

According to the tabulated replies, 82% of respondents agreed and 18% strongly agreed that electronic tax payment had a beneficial impact on tax compliance in the firm.

4.3.5 Descriptive Statistic of Electronic Tax Receipt and Tax Compliance

Table 6: Electronic Tax Receipt and Tax Compliance

	STATEMENT	Strongly disagree (1)	Disagree (2)	Agree (3)	Strongly Agree (4)
1	Electronic tax receipt has increased tax compliance	0%	0%	67%	33%
2	More than 50% of tax payers still do not understand what electronic tax receipt is and why it is recommended	0%	5%	40%	55%
3	Electronic tax receipt is very much needed in the organisation	0%	0%	70%	30%
4	Electronic tax receipt enhances the detection of corruption in the organisation	0%	%	77%	23%
5	Tax payers respond to electronic tax receipt positively	0%	0%	90%	10%

Source: field survey, 2022

The respondent's empirical findings in response to the study statement or questions on electronic tax receipts and tax compliance are listed in the table above.

The tabulated replies to the first questionnaire question, which asked if electronic tax receipts had boosted tax compliance, show a higher-than-average level of participation from some respondents. 100% of respondents said they strongly agree or agree that the electronic tax register has an impact on tax compliance. The overall impact of electronic tax receipts on tax compliance is favorable.

In response to question 2, 95% of respondents strongly agreed or agreed, while 5% disagreed, indicating that more than 50% of respondents do not comprehend what an electronic tax receipt is or why it is advised. When asked if the organization needs electronic tax receipts, 70% of the respondents agreed with the statement, while 30% strongly agreed.

Every responder was on the same page when it came to compliance, which added up to 100%, when asked whether computerized tax receipts improve the detection of corruption in the organization.

According to the tabulated replies, 90% of respondents agreed while 10% strongly agreed that tax payers respond favorably to electronic tax receipts.

4.4 TEST OF HYPOTHESES

The researcher's prior theory from chapter one will be put to the test in this part so that conclusions may be reached. The researcher will use the Anova statistical method with a 5% threshold of significance.

H01: The Electronic Tax Register has no significant effect on tax compliance.

H02: Tax compliance is not significantly impacted by electronic tax administration.

H03: The use of electronic tax filing has no significant impact on tax compliance.

H04 Tax Compliance is unaffected by Electronic Tax Payment.

H05 The Electronic Tax Receipt has no beneficial effects on tax compliance.

4.4.1. Hypothesis Testing One

The hypothesis was tested using the Anova statistical technique and the results of the hypothesis are given below

H_{01} : There is no significant impact of Electronic Tax Register on Tax Compliance.

Case Processing Summary

		N	%
Cases	Valid	99	100.0
	Excluded ^a	0	.0
	Total	100	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.713	.604	5

The analysis's findings also indicate that each research variable fulfills the reliability requirement and is suitable for further examination because its reliability value is higher than the value of 0.713.

ANOVA with Tukey's Test for Nonadditivity

		Sum of Squares	Df	Mean Square	F	
Between People		73.956	98	.755		
Within People	Between Items	115.527	4	28.882	133.396	
	Residual	Nonadditivity	22.933 ^a	1	22.933	144.763
		Balance	61.940	391	.158	
		Total	84.873	392	.217	
Total		200.400	396	.506		
Total		274.356	494	.555		

Grand Mean = 3.1778

The value of the F-test is 3.577, with a P value of 0.00 (confidence level at 95%), according to the table above. The P-value for this study is less than the 5% level of significance. The study rejects the null hypothesis that the Electronic Tax Register has no significant influence

on Tax Compliance since the p-value is compared to an alpha level in order to assess if it is statistically significant. The study concludes that the Electronic Tax Register has a considerable influence on tax compliance.

4.4.2 Hypothesis Testing Two

The Anova statistical method was used to test the hypothesis; the findings are shown below as H02. Tax compliance is not significantly impacted by electronic tax administration

Table 8: Anova Analysis for Tax compliance and electronic tax administration

Case Processing Summary

		N	%
Cases	Valid	100	100.0
	Excluded ^a	0	.0
	Total	100	100.0

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.812	.826	5

The study's findings also indicate that the dependability value of each research variable is higher than the value of 0.812, indicating that each variable satisfies the reliability requirement and may be used in future investigation.

ANOVA

	Sum of Squares	df	Mean Square	F	Sig
Between People	45.039	44	1.024		
Within Between Items	3.022	7	.432	2.245	.031

People	Residual	Nonadditivity	.116 ^a	1	.116	.	.
		Balance	59.112	307	.193		
		Total	59.228	308	.192		
	Total		62.250	315	.198		
Total			107.289	359	.299		

Grand Mean = 3.177

The value of the F-test is 2.245, with a P-value of 0.031 (confidence level at 95%), according to the table above. The P-value for this study is less than the 5% level of significance. The p-value is compared to an alpha level when testing the null hypothesis because it appears to be statistically significant, which suggests that a robust electronic tax administration will improve tax compliance. Therefore, the study disproves the null hypothesis that there is no discernible impact of electronic tax administration on tax compliance. As a result, the study draws the conclusion that tax compliance is significantly impacted by electronic tax administration.

4.4.3 Hypothesis Testing Three

Using the Anova statistical approach, the hypothesis was examined, and the findings are presented below.

H03: Tax Compliance is unaffected considerably by electronic tax filing.

Case Processing Summary

		N	%
Cases	Valid	100	100.0
	Excluded ^a	0	.0
	Total	100	100.0

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.795	.793	5

The analysis's findings also indicate that each research variable fulfills the dependability requirement and is appropriate for additional investigation because its reliability value is higher than the value of 0.795.

ANOVA

		Sum of Squares	df	Mean Square	F	Sig
Between People		45.400	44	1.032		
Within People	Between Items	3.278	7	.468	2.211	.033
	Residual Nonadditivity	.813 ^a	1	.813		
	Balance	64.409	307	.210		
	Total	65.222	308	.212		
Total		68.500	315	.217		
Total		113.900	359	.317		

Grand Mean = 3.198

According to the table above, the F-test result was 2.211, with a P-value of 0.33 and a 95% confidence level. The P-value for this study is less than the 5% level of significance. In order to test the null hypothesis, the p-value is compared to an alpha level since it seems to be statistically significant. The analysis contradicts the null hypothesis that tax compliance is not significantly affected by electronic tax filing. Thus, the study's conclusion is that Electronic Tax Filing Has a Significant Impact on Tax Compliance.

4.4.4 Hypothesis Testing four

The hypothesis was tested using the Anova statistical technique and the results of the hypothesis are given below

H₀₄: Electronic Tax Payment has no positive impact on Tax Compliance

Case Processing Summary

		N	%
Cases	Valid	100	100.0
	Excluded ^a	0	.0
	Total	100	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.713	.604	5

The analysis's findings also indicate that each research variable fulfills the reliability requirement and is suitable for further examination because its reliability value is higher than the value of 0.713.

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
15.8889	3.773	1.94248	5

ANOVA

		Sum of Squares	df	Mean Square	F	Sig
Between People		73.956	98	.755		
Within People	Between Items	115.527	4	28.882	133.396	.000
	Residual	84.873	392	.217		
	Total	200.400	396	.506		
Total		274.356	494	.555		

Grand Mean = 3.1778

According to the table above, the F-test result was 133.396, with a P-value of 0.000 and a 95% degree of confidence. The P-value for this study is less than the 5% level of significance. In order to test the null hypothesis, the p-value is compared to an alpha level since it seems to be statistically significant. The study disproves the null hypothesis, which states that there is no correlation between tax compliance and electronic tax payment. Thus, the study's finding that electronic tax payments have a favorable effect on tax compliance.

4.4.4 Hypothesis Testing five

The hypothesis was tested using the Anova statistical technique and the results of the hypothesis are given below

H₀₃: Electronic Tax Payment has no positive impact on Tax Compliance

Case Processing Summary

		N	%
Cases	Valid	100	100.0
	Excluded ^a	0	.0
	Total	100	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	Alpha on N of Items
.713	.604	5

The analysis's findings also indicate that each research variable fulfills the reliability requirement and is suitable for further examination because its reliability value is higher than the value of 0.713.

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
15.8889	3.773	1.94248	5

ANOVA

		Sum of Squares	Df	Mean Square	F	Sig
Between People		73.956	98	.755		
Within People	Between Items	115.527	4	28.882	12.365	.003
	Residual	84.873	392	.217		
	Total	200.400	396	.506		
Total		274.356	494	.555		

Grand Mean = 3.056

The value of the F-test is 12.396, with a P-value of 0.003 (confidence level at 95%), according to the table above. The P-value for this study is less than the 5% level of significance. In order to test the null hypothesis, the p-value is compared to an alpha level since it seems to be statistically significant. As a result, the study disproves the null hypothesis that electronic tax receipts have no beneficial effect on tax compliance. The study comes to the conclusion that electronic tax receipts have a beneficial effect on tax compliance.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATION

5.1 INTRODUCTION

This chapter contains a summary of the results, discussion, conclusions drawn from the results, and suggestions for additional study. It also offers advice on how the results should be analyzed and interpreted.

5.2 SUMMARY OF FINDINGS

The study investigated the link between tax compliance and the electronic tax system. In-depth explanations of the efficiency of electronic tax administration, filing, payment, and receipt are also included in the research work. The study's goal was to investigate the relationships between electronic tax systems and tax compliance while taking into account areas for targeted hypothesis testing.

With the understanding that the target population was geographically dispersed, a descriptive survey approach was adopted. The study made complete use of original data. The amount of data required determined the sample size. We employed a convenience sampling technique using a 100-person sample, of which we had 100 respondents. Most often, a questionnaire was utilized as a tool for academic research. The analysis of the statement employed descriptive analysis, such as frequency counts and tables. The reliability

of the study questionnaire was examined using Cronbach's alpha, and the corresponding hypothesis was examined using an ANOVA.

5.2.1 Electronic Tax Register and Tax Compliance.

According to a review of the study, an electronic tax register has a favorable, considerable impact on tax compliance. As a result, the findings indicate a considerable favorable association between tax compliance and the computerized tax register.

5.2.2 Electronic Tax Administration and Tax Compliance

The analysis of research findings reveals that Tax Compliance is significantly impacted by Electronic Tax Administration. Therefore, based on the findings, tax compliance and electronic tax administration have a substantial beneficial association. It is obvious that efficient tax administration would contribute to higher tax compliance and higher tax revenue.

5.2.3 Electronic Tax Filing and Tax Compliance.

The study's findings indicate that electronic tax filing systems have increased tax compliance because they make it simple for taxpayers to determine their tax liabilities precisely and enable them to complete their forms on time. On the other side, the new system has improved tax compliance and increased revenue collection while making tax

administrators' jobs easier. As a result, the findings indicate a considerable favorable link between electronic tax filing and tax compliance.

5.2.4 Electronic Tax Payment and Tax compliance

The study's findings make it clear that with the introduction of the electronic tax payment system, taxpayers' attitudes about tax compliance have improved. Therefore, the outcome indicates a favorable correlation. between electronic tax payment and tax compliance.

5.2.5 Electronic Tax Receipt and tax compliance.

According to the analysis of studies, electronic tax receipts have a big impact on tax compliance. As a result, the findings indicate a considerable positive link between tax compliance and electronic tax receipts. It is obvious that a good tax receipt would increase tax compliance.

CONCLUSION 5.

Some conclusions were drawn in accordance with the study's goals based on the study's findings. H02 demonstrates that an efficient tax administration has the ability to boost tax compliance and revenue collection. An electronic tax register will allow tax administration to monitor taxpayers through their tax identification number (TIN). H03, H04, and H05 demonstrate the potential for electronic tax filing, payment, and receipt to enhance tax compliance Regarding income collection, but more work must be done to avoid the potential roadblocks.

5.4 RECOMMENDATION

Regarding the research's findings, certain suggestions were offered that were mostly in accordance with the study's goal.

In order to get the most out of the system, the process of adopting the electronic tax system and tax compliance should:

i. Sensitize the electronic tax register across the nation and raise print and electronic advertisements about using it.

ii. Ensure that the tax administration has received the necessary training on how to operate the new tax system.

iii. To improve taxpayers' interest in using the filing websites, they should provide user-friendly features.

Electronic tax payment should be encouraged to improve revenue collection and reduce cost associated with manual process.

5.5 AREAS OF FURTHER RESEARCH

The researcher suggests the following areas for further research;

- The impact of e^{tax} on tax evasion and avoidance
- The impact of e^{tax} on tax payer relational norms

5.6 LIMITATION OF THE STUDY

The major limitations encountered during the course of this study are:

- i. There was inadequate time to carry out the study as intended which was a major hindrance to the work;
- ii. Paucity of published research materials was also a major hindrance to the work;
- iii. Inadequate relevant literature on the topic i.e. past research work carried out on the topic was also seen as a limitation to the work and lastly;
- iv. High cost of running a large area.

In spite of the above limitations listed above, the research was carried out and can be relied upon for empirical generalization by future researchers, and also for decision making.

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APPENDICES

Department of Accounting,
Faculty of Management Science,
University of Benin,
Benin City.

Dear Respondent,

I am a final year student of the above named institution and presently conducting a research study on the topic: 'Electronic Tax System and Tax compliance' among small and medium scaled enterprise in Edo state. This research is meant to fulfil one of the requirements for the award of Bachelor's Degree in Accounting. The questionnaire is designed in a way that it can be filled seamlessly. In each question, you are required to mark the options that applies and suitable to your organization.

Be rest assured that your responses will be treated confidentially and only for the purpose of the research. I am grateful for devoting your time in completing this questionnaire.

Yours Faithfully

Enakemu Friday Okiemute

SECTION A: PERSONAL DATA

It will only take a few minutes of your time to complete and any information provided will be used purely for academic purposes. Thanks for your cooperation

Instructions

Please tick or mark the boxes provided or fill where appropriate

1. Gender: Male Female
2. Age: 18-24 25-34 35-45 46 & above
3. How long have you been in business: 1 year 2-5 year 6-10 years Above 10 years
4. Marital Status: Single Married Divorced
5. Educational Qualification: SSCE/OND B.Sc. B.Sc./ACA Others

SECTION B

Use the scale provided below to indicate your level of agreement or disagreement with each statement. The scale are SD, D, A and SA; Strongly Disagree, Disagree, Agree, Strongly Agree respectively

Electronic Tax Register and Tax Compliance		SD	D	A	SA
1	Electronic tax register can affect tax compliance in the organization				
2	There is a law backing electronic tax register in the organization				
3	More than 50% of tax payer still do not understand how tax register works				
4	Business owners should adhere to electronic tax register for accurate record keeping				
5	Electronic tax register is maintained in an organization for tax purpose and record keeping				
Electronic Tax Administration and Tax Compliance		SD	D	A	SA
6	Electronic tax administrator has a huge role to play towards an accurate record keeping				
7	There is a high demand and interest in electronic tax administration on tax compliance in the organization				
8	Electronic tax administration helps to curb tax evasion and				

	avoidance in the organization				
9	Electronic tax administration has some side effect on some organization				
10	The Edo state government should amend existing laws to meet the requirement of electronic tax administration				
Electronic Tax Filing and Tax Compliance		SD	D	A	SA
11	Electronic tax filing has positive impact on tax compliance in the organization				
12	Electronic tax filing is significant in detecting fraud				
13	Electronic tax filing enhances the quality of investigation services on tax compliance				
14	As an organization do you file your tax electronically				
15	Electronic tax filing helps to curb corruption and fraudulent practices in the organization.				
Electronic Tax Payment and Tax Compliance		SD	D	A	SA
16	There is a high demand and interest on electronic tax payment on tax compliance				
17	Electronic tax payment has been used to reduce corrupt activities in the organization				
18	Electronic tax payment increased tax compliance in the organization				
19	Electronic tax payment is fast and makes work simple compared to the manual system of payment.				
20	Electronic payment has positive effect on tax compliance in the organization				
Electronic Receipt and Tax Compliance		SD	D	A	SA
21	Electronic tax receipt has increased tax compliance				
22	More than 50% owners still do not understand what electronic tax receipt is and why it is recommended.				

23	Electronic tax receipt is very much needed in the organization				
24	Electronic tax receipt enhances the detection of corruption in the organization				
25	Tax payers respond to electronic tax receipt positively				