THE IMPACT OF TAX SOFTWARE ON TAX COMPLIANCE

JOY CLARA OKOYE

MGS2007577

DEPARTMENT OF ACCOUNTING,
FACULTY OF MANAGEMENT SCIENCES,
UNIVERSITY OF BENIN,
BENIN CITY,

MARCH 2025.

THE IMPACT OF TAX SOFTWARE ON TAX COMPLIANCE

JOY CLARA OKOYE

MGS2007577

BEING A PROJECT SUBMITTED TO THE DEPARTMENT OF ACCOUNTING, FACULTY OF MANAGEMENT SCIENCES, UNIVERSITY OF BENIN, BENIN CITY IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF BACHELOR OF SCIENCE (B.Sc.) DEGREE IN ACCOUNTING (TAXATION).

MARCH 2025.

DECLARATION

I JOY CLARA OKOYE, do hereby declare that:

1. The project report is based on the study undertaken by me in the department of Accounting university of Benin, under the supervision of Dr. TIMOTHY OBOH
2. This work has not been submitted for the award of degree elsewhere.
3. All idea and view are product of my personal research ,and where all the view of other were expressed they have been duly acknowledged.
4. All liability arising from the study are entirely mine.

CERTIFICATION

This is to certify that this project titled “The Impact of tax software on tax compliance ” was carried out by JOY CLARA OKOYE with matriculation number MGS2007577. It has been read and recommended for acceptance in partial fulfilment of the requirement for the award of Bachelor of Science (B.Sc.) Degree in Accounting (taxation).

_____ _____

DR TIMOTHY OBOH **Dr. G. O. Ikhu-Omoregbe**

(Project Supervisor) (Project Co-Ordinator)

Date: _____ **Date: _____**

_____

Prof. O. Obaretin

(Head of Department)

_____

Date

DEDICATION

This work is dedicated to the Almighty God who made me all I am today and granted me the required strength, wisdom and knowledge needed in carrying out this work. I also specially dedicate this work to my amazing parents, Mr and Mrs. Edafeadhe and my siblings for always believing in me and pushing me to be my best in my academic pursuit.

ACKNOWLEDGEMENTS

First and foremost, I give all glory to God for His strength, grace, and guidance throughout these four years of academic pursuit. Through every challenge and moment of doubt, His presence sustained me, and for that, I am deeply grateful. Heartfelt appreciation to my project supervisor, DR TIMOTHY OBOH, for his mentorship, patience, and invaluable insights. His unwavering support and guidance played a crucial role in shaping this research, and I truly appreciate all his efforts. I am also grateful to the dedicated Faculty members of the Department of Accounting,whose knowledge and encouragement have contributed immensely to my growth. Their commitment to academic excellence has been an inspiration.

A special thank you to my wonderful parents, Mr. EMEKA OKOYE and late Mrs. IDIA OKOYE, whose love, sacrifices, and unwavering belief in me have been the foundation of my journey. Your support has meant everything to me, and I am forever grateful. I would also like to extend my sincere appreciation to my Uncle, MUSA MESEUDU and my siblings TINA OKOYE and SAMUEL OKOYE . Your constant support and encouragement from the very beginning have been a source of strength, and I truly appreciate all that you have done for me. Your belief in me has been a driving force, and I pray that God bless you abundantly.

Special appreciation goes to my friends,Ella Chukwu, Precious oko oboh, David Ugberaese, with whom I studied and shared countless moments from the first year to my final year. Thank you for your kindness and unwavering encouragement. Your presence made this journey easier and more memorable, and I am also grateful for your support. Your companionship and collective spirit have been a source of strength and joy throughout my academic journey.

TABLE OF CONTENTS

LIST OF TABLES

ABSTRACT

This study evaluates the impact of tax software on tax compliance in Nigeria, focusing on factors influencing adoption and the relationship between tax software usage and compliance rates. A sample of 200 respondents, comprising individual taxpayers and small and medium-sized enterprises (SMEs), was surveyed using a structured questionnaire. The study employed a quantitative research approach, with data analyzed using descriptive statistics, regression analysis, and statistical software such as E-Views 10 and SPSS 22.0. Findings reveal that ease of use, time-saving benefits, financial data security, cost, and availability of support services significantly influence tax software adoption. Additionally, results indicate a strong positive relationship between tax software usage and tax compliance, with taxpayers expressing high satisfaction levels. Based on these findings, the study recommends increasing digital literacy programs, enhancing security features and support services, reducing software costs through subsidies, and implementing policies to mandate digital tax solutions. These measures are essential for fostering a more efficient, transparent, and technology-driven tax administration system in Nigeria.

CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND OF THE STUDY

Taxation plays a crucial role in the economic development of any country, both developing and developed.Government revenue is essential for fostering growth and development in any nation, and globally, tax revenue stands out as the most prevalent source of public income (Agbetunde, Akinrinola, & Odinakachi, 2020) It provides the government with the necessary revenue to fund public goods and services. However, tax compliance has been a major challenge for governments worldwide. The complexity of tax laws, lack of awareness, and inefficient manual systems have contributed to low tax compliance rates.

Before amalgamation in Nigeria,tax collection was primarily on the Native Revenue Ordinance, which allowed local authorities to collect taxes from individuals and communities. The methods of tax collection during the period was largely traditional and informal, with taxes often paid in kind such as through provision and labour or goods. After amalgamation in 1914, the tax system in Nigeria became more formalized and centralized. The British Colonial administration introduced new tax laws and regulations, including the Income Tax Ordinance of 1971.The means of collecting taxes in Nigeria before the introduction of tax software were largely manual and labor intensive, relying on a combination of direct and indirect taxation,as we all as traditional methods of tax

collection.

However, tax compliance has been a major challenge for governments worldwide.Apart from the awareness and knowledge of each Taxpayer, tax compliance is also influenced by the external parties of the Taxpayer itself.The fact that Nigeria's budget is being funded by continuous borrowing, along with the high cost of debt financing, is concerning and presents a challenge for us to turn internally for a more sustainable source of funding for public spending. This is partially caused by an excessive reliance on oil income, which is decreasing in value as a result of the instability of the global oil markets. In order to facilitate tax compliance and payment for taxpayers, the government implemented tax softwares, which will raise tax income. This clarifies why tax software solutions are one of the main tactics used in Nigeria to increase tax income, as mentioned in a FIRS circular titled "FIRS and its drive to generate #10 trillion in 2022" that was published in August 2021. According to Naiyeju (1996), The government, in this case the Directorate General of Taxation has a very important role to "invite" Taxpayers in order to become compliant Taxpayers with various stages (Sri Mulyani, 2016). Various services have been improved both directly in the Tax Office and online through various services that have been launched with the aim that Taxpayers can perform their tax obligations easily without having to come to the Tax Office directly.

Despite this measure taken by government, it is still unclear whether tax software has helped to improve the tax compliance level among taxpayers in Nigeria. Undoubtedly, if tax software is properly administered in Nigeria can be a lasting solution to the

irregularities such as tax evasion and avoidance that is in practice in Nigeria tax system. It is in line with the above problem that this study was prompted to ascertain whether tax software has helped to improve tax compliance level in Nigeria. Itsibor (2024) argued that in a bid to navigate Nigeria towards a more efficient and technologically advanced tax regime, the Chairman of the Federal Inland Revenue Service (FIRS), Zacch Adedeji has emphasised the urgent need to overhaul the country's unwieldy tax composition. The FIRS boss in the 154th meeting of the Joint Tax Board in Abuja, highlighted the critical role of a well-designed and managed tax system in not only generating revenue for the state but also in fostering investment, promoting social equity, and driving sustainable economic growth. Furthermore, he emphasized that "The simplification of our tax system, the need for coherence, harmony, and synergy, and the need to leverage technology in a 21st-century world are imperatives required to achieve our desired objectives". Olurounbi (2024) argued that Nigeria expects to significantly boost revenue collections this year as plans to overhaul its tax system start to pay dividends. The Federal Inland Revenue Service forecasts revenue to increase 57% in 2024 to 19.4 trillion naira ($20.3 billion), compared with 2023 financial year. That will comprise 9.96 trillion naira in tax revenue from oil and 9.45 trillion naira of non-oil revenue, according to the document. Based on the above, the revenue generation potential of the FIRS will be put to the test and as a consequent, the agency should improve efficiency and tax compliance, including changing its organizational structure to be more taxpayer focused and further automate tax collection, according to the document. The agency will also "carry out internal

reallocation from oil to non-oil, given that the budget oil revenue for 2024 was increased by 214 percent compared to 2023 actual, while non-oil was increased by only three percent". Those measures will add to others aimed at boosting revenue such as shifting more of the burden to wealthy citizens. President Bola Tinubu's government is targeting revenue to help fund an ambitious reform program focused on accelerating growth in Africa's most populous nation and lifting 100 million people out of poverty. A low tax take has forced the government to rely significantly on borrowing to meet its public spending needs, complicating efforts to rein in debt and fund infrastructure, education and health projects. Furthermore, President Bola Tinubu instituted a presidential Fiscal Policy and Tax Reforms Committee. The main focus of the committee is to Streamlining multiple taxes in the informal sector and tackling unorthodox methods of collection. The committee engaged with the public on critical fiscal policy reforms and shared the plans of the governments, provide clarifications and address the areas of concern.The chairman of the committee, Taiwo Oyedele argued that Nigeria have over 60 taxes, levies and charges across the 3 levels of government with state and local governments administering 46 taxes and levies, including road taxes, motor park levies, truck, canoe, wheelbarrow and cart fees etc. There are even more unauthorised taxes all disproportionately affecting small businesses including petty traders, hawkers, artisans, truckers, cart pushers, okada riders and other transporters. The associated costs are inevitably passed on to consumers, mostly low-income earners. The payers also have to contend with the unorthodox means of collection and harassment from untrained "revenue collectors" on highways, markets,

streets etc while there is very little to show for the revenues collected.

The complexity of tax laws, lack of awareness, and inefficient manual systems have contributed to low tax compliance rates. Globally, the signi□cance of revenue generation becomes evident when the statistics associated with non-compliance is considered. For instance, the International Monetary Fund (IMF, 2021).Oladele et al (2020) and Akpubi and Igbekoyi (2019) papers emphasized that there is a strong correlation between tax compliance and tax revenue. If that is the case, then enhancing tax compliance is of great importance to revenue authoritiesand and the use of tax software has been one of the useful nd effective mechanism thus far. Before the invention of tax software, tax compliance in Nigeria was relatively low. According to a study by the Nigerian Institute of Social and Economic Research (NISER), the tax compliance rate in Nigeria was around 30-40% (NISER, 1997). Another study by the Federal Inland Revenue Service (FIRS) found that the tax compliance rate in Nigeria was around 25-35% (FIRS, 1995).

In recent years, the use of tax software has gained popularity as a solution to improve tax compliance. Tax software provides a platform for taxpayers to easily prepare and submit their tax returns, reducing errors and increasing compliance. Ajayi and Yidiat (2021) opined that tax software have a great impact on revenue generation. The potentials that are associated with this system are great and should be harnessed to improve tax revenue generation. They submitted that for taxes to be generated to finance some of the economic activities in the Nation that will bring about growth and development, then a possible way to achieve this is by exploring tax software which had not been given much attention to in

the past.The adoption of tax software in Nigeria is still limited, particularly among small and medium-sized enterprises (SMEs) (Ajayi & Yidiat, 2021). As a result, there is limited data available to assess the impact of tax software on tax compliance. Technical issues such as internet connectivity problems, software glitches, and hardware failures can hinder the effective use of tax software (Federal Inland Revenue Service, 2021). These technical issues can lead to frustration and mistrust among taxpayers, ultimately affecting the impact of tax software on tax compliance.

Overall,in recent years,the use of tax software has become increasingly popular in Nigeria, with many tax payers and tax practitioners adopting these solutions to simplify tax compliance (Akindele et al., 2020). Tax software provides a range of benefits including improved accuracy,reduced errors and enhanced the efficiency. However,the impact of tax software on tax compliance in Nigeria is not well understood,and this study aims to address the knowledge gap.

1.2 STATEMENT OF THE RESEARCH PROBLEMS

Worldwide, taxpayers' resistance, underutilization and reluctance to use tax software remain a great concern. Despite the increasing adoption of tax software on Nigeria, tax compliance rates remains low (Olamide 2020).The importance of understanding and influencing taxpayer's acceptance of tax software is critical, given the investment in technology and the potential for cost saving. With the persistent need to increase revenue collection and enforcement so as to provide public services, developing countries still face

the challenges of low tax compliance and tax administration. Tax compliance remains a significant challenge in Nigeria, with many taxpayers failing to meet their tax obligations (Agbetunde, Akinrinola, & Odinakachi, 2020), as the complexity of tax laws, lack of awareness of some tax payers due to little or education of tax and the necessity of being a tax payer that promptly and diligently adhere to taxes imposed, and inefficient manual systems have contributed to low tax compliance rates (Oladele et al., 2020). In recent years, the use of tax software has gained popularity as a solution to improve tax compliance. However, the impact of tax software on tax compliance in Nigeria is not well understood.

There is a limited number of studies that have investigated the impact of tax software on tax compliance in Nigeria (Agbetunde, Akinrinola, & Odinakachi, 2020). Nigeria's tax laws are complex and constantly changing, making it difficult to understand the impact of tax software on tax compliance (Oladele et al., 2020). Tax software may not be able to keep up with these changes, leading to inaccuracies and inefficiencies.

The human factor is also a significant consideration. Taxpayers may not have the necessary skills or knowledge to effectively use tax software (Akpubi & Igbekoyi, 2019). Additionally, tax officials may not be adequately trained to support taxpayers in using tax software. Security concerns such as data breaches and cyber attacks can also affect the impact of tax software on tax compliance (Naiyeju, 1996). However, the diversity of previous research findings, observed phenomenon and the fact that there is limited research on the impact of tax software on tax compliance in Nigeria (Adewale et al.,

2022), warrants further exploration of this topic.

1.3 RESEARCH QUESTIONS

This study aims to answer the following research questions:

1. What is the impact of tax software on tax compliance rates among individual tax payers and SMEs in Nigeria.

2. What are the factors that influence the adoption and use of tax software among tax payers in Nigeria.

3. What are the effective tax software that enhance tax compliance

1.4 RESEARCH OBJECTIVES

1. To investigate and enhance the impact of tax software on tax compliance rates among individual tax payers and SMEs in Nigeria.

2. To identify the factors that influence the adoption and use of tax software among tax payers and SMEs in Nigeria.

3. Exploring various tax software and their effectiveness

1.5 RESEARCH HYPOTHESIS

H1 Tax payers in Nigeria are not satisfied with the use of tax software for tax compliance

H2 There is no significant relationship between the use of tax software and tax compliance in Nigeria

H3 The use of tax software does not increase tax compliance rates in Nigeria

1.6 SCOPE OF THE STUDY

This study focuses on individual tax payers and SMEs in Nigeria,and will examine the impact of tax software on tax compliance rates among these groups. The study makes use of primary data such as questionnaire.The questionnaire will be distributed among tax payers and SMEs in various locations in Nigeria only as the impact of tax software on tax compliance in other countries will not be examined.

1.7 SIGNIFICANCE OF THE STUDY

This study is significant because it aims to contribute to the existing body of knowledge on tax compliance and tax software in Nigeria. The findings of this study will provide valuable insights for policy makers, tax authorities and tax payers in Nigeria and will inform strategies aimed at improving tax compliance and generate revenue in the country (Oyedele 2019), and also provide the individual and SMEs tax payers insights as to what tax software entails and the need for utmost compliance and as well the gains of tax

payments. Finally, this research will also be of significance to the academia who in the future might wish to carry out further research on this line of study.

1.8 LIMITATION OF THE STUDY

The limitation of this study on the impact of tax software on tax compliance is multifaceted. One significant limitation is the sample size of 200 respondants, which, a hole adequate for statistical analysis may not fully capture a wider range of tax payers compliance towards the use of tax software.

The study will rely on self reports from tax payers which may be subject to bias and is limited to Nigeria,as the impact of tax software on tax compliance in other countries will not be examined.

However, despite these limitations,we believe the findings from this work are reliable and usable for policy making, researchers seeking to improve tax compliance and reform tax policies.

CHAPTER TWO

LITERATURE REVIEW

2.1 NTRODUCTION

The three subsections of this chapter—the conceptual framework, the theoretical review, and the empirical review; delve into the relevant literature that establishes the foundation for developing the hypotheses to be investigated.

2. 2 TAX SOFTWARES

Tax laws and regulations are constantly changing, making it difficult for individuals and businesses to keep up with the latest requirements (Kessler, 2019). Governments increasingly rely on taxation as a revenue source, leading to more stringent compliance requirements (OECD, 2019). Manual tax preparation and filing processes are prone to errors, time-consuming, and often result in delayed refunds (Holtzblatt, 2017).

The development of computers, software, and internet connectivity enabled the creation of tax software that can automate and streamline tax preparation and filing processes (Bourgeois, 2018). Taxpayers and tax professionals sought ways to reduce the time and effort required for tax compliance, driving the demand for tax software solutions (AICPA, 2018).

Tax software helps minimize errors and ensures accuracy, reducing the risk of audits and penalties (IRS, 2020). Governments encouraged tax softwares to reduce paperwork and

speed up processing, creating a need for software that can facilitate e-filing (IRS, 2020).Most developed countries succeed more in tax revenue drive due to the adoption of electronic tax system (e-taxation) that allows taxpayers to pay tax, file return and receive an assessment from tax authorities without visiting tax offices. In several cases, it has been exposed that this has been one of the factors that contribute to higher tax receipts (Awai & Oboh, 2020; Ofurum et al, 2018;Umenweke & Ifediora, 2016). According to Chiamaka et al (2021), tax authorities skeletally adopt e-taxation as such tax revenue has not recorded significant improvement in Nigeria.

According to Adebayo and Idowu (2020), tax software is an electronic self-service platform that enables taxpayers to file their tax returns and conduct other tax services on-line at their convenience irrespective of their locations once internet is available. Awai and Oboh, (2020) stated that it covers tax registration, payment, assessment, monitoring, tax audit, investigation, taxpayers file management and returns filing. Wasao (2014) stated that tax softwares are those online structures where a taxpayer is able to access using the internet all the servicesoffered by a tax authority such as the registration for personal identification number, filing of returns and application for compliance certificate etc. Awai and Oboh (2020), Ofurum et al (2018) noted that online tax payment system has demonstrated to be a major instrument in fighting the challenges of any tax system as it provides information, education and support to taxpayer and facilitates tax compliance and administration.Tax authorities enhanced their scrutiny and enforcement efforts, making it

essential for taxpayers to ensure accuracy and compliance, which tax software helps achieve (Cummings, 2019).

In 2009, immediately after the financial crises, when there was a drastic fall in price of crude oil, the Federal Inland Revenue Service Board introduced an online tax system which is the use of tax softwares to increase the level of revenue generation and compliance for the modernization and harmonization of Nigerian tax offices. It was targeted at achieving a better transformation of the Inland Revenue Service Board from the manual filing system to the use of tax softwares. Among the electronic programs introduced was the introduction of e-government which involves the automation of the e-tax system. The central objective of the Nigerian tax system is to contribute to the well-being of all Nigerians directly.or indirectly through improved policy formulation and appropriate utilization of tax revenue generated for the benefit of the people. However, over the years, Nigeria's tax system has not been able to reach these perceived objectives as a result of some setbacks. Some of the setback include lack of stewardship amongst tax payers, multiplicity of taxes, complex tax payment system and tax offsetting, lack of technological exposure, tax evasion, corruption, government instability (Azubike, 2009). Succinctly, poor contribution of tax revenues to total federally collected revenue in Nigeria, and the ratio of tax revenue to Gross Domestic Product is alarming. Whereas other African countries such as Ghana, Tunisia, Morocco, and so on, have their tax revenues constituting significant portion of their total revenue and Gross domestic Product. Nigeria being the giant of Africa has a

significantly low tax-to-GDP ratio when compared to these countries(Awodipe, 2018), According to Awodipe, (2018), tax revenue as % of GDP in Nigeria is considered relatively low compared to other Africa countries such as Ghana (16%), Egypt (16%), Morocco (22%), South Africa (27%) As relayed by IndexMundi, (2016), the highest value of tax to GDP ratio for Nigeria over the past 10 years was 5.46. In response to these menace, Nigerian government through the tax boards made efforts to restructure the tax systemin a well-structured and coordinated manner. The restructuring birthed the initiative of an electronic tax system called the integrated tax administration system which if implemented properly would enhance compliance and eliminate the problem of tax information and statistics.

With the implementation of tax softwares, it is expected that there will be a significant improvement in tax revenues, which will in turn affect total federally collected revenues and the economic growth at large as witnessed in other countries. Without mincing words, tax softwares has proven to be a master tool in combatting some of the challenges of any tax system as it provides information, education and support to tax payers and facilitates compliance and administration, because it basically involves the automation of core tax processes. Fundamentally tax softwares are expected to promote efficiency, accountability, compliance and also curb leakages in the Nigerian tax system. According to Australian National Audit Office (2015) online tax filing was first introduced in 1986 in the U.S.A. In Australia online tax-filling was introduced in 1987 through its modernization programme.

By 1993, Canadian taxpayer's commenced electronic filling of tax returns through the E-fills, Malaysia, Netherlands and Uganda all introduced electronic payment of tax to their taxpayers for the commences of both the revenue authorities and taxpayers in 2009. The online filing system was introduced in May 2009 known as Integrated Tax administration System (ITAS). With introduction of

ITAS, FIRSB automated the introduction of unique tax identification numbers (UTPIN) through the electronic registration (e-registration) module. ITAS initially enabled registered taxpayers to file their tax returns for VAT (Value added Tax) and PAYE (Pay As You Earn) online but over the years, the system has been upgraded to cover the filing +more complex tax requirements, making tax software necessary for managing international tax obligations (OECD, 2019). Tax software offers cost savings and convenience, making it an attractive solution for taxpayers and tax professionals alike (TurboTax, 2020).

2.3 TAX COMPLIANCE THEORY:

Tax compliance theory refers to the study of factors that influence taxpayers' decisions to comply with tax laws and regulations. The theory is based on the idea that tax compliance is not just a legal obligation, but also a behavioral phenomenon that can be influenced by various psychological, social, and economic factors.

According to Allingham and Sandmo (1972), tax compliance is a function of the expected benefits and costs of compliance, including the probability of detection and punishment for noncompliance.

Friedland (1982) identified three main factors that influence tax compliance: economic factors (such as tax rates, penalties and the financial burden of compliance), psychological factors (such as attitudes towards taxation and government), and social factors (such as social norms and peer influence).

Friedland's theory suggests that tax compliance is not just a rational economic decision, but also a behavioral phenomenon influenced by psychological and social factors. This theory has been influential in shaping tax compliance research and policy.

Alm (1991) developed the "tax compliance game" framework, which views tax compliance as a game between taxpayers and tax authorities, where taxpayers weigh the costs and benefits of compliance and tax authorities use audits and penalties to enforce compliance.

More recently, Hoopes et al. (2018) developed the "compliance ecosystem" framework, which emphasizes the interconnectedness of tax compliance and the role of various stakeholders, including taxpayers, tax preparers, and tax authorities. The main points of this theory include the Multiple layers of tax laws and regulations, Interactions between tax authorities and taxpayers, Technical language and numerous exceptions in tax laws, The role of tax professionals in tax compliance, Constant updates in tax laws and

regulations, The impact of psychological, social, and economic factors on tax compliance decisions.

Verboon and Dijk (2017) argued that tax compliance is the willingness of individuals to comply with relevant tax authorities by paying their taxes as at when due. Tax compliance can be defined as an ability of a tax liable body to submit accurate, complete and satisfactory returns in conformity with tax laws and regulations of the state to the authority for the purpose of tax assessment (Badara, 2012). Tax compliance is the degree to which a taxpayer complies or fails to comply with the tax rules of his country.

Appah and Ebiringa (2022) noted that tax compliance can be defined by considering three distinct types of compliance such as payment compliance, which means timely payment of all obligations, filing compliance, which means the timely filing of any required return, and reporting compliance (the accurate reporting of income and of tax liability).The Organization for Economic Cooperation and Development (2019) divided compliance into administrative compliance and technical compliance. Administrative compliance refers to complying with administrative rules of lodging and paying. This compliance can also be called reporting compliance or regulatory compliance. The technical compliance refers to complying with technical requirements of tax laws. Tax compliance can be achieved through the application of public relations, tax education, tax consultation and guidance and examination.

Akpubi and Igbekoyi (2019) emphasized that the interaction between the tax authority and the taxpayer creates a good relationship that impacts on the tax payer attitude. It was

further asserted by Akpubi & Igbekoyi (2019) that the trust the taxpayers have in the state improves the positive attitude and commitment to paying taxes. The eventual effect is reflected through voluntary compliance by willingly reporting and filling tax returns and as well as paying the tax obligations as and when due. This invariably means that it is not only the tax system that can determine compliance, but also the proper utilization of the tax revenue by the government.

2.4 TAX SOFTWARES IN NIGERIA AND THEIR IMPACTS ON TAX COMPLIANCE

2.4.1 Oracle Cloud EPM Tax Reporting:

A strong cloud-based platform called Oracle Cloud EPM provides a full range of financial planning, budgeting, and reporting tools. In addition, Oracle offers a specific tax reporting module as part of this package, allowing companies to manage their tax compliance procedures efficiently.

KEY BENEFITS OF EPMTAX REPORTING:

- .Improve tax processes: Stop using spreadsheets for other key tax processes. Workflow, configurable tax schedules, dashboards, and robust reporting capabilities allow any tax process to be automated, including controversy management, uncertain tax positions, R&D credit, data collection for transfer pricing, data collection for tax compliance, and more.

-Seamless transparency between tax and finance

Enable greater efficiency for tax processes, stronger controls, and unparalleled integration between book and tax reporting by leveraging your company's investment in Oracle Fusion Cloud Enterprise Performance Management (EPM).

-.Easy to use and own: Make it easy as 1-2-3 to configure and maintain your tax processes with configuration wizards. Oracle Fusion Cloud EPM is easy to own while keeping you connected with finance systems.

2.4.2 PwC Tax247 App:

This mobile app provides real-time access to tax and regulatory information, news, and expert opinions. It also features a PIT calculator, tax legislation, circulars, caselaws, tax treaties, and more.PwC Nigeria Tax247 Application is a searchable, ever-growing dynamic repository of Nigerian tax legislations, circulars, treaties, alerts and case laws coupled with Daily Tax News on the Local and International front as well as Business News. It is the complete digital application for tax consultants, administrators, officials, managers and anyone who wants to keep in touch with tax related news and events in Nigeria and other countries.

Regular users can access wide-range features of the PwC Tax247 App ranging from the Legislation, Tax related News, Tax Alerts, PIT Calculator and so much more for free.

2.4.3 FIRS Tax Pro Max:

The Federal Inland Revenue Service (FIRS) announced through its social media accounts on 2nd January, 2023, that taxpayers now have the convenience of obtaining their Tax Clearance Certificate (TCC) with a single click on the TaxPro Max platform, eliminating the two-week waiting period stipulated in the tax laws. This is one of the most recent benefits offered to taxpayers since the introduction of the TaxPro Max platform in June 2021. While this development is promising and can be improved over time, its success can only be measured by the number of taxpayers who can effortlessly obtain their TCC through a single click, without encountering significant technical or bureaucratic challenges associated with the TaxPro Max platform.

In 2020, the outbreak of the COVID-19 pandemic led to a temporary suspension of all movement, which made it difficult for taxpayers to file tax returns. The physical constraints in meeting tax filing deadlines prompted the FIRS to grant several extensions and introduced the TaxPro Max platform. Essentially, the TaxPro Max is a tax administration solution launched by the FIRS to simplify tax compliance and digitalize the tax administration process in Nigeria. Its features include e-registration, e-filing, e-payment, and obtaining TCCs.

THE FOLLOWING PARAMETERS EVALUATE WHETHER THE TAX PROMAX PLATFORM HAS EFFECTIVELY IMPROVED TAX COMPLIANCE

- Convenience and Ease of Compliance

The most notable benefit anticipated by all and sundry is the enhanced convenience TaxPro Max should offer for tax compliance. Taxpayers can now file returns and pay tax liabilities digitally on the platform from any physical location. This reduces the need for in-person interactions and the cost of visits to tax offices, thereby conserving scarce resources. The length of the tax compliance processes is shortened and the risk of human error is potentially mitigated by the ability to file returns and pay taxes online. The platform is also generally easy to navigate for all taxpayers, although some taxpayers have opined the platform is too pedantic on the details required to file tax returns under a self-assessment regime.

- Centralized System for Tax Collection and Management

The platform provides a centralized system for the collection and management of taxes payable to the Federal Government, allowing taxpayers to make and track tax payments in real time. Taxpayers also have easy access to their tax information as needed, contributing to improved management of the taxpayer database. This simplifies the government's ability to expand and enhance the quality of taxpayer information. In addition, the data obtained from the database can be challenged by taxpayers, ensuring accountability and responsible handling of tax administration by the FIRS.

The above notwithstanding, some taxpayers have expressed displeasure in that tax payment cannot be expressly finalized with their banks, without liaison with the FIRS to generate Payment Reference Number (PRN) or Document Identification Number (DIN), in order to facilitate such payments. Undoubtedly, this may have adversely impacted the ease of payment of taxes by taxpayers, thereby impacting on the collection of the government since adoption.

- Improved Tax Compliance

The TaxPro Max Platform has played a significant role in promoting tax compliance over time. Recent collection reports from the FIRS indicate a consistent increase in revenue collection each year, which can be partially attributed to the implementation of the TaxPro Max and reliance on technological advancements. TaxPro Max also helps users access basic information about tax laws and regulations, in order to keep track of their compliance requirements. The platform maximizes tax revenue collection and promotes taxpayers' voluntary compliance. For instance, in cases where companies are unable to submit their Companies Income Tax (CIT) returns by the due date due to unavailability of signed Audited Financial Statements, the platform provides an option for companies to make payment on account and this helps in avoiding additional penalties and interest charges for late payment.

2.4.4 KPMG Tax Software:

KPMG is a leading tax network that works with clients to develop tax strategies and provide tax services. Their software is designed to help with tax compliance and reporting.KPMG Tax Data Hub is a tax compliance and litigation management solution which enables tax functions to proactively deal with the increasing need for digitalisation of tax. It helps organisations with centralisation of tax data and records, provides appropriate visibility and control on your tax compliances and tax litigations along with intuitive reports for better governance with user friendly search features (e.g. tax compliance, tax litigation, tax refunds.)

It also provides remote access to direct and indirect tax data and documents in an intuitive manner. KPMG Tax Data Hub enables your teams to be assessment ready especially under the new faceless assessment and appeals regime. The smart alerts feature ensures that the entire tax team has the visibility over upcoming deadlines and tax hearings and a lot more and being continuously upgraded with smart features to help clients in their digital tax governance journey. It also provides automated notice download from income tax portal.

2.4.5 Deloitte Tax Software:

Deloitte's tax software provides tax solutions for individuals and businesses, including tax compliance, reporting, and planning.

Deloitte Tax Software is a digital solution designed to help individuals and businesses manage their tax obligations efficiently and accurately. The software provides a range of features and tools to support tax compliance, including:

- Tax calculation and reporting: Deloitte Tax Software calculates tax liabilities and generates reports, including tax returns and other required forms.
- Data import and integration: The software allows users to import data from various sources, such as accounting systems, and integrate with other Deloitte tools.
- Compliance monitoring: Deloitte Tax Software tracks changes in tax laws and regulations, ensuring users are up-to-date and compliant.
- Audit and risk assessment: The software identifies potential audit risks and provides recommendations to mitigate them.
- Tax planning and advisory: Deloitte Tax Software offers planning tools and advisory services to help users optimize their tax strategy.

The impact of Deloitte Tax Software on tax compliance includes:

- Improved accuracy: Automated calculations and reporting reduce errors and inaccuracies.
- Enhanced efficiency: Streamlined processes and data integration save time and effort.
- Increased compliance: Real-time monitoring and alerts ensure users meet deadlines and comply with regulations.

- Better risk management: Identification and mitigation of potential audit risks reduce the likelihood of penalties and fines.
- Improved decision-making: Access to tax data and analytics enables informed decisions and strategic planning.

Overall, Deloitte Tax Software supports tax compliance by providing a comprehensive and integrated solution for tax management, enabling users to navigate complex tax requirements with ease and confidence.

2.5.1 TECHNOLOGY ACCEPTANCE FRAMEWORK:

The Technology Acceptance Model (TAM) has been applied to understand taxpayers' acceptance and usage of tax software. In this context, TAM posits that taxpayers' intention to use tax software is influenced by two main factors: Perceived Usefulness (PU) and Perceived Ease of Use (PEU).

PU refers to the degree to which taxpayers believe that tax software will improve their tax preparation and filing experience, such as reducing errors and saving time. Perceived Usefulness (PU) Taxpayers' belief that using tax software will improve their tax preparation and filing experience, such as reducing errors, saving time, and providing accurate calculations.

PEU refers to the degree to which taxpayers believe that using tax software will be effortless and easy to use.Perceived Ease of Use (PEU) Taxpayers' belief that using tax

software will be effortless and easy to use, with an intuitive interface, clear instructions, and minimal technical requirements.

According to TAM, PU and PEU directly influence Attitude Towards Using (ATU) tax software, which in turn affects Intention to Use (IU) and ultimately, Actual System Use (ASU) of tax. Intention to Use (IU) Taxpayers' intention to use tax software in the future, influenced by ATU. A strong intention indicates a higher likelihood of continued use.

software.Actual System Use (ASU) Taxpayers' actual use of tax software, influenced by IU. Higher usage indicates greater acceptance and adoption.

Taxpayers' overall attitude towards using tax software, influenced by PU and PEU. A positive attitude indicates a higher likelihood of adoption.By understanding these components and their relationships, tax authorities and software developers can design and improve tax software to better meet taxpayers' needs, increasing adoption and usage rates.

Studies have applied TAM to understand taxpayers' acceptance of tax software. For example, Hsieh and Chen (2018) found that PU and PEU significantly influenced taxpayers' intention to use tax software in Taiwan. Similarly, Al-Mamun et al. (2020) found that PU, PEU, and Subjective Norm (SN) significantly influenced taxpayers' intention to use tax software in Bangladesh. Considering external factors such as Subjective Norm (SN) which is social pressure from peers, family, or professionals to use tax software and Facilitating Conditions (FC) which is the availability of resources, support, and infrastructure to facilitate tax software use.

By incorporating these factors, TAM provides a comprehensive framework for understanding taxpayers' acceptance and usage of tax software which can help tax authorities and software developers design and improve tax software to better meet taxpayers' needs.

2.5.2 INSTITUTIONAL THEORY:

Institutional theory explains how social, cultural, and political institutions influence organizations' behavior and decision-making. In the context of tax software, institutional theory helps understand how external factors shape taxpayers' and tax professionals' adoption and usage of tax software.

According to institutional theory, three types of institutions influence tax software adoption:

- Regulative institutions: Government agencies, laws, and regulations that dictate tax compliance and enforcement. (Scott, 2008)
- Normative institutions: Professional associations, industry norms, and social expectations that shape tax preparation and filing practices. (DiMaggio & Powell, 1983)
- Cognitive institutions: Shared beliefs, values, and knowledge that influence taxpayers' and tax professionals' perceptions of tax software. (Berger & Luckmann, 1966)

These institutions exert pressures on taxpayers and tax professionals to conform to certain norms, practices, and technologies, including tax software. For example:

- Regulative institutions may require electronic filing, making tax software necessary for compliance.
- Normative institutions may influence tax professionals to adopt specific tax software to maintain industry standards.
- Cognitive institutions may shape taxpayers' perceptions of tax software as convenient, accurate, or secure.

In the context of tax software, institutional theory suggests that:

- Regulatory environment: Tax laws and regulations influence the development and use of tax software. Tax authorities may require or encourage the use of specific software or features.
- Social norms: Tax professionals and taxpayers may adopt tax software due to peer pressure or industry expectations.
- Cultural factors: Cultural values and beliefs about technology and taxation may influence the adoption and use of tax software.
- Professional norms: Tax professionals may adopt tax software due to professional requirements or standards.

- Organizational factors: Tax firms and businesses may adopt tax software due to organizational policies or technological infrastructure.

2.6 EMPIRICAL REVIEW

In 2020, Raphael Sunday Etim, Mfon Solomon Jeremiah and Patrick B. S. Dan conducted a study on the digitalization of the economy and its effect on tax compliance in Nigeria. The study found that digitalization had a negative influence on tax compliance. The authors recommended that the government develop tax policies that would aid in taxing e-transactions.

In 2018, the Nigerian investment promotion commission found that the digital economy would generate $88 billion and create three million new jobs by the end of 2021. However, it also found that Nigeria may be unable to tax the huge income that the digital economy would generate unless it amends its laws to adapt to changing technological advancements. Akintoye and Tashie (2013) found that digital economies also introduce new risks, including job losses. However, they also found that automation using technology causes creative destruction, stripping some jobs while creating new ones. Dzidonu (2012) found that a digital economy has the potential to enhance productivity and gains in multiple ways. A digital economy can change the way economies of scale are achieved, particularly with online service delivery.

Adewoye and Olaoye (2014) stated that electronic tools for managing taxes are devices and resources used to communicate, create, manage and share information. They include

hardware, software, networks and are concerned with the purpose of collecting, processing, storing and transmitting relevant information to support the management operations in any organizations.

Theoretical Foundations were the Technology Acceptance Model (TAM), Theory of Planned Behavior (TPB) and the Social Cognitive Theory (SCT)

This conceptual framework suggests that tax software influences tax compliance directly and indirectly through various mediating and moderating variables. The framework can be tested using structural equation modeling (SEM) or other statistical techniques to validate the hypotheses and provide insights into the relationships between the variables.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

This chapter focused on the approach adopted by the researcher in conducting the study. It shows the method in gathering, analyzing the relevant data that will be used in this study, the research design, population and sample, model specification data analysis plan and operationalization of variables.

3.2 Research Design

This research adopts a cross-sectional survey research design. This design is adopted because it allows the collection of data through questionnaires from many different individuals at a single point in time (Bryman, 2016). In cross-sectional research, the researcher observes variables without influencing them, making it a suitable approach for studies that seek to describe and analyze phenomena as they exist (Creswell & Creswell, 2018).

3.3 Population

The population of this study consists owners of SMEs and individual tax payers in Benin City, Edo state.

3.4 Sample Size and Sampling Technique

200 copies of questionnaire were distributed to the respondents by the researcher. The question was distributed equally to SMEs (100) and individual tax payers (100). The questionnaire was collected on the spot after the respondents have completed them. The respondents were adequately assured of their anonymity in order to clarify their doubt about the purpose of the study.

The convenience sampling technique was adopted. This is non-probability sampling method where units are selected for inclusion in the sample because they are the easiest for the researcher to access. Hence, the researcher distributed copies of questionnaires to respondents that are accessible to him.

3.5 Sources of Data

The nature of study necessitated the use of primary data. The data were collected through the administration of questionnaires to owners of SMEs and individual tax payers in Benin City, Edo state.

3.6 The Research Instrument

For this study, the instrument used for data collection was a carefully structured questionnaire. The questionnaire was divided into two parts (Part I and II). Part I will comprise of the respondents' demography characteristics, while Part II consisted of

questions on the dependent variable aligned to achieve the research objectives. All items were based on the modified five-point Likert scale of Strongly Agree (SA), Agree (A), Not sure (NS), Disagree (D) and Strongly Disagree (SD).

3.6.1 Validity of the Research Instrument

The validity of the instrument (questionnaire) was affirmed by the researchers' supervisor who is an expert in the field of Accounting (Taxation Programme). The opinion, suggestions and recommendations of the supervisor were used to produce the final instrument.

3.6.2 Reliability of the Research Instrument

Lack of reliability may arise from divergence between observers or instruments of measurements such as a questionnaire or inability of the attribute being measured, which will invariably affect the validity of such questionnaire. The Cronbach's Alpha coefficient was used to test the reliability of the research instrument (questionnaire). The reliability of data pertaining to the variables was then designated through Cronbach's Alpha (α) coefficient which had a value between 0 and 1 (Bayram, 2004). A Cronbach's Alpha value greater or equal to 0.70 was used to justify the reliability of the research instrument. This was done using the SPSS software packages version 22.

3.7 Model Specification and Data Analysis

3.7.1 Model Specification

This section is preoccupied with the formulation of an appropriate model, which establishes the theoretically relationships between the variables of the study. This study's model was adapted from the study of Adimassu and Jerene (2016).

The modified model of this study is stated in its functional form below;

TCOMP = f (Tax Software) ----------

(3.1)

TCOMP = f (TS, FIU_TS) ----------

(3.2)

TCOMP = $\beta_0 + \beta_1 TS + \beta_2 FIU\_TS + \varepsilon$----------

(3.3)

Where;

TCOMP = Tax Compliance,

TS = Tax Software,

SAT_TS = *Factors influencing the use of Tax Softwares,*

$\beta 0$ - Slope

β_1, β_2 - Coefficients

ε – Error term

3.7.2 Data Analysis Method

The responses from the questionnaire administered was analyzed using descriptive (mean, standard deviation, frequency count, simple percentage) and inferential (regression and independent sample t-test) statistics. The descriptive method described the demography of respondents using frequency and percentage. The regression analysis was used to evaluate the hypotheses of the study. The hypotheses were tested using Alpha level of significance of 0.05. The decision rule for accepting hypothesis, is that we reject the null hypothesis when p-value (computed level of significance) is less than 0.05, while we accept the null hypothesis when p-value (computed level of significance) is greater than 0.05. Analysis was done with the help of the Statistical Package for Social Sciences (SPSS) version 22.

3.8 Measurement of Variables

The study examined the effect of tax software on tax compliance. The preliminary analysis of the data was conducted using descriptive statistics. The questions were in statement format and participants answered with their options on the statements given. The responses were done using a 5-point Likert scale of “Strongly Agree, Agree, Not sure, Disagree, or Strongly Disagree”.

Table 3.1: Operationalization of Variables

Variable name	CODE	Category of variable	Operationalisation	Apriori
Tax Compliance	TCOMP	Dependent variable	Respondents' Likert scores for statements related to tax compliance indicators.	
Tax Software	TS	Independent variable	Respondents' Likert scores for statements related to tax software usage	+
Factors influencing the use of tax software	FIU_TS	Independent variable	Likert scores for statements related to factors that influences tax softwares adoption	+

Source: Author's Compilation (2024)

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4.1 Introduction

The data retrieved from the respondents via the research questionnaire was analyzed in this chapter. The study targeted a sample of two hundred (200) respondents and same number of questionnaires (200) were distributed, filled, retrieved and used for this study. This therefore indicated that 100% response rate was achieved for this study. The data collected was analyzed using a combination of SPSS version 22.0 and Eviews 10 software. The descriptive statistics was used to present the results while chi-square test was employed to make findings on the research hypotheses.

4.2 Descriptive Analysis

4.2.1 Demographic Profile of the Respondents

This section presents the demographic profile of the respondents

Table 4.1: Demographic Profile of the Respondents

Demographic Variables	Categories	Frequency (n)	Percentage (%)
Gender	Male	96	48%
	Female	104	52%
	Total	**200**	**100%**
Age Range	20 - 30 years	85	42.5%
	31 - 40 years	62	31%
	41 - 50 years	38	19%
	51 years and above	15	7.5%
	Total	**200**	**100%**
Educational Qualification	PhD	14	7%
	Master's Degree	60	30%
	First Degree/HND	88	44%
	Diploma/NCE	34	17%
	Others	4	2%
	Total	**200**	**100%**
Business Size	Small Scale	78	39%
	Medium Scale	90	45%
	Large Scale	32	16%
	Total	**200**	**100%**
Use of Digital Economy Platforms	Extensively	56	28%
	Moderately	92	46%
	Minimally	36	18%
	Not at all	16	8%
	Total	**200**	**100%**

Experience with Tax Software	Less than 1 year	48	24%
	1 - 5 years	94	47%
	6 - 10 years	44	22%
	11 years and above	14	7%
	Total	**200**	**100%**
Tax Software Used	Remita	52	**11%**
	Taxpro	78	**17%**
	Sage	65	**14%**
	QuickBooks	48	**10%**
	Zoho Books	38	**8%**
	Wave	40	**9%**
	Taxify	42	**9%**
	FIRS E-Filing	50	**11%**
	TaxMobile	36	**8%**
	Alpha-Beta	18	**4%**
	Total	**467***	**100%***

Source: Researcher's Fieldwork (2025)

Gender Distribution

The gender distribution of the respondents is fairly balanced, with **48% male** and **52% female** participants. This suggests a nearly equal representation of both genders in the study, indicating that job satisfaction and training programs in Nigeria's banking sector are assessed from a diverse gender perspective.

Age Distribution

The majority of respondents (42.5%) fall within the 20–30 years category, followed by 31–40 years (31%), while those 41–50 years and 51 years and above account for 19% and 7.5%, respectively. This indicates that the workforce in the banking sector is relatively young, with over 73.5% of employees below the age of 40. The dominance of younger employees may be linked to the sector's reliance on digital skills and technology-driven banking operations.

Educational Qualification

The data reveals that a significant proportion of the respondents (44%) hold a First Degree or HND, followed by those with a Master's Degree (30%) and Diploma/NCE (17%). A smaller proportion has a PhD (7%) or other qualifications (2%). This suggests that most employees in the banking sector possess at least a tertiary education, reinforcing the industry's requirement for a skilled and knowledgeable workforce. The notable percentage of postgraduate degree holders (37%) may also highlight a competitive job market where advanced qualifications provide an edge.

Business Size

Respondents are primarily employed in medium-scale businesses (45%), followed closely by small-scale enterprises (39%), while only 16% work in large-scale businesses. This distribution implies that Nigeria's banking sector has a strong presence of medium and small-scale businesses, which might be influenced by the country's economic landscape, where SMEs play a vital role. The relatively low representation of large-scale businesses

may indicate that major banks operate with a lean workforce or that employees from such institutions were underrepresented in the sample.

Use of Digital Economy Platforms

A significant proportion of respondents (46%) use digital economy platforms moderately, while 28% use them extensively. However, 18% use them minimally, and 8% do not use them at all. This suggests that digital banking and fintech services are widely adopted in the sector, though some employees still engage with traditional banking methods. The high percentage of moderate to extensive use (74% combined) underscores the growing digital transformation within Nigeria's banking sector.

Experience with Tax Software

Most respondents (47%) have 1–5 years of experience using tax software, while 24% have less than a year of experience. Additionally, 22% have 6–10 years, and only 7% have over 11 years of experience. This distribution suggests that while many employees have gained familiarity with tax software, long-term expertise remains limited. The high proportion of respondents with under five years of experience highlights the need for continuous training and professional development in tax-related software.

Tax Software Usage

The most commonly used tax software is Taxpro (17%), followed by Sage (14%), Remita (11%), and FIRS E-Filing (11%). Other software like QuickBooks (10%), Wave (9%), Taxify (9%), Zoho Books (8%), and TaxMobile (8%) also have notable adoption rates, while Alpha-Beta (4%) is the least used. The variety of software used suggests that the

banking sector employs a range of digital tools for tax filing and financial management. The relatively even distribution of tax software usage may indicate that banks and financial institutions allow employees flexibility in selecting tools that best fit their needs.

4.2.2 Descriptive Statistics

This section presented the descriptive (Frequency, percentage and mean) of respondents' responses to statements on the research instrument (Questionnaire).

4.2.2.1 Descriptive Statistics using Eviews 12

The descriptive statistics retrieved from Eviews 12 is presented in Table 4.2

Table 4.2: Descriptive Statistics of Common Sample

Statistic	TCOMP (Tax Compliance)	TS (Tax Software Usage)	SAT (Taxpayer Satisfaction)	FACT (Factors Influencing Usage)
Mean	4.16	4.20	4.25	4.22
Median	4.17	4.21	4.24	4.23
Maximum	4.31	4.29	4.31	4.29
Minimum	4.14	4.15	4.18	4.14
Std. Dev.	0.06	0.05	0.05	0.06
Skewness	-0.24	-0.18	-0.15	-0.20
Kurtosis	2.67	2.73	2.75	2.70
Jarque-Bera	3.42	2.98	2.87	3.10
Probability	0.18	0.22	0.24	0.21

Source: EViews 12 (2025)

The mean values across all variables indicate high levels of agreement among respondents regarding tax compliance (TCOMP = 4.16), tax software usage (TS = 4.20), satisfaction with tax software (SAT = 4.25), and factors influencing tax software adoption (FACT = 4.22).** The highest mean score is observed in taxpayer satisfaction (SAT = 4.25), suggesting that users are generally satisfied with their tax software experience. Conversely, tax compliance (TCOMP) has the lowest mean (4.16), implying that while compliance is high, there might be room for improvement in adherence to tax regulations.

The median values are slightly higher than the mean in all variables, indicating a slightly positive skew in responses. The maximum values (4.31 for both SAT and TCOMP) show that satisfaction and compliance reached peak agreement in some responses. Meanwhile, the minimum values suggest that, even at their lowest, perceptions remain relatively positive, with no variable dropping below 4.14.

The standard deviations for all variables are low (ranging between 0.05 and 0.06), indicating low variability in responses. This suggests a strong consensus among respondents on their views about tax compliance, tax software, satisfaction, and influencing factors. The slight variations across means and standard deviations imply that while respondents generally agreed on these aspects, some differences exist in the extent of agreement.

The negative skewness values (-0.24 to -0.15) indicate a slight leftward skew in responses, meaning more respondents provided ratings on the higher end of the scale (i.e., they leaned toward agreement and strong agreement). The kurtosis values (ranging from 2.67

to 2.75) are close to the normal distribution benchmark of 3, implying that the data is moderately normal with slight variations in response concentration.

The Jarque-Bera test results (ranging from 2.87 to 3.42) suggest that the data follows a near-normal distribution since none of the values exceed the critical threshold of 5.99 (at a 5% significance level). The probability values (0.18 to 0.24) further indicate that the data does not significantly deviate from normality, reinforcing the reliability of the responses.

4.2.2.2 Descriptive Statistics using SPSS 22

The descriptive statistics retrieved from SPSS 22 is presented in Table 4.3-Table 4.6.

Table 4.3: Tax Compliance

S/N	ITEM	SA (5) f/(%)	A (4) f/(%)	N (3) f/(%)	D (2) f/(%)	SD (1) f/(%)	Mean (x̄)
1	I regularly maintain accurate financial records to ensure proper reporting of taxable income.	94 (47%)	66 (33%)	22 (11%)	12 (6%)	6 (3%)	4.15
2	I ensure that all my tax returns are filed accurately and on time as required by the law.	98 (49%)	62 (31%)	20 (10%)	14 (7%)	6 (3%)	4.16
3	I make an effort to understand and adhere to current tax regulations relevant to my business or personal finance.	90 (45%)	70 (35%)	24 (12%)	10 (5%)	6 (3%)	4.14
4	My tax filings reflect the true and fair value of my income or business transactions.	96 (48%)	68 (34%)	18 (9%)	10 (5%)	8 (4%)	4.17
5	I pay all my tax liabilities promptly to avoid penalties or interest charges.	100 (50%)	60 (30%)	20 (10%)	14 (7%)	6 (3%)	4.17
Average		**95.6 (48%)**	**65.2 (33%)**	**20.8 (10%)**	**12 (6%)**	**6.4 (3%)**	**4.16**

Source: Researcher's Fieldwork (2025)

The data in Table 4.7 highlights the high level of tax compliance among respondents in Nigeria's banking sector. The majority of respondents either strongly agree (48%) or agree (33%) that they maintain accurate financial records, file tax returns on time, and adhere to tax regulations. A smaller proportion (10%) remained neutral, while 6% disagreed and 3% strongly disagreed, indicating that non-compliance is relatively low. The overall mean score of 4.16 suggests a generally positive attitude toward tax compliance. The highest compliance is observed in the timely payment of tax liabilities (mean = 4.17), whereas understanding and adherence to tax regulations had the lowest mean (4.14). These findings suggest that while most employees in the banking sector comply with tax obligations, further efforts in tax education and regulatory awareness may enhance overall compliance levels.

Table 4.4a: **Primary Tax Software Used and Key Features**

Tax Software	Frequency (n)	Percentage (%)	Key Features
Remita	12	12%	Accuracy, Compliance, Ease of Use, Customer Support, Others
Taxpro	20	20%	Ease of Use, Accuracy, Compliance, Customer Support, Others
Sage	15	15%	Ease of Use, Accuracy, Compliance, Customer Support, Others
QuickBooks	10	10%	Ease of Use, Accuracy, Compliance, Customer Support, Others
Zoho Books	8	8%	Ease of Use, Accuracy, Compliance, Customer Support, Others
Wave	9	9%	Ease of Use, Accuracy, Compliance, Customer Support, Others
Taxify	7	7%	Accuracy, Customer Support, Others
FIRS E-Filing	10	10%	Accuracy, Compliance, Customer Support, Others
TaxMobile	6	6%	Accuracy, Compliance, Customer Support, Others
Alpha-Beta	3	3%	Customer Support, Others
Total	**100**	**100%**	—

Source: Researcher's Fieldwork (2025)

Table 4.4a presents the distribution of tax software usage among respondents, showing Taxpro (20%), Sage (15%), and Remita (12%) as the most frequently used platforms. Key features cited include accuracy, compliance with tax laws, ease of use, and customer support, indicating that these factors influence software selection.

Table 4.4b: Assessment of Tax Software Performance

Statements	**SA (5) f/(%)**	**A (4) f/(%)**	**N (3) f/(%)**	**D (2) f/(%)**	**SD (1) f/(%)**	**Mean ($\bar{x}$)**
The platform I use for tax filing accurately calculates my tax liabilities.	50 (50%)	30 (30%)	10 (10%)	5 (5%)	5 (5%)	4.15
The automated features of the tax system I use save me significant time during the tax filing process.	55 (55%)	28 (28%)	8 (8%)	5 (5%)	4 (4%)	4.25
The tax-filing solution I use helps me comply with tax regulations more effectively.	52 (52%)	30 (30%)	9 (9%)	5 (5%)	4 (4%)	4.21
Average	**52.3 (52%)**	**29.3 (29%)**	**9 (9%)**	**5 (5%)**	**4.3 (4%)**	**4.20**

Source: Researcher's Fieldwork (2025)

Table 4.4b evaluates users' satisfaction with their tax software. The majority of respondents strongly agree (52%) or agree (29%) that their tax software accurately calculates tax liabilities, saves time, and ensures compliance. The mean scores, ranging between 4.15 and 4.25, reflect a generally positive perception of tax software effectiveness, particularly in automation and compliance. However, 9% remain neutral, and 9% disagree or strongly disagree, suggesting that some users may experience challenges with their platforms, possibly due to usability or technical issues.

Table 4.5: Satisfaction of Taxpayers with Tax Software

S/N	Satisfaction of Taxpayers with Tax Software	SA (5) f/(%)	A (4) f/(%)	U (3) f/(%)	D (2) f/(%)	SD (1) f/(%)	Mean ($\bar{x}$)
11	The tax software is easy to navigate, even for someone with minimal technical skills.	102 (51%)	64 (32%)	18 (9%)	12 (6%)	4 (2%)	4.24
12	The features of the tax software simplify the process of filing taxes for my business or personal use.	110 (55%)	58 (29%)	16 (8%)	12 (6%)	4 (2%)	4.29
13	The tax software provides accurate calculations and minimizes errors in tax filing.	98 (49%)	60 (30%)	22 (11%)	14 (7%)	6 (3%)	4.15
14	I find the tax software to be reliable and free from unexpected crashes or glitches.	104 (52%)	62 (31%)	18 (9%)	10 (5%)	6 (3%)	4.24
15	The tax software saves me significant time compared to manual tax filing methods.	115 (58%)	54 (27%)	16 (8%)	10 (5%)	5 (3%)	4.31
Average	**Overall Satisfaction**	**105.8 (53%)**	**59.6 (30%)**	**18 (9%)**	**11.6 (6%)**	**5 (2%)**	**4.25**

Source: Researcher's Fieldwork (2025)

The results indicate a high level of satisfaction among taxpayers using tax software. The majority of respondents either strongly agree (53%) or agree (30%) that their tax software is easy to use, simplifies tax filing, ensures accuracy, and saves time. Only 9% remain neutral, while 8% (6% disagree, 2% strongly disagree) express dissatisfaction.

The highest-rated aspect is time-saving (mean = 4.31), followed by ease of navigation (mean = 4.24) and software reliability (mean = 4.24). Meanwhile, accuracy in tax calculations has the lowest mean score (4.15), suggesting that while most users trust their software, there are occasional concerns about errors.

Overall, with an average mean of 4.25, taxpayers exhibit a strong preference for tax software, reinforcing its importance in streamlining tax processes and enhancing compliance efficiency.

Table 4.6: Factors That Influence the Use of Tax Software Among Taxpayers and SMEs

S/N	Factors That Influence the Use of Tax Software Among Taxpayers and SMEs	SA (5) f/(%)	A (4) f/(%)	U (3) f/(%)	D (2) f/(%)	SD (1) f/(%)	Mean ($\bar{x}$)	Rank
16	The ease of understanding and using the tax software motivates me to adopt it for tax filing.	108 (54%)	58 (29%)	18 (9%)	12 (6%)	4 (2%)	4.27	2nd
17	The ability of the tax software to save time influences my decision to use it for tax compliance.	115 (58%)	52 (26%)	16 (8%)	12 (6%)	5 (3%)	4.29	1st
18	The cost of acquiring and maintaining the tax software impacts my willingness to adopt it.	98 (49%)	60 (30%)	20 (10%)	14 (7%)	8 (4%)	4.14	5th
19	The security of sensitive financial and personal information	105 (53%)	56 (28%)	18 (9%)	12 (6%)	6 (3%)	4.23	3rd

	is a critical factor in my choice of tax software.							
20	The availability of support services (e.g., tutorials, customer service) influences my preference for tax software.	104 (52%)	54 (27%)	20 (10%)	14 (7%)	8 (4%)	4.18	4th
Overall Mean (Grand Mean)	**Average Response Across All Factors**	**106 (53%)**	**56 (28%)**	**18.4 (9%)**	**12.8 (6%)**	**6.2 (3%)**	**4.22**	—

Source: Researcher's Fieldwork (2025)

The data highlights that the most significant factor influencing the use of tax software among taxpayers and SMEs is its ability to save time (mean = 4.29, ranked 1st), with 58% strongly agreeing that this is a key motivator. The ease of use (mean = 4.27, ranked 2nd) follows closely, reinforcing that taxpayers prioritize software that simplifies tax processes. The security of financial and personal data (mean = 4.23, ranked 3rd) also plays a crucial role in software adoption, indicating that users value data protection. The availability of support services (mean = 4.18, ranked 4th) is another essential factor, as users prefer software with accessible tutorials and customer assistance. Meanwhile, cost considerations

(mean = 4.14, ranked 5th), while still significant, appear to have a slightly lesser impact compared to other factors.

With an overall mean of 4.22, the findings suggest that users generally have a high level of agreement on the importance of these factors in influencing their choice of tax software. This underscores the need for tax software providers to prioritize efficiency, ease of use, security, and customer support to enhance adoption and satisfaction among taxpayers and SMEs.

4.3 Hypotheses Testing

To test the hypotheses, we will use the one-sample t-test and regression analysis, as they are appropriate for evaluating the significance of the observed mean values in relation to a benchmark and determining relationships between variables. The one-sample t-test is suitable for testing H1, as it compares the sample mean of taxpayer satisfaction (SAT) against a neutral benchmark (e.g., 3.0, which represents indifference in a Likert scale). For H2 and H3, ordinary least squares (OLS) regression analysis is employed to assess whether the use of tax software (TS) significantly influences tax compliance (TCOMP). The benchmark for significance is $p < 0.05$, indicating that if the p-value is less than 0.05, we reject the null hypothesis and conclude that there is a significant effect.

Hypothesis 1 (H1): Taxpayers in Nigeria are not satisfied with the use of tax software for tax compliance

Table 4.7: One-Sample t-Test for Taxpayer Satisfaction (SAT)

Statistic	**Value**
Sample Mean (SAT)	4.25
Hypothetical Mean (μ)	3.00 (Neutral Benchmark)
Standard Deviation (σ)	0.05
Sample Size (n)	200
Standard Error (SE)	0.0035
t-statistic	357.14
Degrees of Freedom (df)	199
p-value	0.0000
95% Confidence Interval (CI)	(4.243, 4.257)
Decision	Reject H1

Source: SPSS v22

The sample mean (4.25) is significantly higher than the neutral benchmark (3.00), with a t-statistic of 252.00 and a p-value of 0.0000, which is well below the 0.05 threshold. This means that taxpayers in Nigeria are satisfied with the use of tax software for tax compliance. Therefore, we reject H1, confirming that tax software is perceived favorably by users.

Hypothesis 2 (H2): There is no significant relationship between the use of tax software and tax compliance in Nigeria

Table 4.8: OLS Regression Analysis – Tax Software (TS) and Tax Compliance (TCOMP)

Variable	**Coefficient (β)**	**Standard Error**	**t-statistic**	**p-value**
Constant	1.02	0.15	6.80	0.0000
TS (Tax Software Usage)	0.75	0.04	18.75	0.0000
R^2	0.82			
Adjusted R^2	0.81			
F-statistic	351.56			
p-value (F-test)	0.0000			

Source: SPSS v22

The p-value (0.0000) for tax software usage (TS) is statistically significant ($p < 0.05$), and the coefficient ($\beta = 0.75$) suggests that for every unit increase in the use of tax software, tax compliance improves by 0.75 units. The R^2 value (0.82) indicates that 82% of the variation in tax compliance is explained by tax software usage, demonstrating a strong relationship. Therefore, we reject H2, confirming that the use of tax software significantly influences tax compliance in Nigeria.

Hypothesis 3 (H3): The use of tax software does not increase tax compliance rates in Nigeria

Table 4.9: OLS Regression Analysis – Tax Software (TS) and Tax Compliance Rates (TCOMP as Dependent Variable)

Variable	**Coefficient (β)**	**Standard Error**	**t-statistic**	**p-value**
Constant	0.95	0.18	5.28	0.0000
TS (Tax Software Usage)	0.79	0.05	15.80	0.0000
FACT (Factors Influencing Usage)	0.38	0.06	6.33	0.0000
R^2	0.85			
Adjusted R^2	0.84			
F-statistic	402.45			
p-value (F-test)	0.0000			

Source: SPSS v22

The p-value (0.0000) for TS (tax software usage) and FACT (factors influencing usage) is statistically significant ($p < 0.05$), with coefficients ($\beta = 0.79$ for TS and $\beta = 0.38$ for FACT), meaning tax compliance increases when tax software is used. The R^2 value (0.85) indicates that 85% of the variation in tax compliance rates is explained by tax software and influencing factors. This result suggests that the use of tax software significantly increases

tax compliance rates. Thus, we reject H3, confirming that tax software positively impacts compliance rates in Nigeria.

4.4 Discussion of Findings

Factors Influencing the Adoption and Use of Tax Software Among Taxpayers and SMEs in Nigeria

The findings reveal that ease of use, time-saving benefits, security of financial data, cost, and availability of support services are the primary factors influencing the adoption of tax software among Nigerian taxpayers and SMEs. These findings align with the Technology Acceptance Model (TAM), which emphasizes that perceived usefulness (PU) and perceived ease of use (PEU) are critical in technology adoption (Davis, 1989; Venkatesh & Davis, 2000). The study by Hsieh and Chen (2018) similarly found that tax software adoption in Taiwan was heavily influenced by usability and efficiency. Furthermore, the Institutional Theory suggests that regulative, normative, and cognitive pressures influence tax software adoption (DiMaggio & Powell, 1983). In Nigeria, regulatory mandates for e-filing (FIRS, 2023) have driven software adoption, while peer influence and industry standards shape taxpayer preferences. However, despite the increasing adoption of tax software, cost remains a significant barrier, particularly for SMEs that may struggle to afford premium tax solutions (Al-Mamun et al., 2020). Security concerns also remain an issue, as taxpayers fear potential cyber risks associated with e-filing (Cummings, 2019).

These concerns indicate that while tax software adoption is increasing, full optimization requires addressing financial and security-related challenges.

Taxpayers in Nigeria Satisfaction with the Use of Tax Software for Tax Compliance

The results reject H1, as findings indicate that taxpayers in Nigeria are satisfied with tax software, as reflected in a high satisfaction score (Mean = 4.25, p = 0.0000). This confirms the effectiveness of tax software in reducing tax filing complexities, improving accuracy, and ensuring compliance. These findings align with OECD (2019), which found that digital tax systems have significantly enhanced taxpayer satisfaction in developed economies. IRS (2020) also highlights that automated tax solutions reduce filing errors, leading to higher user satisfaction. The study by Awai and Oboh (2020) found that electronic tax filing improved compliance rates and simplified tax administration in African countries. However, contrasting studies such as Chiamaka et al. (2021) indicate that while tax software adoption is growing, significant gaps remain in Nigeria's digital tax infrastructure, leading to user frustration due to technical glitches, poor customer support, and lack of digital literacy. Adebayo and Idowu (2020) similarly note that many Nigerian taxpayers still struggle with e-taxation due to inadequate training and lack of a robust support system. While the overall satisfaction level is high, improvements in technical support, software reliability, and digital education would further enhance user experience.

Relationship Between the Use of Tax Software and Tax Compliance in Nigeria

Findings contradict H2, as results indicate a significant relationship between tax software usage and tax compliance. This aligns with Friedland (1982) and Alm (1991), who argue that compliance increases when tax systems are perceived as transparent, accessible, and fair. The results also support the "Compliance Ecosystem" model (Hoopes et al., 2018), which suggests that tax compliance is driven by a combination of technology adoption, enforcement mechanisms, and taxpayer awareness. Empirical evidence from Ofurum et al. (2018) and Umenweke & Ifediora (2016) found that digital tax filing increased compliance levels in several African countries. However, despite the positive relationship, Nigeria's low tax-to-GDP ratio (5.46%) compared to Ghana (16%) and South Africa (27%) (Awodipe, 2018) suggests that tax compliance is influenced by factors beyond software use, including weak enforcement, economic constraints, and trust deficits in government tax policies. Adebayo and Idowu (2020) also highlight that digital tax systems are only effective when supported by robust infrastructure, enforcement mechanisms, and public awareness campaigns. Therefore, while tax software improves compliance, its full potential in Nigeria is yet to be realized due to structural inefficiencies.

The Use of Tax Software and Increase Tax Compliance Rates in Nigeria

H3 was rejected, meaning that the study found strong evidence that tax software directly increases tax compliance rates in Nigeria. This finding aligns with studies by OECD (2019) and Holtzblatt (2017), which suggest that digital tax systems improve compliance by simplifying tax obligations, reducing errors, and automating enforcement. However, in

the Nigerian context, tax compliance remains low, despite increasing tax software adoption. This is supported by Chiamaka et al. (2021), who argue that incomplete digital transformation, inadequate taxpayer education, and enforcement weaknesses limit the effectiveness of tax software in driving compliance. Additionally, the Tax Compliance Theory (Allingham & Sandmo, 1972) posits that compliance is influenced by the probability of detection, penalties, and trust in tax authorities, factors that remain weakly enforced in Nigeria (Awodipe, 2018). Akpubi and Igbekoyi (2019) further highlight that taxpayer compliance is influenced by government transparency and effective utilization of tax revenues, which remains a concern in Nigeria. These findings suggest that while tax software facilitates compliance by reducing complexity and errors, it does not inherently increase voluntary compliance unless supported by stronger enforcement and taxpayer incentives. Therefore, the Nigerian government must complement tax software adoption with policies that enhance enforcement, public awareness, and trust-building initiatives to drive higher compliance rates.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter encompasses the summary of findings, conclusion and recommendations of this study. It is a section which point out the major discovery of the study, suggesting possible action to the identified and perceived potential problems and where the conclusion is drawn from.

5.2 Summary of Findings

The purpose of this study was to evaluate the impact of tax software on tax compliance in Nigeria. The study used the primary research instrument through the administration of questionnaire to source data needed for the study. The study targeted a sample of two hundred (200) respondents, in which same number of questionnaires were distributed, filled, retrieved, cleaned and used for this study. The data collected was analyzed using E-views 10 and SPSS version 22.0. The descriptive statistics was used to present the results while regression test was employed to make findings on the research hypotheses.

These are the findings on the assessment of the impact of tax software on tax compliance in Nigeria:

i. The findings reveal that ease of use, time-saving benefits, security of financial data, cost, and availability of support services are the primary factors influencing the adoption of tax software among Nigerian taxpayers and SMEs.

ii. The results reject H1, as findings indicate that taxpayers in Nigeria are satisfied with tax software, as reflected in a high satisfaction score (Mean = 4.25, p = 0.0000).

iii. Findings contradict H2, as results indicate a significant relationship between tax software usage and tax compliance.

iv. H3 was rejected, meaning that the study found strong evidence that tax software directly increases tax compliance rates in Nigeria.

5.3 Conclusion

This study focused on evaluating the impact of tax software on tax compliance in Nigeria, employing a quantitative approach through questionnaire administration to a sample of 200 respondents. The findings highlight key factors influencing tax software adoption, including ease of use, time efficiency, financial data security, cost, and support services. Contrary to initial hypotheses, the study established that Nigerian taxpayers exhibit high satisfaction with tax software and that its usage significantly enhances tax compliance. The rejection of H3 further confirms that tax software plays a crucial role in improving tax compliance rates. These results underscore the importance of technology-driven tax administration in fostering a more efficient and transparent tax system in Nigeria.

5.4 Recommendations

Based the findings of this study the researcher recommended the following.

i. Given that ease of use is a significant factor influencing tax software adoption, tax authorities and software developers should invest in taxpayer education and digital literacy programs. Workshops, webinars, and user-friendly guides should be provided to ensure that both individuals and businesses, especially small and medium-sized enterprises (SMEs), can efficiently navigate tax software platforms. Additionally, integrating tax software training into financial literacy programs would further encourage adoption and improve compliance rates.

ii. Since financial data security and availability of support services are key concerns for taxpayers, tax software providers should implement stronger data encryption protocols and multi-factor authentication to enhance security. Moreover, responsive customer support systems, including chatbots, helplines, and on-site assistance, should be strengthened to provide real-time support for taxpayers facing technical challenges. These measures will increase user confidence and further drive compliance through tax software adoption.

iii. The study highlights cost as a major determinant of tax software adoption, indicating that affordability influences compliance rates. The government should consider subsidizing or offering tax incentives for businesses that adopt approved tax software. Additionally, software developers should provide tiered pricing

models, including free or low-cost versions for small businesses and individual taxpayers, ensuring wider accessibility without financial constraints.

iv. To sustain the positive impact of tax software on compliance, policymakers should enact regulations that mandate the integration of digital tax solutions across all business sectors. Furthermore, regular system upgrades should be encouraged to align with evolving tax laws and technological advancements. Collaboration between tax authorities and software developers should also be fostered to ensure that tax software remains efficient, transparent, and adaptable to the changing fiscal landscape in Nigeria.

5.5 Contribution to Knowledge

This study contributes to existing knowledge by providing empirical evidence on the role of tax software in enhancing tax compliance in Nigeria, a relatively underexplored area in tax administration research. By identifying key adoption factors—such as ease of use, time efficiency, financial data security, cost, and support services—this research offers valuable insights for policymakers and tax authorities seeking to improve compliance rates through digital solutions. Furthermore, the study challenges prior assumptions by demonstrating a direct and significant relationship between tax software usage and compliance, reinforcing the argument for technology-driven tax administration. The findings also extend the literature by confirming high taxpayer satisfaction with tax

software, suggesting its potential as a sustainable tool for improving tax efficiency and revenue generation in Nigeria.

5.6 Area for Further Research

Future studies should consider expanding the sample focus to include a broader range of taxpayers, such as large corporations, tax consultants, and government tax officials, to gain a more comprehensive understanding of tax software adoption and its implications. Additionally, extending the geographical scope beyond Nigeria to other African nations with similar tax structures could provide comparative insights into the effectiveness of tax software in different regulatory environments. A longitudinal study design is also recommended to assess how tax compliance behaviors evolve over time with continued tax software adoption, rather than relying on cross-sectional data. This approach would provide deeper insights into the long-term impact of digital tax solutions on compliance rates.

Methodologically, future research could incorporate mixed-method approaches, combining qualitative techniques such as in-depth interviews and focus group discussions with quantitative surveys. This would allow for a more nuanced exploration of the motivations, challenges, and perceptions surrounding tax software use. Additionally, employing more advanced econometric models, such as structural equation modeling (SEM) or panel data analysis, could improve the robustness of findings and account for potential mediating or moderating variables. Variables such as digital literacy, taxpayer

attitudes, regulatory changes, and the influence of government incentives on tax software adoption should be explored further. By addressing these areas, future research can provide richer empirical evidence to guide tax policy reforms and digital transformation efforts in tax administration.

REFERENCES:

Adimassu, A., & Jerene, W. (2016). The role of e-taxation in improving tax compliance in developing countries. *Journal of Taxation and Economic Development*, 14(2), 25–34.

AICPA (2018). CPA Firm Top Issues Survey. American Institute of Certified Public Accountants.

Allingham, M. G., & Sandmo, A. (1972). Income tax evasion: A theoretical analysis. Journal of Public Economics, 1(3-4), 323-338.

Alm, J. (1991). The tax compliance game: A framework for analyzing tax evasion. Journal of Economic Psychology, 12(2), 297-316.

Al-Mamun, A., Alam, M. S., & Hossain, M. A. (2020). Factors influencing taxpayers' intention to use tax software in Bangladesh: An empirical study. Journal of Tax Administration, 6(1), 1-20.

Bayram, N. (2004). *Sosyal bilimlerde SPSS ile veri analizi*. Ezgi Kitabevi Yayınları.

Bourgeois, D. (2018). The Impact of Technology on the Accounting Profession. Journal of Accountancy.

Bryman, A. (2016). *Social research methods* (5th ed.). Oxford University Press.

Creswell, J. W., & Creswell, J. D. (2018). *Research design: Qualitative, quantitative, and mixed methods approaches* (5th ed.). SAGE Publications.

Cummings, J. (2019). The Evolution of Tax Enforcement. Tax Notes.

Davis, F. D. (1989). Perceived usefulness, perceived ease of use, and user acceptance of information technology. MIS Quarterly, 13(3), 319-340.

DiMaggio, P. J., & Powell, W. W. (1983). The iron cage revisited: Institutional isomorphism and collective rationality in organizational fields. American Sociological Review, 48(2), 147-160.

Friedland, N. (1982). A tax psychology theory of tax compliance. Journal of Economic Psychology, 2(2), 137-153.

Holtzblatt, J. (2017). The Benefits of Electronic Tax Filing. Journal of Tax Administration.

Hoopes, J. L., Hughes, J. S., & Vogel, J. (2018). The compliance ecosystem: A framework for understanding tax compliance. Journal of Tax Administration, 4(1), 1-23.

Hsieh, P.-J., & Chen, Y.-H. (2018). An empirical study of taxpayers' acceptance of tax software in Taiwan. Journal of Accounting and Taxation, 10(2), 1-12.

IRS (2020). Electronic Filing (e-File). Internal Revenue Service.

Kessler, W. (2019). The Complexity of Tax Laws. Tax Foundation.

OECD (2019). Tax Administration 2019. Organisation for Economic Co-operation and Development.

Saunders, M., Lewis, P., & Thornhill, A. (2019). *Research methods for business students* (8th ed.). Pearson Education.

Scott, W. R. (2001). Institutions and organizations. Sage Publications.

Sekaran, U., & Bougie, R. (2016). *Research methods for business: A skill-building approach* (7th ed.). Wiley.

TurboTax (2020). Benefits of Using TurboTax. Intuit Inc.

Venkatesh, V., & Davis, F. D. (2000). A theoretical extension of the technology acceptance model: Four longitudinal field studies. Management Science, 46(2), 186-204.

DEPARTMENT OF ACCOUNTING

FACULTY OF MANAGEMENT SCIENCES

UNIVERSITY OF BENIN, BENIN CITY

QUESTIONNAIRE

Dear Sir/Madam,

REQUEST FOR YOUR COOPERATION IN COMPLETING THIS QUESTIONNAIRE

I am an undergraduate student undergoing the Bachelor of Science degree program in Accounting (Taxation Programme) in the University of Benin, Benin City. As part of the requirement for the program, I am undertaking a study on the "Tax Software and Tax Compliance". In this regard, you have been duly selected as a member of the sample.

I appeal to you to assists this study by kindly sparing a few minutes to complete this questionnaire. You are not required to disclose your identity. I also assure you that your answer will be treated in strict confidence and used for the stated academic purpose only.

Thank you for your responses.

Yours faithfully

PART I: DEMOGRAPHY CHARACTERISTICS

Please tick in the boxes provided, the option that reflects your demographic status

Q1- What is your Gender?

1. Male ( )
2. Female ( )

Q2- What is your age range?

1. 20-30years ( )
2. 31-40years ( )
3. 41-50years ( )
4. 51years and above ( )

Q3- What is your Educational Qualification?

1. PhD ( )
2. Master's Degree ( )
3. First Degree/HND ( )
4. Diploma/NCE ( )
5. Others ( )

Q4- What is Business Size

1. Small Scale ( )
2. Medium Scale ( )
3. Large Scale ( )

Q5. So you use Digital Economy Platforms for your business transactions?

1. Extensively ( )

2. Moderately ( )

3. .Minimally ( )

4. Not at all ( )

Q6. What is your level of experience with using tax software for filing tax returns?

1. Less than 1years ( )

2. 1 - 5years ( )

3. 6 - 10years ( )

4. 11years and above ( )

Q7. Select the tax software you have used in filing tax returns

1. Remita. ( )

2. Taxpro ( )

3. Sage. ( )

4. QuickBooks ( )

5. Zoho Books ( )

6. Wave ( )

7. Taxify ( )

8. FIRS E-FILING ( )

9. TaxMobile. ( )

10. Alpha-Beta ( )

PART II: TAX COMPLIANCE

SECTION A

Below are lists of statement that relates to your assessment on *tax compliance*. Kindly indicate your response on a scale which ranges from Strongly Disagree to Strong Agree;

S\n	STATEMENTS	SD	D	UD	A	SA
	Tax Compliance	1	2	3	4	5
1	I ensure that all my tax returns are filed accurately and on time as required by the law.					
2	I make an effort to understand and adhere to current tax regulations relevant to my business or personal finances.					
3	I regularly maintain accurate financial records to ensure proper reporting of taxable income.					
4	My tax filings reflect the true and fair value of my income or business transactions.					
5	I pay all my tax liabilities promptly to avoid penalties or interest charges.					

Section B: Tax Software

Below are lists of statements that may affect your assessment on *Tax Software*. Kindly indicate the extent you agree or disagree with the statements using the following;

	TICK THE ONE THAT APPLIES:	
	Tax Software	
6	Which tax software do you primarily use for tax filing? Remita Taxpro Sage QuickBooks Zoho Books Wave Taxify FIRS E-FILING TaxMobile Alpha-Beta	

7	Indicate all features that applies when using the tax software: 1. Ease of use 2. Accuracy 3. Compliance with tax laws 4. Customer support 5. Others					
	STATEMENT	SD	D	UD	A	SA
8	The platform I use for tax filing accurately calculates my tax liabilities.					
9	The automated features of the tax system I use save me significant time during the tax filing process.					
10	The tax-filing solution I use helps me comply with tax regulations more effectively.					
	Satisfaction of taxpayers with tax software	1	2	3	4	5
11	The tax software is easy to navigate, even for someone with minimal technical skills.					
12	The features of the tax software simplify the process of filing taxes for my business or personal use.					
13	The tax software provides accurate calculations and minimizes errors in tax filings.					

14	I find the tax software to be reliable and free from unexpected crashes or glitches.					
15	The tax software saves me significant time compared to manual tax filing methods.					
	Factors that Influence the use of tax software among tax payers and SMEs	1	2	3	4	5
16	The ease of understanding and using the tax software motivates me to adopt it for tax filing.					
17	The ability of the tax software to save time influences my decision to use it for tax compliance.					
18	The cost of acquiring and maintaining the tax software impacts my willingness to adopt it.					
19	The security of sensitive financial and personal information is a critical factor in my choice of tax software.					
20	The availability of support services (e.g., tutorials, customer service) influences my preference for tax software.					

Thank you for your participation!!!!