EFFECT OF TAX AUDIT AND INVESTIGATIONS STRATEGIES ON TAX DEDUCTIONS AT SOURCE/ADVANCE TAX PAYMENT METHOD IN NIGERIA (A STUDY OF SOUTH EAST GEOGRAPHICAL ZONE)

BY

Ekendu Echezonachi OKONYE [1**]
Doctor of Philosophy

Imo State University, (IMSU) Owerri
+234-8038565258, onyiekendu@gmail.com

Jane Chinyere AKUJOR [2]
Department of Financial Management Technology
Federal University of Technology, (FUTO), Owerri

Festus E. UBOGU [3]
Doctor of Philosophy

Department of Accountancy
Madonna University Nigeria, Okija Campus

Ifeanyi R. OMEZIRI [4]
Department of Accountancy
Madonna University Nigeria, Okija Campus

Abstract

The study examines the effect of tax audit and investigations strategies on tax deductions at source/ advance tax payment in Nigeria, which is the main objective of the study. Descriptive survey research design was adopted in obtaining data based on the opinion of respondents from the Federal Inland Revenue service (FIRS) in Nigeria. The population of the study is 350 staff of FIRS selected from five states in south eastern Nigeria (70 per state), who were administered with a questionnaire. The study made use of convenience sampling technique out of which 250 questionnaires filled by the staff was adopted as the study sample size. The study employed descriptive statistics such as percentages and frequencies and the use of linear regression method. The study findings reveal that tax audit and investigations elements have a significant effect on tax deductible at source/ advance tax payment except access to information from other countries revenue authorities which has no significant effect on tax deductible at source/ advance tax payment.

Key words: *Tax, Audit, Investigation, Strategies.*

Background to the Study

The relationship between the government and the governed is a social contract (Onuoha & Dada, 2016). The government provides the basic social amenities; protect lives and property of the people that have surrendered their sovereignty to its authority.

However, the government requires funds to finance these provisions. The citizen's play their parts by prudently paying tax via provision of adequate information that will enable the government assess the citizens for tax purpose or pay taxes voluntarily on self-assessment (Ewa, 2021). The money realized through the tax is normally utilized for the provisions of basic amenities and for running cost of the government. Okoye (2006), revenue is the live-wire of any successful undertaking not only for the private sector but much also for the public sector. The function which government must perform can only be discharged with resources in the form of money and manpower.

Such money is generated through effective taxation and this must be collected and used to serve the entire citizenry (Tanui, 2016).

Okonye, Azubuike and Akpan (2017), some of the major taxes by government are classified as; fines, royalties, penalties, loans, grants, donations etc. These are termed compulsory payment by individuals and organizations and the government administer various tax revenue collection strategies in accordance with predetermined laws (Owojori, 2006). Mu'azu (2012) further reiterated that taxes are compulsory levy by government through its agencies on the income, consumption and capital of its subjects. Oriakhi and Ahuru (2014) mentioned that these levies are collected directly on personal income such as salaries, business profit; advance/deductible at source via interest, dividend, discount or royalties; and recently Ewa (2021) has raised the issue of self-assessment method as an efficient tax collection strategy. Tax is also levied against company profit, petroleum profit, capital gains and capital transfer. Notably, the collection of tax for the federal government is bestowed to the Federal Inland Revenue Service (FIRS) in Nigeria and this agency on behalf of the government, device tax collection strategies in order to ensure effective and efficient tax revenue generation in Nigeria. But to a large extent there have been issues of tax evasion and cases of citizens being reluctant to pay tax in Nigeria (Osemrke & Nzekwe, 2020). This has led to decrease in tax revenue generation over the past decade which as result, the FIRS introduced the tax audit department in 2006 in order to enhance effectiveness in tax revenue collection strategies so as to improve tax administration in Nigerian (Okonye et al., 2017).

According to Onuoha and Dada (2016), the high level of corruption cases in Nigeria indicates that many taxpayers have the instinct to report falsely on their self-assessments in order to reduce their tax burden to the government. As a result, necessary efficient tax system that would engage every person and organization in Nigeria to act responsibly by paying the correct taxes and on time is put in place by the FIRS (Okoye, 2006). Growing issues of tax returns filed based on misrepresented data results to wrong assessment. The establishment of tax audit and investigation department by FIRS attempts to correct such abnormalities by making sure taxpayers are appropriately assessed and taxed through effective and efficient strategies (Ogbueghu, 2016), and that the government collects the complete and accurate revenue due to it from all the legitimate forms of taxes on the citizens and corporate organizations within the relevant jurisdictions (Obe, 2019). Mutarindwa (2014) further gave credence to such preposition in his work where he posited that the primary goal of every tax authority is to improve tax compliance through tax laws and ensures that confidence to believe that tax system and administration is fair. Some of the tax audit strategies that enhance tax compliance for effective tax revenue collection are; adequate record keeping by taxpayer, having access to taxpayer's books, adequate information and powers to sanction tax offenders as a result of noncompliance (Palil & Mustapha, 2011).

Prior to 1998, taxpayers in Nigeria (persons and corporations) were assessed to tax by the relevant tax authorities; a system otherwise known as government assessment (Modugu & Anyaduba, 2014). With the introduction of self-assessment scheme into the Nigeria tax system in 1998, taxpayers were required to file in their tax returns independently. This practice informed the need for tax audit, to ensure taxpayers file in accurate information regarding their income and expenses in business and vocation. Taxpayers are inherently disposed to reducing their tax liability either through tax evasion or tax avoidance (Omodero, Ekwe & Ihendinihu, 2018). The idea of tax audit became known through Lagos State where monitoring agents were appointed to carry out tax audit and investigation on government behalf (Taiwo, 2011). The tax audit may be varied by way of desk or room audit or field audit. With the introduction of self-assessment scheme by the Federal Inland Revenue Service (FIRS) in 1998, taxpayers were given the opportunity to assess themselves and remit the assessed tax to the government coffers voluntarily (Appah & Eze, 2013). In an effort to check incessant abuse of the system, it became necessary to re-evaluate the claims of the taxpayers through tax audit and investigation process and this cannot be achieved without adequate strategies in place to encourage tax revenue collection.

Tax audit is similar to financial audit which involves the gathering of information and processing information gathered for determining the level of compliance of an organization or individuals taxpayers with tax laws within a given period of time. Okonye, Azubuike and Akpan (2017) posited that to enhance tax audit and revenue generation, effective tax revenue collection strategies must be put in place by the government through its agencies.

Statement of the Problem

Theoretically, it is assumed that taxpayers are expected to abide by tax laws by turning in their taxes as at when due considering the economic benefits and incentives like tax allowances accruable to the taxpayers as captured by extant tax laws in Nigeria. Despite this theoretical postulate and the institution of the tax audit and investigation department by the Federal Inland Revenue Service (FIRS) in Nigeria 2006, the issue of tax evasion still linger. The revenue being generated from taxes by federal government still low when compared with the revenue from taxes from other countries especially in Africa.

However, the different findings reached and methodology adopted by some of researchers who have carried out some works on tax audit and investigation phenomenon calls for concern because of their failure to explore tax revenue collection strategies. Mu'az, (2012), studied the effect of tax audit on tax compliance in Nigeria specifically using Bauchi state board of internal revenue. He failed to examine the various tax revenue collection strategies as he focused more on compliance level. Onuoha and Dada (2016), whose work was on tax audit and investigation as imperatives for efficient tax administration in Nigeria, pointed out that tax audit and investigation exert important influence on taxpayers to pay the correct tax liabilities to the government. But they also focused on compliance level neglecting revenue collection strategies. Although their findings in part contradict the positions Mu'az (2012), who posits that tax audit and investigation encourages compliances. Onuoha and Dada (2016) adopted an expository approach using content analysis of existing literatures. Also, Adediran and Alade (2013), took a research on the impact of tax audit and investigation on revenue generation in Nigeria. Despite their findings that tax audit and investigations curbs the problems of tax evasion, they failed to examine the tax revenue strategies. Failure of these scholars to link tax audit and investigation to revenue collection strategies necessitates the current study.

Objective of the Study

The main objective of this study is to examine effect of tax audit and investigation on tax revenue collection strategy in Nigeria. The specific objectives of the study were:

i. Determine the effect of record keeping obligation on tax deductions at source/ advance tax payment in Nigeria;
ii. Evaluate the effect of access to taxpayers' records on tax deductions at source/ advance tax payment in Nigeria;
iii. Determine the effect of access to third party's information on tax deductions at source/ advance tax payment in Nigeria;
iv. Determine the effect of information from other countries revenue authority on tax deductions at source/ advance tax payment in Nigeria;
v. To evaluate the effect of power to amend taxpayers' claims on tax deductions at source/ advance tax payment in Nigeria; and
vi. To ascertain the effect of sanction for non-compliance on tax deductions at source/ advance tax payment in Nigeria.

Research Questions

The following research questions were answered;

i. To what extent has record keeping obligation has effect tax deductions at source/ advance tax payment in Nigeria?
ii. What is the effect of access to taxpayers' records on tax deductions at source/ advance tax payment in Nigeria?
iii. What effect has access to third parties information has on tax deductions at source/ advance tax payment in Nigeria?
iv. To what extent has information from other countries revenue authority affects tax deductions at source/ advance tax payment in Nigeria?

v. What is the effect of power to amend taxpayers' claims on tax deductions at source/ advance tax payment in Nigeria? and
vi. How does sanction for non-compliance affected on tax deductions at source/ advance tax payment in Nigeria?

Hypotheses
The following hypotheses were tested:

i. There is no significant relationship between record keeping obligation and tax deductions at source/ advance tax payment in Nigeria?
ii. There is no significant relationship between access to taxpayers' records and tax deductions at source/ advance tax payment in Nigeria?
iii. There is no significant relationship between access to third parties information and tax deductions at source/ advance tax payment in Nigeria?
iv. There is no significant relationship between information from other countries revenue authority and tax deductions at source/ advance tax payment in Nigeria?
v. There is no significant relationship between power to amend taxpayers' claims and tax deductions at source/ advance tax payment in Nigeria? and
vi. There is no significant relationship between sanction for non-compliance affected and tax deductions at source/ advance tax payment in Nigeria?

Review of Related Literature
Conceptual Review
Tax Audit and Investigation

Okoye (2006) posited that no matter the kind of economic system a country is practicing (capitalist or socialist) economy, its government has obligation to provide basic duties to the citizens. For a state to maintain its sovereignty and uplift the social and economic status of its citizens, it must need and generate revenue. This revenue must be generated by the government to enhance its ability to carter for these obligations. According to Eleng (2019), the extent of infrastructural development in any state has relationship on the amount of revenue generated and utilized by the government on public infrastructure for the good of members of that society.

Adedayo and Alade (2017) a tax audit is an examination of whether a taxpayer has correctly assessed and reported their tax liabilities and fulfilled other obligations. OECD (2006) opined that tax audits are more detailed and extensive than other types of examination, such as general desk checks, compliance visits/ reviews or document matching programmes. In general terms, tax audit will examine the issues that facet of taxpayer income report which are very important in ascertaining an accurate assessment of taxpayer's burden. According to Mutarindwa (2014) tax audit will involve any report from the taxpayer which suggests that there are part his income for the given period is unreported (example, such issue may include where there is a very low ratio of net income/ gross business income ratio computed from a taxpayer's return) or where the taxpayer makes over deductions or claims which will result in reducing the tax liability of the taxpayer for the said period. Jarunee (2010) stated that for accurate determination tax liability of a taxpayer, the tax auditor must examine the taxpayer's returns and other necessary information. As well as income tax returns and other reporting, this includes supporting documents, which the taxpayer should normally have. In case of business audit, national law often requires a business to follow a laid down principles and accounting standards. The audit could sometimes require physical inspections and enquiries, such as the inspection and examination of inventories, and other assets (OECD, 2006).

Tax audits and investigations are very complex and tasking processes and as such, tax managers and their consultants must understand the 'rules of the game'. On the other hand, according to the Federal Inland Revenue Service (FIRS) (2012), minimum tax is justifiable on the premise that every asset generates income. The minimum tax regulations are therefore anti-tax avoidance measures whether or not the affected company declares a profit, or the company was dormant during the relevant year of tax assessment. Where a company is dormant, minimum tax is usually charged on the company's net assets or on its share capital, whichever is the higher of the two. An audit is an examination usually by an independent person, on the financial statement of an organisation and verification of a company's financial and accounting records and supporting documents by a professional auditor in public practice after which an opinion is given on the state of affairs of such financial statement. The primary objective of audit is to express an opinion on the financial statements of an enterprise as to whether:

- Proper books have been kept,
- The financial statements are in agreement with the books,
- The requirements of the applicable legislations, for example, the Companies and Allied Matters Act (CAMD) 1990 (as amended) have been complied with,
- Applicable accounting standards (both local and international) have been complied with,
- The financial statements give a true and fair view of the state of the financial affairs of the enterprise as at its balance sheet date,
- The financial statements give a true and fair view of the result of the operations of the enterprise for the period under consideration.

According to Adediran, Alade and Oshode (2013), tax audit simply means the advanced part of auditing practice that involves examination of books of account in order to check if the assessable profit showed by the taxpayer is correct. Tax audit is an additional audit to the statutory audit and is carried out by tax officials from relevant authority. The approach and scope of work would be slightly different from that to be carried out for an audit under CAMD, 1990. The objectives of tax audit are to enable the tax auditors determine whether or not: adequate accounting books and records exist for the purpose of determining the taxable profits or loss of the taxpayer and consequently the tax payable. On the other hand tax audit is specific to determining the following:

- if the tax computations submitted to the authority by the taxpayer agree with the underlying records,

- all applicable tax legislation have been complied with, provision of an avenue to educate taxpayers on various provisions of the tax laws, discourage tax evasion,
- detect and correct accounting and/or arithmetic errors in tax returns; provide feedback to the management on various provisions of the law and recommend possible changes,
- identify cases involving tax fraud and recommend them for investigation,
- forestall a taxable person's failure to render tax returns,
- forestall a taxable person rendering incomplete or inaccurate returns in support of the self-assessment scheme.

Every observation of the specific duties of tax audit and investigation above would create a mind-set that tax revenue generation will increase with the introduction of the system.

Onoja and Iwarere (2015) identified that a successful audit must follow a pattern. They opined that for a successful audit, it is necessary that the auditor organizes his work in such a way that the assignment is accomplished completely and efficiently, using competent personnel. The Audit unit of the Federal Inland revenue Service (FIRS) employed audit tools to identify tax evaders and to officially carry-out enforcement on any taxpayer. Some of such audit tools include the risk engine tool for identification of tax evaders or non- compliant taxpayers. Companies flagged by such tools are either subject to tax audit or tax investigation. In line with its statutory mandate and the provisions of Sections 58 and 60 of the Companies' Income Tax Act (Cap. 21 LFN 2004) and Sections 26 and 27 of the Federal Inland Revenue Service (Establishment) Act 2007 (Onoja & Iwarere 2015).

However, FIRS has created some units and department which it uses for increasing the revenue accruing into the tax nets. These include the following departments: Process Operations Department (POD) which had five units, including, (i) Information Communication and Technology Unit; (ii) Bank Collection Services Unit; (iii) The Return and Payment Processing Unit; (iv) Tax Refund Processing Unit; and, (v) Procurement and Due Process Unit. However, these new processes and units faced serious challenges in the light of the existence of fraud syndicates and the absence of a secured electronic system.

The FIRS in order to reduce incidences of penalties, suffered by taxpayers, arising from late payments of taxes and to reduce the workload, "Self -Assessment Regime" was introduced by FIRS. Before 1998, taxpayers in Nigeria (persons and companies) were assessed to tax by the relevant tax authorities using the government assessment tax assessment system. With the coming into existence of self-assessment scheme into the Nigerian tax system in 1998, taxpayers are now obliged to complete their tax returns on their own. This practice informed the need for tax audit, to ensure taxpayers file in accurate information regarding their income and expenses. Taxpayers are inherently disposed to reducing their tax liability either through tax evasion or tax avoidance (Kennedy & Obi, 2014). Self-assessment regime requires the taxpayers to compute their tax liabilities, file and pay accordingly on or before the stipulated date to reduce incidences of penalties for late payments through an authorized agent, which may be a member of recognized professional accountancy body in Nigeria (ICAN, ANAN, and CITN). According to Ogbonna (2014), self-assessment tax regime is a system of tax administration whereby the taxpayer is granted the right, by law, to compute his own tax liability, pays the tax due (at the designated bank) and produces evidence of tax paid at the time of filing his tax return at the tax office, on due date. On the other hand, the tax authority has the responsibilities of enablement to and checks on the taxpayers to ensure compliance with tax administration process. This means that the self-assessment scheme is characterized by partnership and shared roles and responsibilities between the taxpayer and the tax authority (Appah and Eze 2013). According to Oyedele (2012), "on December 12, 2011 the Management Board of the Federal Inland Revenue Service (the Board) in exercise of the powers conferred on it by Section 61 of the Federal Inland Revenue Service (Establishment) Act 2007, with the approval of the Minister of Finance; gazette a Regulation dated 19 December 2011, modifying the processes and procedures for self- assessment returns". This review in the self-assessment regulations covers the following tax returns:

- Companies Income Tax Act (CITA),
- Education Tax Act (ETA),
- Petroleum Profit Tax Act (PPTA),
- Personal Income Tax Act (PITA),
- National Information Technology Development Act (NITDA),
- Value Added Tax Act (VATA).

The capital gain tax was not particularly mentioned in the review; nevertheless, all taxes under the FIRS Establishment Act are stated as being part of the regulation. Taxpayers mostly take advantage of the self-assessment regime to manipulate its tax burden in such a manner that the revenue accruable from different forms of taxations has not significantly reflected the primary objective of a good tax system.
The Audit department is saddled with the following objectives:

- investigation of civil and criminal cases and violations of tax laws;
- installation of an effective database and efficient intelligence network;
- prosecution of violators of the tax laws to serve as deterrence; and,
- fostering closer working relationships with other government agencies.

Thus, the primary purpose of tax audit is to ascertain the extent to which taxpayers may have complied with the relevant statutory provisions of the tax act concerning their audited financial statements and other tax-related returns. It thus helps to sustain the confidence and integrity reposed in the self-assessment scheme currently in force in Nigeria, thereby enhancing voluntary compliance. It is therefore expected that the more taxpayers comply with relevant statutory provisions of the tax, the more revenue is generated into the pockets of the government, hence increasing internally generated revenue. However, how well this introduction of tax audit has helped enforce tax compliance among companies has attracted commentaries and debates in developed economies. As for developing countries, less is said about it, yet a crucial issue that ought to receive adequate attention in view of its strategic stance at enforcing compliance to the relevant tax laws and by consequence, a boost in government tax revenue base.

The tax audit is normally carried out through the back duty audit. Back duty audit may be instituted when the following occurs:

a. Failure to disclose or include in full any income or earning in the return made available to the tax office.
b. Doubtful claim of capital allowance in respect of current or previous year.
c. Reduction in the profit in the returns files in tax office
d. Where the tax charged or assessed is less than what it ought to be.

The institution of back duty audit on a taxpayer can either be a routine or as a result of the above reason. It is an exercise by the relevant tax authority to ensure that the amount due to the government is duly collected. (Ariwodola, 2000).
The scope and type of audit steps to be executed would depend on the type of audit to be performed, the underlying trigger and the objectives to be achieved. At present, FIRS is involved in the following types of audit (Ariwodola, 2000):

Registration Audit – The purpose of this audit is to bring all relevant companies and individuals into the tax net. The audit involves obtaining information on businesses from the Corporate Affairs Commission (CAC), the Nigeria Customs Service, other third parties and routine visits to premises of suspected non-registered taxpayers in order to ensure that all companies and individuals who fall under FIRS' tax jurisdiction are properly registered. In some cases, information in this regard can be obtained from other FIRS departments who may alert the Tax Audit Processes and Policies Department on the need to carry out registration checks regarding certain companies and individuals who are outside the FIRS tax net. At the end of each registration audit, companies and individuals found to be outside tax net are usually registered and given Taxpayer's Identification Number, and a Permanent Note Jacket file is opened (Ganyam, Ivungu & Anongo, 2018).

Advisory Audits – A visit to newly established businesses advising them of their obligations in terms of tax types, filing of declarations and payment of amounts due, records to be maintained and likelihood of audit if it is considered to be a risk and the sanctions that might apply for non-compliance. Obtaining information on newly registered companies from CAC and visiting their offices to advise them of their obligations under the law.

Record Keeping Audits – A check on enterprises that may have a reputation of not keeping adequate records. The visit would point out the obligations of the taxpayer as provided for in the CITA Section 63 regarding the keeping of records. Penalties are to be computed in line with CITA Section 92. Desk Audits – Audits will generally require field visits. However, it may be possible to undertake some basic checks from the tax office. Kennedy and Obi (2014), opinied that desk audit can be conducted with regards to specific issues of a small enterprise when the auditor is confident that all necessary information can be ascertained by conducting the examination in the office. According to Ganyam, Ivungu & Anongo, 2018, they can also be used as a preliminary examination of declarations/returns, analyzing ratios and cross-checking information to determine if an audit is warranted. Single Issue Audits – These are quick response audits with a narrow focus. Their limited objectives focus on a single tax type or a single period concerning an individual taxpayer as opposed to the comprehensive audit. For instance, FIRS may only be examining whether the taxpayer has met their obligations in respect of employment – Pay-As-You-Earn, Withholding Tax (WHT), and Value Added Tax (VAT) or Company Income Tax (CIT).

Refund Audits – Verifying the taxpayer's right to a refund prior to processing the refund in accordance with the provisions of Section 23 of the FIRS Establishment Act. Therefore, audits are usually undertaken for the first refund claim as well as where the refund claims varies significantly from established patterns and trends.

Audit Projects – Audit can be organized as a separate project for specific groups of taxpayers or tax types (e.g. VAT, WHT) on a regional or national scale. These projects may cover an industry (e.g. construction) or a line of business (e.g. retail) and/or certain items from the declaration or profit and loss account (e.g. capital allowance). They will consist of specific checks and are used to address a particular risk or to establish the degree of non-compliance in a particular sector (Kennedy and Obi 2014). Comprehensive (or full) Audits – All tax obligations over one or more tax periods are typically referred for extensive examination when discrepancies are uncovered during more routine single issue audits. As they are usually time consuming, comprehensive audits should only be applied to taxpayers when there is evidence of under reporting that will have an impact across taxes.

Mergers and Acquisition Audits – As part of mergers and acquisition strategies, it is usual for companies involved in the process to investigate their potential partners. Such investigations are undertaken by independent professional accountants and lawyers on behalf of the parties involved. A tax audit shortly after a merger or an acquisition has enormous potential for audit yields as the new entity's financial statements would often materially differ from its previous components (Kiabel, 2001) Public Offers Audit – Securities and Exchange Commission rules require companies involved in a public offer to disclose their financial history covering a period of at least five years to the investing public. Again, professional accountants, lawyers and other professionals usually carry out a number of investigations in order to provide for public disclosure the information required to be disclosed by the regulatory authorities. A tax audit shortly after a company has made a public offer has enormous potential for audit yields.

Post Pioneer Period Audits – During its pioneer status period, a company would not only operate without paying taxes but would also carry forward any losses sustained from the commencement of operations to the end of its pioneer status period. In this regard, tax audit would serve to revalidate the losses and capital allowances carried forward (Kennedy and Obi 2014).

Factors Affecting Tax Compliance

According to Okoye, Akenbor and Obara (2012), one of the key puzzles in the tax compliance literature is to know and understand those forces that hinder taxable individuals and corporate entities from the payment of taxes. A review of extant literature revealed that tax compliance is affected by several factors, which include the following:

(i) Nature of fiscal exchange between taxpayers and government: It has been argued that the way in which governments treat the taxpayers affects tax compliance. Feld &Frey (2002) asserted that if the government demonstrates trust for the taxpayers, such will be rewarded by greater taxpayer trust in government, which consequently improves tax compliance.

(ii) High tax rate: Tax rate compromises the states revenue and its economic development. Tax rates are increased due to factors such as enormous reduction in the purchasing power of money, heavy tax erosion, urgent need for yield and dynamic public expenditure (Fossati, 1992).

(iii) Degree of taxpayers' satisfaction: Positive actions by the governments are intended to increase taxpayer's positive attitudes and commitment to the tax system and tax payment and thus compliant behaviour. One of the important social psychological reasons for expecting cooperation is reciprocation. We distinguish between positive and negative reciprocity. Positive reciprocity is the impulse to be kind to those who have been kind to us. On the other hand, "an eye for an eye", and "a tooth for a tooth" is a good example of negative reciprocity. Positive behaviour of the governments towards taxpayers will increase the likelihood of compliance.

(iv) Lack of effective deterrent measures: Taxpayers reported income increases when the probability of audit and penalty on undeclared income increases. In other words, if tax defaulters are strongly penalized, the degree of tax compliance will increase. The increases in the penalty rates of evading taxes would induce taxpayers to report a greater fraction of their income. Owojori (2006) opined that the non-establishment of tax audit/investigation unit in tax offices is responsible for the high rate of non-compliance with tax laws.

(v) Deficiency in tax administration: How a tax system is administered affects its yield, incidence and efficiency. The administrative dimension of taxation has long been recognized by tax administrators and practitioners in a long-list of country studies when issues of tax compliance are being discussed. More so, the system of tax administration has frequently been flagged by economists working on tax policy in developing countries.

Overview of Tax Administration Reform Actions in Nigeria

Restructuring the Regime of Taxation

Jetunmobi, Ojeka, Fakile, Olokoyo and Eluyela. (2022), the Study Group (2002) on the Nigerian Tax System, and the subsequent Working Group (2003) which reviewed the work of the former, helped to develop a new national tax policy. The Study Group concluded that Nigeria needed a national tax policy hinged principally on the foundation of fostering national development. Such a policy would constitute a means of:

a. attracting foreign direct investment;
b. consolidating several policy documents into a single document for easy reference;
c. blending various opinions on taxes of different kinds, as well as the issues surrounding those opinions; and
d. providing direction and focus on general tax practice.

Consequently, the Study Group recommended, among other things, that:

i. tax should be regarded as a citizen's obligation to the Nigerian state for which he or she expects in return good governance, the provision of security, clean water, and other social amenities.
ii. only career tax administrators, who are public servants, not ad-hoc consultants or agents, should collect tax.
iii. tax efforts and focus should be shifted from direct taxation to indirect taxation.
iv. the number of taxes should be small in number, broad-based, and yield high revenues.
v. the machinery of tax administration should be configured to be efficient and cost effective.
vi. all the three tiers of government should be free to set up their own administrative machineries for taxes under their jurisdiction, subject to the national minimum standards.
vii. the various tiers of government must avoid the hitherto common internal double taxation by the federal, state and local governments.
viii. in furtherance of the desire to reduce the tax burden on individual Nigerians, the national tax policy should be geared towards a low tax regime.

Need for Tax Audit

OECD (2006) deduced that tax audit performance is necessitated by certain conditions. Four conditions have a tendency to make the interest for the free execution of the audit or verify capacity. They are as per the following:

i. Conflict of interests between the individuals who present the financial reports and those who make use of them;
ii. Consequence of information to users while using them in decision-making;
iii. Complexity of the financial statements and audit process; and
iv. Remoteness of officers from the areas of concern and the one who presented it.

Amah and Nwaiwu (2018), if audit function is expanded to tax, the conditions stated above are also necessary to be fulfilled. Here, the assessee, who submits the financial statement, has a bias relationship in respect of financial liability which is different to that of assessor of the return. Because, altered information in the financial statement may reduce the tax liability.

Henry (1990) mentions the use of the financial statement is assumed to be accurate and inclusive. This is not always true. It may have serious effect on Government fiscal budget and collection if it turns out to be false. This may cause the estimated expenditure not being achieved and may bring shortcomings in the economy. Additionally, both financial accounting and tax accounting are accepted as a much complex discipline due to technicalities and their discrete characteristics of difficulties. Finally, there exists a wall of remoteness between the person who presents the financial statement and the information on one hand and the tax official on the other hand. It is however possible for the tax official to request for any extra documents from the preparer in order for him to understand the completeness and accuracy of the information provided. But this may not be so in some instances due to time and cost constraints.

Abata (2014), where it is not possible for the Assessing officer to obtain this information when needed, the tax authority can apply his best judgment, which may not be the expression of the reality and thus both the parties, the Government and the assessee may be affected by under- or over-charging of tax. Therefore, all the conditions creating the demand for audit with respect to tax can be found to be satisfied. The Committee on Basic Auditing Concepts (COBAC) prescribes that the topic of any augmentation of the review capacity must have the accompanying characteristics:

a. The topic must be helpless to the conclusion of evidential affirmations. Such declarations must be both quantifiable and obvious.
b. There must be a data framework to record the activities, occasion or results thereof, ideally satisfactory inner controls have additionally to be set up. At last,
c. Consensus ought to exist on the built-up criteria against which the data arranged from the topic can be assessed.

Each of the qualities expressed above is crucial. Two extra conditions are likewise required. They are the auditor's competence and rundown of discoveries in a report. The COBAC of AAA has perceived that augmentation of the validate capacity to the review of pay government form seems to fulfill every one of the qualities expressed previously. The topic permits the reasoning of evidential statements, which are certain and also quantifiable. Fruitful execution of the assessment law requires the support of a 'data framework' sufficient for recording the activities and occasions, and the law additionally serves as a model for assessing the topic data.

The Code of Ethics for Professional Accountants according to the International Federation of Accountants (IFAC) Ethics Committee has defined "professional service" as "any examination which seeks accountancy or related skills performed by a professional accountant including accounting, auditing, taxation, management consulting and financial management services". Hence, an auditor must be experienced in accounting, auditing, and also in taxation.

Abata (2014), tax audit by qualified expert accountants speaks to the regarded acknowledgment of their specific skill. At the point when lawfully upheld, the genuine advantage from tax audit is that the review will guarantee upkeep of proper books of records. The bookkeeping propensity created will empower creation of transparency and result in the elimination hazy area between accepted income and reported income. This would significantly curb the incidence of tax evasion through a proper checking of fraudulent practices regarding colluded accounts. Tax returns accompanied by tax audit reports and other supporting statements testifying to a thorough checks conducted increase its credibility and can be presented before authorities in charge of tax administration.

Efficiency and Effectiveness Tax Audit

High structured tax administration is associated with more detailed audit procedures listed. Apostolou Pasewark and Strawser (1993) defined audit efficiency as the ability to meet the budget and operationalize it as the percentage deviation between actual and budgeted hours. This research examined the effect of the behaviour of a leader on audit efficiency. Two leader behaviours were considered. Firstly, the one facilitating cooperation and teamwork and the one administering discipline on one hand resulted in increased audit efficiency. On the other hand, showing consideration contributed to reduced audit efficiency (Apostolou Pasewark and Strawser, 1993). The concept of efficiency, in an economic sense, as applied to auditing, is rooted in the ideas of minimization of inputs, absence of waste, and least cost production methods. Auditing practitioners tend to define efficiency as achieving the audit task in less time thereby increasing profitability (McGrath & Hollingshead, 1993). The proficient and viable behaviour of review exercises obliges that an authority's audit and examination staff have fitting authority of access to information held by the taxpayer and different parties so that taxpayer's liabilities reported in their financial statement can be appropriately checked or be precisely computed, without returns. Finally, specific and appropriate measures should be in place to punish and deter non-compliance (Moyi & Muriithi, 2003).

Adeniran (2018) it is therefore necessary that tax authorities should have the mandate to and sanctions to be enshrined in the legal framework to enable them perform tax administration exercise that includes the provision of adequate powers for obtaining information and a suitable regime of sanctions covering the various offences that may occur (Cheeseman & Griffiths, 2005). OCED 2006, in their report, stipulated that for efficient and effective conduct of tax audit activities, the revenue body and its investigative staff must be given appropriate powers to access information necessary for the conduct of the audit from the taxpayer and other parties so that taxpayer liabilities as reported in the tax claims could be reevaluated and ascertain how correct such claims are. Adeyemi (2012) this implies that there should be an approapriate regime of sanctions to punish and deter rnon-compliance. Okonye, Azubuike and Akpan (2017), stated that revenue bodies must have a set of rules, powers and sanctions which must be legally binding and enshrined in the legal framework supporting the conduct of tax administration activities that includes the provision of adequate powers for obtaining information and an appropriate regime of sanctions that serve as a punitive measure to tax defaulters.

With appropriate taxpayer enablement in place, it is the tax compliance enforcement action that brings about a change in behaviour: from non-compliance to voluntary compliance. To achieve this desired change in behaviour, the Revenue Authority must be divested of discretionary powers that may negatively influence change in attitude. Eleng (2019), inferred that inadequate or poor tax collection is an evidence of poor tax administration performance processes which discourages direct tax payment from taxpayers. Direct tax payment requires taxpayers to pay tax on goods purchase or services enjoyed. Aniyie (2015) internal Revenue Agencies are usually confronted with problems including a lack of resources, poorly trained, compensated and therefore unmotivated workforce and often a rent-seeking behaviour within the ranks. Revenue Administrations in many developing and emerging economies are frequently charged with allegations of corruption, inefficiency and ineffectiveness, which lead not only to inefficient results and outcomes such as lower revenue collections, but also affects the attitude of individuals and firms toward tax payment.

Where the tax administrators are viewed as being corrupt, it demoralizes the taxpayer and lowers the taxpayers confidence in tax administration also lowers taxpayer (and potential taxpayer) incentives to pay correct taxes or register to pay taxes, as payments are seen as 'going into tax collectors' pockets', or being a form of personal 'rent collection'. This may further encourage under the table deals with tax collectors and tax auditors, (Taiwo, 2011).

Weak tax collection can be addressed by two main activities

- Reforming tax policy and
- Reforming tax administration.

An optimal tax policy involves a few and simply understood taxes with a broad tax base.

An efficient administration requires modern and efficient tax processes and competent tax personnel which serves as determinants of effective tax collection strategies.

This framework sets out a number of considerations and experiences in developing strategies for more efficient tax administration, and focuses on the key areas shown in below:

Theoretical Review

Taxation which is a veritable source of funding government expenditure and generating revenue for the government is being repositioned through reforms and policies enhancement which aimed at making the system more effective. The purpose of tax audit and investigation policy reform is to increase the tax base through increase in the amount being generated as tax and improving the utilization of the revenues generated for common good of the citizenry. Tax audit and investigation enhances tax compliance, thereby bringing more eligible tax taxpayers into tax net and increasing the revenue base of the government through effective tax collection strategies. This preposition is supported majorly by the "Police-man-theory" of auditing and the theory of planned behaviour which explains why people evade tax and the need to put in place the right tax administration mechanism as a policing tool that can increase revenue generation through effective tax collection strategies.

Reasoned Action Theory

The theory of reasoned action was developed by Fishbein and Ajzen in 1975. The theory of reasoned action predicts behavioural intentions where behavioural intentions are a function of an attitude toward the behaviour and subjective norms surrounding the performance of the behaviour. Attitude toward the behaviour is defined as the individual's positive or negative feeling about performing behaviour. It is determined by assessing one's belief regarding the consequences of performing the behaviour. Subjective norm is defined as an individual's perception of whether people important to the individual think the behaviour should be performed. While the reasoned behavior theory is applied in many areas, it has limitation of assuming when people form an intention to act then they will be free to act. In practice, environmental constraints will limit the freedom to act.

In taxation, scholars like Olaoye and Ekundayo (2019) linked reasoned behavior theory to the aspect of tax compliance and administration in the sense that, taxpayers have certain perception towards the government and motivation for paying tax. Onoja and Iwarere (2015), argued that weak tax administrative laws and mechanism gives room for taxpayers to evade tax which subsequently affects internally generated revenue adversely. On the other hand, Kennedy and John (2014) argued that if there are effective taxes mechanism in place taxpayers will not cultivate the attitude of deliberate evasion thereby enhancing internal revenue generation.

Planned Behaviour Theory (TPB)

The theory was developed by Ajzen in 1988, to overcome the limitation of reasoned action theory (TRA). As an extension of TRA, TPB posits that a given behaviour is directly influenced by behavioral intentions, which are in turn can be predicted by attitude toward the behaviour, subjective norm regarding the behaviour and perceived behavioural control. This theory is relevant to this study in explaining the relationship between the taxpayers and the tax authority. The compliance level of the taxpayers is always contingent on the activities of the tax authority. This theory underpins that awareness of tax audit goes a long way to predict the compliance level of taxpayers

The Policeman Theory

This theory of auditing was propounded by Awe (2008) and cited by Eleng (2019). The theory assumes that once monitoring is done on the systems at unspecified times then, that is like policeman guarding a place and thus, called it policeman theory. It was further asserted that auditing is purely on the arithmetical accuracy and on the prevention and detection of fraud. This theory makes the auditor to detect and prevent errors and fraud in organizations. It then adds a factor of effective tax monitoring through tax audit and investigation. Through tax policing, tax audit can be effectively planned and investigation carried out from time to time in order to checkmate planned behaviors from taxpayers that are adverse to internal revenue generation (Animasaun, 2016).

Empirical Review

In order to effectively evaluate the research on hand, the works of other researchers who have worked in similar or related research works were reviewed. This would help identify the research gap the present research work will be filling. In the light of the foregoing, Osemeke and Nzekwe (2020), undertook a research on the challenges affecting tax collection in Nigerian informal economy: Case study of Anambra State. This study found that lack of provision of amenities and infrastructural development are among the reasons why many traders and employees do not pay tax in Anambra State, Nigeria, as they have to bear the burden for the provision of such amenities themselves. Lack of accountability, embezzlement, poor accounting records, deficit of empowerment programs and absence of awareness are the key reasons why people and businesses in IE do not pay tax. These findings anchors on the utilization of tax revenue collected. Olaoye and Ogunipe (2020) also researched on application of tax audit and investigation on tax evasion in Nigeria. The study examined the application of tax audit and investigation on tax evasion control in Nigeria. It was concluded that tax audit in the form of desk and back duty are highly instrumental in the reduction in tax evasion, while tax investigation and field audit does not influence the control of tax frauds in the form of evasion.

Eleng (2019) in his effort to unravel the contributions of tax audit strategy to tax revenue generation, took a research on the effect of tax audit on productivity of internal revenue service Cross River experience. He concluded that tax audit strategies have direct insignificant relationship with productivity (tax revenue). This contradicts the findings of other researchers like Ganyam Ivungu and Anongo. Dang, Bako and Lalu (2019) carried out a research on the impact of revenue generation and utilisation on social services delivery in Plateau state: 2006 – 2015. They employed experimental research design using descriptive and empirical research strategy; the data generated were analysed using least square regression analysis. The study discovered that revenue generation as a whole has an impact on social service delivery for the period 2006 – 2015 in Plateau state, with majority of the sources of revenue, coming from federation account, capital receipts and other revenue, which are individually insignificant in impacting on social service delivery in the state. The finding is not too different from the other researchers like Ajala and Adegbite (2020). Ganyam, Ivungu and Anongo (2019) took a research on, effect of tax administration on revenue generation in Nigeria: evidence from Benue state tax administration (2015 -2018), the findings revealed that electronic tax payment system significantly improved tax accountability and revenue generation in Benue state. They concluded that tax administration significantly affects revenue generations in Nigeria.

Amah and Nwaiwu (2018) study examined empirically, the effect of tax audit practice on down south tax revenue generation in Nigeria. Both primary and secondary source of data were adopted and the data collected were analysed using linear regression analysis and multiple regression analysis with the aid of special package for social sciences (SPSS) version, the empirical results indicate that the predictor variable of tax audit practice has positive effect on criteria variable of tax revenue in Nigeria. The study include that there exist a significant positive effect of desk audit on personal income tax. This is to ensure that the collection of taxes have been higher than the costs improving compliance. Tax administrators should not concentrate only on desk tax audit but also on field tax audit and back tax audit so as to block all leakages and increase the level of taxpayers' compliance.

Okonye, Azubuike and Akpan (2017) carried-out a study on tax audit and investigation as a stimulant for growth in internally generated revenue in Nigeria. They obtained secondary data from Central Bank of Nigeria Statistical Bulletin from 1988 to 2013. Regression analysis was used to analysed the data and test the hypotheses formulated. The results obtained were further tested with chow test regression technique. Their research revealed that, the tax audit and investigation is a stimulant for growth in internally generated revenue in Nigeria.

Aguma (2016) conducted a research on impact of tax audit on improving taxpayers' compliance: empirical evidence from Ethiopian. The study has attempted to examine the impact of tax audit on tax compliance in Ethiopia, at federal level by using secondary macro data. The study concludes that since the contribution of tax audit on improving taxpayer's compliance is significant among other measures, revenue authorities of the country and other concerned parties should give more emphasis on the role of tax audit by fulfilling the required staff and qualifications to improve taxpayer's compliance and thereby increasing countries revenue through tax.

Onuoha and Dada (2016) the aim of this paper was to substantiate tax audit and investigation as imperatives for the achievement of an efficient tax administration in Nigeria. The study adopted an expository approach using content analysis of existing literatures. The doubt and sociological theories were used to firm up the conceptualization of the topic. The study revealed that tax audit and investigation are inevitable to improve on the collection of tax revenues in Nigeria. The study also confirmed that there is a high prevalence of non-compliance currently among individuals and companies in the country. The paper, therefore, called on the government to provide an enabling legislation to make non-compliance with tax laws a more serious offence with stiffer penalties.

Onoja and Iwarere (2015) carried out a research which seeks to determine the effect of tax audit and revenue generation in FIRS. The research discovered that: tax audit has significant effect on revenue generation in FIRS and tax audit has a positive relationship in with revenue generation.

Hastitu (2014) carried out a research on tax awareness and tax education: a perception of potential taxpayers. This research is mainly aimed to investigate contextual and ethical tax awareness between business and non-business students; it also investigate student's perception if tax is important therefore they need to learn since it is unavoidable onus. The result shows that there's no significant difference in contextual tax awareness between groups. It indicates that tax function and the obligation to do self-assessment are got into their head without considering whether they come from business or non-business program of study. It also happened in a view of ethical tax awareness. This is to show to the government since tax awareness has already been generated among the youth. Meanwhile there are significant differences of student's perception in the importance of tax education and the need to have tax as a subject between the groups. The business students mostly believe that the knowledge will be useful for their future (45.7%) hence it is important to be learnt in high education level (41.8%). Introduction of tax is the subject they would like to learn mostly and distinctly. It implies to business department management to evaluate their learning process since their student's awareness tends to have the same level as students who don't learn tax as well.

Olowokere and Fasina (2013), researched on "Taxpayers' Education: A key strategy in achieving voluntary compliance in Lagos state, Nigeria. Their study proffered that there is need for tax education to be offered to students pursing non-accounting courses and not restricted to accounting students at all levels. They concluded that tax education enhances voluntary compliance which in turn increases tax revenue collectable. Their view upholds the view of Ganyam, Ivungu, and Anongo (2018) whose research work on electronic tax payment system is significant to accountability and revenue generation. It has to be noted that one of the elements of tax collection strategy being evaluated by the current research is ICT.

Appiah and Eze (2013) they examined the impact of tax audit on tax compliance in Nigeria. They obtained data for evaluation of the hypotheses from mainly primary sources. The empirical analysis provided a significant relationship between random tax audit, cut-off tax audit and conditional tax audit on tax compliance in Nigeria. On the basis of the empirical result, the paper concludes that tax audit is one of the compliance strategies that can be used to achieve tax compliance in Nigeria because the average Nigerian is known for tax evasion and avoidance using all the available means of not paying the relevant tax to the government.

Adediran, Alade and Oshode (2013), in their research examine the impact of tax audit and investigations on revenue generation in Nigeria. Pearson correlation coefficient was used to analyse the questionnaire which were the source of data gathering. It was gathered that tax audit and investigation can also stamp out incidents of tax evasion in the country.

Okoye, Akanbor and Obara (2012) investigating the causes of low level of tax compliance in the informal sector in Nigeria and the effect of such, on economic growth and development, with a view to designing appropriate strategies for promoting sustainability of tax compliance in the sector. They found out that several causes of tax compliance problem in the informal sector in Nigeria. Among which are high tax, rate, inadequate provision of public goods and services, lack of transparency and accountability of public funds, poor funding of tax boards, absence of functional tax audit, lack of reciprocity and legitimacy, ineffective deterrence measures, out-dated tax laws, lack of public trust, and corrupt practices of tax officials.

Mu'azu (2012) took a research to assess the effect of tax audit on tax compliance in Nigeria a case of Bauchi State Board of Internal Revenue. The methodology employed for data collection is only primary source, which involved the use of questionnaires, in which 48 questionnaires were administered to the staff of Bauchi State Board of Internal Revenue, some selected individuals tax payers and corporate bodies within Bauchi State out of which only 42 questionnaires were completed and returned. The data generated for the study were interpreted using simple percentage. The main finding of the study includes among other; the Relevant Tax Authority (RTA) employed tax audit towards achieving target revenue, that tax audit reduces the problems of tax evasion, which tax payers do not usually cooperated with tax audit personnel during the exercise. Etc. The paper recommends that; the RTA at all levels should improve the standard of tax audit employed for effectiveness and efficiency, tax audit should aim at reducing the level of tax evasion and RTA should provide a policy that would allow the tax payers to cooperate during the period of tax audit.

Ojonta (2011) carried out a research to assess how tax audit and investigation has ensured voluntary compliance by taxpayers in Nigeria. The research went further to examine: the extent to which tax audit and investigation have reduced tax evasion; to examine if there is any positive effect on the introduction of self-assessment to the complexity of income tax administration and it also examine the effect of inducement on tax officials in the performance of their duty. The research adopted the primary source of data within its scope of study. The study reveals that the introduction of self-assessment has played a major role in collection of taxes by adding credibility to the process and that the absence of functional tax audit and investigation units is largely the bane of non-compliance and tax evasion.

Yongzhi (2010), examined the tax audit impact on voluntary compliance. First, models were built exclusively for investigating the voluntary compliance behavior shifts after a firm is audited. Second, apart from the theoretical approach and laboratory experiment approach used in the literature, this study applied the difference-in-differences non-experimental approach. Third, historical population data of a New York State economic sector were used in this study instead of experimental data or randomly selected sample data often used in the literature. The results of both Ordinary Least Squares (OLS) and Time Series Cross Section (TSCS) autoregressive modeling methods are presented. The results of both methods suggest that after an audit, a firm would report a higher sales growth rate. The TSCS approach shows that in the year of the audit, a typical firm would report a sales growth rate which is 2.63 percentage points higher than a firm that was not audited. The percentage would decline by a rate of 1/3 each year thereafter. The findings suggest that the audit productivity derived in many research papers, where only the direct audit collections are considered, may be underestimated.

Research Gap

After careful empirical review that have been done on similar topics with respect to the current research. It is discovered that none of such works earlier carried out by different researchers, attempted to find out if there have been significant effect of the different tax audit and investigation on tax deducted at source or advance tax payment method of tax collection.

Methodology

Research Design

The study adopts descriptive survey research design to obtain accurate data based on the opinion of respondents who are basically staff of the relevant department of Federal Inland Revenue service (FIRS) in Nigeria. An FIRS staff is the ones who engage in tax audit and investigation and can give accurate opinion needed to carry on with the research.

Sources of Data

The source of data for this study is primary sources, which is obtained from questionnaires.

Data Analysis Technique

The study employed descriptive statistics such as percentages and frequencies. Percentages and frequencies are use to analyze the demographic characteristics of respondents. The data gathered with the aforementioned is analyzed with linear regression; this is because both the independent and dependent variables are in scales that involve more than two binary codifications for dependent variable which is the major criteria for a probit regression propagated by most researchers.

Models Specification

This study adapts the model used in the work of Olaoye and Ogundipe (2020) which is stated as;

Tax evasion = f(Desk audit + Field audit + back-duty audit + tax investigation) Model 1

This model is deemed appropriate but because of the logit nature of their dependent variable which is not same scaling point with the current study, the study adapts the model to suit the purpose of the research. In the present study increase/decrease tax revenue is postulated as the effect of tax deducted at source/advance tax payment method (TDSAT) is a function of tax audit and investigation (TAUDI)

Viz: TARCS = f (TAUDI)............... Model 2

OECD (2006) Tax Audit and Investigation (TAUDI) strategies are measured with indicators and variables given as follows:

1. Taxpayers' record keeping obligations = RKO
2. Access to taxpayers' books and records = ATR
3. Access to 3rd party information sources = ATPTS
4. Accessing information from other countries' revenue authorities = AIOCR
5. Having powers to amend returns from taxpayers' claims = PATC, and
6. Sanctions for non-compliances. = SNC

Ojonta, B.A. (2011) Tax Revenue Collection methods indicators are:
1. Tax deduction at source/ Advance tax payment= TDSAT
2. Direct tax payment = DTP
3. Self assessment tax = SATP

The model is specified in a linear estimation form as;
$TDSAT=\beta 0+ \beta_1$RKO + μ***…Model 3***
$TDSAT = \beta 0+ + \beta_2$ ATR+ μ….***Model 4***
$TDSAT = \beta 0+ \beta_3$ ATPTS + μ***….Model 5***
$TDSAT = \beta 0+ \beta_4$ AIOCR + μ***….Model 6***
$TDSAT = \beta 0+ \beta_5$ PATC + μ***….Model 7***
$TDSAT = \beta 0+ \beta_6$ SNC + μ***….Model 8***
Dependent variables: TDSAT, DTP, SASM
Independent Variables= RKO, ATR, ATPTS, AIOCR, PATC, SNC
Stochastic Error Term/ Disturbance Factor= μ
Shift Parameters= b_1,b_2,b_3, b_4, b_5, b_6
Constant Parameter= $\beta 0$
Decision rules;
Linear Regression: Do not reject the null hypothesis if the calculated probability value of Fisher statistics is greater than 0.05.

The Linear regression method will be used to test the relationship between the dependent and independent variables as indicated in the null hypotheses, which forms the basis of the research.

Results and Discussions

Presentation of Results

Effect of tax audit and investigation components on tax deductible at source/advance tax payment in Nigeria (Regression and diagnostic test results are shown in table 1 to 10 in appendix 2 of the study)

Diagnostic test results on tax deductible at source/advance tax payment Model

Appendices 1 to 5 shows regression result and diagnostic tests based on test TDSAT model. The diagnoses on appendices 3 and 5 indicate the existence of serial correlation and heteroscedasticity problems, hence the need to fix the problem to obtain a reliable result. The result then obtained by taking one period lag of the dependent variables as an additional predictor in the TDSAT model is shown in Appendix 6, with the associated diagnostic tests summarized in table 4.4.

Table 4.4 Diagnostic Test Result on TDSAT

S/N.	Test conducted	Result Obtained	Remarks/Conclusion	Appendix
1	Linearity	Prob. of t-value from Ramsey Reset test = 0.1141	Since P(0.1141) > 0.05, the linearity assumption is satisfied, indicating that the model is correctly specified	7
2	Independence of the Observation/Residuals	Durbin- Watson (DW) Statistic = 1.981206	DW is within the acceptable range of 1 to 3 suggested by Field (2009)	6
3	Serial Correlation/Autocorrelation	The probability of the Breusch-Godfrey SLLM test = 0.0721	No serial / autocorrelation problem exists in the series	8
4	Multicollinearity	Variance Inflation factor (VIF) for all the series < 10	This is desirable and that there is no problem of Multicollinearity among the independent variables	9
5	Heteroscedasticity	Breusch-Pagan-GodfreyTest indicated the probability of Obs. Chi-square of 0.7109	Since 0.7109 > 0.005, the study concludes that there is no problem of heteroscedasticity	10

Source: Extracted from *E-View result in appendices 6 to 10*

The tests in Table 4.4 indicates that the regression results obtained in appendix 6, met the basic assumption for linearity , independence of observation/ residuals, serial correlation, multicollinerity and herotscendasticity. Consequently, the regression results are considered appropriate for decision making and the results summerised in table 4.5 for interpretation.

Table 4.5: **Effect of Tax Auditing and Investigation Components on TDSAT (Model 3)**

Variable	Coefficient	t-Statistic	Prob.
ATR	-0.162443	-4.732064	0.0000
RKO	0.004769	0.156196	0.8760
ATPIS	0.089755	3.766704	0.0061
IOCRB	0.064773	2.813035	0.0171
SNC	-0.027175	-2.190870	0.0364
PATC	-0.019100	-0.382673	0.7023
Model Parameter			
R-squared	0.654592		
Adjusted R-squared	0.649893		
F-statistic	5.326805		
Prob(F-statistic)	0.000011		
Durb-watson stat	1.981206		

Source: Extracted from Appendix 6

Test of Hypotheses

Testing for the effect of tax audit and investigation components on tax deductible at source/advance tax payment in Nigeria

Ho_{1a}: Record keeping obligations (RKO) has no significant effect on tax deduction at source/advance tax payment in Nigeria.

The results in table 4.5 indicates that t-statistic (0.156196) is insignificant at the chosen alpha level of 5% (P=0.8760>0.05)/ therefore, we fail to reject Ho_{1a} and conclude *RKO* has no significant effect on tax deduction at source/advance tax payment in Nigeria.

Ho_{1b}: Access to taxpayer's records (ATR) has no significant effect on tax deduction at source/advance tax payment in Nigeria.

The results in table 4.5 indicates that t-statistic (-4.732064) is significant at the chosen alpha level of 5% (P=0.000<0.05)/ therefore, we reject Ho_{1b} and conclude *AT*R has significant effect on tax deduction at source/advance tax payment in Nigeria.

Ho_{1c}: Access to third party's information sources (ATPIS) has no significant effect on tax deduction at source/advance tax payment in Nigeria.

The results in table 4.5 indicates that t-statistic (3.766704) is significant at the chosen alpha level of 5% (P=0.0061<0.05)/ therefore, we reject Ho_{1c} and conclude *ATPIS* has significant effect on tax deduction at source/advance tax payment in Nigeria.

Ho_{1d}: Information from other country's revenue board (IOCRB) has no significant effect on tax deduction at source/advance tax payment in Nigeria.

The results in table 4.5 indicates that t-statistic (2.813035) is significant at the chosen alpha level of 5% (P=0.00171<0.05)/ therefore, we reject Ho_{1d} and conclude *IOCRB* has significant effect on tax deduction at source/advance tax payment in Nigeria.

Ho_{1e}: Sanctions for non-compliance (SNC) has no significant effect on tax deduction at source/advance tax payment in Nigeria.

The results in table 4.5 indicates that t-statistic (-2.190870) is significant at the chosen alpha level of 5% (P=0.0364<0.05), therefore, we reject Ho_{1d} and conclude *SNC* has significant effect on tax deduction at source/advance tax payment in Nigeria.

Ho_{1f}: Powers to amend taxpayer's claims (PATC) has no significant effect on tax deduction at source/advance tax payment in Nigeria.

The results in table 4.5 indicates that t-statistic (-0.382673) is insignificant at the chosen alpha level of 5% (P=0.7023>0.05), therefore, we fail to reject Ho_{1a} and conclude *PATC* has no significant effect on tax deduction at source/advance tax payment in Nigeria.

Discussion of Findings

In the course of the study, three hypotheses which were further subdivided into six were tested in such a way each tax audit and investigation strategies were tested against each tax collection strategy as shown in paragraph 4.4.1 to 4.4.3. The results of the hypotheses were collaborated with the result obtained from testing the variables or components for measuring tax audit and investigation on tax collection strategies. Effect of Tax Audit and Investigation (TAI) Components on Tax Deductions at source/Advance Tax Payment in Nigeria.

Effect of Access to Taxpayer's Record on Tax Deducted at Source and Advance Tax (TDSAT)

In line with the first specific objective and components of TAI tested, the study reveals that access to taxpayers' records have a significant effect on tax deductions at source/advance tax payment in Nigeria. This is in line with the earlier stated apiori expectation; that access to taxpayer's records enhances enforcement the administration of legal mandate for tax revenue collection. This finding is supported by the work of Osemeke and Nzekwe (2020), who stressed that the challenges affecting tax collection in Nigeria is poor accounting records, deficit of empowerment programs and absence of awareness, which are some of the key reasons why citizens fail to pay tax thus tax audit and investigation is propagated as means to enhance tax revenue collection through adequate audit and investigation of taxpayer's record.

Effect of Access to Third Party's Information Source on TDSAT

Further variable tested revealed that access to third party information source significantly affects tax deductions at source/advance tax payment in Nigeria. This is in line with the earlier stated apiori expectation; that access to third party information source enhances enforcement the administration of legal mandate for tax revenue collection. This is supported by Aguma (2016) who conducted a research on impact of tax audit on improving taxpayer's compliance in Ethiopia. In analyzing the data the partial coefficient regression statistical analysis method was employed. They found that there is a strong association between the number of audited files, access to records and the level of tax compliance in Ethiopia.

Effect of Record Keeping Obligation on TDSAT

Further variable tested revealed that record keeping obligation insignificantly affects tax deductions at source/advance tax payment in Nigeria. This neglects the earlier stated apiori expectation; that record keeping obligation enhances enforcement the administration of legal mandate for tax revenue collection. This finding contradicts that of Mutarindwa and Rutikanga (2014), who explore the role of financial statements audit in promoting tax revenues growth in Rwanda in the broader perspective. They used questionnaires as primary data collection instruments, which were distributed to all audit officers of Rwanda Revenue Authority equaling to 100 staff and followed both analytical research design. They found that the practices of audit of final books of accounts for both small and medium enterprises at institutional level are prerequisite for growth of tax revenues in Rwanda. The reason for this contradiction is the fact Mutarindwa and Rutikanga (2014) concentrated their study on SMEs and there are existence of tax administration framework that mandates adequate record keeping by SMEs in Rwanda while, such tax framework is not applicable in Nigeria, thus record keeping obligation is subjected to cases of tax manipulation practices by entities.

Effect of obtaining information other country’s revenue board on TDSAT

Further variable tested revealed that obtaining information from other countries revenue bodies significantly affects tax deductions at source/advance tax payment in Nigeria. This conforms to the earlier stated apiori expectation; that obtaining information from other countries revenue bodies enhances enforcement the administration of legal mandate for tax revenue collection. This is supported by the work of Olaoye and Ogunipe (2020), who examined the application of tax audit and investigation on tax evasion control in Nigeria. They specifically investigated the impact of desk audit, field audit, back-duty audit and tax investigation on tax evasion control in Nigeria. They concluded that tax audit in the form of desk and back duties are highly instrumental in the reduction in tax evasion. Olaoye and Ogunipe (2020), stressed that if the global community does not cooperate by sharing information about companies and international workforce, there are tendencies of tax evasion enhanced by capital flights and contradictions in cross-border tax laws.

Effect of sanction for non-compliance on TDSAT

Another variable tested revealed that powers of audit staff to sanction for non-compliance significantly affects tax deductions at source/advance tax payment in Nigeria. This conforms to the earlier stated apriori expectation; that power of audit staff to sanction for non-compliance enhances enforcement the administration of legal mandate for tax revenue collection. The study finding is in line with that of Onoja and Iwarere (2015) who carried a research which seek to determine the effect of tax audit and revenue generation in Nigeria by administering questionnaire to Federal Inland Revenue Service staff. Data gathered is analyzed using analysis of variance (ANOVA). They found that tax audit has significant effect on revenue generation in Nigeria.

Effect of powers to amend taxpayer’s claims to TDSAT

Powers of audit staff to amend taxpayer’s claims was tested as a variable and the result showed insignificantly affects tax deductions at source/advance tax payment in Nigeria. This neglects the earlier stated apiori expectation; that power of audit staff to amend tax payer’s claims enhances enforcement the administration of legal mandate for tax revenue collection. The study finding conforms to that of Eleng (2019), who in his effort to unravel the contributions of tax audit strategy to tax revenue generation, took a research on the effect of tax audit on productivity of internal revenue service of Cross River State. He concluded that tax audit strategies have direct insignificant relationship with tax productivity.

Summary, Conclusion and Recommendation

Summary of Findings

The following findings are arrived at through the test of the research hypotheses earlier formulated in this study.

Taxpayers' record keeping obligation has a significant effect on tax deduction at source/advance tax payment. While, access to taxpayer's books and records has an insignificant effect on tax deduction at source/advance tax payment in Nigeria. Furthermore, access to third party information source has a significant effect on tax deduction at source/advance tax payment in Nigeria. Again, access to information from other countries revenue authorities has a significant effect on tax deductions at source/advance tax payment in Nigeria. Also, sanctions for noncompliance have significant effect on tax deductions at source/ advance tax payment in Nigeria. While, powers to amend returns from taxpayer's claim has an insignificant effect on tax deductions at source/ advance tax payment in Nigeria.

Conclusions

The following conclusions are made from the study findings in respect to each tested hypothesis:

a. The study found that record keeping obligations (RKO) has no significant effect on tax deduction at source/advance tax payment in Nigeria.
b. Access to taxpayer's records (ATR) has significant effect on tax deduction at source/advance tax payment in Nigeria.
c. Access to third party's information sources (ATPIS) has significant effect on tax deduction at source/advance tax payment in Nigeria.
d. Information from other country's revenue board (IOCRB) has significant effect on tax deduction at source/advance tax payment in Nigeria.
e. Sanctions for non-compliance (SNC) have significant effect on tax deduction at source/advance tax payment in Nigeria.
f. Powers to amend taxpayer's claims (PATC) has no significant effect on tax deduction at source/advance tax payment in Nigeria.

References

Abata M.A. (2014). The impact of tax revenue on Nigeria economy (case of Federal Board of Inland Revenue); *Journal of Policy and Development Studies.*

Abiola J & Asiweh M. (2012); Impact of tax administration on government revenue in a developing economy-a case of Nigeria; *Journal of Finance and Management Research.*

Adedayo O. & Alade O. S. (2017). Tax audit and investigation: trigger points and mitigative. http://www.budgetoffice.gov.ng/pdfs/2016/20172019%20MTEF%20&%20FSP%20EXECUTIVE%20PROPOSAL.pdf

Adediran S.A, Alade S.O. & Oshode A.A. (2013). The impact of tax audit and investigation on revenue generation in Nigeria: *European Journal of Business and Management, 26.*

Adeniran, A. (2018). Establishing Chi square as a non-parametric test in descriptive statistics. *Journal of Science & Technology*, 4(1): 106-113.

Adeniran, A. (2017). Assessment of passengers' satisfaction and service quality in Murtala Muhammed Airport (MMA2), Lagos, Nigeria: Application of SERVQUAL Model. *Journal of Hotel &Business Management 7(188): 1-5.*

Adekanola 0. (2010). Taxation as a means of economic revitalization: limitations and prospects in a developing economy. *The Nigeria Accountant, October/December, 40 (4):55—77.*

Adeniran, A. (2019). Application of likert scale's type and cronbach's alpha analysis in an airport perception study. *Scholar Journal of Applied Sciences and Research,* 2(4): 1-5.

Adeyemi, K.S. (2012). Sustainable development strategies for poverty alleviation the tax perspective. Paper delivered at the annual tax conference of the chartered institute of taxation of Nigeria, Nicon Luxury Hotel, Abuja, 10th May.

Adeyeye, G. B. (2019). Improving Tax Administration through Technology Innovation in Nigeria (A Study of Federal Inland Recenue Service). *Annals of Spiru Haret University. Economic Series, 19(1), 31-63, doi: https://doi.org/10.26458/191*

Afuberoh, D. & Okoye, E. (2014). The impact of taxation on revenue generation in Nigeria: A study of federal capital territory and selected states: *International Journal of Public Administration and Management Research (IJPAMR),* 2(2):54-69.

Anyanwu, A. (2000). *Research Methodology.* Canun publishers Nigeria Ltd, Owerri,

Agburu, J. (2007). *Modern Research Methodology.* 2nd Edition. Kujoma Publishers Limited, Makurdi.

Aguma A.M. (2016). Impact of tax audit on improving tax-payers compliance: empirical evidence from Ethiopian revenue authority at federal Level. *International Journal of Accounting Research (IJAR),*2(12): 20-34.

Ajala M.O. & Adegbite F.F. (2020). Effect of information technology on effective tax assessment in Nigeria. *Journal of Accounting and Taxation, 12(4): 126-134.*

Akinleye G. T., Olaoya F.O. & Ogunmakin A.D. (2019). Effect of tax identification number on revenue generation in Southwest Nigeria; *Journal of Accounting and Taxation*

Akintoye, I.R. & Tashie, G.A. (2013). The effect of tax compliance on economic growth and development in Nigeria, West Africa: *British Journal of Art and Social Sciences* 11(2): 28-42.

Allen M. (2012). Leaving ADDIE for SAM, *American Society for Training and Development Journal.*

Álvarez D. and Rockwell P. (2002). Trigger points: diagnosis and management. *American Journal of family physician*

Amah, C.O. & Nwaiwu, J.N. (2018). Tax audit practice and down south tax revenue generation in Nigeria; *International Journal of Innovative Finance and Economics Research, 6(1), 99-112.*

Anichebe A.S (2010). Tax morale: issues in income tax compliance in Nigeria. *Journal of Association of National Accountant of Nigeria April/June 2(1):29-33.*

Animasaun, R. (2016). Tax administration and revenue generation: A perspective of Ogun state internal revenue service. *International Journal of Innovative Finance and Economics Research, 5(1), 11-21.*

Aniyie I.A. (2015). Achieving sustainable development through tax harmonization potentials, paradoxes and policy imperative. *Afe Babalola University Journal of Sustainable Development of Law and Policy, 6(1):78-92.*

Anyanwuocha R. I. (2003). *Fundamental Economics for Secondary Schools*, Africana First Publishers Limited, Enugu.

Apostolou, B., Pasewark, W. R.& Strawser, J. R. (1993). The effects of senior internal auditor behaviour on staff performance and satisfaction. *Accounting and Business Research*, 23(90): 110-123.

Appiah E. & Eze G.P: (2013). A casuality analysis between tax audit and compliance in Nigeria: *European Journal of Business and Management,* 5(2):12-30.

Appiah, E. & Ogbonna, G.N. (2014). Self-assessment scheme and revenue generation in Nigeria: *Developing Countries Studies*, 4(10):55-67.

Ariwodola, J.A. (2000). *Companies Taxation in Nigeria Including Petroleum Profit tax*, Lagos, JAA Nigeria Ltd

Bartik, T. (1994). Taxes and economic development- what do we know and what can we know? Proceedings of eight seventh annual conference on taxation.*Tax Institute of America*,13: 102-106.

Benzarti, Y. (2015) How taxing is tax filing? Leaving money on the table because of hassle costs (28 September 2015), available at SSRN: <https://ssrn.com/abstract=2412703 or http://dx.doi.org/10.2139/ssrn.2412703

Bird, R.M. (2008). Tax challenges facing developing countries; *Working Paper Series;* Institute for International Business; March.

Campbell, A., Ridout, B., Amon, K., Navarro, P., Collyer, B.,Dalgleish, J. (2019). A Customized Social Network Platform(Kids Helpline Circles) for Delivering Group Counseling to Young People Experiencing Family Discord That Impacts Their Well-Being: Exploratory Study. Journal of Medical Internet Research, 21(12), 1-10. <ahref="http://dx.doi.org/10.2196/16176">[More Information]

Chatama Y.J. (2013). Impact of ICT on taxation: case of large taxpayer Department of Tanzania Revenue Authority. *Developing Country Studies. 3(2)*

Cook, T. D., & Campbell, D. T. (1979). *Quasi-experimentation: Design & analysis issues in field settings*. Houghton Mifflin. Boston, MA.

Cheeseman, N. & Griffiths. R. (2005). Increasing tax revenue in Sub-Saharan Africa: The case of Kenya. *Oxford Council on Good Governance, Economy Analysis*, 6, 23-39.

Cronbach, L. (1951). Coefficient alpha and the internal structure of tests. *Psychometrika*, 16: 297-334.

Daniel, G. J. (1999). *Public sector accounting*. ABU Press Ltd. Zaria.

Danga D.Y, Bako E. & Lalu L,D, (2019), Impact of revenue generation and utilization on social services delivery in Plateau state: 2006-2015: *Tax Academy Journal (TAR) 3(1): 27-48*

Dauda, U., & Saidu, S. (2014). Tax evasion and governance challenges in the Nigerian informal sector. *Journal of Economies and Finance, 5(2):156-161*.

Dhami, S. & Ali, A. (2004). *W*hy do people pay taxes? Prospect theory versus expected utility theory.*Department of Economics, University of Leicester; United Kingdom.*

Onalchi D.E. & Rolle R.A. (2014). The impact of tax reform on federal revenue generation in Nigeria: *Journal of Policy and Development, 9(1), 44-60.*

Dike, V.E. (2010). Governance and challenges facing Nigerian economy: Is Jonathan the answer? *Social Science Research Network*.

Eleng D.M. (2019). The effect of tax audit on productivity of internal revenue services: Cross River State experience. *European Journal of Accounting, Auditing and Finance Research 7(6)*

Enofe A. Embele k. & Obazee P. (2019); Tax audit, investigation, and tax evasion: *Journal of Accounting and Financial Management.*

Ewa, U. (2021). Appraisal of self-assessment policy in Nigeria. *European Journal of Business and Management Research, 6(1): 189-197*.

Ezegwu, C.I. & Agbaji, J. (2014). Assessment of the contributions of internal generated revenue (IGR) to the total tax revenue of Kogi State before the introduction of Taxpayers Identification Number (TIN) (2003-2007).*Global Journal of Management and Business Research: Accounting and Audit.4(3): 77-90*.

Feld, P. & Frey, B.S. (2002). Deterrence and morale in taxation- an empirical analysis; *CEWSIFO Working Paper; No. 760.*

Federal Inland Revenue Services (FIRS) (2015), Excerpts of the Handbook: Federal Inland Revenue Service and Taxation Reforms in Democratic Nigeria. Abuja: Federal Inland Revenue Service

Fishbein, M., & Ajzen, I. (1975). *Belief, Attitude, Intention, and Behavior: An Introduction to Theory and Research.* Reading, MA: Addison-Wesley

Fossati, J. (1992). From personal to indirect taxation: A general equilibrium approach in Galeotti G and Graham, J. (Ed.) "*The International Handbook of Corporate and Personal Taxes; New York; Chapman and Hall.*

Ganyam A.I., Ivungu J.A & Anongo E.T. (2018). Effect of tax administration on revenue generation in Nigeria: evidence from Benue state tax administration (2015-2018). *International Journal of Economic, Commerce and Management*.

Goodrich, R. (2013). What is a Tax Audit? Business Daily. www.businessnews daily.com. Retrieved 3/11/2016

Gupta, R. (2007), Tax evasion and financial repression; *Working Paper Series; Department of Economics; University of Connecticut.*

Hastitu R. (2014). Tax awareness and tax education: a perception of potential taxpayers, *International Journal of Business, Economics and law.*

Henry, G. (1990). *Practical sampling:* 10th Edition. Sage Publications, Newbury Park.

Idebi A. A. and Agunbiade O.A. 2020: Tax revenue and economic growth nexus: empirical evidence from the Nigeria's economy. *European journal of economics and financial research*

Ironkwe, U. I., and Agu, E. O. (2019). Tax revenue and economic development in Nigeria. *International Journal of Advanced Academic Research, 5(4): 1-15.*

Isbell, J. K. & Sapp, L. (2017). A wake-up call: Rejecting neoliberal teaching strategies in a community of students becoming teacher educators.Paper presented at 13thInternational Congress of Qualitative Inquiry, Urbana-Champaign, IL.

Jarunee, W. (2010). Economic innovation challenges of financial and tax auditing. *Journal of Economics and International Finance,* 2(12), 290-298.

Jetunmobi O., Ojeka S., Fakile S.,Olokoyo F., and Eluyela D. (2022), Tax reforms, digitalization and government revenue in Nigeria. *Asian Economic and Financial Review.*

Kangave J. (2004). Improving tax administration: A case study of the uganda revenue authority. *Journal of African law 49(02):145 - 176*

Kennedy P. & Obi J. (2014). Impact of tax audit on tax compliance in Nigeria. *International Journal of Business and Social Science,* 5, 21-38.

Kiabel, B.D. (2001).*Personal income tax in Nigeria,* Springfield Publishers, Owerri.

Kiabel, B.D. & Nwokah, N.G. (2009). Boosting revenue generation by states governments in Nigeria:The tax consultants option Revisited. *European Journal of Social Sciences, 8(4); 532-539.*

Kira, A. (2017) An evaluation of governments' initiatives in enhancing small taxpayers' voluntary tax compliance in developing countries, *International Journal of Academic Research in Accounting, Finance and Management Sciences 7(1): 253-267*

Kleven H.I & Slemrod J. (2009): A characteristics approach to optimal taxation and tax driven innovation. American Journal of Management Research.

Klitgaard, R. (1996). *In Governance and the Economy in Africa: Tools for Analysis and Reforms of Corruption.* Center for Institutional Reform and Informal Sector, College Park, MD..

Kolm, S.C. (1973). A note on optimum tax evasion. *Journal of Public Economics,* 22, 142.

Ladi, O.M. and Henry, I.T (2015). Effects of tax audit on revenue generation: Federal Inland Revenue Service. *Journal on Good Governance on Sustainable Development in Africa. 2(4): 67 -80*

Lethbridge, C. (2013). *Detailed guidelines for improved tax administration in Latin America and the Caribbean:* USAID'S leadership in public financial management

Leyira, Chukwuma and Asian (2012). Tax System in Nigeria – Challenges and the Way Forward, Research. *Journal on finance and accounting*.

Lubua, E. (2014). Influencing Tax compliance in SMEs through the use of icts, *International Journal of Learning, Teaching and Educational Research 2(1); 80-90*

Mats H. (2016). The importance of staff to the efficiency of the tax agency, *De gruyter open*

Malik, T. (2010). Achieving voluntary compliance through self-assessment tax regime. Self assessment project of the Federal Inland Revenue Services Nigeria. *International Journal of Business and Social Science.*

McGrath, J.E. & Hollingshead, A.B., (1993). Putting the group back in group support systems: Some theoretical issues about dynamic processes in groups with technological enhancements., in L.M. Jessup and J.S. Valacich (Eds), *Group Support Systems: New Perspectives*, Macmillan, New York, pp. 78-96. 65.

Moyi, E. D & Muriithi M.K. (2003). Tax reforms and revenue mobilization in Kenya; *Research Paper No 131, African Economic Research Consortium (AERC), Nairobi, Kenya.*

Mu'azu S.B. (2012). The effect of tax audit on tax compliance in Nigeria: A study of Bauchi State Board of Internal Revenue. *Research Journal of Finance and Accounting*. 3(4); 65-77.

Moore A. and Prichard J. (2017) How can governments of low-income countries collect more tax revenue?, ICTD Working paper 70, Brighton: IDS/International centre for tax and development

Mugume, C. (2006). *Managing Taxation in Uganda*. MPK Graphics. Kampala.

Musgrave R. A. (1987). *Tax reform in developing countries in the theory of taxation for developing countries,* Oxford University press for the World Bank. New York.

Mutarindwa, S. and Rutikanga J.D. (2014). The impact of taxpayers' financial statements audit on tax revenue growth. *International Journal of Business and Economic Development (IJBED)* 2(2):34-51.

Naiyeju J.K (1996). *Value-added tax: The facts of a positive iax in Nigeria* Kupag public affairs, Lagos

Nwaiwu, C. & Macgregor, D. (2018). Webometric indices of tax audit and tax revenue generation Research in Nigeria. *International Journal of Advanced Academic Research Social & Management Sciences,* 4(2): 21-35.

Nwite S.C. (2015). The implications of tax revenue on the economic development of Nigeria. *Issues in Business Management and Economics. 3 (5: 74-80*

Nwocha, M. F. (2017). Tax evasion law in Nigeria. *Problems of Legality*, 139, 286 – 295. Doi: 10.2156/2414-990x.139.115333.

Nzotta, S.M. (2007). Tax evasion problems in Nigeria.*Journal of the Institute of Chartered Accountants of Nigeria;* Lagos; April/June.

Nzotta, S.M. (2007). Tax evasion problems in Nigeria: A critique.*The Nigerian Accountant,* 40(2), 40-43.

Obe P.A (2019). Digitalisation of tax: International perspectives. *Institute of Chartered Accountant of England and Wales Journal Review 1(1):1-12.*

OECD (2006). Internet discussion forum open educational resources findings from an OECD study 13 November – 1 December

OECD (2011). Tax administration in OECD and selected Non-OECD countries: comparative information series, forum on tax administration, *centre for tax policy and administration.*

Odusola. A. (2006). Tax policy reforms in Nigeria.*World Institute for Development Economics Research. Research paper No. 2006/03.*

Odusola, A. F. (2016). Tax policy reforms in Nigeria. A research work of United Nations
University, *World Institute for Development Economies Research, Research Paper, 03: 1- 45.*

Ogbonna, G.N.& Appah, E. (2012). Impact of tax reforms and economic growth of Nigeria: A time series analysis.*Current Research Journal of Social Sciences*,4(1), 62-68.

Ogbonna, G.N. and Appah, E. (2016). Effect of Tax Administration and Revenue on Economic Growth in Nigeria. *International Journal of Science and Humanities Reviews,* 6(3), 83 – 89.

Ogbonna, G.N. (2014), Self-assessment scheme and revenue generation in Nigeria: Economics developing country studies

Ogbueghu, S. N. (2016). The effect of tax evasion and avoidance on revenue generation in *Research Journal of Finance and Accounting*

Ojonta, B.A. (2011). *Tax Audit and Investigation in Enugu State.* University of Nigeria Nsuka.

Okonye E.E, Azubuike, J.& Akpan A. (2017). Tax audit and investigation as a stimulant for growth in internally generated revenue in Nigeria: *AKSU Journal of Management Sciences, 2(2).*

Okoye E. (2006). Strategies and ways of revenue generation internally in Anarnbra State by the State Government, *Journal of Marketing Research, 4(1).*

Okoye, P. V. C., Akanbor, C. O., & Obara, L. C. (2012). Promoting sustainable tax compliance in the informal sector in Nigeria. *International Journal of Arts and Humanities* 1(1), *Bashir Dar, Ethopia,Journal of Arts and Finance* 1(1), 1-23.

Okwara, C.C. and Amori, O.M. (2017) Impact of tax revenue on economic growth in Nigeria. *International Journal of Scientific Research in Social Sciences & Management Studies, 2: 90-102.*

Olaoye C.O & Ekundayo A.T. (2019). Effect of tax audit on compliance and remittance of tax revenue in Ekiti State. *Open Journal of Accounting 8(1)*

Olaoye C.O. & Ogunipe A.A. (2018). Application of tax audit and investigation on tax evasion in Nigeria. *Journal of Accounting and Auditing Studies.*

Olowokere J.K & Fasina H.T (2013). Taxpayers' education: A key strategy in achieving voluntary compliance in Lagos state, Nigeria. *European Journal of Business and Management.*

Olokooba, M. S. (2018). Tax offences: Clogs in the wheel of progress and development of Nigeria as a nation. *NnamdiAzikiwe University Journal of International Law and Jurisprudence*, 9(1): 226 – 236.

Olotu, G.E. (2012). Welcome address speech by the chairman, chartered institute of taxation of Nigeria, 14th Annual Tax Conference, Abuja.10th May.

Omodero, C. O. (2019). The financial and economic implication of underground economy: The Nigerian perspective. *Academic Journal of Interdisciplinary Studies*. 9(1); 226 – 236.

Omodero, C. O, Ekwe M. & Ihendinihu J. (2018). The impact of internally generated revenue on economic development in Nigeria.*Journal of Accounting and finance*,7(2).

Omorogiuwa, P.A. (1981). Tax administration in Nigeria. Paper presented at the first national symposium on taxation, Lagos. October.

Onoja, M.L. & Iwarere, T.H. (2015). Effect of tax audit on revenue generation: Federal Inland Revenue Service, Abuja Experience; *Journal of Good Governance and Sustainable Development in Africa (JGGSDA)*, 2(4).

Onuoha, L.N. & Dada, S.O. (2016). Tax audit and investigation as imperatives for efficient tax administration in Nigeria.*Journal of Business Administration and Management Sciences Research, 5(5), 066-076.*

Onyegbule C.N. (2016). The challenges of tax revenue maximization in Nigeria through voluntary tax compliance: the role of self-assessment. Doctor of philosophy programme. St Clements University Turks & Caicos Islands British West Indies. http://stclements.edu/grad/gradonyegbule.pdf

Opoku J. (2015).The role of tax audit in revenue mobilization in Ghana Revenue Authority- The case of Ashanti Region.*Kwame Nkrumah University of Science and Technology*

Oriakhi. J.&Ahuru, T. (2014). The impact of tax reform on federal revenue generation in Nigeria. *Journal of Policy and Development Studies*, 9(1); 45-56.

Osemeke N & Nzekwe D.S. (2020),The challenges affecting tax collection in Nigerian informal economy: Case study of Anambra State. *Journal of Accounting and Taxation. 12(2).*

Osiegbu, P.I., Onuorah, A.C. & Nnamdi, I. (2010). *Public finance: theories and practices*, C.M. Global Company Ltd. Asaba.

Otieno O.C., Oginda M., Obura J.M. Aila P.B, Ojera E.and Siringi M, (2013) Effect of Information Systems on Revenue Collection by Local Authorities in Homa Bay County, Kenya,. *Universal Journal of Accounting and Finance 1(1): 29. http://www.hrpub.or*g

Owenvebiugie G.U & Owenvebiugie R.O. (2020), Effective tax administration and revenue collection: key indicators of government performance in Nigeria, *Journal of Economics Business and Management 4(9): 96-105*

Owojori, P. (2006). Improving Tax Audit and Investigation in Nigeria. *Journal of Accounting and Taxation, 39(2); 122-134.*

Oyedele O.A. (2012), Towards effective infrastructure development in Nigeria: theoretical considerations from a project management perspective. *American Journal of Industrial and Business Management.*

Palil, M.R. (2010) Tax knowledge and tax compliance determinants in self assessment system in Malaysia, unpublished PhD thesis, The University of Birmingham

Palil, M.R. & Mustapha, A.F. (2011) Tax audit and tax compliance in Asia: A case study of Malaysia. *European journal of Social Sciences, 24; 7-32*

Pedley, D., & McCluskey, R. (2019). Tax and accountability: How to strengthen the links. Retrieved from https://www.ictd.ac/blog/uganda-ura-tax-covid19-winners-revenue/

Saunders, M., Lewis, F. &Tornhill, A. (2009). *Research methods for business students.*. Pearson publications. New York.

Shome, P., Aggarwah, P. & Singh, K. (1996). The system of tax deduction at source (TDS): coverage functioning and suggestions for reform in India. *Journal of National Institute of Public Finance and Policy (NIPFP).*

Smith, K.W. & Stalaus, L.J. (1991). Encouraging tax compliance with positive incentives; a conceptual framework and research directions. *Law and Society Review,*13(1); 63-78.

Smith, K.W. and Loretta J.S. (1994), Negotiating strategies for tax disputes: preferences of taxpayers and auditors, *law and social Inquiry,19(2);337-368.* available at <http://www.jstor.org/stable/828626>, accessed on March 2013

Somorin, T. (2011). National tax policy issues challenges and prospects. Paper presented at the MPTP workshop, Abuja, 19th October.

SPARC (2015), Annual Report

Syndelle, S. (2009). Taxes accountability and revenue in Nigeria. Nigeria curiosity: com available from: http://www.nigeriancuriosity.com.

Taiwo O. (2011). Tax administration (self-assessment) regulations 2011: what you need to be aware of; www.pwc.com/ng

Tanui, P. (2016) ‘Demystifying the key taxation concepts to improve compliance by small and medium enterprises in Kenya’, *European Journal of Accounting, Auditing and Finance research 4(6): 47-60*

Tunji S.T., Olajide D.S & Olusola O.O. (2014). Impact of internally generated revenue on total revenue to state government in Nigeria.*Ge-international Journal of Management Research,* 2(1), 32-49.

Yongzhi N. (2010). Tax audit impact on voluntary compliance: New York State Department of Taxation and Finance. *https.//mpra.ub.uni-muenchen.de/22651/*