Contemporary tax administration and revenue generation by Board of Internal Revenue Services: A study of Akwa Ibom State, Nigeria

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Abstract
Contemporary strategies of collecting revenue through taxation are what Board of Inland Revenue (BIR) Services need in Nigeria. Such strategies are rooted in the enabling tax laws as amended. This study is an examination of tax administration and revenue generation, based on the activities of the board of the Internal Revenue Service in Akwa Ibom State, Nigeria. The study appraised five specific variables of tax administration as they impact revenue generation in the State. The survey method which involves the use of questionnaires was applied to collect data for the study. Also, data were derived through the review of relevant literature and from the report of the Auditor General of Akwa Ibom State on the Board of Internal Revenue. The population of the study consisted of 450 staff of the Akwa Ibom Board of Internal Revenue Service, while the sample size adopted for the study was 399 staff using the Taro Yamane formula. A regression analysis was employed to analyze the data at 0.5 level of significance. The study found that tax assessment/collection, tax enforcement, tax collection accounting, tax audit and tax education/awareness do have a significant impact on revenue generation by the board of Internal Revenue Service in Akwa Ibom State. From the findings, it was concluded that contemporary tax administration significantly impacts revenue generation in Akwa Ibom State. It was recommended that tax accountability should be utmost, and the Akwa Ibom State Government should build the capacity of its citizens through behavioural change and industrialization to generate tax income, where the accountability process will engender revenue generation.

Keywords: Tax administration, revenue generation, Board of Internal Revenue Service.

1.0 Introduction
In light of the State's insufficient income generation, it has become imperative to establish an efficient tax administration system to boost government revenue. The government's persistent low revenue production hinders its ability to accomplish its crucial responsibilities in providing infrastructure and meeting the social welfare demands of its residents.

Tax administration encompasses the activities of assessment, collection, enforcement, litigation, publication, and data gathering. As defined by Bird & Zolt (2005), tax administration is a robust system that encompasses the processes of assessing, collecting, and remitting taxes. It serves as a vital means by which a state generates income to achieve its economic objectives. The state can only fulfil its economic goals when the tax system and its management are excellent. The systematic execution of tax policy, which involves the alignment of political determination, strategic planning, and allocation of necessary resources to achieve the desired objectives is involved in tax administration.

Taxes are generally imposed to generate government revenue, however, they may serve other functions. Revenue is the fundamental pillar of any institution or state. According to Section 162 (10) of the 1999 Constitution, revenue is defined as any income or returns that the government receives from any source. Taxation is a significant contributor to the generating of internal revenue (Constitution of Nigeria, 1999). Domma & Agun (2017) define taxes as the obligatory transfer or payment, sometimes in the form of goods and services, from private persons, institutions, or groups to the government. The primary objective of taxation is to generate income to fund government spending and to facilitate the redistribution of wealth and economic management (Stephen, 2018; Abiola, 2016).

The primary responsibility of the Board of Internal Revenue is to ensure the efficient and maximum collection of all taxes and penalties owed to the government in accordance with the applicable legislation. The Akwa Ibom State Internal Revenue Service is a statutory body established under the provisions of the Personal Income Tax Act of 1993, with subsequent amendments. Its primary purpose is to carry out the duties specified in section 85B(I) of the Act. Some of these tasks include: evaluating, gathering, and managing the tax revenue obtained by the State Government (Okon & Uwah, 2023).

Another role of the Board of Internal Revenue is the management and oversight of tax collection. The Internal Revenue Service is mandated by section 85B of the Personal Income Tax Act of 1993 to fulfil certain legal obligations. These include ensuring the efficient and complete collection of all taxes and penalties owed to the Government under the applicable laws, undertaking any necessary and appropriate actions for the assessment and collection of the tax, ensuring the proper allocation and management of the funds collected from the tax, as directed by the Government, surveillance of the collection of revenue generated within the state, legal action against individuals who fail to pay their taxes in the Revenue Courts, the people will be educated on tax and general revenue production matters, and the state government will report the monthly collection of internally generated money to the proper authorities, among other things (Abiola & Asiweh, 2012).

Presently, the tax administration in Nigeria is confronted with numerous issues. Nigeria's tax administration suffers from several key challenges that contribute to its inefficiency and ineffectiveness. These challenges include insufficient equipment for tax administrators, a shortage of skilled staff in tax collection, limited access to rural areas due to poor road infrastructure, inadequate training for tax officials, and the absence of a comprehensive taxpayer and business database. These issues hinder the administration's ability to expand the tax base, hinder taxpayers' timely payments, impede the establishment of a competent internal control system, and make it difficult to identify tax evaders (Abiola & Asiweh, 2012).

According to Adebayo et al. (2022), the mishandling of tax funds has discouraged numerous law-abiding taxpayers from fulfilling their civic responsibility to pay taxes. Due to perceived government injustice in the distribution of utilities funded by taxes, individuals in several regions of Nigeria are refusing to pay any kind of taxes or rates. Instances of misappropriation of public funds are prevalent, such as contracts with excessive costs or illicit activities that deplete the allocated funds for ministries and government agencies prior to the end of the fiscal year (Etale et al., 2021). The ultimate outcome is that numerous law-abiding taxpayers have resolved to never again pay their rightful taxes, or to only pay them reluctantly. According to Akinadewo (2020), taxpayers are more inclined to honestly pay their taxes when they view the tax administration as fair, honest, informative, and helpful. This means that the tax administration should function as a service institution and regard taxpayers as partners rather than subordinates in a hierarchical relationship.

Despite the significance of tax administration, the persistent decrease in revenue and losses continue to provide significant issues. Thus, this study seeks to analyse five tax administration variables that have an impact on revenue generation. The main purpose of the study is to examine tax administration and revenue generation in Akwa Ibom State, Nigeria. The specific objectives are to examine the impact of tax assessment/collection on revenue generation; examine the impact of tax enforcement on revenue generation; examine the impact of tax collection accounting on revenue generation; examine the impact of tax audit on revenue generation; and examine the impact of tax education/awareness on revenue generation by the board of internal revenue service in Akwa Ibom State.

2.0 Review of relevant literature

The study uses this section to discuss the conceptual, theoretical and empirical reviews.

2.1 Conceptual review

2.1.1 Tax administration

As reported by Okon & Uwah (2023), tax administration refers to the overall management, implementation, and oversight of a country's tax laws. This includes activities such as assessing, collecting, enforcing, and litigating tax matters, as well as gathering statistical data and publishing relevant information. Additionally, tax administration involves the development and formulation of tax policies related to existing or proposed tax laws. Tax administration includes the processes of registering, evaluating, filing, collecting, monitoring compliance, enforcing compliance, imposing penalties, educating taxpayers, raising awareness, and any other activities aimed at enhancing the efficiency and effectiveness of taxation. The concept of tax administration in Nigeria embodies the following:

Registration of Taxpayers: this is done by submitting relevant information as required by the relevant tax authority. Registration for tax purposes is a legal obligation of every person/Company who is required to pay tax in Nigeria.

Assessment of Taxpayer: where **t**ax authorities assess taxpayers to taxes administered by them and they can also reassess tax returns rendered by taxpayers. These are assessments based on the information contained in the taxpayer's returns. The tax computations together with the capital allowances computations are enclosed along with the audited accounts and such assessment could either be self-assessment or relevant tax authority assessment.

Tax Returns: a process in which a taxpayer makes an annual statement of income and personal circumstances, used by the tax authorities to assess tax liability. This is usually periodical (annually, monthly) or as the need arises.

Tax Collection: this is the actual tax collection after assessment. Here, either the taxpayer self-assesses himself or is assessed/reassessed by the tax authority. The mode of tax remittance is usually determined by the relevant tax authority.

Compliance Monitoring: where the Federal Inland Revenue Service(FIRS) and State Internal Revenue Service usually monitor the tax compliance of taxpayers by assessing their adherence to the provisions of the relevant tax statute. This is usually done by tax authorities at their respective offices by checking the taxpayer's file and/or visiting the taxpayer to obtain further relevant information to complement information at their disposal to assess the taxpayer's compliance with the provision of relevant tax laws.

Compliance Enforcement: is a process whereby taxpayers' decision to comply with tax laws and regulations by paying taxes timely and accurately are enforced by the Relevant Tax authorities.

Sanction: contravention with the provision of relevant tax laws may lead to penalty or conviction. Contraventions include failure to furnish required information, failure to keep a required record, or any other non-compliance with the relevant provision of required tax law.

Tax Education and Awareness: is a means of empowering taxpayers, giving them knowledge and tools to be able to better understand the tax system, increase their tax morale and finally, increase tax compliance. This is usually done through the issuance of tax circulars and other publications to aid taxpayers' understanding of tax statutes.

2.1.2 Tax administration and revenue generation

Tax is a compulsory payment made by individuals through intermediaries to the government to fund administrative costs, as mandated by a legal instrument (Appah, 2004). A tax is a compulsory levy imposed by the government on its citizens or their assets through authorized representatives to achieve specific objectives. This implies that taxes are enforced through legislation enacted by the government, which is tailored to each tax category. Typically, these aims aim to promote economic growth and development. Based on the information provided, it can be deduced that for a levy to be classified as a tax, it must be compulsory and imposed by the government on the properties of its citizens, with a particular emphasis on economic growth (Ganyam, 2020). The importance of taxes as a revenue source for any government cannot be exaggerated. Taxes serve as a substantial financial resource for governments worldwide, although not all have been able to fully capitalize on this exceptional opportunity to enhance their revenue. The state governments in Nigeria are currently confronted with the task of devising strategies to augment their income sources in response to the escalating expenses of governance and diminishing revenue (Akinadewo, 2020). Nevertheless, the tax administration in Nigeria is currently in a concerning state. Nigeria's tax administration is plagued by several key issues that contribute to its ineffectiveness and inefficiency. These include a dearth of adequate equipment for tax administrators, a shortage of skilled staff in tax collection, an inadequate road network that hampers access to rural areas for tax collectors, a lack of training for tax officials, and the absence of a comprehensive taxpayer and business database. These factors, along with the taxpayers' inability to make timely payments, the absence of a competent internal control system, and the challenges in identifying tax evaders, all contribute to the overall problem (Abiola & Asiweh, 2012). According to Akinadewo (2020), the mishandling of tax funds has discouraged numerous law-abiding taxpayers from fulfilling their civic obligation to pay taxes. Due to perceived government injustice in the distribution of utilities funded by taxes, individuals in several regions of Nigeria are refusing to pay any kind of taxes or rates. Instances of misappropriation of public funds are prevalent, such as contracts with exaggerated costs or illicit activities that deplete funds allocated for ministries and government agencies before the end of the fiscal year (Etale et al., 2021). The outcome is that numerous law-abiding taxpayers are now resolved to never pay their owed taxes again or to only pay them reluctantly. According toAkinadewo (2020), taxpayers are more inclined to honestly pay their taxes when they view the tax administration as fair, honest, informative, and helpful. This requires the tax administration to function as a service institution and regard taxpayers as partners rather than subordinates in a hierarchical relationship.

2.2 Theoretical Framework

2.2.1 Expediency Theory

This theory according to Ibadin & Oladipupo (2015) is rooted in the principle of economies, and it explains the efficiency, effect and economies of the instrument of taxation. Ogbonna & Appah (2012) noted that every tax proposed must pass the assessment of practicality, and this test must be considered by the authorities in deciding a tax policy. The theory is based on a link between the state activities and tax liability because it validates the imposing of taxes for providing a basis for distributing tax burden among the members of the society and also for financing state activities. This theory best explains the study in that taxation is a system that provides an effective and efficient set of policy instruments to governments. These policies are designed strategically, to remedy fiscal and social evils in the nation such as unemployment, corruption, regional disparities and income inequalities. This theory is adopted for this study because it emphasises the importance of equitable utilization of tax proceeds in tax administration.

2.3 Empirical Review

Awotomilusi et al., (2023) conducted a study to analyse the impact of tax administration using information communication technology on revenue collection in Ekiti State. The study used a survey research design. A Cronbach's Alpha analysis was conducted to assess the reliability of the questions in the questionnaire. This research offered three hypotheses, which were examined through the use of Spearman's Rank correlation, Pearson correlation, and linear regression. The research findings suggested that the Tax Administration in the state lacks efficiency and effectiveness. The survey also found that the state's revenue is insufficient to accomplish its objectives due to a lack of awareness among taxpayers and instances of tax fraud and tax avoidance. To achieve this objective, the study suggested that authorities should undertake a more extensive public awareness campaign to educate citizens about the importance of paying personal income tax. Additionally, efforts should be made to enhance the competence and effectiveness of tax workers, leading to improved administration. Furthermore, the implementation of an automated system is recommended.

Ogbonna & Appah (2012) analysed the impact of tax administration and revenue on the economic growth of Nigeria. To accomplish the aim of this study, information was gathered from both primary and secondary sources. The secondary sources consisted of scholarly books and journals, while the primary source was a meticulously designed questionnaire with three sections and a total of sixty-five items. The questionnaire demonstrated a high level of dependability, with an average reliability coefficient of 0.78. The acquired data from the questionnaire and secondary data were analysed using appropriate regression analysis techniques. The findings indicated a noteworthy correlation between Personal Income Tax Revenue (PITR) and per capita income, Company Income Tax Revenue and Gross Domestic Product (GDP) of Nigeria, VAT revenue and PCI of Nigeria, Petroleum Profit Tax revenue and GDP of Nigeria, as well as tax administration and GDP of Nigeria. Therefore, the study found that tax administration and revenue had a significant impact on the economic growth of Nigeria during the period analysed. The paper suggested that further reforms in tax administration and collection are necessary to address potential revenue leakage caused by loopholes in tax collection and remittances. Such leakage has the potential to hinder the economic growth of the nation.

Aminu & Eluwa (2023) investigated the influence of tax collection on the generation of state revenue in Lagos. A total of 100 questionnaires were distributed. Techniques such as frequency distribution statistics, percentages, the Pearson Product Moment Correlation Coefficient (PPMCC), and regression analysis were utilised. The frequency and percentage provided insight into the respondents' sentiments on the posed queries and provided answers. Regression analysis was employed to ascertain the sign and magnitude of the variables, as well as their significance. The study's findings suggested a positive correlation between electronic tax payments, tax adherence, and revenue generation. The result suggested that consistent utilisation of the electronic tax payment system inside the FIRS organisation will sustain the state's progress in tax compliance and revenue generation. Tax avoidance and evasion significantly hinder Lagos State's capacity to produce revenue. The outcome suggested that the increase in tax avoidance and evasion will lead to a decrease in state income generation. The correlation coefficient, r, was -0.723, indicating a negative association between tax avoidance and evasion and income generation; there is currently no comprehensive database of all individuals, subject to taxation in Lagos State; the tools utilised for tax collection and assessment in Lagos State are inadequate; the tax laws are exceedingly intricate and challenging for the majority of individuals to comprehend; there is a lack of transparency in the management of taxpayers' funds, and at times, taxpayers' income is subject to taxation by multiple jurisdictions.

D'Archy (2011) examined the theoretical framework of comparative treatment in tax compliance across multiple African nations, employing a survey methodology. The study's findings indicated significant endorsement for the use of comparable treatment in promoting tax compliance. It was determined that for the state to have the authority to collect taxes, it must fulfil its role as an adjudicator by establishing a judicial system that is trusted by the citizens. Additionally, the state must be responsive to the needs of the citizens by providing necessary services. Given the African environment, voluntary compliance with tax payments will be achieved if citizens can observe tangible developmental facilities that lead to economic progress.

Engel & Galetovic (1999) examined how the Chilean tax system affects income distribution. They also evaluated how changes in the structure of taxes and rates at the household level can impact the redistribution of income. A model was created that included the primary allowances and taxes currently in effect in Chile for the year 2018. Nevertheless, significant alterations to the tax framework, such as increasing the value-added tax (VAT) from 18% to 25% or replacing the current progressive income tax with a 20% flat tax, were under consideration. They found that the taxation system had minimal impact on redistribution. In addition, they discovered that the potential for direct redistribution through a progressive income tax is limited. They observed that when considering income distribution, the somewhat regressive but highly productive value-added tax (VAT) reduced income inequality more effectively than the very progressive but less productive income tax.

Gwa & Kase (2021) investigated the impact of tax income on Nigeria's oil revenue. The primary aim of this study was to analyse the impact of petroleum profit tax (PPT) on the economic growth of Nigeria. Additionally, it sought to investigate the influence of value-added tax (VAT) and company income tax (CIT) on the economic growth of Nigeria. The study primarily relied on secondary sources of data. The data consisted of time series and was acquired from the CBN statistical bulletin and the Federal Inland Revenue Service. The study encompassed the time from 1997 to 2016. The multiple regression models were analysed using ordinary least squares to determine the impact of independent factors on the dependent variable. The discovery indicated that Company Income Tax (CIT) and Value Added Tax (VAT) have a substantial impact on the economic growth of Nigeria. The study also indicated that the Petroleum Profit Tax (PPT) does not have a substantial impact on the growth of the Nigerian economy.

Krugman (2022) analysed the impact of tax policies on a nation's economic growth. Their research was conducted using cross-country data over the timeframe of 2018-2019. The results of their research indicate a strong negative correlation between tax rates and economic growth rates while controlling for other conventional factors and causes of economic growth. Their research findings demonstrate that an increase in the corporation tax rate, as observed by fixed-effect regression analysis, is associated with a decrease in the future growth rate within countries. Based on their research, implementing high tax rates as a policy can hinder economic growth by limiting the generation of low-income. This finding can be relevant not only to Nigeria but also to other developing economies. There may be some variations and it may not be completely applicable to developed economies. Affluent individuals bear a higher tax burden, although they exhibit contentment with the prevailing tax rates, which does not significantly impact their investment decisions.

Eckeston (2020) studied the impact of tax administration on government revenue in a developing economy: a case study of Nigeria. The study also revealed that revenue generation capacity is impeded by the inadequate degree of taxpayer education and occurrences of tax evasion. To accomplish this, the study proposed several measures. First, it recommended that authorities initiate an extensive educational campaign to raise awareness among citizens about the significance of fulfilling their obligations to pay Personal Income Tax. Second, it suggested enhancing the competence and efficiency of tax workers to ensure more effective administration. Lastly, it advised implementing automation in the system.

Batrancea & Moldovan (2012) studied tax compliance models, from economic to behavioural approaches. The motivation for this study was to contribute to the understanding of the reasons to comply with tax with models that have both economic and behavioural features. The study considered examining taxpayers' inner motivations which encourage tax payment to boost government revenue. It was found that voluntary compliance by taxpayers is borne out of trust in relevant tax authorities, and forced compliance is fostered by the power of authorities. The study recommended that better models which would increase tax compliance should be evolved. These would make the taxpayers and government relate most suitably.

Onaolapo & Aworemi (2021) investigated the factors influencing taxpayers' compliance behaviour in Nigeria. A secondary source of data was obtained from the statistics Bulletin of the Central Bank of

Nigeria, the Annual Reports of the Federal Inland Revenue Service, and the Journal of the Chartered Institute of Taxation of Nigeria. Stepwise regression analysis was utilised for data analysis. The findings indicated that Value Added Tax has a statistically significant impact on revenue generation in Nigeria. The study suggested that all agents involved in VAT collection and payment should demonstrate dedication and transparency. Additionally, the government should make efforts to enhance the methods of collecting value-added tax by incorporating factors that would enhance tax payment compliance.

In their study, Cornelius et at. (2016) analysed the influence of tax income on the Nigerian economy. The study aimed to investigate the correlation between petroleum profit tax and the Nigerian economy, assess the influence of firm income tax on the Nigerian economy, and evaluate the usefulness of nonoil revenue on the Nigerian economy. The data were obtained from the Central Bank Statistical Bulletin and extracted using the desk survey method. The association between dependent and independent variables was established using ordinary least squares of multiple regression models. The discovery unveiled a substantial correlation between petroleum profit tax and the expansion of the Nigerian economy. The data demonstrated a substantial correlation between nonoil earnings and the expansion of the Nigerian economy. The study also indicated that there is no substantial correlation between corporate income tax and the expansion of the Nigerian economy. It was suggested that the government should make a concerted effort to ensure that social amenities are available in every part of the country. Furthermore, the government must undertake a comprehensive restructuring of the tax administrative apparatus. This will effectively address the significant issues of tax evasion and avoidance, ultimately leading to an expansion of the government's tax revenue. Additionally, the creation of employment opportunities and the establishment of a favourable environment for entrepreneurship and innovation should be prioritised, utilising the funds generated from taxes.

Akinadewo (2020) examined the correlation between tax administration and the increase in revenue. The study also analysed the impact of tax fraud and avoidance on Kano State's revenue generation capacity. Essentially, the study enhanced our understanding by presenting information on tax administration, evasion, avoidance, and revenue. Based on its findings, the study concluded that there is no significant correlation between tax administration and revenue collection in Kano State. Hence, it is recommended to thoroughly analyse the tax administration of Kano State and implement all feasible measures to reduce tax evasion and avoidance.

A study conducted by Akhor & Atu (2022) investigated the influence of indirect tax income on the economic growth of Nigeria. The study employed value-added tax revenue and custom and excise duty revenue as predictors, while real gross domestic product serves as the outcome variable, representing economic growth. The study utilised secondary data obtained from the Central Bank of Nigeria statistical bulletin for the period spanning from 1993 to 2013. The empirical analysis was conducted utilising convenient sampling approaches. The study employed a time series research approach and the data were examined using descriptive statistics, correlation analysis, unit root testing, co-integration testing, and error correction model regression. The findings indicated that the implementation of value-added tax had a detrimental and statistically significant effect on the actual measure of a country's economic output, known as the real gross domestic product. Similarly, previous tariffs and taxes had a detrimental effect on the actual value of a country's total economic output. The coefficient of the Error Correction Model (ECM (-1)) had a valid negative sign and was statistically significant. This demonstrated that short-term deviations can be promptly rectified. The Durbin-Watson value signified that there is no autocorrelation present in the model. The study thus suggested that addressing tax administrative loopholes is crucial for tax revenue to make a substantial contribution to economic development. This is because previously value added tax and custom and excise duty have had a considerable influence on economic growth.

Samuel & Tyokoso (2022) examined the influence of taxation on inequality in Nigeria, with a specific focus on revenue generation in the Federal Capital Territory (FCT) and a few chosen states. The study aimed to elucidate the concept and nature of taxation, the objectives of taxation, the classification of taxes, Nigeria's primary taxes, and other pertinent problems about taxation. To accomplish the study's purpose, the research utilised both primary and secondary sources of data to present and analyse the material. Hypothesis testing was conducted using regression analysis with SPSS version 17.0. The research findings revealed that taxation plays a crucial role in generating income and contributing to the Gross Domestic Product (GDP). Additionally, it was observed that tax evasion and tax avoidance have a substantial impact on revenue creation in Nigeria. The research suggested that the Federal, State, and Local Governments should establish a comprehensive database of taxpayers, equipped with necessary resources. This database would aid in identifying all potential sources of income for tax purposes. Additionally, the tax collection processes must remain free from corruption and embezzlement. To deter tax evasion and avoidance, strict penalties should be imposed by the federal, state, and local governments on individuals who engage in such practices.

3.0 Methodology

3.1 Research Design

This study used a survey research design. This research method was considered appropriate as it enabled the researcher to gain a greater understanding of individual or group perspectives relative to a particular concept or topic of interest.

3.2 Population of the Study

The study population consisted of 450 staff of the Akwa Ibom Board of Internal Revenue Service comprising 345 middle-level staff and 105 senior staff of administrative, finance, human resources, and auditing departments.

3.3 Model Specifications

In simple linear regression, the model used to describe the relationship between a single dependent variable y and a single independent variable x is y = a0 + a1x + k. a0 and a1 are referred to as the model parameter.

Model: $y = b+x$
Revenue generation = f (Tax administration)

REV = f(TAXA)

Revenue generation = f (TASC + TEF + TCA+ TAUD+ TEDU)**……… (1)**

TAXA = β_1 TASC + β_2 TEF + β_3 TCA+ β_4 TAUD + β_5 TEDU
Where:

REV = Revenue generation
TAXA = Tax administration
TASC = Tax assessment/collection
TEF = Tax enforcement
TCA = Tax collection accounting
TAUD = Tax audit
TEDU = Tax education
β_1, - β_5 are the coefficients of variables as stated.
Regression is considered @.0.5 confidence level.

4.1. Test of Hypotheses

H_{O1}: There is no significant impact of Tax assessment/collection on revenue generation by the board of Internal Revenue Service in Akwa Ibom State.

A linear regression analysis was run to determine the relationship between Tax assessment/collection and revenue generation in Akwa Ibom State Board of Internal Revenue Service.
The regression analysis is shown in table Table 4.1.1

Table 4.1.1 Regression Analysis Showing the Relationship between Tax Assessment/ Collection and Revenue Generation by Akwa Ibom State BIRS

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1197.707	1	1197.707	146.157	.000[b]
	Residual	49.168	6	8.195		
	Total	1246.875	7			

a. Dependent Variable: REVENUE GENERATION
b. Predictors: (Constant), TAX ASSESSMENT/COLLECTION
Source: SPSS regression analysis (2024)

Results
The ANOVA table in the regression analysis shows a regression value of 0.00 which is less than 0.5. Therefore, there is a significant impact of tax assessment/collection on revenue generation by the board of Internal Revenue Service in Akwa Ibom State.

H_{O2}: There is no significant impact of tax enforcement on revenue generation by the board of Internal Revenue Service in Akwa Ibom State

A regression analysis was run to determine the relationship between tax enforcement and revenue generation in Akwa Ibom State Board of Internal Revenue Service. The regression analysis is shown in Table 4.1.2.

Table 4.1.2 Regression Analysis Showing the Relationship Between Tax Enforcement and Revenue Generation by Akwa Ibom State Inland Revenue Service

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1933.929	1	1933.929	722.000	.000[b]
	Residual	16.071	6	2.679		
	Total	1950.000	7			

a. Dependent Variable: REVENUE GENERATION
b. Predictors: (Constant), TAX ENFORCEMENT
Source: SPSS regression analysis (2024)

Results
The ANOVA table in the regression analysis shows a regression value of 0.00 which is less than 0.5 Therefore, there is a significant impact of tax enforcement on revenue generation in Akwa Ibom State Board of Internal Revenue Service. Therefore, the alternate hypothesis is accepted which states that There is a significant impact of tax enforcement on revenue generation in Akwa Ibom State Board of Internal Revenue Service.

H_{O3}: There is no significant impact of tax collection accounting on revenue generation by the board of Internal Revenue Service in Akwa Ibom State.

A regression analysis was run to determine the relationship between tax collection accounting and Revenue generation in Akwa Ibom State. The regression analysis is shown in the Table 4.1.3.

Table 4.1.3 Relationship between Tax Collection Accounting and Revenue Generation in Akwa Ibom State

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	4423.105	1	4423.105	544.163	.000[b]
	Residual	48.770	6	8.128		
	Total	4471.875	7			

a. Dependent Variable: REVENUE GENERATION
b. Predictors: (Constant), TAX COLLECTION ACCOUNTING
Source: SPSS regression analysis (2024)

Results
The ANOVA table in the regression analysis shows a regression value of 0.00 which is less than 0.5 Therefore, there is a significant impact between tax collection accounting and revenue generation in the Akwa Ibom State Board of Internal Revenue Service. Therefore, the alternate hypothesis is accepted which states that there is a significant impact of tax collection accounting on revenue generation by the board of Internal Revenue Service in Akwa Ibom State

H_{O4}: There is no significant impact of tax audit on revenue generation by board of internal revenue service in Akwa Ibom State.
A linear regression analysis was run to determine the relationship between tax audit and revenue generation in Akwa Ibom State Board of Internal Revenue Service. The regression analysis is shown in table Table 4.1.4.

Table 4.1.4 Relationship between Tax Audit and Revenue Generation in Akwa Ibom State Board of Internal Revenue Service

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1197.707	1	1197.707	146.157	.000[b]
	Residual	49.168	6	8.195		
	Total	1246.875	7			

a. Dependent Variable: REVENUE GENERATION
b. Predictors: (Constant), TAX AUDIT
Source: SPSS regression analysis (2024)

Results
The ANOVA table in the regression analysis shows a regression value of 0.00 which is less than 0.5 Therefore, there is a significant impact of Tax audit on revenue generation by the board of Internal Revenue Service in Akwa Ibom State.

H_{O5}: There is no significant impact of tax education/awareness on revenue generation by the Board of Internal Revenue Service in Akwa Ibom State.
A regression analysis was run to determine the relationship between tax education/awareness and Revenue generation in Akwa Ibom State Board of Internal Revenue Service. The regression analysis is shows in Table 4.1.5.

Table 4.1.5 Relationship Between Tax Education/Awareness and Revenue Generation in Akwa Ibom State
ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1933.929	1	1933.929	722.000	.000[b]
	Residual	16.071	6	2.679		
	Total	1950.000	7			

a. Dependent Variable: REVENUE GENERATION
b. Predictors: (Constant), TAX EDUCATION /AWARENESS
Source: SPSS regression analysis (2024)

Results
The ANOVA table in the regression analysis shows a regression value of 0.00 which is less than 0.5 Therefore, there is a significant impact of tax education/Awareness on revenue generation in Akwa Ibom State Board of Internal Revenue Service. Therefore, the alternate hypothesis is accepted which states that there is a significant impact of tax education/awareness on revenue generation in the Akwa Ibom State Board of Internal Revenue Service.

4.2 Discussion of Findings

Relationship between Tax Assessment/Collection and Revenue Generation by Akwa Ibom State BIRS

The study demonstrates that the assessment and collection of taxes have a substantial influence on the creation of income by the board of the Internal Revenue Service in Akwa Ibom State. This study's conclusions corroborate the research conducted by Nzewi (2022) which investigated the influence of tax compliance and administration on the generation of state revenue in Lagos. The results of his research showed a positive correlation between the use of electronic tax payments, adherence to tax regulations, and the generation of income. The result suggests that consistent utilisation of the electronic tax payment system inside the FIRS organisation will sustain the state's progress in tax compliance and revenue generation. Tax assessment, often known as property assessment, is the process of establishing the value and, in some cases, the use of a property, typically to calculate property tax. Typically, this task is carried out by a department known as the assessor or tax assessor. Tax collection refers to the process of gathering the taxes that are owed. Taxes encompass both direct and indirect forms and are obligatory for both employees and employers to pay.

Relationship between Tax Enforcement and Revenue Generation by Akwa Ibom State Board of Inland Revenue Service

The study also demonstrated a substantial correlation between tax enforcement and revenue generation by the Akwa Ibom State Board of Internal Revenue Service. Tax enforcement refers to the implementation of procedures outlined in this Law and other applicable regulations to ensure that taxpayers meet their tax obligations. This finding is in line with that of Olaruko (2022) who stated state that tax enforcement aims to convince taxpayers to adhere to the results of tax audits and ensure future compliance with tax rules. Consequently, these terms are currently employed to denote government efforts to generate funds. Various tools are commonly accessible to guarantee tax conformity. The essence of enforcement lies in ensuring strict adherence to diverse tax compliance requirements, encompassing early and accurate filing as well as timely payment of tax bills. The difficulties associated with returns and evaluation arose during this procedure.

Relationship between Tax Collection Accounting and Revenue Generation in Akwa Ibom State

Moreover, the study revealed a substantial influence of tax collection accounting on the creation of income by the board of the Internal Revenue Service in Akwa Ibom State. The Internal Revenue Code regulates tax accounting and prescribes the precise regulations that firms and individuals must adhere to while completing their tax returns. Tax accounting applies to all individuals, businesses, corporations, and other entities. Even those who are granted tax exemptions are nevertheless required to engage in tax accounting. Tax accounting serves the objective of effectively monitoring the flow of monies, both incoming and outgoing, that are linked to individuals and companies.

Tax collection is the primary method by which governments earn public revenues to fund investments in human capital, infrastructure, and the provision of services for their citizens and enterprises. In recent years, developing countries have experienced a decrease in their revenues and an increase in their spending due to several crises. The progress in areas such as the availability of healthy food and the extent of vaccine coverage, which need substantial public expenditure, is experiencing a considerable decline. The outcome corroborates the findings of Adebayo et al. (2022) who conducted research on tax administration and revenue generation in Osun State, Nigeria. The study also analysed the impact of tax fraud and avoidance on Osun State's revenue generation capacity. Essentially, the study expanded our understanding by presenting information on tax administration, evasion, avoidance, and revenue. Based on its findings, the study concluded that there is no significant correlation between tax administration and revenue collection in Osun State.

Relationship between Tax Audit and Revenue Generation in Akwa Ibom State Board of Internal Revenue Service

Tax audit has a substantial effect on the revenue collection conducted by the Board of Internal Revenue Service in Akwa Ibom State. Tax audits primarily focus on identifying undisclosed sources of income, indicating significant violations of tax regulations, or providing evidence of underpayment and fraudulent activities. Picur (2021) defines tax audit and investigation as the examination of taxpayers' company records to verify compliance with tax laws and regulations in reporting tax amounts. The purpose of a tax audit is to verify that taxpayers are complying with tax rules and regulations to enhance the government's revenue collection.

The finding of this study collaborates with Abiola (2016) who found out that tax audit ensures compliance with tax regulations in various countries, both developed and developing, and serves to optimise the anticipated tax revenue for the government. Building upon this concept, Cornelius & Oka (2022) disclosed that a tax audit involves the scrutiny of an individual's or organization's tax records by the appropriate tax authorities to verify adherence to the relevant tax rules and regulations of the state. A tax audit is essential as it enables the government to gather taxes, which are crucial for funding the budget and ensuring economic and financial order and stability.

Relationship between Tax Education/Awareness and Revenue Generation in Akwa Ibom State

Tax education and awareness have a substantial impact on revenue generation by the Board of Internal Revenue Service in Akwa Ibom State. The findings corroborate the research conducted by Usoro & Uwah (2024) on fiscal federalism and political economy in Nigeria. The study linked fiscal federalism with revenue generation from tax revenue which is garnered from the tax education of Nigerian taxpayers. Tax education, as described by Krugman (2022) refers to the extent to which taxpayers are aware and knowledgeable about tax laws, the taxation procedure, and other relevant tax information.

It is a scenario in which taxpayers possess a complete comprehension of the rationale behind paying taxes and adhere to legal requirements. Nzewi (2022) asserts that a high-quality education fosters cognitive development, deepens information acquisition, increases personality traits, influences attitudes, and cultivates specialised abilities.

5.1 Summary of Findings

The study is an examination of tax Administration and revenue generation of the Akwa Ibom State Board of Internal Revenue Service. The study appraised five specific variables of tax administration consisting of tax assessment/collection, tax enforcement, tax collection accounting, tax audit and tax education/awareness as they impact revenue generation in Akwa Ibom State. The survey method which involves the use of questionnaires was applied to collect data for the study. Also, data were derived through the review of relevant literature and from the report of the Auditor General of Akwa Ibom State Board of Internal Revenue. The population of the study consisted of 450 staff of the Akwa Ibom Board of Internal Revenue while the sample size adopted for the study was 399 staff using the Taro Yamane formula. A regression analysis was employed to analyze the data at a 0.5 level of significance. The study found that tax assessment/collection, tax enforcement, tax collection accounting, tax audit and tax education/awareness all have a significant impact on tax education/awareness on revenue generation by the board of internal revenue service in Akwa Ibom State.

5.2. Conclusion

Consequent to the findings of the research, the study concludes that tax Administration significantly impacts revenue generation in the Akwa Ibom State Board of Internal Revenue Service. The study shows that tax administration affects revenue generation in the state as poor tax remittances and unfair administration of tax proceeds constitute one major reason for tax evasion and avoidance, thereby leading to poor internally generated revenue. The reason behind tax evasion has also been attributed to a lack of adequate accountability of tax proceeds and the injustice experienced by taxpayers over the provision and distribution of public goods and services. Many claim that corrupt officials do not account for the taxes so collected from the public thereby depriving them of the necessary support from the government as expected. This as a result impacts negatively the revenue generated by the government. The main objectives of the Nigeria tax system are to promote fiscal accountability, growth and development, provide stable resources for the government to provide public goods and services, tackle income inequality, provide a stabilized economy, promote equity and justice, and address market imperfections, but these objectives are far from being achieved.

5.3 Recommendations

1. There is the need for tax enforcement policy especially among government workers and private entities as many entities evolve schemes to evade the payment of taxes thereby affecting government revenue

1. There is a need for proper tax assessment and collection. The practice of multiple tax rates should be addressed as many persons and entities have lost confidence in the payment of taxes due to multiple imposition of tax rates by corrupt officials. Businesses in the informal sector of the economy constitute a segment which can contribute significantly to revenue generation but due to multiple taxation, many of these small business evolve schemes to evade payment of taxes thereby affecting revenue generation.
2. Tax accountability should be properly upheld by revenue collection agencies of government The government need to ensure that taxes collected are properly remitted to the government and accounted for while ensuring equitable distribution of the use of tax proceeds. The reason many evade payment of taxes is due mainly to the injustice and unfair treatment in the provision and distribution of public goods and services.

3. Tax rates should be harmonized, standardized and easily remittable, especially in the informal sectors.
4. The government should provide adequate infrastructure and a conducive environment for businesses and investments to operate profitably to have the capacity to remit taxes
5. The government needs to respond positively to its citizens through the provision of employment and empowerment to build the capacity of its citizens to remit taxes and generate revenue for the government.

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