Marital Status and Educational Background as Determinants of Tax Compliance in Nigeria

Aregbesola, O.D[1*], Owosekun, A.O[2] & Salawu, R.O[3]

[1]*Department of Accounting and Finance, Bowen University Iwo, Nigeria*
[2]*Department of Economics, Bowen University Iwo, Nigeria*
[3]*Department of Management and Accounting, Obafemi Awolowo University, Ile-Ife, Nigeria*
Corresponding author

Abstract: **This study analysed the influence of marital status and educational background of the tax payers on Personal Income Tax compliance in Nigeria.**

The study employed a cross-sectional design which made use of a structured questionnaire. The population of the study comprised of employees who were 18 years and above in the public and private organizations as well as artisans and traders to represent the informal sector. The Taro Yamane formular was used to determine the sample size of 400 which was distributed among the three Southwestern states selected namely, Lagos, Oyo and Osun using proportionate sampling technique. Data were analysed using percentages, mean, standard deviation and Analysis of Variance (ANOVA). Findings showed that marital status significantly influence personal income tax compliance in Nigeria (P=0.005) and mean scores showed that singles were more compliant than other categories of marital status, like the married and divorced. Also, educational background does not significantly influence personal income tax compliance (P=0.338).

The study concluded that in order for the government to achieve a desirable level of tax compliance among the populace, there is need for government to encourage the populace. Furthermore, the tax law should be more explicit and positioned in such a way as to improve its applicability.

Keywords: **Marital Status, Educational Background, Tax Compliance, Tax Payers.**

I. INTRODUCTION

Taxation has existed in various forms for thousands of years as an important means of generating income to government providing the largest single source of revenue. Tax is, therefore, one of the most important and durable sources of financing the expenditures of all governments.

Personal income tax, the focus of this study is the most ancient form of tax in Nigeria. This was earlier introduced as a community tax in Northern Nigeria in 1904. This was later formulated into Direct Taxation Ordinance number 4 of 1940 (Ola, 2001). The need to subject personal income to tax brought about the Income Tax Management Act (ITMA) of 1961. Several amendments were made to the 1961 ITMA Act in 1985, 1989, 1990, 1992, 2004, 2011 and recently, 2020.

Personal income tax is collected by the various state governments through the State Board of Internal Revenue (SBIR) from individuals resident in the tax territory. Taxes from certain categories of individual - members of the Armed Forces, the Nigeria Police, FCT residents, External Affairs Officials and non-resident individuals- are collected by the Federal Government via the Federal Board of Inland Revenue (FBIR). Furthermore, Income subjected to personal income tax may be gains, income from employment, profits from personal business, etc.

According to Kasipillai, Baldry and Rao, (2000), tax non-compliance is seen to take place everywhere. Therefore, tax evasion is a universal problem. Furthermore, Pentland and Carlile (1996), Horton (2003) noted that tax authorities all over the world are now putting in efforts to minimise lack of compliance to tax and maximizing voluntary compliance rates. Many authors like Reckers and Sanders (1994); Ghosh and Crain (1995); Brand (1996); Tibiletti, (1999); Yaniv, (1999); Bishop, (2000); Loo, (2006) have worked on issues relating to decline in voluntary tax compliance.

Statement of the Problem

In Nigeria, like some other developing countries, tax administration is marked by noncompliance problem which has been hindering tax revenue performance. In most situations, overall tax compliance levels are low and large proportion of the informal sector of the economy escapes the tax net. Other efforts by Nigerian government to improve tax revenue over the years have not yielded much result as statistical evidences have shown that the contribution of income taxes to government's total revenue is minimal. However, from all the taxes, individual income tax appears to be the most disappointing, inefficient, unproductive, and problematic in Nigerian tax system. Specifically, the contribution of individual income tax remained marginal and comparatively low in Nigeria's tax revenue.

Despite the fact that Nigeria economy is seen to be the largest in Africa with a Gross Domestic Product size of $510 billion (N81 trillion) as at 2013, the country has the least contribution of tax to GDP (6.1%) against 26.9%, 15.8%, 20.8%, 15.3% and 49% for South Africa, Egypt, Ghana, Ivory Coast and Zimbabwe respectively (Fowler, 2016). Also, the above 60% reduction in prices of oil and over 80% fall in oil revenue in Nigeria have resulted in a decline in the country's revenue. It is therefore, necessary for the Nigerian government through

the relevant tax authority to expedite actions to reduce to the minimum level non-compliance and subsequently increase non-oil revenue. The present study is to assess the influence of marital status and educational background of the tax payers on tax compliance.

The general objective of this study is to evaluate the influence of marital status and educational background on personal income tax compliance in Nigeria. Other specific objectives are to:

i)   analyse the effect of marital status on personal income tax compliance
ii) examine the effect of educational background on personal income tax compliance

II. LITERATURE REVIEW

Concept of Tax Compliance

According to Kirchler (2007) the compliance of taxpayers has been defined as their readiness to remit their taxes. Also, tax compliance can be seen as the ability and readiness of taxpayers to com ply with tax laws, declare the correct revenue/gains/income/ profits in each year and also remit the accurate amount of tax on time (IRS, 2009; ATO, 2009; IRB, 2009).

The taxpayers' compliance may be affected by many factors. These factors may be, among others, the effectiveness of the tax system and Revenue Authority, peer group influence, knowledge of the tax system; perceived gains or benefits from the system; cost associated with complying likelihood of being apprehended; cultural variations how equitable the tax system is, social-demographic characteristics like gender, age, educational background and level of income ((Ambrecht Association & Ambrecht, 1998, (Silvani, 1992; Le Baube, 1992), Murphy, 2004, Feld, Frey & Targler, 2006)

In the context of this study, and in line with Chatopadhyay and DasGupta (2002); Franzoni, (2000) tax compliance is considered as complying with the stipulated regulations involving accurate disclosure of income; true calculation of the taxes to be paid and appropriate and timely payment of the amount due as tax. Any attitude apart from this is lack of compliance.

Educational Background and Tax Compliance

Education is essential and paramount to all spheres and facets of life. Good knowledge of the tax system is important to tax compliance and this cannot be achieved without formal education. For instance, a stark illiterate cannot read the tax law not to talk of interpreting it in order to comply with the tax law.

The influence of knowledge on compliance behaviour has been proven in various researches (Mohamad, Mustafa & Asri 2007). Harris (1989) divided tax knowledge into two aspects, namely, knowledge through common or formal education received as a matter of course and knowledge specifically directed at possible opportunities to evade tax. In the first case, the level of education received by taxpayers is an important factor that contributes to the general understanding of taxation especially regarding the laws and regulations (Eriksen & Fallan, 1996). Previous studies have shown evidence that general tax knowledge has a very close relationship with taxpayers' ability to understand the laws and regulations of taxation, and their ability to comply with them (Singh, 2003).

Marital Status and Tax Compliance

Marital status as a factor cannot be overlooked in the study of determinants of taxpayers' compliance behavior. Various authors have considered the effect of demographic characteristics of the taxpayers on tax compliance. Some of these authors have specifically looked at the impact of marital status. For instance, Richardson and Sawyer (2001) in their study discovered that, individual taxpayers who have spouses, that is married were more compliant than unmarried taxpayers. Also, Asante and Seidu (2011) in their study which made use of self-employed as respondents concluded that unmarried self-employed taxpayers were grossly non-compliant to tax laws than married taxpayers. In the same vein, findings emanating from the work of Yalama and Gumus (2013) confirmed that marital status does not statistically influence individual income tax compliance. However, study on this line seems paucy and has not reached its conclusive end.

III. METHODOLOGY

This study made use of cross-sectional design. The study focused on South Western Nigeria. Three States namely: Lagos State, Oyo State and Osun were chosen to represent the South West. Lagos was chosen because of its enormosity in terms of population, ethnic background, organisations and establishments. It is also a major commercial state and unlike other states dependent on statutory allocation from Federation Account, Lagos State economy is diversified to manufacturing, transportation, construction, service, wholesale, and retail trade sectors. Oyo State has its capital as Ibadan, which is the third largest city in Africa. It is also a commercialized city while Osun state is also well populated and commercialized and is one of the States in Nigeria who in recent times have been aggressive in efforts geared towards improving internally generated funds. Hence, the choice of the three states. The population for this study included employees who are 18 years old and more, in the public and private sectors. Also, traders and artisans were selected in the informal sector. According to the 2006 population census about 16 million are of age 18 years and more in South-Western Nigeria. The sample size for the study was 400. This study made use of a structured questionnaire. Questions were close-ended questions drawn on likert scale of mainly six points. The questionnaire was subjected to content validity test using experts in research methodology and taxation. Test on reliability was carried out on the output of the pilot test.

Generally, the Cronbach alpha was 0.7 and above. This is in support of Faloye (2015) which stated pass mark for cronbach alpha to be $\geq$ 0.6.

IV. RESULTS AND DISCUSSION

The data obtained was analysed with descriptive as well as inferential statistics. Simple percentage, mean and standard deviation as well as Analysis of Variance (ANOVA) were employed. A total of 400 copies of the questionnaire were distributed across three states in South-Western Nigeria, while a total of 265 were retrieved, which represents 66% response rate.

Demographic Characteristics of the Respondents

Table 1 presents the distribution of respondents by gender, the result reveals that 58.5% of the respondents were males with 41.5% females, this shows that the proportion of male respondents is more than female even though the sample was taken randomly without element of gender bias or discrimination. It also presents the distribution of respondent by marital status, the result reveals that 30.6% of the respondents were single, 63.0% were married, 1.5% were divorced while 4.9% were separated. It is seen that a larger percentage of the respondents were married which likely makes them responsible citizens as well as responsible respondent. Also it shows the age distribution of the respondents, which reveal that 21.5% of the respondents were between 18-28yrs old, 35.5% were in the ages between 29-39yrs, 21.1% wer of the ages 40-50yrs while 21.9% were in ages 51yrs and above. From the result inference could be made that a larger percentage of the respondents were between ages 29-39yrs old which are the active ages for work and employment and invariably income tax paymen

Table 1 furthermore depicts the educational qualifications of the respondents sampled for the study, the result reveals that 8.7% of the sample have no formal education, 13.6% possess secondary school leaving certificates, 12.1% of the respondents were OND/NCE holders, 43.0% were HND/B.Sc holders while 22.7% possessed M.Sc and Ph.D. It shows that a larger percentage of the respondents are HND/B.Sc holders which by implication should have knowledge about personal income tax.

TABLE 1 Demographic Characteristics of the Respondents

Parameters	Frequency	Percentage (%)
Gender		
Male	155	58.5
Female	110	41.5
Total	265	100
Marital Status		
Single	81	30.6
Married	167	63.0
Divorced	4	1.5
Separated	13	4.9
Total	265	100
Age		
18-28yrs	57	21.5
29-39yrs	94	35.5
40-50yrs	56	21.1
51-60yrs	27	10.2
61yrs and above	31	11.7
Total	265	100
Educational Qualification		
None	23	8.7
O' Level	36	13.6
OND/NCE	32	12.1
HND/B.Sc	114	43.0
M.Sc	34	12.8
P.Hd	26	9.9
Total	265	100

Marital Status and Tax Compliance

From Table 2, comparison of mean shows that Singles with mean score of 49.69 and Standard Deviation of 11.334 are better compliant with tax than other categories of marital status, the married showed the least compliance with a mean score of 44.31 . Also, from Table 3 showing the analysis of variance (ANOVA) there is statistical significant differences in compliance level across the marital statuses. (P=0.05, F=4.416). This implies that compliance level differs among the marital statuses. This is contrary to the findings of Yalama and Gumus (2013) which concluded that marital status does not statistically influence individual income tax compliance.

Table 2- Descriptive Statistics

MARITAL STATUS		N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean	
						Lower Bound	Upper Bound
SINGLE		80	49.69	11.334	1.267	47.17	52.21
MARRIED		167	44.31	11.210	.867	42.59	46.02
DIVORCED		4	45.00	.000	.000	45.00	45.00
SEPARATED		13	47.54	5.577	1.547	44.17	50.91
Total		264	46.11	11.199	.689	44.75	47.46
Model	Fixed Effects			10.987	.676	44.77	47.44
	Random Effects				2.246	38.96	53.25

Source: Author's Computation (2019)

Table 3 : One-Way Anova On Marital Status

Tax Compliance * Marital status	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	1599.187	3	533.062	4.416	.005
Within Groups	31383.843	260	120.707		
Total	32983.030	263			

Source: Author's Computation (2019)

Educational Background and Tax Compliance

From Table 4, comparison of mean shows an unordered pattern in compliance across the categories of educational background. Also, Table 5 on the analysis of variance (ANOVA) revealed no statistical significant differences in compliance level across the groups. (P=0.338, F=1.142). This implies that educational background of the tax payers does not significantly influence tax compliance attitude.

Table 4 : Descriptive Statistics

Educational Qualification	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean	
					Lower Bound	Upper Bound
None	23	44.39	15.628	3.259	37.63	51.15
O'Level	36	48.03	12.358	2.060	43.85	52.21
OND/NCE	32	46.13	14.925	2.638	40.74	51.51
HND/B.Sc	114	46.98	10.024	.943	45.11	48.85
M.Sc	34	43.97	7.363	1.263	41.40	46.54
Ph,D	26	42.96	7.457	1.522	39.81	46.11
Total	265	46.11	13.435	9.500	-65.21	176.21
Model			11.199	.689	44.75	47.46
Fixed Effects			11.181	.688	44.75	47.46
Random Effects				.779	44.20	48.01

Source: Author's Computation (2019)

Table 5- One Way Anova On Educational Background

Tax Compliance* Educational Background	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	856.686	6	142.781	1.142	.338
Within Groups	32126.344	257	125.005		
Total	32983.030	263			

Source: Author's Computation (2019)

V. DISCUSSION OF FINDINGS

Analysis based on the influence of marital status on tax compliance showed a statistically significant relationship. This is contrary to the findings of Yalama and Gumus (2013)

which stated that marital status do not statistically influence individual income tax compliance. Also, comparison of mean scores indicated that singles showed a better compliance attitude than married and other categories. Furthermore, statistical analysis revealed that educational background does not significantly influence individual tax compliance.

VI. CONCLUSION AND RECOMMENDATIONS

This work probed the impact of marital status and educational background on Personal Income tax (PIT) compliance in Nigeria .Various related literatures were reviewed as par the research objectives.

The study made use of a structured questionnaire to gather data. Copies of the questionnaire were distributed to employees in government establishments and private sector, also traders and artisans were selected to represent the informal sector. The area of study comprised of three Southwestern States in Nigeria. The data were analysed with descriptive and inferential statistics. Emanating from the findings from the study, it is recommended that government should see to the provision of basic amenities. This will encourage the populace to pay their taxes. Poverty alleviation should be of paramount importance to the government, because poverty has been highlighted as one of the causes of tax non-compliance. This will increase government revenue as people will likely pay their taxes more faithfully. Government should harness efforts in soliciting the willingness of tax payers rather than being forceful, greater tax revenue will be achieved through this.

Limitations of the Study

The underlisted limited this work:

i) Only one geopolitical zone (South-West) was considered in the study.
ii) This study focused on individual's taxpayers' behaviour but the case may be different for corporate taxpayers.
iii) This study relied on the behaviour of the taxpayers as reported by them just like most compliance researches. The behaviour here may not be a sincere/truthful representation of their actual behaviour (Tanzi & Shome, 1993).

BIBLIOGRAPHY

[1] Alabede, J. O., Ariffin, Z. B. Z., & Idris, K. M. (2011a). Determinants of Tax Compliance Behaviour: A Proposed Model by Nigeria. *International Research Journal of Finance and Economics,* (78).
[2] Alabede, J. O., Ariffin, Z. B. Z., & Idris, K. M. (2011b). Does ethnicity matter in individual taxpayer's compliance behaviour?: empirical evidence from Nigeria, *Economics and Finance Review, 1*(8), 18 – 30.
[3] Alabede, J. O., Ariffin, Z. B. Z., & Idris, K. M. (2011c). Does Taxpayer's Financial Condition Moderate Determinants of Tax Compliance Behaviour? : Evidence from Nigeria. *British Journal of Economics, Finance and Management Sciences, 1*(2), 109-128.
[4] Ambrecht and Association and Ambrecht (1998). Increasing Taxpayers Compliance :A Discussion of the Negligence Penalty.

Paper presented to the Ways and Means Committee of U.S. House of Representatives in May 1998, Washington D.C. (Online) available www.taxlawsb.com/resources/estates/wash.htm

[5] Asante, S. & Seidu, S. B. (2011). Tax compliance among Self-Employed in Ghana: Do Demographic Characteristics Matter? International Business and Management, 3(1), 2011, 86-91.

[6] Brand, P. (1996). Compliance: A 21st century approach. *National Tax Journal, 49*(3),413–420.

[7] Chan, C. W., Troutman, C. S., & O'Bryan, D. (2000). An expanded model of taxpayer compliance: Empirical evidence from United States and Hong Kong. *Journal of International Accounting, Auditing and Taxation, 9*(2), 83-103.

[8] Chau, G., & Leung, P. (2009). A critical review of Fischer's tax compliance model: A research synthesis. *Journal of Accounting and Taxation, 1*(2), 34-40.

[9] Chigbu, E. E., Eze, A. L., & Ebimobowei, A. (2012). An Empirical Study on the Causality Between Economic Growth and Taxation in Nigeria. *Current Research Journal of Economic Theory, 4*(1), 29-38.

[10] Coleman, C., & Freeman, L. (2002). The development of strategic marketing options directed at improving compliance of levels in small business in Australian. In J. Simon, & J. R. Simon, *Taxation: Critical perspectives on the world economy.* NewYork: Routledge.

[11] Cummings, R. G., Martin-Vazquez, J., McKee, M., & Torgler, B. (2006). *Effects of tax morale on tax compliance: Experimental and survey evidence*. Retrieved May 26, 2010, from http://escholarship.org/uc/1 item/8sh 2wafp.

[12] Emslie, T. S., Davis, D. M., Hutton, S. J., & Olivier, L. (2001). *Income Tax: Cases and Materials.* The Taxpayer: Cape Town.

[13] Faloye, O. D. (2015). *Trade Liberalization and performance of Small and Medium-Scale Enterprises in Nigeria and Ghana.* (Post-field PhD Thesis, OAU, Ife, Nigeria).

[14] Feld, L. P., & Frey, B. S. (2003). Deterrence and tax morale: How tax administration and taxpayers interact. *OECD Papers, 3*(10), 1-19.

[15] Fischer, C. M., Wartick, M., & Mark, M. (1992). Detection probability and tax compliance: A review of the literature. *Journal of Accounting Literature, 11*(2), 1-46.

[16] Fowler, B. (2016). Taxation of Informal Sector and Contemporary Issues in the Presumptive Tax Regime, *Paper Presented at the 18th Annual Tax Conference(ATC) of the Chartered Institute of Taxation of Nigeria, (CITN),* 11 – 14 May,Abuja.

[17] Franzoni, L. (2000). Tax evasion and tax compliance. In B., Bouckaert, & G., DeGeest, *Encyclopedia of Law and Economics,* Cheltenham: Edward Elgar.

[18] Furnham (1983). The Protestant Work Ethic, Human Values and Attitudes Towards Taxation. *Journal of Economic Psychology, 2*, 113-128.

[19] Ghosh, D., & Crain, T. L. J. (1995). Ethical standards, attitudes toward risk, and intentional noncompliance: An experimental investigation. *Journal of Business Ethics, 14*, 353-365.

[20] Ho, D., Ho, D., & Young, A. (2013). "A Study of the Impact of Culture on Tax Compliance in China, *International Tax Journal*, 39(3), 33–50.Internal Revenue Service (2009).

[21] Jackson, B. R., & Millron, V. C. (1986). Tax compliance research: Finding, problem and prospects. *Journal of Accounting Literature, 5*, 125-165.

[22] Kasipillai, J., & Jabbar, H. A. (2006).Gender and ethnicity differences in tax compliance. *Asian Academy of Management Journal, 11*(2), 73-88.

[23] Kasipillai, J., Baldry, J., & Rao, D. (2000). Estimating the Size and Determinants of Hidden Income and Tax Evasion in Malaysia. *Asian Review of Accounting, 8*(2), 25-42.

[24] Kendrick, M .S. (1939). The Ability-to-Pay Theory of Taxation. *The American Economic Review*, 29(1), 92-101.

[25] Kiabel, B. D., & Nwokah, N. G. (2009).Curbing tax evasion and avoidance in personal income tax administration: A study of the south-south states of Nigeria. *European Journal of Economics, Finance and Administrative Sciences*, 15, 16-61.

[26] Kirchler, E. (2007). *The Economic Psychology of Tax Behaviour*. London: CambridgeUniversity Press.

[27] LeBaube, R. A. (1992). Comments on Improving Tax Compliance. In R. M. Bird, & M. C. De Jantscher. (Ed). Improving Tax Administration In Developing Countries; Washington D.C., *International Monetary Funds,* Publication Service.

[28] Loo, E. C. (2006). Tax knowledge, tax structure and compliance: A report on a quasi experiment. *New Zealand Journal of Taxation Law and Policy, 12*(2),117–140.

[29] McGee R. W. & Gelman, W. (2008). Opinions on the Ethics of Tax Evasion: A Comparative study of Ten Transition Economies. *Accounting Reform in Transition and Developing Countries,* 495-508.

[30] McGee, R. W., Nickerson, I., Pleshko, L., & Broihahn, M. (2012). The Ethics of Tax Evasion: An Investigation into Demographic Differences, *Journal of Legal, Ethical and Regulatory Issues*, 15(1), 105–117.

[31] Murphey, K. (2004). An Examination of Tax Payers attitudes towards the Australian Tax System: Findings from a survey of tax scheme investors. Center For Tax System Integrity, Research School of Social Sciences, *Australian University Working Paper No. 46.*

[32] Niway, A.W (2016). Determinants of voluntary compliance behaivor evedence from SNNPR, Ethiopia. *International Journal of Science and Research*, 5(12), 967-973.

[33] Ola, C. S. (1987). *Nigerian Income Tax Law and Practice.* London: MacmillanPublishers Limited, 566.

[34] Ola, C. S. (2001). *Income Tax Law and Practice in Nigeria;* Ibadan: Heinemann University Press Ltd.

[35] Palil, M. R. (2010). *Tax knowledge and tax compliance determinants in self assessment system in Malaysia.* University of Birmingham. "Rates and Allowances - Income Tax". HM Revenue & Customs. http://www.hmrc.gov.uk/rates/it.htm. Retrieved 2010-05-02.

[36] Palil, M. R., & Mustapha, A. F. (2011a). Determinants of Tax Compliance in Asia: A case of Malaysia. *European Journal of Social Sciences, 24*(1), 8-32.

[37] Palil, M. R., & Mustapha, A. F. (2011b). Factors affecting tax compliance behaviour in self assessment system. *African Journal of Business Management, 5*(33), 12864-12872.

[38] Pentland, B. T., & Carlile, P. (1996). Audit the taxpayer, not the return: Tax auditing as an expression game. *Accounting, Organizations and Society, 21*(2), 269–287.

[39] Richardson, M, and Sawyer, A. J, (2001). „A Taxonomy of the Tax Compliance Literature: Further Findings, Problems and Prospects", *Australian Tax Forum*, vol. 16, pp.137-320.

[40] Tanzi, V., & Shome, P. (1993). *A prime on tax evasion.* New York: Working paper,IMF.

[41] Tibiletti, L. (1991). The paradox of tax full compliance: A solution. *Atlantic Economic Journal, International Atlantic Economic Society, 27*(3), 356-366.

[42] Torgler, B. (2003). *Tax morale: Theory and analysis of tax compliance.* Unpublished doctoral Dissertation, University of Zurich, Switzerland.

[43] Tsakumis, G. T., Curtola, A. P., & Porcano, T. M. (2007). The relation between national cultural dimensions and tax evasion. *Journal of International of Accounting, Auditing and Taxation*, 16, 131-147.

[44] Yamane, T. (1964). *Statistics: An Introductory Analysis,* London: Harper and Row.

[45] Yaniv, G. (1999). Tax Compliance and Advance Tax Payments: A Prospect Theory Analysis, *National Tax Journal*, 52(4), 753-764.

APPENDIX - QUESTIONNAIRE

SECTION A - Demographic Characteristics

Kindly tick the appropriate option.

Gender ( ) Male ( ) Female

Marital status ( ) Single ( ) Married ( ) Divorced ( ) Separated

Age ( ) 18-28 ( ) 29-39 ( ) 40-50 ( ) 51-60 ( ) Above 61

Educational Qualification ( ) None ( ) O'level ( ) OND/NCE ( ) HND/B.Sc

( ) M.Sc ( ) Ph.D ( ) Others, please specify ----------

Nature of Work ( ) Government Worker ( ) Employee in a private organisation

( ) Artisan ( ) Trader

Ethnicity ( ) Igbo ( ) Hausa ( ) Yoruba ( ) Others, please specify ----------

Religion ( ) Christianity ( ) Islamic ( ) Traditional

Monthly Income ( ) Less than ₦10,000 ( ) ₦10,000- ₦20,000 ( )₦21,000- ₦50,000 ( ) ₦51,000-₦ 100,000 ( ) ₦110,000-₦300,000 ( ) Above ₦300,000

What is your family size? ( ) Less than 2 ( ) 2-4 ( ) 5-7 ( ) 8-10 ( ) Above 10

SECTION B – Measure of Personal Income Tax Compliance

Please use this scale (Circle one number against each statement) for the following statements:

Very Unacceptable -1, Fairly Unacceptable- 2, Unacceptable- 3, Fairly Acceptable- 4, Acceptable-5, Very Acceptable-6

S/N	Statement	1	2	3	4	5	6
1	It is all right to occasionally understate certain income						
2	It is all right to claim a disallowable expense if you are generally a law-abiding individual						
3	Declaring your principal income fully, but intentionally not including part-time income						
4	If one is paid in cash for a job and then not reporting it in the tax return						
5	Declaring my income promptly and appropriately even when the economy is not favourable						
6	Not paying taxes even two months after the due date						
7	When one claims deductions not entitled to so as to reduce the tax payable						
8	It is not bad to evade tax if the significant portion of the money collected winds up in the pockets of corrupt politicians or their families and friends						
9	Paying my taxes as at when due even when my colleagues, friends and relatives do not pay theirs						
10	As several businessmen and income earners pay no income taxes at all, if someone like you understates a little, it is not a bad thing						
11	Not paying tax or reducing the tax payable is ethical if a large portion of the money collected is spent on projects that do not benefit the populace						
12	In this era of economic recession, I would rather manage my little income than pay taxes.						
13	It is okay not to pay tax because the tax system is unfair						
14	With the high cost of goods and services these days, it is justifiable to claim more expenses to make ends meet						

15	When you are not really sure whether or not an expense is allowable, it makes sense to claim the deduction anyway						
16	Under the PAYE Scheme, income tax is deducted monthly by the employer, hence, it is okay not to declare any other income and pay anymore income tax						