Individual Taxpayers' Compliance Behaviour and Tax Revenue Generation in Akwa Ibom State

Akpan, Eteyen Ezekiel, Ak21/Mgt/Acc/Msc/002

Department of Accounting, Faculty of Management Sciences, Akwa Ibom State University, Obio Akpa Campus

ABSTRACT

The problem of tax evasion and non-compliance by individual taxpayer has created significant challenges for the Akwa Ibom Staten tax system. Based on this study examined that relationship between individual taxpayers' compliance behavior and tax revenue generation in Akwa Ibom State. Specifically, the study ought to determine the relationship between knowledge of tax obligation and tax collection efficiency in Akwa Ibom State, to ascertain the relationship between perceived ease of tax procedures and tax collection efficiency in Akwa Ibom State and to assess the relationship between perception of tax fairness and tax collection efficiency in Akwa Ibom State. This study adopted the survey design. Purposively, a sample of one-hundred and forty-five (145) tax officials/experts was drawn in order to attain the study objectives. The data collected was coded, transformed and analyzed using multiple regression via Statistical Package for Social Sciences software (SPSS) and presented by use of tables. The study findings revealed that knowledge of tax obligation has a positive significant relationship (Coeff. =0.171{0.035}) with tax collection efficiency in Akwa Ibom State while perceived ease of tax procedures has a positive significant relationship (Coeff. =0.228{0.005}) with tax collection efficiency in Akwa Ibom State. It also revealed that perceived ease of tax fairness has a positive significant relationship (Coeff. =0.267{0.001}) with tax collection efficiency in Akwa Ibom State. Based on the analysis of variance (ANOVA), the F-change test showed that the overall effect was statistically significant (p-value = 0.000<0.05) and was however concluded that taxpayers' compliance behavior plays a significant role in enhancing tax revenue generation in Akwa Ibom State. The study recommended, amongst others, that tax authorities should streamline and simplify the tax filing process by creating user-friendly online platforms, providing clear instructions, and reducing unnecessary complexities.

INTRODUCTION

Background to the study

Tax compliance, which refers to the extent to which individuals and businesses fulfill their tax obligations, is a crucial aspect of any functioning economy. The level of tax compliance has a direct impact on tax revenue generation, government expenditure, and overall economic growth. Akwa Ibom State, as a resource-rich country with a large population, relies heavily on tax revenue to finance public services and development projects (Akinlo & Olayiwola, 2020). The level of understanding individuals have about the tax laws, procedures, and their obligations affects their compliance behaviour. Aliyu & Igbokwe-Ibeto (2019) opened that lack of knowledge may lead to non-compliant behaviour. Thus, the effectiveness and efficiency of tax enforcement mechanisms, such as audits, penalties, and investigations, play a vital role in influencing taxpayer behaviour and compliance. Strong enforcement deters non-compliance and improves revenue collection. The presence of tax incentives, such as tax deductions, credits, or exemptions, can

influence individuals' compliance behaviour (Adigun & Idris, 2023). Adigun & Idris (2023) further stressed that offering incentives that align with taxpayers' interests can encourage voluntary compliance. In addition the findings of Hessing & Elffers (2022), the perception of fairness in the tax system is crucial. If individuals believe the tax system is fair, they are more likely to comply voluntarily. Inversely, perceived unfairness can lead to non-compliant behaviour.

Factors such as income levels, employment status, education, and social norms can impact individual compliance behaviour as opened by Marotta & Andriani (2018). Higher incomes, stable employment, and higher education levels are often associated with higher compliance rates. The level of trust individuals have in the government's ability to effectively utilize tax revenues also influences compliance behaviour. Gilbert & Jones (2022). When taxpayers trust that their tax contributions will be used for public benefits, it can positively affect compliance. However, tax compliance in Akwa Ibom State has been a long-standing challenge. The country has struggled with widespread tax evasion, informal economic activities, and a low tax morale among its citizens. As a result, the Akwa Ibom Staten government has faced difficulties in generating sufficient tax revenue to meet its budgetary needs and promote economic development.

Several studies have been conducted to explore the factors influencing tax compliance and revenue generation in Akwa Ibom State. One such study by Sanusi, Yusuf, & Asaolu (2018) investigated the determinants of tax revenue in Akwa Ibom State using an Autoregressive Distributed Lag (ARDL) estimation. The study found that factors such as gross domestic product (GDP), inflation rate, unemployment rate, and exchange rate significantly influenced the level of tax revenue in the country. Another study by Omojolaibi (2015) focused on the analysis of tax revenue and economic growth in Akwa Ibom State. The research employed econometric techniques and found a positive relationship between tax revenue and economic growth, emphasizing the importance of tax compliance for sustainable development. Despite these efforts, there is still a need for further research to understand the individual taxpayer behaviour and factors influencing tax compliance in Akwa Ibom State. Recent studies have emphasized the significance of psychological and social factors in shaping taxpayers' attitudes and behaviour towards compliance (Obi & Mohammed, 2023). Additionally, institutional factors, such as the efficiency and fairness of tax administration, play a crucial role in influencing taxpayer compliance (Fjeldstad , Odd-Helge. 2012).

Statement of the problem

Tax compliance is a complex issue that affects the revenue collection of governments worldwide. In Akwa Ibom State, tax revenue plays a vital role in financing public goods and services, promoting economic growth, and reducing dependency on external sources of funding. However, the problem of tax evasion and non-compliance by individual taxpayers persists, creating significant challenges for the Akwa Ibom Staten tax system. In their study on tax compliance behaviour, Onu, Diana (2020) highlighted the importance of understanding the determinants of taxpayer compliance. They further argued that individuals' compliance decisions are influenced by a variety of factors, including perceived fairness of the tax system, enforcement efforts, penalties, and social norms. Therefore, exploring the factors affecting individual taxpayer compliance is crucial in addressing the problem. Existing research on tax compliance in Akwa Ibom State has primarily focused on the macroeconomic factors influencing tax revenue, such as GDP growth, tax rates, government spending, and corruption levels (Omojolaibi, 2015; Iyoha, 2016; Sanusi *et al.,* 2018). Consequently, there is a gap in the literature regarding the specific impact of individual taxpayer behaviour compliance on tax revenue in Akwa Ibom State.

Prior studies, Adegbie, Amaihian & Olokundun, 2018; Akinwale, & Ibrahim, 2023; Akinlo & Olayiwola, 2020; Gilbert & Jones, 2022; Obi & Mohammed, 2023) shown that taxpayers' attitudes and perceptions towards taxation significantly influence their compliance behaviour. These studies suggest that individuals with a positive perception of the tax system, considering it fair and equitable, are more likely to comply with

their tax obligations. In contrast, those who perceive the tax system as unfair or burdensome may be inclined to evade taxes. Moreover, research has shown that the effectiveness of tax policies and administration plays a critical role in influencing individual taxpayer compliance behaviour (Bergman *et al.,* 2020; Fjeldstad *et al.,* 2012; Mascagni, 2015). The lack of effective enforcement mechanisms, weak tax administration systems, and inadequate penalties for non-compliance can undermine taxpayers' motivation to fulfill their tax obligations.

In light of these findings, this present study aims to examine the relationship between individual taxpayers' compliance behaviour and tax revenue in Akwa Ibom State. By doing so, this study contributes to the existing literature by providing empirical evidence specific to the Akwa Ibom Staten context. Furthermore, it identifies the causal relationships between individual taxpayer compliance and tax revenue, enabling policymakers and tax authorities to develop effective strategies for revenue collection.

Objectives of the study

The main objective of this study was to examine the relationship between individual taxpayers' compliance behaviour and tax revenue generation in Akwa Ibom State. However, the specific objectives were to:

1. Determine the relationship between knowledge of tax obligation and tax revenue efficiency in Akwa Ibom State.
2. Ascertain the relationship between perceived ease of tax procedures and tax revenue efficiency in Akwa Ibom State.
3. Assess the relationship between perception of tax fairness and tax revenue efficiency in Akwa Ibom State.

Research questions

This present study aimed at providing reliable answers to the following questions;

1. Does knowledge of tax obligation has significant relationship between tax revenue efficiency in Akwa Ibom State?
2. What is the significant relationship between perceived ease of tax procedures on tax revenue efficiency in Akwa Ibom State?
3. Does perception of tax fairness affect the significant relationship on tax revenue efficiency in Akwa Ibom State?

Research hypotheses

Ho_1: Knowledge of tax obligation has no significant relationship with tax collection efficiency in Akwa Ibom State.

Ho_2: Perceived ease of tax procedures has no significant relationship with tax collection efficiency in Akwa Ibom State.

Ho_3: Perception of tax fairness has no significant relationship with tax collection efficiency in Akwa Ibom State.

Scope of the research

This study examined the relationship between individual taxpayers' compliance behaviour and tax revenue in Akwa Ibom State. The study adopted a survey design approach. The independent variable (individual taxpayers' compliance behaviour) was proxied by knowledge of tax obligation, perceived ease of tax

procedures and perception of tax fairness while the dependent variable (tax revenue generation) was proxied by tax collection efficiency.

Significance of the study

This present study contributes immensely to the existing body of knowledge on tax compliance and other related areas. However, these stakeholders will find this study significant:

Government and tax authorities: The government and tax authorities of Akwa Ibom State will find this study highly significant as it will provide them with valuable insights into individual tax payer behaviour and effective strategies to enhance compliance and increase tax revenue.

Policymakers: Policymakers responsible for formulating tax policies will benefit from this study by gaining a deeper understanding of the factors influencing individual tax payer behaviour. They can use this knowledge to develop more effective policies that lead to higher compliance rates and increased revenue generation.

Tax professionals and consultants: Tax professionals and consultants who assist individual taxpayers in fulfilling their tax obligations will find this study significant. It will enable them to better advise their clients on compliance-related matters and implement appropriate strategies to ensure adherence to tax laws.

Researchers and academics: Researchers and academics focused on taxation and public finance will find this study valuable for further research and study. It can serve as a foundation for future investigations into individual taxpayers' compliance behaviour and revenue generation, contributing to the existing body of knowledge in this field.

Individual taxpayers: Ultimately, individual taxpayers themselves will benefit from this study. By understanding the factors that influence tax compliance, they can make informed decisions and fulfil their tax obligations more effectively, resulting in a fairer and more efficient tax system.

Organization of the study

This research work comprised of five sections. The introduction of the study which includes background of the study, statement of the problem, objectives of the study, research questions, and research hypotheses, scope of the study and definition of terms. The review of related literature of the study which consisted of conceptual framework, theoretical framework, empirical framework, and summary of literature review and research gap. The research methodology used in making findings which includes research design, population of the study and the method of population determination, sample size and sample size determination, sample technique, sources of data and method of data collection, method of data analysis, and limitations of the study. The data presentation, analysis and discussion of the findings which included data presentation, data analysis, test of hypothesis, discussion of findings and the summary of the findings, conclusion, recommendations, contribution to knowledge and suggestions for further research.

Operational definition of terms

The following definitions are in line with the context of this present study.

Taxation: Taxation refers to the process by which governments collect compulsory payments from individuals, businesses, or other entities to fund public goods and services. Taxes are imposed on various forms of income, assets, consumption, and transactions.

Tax revenue: Tax revenue is the total amount of money collected by the government through taxation. It

includes income tax, corporate tax, sales tax, property tax, and other types of levies. Tax revenue is a significant source of funding for public expenditures such as infrastructure development, healthcare, education, and defense.

Tax authority: A tax authority is a government agency responsible for administering and enforcing tax laws and regulations. They have the authority to assess, collect, and audit taxes, as well as provide guidance to taxpayers regarding their obligations and rights.

Individual taxpayers' compliance behaviour: Individual taxpayers' compliance behaviour refers to the extent to which individuals adhere to their tax obligations and comply with tax laws and regulations. It encompasses activities such as timely filing of tax returns, accurate reporting of income, and payment of the correct amount of tax owed.

Knowledge of tax obligation: Knowledge of tax obligation refers to an individual's understanding of their legal responsibilities related to taxes. It includes awareness of filing requirements, reporting obligations, deductions, exemptions, and other relevant tax-related information.

Perceived ease of tax procedures: Perceived ease of tax procedures refers to an individual's subjective assessment of how easy or difficult it is to navigate tax processes and fulfill their tax obligations. It takes into account factors such as the clarity of instructions, availability of user-friendly tools, and accessibility of resources for assistance.

Perception of tax fairness: Perception of tax fairness relates to an individual's subjective judgment about the fairness and equity of the tax system. It considers whether taxes are perceived to be distributed proportionally, equitably, and in accordance with the ability to pay. It also takes into account perceptions of the effectiveness and efficiency of tax collection and utilization of tax revenues.

Tax collection efficiency: Tax collection efficiency refers to the effectiveness and efficiency with which taxes are collected by the tax authority. It measures the ability of the tax system to obtain the full amount of tax revenue owed by taxpayers in a timely and cost-effective manner, minimizing tax evasion and maximizing compliance.

REVIEW OF RELATED LITERATURE

This section focuses on the review of related studies carried out in Akwa Ibom State and other developing and emerging economies for advancement. It is organized into conceptual framework, theoretical framework and empirical review.

Conceptual framework

The conceptual relationships among the variables are as shown in figure 2.1 below
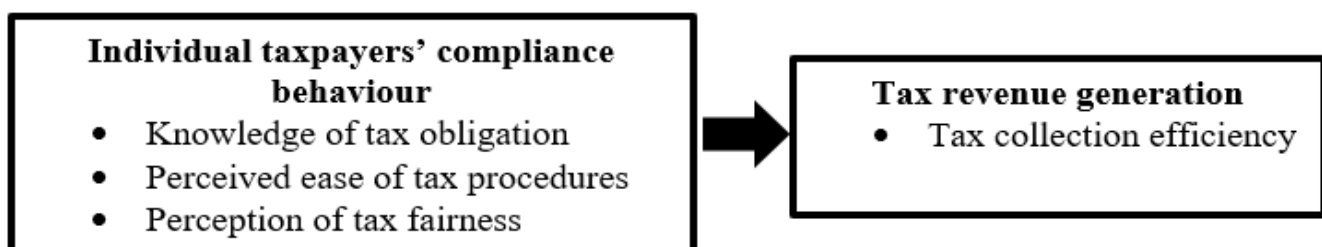

Fig 2.1: Conceptual framework of variables

Source: Researcher's compilation (2023)

Concept of Individual taxpayers' compliance behaviour

Individual taxpayers' compliance behaviour refers to the extent to which individuals voluntarily meet their tax obligations in accordance with the tax laws and regulations of a particular jurisdiction. It involves the timely and accurate reporting of income, deductions, and credits, as well as the payment of the correct amount of taxes owed. Compliance behaviour is influenced by various factors such as tax knowledge, tax morale, tax enforcement, tax incentives, perceived fairness, socio-economic factors, trust in government, and taxpayer services (Oats & Owen, 2022). Tax knowledge plays a significant role in shaping individual taxpayer behaviour compliance as opened by Hofmann & Gangl (2014). Individuals who are well-informed about their tax obligations are more likely to comply with the tax laws.

According to a study by Hofmann & Gangl (2014), tax knowledge positively affects compliance behaviour, and taxpayers with higher levels of tax knowledge have a lower likelihood of engaging in non-compliant behaviour. Tax morale refers to individuals' beliefs, attitudes, and values towards paying taxes. It encompasses the sense of duty, fairness, and solidarity that individuals associate with their tax obligations. Research by Kanungo & Prasad (2021) suggests that higher tax morale is associated with higher compliance behaviour. When individuals perceive taxation as a fair and necessary contribution to society, they are more inclined to comply voluntarily. In conclusion, individual taxpayer behaviour compliance is influenced by various factors such as tax knowledge, tax morale, tax enforcement, tax incentives, perceived fairness, socio-economic factors, trust in government, and taxpayer services. Understanding these factors is essential for tax authorities in developing effective strategies to promote voluntary compliance and enhance tax revenue collection.

Knowledge of tax obligations

Knowledge of tax obligations refers to an individual's understanding of their rights and responsibilities as a taxpayer, including the specific requirements and regulations outlined by the tax authorities. It encompasses awareness of reporting income, claiming deductions, calculating taxes owed, and filing tax returns accurately and on time. A comprehensive understanding of tax obligations is crucial for individuals to meet their tax compliance requirements and avoid penalties or legal consequences (Gobena & Van-Dijke, 2021). Tax knowledge plays a significant role in shaping individual taxpayer behaviour compliance. Individuals who possess a higher level of tax knowledge are more likely to comply with the tax laws and regulations. Studies have shown that tax knowledge positively affects compliance behaviour. For instance, a study by Hofmann & Gangl (2014) found that individuals with higher levels of tax knowledge have a lower likelihood of engaging in non-compliant behaviour.

The importance of tax knowledge is evident in various aspects of tax compliance. For instance, knowing how to accurately determine taxable income is critical. This includes understanding what types of income are subject to taxation and what deductions or credits can be claimed to reduce the tax liability (Duran & Delgado-González, 2022). A lack of knowledge in this area may lead individuals to underreport their income or fail to claim legitimate deductions, resulting in non-compliance. In conclusion, knowledge of tax obligations is crucial for individuals to meet their tax compliance requirements. It involves understanding reporting requirements, deductions, tax rates, and the correct process for filing tax returns. Tax knowledge positively influences compliance behaviour, and efforts to improve taxpayer education and awareness are vital for enhancing overall tax compliance.

Perceived ease of tax procedures

Perceived ease of tax procedures refers to an individual's subjective assessment of how straightforward and manageable they perceive the process of fulfilling their tax obligations to be. It reflects the level of

complexity, simplicity, and convenience associated with various tasks related to tax compliance, such as understanding tax forms, gathering necessary documentation, and filing tax returns. The perceived ease of tax procedures has direct implications on taxpayer behaviour and compliance. Research has shown that when individuals perceive tax procedures as easy and convenient, they are more likely to comply with their tax obligations. For example, a study by Fochmann & Wolf (2015) found that individuals who perceived tax procedures to be easy were more compliant in terms of timely filing and payment compared to those who perceived tax procedures to be complex or burdensome.

Several factors contribute to the perceived ease of tax procedures. One key factor is the clarity and simplicity of tax forms and instructions. Complex tax forms filled with technical jargon and convoluted instructions can increase the perceived difficulty of tax procedures (Omojolaibi, 2019). Tax authorities can address this issue by redesigning tax forms and providing clear, user-friendly instructions that are easy to understand and follow. The accessibility and availability of information and resources also play a crucial role in shaping the perceived ease of tax procedures. Taxpayers should have access to reliable sources of information, such as websites, helplines, or taxpayer service centers, where they can find answers to their questions and get guidance on fulfilling their tax obligations. In conclusion, the perceived ease of tax procedures plays a crucial role in promoting tax compliance. Simplifying tax procedures, providing clear instructions, improving access to information and resources, and embracing technology can help enhance the perceived ease of tax procedures and encourage timely and accurate compliance.

Perception of tax fairness

Perception of tax fairness refers to an individual's subjective evaluation of the equity and justice of the tax system. It reflects how taxpayers perceive the distributional impact of taxes and whether they believe that the burden of taxation is distributed fairly among different groups within society. According to Yen & Huang (2022), understanding and addressing the concept of perception of tax fairness is crucial for tax authorities to design and implement tax policies that are seen as fair and equitable. The perception of tax fairness is a significant factor influencing taxpayer compliance and behaviour. Research has consistently shown that individuals who perceive the tax system as fair are more likely to willingly comply with their tax obligations. For example, a study by Omojolaibi & Awonusi (2019) found that individuals who perceived the tax system as fair were more compliant in terms of reporting their income accurately compared to those who perceived the tax system as unfair.

One key aspect of tax fairness is vertical equity, which refers to the idea that individuals with higher incomes should pay a larger share of taxes compared to those with lower incomes. When taxpayers perceive that the tax system adheres to the principle of vertical equity, they are more likely to view it as fair (Piazza, 2021). On the other hand, if taxpayers believe that the tax burden falls disproportionately on low-income earners or that high-income individuals can effectively evade their tax obligations, they may perceive the tax system as unfair and be less inclined to comply. In conclusion, the perception of tax fairness is a critical factor influencing taxpayer behaviour and compliance. Fairness is a complex concept that encompasses vertical and horizontal equity, transparency, and public trust as suggested by Oyedele (2020). Tax authorities need to take into account these dimensions when designing and implementing tax policies to ensure that the tax system is perceived as fair and just.

Concept of tax revenue generation

Tax revenue generation refers to the process by which governments collect funds through the imposition and collection of taxes. It is an essential aspect of public finance as it provides the financial resources necessary for governments to fulfill their responsibilities and provide public goods and services to society as stated by Akinwale & Ibrahim (2023). Tax revenue generation involves several key elements. First, governments determine the tax base, which refers to the economic activities or assets that are subject to taxation.

Common tax bases include income, consumption, property, and wealth. The tax base is crucial as it determines the scope and potential yield of tax revenue (Duran & Delgado-González, 2022). Once the tax base is established, governments establish tax rates, which represent the percentage or amount of tax applied to the tax base.

Tax rates can be progressive, where higher-income individuals or entities are taxed at a higher rate, or regressive, where lower-income individuals or entities bear a greater burden of taxation. The choice of tax rates is influenced by various factors, including fiscal objectives, equity considerations, and economic efficiency. In conclusion, tax revenue generation is a fundamental component of public finance. It involves determining the tax base, setting tax rates, implementing effective tax administration, and promoting taxpayer compliance. Governments must consider various factors such as tax fairness, trust, simplicity, and enforcement measures to ensure successful tax revenue generation (Okonkwo & Eze, 2021).

Tax administration in Akwa Ibom State

Tax administration plays a vital role in tax revenue generation in Akwa Ibom State. Governments establish tax authorities and agencies responsible for enforcing tax laws, collecting taxes, and administering tax compliance. Effective tax administration ensures that taxpayers meet their obligations and that tax revenue is collected efficiently and accurately (Akinwale & Ibrahim, 2023). It involves processes such as tax registration, taxpayer identification, tax return filing, and tax audit and enforcement. The success of tax revenue generation depends on taxpayer compliance. Taxpayers' willingness to voluntarily comply with tax laws is influenced by several factors, including their perception of tax fairness, the level of trust in tax administration, the simplicity and clarity of tax rules, and the effectiveness of enforcement measures. Prior studies such as Hessing & Elffers (2022) has shown that perceived fairness and trust significantly impact taxpayer compliance. There are also other strategies that governments can employ to enhance tax revenue generation. These strategies include tax reforms aimed at broadening the tax base, reducing tax evasion and avoidance, increasing tax compliance, and improving tax administration (Iyoha, 2016). Governments may also implement tax incentives or exemptions to encourage certain behaviour or industries while balancing revenue needs. The effectiveness of these strategies varies depending on the specific context and circumstances of each country.

Tax collection efficiency

Tax collection efficiency refers to the effectiveness and efficiency with which tax revenue is collected by the tax authorities in Akwa Ibom State (Okonkwo, & Eze, 2021). It is a crucial aspect of generating sufficient tax revenue to fund government expenditure and support economic development. In Akwa Ibom State, tax collection efficiency has been a topic of concern due to several challenges faced by tax authorities. These challenges include widespread tax evasion and avoidance, weak tax administration, inadequate taxpayer education, and limited enforcement capabilities. Improving tax collection efficiency is important for Akwa Ibom State to increase its tax revenue and reduce its dependency on oil revenue, which has proven to be volatile (Sanusi, *et al*, 2018).

One of the key factors impacting tax collection efficiency in Akwa Ibom State is the high level of tax evasion and avoidance. Many individuals and businesses engage in practices to reduce their tax liability, such as underreporting income, engaging in illicit transactions, or manipulating financial records. According to a study by Oyedele (2020), tax evasion and avoidance in Akwa Ibom State have contributed to significant revenue losses for the government. To address this issue, the Akwa Ibom Staten government has implemented various measures to improve tax compliance and combat tax evasion. These measures include enhanced taxpayer identification systems, stricter penalties for non-compliance, and increased efforts to detect and prosecute tax evaders. However, despite these efforts, tax evasion continues to be a challenge in

Akwa Ibom State.

To improve tax collection efficiency in Akwa Ibom State, there have been ongoing efforts to reform the tax system. The introduction of the Federal Inland Revenue Service (FIRS) and State Internal Revenue Services (SIRS) aimed to centralize tax collection and administration. Additionally, the implementation of technology-driven solutions, such as the automation of tax processes and the use of electronic tax payment systems, has been introduced to enhance efficiency and reduce opportunities for corruption. In conclusion, tax collection efficiency in Akwa Ibom State requires addressing challenges related to tax evasion and avoidance, strengthening tax administration, improving taxpayer education, and leveraging technology as opened by Oats & Owen (2022). By implementing effective policies and reforms, Akwa Ibom State can enhance its tax collection efficiency and generate more revenue to support sustainable economic development.

Relationship between Individual taxpayers' compliance behaviour and tax collection efficiency in Akwa Ibom State.

The relationship between individual taxpayer behaviour compliance and tax collection efficiency in Akwa Ibom State is a crucial aspect of tax administration. Individual taxpayers' compliance behaviour is influenced by factors such as knowledge of tax obligations, perceived ease of tax procedures, and perception of tax fairness.

Knowledge of tax obligations refers to the understanding of taxpayers regarding their tax responsibilities and requirements. According to a study by Galadanci, *et al.* (2018), taxpayers' knowledge of tax obligations positively affects their compliance behaviour. In Akwa Ibom State, many taxpayers may not be fully aware of their tax obligations due to limited taxpayer education and awareness programs. This lack of knowledge can lead to unintentional non-compliance or underreporting of income, negatively impacting tax collection efficiency.

Perceived ease of tax procedures reflects taxpayers' perception of the simplicity and convenience of the tax filing and payment processes. If taxpayers perceive the procedures as complex, time-consuming, or burdensome, they may be less motivated to comply with their tax obligations. A study conducted by Ogbonna & Appah (2020) found that perceived ease of tax procedures significantly influences individual taxpayers' compliance behaviour in Akwa Ibom State. Improving the efficiency and effectiveness of tax procedures, such as simplifying forms and introducing electronic filing options, can enhance taxpayer compliance and contribute to improved tax collection efficiency.

Perception of tax fairness refers to taxpayers' subjective evaluation of the equity and fairness of the tax system. If taxpayers perceive the tax system as fair, they are more likely to comply willingly with their tax obligations. However, if taxpayers believe that the tax burden is unjustly distributed or that the system lacks transparency and accountability, they may engage in tax evasion or avoidance. A study by Adeyemo & Salawu (2017) found that taxpayers' perception of tax fairness significantly influences their compliance behaviour in Akwa Ibom State. Thus, ensuring fairness in the tax system and addressing concerns related to equity and transparency can positively impact tax collection efficiency.

The relationship between individual taxpayers' compliance behaviour and tax collection efficiency in Akwa Ibom State is complex and multi-dimensional. Improving compliance requires a holistic approach that includes education and awareness programs to enhance taxpayers' knowledge of tax obligations, simplification of tax procedures to make compliance easier, and ensuring fairness and transparency in the tax system.

Theoretical framework

The nexus between individual taxpayers' compliance behaviour and tax revenue in Akwa Ibom State cannot be established without credence to theoretical underpinnings. As such, Rational Choice of Becker (1968) and the Social Norm of Cialdini and Trost (1998) were reviewed. However, Rational Choice served as the anchor theory.

Rational Choice Theory by G. Berker (1968)

Rational Choice , propounded by Gary S. Becker in 1968 is a widely acknowledged theory in the area of choice and individual decision making. According to the rational choice theory, individuals make decisions based on rational evaluations of the costs and benefits associated with their choices (Becker, 1968). In the context of tax compliance, individuals weigh the potential benefits of evading taxes against the costs and potential penalties of non-compliance. Therefore, taxpayers will only comply with tax obligations when they perceive that the benefits outweigh the costs. In Akwa Ibom State, individual taxpayer compliance behaviour has been a significant concern for the government due to low tax revenue collection rates as evidenced by Iyoha (2016). However, recent efforts have been made to improve tax compliance through various initiatives, such as the Voluntary Assets and Income Declaration Scheme (VAIDS) introduced in 2017.

Several factors affects individual taxpayer behaviour compliance and tax revenue in Akwa Ibom State. For instance, the government's enforcement measures and penalties for non-compliance may have increased the perceived costs of evading taxes, thus encouraging greater compliance among individuals. In addition, the provision of public goods and services funded by tax revenues plays a crucial role in shaping taxpayers' perceptions of the benefits of compliance. If individuals perceive that their tax contributions result in improved infrastructure, healthcare, education, and other public services, they are more likely to comply (Akinwale & Ibrahim, 2023). Furthermore, the level of trust and confidence in the government's ability to manage tax revenues effectively and efficiently also affects compliance rates. When individuals trust that their tax payments will be used for the public good rather than being wasted or misappropriated, they tend to have higher compliance rates (Fjeldstad,Odd-Helge , 2012).

The Akwa Ibom Staten government has however implemented series of initiatives to enhance tax administration, simplify tax processes, and foster transparency, which can positively influence taxpayer compliance. For example, the integration of technology in tax administration, such as the introduction of online tax filing systems, may have increased convenience and reduced the costs associated with compliance (Omojolaibi, 2019). Overall, the rational choice theory suggests that individual taxpayer behaviour compliance and tax revenue in Akwa Ibom State are influenced by evaluations of costs, benefits, and trust in the government. By addressing these factors through effective policies and interventions, the Akwa Ibom Staten government can promote greater compliance and increase tax revenue collection.

Social Norms Theory by Cialdini and Trost (1998)

The Social Norms theory, propounded by Cialdini and Trost in 1998 posited that individuals are influenced by the perceived behaviour of others within their social group or society (Cialdini & Trost, 1998). In the context of tax compliance, individuals observe the compliance or non-compliance of others and use this information to shape their own compliance behaviour. When individuals perceive that tax compliance is the norm within their social group, they are more likely to comply with their tax obligations. Social norms plays a significant role in influencing individual taxpayer behaviour compliance and tax revenue in Akwa Ibom State. Research has shown that the behaviour and attitudes of peers, family members, and colleagues can

greatly influence an individual's decision to comply with tax obligations (Marotta & Andriani, 2018).

In Akwa Ibom State, the government's efforts to enhance tax compliance through awareness campaigns, public declarations, and media engagements aims to promote a positive social norm of tax compliance. These initiatives sought to create a perception that paying taxes is a civic responsibility and a socially acceptable behaviour (Omojolaibi & Awonusi, 2019). During this period, social norms may have influenced taxpayers' compliance decisions in multiple ways. Firstly, observing high rates of tax compliance among peers and influential figures within society can create a sense of social pressure to conform and comply with tax obligations (Cialdini *et al.,* 1991). Secondly, the Akwa Ibom Staten government's focus on highlighting the benefits of tax payments, such as improved public services and infrastructure, can shape the social norm of tax compliance. When individuals perceive that their tax contributions are utilized for the collective benefit of society, they are more likely to comply (Omojolaibi & Awonusi, 2019). Furthermore, the disclosure of voluntary tax payments by public figures and companies can serve as a form of positive social proof, reinforcing the social norm of tax compliance (Gill, 2019). By leveraging social norms theory, the Akwa Ibom Staten government can harness the influence of peer behaviour, societal expectations, and social pressure to encourage increased tax compliance and revenue collection.

Empirical framework

The following are among the extant literature that relates to the scope and context of this present study.

Adegbie,Amaihian & Olokundun (2018) examined the compliance behaviour of small and medium-sized enterprises (SMEs) in Ondo State, Akwa Ibom State, using a sample of 54 SME owners. The results suggested that perceived fairness of tax laws and penalties influence compliance behaviour.

Adeleke & Abdullahi (2022) investigated the impact of taxpayer awareness campaigns on tax compliance behaviour in Akwa Ibom State. The findings revealed that effective awareness campaigns can significantly improve compliance rates and contribute to increased tax revenue.

Adesina & Hassan (2018) examined the impact of penalties and tax audit on tax compliance behaviour of small and medium-sized enterprises (SMEs) in Akwa Ibom State. The results indicated that both penalties and tax audit positively affect tax compliance.

Adigun & Idris (2023) investigated the influence of tax morale on tax evasion behaviour in Akwa Ibom State. The results revealed a negative relationship between tax morale and tax evasion rates, highlighting the importance of cultivating positive attitudes towards taxation for improved compliance.

Akinlo & Olayiwola (2020) explored the relationship between tax compliance and revenue generation in Akwa Ibom State using time series data analysis. The results indicated that improving tax compliance can significantly increase tax revenue.

Akinwale & Ibrahim (2023) examined the relationship between tax administration quality and taxpayer satisfaction in Akwa Ibom State. The findings suggested that efficient and transparent tax administration processes contributes positively to taxpayer satisfaction and compliance behaviour.

Aliyu & Igbokwe-Ibeto (2019) explored the relationship between tax knowledge, tax compliance, and the informal sector in Akwa Ibom State using primary data analysis. The findings suggested that increasing tax knowledge can enhance tax compliance behaviour in the informal sector.

Obi & Mohammed (2023) explored the role of social norms in shaping tax compliance behaviour among Akwa Ibom Staten taxpayers. The results indicated that individuals' perception of societal expectations and

norms strongly influences their compliance decisions.

Ogbonna & Gundu (2019) investigated the influence of tax education on voluntary tax compliance behaviour using data collected from individuals in Akwa Ibom State. The results revealed a positive relationship between tax education and voluntary tax compliance.

Okonkwo & Eze (2021) examined the effectiveness of tax incentives in encouraging tax compliance behaviour among Akwa Ibom Staten taxpayers. The results suggested that well-designed tax incentives can positively influence compliance rates and increase tax revenue.

Olakunle & Afolabi (2017) examined the relationship between tax compliance behaviour and tax revenue generation in Akwa Ibom State using secondary data analysis. The findings suggested that improving tax compliance behaviour could lead to increased tax revenue.

Oloyede, *et al* (2019) investigated the factors influencing tax compliance behaviour among self-employed individuals in Akwa Ibom State. The findings highlighted the importance of tax awareness and trust in tax authorities in shaping compliance behaviour.

Onu, Diana. (2020) employed a case study methodology to examine tax compliance behaviour and voluntary tax payment in Akwa Ibom State. The findings highlighted the importance of trust, fairness, and simplicity of tax systems in improving compliance behaviour.

Osei-Tutu & Osubero (2017) investigated the influence of tax morale on tax compliance using survey data collected from individuals in Akwa Ibom State. The findings suggested that a higher level of tax morale leads to greater tax compliance behaviour.

Yahaya & Omoniyi (2018) investigated the impact of tax education on individual tax compliance using survey data. The results revealed a positive relationship between tax education and tax compliance behaviour.

Summary of literature review and gap in literature

The literature review on individual taxpayers' compliance behaviour and tax revenue in Akwa Ibom State reveals several key findings. Firstly, it is observed that tax compliance behaviour among individuals in Akwa Ibom State is generally low. This is attributed to various factors such as lack of trust in government, complex tax regulations, weak enforcement mechanisms, and inadequate taxpayer education as documented by Adeleke & Abdullahi (2022), Okonkwo and Eze (2021) alongside Obi & Mohammed (2023).

Despite the extensive research conducted on the topic of individual taxpayers' compliance behaviour and tax revenue in Akwa Ibom State (for instance, Akinwale & Ibrahim, 2023; Adeleke & Abdullahi, 2022; Okonkwo & Eze, 2021; Obi & Mohammed, 2023; Onu, *et al*, 2020; Ogbonna & Gundu, 2019; Yahaya & Omoniyi,2018), there are still some gaps in the existing literature. One notable gap is the limited focus on the social and cultural factors that influence tax compliance behaviour among individuals in Akwa Ibom State. Understanding the socio-cultural context is crucial in developing effective strategies to improve compliance. Factors such as social norms, attitudes towards taxation, perceptions of fairness, and trust in government play a significant role in shaping taxpayer behaviour. Therefore, further exploration of these factors is necessary to gain a comprehensive understanding of compliance behaviour and devise targeted interventions.

Additionally, the literature lacks sufficient empirical evidence on the effectiveness of specific interventions aimed at improving individual taxpayers' compliance behaviour in Akwa Ibom State. While various

strategies have been proposed, there is a need for rigorous evaluation and assessment of their impact on compliance levels and tax revenue generation. Overall, filling these gaps in the literature would contribute to a more comprehensive understanding of individual taxpayers' compliance behaviour and provide valuable insights for policymakers and tax administrators in Akwa Ibom State to design and implement effective strategies to enhance compliance and maximize tax revenue.

METHODOLOGY

This section explains the method, procedures and process through which the data in the research work were conducted, presented and analyzed and the parameters through which conclusion is drawn.

Research design

This study adopted the survey design. It involves the systematic collection of information through the use of structured questionnaires and interviews. Survey research design aims to gain insights into the target population by asking individuals a set of predetermined questions.

Population of the study

This study adopted a case study approach. The population of this study comprised of all tax official/experts in Akwa Ibom State. However, the exact number of these officials seem to be Akwa ibom state taxpayers.

Sample size and sample size determination

Purposively, a sample of one-hundred and forty-five (145) tax officials/experts was drawn from the Akwa ibom state taxpayers population in order to carry out the study objectives.

Sampling technique

Convenience sampling technique was however adopted in selecting the required sample. Convenience sampling technique is a technique where members of the population must meet certain criteria, such as easy accessibility, geographical proximity.

Sources of data and method of data collection

The study adopted primary source of data. A total of 145 questionnaires were deployed and administered (both physically and electronically) to respondents across different parts of Akwa Ibom State. However, 94.5% response rate was achieved; this indicates that a total number of 137 questionnaires were retrieved and in useable form.

Method of data analysis

The primary data collected were analyzed using descriptive statistics tools of mean and standard deviation while inferential statistics tool used to conduct the data analysis was multiple regressions. This was conducted using Statistical Package for Social Sciences software (SPSS) and presented by use of tables. The decision was based on 5% level of significance. Accept null hypothesis (H_0) if probability value (i.e. P-value or Sig.) is greater than or equals to ($\geq$) stated 5% level of significance (α); otherwise, reject and accept alternate hypothesis (H_1), if p-value or sig calculated is less than 5% level of significance.

Model specification

The model to be tested in this study is stated as regression model.

TxRG $= f$ (ITCB)

TColEff $= f$ (KnTO, PerTP, PerTF)

The broad model is therefore given as;

$TColEff = \beta_0 + \beta_1\,KnTO + \beta_2\,PerTP + \beta_3\,PerTF + \mu$

Where;

TxRG = Tax revenue generation

ITCB = Individual taxpayers' compliance behaviour

TColEff = Tax collection efficiency

KnTO = Knowledge of tax obligation

PerTP = Perceived ease of tax procedures

PerTF = Perception of tax fairness

β_0 = Regression intercept

$\beta_1, \beta_2, \beta_3$ = Regression coefficients

μ = Error term

Table 3.1   Operationalization of variables

Concept	Proxy	Measurement	Source
Individual taxpayers' compliance behaviour *(Independent variable)*	Knowledge of tax obligation	Transformed from responses gathered from field survey.	Galadanci, *et al.* (2018), Adeyemo and Salawu (2017)
	Perceived ease of tax procedures	Transformed from responses gathered from field survey.	Galadanci, *et al.* (2018), Ogbonna and Appah (2020)
	Perceived ease of tax fairness	Transformed from responses gathered from field survey.	Adeyemo and Salawu (2017
Tax revenue generation *(Dependent variable)*	Tax collection efficiency	Transformed from responses gathered from field survey.	Okonkwo and Eze, (2021),

Source: Author's compilation, 2023

Reliability of instrument

For reliability, the researcher adopted test-retest method in the study. This allowed the researcher to observe

the closeness of the responses to the questions from the researcher.

Validity of instrument

In order to ensure that the research instrument used in this study was valid, the researcher worked closely with the supervisor in ensuring a proper structuring of the questionnaire before the field survey was conducted.

Limitations of the study

The study heavily rely on self-reported data, which may be influenced by memory recall bias or participants' willingness to disclose certain information, potentially affecting the accuracy and reliability of the findings. The study may be influenced by external factors that are beyond the control of the researcher, such as changes in the regulatory environment or economic conditions.

DATA PRESENTATION, ANALYSIS AND DISCUSSION OF FINDINGS

This section presents the data collected for this study, the statistical and econometric analysis of the data using different tools, testing of the hypotheses, making deductions from the testing and analysis of the data as well as the discussion of findings.

Data presentation and analysis

The questionnaires were administered to the respondents identified the summary is as shown in Table 4.1.1 below;

Table 4.1.1 Summary of questionnaire administered

Questionnaire	Number of Questionnaire	Percentage (%)
Administered	145	100.00
Completed and returned	137	94.45
Not completed and returned	5	3.45
Rejected	3	2.1
Total	**145**	**100.00**

Source: Field survey, 2023

Table 4.1.1 shows that a total of 145 questionnaires were administered to respondents across different parts of the country. Out of the administered questionnaire, 137(94.45%) were correctly completed and returned, 5(3.45%) were not completed and returned while 3(2.1%) was not correctly completed, hence was rejected.

Data Analysis of respondents' demographics

Respondents' demographics were the focus of data collection in the first section of the research questionnaire administered.

Table 4.2.1   Gender of respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	93	67.9	67.9	67.9

	Female	44	32.1	32.1	100.0
	Total	137	100.0	100.0	

Source: Researcher's Computation, 2023

Table 4.2.1 above shows that the respondents were made up of 93(67.9%) male and 44(32.1%) female. This implies that majority of tax officials in Akwa Ibom State are of the male gender.

Table 4.2.2   Age of respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
	21-30	28	20.4	20.4	20.4
	31-40	61	44.5	44.5	65.0
Valid	41-50	37	27.0	27.0	92.0
	51 and above	11	8.0	8.0	100.0
	Total	137	100.0	100.0	

Source: Researcher's Computation, 2023

The result in table 4.2.2 shows that 28(20.4%) of the respondents were 21-30years while 61(44.5%) were 31-40 years, 37(27.0%) were 41-50 years and 11(8.0%) were above 50 years of age respectively.

Table 4.2.3 Religion of respondents					
		Frequency	Percent	Valid Percent	Cumulative Percent
	Christianity	94	68.6	68.6	68.6
Valid	Islam	31	22.6	22.6	91.2
	Traditional religion	12	8.8	8.8	100.0
	Total	137	100.0	100.0	

Source: Researcher's Computation, 2023

Table 4.2.3 above shows that 94(68.6%) of the respondents were Christians while 31(22.6%) and 12(8.8) each were of Islamic and traditional religion respectively.

Table 4.2.4 Marital status of respondents					
		Frequency	Percent	Valid Percent	Cumulative Percent
	Single	37	27.0	27.0	27.0
	Married	69	50.4	50.4	77.4
Valid	Divorced	26	19.0	19.0	96.4
	Widower/Widow	5	3.6	3.6	100.0
	Total	137	100.0	100.0	

Source: Researcher's Computation, 2023

The results in table 4.2.4 above indicate that 37(27.0%) of the respondents were single and 69(50.4%) were married while 26(19.0%) had divorced. It also reveals that 5(3.6%) of the respondents were widowers/widows.

Table 4.2.5   Highest educational qualification

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	ND/NCE	3	3.3	3.3	3.3
	HND/B.Sc	64	70.3	70.3	73.6
	Masters and above	24	26.4	26.4	100.0
	Total	91	100.0	100.0	

Source: Researcher's Computation, 2023

The results in table 4.2.5 shows that 3(3.3%) of the respondents were SSCE and ND/NCE holders while 64(70.3%) and 24(26.4%) had HND/B.Sc and Master's Degree or above respectively.

Table 4.2.6 Years of working experience

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Below 5	1	.7	.7	.7
	5-10	38	27.7	27.7	28.5
	11-15	33	24.1	24.1	52.6
	Above 15	65	47.4	47.4	100.0
	Total	137	100.0	100.0	

Source: Researcher's Computation, 2023

In addition, Table 4.2.6 reveals that 1(0.7%) of the respondents had below five (5) years of working experience. However, 38(27.7%), 33(24.1%) and 65(47.4%) had between 5-10years, 11-15 years and above 15 years in terms of working experience.

Test of hypotheses

The research hypotheses were tested in this section of the study. The test was carried out using Ordinary least square regression with the model specification shown in the previous section using SPSS version 20 software. The result of the analysis is as shown thus;

Table 4.3.1   Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.394[a]	.155	.136	.43185	.155	8.158	3	133	.000	.602

a. Predictors: (Constant), PERCEIVED_EASE_OF_TAX_FAIRNESS, PERCEIVED_EASE_OF_TAX_PROCEDURES, KNOWLEDGE_OF_TAX_OBLIGATION

b. Dependent Variable: TAX_COLLECTION_EFFICIENCY

Table 4.3.1   ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	4.564	3	1.521	8.158	.000[b]
	Residual	24.804	133	.186		

	Total	29.368	136				
a. Dependent Variable: TAX_COLLECTION_EFFICIENCY							
b. Predictors: (Constant), PERCEIVED_EASE_OF_TAX_FAIRNESS, PERCEIVED_EASE_OF_TAX_PROCEDURES, KNOWLEDGE_OF_TAX_OBLIGATION							

Table 4.3.2   Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.724	.213		3.398	.001		
	KNOWLEDGE_OF_TAX_OBLIGATION	.137	.064	.171	2.134	.035	.994	1.006
	PERCEIVED_EASE_OF_TAX_PROCEDURES	.207	.072	.228	2.858	.005	.997	1.003
	PERCEIVED_EASE_OF_TAX_FAIRNESS	.221	.066	.267	3.349	.001	.997	1.003
a. Dependent Variable: TAX_COLLECTION_EFFICIENCY								

Table 4.3.3   Collinearity Diagnostics[a]

Model	Dimension	Eigenvalue	Condition Index	Variance Proportions			
				(Constant)	KNOWLEDGE_ OF_TAX_ OBLIGATION	PERCEIVED_ EASE_ OF_TAX_ PROCEDURES	PERCEIVED_ OF_TAX_FAI
1	1	3.809	1.000	.00	.01	.00	.01
	2	.089	6.548	.00	.68	.24	.05
	3	.080	6.897	.00	.03	.31	.69
	4	.022	13.107	1.00	.28	.44	.25
a. Dependent Variable: TAX_COLLECTION_EFFICIENCY							

Table 4.3.4   Residuals Statistics[a]

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	1.3405	2.1587	1.7427	.18319	137
Residual	-1.09079	1.06647	.00000	.42706	137
Std. Predicted Value	-2.196	2.271	.000	1.000	137
Std. Residual	-2.526	2.470	.000	.989	137
a. Dependent Variable: TAX_COLLECTION_EFFICIENCY					

Hypothesis one

Ho$_1$:   Knowledge of tax obligation has no significant relationship with tax collection efficiency in Akwa Ibom State.

Based on the decision rule of the study, the null hypothesis one of the studies is rejected and the alternate accepted because the p-value of 0.035 shown in table 4.3.3 is less than 0.05. The null hypothesis is further rejected because the t-cal value of 2.134 is greater than the critical value of t which was 1.984. In addition, a standardized Beta coefficient of 0.171 indicates a positive relationship between the variables. Therefore, knowledge of tax obligation has a significant positive relationship with tax collection efficiency in Akwa Ibom State.

Hypothesis two

In the same vein, the null hypothesis two of the study is rejected and the alternate accepted because the p-value of 0.005 shown in table 4.3.3 is less than 0.05. The null hypothesis is further rejected because the t-cal value of 2.858 is greater than the critical value of t which was 1.984. In addition, a standardized Beta coefficient of 0.228 indicates a positive relationship between the variables. Therefore, Perceived ease of tax procedures has a significant positive relationship with tax collection efficiency in Akwa Ibom State.

Hypothesis three

In addition, the null hypothesis three of the study is rejected and the alternate accepted because the p-value of 0.001 shown in Table 4.3.3 is less than 0.05. The null hypothesis is further rejected because the t-cal value of 3.349 is greater than the critical value of t which was 1.984. In addition, a standardized Beta coefficient of 0.267 indicates a positive relationship between the variables. Therefore, Perceived ease of tax fairness has a significant positive relationship with tax collection efficiency in Akwa Ibom State.

Discussion of findings

Knowledge of tax obligations and tax collection efficiency

The study reveals that knowledge of tax obligation has a significant relationship (Coeff. =0.171{0.035}) with tax collection efficiency in Akwa Ibom State. This means that as individuals have a better understanding of their tax obligations, there is a corresponding improvement in tax collection efficiency. A percentage (1%) increase in knowledge of tax obligations signifies an increase in tax revenue collection efficiency by approximately 0.17%. This implies that efforts to educate taxpayers about their obligations can lead to more accurate reporting and timely payment of taxes. It also suggests that providing clearer information to taxpayers can have a positive impact on tax revenue generation in Akwa Ibom State. This aligns with the findings of Aliyu & Igbokwe-Ibeto (2019), Adeleke & Abdullahi (2022) and that of Galadanci, *et al.* (2018) which documented that taxpayers' knowledge of tax obligations positively affects their compliance behaviour. Galadanci, *et al.* (2018) further stressed that many taxpayers may not be fully aware of their tax obligations due to limited taxpayer education and awareness programs. This lack of knowledge can lead to unintentional non-compliance or underreporting of income, negatively impacting tax collection efficiency.

Perceived ease of tax procedures and tax collection efficiency

The research findings revealed that perceived ease of tax procedures has a positive significant relationship (Coeff. =0.228{0.005}) with tax collection efficiency in Akwa Ibom State. This suggests that when taxpayers perceive tax filing processes as easier and more user-friendly, it positively affects tax collection efficiency. This implies that simplifying tax procedures and making them more accessible can encourage taxpayers to comply willingly. It also indicates that efforts to streamline tax processes can contribute to the effectiveness and efficiency of tax revenue generation in Akwa Ibom State. This is however in line with the findings of Ogbonna & Appah (2020) which found out that perceived ease of tax procedures significantly

influences individual taxpayers' compliance behaviour in Akwa Ibom State. This validates the fact that improving the efficiency and effectiveness of tax procedures, such as simplifying forms and introducing electronic filing options, can enhance taxpayer compliance and contribute to improved tax collection efficiency.

Perceived ease of tax fairness and tax collection efficiency

The research findings also revealed that perceived ease of tax fairness has a positive significant relationship (Coeff. =0.267{0.001}) with tax collection efficiency in Akwa Ibom State. This means that when taxpayers perceive the tax system as fair and equitable, it has a positive impact on tax collection efficiency. A one unit change in the perceived ease of tax fairness signifies an improvement in the perception that tax burdens are distributed fairly and leads to a 0.267 unit increase in tax collection efficiency. This implies that ensuring a fair taxation system where everyone feels that their contributions are justly allocated can foster compliance and increase tax revenue generation in Akwa Ibom State. This is in consonance with the findings of Adeyemo and Salawu (2017). Adeyemo & Salawu (2017) found that taxpayers' perception of tax fairness significantly influences their compliance behaviour in Akwa Ibom State. Thus, ensuring fairness in the tax system and addressing concerns related to equity and transparency can positively impact tax collection efficiency.

SUMMARY, CONCLUSION AND RECOMMENDATION

This study summarizes the research findings, gives recommendations and suggestions for further studies and contributions to knowledge.

Summary of findings

This study examined the relationship between tax payers' compliance behaviour and tax revenue generation in Akwa Ibom State. Below is a summary of this present study's key findings;

1. Knowledge of tax obligation has a positive significant relationship (Coeff. =0.171{0.035}) with tax collection efficiency in Akwa Ibom State.
2. Perceived ease of tax procedures has a positive significant relationship (Coeff. =0.228{0.005}) with tax collection efficiency in Akwa Ibom State.
3. Perceived ease of tax fairness has a positive significant relationship (Coeff. =0.267{0.001}) with tax collection efficiency in Akwa Ibom State.

Conclusion

Based on the analysis of variance (ANOVA), the F-change test suggests that the model is statistically significant (p-value = 0.000<0.05). This implies that the joint effect of the explanatory variables (knowledge of tax obligation, perceived ease of tax procedures and perceived ease of tax fairness) is statistically significant. In view of this, it is however concluded that tax payers' compliance behaviour plays a significant role in enhancing tax revenue generation in Akwa Ibom State.

Recommendations

Based on the findings gathered from this study, it is recommended that:

1. Tax authorities in Akwa Ibom State should invest in training campaigns to improve taxpayers' knowledge and understanding of their obligations. This should include workshops, seminars, and easily accessible information resources to ensure taxpayers are well-informed about their

responsibilities.

2. Tax authorities should ascertain the relationship between perceived ease of tax procedures and tax revenue efficiency by streamline and making the tax filing process to be simple for tax payers. This can be achieved by creating user-friendly online platforms, providing clear instructions, and reducing unnecessary complexities.
3. Tax authorities should assess the relationship between perception of tax by prioritize fairness and equity in the tax system. To ensure that transparency in the allocation of tax burdens will encourage voluntary compliance leading to improvement in tax collection.

Suggestion to further studies

Considering the context and findings of this study, other researchers are suggested to;

1. Explore that there are roles of tax incentives in enhancing tax compliance and revenue generation in Akwa Ibom State.
2. Assess the effectiveness of technology in tax administration. This could include studying the effectiveness of online tax filing systems, electronic payment options, and data analytics
3. Analyze the influence of social factors on tax compliance: Understanding the social dynamics surrounding tax compliance is crucial. Future studies could investigate the influence of factors such as social norms, peer pressure, and public perception on taxpayers' compliance behaviour.

Contribution to Knowledge

This research contributes to the existing body of knowledge by highlighting the importance of knowledge, procedural ease, and fairness in influencing tax compliance behaviour and tax revenue generation in Akwa Ibom State. Results suggest that taxpayers have inadequate technical knowledge and perceive tax system as complex. Tax knowledge and tax complexity are viewed as contributing factors towards non-compliance behaviour among taxpayers. These findings will guide policymakers and tax authorities in developing effective strategies to enhance tax collection efficiency and contribute to the overall development of the country.

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