Mechanism of Local Revenue Collection and Their Implication for Effective Public Administration in Selected Municipalities

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ABSTRACT

Two municipalities in the province of Laguna, Philippines namely Nagcarlan and Rizal, were compared to investigating the mechanisms of local government revenue and their effectiveness on public services. Using a random selection approach, one hundred (100) respondents from government offices (15 each municipality) and citizens knowledgeable in revenue collection (35 each municipality) answered the validated survey questions. Statistical analysis ($p \leq 0.01$) reveals that the mechanisms of local government revenue collection in terms of tax assessment and billing system, payment collection mechanisms, monitoring and auditing mechanisms, ease of technology and data management and enforcement and compliance mechanisms show a very high positive implementation. On public services specifically on the revenue income, service delivery effectiveness, transparency and accountability and administrative responsiveness, a very high positive implementation was also concluded indicating similarities on the approaches to delivering public service using the collected local revenue of the two municipalities. The two municipalities have moderate correlations in all factors of mechanisms of LGRC and efficient public service. The use of technology and data management system is recommended to increase satisfaction in delivering efficient public services.

Keywords: LGRC, local revenue, public service, local government revenue collection mechanism

The Problem and Its Background

INTRODUCTION

The local revenue collection and its mechanisms such as tax assessment and billing system, payment collection mechanisms, monitoring and auditing mechanism, ease of technology and data management and enforcement and compliance affect the public administration in local government. There are various mechanisms that play vital role in revenue collection in the community such as legal and regulatory frameworks, administrative efficiency, technological adoption and socio-political factors to deliver better public service. The effective local revenue collection is crucial in establishing stable financing public service and development, thus enhancing local government autonomy. (Mgonja & Poncian, 2018). In the Philippines, these mechanisms of collection are enforced by the local treasury's office where internally sourced revenue and externally sourced revenue are facilitated. Internally sourced revenue consists of realty property tax, local business tax, fees and charges and receipts from economic enterprises. More so, externally sourced revenue consists of national tax allotment (NTA) and special laws, grants and aids.

The local government revenue collection (LGRC) is the grassroot activity allowing fiscal sustainability, local tax policies' change, budget allocation and budget efficiency that will result in benefiting the community. This further directly links enhanced service delivery, reduced dependency on central government fundings, fiscal autonomy, governance and public trust, financial stability and debt management. Understanding the mechanisms on revenue collection can allow great public service to play a vital role in transforming lives. Examining these factors can greatly contribute to municipalities such as Nagcarlan and Rizal in Laguna Philippines, where each urbanization resides with rural communities are evidently co-interact. This understands the gaps in how traditional processes in collecting revenues and emerging technologies can harmonize the delivery of public services. Thus, this research examined the co-interacting factors affecting the local government revenue collection and presents new insights into how LGRC mechanisms such as tax assessment and billing system, payment collection mechanisms, monitoring and auditing mechanism, ease of technology and data management and enforcement and compliance affects factors such as public service perception and collection efficiency between and within municipalities of Nagcarlan and Rizal.

Background of Study

Local government globally experiences challenges relating to local revenue collection and its mechanisms. One study from the Philippines concluded the efficiency of revenue management greatly play vital role in improving the public services. It further clarifies that revenue generation was affected by collection strategies, staff development and learning and revenue monitoring (Bayona and Ballados, 2025). This is further studied in Tanzania, where it was agreed that revenue management coupled with forecasting greatly affects the revenue collection efficiency of an LGU. Understanding revenue management, efficient mechanisms in collecting these revenues must be reinforced. With the growing demands of the community to LGU, especially delivering trust, the autonomy of collecting revenue empowers activities and projects of LGU to be successful. With scaled-up collections of revenue, officials can explore new guidelines and policies for health, food and other provisions for the community.

Municipalities of Nagcarlan and Rizal in Laguna Province, Philippines are densely populated municipalities with rural communities. The two municipalities are geographically neighboring, thus culture and economic status between communities are almost similar. This means that their technological adoption and traditional transaction in revenue collection is both existing and considered. These two municipalities are bound by local constraints such as infrastructure needs improvement, health access and education. These realities on revenue management and collection can present new insights into new approaches in upscaling collected revenue, thus improving public service.

Theoretical Framework

The study on the mechanisms of LGRC is anchored on fundamental considerations regulatory frameworks, administrative efficiency, technological adoption and socio-political factors. Framework that emphasized localized decision-making processes on public fund management through participative coordination with the public is the baseline theory of this study. This is presented in the Public Choice Theory, allowing mechanisms of LGRC to be defined by the local government official, as they were voted by the public to comprehend enhancement of local public service and trust.

Thus, to improve such service and trust, the grassroot activity of revenue collection is a key factor to be reinforced. This further improved through the Revenue Enhanced Model (REM) defined by Akapelwa & Mwange (2023). The REM focused on the strategies to maximize the revenue collection of a LGU, especially by identifying new revenue resources, collection efficiency and compliance with revenue collections among constituents. Budgetary Incrementalism theory, on one hand, states that even though local governments may have some discretion in making budgetary decisions, often such budgets result merely from increments to prior allocations or conditional grants obtained from higher levels of government. The Local Tax Competition Theory helps to delineate that local governments set their tax rates in a way to tempt businesses and residences to locate within their jurisdictions because their revenue base and financial health depend directly on the magnitude of those decisions.

The Theory of Taxation and Public Service Provision establish the direct linkage of local tax revenues to the quantity and quality of public services implemented. As local tax revenues increase, local governments can fund better infrastructure, education, health, and other essential services that positively affect community welfare and property values (Grodecka, 2019). This theoretical framework guides this study by providing the all-inclusive basis on which the research analyzes how local tax policies affect budgetary outcomes and the capacity of local governments to deliver public services.

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Conceptual Framework

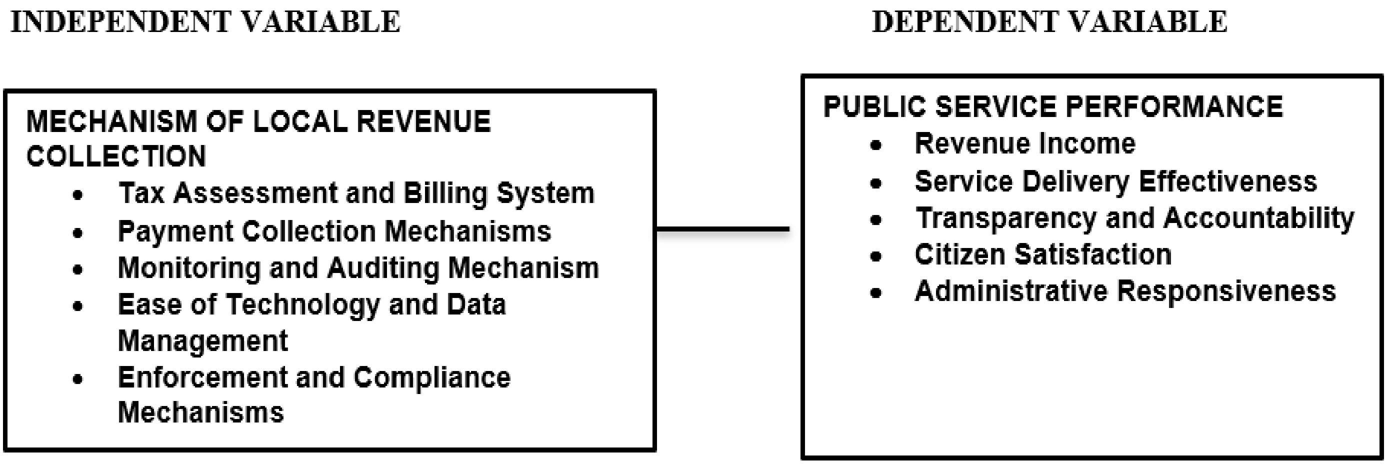

Figure 1. Relationship between mechanisms of local government revenue collection (independent variables) and public service performance (dependent variables), and the co-interactions and relationship.

This framework depicts how mechanisms of LGRC affect public service performance of a LGU (Fig. 1). It provides structured study approach in understanding how financial governance directly impacts policy that provides adequate service to the community. Independent variable is the mechanism of local revenue which include tax assessment and billing systems, payment collection, monitoring and auditing, ease of technology and data management and enforcement and compliance. More so, dependent variable consists of the factors in public service performance such as revenue income, service delivery effectiveness, transparency and accountability, citizen satisfaction and administrative responsiveness. This framework is based on the collective observations of earlier studies where a direct correlation between the mechanisms of local revenue collection and public service performance was further to evaluate (Hyera et al., 2025, Bayona and Ballados, 2025).

Statement of the Problem

This research study aimed to determine how local revenue collection mechanisms do may affect effective public administration in local governments.

Specifically, it sought to answer the following questions.

1. What is the status of the current mechanisms of local revenue collection in Rizal, and Nagcarlan in terms of:

1.1 Tax Assessment and Billing System;

1.2.Payment Collection Mechanisms;

1.3.Monitoring and Auditing Mechanism;

1.4.Ease of Technology and Data Management; and

1.5.Enforcement and Compliance Mechanisms?

2. What is the level of public service performance of LGRC in terms of;

2.1. Revenue Income;

2.2. Service Delivery;

2.3. Transparency and Accountability;

2.4. Citizen Satisfaction; and

2.5. Administrative Responsiveness?

3. Is there a significant difference between current mechanisms of local revenue collection of Rizal and Nagcarlan?

4. Is there a significant difference between the public service performance of Rizal and Nagcarlan?

5. Is there a significant relationship between the mechanisms of local government revenue collection and the performance of the public service of the Municipality of Rizal and Nagcarlan?

Hypotheses

This study tested the following hypothesis.

There is no significant difference between mechanisms of local revenue collection of the municipality of Rizal and Nagcarlan.

There is no significant difference between the public service performance of the municipality of Rizal and Nagcarlan.

There is no significant relationship between mechanisms of local revenue collection and the public service performance of the municipality of Rizal and Nagcarlan.

Significance of Study

This research is significant for several reasons.

For the Community

This study allows clear understanding of the efficient mechanisms of local revenue collection and how different factors influence the quality of public services and how these allocated funds for public trust and service may be enhanced.

For Local Government Units

The research provides new and valuable insights to the local government officials about the effects and efficiencies of mechanisms in local revenue collection. This will offer opportunities to review the mechanisms of LGRC in local revenue collection, improving robustness and efficiency in collection.

For Future Researchers

The study serves as new addition to research knowledge and research to enhance the current insights into the mechanisms of local government revenue collection. It is intended to share data for academic and socio-economic research in similar settings of research and development.

For Students and Faculty

This research is beneficial as an addition to new learning approaches in assessing the mechanisms of local government revenue collection. This serves as a tool for professors, teachers, educators and students in practical exams and discussions related to public service and administration.

Scope and Limitation of the Study

This study examined the mechanisms of local government revenue collection in two municipalities in Laguna, Philippines, namely Nagcarlan and Rizal. This will cover identification of demographic profiles of selected

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taxpayer respondents and LGRC staff to identify the gaps, challenges and opportunities in the mechanisms of LGRC. The mechanism of the two municipalities will be evaluated and presents a survey method approach to understand the needs and improvement of the current mechanisms used in the two municipalities. Furthermore, an analysis into the effects of LRGC in the municipality and between municipalities will be looking into.

Limitations

The study was limited to two municipalities, namely Nagcarlan and Rizal only. These municipalities are all located in Laguna Province, Philippines; thus, the findings may be used as an insight of other LGUs, however all observed findings may not be suitable, replicable, applicable and generalizable to other municipalities with different socio-economic contexts and fiscal environments. Thus, this study does not examine the settings of highly urbanized communities. As described, the municipality being observed is composed of rising urbanization but mostly interact with rural communities. The researcher only focused on using standard calculated sample size, acceptable for statistical analysis while ensuring replicability and representativeness of used sample.

Definition of Terms

This describes the key operational elements of the study. It provides precise textual description of words and terms that distinguish it from other concepts.

Administrative Responsiveness. It tells how fast and effective government officials respond to a concern or need of the citizen.

Billing System. It is defined as the process tracking and managing the client's payment, in relation to their paid local government revenue

Budget Utilization. It refers to the effective use of public funds for projects, programs and activities of local government units in the Philippines. It measures how much of the approved budget was properly spent relative to the total allocated amount on a municipality.

Citizen Satisfaction. It refers to the level of how pleased citizens are, relating to a process or public service.

Ease of Technology and Data Management. It is the process to use technological advancement to the LGRC process and improve its data collection and processing, thus improving public service.

Enforcement and Compliance Mechanism. It refers to the act or process of ensuring individual and or entities are following implementing rules and regulations relating to LGRC.

Local Governance. It refers to the local level management of public services and affairs. It governs and delivers essential public trusts such as public safety, sanitation, education, infrastructure and others.

Local Government Unit. It is a political and administrative unit of the Philippines that has the power on legislative, fiscal and executive activities in a specific geographical location such as specific municipalities.

Monitoring and Auditing. These are combinatorial process in LGRC, where it is designed to identify changes and deviation in revenue collection and verify the compliance and ease of implemented process.

Payment Collection. It is the action of receiving funds owed to taxpayers for public goods and services.

Public Service. It is an action provided to the community by the government or official body encompassing but not limited to healthcare, law protection, transportation and other. This act is mainly funded by tax and revenues.

Revenue Adequacy. It refers to the capacity of a local government or organization that meets its expenditure requirements and effectively provides public goods and services by generating sufficient funds by revenue collection.

Revenue Income. It refers to the process of acquiring taxes and other payments in the government. The acquired revenues will be processed as public service funds.

Service Provision. It refers to the delivery of public services that caters to the needs of the community. Service provision ranges from basic utilities to advanced utilities such as government investments that will result to promulgation of local funds.

Tax Assessment. It is the process of value assets of an individual in an LGU. This may also encompass the taxpayers calculated final liabilities.

Transparency and Accountability. It is the act of being honest and clear to a processing of information or revenue and upholds responsibility to the actions and the willingness to justify them.

RELATED LITERATURE AND STUDIES

The effectiveness of internal control systems significantly affects the collection of revenue in local governments. This is a critical factor in determining financial performance and transparency in accountability within the public administration. Poor internal controls are directly associated with major challenges of revenue collection that relate to inefficiency, fraud, and inconsistent reporting, as evidenced in LGAs in Tanzania (Hyera et al., 2025).

Precisely, strong internal control systems enhance revenue collection through several measures. First is the increase in efficiency in tax administration systems. Strong internal controls ensure that processes such as tax compliance, taxpayer registration, and audit effectiveness are closely monitored and implemented. If these components are properly instituted, the local government could identify more taxpayers, more accurately assess liabilities, and enforce better collections (Oladimeji, 2023). Conversely, weak internal controls create weaknesses which could easily be manipulated to result in leakages and underperformance (Hyera et al., 2025).

For instance, a study on selected LGUs in Tanzania such as Mbeya, Mwanza, and Manyara examined the impact of internal control systems on revenue collection performance based on a cross-sectional survey design from 400 respondents. The study found that internal controls inadequacies are some of the problems that lead to difficulties in revenue collection (Hyera et al., 2025). Also, at Choma Municipal Council, the effectiveness of the framework for revenue collection at the local government level, which is instituted through the formulation and enforcement of revenue collection by-laws, depends largely on the soundness of its internal controls in meeting challenges in collection (Mabhena & Chibomba, 2025).

Besides the traditional approaches, the adoption of technological systems for collecting revenues also calls for effective internal controls. While successful implementation of e-payment gateways and LGRCIS improves revenue generation, it is only possible when supported by effective internal control frameworks that avoid the risk of introducing new vulnerabilities. For example, the evaluation of LGRCIS success in Tanzania, in an adapted form of the DeLone and McLean model, found system quality, information quality, and service quality-all based on effective internal controls-necessary for realizing intended impacts on revenue collection (Sausi et al., 2021). In the same way, the contribution of SCT to government revenue performance, as explored for U.S. local governments, depends on effective management and internal oversight for tangible revenue effects to be realized from technological commitment and engagement (Nukpezah et al., 2022).

In addition, in developing countries, outsourcing revenue collection has been adopted to address the inadequacy of financial resources; this process requires tight internal controls for accountability and transparency for the purpose of overcoming corruption. While an approved budget may enhance the performance of outsourced revenue collection, its management, as illustrated in a case study in Iringa Municipal Council, Tanzania, requires heavy internal control measures to protect public funds and ensure effective and efficient collection (Mgonja & Poncian, 2018).

The implications of effective internal control systems for the effectiveness of public administration are three-fold: Improved Financial Performance and Sustainability: The efficient internal controls spur increased revenue collection for local governments; this, in turn, allows the requisite financial wherewithal to implement fundamental public services, develop infrastructures, and regulate environmental standards (Hyera et al., 2025, Mgonja & Poncian, 2018). It has a fiscal decentralization effect on the ability of local entities to optimize spending and achieve financial self-sufficiency (Mgonja & Poncian, 2018b). In fact, without sufficient revenue, fiscal stress will arise, threatening lower economic growth and deteriorating environmental quality brought about by losses of technical and specialized efficiency in operations (Hyera et al., 2025).

Improved Transparency and Accountability: Efficient internal controls ensure transparency in financial operations; hence, tracking receipts and spending is easily achieved. This instills public confidence and helps keep governments accountable for the management and spending of public money for the highest order of government and for socio-economic development. Reduced fraud and misappropriation: Internal controls, through the establishment of procedures, segregation of duties, and monitoring mechanisms, significantly reduce the opportunities for fraud and misappropriation of public funds. Protection of assets is a key issue in maintaining financial integrity and securing public confidence. Better Decision-Making: Accurate and reliable financial reporting, as a result of internal controls, is what allows local government administrators to make informed decisions when it relates to budgeting, resource allocation, or strategic planning. (Hyera et al., 2025) The government would then be allowed to make better priorities and respond to needs within the community.

Improved Public Trust and Compliance: Citizens will tend to have greater trust in local government and perhaps improve voluntary compliance if processes are perceived as fair, transparent, and well managed. Conversely, when trusting relationships are broken because of a lack of control, compliance may suffer and often requires more coercive enforcement (Oladimeji, 2023). In short, effectiveness in internal control systems is not only an operational matter but a cornerstone upon which effective public administration in local governments stands. This affects revenue collection performance, from which follows the ability of a local government to deliver services, ensure financial health and transparency, create public trust, and contribute to local development in a sustainable way (Hyera et al., 2025, Oladimeji, 2023, (Mgonja & Poncian, 2018).

The effectiveness of tax assessment and billing systems is foundational to local revenue generation. These systems encompass processes for identifying taxpayers, accurately assessing their tax liabilities, and generating timely billing notices**.** An integrated revenue administration system, which includes tax compliance, taxpayer registration, and audit effectiveness, is vital for improving overall revenue performance (Oladimeji, 2023). The challenges in revenue collection within Local Government Units (LGUs) in Tanzania are often attributed to inadequate internal controls within these assessment systems, leading to inefficiencies and inconsistent reporting (Hyera et al., 2025).

Modern assessment and billing systems increasingly integrate technological solutions. Local Government Revenue Collection Information Systems (LGRCIS) and e-payment gateways, for example, have the potential to enhance revenue generation by improving data quality and system quality, which are essential for accurate assessment and transparent billing (Kapongo & Mutalemwa, 2024, Sausi et al. 2021). The success of such systems, however, relies on factors like information quality and service quality, ensuring that the data used for assessment is accurate and that users can effectively interact with the system (Sausi et al. 2021). Moreover, digital tax administration has been shown to enhance tax collection efficiency and compliance by reducing tax evasion, particularly in regions that embrace these technologies (Nukpezah et al., 2022).

Efficient payment collection mechanisms are the conduits through which assessed revenues are actualized. These mechanisms must be accessible, transparent, and secure to facilitate timely payment and reduce opportunities for fraud. Traditionally, payment collection involves in-house processes, but many local governments, especially in developing countries, are increasingly turning to outsourcing to address financial resource inadequacies (Chindengwike et al., 2021).

The most common key payment collection mechanisms include direct in-house collection, technological payment systems and outsourcing. The direct in-house collection collects directly using its staff. Although it permits direct control, it can be inefficient and highly vulnerable to fraud if internal controls are weak (Hyera et al., 2025). The efficiency of such a mechanism is directly proportional to the structure of internal control systems that exist within the local government, including things like separation of duties, accurate record-keeping, and reconciliation on a routine basis. There are also emerging approaches in tax collection such as use of technological payment systems. The most common is the use of E-payment gateways to facilitate collection. The implementation of government e-payment gateways (GePG) has significantly enhanced revenue generation for central government authorities (Kapongo & Mutalemwa, 2024). These systems streamline payment processes, offering convenience to taxpayers and improving the speed and reconciliation of payments. However, LGAs may face specific challenges in adopting and effectively implementing these technologies.

The use of smart city technologies (SCT) also offers new technological advancements in revenue collection. Engagement with SCT has been investigated for its potential to contribute to government revenue performance in US local governments. These technologies can indirectly improve collection by enhancing overall urban management efficiency and by providing data-driven insights (Nukpezah et al., 2022). Outsourcing Revenue Collection: This mechanism involves contracting external entities to collect revenue on behalf of the local government. It can be an effective strategy for overcoming limitations in internal capacity or resources. However, successful outsourcing requires rigorous oversight, clear contractual agreements, and robust internal controls to prevent corruption and ensure accountability. A case study in Iringa Municipal Council, Tanzania, emphasized the importance of managing outsourced relationships with strong internal control mechanisms to safeguard public funds (Mgonja & Poncian, 2018). The approved budget also plays a role in promoting the performance of outsourced revenue collection.

Effective monitoring and auditing mechanisms form indispensable parts of local government revenue collection systems; these strengthen accountability, ensure more transparency, reduce fraud, and curb inefficiencies. This is important in maintaining the integrity of the financial processes, thereby boosting overall revenue performance, key for funding public services and the achievement of sustainable local development (Hyera et al., 2025, Oladimeji, 2023).

Local government revenue collection was monitored through different approaches. One of these approaches is performance tracking in real time. With the use of technology, modern local government revenue collection information system (LGRCIS) and e-payment gateways allow for real-time tracking of the inflow of revenues (Kapongo & Mutalemwa, 2024). This assists the local government to monitor the trends of collections, quickly identify any discrepancies, and evaluate the various strategies of collection 4. Data quality and system quality are critical to effective monitoring (Sausi et al., 2021). The compliance monitoring approach is also used by LGU where continuous process of checking tax compliance was done to ensure that taxpayers are in conformity with regulations and duties, is a core function. Such monitoring must cover taxpayer registration, filing patterns, and payment history for any indications of possible non-compliance or evasion. The internal control performance can also be conducted to established internal controls need monitoring. Additionally, it should be checked that duties are well segregated, the transactions are correctly authorized, and reconciliation procedures followed to prevent errors or reduce the risks of fraud. Inadequate internal controls have been identified as one of the major challenges in revenue collection that has contributed to inefficiencies and inconsistent reporting in LGUs (Hyera et al., 2025). Budgetary control involves checking the actual revenue collected against the approved budget by local governments as a basis for monitoring their financial performance and targets; hence, making any necessary adjustments in spending plans. This approach ensures that revenue targets are indeed achieved and provides early warnings when there are shortfalls. On the contrary, auditing mechanisms involves the independent and systematic examination of financial records, operations, and internal controls to determine whether they are accurate, reliable, and in compliance with laws and regulations. Auditing acts as an important safeguard against mismanagement and corruption.

The integration of technology and robust data management practices significantly enhances the local government revenue collection, though their ease of adoption and effectiveness are influenced by several factors, including existing infrastructure, administrative capacity, and the specific technological solutions deployed (Kapongo & Mutalemwa, 2024). Generally, digital transformation initiatives are increasingly recognized for their potential to improve efficiency, transparency, and compliance in fiscal matters. Technology and effective data management practices have greatly enhanced local government revenue collection by improving efficiency, enhancing transparency, and increasing compliance (Itoe et al., 2023). For this reason, digital transformation addresses historical challenges such as manual errors, revenue leakages, and inadequate financial resources (Hamad et al., 2023). The core ease derived from technology adoption is rooted in streamlined processes, improved data accuracy, and enhanced analytical capabilities that collectively optimize the revenue cycle, from billing to enforcement (Sausi et al., 2021).

One of the main advantage is the improvement in efficiency with regard to tax billing and collection. For example, in Ghana, a new revenue collection technology allowed revenue collectors to deliver 27% more bills and collect 103% more tax, mostly property tax, reflecting significantly improved collection rates. Likewise, the integration of electronic revenue collection systems in Tanzania, like those implemented in Kinondoni Municipal, has improved compliance and increased revenues for that municipality (Tanzania et al., 2021). These systems may include POS terminals that track cash flow, transactions, and price control, with minimal human error. But the vulnerability of these POS systems to problems such as fake receipts brings into question the robustness of the security measures that are utilized (Njogela et al., 2022).

Digitalization has also been instrumental in the modernization of tax policies and administration. Online-based policies for local tax and retribution collection, as implemented for the Kolaka Regency in Indonesia, have been effective in promoting efficiency, transparency, and accountability (Said et al., 2024). It is further exemplified by the digitization of the administration of Land and Building Tax-PBB in Palembang, marking a monumental step toward the modernization of local tax policies that improves compliance by the public and increases revenue potential (Mandiri et al., 2024). Further, in regions such as Jombang Regency in Indonesia, the application of Geographic Information Systems - GIS and E-SPOP has been very helpful in increasing regional fiscal governance and collection of tax data (Nisa et al., 2025). These applications present geo-data on rateable properties, which is fundamental to the management of property rates, a major and stable source of revenue for local governments.

In addition, technology adoption facilitates better data management; this, in turn, is critical to informed decision-making and the prevention of revenue leakages. Data science for local government encompasses new decision-making and analytical techniques, including machine learning and predictive analytics, with expanded data varieties. Machine learning algorithms can be used in the segmentation of taxpayers, enhancing the accuracy of specifying the high-risk debtors, which increases the efficiency of tax debt collection (Ourdani et al., 2023). Success in implementing LGRCIS in other studies depends on system quality, information quality, service quality, and satisfaction of users. The system automates operations and offers management with useful data; however, challenges in implementation and data governance remain an issue.

Despite these undeniable benefits, the ease of technology and data management does not come without challenges. Several issues that local governments face include things like inadequate infrastructure, a lack of skilled personnel, and cybersecurity risks. Data governance-continuously a problem, especially in local government organizations-is best described as a collective action problem, which makes mobilization of a whole organization to implement data governance very difficult. While generally beneficial, the implementation of e-government services requires a user-centered design approach, especially in multilevel government settings. Under-resourcing and a lack of adequate training for internal auditors could undermine the effectiveness of internal audit procedures in establishing revenue leakages, even in the presence of enabling technological environments. Some studies also show that although technology improves revenue collection, it does not automatically lead to better performance in revenue when barriers to commitment and engagement with smart city technologies arise (Nukpezah et al., 2022). Mobile payment systems, IT training, e-government platforms, and cybersecurity measures have been recognized as key factors affecting revenue collection in county governments in Kenya 2021 (Ayieko & Cherono, 2024). The open data regulations will have an impact on the ability of local government authorities to collect and reuse data, hence prompting various products and services based on artificial intelligence. In sum, technological innovations and an appropriate data management strategy have substantially smoothed and strengthened the collection of revenues of local governments by automating processes, enhancing data quality, and advancing analytic competencies. However, to succeed, deeper infrastructure, human capacity, data governance, and cybersecurity issues must be resolved to capture all the potential benefits.

Effective enforcement and compliance mechanisms are central to successful revenue collection within local government, forming the backbone of fiscal governance and sustainability. The mechanisms include several strategies, from legal frameworks and administrative procedures to technological interventions and public engagement, in the quest to enhance revenue fairly and transparently (Mabhena & Chibomba, 2025). Problems in this area largely arise from resource deficiencies, which are compounded by persistence with methods that have outlived their usefulness and by inadequate capacity building-particularly in developing contexts (Hamad et al., 2023).

One key area in enforcement is the establishment and effective implementation of by-laws relating to revenue collection**.** This legal framework outlines the area of charge, liability, and penalties; thus, it gives the local authority a clear mandate. For example, research into municipal councils identifies the need to determine the efficiency of these by-laws and the extent to which they are being implemented (Mabhena & Chibomba, 2025). The potential for a local government to enforce such can be traced to its ability to amass sufficient financial resources for development functions (Mgonja & Poncian, 2018).

Local governments become financially sustainable, with resources for core services, infrastructure development, and environmental regulation. Risk mitigation through continuous monitoring and periodical audits helps to identify and mitigate financial, operational, and compliance risks associated with revenue collection (Hyera et al., 2025). This proactive approach protects public assets and prevents financial losses resulting from fraud or errors.

The improved financial accountability and transparency affect public service. Thus, through efficient LRGC, strong monitoring and auditing ensure that the collection, management, and use of public funds become transparent and utilizable in maximum. Accountability to citizens and other stakeholders thereby follows, and the scope for corruption or mismanagement gets constricted (Hyera et al., 2025). Revenue collection frameworks, if effectively enforced, as studied in the case of Choma Municipal Council, gain public confidence in the government (Mabhena & Chibomba, 2025). Improved Revenue Performance and Financial Sustainability: In identifying inefficiencies, preventing leakages, and ensuring compliance, the mechanisms directly contribute to improved revenue collection performance (Oladimeji, 2023).

Accurate and reliable financial data, validated through monitoring and auditing, assures local administrators of the information required for sound budgeting, resource allocation, and strategic planning (Hyera et al., 2025). For local governments that outsource revenue collection, stringent monitoring and auditing mechanisms become critical to ensure that outsourced entities comply with contractual agreements, prevent corruption, and optimize collection efforts (Chindengwike et al., 2021). In short, monitoring and auditing mechanisms are not simply compliance tools but strategic instruments underpinning the effectiveness and legitimacy of local government revenue collection. They introduce the necessary checks and balances that guarantee financial integrity, optimize revenue generation, and finally contribute to enabling the capacity of local governments to deliver on their mandate for public service and development.

Even with advanced systems, some external factors introduce volatility. For example, there is huge volatility in sales tax revenue in cities due to late payments. Tax collection from the informal economic sphere presents peculiar challenges; hence, innovative digitalization frameworks must be developed to enhance efficiencies. Impact of Local Government Debt and Fiscal Management Local government fiscal stress as often portrayed by rising levels of debt may impact tax enforcement strategies (Oladimeji, 2023, Sausi et al., 2021). In a situation of fiscal stress, the local government may opt to enhance tax collections, and this process may influence corporate entities through increased financial burdens.

RESEARCH METHODOLOGY

This chapter includes research design, the subject of the study, population and sampling techniques, data gathering procedures, research instruments, and statistical treatment.

Research Design

The research design of the study on the mechanism of local government revenue collection using descriptive correlational design with a cross-sectional survey approach. This research design allowed the mechanism of local revenue collection and effectiveness of public administration to be assessed at a point in time without changing any variables. The descriptive nature of the study investigated the relationship that may exist among such variables through quantitative data collected using questionnaires.

The quantitative correlational part of the design assessed these relationships and effects statistically, using such methods as correlation and regression analysis. The strength of this design yielded a clear understanding of just how mechanisms of local revenue collection influence public service delivery and allowing hypothesis testing regarding the stated relationships and impacts.

Overall, this approach aligns with the objectives of the study in determining the status, perceptions, and the significant relationships and effects among elements of public service performance in municipal contexts.

Respondents of the Study

The research was conducted with one hundred (100) randomly selected respondents composed of local assessors and treasurer’s office (30) inclined in revenue collection and randomly selected citizens/taxpayers (70) of Nagcarlan and Rizal municipality in Laguna engaged in the process of paying local government revenues. Respondents from each municipality are equally surveyed (50 each municipality), completing the total number of targeted respondents. A validated survey data collection method was used to gather information from local government officials and employees in Nagcarlan-Rizal municipalities in Laguna.

Sampling Technique

Random sampling techniques were employed in this study. This accounted the probability of samples selected to have equal representation of the member target population achieving the target objectives in analyzing the mechanisms of LGRC. This approach ensures that sample size represents with reliability of results.

The method is widely used for survey approaches and observational studies in reference to the whole population regarding a topic which will be the sampling technique to be used in this research.

For instance, in gathering a public insight, random sampling was employed, further selecting a group of respondents from the population whose views are analyzed and inferred as representative of the whole. Utilizing this, researchers estimated the margin of error and crucial metrics to understand the reliability of results.

Research Procedure

The first phase of the research procedure ensured that ethical approval was obtained from the relevant authorities before conducting the research. Respondents were informed about the purpose of the study, and their consent was sought prior to data collection. During data analysis, confidentiality and anonymity of respondents were maintained throughout the research process.

The researcher made a survey instrument, and it was validated by the experts in the field of Public Administration and the research panel from Laguna State Polytechnic University-Santa Cruz, Campus. Upon completion of the instrument and approval with no longer revisions and clear from various ethical considerations, the researcher sought consent to conduct a study on the local government offices of Nagcarlan and Rizal Laguna. Afterwards, the researcher distributed the research instrument to the randomly selected individuals and employees working in the finance sector and finance related works in the abovementioned municipalities.

The structured questionnaires were distributed to gather quantitative data regarding the municipality’s local government revenue collection activities and development. Moreover, it also included the various challenges faced in terms of funding, local planning, economic conditions and other factors. It assessed the effectiveness of revenue collection, people insights and strategic plans in revenue collection and its development.

Research Instruments

The researcher developed a survey instrument, which was validated by experts in the field of Public Administration and the research panel from Laguna State Polytechnic University, Santa Cruz Campus. research-made instruments as research instruments in the study on revenue collection activities in the municipalities in Laguna namely Rizal and Nagcarlan were effectively utilized.

The identified relevant instruments were adapted to fit the specific context of your study. This involved modifying the instruments by tailoring questions to reflect the needs and context of the study. The survey was further enhanced for both internal and external validation were considered to ensure the instrument is reliable and unbiased. Furthermore, the researcher conducted pilot testing of the instrument. The researcher tested the adapted instrument with a small group of respondents from your target population. This step was done to identify the issues in the research instruments and also helped eliminate confusing data in the survey instrument noted by the respondents. This process aided the researcher in enhancing the instrument for further revisions.

Furthermore, a reliability test was conducted after the pilot testing using Cronbach alpha (Cronbach alpha coefficient of 0.07-1.0 is deemed acceptable) to evaluate the consistency of the instrument. For final and additional instrument reliability, validation was carried out by experts in the field of both external and internal assessment. Once validated, the instrument was to be used for data collection across defined strata (e.g., local government officials) to ensure that stratified sampling was implemented. This was done to guarantee representation from different groups within the target population.

Data Collection

A validated survey instrument was distributed to the respective targeted focal persons inclined in LGRC. Then, samples were also given to randomly selected civil person to answer the questionnaires. Statistical approaches such as descriptive statistics were employed to summarize the demographics and information of the responses such as age group of the respondents and their position (for government employees). Moreso, inferential statistics was employed to compare the relationships between identified variables.

Statistical Treatment of Data

Descriptive statistics were employed to summarize the survey information. A four-point Likert scale was used as measurement of scale in this study. This scale is a psychometric tool, generally employed in surveys to measure respondents' opinions and perceptions without providing neutral options. Most An equivalent verbal interpretation of very high, moderately high, low and very low was assigned to this Likert scale (Table 1).

Table 1. Scale, Interval, Description and Verbal Interpretation of Four-point Likert

Scale	Interval	Description	Verbal Interpretation
4	3.26 – 4.00	Strongly Agree	Very High
3	2.51 – 3.25	Agree	Moderately High
2	1.76 – 2.50	Disagree	Low
1	1.00 – 1.75	Strongly disagree	Very Low

Most Likert scale consist of verbal interpretation such as "strongly agree

or very high and agree or moderately high scales that encourage respondents to express definitive disagreements on a context. Omitting the neutral choice results in more decisive data collection. In processing the collected responses, mean, standard deviation and other statistical methods were reported relating to the mechanisms of local government revenue collection and effective public administration. As addition, t-test, spearman

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correlation coefficient result was analyzed and discussed to characterize strengths and improvement between municipalities of Nagcarlan and Rizal in terms of LGRC. Finally, the significant relationship among the variables was analyzed using the computed p-values with a significant level of 0.01 and 0.05.

Presentation, Analysis and Interpretation of Data

This chapter presents the data gathered about the relationship between mechanisms of local government revenue collection and public service performance, and their co-interactions and relationship.

Respondents Profile and Demographics

The conduct of survey among selected respondents, where it is composed of one hundred (100) randomly selected respondents composed of local assessors and treasurer's office (30) inclined in revenue collection and randomly selected citizens/taxpayers (70) of Nagcarlan and Rizal municipality in Laguna engaged in the process of paying local government were done. Figure 2 showed that in municipality of Nagcarlan, a total of 50 respondents were surveyed composed of mostly from ages 25-below (34%), then ages from 41-45 (16%), followed by ages from 26-30 and 36-40 (both 12%), followed by ages 31-35 and 56-above (both 8%), then ages 46-50 (6%) and of least respondent composition came from ages 51-55 (4%).

Profiling the respondents and their demographics helps in evaluating the confidence of the data being gathered. It also allows the study to demonstrate the limitations of the study results. For instance, in a study conducted by Duque et al. (2021), they were able to find the need of intervention needed by the grouped respondents based on profiling demographics and academic performance.

This also means that adequate insights into the respondents ensure that factors answered by the respondents may build limitations or may increase understanding of the current situation of the topic being observed. This is also true in this study where respondents were profiled, then this affects the resulting data. For instance, the purview on the ease of technology on LGRC or other public service efficiency may differ from the insights of age group or office/ work position.

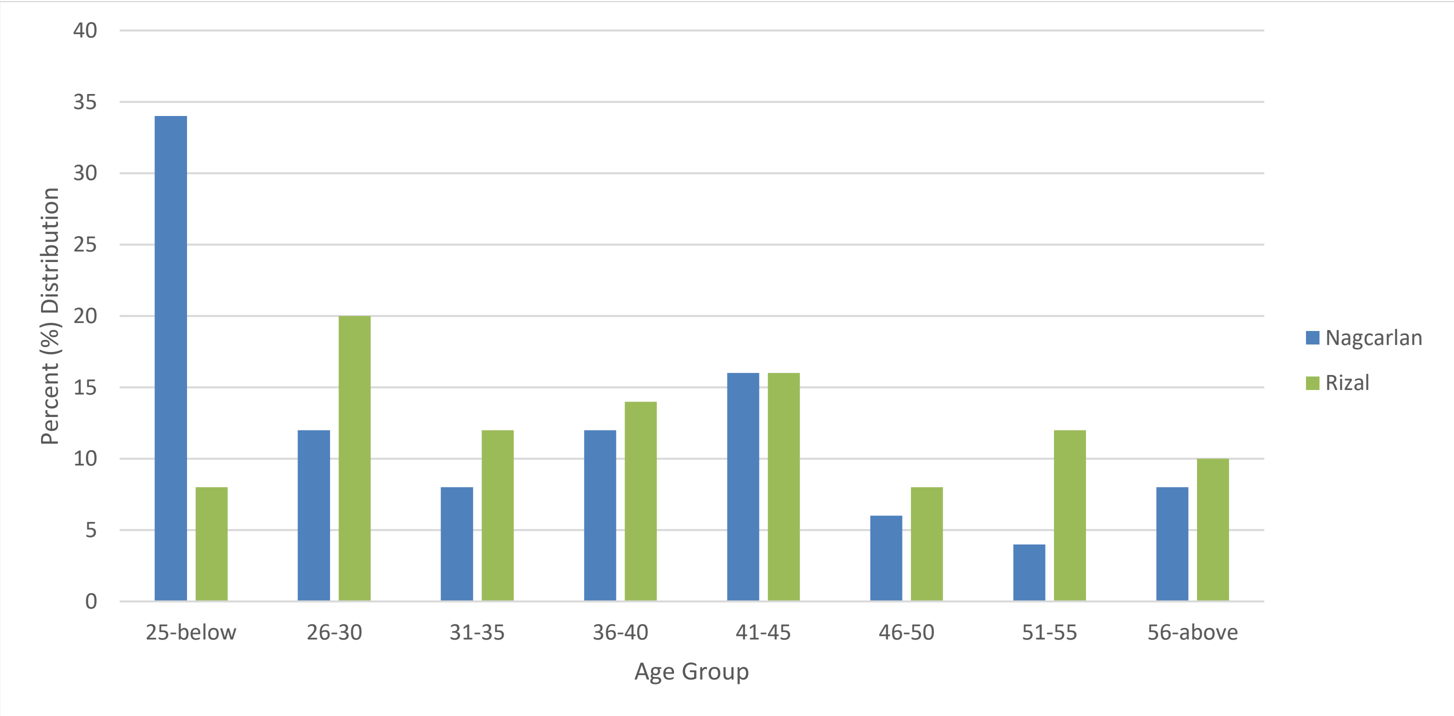

Figure 2. Age group profile of Respondents from Municipality of Nagcarlan and Rizal

Figure 3 shows the position of the government employees being surveyed (n= 15 respondents) in municipality of Nagcarlan are mainly composed of administrative assistants (53.33%), administrative aides (26.67%), department heads (13.33%) and least from administrative officers (6.67%). On the other hand, in municipality of Rizal, a total of 50 respondents were also surveyed composed of mostly from ages 26-30 (20%), 41-45 (16%), 36-40 (14%), followed by 31-35 and 51-55 (both 12%), then 56 above (10%), and least of respondents came from ages 25-below and 46-50 (both 8%) as shown in Figure 2. Moreover, the position of the government employees being surveyed (n= 15 respondents) in municipality of Rizal are mainly composed of administrative aides (66.67%), administrative assistants and administrative officers (both 13.33%) and least respondents from department head (6.67%) as shown in Figure 3.

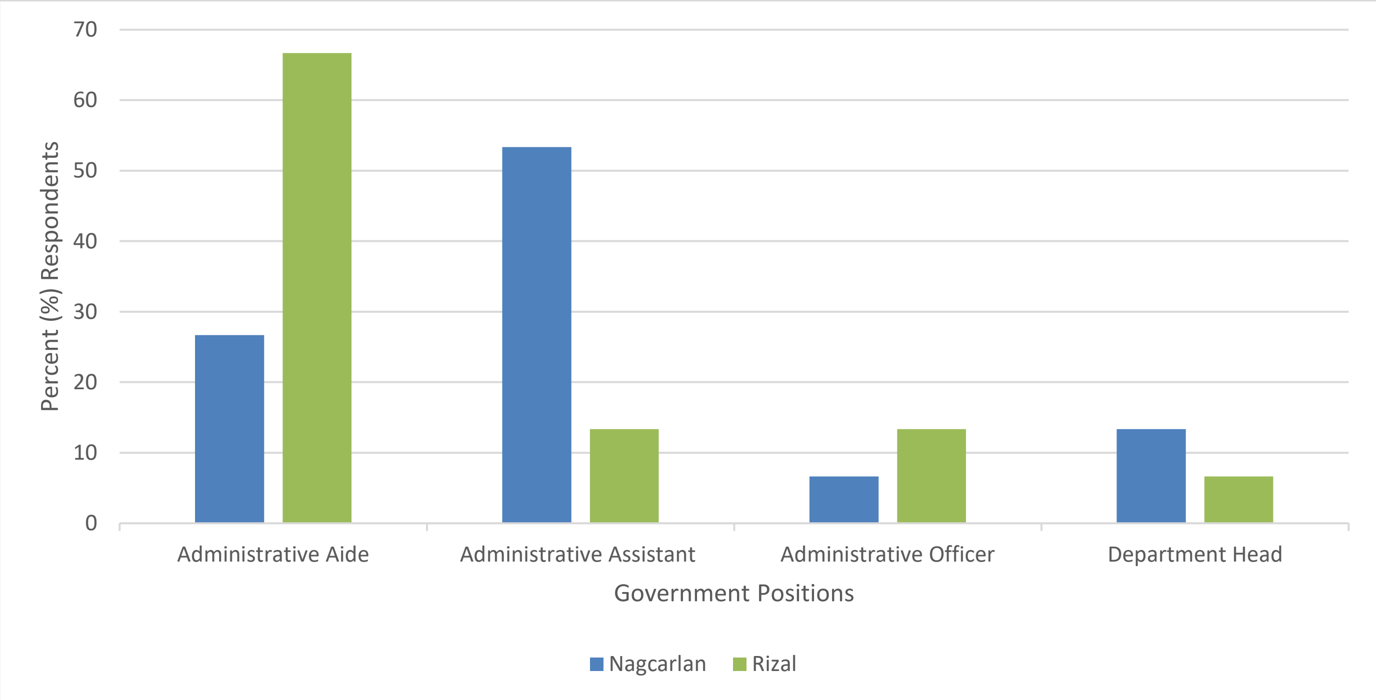

Figure 3. Respondents from the government and their profile in terms of work positions from municipality of Nagcarlan and Rizal

The local government revenue collection (LGRC) is the grassroot activity allowing fiscal sustainability, local tax policies' change, budget allocation and budget efficiency that will result in benefiting the community. This further directly links enhanced service delivery, reduced dependency on central government fundings, fiscal autonomy, governance and public trust, financial stability and debt management.

Understanding the mechanisms on revenue collection can allow great public service to play a vital role in transforming lives. This means the position and profile of public servants and their scope is a vital process in identifying the limits and capabilities of their roles affecting the public service and LRGC efficiency (Mandiri et al., 2024)

Status of the Current Mechanisms of Local Revenue Collection in Rizal, and Nagcarlan with Regards to Tax Assessment and Billing System

Table 2 shows the current mechanism of local revenue collection between the municipalities of Nagcarlan and Rizal based on the tax assessment and billing system. Looking on the respondents' insights, it showed that municipality of Nagcarlan showed respondent's insights for verification and correctness, 3.78±0.42, tax assessment process' precision resulted to a mean of 3.70± 0.46, reduced billing system discrepancies were 3.64±0.55, informed taxpayers on their liabilities mean was 3.62±0.49 and procedures for reassessments or disputes was 3.60±0.50.

Municipality of Rizal showed respondent's insights for reduced billing system discrepancies were 4.46±0.61, informed taxpayers on their liabilities mean were 3.50±0.54 tax assessment process' precision resulted to a mean of 3.52±0.50, tax records verification and correctness, 3.44±0.54, and procedures for reassessments or disputes

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were 3.34±0.52 Overall, the mean of Nagcarlan and Rizal showed a 3.67±0.48 and 3.42±0.54 overall mean respectively. These results both means a "very high" verbal indication as to tax assessment and billing system. Following the verbal interpretation of the quantitative results, it reveals that most of the indicative statements on both municipalities are almost identical.

Table 2. Comparison of the Mechanisms of Local Revenue Collection in Rizal, and Nagcarlan with Regards to Tax Assessment and Billing System

Indicative Statement	Nagcarlan			Rizal		
	Mean	SD	Description and Verbal Interpretation	Mean	SD	Description and Verbal Interpretation
Tax assessment ensures precision in the process.	3.70	0.46	Strongly Agree / Very High	3.52	0.50	Strongly Agree / Very High
Tax records are subject to regular verification for correctness.	3.78	0.42	Strongly Agree / Very High	3.44	0.54	Strongly Agree / Very High
A billing system minimizes discrepancies.	3.64	0.52	Strongly Agree / Very High	3.46	0.61	Strongly Agree / Very High
It immediately informs the taxpayers about the liability assessed against them.	3.62	0.49	Strongly Agree / Very High	3.50	0.54	Strongly Agree / Very High
The procedures for dispute or reassessment are clearly spelled out and accessible.	3.60	0.50	Strongly Agree / Very High	3.34	0.52	Strongly Agree / Very High
Overall Mean and SD	3.67	0.48		3.42	0.54	
Overall Interpretation	Very High			Very High		

Note: N=100. The mean is interpreted as follows: 3.25 – 4.00 = Strongly Agree (verbal interpretation:

Very High); 2.50 – 3.24 = Agree (verbal interpretation: Moderately High); 1.75 – 2.49 = Disagree (verbal interpretation: Low) and 1.00 – 1.74 = Strongly Disagree (verbal interpretation: Very Low).

This means that both showed great value on the tax assessments and billing system that may affect the good quality of public service in the community. It showed that process precision, correctness verification, discrepancies, information for assessed liability and process for disputes or reassessments were also concluded very high. This is also seen in some cases where LRGC affects effectiveness of observed factors Mabhena & Chibomba (2025).

Status of the Current Mechanisms of Local Revenue Collection in Rizal, and Nagcarlan with Regards to Payment Collection Mechanisms

The study also investigates the payment collection mechanisms in local revenue. For the municipality of Nagcarlan, it shows that indicators such as transaction records being issued are maintained gained mean of 3.72±0.45, adequate payment methods mean was 3.72±0.44, process collection's transparency was 3.46±0.65, the effective online or electronic payment systems was 2.62±1.29. For the municipality of Rizal, it showed that indicators such as adequate payment methods mean was 3.42±0.57, transaction records being issued are maintained gained mean of 3.40±0.64, process collection's transparency was 3.24±0.62, the effective online or

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electronic payment systems was 2.84±1.0. Overall mean of 3.44±0.66 for Nagcarlan and 3.26±0.68 for Rizal was obtained for payment collection mechanisms on local revenue (Table 3).

This both resulted a "very high" overall interpretation. Both municipalities have relatively similar profiles except for the transparency in the process of local revenue collection. Nagcarlan has very high verbal interpretation while Rizal was concluded moderately high. Tanzania et al., (2021) also found that transparency greatly affects the LGRC and found as a virtue in constructing better understanding of local revenue collections mechanisms

Table 3. Comparison of the Mechanisms of Local Revenue Collection in Rizal, and Nagcarlan with regards to Payment Collection Mechanisms

Indicative Statement	Nagcarlan			Rizal		
	Mean	SD	Description and Verbal Interpretation	Mean	SD	Description and Verbal Interpretation
Payment methods are adequate to serve all taxpayers.	3.72	0.44	Strongly Agree / Very High	3.42	0.57	Strongly Agree / Very High
Online or electronic systems of payments work effectively. (Score 1, if no existing)	2.62	1.29	Agree / Moderately High	2.84	1.00	Agree / Moderately High
Transparency and lack of irregularities in the process of collection.	3.46	0.65	Strongly Agree / Very High	3.24	0.62	Agree / Moderately High
All receipts and transaction records are issued and maintained correctly.	3.72	0.45	Strongly Agree / Very High	3.40	0.57	Strongly Agree / Very High
It reduces delays in the remittance of funds.	3.68	0.47	Strongly Agree / Very High	3.40	0.64	Strongly Agree / Very High
Overall Mean and SD	3.44	0.66		3.26	0.68	
Overall Interpretation	Very High			Very High		

Note: N=100. The mean is interpreted as follows: 3.25 – 4.00 = Strongly Agree (verbal interpretation:

Very High); 2.50 – 3.24 = Agree (verbal interpretation: Moderately High); 1.75 – 2.49 = Disagree (verbal interpretation: Low) and 1.00 – 1.74 = Strongly Disagree (verbal interpretation: Very Low).

Additionally, findings also showed that online and electronic systems of payments showed only "moderately high" verbal interpretation for both municipalities compared to the other indicative statements where result concluded very high. This means that there existed online payments in both municipalities as means to pay local revenues, however this must be improved to facilitate efficient payment mechanisms.

Status of the Current Mechanisms of Local Revenue Collection in Rizal, and Nagcarlan with Regards to Monitoring and Auditing Mechanism

The study also looked at the auditing mechanisms on the local revenue of both municipalities. The municipality of Nagcarlan showed that audit report accessibility and transparency resulted 3.70±0.50, tools for payment, receipt and track of record resulted 3.70±0.46, fraud and corruption prevention resulted 3.54±0.68, knowledge on the conduct local revenue collection resulted with mean of 3.50±0.65 and use of customer feedback during audit discrepancies resulted 3.34±0.66. On the other hand, municipality of Rizal showed that audit report accessibility and transparency resulted 3.48±061, tools for payment, receipt and track of record resulted 3.34±0.63, knowledge on the conduct local revenue collection resulted with mean of 3.36±0.60, fraud and corruption prevention resulted 3.28±0.61 and use of customer feedback during audit discrepancies resulted 3.14±0.64. One of the indicative statements showed difference between Nagcarlan and Rizal. The use of customer feedback forms for observed discrepancies was accounted in higher use for the Municipality of Nagcarlan (3.34±0.66) compared to Rizal (3.14±0.64) (Table 4). The findings indicate that both municipalities have established auditing mechanisms that support accountability and transparency in local revenue administration. However, the Municipality of Nagcarlan consistently obtained higher mean scores across all indicators compared to the Municipality of Rizal. These mechanisms help verify the accuracy of financial records and irregularities, and ensure compliance with existing laws, regulations, and policies.

Table 4. Comparison of the Mechanisms of Local Revenue Collection in Rizal, and Nagcarlan with Regards to Monitoring and Auditing Mechanism

Indicative Statement	Nagcarlan			Rizal		
	Mean	SD	Description and Verbal Interpretation	Mean	SD	Description and Verbal Interpretation
I have knowledge on the conduct of revenue collection of the municipality and is aware that it is conducted routinely.	3.50	0.65	Strongly Agree / Very High	3.36	0.60	Strongly Agree / Very High
I use customer feedback forms of the municipality if there are audit discrepancies observed to improve the process.	3.34	0.66	Strongly Agree / Very High	3.14	0.64	Agree / Moderately High
I am aware that the municipality have interval controls to prevent fraud and corruption.	3.54	0.68	Strongly Agree / Very High	3.28	0.61	Strongly Agree / Very High
The municipality uses tools such as notice of payment, receipts and records to track the collection performance of its citizen.	3.70	0.46	Strongly Agree / Very High	3.34	0.63	Strongly Agree / Very High
Audit reports are documented and available for review by the public or once requested for transparency.	3.70	0.50	Strongly Agree / Very High	3.48	0.61	Strongly Agree / Very High
Overall Mean and SD	3.56	0.59		3.32	0.62	
Overall Interpretation	Very High			Very High		

Note:N=100. The mean is interpreted as follows: 3.25 – 4.00 = Strongly Agree (verbal interpretation:

Very High); 2.50 – 3.24 = Agree (verbal interpretation: Moderately High); 1.75 – 2.49 = Disagree (verbal interpretation: Low) and 1.00 – 1.74 = Strongly Disagree (verbal interpretation: Very Low).

This may indicate that availability of customer feedback forms is advertised for use more effectively in Nagcarlan compared to Rizal to some relative extent. This may be a room for improvement to the municipality of Rizal to look in their process of improving the utilization of the customer feedback forms in assessing and communicating with the taxpayers and the community on the irregularities report. Overall, both municipalities deemed to have very high verbal interpretations for monitoring and auditing mechanisms of local revenue collected.

This corroborates in an integrated revenue administration system, which includes tax compliance, taxpayer registration, and audit effectiveness, is vital for improving overall revenue performance (Oladimeji, 2023). These strengthen accountability, ensure more transparency, reduce fraud, and curb inefficiencies. This is important in maintaining the integrity of the financial processes, thereby boosting overall revenue performance, key for funding public services and the achievement of sustainable local development (Hyera et al., 2025, Oladimeji, 2023).

Status of the Current Mechanisms of Local Revenue Collection in Rizal, and Nagcarlan with Regards to Ease of Technology and Data Management

The status of the current mechanisms of local revenue collection in Rizal, and Nagcarlan with regards to ease of technology and data management were also investigated as it shows how it contributes to the efficiency and effectiveness of local revenue collection operations it is very important that we maximize the use of new technology that will be beneficial to the Municipality of Nagcarlan and Municipality of Rizal.

Table 5. Comparison of Mechanisms of Local Revenue Collection in Rizal, and Nagcarlan with Regards to Ease of Technology and Data Management

Indicative Statement	Nagcarlan			Rizal		
	Mean	SD	Description and Verbal Interpretation	Mean	SD	Description and Verbal Interpretation
Tax collections and tracking done within the local government use reliable software.	3.58	0.64	Strongly Agree / Very High	3.50	0.58	Strongly Agree / Very High
Data management systems ensure protection for taxpayer information.	3.68	0.47	Strongly Agree / Very High	3.30	0.58	Strongly Agree / Very High
Technology has reduced manual workload and errors.	3.64	0.52	Strongly Agree / Very High	3.26	0.49	Strongly Agree / Very High
The integration of technology allows more transparent and accountable process.	3.78	0.46	Strongly Agree / Very High	3.48	0.54	Strongly Agree / Very High
Overall Mean and SD	3.65	0.54		3.37	0.54	
Overall Interpretation	Very High			Very High		

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Note:N=100. The mean is interpreted as follows: 3.25 – 4.00 = Strongly Agree (verbal interpretation: Very High); 2.50 – 3.24 = Agree (verbal interpretation: Moderately High); 1.75 – 2.49 = Disagree (verbal interpretation: Low) and 1.00 – 1.74 = Strongly Disagree (verbal interpretation: Very Low).

For the municipality of Nagcarlan, it presents that transparent and accountable process shows a mean of 3.78±0.46, the use of data management systems for protection of taxpayer's information resulted to a mean of 3.68±0.47, reduced workload and error by using technology showed mean of 3.64±0.52, reliable software for tracking tax collections in the municipality with a mean of 3.58±0.64. trained staff for digital tools in revenue collection accounted a mean of 3.58±0.56. Meanwhile, the municipality of Rizal showed that reliable software for tracking tax collections gathered a mean of 3.50±0.58, transparent and accountable process showed a mean of 3.48±054 trained staff for digital tools in revenue collection accounted a mean of 3.32±0.51, the use of data management systems for protection of taxpayer's information resulted to a mean of 3.30±0.58, reduced workload and error by using technology showed mean of 3.26±0.48. Overall mean resulted to 3.65±054 for Nagcarlan and 3.37±0.54 for Rizal (Table 5). This further indicates very high verbal interpretation with the ease of technology and data management. This infers that both municipalities are shifting towards use of technology and data management systems to ease the workload on revenue collection. This is positively a good indication of adopting to systems automation where errors are thoroughly checked and reviewed thus delivering higher trust in the LGU.

Wang and Li, 2025, reforms in the tax collection and administration system result in a notable drop in local government debt amounts. This also highlights the progress of digital inclusive finance as a key factor, to reduce local government debt. It also concluded that moderating effects of digital inclusive finance strengthens the beneficial influence of those tax collection and administration reforms on local government debt and the strongest outcome.

Status of the Current Mechanisms of Local Revenue Collection in Rizal, and Nagcarlan with Regards to Enforcement and Compliance Mechanisms

The enforcement and compliance mechanisms in collecting local revenue were also tried to be understood in this study. All indicative statements resulted in a positive result of very high verbal interpretation. For the municipality of Nagcarlan, coordination to other enforcement agencies assumes a mean of 3.60±0.54, fair and consistent penalties showed a mean of 3.58±0.54, public awareness campaigns with a mean of 3.56±0.54, the effective enforcement measures resulted in a mean of 3.54±058, and legal framework for delinquent taxpayers are existing with a mean of 3.52±0.54. The municipality of Rizal show that fair and consistent penalties show a mean of 3.38±0.53, the effective enforcement measures resulted in a mean of 3.34±0.56, legal framework for delinquent taxpayers are existing with a mean of 3.38±0.53, and public awareness campaigns with a mean of 3.32±0.68. This means that both municipalities are aligning theirblocal revenue practices to existing laws and guidelines where adequate implementing rules and regulations affirm the compliance of the community for paying local government revenues. Technology adoption further allows local government administrators to make informed decisions to resource allocation. (Hyera et al., 2025).

Table 6. Comparison of the Mechanisms of Local Revenue Collection in Rizal, and Nagcarlan with regards to Enforcement and Compliance

Indicative Statement	Nagcarlan			Rizal		
	Mean	SD	Description and Verbal Indication	Mean	SD	Description and Verbal Indication
Effective enforcement measures (such as emails or other mechanisms to notify revenue collection among taxpayers) encourage compliance	3.54	0.58	Strongly Agree / Very High	3.34	0.56	Strongly Agree / Very High

among the taxpayers.						
Any penalties for non-compliance are fair and consistent.	3.58	0.54	Strongly Agree / Very High	3.38	0.53	Strongly Agree / Very High
Public awareness campaigns advocate for voluntary tax compliance.	3.56	0.54	Strongly Agree / Very High	3.32	0.68	Strongly Agree / Very High
Local level of legal frameworks does exist to deal with delinquent taxpayers.	3.52	0.54	Strongly Agree / Very High	3.38	0.53	Strongly Agree / Very High
Coordination among the enforcement agencies allows smooth implementation.	3.60	0.54	Strongly Agree / Very High	3.42	0.54	Strongly Agree / Very High
Overall Mean and SD	3.56	0.55		3.37	0.57	
Overall Interpretation	Very High			Very High		

Note:N=100. The mean is interpreted as follows: 3.25 – 4.00 = Strongly Agree (verbal interpretation: Very High); 2.50 – 3.24 = Agree (verbal interpretation: Moderately High); 1.75 – 2.49 = Disagree (verbal interpretation: Low) and 1.00 – 1.74 = Strongly Disagree (verbal interpretation: Very Low).

Effective internal controls-necessary for realizing intended impacts on revenue collection (Sausi et al., 2021). The effectiveness of the framework for revenue collection at the local government level, which is instituted through the formulation and enforcement of revenue collection by-laws, depends largely on the soundness of its internal controls in meeting challenges in all areas (Mabhena & Chibomba, 2025).

Level of Public Service Performance of LGRC with Regards to Revenue Income

As LGRC was understood, its level of public performance effects was also investigated. Result showed that there was difference between Nagcarlan and Rizal in terms of its revenue income and its use to deliver good public services to the people (Table 7). Result show that in this indicative statement, Nagcarlan outperformed Rizal. Verbal interpretation showed “very high” delivery of public service due to enough revenue income in Nagcarlan compared to Rizal (moderately high). This may be attributed to more business found in Nagcarlan, where revenue income affects their public service delivery (Table 7).

This related to the Kolaka Regency in Indonesia, have been effective in promoting efficiency, transparency, and accountability (Said et al., 2024). It is further exemplified by the digitization of the administration of Land and Building Tax-PBB in Palembang, marking a monumental step toward the modernization of local tax policies that improves compliance by the public and increases revenue potential (Mandiri et al., 2024). The public service affects greatly by the revenue thus affecting the opportunities to certain improvements such as adoption to digitalization process or other projects in the community that will beneficial for the people.

Table 7. Level of Public Service Performance of LGRC with Regards to Revenue Income

Indicative Statement	Nagcarlan			Rizal		
	Mean	SD	Description and Verbal Indication	Mean	SD	Description and Verbal Indication
The tax, fees and licenses paid in the municipality significantly helpful in LGUs income and used for public services.	3.76	0.43	Strongly Agree / Very High	3.62	0.57	Strongly Agree / Very High
Revenue income of the municipality is enough to deliver good public service to its people.	3.64	0.56	Strongly Agree / Very High	3.22	0.62	Agree / Moderately High
Taxpayers generally comply with local government revenue payments.	3.60	0.50	Strongly Agree / Very High	3.42	0.57	Strongly Agree / Very High
The staff are conversant with revenue income procedures and guidelines.	3.64	0.52	Strongly Agree / Very High	3.40	0.61	Strongly Agree / Very High
Most taxpayers are familiar with revenue income procedures and guidelines.	3.48	0.61	Strongly Agree / Very High	3.30	0.65	Strongly Agree / Very High
Overall Mean and SD	3.62	0.53		3.39	0.60	
Overall Interpretation	Very High			Very High		

Note:N=100. The mean is interpreted as follows: 3.25 – 4.00 = Strongly Agree (verbal interpretation: Very High); 2.50 – 3.24 = Agree (verbal interpretation: Moderately High); 1.75 – 2.49 = Disagree (verbal interpretation: Low) and 1.00 – 1.74 = Strongly Disagree (verbal interpretation: Very Low).

Level of Public Service Performance of LGRC with Regards to Service Delivery Effectiveness

In terms of level of public service performance of LGRC to service delivery effectiveness, both municipalities concluded a “very high” performance. This indicates effective delivery of both municipalities in their constituents considering the factors such as timely serviced attributed to LGRC, less taxpayers disturbance, effective department’s coordination, staff performance and use of evaluation to service improvements (Table 8). Citizens will tend to have greater trust in local government and perhaps improve voluntary compliance if processes are perceived as fair, transparent, and well managed. Conversely, when trusting relationships are broken because of a lack of control, compliance may suffer and often requires more coercive enforcement (Oladimeji, 2023). In short, effectiveness in internal control systems is not only an operational matter but a cornerstone upon which effective public administration in local governments stands. This affects revenue collection performance, from which follows the ability of a local government to deliver services, ensure financial health and transparency, create public trust, and contribute to local development in a sustainable way (Hyera et al., 2025, Oladimeji, 2023, (Mgonja & Poncian, 2018). This may also mean that the relationship between the two factors compared are relevant and directly proportional. This further means that if low LGRC was enforced, service delivery effectiveness in all forms maybe compromised.

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Table 8. Level of Public Service Performance of LGRC with Regards to Service Delivery Effectiveness

Indicative Statement	Nagcarlan			Rizal		
	Mean	SD	Description and Verbal Indication	Mean	SD	Description and Verbal Indication
The services attributed to the collection of revenue are done in a timely manner.	3.56	0.50	Strongly Agree / Very High	3.36	0.53	Strongly Agree / Very High
It lessens the disturbance to taxpayers.	3.68	0.47	Strongly Agree / Very High	3.30	0.58	Strongly Agree / Very High
Coordination among the departments improves the delivery of services.	3.74	0.44	Strongly Agree / Very High	3.24	0.59	Agree / Moderately High
Staff performance enables the realization of collection targets.	3.64	0.49	Strongly Agree / Very High	3.36	0.53	Strongly Agree / Very High
The performance evaluations are used for service improvements.	3.74	0.44	Strongly Agree / Very High	3.38	0.60	Strongly Agree / Very High
Overall Mean.and SD	3.67	0.47		3.33	0.56	
Overall Interpretation	Very High			Very High		

Note:N=100. The mean is interpreted as follows: 3.25 – 4.00 = Strongly Agree (verbal interpretation: Very High); 2.50 – 3.24 = Agree (verbal interpretation: Moderately High); 1.75 – 2.49 = Disagree (verbal interpretation: Low) and 1.00 – 1.74 = Strongly Disagree (verbal interpretation: Very Low).

Level of Public Service Performance of LGRC with Regards to Transparency and Accountability

With regards to transparency and accountability, LGRC public service showed strong positive results where accessible LGRC procedures are evident, financial reports are reviewed, availability of utilization of funds have available accountability mechanisms, auditing processes are available and honesty among personnel are promoted by the local government (Itoe et al., 2023). This further elaborates that both municipalities of Nagcarlan and Rizal resulted a mean of 3.62±054 and 3.34±0.56 which indicates that a “very high” overall interpretation respectively (Table 9).

Level of Public Service Performance of LGRC with Regards to Citizen Satisfaction

Considering the level of public service performance of LGRC with regards to citizen satisfaction, there were observed differences. Respondents from the municipality of Nagcarlan perceived more alternatives by providing multiple convenient options for revenue payments (e.g., online payment platforms, mobile payment, electronic banking services, and other digital payment channels) compared to Rizal where mean of 3.26±0.99 and 3.18±0.56 was obtained respectively. This means that opportunities for improvement for enabling other payments should be considered by the municipality of Rizal (Table 10). Conversely, when trusting relationships are broken because of a lack of control, often requires more coercive enforcement (Oladimeji, 2023). Citizens will tend to have greater trust in local government and perhaps improve voluntary compliance if processes are perceived as fair, transparent, and well managed. Poor internal controls are directly associated with major challenges of revenue collection that relate to inefficiency, fraud, and inconsistent reporting, as evidenced in LGAs in Tanzania (Hyera et al., 2025).

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Table 9. Level of Public Service Performance of LGRC with Regards to Transparency and Accountability

Indicative Statement	Nagcarlan			Rizal		
	Mean	SD	Description and Verbal Indication	Mean	SD	Description and Verbal Indication
Revenue collection procedures are clearly spell out and accessible to the public.	3.68	0.51	Strongly Agree / Very High	3.40	0.53	Strongly Agree / Very High
Financial reports are accurate for review.	3.58	0.58	Strongly Agree / Very High	3.30	0.58	Strongly Agree / Very High
Accountability mechanisms for utilization of funds exist.	3.56	0.54	Strongly Agree / Very High	3.26	0.56	Strongly Agree / Very High
Auditing processes may be implemented in order to provide transparency of revenue collected.	3.68	0.51	Strongly Agree / Very High	3.32	0.59	Strongly Agree / Very High
Integrity and honesty among collection personnel are promoted by the local government.	3.58	0.54	Strongly Agree / Very High	3.44	0.54	Strongly Agree / Very High
Overall Mean and SD	3.62	0.54		3.34	0.56	
Overall Interpretation	Very High			Very High		

Note:N=100. The mean is interpreted as follows: 3.25 – 4.00 = Strongly Agree (verbal interpretation: Very High); 2.50 – 3.24 = Agree (verbal interpretation: Moderately High); 1.75 – 2.49 = Disagree (verbal interpretation: Low) and 1.00 – 1.74 = Strongly Disagree (verbal interpretation: Very Low).

The effectiveness of internal control systems significantly affects the collection of revenue in local governments. This is a critical factor in determining financial performance and transparency in accountability within the public administration. Precisely, strong internal control systems enhance revenue collection through several measures. First is the increase in efficiency in tax administration systems.

Table 10. Compared Level of Public Service Performance of LGRC with Regards to Citizen Satisfaction

Indicative Statement	Nagcarlan			Rizal		
	Mean	SD	Description and Verbal Indication	Mean	SD	Description and Verbal Indication
Local revenue collection mechanisms (e.g., tax payments, fees) are efficient and hassle-free.	3.64	0.52	Strongly Agree / Very High	3.48	0.50	Strongly Agree / Very High
Local government provides multiple convenient options for revenue payments (e.g., online, mobile).	3.26	0.99	Strongly Agree / Very High	3.18	0.56	Agree / Moderately High
Efficient revenue collection leads to faster resolution of customer service requests.	3.60	0.50	Strongly Agree / Very High	3.36	0.48	Strongly Agree / Very High

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Local public administration responds promptly to customer needs due to stable revenue mechanisms.	3.58	0.54	Strongly Agree / Very High	3.32	0.51	Strongly Agree / Very High
Perceptions of local government efficiency are positive due to smooth revenue processes.	3.66	0.52	Strongly Agree / Very High	3.42	0.50	Strongly Agree / Very High
Overall Mean and SD	3.55	0.61		3.35	0.51	
Overall Interpretation	Very High			Very High		

Note:N=100. The mean is interpreted as follows: 3.25 – 4.00 = Strongly Agree (verbal interpretation: Very High); 2.50 – 3.24 = Agree (verbal interpretation: Moderately High); 1.75 – 2.49 = Disagree (verbal interpretation: Low) and 1.00 – 1.74 = Strongly Disagree (verbal interpretation: Very Low).

Level of Public Service Performance of LGRC with Regards to Administrative Responsiveness

Furthermore, the level of public service performance of LGRC with regards to administrative responsiveness was also evaluated. It showed that both municipalities have very high administrative responsiveness specifically on the areas of responsiveness in policy issues, empowered staff that respond to taxpayer's concerns, response to technological changes, clear communication channels between management and staff and leadership for audit and performance review.

This means that, although Rizal showed "highly moderate" efficiency on online or electronic systems of payments (Table 3), the technological responsiveness is still very high. This opens opportunities to further revisit how the responsiveness of the municipalities can take into notable actions where taxpayers can have multiple payment means by providing them with different alternative streams for paying local revenue. (Table 11).

Significant Difference between current mechanisms of local revenue collection of Rizal and Nagcarlan

To significantly compare different factors on the current mechanisms of local revenue collection, p≤0.001 was examined between the municipality of Nagcarlan and Rizal. Table 12 shows relatively similar profiles of the compared municipalities, indicating similarities in approaches in collecting local revenue to their taxpayer. They have differences in terms of payment collecting mechanisms, transparency and lack of irregularities in the process of collection.

Table 11. Compared Level of Public Service Performance of LGRC with Regards to Administrative Responsiveness

Indicative Statement	Nagcarlan			Rizal		
	Mean	SD	Description and Verbal Indication	Mean	SD	Description and Verbal Indication
Local government responds promptly to any policy or procedural issues.	3.52	0.50	Strongly Agree / Very High	3.40	0.53	Strongly Agree / Very High
The local revenue's office staffs are empowered to effectively address taxpayers' concerns.	3.64	0.49	Strongly Agree / Very High	3.40	0.57	Strongly Agree / Very High

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Concerns with regards to technological changes were easily addressed to be more responsive in providing services.	3.56	0.50	Strongly Agree / Very High	3.32	0.62	Strongly Agree / Very High
There are clear channels for communication between management and staff.	3.58	0.50	Strongly Agree / Very High	3.34	0.56	Strongly Agree / Very High
Leadership takes timely action on audit and performance review findings.	3.62	0.49	Strongly Agree / Very High	3.50	0.61	Strongly Agree / Very High
Overall Mean and SD	3.58	0.50		3.39	0.58	
Overall Interpretation	Very High			Very High		

Note:N=100. The mean is interpreted as follows: 3.25 – 4.00 = Strongly Agree (verbal interpretation: Very High); 2.50 – 3.24 = Agree (verbal interpretation: Moderately High); 1.75 – 2.49 = Disagree (verbal interpretation: Low) and 1.00 – 1.74 = Strongly Disagree (verbal interpretation: Very Low).

More so, a moderately high mechanism (municipality of Rizal) was observed on online payment and transactions (Table 3). This means that there should be adequate guidelines and work instruction measures to reinforce regarding handling irregularities of collected local revenue. This relates to the effectiveness of public administration are three-fold: Improved Financial Performance and Sustainability as described in previous studies (Hyera et al., 2025, Mgonja & Poncian, 2018)

Table 12. Test of Significant Difference between Current Mechanisms of Local Revenue Collection of Rizal and Nagcarlan

Current Mechanisms of Local Revenue Collection	Municipality		Diff	t	p	Analysis
	Nagcarlan	Rizal				
Tax Assessment and Billing System	3.67	3.45	0.22	3.0321**	0.0031	Significant
Payment Collection Mechanisms	3.44	3.26	0.18	1.929^{ns}	0.0565	Not Significant
Monitoring and Auditing Mechanism	3.57	3.32	0.25	2.536*	0.0128	Significant
Ease of Technology and Data Management	3.65	3.37	0.28	3.441**	0.0085	Significant
Enforcement and Compliance Mechanisms	3.56	3.37	0.19	2.429*	0.0169	Significant

Note: Values with (**) are significant at 1% level and values with (*) are significant at 5% level

The implementation of transparency boards among the compared municipalities, especially the municipality of Rizal, should be further strengthened where taxpayers and community can easily access their report and inform them regarding this information posted. Online payment should also be assessed.

The adoption of an improved and streamlined process in paying the local revenue is highly recommended to be done specifically adopting online payment means in paying local revenue and available online platforms where taxpayers can easily file their local revenue payments and notify them regarding their discrepancies or non-compliance.

Significant Difference between the Public Service Performance of Rizal and Nagcarlan

The study further evaluated the significance of public service performance in relation to LRGC. This shows similar profiles between Nagcarlan and Rizal in public service performance such as revenue income, service delivery effectiveness, transparency and accountability, citizen satisfaction and administrative responsiveness ($p \leq 0.01$). This means that both Nagcarlan and Rizal positively deliver public service in the community by ensuring effective LGRC (Table 13).

Table 13. Test of Significant Difference between the Public Service Performance of Rizal and Nagcarlan

Public Service Performance	Municipality		Diff	t	p	Analysis
	Nagcarlan	Rizal				
Revenue Income	3.62	3.39	0.23	2.727**	0.007	Significant
Service Delivery Effectiveness	3.67	3.33	0.34	4.337**	<0.01	Significant
Transparency and Accountability	3.62	3.34	0.28	3.217**	0.002	Significant
Citizen Satisfaction	3.55	3.35	0.20	2.316*	0.023	Significant
Administrative Responsiveness	3.58	3.39	0.19	1.661*	0.021	Significant

Note: Values with (**) are significant at 1% level and values with (*) are significant at 5% level

Relationship between the Mechanisms of Local Government Revenue and Performance of Public Service of the Municipality of Rizal and Nagcarlan

Overall, the study tried to elucidate the relationships of LGRC mechanisms and public service performance to see how these two general factors can be used as an insight to ensure satisfaction among communities with regards to local revenue collection and services and public service trusts. It is notably observed that the correlation values between two variables were concluded to have moderate correlations in all tested factors ($p = \leq 0.01$). This indicates that municipality of Nagcarlan and Rizal have great similarities in terms of implementation of LGRC and public services but also differs in some aspect somehow.

Table 14 further shows higher results on the ease of technology and data management correlation with the service delivery effectiveness ($r = 0.709$). This further indicates that the use of technology is a relevant step for the municipality to ensure good service in the community as far as the LRGC is concerned.

This is an indication that municipalities such as Nagcarlan and Rizal should further enforce great and easy framework in adopting technology and data management systems that will harmonize and streamline the tax collection, payments and audits process. It is also observed that lowest correlation values were obtained between tax assessments and billing systems and transparency and accountability.

Table 14. Relationship between the Mechanisms of Local Government Revenue and Performance of Public Service of the Municipality of Rizal and Nagcarlan

Local Government Revenue Collection Mechanism	Public Service Performance				
	Revenue Income	Service Delivery Effectiveness	Transparency and Accountability	Citizen Satisfaction	Administrative Responsiveness
Tax Assessment and Billing System	r=0.598** Moderate p<.001	r = 0.567** Moderate p<.001	r = 0.456** Moderate p<.001	r = 0.418** Moderate p<.001	r = 0.493** Moderate p<.001

Payment Collection Mechanisms	r= 0.659** Moderate p<.001	r=0.656** Moderate p<.001	r=0.574** Moderate p<.001	r=0.593** Moderate p<.001	r=0.610** Moderate p<.001
Monitoring and Auditing Mechanism	r=0.618** Moderate p<.001	r=0.698** Moderate p<.001	r=0.677** Moderate p<.001	r=0.593** Moderate p<.001	r=0.609** Moderate p<.001
Ease of Technology and Data Mgt.	R=0.689** Moderate p<.001	R=0.709** Moderate p<.001	R=0.683** Moderate p<.001	R=0.597** Moderate p<.001	R=0.663** Moderate p<.001
Enforcement and Compliance Mechanisms	R=0.665** Moderate p<.001	R=0.702** Moderate p<.001	R=0.596** Moderate p<.001	R=0.538** Moderate p<.001	R=0.610** Moderate p<.001

Note:N=100. The r value is interpreted as follows: 0.91 – 1.00=Very High; 0.71 – 0.90 = High; 0.41 – 0.70 = Moderate 0.21 – 0.40 = Low and 0.00 - 0.20 Very Low; The values with (**) are significant at 1% level and values with (*) are significant at 5% level

The efficiency of such a mechanism is directly proportional to the structure of internal control systems that exist within the local government, including things like separation of duties, accurate record-keeping, and reconciliation on a routine basis. The implementation of government e-payment gateways (GePG) has significantly enhanced revenue generation for central government authorities (Kapongo & Mutalemwa, 2024).

SUMMARY, CONCLUSION AND RECOMMENDATIONS

Summary

The research explores the relationship between mechanisms of local government revenue collection and public service performance, and their co-interactions and relationship. The study employed expert validated survey questionnaires that corroborate indicators to local revenue collection mechanisms and effectiveness of public service. The gathered data was analyzed using descriptive statistics and correlation was further validated at $p \leq 0.01$. Result show the following observations comparing the municipalities of Nagcarlan and Rizal:

Correlation between tested indicators on the current mechanisms of local revenue collection showed relatively similar profiles of the compared municipalities, indicating similarities in delivering approaches and mechanisms in collecting local revenue to their taxpayer. This showed a “very high” verbal indication as all indicators used such as tax assessment and billing system, payment collection mechanisms, monitoring and auditing mechanism, ease of technology and data management and enforcement and compliance mechanisms. However, observed discrepancies was accounted in higher use for the Municipality of Nagcarlan (3.34±0.66) compared to Rizal (3.14±0.64) for customer feedback use for irregularities of transactions.

The study also affirms a very high verbal interpretation with the ease of technology and data management indicating that the use of technology is a relevant step for the municipality to ensure good service in the community as far as the LRGC is concerned.

On the effectiveness of the public services, indicators such as revenue income, service delivery effectiveness, transparency and accountability and administrative responsiveness were investigated. All the tested indicators resulted in a very high level of effectiveness indicating good public service performance and delivery to the municipalities of Nagcarlan and Rizal.

Comparing the results of the mechanisms in LGRC and the effectiveness of public service, it showed a moderate correlation across all factors being compared. This indicates that municipality of Nagcarlan and Rizal have great similarities in terms of implementation of LGRC and public services but also differs in some aspect somehow.

Conclusions

The findings concluded the relationship between mechanisms of local government revenue collection and public service performance, and their co-interactions and relationship. It revealed that most of the practices in both LGRC and effective public service are somehow similar, indicating a moderate correlation between the two municipalities. Some factors are found to be more efficient in municipality of Nagcarlan compared to that of municipality of Rizal specifically in the mechanisms of collecting local revenue such as use of feedback for reporting irregularities in local revenue collection and transparency and lack of irregularities. However, these observed differences do not affect the public service efficiency of both compared municipalities. Overall, there is a moderate correlation between the mechanisms of LGRC and public service efficiency between municipalities with high reported correlation on the ease of technology and data management and service delivery effectiveness. Thus, this further affirms that there is no significant difference between mechanisms of local revenue collection of the municipality of Rizal and Nagcarlan. There is also no significant difference between the public service performance of the municipality of Rizal and Nagcarlan. There are no significant differences between mechanisms of local revenue collection and the public service performance of the municipality of Rizal and Nagcarlan. Furthermore, since the variable showed moderate correlations across all variables, we accept the relationship between LGRC and public service performance across compared municipalities.

Recommendations

The investigations on the relationship between mechanisms of local government revenue collection and public service performance, and their co-interactions and relationship showed very high verbal interpretation on the general factors being compared for the municipalities of Nagcarlan and Rizal, with this, some factors showed differences to improve the LGRC mechanisms and its effect to public service performance, the following are recommended to conduct by future researchers and policy makers to decipher the relationships of the variable and better understand interventions of the LGU to its taxpayers and stakeholders:

1. Both municipality of Nagcarlan and Rizal may strengthen the use of technology, tools and data systems such as but not limited to management of local government revenue, the status of payments of stakeholders in both municipalities as it positively enhances the effectiveness of public service delivery.
2. Both municipality of Nagcarlan and Rizal and other LGUs in the country may consider improving the tax billing assessment and billing systems to improve customer satisfaction with LGRC.
3. For LGUs, consider strengthening the means and framework in e-payments and other streams and data bases that will ease the billing assessment process of the citizen, payment method, etc. in programs and services of the municipality accounting the funds utilized through LGRC.
4. The chief of the division handling the LRGC of municipality of Rizal may strengthen legal and operational framework on the use of customer feedback to enhance its transparency among stakeholders.
5. Future researchers and policy makers may examine other factors such as legislative management, establishment of flagship projects and programs on risk reduction, agriculture or businesses where local government revenue will go. This may affect the LRGC performance and LGU management approaches that may hamper or succeed in the implementation of both LRGC and efficient public service.
6. For future researchers, taking a similar leap of research topic may conduct a focused group discussion to understand the underlying differences between the municipalities of Nagcarlan and Rizal in terms of mechanisms of LGRC and how this may affect the effective public service of the compared municipalities.

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Approval Sheet

This thesis entitled, "**MECHANISM OF LOCAL REVENUE COLLECTION AND THEIR IMPLICATION FOR EFFECTIVE PUBLIC ADMINISTRATION IN SELECTED MUNICIPALITIE**, prepared, presented and submitted by **JOHN CARLO BROSAS VOCALES**, in partial fulfillment of the requirements for the Degree of Master in Public Administration, is hereby recommended for approval and acceptance.

ATTY. RUSHID JAY S. SANCON

Thesis Adviser

PANEL OF EXAMINERS

Approved and accepted by the Committee on ORAL EXAMINATION with a grade of _________.

MARIO R. BRIONES, EdD

Chairman

MARISSA L. DIMARUCOT, DBA	**VICTOR A. ESTALILLA JR., MA**
Member	Member
ETHELMAY R. ROMERO, DBA	**IMEE PRESCILLA P. SANCHEZ. PhD**
Member	Member

Accepted in partial fulfillment of the requirements for the degree of Master in Public Administration at the Laguna State Polytechnic University, Santa Cruz Campus.

MARYJANE D. FUENTES, DPA

Dean, CBAA – GSAR

GREG I. REYES

OIC-Registrar III

Research Contribution No.__________________

Passed the Comprehensive Examination on _______________

Dedication

This research is dedicated to the people and institutions who have been my source of inspiration, strength, and encouragement throughout my whole academic journey.

To my parents, **Eduardo P. Vocales** and **Concordia B. Vocales**, thank you for your love, guidance, sacrifices, and unwavering belief in my abilities. Your support and encouragement have been the foundation of my success and the driving force behind my determination to achieve my goals.

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APPENDICES

Appendix A. Letter of Request

Appendix B. Survey Questionnaire

Republic of the Philippines

Laguna State Polytechnic University

Province of Laguna

SURVEY QUESTIONNAIRE FOR MECHANISM OF LOCAL REVENUE COLLECTION AND THEIR IMPLICATION FOR EFFECTIVE PUBLIC ADMINISTRATION IN LOCAL GOVERNMENT

Dear Respondents,

Greetings!

I am a student of Master in Public Administration at Laguna State Polytechnic University-Santa Cruz Campus I am currently working on my thesis entitled, "**Mechanism of Local Revenue Collection and Their Implication for Effective Public Administration in Local Government"**

In this regard, I respectfully request your participation and support in my study by responding to this survey questionnaire. All data and information you provide will be handled with utmost confidentiality and used solely to attain the objectives of this research.

Thank you very much and God bless.

JOHN CARLO BROSAS VOCALES

Researcher

==

PART I. PERSONAL PROFILE

Directions: Please provide the following information.

Name (Optional):____

Please check the box for the appropriate answer

Municipality: ☐ Nagcarlan ☐ Rizal

Age: ☐ 25- below ☐ 41-45

☐ 26-30 ☐ 46-50

☐ 31-35 ☐ 51-55

☐ 36-40 ☐ 56-Above

☐ Clientele ☐ Government Employee

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If government employee, current position in the office/department

- ☐ Administrative Aide
- ☐ Administrative Assistant
- ☐ Administrative Officer
- ☐ Department Head

Others (Please specify.): ____

PART II.

Directions: Read each statement carefully. Put a check (✓) in the column that corresponds to the status of local revenue collection and its implications on the effective public administration in Local Government.

Scale	Description	Verbal Interpretation
4	Strongly Agree	**Very High**
3	Agree	**Moderately High**
2	Disagree	**Low**
1	Strongly disagree	**Very Low**

Status of Mechanism of Local Government Revenue Collection

	TAX ASSESSMENT AND BILLING SYSTEM	4	3	2	1
1	Tax assessment ensures precision in the process.				
2	Tax records are subject to regular verification for correctness.				
3	A billing system minimizes discrepancies.				
4	It immediately informs the taxpayers about the liability assessed against them.				
5	The procedures for dispute or reassessment are clearly spelled out and accessible.				
	PAYMENT COLLECTION MECHANISM	4	3	2	1
1	Payment methods are adequate to serve all taxpayers.				
2	Online or electronic systems of payments work effectively. (Score 1, if no existing)				
3	Transparency and lack of irregularities in the process of collection.				
4	All receipts and transaction records are issued and maintained correctly.				
5	It reduces delays in the remittance of funds.				

	MECHANISM FOR MONITORING AND AUDITING	4	3	2	1
1	I have knowledge on the conduct of revenue collection of the municipality and is aware that it is conducted routinely.				

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2	I use customer feedback forms of the municipality if there are audit discrepancies observed to improve the process.				
3	I am aware that the municipality have interval controls to prevent fraud and corruption.				
4	The municipality uses tools such as notice of payment, receipts and records to track the collection performance of its citizen.				
5	Audit reports are documented and available for review by the public or once requested for transparency.				

EASE OF TECHNOLOGY AND DATA MANAGEMENT		4	3	2	1
1	Tax collections and tracking done within the local government use reliable software.				
2	Data management systems ensure protection for taxpayer information.				
3	Staff are trained on the use of digital tools in revenue collection.				
4	Technology has reduced manual workload and errors.				
5	The integration of technology allows more transparent and accountable process.				

MECHANISM OF ENFORCEMENT AND COMPLIANCE		4	3	2	1
1	Effective enforcement measures (such as emails or other mechanisms to notify revenue collection among taxpayers) encourage compliance among the taxpayers.				
2	Any penalties for non-compliance are fair and consistent.				
3	Public awareness campaigns advocate for voluntary tax compliance.				
4	Local level of legal frameworks does exist to deal with delinquent taxpayers.				
5	Coordination among the enforcement agencies allows smooth implementation.				

Status of Public Service Performance in Mechanism of Local Government Revenue Collection

REVENUE INCOME		4	3	2	1
1	The tax, fees and licenses paid in the municipality significantly helpful in LGUs income and used for public services.				
2	Revenue income of the municipality is enough to deliver good public service to its people.				
3	Taxpayers generally comply with local government revenue payments.				
4	The staff are conversant with revenue income procedures and guidelines.				

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5	Most taxpayers are familiar with revenue income procedures and guidelines.				

EFFECTIVENESS OF SERVICE DELIVERY		4	3	2	1
1	The services attributed to the collection of revenue are done in a timely manner.				
2	It lessens the disturbance to taxpayers.				
3	Coordination among the departments improves the delivery of services.				
4	Staff performance enables the realization of collection targets.				
5	The performance evaluations are used for service improvements.				

TRANSPARENCY AND ACCOUNTABILITY		4	3	2	1
1	Revenue collection procedures are clearly spell out and accessible to the public.				
2	Financial reports are accurate for review.				
3	Accountability mechanisms for utilization of funds exist.				
4	Auditing processes may be implemented in order to provide transparency of revenue collected.				
5	Integrity and honesty among collection personnel are promoted by the local government.				

	CITIZEN SATISFACTION ON COSTUMER SERVICES	4	3	2	1
1	Local revenue collection mechanisms (e.g., tax payments, fees) are efficient and hassle-free.				
2	Local government provides multiple convenient options for revenue payments (e.g., online, mobile).				
3	Efficient revenue collection leads to faster resolution of customer service requests.				
4	Local public administration responds promptly to customer needs due to stable revenue mechanisms.				
5	Perceptions of local government efficiency are positive due to smooth revenue processes.				

	ADMINISTRATIVE RESPONSIVENESS	4	3	2	1
1	Local government responds promptly to any policy or procedural issues.				
2	The local revenue's office staffs are empowered to effectively address taxpayers' concerns.				

3	Concerns with regards to technological changes were easily addressed to be more responsive in providing services.				
4	There are clear channels for communication between management and staff.				
5	Leadership takes timely action on audit and performance review findings.				

****Thank you very much! *****

WORK Experiences		**ACTING MUNICIPAL TREASURER** Rizal, Laguna July 11, 20265 - Present **LOCAL REVENUE COLLECTION CLERK I** Nagcarlan, Laguna December 12, 2023 - Present **REVENUE COLLECTION CLERK I** Nagcarlan, Laguna November 15, 2018 – December 11, 2023 **JOB ORDER (clerk)** December 16, 2014 – November 14, 2018 **INTERN (GOVERNMENT INTERNSHIP PROGRAM)** Department of Labor and Employment September 15, 2014 - December 15, 2014
DUTIES AND RESPONSIBILITIES		·Issuance of Checks for Disbursement Vouchers (General Fund, Special Education Fund and Trust Fund). ·Preparation of Report of Checks Issued for disbursement voucher and posting of checks issued at check booklet. ·Posting of check disbursements (soft copy) in preparation for Electronic Statement of Receipts and Expenditures. ·Posting of daily collection (soft copy) in preparation of Electronic Statement of Receipts and Expenditures. ·Preparation of BIR Form (2307/2306) for Vat and Non-Vat Suppliers (Hard and Soft Copy). ·Consolidates Agency Purchase Request for procuring office supplies of all offices at Procurement Service at Paco, Manila. ·Prepared Vouchers and other supporting documents for Procurement Service (Signatures and other supporting documents). ·Purchased of office supplies in Procurement Service (Paco, Manila) and deliver it to different offices of our Municipality. ·Inspection of office supplies being purchased by different offices. ·Prepared Property, Plant and Equipment Inventory Reports (semi-annual) which is submitted to Commission on Audit. ·Conducts Physical Inventory for our Property, Plant and Equipment of all offices here in our municipality. ·Helps in encoding Electronic Statement of Receipts and Expenditure. ·Make assessment for Business Permit using Electronic Business Permit

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		and Licensing System. ·Accepted collection from all collecting clerks. ·Prepared cash and checks for deposit.
Educational background		**LAGUNA STATE POLYTECHNIC UNIVERSITY, STA. CRUZ CAMPUS** MASTER OF PUBLIC ADMINISTRATION 2023 - Present **LYCEUM OF THE PHILIPPINES UNIVERSITY, BATANGAS** BACHELOR OF SCIENCE IN BUSINESS ADMINISTRATION MAJOR IN FINANCIAL MANAGEMENT 2020-2022 **RIZAL STANDARD ACADEMY** 2005-2009 **CRISANTO GUYSAYCO MEMORIAL ELEMENTARY SCHOOL** 1999-2005
Eligibility		• Basic Competency on Local Treasury Eligibility • Career Civil Service Professional (2nd Level)
Personal Information		• Civil Status: Single • Birthdate: April 1, 1992 • Height: 5”4 • Weight: 53 kgs. • Father: Eduardo P. Vocales • Mother: Concordia B. Vocales
Character References		**RANDY B. MOREDO** Municipal Planning and Development Coordinator (049) 559-4532 **JOAN MILA L.M. CO** Municipal Accountant (049) 523-8380 **LERMA V. AUSTRAL** Assistant Treasurer (049) 523-7572