E-Taxation and Resource Mobilization in Nigeria: A Study of Anambra Internal Revenue Service (AIRS), 2014-2021

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ABSTRACT

The myriad of revenue mobilization has affected almost every administration that has ever existed in Anambra State. Revenue mobilization despite being the major mode of financial income to governments has always met hitches with its application. Lots of policies have been instituted over the years in order to help curb the menace, but none has been successful. Thus, this study investigated how e-tax system can help to improve resource mobilization in Anambra State; and how lack of technological knowhow impede the effectiveness of e-taxation of the Anambra Internal Revenue Service (AIRS). The study adopted the Technology Acceptance Model (TAM) and Theory of Innovation Translation in order to explain the relationship between e-taxation and resource mobilization. The findings were that E-tax system has significant effect on resource mobilization in Anambra State; and that lack of technological knowhow impedes the effectiveness of e-taxation of the Anambra Internal Revenue Service (AIRS). The study recommended among others that E-taxation should be implemented on every sector in Anambra State for tax payments.

Keywords: Anambra State, E-Taxation, ICT, Resource Mobilization

A: Introduction

The proportion of tax revenues' contribution to Nigeria's total revenue (Okauru, 2011) has become a problem that has plagued every government in Nigeria since the Fourth Republic. Nigeria's tax revenue is significantly lower compared to other African countries such as Ghana, Tunisia and Morocco, which account for a significant portion of their total revenue (Ofurum, 2018). OECD (2014) found that 73% of total revenue in Ghana comes from taxes. According to Umenweke and Ifediora (2016), in Tunisia, tax revenue accounted for 31.3% of total revenue, while in Morocco the tax share of total revenue was 28.5%. However, in Nigeria, tax as a percentage of total revenue was 5.2% in 2014

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(Federal Inland Revenue Service, 2015; CBN, 2016).While the total tax   2019 was N5.26 trillion (US$13.5 billion) (Johnson & Omodero, 2021). Also, according to accessible archives, this figure has remained below 13% since 2001, and tax revenues from that period to date do not account for up to 50% of government revenues collected (Ofurum, 2018).

Accordingly, Onuiri (2015) noted that the tax system in Nigeria is bounded by myriad of problems ranging from slight data available on the history of tax revenues or taxpayers owing to an absence of good archives keeping system the nonexistence of complete tax figures and a centralized archive for the current ones (Federal Republic of Nigeria, 2002); inadequate manpower and other essential capitals (Ariyo, 1997); repetition of taxes and its bad influence on taxpayers is problem resulting from a clash in the administrations` fiscal accountability and its fiscal power (Odusola, 2002); and thoughtful efforts by taxpayers to evade taxes (Odusola, 2003). In Anambra State, the revenue generated from tax within the period between 2014 and 2021, was very low and this could be attributed to lack of accountability and inefficiency of the traditional tax payment systems. The E-tax was introduced with the chief aim of combating the above socio-economic vices that were mainly associated with the collection of taxes like; Tax evasion, filing of wrong tax returns and claiming of undeserved tax refunds (Wamathu, 2014); unfortunately, there exists strenuous challenges militating against it still. The most critical is technological knowhow. It is against this background that this paper examined Electronic Taxation and resource mobilization in Anambra State between 2014 and 2021.

B: Literature Review

Conceptualization of Taxation, e-taxation and Resource Mobilization

Taxes are the most important source of revenue for modern governments (Adams, 2011), accounting for over90% of revenue. Aguolu (2014) defines tax as a mandatory fee imposed by a government, through a government agency, on the income, consumption, and capital of its subjects. In other words, all salaries, bonds, interest, dividends, rebates and royalties are taxable. It also covers the company's oil revenues, capital gains, and capital transfers. On the other hand, Ojo (2008) emphasizes that taxation is both a concept and a science of collecting taxes from citizens. He further states that taxation is a legal obligation that everyone must comply with. It is often considered a civic duty. On the other hand, electronic taxation is a system of collecting and managing tax procedures through electronic media. This is an online network for taxpayers to license the platform over the internet and access features provided by tax professionals such as tax identification number registration, electronic tax returns (Olaoye & Atilola, 2018; Wasao, 2014). E-Taxation is the process of assessing, collecting and managing the taxation process through electronic media.

According to Che-Azmi and Kamarulzaman (2014), electronic taxation is one of the ways governments around the world deploys the use of information and communication technologies in the management of financial resources in towards improving public service delivery and public dissemination of administrative information. Wasao (2014)describes the Electronic Tax System as an online platform that allows taxpayers to access all services provided by tax authorities via the Internet. Resource mobilization is one of the most important actions a company can take. It is defined as the process of strategizing how a company markets and sells its products and services to generate revenue. Government revenue is money received by the government. This is the amount of cash an organization actually received over a period of time (Ofurum et al., 2018). Revenues received by the government are

derived from sources such as income and prosperous development of people and organizations, real estate and offices produced taxes on freight and imports, government profits from organizations, tax-exempt sources such as national banks. Salaries and capital income are provided as external loans and commitments from global monetary funds (Ofurum, et al., 2018).

Resource mobilization is the process of funding a government, and the main source of income for any government is taxation. Samuel and Tyokoso (2014) argue that revenue collection is a traditional function of the tax system. This income is needed to cover costs, such as medical services and education, which are the provision of goods and amenities that community workers cannot provide. In Nigeria, income is divided into oil income and non-oil income. Oil revenues cover all revenues from domestic oil and gas operations, while non-oil revenues refer to all revenues from sources other than oil and gas activities. While other countries inside and outside Africa divide income into tax and non-tax income, Nigeria favours oil and non-oil because oil is the main source of income for the economy.

C: Electronic tax Registration, Electronic tax payment and Electronic Filing of tax returns

Electronic tax registration involves obtaining a taxpayer identification number (TIN) by the taxpayer. To obtain an individual tax identification number, the taxpayer must complete the appropriate form. This form requires documentation stating the status and true identity of each individual. These documents must be sent along with the form to the address indicated on the form. Therefore, an individual tax identification number is issued after the submitted documents and information have been verified by the relevant tax authorities (Umenweke & Ifediora, 2016). To do this, the tax payer must obtain there-mail address, register on the tax office's website and download the relevant forms. You must provide relevant information such as taxpayer name, address, identification number, tax exemption, income, tax exemption/exemption, other taxes and payments, amount owed. After completing the tax return, the taxpayer signs the tax return with a self-selected identification number and submits it to the tax office. After submitting your completed tax return, the complete electronic record returned will be sent to the tax office for processing if the free file is used. An email is sent to the taxpayer when the tax return is received. Tax returns are then evaluated and the taxpayer's taxes are calculated within 48hours.If errors are detected, an error message is sent to the sender to correct and resubmit the return to the tax office (Umenweke & Ifediora, 2016).

Nevertheless, the technological modernisms are having a weighty influence on the administration of fiscal systems and the way in which taxation is administered. The information and telecommunication sector has proven to be the major driver facilitating internet economy in Nigeria (Abiola, 2014). Of recent, the use of technology to improve the effectiveness of tax administration, expand taxpayer services and enhance tax compliance has come to attract increasing attention in developed and developing countries (Dowe, 2008; Olaoye and Kehinde, 2015). E-tax, according to Amitabh et al, (2008), would assist revenue authority in timely completion and processing of tax returns and issuance of refunds; also, in taking key administrative decisions in tax administration and compliance functions, serving as a source of the most comprehensive, authentic and current financial, business and economic data for policy formulation inside the government. E-tax is a concept that enables taxpayers file their tax returns and make tax payments electronically. In other words, tax administrators and taxpayers communicate online and compliance is enhanced through an online platform created by this system. Electronic tax system hinges on three important concepts: electronic registration, electronic filing (e-

filing) and electronic payment (e-payment) (Andarias, 2006). Generally, under an e-filing and e-payment system, returns are filed and payments are made via the internet and the tax administrator sends an electronic confirmation acknowledging receipt of the return and/or payment. In the case of e-payments, the taxpayers also receive a debit confirmation from their financial institution.

Since the advancement of ICT, the operation of tax system has been seriously challenged (Muita, 2011) and one of the ways through which tax authorities have improved interactions with taxpayers is through e-tax system (Wasao, 2014). E-tax system increases the quality and quantity of information available to tax officers, enabling them to complete transactions faster and more accurately. The primary objective of any tax administration anywhere in the world is to maximize revenue collections by improving tax compliance. Before the emergence of electronic tax system, tax administrators have been hindered in the effective and efficient discharge of their primary assignments. As argued by Adegbie and Fakile (2011), tax evasion and tax avoidance have contributed significantly to limiting revenue accruable to the government of Nigeria. Tax administration can better be placed if: tax rules and procedures are simple; tax compliance costs are low; there is easy access of information by taxpayers, and there exists mutual trust between taxpayers and tax authority.

Computer technology must be combined with the political will to enforce tax collection if it is to yield greater revenue. In addition, taxpayer's identification number could be tied to other means of identification such as drivers' licenses or passports or even account opening in the banks. Corrupt-free and efficient administrative machinery with personnel who are adequately trained, well-equipped and motivated would enable Nigeria to make appreciable progress in revenue diversification.

For example, the Ebonyi State Board of Internal Revenue has partnered with the accounting firm Appmart Integrated Limited to make tax software available to taxpayers so that taxpayers can electronically submit tax returns and have them assessed electronically. After being notified of the tax by email, the taxpayer has the option of making a payment through a debit or credit card that pays through a payment processing company. Payment by bank transfer from the taxpayer's account is also possible. At that time, the tax office will automatically deduct the unpaid amount from the taxpayer's bank account, together with any surcharges. Nigeria's electronic taxation system is still developing and relatively new. Implementation in Nigeria was heralded in 2004, 2005 and 2006 by reports from a visiting team of the International Monetary Fund's (IMF) Department of Fiscal Affairs recommending the implementation of an integrated tax administration system, 'ITAS'. FIRS received approval from the Federal Executive CommitteeinDecember2010 to procure, install and implement ITAS (Usman, 2013). ITAS aims to automate and redesign the FIRS tax administration process, as well as to procure, install and deploy standard Integrated Government Tax Administration (SIGTAS) and hardware infrastructure (Usman,2013).In2015, F.I.R.S partnered with Nigeria's interbank payment system 'NIBBS'. Arrange for electronic payment of taxes in Nigeria. It automates the entire tax process from tax registration, valuation, filing to tax payment. The aim was to introduce an electronic system to facilitate tax payments. They are as follows;

E-registration: for registration of new tax payers with F.I.R.S for the various taxes. With this service, taxpayers do not need to visit any tax office to register for tax purposes they just need to visit the F.I.R.S website and register.

E-stamp duty: For payment of stamp duties on qualifying documents. This innovation will increase the ease of doing businesses in Nigeria. Physical stamping in the past was required to perform transactions that require stamping. With e-stamping, stamping can be done anywhere at any time online, one area in which this innovation is very useful is when a new company is being incorporated at the corporate Affairs Commission (CAC). From the CAC registration site, you can migrate to the FIRS e-service site and pay your stamp duties.

E-tax payment: For payment of all Federal Government taxes and levies through any of the following platforms. Nigeria Inter-Bank Settlement (NIBSS), Remita and Interswitch. This brings payment of taxes to your doorstep as you can pay your taxes from the comfort of your home.

E-receipt: For receiving and verifying e-receipts generated for taxes paid through the new e-tax payment with this you receive instant notification acknowledging your payment of tax.

E-Filling: This enables tax payers to file their tax returns through the FIRS ITAS online. This is one of the most innovative aspects of the e-tax services. It is a mandatory requirement of the law to file tax returns. This platform obviates the need to visit any tax office to file tax returns as you can upload relevant documents and file your tax returns electronically.

D: Challenges of Electronic Tax system in Nigeria

Nigeria's e-tax system faces several challenges, including low levels of computer skills and high costs of setting up e-tax systems (Umenweke& Ifediora, 2016).Its effectiveness is also highly dependent on the availability of efficient Internet services. Currently, effective internet services are lacking in some parts of Nigeria, especially in rural areas. Although the number of people with internet access and improved connectivity is steadily increasing, the percentage of people without internet access in Nigeria is around 50% of the population, with an estimated population ofaround4millionestimated (NPC, 2021). This challenge is exacerbated by Nigeria's unstable power supply. Another challenge with Nigeria's electronic tax system is that only the Federal Tax Service, FIRS, has fully automated the process. At the state level, many tax authorities still use manual tax procedures or combine manual and electronic tax systems. This situation hinders effective cooperation between federal and state tax authorities to prevent double taxation for the necessary synergy with F.I.R.S. This will help businesses find it easier to fulfil their tax obligations to federal and state governments through a convenient and transparent electronic tax platform, and help tax authorities exchange information easily. Contributes positively to Nigeria's ranking in the Ease Index. Create a comprehensive tax history for taxpayers. The main threat to Nigeria's electronic tax system comes from cyber criminal activity seeking to compromise the integrity of tax portals. Electronic tax fraud (cyber tax crime) is a major challenge for the development and sustainability of electronic tax systems.

E: Prospects of E-Taxation

Benefit to Tax Authorities and Taxpayers Alike: A successful implementation of e-taxation, is advantageous to tax authorities and taxpayers alike. For tax authorities, e-taxation has numerous benefits such as reduction of operational costs, tracking tax evaders whose details are contained in the tax authority's database. On the part of taxpayers, the benefits include convenience since they can pay

their taxes from the comfort of their homes where they have internet access; faster tax refunds, several other benefits.

Accessibility: With e-taxation, taxpayers now have quick and undisrupted access to the tax authority to make enquiries and to pay their taxes anywhere they are. A taxpayer outside the country can pay his taxes with little or no stress at all where he has internet access and the tax authority's website or server is functioning properly. Also, many taxpayers with internet access can have access to the tax authority's website at the same time.

Time Saving and Convenience: Prior to the introduction of e-taxation, taxpayers crowd the offices of the tax authorities that are generally short-staffed most times to file returns. Getting assessed is another hurdle altogether that could last for days or weeks. With the e-taxation system, taxpayers can now pay taxes even from the convenience of their homes and save the bulk of time that would have been wasted at hounding tax officers in their offices for tax assessment and even tax refund where the need arises.

Early Detection of Errors: The tax software and applications used by most tax authorities utilising e-taxation are developed such that problems in returns filing are detected and can be fixed quickly. Hence, without the resolution of such diagnosed errors, a taxpayer doing his taxes cannot progress in the e-taxation process.

Corrupt Practices of Tax Authorities are Appreciably Curbed: with the e-taxation system, those tax officers in the habit of corruptly negotiating with taxpayers for the latter to pay less tax, collecting bribes from individual and non-individual taxpayers, is taken care of to a large extent. With the way the e-taxation procedures are, the tax histories of taxpayers known to the tax authorities and taxpayers alike are already permanently available in the database of the tax authorities. Hence, where a taxpayer does not pay his taxes as at when due, it reflects in the tax authority's website such that the payment of penalty or lesser amount cannot be negotiated by the taxpayer with corrupt tax officers.

Availability of Taxpayers' Tax History for the Perusal of the Tax Authorities and the Taxpayers: With e-taxation, tax authorities and taxpayers have access to taxpayers' tax history up to when the taxpayer first registered with the tax authority for documentation and other purposes.

Tax Evasion by Taxpayers is curbed to some Reasonable Extent: the availability of taxpayers' tax history makes it easy for tax authorities to track and prosecute tax evaders. This helps to reduce tax evasion.

Enhancement of the enforcement of tax laws: with taxpayers' tax histories at their disposal through the adoption of e-taxation, tax authorities can effectively enforce the provisions of the various tax legislation that the taxpayers are likely to have breached against such taxpayers.

Improvement of Tax Compliance amongst Taxpayers: When taxpayers appreciate how e-taxation works and its attendant benefits, it increases tax compliance immensely. This is clearly seen in countries like USA, Australia and Japan where electronic tax filing is made optional to manual tax filing the number of electronic tax filers which is a greater percentage, largely surpasses the number of taxpayers that pay their taxes manually and the latter group keeps diminishing in number.

With E-taxation, numerous taxpayers in different locations can enjoy access to the tax authority through their website at the same time whilst the privacy of the taxpayers are protected. This is different from manual tax administration system wherein tax officials of the tax authority can be accessed by one taxpayer at a time, millions of taxpayers can now have access to the tax authority at the same time from different parts of the world. While taxpayers can have multiple access to the tax authority's website independently, whilst their privacy is also guaranteed.

Taxpayers can easily make tax enquiries from the tax authorities through their websites and get answered quickly. This is made possible through the Frequently Asked Questions27 page of the website of most tax authorities offering e-taxation services. These FAQs segments helps taxpayers to clarify issues that include how to use the tax authorities' electronic tax filing system and the taxpayers' tax history and tax liability.

F: The Nigerian Economy and E-Taxation

The significant drop in oil prices in recent years has reduced the amount of cash available for distribution to different levels of government and for implementing investment projects for development reasons (Jimoh & Adegoriola, 2020). Therefore, the need for governments to create adequate internal revenue streams has become an urgent and important issue. This requirement underscores the tendency of states, local governments and even the federal government to seek new sources of funding and to be more proactive and imaginative in collecting taxes from existing sources. The Nigerian government has recognized the importance of taxation in meeting spending requirements and has implemented various tax reforms. However, since most reforms focus on the tax structure rather than the tax system, the latter was intended to generate more revenue from current tax sources. These reforms have not achieved their intended goals (Oriakhi & Ahuru, 2014). The recent crash of the international oil market (loss of oil revenues) and subsequent economic downturn in Nigeria have highlighted the need for a competent tax administration for better non-oil revenues. According to Oriakhi and Ahuru (2014), with recent declines in oil revenues, the Nigerian government is looking to find alternative sources of funding to fund many projects. Taxation is a viable tool to achieve this goal, according to fiscal experts, economists, and other stakeholders. For example, Deng (2015) found that taxation as a macroscopic policy tool affects the level and speed of economic growth in countries around the world. This can have a significant impact on other macroeconomic indicators, especially for both developed and developing countries, in terms of a country's tax system, i.e. how taxes are set and collected. The usefulness of taxation as a flexible tool for economic growth and development relies heavily on a well-designed tax system that can generate money. As taxation is an important source of revenue for the government, the extent to which Nigeria's tax system provides the necessary revenue to meet the government's ever-increasing spending burden is cause for concern.

The low productivity of the Nigerian tax system has been a source of worry for successive governments. This has generally been attributed to flaws in the tax administration and collecting system, confusing legislation, and apathy, particularly among those outside the tax net (Ariyo & Bekoe, 2012; Ogbuabor, Aneke & Ogbuabor, 2014). A system based on the ability to pay is supposed to be progressive in a situation where the tax administration is ineffectual, but it is usually regressive, especially when there is a lack of tax compliance. If a tax system is efficient and effective, revenue generated as a percentage of national income should be close to or greater than 100% of the tax's

standard rate (Ngerebo & Masa, 2012). For example, suppose the effectiveness of the personal income tax system is to be assessed. In that case, the tax revenue generated by the personal income tax rate on national income should be divided by the current average personal income tax rate (Ebrill, Bodin & Summers, 2001). Because tax is deducted from total income, the amount of tax generated should be equal to the tax rate multiplied by national income. When the proportion is lower than the standard rate, the tax system is not productive and thus ineffective. Suppose the proportion is less than the normal tax rate, which is calculated by dividing the revenue collected by the total consumption expenditure. In that case, the tax system is said to be unproductive and inefficient because it has not affected consumption as it was intended.

Due to a lack of strong tax administrations, Nigeria has been one of the most behind developing countries in revenue collection. In recent years, the most concerning aspect of Nigeria's economy have been weak governance, corruption, and mismanagement, which has hindered the country's resources from taxation and other sources from being channelled towards long-term development in a self-sustaining economy (Jimoh & Adegoriola, 2020). The increased revenue creation that was ostensibly made available through the deployment of ICT in tax administration was invested in productive initiatives (NBS, 2018). It is also worth noting that between 2005 and 2015, total oil revenue as generated through the use of electronic taxation accounted for 82.36 percent of overall revenue, while non-oil revenue accounted for only 17.64 percent (CBN Statistical Bulletin, 2016). Even in the midst of multiple adjustments and implementations of various tax revenue regulations, this is a strong sign that our generation potential is totally dependent on oil money. This indicates a significant level of improvement in Nigeria's tax administration, which is in tandem with Friedman's (1978) tax-and-spend hypothesis, which holds that changes in government revenue lead to changes in government expenditure with the sole purpose of promoting economic growth.

According to Anao (1988), the Nigerian government has failed to meet expectations in terms of earning adequate revenue to offer social and essential services to its citizens. This is because the government's internal income production machinery is not adequately coordinated to the point where it can efficiently achieve the goals for which it was created. Furthermore, according to Naiyeju (1996), the success or failure of any tax system is determined by how well it is administered and how well the tax law is read and applied. Dickson and Presley (2013) also blame this deficiency on a high percentage of tax evasion, erroneous tax exemptions, and tax administration corruption.

G: E-Taxation in Anambra State Nigeria

Tax authorities found it easier to collect taxes from the formal economy because the way they were structured enabled the collection of tax at source. The informal economy on the other hand, is not regulated, making it difficult to be taxed at source. There are limited data that capture operations of businesses in the Informal Economy (IE). The introduction of the new section 36, sub-section 6, of the personal Income Tax Act 2011 made it clear that where the amount to be paid as tax by a taxpayer cannot be determined, personal judgment carried out by a tax officer based on estimate can be used. This approach is problematic where shops are in different locations and vary in sizes. Efforts made by government to regulate the informal economy have proved abortive, as stakeholders in the informal economy are resistant to change (Umenweke & Ifediora, 2016).

Despite efforts made by the government to promote awareness on why people should pay tax, small business owners and employees in the informal economy frown against the idea. The inability to come up with a tax identification number(TIN) for each taxpayer has added to the difficulty in assessing and collecting tax. Section 8 (1) of Federal Inland Revenue Service FIRS Act (2007) states that the FIRS in conjunction with the Anambra State Board of Internal Revenue (ASBIR) and Local Government Revenue Board should come up with a TIN which should be issued to businesses and individuals in Anambra state. TIN was made mandatory in 2008 but the process of registration and getting a digital TIN took 14 days (Ohaka & Zukbee, 2015). After registration, the taxpayer will go to the bank to collect an electronic card, which is part of an online service that requires payment of tax to be made via online.

H: Theoretical Orientation

This study adopted the Technology Acceptance Model (TAM) and Theory of Innovation Translation. The choice of these two theories is because only the technology acceptance theory cannot suffice explaining the role of ICT in tax administration, but the deployment of the theory of innovation is an attempt to explain the very imperativeness of ICT in tax administration and probably administration in general.

Technology Acceptance Model

This theory was propounded by Davies (1989), and was later modified by Venkatesh and Bala in 2008. The theory states that an individual's intention towards using a new system is determined by perceived usefulness, and perceived ease of use (PEOU), the degree to which the user expects the target system to be free of effort and more so help to increase the degree of efficiency and effectiveness of performance. Accordingly the perceived ease of use also has a direct effect on predicting usage. TAM models are very useful within and across organizations setup for accessing the applications or technologies, or to make comparisons between user groups or applications. However, the limitation of TAM is when it is used outside of the work place.

Application of the theory

The imperativeness of the technology acceptance model is apt as the Nigerian government, having discovered the inefficiency of the traditional approach towards taxation and revenue generation, thought it wise to adopt the global system of taxation which is E-taxation. This was because it has been found successful in various developed nations and some of other developing nations. This obviously has been a step in the right direction and it is also expected that its returns will affect the economy of the entire states of the federation. Thus, in Anambra State, the AIRS, having adopted this new system of taxation are expected to yield tremendous returns to the government of Anambra State. This theory equally advocates the deployment of ICT as it has become the newest trend which many developing as well as developed countries have taken towards ensuring efficient and effective tax administration and hence Anambra State is not an exception to this innovative idea.

Theory of Innovation Translation

Theory of Innovation Translation was developed by Arthur Tatnall in 1990 it is an alternative view of theory of innovation diffusion, it is a theory of innovation in which instead of using an innovation in the form it is agreed upon or proposed, potential adopters translate into a form that suits their needs that is the potential users of the innovation decides to modify the innovation in a way that best fit its current system and not adopting the innovation the exact way it was proposed.

In the case of this study the innovation at hand is e-tax payment system, while the actor is the Anambra Inland Revenue Service, it is expected that AIRS adopt e-tax in Nigeria not in the way it was adopted in other nations of the world rather it should be adopted in a way that suit the level of economic and technological development in the country.

I: Methodology

This study employed the survey research methods of quantitative and qualitative data analysis in eliciting information on the subject matter from the respondents which is the total population of Anambra State.

The population under study comprises the entire employees of the Anambra State Internal Revenue Service with a population of three hundred and eighty (380) together with its ad hoc staff as at the time of this study. The entire population was utilized due to its manageability.

Having generated the data, the method of the data, analysis was based on quantitative methodology. The researcher made use of numbers and statistically analysed them for easy comprehension.

J: Data Presentation and Analysis

From the 380 copies of the research questionnaire distributed to the respondents, 360 copies were returned and found valid for the study recording a 90% response. This implies that data for the study were presented and discussed below based on the valid response provided by the 360 respondents.

Table 1: Respondents' sex distribution

Response category	Frequency	Percentage
Female	119	33.1
Male	241	66.9
Total	**360**	**100**

Source: Researcher's field survey, 2023

Table one above exposes the sex distribution of the respondents which revealed that the majority of the participants were male. The reason for the results was that the researcher, having discovered the fact that there are greater number of males who indulge in tax administration, purposively chose 1/3 of the

total population for females and 2/3 of the population for males. This is to be able to make an equal representation of the respondents.

Table 2: Respondents' age distribution

Response category	Frequency	Percentage
30 – 40	140	38.9
41 – 50	160	44.4
51 – 60	60	16.7
Total	**360**	**100**

Source: Researcher's field survey, 2023

From the table above considering the age distribution of the respondents, 30 – 40 years of age were 140 representing 38.9% of the total population, 41 – 50 years of age were 160 representing 44.4%, while 51 - 60 years of age were 60 representing 16.7% of the total population.

How does e-tax system help in improved resource mobilization in Anambra State?

Table 3: E-tax system has significant effect on resource mobilization in Anambra State.

.Variables	Frequency	Percentage
Strongly agree	250	69.4
Agree	68	18.8
Disagree	30	8.3
Strongly disagree	12	3.3
Total	**360**	**100**

Source: Researcher's field survey, 2023

From the responses of the table above, majority of the respondents 250 (69.4%) strongly agree that E-tax system has significant effect on resource mobilization in Anambra State. 68(18.8%) agree, 30(8.3%) disagree, while 12(3.3%) strongly disagree.

How does lack of technological knowhow impede the effectiveness of e-taxation of the AIRS?

Table 4: Lack of technological knowhow impede the effectiveness of e-taxation of the AIRS.

Variables	Frequency	Percentage
Strongly agree	332	92.2
Agree	26	7.2
Strongly disagree	0	0
Disagree	2	0.6
Total	**360**	**100**

Source: Researcher's field survey, 2023

From the responses of the table above, majority of the respondents 332 (92.2%) strongly agree that Lack of technological knowhow impede the effectiveness of e-taxation of the AIRS. 26(7.2%) agree, 0(0%) strongly disagree, while 2(0.6%) disagree.

Empirical Verification

E-tax system has significant effect on resource mobilization in Anambra State.

Responses on research question one were used to answer the first hypothesis

Variables	Frequency	Percentage
Strongly agree	250	69.4
Agree	68	18.8
Disagree	30	8.3
Strongly disagree	12	3.3
Total	**360**	**100**

Expected Frequency =<u>All Observed Frequencies</u>

Number of Observations

=360/4 = 90

Fo	Fe	Fo-Fe	$(Fo-Fe)^2$	$(Fo - Fe)^2/Fe$
250	90	160	25600	284.4
68	90	-22	484	5.4
30	90	-60	3600	40
12	90	-78	6084	67.6
				384.5

$X^2 = 397.4$

For table Value (X^2t)

Df = K - 1 @ 0.05 probability level

Where df = degree of freedom

K = No of Cases

1 = Constant

Therefore, df- 4 - 1= 3

Therefore X^2t – 7.815

Decision Rule

Null hypothesis (Ho) should be rejected and alternative hypothesis (Hi) accepted if the calculated value of chi-square is greater than table value of chi-square. The reverse should be the case if X^2 c is less than X^2 t.

In this instance, X^2c which is 397.4 is greater than X^2 t which is 7.815. The null hypothesis (Ho) is rejected while alternative hypothesis (Ha) is accepted. We then conclude that E-tax system has significant effect on resource mobilization in Anambra State.

Lack of technological knowhow impede the effectiveness of e-taxation of the AIRS.

Variables	Frequency	Percentage
Strongly agree	332	92.2
Agree	26	7.2
Strongly disagree	0	0
Disagree	2	0.6
Total	**360**	**100**

Fo	Fe	Fo-Fe	$(Fo-Fe)^2$	$(Fo - Fe)^2/Fe$
332	90	242	58564	650.7
26	90	-64	4096	45.5
0	90	-90	8100	90
2	90	-88	7744	86
				872.2

$X^2 = 872.2$

$X^2t - 7.815$

Decision Rule

Null hypothesis (Ho) should be rejected and alternative hypothesis (Hi) accepted if the calculated value of chi-square is greater than table value of chi-square. The reverse should be the case if X^2 c is less than X^2 t.

In this instance, X^2c which is 872.2 is greater than X^2 t which is 7.815. The null hypothesis (Ho) is rejected while alternative hypothesis (Ha) is accepted. We then conclude that Lack of technological knowhow impede the effectiveness of e-taxation of the AIRS.

K: Discussion of Findings

While providing answer to the first research question which sought to ascertain how e-tax system help in improved resource mobilization in Anambra State, the responses on the frequency distribution were in agreement that E-tax system actually has significant effect on resource mobilization in Anambra State. This finding is not in tandem with the assertions of Muita (2011) where he stated that since the advancement of ICT, the operation of tax system has been seriously challenged. In response to this, Wasao (2014) says that one of the ways through which tax authorities have improved interactions with taxpayers is through e-tax system. E-tax system increases the quality and quantity of information available to tax officers, enabling them to complete transactions faster and more accurately.

On the second hypothesis which sought to find out how lack of technological knowhow impede the effectiveness of e-taxation of the AIRS, the study revealed from the frequency distribution table that indeed lack of technological knowhow impede the effectiveness of e-taxation of the AIRS. This finding supports the assertions of Umenweke and Ifediora (2016) where they stated that the electronic tax system in Nigeria is confronted with several challenges which include a low computer literacy level and the high cost of setting up on electronic tax system. Also its effectiveness is highly dependent on the availability of an efficient internet service.

L: Conclusion and Recommendations

Improving revenue generation in Anambra State is a move towards successful governance. The issues or challenges which taxation encountered in Anambra State has retarded the swift development every government has promised on the inception of the various administrations. This was also what affected Anambra State government between 2014 and 2021. Just as postulated by the Technology Acceptance

Model, which states that an individual's intention towards using a new system is determined by perceived usefulness, and perceived ease of use, the FIRS and AIRS, adopted the E-Taxation in order to help improve resource mobilization of Anambra State. Thus, it is right to conclude that e-taxation has significant effect on resource mobilization in Anambra state.

Drawing from the above summary and conclusion, the study recommended that:

1. E-taxation should be implemented on every sector in Anambra State for tax payments.
2. Effective trainings should be conducted especially at the rural communities on how to make e-tax payments.
3. The FIRS and AIRS should adopt the e-taxation modules that are suitable for Nigerians.

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