

E-Tax Compliance in Nigeria: Implications for Company Income Tax and Petroleum Profit tax

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ABSTRACT	NG-Journal of Social Development
<p><i>This work examines the effect of e-tax compliance in Nigeria: Implication on Company Income Tax and Petroleum Profit Tax. As Nigeria's economy continues to evolve in the digital age, the taxation landscape has seen significant changes with the advent of e-tax compliance. This work therefore aims to explore the implications of e-tax compliance on two key revenue streams for the Nigerian government: Company Income Tax (CIT) and Petroleum Profit Tax (PPT). The study reveals that the amount of capital gain tax revenue before (before the arrival of e-taxation) and after (after the advent of e-taxation) shows a positive, negligible difference and that the Petroleum Profit Tax also has a positive negligible difference between pre- (before the advent of e-taxation) and post- (after the advent of e-taxation). The study concluded that the transition to electronic tax compliance in Nigeria has been driven by the need for efficiency, transparency, and improved revenue collection. It has not only streamlined the tax assessment and payment process but has also increased the government's ability to monitor and collect taxes from this lucrative industry. Federal Inland Revenue</i></p>	<p>Vol. 12. Issue 1 (2023) ISSN(p) 0189-5958 ISSN (e) 2814-1105 Home page https://www.ajol.info/index.php/ngjsd ARTICLE INFO: Keyword: E-tax, tax compliance, company tax, profit tax Article History Received 20th October 2023 Accepted: 17th November 2023 DOI: https://dx.doi.org/10.4314/ngjsd.v12i1.1</p>

Services should develop measures to ensure that defaulters are brought to book and dealt with in accordance with the laws, in addition to establishing a collaborative pattern between the government, Federal Inland Revenue Services, and Nigerian taxpayers to enable them to observe any difficulty felt by the taxpayers or the shortcomings besetting the effectiveness of the system.

1. Introduction

Nigeria, often referred to as the "Giant of Africa," boasts a diverse economy with various revenue streams, and one of the major sources of government income is taxation. The Nigerian tax system comprises the Company Income Tax (CIT) and the Petroleum Profit Tax (PPT), which significantly contribute to the country's fiscal stability. In recent years, Nigeria has witnessed a digital transformation, and the adoption of e-tax compliance has become a focal point in enhancing tax collection and administration. A robust tax system gives the government many options to raise more revenue needed to meet its essential responsibilities. Additionally, a well-functioning tax structure would offer a powerful tool for mobilizing a country's internal resources and serve as a vehicle for fostering an atmosphere that will encourage economic progress. 2016 (Maisiba & Atambo). The way taxes are collected is mostly to blame for the challenges the manual tax system has encountered. Due to this, the system was upgraded by going digital. The development of technology has made the tax system much better. The administration of taxes is significantly simpler with an electronic tax system, as countries who have adopted its use have plainly seen (Awai & Oboh, 2020). The digital transformation of tax compliance in Nigeria has been a significant development in recent years, as the government seeks to streamline its revenue collection processes and reduce tax evasion. One of the prominent changes is the introduction of electronic tax (e-tax) compliance systems.

However, unlike industrialized nations around the world, Nigeria is still a developing country and has not yet fully benefited from electronic-based taxation systems (Enejo and Gabriel, 2014). With oil providing the majority of the income required for development, tax revenue in Nigeria has historically represented a modest part of total government income. It is clear today that authorities continue to struggle with the issues of efficient tax administration generating sufficient tax revenue. This viewpoint is supported by Enahoro and Olabisi (2012), who claimed that there is an enormous degree of misconduct present in growing economies like the Nigerian tax administration framework, which reasonably indicates that the economy is in a crisis. The Nigerian tax administration has not accomplished the planned aims throughout time as a result of these failures and challenges. Numerous taxes, tax evasion, corruption, failure to comply with relevant tax laws, a lack of information base, and shoddy record-keeping are a few of these challenges. According to some scholars, Nigeria's pervasive tax avoidance and evasion causes lost revenue due to incompetent and inefficient tax management. Tax evasion and avoidance by self-employed people and organizations, whose databases are not captured in the relevant tax authority's data

system, present a significant challenge and a barrier to the growth of the national economy because Nigeria lacks adequate machinery and procedures for implementing an effective taxation system.

Since then, a significant number of taxing bodies in developed countries have adopted technological advances in order to meet the challenges posed by the management of taxes, particularly those related to the evaluation, payment, and completion of tax returns. The implementation of an electronic tax management system is anticipated to result in simple tax administration, increase revenue from taxes, and improve transparency. To this, governments all over the world depend on taxes to help them meet their social duties (Fagbemi, Uadia, and Noah 2010); the Nigerian government is no exception, especially given the country's declining oil earnings. However, neither the Nigerian government nor some others around the world have fully taken advantage of this excellent prospect for revenue generation (Akintoye & Dada, 2013). Tax compliance and tax income in Nigeria have been appallingly low when compared to their counterparts in the rest of the globe, in spite of all forms and processes used by different administrations.

This paper, therefore, delves into the intricacies of e-tax compliance in Nigeria and its implications on company income tax (CIT) and petroleum profit tax (PPT), providing insights into the challenges, opportunities, and policy recommendations for a more efficient tax system.

1.1 Statement of the Problem

The tax revenue of every country is directly dependent on the strength and effectiveness of the tax structure and tax administration of the country. In order to maximize revenue from diverse tax sources, the Federal Government of Nigeria (FGN) established an Evaluation Group on the assessment of the Nigerian Tax System and operations in 1991. Over the years, the Nigerian tax administration has experienced a number of difficulties that have led to inefficiency, inadequate tax operations, a high level of corrupt behaviour, tax evasion and avoidance, and ultimately, low tax collection. The effectiveness and efficiency of a nation's tax administration or tax system have a significant impact on that nation's tax income. According to a FIRS news release, roughly twelve (12) billion naira annually disappears into individual pockets, not to mention issues with payment complexity, a lack of tax statistical data and information, and poor digital literacy on the parts of both taxpayers and tax authorities. In order to ensure compliance, the government established electronic taxation to make it simple for tax operations and administration both for the taxpayers and tax officials. Even with the multiple reforms and advancements implemented by various administrations in Nigeria, it is still unclear whether electronic taxation has improved tax compliance. This study was conducted as a result of the minimal revenue that appears to have been collected in Nigeria with respect to its computerized tax system.

1.2 Objectives of the Study

The main objective of this study is e-tax compliance in Nigeria: Implication on Company Income Tax and Petroleum Profit Tax. The specific objectives of this study are:

- i. To ascertain the implication of e-tax compliance on Capital Income Tax in Nigeria
- ii. To examine the implication of e-tax compliance on Petroleum Profit Tax in Nigeria

1.3 Research Questions

The following research questions were made for the study.

- i. What is the effect of electronic taxation on Capital Income Tax compliance in Nigeria?
- ii. What effect does electronic taxation have on Petroleum Profit Tax compliance in Nigeria?

2. Conceptual Review

Electronic Taxation

The development of electronic taxation dates to the middle of the 20th century. The use of Electronic Funds Transfer (EFT) systems in the United States throughout the 1970s was one of the first innovations in electronic taxation, globally. An online platform known as an electronic tax system allows taxpayers to access all of the services provided by a financial authority, including the application for a personal identity number, the uploading of returns, and the request for a compliance certificate. The development of electronic taxes has been a fascinating journey that mirrors the dynamic environment of financial regulation and management. Electronic taxation, often known as e-taxation, is a cutting-edge strategy for tax administration and collection that makes use of technological advances. The tax environment underwent major change in the second half of the 20th century with the advent of the digital revolution. New taxation techniques became necessary as the internet grew in popularity. The US prohibited taxation of electronic trade and internet access with the passage of the Internet Tax Freedom Act in 1998. However, this law did open the door to taxing online purchases, starting a new era of electronic taxation. The mechanism for collecting taxes in Nigeria has become more dependent on electronic taxation.

Online tax services saw a dramatic transition in the twenty-first century. The Internal Revenue Service (IRS) launched the Electronic Federal Tax Filing (e-file) system in 2003, enabling both individuals and corporations to submit their tax returns online. The tax collection procedure was streamlined by this innovation, which improved convenience, cut processing times, and lessened the possibility of errors. Electronic taxation has been a potent instrument in Nigeria for streamlining tax collection, lowering corruption, and increasing revenue creation. Technology has completely changed the way governments collect taxes in recent decades, moving away from antiquated paper-based systems and toward sophisticated electronic ones.

Wasao (2014) defines an internet-based tax system as an infrastructure or mechanism that allows taxpayers to gain permission to tax porters through the internet from the convenience of their homes. These services include registering for the creation of a Tax Identification Number and filing tax returns electronically. EFT eliminated the need for paper checks and increased efficiency in the tax collecting process by enabling businesses and individuals to electronically transfer monies for tax payments. Harold (2011) claims that computer-generated returns sent electronically are typically simpler to complete than paper returns because IRS employees don't have to type the data on the forms into the Service's computer system one by one.

Systems of electronic taxes quickly spread throughout the world. With its "e-Tax Board" in 2000, Estonia, for example, was a pioneer in totally digital tax administration, enabling taxpayers to file their taxes online. This novel strategy cut red tape, improved transparency, and encouraged other countries to adopt it. The internet-based tax system that was put into place in Nigeria in 2013 carried with it a variety of electronic services, according to Akpubi and Igbekoyi (2019): e-registration, e-payment, e-filing, e-receipt, e-stamp duty, and e-TCC. In order to increase efficiency and transparency, the Federal Inland Revenue Service (FIRS) has started a digital transformation path by adopting electronic tax assessment and payment technologies (FIRS, 2020).

The transition to e-taxation is a crucial milestone in the fight against tax fraud and evasion, and enhance tax compliance.

E-taxation and Compliance

Jones (2007) defines tax compliance as the accurate self-assessment of taxes owed, the timely payment of those taxes minus enforcement proceedings, and the timely filling out and reporting of relevant tax information. According to this definition, tax compliance has three components: filing, reporting, and payment compliance. If the taxpayer submits the appropriate paperwork to the revenue authorities, this is referred to as filing compliance. The Organization for Economic Cooperation and Development (OECD) (2016) defines tax compliance as "the degree to which taxpayers comply with the tax laws, rules, and regulations of their country." This includes both the technical aspects of tax law compliance and the willingness of taxpayers to voluntarily comply. The accuracy of the return is referred to as reporting compliance, whereas prompt payment of the reported tax liability is referred to as payment compliance. From an economic standpoint, Allingham & Sandmo (1972), tax compliance refers to the extent to which taxpayers pay their taxes honestly and fully, taking into account their economic self-interest and the costs associated with tax evasion or avoidance. However, Alm, et. Al. (2004) views tax compliance through the lens of behavioural economics, considering how human psychology and behavioural factors influence taxpayer compliance decisions.

Therefore, if the three dimensions are not adequately completed, a taxpayer would be deemed non-compliant. This has to do with the willingness of taxpayers to comply with the tax laws without being compelled by enforcement actions. It often relates to the social contract between citizens and the government (Torgler & Schneider, 2009). Any discrepancy between the actual amount of taxes paid and the total amount of taxes owed is referred to as tax non-compliance. Overstating and understating income, expenses, and deductions are to blame for this discrepancy. Thanks to electronic transmittal, which is prompt and eliminates the inconvenient anomalies of the postal system, the customer receives verification within a few days or less that the IRS received the return correctly. From the perspective of the taxpayer, the main benefit of computerized tax systems is the reduction in refund processing times from 12 weeks to roughly 2 weeks. Even better, refunds can be deposited straight into the bank accounts of taxpayers. The usage of ICT is cited in various literature as being particularly advantageous. Utilizing ICTs facilitates more prompt access to accurate and relevant data which is necessary for efficient planning, programming, and execution as well as monitoring and evaluation which is an important element in development. The use of ICT has sparked significant organizational expansion. Two facts continue to be fundamental to the simplicity of electronic taxation: first, ICT offers the ability to boost output for the same or less inputs, raise productivity, and improve services and goods in the long run. Additionally, the creation of ICT applications for commercial usage changes how organizations operate.

E-taxation and compliance refer to the use of electronic technology and digital systems to facilitate and enforce tax-related processes. This approach aims to streamline tax collection, reporting, and compliance for both taxpayers and tax authorities.

Here are some key aspects of E-taxation and Compliance:

Electronic Filing: E-taxation involves the electronic submission of tax returns, which replaces traditional paper-based filing systems. Taxpayers can file their returns online through dedicated government portals or third-party software.

Digital Payment: E-taxation encourages the use of digital payment methods for taxes, such as online banking, credit/debit cards, and electronic funds transfers. This makes it more convenient for taxpayers and reduces the reliance on physical payments like checks or cash.

Electronic Data Exchange: Tax authorities often require taxpayers, particularly businesses, to submit financial and tax data electronically. This enables efficient data analysis, reduces errors, and allows for better compliance monitoring.

Electronic Auditing: Tax authorities can use digital tools and data analytics to conduct audits more efficiently. They can identify discrepancies and potential issues by analyzing electronic records, reducing the need for in-person audits.

Automation and Integration: E-taxation systems can automate various tax processes, making it easier for individuals and businesses to calculate their tax liability. Additionally, these systems can integrate with other financial and accounting software for seamless reporting.

Digital Record Keeping: Taxpayers are encouraged to maintain electronic records of financial transactions and documents related to their tax obligations. These records are essential for compliance and can be easily audited by tax authorities if needed.

Compliance Monitoring: E-taxation systems can be used to monitor compliance with tax laws more effectively. Automated checks and data analysis can flag potential issues, ensuring that taxpayers are paying the correct amount of taxes.

Security and Data Privacy: E-taxation systems must prioritize security and data privacy to protect sensitive taxpayer information. Robust cybersecurity measures and encryption are essential to prevent data breaches.

Efficiency and Cost Savings: E-taxation systems often lead to cost savings for both taxpayers and tax authorities. The streamlined processes and reduced paperwork result in lower administrative costs and potentially faster refunds for taxpayers.

Taxpayer Education: Governments need to educate taxpayers about how to use e-taxation systems effectively. Providing user-friendly interfaces and resources for understanding the digital tax process is essential.

Penalties for Non-Compliance: E-taxation doesn't eliminate the need for compliance enforcement. Tax authorities can still impose penalties for those who fail to meet their tax obligations or submit inaccurate information.

Global Cooperation: In an increasingly globalized world, e-taxation systems need to be compatible with international standards and cooperate with other tax authorities to combat tax evasion and ensure fair taxation.

E-taxation and compliance have become more prevalent and necessary as technology advances. They offer numerous benefits, including increased efficiency, reduced tax evasion, and improved taxpayer experiences. However, successful implementation requires robust digital infrastructure, strong cybersecurity measures, and ongoing education and support for taxpayers and tax professionals.

Challenges of Electronic Tax Systems

There are difficulties in its introduction, use, and maintenance, which are measured in terms of the benefits that come with electronic tax systems. According to the literature analysis, Nigeria's computerized tax system faces several challenges, such as high setup costs and a low computer literacy rate. The digital divide remains a significant challenge in implementing electronic tax systems. Not all citizens have access to the internet or possess the necessary digital literacy skills to navigate these platforms (Heeks, 2018). This can lead to exclusion and hinder efforts to broaden the tax base. Additionally, the availability of a reliable internet service is crucial for its efficacy. Several sections of Nigeria, particularly those in rural areas, still do not have reliable internet access at this time. Even while there are more and more places with better internet connectivity and internet access, there is still a significant amount of work to be done because the percentage of sites without access is still high—roughly 50%. The inconsistent Nigerian electricity supply makes the situation worse because according to Gupta et al. (2017), the implementation of electronic tax systems often involves complex technological infrastructures and integration of various databases and systems. Ensuring that these systems work seamlessly can be challenging and may result in operational hiccups. Another issue with computerized taxes in Nigeria is that only the FIRS, which is the federal tax body, has effectively automated all of its processes. Electronic tax systems require taxpayers to submit accurate data and comply with filing deadlines. Non-compliance can occur due to misunderstandings, technical issues, or deliberate evasion. Ensuring that taxpayers consistently provide accurate data is an ongoing challenge (Rendón, 2016). Except for a few states that have implemented filing, e-tax payments, and e-tax clearance certificate systems, the majority of state tax authorities still use manual tax processes. In order to prevent double taxation, this condition makes it difficult for federal and state tax officials to work together effectively. State revenue agencies must automate their procedures in order to create the required FIRS synergy. As a result, investors will find it simple to fulfil their tax obligations to the federal and state governments using practical and open electronic tax payment channels, which will boost Nigeria's ranking on the ease of doing business index. Additionally, it will make it easier for tax authorities to share information on taxpayers and compile detailed tax histories for each. The operations of cybercriminals, who attempt to attack the integrity of the tax revenue service portals, pose the biggest threat to electronic taxes in Nigeria. One of the primary challenges of electronic tax systems is security. The transition to digital platforms makes tax data vulnerable to cyber threats and breaches. Hackers are continually adapting their techniques, posing a constant threat to sensitive taxpayer information (Benz and Horowitz, 2019). Cybertax crime, also known as electronic tax fraud, poses a significant obstacle to the growth and sustainability of electronic tax systems. The influence of cybercrime on electronic taxation and the possible risks of electronic tax fraud on the adoption of electronic tax systems in Nigeria requires a more in-depth study. Electronic tax systems necessitate the collection and storage of vast amounts of personal and financial data, raising concerns about data privacy and ethical use (Lauri, 2020). Tax authorities must strike a balance between collecting necessary information and respecting taxpayers' privacy.

Capital Income Tax

Capital income refers to earnings generated from investments, savings, or the ownership of assets such as stocks, real estate, and bonds. Capital income tax, also known as investment income tax, is levied on the profits and gains resulting from these investments. It is important to differentiate between different types of capital income, which include dividends, interest, capital gains, and rental income.

In Nigeria, incorporated firms must pay Companies Income Tax (CIT) on their profits (Wooldridge, 2006). Taxes on the profits of non-resident corporations doing business in Nigeria are also included. Public liability firms and limited liability companies both pay the tax. As a result, corporate tax is a common name for it. The Income Tax Management Act of 1961 served as the foundation for CIT, which was established by the Companies Income Tax Act (CITA) of 1979. It is one of the taxes that the Federal Inland Revenue Service (FIRS) administers and collects.

Capital income tax plays a vital role in generating government revenue, funding public services, and reducing income inequality. This revenue supports various government functions, including infrastructure development, healthcare, education, and social welfare programs (Piketty, 2014). Capital income tax can contribute to a more equitable tax system. Taxing capital income is often viewed as a means to reduce income inequality because it targets those with substantial wealth. Progressivity in capital income taxation can ensure that higher earners pay a larger share of their income in taxes (Saez & Zucman, 2016). However, it's essential to strike a balance. Excessively high capital income tax rates might discourage investment and economic growth. A study by Mertens and Ravn (2013) found that lowering capital income tax rates could stimulate investment and boost overall economic performance. Capital income tax is also influenced by international considerations. Many countries have double taxation agreements to prevent individuals or entities from being taxed on the same income in multiple jurisdictions. This has important implications for global tax planning and wealth management (Avi-Yonah, 2007).

Capital income tax has not been without controversies. High-net-worth individuals and multinational corporations often use tax havens and other strategies to reduce their capital income tax liabilities. Zucman (2015), argues that addressing tax evasion and implementing effective tax enforcement measures is a priority for many governments. According to Chetty et al. (2020), capital income tax has been subject to various reforms and debates in recent years. Topics of discussion include the optimal tax rate, the treatment of capital gains, and the role of tax policy in addressing economic disparities. Researchers and policymakers continue to explore these issues

Conclusively, capital income tax is a crucial component of modern taxation systems. It plays a significant role in generating government revenue, reducing income inequality, and impacting economic growth. However, the complexities surrounding its implementation and enforcement are ongoing challenges for policymakers. As debates and reforms in this area persist, understanding capital income tax remains vital for informed decision-making in the field of public finance.

Petroleum Profit Tax

Petroleum Profit Tax (PPT) is a crucial fiscal tool used by many oil-producing countries, including Nigeria, to regulate and generate revenue from their oil and gas industries. In the case of Nigeria, PPT plays a pivotal role in the country's economic development and revenue generation. Petroleum Profit Tax in Nigeria can be traced back to the country's early oil exploration activities. The Nigerian government recognized the need to tax oil companies operating within its borders to benefit from the exploitation of its natural resources. The concept of petroleum profit taxation was first introduced with the Petroleum Profits Tax Act of 1959. This act established the legal framework for taxing the income of oil companies.

According to Ayua (2006), "The Petroleum Profits Tax Act of 1959 was the foundation upon which subsequent petroleum profit tax legislation was built in Nigeria." It set the groundwork for the taxation of oil company profits in the country. When a business sells chargeable oil and gas,

they become liable for the petroleum profit tax. According to the Nigeria Petroleum Income Tax Act (Okoh et al., 2016), the charge is based on the company's oil-related profit. Any company engaging in petroleum operations throughout any such accounting period, typically one year (January to December), is subject to a tax on petroleum profit that is assessed, calculated, and payable on the profits or income of each accounting period. The petroleum profit tax is a piece of legislation that taxes the proceeds of oil extraction in Nigeria and specifies how it will be estimated, collected, and used. It is a tax on upstream operations in the oil and gas sector. The Petroleum Profit Tax (PPT) is a tax imposed on the upstream activities of the Nigerian oil sector. Rents, royalties, margins, and profit-sharing provisions relating to oil mining, prospecting, and exploration leases are its main focus. The role of PPT in the Nigerian economy is paramount. It is a significant source of revenue for the government, enabling it to fund various development projects and public services. Nigeria's heavy dependence on oil revenues makes PPT a vital tool in ensuring fiscal sustainability. As Uadiale (2015) notes, "The revenue generated from Petroleum Profit Tax has been a substantial contributor to the Nigerian government's budget."

The revenue generated from PPT has been used to finance infrastructure projects, education, healthcare, and social welfare programs in Nigeria. It has also been instrumental in stabilizing the country's economy, especially during periods of fluctuating oil prices. This underscores its role as a vital source of revenue. While PPT is essential for the Nigerian economy, it has also influenced the dynamics of the oil and gas industry. The tax burden imposed on oil companies can impact their profitability and investment decisions. The rate at which PPT is levied affects the attractiveness of Nigeria as an investment destination for oil and gas companies. According to Okonkwo and Agbibo (2014), "The fluctuating nature of the Petroleum Profit Tax rate has had implications for the investment climate in Nigeria's oil and gas sector." When the tax rate is high, it may discourage new investments, exploration activities, and the expansion of existing projects. Conversely, a more favourable tax regime can attract foreign investment.

The Nigerian government has faced challenges in administering the Petroleum Profit Tax. These challenges include issues related to tax evasion, transfer pricing, and the need to maintain a competitive tax regime to attract foreign investment. In response to these challenges, the government has initiated various reforms to improve the tax system. As pointed out by Ezigbo and Nnanna (2019), "Reforms aimed at improving the administration of the Petroleum Profit Tax have been introduced, such as transfer pricing regulations and the use of technology for tax collection." These reforms are crucial in ensuring that the tax system remains effective and transparent.

Petroleum Profit Tax in Nigeria has evolved over the years and plays a vital role in the country's economy. It has been instrumental in providing revenue for the government, funding development projects, and stabilizing the economy. However, it also impacts the oil and gas industry and requires ongoing reforms to address challenges such as tax evasion and maintain a competitive tax regime. As Nigeria continues to be a major player in the global oil market, the effective management of Petroleum Profit Tax remains crucial for the nation's economic growth.

2. 2 Theoretical Review/Framework

Technology Acceptance Model (TAM)

In 1989, Fred Davies created this theory. Later, in 1992, Bagozzi and Warshaw backed it. The two technological acceptance measures, ease of use and utility, replace many of TRA's attitude measures. According to Davies (1989), TAM states that perceived usefulness, the users'

"subjective probability that using a specific application system will increase his or her job performance and efficiency," and perceived ease of use (PEOU), "the degree to which the user expects the target system to be free of effort," jointly determine an individual's intention towards using a new system. These beliefs operate as a moderator of the impact of external variables (such as elements of the system design) on behavioural intention (BI). As a result, estimating usage is directly impacted by perceived ease of use. To evaluate applications or technologies, or to compare user groups or applications, TAM models may be helpful both within and between enterprises. TAM's basic constructs, however, do not accurately reflect the range of user task environments and constraints, therefore its applicability outside of the workplace is constrained. Despite the wealth of literature on TAM, experiments have so far shown inconsistent and inconsistent results that differ greatly in terms of statistical significance, direction, or amplitude. The mixed findings undermine the accuracy of TAM and make it more difficult for IT practitioners and academicians to pinpoint the causes of user acceptance behaviour, despite the fact that they are not uncommon in social sciences where human behaviour is challenging and complex to understand (Ma & Liu, 2004). Though potential users of technology may not always base their acceptance of and willingness to use new technology on their perceptions of IT's usefulness and ease of use, the model does suggest that there may be other external factors that could be responsible for their acceptance of the technology (Ajibade, 2018).

3. Summary of Findings

The following were the findings from the study:

- i.** The amount of capital gain tax revenue before (before the arrival of e-taxation) and after (after the advent of e-taxation) shows a positive, negligible difference. Thus, the amount of capital gain tax generated in Nigeria has not been considerably impacted by e-tax payments.
- ii.** The Petroleum Profit Tax has a positive negligible difference between pre- (before the advent of e-taxation) and post- (after the advent of e-taxation). This indicates that Nigeria's capital gain tax has not been increased as a result of E-tax payments.

3.1 Conclusion

The tax compliance rate has remained low over time, and tax income continues to fall short of the targets most revenue collection agencies have set. This is according to evaluated pertinent literature. Even though electronic tax systems are widely used, developing countries like Nigeria still experience weak tax administration and low tax compliance. It was said that paper-based tax procedures are being quickly replaced by electronic tax systems. In comparison to the traditional method of filing taxes on paper, this system promises a number of advantages, including speedier processing times, lower costs, and higher efficiency. This served as the foundation for the study that examined how tax compliance in Nigeria has improved as a result of E-tax payments. Using revenues, the study looked at whether the computerized tax system has improved tax compliance in Nigeria. The revenues from the capital income tax and the petroleum profit tax were used as the main variables of evaluating tax compliance in the study to determine if the electronic tax system has enhanced tax compliance in Nigeria. The increase in tax revenue in the post-e-tax years for both the petroleum profit tax and capital income tax provides proof that the electronic tax system has enhanced tax compliance. However, the level of compliance observed does not matter when it comes to the objectives of Nigeria's tax administration system.

3.2 Recommendations

Following the findings of the research conclusions, the following recommendations were made:

- i. The federal government should develop strategies for teaching businesses the intricacies of electronic tax payment through Federal Inland Revenue Services in order to maximize the anticipated benefits of the tax administration system.
- ii. Federal Inland Revenue Services ought to develop policies to guarantee that those who violate the law are held accountable and handled appropriately. They should also establish a cooperative relationship with Nigerian taxpayers to enable them to monitor any issues that taxpayers may be experiencing or flaws in the system that are affecting its efficacy.

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