TAX ADMINISTRATION SYSTEM AND PAYERS' COMPLIANCE IN CROSS RIVER STATE, NIGERIA

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ABSTRACT

The research examined the relationship between tax administration and tax payers' compliance in Cross River State, Nigeria. Specifically, it examined the relationship between tax administration (Electronic and tax audit) and tax-payers voluntary compliance, quasi tax-payers compliance and coercive tax-payers compliance in Cross River State. To achieve these objectives, the descriptive research design was used and data was collected from 287 respondents (tax payers) through the administration of a structured questionnaire. The data was presented using descriptive statistics such as percentages, frequencies, analyzing it with linear regression. The results revealed that electronic tax administration and tax audit have significant relationship with voluntary tax compliance, quasi voluntary tax compliance and coercive tax compliance in Cross River State. Hence, the research concluded that tax administration has a significant relationship with tax payers' compliance. The research therefore recommended that Tax authorities should ensure that electronic means of' tax administration like Tax Identification Number is effectively enforced amongst others.

ABSTRACT

INTRODUCTION

Tax is a compulsory levy imposed by the government on the income, profit or wealth of an individual, family, community, corporate or unincorporated bodies etc., for purposes of financing public expenditures. Loveday & Eiya (2016), posited that the governments has the undebatable responsibility to execute huge public expenditure as a way of providing basic amenities and other social services. According to Gberegbe, Idornigie & Nkanbia-Davies (2015), taxes are the most important and reliable sources of generating revenue for the government functions aforementioned. Also, Egwaikhide and Udoh (2012), said that taxation is the inherent power of the state exercised through the legislature, to impose financial burden upon its citizens within its jurisdiction for the purpose of raising revenue to execute its legitimate duties of governance. Without taxation, the state cannot carry out its function of providing basic amenities and capacity building. Taxpayer, also, can hold their government accountable for the provision of public goods through the taxes they pay (Olowokere & Fasina, 2013). Verboon and Dijke (2017), have posited that taxation is a legal obligation imposed by the tax system, as a prerequisite of state-building, which must be complied with either by coercive, voluntary to quasi-voluntary compliance, meaning that, compliance comes from a mixed set of taxpayers to avoid the voidable consequences of non-compliance.

A wide range of compliance levels represents both the effectiveness of the government's tax administration and taxpayers' perception of taxation and the government's responsibility for public expenditure. Accordingly, facilitating compliance is the primary task of any tax administration along the lines of effectiveness and accountability (Bird and De-Jantscher, 2022). Indeed, tax administration reform directly and indirectly affects tax performance and compliance, thereby aiming to improve the tax authority's capacity to detect and punish the non-compliant, enforce fair and equitable taxation, and provide benefits in return for tax payment (Verboon & Dijke, 2011).

The achievement of tax administration reform, therefore, crafts a positive trajectory of state-building by enhancing state capacity and improving state-society relations (Xin, Khai & Fong, 2015). Prior to 1998, tax payers in Nigeria were assessed by the relevant tax authorities, a system otherwise known as government assessment (Soetan, 2017). With the introduction of new tax administration schemes like on-line and tax audit into the Nigerian tax system, tax payers are required to file in their tax returns independently projecting a self-assessment scheme. This

practice behoves the tax auditors to ensure taxpayers file in accurate information regarding their tax liability. Samuel (2011), argued that taxpayers are inherently disposed to reducing their tax liability either through tax evasion or tax avoidance. With the introduction of self-assessment scheme by-the Federal Inland Revenue Service (FIRS) in 2006, taxpayers are given the opportunity to assess themselves and voluntarily remit the assessed tax to the government (Feyitimi & Yusuf, 2014).

A major challenge inhibiting effective tax administration in emerging economies is low tax compliance or deliberate refusal to pay tax (Ganyam, Ivungu & Anongo, 2018). This is supported by the study of Ezugwu and Agbaji (2014), which affirmed that most tax payers do not comply with tax provisions because of lack of trust and sometimes inability to meet certain obligations. Furthermore, some studies affirmed that majority of those that complied partially did so because of the likely penalty (Ching, 2013).

In a bid to achieve policy recommendations, empirical literatures on tax administration practices and tax compliance have been explored from both developed and underdeveloped countries but there exist variation to the definition of tax compliance and the methods of tax administration which is the gap that needs to be explored and abridged. Inasius, et al. (2020), looked at tax compliance as a .quasi voluntary exercise determined by tax amnesty policy of the government while, Oseni and Ehimi (2019), asserted that tax compliance in Nigeria is determined by tax fairness which is more of a voluntary compliance. Also, Anyadubah and Oboh (2019), in their study proved that tax compliance is voluntarily done through self- assessment schemes.

To bridge the gap identified from the studies of Inasius, et al. (2020); Oseni and Ehimi (2019);

Anyadubah and Oboh (2019), which were focused on other geographical regions and states, this study adapts the conceptual definition of tax compliance from previous authors for easy assessment of the relationship between tax administration and tax compliance in Cross State, Nigeria.

REVIEW OF RELATED LITERATURE

The study is anchored on the economic deterrence theory as propounded by Allingam and Sandmo (2022), which is otherwise known as A-S model of tax compliance. The theory assumes that when severe penalties are meted to tax evaders, fewer people tends to evade tax. On the other hand, more people will evade tax if the penalties are relaxed and so non-compliance occur.

According to the economic deterrence theory, we expect that individuals who perceived tax as difficult are more likely to be tax compliant. The elements of tax administration are various factors which have the possibility of increasing tax compliance within a given context (Fadjar, 2012). According to Chijioke, Leonard, Bossco and Henry (2018), government needs funds in order to supply goods and services such as public goods.

According to Douglas (2015), it is helpful to sometimes motivate people to carry out a task through quasi persuasive methods. One of such quasi methods with regards to tax compliance is through granting of tax amnesty (Theobald, 2018). Ngerebo and Masa (2012), view tax amnesty process as a function in which information, laws and procedures are used to achieve better tax compliance outcomes, but which also include taxpayers satisfaction, equity, and social welfare.

Gillingham and Richardson (2015), opined that the non-establishment of tax audit unit in tax offices is responsible for the high rate of non-compliance, therefore penalties need to be inculcated so as to coerce tax compliance level. According to Bird (2018), when those who failed to comply are not penalized and those who cheat escape, a country's part to sustainable growth is threatened. The administrative dimension of taxation has long been recognized by tax administrators and practitioners in a long-list of country studies (Akintoye & Tashie, 2013).

Chijioke, Leonard, Bossco and Henry (2018), evaluated the impact of E-Taxation on Nigeria's revenue and economic growth. Their study made use of secondary data sourced from Federal Inland Revenue

Service, and Central Bank of Nigeria Statistical and Economic Reports on quarterly basis from second

quarter 2013 to fourth quarter 2016. Findings revealed that Federally Collected Revenue and Tax-to-GDP ratio significantly decreased after e-taxation was implemented. Also, Tax Revenue decreased after the implementation but the mean difference was not statistically significant.

Onuoha and Dada (2016), substantiated tax audit and investigation as imperatives for the achievement of an efficient tax administration in Nigeria. Their study adopted an expository approach using content analysis of existing literatures. The doubt and sociological theories were used to frame up the conceptualization of the topic. The study revealed that tax audit and investigation are inevitable to improve the collection of tax revenues in Nigeria. The study also

confirmed that there is a high prevalence of non-compliance currently among individuals and companies in the country.

Ezugwu and Agbaji (2014), discovered that internally generated revenue (IGR) before the introduction of Taxpayers Identification Number (TIN) from 2003 to 2007 was not significant. The research was carried-out to assess the contributions of internally generated revenue before (TIN) on total tax revenue in Kogi State. They employed secondary data comprising of "Total Tax Revenue before TIN (TRBT) and internally Generated Revenue before TIN (IGRBT). The findings shows that the introduction of TIN has positively affected the internally generated revenue.

Otime, Ogiada, Obura, Alia, Ojera and Siringi (2013) carried out a research on effect of Information Systems on Revenue Collection by Local Authorities in Homa Bay County, Kenya.

This paper examined the effect of Information Systems on revenue collection of Local Authorities in Homa Bay, Kenya. Study objectives included establishing the relationship between internal control systems, Information Systems and revenue collection in Kenyan Local Authorities; determining the levels of quality service offered to the clients by Local Authorities and investigating whether Information Systems relate to effectiveness and efficiency of Revenue Collection. A structured cross-section survey was used to collect data from 2,007 individuals, of which 165 were Local Authorities staff and 1,842 were traders in Homa Bay Municipality. The study found that there is a strong positive relationship between Internal Control Systems and revenue collection as reported by 97% of the respondents, and warning against resistance to change.

Mu'azu (2012), took research to assess the effect of tax audit on tax compliance in Nigeria a case of Bauchi State Board of Internal Revenue.

TESTING THE HYPOTHESES

In this section the hypotheses formulated in the null for are tested of their veracity in this study.

There is no significant relationship between tax administration (Electronic and tax audit) and voluntary taxpayers' compliance in Cross River State, Nigeria (H_1).

Table 1. Diagnostic test TDSAT

TEST TEST STAT MODEL VTC

(Prob.) MODEL QVTC

(Prob.) MODEL CTC

(Prob.)

Independence of residuals Durbin Watson 1.620120(DW) 0.482032 (DW)/RA1 = 2.693522 (DW) 1.217695(DW)

Linearity test Ramsey Reset test 0.8098 (tau-P) 0.0022 (tau-P) 0.2872 (tau-P)

Serial autocorrelation Breusch-Godfrey SLLM test 0.0008 (Prob) 0.0000 (Prob) 0.0000 (Prob)

Multicollinearity Variance Inflation factor (VIF) 1.052654 1.052654 1.052654

Heteroscedasticity Breusch-Pagan Godfrey Test 0.1216 (Obs. Chi.Sq. Prob) 0.0043 (Obs. Chi.Sq. Prob) 0.0000 (Obs. Chi.Sq Prob)

Source: From Eview 9.

From the regression result for model 1 above, both ETA and TA against VTC reveal Prob. values of 0.0228 and 0.000. The calculated probability values are <0.05 which indicates that the null hypothesis is rejected and the alternative hypothesis which states that there is significant relationship between tax administration (Electronic and tax audit) and voluntary taxpayers' compliance in Cross River State, Nigeria is accepted. Due to the fear of tax audit, the detection of evasion and the penalties that follows, it can therefore be said that, when situation demands that coercive measure be adopted for tax compliance and penalties on defaulters, it should be applied because it will make taxpayers to comply with the resultant effect of increase in revenue generation (Ibadin & Eiya, 2013).

Examining the relationship between tax administration practices (Electronic and tax audit) and tax-payers voluntary compliance in Cross River State, Nigeria (H_1)

Table 2. Dependent Variable:

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-0.649424	0.616407	-1.053564	0.2930
ETA	0.294551	0.128631	2.289898	0.0228
TA	0.807521	0.103777	7.781312	0.0000

R-squared Adjusted R-squared

S.E. of regression Sum squared resid Log likelihood F-statistic 0.214703 0.209173 1.017561 294.0623 -410.7238 38.82327 Mean dependent var S.D. dependent var Akaike info criterion Schwarz criterion Hannan-Quinn criter. Durbin-Watson stat
4.191638

1.144247

2.883092

2.921345

2.898423

1.620120

Prob(F-statistic) .0.000000

Source: From Eview 9.

Examining the relationship between tax administration (Electronic and tax audit) and tax-payers' Quasi voluntary tax compliance in Cross River State, Nigeria (H_2)

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-1.047475	0.528966.	-1.980231	0.0486
ETA	-0.086154	0.109932	-0.783706	0.4339
TA	0.307990	0.089934	3.424625	0.0007

RESID(-1)	0.787166	0.039088	20.13815	0.0000
R-squared	0.588988	Mean dependent var	-6.50E-16	
Adjusted R-squared	0.584631	S.D. dependent var	1.348322	
S.E. of regression	0.868982	Akaike info criterion	2.570850	
Sum squared resid	213.7016	Schwarz criterion	2.621853	
Log likelihood	-364.9170	Hannan-Quinn criter.	2.591291	
F-statistic	135.1816	Durbin-Watson stat	2.693522	
Prob(F-statistic)	0.000000			

Source: From Eview 9.

Square regression is adopted for model 2 after reset to include 1st residual from the dependent variable.

From above table, the following information is distilled: The R2 is value of approximately 0.215 indicating that about 21.5% of the variation in VTC is caused by tax administration (TA & ETA), while 78.5% of the variation is caused by other factors not included in the model. The R2 adjusted value of approximately 0.209 means, if other factors are considered, the study result will deviate by

0.6% (0.215 - 0.209;-= 0.006). The F-statistics of 38.82327 with a probability value of 0.0000 is found to be statistically significant. This means that the set of independent variable is as a whole contributing to change in the dependent variable in a significant way, indicating the appropriateness of the model

Specifications

Both tax audit and electronic tax administration (TA and ETA) have significant bearing on VTC, with P-values that are less than 0.05. Tax audit and electronic tax administration (TA and ETA) have positive relationship with VTC. From the results, ETA has a coefficient of 0.294551,

indicating that a unit increase in ETA will lead to approximately 29.5% increase in VTC. This is in line with tax administration apriori expectation that electronic tax administration will lead to voluntary tax compliance. Similarly, tax audit (TA) has a coefficient of 0.807521, indicating that a unit increase in TA will cause approximately 80.8% increase in VTC. This is also in line with tax administration apriori expectation that increase in tax audit during tax administration will lead to voluntary tax compliance. Square regression is adopted for model 2 after reset to include 1st residual from the dependent variable.

Examining the relationship between tax administration (Electronic and tax audit) and tax-payers' coercive tax compliance in Cross River State, Nigeria (H_3).

Table 3. ,

Variable	Coefficient	Std. Error	t-Statistic	Prob.
: C	2.082115	0.292562	7.116844	0.0000
ETA	0.374187	0.061051	6.129072	0.0000
TA	0.247018	0.049255	5.015083	0.0000

R-squared	0.220833	Mean dependent var	4.693380
Adjusted R-squared	0.215346	S.D. dependent var	0.545219
S.E. of regression	0.482959	Akaike info criterion	1.392627
Sum squared resid	66.24276	Schwarz criterion	1 .430879
Log likelihood	-196.8420	Hannan-Quinn criter.	1.407958
F-statistic	40.24593	Durbin-Watson stat	1.217695
Prob(F-statistic)	0.000000		

Source: From Eview 9.

Result for model 3 (TA, ETA & CTC) reveals Durbin Watson statistics of 1.217695. This indicates that the set of data for the model variables has residuals that cannot influence the outcome of the linear regression. This is supported by Field (2009), who posited that a Durbin Watson statistic within the range of 1 to 3 is appropriate for a linear model. The Ramsey reset test with a probability value of 0.2872 further prove that there is no need to include the residuals in order to reset the linear model since the observations are free from autocorrelation. The VIF statistics of less than 10 proves that the set of independent variables are free from multicolinearity issues. Thus, the ordinary least square regression is adopted for model 3 without reset to include residuals.

Methodology

This research adopts descriptive survey research design because it permits investigating description in their primary setting, which enables the researcher to gather data based on the opinion of respondents who are basically staff of the Board of Internal Revenue in Calabar, Cross River State, and selected tax payers from which the targeted population comprising tax payers and tax administrators was drawn as in the table below.

Table 4.

S/N	No. Questionnaire
Cross River State Board of Internal Revenue	60
Champion Breweries	60
Mouka Foam Industries	60
Ekondo Integrated feeds	60
General Taxpayers	60
Total	300

Source: Researcher's computation, 2024

The methodology employed was primary source, which involved the use of questionnaires in which 48 questionnaires were administered to the staff of Cross River State Board of Internal Revenue. The main finding of the study includes among others, that the Relevant Tax Authority (RTA) employed tax audit towards achieving target revenue, tax audit reduces the problems of tax evasion, tax payers do not usually cooperate with tax audit personnel during the exercise.

The number above is deemed to be representative of the whole number of tax payers within Cross River State (staff and tax payers). Thus, judgementally speaking, the administered questionnaire serves as the basis for determination of the study population.

Table 5 showing 287 questionnaire duly filled and returned.

S/N	No. Questionnaire Issued	No. Questionnaire Returned
1	Crss River State Board of Internal Revenue	60 60
2	Champion Breweries	60 55
3	Mouka Foam Industries	60 58
4	Ekondo Integrated Feeds Feeds	60 60 57
5	General taxpayers	60 57
Total		300 287

Source: Field Survey 2024

The questionnaires were structured in simple English for easy comprehension of the respondents to indicate the frequency of their various opinions under Strongly Agree (SA) =5, Agree (A) =4, Undecided (UN) =3, Disagree (DA) -2 Strongly Disagree (SD) = 1.

Descriptive statistics such as percentages and frequencies were used to analyze the demographic characteristics of respondents, while the data gathered were analyzed with linear regression because, both the independent and dependent variables are in scales that involve more than two binary codifications. This researcher adapts the model of Inasius, et al, (2020), that is:

Quasi tax compliance=f(tax amnesty). Hence, Voluntary tax compliance=f(Electronic tax administration & Tax audit)----------Model 1

Quasi voluntary tax compliance = f (Electronic tax administration & Tax audit)-------Model 2

Coercive tax compliance = f(Electronic tax administration & Tax audit)----------Model 3

The model is expressed in a linear estimation form as;

VTC~□O + □1ETA + □2TA + μ ……Model 1

QVTC= /□O+ □1ETA + □2TA+ + μ … Model 2

CTC =□O+ □1ETA + □2TA+ μ..... Model 3

Where; VTC = Voluntary tax compliance;

QVTC = Quasi Voluntary tax compliance;

CTC= Coercive tax compliance;

ETA= electronic tax administration;

TA=Tax Audit

Stochastic Error Term/ Disturbance Factor------ μ

Shift Parameters =b1, b2, b3, b4. b5 b6; Constant Pararneter = □O; Apiori expectation.

Apiori expectation 1: Increase in electronic tax administration and tax audit leads to increased

Voluntary tax compliance; Apriori expectation 2: Increase in electronic tax administration does not lead to increased quasi-voluntary tax compliance. While increase in tax audit leads to increase quasi voluntary tax compliance; Apriori expectation 3: Increase in electronic tax administration and tax audit leads to increased coercive tax compliance.

Decision rules; Regression: accept the null hypothesis if the calculated P-Value is greater than 0.05.

RESULTS AND DISCUSSIONS

The descriptive analysis of the demographic data and characteristics of respondents are presented in the table below.

Table 6

Table 6. Bio data of respondent (Age)

	Frequency	Percent	Valid Percent	Cumulative Percent
20-30	56	19.5	19.5	19.5
31-40	174	60.6	60:6	80.1
41-50	57	19.9	19.9	100.0
Total	287	100.0	100.0	

Sex

	Frequency	Percent	Valid Percent	Cumulative Percent
Male	146	50.9	50.9	50.9
Female	141	49.1	49.1	100.0
Total	287	100.0	100.0	

Marital Status

	Frequency	Percent	Valid Percent	Cumulative Percent
Single	156	54.4	54.4	54.4
Married	131	45.6	45.6	100.0

Total 287 100.0 100.0

Educational Background

	Frequency	FzFrequency	Percent	Valid Percent	Cumulative Percent
HND/B.Sc	260	90.6	90.6	90.6	
M.Sc	22	7.7	7.7	98.3	
Ph.D	5	1.7	1.7	100.0	
Total	287	100.0	100		

Group

	Frequency	Percent	Valid Percent	Cumulative Percent
FIRS Staff	110	38.3	38.3	.38.3
Tax Payer	177	61.7	61.7	100.0
Total	287	100.0	100.0	

Source: Field Survey, 2024

From the bio data of the respondents, 287 respondents duly filled and returned the questionnaire. Out of the respondents 19% are in the age bracket of 20 to 30 years, 60.6% are in the age bracket of 31 to 40

years while, the remaining 19.9% are in the age bracket of 41 to 50 years. 50.9% of the respondents are male while 49.1% are female, indicating that there is no marginal variation amongst the sex, although a slight majority of the respondents is male. From the result above, it is revealed that 54.4% are single, while, 45.6% are married. This indicates that the marginal variation amongst the marital status of the respondents is not much and majority of the respondents that participated in the study are single.

The table above reveal that 90.6% of the respondents have BSc, B.A or HND qualification. Only 7.7% have MSc and there is 1.7% of PhD holders. These data have confirmed that the respondents are knowledgeable enough to attend to the questions posed to them.

The findings revealed that majority of the respondents, 83. 5% are non-management staff of the organization while, 16.5% are top management staff.

Table 7. Descriptive characteristics of respondents

	AGE	SEX	MAST	EDU	GROUP
Mean	2.003484	1.491289	1 .456446	1.111498	1.616725
Median	2.000000	1.000000	1.000000	1.000000	2.000000
Maximum	3.000000	2.000000	2.000000	3.000000	2.000000
Minimum	1.000000	1.000000	1.000000	1.000000	1.000000
Std. Dev.	0.628564	0.500797	0.498969	0.366576	0.487034
Skewness	-0.002555	0.034848	0.174881	3.466148	-0.480166
Kurfosis	2.539851	1.001214	1.030583	15:02951	1.230560
Jarque-Bera	2.532331	47.83335	47.84452	2305.158	48.46901
Probability	. 0.281911	0.000000	0.000000	0.000000	0.000000
Sum	575.0000	428.0000	418.0000	319.0000	464.0000
Sum Sq. Dev.	112.9965	71.72822	. 71.20557	38.43206	67.83972
Observations	287	287	287	287	287

Source: From Eview 9

The table above shows the results of descriptive statistics of the respondents in terms of bio data (Age, Sex, MAST, EDU and Group). MAST means marital status, while EDU stands for education. The mean values, median, maximum, minimum, Standard Deviation, Skewness. Kurtosis, Jarque-Bera, probability. Sum, and Sum Sq. and Deviation are recorded. N represents the number of observations which is 287. The table further revealed that, AGE reflect a mean of 2.003484 with a deviation of 0.628564. AGE also revealed a maximum value of 3.000 and a minimum value of 1.000. Further result reveals a maximum and minimum values of 2.000 and 1.000 for SEX. SEX further revealed a mean value of 1.491289 with a deviation of 0.500797.

Result from the respondents marital status revealed a mean of 1.456446 with a deviation of 0.498969. Marital status further revealed a maximum and minimum values of 2.0000 and 1.0000 respectively. Result for education of the respondent revealed mean and standard deviation values of 1.111498 and 0.366576. Education (EDU) further revealed maximum and minimum values of 3.000 and 1.0000 respectively. Lastly, the result revealed that the respondents have a mean score .of 1.616725 with a deviation of 0.487034. Furthermore, group result records a maximum and minimum value of 2.0000 and 1.0000.

As shown in-the table, AGE-, SEX, MAST, EDU and GROUP have Jargue-Bera statistics of 2.532331, 47.83335, 47.84452, 2305.158 and 48.46901 with its associated probability values 0.281911, 0.0000, 0.0000, 0.0000, and 0.0000 which indicates that the SEX. MAST, EDU and GROUP bio data are not normally distributed except data for age. Although data for SEX, MAST, EDU and GROUP bio data are not normally distributed, the current study will not rely on that judgement since the data collected expresses the opinion of the general respondents and is meant to posit the actual bio data of the respondents without manipulations. The skweness result of the bio data revealed values between -2.5 to +2.5 which means that bio data distribution for AGE, SEX, MAST and group are normally distributed except data on EDU of the respondent which revealed a skweness value of 3.466148; this means that there is high level of disparity in terms of the educational qualification of the respondent. From the table above, it is already established that about 90% of the respondents which constitute absolute majority are B Sc/HND holders.

Table 8. Descriptive statistics of the study variables

	TA	ETA	VTC	QVTC	CTC
Mean	4.543554	3.979094	4.191638	2.038328	4.693380
Median	5.000000	4.000000	5.000000	1.000000	5.000000
Maximum	5.000000	5.000000	5.000000	5.000000	5.000000
Minimum	2.000000	2.000000	1.000000	1.000000	2.000000
Std. Dev.	0.594866	0.479928	1.144247	1.422323	0.545219
Skewness	-1.416375	-1.770153	-1.249164	1.254376	-2.107577

Kurtosis	6.349803	.11.18749	3.225050	3.082957	9.128453
Jarque-Bera	230.1460	951.5089	75.24531	75.34607	661.6004
Probability	0.000000 .	0.000000	0.000000	0.000000	0.000000
Sum	1304.000	1142.000	1203.000	585^0000	1347.000
Sum Sq. Dev.	101.2056	65,87456	374.4599	578.5784	85.01742
Observations	287	287	287	287	287

Source: From Eview 9.

The number of observation for the study is 287. From the table above, the following information is distilled. For tax audit (TA), the result revealed maximum and minimum values of 5.000 and 1.0000. TA also reveals mean and standard deviation of 4.543554 and 0.594866. Electronic tax administration (ETA) has a mean of 3.979094 with a deviation of 0.479928. Furthermore, ETA records a maximum and minimum values of 5.0000 and 2.0000. Furthermore, voluntary tax compliance (VTC) result reveals maximum and minimum values of 5.0000 and 1.0000. VTC also reveals mean and standard deviation of 4.191638 and 1.144247. Quasi voluntary tax compliance (QVTC), the result revealed maximum and minimum values of 5.0000 and 1.0000. QVTC also reveals mean and standard deviation of 2.038328 and 1.422323 respectively. The result further reveal that, coercive tax compliance (CTC) reflects, a mean of 4.693380 with a deviation of 0.545219. CTC also revealed a maximum value of 5.00000 and a minimum value of 2.00000. As shown in the table above, TA, ETA, VTC, QVTC and CTC have Jargue-Bera statistics of 230.1460, 951.5089, 75.24531, 75.34607 and 661.6004 with its associated probability values 0.0000. 0.0000, 0.0000, 0.0000, and 0.0000 which indicates that the TA, ETA, VTC, QVTC and CTC data are not normally distributed. Although data for TA, ETA, VTC, QVTC and CTC arc not normally distributed, the current study will not rely on that judgement since the data collected are ranked data and expresses the opinion of the general respondents which is not meant to be manipulated.

The concern for a ranked data is the level of skweness which reveals the direction of expression by the respondent whether it contains level of biases. The skweness result for TA, ETA, VTC,

QVTC and CTC reveal values between -2.5 to +2.5 which means that data distribution for TA, ETA, VTC, QVTC and CTC are normally distributed; this means that there is no bias in terms of the responses obtained and it thus expresses valid responses for further analysis.

DISCUSSION OF FINDINGS

From the findings above, model 1 result revealed that both tax audit and electronic tax administration have significant effect on voluntary tax compliance. This is in line with tax administration apriori expectation that electronic tax administration and tax audit leads to voluntary tax compliance. This is supported by the findings of Ganyam, et al. (2018), who took a research on the effect of tax administration on revenue generation in Nigeria. Their findings revealed that electronic tax payment system significantly improved tax accountability and revenue generation in Benue state. Also, Anyadubah and Oboh (2019), made similar assertion in their findings when they examined the determinants of tax compliance behaviour under the self-assessment scheme in Nigeria. Using a non-random stratified sampling technique to evaluate taxpayer behavior, they found that tax audit and awareness of offences and penalties had a positive and significant impact on tax compliance behavior under the self-assessment scheme in Nigeria. In the second hypothesis tested, it is found that both electronic tax administration and tax audit have a significant effect on quasi voluntary tax compliance known as tax amnesties. This is in line with tax administration apriori expectation that both electronic tax administration will not necessarily lead to quasi voluntary tax compliance, while tax audit increases during tax administration leads to quasi voluntary tax compliance in Cross River State, Nigeria.

Xin, Khai and Fong (2015), investigated factors which influenced Individual taxpayers' compliance behavior in Malaysian self-assessment scheme. They identified major factors that affect tax compliance behavior as tax knowledge, agents and compliance cost. These factors were found to have a verified relationship with tax compliance behaviour using the correlation test. Also supported by Onuoha and Dada (2016), who substantiated tax audit and investigation as imperatives for the achievement of an efficient tax administration in Nigeria. Their study adopted an expository approach using content analysis of existing literatures.

From Table 6 above, the following information is distilled: The R2 is value of approximately 0.589 indicates that about 58.9% of the variation in QVTC is caused by tax administration (TA & ETA), while 41.1% of the variation is caused by other factors not included in the model. The R2 adjusted

value of approximately 0.585 means that, if other factors are considered, the study result will deviate by 0.4% (0.589 - 0.585; = 0.004). The F-statistic of 135.1816 with a probability value of 0.0000 is found to be statistically significant. This means that the set of independent variable is as a whole contributing to change in the dependent variable in a significant way, indicating the appropriateness of the model specifications.

Electronic tax administration (ETA) has a significant effect on QVTC, with P-values that is less than 0.05. Also, tax audit has a significant effect on QVTC, with P-values that is less than 0.05. Electronic tax administration (ETA) has a negative relationship with QVTC while tax audit has a positive relationship with QVTC. From the results, ETA has a coefficient of -0.086154, indicating that a unit increase in ETA will lead to approximately 8.6% decrease in QVTC. This is in line with tax administration apriori expectation that electronic tax administration will not necessarily lead to quasi voluntary tax compliance. But tax audit (TA) has a coefficient of 0.307990, indicating that a unit increase in TA will cause approximately 30.7% increase in QVTC. This is also in line with tax administration apriori expectation that increase in tax audit during tax administration will lead to quasi voluntary tax compliance.

From Table 7 above, the following information is distilled: The R2 is value of approximately 0.215 indicating that about 22.1% of the variation in CTC is caused by tax administration (TA & ETA), while 87.9% of the variation is caused by other factors not included in the model. The R2 adjusted value of approximately 0.21.5 means that, if other factors are considered, the study result will deviate by 0.6% (0.221 - 0.215 r= 0.006). The F-statistic of 40.24593 with a probability value of 0.0000 is found to be statistically significant. This means that the set-of independent variable is as a whole contributing to change in the dependent variable in a significant way, indicating the appropriateness of the model specifications.

Both tax audit and electronic tax administration (TA and ETA) have significant effect on CTC, with P-values that are less than 0.05. Tax audit and electronic tax administration (TA and ETA) have positive relationship with CTC. From the results, ETA has a coefficient of 0.374187, indicating that a unit increase in ETA will lead to approximately 37.4% increase in CTC. This is in line with tax administration apriori expectation that electronic tax administration will lead to coercive tax compliance. Similarly, tax audit (TA) has a coefficient of 0.247018, indicating that a unit increase in TA will cause approximately 24.7% increase in CTC. This is also in line with tax

administration apriori expectation that increase in tax audit during tax administration will lead to coercive tax compliance.

SUMMARY, CONCLUSION AND RECOMMENDATIONS

SUMMARY OF FINDINGS

The following findings are arrived at through the test of the research hypotheses: Both tax audit and electronic tax administration have significant effect on voluntary tax compliance in Cross River State, Nigeria. Tax audit and electronic tax administration have positive relationship with voluntary tax compliance. From the results, a unit increase in electronic tax administration will lead to approximately 29.5% increase in voluntary tax compliance. Similarly, a unit increase in tax audit will cause approximately 80.8% increase in voluntary tax compliance in Cross River State, Nigeria; both tax audit and electronic tax administration have significant effect on quasi voluntary tax compliance in Cross River State, Nigeria. Electronic tax administration has negative relationship with quasi voluntary tax compliance, while tax audit has a positive relationship with quasi voluntary tax compliance. From the results, a unit increase in electronic tax administration will lead to approximately 8.6% decrease in quasi voluntary tax compliance. While, a unit increase in tax audit will cause approximately 30.7% increase in quasi voluntary tax compliance in Cross River State Nigeria; both tax audit and electronic tax administration have significant effect on coercive tax compliance in Cross River State, Nigeria. Tax audit and electronic tax administration have positive relationship with coercive tax compliance. From the results, a unit increase in electronic tax administration will lead to approximately 37.4% increase in coercive tax compliance.

Similarly, a unit increase in tax audit will cause approximately 24.7% increase in coercive tax compliance in Cross River State, Nigeria.

CONCLUSION

The following conclusions are reached from the research findings in respect to each of the tested hypotheses: The increases in the penalty rates of evading taxes would induce tax payers to report

a greater fraction of their income which is more of coercive tax compliance (Alabede, Ariffm & Idris, 2011). Electronic tax administration and tax audit have positive significant effect on voluntary tax compliance in Cross River State, Nigeria. Electronic tax administration has a negative significant effect on quasi-voluntary tax compliance in Cross River State, Nigeria. While, deferred tax audit has a positive significant effect on quasi-voluntary tax compliance in Cross River State, Nigeria. And also, Electronic tax administration and tax audit have positive significant effect on quasi tax compliance in Cross River State, Nigeria.

RECOMMENDATIONS

The following recommendations are put forward: With revenue generated social infrastructures should be provided. If this is done, it will enable tax payers reap benefits of tax payment and be encouraged to voluntarily comply with tax payment. Tax administrative authorities should ensure that electronic means of tax administration like Tax Identification Number is effectively enforced. This will effectively aid the process of tax audit and ensure that data about tax payers is captured to close loopholes that leads to tax evasion. If this is achieved and tax amnesties introduced, it will lead to quasi voluntary tax compliance because tax payers will know that they are being captured and monitored, and failure to pay tax during the amnesty period will lead to tax penalties meted to them, Voluntary tax remittance is not forthcoming despite various tax administration strategies put in place by the government. This is as a result of lack of tax enforcement through penalties on the basis of weak tax litigations. There should be a special tax court created to speed up tax litigation and penalties, such that tax payers will be coerced to comply with tax payment.

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