JAT

Journal of Accounting and Taxation

e-ISSN 2808-7127

Volume 3 No 1 March 2023

Taxpayers' Perception of Public Sector Fiscal Responsibility and Voluntary Tax Compliance Behaviour in Rivers State, Nigeria

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Article Information:

Received: January 29, 2022, Accepted: February 05, 2023, Published: February 10, 2023

Abstract

This study which is on the influence of taxpayers' perception of public sector fiscal responsibility on voluntary tax compliance is motivated by the quality of government fiscal responsibility, the level of tax compliance by the public and the reported low level of tax buoyancy and elasticity in Nigeria. The study adopts cross sectional survey research design. Four hundred and three (403) copies of valid questionnaire were used for the study; this represents 85% of the respondents. The collected data were analyzed using both descriptive and inferential statistics. The proposed hypotheses for the study were tested using regression analysis. The study provides evidence to show that voluntary tax compliance is low in Rivers State, Nigeria as on the average, voluntary tax compliance produced a mean score of 2.0928 and standard deviation of 0.469592.The study also provides evidence indicating that public accountability, government fiscal transparency, balanced and surplus budget, public information dissemination and government public engagements are key drivers of voluntary tax compliance and their relationships with voluntary compliance are positive and significant. Hence, it could be reasonably concluded that voluntary tax compliance is lacking in Rivers State leading to the recommendations that revenue authorities in Rivers State, Nigeria should intensify efforts to identify, register and bring to the tax net all eligible taxpayers operating in the formal and informal sectors by synergizing with financial firms and various professional bodies and trade unions. Public institutions should make public accountability and fiscal transparency their core mandate so as to earn public confidence geared towards improved tax compliance behaviour.

Keywords: Taxpayers, Fiscal Responsibility, Voluntary Compliance, Public Accountability And Fiscal Transparency

1. Introduction

Effective fiscal responsibility has been suggested in literature to be imperative in tax compliance behavior. It has been argued that tax compliance behavior of taxpayers will improve if government is fiscally responsible. This argument appears to suggest that fiscal transparency and public accountability are imperative in promoting voluntary tax compliance. Fiscal responsibility is the pillar of good governance and it manifests in form of greater public accountability, fiscal transparency, etc. As a critical element of public governance, fiscal responsibility provides for prudent management of the country's limited resources and fiscal sustainability and secure better public accountability. Fiscal responsibility is synonymous with public accountability which simply means that those charged with drafting and implementing policies should oblige to give explanation(s) of their actions and/or inactions to the entire citizenry (Moore & Rakner, 2002; Adeyeye, Otusanya & Aromowole, 2016). By implication this means that fiscal responsibility cum public accountability involves two parties - the one that confers the responsibility and the other who accepts the obligations to discharge the responsibility (Ibrahim & Okwoli, 2012).

A fiscally responsible government will prepare a budget that is sustainable and sustainable. It lives within its means by using resources prudently and making financial decisions in a transparent and responsible manner. (Osirim, 2016). In a similar assertion, Monguno (2008) posits that a highly accountable individual or government is transparent in everything they do as they follow rules, regulations and procedures to the letter and are also open minded. Accountable and responsible government is answerable to the public and renders stewardship sincerely. It gives information freely, transparently and completely; leave no room for doubts and ambiguity. A responsible government is highly reliable, and exhibit high degree of probity which makes the citizens to trust them thus enhancing their voluntary tax compliance attitude.

A low level of tax compliance cannot be separated from low level of fiscal responsibility by government. The idea that government should be fiscally responsible to the needs of the citizens could improve voluntary tax compliance of the average tax payers. It is believed that there is poor level of tax compliance in Nigeria (Mark, 2014 & Elemah, 2015). Besides, the National Tax Policy 2012 and 2017 acknowledges low voluntary tax compliance and absence of tax culture in Nigeria and it is a serious problem because it has consistently led to budget deficit And reduction in the needed revenue to provide public services and social amenities. Although a number of factors are attributed to low tax compliance level in Nigeria, the relevance of public accountability, fiscal responsibility and fiscal transparency cannot be underestimated (Adeyeye & Otusanya, 2015; Modugu, Evagbhe & Izedonmi, 2012; Bird & Zolt, 2005).

When governments and tax authorities are not accountable, transparent and are corrupt the result is likely to have some influence on taxpayers' compliance (Adeyeye, 2013; Ibrahim & Ahmad, 2017; Nzotta, 2007). This suggests that lack of fiscal responsibility in governance may have impact on the culture of the people towards tax payer. It has been observed that most individuals and corporate entities with substantial income evade and avoid tax due to

lack of fiscal responsibility, poor accountability, fiscal transparency, effective and efficient tax administration (Joshi, Prichard & Heady, 2014).

Joshi, *et al.* (2014) posits that the states' responsiveness and accountability to taxpayers may encourage quasi-voluntary compliance. As part of the social contract deal, government is expected to provide social amenities and infrastructural facilities to the citizens from the revenues generated from tax collection.. It has been reported that citizens' perception of government fiscal irresponsibility that the taxes they pay are not spent or judiciously utilized in the provision of public goods and services is one of the problems undermining tax compliance (Odd-Helge, Ngalewa & Katera, 2006).

It can be inferred from the foregoing that the visible presence of government in terms of infrastructural development and the positive evaluation on the part of the people of effective service delivery can increase the magnitude of voluntary tax compliance. It appears that past studies have not taken into consideration the broader concept of fiscal responsibility and its influence on voluntary tax compliance attitude of taxpayer's especially in Nigeria. A major focus of scholars on this area of research was on impact of government accountability on informal sector voluntary tax compliance (Modugu et al., 2012; Adeyeye, 2013; Saleheen, 2013; Adeyeye & Otusanya, 2015).Thus, this study focuses on taxpayers' perception of public fiscal responsibility and its effect on tax compliance behavior of Nigeria with focus on Rivers State. This study aims at proffering possible solution to problem of low tax compliance in Rivers State, Nigeria. The specific objectives of the study are to:

1. i. investigate the influence of public accountability on voluntary tax compliance behaviour of taxpayers in Rivers State, Nigeria.
2. ii. investigate the influence of government fiscal transparency on voluntary tax compliance behaviour of taxpayers in Rivers State, Nigeria.
3. iii. investigate the influence of government balanced and surplus budget on voluntary tax compliance behaviour of taxpayers in Rivers State, Nigeria.
4. iv. investigate the influence of government effective information dissemination on voluntary tax compliance behaviour of taxpayers in Rivers State, Nigeria.
5. v. investigate the influence of government public engagement and consultation on voluntary tax compliance behaviour of taxpayers in Rivers State, Nigeria.

The following research questions are posted to meet the objectives of the study:

1. To what extent does public accountability affect voluntary tax compliance behavior of tax payers in Rivers State, Nigeria?
2. To what extent does government fiscal transparency affect voluntary tax compliance behaviour of taxpayers in Rivers State, Nigeria?
3. To what extent does government balanced and surplus budget affect voluntary tax compliance behaviour of taxpayers in Rivers State, Nigeria?
4. To what extent does government effective information dissemination affect voluntary tax compliance behaviour of taxpayers in Rivers State, Nigeria?
5. To what extent does government public engagement and consultation affect voluntary tax compliance behaviour of taxpayers in Rivers State, Nigeria?

To meet the objectives of this study and the underlying research questions, the following null hypotheses were formulated to be tested.

Ho_1: Public accountability has no significant influence on voluntary tax compliance behaviour of taxpayers in Rivers State, Nigeria.

Ho_2: Government fiscal transparency has no significant influence on voluntary tax compliance behavior of taxpayers in Rivers State, Nigeria.

Ho_3: Government balanced and surplus budget has no significant influence on voluntary tax compliance behavior of taxpayers in Rivers State, Nigeria.

Ho_4: Government effective information dissemination has no significant influence on voluntary tax compliance behavior of taxpayers in Rivers State, Nigeria.

Ho_5: Government public engagement and consultation has no significant influence on voluntary tax compliance behavior of taxpayers in Rivers State, Nigeria.

This paper is structured into five sections: Section one deals with the introduction, section two presents review of related literature. The third section describes the methodology of the study adopted for the study. The fourth section focuses on results of data analysis and discussion of findings, and section five provides the summary of findings, conclusion and recommendations.

2. Literature Review

2.1 Conceptual Review for the Study

2.1.1 Conceptual framework for the study

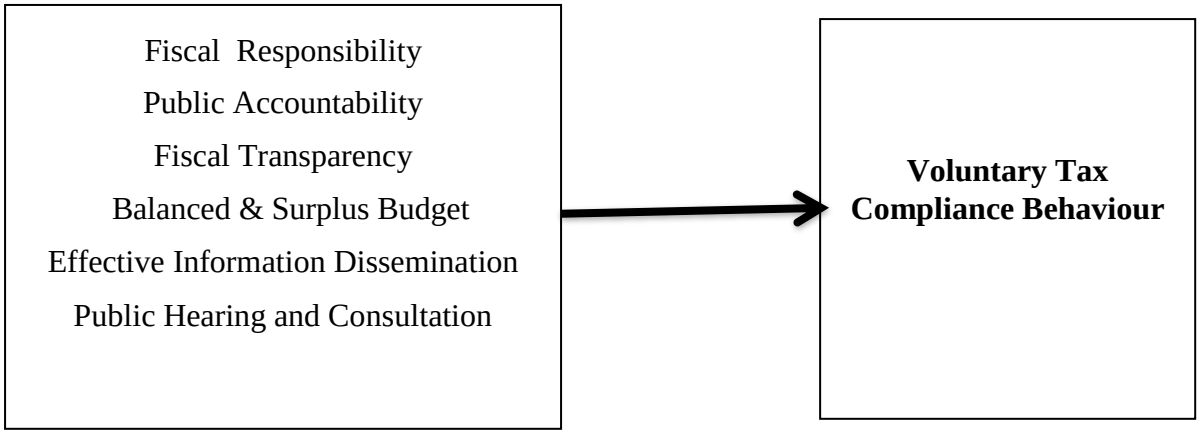

Figure 2: Proposed Conceptual Framework
Source: Designed for the Study by the Author (2022)

A model is proposed for the study which shows the relationships between the predictor (fiscal responsibility) and the criterion variable (voluntary tax compliance behavior). The conceptual framework as diagrammatized in figure 2.1thus shows the influence of fiscal responsibility

proxy by public accountability, fiscal transparency, balanced and surplus budget, effective information dissemination and public hearing and consultation on voluntary tax compliance

2.1.2 Fiscal responsibility

There is a growing clamour for improved fiscal responsibility at all segment of governments in the Nigerian public space. Fiscal responsibility has to do with public accountability, fiscal responsibility, and prudent utilization of scarce financial resources, revenue and expenditure equalization, effective information dissemination, public hearing and consultation among others. It is glaring that the public sector has been facing accountability, transparency, probity and good governance challenges in Nigeria and there has been a growing concern for accountability and fiscal transparency at the federal, states and local governments in Nigeria due to the perceived fiscal irresponsibility on the part of the government at all levels.

Public accountability, fiscal transparency, effective information dissemination, balanced and surplus budget and public hearing and consultations are critical elements of public governance quality. It shows that the government is fiscally responsible. Public accountability and transparency are essential for democratic governance that induces the public and private sectors as well as civil society to focus on results, seek clear objectives, develop effective strategies, monitor and report on performance (UNDP, 2008). The desirability of public accountability (and by extension fiscal responsibility) has prompted most countries of the world to establish public accountability institution and by extension the office of auditor general (Oladipupo & Izedonmi, 2011).

The general public desires their government to be fiscally responsible: needs probity, transparency, effective information dissemination, and public hearing and accountability reports in order to evaluate the performance of public officers entrusted with public resources. Therefore, political and other public office holders must regularly render account of their stewardship to the public in a transparent manner. Modugu *et al*.,(2012) asserts that if governments are perceived as accountable, more people will pay their taxes voluntarily which reduces the need for coercion and the costs of tax collection. Conversely, people are likely to develop negative attitude to tax payment if the government is not accountable and fiscally responsible. Everest-Phillip and Sandall (2009) also report that public perception of government accountability influences tax morale and by extension voluntary compliance.

2.1.3 Voluntary tax compliance

Tax compliance is concerned with meeting the necessary requirements for tax filing and payment by the taxpaying public. It deals with reporting of tax liability to the relevant tax authority in accordance with applicable tax laws and regulations (Jackson & Milliron, 1986). Oyedele (2009)

describes tax compliance as the process of fulfilling taxpayer's civic duty for tax payment and provision of necessary documents and explanations required by the tax authority at the appropriate time. Palil and Mustapha (2011) see tax compliance as the process by which taxpayers sincerely file their tax returns by declaring all income(s) accurately and paying the correct tax liability in line with the applicable tax laws and regulation while Kastlunger and Kirchler (2010) describe tax compliance as the degree to which taxpayers meet their civic

duty under the tax laws and can either be enforced by relevant tax authority or voluntarily by chargeable individuals or companies.

Taxpayers' compliance with tax laws and regulations is imperative, mandatory and non-negotiable as it is considered as one of the civic responsibilities of all individuals and corporate entities with earned and/or unearned income. Taxpayers are required by law to pay their taxes as and when due. It is their civic responsibilities and contributions to the state to enable government generate sufficient revenue to provide basic infrastructure and social amenities. But it has been observed overtime that the average Nigerian has the propensity not to comply with tax laws and regulations because of the perceived fiscal irresponsibility on the part of public officers in Nigeria. Voluntary tax compliance behavior is prompted and promoted by fiscal responsibility and probity on the side of government. Extant literature revealed that voluntary tax compliance is ascribed to a set of inherent motivation or attitude generally referred to as tax morale (Feld & Tyran, 2002). And once such morale is lacking, voluntary tax compliance becomes a mirage.

Naturally, it would be challenging enforcing full compliance or asking for voluntary compliance obligations from citizens if government becomes fiscally irresponsible and according to Mark (2014) fails to provide basic infrastructure for taxpayers. This implies that unwillingness to pay taxes might not be unconnected with lack of fiscal responsibility: lack of public accountability, transparency, probity, effective dissemination of information, public hearing and consultations and lack of balanced and surplus budgeting and other reciprocities on the part of public officials.

2.2 Theoretical Review

This study is rooted on the theory of fiscal exchange which suggests that the presence of government expenditures through the provisions of public goods and services may motivate voluntary tax compliance. It emphasizes that governments can increase compliance by providing quality public goods and services and making them more accessible to the people (Levi, 1988; Moore, 2004). One of the key propositions of the theory is that of tax bargaining and reciprocity between taxpayers and the state which is fundamental to building accountability, transparency, probity and mutual obligations between the people and the government.

The fiscal exchange theory postulates that citizens tend to comply with the laws and regulations when they perceive that the government is fiscally responsible in terms of quality service delivery. Individuals' willingness to pay their taxes depends on the extent to which the use of tax revenues by the state is beneficial to them and the society as a whole (Daniel & Pablo, 2013). This could be interpreted to mean that a high level of tax compliance is influenced by government fiscal responsibility in terms of accountability and transparency. It further implies that government accountability and transparency is likely to affect compliance behaviour of taxpayers.

The fiscal exchange theory has been developed from the economic deterrence and the social psychology models (Mckerchar & Evans, 2009), and it is rooted on the existence of a social, relational, or psychological contract between the government and the taxpayers (Torgler,

2003; Fjeldstad, Schulz-Herzenberg & Sjursen, 2012). The theory suggests that taxation is based on the principle of reciprocity between the taxpayers and the government (Prichard, 2009). It appears that citizens voluntarily comply with tax laws when they are satisfied with the quality of public goods and services they receive from the government in exchange for fulfilling their tax paying obligations. However, there is no agreement in extant literature on the relationship between fiscal exchange and tax compliance. Ross (2004) and Timmons (2005) find support for the fiscal exchange theory, while Feld and Frey (2010) find no clear relationship between fiscal exchange and compliance.

2.3 Empirical Review

Otusanya, *et al*; (2019) examined informal sector taxpayers' perception of influence of government accountability on voluntary tax compliance and the moderating role of fiscal exchange in Edo State, Nigeria. The study adopted cross-sectional survey research design. Their proposed hypotheses were tested using regression analysis. Results of the study indicate that government accountability has positive significant influence on voluntary tax compliance as government accountability alone could account for 16.3% of the variation in voluntary tax compliance. The study also provided evidence to show that there is low level of voluntary tax compliance in Edo State informal sector thus concluding that fiscal exchange is more influential in encouraging taxpayers' willingness to comply with tax laws and regulation. They recommended that Edo State government should be accountable, transparent and strive for excellence in the delivery of quality public goods and services in order to encourage voluntary tax compliance in informal sector.

Fagbemi, Ajibolade, Arowomole and Ayadi (2011) argue that poor compliance attitude by companies income taxpayers in Nigeria is significantly influenced by lack of accountability, inadequacies of tax administrative procedures and structure, and low tax knowledge among taxpayers. To support this position, Akintoye (2014) asserts that the willingness to pay taxes by individuals and corporate bodies is a function of efficient and effective tax system, accountability and transparency in tax administration, trust in government and quality of public goods delivered by the government. In a similar vein, Onuba (2011) reports that one of the challenges facing tax authorities is the taxpayers' perception of lack of government accountability.

Rotberg and Gisselguist (2009) reported that there is an association between perception of governance accountability score and income tax revenue performance. Extant literature indicated that the state must be perceived and seen to be accountable and responsive for the citizens to support the government (Adeyeye & Otusanya, 2015; Adeyeye, Otusanya & Aromowole, 2016). Modugu et al., (2012) posit that if governments are perceived as accountable, more people will pay their taxes voluntarily which reduces the need for coercion and the costs of tax collection. Conversely, people are likely to develop negative attitude to tax payment if the government is not accountable. Everest-Phillip and Sandall (2009) also report that public perception of government accountability influences tax morale and by extension voluntary compliance.

3. Research Method

The cross-sectional survey research design was adopted in this study based on accessibility and geographical spread of the respondents. The population of this study consists of all eligible taxpayers in Rivers State. The sample size is 160. Yamane's (1967) formula was used to determine the expected sample size. Notwithstanding, the study is based on a survey of 472 respondents. Four hundred and three (403) copies of valid questionnaire were used for the study; this represents 85% of the respondents. The primary data were obtained from the respondents through administration of a structured questionnaire constructed using a five-point Likert scale ranging from 5 = strongly agree to 1 = strongly disagree); consisting of statements measuring the perceptions of respondents on government fiscal responsibility and voluntary tax compliance behavior.The reliability of the questionnaire was tested using the Cronbach's Alpha coefficient which produces a satisfactory construct reliability of over 0.70 (70%).

3.1. Model Specifications

The hypotheses formulated for the study were tested using ordinary least square method. The study adopts 0.05 level of significance. Where p-value is less than 0.05, the null hypothesis shall be rejected and thus conclude that the result is statistically significant. However where p-value is greater than 0.05, the null hypothesis shall be accepted and hence conclude that the result is not statistically significant. The influence of government fiscal responsibility on voluntary tax compliance is represented in a specified model equation as follows:

$$TC_b = \alpha + \alpha PA_1 + \alpha FR_2 + \alpha BSB_3 + \alpha EID_4 + \alpha PHC_5 + \mu$$

where: TC_b = voluntary tax compliance behaviour; PA= public accountability; FT = fiscal transparency; BSB = balanced and surplus budget; PHC = public hearing and consultations; μ = error term; $\alpha_1 - \alpha_5$ = regression coefficients.

4. Result and Discussion

4.1 Data Analysis and Presentation of Results

The results of the data collected and analyzed are shown in the following tables.

Table 1. Voluntary Tax Compliance Behaviour

SN	Statements	sd:d	idf	a:sa	Σ	x	σ
1	I have registered for tax purposes and have been assigned a tax identification number.	359	5	39	403	1.7928	0.4356
2	I usually file my tax returns as when due in compliance with the tax law and regulations.	374	3	26	403	2.2119	0.3758
3	I have not incurred any tax penalty because I always pay my tax liability timely as required by law.	368	1	34	403	2.0571	0.4895

4	I usually maintain all accounting and tax records as required..	296	28	79	403	2.4347	0.5286
5	I voluntarily make full disclosure of my income from all sources for the purpose of proper assessment of my tax liability	288	13	102	403	1.9673	0.5182

Source: Authors' Field Survey (2022)

sd:d = strongly disagree and disagree; idf = indifferent
a:sa = agree and strongly agree; **Σ** = total; x = mean; **σ** = standard deviation; note: sd:d, idf and a:sa columns are frequencies of respondents.

The focus of the first research is to investigate the perception of respondents on voluntary tax compliance behavior of taxpayers in Nigeria. Five items were used in providing answers to voluntary tax compliance attitude of taxpayers and the results are presented in Table 4.1. The mean (x) value is based on a Liker 5-point scale of strongly agree (5), agree (4), indifferent (3), disagree (2) and strongly disagree (1). Thus, the population mean is 3.00. For the purpose of this study, a mean score of exactly 3.00 implies that the respondents are uncertain while a mean score less than 3.00 indicate lack of voluntary tax compliance; while a mean score exceeding 3.00 suggests voluntary tax compliance. From Table 1 above, all statements relating to voluntary tax compliance behavior produced a mean score below 3.00. On the average, voluntary tax compliance behavior produced a mean score of 2.0928 and standard deviation of 0.469592 implying lack of voluntary tax compliance behavior among taxpayers. It is worthy of note that majority of the respondents disagreed with all statements relating to voluntary tax compliance. Hence, it could be reasonably inferred that voluntary tax compliance is lacking in Rivers State, Nigeria.

Table 2 Public Accountability

SN	Statements	sd:d	idf	a:sa	Σ	x	σ
1	Government officials always accept responsibility for their actions and inactions.	297	16	90	403	2.3738	0.7933
2	Nigerian public officers at all levels regularly provide their financial reports to the public.	258	27	118	403	2.4892	1.2185
3	I have access to the published annual financial reports of government	305	38	60	403	2.1355	1.0241
4	Ministries, departments and agencies prepare their annual reports and accounts timely and are available to interested parties	322	32	49	403	1.9835	0.9563
5	Accounts of ministries and agencies are usually audited and timely published	236	29	138	403	2.2587	1.0975

Source: Authors' Field Survey (2022)

The results on public accountability presented in Table 2 shows that on the average, public accountability has a mean score of 2.24815 and standard deviation of 1.01797. This suggests

lack of government accountability and given the fact that majority of the respondents disagreed with all statements relating to public accountability, we could therefore inferred that there is poor public accountability in Rivers State, Nigeria.

Table 3. Fiscal Transparency

Sn	Statements	sd:d	idf	a:sa	Σ	x	σ
1	Government financial affairs are conducted in an open and credible manner	312	51	40	403	2.0435	0.8943
2	There are full disclosure of all government transactions	255	10	138	403	1.7843	0.7954
3	There are timely publications of public revenue transactions	301	0	102	403	2.1954	1.0532
4	There are regular and timely publications of public expenditure	291	4	108	403	1.9653	0.8806
5	There is transparency in revenue collection, debt management and in other fiscal matters	385	7	11	403	2.2678	1.7543

Source: Authors' Field Survey (2022)

The results presented in Table 3 shows that on the average, fiscal transparency has a mean score of 2.05126 and standard deviation of 1.07556. This suggests lack of fiscal transparency and given the fact that majority of the respondents disagreed with all statements relating to fiscal transparency, we could therefore inferred that there is lack of fiscal transparency poor public accountability in Rivers State, Nigeria.

Table 4 Balanced, Surplus Budgets and Effective Dissemination of Information

Sn	Statements	sd:d	idf	a:sa	Σ	x	σ
1	Government always balance expenditures with revenues	295	18	90	403	1.2854	0.8964
2	Government always avoid deficit budgeting	198	26	179	403	2.6535	1.6483
3	Governments always prepare a surplus budget	215	30	158	403	1.1753	0.8965
4	Government revenue is always more than its expenditure	301	2	100	403	1.2964	0.8795
5	Ministries & agencies always live within their means with no extra-ministerial expenses	198	47	158	403	2.5106	1.8532

Source: Authors' Field Survey (2022)

The results presented in Table 4 shows that on the average, balanced, surplus and effective dissemination of information produced a mean score of 1.78424 and standard deviation of 1.234814. This implies that there is lack of balanced, surplus and effective dissemination of information and given the fact that majority of the respondents disagreed with all statements

relating to balanced, surplus and effective dissemination of information, we could therefore inferred that there is lack of balanced, surplus and effective dissemination of information in Rivers State, Nigeria.

Table 5 Public Hearing and Consultations

Sn	Statements	sd:d	idf	a:sa	Σ	x	σ
1	Government policies and programmes are always communicated to citizens	246	0	157	403	1.9786	0.9960
2	The general public understands and supports all important financial decisions	230	23	150	403	1.7954	0.9867
3	There always public hearing on government anticipated projects and programmes	271	22	110	403	1.9543	1.0645
4	Government budget and programmes could be accessed real-time online	197	48	158	403	2.5987	1.1875
5	There is always public hearing and consultation in budget preparation, passage and execution	194	49	160	403	2.6548	1.2347

Source: Authors' Field Survey (2022)

The results presented in Table 5 shows that on the average, public hearing and consultations produced a mean score of 2.19636 and standard deviation of 1.29388. This implies that there is lack of public hearing and consultations as regarding government budgeting and programmes and given the fact that majority of the respondents disagreed with all statements relating to public hearing and consultations, we could therefore inferred that there is lack of public hearing and consultations regarding government budget and programmes in Rivers State, Nigeria.

4.2 Test of Hypotheses

Hypothesis One

$H0_1$: Public accountability has no significant influence on voluntary tax compliance behaviour of taxpayers in Rivers State, Nigeria.

To test the hypothesis, regression analysis is performed. The results are presented in Table as follows:

Table 6: Model Summary

Model	R	R^2	Adj. R^2	Std. error of the estimate
1	0.3784	0.1432	0.142	0.37821

a. Predictors: (Constant), Public Accountability
b. Dependent Variable: Voluntary Tax Compliance Behaviour

The R^2 in Table 6 above is .1432 suggesting that public accountability accounts for 14.32% of the changes in voluntary tax compliance behavior of taxpayers. This implies that there are other economic and other factors that are drivers of voluntary tax compliance behavior which are not captured in this study.

Table 7: ANOVA Tests

Model	Sum of Square	Mean Square	F	Sign.
Regression	29.175	29.175	174.247	.000a
Residual	162.03	0.158		
Total	191.205			

Source: Authors' Field Survey (2022).
a. Predictors: (Constant), Public Accountability
b. Dependent Variable: Voluntary Tax Compliance Behaviour

Table 7 shows output for analysis of variance (ANOVA). For these data, F is 174.247 and p-value of 0.000 < 0.05 (level of significant). This implies that public accountability has significant influence on voluntary tax compliance behavior of taxpayers. Hence, the null hypothesis is not accepted.

Table 8. Summary of Coefficients

Model	**Unstandardized Coefficients**		**Standardized Coefficients**		
	B	Std. error	Beta	T	Sig.
1 (Constant)	1.3865	0.04		37.728	0.000
Public accountability	0.197	0.014	0.3784	11.662	0.000

Source: Authors' Field Survey (2022)

Table 8 shows that the relationship between public accountability and voluntary tax compliance behaviour is positive and statistically significant with a coefficient correlation, r = 0 .384, t (11.662), p-value < 0.05.

Ho_2: Government fiscal transparency has no significant influence on voluntary tax compliance behavior of taxpayers in Rivers State, Nigeria.

To test the hypothesis, regression analysis is performed using statistical package for social sciences (version 21). The results are presented in Table as follows:

Table 9. Model Summary

Model	R	R^2	Adj. R^2	Std. error of the estimate
1	0.4306	0.1854	0.1765	0.39419

a. Predictors: (Constant), Fiscal Transparency
b. Dependent Variable: Voluntary Tax Compliance Behaviour

The R^2 in Table 9. above is .1854 suggesting that fiscal transparency

accounts for 18.54% of the changes in voluntary tax compliance behaviour. This implies that there are other economic and other factors that are drivers of voluntary tax compliance behavior which are not captured in this study.

Table 10. ANOVA Tests

Model	Sum of Square	Mean Square	F	Sig.
Regression	31.534	31.534	171.131	.000a
Residual	164.77	0.172		
Total	196.304			

Source: Authors' Field Survey (2022).
a. Predictors: (Constant), Fiscal Transparency
b. Dependent Variable: Voluntary Tax Compliance Behaviour

Table 10 shows the output for analysis of variance (ANOVA). For these data, F is 171.131 and p-value < .05 (level of significant). This implies that fiscal transparency has significant influence on voluntary tax compliance behavior of taxpayers. Hence, the null hypothesis is not accepted.

Table 11: Summary of Coefficients

	Unstandardized Coefficients		**standardized Coefficients**		
Model	B	Std. error	Beta	T	Sig.
1 (Constant)	1.543	0.06		39.810	0.000
Public accountability	0.264	0.016	0.4306	14.908	0.000

Table 11, reveals that the relationship between government fiscal transparency and voluntary tax compliance is positive and statistically significant with a coefficient of correlation, r = .4306, t (14.908), p < .05.

Ho_3: Government balanced and surplus budget has no significant influence on voluntary tax compliance behavior of taxpayers in Rivers State, Nigeria.

To test the hypothesis, regression analysis is performed. The outcomes of the regression analysis are presented in Table 4.7 (a-c) as follows:

Table 12. Model Summary

Model	R	R^2	Adj. R^2	Std. error of the estimate
1	0.3109	0.0967	0.08563	0.34474

a. Predictors: (Constant), Balanced and surplus budget
b. Dependent Variable: Voluntary Tax Compliance Behaviour

The R^2 in Table 12 above is .0967 suggesting that balanced and surplus budget accounts for approximately 9.7% of the changes in voluntary tax compliance behaviour. This implies that there are other economic and other factors that drives voluntary tax compliance behavior which are not captured in this study.

Table 13: ANOVA Tests

Model	Sum of Square	Mean Square	F	Sig.
Regression	29.81	29.81	157.188	.002a
Residual	160.10	0.194		
Total	189.91			

Source: Authors' Field Survey (2022).
a. Predictors: (Constant), Balanced and Surplus Budget
b. Dependent Variable: Voluntary Tax Compliance Behaviour

Table 13 shows output for analysis of variance (ANOVA). For these data, F is 157.188 and p-value < .05 (level of significant). This implies that balanced and surplus budget has significant influence on voluntary tax compliance behavior of taxpayers. Hence, the null hypothesis is not accepted.

Table 14: Summary of Coefficients

Model	**Unstandardized Coefficients**		**Standardized Coefficients**		
	B	Std. error	Beta	T	Sig.
1 (Constant)	1.489	0.08		34.005	0.000
Balanced and Surplus Budget	0.308	0.019	0.3109	13.013	0.000

Table 14 shows that the relationship between balanced and surplus budget and voluntary tax compliance is positive and statistically significant with a coefficient of correlation, r = .0.3109, t (13.013), p < .05.

Ho_4: Government effective information dissemination has no significant influence on voluntary tax compliance behavior of taxpayers in Rivers State, Nigeria.

The outcomes of the regression analysis are presented in Table 4.7 (a-c) as follows:

Table 15 Model Summary

Model	R	R^2	Adj. R^2	Std. error of the estimate
1	0.4178	0.1746	0.1633	0.3578

a. Predictors: (Constant), Effective Information Dissemination
b. Dependent Variable: Voluntary Tax Compliance Behaviour

The R^2 in Table 15 above is 0.1746 suggesting that effective information dissemination accounts for approximately 17.5% of the changes in voluntary tax compliance behaviour. This implies that there are other economic and other factors that drives voluntary tax compliance behavior which are not captured in this study.

Table 16: ANOVA Tests

Model	Sum of Square	Mean Square	F	Sig.
Regression	31.17	29.81	148.062	.001a
Residual	152.45	0.204		
Total	183.62			

Source: Authors' Field Survey (2022).
a. Predictors: (Constant), Effective Information Dissemination
b. Dependent Variable: Voluntary Tax Compliance Behaviour

Table 16 shows the output for analysis of variance (ANOVA). For these data, F is 148.062 and p-value < .05 (level of significant). This implies that balanced and surplus budget has significant influence on voluntary tax compliance behavior of taxpayers. Hence, the null hypothesis is not accepted.

Table 17 Summary of Coefficients

Model		**UnstandardizedCoefficients**		**Standardized Coefficients**		
		B	Std. error	Beta	T	Sig.
1 (Constant)		1.615	0.10		32.126	0.000
effective dissemination	information	0.415	0.022	0.4178	12.964	0.000

Table 17 shows that the relationship between effective information dissemination and voluntary tax compliance is positive and statistically significant with a coefficient of correlation, r = .0.4178, t (12.964), p-value < .05.

Ho_5: Government public engagement and consultation has no significant influence on voluntary tax compliance behavior of taxpayers in Rivers State, Nigeria.

The outcomes of the regression analysis are presented in Table 4.7 (a-c) as follows:

Table 18 Model Summary

Model	R	R^2	Adj. R^2	Std. error of the estimate
1	0.436	0.1901	0.1863	0.2875

a. Predictors: (Constant), Public Engagement and Consultation
b. Dependent Variable: Voluntary Tax Compliance Behaviour

The R^2 in Table 18 above is .1901 suggesting that public engagement and consultation n explains 19% of the changes in voluntary tax compliance behavior of tax payers. This implies that there are other economic and other factors that influence voluntary tax compliance behavior which are not captured in this study.

Table 19 ANOVA Tests

Model	Sum of Square	Mean Square	F	Sig.
Regression	31.90	31.90	166.58	.001a
Residual	172.14	0.225		
Total	204.04			

Source: Authors' Field Survey (2022).

a. Predictors: (Constant), Public Engagement and Consultation

b. Dependent Variable: Voluntary Tax Compliance Behaviour

Table 19 shows the output for analysis of variance (ANOVA). For these data, F is 166.58 and p-value < .05 (level of significant). This implies that public engagement and consultation has significant influence on voluntary tax compliance behavior of taxpayers. Hence, the null hypothesis is not accepted.

Table 20: Summary of Coefficients

	Unstandardized Coefficients		**Standardized coefficients**		
Model	B	Std. error	Beta	T	Sig.
1 (Constant)	1.641	0.09		36.975	0.000
Public Engagement and Consultation	0.413	0.027	0.436	15.684	0.000

Table 20 shows that the relationship between public engagement and consultation and voluntary tax compliance is positive and statistically significant with a coefficient of correlation, r = .0.436, t (15.684), p-value < .05.

4.3 Discussion of Findings

This study is driven by five (5) specific research objectives accompanied by five (5) research questions. Equally, five (5) hypotheses were formulated and tested in order to meet the objectives of the study as well as provide empirical answers to the research questions. First, the study has provided evidence to show that voluntary tax compliance by taxpayers is at very low ebb in Rivers State Nigeria as on the average, voluntary tax compliance behaviour produced a mean score of 2.0928 and standard deviation of 0.469592 implying a low level of voluntary tax compliance behaviour among taxpayers. To corroborate this result, the taxpayers' attitude towards the filing of tax returns in compliance with the law has a mean score of 2.2. Three hundred and seventy four (374) of the respondents, which represent approximately 93%, agreed that they have not been filing their tax returns with the relevant tax authority as required under the various tax laws. These findings have supported the assertions and outcomes of previous studies (Oyedele, 2009; Modugu et al. 2012; Adeyeye, 2013; Adeyeye & Otusanya, 2015).

Second, results of the study indicated that public accountability has a mean score of 2.24814 < 3.0 average benchmark which implies that the government and its agencies are perceived as very weak in public accountability. Besides, the results show that there is a significant positive relationship between public accountability and voluntary tax compliance (r = .3784; p-value .00 < .05). This suggests that the more government and its agencies are accountable to the public the more taxpayers will likely comply with payment of tax. This supports the findings of Adeyeye (2013), Akintoye (2014), Adeyeye and Otusanya (2015).

Third, results of the study show that government fiscal transparency has a mean value of 2.05128 and standard deviation of 1.07556 with p-value < .05 (level of significant). This implies that government fiscal transparency has significant influence on voluntary tax compliance behavior of taxpayers. Hence, the null hypothesis is not accepted. It is important to highlight the relevance of fiscal transparency as the study has shown that fiscal transparency could significantly increase the level of voluntary tax compliance.

Fourth, results of the study shows that balanced and surplus budget has a mean value of 2.05126 and p-value < .05 (level of significant); and there is significant positive relationship between balanced and surplus budget and voluntary tax compliance. This implies that balanced and surplus budget has significant influence on voluntary tax compliance behavior of taxpayers. Hence, the null hypothesis is not accepted. Fifth, the study also show that government effective information dissemination and government public engagement and consultations are key drivers of voluntary tax compliance and their relationships with voluntary compliance are positive and significant.

The various outcomes substantiates the findings of Everest Phillip and Sandall (2009), Fagbemi et al. (2011), Onuba (2011), Daniel and Pablo (2013); Otusanya, J.O, Adeyeye, B.

G. and Ovienbor, L. (2019). It goes to show that greater public accountability, fiscal transparency, balanced, surplus budgets and effective dissemination of information, public hearing and consultations on the part of government at all levels will lead to greater and a positive change in tax compliance behavior of taxpayers. The high rate of non-tax compliance by taxpayers in Rivers State Nigeria is a call for concern due to its attendant consequence of huge loss of tax revenue accruable to government that would have been used to provide infrastructural facilities and other social amenities.

5. Conclusion

The respondents unanimously agreed that the level of voluntary tax compliance in Rivers State Nigeria is abysmally low. On the average, voluntary tax compliance behavior produced a mean score of 2.0928 implying lack of voluntary tax compliance behavior among taxpayers. Majority of the respondents disagreed with all statements relating to voluntary tax compliance. Approximately 93% of the respondents agreed that they have not been filing their tax returns with the relevant tax authority as required under the various tax laws. Hence, it could be reasonably concluded that voluntary tax compliance is lacking in Rivers State, Nigeria.

The following recommendations are made based on the findings of the study:

(i) Research outcome shows that the level of voluntary tax compliance in Rivers State is abysmally low. It is thus recommended that revenue authorities in Rivers State should intensify efforts to identify and register and bring to the tax net all eligible taxpayers operating both in the formal and informal sector. Revenue authorities could equally collaborate with Nigerian banks, insurance companies and various professional bodies and trade unions with a view to identifying and capturing most of the informal sector operators into the tax net.

(ii) Government ministries, departments and agencies and government at all segments should make public accountability and fiscal transparency their core mandate so as to earn public confidence and support. Public accountability and fiscal transparency will encourage taxpayers to voluntarily comply with tax filing and payments. This recommendation is necessary given the fact that public accountability and fiscal transparency as shown in the analysis have significant influence on voluntary tax compliance behavior of tax payers in Rivers State.

.(iii) The results have provided evidence to show that balanced and surplus budget, government public engagement and consultation are key drivers' of taxpayers' compliance behaviour. Therefore, governments at all levels should intensify their efforts in balancing expenditures with revenues, live within its resources, and ensure a greater participation of the citizens in financial decisions.

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