

TAX REVENUE MANAGEMENT AND GROWTH DYNAMICS : NIGERIAN EVIDENCE

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Abstract

This study was aimed at examining the effect of tax revenue management on growth dynamics in the Nigerian economy, with specific emphasis on the contributions of Petroleum Profit Tax,(PPT), Company income Tax(CIT), Value Added Tax,(VAT) and Custom and Excise Duty(CED). Using secondary data spanning 1997 -2020, compiled from the World Bank and the Organization for Economic Co-operation and Development (OECD). Time-series data and the econometric model was subjected to a number of diagnostic tests, including the unit root test (using Augmented Dickey-Fuller (ADF) tests and the co-integration test In order to examine different tax productivity strategies, panel regression and error correction modeling were equally employed. The study revealed that PPT, CIT, VAT and CED have a positive significant effects on growth dynamics index in Nigeria, it is therefore recommended that the for the current tax reforms embarked on by the Federal Government to yield its intended results, it should be vigorously pursued and faithfully implemented by the relevant agencies to increase the tax net and block revenue leakages which invariably increases the disposable income of government for developmental projects.

Keywords: Petroleum Profit Tax,(PPT), Company income Tax(CIT), Value Added Tax,(VAT), Custom and Excise Duty(CED), Growth dynamics, Tax revenue

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1. INTRODUCTION

Tax revenue management entails the effective and efficient utilization of revenue generated from taxation. Principally, it is important to note that the level of economic growth and development is largely incumbent on the country's capacity to prudently manage tax revenue (Orits, Jeroh & Ideh (2021); Nguyen, Onnis & Rossi(2021; Emudianowho & Ndu(2022). Equally, Tax revenue management boosts the macro – economic efficiency of a nation which invariably enhances public welfare (Afam-Mebei & Ebiaghan (2022), Nasiru.Haruna & Abdullahi(2016); Ebiaghan (2019).Furthermore, tax revenue management enhances the financing of public goods, regulate production and consumption patterns, while simultaneously serving as a medium to protect infant industries and shrink income inequality ,Cloyne, Dimsdale & Postel-Vinay,(2018) . In Nigeria government taxes its citizens to provide basic amenities, safeguard the security of lives and property and create the enabling environment for economic growth and development. However, for the government to perform these duties, it needs to generate sufficient revenue through efficient management of tax revenue. Despite the benefit of tax revenue management, there is available evidence to suggest that in Nigeria, there is no correlation between tax revenue management and growth dynamics . For instance, inexperienced tax personnel and duplicitous activities of tax collectors have posed great threat to revenue generation as fraudulent tax collectors divert government revenue to their private pockets. Growth Dynamics is perceived as an increase in the production of goods and services for a particular period by a country. Commodities and services are calculated in nominal or real terms.(Chiamaka, Obinna,Friday,& Oraekwuotu (2021) .Usually, the accumulation of growth dynamics is measured in terms of Gross Domestic Product (GDP) using effective and efficient Tax revenue management system. According to Barro(1990), Growth Dynamics means expanding the economy positively and the effect of this expansion leads to economic growth and development'. The objective of the expansion is to increase production, spring up of more companies, the creation of more jobs with a corresponding increase in literacy. Growth Dynamics is a process where a low-level income economy is transformed into a modern industrial economy. While Ebiaghan (2019))opined that growth, dynamics comprises of so many elements which include improvement in material welfare relating to persons with lowest income, eradication of mass poverty, illiteracy and sicknesses. It has now become a practice to measure development in terms of composition of indices such as GDI (Growth Dynamics Index).

Over the years the attitude of Nigerians with regards to tax revenue management has been quite unwholesome.(Adeusi,Uniamikogbo,Erah & Aggreh (2020),;Olaoye & Adebayo (2020);Asaolu,Olabisi,Akinbode& Alebrosu(2018) The economy continues to lose huge revenue inflow through the unpleasant practices of tax avoidance and tax evasion.(Adegbite (2015) which has resulted to mass poverty, illiteracy, poor standard of living, low per capital income, diseases, high infant and maternal mortality, etc. see Ebiaghan (2020), The motivation for this research is two pronged: firstly, dearth of local empirical evidence on the relevance of tax

revenue management in Nigeria and secondly, the somewhat unidirectional and contradictory findings of earlier scholars in developed countries (Pfister, (2009); Bird & Zolt(2003), Solow(1956), Domar(1946), Gunter, Riera-Cricht, Vegh & Vuletin(2019) Bearing this in mind, this study seeks to examine the effect of tax revenue management on growth dynamics in the Nigerian economy with specific emphasis on the contributions of Petroleum Profit Tax, Company income Tax, Value Added Tax, and Custom and Excise Duty, specifically this study aims at proffering solutions to the following research questions:

- i. To what extent does Petroleum Profit Tax (PPT) affect Gross Domestic Product (GDP) in the Nigerian economy?.
- ii. To what extent does Company Income Tax (CIT) affect Gross Domestic Product (GDP) in the Nigerian economy?
- iii. Does Value Added Tax (VAT) affect Gross Domestic Product (GDP) in the Economy of Nigeria?
- iv. Does Custom and Excise Duties (CED) affect Gross Domestic Product (GDP) in the economy of Nigeria.

2. CONCEPTUAL CLARIFICATIONS

2.1. THE NEXUS BETWEEN TAX REVENUE MANAGEMENT AND GROWTH DYNAMICS IN NIGERIA

Globally, governments at various levels deploy assorted measures to generate funds needed to provide certain infrastructural and basic social amenities. Undoubtedly, the quality of available infrastructure and the presence of law are pointers to government's commitment to economic growth, this is why the provision of basic infrastructures to the citizenry of any country has become one primary task of governments at all levels. In Nigeria, academics and tax Experts/practitioners alike in prior studies have maintained that taxation is an essential means through which governments generate revenue (Ebiaghan& Esekhile (2018); Mordi& Ebiaghan2022). The concept of tax however, has severally been described as a mandatory levy charged by the government of a country, state, local council, municipal or jurisdiction on the income and properties of the citizens and corporate bodies in order to generate sufficient revenue that will finance the creation of infrastructures, provision of social services and support the improvement of the entire economy (Etale & Bingilar, (2016); Oyebanji & Oyebanji,(2017). Taxes are generally categorized as either direct, where the taxes are charged on the income of corporate body or individuals. In Nigeria, whether Direct or indirect, taxes come in different forms – petroleum profit tax, personal income tax, value added tax, customs and excise duties, companies' income tax, stamp duties and capital gain tax. Most developing economies has over time witnessed an ever increasing trend in debt crises, challenges with fiscal deficit financing among decreasing macro-economic factors. This ugly trend has compelled governments to formulate different adjustments and or stabilization policies to boost economic activities and sustain financial stability, growth and development (Seiyabo& Ebiaghan 2022), Ugwunta & Uguanyi (2015).

2.2. THEORITICAL FRAMEWORK

This study is anchored on Tax Revenue Management theory propounded in 1826 by Von Thunen. This theory is based on the need to generate additional revenue. Oyebanji & Oyebanji (2017) opines that government is interested in broadening the tax base to generate higher revenue in the same vein, Orits, Jeroh & Ideh also reasoned from the perspective of the canon of taxation stating that cost of collecting tax must not be higher than the tax collected. Adam Smith provides additional theoretical evidence for taxation emphasizing equality, certainty, convenience and economy. The theory further emphasizes the aspect of having a large/enough tax bases to cover at a minimum cost and stresses an efficient tax administration so as to enforce compliance. Oyebanji & Oyebanji (2017) Posits a contrary opinion from the Keynesian school of thought by opining that these are not sufficient to meet all the purposes of modern economic policy which are partly accomplished through the budget, which includes allocation, distribution and standardization functions. This has led to the evolution of five broader principles of taxation viz: equity, efficiency, simplicity, neutrality and economy.

2.3. EMPIRICAL REVIEW

In Nigeria, Ojong, Anthony & Arikpo (2016) observed significant relationships between growth and non- oil revenue and petroleum profit tax with the relationship between company tax and growth being insignificant in Nigeria; etc. While the consensus opinion among scholars is that tax policies have positive effects on economic growth, few that studied taxation revenue found mixed effect. For instance, Porison,(2016) who contends that empirical evidence is mixed. He studied the effect of taxes to be seen as negative for investment, employment and economic growth. His Findings suggests that high tax rates may help generate growth in the Gross Domestic Product (GDP) of Nigeria.

Oliver, Anthony, Edeh & Chukwuma(2017) studied the effect of taxation on the growth of infrastructure in Nigeria. The finding of the study indicates that VAT, PPT and CIT have insignificant relevance on Infrastructure growth in Nigeria. While there is litany of research that documents the existence of relationship between taxation and economic growth in developed countries, the same cannot be said of it in developing countries with notable exemption to India. This therefore suggest that the direction of the relationship especially as it concerns developing countries are far from settled thereby motivating more studies in the area.

Oraka, Okegbe, and Ezejiofor (2017) determined the extent to which value added tax has affected the Nigerian economy. These data were obtained from Central Bank of Nigeria statistical bulletin, Federal Inland Revenue Services federal ministry of finance, and journals. The result shows that value added tax has not significantly affected Gross Domestic Product (GDP) of Nigeria economy. The research covered 20 years between 1994 and 2014. Multiple regression was used to analyze the data. The result shows that value added Tax has a negative relationship with government Revenue. Also, there is a positive significant relationship between Gross domestic product and Total consolidated revenue.

In their study, Ebiaghan, Jeroh & Ideh(2021) focused on the causality analysis between non-oil tax component of government revenue, transaction taxes and company income in Nigeria. Using Time series data for 15 years analyzed through the chow test, granger causality test and auto regressive regression analysis. The study revealed significant positive relationships between federally generated revenue from income taxes and stamp duties, while considering the effect of tax legislations on revenue.

3. RESEARCH METHODOLOGY

This study adopted the ex-post facto research design with the aim of determining the cause- effect relationship between the dependent and independent variable using secondary data.

Spanning a twenty-four years period between 1997-2020 and gleaned from World Bank and Organization for Economic Co-operation and Development. (OECD) Database.

The study adopted multiple regression analysis to analyze the data. Augmented Dickey-Fuller unit root test was used for stationarity test and also to test the long run relationship of the variables.

3.1. RESEARCH HYPOTHESES

In order to clinically address the objectives of the study, the following research hypotheses are formulated to focus this study:

H₀₁: Petroleum Profit Tax (PPT) has no significant relationship with Gross Domestic Product (GDP) of the Nigerian Economy.

H₀₂: Company Income Tax (CIT) has no significant relationship with Gross Domestic Product (GDP) of the Nigerian Economy.

H₀₃: Value Added Tax (VAT) has no significant relationship with Gross Domestic Product (GDP) of the Nigerian Economy.

H₀₄: Custom and Excise Duties (CED) has no significant relationship with Gross Domestic Product (GDP) of the Nigerian Economy.

3.2. MODEL SPECIFICATION

The Functional model for this research is specified below:

$$GDP = f(PPT, CIT, VAT, CED) \dots \dots$$

And expressed mathematically in the equation below:

$$GDP = \beta_0 + \beta_1 PPT + \beta_2 CIT + \beta_3 VAT + \beta_4 CED + T \quad (1)$$

Where:

PPT= Petroleum Profit Tax

CIT=Company Income Tax

VAT=Value Added Tax

CED= Custom and Excise Duty

T =Error Term or Stochastic Term

β_0 =Constant Term or Intercept

β_{1-3} =Coefficient of parameters of tax productivity

A priori expectation = $\beta_{1-3} > 0$

4. ANALYSIS OF DATA AND DISCUSSION OF RESULTS

In this study, we investigated the effect of Petroleum Profit Tax (PPT), Company Income Tax (CIT), Value Added Tax (VAT), Custom and Excise Duties (CED) on Gross Domestic Product (GDP) in the Economy of Nigeria, from 1997 to 2020. Given that we utilized time-series data, we conducted several diagnostic tests such as unit root test (using Augmented Dickey-Fuller (ADF) tests to check the stationarity of our variables) and co-integration test to check for the long-run relationship of our factors. The correlation matrix was employed alongside the panel regression to investigate these tax productivity strategies, using error correction model (ECM). Added to the above, the variables for this study include Growth Dynamics (GD) also known as Growth Dynamics Index (GDP) as dependent variable while independent variables are measured as Petroleum Profit Tax (PPT), Company Income Tax (CIT), Value Added Tax (VAT), Custom and Excise Duties (CED Diagnostic Test to check for Stationarity of Variables. Augmented Dickey-Fuller (ADF) test was employed to test the stationarity of the variables under study. The ADF tests were on level series, first difference and second difference series. Our decision rule is to reject stationarity if ADF statistics are less than the values of critical values of 1%,5% and 10%, otherwise, accept stationarity when ADF statistics is greater than the critical values of 1%, 5%, 10% in absolute terms. The result of the ADF is presented below in Table 1.

Table 1. Unit Root Test of Data Collected from Nigeria Economy

Variables	T-Statistic Value	Critical Value	Order of Integration	Sig. Level
LPPT	-3.718	-3.000	1(2)	5%
LCIT	-3.249	-3.000	1(1)	5%
LVAT	-3.448	-3.000	1(1)	5%
LCED	-3.000	-5.094	1(1)	5%

Source: Researcher's computation (2021)

Note that the decision rule is to reject stationarity if ADF statistics is less than the critical values at 1%, 5%, and 10% values, and accept stationarity when ADF statistics is greater, the table 1 above reveals that the Petroleum Profit Tax (PPT), Company Income Tax (CIT), Value Added Tax (VAT), Custom and Excise Duties (CED assume stationarity at first difference except for Growth Dynamics index variable, Gross Domestic Product (GDP) that assume stationarity . Co-integration Analysis to check for Long-Run Relationship. The unit root test table above shows that all the factors assume stationarity at different integration orders, hence, we moved further to check for the existence of a long-run relationship in our variables using co-integration result. The essence is to establish whether the variables have a long-run relationship among them or assume equilibrium among

them. For this purpose, we used the Johansen co-integration method and the trace maximum Eigen-value co-integration rank is presented in table 2.

Table 2. Johansen Co-integration Result using Nigeria Economy
Unrestricted Co-integration Rank Test (Trace)

Hypothesized No. of CE(s)	Eigenvalue	Trace Statistic	0.05 Critical Value	Prob.**
None*	0.960887	194.2167	95.75366	0.0000
At most 1*	0.893945	116.4255	69.81889	0.0000
At most 2*	0.704397	62.57436	47.85613	0.0012
At most 3*	0.616399	33.32462	29.79707	0.0188
At most 4	0.335435	10.32899	15.49471	0.2563
At most 5	0.021517	0.522048	3.841466	0.4700

Trace test indicates 4 Co-integrating equation(s) at the 0.05 level

* represents rejection of the hypothesis at the 0.05 level

**MacKinnon-Haug-Michelis (1999) p-values.

Unrestricted Co-integration Rank Test (Maximum Eigenvalue)

Hypothesized No. of CE(s)	Eigenvalue	Max-Eigen Statistic	0.05 Critical Value	Prob.**
None*	0.960887	77.79121	40.07757	0.0000
At most 1*	0.893945	53.85112	33.87687	0.0001
At most 2*	0.704397	29.24975	27.58434	0.0303
At most 3*	0.616399	22.99563	21.13162	0.0270
At most 4	0.335435	9.806938	14.26460	0.2249
At most 5	0.021517	0.522048	3.841466	0.4700

Max-eigenvalue test indicates 4 co-integrating equation(s) at the 0.05 level

*represents rejection of the hypothesis at the 0.05 level

Source: Researcher's computation (2021), using E-view 9.0 software

Table 2 shows that trace statistics and maximum Eigen-value have at most three (3) co-integration equations, respectively. This shows that a long-run relationship exists between the variables. That is, the linear grouping of these variables cancels out the stochastic trend in the series. This will stop the generation of spurious regression results. Hence the implication of this result shows a long-run relationship exists between our dependent and explanatory variables used in the model.

4.1. TEST OF HYPOTHESIS FORMULATED USING NIGERIA ECONOMY

$$GDP = \beta_0 + \beta_1 PPT + \beta_2 CIT + \beta_3 VAT + \beta_4 CED + T \quad (2)$$

Decision Rule:

Accept H_0 if P-value is more than a 5% level of significance, otherwise, reject H_0 .
Testing of Hypothesis Formulated for Nigeria Economy

In other to examine the effect of relationships between the dependent variable GDP and the independent variables (PPT, CIT, VAT, and CED) to also test the formulated hypotheses given, the study used a panel multiple regression analysis, using Error Correction Model (ECM) estimation method, owing to the fact that the data is a time series (1997-2020) data and the result of our analysis is presented in table 3.

Table 3. GDP Panel Regression Result for Nigeria Economy

Sample 1997-2020. Included observations: 24

Variable	Co-efficient	Std. Error	t-Statistic	Prob.
C	-0.095817	0.056741	-1.688664	0.1151
DLGDP(-1)	0.670056	0.287804	2.328167	0.0367
DLPPT(-1)	0.196452	0.077279	2.542123	0.0246
DLCIT	0.195548	0.076875	2.532143	0.0234
DLVAT	0.194549	0.068644	2.834172	0.0141
DLCED	0.193545	0.066654	2.774172	0.0131
ECM(-1)	-0.812666	0.309403	-2.626563	0.0209

R-squared	0.907445	Mean dependent var	0.006818
Adjusted R-squared	0.836249	S.D.dependent var	0.349943
S.E. of regression	0.141609	Akaike info criterion	-0.767934
Sum squared resid	0.260690	Schwarz criterion	-0.227993
Log likelihood	20.21521	Hannan-Quinn criter.	-0.624687
F-statistic	12.74568	Durbin-Watson stat	1.556114
Prob(F-statistic)	0.000036		

Source: Researchers (2021) from E-view 9.0 statistical package.

Table 3 above presents the panel regression result obtained in investigating the effect of tax revenue management and the growth dynamics in the economy of Nigeria. The dependent variable is Gross Domestic Product (GDP), Growth Dynamics (GD) measured as Growth Dynamics index (GDI) and the independent variables Petroleum Profit Tax (PPT), Company Income Tax (CIT), Value Added Tax (VAT), Custom and Excise Duties (CED). From the table 3, the co-efficient of determination (R-Squared) and Adjusted R-Squared are found to be 0.907445 and 0.836249 respectively. This implies that the explanatory powers of the variables are high. That the explanatory variables used for this study jointly explain about 91% of the systematic variations in growth dynamics, also known as Growth Dynamics index (GDI) of our study.

4.2. F-STATISTICS RESULT

F-test is useful to check the overall significance of the model. It shows the goodness of fit of the specified model of a study. In table 3 above, the F-statistics

value stood at 12.74568 the p-value stood at 0.00. This shows that our model is generally significant and well specified and significant at 5% level.

4.3. TEST OF AUTOCORRELATION:

Using Durbin Watson (DW) statistics which we obtained from our regression result in table 3, it is observed that the DW statistic is 1.556114 which is approximately 2, agrees with the Durbin Watson rule of thumb. Showing that our data is free from autocorrelation problems and as such fit for the regression result to be interpreted and result relied on. Akaike Info Criterion and Schwarz Criterion which are -0.767934 and -0.227993 respectively further strengthen the fitness of our regression result for reliability as they confirm the goodness of fit of the model specified.

4.4. ERROR CORRECTION MODEL (ECM)

Based on the negative value of -0.812666 and the p-value of 0.02, it shows that the model used in this study is well specified and the regression result could be relied on and interpreted. ECM measures the speed at which the dependent variable can come back to its equilibrium in the long run. Table 3 above, therefore showing ECM value of -0.812666 is an indication that it will take our dependent variable which is Growth Dynamics index (GDI) the speed of about 81% of the previous year's shocks adjust to equilibrium in the present year. In addition to the above, the specific finding for each explanatory variables of our model are provided as follows:

Petroleum Profit Tax (PPT) at lag one, based on the positive value of coefficient of 0.196452 and p-value of 0.02, was found to have a positive influence on the Growth Dynamics parameter, Gross Domestic Product(GDP) and this influence is statistically significant at 5% level since the p-value is less than 0.05. This result suggest that we should reject our null hypothesis (HO1) Which states that Petroleum Profit Tax (PPT)) has no significant effect on Growth Domestic Product (GDP) in Nigeria, to accept the alternative hypothesis. This result is an indication that in the short run, GNP does not significantly influence GDP but in the long run. The result shows that a 1% increase in PPT revenue collected by the government, during the year under study, can lead to about 0.196452(20%) in Nigeria, though in the long-run. This result is consistent with the findings of Chigbu & Njoku [42]

Company Income Tax (CIT) has a positive value of coefficient of 0.195548 and p-value of 0.02, was found to have a positive influence on the Growth Dynamics index, Gross Domestic Product(GDP) and this influence is statistically significant at 5% level since the p-value is less than 0.05. This result suggest that we should reject our null hypothesis (HO2) Which states that Company Income Tax (CIT) has no significant effect on Growth Dynamics in Nigeria, to accept the alternative hypothesis. This result is an indication that in the short run, CIT does not significantly influence GDP but in the long run. The result shows that a 1% increase in CIT revenue collected by the government, during the year under study, can lead

to about 0.195548(20%) in Nigeria, though in the long-run. This result is consistent with the findings of Chigbu & Njoku[42]

Value Added Tax (VAT) in the short-run, based on the coefficient of 0.194549 and p-value of 0.01, was found to have a positive influence on Growth Dynamics index, the Gross Domestic Product (GDP) and this influence is statistically significant at 5% level since the value of p is not up to 0.05. Also, tax revenue was found to have a significant influence on the economy growth in Nigeria in the long run. This result is an indication that in the short run and long run, VAT significantly influences GDP. The result shows that a 1% increase in VAT revenue collected by the government, during the year under study, can lead to about 0.194549(10%) increase in Growth Dynamics, the Gross Domestic Product (GDP) in Nigeria .

CUSTOM AND EXCISE DUTY (CED)In the short-run, Custom and Excise Duty (CED) based on the positive value of coefficient of 0.193545 and p-value of 0.01, was found to have a positive influence on the growth dynamics index, the Gross Domestic Product (GDP) and this influences economic development . It is statistically significant at 5% level since the p-value is less than 0.05. However, Custom and Excise duty was found not to have a significant influence on the Gross Domestic Product in the long run. This result suggests that we should reject our null hypothesis four (HO4) which states that excise duty has no significant effect on economic development in Nigeria, to accept the another. This result is an indication that in the short run, CED significantly influences Gross Domestic Product but in the long run, it does not. The result shows that a 1% increase in CED revenue collected by the government, during the year under study, can lead to about 0.193545 (10%) increase in Gross Domestic Product (GDP) in Nigeria in the short run but has no relationship with Gross Domestic Product (GDP) at the long–run.

5. SUMMARY OF FINDINGS

From the analyzed result, Petroleum Profit Tax (PPT) was discovered positively impact Growth Dynamics Index, the Gross Domestic Product (GDP) in the Nigerian economy. The effect is statistically significant at 5% level. In other words, the implication of the positive value of PPT is that a 1% increase in PPT received by government will lead to about 20% increase in Gross Domestic Product (GDP) in the Nigerian economy.

Company income Tax (CIT) From the analyzed result, was found to affect positively the dependent variables, Growth Dynamics Index, the Gross Domestic Product (GDP) in economy of Nigeria. The effect is statistically significant at 5% level. In other words, the implication of the positive value of GDP is that a 1% increase in GDP received by government will lead to about 20% increase in Growth Dynamics in Nigerian economy.

Value Added Tax (VAT) from the analyzed result, was found to affect positively the dependent variables, GDP in the economy of Nigeria. The effect is statistically significant at 5% level. In other words, the implication of the positive

value of VAT is that a 1% increase in VAT received will lead to about 10% increase in Growth Dynamics in Nigeria.

Custom and Excise Duty (CED) from the analyzed result, it was found to affect positively the dependent variables, GDP in the economy of Nigeria. The effect is statistically significant at 5% level. In other words, the implication of the positive value of CED is that a 1% increase in VAT received will lead to about 10% increase in Growth Dynamics in the economy of Nigeria.

6. CONCLUSION AND RECOMMENDATION

The study examined the effect tax revenue management on growth dynamics of the Nigerian economy adopting as proxies Petroleum Profit Tax (PPT), Company income Tax (CIT), Value Added Tax (VAT) and Custom and Excise Duty (CED) on growth dynamics in the Nigerian economy. Using the data set which covered a period 1997- 2020, based on our findings, the study concluded that PPT, CIT, VAT and CED have a positive significant effects on growth dynamics index in Nigeria, thus corroborating the studies of Ebiaghan, Jeroh & Ideh (2021) and Olaoye(2020). There is no doubt of the fact that Nigeria's current reform drive is supported by a strong desire to make the country a major player in the tax revenue management, as a major source of revenue and to enhance growth dynamics in the economy of Nigeria. The reform and policy framework form part of the objective to encourage the production and distribution of goods and services in order to satisfy the citizens and accelerate economic growth through the provision of basic facilities. If the reform in Nigeria tax revenue management Services is fully implemented and the operational procedures are complied with by the relevant agencies and officials, revenue leakages will be blocked which invariably increases the disposable income of government for developmental projects .

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