



Effect of E-Tax Payment on Revenue Generation in Nigeria

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ABSTRACT

The study examined the effect of e-tax payment on revenue generation in Nigeria. The specific objectives of the study are to: determine the effect of e-company income tax payment on revenue generation in Nigeria; ascertain the effect of e-capital gain tax payment on revenue generation in Nigeria. The study applied secondary data obtained from Federal Inland Revenue Service tax report and CBN Statistical release and Quarterly Economic Reports. The data used were secondary and covers the period from first quarter of 2012 to second quarter of 2018. The data collected were analysed using Ordinary Least Square Method. The results show that e-company income tax payment has an insignificant positive effect on revenue generation in Nigeria at 5% level of significance. The positive effect means that increase in e-company income tax payment will increase revenue generation in Nigeria, though the impact is statistically insignificant at 5%. Whereas e-capital gain tax payment has negative impact on revenue generation and was statistically insignificant at 5% level of significance. The negative effect means that decrease in e-capital gain tax payment will decrease revenue generation in Nigeria, though the impact is statistically insignificant at 5%. The study, therefore among others recommends that in order to maximize the positive effect of the e-company income tax payment, Nigerian government should set modalities on how to sensitize companies on the importance of E-tax payment.

Keywords: E-Tax, Payment, Revenue Generation, Nigeria

INTRODUCTION

The requirement for charge installments has been a marvel of worldwide importance as it influences each economy regardless of public contrasts (Obboh & Isa, 2012). Tax assessment is an age long occasion. The requirement for its installment was accentuated by Jesus in "Mathew 22 versus 17-21" when the Pharisees found out if it was legitimate to cover charges or not. His answer "render consequently unto Caesar the things which are Caesar's and to God the things that are to God's" recommends that charge installments should be mandatory, non-debatable, official and required on all residents of a nation paying little mind to religion and economic wellbeing. Assessment is a necessary charge forced by a public expert on the pay and properties of people and organizations as specified by the public authority Decree, Acts or Laws independent of the specific measure of administration of the payer consequently (Omotoso, 2001). Duty installment isn't for the immediate trade of good or potentially benefits yet an exchange of assets and pay from the private area to the public area to accomplish a portion of the country's monetary and social objectives (Okpe, 2000). Such objectives might be in form of elevated level of work, stable costs, quick development of gross public item, good equilibrium of installments position, advancement of an unrestricted economy, fulfillment of aggregate requests, fair pay reallocation, advancement of baby enterprises, the consolation of need area, support of equilibrium populace improvement and advancement of work and capital turn of events (Onoh, 2013).

The degree of duty to be paid by the residents and the things to be burdened is dictated by the public authority (Nwaorgu, & Nnubia, 2016). Such choice as per Ngerebo and Masa (2012) depends on the

expense of the activities or projects government plans to execute, which is the vital determinant of the spending plan - size. Government likewise makes a decision about the premise, rates, the classification of residents, and the time-frame to make good on the duty, on the bearing of the economy wanted and government's impression of the way of life of the residents (Nnubia & Obiora, 2018). Assessments in this manner influence the use size of government, the efficiency and level of exercises of organizations, the utilization example of people, the affinity to spare and contribute and the development way of the economy. The degree to which the effect of tax assessment is believed is reliant fair and square of consistence with charge installments which is further subject to the degree of expense proficiency. In Nigeria the frequency of tax avoidance and shirking by citizens is high, prompting low degree of government income which further decreases the degree of government use, finishing into a decrease in the pay investment funds and use of family units and firms, prompting low degree of monetary exercises and financial development. This investigation is thusly expected to look at the effect of e-tax payment on the growth of the Nigerian economy in the midst of significant level of evasion and avoidance.

Objectives of the Study

The main objective of this study is to investigate the influence of e-tax payment on revenue generation in Nigeria. While the specific objectives include to:

1. Determine the effect of e-company income tax payment on revenue generation in Nigeria.
2. Ascertain the effect of e-capital gain tax payment on revenue generation in Nigeria.

Research Hypotheses

The following hypotheses were stated in null form

1. E-company income tax payment has no significant effect on revenue generation in Nigeria.
2. E-capital gain tax payment has no significant effect on revenue generation in Nigeria.

LITERATURE REVIEW

Taxation

Tax assessment is an instrument utilized by the public authority for producing public assets (Anyaduba, 2004). It is a necessary installment forced by the public authority on the pay, benefit or abundance of people, gathering of people, and corporate associations. Piana (2003) believes that it is a consequence of the use of duty rate to an expense base. As indicated by Brautigam (2008) in Nnubia, Okafor, Chukwunwike, Asogwa and Ogan (2020) a very much planned duty framework can help governments in non-industrial nations organize their spending, construct stable foundations, and improve vote based responsibility. The fundamental reason for an expense is to empower public area money its exercises in order to accomplish some country's monetary and social objectives. It can likewise be with the end goal of reallocation of abundance to guarantee social equity (Ola, 2001). Hence, duties can be utilized as an instrument for accomplishing both miniature and macroeconomic targets particularly in agricultural nations, for example, Nigeria. Notwithstanding, Musgrave and Musgrave (2004) remark that the waning degree of duty income age in the non-industrial nations makes it hard to utilize charge as an instrument of monetary approach for the accomplishment of financial turn of events. A few governments like Canada, United States, Netherland, and The United Kingdom have significantly impacted their monetary advancement through expense income produced from Company Income Tax, Value Added Tax, and Personal Income Tax, and have thrived through duty income (Nnubia & Okorie, 2016; Oluba, 2008). In Africa, characteristic assets, for example, pay from creation sharing, eminences, and corporate personal expense on oil and mining organizations yield the critical bit of assessment income (Nnubia & Okolo, 2018; Pfister, 2009). The duty sources are the fundamental and most solid wellsprings of government income due to their assurance and adaptability attributes. Conviction trademark infers that assortment of expenses from citizens is guaranteed, all taking everything into account. Assessment assortment isn't influenced by the condition of the economy; regardless of whether the economy is declining, stale or developing. Its adaptability makes it feasible for the public authority to change the assessment framework to suit her ideal reason.

E-Taxation

E-tax assessment is the cycle of assortment and organization of duty technique through an electronic medium. As per Che-Azmi and Kamarulzaman (2014) E-charge installment framework is one of the routes through which governments all around the world utilize data and correspondence advances to improve the arrangement of public administrations and the flow of policy management data to the general public. Wasao (2014) depicts electronic assessment framework is an online framework or channel where citizens can approach or allow to the stage using web, in other to approach all the administrations gave by the expense authority, for example, the enrolment for a duty recognizable proof number, electronic duty recording of government forms.

E-charge installment framework was presented in 1986 in the U.S.A. In Australia electronic assessment installment was presented in 1987. In 1993, Canada began the utilization of electronic duty installment other created nations of the world, for example, Malaysia and Netherlands acquainted electronic installment of assessment with their citizens in 2009. In Africa, Uganda presented electronic assessment installment framework in 2009, while Egypt began in March 2013, in order to keep up closeness with the global exchanges towards computerized installments frameworks, for e-government.

In Nigeria e-charge installment framework was presented in 2015 by the Federal Inland Revenue Service (FIRS) related to Nigeria bury - bank settlement System (NIBSS), According to Okunowo, (2015). Electronic expense installment was acquainted so similarly as with increment income Generation and for simple availability as citizens can pay charges from various areas and at different time. FIRS has an Information Communication Technology (ICT) office that offers help and client care administrations to citizens and furthermore with the primary point of expanding income age and empowering intentional acknowledgment of the framework by citizens.

Revenue Generation

Public income could be characterized as the assets created by the public authority to fund its exercises. All in all income is the complete asset created by government (Federal, state, nearby government/to meet their use for a financial year. This alludes additionally to the excellent absolute of cash of pay got from the wellspring of which costs are caused. Revenue could be inner or outside income. Generation is the way toward sourcing income for the government in carryout their point and destinations. Duty can be characterized as an obligatory toll by government on products, administrations, pay and abundance. It gives clear wellspring of income to government use (Nnubia, et al., 2020; Udeh, 2008). It is the route by which government acquire additional cash. It spent from pay of individual and organizations. Assessment could be immediate or circuitous duty. An assessment is an instalment made by the citizens and utilized by the public authority for the advantages of the multitude of residents.

E-Tax Payment and Revenue Generation

The need for tax payments has been a phenomenon of global significance as it affects every economy irrespective of national differences. Tax payment is not for the direct exchange of good and/or services but a transfer of resources and income from the private sector to the public sector in order to achieve some of the nation's economic and social goals (Nnubia, et al., 2020; Okpe, 2000). Such goals may be in for of high level of employment, stable prices, rapid growth of gross national product, favourable balance of payments position, promotion of a free market economy, satisfaction of collective demands, equitable income redistribution, promotion of infant industries, the encouragement of priority sector, encouragement of balance population development and promotion of labour and capital development (Onoh, 2013).

Economic development is a policy intervention efforts targeted at the economic and social well-being of people. Its concern is on improvement in the quality of life of people, introduction of new goods and services using modern technological, mitigation of risk and dynamics of innovation and entrepreneurship (Hadjimichael *et al.*, 2014). The objective of economic development is to create an enabling environment for local communities and regions to develop new ways of production of goods in such quantities that may lead to exportation to other countries. Nnubia et al (2020) and Nasir (2015) found that the number of

taxpayers using the e-filing system remained far below expectation at about 5% and the tax authorities were still tackling the challenges posed by the new system such as timely and costly adaptation of the system, uncertainty and security problems, lack of technological exposure in the country etc. all of which had little or no impact on tax returns; but 2006 to 2011 brought an increase in the users of the system from the disappointing 4% to an Encouraging 34% and 37% in 2012, over the same period tax returns increased from 14.5% of GDP to 15.3%. It also showed how compliance was increased and fewer hours used in collecting taxes. The conclusion of the study was that Electronic systems for filling and paying taxes, if implemented well and used by most taxpayers, benefit both tax payer and tax authorities and guarantees a better standard of living for all citizens. Allahverd, Alagoz and Ortakapoz (2017) examining the effect of e-taxation system on tax revenue and cost in Turkey revealed that the transition to the electronic tax system positively affected the tax revenues and reduced the cost per tax. In America, Pippin and Tosun (2014) observed that the rates of e-filing are noticed to be lower in rural communities with low population and with a lower share of females, surprisingly, educational attainment is negatively correlated with e-filing rate and growth in e-filing; whereas in Nigeria, the regression result indicated by Okafor (2012) revealed a very positive and significant relationship between the components of tax revenue and the growth of the Nigeria economy.

Theoretical framework

Benefit Theory of Taxation - According to this hypothesis, the state should impose charges on people as indicated by the advantage given to them. The more advantages an individual gets from the exercises of the express, the more he should pay to the public authority. On the off chance that, as per the "benefits hypothesis of tax collection," we think about assessments as installments in return for government benefits, maybe states should be obliged to give individual tax reductions on inhabitants who add to their duty coffers. The advantages hypothesis would infer that an inhabitant should have the option to gather individual tax breaks to the degree that her expense installments to the source state surpass the cash estimation of any source state government benefits she as of now gets, including framework, controlled work and capital business sectors, etc. Albeit instinctively appealing, the advantages hypothesis of tax collection experiences a few significant disadvantages. To begin with, it is difficult to actualize accurately because of the trouble of deciding the measure of government benefits, including diffuse advantages, for example, military assurance got by every occupant and non-inhabitant citizen. Second, the advantages hypothesis doesn't accord with current understandings of pay tax assessment. In an absolutely home-grown setting, states by and large don't condition government benefits upon recipients' installment of assessments. Surely, citizens accepting the biggest government advantages might be the individuals who, because of their penniless conditions, settle the least duties.

Third, if the state keeps up a specific association between the advantages given and the advantages determined. It will be contrary to the fundamental guideline of the duty. A duty, as we probably are aware, is obligatory commitment made to the public specialists to meet the costs of the public authority and the arrangements of general advantage. There is no immediate remuneration on account of an assessment. Fourth, a large portion of the consumption caused by the record is for the overall advantage of its residents, it is unimaginable to expect to assess the advantage appreciated by a specific individual consistently. In the event that we apply this standard practically speaking, at that point the helpless should make good on the heaviest duties, since they advantage more from the administrations of the state. Furthermore, in the event that we get more from the poor via charges, it is contrary to the rule of equity.

Empirical Studies

Nubia, Okafor, Chukwunwike, Asogwa and Ogan (2020) analyzed the impact of e-tax assessment on income generation in Nigeria. The assessment applied optional information gotten from Federal Inland Revenue Service charge report and CBN Statistical delivery and Quarterly Economic Reports. These data were time arrangement data covers the time frame from first quarter of 2012 to second quarter of 2018. The information gathered were broke down utilizing Ordinary Least Square Method. The results show a

hopeful gigantic effect of pre (before the starter of e-charge evaluation) organization personal expense and value added tax on income generation in Nigeria and an opposite irrelevant effect of post association yearly obligation pay and worth included appraisal pay income age in Nigeria (after the presence of e-charge assortment) at 5% degree of basic.

Allahverd, Alagoz and Ortakapoz (2017) analyzed the impact of e-tax assessment framework on expense income and cost in Turkey, the examination utilized optional information gotten from the Turkish income authority, the information were inspected in two gatherings which are pre-electronic duty time of 1993-2004 and post-electronic duty time of 2005-2016. Mann-Whitney U Test was utilized to dissect the information. The exploration additionally gave data on the electronic change of the assessment framework and the Turkish Tax System. As indicated by the observational consequence of the exploration, the progress to the electronic expense framework decidedly influenced the assessment incomes and diminished the expense per charge.

Nasir (2015) analyzed executing electronic duty fillings and instalments in Malaysia; the fundamental target was to call attention to the advantages of keeping up a decent e-charge framework rather than a manual framework. The investigation utilized auxiliary information from Malaysian Inland Revenue report from 2004 to 2011 utilizing pattern examination to feature the expansion in expense forms since the reception of an e-charge framework in 2004. For the initial two years, the quantity of citizens utilizing the e – filling framework stayed far beneath desire at about 5% and the expense specialists were all the while handling the difficulties presented by the new framework, for example, ideal and exorbitant variation of the framework, vulnerability and security issues, absence of innovative introduction in the nation and so on all of which had practically no effect on assessment forms. 2006 to 2011 acquired an expansion the clients of the framework from the disillusioning 4% to an Encouraging 34% and 37% in 2012, over a similar period assessment forms expanded from 14.5% of 52GDP to 15.3%. It likewise indicated how consistence was expanded and less hours utilized in gathering charges. The finish of the investigation was that Electronic frameworks for filling and settling charges, whenever actualized well and utilized by most citizens, advantage both citizen and expense specialists and ensures a superior way of life for all residents.

Barati and Bakhshayesh (2015) inspected electronic duty framework and the difficulties confronting Kermansah territory citizens in Iran, the scientist made utilized of essential information gotten from surveys directed to inhabitant of Kermansah region, examinations were done utilizing Spearman connection coefficient, fluctuation investigation, predominance records, the specialist investigating examination, underlying conditions model, in which high affectability is utilized to check their consistence and audit. Results show that: specialized and infrastructural variables(95/0), social influence(90/0), the normal effort(51/0), lawful issues(40/0), expected performance(32/0), data access (18/0) and saw risk(11/0) are components of significance and more impact on the influencing factors for the reception of electronic duty, individually.

Pippin and Tosun (2014) inspected electronic expense recording in the United State of America The examination sums up and investigations the segment, financial, and geographic elements influencing electronic duty documenting (e-documenting) in the United States for the years 1999, and 2004–2007 and the development in e-documenting somewhere in the range of 1999 and 2007. Optional information sourced from the IRS Statistics of Income ("SOI") Division and extra segment and geographic data from the Bureau of Economic Analysis (BEA), the Bureau of Labor Statistics (BLS) and the evaluation authority were utilized; Analyses was completed utilizing relapse, the paces of e-filling are seen to be lower in country networks with low populace and with a lower portion of females, Surprisingly, instructive accomplishment is adversely connected with e-recording rate and development in e-documenting.

Akwe (2014) examined the effect of Non-oil Tax Revenue on Economic Growth from 1993 to 2012 in Nigeria. To accomplish this examination objective, significant optional information were utilized from the 2012 Statistical Bulletin of the Central Bank of Nigeria (CBN). These information were examined

utilizing the Ordinary Least Squares Regression. The outcome from the test shows that there exists a positive effect of Non-oil Tax Revenue on monetary Growth in Nigeria.

Onaolapo, Aworemi, and Ajala (2013) analyzed the effect of significant worth included duty income age in Nigeria. The Secondary Source of information was looked for from Central Bank of Nigeria factual Bulleting (2010), Federal Inland Revenue Service Annual Reports and Chartered Institute of Taxation of Nigeria Journal. Information examination was performed with the utilization of stepwise relapse investigation. Discoveries indicated that Value Added Tax has factually huge impact on income age in Nigeria.

Ogbonna and Ebimobowei (2012) researched the effect of oil benefit charge on the monetary development of Nigeria. To accomplish the target of this paper, significant auxiliary information were gathered from the Central Bank of Nigeria (CBN) and the Federal Inland Revenue Service (FIRS) from 1970 to 2010. The optional information gathered from the applicable government organizations in Nigeria were investigated with significant econometric trial of Breusch-Godfrey Serial Correlation LM, White Heteroskedasticity, Ramsey RESET, Jarque Bera, Johansen Co-mix and Granger Causality. The outcomes show that there exists a since quite a while ago run balance connection between monetary development and oil benefit charge. It was additionally discovered that oil benefit charge does granger cause GDP of Nigeria.

Okafor (2012) examined the effect of annual assessment income on the monetary development of Nigeria as proxied by the total national output (GDP). The investigation embraced the normal least square (OLS) relapse examination strategy to investigate the connection between the GDP (the needy variable) and a bunch of national government annual assessment income heads over the period 1981-2007. The relapse result showed an exceptionally certain and huge connection between the segments of duty income and the development of the Nigeria economy.

Adereti, Sanni and Adesina (2011) examined esteem added charge and financial development in Nigeria. Time arrangement information on the Gross Domestic Product (GDP), VAT Revenue, Total Tax Revenue and Total (Federal Government) Revenue from 1994 to 2008 sourced from Central Bank of Nigeria (CBN) were examined, utilizing both straightforward relapse investigation and clear measurable strategy. Discoveries demonstrated that the proportion of VAT Revenue to GDP arrived at the midpoint of 1.3% contrasted with 4.5% in Indonesia; however VAT Revenue represents as much as 95% huge varieties in GDP in Nigeria. A positive and critical relationship exists between VAT Revenue and GDP. Both monetary factors vacillated enormously over the period however VAT Revenue was steadier. No causality exists between the GDP and VAT Revenue, yet a slack time of two years exists.

RESEARCH METHOD

Research design

This study adopts ex-post facto design. The ex-post facto design was adopted on the basis that it does not provide the study an opportunity to control the variables mainly because they have already occurred and cannot be manipulated.

Method and sources of data

The study predominantly used secondary source of data. These data were time series data collected using the desk survey approach from text books, journals, internet, CBN statistical bulletin and other relevant government publications. The study covers the period from the 1st quarter of 2012 to 2nd quarter of 2018.

Techniques of data analysis

In analyzing the data gathered regressions model was employed to establish the effect of independent on dependent variables. The study made use of economic approach in estimating the relationship between taxation and economic growth. The Ordinary Least Square (OLS) technique was employed in obtaining the numerical estimates of the co-efficient in different equation. The ordinary least square method was chosen because it possesses some optimal properties. Its computational procedure is fairly simple.

Model specification

The functional relationship between tax payment and the economic growth of Nigeria is expressed thus:

$$FCR = F(CIT, CGT) \quad \text{I}$$

Obtaining the OLS model from the above expression, we had:

$$FCR = a_0 + a_1 CIT + a_2 CGT + et \quad \text{II}$$

Where: FCR = Federally Collected Revenue

CIT = e-company income tax payment

CGT = e-capital gain tax payment

a_1 - a_2 = Regression Parameters

et = Stochastic error

ANALYSIS OF DATA

The summary of the analysis result and its corresponding interpretations of the effect of e-tax payment on revenue generation in Nigeria are presented below.

Descriptive Statistics

Table 1: Descriptive Statistics

| Variables | FCR | CIT | CGT |
|--------------|----------|----------|----------|
| Mean | 1608.991 | 260.6740 | 5.822362 |
| Median | 1381.630 | 247.6108 | 0.804800 |
| Maximum | 2783.460 | 556.2703 | 72.59310 |
| Minimum | 778.1935 | 65.28760 | 0.056500 |
| Std. Dev. | 582.6337 | 124.9937 | 14.75956 |
| Skewness | 0.783278 | 0.757779 | 3.839410 |
| Kurtosis | 2.338961 | 2.806034 | 17.54898 |
| Jarque-Bera | 3.131993 | 2.529084 | 293.1901 |
| Probability | 0.208880 | 0.282369 | 0.000000 |
| Sum | 41833.77 | 6777.525 | 151.3814 |
| Sum Sq. Dev. | 8486550. | 390585.3 | 5446.117 |
| Observations | 26 | 26 | 26 |

Source: Summary of descriptive statistics, e-view version 8.1

Table 1 above shows the mean (average) for each variable, their maximum values, minimum values, standard deviation. The result provides some insight into the nature of the effect of e-tax on revenue generation in Nigeria. Firstly, it was observed that over the period under review, the e-tax have positive average revenue generation (FCR) of 1608.991. The mean of e-company income tax (CIT) payment is 260.6740; this also means that the revenue generation has a positive company income tax in the period under study. The table also reveals that a positive average value of 5.822362 for e-capital gain tax (CGT) payment. These values mean that within the period under review, the e-tax meet up 1608.991 on the average within the period under review. The maximum value of e-company income tax payment is 556.2703 and its minimum value is 65.28760. The maximum value of e-capital gain tax payment is 72.59310 and its minimum value is 0.056500. The large differences between the maximum and minimum value shows that the data used for the study are homogeneous.

Correlation Analysis

Table 2: Pearson correlation analysis

| Variables | FCR | CIT | CGT |
|-----------|-----------|----------|-----------|
| FCR | 1.000000 | 0.005359 | -0.172498 |
| CIT | 0.005359 | 1.000000 | 0.213265 |
| CGT | -0.172498 | 0.213265 | 1.000000 |

Source: Summary of correlation analysis, e-view version 8.1

The correlation matrix is to check for multi-collinearity and to explore the association between each explanatory variable and the dependent variable. The table 2 above shows that revenue generation (FCR) has positive association with company income tax (0.005359), and negative association e-capital gain tax payment (-0.172498). E-company income tax payment has positive association e-capital gain tax payment (0.213265). In checking for multi-collinearity, the study observed that no two explanatory variables were perfectly correlated.

Regression Analysis

Table 3: Regression Analysis

| Variable | Coefficient | Std. Error | t-Statistic | Prob. |
|--------------------|-------------|-----------------------|-------------|----------|
| C | 1597.150 | 275.5784 | 5.795626 | 0.0000 |
| CIT | 0.205823 | 0.978983 | 0.210241 | 0.8353 |
| CGT | -7.181100 | 8.290672 | -0.866166 | 0.3953 |
| R-squared | 0.703161 | Mean dependent var | | 1608.991 |
| Adjusted R-squared | -0.705259 | S.D. dependent var | | 582.6337 |
| S.E. of regression | 597.7579 | Akaike info criterion | | 15.73242 |
| Sum squared resid | 8218233. | Schwarz criterion | | 15.87758 |
| Log likelihood | -201.5214 | Hannan-Quinn criter. | | 15.77422 |
| F-statistic | 0.375463 | Durbin-Watson stat | | 1.534444 |
| Prob(F-statistic) | 0.691105 | | | |

In testing for the effect of e-tax payment on revenue generation in Nigeria, we adopted regression analysis. In table 3, we presented OLS regression analysis. The result revealed the follows:

E-company income tax (CIT) payment, based on the t-Statistic of 0.210241 and a p-value of 0.8353 for company income tax. E-company income tax payment appears to have an insignificant effect of revenue generation in Nigeria at 5% since its p-value was more than 0.05. The t-Statistic of 0.210241 shows that e-company income tax payment has an optimistic impact on revenue generation in Nigeria; though, the impact is not significant. The probability value of 0.8353 indicates that the impact of e-company income tax payment on revenue generation in Nigeria is statistically insignificant at 5%.

This result therefore, suggests that we should accept null hypothesis, which stated that e-company income tax payment has no significant effect on revenue generation in Nigeria.

This finding was in line with the outcomes of Olaoye and Atilola (2018) which found an unimportant effect of company income tax revenue on revenue generation; and also with the work of Ojong, Ogar and Oka (2016) which revealed that there is no important association between company income tax and the growth of the Nigeria economy.

E-capital gain tax (CGT) payment, based on the t-Statistic of -0.866166 and a p-value of 0.3953 for capital gain tax. E-capital gain tax payment have a negative impact on revenue generation and was

statistically insignificant at both 5%, since its p-value was greater than 0.05. The t-Statistic of -0.866166 shows that e-capital gain tax payment has a negative effect on revenue generation in Nigeria. The probability value of 0.3953 shows that the impact of e-capital gain tax payment on revenue generation in Nigeria, is statistically insignificant at 5%.

We therefore accept null hypothesis, which said that capital gain tax has insignificant effect on revenue generation in Nigeria. This means that decrease in capital gain tax will decrease revenue generation in Nigeria.

This finding was in line with the results of Olaoye and Atilola (2018) which found unimportant effect of capital Gain tax revenue on revenue generation; and was also in variance with the finding of Afuberoh and Okoye (2014) which found an important impact of tax on revenue generation at 0.05 significant levels.

CONCLUSION AND RECOMMENDATIONS

The need for tax payments has been a phenomenon of global significance as it affects every economy irrespective of national differences. Taxation is an age long event; and it is a compulsory charge imposed by a public authority on the income and properties of individuals and companies as stipulated by the government Decree, Acts or Laws irrespective of the exact amount of service of the payer in return. The payment of tax is not for the direct exchange of good and/or services but a transfer of resources and income from the private sector to the public sector in order to achieve some of the nation's economic and social goals. Such goals may be in for of high level of employment, stable prices, rapid growth of gross national product, favourable balance of payments position, promotion of a free market economy, satisfaction of collective demands, equitable income redistribution, promotion of infant industries, the encouragement of priority sector, encouragement of balance population development and promotion of labour and capital development.

In order to maximize the positive effect of the e-company income tax payment, Nigerian government should set modalities on how to sensitize companies on the importance of E-tax payment. It should also make sure that the provisions of the laws which deal with defaulters are implemented.

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