EFFECTS OF TAX COMPLIANCE DETERMINANTS ON TAX EVASION IN NIGERIA: AN EMPIRICAL INSIGHT

SANI, ALFRED ILEMONA

Faculty of Management Sciences, Accounting Department
Federal University, Kashere, Gombe State Nigeria.
Email: saniilemona@gmail.com

ABSTRACT

Tax evasion is an illegal activity common in the Nigerian environment, especially among operators in the informal sector of the economy. It is for this reason that measures have been put in place by the government to motivate compliance of taxpayers with relevant tax laws in Nigeria. However, there are contradictory views regarding the effectiveness of the compliance measures. The study, therefore, seeks to examine the effects of the tax compliance determinant on tax evasion in Nigeria. The study employed a survey design research approach to achieve the stated objective. A quantitative method was used where data were collected using a structured questionnaire from a sample of Small and Medium Enterprises (SMEs) operators in six states in North-eastern, North-central zones, and Federal Capital Territory (FCT) Abuja. The reliability and viability of the measuring instrument were done using Cronbach's Alpha and Kaiser-Meyer Olkin (KMO) tests. Tax Morale (TM), Tax Education (TE), Tax Holiday (TH), and Tax Deterrent (TD) are explanatory variables while Tax compliance (TC) is the response variable. The analysis of the data was done using multiple regression. The result showed that while TM, TE, and TH have positive impact on the TC behaviour of taxpayers that of TD was negative. The study recommended that government should use tax compliance factors such as TM, TE and TH rather than punitive TD measures that triggers alienation of taxpayers instead of compliance.

Keywords

1.1 Introduction

Taxation remains the most significant source of finance for the government for public expenditure. Apart from being a significant source for defraying public expenditure, it is also an instrument that brings into fruition the desired socioeconomic policies of government usually targeted towards growth and development. It is in view of this importance of taxation that governments of nations have taken measures to build tax culture and compliance among their citizens. The purpose of tax culture building is to create awareness among citizens in terms of tax laws, tax system, and tax administration as they (taxpayers) are responsible for reporting their taxable income and paying taxes thereon. Through awareness creation and tax culture building, the government and taxpayers become allies moving together in partnership to fight the evasion of taxes (Barthy & Dahoney, 2016; Campbell & Mitchell, 2019). The threat of penalty (coercion) for not paying taxes is increasingly fading out in many countries across the globe with the increased behaviour of taxpayers towards voluntary compliance (Campbell & Mitchell, 2019). Apart from the advantages of minimal cost and ease of collection attributes of voluntary compliance. It is a means by which taxpayers can honestly improve the society in which they live by contributing towards freeing it from external funding (Richard & Peck, 2014; Cannom & Bryman, 2020). It is in view of the importance of tax compliance that governments of nations embark on several strategies to curb the evasion of taxes especially by operators in the informal sector. Strategies for more revenue through tax compliance are of particular interest to the government of developing nations where a significant part of their economy is informal. The economies of these nations largely in sub-Saharan Africa are characterized by many actors outside the established sector in dire need of government programs and initiatives that can positively change their tax compliance behaviour.

In Nigeria, governments at all levels have been embarking on several strategies ranging from the enactment of tax laws to embarking on various initiatives to encourage tax compliance of citizens especially those in the informal sector (Omegani & Gani, 2016). The laws and initiatives are meant to build a strong tax administration that can guarantee compliance and citizenship among taxpayers in the fight against tax evasion. The most popular of these strategies of the government to create and build a tax compliance culture in Nigeria are tax morale, tax education, tax holiday, and tax deterrent (Igborhme & Milani, 2022). The compliance measures are meant to tackle issues of tax evasion that deprive the government of revenues that ought to come into the public coffer.

Unfortunately, however, the efficacy of the strategies in addressing the tax evasion problem in the country is still in doubt as cases of evasion still abound. According to Enugor and Dime (2021) and Saad (2022), the issue of tax evasion in Nigeria has been on the increase due to ineffective government initiatives and strategies to entice compliance of taxpayers. Similarly, Ogbediga and Oscar (2023) discovered that there is a low level of compliance in Nigeria to the extent that only about 40 percent of the total tax revenue is realized due to various forms of tax evasion perpetuated by taxpayers. Contrary to Enugor and Dime (2021), Saad (2022), and Ogbediga and Oscar (2023), Bamishele and Tola (2023) viewed with applaud that government strategies to attract compliance of taxpayers in Nigeria have yielded positive results as tax evasion cases have reduced. These are contending arguments that needed to be investigated.

Therefore, the objective of the study is to examine the impact of each of the tax compliance-inducing factors/ determinants (tax morale, tax education, tax rebate, and tax deterrence) on the compliance behaviours of taxpayers in Nigeria. Predicated on the above, the researcher formulated the following hypotheses in their null form:

Ho$_1$: TM has no significant impact on TC in Nigeria

Ho$_2$: TE has no significant impact on TC in Nigeria

Ho$_3$: TH has no significant impact on TC in Nigeria

Ho$_4$: TD has no significant impact on TC in Nigeria

2.0 Review of Related Literature

2.1 Conceptual Review

Tax compliance (TC). TC means tax payer's voluntary decision to comply with tax laws declaring the accurate amount of his/her income and correctly paying the tax liability thereon promptly according to law (Benakin & Kleff, 2015). Nersmla and Aslan (2010), Tobias and Tamman (2013), Ratamni and Jaffan (2015), Onaye and Natcha (2017), and Duhm (2019) classified TC into three namely: filing, reporting, and payment compliance. Filing compliance is the honesty of the taxpayer in declaring his or her as required in the declaration form (Birharm & Delmort 2015), reporting compliance is similar to filing compliance. It has to do with the accurate and honest

statement about tax payer's income in a year stated on the declaration form issued to the taxpayer. Payment compliance is the act of paying taxes corresponding to one's income in accordance with tax law (Strigger & Miller, 2014). Payment compliance is the act of a taxpayer to pay taxes corresponding to his or her income, wealth, capital, and consumption in accordance with tax laws. TC must be complete and as such the filing, reporting, and payment compliance must be performed promptly by taxpayers in accordance with the requirements of law. In Nigeria, the elaborate provision of the Personal Income Tax Act (PITA) 2011 as amended, Companies Income Tax Act (CITA) 2004, and Petroleum Profit Tax Act (PPTA) 2004 as amended cover the compliance requirements and penalties for non-compliance of taxpayers.

Tax Morale (TM): TM is those things that drive taxpayers (individuals and corporate entities) to pay tax. It refers to the intrinsic willingness, moral belief, and enthusiasm of taxpayers to discharge their civic obligation of tax payment (Hallistram & Park, 2017). TC has to do with the government's understanding of factors that attract or alienate taxpayers, especially in developing economies where tax is seen as a legal rather than a moral duty (Finner & Eisten, 2016). In this perception of tax as a moral duty, compliance with legal burden is arguably more of a moral issue on which the evasion of legal burden (tax) thrives. Some of the TC drivers in most economies of the world include the provision of infrastructure, trust in government, and satisfaction in the quality of public services (Bernard & Doshin, 2015).

Tax Education (TE): TE is a means of raising awareness of taxpayers regarding their tax obligation (Ellion & Adyron, 2014). One of the most significant changes in modern taxation in an attempt to maximize public revenue in nations across the world is, shifting away from the old method of coercion to a partnership between government and taxpayers. Thus, Ogunyemi and Dele (2017) viewed TE as a partnership initiative of the government aimed at raising awareness of taxpayers and providing them (taxpayers) with practical assistance on tax compliance. The awareness creation of TE is a means of building tax culture and compliance among taxpayers against tax evasion (Jaine & Niabel, 2015). There are three components of TE namely: Teaching, communication, and provision of assistance to taxpayers. The teaching aspect has to do with the in-depth engagement of tax authorities with taxpayers on the role of tax payment in citizenship, the design, and the function of specific taxes. The communication component of the TE is an

awareness-raising campaign that provides knowledge to taxpayers on different aspects of tax, tax obligations, taxpayers' rights, and how taxes are spent (Arbekan & Horsh, 2014). The practical assistance initiative provides direct assistance to taxpayers in fulfilling their tax obligations (Nelynk & Marlk, 2016). The assistance is necessary, especially in the new digital age where digital tools and services are designed and available for use to make compliance seamless. Taxpayers need support on how to use the new tools to avoid unintended evasion of taxes.

Tax Holiday (TH): it is a governmental incentive that temporarily reduces or eliminates taxes, for individuals and businesses (Barthly & Dahoney, 2016). The objective of TH is to encourage economic activities and faster growth and development. Some THs are extra statutory concessions where government grants TH for the purpose of boosting investment and also to encourage voluntary TC (Duhma, 2019). Even though government loses out on some tax revenues that would have been generated, such tax breaks and reduction in revenue would trigger long-term socioeconomic benefits (Richard & Speck, 2014; Saad, 2022). The benefits will occur because the reduction will propel investment, economic activities, economic growth, employment creation, poverty reduction, and crime reduction in society (Hallistron & Park, 2017).

Tax Deterrence (TD): It is linked to penalties and other risks for those who do not comply with payment of their tax obligations. The penalties and risks for non-payment are specified under the provision of tax laws that operates in a country and the laws differ from country to country. Invoking the laws on a taxpayer who failed to either file annual returns or underreport income or underpay tax or outrightly refused to pay is a deterrent to tax evasion (Hart & Kimmer, 2015; Emenifan & Ecan, 2016). In Nigeria, the deterrent measures are in categories spelled out in various laws on taxation in the country.

2.2 Empirical Review

Empirical studies provide mixed and conflicting evidence on the impact of TC determinants on tax evasion. For instance, the studies (Leonard & Jones, 2015; Roggers & Stonnel, 2016; Nock & Brail 2018; Cannom & Bryman, 2020 and Holfman & Penny, 2021) found in Europe that the effectiveness of tax compliance factors depends on the prevailing economic situation at a time as dictated by government policy. The findings suggest that the TC behaviour of taxpayers is largely

influenced by government economic policy. Further, in analyzing the extent to which TC is influenced by government tax policy in the USA, Rossler and McMorgan (2018) found that the compliance behaviors of taxpayers are a function of the socioeconomic policy of the government. Campbell and Mitchell (2019) investigated the relationship between tax education and the compliance behaviour of taxpayers in Canada. The study made use of data obtained primarily from responses from 230 entrepreneurs in small and medium manufacturing businesses. Results of Ordinary Least Square of multiple regression and correlation analysis revealed a positive relationship between the government tax system, tax education, and compliance attitude of taxpayers.

Chen and Luipeng (2017), Chinjug and Zanhu (2018), and Shinchen (2019) similarly in their studies in China examined the effect of tax education on compliance of taxpayers; found that TE is a significant factor in compliance of citizens in payment of taxes.

Marcos and Dhermatrin (2020) provided further evidence of factors that induce compliance behaviours of taxpayers in New Zealand. The study used data from responses of 1075 respondents made up of small business owners on factors that induce compliance. The results of non-parametric statistics of percentage and mean score analysis showed that tax incentives are the most significant factors that stimulate compliance of taxpayers. However, the results of Delfar (2018) and Agonsh (2019) in their study on tax compliance factors found that penalties for defaulters rank higher than any compliance measures in Cambodia.

Rovana and Eubovia (2020) investigated the effect of tax incentives on the compliance behaviour of taxpayers in Slovak Republic. Data for the study were obtained from selected business owners in the region of Slovak. Spearman correlation and Chi-square tests were employed for the analysis of the data. Results indicated that a positive relationship exists between TC and tax incentives. The finding is consistent with studies (Leonard & Jones, 2015; Roggers & Stonnel, 2016; Nock & Brail, 2018; Cannom & Bryman, 2020 and Holfman & Penny, 2021) that found in their studies that government incentives have positive effects on tax compliance behavior of taxpayers.

Omani and Turkhir (2020) analysed the impact of tax rebates and infrastructural development activities of the government on the tax compliance behaviour of taxpayers in Tunisia. The study was conducted among small and medium enterprise operators. The results provided evidence of a positive relationship between TC and the developmental activities of the government in terms of the availability of infrastructure. The finding suggests a correlation between the government discharging her responsibility and the TC of citizens.

In Nigeria, while the studies (Makama & Lumna 2017; Nzekwe & Orji, 2018; Ogunbade & Oseni, 2019 and Ogahire, 2020) showed a significant impact of TE and TD on TC, - Ogunwola and Oscar (2021) in an analysis of data obtained from responses of 250 taxpayers operating SMEs in Nasarawa and Plateau states of Nigeria using Multiple regression techniques, found that TE is the only factor that can induce compliance of taxpayers. These contradicting findings call for further study on TC determinants in Nigeria.

2.3 Theoretical Framework

The study is anchored on the theory of planned tax behaviour. The theory assumes that the attitude or behaviour and perception of taxpayers toward government and tax authorities have a certain effect on the intention to comply with tax obligations. The emphasis of the theory is on the behaviour of taxpayers to comply with tax obligations in accordance with government regulation (voluntary compliance). In voluntary compliance, two approaches namely: Government policy that can accommodate the unification of the economic approach and behavioural approach are needed to increase voluntary compliance (James & Allen cited in Andi et al, 2018). Government policy that accommodates the unification of economic policy and supports the welfare of citizens triggers compliance. The more the welfare of the taxpayers is taken care of, the higher the voluntary compliance of taxpayers.

The emphasis of the theory is relevant to this study as the research work is an examination of factors that can effectively induce voluntary compliance of taxpayers in a bid to address issues of tax evasion in Nigerian Society.

3.0 Methodology

Data for the study were collected from 630 randomly selected respondents in three states in the North-Eastern zone of Nigeria namely: Adamawa, Gombe, and Bauchi, Kogi and Plateau states. Respondents comprised operators of Micro, Small, and Medium Enterprises (MSMEs), Bankers, and workers in these states. Out of 630 questionnaires distributed, 393 of them were returned representing approximately 62 percent response rate. The questionnaires were designed to elicit responses on five points Likert scale.

3.1 Data Analysis

Data obtained were analysed using inferential statistics of Pearson correlation and multiple regression techniques to test the hypotheses formulated in the study.

The dependent variable (Y) of the study is Tax Compliance (TC) whereas the explanatory variables (X) are Tax Morale (TM), Taxpayer Education (TE), Tax Holiday (TH), and Tax deterrence (TD) represented by X1, X2, X3, X4. The econometric equations linking the variables are stated as follows:

$Y = a + \beta1X1 + \beta2X2 + \beta3X3 + \beta4 X4 + \varepsilon$ ----- equation 1

Substituting the letters of variables into the equation: $TC + a + \beta1TM + \beta2TE + \beta3TD + \varepsilon$ ----- equation2

Where: TC = Tax Compliance, TM = Tax Morale, TE = Tax Education, TH = Tax Holiday, TD = Tax Deterrence, ε = Error term

Aprior Expectation (AE): $\beta1, \beta2, \beta3 \beta4 > 0$. The AE indicates the expected positive signs of the predictor variables.

Table 1: Measurement of Variables

Variable	Measurement	Source
TC	Measured by rated responses on TC constructs with a minimum between 1.0-1.80 and maximum score between 4.21-5.0 on five points Likert scale	Clark & Gill (2011)
TM	Measured by rated responses on TM constructs with minimum values between 1.0-1.80 and maximum between 4.21-5.0	Ponuel & Tyers (2015), Santos & Dasein (2016)

TE	Measured by rated responses on TE questionnaire construct with minimum scores between 1.0-1.80 and maximum between 4.21-5.0	Pulsian & Dakon (2012)
TH	Measured by rated responses on TH constructs with minimum scores between 1.0-1.80 and maximum between 4.21-5.0	Leird & Robert (2014) Mouri & Wallson (2015)
TD	Measured by rated responses on TD construct with minimum values between 1.0-1.80 and maximum between 4.21-5.0 on five-point-Likert scale measurement	Stilker & Gray (2013), Felter & Deaner (2016)

Source: Table created by Author (2023)

3.2 Research Instrument and Validation

The instrument used was a structured questionnaire designed to reflect a five-point Likert scale of Strongly Agree (SA) – 5 points, Agree (A) – 4 points, Undecided (UnD) – 3 points, Disagree (D) – 2 points and Strongly Disagree (SD) -1 point. The reliability of the instrument was carried out using Cronbach's Alpha for Internal consistency of the construct. Cronbach's Alpha of 0.7 above is considered good (Barthy & Dahoney, 2016). The validity of the construct was done using the validity test of Kaiser – Meyer – Olkin (KMO). A condition for validation of the construct is that all scale items should have a loading of at least 0.5.

Table 2 shows the validity test of KMO for the adequacy of the construct. All the loading exceeded the 0.5 cut-off point. This indicates that the loadings are significant and the questionnaires on each variable loaded correctly (Barthy & Dahoney, 2016).

Table 2: Construct Validity Test (KMO)

Construct	Variable	Factor loading	Eigenvalue	% variance	KMO test
Tax compliance	TC1	0.747	0.513	33.31	0.741
	TC2	0.995	2.332	20.80	
	TC3	0.780	0.808	17.91	
	TC4	0.941	0.705	15.94	
	TC5	0.712	0.803	13.10	
	TC6	0.698	0.714	8.94	

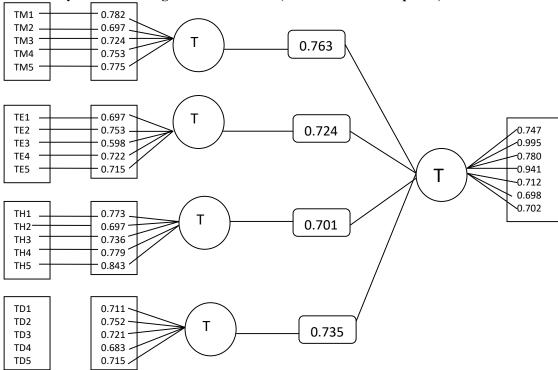|					
	TC7	0.702	0.662	18.18	
Tax Morale	TM1	0.782	1.993	37.41	0.763
	TM2	0.697	1.248	19.72	
	TM3	0.724	1.075	24.15	
	TM4	0.753	0.957	10.24	
	TM5	0.775	0.787	20.25	
Tax Education	TE1	0.697	0.536	17.63	0.724
	TE2	0.753	2.708	54.17	
	TE3	0.598	0.909	13.82	
	TE4	0.722	0.756	11.26	
	TE5	0.715	0.615	21.39	
Tax Holiday	TH1	0.773	0.858	19.22	0.701
	TH2	0.697	0.729	21.04	
	TH3	0.736	0.676	15.22	
	TH4	0.779	0.647	16.17	
	TH5	0.843	0.841	14.63	
Tax Deterrent	TD1	0.711	0.662	18.18	0.735
	TD2	0.752	0.781	15.12	
	TD3	0.721	0.645	12.29	
	TD4	0.683	0.732	17.05	
	TD5	0.715	0.788	15.14	

Source: STRATA 11.00 version output

Figure 1: Summary of the Loading of each Variable (Predictors and Response)

Source: Authors' field survey (2023)

Table 3 presents the descriptive statistics and normality test for the data. From the table, the maximum value for TC is 114.19324 while the minimum value is 4.381156. The mean score and standard deviation values are 3.537994 and 8.734413 respectively. This indicates that opinion on TC varies/differs significantly from one respondent to another. On TM, the maximum value is 1.424892. The mean score value and standard deviation values are 4.722681 and 5.236518 respectively indicating a difference in the opinion of respondents on TM as a factor that triggers TC. Similarly on TE, the maximum and minimum values for the variables are 7.452631 and 1.304137, while the mean and standard deviation values are 3.863328 and 2.141135. The values indicate that the opinion on TE as a factor that impacts on TC does not vary significantly among the respondents. For TH, the maximum and minimum values are 9.336844 and 1.785811 respectively while the mean score and standard deviation values are 4.307247 and 1.604174 respectively signifying varied opinions on TH as a factor that can influence TC in the Nigerian environment. On TD, the maximum and minimum values are 12.33816 and 3.971689 respectively, while the mean and standard deviation values are 3.586529 and 1.046537 respectively. The values indicate non-significant differences in the opinion of respondents regarding TD as an impacting factor on TC. The skewness, Kurtosis, and Jaque-Bera results showed that the values fall within

the acceptable range for the normality of data distribution. For skewness of the distribution, the values fall within the acceptable range of between -3.00 to +3.00, for kurtosis, the values on the table fall within the acceptable values of -10 to +10.00 and for Jarque-Bera, the values on the normality test table are close to zero(0) being the acceptable value (Hart & Rimmer, 2015). The three values for Skewness, Kurtosis, and Jarque- Bera confirm the normality of the data distribution implying absence of outliers. The absence of outliers in the data confirms that all variables included in the model are normally distributed and suitable for generalization.

Table 3: Descriptive Statistics and Normality Test

Variable	TC	TM	TE	TH	TD
Mean	3.537994	4.722681	3.863328	4.307247	3.586529
Median	11.19324	3.964155	1.276155	2.618492	1.274365
Maximum	114.9164	15.52867	7.452631	9.226844	12.33816
Minimum	4.381156	1.424892	1.304137	1.785811	3.971689
Std. Dev	8.734413	5.236518	2.141135	1.604174	1.046537
Skewness	-3.81413	2.061916	-1.779142	0.375918	0.796117
Kurtosis	-9.781582	3.828456	4.636783	3.917611	2.630145
Jarque – Bera	0.005214	0.00314	0.088159	0.005543	0.003173
Probability	0.005841	0.000233	0.004436	0.002256	0.004175

Source: Author's computation (2023)

Results and Discussion

The results of the correlation between all the matrices in Table 4 showed the relationship between all the predictors. Variables are statistically significant at 1 percent (0.01) and 5 percent (0.05) levels. Further, the correlation coefficient values for all pairs are below the 0.7 threshold indicating the absence of multicolinearity. The absence of multicolinearity among the predictor variables implies an increase in the precision of the estimated coefficient and the high statistical power of the regression model. The high power of the regression model is an indication of the ability of the explanatory variables to predict of future likely changes in the response variable.

Table 4: Pair-wise Correlation Matrix

	TM	TE	TH	TD

TM	Pearson correlation	1	0.0363*	0.0411*	-0.464
	sig.(2 tailed)	-	0.000	0.000	0.0622
	N	393	393	393	393
TE	Pearson correlation	0.6121**	1	0.0455*	0.2611
	sig.(2 tailed)	0.000	-	0.000	0.597
	N	393	393	393	393
TH	Pearson correlation	0.0421*	0.6961**	1	-0.6643
	sig.(2 tailed)	0.000	0.000	-	0.3336
	N	393	393	393	393
TD	Pearson correlation	0.532	-0.296	-0.058	1
	sig.(2 tailed)	0.422	0.614	0.5221	-
	N	393	393	393	393

Source: SPSS 25.0 Version

** Correlation significant at 0.01 level (2 tailed)

* Correlation significant and at 0.05 level (2 tailed)

Table 5 presents the regression in results. From the table, the coefficient of determination (R^2) is 0.49332 indicating that about 49 percent of the total variation of TC is explained by the combined effect of the explanatory variables of the study. The rest 51% are captured by the error term. The overall significance and the fitness of the linear regression model were confirmed by the F- statistic value of 7.816397 higher than the tabulated value at 5.05 (5 percent level of significance). The Durbin Watson (DW) test for autocorrelation in the residual from the statistical model of the regression showed a value of 2.11 which is within the acceptable value of between 01-04. It can therefore be stated that the residual has relative independence and there is no serial/autocorrelation. The hypotheses formulated in the study were tested using the prob values. The values are 0.0426, 0.0314, 0.0244, and 0.1371 for TM, TE, TH, and TD respectively. The values are below 0.05 (5 percent level of significance) except for TD. Therefore, all the null hypotheses of the study are rejected except that of TD. The finding of the positive impact of TM, TE, and TH is consistent with studies (Omani & Turkhir, 2019; Campell & Mitchell, 2019; Sinchen, 2019 and Oguuwola & Oscar, 2021) but differs from Enugor and Dime (2022) and Saad (2022)

Table 5: Regression Result of the Estimated Model

Dependent Variable: TC

Method: Panel Least Squares

Date: 16/08/2   Time: 12:27
3

Sample: 20112020

Periods included: 10

Cross-section included: 7

Total   Panel   (balanced)   105
observations

Variable	Coefficient	Std. Error	t-statistics	Prob
C	29.66997	0.983872	29.55321	0.0000
TM	0.313226	0.160374	1.914035	0.0426
TE	2.349623	0.812026	2.835661	0.0314
TH	1.005931	0.658579	1.496875	0.0244
TD	2.302630	0.795785	2.778947	0.1371

R-squared	0.493321	Mean dependent variable	35.50752
Adjusted R-Squared	0.4388927	S.D dependent variable	4.393806
S.E of Regression	3.264792	Akaike info criterion	5.253920
Sum squared resid	1142.021	Schwarz criterion	5.595388
Log-likelihood	-300.5352	Hannan – Quinn Criter	5.392492
F-statistic	7.816397	Durbin Watson stat	2.113540
Prob (F-Statistic)	0.000000		

Source: E-view 10 output

5.0   *Conclusion and Recommendation*

For many years, tax compliance strategies have attracted the attention of the government at all levels in Nigeria. The attention has led the government to embark on various strategies targeted toward building tax culture, compliance, and citizenship for her taxpaying population. The study, therefore investigated the impact of the designed tax compliance-inducing factors namely: Tax morale boosters, tax education, and tax deterrent measures on the compliance behaviour of

taxpayers in terms of tax evasion reduction in the country. Data for the study were obtained from responses of taxpayers in the geopolitical zones of the country to the structured questionnaire. The reliability and validity of the instrument were done using Cronbach's Alpha and Kaiser-Meyer-Olkin (KM0) tests. The analysis of the data was done using multiple linear regression technique and Pearson correlation. The results indicate that while TM and TE have a positive impact on TC, TD showed a negative impact. The study recommends that government should use more of TM, TE, and TH as strategies to build a sustained culture of TC and citizenship among taxpayers in Nigeria than TD which triggers evasion of taxes. The use of TM, TE, and TH are positive ways of moving from coercion to partnership between government and taxpayers where both parties (government and taxpayers) would act as allies in the fight against tax evasion in Nigeria rather than the use of TD that alienates taxpayers.

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