Alex-Ekwueme
Federal University
Ndufu-Alike
Ebonyi State Nigeria

INFORMATION TECHNOLOGY AND TAX ADMINISTRATION IN NIGERIA

JOSIAH, MARY[1] GBENGA, EKUNDAYO[3], OKORO, E. OKAFOR[2]
ADEBOYE,O. MOSES[1] AND MADUKU CELESTINA[1]

[1]Accounting Department , Igbinedion University Okada
College of Business and Management Studies,
[2] Department of Business Administration, Igbinedion University Okada
College of Business and Management Studies
[3]Department of Accounting, Oman College of Management and Technology,
College of Administrative and Financial Scienc
majoel2003@yahoo.com
08037381270

ABSTRACT

The focus of this study is to look at the effect of data technology on tax administration. In completing the study, the survey research was employed by the researcher. The study cover staff of Federal Inland Revenue Authority in Edo State. Consequently, convenience sampling was utilized in the choice of 25 staff from the IFRS Edo State Office. Data was collected from both primary and secondary sources. For the aim of this study, primary data are data collected by the researcher thus providing new and original research information whiles secondary data are data sourced through the review of existing information. Consequently, the first data was gathered through Questionnaire. The secondary data were sourced from the review of relevant documentations. Reliability was done using the Cronbach's alpha. The ordinal or ordered regression is employed during this study for the regression due to the ordinal nature of the dependent variables. In studies where the variable has ordinal values like those during a likert scale pattern, the ordinal or ordered regression available in Eviews 10, may be a suitable technique to deal with such estimations and hence it's utilized in this study. The study found that; Information technology features a significant effect on assets, Information technology has no significant effect evasion and Information technology features a significant effect on tax administration. The study recommends there's the necessity for tax authorities to figure at improving the utilization of data technology to be able improve assets. Also, the study recommends the necessity for tax authorities to seek out simpler ways at curbing evasion general and eventually the study recommends that while there's the necessity to deepen the utilization of data technology in tax   administration, there's also need for public enlightenment of tax payers.

Key Words: Evasion, Information Technology, Tax Administration.

INTRODUCTION

Information Technology is fundamental to the effective administration of taxation frameworks. Where investment in IT was once observed as an "extravagance" by administrations, advancing strategic policies over the globe currently request an efficient, far reaching, exact and intuitive ability to manage administration of the entire income framework inside a nation, and, in a quickly expanding number of cases, across fringes also (IMF, 2017). Tax Administrations should have the option to manage expanding quantities of taxpayers and the expanding measure of information required to deal with the intricacy of their cooperation. They likewise need better straightforwardness of their tasks, more noteworthy efficiency, and more noteworthy responsiveness to the requirements of the two

taxpayers and the administration. These necessities essentially can't be met by customary manual methods—they must be met by the effective utilization of ICT. Investment in ICT capacity currently frames a significant part of the tax administrations, and should be painstakingly overseen. Oseni (2015) pointed out that there's no place for tax evaders with the utilization of this technology since all potential taxpayer are capture by the system. but the utilization of data technology is often catastrophic if carelessly employed by both tax payer and therefore the tax administrators as scammer and hackers of internet facilities can utilize the ignorance of the laws security of the system.

From its starting point in the United States, electronic tax filing was first has now developed to the level that presently around one out of each five individual taxpayers is currently filing electronically. This be that as it may, has been as an aftereffect of various upgrades and highlights being added to the program throughout the years. Today, electronic filing has been stretched out to other created nations like Australia, Canada, Italy United Kingdom, Chile, Ireland, Germany, France, Netherlands, Finland, Sweden, Switzerland, Norway, Singapore, Brazil, Mexico, India, China, Thailand, Malaysia and Turkey (Ramayah, Ramoo and Amlus, 2006). Nigeria and other creating nations, for example, Uganda, Rwanda and Kenya have additionally grasped electronic filing of tax returns (Muita, 2011). Dowe (2008) unveiled that tax specialists around the globe are utilizing electronic tax administration frameworks to cooperate with taxpaying open in tax assortment, administration and consistence settings to improve effectiveness and efficiency in tax administration.

Therefore, the focus of the study is to examine the relationship between information technology and tax administration, tax evasion and tax revenue using Edo State as case study. The paper is divided into the following sections. The introduction is presented in section 1, the literature review is presented in section 2, the methodology and model specification is in section 3 while presentation of results is in section 4. finally, the conclusion is presented in section 5.

Statement of Research Problem

In Nigeria, tax authorities have not fully embraced the use of Information Technology to increase tax revenue and for record keeping. In most of the states in Nigeria, taxpayer's records in the database of tax authorities are manually compiled. Records stored in this manner can be very unreliable as these records are easily prone to manipulations. Furthermore, the records are exposed to danger of fire and flood. Method of tax return filing can be seen as another problem in tax administration in Nigeria. In practice, taxpayers are compelled to visit tax offices in order to file returns but with the case of e filing, taxpayers may spend less time and money preparing, printing, and mailing paper returns, as well as less resources following up on the status of their filings, payments, and refunds. This means that the tax administration becomes less intrusive in the business environment. Also, levels of implementation of IT by tax revenue authorities varies from state to state in Nigeria. Several studies like Rotkang (2016), Oseni (2016), Olatunji and Ayodele (2017), Adeyeye (2019) and Umaru, Nasiru and Yusuf (2019) have examined information technology on tax administration but studies are still very inadequate with inconclusive findings and the empirical evidence for Edo State tax authority is almost not available and therefore, this study tends to fill the gap.

Research Hypothesis

H01: Information technology has no significant effect on tax administration H02. Information technology has no significant effect on tax evasion

H03: Information technology has no significant effect on tax revenue base

LITERATURE REVIEW

Information Technology (IT)
Information is news passed to a different person

either orally or written while technology is that the set of data, skills experiences and techniques to make tools machines and services to satisfy the necessity of individuals therefore it's news passed to people through knowledge, skills in sort of electronic devices to satisfy people's needs and desires is that the use of any computer device, storage networking and other physical devices, infrastructure and processes to make, process, store, secure and exchange all sort of electronic data which is to some people called information. With the advances of technology mostly sophisticated devices, data are often retrieved faster. Rather than pilling up document during a large house which will take almost an acre, that very same amount of document is often store during a single computer retrieved with just a click. Company who use information communication technology (ICT) can save and retrieve data visually from anywhere (Muita 2011).

Tax Administration

Tax administration is that the interpretation and application of tax laws putting it into practice. This is often the function of tax o☐cials and tax consultants who assist taxpayers in computing their taxes. Tax administration in Nigeria is bestowed on the three arms of state. Taxes levy owed to the federal are administered by the Federal Inland Revenue Service (FIRS), while those allocated to the State Governments are administered by the State Boards of tax income (SBIRs) of the thirty- six states of the Federation. Local Governments also oversee rates and levies collectible by them through their various committees. There are an honest number of taxes to be paid by persons doing business in Nigeria. These include companies' tax, income tax, capital gains tax, VAT, education tax, technology tax, stamp duties, and withholding. Punishments are enforced for failure to pay taxes when due (Umar, Nasiru & Yesuf 2019).

Tax Evasion

Tax evasion is an illicit activity during which an individual or element purposely abstains from

paying a genuine liability. Those discovered sidestepping taxes are commonly dependent upon criminal allegations and generous punishments. To obstinately neglect to pay taxes might be a government o☐ense under the interior Revenue Service (IRS) tax code. Tax evasion applies to both the unlawful delinquency likewise in light of the fact that the illicit underpayment of taxes. though a taxpayer neglects to submit fitting tax shapes, the IRS can in any case decide whether taxes were owed bolstered the information required to be sent in by outsiders, similar to W-2 data from an individual's manager or 1099s. By and large, an individual isn't viewed as blameworthy of evasion except if the inability to pay is regarded deliberate. Murphy (2003).

Empirical Review

Several studies have examined the extent to which information technology is impacting tax administration and practice. For example, Rebert. (2010) examined the impact of Information and Communication Technology (ICT) on Revenue Collection in Kenya and the study adopted the Technology Acceptance Model as the theoretical framework. Primary data was used for the study and the research findings revealed that the extent to which tax payers make use of information technology platforms is largely influenced by the Perceived usefulness (PU)

Rotkang (2016) investigated the e☐ct of information and Communication Technology (ICT) On Tax Administration in Federal Inland Revenue Service Jos, Plateau State. The study also adopted the Technology acceptance Model (TAM) in explaining the conceptual model for the work and predicting Information and Communication Technology usage behavior. The findings of the study reveal that the ICT holds potentials in transforming tax practice, emerging information technology cannot deliver improved e☐ctiveness if it's not accepted and employed by potential users.

Oseni (2016) looks at the nexus of data and communications technology in administration of tax in Nigeria. The examination utilized substance

investigation technique to feature difficulties that are curious to tax administration in Nigeria. With the utilization of ICT, spillages were diminished. It was discovered that there is no concealing spot for tax dodgers with the utilization of this advanced technology since every potential taxpayer are caught by the framework. In any case the utilization of ICT can be calamitous if heedlessly utilized by both the tax payers and the tax managers as con artists and programmers of the web offices can use the obliviousness or the careless security of the framework.

Olatunji and Ayodele (2017) study analyzed the effect of data technology on tax administration in south west, Nigeria. It specifically examined the effect of data technology on tax efficiency and the connection between data technology on tax usage and tax arranging. Graphic exploration configuration was utilized, of which survey was utilized to assemble information and broke down with different regression and pears on item second relationship. The examination uncovered that data technology (Online Tax Filing-OTF, Online Tax Registration-OTR and Online Tax Remittance-OTRE) affect tax efficiency with - 1.9%, 7.3% and 31.5% (p=0.85, 0.526 and 0.00), there is relationship of - 5.9% (p=0.520), 9.7% (p=0.290) and 0.344 (p=0.000) among OTF,OTR and OTRE on Tax Implementation-TAXIMP and - 3.8% (p=0.684), 14% (p=0.140) and - 0.190 (p=0.0383) Adeyeye (2019) examines the effect of technology advancement on tax administration in Nigeria. Essential Data were gathered using organized survey regulated on 219 staffers of Federal Inland Revenue Service (FIRS) to inspire their reactions. Illustrative measurements, Analysis of Variance (ANOVA) and Regression Model were utilized for the information examination. The R esteem portrays that the utilization of data technology represented (76.3%) improvement in tax administration in Nigeria. The outcomes emphatically bolster the TPB in anticipating the aim of clients to receive electronic tax-filing systems. The outcomes additionally show the significant effect that PC

self-efficacy has on social aim through apparent convenience, saw handiness, and saw danger of utilization. In view of the findings of this examination, suggestions for electronic tax filing are talked about.

Umaru, Nasiru and Yusuf (2019) inspected the effect of data technology on tax administration utilizing Adamawa State – Nigeria as contextual investigation. This investigation embraces a study research strategy in which data is gotten from an example of respondents. The number of inhabitants in the examination contains both senior and junior staff of Adamawa State Board of Internal Revenue, Yola, absolutely 483 staff With the end goal of this paper, both essential and optional information were utilized. Polls and Relevant materials, for example, course books, Journals, Newspaper and other official archives of Federal Inland Revenue Service (FIRS) both in prints and electronics were generally counseled accessible writing on data technology and its effects on tax administration were consolidated into this examination. The significant estimation of (P < 0.05) shows that data technology has significant effect on tax administration.

METHODOLOGY
The exploratory research design was used for this study. The exploratory design advocated by Petty (1991) relies on observing phenomena in their natural setting and deriving theories that fit the analysis of the data. The population of this study consisted of staffs of Edo state Internal Revenue Service (EIRS). A sample of 44 respondents who are staffs of Edo state Internal Revenue Service (EIRS) was used for the study. The convenience sampling technique was used as the sampling technique. The study employs primary data for the study. Primary data has the flexibility that this study requires especially with regards to eliciting responses on several issues. The data was generated using well-structured questionnaire. In filling the questionnaires, the respondents will be guided during the survey. The Cronbach alpha test for reliability of the research instrument was also

conducted. Finally, the ordinal regression estimation technique suitable for ordinal and interval data was used for the analysis of the data.

Model Specification

The model for study adapts that of Harrison and Nahashon (2015) Model. They examined the impact of data technology in terms of online tax filing, online tax registration and online tax remittance on tax administration. The model is presented below;

Tax Administration (TAXAD) = f {Information Technology(IT)}............I)

Therefore, the model is specified below;

TAXAD= β_o + β_1 OTF + β_2OTR + β_3 OTRE +μ.................(ii)

Where:

TAXAD=Tax Collectivity (TAXCOLAD), Tax Implementation (TAXIMP), Tax Planning-(TAXPLNN). OTF= Online Tax Filing-OTF,

OTR=Online Tax Registration OTRE=Online Tax Remittance

The Model for this study adapts that of Harrison and Nahashon (2015) but modifies it to suit the aim of this study. While the previous focuses on just tax administration, this study extends the coverage to assets, evasion then tax administration in Nigeria. The models are specified below;

Tax Base (TAXB) = f {Information Technology (IT)}…………………..(iii)

Where the linear specification is presented thus;

TAXB= β_o + β_1 OTF + β_2OTR + β_3 OTRE +μ…...............................(iv)

Tax Evasion (TAXEV) = f {Information Technology (IT)}…………......(v)

Where the linear specification is presented thus;

TAXEV= β_o + β_1 OTF + β_2OTR + β_3 OTRE +μ………………………….(vi)

Tax (TAXAD) = f {Information Technology (IT)}………………………..(vii)

Where the linear specification is presented thus;

TAXAD= β_o + β_1 OTF + β_2OTR + β_3 OTRE +μ…………………………(viii)

Where:

TAXB= Tax base TAXEV= Tax Evasion

TAXAD=Tax Administration

3.   PRESENTATION OF RESULTS

PRESENTATION OF RESULTS

Demographic Analytics

Section A: Demographic Variables		Nu	%
Q1: Age	1) 26-35	{10}	{6.94}
	2) 36-45	{53}	{36.81}
	3) 46-55	{67}	{46.53}
	4) 56-Above	{14}	{9.72}
Q2: Gender	1) Male	{84}	{58.33}
	2) Female	{60}	{41.67}
Q4: Marital Status	• Single	{24}	{16.67}
	• Married	{80}	{55.56}
	• Divorcee	{13}	{9.027}
	• Widow/widower	{27}	{18.75}
Q5: Highest Educational Level	(i) SSCE	{0}	{0}
	(ii) OND/NCE/Diploma	{12}	{8.33}
	(iii)B.sc/HND	{60}	{41.67}
	(iv)Post graduate	{44}	{30.56}
	(v) Professional qualification	{ 28}	{19.44}
Q7: How long have you been working?	1) 0 to 5years	{15}	{10.42}
	2) 6 to 11 years	{25}	{17.36}
	3) 12 to 16 years	{65}	{45.19}
	4) 17 years and above	{39}	{27.08}

Source: Researcher's compilation (2019)

The analysis of the demographic statistics of the respondents shows that for the age distribution, 10 (6.94%) of the respondents are within the age range 26-35, 53 (36.81%) are in the age range of 36-45yrs, 67 (46.53%) are in the age range of 46-55yrs and 14(9.72%) are in the age range of 56 above. From the breakdown, most of the respondents are between the ages of 46-55 yrs. In terms of gender, 84(58.33%) of the respondents are male while the remaining 60(41.67) are females. The analysis of the marital status of the respondents' reveals that most of them (n=80) are married which represent about 55.56% of the sample. 24(16.67%) of the respondents are single while 13(9.027%) and 27(18.75%) are divorced and widow/widower respectively. With regards to educational qualification, we find that none possess SSCE, 12(8.33%) possess OND/NCE/Diploma, 60(41.67%) of the respondents have HND/BSC degrees. In addition, 44(30.56%) have post graduate degrees while about 28(19.44%) have professional qualifications. From the breakdown, most of the respondents possesses HND/BSC qualification. From the analysis, 15 (10.42%) of the respondents have work years ranging from 0-5yrs, 25(17.36%) have for between 6-11yrs, 65(45.19%) have for between 12-16yrs while 39(27.08%) have for 17yrs and above.

Table 4.2. Survey Analytics

	Mean	Standard deviation	Normality	Cronbach-Alpha
Tax Base			7.53	0.743
The tax base is defined by the nmber of taxable individuals, businesses, goods or services at a particular time	4.12	1.18435		
Tax authorities have definte ways of expanding the tax base	3.6691	1.05907		
Tax base is seriously affected by the informal sector in Nigeria	3.5527	1.24134		
Tax authorities have not been able to properly identify all individuals and businesses that should be captured in the tax base.	3.6327	1.23387		
Tax Evasion			8.543	0.8474
Tax evasion constitues a fraudulent practice in taxation	3.3436	1.17352		
Tax evasion results in significant reduction in tax revenue	3.2673	1.1639		
The tax laws in Nigeria are such that it can create room for evasion	3.0564	1.10575		
Tax evasion cannot be detected easily by tax authorities	3.1509	1.12633		

Tax Administration			11.675	0.876
Tax administration deals with the entire process of tax authorities aimed at ensuring tax compliance.	3.1618	1.18167		
Tax administration has improved tremendously since the self-assessment system was initiated.	2.9727	1.15359		
Tax administration has not been able to efficiently improve tax compliance	3.2313	1.24222		
Tax administration has performed poorly in terms of covering the informal sector	3.00	1.2266		
Online Tax Filing (OTF)			3.321	0.715
Online tax filing helps to improve tax voluntary tax compliance and tax base.	3.2691	1.12932	1.275	
Online tax filing is challenging to engage in.	3.0964	1.15777		
Tax payers still prefer to make their tax filing physically other than use online platforms	3.1727	1.30335		
Tax payers do not have confidence and trust in the online tax filing system	2.96	1.33819		
Online Tax Registration (OTR)			4.107	0.738
Online tax registration helps to improve tax voluntary tax compliance and tax base.	3.0855	1.13158		
Online tax registration is challenging to engage in.	3.1036	1.13809		
Tax payers still prefer to make their tax registration physically other than use online platforms	3.0564	1.31216		
Tax payers do not have confidence and trust in the online tax registration system	3.1509	1.11004		
Online Tax Remittance (OTRE)			3.842	0.704
Online tax remittance helps to improve tax voluntary tax compliance and tax base.	3.04	1.25386		
Online tax remittance is challenging to engage in.	2.8618	1.35199		
Tax payers still prefer to make their tax remittance physically other than use online platforms	3.3127	1.27482		
Tax payers do not have confidence and trust in the online tax remittance system	3.2491	1.20176		

Source: Researcher's compilation (2020)

For tax base, there are four sub-items measuring the concept. The mean response score has value of "4.12" for statement 1 which indicates that on the average the respondents are largely "agree" in their response to the statement (The tax base is defined by the nmber of taxable individuals, businesses, goods or services at a particular time). The mean response scores has value of "3.669" for statement 2 which indicates that on the average the respondents are "agree" in their response to the statement (Tax authorities have definite ways of expanding the tax base) The mean response scores has value of "3.553" for statement 3 which

indicates that on the average the respondents are "agree" in their response to the statement (Tax base is seriously a█cted by the informal sector in Nigeria). The mean response scores has value of "3.632" for statement 4 which indicates that on the average the respondents are "agree" in their response to the statement (Tax authorities have not been able to properly identify all individuals and businesses that should be captured in the tax base)". The cronbach alpha is 0.743 which is high and confirms the legitimacy of the outcomes. As (Hair et al. 2006) notes cronbach alpha estimations of 0.7 or more recommend unwavering quality. Additionally the typicality estimation of 7.53 confirms that the reactions are regularly conveyed.

For Tax evasion, there are four sub-items. The mean response score has value of "3.343" for item 1 which indicates that on the average the respondents "agree" in their response to the statement (Tax evasion constitutes a fraudulent practice in taxation). The mean response scores has value of "3.2673" for statement 2 which indicates that on the average the respondents are "agree" in their response to the statement (Tax evasion results in significant reduction in tax revenue). The mean response scores has value of "3.056" for statement 3 which indicates that on the average the respondents are "uncertain" in their response to the statement (The tax laws in Nigeria are such that it can create room for evasion). The mean response scores has value of "3.156" for statement 4 which indicates that on the average the respondents are "agree" in their response to the statement (Tax payers do not have confidence and trust in the online tax registration system). The cronbach alpha is 0.847 which is high and confirms the validity of the results and the normality value of 8.543 confirms that the responses are normally distributed.

For tax administration, there are four sub-items. The mean response score has value of "3.1618" for item 1 which indicates that on the average the respondents "agree" in their response to the statement (Tax administration deals with the entire process of tax authorities aimed at ensuring tax compliance). The mean response scores has value of "2.9727" for statement 2 which indicates that on the average the respondents are "uncertain" in their response to the statement (Tax administration has improved tremendously since the self-assessment system was initiated). The mean response scores has value of "3.231" for statement 3 which indicates that on the average the respondents are "agree" in their response to the statement (Tax administration has not been able to e█ciently improve tax compliance). The mean response scores has a value of "3.00" for statement 4 which indicates that on the average the respondents are "uncertain" in their response to the statement (Tax administration has performed poorly in terms of covering the informal sector). The cronbach alpha is 0.876 which is high and confirms the validity of the results and the normality value of 11.675 confirms that the responses are normally distributed.

For online tax filing, there are four sub-items. The mean response score has value of "3.3269" for item 1 which indicates that on the average the respondents are largely "uncertain" in their response to the statement (Online tax filing helps to improve tax voluntary tax compliance and tax base). The mean response scores has value of "3.0964" for statement 2 which indicates that on the average the respondents are "agree" in their response to the statement (Online tax filing is challenging to engage in). The mean response scores has value of "3.1727" for statement 3 which indicates that on the average the respondents are "agree" in their response to the statement (I will pay my debts and basic needs first rather than income tax". The mean response scores has value of "2.96" for statement 4 which indicates that on the average the respondents "disagree" in their response to the statement (Tax payers still prefer to make their tax filing physically other than use online platforms). The cronbach alpha is 0.715 which is high and confirms the validity of the results and the normality value of 3.321 confirms that the

responses are normally distributed.

For online tax registration, there are four sub-items. The mean response score for item 1 has value of "3.0855" which indicates that on the average the respondents are largely "uncertain" in their response to the statement (Online tax registration helps to improve tax voluntary tax compliance and tax base). The mean response value for item 2 is 3.103 which indicates that on the average the respondents are "agree" in their response to the statement (Online tax registration is challenging to engage in). The mean response scores for item 3 is "3.0564" for statement 3 which indicates that on the average the respondents "uncertain" in their response to the statement (Tax payers still prefer to make their tax registration physically other than use online platforms). The mean response scores has value of "3.1509" for item 4 which indicates that on the average the respondents are "agree" in their response to the statement (The legal due date for filing tax return is not difficult understand). The cronbach alpha is 0.738 which is high and confirms the validity of the results and the normality value of 4.107 confirms that the responses are normally distributed.

For Online tax remittance, there are four sub-items. The mean response score for item 1 has value of "3.04" which indicates that on the average the respondents are largely "uncertain" in their response to the statement (Online tax remittance helps to improve tax voluntary tax compliance and tax base I would not feel guilty if I excluded some of my income when completing my tax return). The mean response value for item 2 is 2.8618 which indicate that on the average the respondents are "uncertain" in their response to the statement (Online tax remittance is challenging to engage in). The mean response scores for item 3 is "3.3127" which indicates that on the average the respondents "agree" in their response to the statement (Tax payers still prefer to make their tax remittance physically other than use online platforms). The mean response score has value of "3.2491" for item 4 which indicates that on the average the respondents are "agree" in their response to the statement (Tax payers do not have confidence and trust in the online tax remittance system). The cronbach alpha is 0.704 which is high and confirms the validity of the results and the normality value of 3.842 confirms that the responses are normally distributed

Table 4.3. Ordinal Regression Result Dependent

Ordinal Regression Result

Dependent	Aprori sign	TAX EVASION	TAX BASE	TAX ADMIN
C		36.593*	0.507*	1.0112*
		(3.8107)	(0.1948)	(0.038)
		{0.000}	{0.0098}	{0.000}
OTF	+	0.8490*	0.0412*	0.0168*
		(0.5478)	(0.0037)	(0.005)
OTR	+	{0.123}	{0.000}	{0.000}
		-3.621*	0.0597*	0.0492*
		(2.539)	(0.0159)	(0.011)
		{0.156}	{0.002}	{0.000}
OTRE	+	0.019*	0.325*	0.0605*
		(0.031)	(0.0631)	(0.023)
		{0.530}	{0.000}	{0.009}
R^2		0.298	0.787	0.5291
Adj R^2		0.076	0.723	0.3863
F-Stat		13.493	12.255	13.706
P(f-stat)		0.011	0.000	0.000
D.W		1.8	1.9	1.9

Source: Eviews 10. * sig @ 5%, ** sig @10%

Table 4.3 show the regression results looking at the effect of data technology on Tax Evasion. The R^2 is 29.48% with a balanced estimation of 7.6%. The F-detail of 13.493 (p-esteem = 0.00) which is significant at 5% and recommend that the hypothesis of a significant straight connection between the dependent and independent variables can't be dismissed. It is likewise demonstrative of the joint measurable significance of the model. The white balanced standard blunders was utilized to control for likely heteroskedasticity in the estimation and consequently the estimation results are liberated from heteroskedasticity. The Durbin Watson estimation of 1.8 recommend that the nearness of sequential correlation between the blunders is impossible in the model. The examination of coefficients uncovers that OTF has a positive (0.1572) effect on tax evasion however not measurably significant at 5% (p=0.123),

OTR shows a non-factually significant at 5% (p=0.156) sway on tax evasion with a negative coefficient

(- 3.621). The effect of OTRE on tax evasion is certain (0.019) and furthermore not measurably significant (p=0.530) at 5%

Table 4.3 show the regression results analyzing the effect of data technology on Tax base. The R^2 is 78.79% with and balanced estimation of 72.36%. The F-detail of 12.25 (p-esteem = 0.00) which is significant at 5%. The white balanced standard blunders was utilized to control for expected heteroskedasticity in the estimation and subsequently the estimation results are liberated from heteroskedasticity. The Durbin Watson estimation of 1.9 propose that the nearness of sequential correlation between the blunders is improbable in the model. The investigation of coefficients uncovers that OTF has a positive (0.0412) effect on tax base and factually significant at 5% (p=0.000), OTR likewise has a

positive effect (0.0597) and significant at 5% (p=0.000). The effect of OTRE on tax base is likewise positive (0.325) and measurably significant (p=0.000) at 5%. Table 4.3 show the regression results looking at the effect of data technology on tax administration. The R^2 is 52.91% with and balanced estimation of 38.63%. The F-detail of 13.71 (p-esteem = 0.00) and significant at 5%. The white balanced standard blunders was utilized to control for likely heteroskedasticity in the estimation and thus the estimation results are liberated from heteroskedasticity. The Durbin Watson estimation of 1.9 propose that the nearness of sequential correlation between the mistakes is improbable in the model. The investigation of coefficients uncovers that OTF has a positive (0.0168) effect on tax administration and measurably significant at 5% (p=0.000), OTR additionally has a positive effect (0.049) and significant at 5% (p=0.000). The effect of OTRE is certain (0.0605) and factually significant (p=0.000) at 5%. Discussion and Test of Hypothesis

Table 4.3 shows the regression results examining the impact of information technology on Tax base. The white adjusted standard errors were employed to control for potential heteroskedasticity in the estimation and

hence the estimation results are free from heteroskedasticity. The analysis of coefficients reveals that information technology (OTF, OTR and OTRE) all have significant effects on tax base at 5%. Consequently, the null hypothesis that information technology has no significant effect on tax base is rejected. In addition, the analysis of coefficients reveals that information technology (OTF, OTR and OTRE) all have insignificant effects on tax evasion at 5%. The result suggests that information technology has not been able to significantly reduce tax evasion and thus it appears that even with the information technology benefits to the tax system, issues of tax evasion which is criminal may still exist significantly. Consequently, the null hypothesis that information

technology has no significant effect on tax evasion is not rejected. On the contrary, the analysis of coefficients reveals that information technology (OTF, OTR and OTRE) all have significant effects on tax administration at 5%. Consequently, the null hypothesis that information technology has no significant effect on tax administration is rejected.

The findings are in tandem with Rotkang (2016) investigated the effect of information and Communication Technology (ICT) on Tax Administration in Federal Inland Revenue Service Jos, Plateau State. The findings of the study reveal that the ICT holds potentials in transforming tax practice, emerging information technology cannot deliver improved effectiveness if it's not accepted and employed by potential users. Also, the findings is in tandem with Umaru, Nasiru and Yusuf (2019) showing indicates that information technology has significant effect on tax administration. However, the findings is in contrast with Oseni (2016) examines the nexus of information and communications technology in administration of tax in Nigeria which found out that there is no hiding place for tax evaders with the use of this modern technology since the all potential taxpayers are captured by the system. Also, the findings of our study finding is also at variance with Olatunji and Ayodele (2017) which found insignificant effects of Online Tax Filing-OTF and Online Tax Registration-OTR but found significant results for Online Tax Remittance-OTRE) which is in line with our study.

CONCLUSION

Taxation remains an important area of concern and an integral component of public policy. In Nigeria, like in most developing countries, tax compliance is posing a critical challenge to tax administration and affecting the fiscal system vis-a -vis revenue performance. The numerous tax reforms attempts by Nigerian governments are unable to stimulate the expected increase in taxation over the years. The evidence from statistical records shows that the proportion of income taxes to the government's total revenue has been abysmal. This poor performance of taxation collection typifies what has been termed the "tax compliance puzzle" characterizing several developing economies. Taxation is seen by many nations globally as a useful vehicle for accelerating process and development. This is often actually because taxes serve many useful purposes variety of which are economic, political and social. Specifically, through taxation, government generates revenue, controls production and consumption, ensures equitable distribution of income also as allocates national resources.

The study examines information technology and tax administration in Nigeria using the ordinal regression techniques, this study found that; (i) Information technology features a big effect on assets (ii) Information technology has no significant effect on evasion and (iii) Information technology features a big effect on tax administration. Hence the recommendation is that there is the need for tax authorities to work at improving the use of knowledge technology to be able improve assets. The study also recommends the need for tax authorities to hunt out simpler ways at curbing evasion general ad finally, the study recommends that while there's the need to deepen the use of knowledge technology in tax administration, there's also need for public enlightenment of tax payers.

REFERENCES

Adeyeye, B. (2019). Improving Tax Administration Through Technology Innovation In Nigeria (A Study Of Federal Inland Revenue Service). *Annals Of Spiru* Haret University. Economic Series. 1. 31-64. 10.26458/1913

Dowe, D.E., (2008). E-Filing And E-Payments – The Way Forward, Paper Presented At Caribbean Organization Of Tax Administration (Cota) General Assembly, Belize City.

Harrison,M.M & Nahason.K.(2015). Effect of online tax system on tax compliance among small tax payers in meru county,Kenya. *international journal of economic,commerce and management* III,12.

International Monetary Fund .(2017) Use Of Technology In Tax Administrations 1Developing An Information Technology Strategic Plan (Itsp)Mm Cotton,

Muita, E.W. (2011). Factors That Influence Adoption And Use Of E-Filing System of Kenya Revenue Authority Among The Large Taxpayers, (Unpublished MBA) Project Submitted to the Jkuat Nairobi Central Business District Campus).

Murphy(2003),an examination of tax payers attitude towards the Australian taxation office:A study of scheme investors. Centre for tax system integrity working paper 35,Canberra.Australian national university.

Murphy And Ronen Palan(2003) *Tax Havens:* How Globalization Really Works

Oseni, M. (2015). Sustenance Of Tax Administration By Information And Communications Technology In Nigeria.*Archieves Of Business Research,* 4(1), 47-54.

Olatunji And Ayodele(2017). Impact Of Information Technology On Tax Administration In Southwest, Nigeria.Global *Journal OfManagement And Business Research: D Accounting And Auditing* Vol 17 Issue 2 Version

Rotkang.(2016). Effect of information and communication technology(ICT) on tax administration in federal inland revenue service Jo's ,plateau state. Technology acceptance model.

Ramayah, T. & Ramoo, Viveka & Ibrahim, Amlus. (2006). Profiling Online And Manual

Tax Filers: Results From An Exploratory Study In Penang *Malaysia. Journal of Muamalat And Society. 2. 1-8.*

Rotkang. R. (2016) Effect of Information and Communication Technology (Ict) On

Tax Administration In Federal Inland Revenue Service Jos, Plateau State

Umaru A. F., Nasiru M.,& Yusuf S. K. (2019).Information Technology And Tax Administration In Adamawa State Board Of Internal Revenue Yola-Nigeria.Dutse *Journal of Economics And Development Studies* (Dujeds) Vol 1 13-22