

**DOES E-TAX PRACTICE INFLUENCE STATE GOVERNMENT
REVENUE GENERATION CAPABILITY: EVIDENCE
FROM OGUN STATE, NIGERIA**

FASINA H. T, OLADEJO M. O & OLADEJO H. A

Research Scholar, Department of Management and Accounting, Faculty of Management Sciences,
Ladoke Akintola University of Technology, Ogbomosho, Oyo State, Nigeria

ABSTRACT

Evidence from the literature describes E-tax system as a recent phenomenon in accounting and taxation arising from upsurge in ICT, internet, e-commerce and e-business adoption. It has therefore become imperative to appraise the various e-tax practices adopted by state governments in tax collection with a focus on the activities of tax authority in Ogun state, Nigeria. The population of the study comprises of all the five hundred and fifty eight (558) staff of the Ogun state internal revenue service. The sample size of 150 staff in tax unit in head office Abeokuta, Ogun state, was purposively selected. Both secondary and primary data were used. Primary data was collected through a designed questionnaire and administered on the selected study sample. Out of the 150 copies of questionnaires sent out to the selected respondents, 125 were received and found useful. Data collected were analysed using frequency, table and percentage while inferential statistics in the form of regression analysis were used to test the formulated hypothesis. Findings revealed that that involvement of E-tax practices like E-tax fillings, E-tax payments, E-tax registration and E-tax clearance certificate has caused state revenue to grow during the period of study. The result of tested hypothesis shows ($R^2 = 0.765$; $AdjR^2 = 0.751$; $P < 0.05$) that the combined variable of E-tax practice (E-tax registration and E-tax clearance) is positively related to State Government Revenue Generation growth. The study found that involvement in e-tax practice will enhance internally generated revenue Capability, resolve the issue of tax evasion and enhance compliance of taxpayers in Ogun State. State tax revenue generated capability is related to proficiency of State Tax Authority. Further, Fear of fraud by tax Payer, Secrecy of tax payer Information, Reliable Internet service, Cost of ICT devices, Public Understanding of E tax, IT skill of Tax Staff, IT Infrastructure and IT Proficiency of Tax Payer are seen as the most major challenges for e-tax system. In view of this, State governments should create awareness to inform the public about the benefits of the e-tax system and establish a commission on regulation and full implementation of E-tax System to reduce the associated problems of collecting tax in the State.

KEYWORDS: E-tax Practices, E-payments, Revenue Generation Capability, Internet Services, Tax Evasion and Avoidance