

Rejuvenating Taxpayers Disposition: An Antidote to Revenue Generation Quandary in Lagos-Nigeria

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ABSTRACT - *In developing countries, taxes by government on individuals, properties and companies, form a major portion of money meant for public purposes. However, many persons research has shown blatantly refuse to pay tax by reporting losses each year, yet have lifestyles inconsistent with reported income. Despite several check mechanisms that have been put in place including the use of tax consultancy services and automated systems, studies revealed that the problem still persist. The issue of non-complainer was associated to behavior and attitude of the taxpayers. This paper re-examined the cause for such behavior and evaluated ways of rejuvenating the tax payer's disposition with a view to improving tax revenue generation. The disposition of tax payers in Lagos State toward payment of taxes, were sourced. A total of 173 entrepreneurs were sampled. The data gathered were analyzed using means, Kendall's measure of Concordance, Pearson product moment correlation and multiple regression analysis. The result from the analysis revealed that attitudinal problem was a major cause and could be rejuvenated. Based on the model designed for this study, several ways were suggested to improve the attitudinal problem of taxpayers' such as, revivify thoughts, spirituality, reward schemes and individual interaction schemes.*

Keywords – Rejuvenate, Attitude, Tax revenue generation, Taxpayers disposition

1. INTRODUCTION

Revenue generation is a major concern of government especially in the third world countries where development still crawls. Taxation is geared toward revenue generation for public purposes. The administration of tax in Nigeria although regulated by several Acts, the amount of revenue to be generated by government from taxes depends among other things, on the willingness of the taxpayers to comply with the tax laws of the country (Eshag, 1983). Lack of compliance has led to a chasm between expected and actual tax revenue. Ayua (1996) opined that, there is consensus in researches that there are wide gaps between actual and potential tax collected, due to exhibited efforts to reduce tax liabilities either legally or illegally. Soyode and Kajola (2006) distinguished between legal and illegal tax practices, which were termed, tax evasion and tax avoidance. Abdulrazaq (2001) illustrated the difference between tax evasion and tax avoidance using simple scenario: when people get married in order to reduce their tax liabilities, they are involved in tax avoidance, but when they tell the tax authority that they are married when they are not, they are guilty of tax evasion, and would be prosecuted as such. The evader is a criminal while the avoider is just smart taxpayer who exploits loopholes in the tax laws (and related laws) to reduce tax liability.

The observed gap between actual and estimated tax revenue is revealed in Lagos State revenue generation report (see Table 1, Pp. 7); despite the automated system operational in the state. Researchers have concluded that tax payers' disposition is responsible for such gaps in tax revenue. This study re-examines taxpayers' disposition toward taxation with a view to testing ways of rejuvenating taxpayers' perception in order to increase tax revenue, and reduce the observed gap.

2. THE PROBLEM

Research has shown that legal and illegal tax practices are common place in most tax systems of the third world countries. However, Nigerian situation seems unique when viewed against the prevalent magnitude of corrupt practices. Under the direct personal taxation as practiced in Nigeria, the major problem lies in the collection of the taxes especially from the self-employed such as the businessmen, contractors, professional practitioners like lawyers, doctors, accountants, architects and traders in shops among others. Ayua (1996) observed that many persons blatantly refuse to pay tax by reporting losses every year, while they have lifestyles inconsistent with reported income, which is unrealistically low as compared with the nature of their businesses. On the other hand, civil servants and other salaried workers have turned the statutory personal allowances and relief into fertile ground for tax evasion, to the extent that almost all Nigerian taxpayer is married with four children. Many persons continue to explore all kinds of schemes to minimise or escape tax liability, despite the tax provisions meant to plug loopholes and allow taxable persons to minimise tax liability,. This no doubt speaks volumes on tax administration system in Nigeria and the disposition of some taxpayers towards taxation. In a bid to solve the problem, some state governments had even gone to the extent of engaging the services of tax consultants. This government effort, notwithstanding, the problems still persist (Alabi, 2006). There is no doubt that revenue due any government will be reduced by the unpatriotic act of tax evaders.

Several studies have attributed these tax maladies to perceived government misuse of tax revenue generation, unaccountability accompanied by corruption, unfair treatment of citizens, tax un-affordability and unfavourable tax system (e.g., Jayeola, 2010; Fagbemi, Uadiale & Noah, 2010). However, collection mechanisms of government have been overhauled severally, the processes of payment have been computerised (e.g., Lagos-State) and made less complex, rapid developmental trend conspicuously visible yet revenue from taxes are dwindling.

Other studies have shown that taxpayer's attitude towards tax evasion is positively related to compliance behaviour (e.g., Alabede, Ariffin & Md Idris, 2011). In Kirchle, Hoelzl & Wahl (2008) study, it showed that financial condition of individual may have positive or negative effect on the relationship between attitude and compliance behaviour. This study re-examines whether tax payers' disposition actually have effect on compliance and evaluate ways of rejuvenating the taxpayers' disposition. The study proposes that, when taxpayers outlook are sufficiently managed, compliance will be easier and generated revenue from taxes would increase.

3. OBJECTIVES

This paper is poised to re-examine the disposition of taxpayers toward taxation, with a view to evaluating ways to remedy the situation and increase government revenue generated from taxes. Specifically the paper would: (i) ascertain the disposition of taxpayers toward tax payment (ii) ascertain whether the level of tax charges have effect on tax payers' willingness to pay; (iii) examine whether suggested measures for improving taxpayers disposition (in terms of change of attitude toward tax administrators, taxpayers awareness, thoughts of visible development, derived benefits and spiritual development) would change their perception; iv) suggest an integrative framework for examining taxpayers' disposition toward tax payment.

To properly do justice to the research problem, the following research questions would be considered: (i) what is the taxpayers' perception of tax payment? (ii) What association exist between tax rate and taxpayer's attitude to comply? (iii) To what extent would improving taxpayers' attitude (in terms of appreciate Tax administrators, taxpayers awareness, developmental thoughts, derived benefits and spiritual development) change their perception? (iv) What suggested model (integrative framework) can be applied in order to ignite taxpayer's disposition toward tax payment?

The following null hypotheses geared toward answering the research problem were tested:

H₀₁: Taxpayer's attitude toward tax payment is not associated with the amount of tax rate charged.

H₀₂: A change in taxpayer's attitude (in terms of change of attitude toward tax administrators, taxpayers' awareness, thoughts of visible development, derived benefits and spiritual development) would not have effect on taxpayers' disposition toward payment of taxes

H₀₃: Suggested integrative framework for rejuvenating taxpayers' disposition would not have effect on willingness to pay taxes.

4. SIGNIFICANCE OF THE STUDY

This study is directed towards providing fresh evidences on the effect of taxpayers' attitude to tax payment, with a view to rejuvenating their perception, and improve tax revenue generation. It is expected that evidences in favour of the proposition of this study, would be useful to third world or less developed countries, in redirecting economic development toward visible structures, which the taxpayer can easily acknowledge and be more favourably disposed toward the payment of taxes.

5. A BRIEF LITERATURE REVIEW

5.1. The Nigerian Tax System

Taxation is a major source of revenue generation of any government to meet the demands of the governed. Researchers severally have shown that taxes assist government in the provision of public goods and services. For example, Miller and Oats (2006:3) affirmed that “taxation is required to finance public expenditure”. However, most government can hardly account for the taxes collected. This has been ascribed to the corrupt influences of those in governance.

Osunkoya (2009) observed that, payment of taxes do not mean compulsion on the part of government to do things within the locality of the taxpayer. Where those in government are of this viewpoint, complacent attitude toward the use of revenue generated from taxes for public benefit would persist. Enahoro and Olabisi, (2012), confirmed that taxation dividend when visibly seen in public goods, can encourage the taxpayer. But if otherwise, taxpayers would evade taxes and assume that taxes are exploitative rather than developmental. Popoola (2009) remarked that the “culture of give and take” can check taxpayers’ compliance attitude.

5.2. Taxes, a Major Source of Revenue in Lagos State

Popoola (2009) “culture of give and take” has been implemented in Lagos state. A state where it has become glaring to everyone that taxes collected is used for public goods. In the last ten years, tax revenue has come to constitute about 75 per cent of government revenue base; in the last three years alone, a colossal sum of 1.1 trillion naira was budgeted, with the government itself affirming that it has consistently recorded a minimum of 75 per cent of budget performance out of which 80 per cent came from Internally Generated Revenue (IGR). This is 30 per cent more than the entire budgets recorded by successive governments between 1992-2007-a period spanning 15 years.

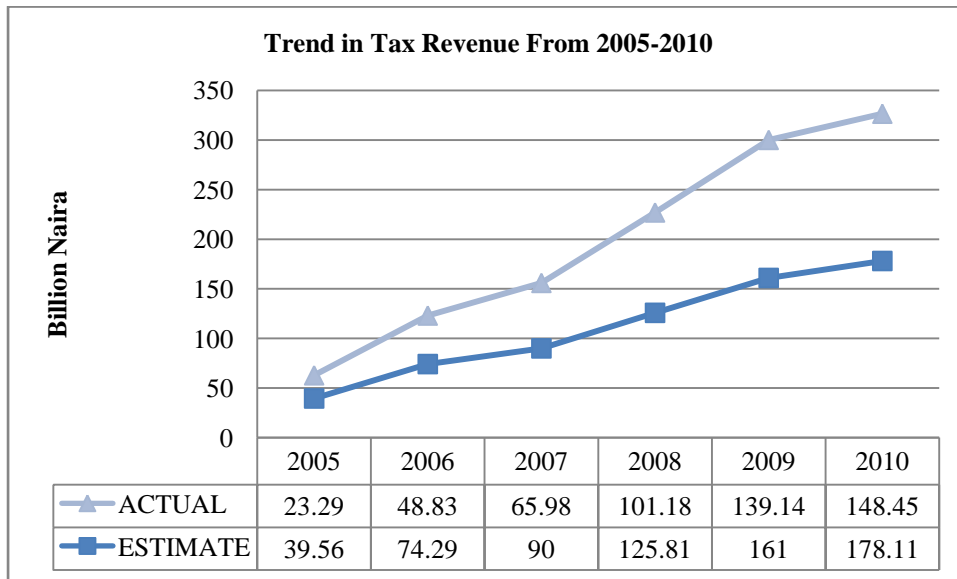
Table 1, showed revenue collected from various sources such as taxes, fines and fees, licences, earnings and sales, rent on government property, interest and dividend, grants and contributions, miscellaneous and others. The Table revealed that tax is a major source of revenue to the Lagos State government as it constituted a large percentage, representing 88.3% of its internally generated revenue in 2010. A trend graph in respect of tax collected as compared to the estimated are also presented.

TABLE 1: Summary of Lagos State Internal Revenue: 2005-2010

SOURCE OF REVENUE	2005		2006			2007			2008			2009			2010			
	Esti mate (NBn)	Actual (NBn)	Esti mate (NBn)	Actual (NBn)	%	Esti mate (NBn)	Actual (NBn)	%	Esti mate (NBn)	Actual (NBn)	%	Esti mate (NBn)	Actual (NBn)	%	Esti mate (NBn)	Actual (NBn)	%	
Taxes	45.1	32.50	74.29	48.83	65.3	90.00	65.98	73.31	125.81	101.18	80.42	161.00	139.14	86.42	178.11	148.45	83.35	
Fines and fees	7.47	5.21	8.81	6.32	71.72	10.28	7.49	72.82	11.50	9.38	81.50	18.37	11.13	60.00	15.27	1.50	9.84	
Licences	1.43	0.63	2.47	0.84	34.02	3.74	0.99	26.49	5.96	1.75	29.42	7.37	6.61	89.66	3.67	1.84	50.05	
Earning & Sales	5.46	1.57	5.59	1.98	35.43	8.97	3.11	34.64	6.32	3.98	63.09	20.65	2.56	12.39	9.82	8.08	82.26	
Rent on Govt. Prop.	0.14	0.06	1.85	0.02	0.92	1.70	0.41	23.98	0.99	0.74	75.23	0.89	0.49	54.89	0.64	0.00	0.00	
Interest & Dividend	0.24	0.53	0.95	0.54	56.36	0.72	1.61	224.72	0.60	3.91	648.84	0.22	2.82	1283.16	0.58	0.78	140.0	
Grants and contributions	0.104	0.005	8.29	0.01	0.08	5.02	0.01	0.16	1.96	1.08	55.08	0.01	3.05	23476.92	0.02	0.00	0.00	
Miscellaneous	0.25	1.77	0.70	1.78	229.38	1.26	3.44	272.05	1.66	7.55	405.10	0.26	0.03	3214.23	0.91	7.56	628.62	
Others (Paris club Alln Exit –Non Cash)					0.00	20.00		0.00			0.00	4.17	3.63	66.94			0.00	
TOTAL	60.2	42.28				141.69	65.02		166.00	129.66		212.96	170.40		209.00	166.21		

Source: State Treasury Office

Trend in Tax Revenue in Lagos State from 2005-2010



5.3. Tax Payers Disposition

Taxpayers are said to have general apathy for tax payment. The study of Alade (2006) revealed that negative disposition toward tax payment would result into tax evasion and avoidance. The researcher enumerated reasons for negative disposition which comprises of situation where the principle of fairness and equity is not palpable; lopsided structure of allowances and relieves available to individual taxpayer; the revenue officials (the rank and file) are not properly motivated and may alert tax payers areas to explore; flagrantly ignored plethora of taxes in the form of multiple tax payment; and generally, the citizens never fully trust the government as it is often believed that they are there only to feather their own nest.

6. Theoretical/ Conceptual Framework

Several theories on social psychology have been advanced as explanation for individual attitude. The theories include: Theory of Planned Behaviour; Theory of Functional Attitude; Theory of Ethical Values; and Developmental Theory of Rejuvenation.

6.1. Theory of Planned Behaviour

Ajzen (1991) propounded the theory of planned behaviour, specifying that attitude is a partial indicator of behaviour. The manner in which an individual evaluates an event or object, positively or negatively, depending on the individual's attitude towards that event, object, function or person, would produce favourable or unfavourable outcome (Kirchler, 2007). This theory suggests that a taxpayer, who has favourable attitude towards tax regime, is expected to be more compliant than those with unfavourable attitude.

6.2. Theory of Functional Attitude

Bobek (1997) argued from the perspective of the theory of functional attitude that motive influences ones attitude. The taxpayer, whose motive is to express his belief in the system, is expected to judge the fairness of the system objectively than a taxpayer whose motive is to derive benefit from the system.

6.3 Theory of Ethical Values

Eriksen and Fallen (1996) provided evidences suggesting that ethical value play significant role in compliance decision of individual taxpayer. Ho and Wong (2008) submitted that individuals with stronger ethical mind may have favourable compliance attitude as they will regard complying with rules and regulations as an obligation that must be honoured. Chau and Leung (2009) equally stated that ethical value may affect tax compliance decision of an individual. Manaf (2004) reported that taxpayers who see tax dodging as unethical are likely to comply more than those who regard tax dodging as ethical.

The implication of these theories (Theory of Planned Behaviour; Theory of Functional Attitude; and Theory of Ethical Values) is revealed by the clout to check the non-payment syndrome. Theory of planned behaviour shows the need for taxpayer's attitude to be studied in order to proffer a workable solution, as attitude

reflects on behaviour. The theory of functional attitude view point, presupposes that the disposition of the taxpayer should be motivated through observable demonstration of well utilised tax yield. Theory of ethical values reveals the possibility of attitude change as stronger ethical mind may have favourable compliance attitude because they would regard complying with rules and regulations as an obligation that must be honoured.

6.4 The developmental theory of rejuvenation

The developmental theory of rejuvenation offers the special mental technique that may enhance the brain information processing and produce special electrical impulse (rejuvenating waves) which can extend the maximum human lifespan. Kvitko, (2011) explained that rejuvenating waves are generated effectively with the training of the mind to expand the focus of attention by thinking of everything simultaneously. Rejuvenating waves are generated effectively by the brain which reaches the special functional state that is termed the developmental dominant of mind. This salutary state of the brain can be established if the human mind continuously develops the ability to improve the informational processing by exploitation of powerful neural mechanisms that are usually dormant in everyday life.

The developmental dominant of mind can be created by the combination of two psychological approaches. The first approach is the formation of priority based on finitely expanding harmonious spiritual development of person's motives. The second approach is a new kind of meditation. Many secular and religious meditation practices generated nasal states of consciousness (which have favourable effects on mental and physical health) by concentration of mind on some selected thoughts. The developmental meditation broadens a sphere of attention, and thereby trains the ability of mind to embrace a variable, indefinitely expanding information.

The implication of developmental theory of rejuvenation to the study is that individuals dominant mind (tax payers) can be rejuvenated through external factors in everyday life such as; harmonious spiritual development and concentration of mind on selected positive thoughts. These would serve as the rejuvenating waves that would effectively train the ability of the mind to expand the focus of attention to positive things. Thinking of everything simultaneously, could mean in this instance, as developing the mind to appreciate what taxes are utilised for and what others would stand to benefit through the tax payment, which should be seen as ones' contribution to welfare and development.

6.5 CONCEPTUAL MODEL

Figure 1 presents the conceptual model of this study. It shows unidirectional arrow, which reveals the influence of one variable on the other, based on the theory of planned behaviour and the developmental theory of rejuvenation. From the theory of planned behaviour perspective, it is intention that leads to behaviour; these normative considerations influence the tax payer's disposition whether as positive or negative. Whatever the disposition, variables within the developmental theory of rejuvenation, would influence disposition toward stronger ethical minds, which will trigger compliance and subsequently enhance revenue generated from taxes.

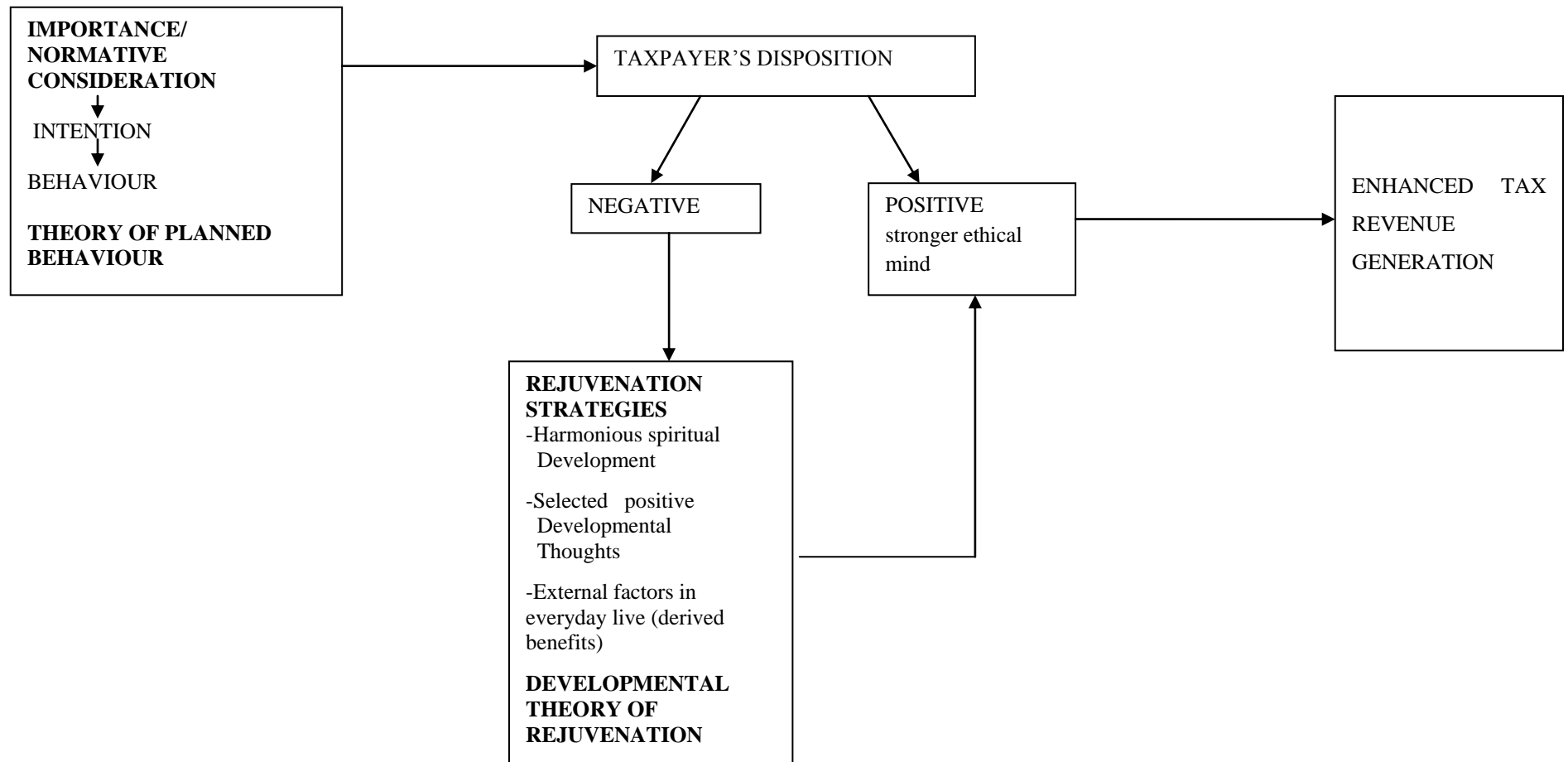


FIGURE 1: REJUVENATING TAXPAYERS DISPOSITION MODEL

7. RESEARCH METHOD

A cross-sectional sample survey design was adopted in this study. The disposition of tax payers in Lagos State toward payment of taxes, were sourced from the population which comprised of self-employed within the category of businessmen, contractors, professional practitioners like lawyers, doctors, accountants, architects and traders in shops among others. The purposive sampling technique was used in administering questionnaire to two hundred and thirty respondents. The questionnaire contained twenty-five questions on issues that would assist discern the attitude of supposed tax-payers towards tax administration and compliance. A total of 173 valid copies of the questionnaire were received and analysed. A five- point rating scale measured with scores ranging between 5-1, described as either strongly agree (SA) 5; agree (A) 4; fairly agree (FA) 3; disagree (D) 2, or strongly disagree (SD) 1; was adapted from the study of Kirchle, Hoelzl & Wahl (2008), with dichotomous and categorical items designed and subjected first to content and face validity tests.

The questionnaire was statistically validated by means of a test-re-test method on 30% of the respondents but twenty-two valid responses were received. The Spearman's rho was used to determine reliability of instrument. A correlation of 0.7 and above is accepted as reliable. Table 2 which present the result, reveals a high correlation between responses as 0.867, and would meant acceptable reliability.

Table 2: Reliability Test

Non-parametric Correlation				
Descriptive Statistics				
	Mean	Std. Deviation	N	
1st Response	2.68	1.249	22	
2nd Response	2.55	1.224	22	

Correlation			1st Response	2nd Response
Spearman's rho	1st Response	Correlation Coefficient	1.000	.867(**)
		Sig. (2-tailed)	.	.000
		N	22	22
	2nd Response	Correlation Coefficient	.867(**)	1.000
		Sig. (2-tailed)	.000	.
		N	22	22

** Correlation is significant at the 0.01 level (2-tailed).

The data collected from the validated questionnaire was analysed using the descriptive and inferential statistical tools of the means, standard deviation, and Kendall's measure of Concordance, Pearson product moment correlation and simple and multiple regression analysis.

A model was formulated for the study:

$$\text{TaxPyDisp}_i = \beta_0 + \beta_1 \text{AtaxAdm}_i + \beta_2 \text{TPawe}_i + \beta_3 \text{DevTht}_i + \beta_4 \text{DBenf}_i + \beta_5 \text{SpriDev}_i + e_i \text{ ----- (i)}$$

$$\text{TaxPyDisp}_i = \beta_0 + \beta_1 \text{DevTht}_i + \beta_2 \text{DBenf}_i + \beta_3 \text{SpriDev}_i + e_i \text{ ----- (ii)}$$

Change in TaxPyDisp = Tax payers disposition

AtaAdm = Appreciating Tax administrators

TPawe = Taxpayers awareness

DevTht = developmental thought

DBenf = Derived Benefit

SpriDev = Spiritual development

β s = these are the estimated regression coefficients

e = the error term in a regression model, and

i = index (proxy) for Disposition

8. RESULTS

Research question (i): the taxpayers’ perception of tax payment was examined by reference to the mean scores from the descriptive analysis on Table 3 (Appendix). The descriptive statistics showed that tax payers are negatively inclined to payment of taxes as extent of dissatisfaction are shown by the high mean scores. Mean score of above 3.00 are shown on thirteen out of eighteen perception measuring variables.

Research question (ii) on the association that exist between tax rate and taxpayer’s attitude to comply was analysed. The descriptive statistics revealed that while most respondents are scared of high tax payment with means score of 2.48, others are not bordered whether the rates are high or low (mean score 2.87). Pearson’s correlation analysed the relationship that exist between tax rates and respondents’ willingness to pay using items 13 and 14 (Table 3 Appendix); Test of null hypothesis one: H_{01} : Taxpayer’s attitude toward tax payment is not associated with the amount of tax rate charged.

The result on Table 4 revealed that Taxpayer’s attitude is associated with the amount of tax rate. The variables relationship is significant ($p < 0.01$) with high positive correlation. The null hypothesis one was rejected.

Table 4: Taxpayer’s attitude and Tax Rate Correlations

		Tax rate	Disposition to pay
Tax rate	Pearson Correlation	1	.918(**)
	Sig. (2-tailed)		.000
	N	173	173
Disposition to pay	Pearson Correlation	.918(**)	1
	Sig. (2-tailed)	.000	
	N	173	173

** Correlation is significant at the 0.01 level (2-tailed).

Research question (iii) on the extent to which improving taxpayers’ attitude would change their perception was analysed by means of a multiple regression based on variables that can change their attitude; and null hypothesis two tested. H_{02} : A change in taxpayer’s attitude would not have effect on taxpayers’ disposition toward payment of taxes. A model was formulated to test this hypothesis as shown below:

$$\text{TaxPyDisp}_i = \beta_0 + \beta_1 \text{AtaxAdm}_i + \beta_2 \text{TPawe}_i + \beta_3 \text{DevTht}_i + \beta_4 \text{PDcont}_i + \beta_5 \text{SpriDev}_i + e_i$$

$$\text{TaxPyDisp}_i = -.130 + .108\text{AtaxAdm}_i + .103\text{TPawe}_i + .077\text{DevTht}_i + .671\text{DBenf}_i + .080\text{SpriDev}_i + .24797$$

The result as presented in Tables 5a, 5b and 5c, revealed that the regression on change in taxpayers disposition was statistically significant ($p < 0.01$) with $R^2 = 0.971$ that is, taxpayers appreciate Tax administrators, Taxpayers awareness (the manner government carry them along), developmental thoughts, derived benefits and spiritual development can explain 97.1% of variation in taxpayers disposition; fitness of the model explained by F-ratio = 1107.564 is high and significant, in explaining change in taxpayers disposition.

Table 5a: Taxpayer’s attitude and Taxpayers’ disposition

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.985(a)	.971	.970	.24797

a Predictors: (Constant), AtaAdm, DBenf, TPawe, DevTht, SpriDev

Table 5b: Taxpayer’s attitude and Taxpayers’ disposition

ANOVA (b)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	340.517	5	68.103	1107.564	.000(a)
	Residual	10.269	167	.061		
	Total	350.786	172			

a Predictors: (Constant), AtaAdm, DBenf, TPawe, DevTht, SpriDev

b Dependent Variable: TaxPyDisp

Table 5c: Taxpayer’s attitude and Taxpayers’ disposition

Coefficients (a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta	B	Std. Error
1	(Constant)	-.130	.058		-2.264	.025
	TPawe	.108	.065	.101	1.665	.098
	SpriDev	.103	.067	.101	1.541	.125
	DBenf t	.077	.059	.070	1.304	.194
	DevTht	.671	.067	.650	10.055	.000
	AtaAdm	.080	.065	.078	1.228	.221

a Dependent Variable: TaxPyDisp

Research question (iv) on the suggested integrative framework that can be applied in order to ignite taxpayer’s disposition toward tax payment. Null hypothesis three was tested: H_{03} : Suggested integrative framework for rejuvenating taxpayers’ disposition would not have effect on willingness to pay taxes. First the extent of agreement by taxpayers on the suggested framework for improving taxpayers’ disposition was measured using Kendall tau_b measure of Concordance. The analysis on Table 6, revealed that the measures are highly and positively significant ($p < 0.01$), in rejuvenating taxpayers disposition.

Table 6: Agreement on the suggested model and taxpayer’s disposition

Correlations

		DevTht	DBenf	SpriDev
Kendall's tau_b	DevTht	1.000	.944(**)	.897(**)
	Correlation Coefficient		.000	.000
	Sig. (2-tailed)			
	N	173	173	173
DBenf	DBenf	.944(**)	1.000	.905(**)
	Correlation Coefficient	.000		.000
	Sig. (2-tailed)			
	N	173	173	173
SpriDev	SpriDev	.897(**)	.905(**)	1.000
	Correlation Coefficient	.000	.000	
	Sig. (2-tailed)			
	N	173	173	173

** Correlation is significant at the 0.01 level (2-tailed).

Secondly a regression was used to analyse the variables proposed for rejuvenating taxpayers’ disposition: The harmonious spiritual development, derived benefits (pondering on contributions of external factors to everyday live) and selected positive developmental thoughts.

The result of the regression and ANOVA (Tables 7a, b &c) are as follows:

$$\text{TaxPyDisp}_i = \beta_0 + \beta_1 \text{DevTht}_i + \beta_2 \text{DBenf}_i + \beta_3 \text{SpriDev}_i + e_i$$

$$\text{TaxPyDisp}_1 = -.119 + 0.738 \text{DevTht} + 0.081 \text{DBenf} + 0.214 \text{SpriDev} + 0.25040$$

The model was significant ($p < 0.01$), with $R^2 = 0.970$. That means harmonious spiritual development; derived benefits and selected positive developmental thoughts can explain 97.0% variation in rejuvenating taxpayers' disposition. The fitness of the model is explained by a high F-ratio of 1808.516; suggesting a better prediction for rejuvenating taxpayers' disposition. Null hypothesis three was thus rejected. The proposed integrative framework for rejuvenating taxpayers' disposition would have effect on willingness to pay taxes. The t-values of developmental thoughts (12.722) and spiritual developments (5.129) are significant ($p < 0.01$) in rejuvenating taxpayers' disposition.

Table 7a: Rejuvenating Taxpayers' Disposition and willingness to pay taxes
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.985(a)	.970	.969	.25040

a Predictors: (Constant), SpriDev, DBenf, DevTht

Table 7b: Rejuvenating Taxpayers' Disposition and willingness to pay taxes

ANOVA (b)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	340.190	3	113.397	1808.516	.000(a)
	Residual	10.597	169	.063		
	Total	350.786	172			

a Predictors: (Constant), SpriDev, DBenf, DevTht

b Dependent Variable: TaxPyDisp

Table 7c: Rejuvenating Taxpayers' Disposition and willingness to pay taxes

Coefficients (a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta	B	Std. Error
1	(Constant)	-.119	.057		-2.110	.036
	DevTht	.738	.058	.715	12.722	.000
	DBenf	.081	.059	.074	1.377	.170
	SpriDev	.214	.042	.208	5.129	.000

a Dependent Variable: TaxPyDisp

9. CONCLUSION

This study has succeeded in providing further evidence that taxpayers have negative attitude toward payment of taxes in Lagos- Nigeria as revealed by the mean scores in thirteen out of eighteen perception measuring variables. Although there were sufficient evidences of tax revenue usage on developmental projects, that was not enough to motivate the taxpayers toward compliance.

The integrative framework (Rejuvenating Taxpayers Disposition Model) designed in this study had a high level of acceptance as revealed from the Kendall tau_ b measure of concordance. The model was tested as highly significant ($p < 0.01$) from the regression analysis. The tested variables, harmonious spiritual development, derived benefits and selected positive developmental thoughts explained 97.0% variation in rejuvenating taxpayers' disposition.

10. RECOMMENDATIONS AND IMPLICATION FOR PRACTICE

The study which revealed that taxpayer's attitude is associated with the amount of tax rate, indicates that there is need for relevant authorities to give consideration to the per head tax charge as the optimum benefit of a marginal reduction might be worth such a move.

The tested variables within the integrative framework (Rejuvenating Taxpayers Disposition Model) should be experimented, as the study has provided evidences that the taxpayers are in agreement that those variables are capable of rejuvenating their attitude or changing their perception on the need to pay taxes.

The developmental thoughts and spiritual developments were significant ($p < 0.01$) in rejuvenating taxpayers' disposition, as revealed from the analysis. This implies that special efforts must be devoted these areas. For example, effective promotion of developmental thoughts should go beyond the assumption that the taxpayers would notice what the tax revenue generated is used for. Government agencies responsible for internally generated revenue (IGR); publicity and enlightenment should primarily take charge of grassroots awareness schemes; alerting taxpayers of what taxes revenue generated has accomplished within their neighbourhood. This could modify their disposition.

On the other hand, spiritual developments can be achieved through various subtle methods; for example, in schools, places of worship, counselling centres and public gatherings, the need for imbibing ethical values that are recognised as godliness should be emphasised. Benefiting from the provisions of government without contributing to it, is unethical and lacks godliness. Some of these can even be put as slogans that would sink into individual's mind that non-payment of tax is ungodliness.

Designing reward schemes for those who pay their taxes promptly without coercion and comply with the various tax regulations, can impinge greatly on taxpayers mind and might facilitate a positive change of attitude.

Another key to positive change of taxpayer's disposition is government efforts to carry the taxpayers along. This implies non-hording of information on all activities of government; and government should be transparent and be seen as such. This suggestion is in harmony with the comments of Julius (2013) that, the negative disposition of taxpayers would change when, achievements or successes and non-achievements or failures in government programmes within a fiscal year are laid bare to the taxpayers; and even request for suggestions.

Individual interaction scheme is closely linked with the above. At the grassroots level, interactive agencies of government can visit shop owners, not just to collect fees and licenses but to encourage them to pay their taxes; emphasizing on the benefits that are derived from tax payment at their level; showing them visible impact of government as buttressed in the developmental thought concept.

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APPENDIX 1

TABLE 3: RESPONSES ON TAXPAYERS PERCEPTION AS PROXY OF TAXPAYERS DISPOSITION

Descriptive Statistics

VARIABLES	N	Minimum	Maximum	Mean	Std. Deviation
1. Appreciative of Tax Administration	173	1.00	5.00	2.8497	1.38113
2. Tax Avoidance is A Right	173	1.00	5.00	3.1561	1.42809
3. Less concern about the effect Non-Compliant has on Government Revenue	173	1.00	5.00	3.5723	1.37745
4. Discouraged due to Corruption in Government	173	1.00	5.00	3.4393	1.35675
5. Dislike having Particulars in the Database	173	1.00	5.00	3.4624	1.39143
6. Discouraged by Activities of Tax Personnel in Tax Assessment and Collection	173	1.00	5.00	3.2370	1.38363
7. Care-Free About Nature of Punishment Melted Out on Tax Defaulters	173	1.00	5.00	3.3757	1.29977
8. Interested in Tax Payment, Tax Policies or Reviews	173	1.00	5.00	2.8671	1.38921
9. Non-Compliance is of No Consequence	173	1.00	5.00	3.4971	1.37513
10. Selected Positive Developmental Thoughts Can Change Attitude To Tax Payment	173	1.00	5.00	3.2370	1.38363
11. Pondering On Contributions Of External Factors To Everyday Live Can Change Attitude To Tax Payment	173	1.00	5.00	3.3757	1.29977

12. Exposure To Harmonious Spiritual Development Can Change Attitude To Tax Payment	173	1.00	5.00	2.8671	1.38921
13. Reduced Tax Rates Can Change Attitude To Tax Payment	173	1.00	5.00	3.2254	1.40640
14. High Rates Scares Payment	173	1.00	5.00	2.4798	1.42482
15. Pay Tax Though The Rates Are High	173	1.00	5.00	3.2254	1.35588
16. Care-Free About High Or Low Rates	173	1.00	5.00	2.8671	1.38921
17. Less concerned About Growth And Development	173	1.00	5.00	3.1272	1.48089
18. Attitude Toward Tax Payment can change if carried along	173	1.00	5.00	3.0636	1.33447
Valid N (listwise)	173				

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