

EFFECT OF ACCOUNTABILITY OF TAXES REVENUE ON REVENUE GENERATION IN KADUNA STATE

BY

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Abstract

Revenue generation is fundamental to the ability of governments to deliver public goods and services, and taxation remains the principal source of internally generated funds at the state level. However, the extent to which tax revenues translate into sustainable fiscal outcomes depends largely on accountability in their management. The objective of this study is to examine the extent to which accountability of taxes revenue affect revenue generation in Kaduna state. The study relied on primary data generated through questionnaire from 260 sample of KADIRS staff, of which 229 valid responses (88% response rate) were analyzed using descriptive and inferential statistics with the help of Statistical Package for Social Sciences. Based on the analyses of data and test of hypothesis, the study reveal that accountability of taxes revenue (periodic disclosure of tax collections, transparency in expenditure, and public satisfaction with government use of revenue) positively influence taxpayers' willingness to comply, thereby boosting revenue generation. The finding is consistent with earlier studies linking accountability with enhanced tax morale and voluntary compliance. The study recommends that that government should strengthen accountability measures. Measures for accountability of taxes revenue should be strengthen through regular publicity of detailed reports on tax revenue and its utilization to build public trust; regular independent audits of tax revenue management to ensure accountability and address any discrepancies promptly; and fostering public engagement in budget planning and execution processes to increase the perception of accountability and encourage voluntary tax compliance.

Keywords: Revenue, Revenue Generation, Taxes, Accountability

1.1 Introduction

Revenue generation remains a fundamental responsibility of governments at all levels, serving as the financial backbone for the provision of social amenities, infrastructure, and public services (Ihimodu, 1995 as cited in Obiechina, 2010; Alm, 2023). According to Section 162(10) of the 1999 Constitution of Nigeria, government revenue encompasses all forms of income accruing to the state, whether from taxes, fees, rents or investments. At the state level, revenue is broadly categorized into tax and non-tax sources, with taxation being the dominant stream used to fund key sectors such as education, healthcare and infrastructure (Chukwunwike et al., 2021; Musa et al., 2022). In Kaduna State, the Kaduna State Internal Revenue Service (KADIRS) manages an array of taxes including personal income tax, withholding tax,



stamp duties, education tax, tenement rates and land use charges as stipulated in the State Tax Law (2020).

While tax revenue is essential for financing development, the degree to which governments are accountable in managing these resources significantly determines public trust and compliance. Accountability in tax revenue, as Akpanuko and Asogwa (2013) explain, is closely linked with good governance, transparency, and efficiency. It involves disclosing how taxes are collected, how they are utilized and ensuring that expenditures benefit the taxpayers who bear the burden. Vance et al. (2015) emphasize that accountability requires public officials to justify their actions, thereby strengthening confidence in government decisions. Similarly, Adeyemi and Adeduro (2020) argue that taxpayers' perception of government's responsible use of tax revenue influences their willingness to comply voluntarily.

However, in Nigeria, studies reveal that accountability in the use of tax revenue is weak, with many taxpayers perceiving that funds are mismanaged or diverted for the benefit of political elites rather than for the common good (Dauda & Saidu, 2014; Nwocha, 2017). This erosion of trust has been linked to tax evasion, low compliance and consequently poor revenue performance (Adedoyin & Adekanmi, 2016; Pedley & McClusky, 2019). In Kaduna State, despite the reforms initiated through KADIRS to broaden the tax base, there remains a persistent gap between potential revenue and actual collections, raising concerns about whether accountability mechanisms are effective enough to inspire confidence among taxpayers.

Empirical evidence further highlights this challenge. While Modugu et al. (2012) established that citizens' perception of government accountability directly influences voluntary tax compliance, Chukwunwike et al. (2021) found no significant predictive relationship between accountability and revenue at the national level, thereby suggesting the problem may vary contextually. Similarly, Pöschl (2015) observed that accountability could improve taxation outcomes in local governments but stressed that the relationship is not automatic and depends on the strength of institutional frameworks. These mixed findings expose a gap in state-level studies, particularly regarding Kaduna State where KADIRS is expected to demonstrate accountability in its operations.

1.2 Research Question

To what extent does the accountability of taxes revenue affect revenue generation in Kaduna state?

1.3 Objective of the Study

To examine the extent to which accountability of taxes revenue affect revenue generation in Kaduna state.

1.4 Hypothesis of the Study

H₀: Accountability of taxes revenue has no significant effect on revenue generation revenue generation in Kaduna state.

2 Literature Review

2.1.1 Concept of Revenue Generation

Financial resources of government constitute the bulk of its revenue and this relate to monies mobilized or generated in the economy. Ihimodu (1995) as cited in Obiechina (2010) define government revenue



as public receipts, which the government collects from all sources. Recent studies of Mikesell (2022) and Alm (2023), expand on this by highlighting the evolving nature of government revenue in the context of globalization and digital economies. They emphasize that modern governments increasingly rely on a diverse range of revenue sources including taxes, non-tax revenues and innovative financial instruments to sustain public services and fulfill their fiscal responsibilities.

section 5, 162 (10) of 1999 constitution defined revenue as any income or returns accruing to, or derived by the government from any property belonging to government, any return by way of interest on loans and dividends in respect of shares or interest held by the government, in any company or statutory body incidental sources resulting from a particular environment, permissive sources from normal operations and statutory sources recognized by the Nigerian constitution.

Revenue generation is one of the greatest significant actions that government and businesses can involve in. In relation to business, it is defined by Innocent et'al (2020) as a process by which a business strategies how to market and sell its products or services in order to make more money. Government revenue is money government received. Revenue generation according to Chukwunwike et'al (2021) is the use of legitimate mechanisms within the reach of government to cause an inflow of money from all sources approved by the law for the benefit of all citizenry. Sources of revenue available to the Nigerian government may include statutory allocation, income taxes, fees, licensing, and government investment. They also include rent on government properties, grants, and loans from internal and external financial institutions. Musa et al. (2022) define revenue generation as the periodic or annual collection of taxes and other income sources that a nation, state, or public sector gathers for public use. Joy (2022) emphasizes revenue generation as the process through which the government raises funds to fulfill its responsibilities.

Samuel and Tyokoso (2014) assert that the traditional function of a tax system is the raising revenue necessary to meet government spending. This revenue is necessary to meet the spending which is either the provision of goods and amenities which associates of the community cannot deliver such as defense rule and instruction to the provision of goods and amenities which the central and state governments sense are better offered by itself such as health services and education.

Each level of government has distinct sources through which it generate revenue to finance its expenditure. In Nigeria and at national level, government generate revenue from oil and non-oil sources. While oil proceeds covers all income collected from oil and gas doings in the country, non-oil proceeds stares at any income received from sources other than oil and gas activities. At the state level, primarily government revenue is classified as tax and non-tax revenue. These sources of revenue mainly aid to fund education and health care. Although the tax may be a huge part of state revenue, not all states rely on the same sources of income.

In Kaduna state, some of the major sources of revenue as contain in the state Tax Law (2020) are Personal Income Tax (PIT), Withholding Tax on Individuals, Withholding Tax on Rents, Withholding Tax on Interest, Withholding Tax on Royalties, Withholding Tax on Dividends, Withholding Tax on Director's Fees, Capital Gain Tax (CGT), Stamp Duties, Education Tax (EDT), Tenement Rate, business premises registration fee, development levy (individuals only), naming of street registration fees in the State Capital, Right of Occupancy fees on lands owned by the State Government in urban



areas of the state, market taxes and levies where State finance is involved, Private Schools, Hotel Occupancy and Restaurant Consumption Tax, Land Use Charge, Presumptive Tax and Road Taxes.

2.1.2 Accountability of Tax Revenue

Accountability has become a significant aspect in both private and public sectors, encompassing various meanings depending on the context and motivation for its necessity. Akpanuko and Asogwa (2013) associate accountability with good governance, transparency, equity, democracy, efficiency, responsiveness, responsibility, and integrity. Vance et al. (2015) define accountability as the obligation to explain actions to another party, who can judge those actions and impose consequences, thus promoting a deeper, systematic approach to decision-making. This obligation, according to Vance et al. (2015), fosters thorough and systematic thinking about procedural behaviors.

The thought of accountability emanates from 'to account', it entails giving stewardship. Along similar line, Vance et al. (2015) explain further that "accountability theory explains how the perceived need to justify one's behaviours to another party causes one to consider and feel accountable for the process by which decisions and judgments have been reached. In turn, this perceived need to account for a decision-making process and outcome increases the likelihood that one will think deeply and systematically about one's procedural behaviours".

Accountability, when looked at from the angle of a virtue, is subjected to the test of the feature of the enthusiasm of which responsibility is accepted, the enviable characteristic of civic representatives, agencies of government, and or corporations. Therefore, from this perspective, it is the entity's constructive characteristic. Accountability, as a mechanism, is considered as the practice whereby a fellow is obligated, by virtue of the position he occupies, to elucidate the activities engaged in to an individual or a group of individuals given the authority to give verdict on the activities of the 'obligated-fellow' as well as render adequate and appropriate commendation for the activities.

Adeyemi and Adeduro (2020) pointed that, the viability of the social contract between taxpayers and government is dependent on the taxpayer's perception of the government. A positive perception of government's use of tax receipts will lead to an increased willingness of citizens and businesses to be tax compliant. They relate the statement to tax transparency which they described as a concept in the context of tax revenue mobilization which developing countries should adopt and implement. The concept addresses disclosures on how tax revenues are utilized, expenses for tax collection, as well as the percentage of the total tax collection that is attributable to High Net Worth Individuals (HNWIs), multinational corporations and those at the bottom of the economic pyramid, among others.

According to the Organization for Economic Co-operation and Development, tax accountability and transparency can put an end to tax evasion. The above is a clear suggestion that government should implement policies on mandatory periodic disclosure of relevant information on tax collection and profiling of taxpayers by all states and the federal government. In Finland, as part of the government's tax accountability and transparency drive, the country publishes the taxable income of all its citizens, including the tax data of celebrities, HNWIs and politicians. This action has helped to broaden the country's tax base as shown by the result of a survey conducted by the country's tax administrator in 2017. A policy of this nature should be adopted in Nigeria (with slight modifications to cater for individual characteristics in Nigeria) to boost tax morale and broaden the tax base *ibid*.



Accounting of tax revenue according to Kanbiro (2018) stems from the theory that when citizens are forced to pay taxes, they are more likely to feel ownership of government revenues and demand benefits in return, while governments in need of revenue are more likely to make concessions to those taxpayers in order to encourage tax compliance. He added that, while the duty of collecting revenue (taxes) belongs to the government, it gives the government the obligation to account for its activities, accept responsibility for them, and to disclose the results in a transparent manner. The people who are taxed should know how their money is being used. Indeed they have a right to demand for services from the government. This is because taxpayers perceive that tax revenue generated is used to cater for the needs of government functionaries and their close associates rather than the needs of taxpayers (Dauda & Saidu, 2014; Nwocha, 2017). Whenever tax revenue is not properly utilized for the benefit of the citizenry, it creates mistrust between tax authority and taxpayers (Adedoyin & Adekanmi, 2016; Nwocha, 2017).

In order to improve tax morale and compliance, taxpayers need to understand the taxes they pay, why they pay them, and how the revenues are used. With this awareness and information, they might be more motivated and better equipped to make demands on government. However, in many African countries like Nigeria, taxpayers find it difficult to know: what taxes they owe, how to pay and what these taxes are used for (Pedley & McClusky, 2019).

Applying the accountability theory to taxation matters. Baskaran and Bigsten (2010) in Modugu et al. (2012) opine that the social contract of a nation predisposes her fiscal capabilities and power. Meanwhile, parties' accountability relationship is a determinant of the social contract. Accountability relationship involves at least two persons or institutions: the one entrusted with something that gives rise to the accountability obligation (the agent or obligated) and the one who gave the mandate or authority in the first place (the principal), or an agent delegating this authority. In an egalitarian society, the principals are "the people", while the individuals who have been entrusted with something that gives rise to the accountability obligation are the agents, for example, those voted into power. Akpanuko and Asogwa (2013) explain that a general point to be borne in mind in thinking about accountability of governments to citizens is that accountability refers not to isolated relationships, or even individual institutions operating on their own, but to a system broadly of relationships. How one institution operates can affect how others operate and not necessarily in predictable ways.

Moore (1998) stresses that the anticipated association among revenue system and accountability is primarily applicable for selected systems of taxation: the sources of revenue that are extremely "visible" or "felt" consequently openly connect taxpayers to the country. Importantly, these taxes are mostly "direct taxes". Wherever indirect taxes are comparatively "visible" and or "felt" by huge segments of the residents, it may spring up the request for accountability of government in exchange, and or other desired demand. This explains the highly political nature of Value Added Tax (VAT).

Mberere (2011) reiterates that, while the duty of collecting taxes revenue belongs to the government, this duty requires the government to account for its activities, accept responsibility for them, and to disclose the results transparently. Gurama and Mansor (2015), corroborating Mberere (2011), opine that, as a rule, the taxpayers are frustrated when governments neglect to give these amenities regardless of tremendous tax loads that they bear.



Martin (2013) observes that “in sub-Saharan Africa, low taxes coincide with even lower government accountability, seen in high levels of corruption and low public goods provision”. He notes further that “while there are existing theories of why taxation might be linked to better governance, many of the micro-foundations of this effect remains unclear. He argued that taxation impacts governance by altering the expressive benefit citizens receive from sanctioning corrupt officials, making those who pay taxes more likely to hold leaders accountable”.

Lack of proper accountability of tax revenue may cause noncompliance or non-tax docility from tax payers. Non-tax docility is the extent taxpayers fail to oblige with the tax statutes which according to Damayanthi (2015) is considered as a major issue facing tax administration and revenue generation. If taxpayers know what they are paying for, their attitude towards tax compliance will change. Ilaboya and Okoye (2016) believed that the quantum of tax revenue generated by government for its expenditures is dependent on the taxpayers’ willingness to abide with the tax authorities’ demands.

To sum it up, the accountability of tax revenue is essential for maintaining taxpayer trust, ensuring compliance, and fostering good governance. Transparency, effective communication, and adherence to the principles of accountability are key to achieving these goals.

2.2 Empirical Review

Chukwunwike et al (2021) conducted a research on “Government Accountability and Tax Revenue: Evidence from Nigeria”. The objectives of their study were to ascertain the relationship between government accountability and tax revenue, and to determine their causal relationship. The study adopted a time series data of the annual revenue(s) and accountability index (corruption perceived index) of Nigeria, as generated by the FIRS and Transparency International, from 1995 to 2020 fiscal years. The OLS estimation and Granger causality test were used in the analysis. The study revealed that there is no significant predictive relationship between government accountability and tax revenue; and that neither taxation granger causes government accountability nor government accountability granger causes tax revenue. The study recommended the construction of the institutional facility and systems with political legitimacy to generate revenues from citizens.

Pöschl (2015) essentially investigates the application of taxation accountability theory on local governments, that is, the application of taxation to improve accountability and accountability to improve taxation. The study explores taxation-accountability model in the context of Mexican municipal governments, using a mixed-methods research approach. He studies six urban municipalities based on field research conducted in the states of Guerrero, Tabasco, Baja California Sur, Aguascalientes, Yucatán and Coahuila. A progression established from revenue pressure was observed. In his opinion, the pressure may lead to tax negotiating and the degree to which better accountability can be anticipated. Modugu et al. (2012) examine the “nexus between government accountability and voluntary tax compliance based on the theoretical framework that there exist a relational fiscal/social contract between the state and the citizens”. Specifically, they hypothesised that “voluntary tax compliance is influenced by the individuals’ perception of government accountability”. “The primary data was elicited for the study using structured Likert scale questionnaire, while the Z-scores were computed and used to test the hypothesis”. The results provided evidence that “citizens’ perception of government accountability is an instrumental factor that shaped the emergence and maintenance of tax morale resulting in voluntary tax compliance”. The research applauds the enhancement of the value of public governance as a means of motivating voluntary tax obedience.



In reviewing previous studies conducted by researchers in a similar area, some gaps not covered by the studies are identified. The study of Chukwunwike et al. (2021) focuses on federal government accountability and tax revenue. It does not address state-level revenue generation, particularly in Kaduna State, nor does it focus on the role of specific agencies like KADIRS. Pöschl (2015) focused on the application of taxation accountability theory on local governments in Mexico, the study differently focused on Mexican municipalities rather than Nigerian states. Modugu et al. (2012) study does not focus specifically on Kaduna State or the unique operational mechanisms of KADIRS; detailed examination of how KADIRS's practices and accountability measures directly influence revenue generation in Kaduna State; does not incorporate a mixed-methods approach.

3 Methodology

The study adopt survey design which involves collecting data from subset of population through questionnaire and analyse such data to draw inferences that can be generalized. The targeted population of the study are the entire staff of Kaduna State Internal Revenue Service (KADIRS) across 3 senatorial districts in the state which stood at 434 according to KADIRS Human Resources Department (2023). According to Krejcie and Morgan (1970), the sample size for 434 is 217. However, in order to accommodate the problem of non-return and incorrect filling of questionnaires, 20% of the sample size is added as suggested by Adam (2021) and that bring the sample to 260. Two hundred and sixty (260) questionnaires were administered to various respondents across the KADIRS offices with the assistance of KADIRS P.R.O. The questionnaire contained seven sections A, B, C, D, E, F and G and is designed in five tier Likert scale consisting options as strongly disagree, disagree, undecided, agree and strongly agree. The respondents were required to tick on appropriate option. All questionnaires were structured as close ended to get data that can be statistically quantified and analyse. The reliability scales for the questionnaires of accountability of taxes revenue and revenue generation are 0.7 and 0.8 (see appendix) respectively as measured by Cronbach's Alpha and they are all acceptable. The collected data were analyzed using both descriptive and inferential statistical methods. Regressions statistical technique was used in this study with the aid of the Statistical Package for Social Sciences (SPSS) version 23, and inference was drawn based on the results.

To empirically ascertain the effect of Accountability of Taxes Revenue (ATR) on Revenue Generation (RG), the study hypothesized that revenue generation depends on Accountability of Taxes Revenue. Thus, the model is specified as follows: $RG = F(ATR, KCE)$ - - - - - 1 The equation 1 can be re-specified in the empirical form as: $RG = \beta_0 + \beta_1 ATR + u_i$ - - - - - 2 Where, RG = Revenue Generation, ATR = Accountability of Taxes Revenue, U_i = Gaussian stochastic term with white noise. Predicated on a priori expectations, the independent variable is expected to be positively related with total revenue generation.

The independent variable of the study which is accountability of taxes revenue is measured by indicators as (a) disclosing information on tax collection periodically, (b) disclosing to the public how taxes money are spent, (c) satisfaction with how government spent taxes revenue, (d) increase willingness of people to carry out their tax obligation, and (e) effectiveness of tax revenue accountability. The dependent variable of the study which is revenue generation is measured in terms of (a) gap in the annual revenue generation, (b) potentiality to improve performance (c) revenue sources, and (d) improvement in revenue generation.

4 Results and Discussion

This section presents and analysed statistical data collected from the field to draw a valid conclusion based on the responses obtained from various respondents. The analysis was performed using Statistical Package for Social Sciences (SPSS) version 23.

Response Rate

A total of 260 questionnaires were administered to the staff of KADIRS. Out of these questionnaires, 229 were filled and returned representing 88% response rate. The questionnaires were administered with the help of KADIRS P.R.O. Being P.R.O. is the part of the organization, the study obtained a high response rate. Table 4.1 provide the response rate of the questionnaires.

Table 4.1: Response Rate

Questionnaire	Frequency	Rate (%)
Distributed questionnaires	260	100
Unreturned questionnaires	31	12
Returned questionnaires	229	88

Source: Researcher's computation (2025)

Table 4.1 shows that the response rate of the study was 88% out of 100%, this response rate is considered adequate for analysis in this study. According to Babbie (2007), 50% response rate is considered adequate for data analysis and reporting, where as 60% is good and 70% is very good. Therefore this study's response rate is considered as very good because it is even greater than 70%.

Table 4.2: Responses on Accountability of Taxes Revenue

S/N	Statement	Level of agreement				
		SD	D	U	A	SA
1	Government disclose the information on tax collection periodically	11 (4.8%)	4 (1.8%)	44 (19.4%)	135 (59.5%)	33 (14.5%)
2	Government disclose to the public how taxes money are spent	8 (3.5%)	5 (2.2%)	39 (17.2%)	74 (32.6%)	101 (44.5%)
3	You are satisfied with how government spent taxes revenue	4 (1.8%)	2 (0.9%)	32 (14.1%)	137 (60.4%)	52 (22.9%)
4	Accountability of taxes revenue could increase willingness of people to carry out their tax obligation	1 (0.6%)	3 (1.3%)	14 (6.2%)	124 (54.6%)	85 (37.4%)
5	Accountability of taxes revenue is effective	3 (1.3%)	1 (0.4%)	7 (3.1%)	136 (59.9%)	80 (35.5%)

Source: Researcher's SPSS Output (2024)

From Table 4.2, responses from question number 1 shows that out of 229 respondents, 11 respondents constituting 4.8% of total respondents strongly disagree, 4 respondents constituting 1.8% of total respondents disagree, 44 respondents that represent 19.4% of total respondents undecided, 135 respondents constituting 59.5% of total respondents agree and 33 respondents that constitute 14.5% of total respondents strongly agree that government disclose the information on tax collection periodically.

Responses from question number 2 shows that out of 229 respondents, 8 respondents constituting 3.5% of total respondents strongly disagree, 5 respondents constituting 2.2% of total respondents disagree, 39 respondents that represent 17.2% of total respondents undecided, 74 respondents constituting 32.6% of total respondents agree and 101 respondents that constitute 44.5% of total respondents strongly agree that government disclose to the public how taxes money are spent.

Responses from question number 3 shows that out of 229 respondents, 4 respondents constituting 1.8% of total respondents strongly disagree, 2 respondents constituting 0.9% of total respondents disagree, 32 respondents that represent 14.1% of total respondents undecided, 137 respondents constituting 60.4% of total respondents agree and 52 respondents that constitute 22.9% of total respondents strongly agree that they are satisfied with how government spent taxes revenue.

Responses from question number 4 shows that out of 229 respondents, 1 respondents constituting 0.4% of total respondents strongly disagree, 3 respondents constituting 1.3% of total respondents disagree, 14 respondents that represent 6.2% of total respondents undecided, 124 respondents constituting 54.6% of total respondents agree and 85 respondents that constitute 37.4% of total respondents strongly agree that accountability of taxes revenue could increase willingness of people to carry out their tax obligation.

Responses from question number 5 shows that out of 229 respondents, 3 respondents constituting 1.3% of total respondents strongly disagree, 1 respondents constituting 0.4% of total respondents disagree, 7 respondents that represent 3.1% of total respondents undecided, 136 respondents constituting 59.9% of total respondents agree and 80 respondents that constitute 35.2% of total respondents strongly agree that accountability of taxes revenue boost government revenue.

Table 4.3: Responses on Revenue Generation

S/N	Statement	Level of agreement				
		SD	D	U	A	SA
1	There is gap in the annual revenue generation	7 (3.1%)	5 (2.2%)	13 (5.8%)	141 (62.7%)	59 (26.2%)
2	KADIRS has potentiality to improve its performance	2 (0.9%)	6 (2.7%)	7 (3.1%)	74 (32.9%)	136 (60.4%)
3	The revenue sources are not adequately harnessed	3 (1.3%)	1 (0.4%)	69 (30.7%)	88 (39.1%)	64 (28.4%)
4	KADIRS improve revenue generation in the state	4 (1.7%)	4 (1.7%)	7 (3.1%)	98 (43.8%)	111 (49.6%)

Source: Researcher's SPSS Output (2024)

From Table 4.3, responses on question number 1 shows that out of 229 respondents, 7 respondents constituting 3.1% of total respondents strongly disagree, 5 respondent constituting 2.2% of total respondents disagree, 13 respondents that represent 5.8% of total respondents undecided, 141 respondents constituting 62.7% of total respondents agree and 59 respondents that constitute 26.2% of total respondents strongly agree that there is gap in the annual revenue generation.

Responses on question number 2 shows that out of 229 respondents, 2 respondents constituting 0.9% of total respondents strongly disagree, 6 respondent constituting 2.7% of total respondents disagree, 7

respondents that represent 3.1% of total respondents undecided, 74 respondents constituting 32.9% of total respondents agree and 136 respondents that constitute 60.4% of total respondents strongly agree that KADIRS has potentiality to improve its performance.

Responses on question number 3 shows that out of 229 respondents, 3 respondents constituting 1.3% of total respondents strongly disagree, 1 respondent constituting 0.4% of total respondents disagree, 69 respondents that represent 30.7% of total respondents undecided, 88 respondents constituting 39.1% of total respondents agree and 64 respondents that constitute 28.4% of total respondents strongly agree that the revenue sources are not adequately harnessed.

Responses on question number 4 shows that out of 229 respondents, 4 respondents constituting 1.8% of total respondents strongly disagree, 4 respondent constituting 1.8% of total respondents disagree, 7 respondents that represent 3.1% of total respondents undecided, 98 respondents constituting 43.8% of total respondents agree and 111 respondents that constitute 49.6% of total respondents strongly agree that KADIRS improve revenue generation in the state.

Coefficient of Determination

The coefficient of determination is assessed in order to evaluate the amount of variance explained by independent variables on dependent variable.

Table 4.4: Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.924 ^a	.854	.853	.38093	1.678

Source: Researcher's SPSS Output, 2024

Table 4.4 shows that Accountability of Taxes Revenue explain 85% variance in revenue generation. Hair et'al (2011) pointed that R² values of 75%, 50% and 25% to be considered substantial, moderate and weak respectively. In line with the view of Hair et'al (2011), the R-Square value explained by Accountability of Taxes Revenue on revenue generation which stood at 85% is acceptable because it is above 75% which fulfill the condition for the acceptance of R-Square within this value.

Auto Correlation Test

Another requirement of linear regression is the assumption of no auto correlation of the error terms. Norusis (1995) opined that Durbin-Watson can be used to test the independence of error terms. He further explained that the general rule of thumb is that if the Durbin-Watson value is between 1.5 and 2.5, the assumption of independence of the terms is not violated. The result revealed that Durbin Watson coefficient stood at 1.678 as shown in Table 4.4 which falls within the benchmark. This indicates the absence of harmful serial correlation. Therefore, this fulfils one of the assumptions of linear regression.

Table 4.5: ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	189.051	1	189.051	1302.815	.000 ^b
	Residual	32.359	223	.145		
	Total	221.410	224			

Source: Researcher's SPSS Output, 2024



Table 4.4 shows the F statistics which stood at 1302.815 having a p-value of 0.000 which is less than 0.05 indicating that it is significant at 95% confidence level. This implies that the model is fit and the variables are not wrongly selected. Hence, the study can proceed with the regression analysis.

Regression

Table 4.6: Regression Coefficient^a

VARIABLE	B	Std. Error	Beta	T-VALUE	P-VALUE	DECISION
(Constant)	0.725	0.079		9.148	0.000	
H ₀ Acct of Taxes Revenue	0.842	0.023	0.924	36.095	0.000	Significant

a. Dependent Variable: Revenue Generation

Source: Researcher's SPSS Output, 2024

5. Discussion

Hypothesis of the study stated that “accountability of taxes revenue has no significant effect on revenue generation in Kaduna state”. The results from the study revealed otherwise because the coefficient of “accountability of taxes revenue” stood at 0.842 which is positive. This implies that accountability of taxes revenue could lead to an increase in revenue generation. However, the significance of this can be also judged from the t statistics and its significance. The t statistics of “accountability of taxes revenue” stood at 36.095 with a p-value of 0.000, indicating that the relationship depicted in the model is significant at 95% confidence level. This implies that there is no enough statistical evidence to accept the null hypothesis. Based on this analyses, the study reject the null hypothesis which states that “accountability of taxes revenue has no significant effect on revenue generation in Kaduna state”.

By rejecting the null hypothesis, the study confirms that accountability of taxes revenue is crucial for enhancing revenue generation. Therefore the analysis demonstrates a significant and positive effect between the accountability of taxes revenue and revenue generation in Kaduna State. The study's results are consistent with the findings of Modugu et al. (2012), which revealed that “citizens’ perception of government accountability is an instrumental factor that shapes the emergence and maintenance of tax morale, resulting in voluntary tax compliance.” This indicates that when citizens perceive the government as accountable, they are more likely to comply with tax regulations voluntarily, thereby increasing revenue generation.

6 Conclusion and Recommendation

In view of the data presented and analysed as well as the test of hypotheses tested, the findings of this study have considerable implication on unmet expectations of government desire to realized more revenue at its purse for carrying out its responsibilities of delivering required services to the public. One of the implications of the findings is that it will create clear understanding of the complex relationship accountability of taxes revenue and revenue generation. When government is able to utilize its revenue wisely, the action will boost the morale of citizens to comply with the provisions of tax law.

The study recommend that government should strengthen Accountability Measures through regular publicity of detailed reports on tax revenue and its utilization to build public trust; regular independent audits of tax revenue management to ensure accountability and address any discrepancies promptly; and fostering public engagement in budget planning and execution processes to increase the perception of accountability and encourage voluntary tax compliance.

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