



TAXPAYERS' APATHY AND ECONOMIC DEVELOPMENT IN NIGERIA

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Abstract

This study investigates the effect of taxpayers' apathy on the economic development of Nigeria, with focus on tax policy, tax administration, and tax reform. Employing a cross-sectional survey design, primary data were collected through questionnaires administered to 52 respondents drawn from the Institute of Chartered Accountants of Nigeria (ICAN) and the State Inland Revenue Board in Benin City, Edo State. Multiple regression analysis was used to test the hypotheses. Results show that tax policy has a positive and significant effect on economic development, while tax administration exerts a significant negative effect, reflecting administrative inefficiencies. Tax reforms was found to have no significant positive effect on economic development. on economic development. The study concludes that effective tax policy formulation and improved administration are critical for overcoming Taxpayers' apathy for Nigeria's economic development, while existing reforms require better implementation. Recommendations include clarifying tax policies, strengthening administrative capacity, and promoting inclusive tax reform processes to foster sustainable development.

Keywords: tax policy, tax administration, tax reform, economic development

1. Introduction

Taxation is a critical instrument for funding public goods and services such as infrastructure, education, and healthcare (Adeyeye & Fabayo, 2022). In Nigeria, however, tax revenue remains inadequate, largely due to widespread taxpayer apathy viewed in this study as indifference or disengagement from tax matters. This apathy manifests in low compliance, distrust in tax administration, and lack of interest in how tax revenues are utilized (Ajayi & Olusola, 2021; Ibe, 2022). Tax morale, the internal motivation to comply with tax obligations, is crucial for voluntary compliance but remains low in Nigeria due to corruption, poor service delivery, and ineffective governance (Graham & Bruhn, 2022). Dada and Adebayo (2022) also note that Nigeria's vast informal sector poses a challenge to effective taxation.

Weak tax administration further compounds the problem, as tax collection systems are often inefficient and poorly enforced (Brautigam et al., 2019). Although tax reforms such as digital platforms and taxpayer identification systems, have been introduced to address these issues (Oriakhi & Ahuru, 2014). Their success is limited by persistent mistrust and disengagement from citizens (Naiyeju, 2020). Consequently, Nigeria's economic development, which depends on sustainable revenue generation and public investment, continues to face major setbacks. To achieve

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inclusive development, it is imperative to understand the factors driving taxpayers' apathy and to strengthen tax morale, administrative efficiency, and citizen trust in the fiscal system.

Taxation therefore, remains a cornerstone of sustainable national development, providing the revenue base for critical sectors such as infrastructure, health, and education (World Bank, 2021). Yet, Nigeria consistently under performs in this regard, recording one of the lowest tax-to-GDP ratios globally. Despite repeated reforms aimed at broadening the tax base, tax revenue continues to fall short of its potential due in large part to persistent taxpayer apathy manifested in low compliance, misinformation, and civic disengagement (Okoye & Ezejiofor, 2014; Adebayo & Olamide, 2020).

Several empirical studies have focused on behavioural, psychological, and enforcement mechanisms in measuring taxpayers' apathy, yet several fail to sufficiently examine the policy, administrative and reform dimensions. For instance, Dada and Adebayo (2022) concentrated on structural barriers like informality but offered limited insight into policy drivers of apathy including taxpayers' distrust in government policy, inappropriate tax reforms, and low perceived value of public services.

Similarly, Ajayi and Olusola (2021) underscored issues of tax payers' apathy emanating from government mistrust but did not quantify its effect on national development metrics. These studies tend to adopt narrow methodological approaches often omitting qualitative perspectives or failing to disaggregate findings across policy parameters thereby limiting their policy relevance.

Furthermore, few studies directly assess how taxpayer disengagement impairs the fiscal capacity needed for long-term economic diversification and inclusive growth in Nigeria. While Oriakhi and Ahuru (2014) discussed tax reform strategies, they did not link taxpayer response to broader economic outcomes. The lack of integrated analysis that combines tax attitudes, administrative capacity, and developmental impact represents a significant empirical gap.

This study addresses these limitations by investigating the nexus between taxpayer apathy and economic development in Nigeria. It will explore how tax policies, administration, and reforms interact with economic development. By employing a mixed-method approach, the study aims to capture both statistical relationships and stakeholder perceptions, thereby offering a more nuanced understanding of how taxpayers' apathy affect Nigeria's developmental trajectory.

The main objective of this study therefore, was to determine the effect of tax payers' apathy on the economic development of Nigeria. The specific objectives are to:

- (i) Assess the extent to which Nigerian tax policies affect the development of the Nigerian economy.

- (ii) Examine the relationship of Nigerian tax administration and Nigerian economic development.

- (iii) Determine the relationship of Nigerian tax reforms and Nigerian economic development.

2. Literature Review

Conceptual review

Taxpayers' Apathy

Taxpayer apathy, a critical challenge in public finance administration, denotes the widespread indifference and disengagement of citizens from their civic tax obligations, often resulting in low compliance and limited revenue mobilization. This phenomenon is commonly reflected in tax evasion, non-registration with tax authorities, and a general disinterest in the allocation and utilization of tax revenues (Fagbemi et al., 2018).

Underlying this behaviour are factors such as perceived corruption, ineffective public service delivery, inappropriate tax reforms, weak tax administration, lack of transparency, and weak governance structures (Olabisi, 2017). Nigerian tax policies encompass legislation, regulations, and incentives aimed at balancing revenue generation and economic stimulation, but poor drafting and instability have fostered taxpayer apathy, undermining revenue collection and public service delivery (Smith, 2020; Olowookere & Fasina, 2022).

Despite reforms like the Companies Income Tax (1961), the VAT Act (1993), and the National Tax Policy (2012), challenges such as tax evasion, avoidance and overlapping taxation persist, hindering compliance and economic growth (Bird & Zolt, 2021). Digital taxation efforts, including the 2020 Finance Act targeting e-commerce and foreign digital services, aim to expand the tax base, though enforcement remains weak due to informal economy regulation gaps (Olowookere & Fasina, 2022). Overall, distrust in government fund usage and administrative inefficiencies continue to discourage tax compliance, limiting Nigeria's fiscal capacity and economic development.

Tax administration in Nigeria is managed across three levels of government federal, state, and local each tasked with implementing specific tax policies and collecting revenues. However, the system continues to grapple with low revenue performance and widespread disinterest from taxpayers. These problems are partly due to the complexity and duplication of tax regulations, which often confuse taxpayers and discourage compliance.

Moreover, underlying structural issues such as limited public awareness, weak enforcement capacity, unreliable digital infrastructure, and a general mistrust in government contribute to poor engagement with the tax system. Particularly in the informal sector, many citizens feel disconnected from tax obligations, seeing little benefit or service delivery in return.

As observed by Unegbu and Irefin (2016), these systemic inefficiencies and the failure to create a more user friendly, transparent tax environment hinder the country's ability to fully harness its revenue potential. Therefore, meaningful reform must involve both institutional modernization and efforts to foster trust and voluntary compliance among the populace. Tax reforms such as the introduction of the Taxpayer Identification Number (TIN) automated tax systems, and electronic payment platforms have improved tax tracking and compliance efforts, yet issues like overlapping taxes and lack of comprehensive databases continue to hinder effectiveness (Unegbu & Irefin, 2016).

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Corruption and distrust in government, fueled by inadequate public infrastructure, further discourage taxpayers from fulfilling their obligations, weakening revenue collection (Ewa, Adesola & Essien, 2020). Overall, improving taxpayer trust and administrative coordination is crucial for enhancing Nigeria's tax revenue and supporting development.

Taxation in Nigeria has evolved from indigenous practices in the seventeenth century to a formal system beginning with the personal income tax in 1904 and the Native Revenue Ordinance of 1917, which established a legal basis for tax collection (Ola, 2021). Major reforms since the 1980s include the introduction of Value-Added Tax (VAT) in 1993, shifting the tax base from foreign trade to domestic consumption, with adjustments in revenue sharing among federal, state, and local governments over time (Oriakhi & Rolle, 2014).

Further reforms in 2004 and 2012 aimed to create a coherent national tax policy, reduce income tax rates, raise VAT to 15%, and introduce the Tax Identification Number (TIN) system to improve compliance and administration (Federal Inland Revenue Handbook, 2012). These reforms reflect Nigeria's ongoing efforts to modernize its tax system, increase revenue, and support economic growth.

When taxpayers perceive that tax contributions do not yield tangible developmental outcomes, their willingness to comply deteriorates, undermining fiscal capacity and democratic accountability. Empirical studies identify additional causes including poverty, limited public awareness, and deficiencies in tax legislation, which create loopholes for evasion and manipulation (Ogunleye, 2021). Some taxpayers also engage in collusion with revenue officers or misrepresent their earnings, further eroding the efficiency of tax systems.

Konkwo and Ibrahim (2022) note that inadequate knowledge of public expenditure contributes to negative taxpayer attitudes, which could be mitigated through increased transparency. Moreover, government responsiveness through fair tax rates, accountability, and respect for citizens' rights is essential in addressing apathy. As such, taxpayer apathy constitutes a significant impediment to economic development in Nigeria and similar developing economies.

Economic Development

Economic development refers to sustained, coordinated efforts by governments and communities to improve economic well-being and quality of life, encompassing income growth, poverty reduction, improved health and education, and expanded opportunities (Smith, 2020). In Nigeria, key drivers of development include taxation, foreign direct investment (FDI), policy direction, and infrastructure.

Tax revenue is a primary fiscal tool for financing development programs; however, widespread tax evasion and noncompliance significantly hinder Nigeria's economic progress (IMF, 2022). Despite being Africa's largest economy, Nigeria faces challenges such as uneven GDP growth, high unemployment especially among youth and over-reliance on oil exports, which undermine inclusive development (Bello & Danjuma, 2021).

Poor infrastructure raises operational costs and limits competitiveness, while underinvestment in human capital hampers innovation and productivity. FDI, essential for job creation and industrialization, is constrained by corruption, political instability

and policy uncertainty (Ogunleye, 2021). Historical reforms like the Structural Adjustment Program of the 1980s brought limited relief, with structural problems persisting through recent economic shocks such as recessions and the COVID-19 pandemic (Ogunleye & Akinlo, 2016). Digitalization and sectoral diversification offer promise but are undermined by insecurity and governance challenges.

Nigeria's heavy reliance on oil revenue has marginalized tax system development, but fiscal pressures have recently prompted reforms aimed at broadening the tax base and enhancing revenue collection through tools like the Tax Identification Number (TIN) system (Smith, 2020). Nonetheless, low tax administration effectiveness, a large informal economy, and regressive tax structures limit revenue generation (Ogundele, 2020).

Tax incentives can foster investment, yet bureaucratic complexity, policy inconsistency, and corruption erode taxpayer trust and compliance (Uchenna & Agwu, 2021). Strengthening tax administration, improving transparency, and ensuring effective revenue management are crucial to leveraging taxation for sustainable economic growth in Nigeria (Adesina & Bello, 2021). Without such reforms, tax evasion and fiscal instability will continue to impede long-term development.

Fiscal Exchange Theory

Fiscal Exchange Theory, initially formulated by Musgrave (1959), emphasizes the reciprocal relationship between taxpayers and the government. The theory posits that taxpayers are more inclined to comply with tax obligations when they perceive a fair exchange—whereby their tax contributions are matched by tangible benefits in the form of public goods and services (Ogunleye, 2021). This sense of reciprocity fosters voluntary compliance and trust in the fiscal system.

Empirical studies have demonstrated the applicability of Fiscal Exchange Theory in explaining tax compliance behavior. For instance, Ibrahim and Salisu (2023) found that perceptions of government service quality significantly influence taxpayers' willingness to comply. Given the documented challenges in Nigeria such as low government transparency, limited civic engagement, and inadequate public service delivery (Olowookere & Fasina, 2022), this theory provides a robust framework to understand taxpayer apathy and noncompliance in this context. Consequently, Fiscal Exchange Theory is highly relevant for this study as it offers critical insights into how perceived government reciprocity affects tax compliance and, ultimately, economic development in Nigeria.

Empirical review

The empirical literature on tax policies, administration, and reforms in relation to Nigeria's economic development offers a rich and evolving discourse that reveals both the potentials and limitations of Nigeria's fiscal framework.

Nigerian Tax Policies and the Development of the Nigerian Economy

Ibrahim and Salisu (2023) conducted a longitudinal analysis using secondary data spanning from 2012 to 2022 to explore the extent to which tax incentives drive business growth and revenue generation in Nigeria. Their findings confirmed that although tax incentives attract both domestic and foreign investments, administrative inefficiencies and abuse negate their developmental impact. While the study effectively links tax incentives to investment trends, it suffers from limited granularity in addressing specific sectors where such incentives were most effective or abused. A sectoral breakdown would have offered deeper policy relevance.

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Adebayo (2022), who comparatively evaluated direct and indirect taxes, relied on data from entrepreneurs and tax officials and used structural equation modeling to assess the relationship between tax types and sustainable development. The analysis showed that direct taxes foster stronger economic outcomes, whereas indirect taxes though revenue-rich disproportionately affect low-income earners. The study's strength lies in its methodological rigor, but it lacks temporal breadth and fails to differentiate the effects across different income brackets or industry types, limiting the applicability of its recommendations.

Adesina and Bello (2021) examined the influence of corporate tax laws on business sustainability by analyzing panel data from 2010 to 2020. They found that high corporate tax rates negatively affect investment, employment, and profitability. Their call for tax reforms that balance business growth with revenue generation is sound. However, the study could have enhanced its explanatory power by incorporating firm-level data across industries to unpack how tax burdens vary by size and sector. Additionally, the study did not include qualitative perspectives from firms, which would have added depth.

Nigerian Tax Administration and Nigerian Economic Development

Olawale (2023), in contrast, focused on taxpayer behavior, examining whether strict enforcement of tax laws translates into higher revenue and economic growth. Through an opinion survey involving 700 taxpayers from various sectors, he revealed that while simple procedures and incentives improve compliance, aggressive enforcement encourages evasion. This behavioral insight is crucial but limited by its reliance on self-reported data, which can be influenced by social desirability bias. Moreover, the study didn't consider regional differences in enforcement effectiveness.

Bello and Danjuma (2021) also addressed the corporate tax issue, focusing on tax avoidance and its impact on government revenue using ten-year financial data from top Nigerian companies. They found significant revenue losses due to profit shifting to tax havens. The study is important for spotlighting multinational practices, yet it fails to explore regulatory or institutional mechanisms that allow such avoidance to persist. Including interviews with tax administrators or regulators could have bridged this gap.

Konkwo and Ibrahim (2022) used qualitative methods, including focus group discussions in Lagos, Abuja, and Port Harcourt, to assess how transparency in public finance influences tax compliance. They observed that low citizen engagement and opaque budgeting processes reduce compliance motivation. This approach is commendable for incorporating citizens' voices, but its findings are difficult to generalize due to its qualitative nature and limited geographic scope. Nonetheless, the study provides important insights on how improved fiscal governance can strengthen compliance.

Nigerian Tax Reforms and Nigerians Economic Development

Ogunleye (2020) examined how Nigeria's complex tax laws hamper sustainable development. He surveyed 500 stakeholders' legislators, tax administrators, and business owners and found that overlapping levies, ambiguous tax codes, and weak enforcement significantly stifle development. While the wide sample enhances the study's credibility, its heavy reliance on perception-based data undermines its objectivity. Additionally, the study doesn't empirically link complex laws with specific developmental metrics, such as measure of economic development.

3. Methodology

This study employs a cross-sectional survey research design, which facilitates the collection of data at a single point in time (2025) without manipulating variables, thus enabling the description and analysis of existing phenomena. The target population comprises sixty members of the Institute of Chartered Accountants of Nigeria (ICAN) and employees of the State Inland Revenue Board in Benin City, Edo State.

Using the Taro Yamane formula with a 5% significance level, a sample size of fifty-two respondents was determined and selected through convenience sampling based on willingness to participate. As path of Ethical Consideration, the study adhered to ethical research standards by ensuring that participation was entirely voluntary, with respondents given full assurance of confidentiality. Prior to data collection, informed consent was obtained from all participants. Additionally, the researchers affirm that there are therefore, no conflict of interest related to this research.

Primary data were collected via a structured questionnaire divided into two sections: demographic characteristics and constructs aligned with the study objectives, using a five-point Likert scale to capture responses. Content validity was ensured through expert review by academic supervisors, while reliability was assessed using Cronbach's Alpha with a minimum acceptable threshold of 0.70, analyzed in SPSS version 22.

Data analysis involved descriptive statistics to summarize respondent characteristics and inferential statistics specifically, multiple regression to test hypotheses at a 5% significance level. Diagnostic tests such as the Durbin-Watson statistic (for autocorrelation), Breusch-Pagan test (for heteroscedasticity), and Ramsey RESET test (for model specification errors) were employed to ensure the robustness and validity of the regression models.

The study's analytical model is adapted from Ibrahim and Salisu (2023), providing a theoretical framework for examining the relationships among the variables as: $DEV = f(TAXP, TAXA, TAXR)$. The modified model of this study is stated in its functional form below: $DEV = \beta_0 + \beta_1TAXP + \beta_2TAXA + \beta_3TAXR + \varepsilon$; Where: DEV is Development of the Nigerian Economy; TAXP is Nigeria Tax Policies; TAXA is Nigeria Tax Administration; TAXR is Nigeria Tax Reforms; β_0 - Slope, β_1 , β_2 , β_3 - Coefficients, ε - Error term.

4. Results and Discussions

Correlation Analysis

Table 1 displays the correlation matrix, which illustrates the pairwise relationships among the variables included in this study. Correlation analysis is primarily employed to assess both the strength (whether strong or weak) and the direction (positive or negative) of the associations between two or more variables.

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Table 1

Correlation Analysis

		DEV	TAXP	TAXA	TAXR
DEV	Pearson Correlation	1			
	Sig. (1-tailed)				
	N	52			
TAXP	Pearson Correlation	.247*	1		
	Sig. (1-tailed)	.039			
	N	52	52		
TAXA	Pearson Correlation	-.002	.763**	1	
	Sig. (1-tailed)	.493	.000		
	N	52	52	52	
TAXR	Pearson Correlation	.184	.754**	.755**	1
	Sig. (1-tailed)	.096	.000	.000	
	N	52	52	52	52

*. Correlation is significant at the 0.05 level (1-tailed).

**. Correlation is significant at the 0.01 level (1-tailed).

SPSS output, Version 22

Table 1 shows Pearson correlations among Development of the Economy (DEV), Tax Policy (TAXP), Tax Administration (TAXA), and Tax Reform (TAXR). Economic development has a weak but significant positive correlation with tax policy ($r = .247$, $p = .039$), while tax policy strongly correlates with both tax administration ($r = .763$, $p < .01$) and tax reform ($r = .754$, $p < .01$). Tax administration and tax reform also show a strong positive correlation ($r = .755$, $p < .01$). However, economic development is not significantly correlated with tax administration ($r = -.002$, $p = .493$) or tax reform ($r = .184$, $p = .096$), suggesting limited direct influence.

Multicollinearity Analysis

Multicollinearity occurs when independent variables are highly correlated, which can make it impossible to accurately estimate individual parameter coefficients. When multicollinearity is present, the estimated coefficients tend to have inflated standard errors, reducing the reliability of the results. To assess this issue, the study employed the Variance Inflation Factor (VIF) test. The results of this test are presented below:

Table 2

Variance Inflation Factor Test

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	TAXP	.344	2.908
	TAXA	.342	2.922
	TAXR	.354	2.826

Source: Author's Estimation from SPSS 22, (2025)

Table 2 shows the Variance Inflation Factor (VIF) results for the independent variables Tax Policy, Tax Administration, and Tax Reform. All VIF values are below the critical threshold of 10, with corresponding tolerance values above 0.3, indicating no significant multicollinearity among the variables. This confirms that each variable provides distinct information, ensuring the reliability of the regression model. Therefore, the estimates are not biased or inflated due to overlap among predictors.

Regression output

The table below shows the regression results for the tests of hypothesis one, two and three.

Table 3

Regression Output of the effect of Taxpayers' Apathy on the Development of the Nigerian Economy

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients		95.0% Confidence Interval for B	
		B	Std. Error	Beta	t	Sig.	Lower Bound
1	(Constant)	2.989	.550		5.435	.000	1.883
	TAXP	.474	.213	.500	2.226	.031	.046
	TAXA	-.571	.232	-.555	-2.463	.017	-1.038
	TAXR	.211	.207	.226	1.018	.314	-.205

a. Dependent Variable: DEV

Source: Field Survey (2025)

Hypothesis One (H₀₁)

Nigerian tax policies has no significant effect on the development of the Nigerian economy.

The coefficient for tax policy (TAXP) is 0.474 with a p-value of 0.031, which is below the 0.05 significance level. This leads to the rejection of the null hypothesis, confirming that Nigerian tax policies have a significant positive effect on the development of the Nigerian economy. It suggests that effective tax policies play an important role in fostering economic growth.

Hypothesis Two (H₀₂)

There is no significant effect of Nigerian tax administration on the Nigerian economic development.

Tax administration (TAXA) has a coefficient of -0.571 and a p-value of 0.017, also below the 0.05 threshold. This means the null hypothesis is rejected, indicating that tax administration significantly influences economic development. However, the negative coefficient reveals that poor or inefficient tax administration negatively affects Nigeria's economic development.

Hypothesis Three (H₀₃)

There is no significant effect of Nigerian tax reforms on the Nigerian economic development.

The coefficient for tax reform (TAXR) is 0.211 with a p-value of 0.314, which exceeds the 0.05 significance level. Thus, the null hypothesis cannot be rejected, implying that current tax reforms do not have a statistically significant effect on economic development. This outcome suggests that the reforms may not be effectively implemented or may not address the core structural challenges affecting economic growth.

Discussion of results

Nigerian Tax Policies and Economic Development

The results indicate that tax policy positively and significantly affect economic development ($B = 0.474$, $p = 0.031$), supporting the view that well-designed tax policies enhance growth by encouraging investment and compliance. This aligns with Smith (2020) and Bird and Zolt (2021), who emphasize the balance between revenue generation and economic stimulation. However, as Olowookere and Fasina (2022) argue, the effectiveness of tax policy depends on clarity and enforcement, as overlapping laws can induce taxpayer apathy. Thus, simplification and strategic incentives remain critical for sustainable development in Nigeria.

Nigerian Tax Administration and Economic Development

Tax administration negatively and significantly affects economic development ($B = -0.571$, $p = 0.017$), reflecting persistent inefficiencies and corruption that undermine revenue mobilization and public trust. This corroborates findings by Unegbu and Irefin (2016) and Bello and Danjuma (2021), highlighting how administrative weaknesses foster tax evasion and reduce funding for essential sectors. Despite technological reforms, the gap between policy and practice necessitates institutional reforms, capacity building, and enhanced transparency to improve administrative effectiveness.

Nigerian Tax Reforms and Economic Development

Tax reforms do not have a statistically significant effect on economic development ($B = 0.211$, $p = 0.314$), indicating that reform efforts have yet to translate into meaningful economic outcomes. This supports critiques by Ogunleye (2021) and Musa and Adeyemi (2021) regarding weak implementation, limited stakeholder engagement, and mistrust in governance. For reforms to impact development, there must be stronger institutional accountability, citizen involvement, and consistent policy application to convert reform initiatives into tangible progress.

Policy Implication of Result

The positive influence of tax policy on development suggests that policymakers must prioritize the design of clear, fair, and incentive-driven tax laws to foster growth. The adverse effect of tax administration points to urgent institutional challenges such as corruption, inefficiency, and poor service delivery that must be addressed to restore taxpayer confidence and enhance revenue mobilization. The insignificant impact of tax reforms indicates that reform measures require stronger implementation mechanisms and stakeholder engagement to yield tangible economic benefits. These insights are vital for government agencies, tax authorities, and development planners seeking to leverage the tax system for sustainable economic growth.

5. Conclusion and Recommendations

This study examined the effect of the determinants of taxpayers' apathy on the development of the Nigerian economy through the lens of tax policy, tax administration, and tax reforms. The findings reveal that tax policy positively and significantly contributes to economic development, highlighting the critical role of sound tax frameworks.

Conversely, tax administration exerts a significant negative influence, underscoring persistent operational inefficiencies that hinder economic progress. Meanwhile, tax reforms were found to have no significant impact, suggesting that current reform efforts have yet to effectively translate into development outcomes.

Overall, the study concludes that effective tax policy formulation and improved administration are critical for overcoming Taxpayers' apathy for Nigeria's economic growth, while existing reforms require better implementation.

The following recommendations are therefore made:

- (i) The federal government and tax authorities should simplify and clarify tax policies by formulating transparent, fair, and incentive-driven regulations that encourage compliance and promote economic growth.
- (ii) State Inland Revenue Boards and tax agencies need to improve tax administration efficiency through capacity building, enhanced transparency, and adoption of modern technologies to minimize inefficiencies and foster taxpayer confidence.
- (iii) Policy makers and regulatory bodies must ensure effective implementation of tax reforms by establishing rigorous monitoring frameworks and promoting inclusive stakeholder engagement to achieve tangible developmental outcomes.

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