

## ASSESSMENT OF THE IMPACT OF TAX ADMINISTRATION REFORM ON PUBLIC SECTOR PERFORMANCE IN KADUNA STATE, NIGERIA 2014 – 2023.

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### Abstract

*This study assesses the impact of tax administration reform implemented under the State Governance Reform and Capacity Building Project (SGR&CBP) on public sector performance in Kaduna State, Nigeria, from 2014 to 2023. The study adopts an explanatory sequential mixed-methods research design, integrating quantitative and qualitative approaches. The quantitative phase analyses survey data and secondary performance indicators to examine the relationship between tax administration and public sector performance. The qualitative phase complements the findings through in-depth interviews with public officials and relevant stakeholders to provide contextual explanations and capture perceptions of reform implementation and outcomes. The quantitative results indicate that tax administration reform has not produced a statistically significant positive effect on overall public sector performance in Kaduna State. However, qualitative evidence suggests that the reform has contributed to improved internally generated revenue, while highlighting persistent institutional capacity limitations, weak stakeholder engagement, and inadequate staff incentives as major constraints to broader performance gains. The study concludes that although NPM-inspired tax administration reforms show potential, their effectiveness depends on sustained investment in capacity building, inclusive stakeholder participation, and improved incentive structures to achieve meaningful and lasting improvements in public sector performance.*

**Keywords:** Tax Administration, Tax administration reform; Public sector performance; New Public Management; Mixed methods.

### 1.1 Introduction

Taxation constitutes a fundamental pillar of public finance and a critical mechanism through which governments mobilise resources to fulfil their developmental and administrative responsibilities. An efficient tax administration system enhances government capacity to deliver public goods, improve service delivery, and strengthen accountability between the state and its citizens. In many developing countries, including Nigeria, weak tax administration has historically constrained public sector performance due to low compliance, administrative inefficiencies, corruption, and excessive dependence on volatile external revenue sources, particularly oil rents (Bird & Zolt, 2014; Fjeldstad & Moore, 2009).

In response to these persistent challenges, governments worldwide have increasingly adopted tax administration reforms inspired by the principles of New Public Management (NPM). NPM emphasises efficiency, effectiveness, performance measurement, managerial accountability, and the application of private-sector management practices within public institutions (Hood, 1991; Pollitt & Bouckaert, 2017). Within the context of tax administration, NPM-oriented reforms typically include organisational restructuring, automation of tax processes, performance-based management, customer-oriented service delivery, and the use of information and communication technology (ICT) to enhance transparency and reduce leakages (Osborne, 2010).

In Nigeria, the drive for tax administration reform gained renewed momentum following declining oil revenues and growing fiscal pressures on all tiers of government. At the subnational level, state governments are increasingly compelled to strengthen internally generated revenue (IGR) to finance public services and reduce fiscal vulnerability. Consequently, many states have implemented reforms aimed at modernising tax administration, improving compliance, and enhancing institutional efficiency. Kaduna State stands out as one of the reform-oriented states that have undertaken comprehensive tax administration reforms, including the restructuring of the Kaduna State Internal Revenue Service (KADIRS), digitisation of tax collection processes, taxpayer enumeration, electronic payment systems, and enhanced enforcement mechanisms.

From an NPM perspective, these reforms are expected to improve public sector performance by promoting efficiency in revenue collection, enhancing service delivery outcomes, strengthening accountability, and fostering a results-oriented public administration culture (Hood & Dixon, 2015). Increased revenue mobilisation through effective tax administration is assumed to translate into better funding for public services, improved infrastructure, and enhanced institutional performance. However, empirical evidence suggests that the outcomes of NPM-inspired reforms are often context-dependent and shaped by institutional capacity, political commitment, and stakeholder perceptions (Andrews, 2013; Peters, 2018).

Despite the growing implementation of tax administration reforms in Nigerian states, there remains limited empirical research examining how these reforms impact broader public sector performance outcomes, particularly at the state level. Existing studies have largely focused on revenue generation and tax compliance, with insufficient attention given to performance dimensions such as efficiency, service quality, accountability, and citizen trust (Ariyo & Bekoe, 2012; Olaoye & Atilola, 2018). Moreover, many prior studies rely predominantly on either quantitative or qualitative approaches, thereby limiting the depth of insight into both the measurable outcomes and the lived experiences of public officials and taxpayers.

To address these gaps, this study adopts a mixed-methods research design, combining quantitative analysis of tax administration reform indicators and public sector performance measures with qualitative insights from key stakeholders. The mixed-methods approach enables a more comprehensive understanding of not only whether tax administration reforms have affected public sector performance in Kaduna State, but also how and why such impacts occur within the institutional and administrative context. This methodological integration is consistent with NPM's emphasis on performance measurement while also recognising the importance of managerial behaviour, organisational culture, and stakeholder perceptions.

Accordingly, this study examines the impact of tax administration reform on public sector performance in Kaduna State, Nigeria, through the lens of New Public Management theory. By empirically linking reform initiatives to performance outcomes and contextual experiences, the study contributes to ongoing debates on public sector reform effectiveness in developing economies and provides policy-relevant insights for strengthening fiscal governance and public service delivery at the subnational level.

### **Statement of the Research Problem**

Effective tax administration is widely recognised as a cornerstone of fiscal sustainability and public sector performance, particularly in developing economies where governments face increasing demands for service delivery amidst constrained resources. In Nigeria, persistent challenges such as low tax compliance, administrative inefficiency, corruption, and weak institutional capacity have historically undermined revenue mobilisation and limited the ability

of governments to deliver quality public services. These challenges have been especially pronounced at the subnational level, where state governments rely heavily on federal allocations that are vulnerable to economic volatility.

In response, Kaduna State implemented comprehensive tax administration reforms under the State Governance Reform and Capacity Building Programme (SGR&CBP) beginning in 2014. These reforms, consistent with New Public Management (NPM) principles, emphasised efficiency, automation, performance management, customer orientation, and institutional strengthening within the tax administration system. The expectation was that improved tax administration would enhance internally generated revenue, reduce leakages, promote accountability, and ultimately translate into improved public sector performance.

Despite nearly a decade of reform implementation, there remains limited empirical evidence on whether and to what extent these tax administration reforms have achieved their intended performance outcomes in Kaduna State. Existing studies in Nigeria have largely focused on revenue generation and tax compliance, with insufficient attention paid to broader dimensions of public sector performance such as service delivery efficiency, institutional effectiveness, accountability, and stakeholder satisfaction. Moreover, many studies adopt single-method approaches that either quantify reform outcomes without contextual explanation or provide qualitative insights without robust empirical validation.

This gap in evidence poses a critical problem for policymakers and public administrators, as the absence of rigorous, context-specific evaluation makes it difficult to determine whether ongoing tax administration reforms are yielding value for money or merely replicating reform models without tangible performance gains. Without a comprehensive assessment that integrates measurable performance indicators with stakeholder perspectives, the effectiveness of tax administration reform as a tool for improving public sector performance remains uncertain.

This study, therefore, addresses this problem by systematically examining the impact of tax administration reform on public sector performance in Kaduna State between 2014 and 2023, using a mixed-methods approach grounded in New Public Management theory. By linking reform inputs to performance outcomes and institutional experiences, the study provides evidence-based insights to inform policy decisions and strengthen public sector reform strategies at the subnational level in Nigeria.

### **Research Question**

Flowing from the foregoing discussion, this study seeks to address the following research question:

To what extent has the tax administration reform impacted public sector performance in Kaduna State, Nigeria, between 2014 and 2023.

### **Objective of the Study**

The main objective of this study is to assess the impact of tax administration reform on public sector performance in Kaduna State, Nigeria, from 2014 to 2023.

### **Research Hypothesis**

The following null hypothesis is formulated:  $H_0$ : Tax administration reform has no significant impact on public sector performance in Kaduna State, Nigeria.

## 2.1 Literature Review and Theoretical Framework

The literature relevant to the research topic was reviewed to provide the study with conceptual clarification of the terms used and empirical studies reviewed, which exposed the research to the opinions and research findings of experts relevant to this study. The study equally provided a relevant theoretical framework.

### Concept of Public Sector Performance

Several scholars have explored the concept of public sector performance from various perspectives, considering factors such as efficiency, accountability, and responsiveness in the public sector.

The World Bank (2023) defines public sector performance as the efficiency and effectiveness with which public institutions deliver services and achieve policy objectives. It encompasses the processes and outcomes associated with governmental functions, aiming to meet the needs and expectations of citizens. A performance-oriented public sector emphasises results and impact, ensuring that achievement aligns with set goals and contributes to societal well-being.

Bovaird & Finkelstein (2023) argue that understanding public sector performance involves recognising the multifaceted nature of public sector operations and the need for robust performance management systems to ensure accountability, transparency, and the efficient use of resources in delivering public services.

Tekhena. (2023), a Meta review of public sector performance management research underscores the complexity of measuring and managing performance in public organisations. The review suggests that while performance management systems are widely implemented, their effectiveness varies, and challenges persist in achieving intended improvements.

Boyne (2023) explains the determinants of public sector performance by arguing that it can be evaluated through factors such as organisational capacity, environmental pressures, and management practices. In his work, Boyne emphasizes that sector performance is influenced by a combination of internal resources and external constraints. He highlighted that performance can improve through management reform, a focus on public sector outcomes, and efficiency gains. Andrews & Van de Walle (2013) suggested that citizen satisfaction and trust are key elements of public sector performance. Their study highlights that performance is often judged by the public not only in terms of efficiency but also through transparency, fairness, and responsiveness. Citizens' perceptions of public services are crucial, and better performance often correlates with increased public trust.

These scholars provide a range of perspectives on public sector performance, from efficiency and citizen satisfaction to democratic accountability and the influence of external contexts. Together, they highlight the complexity of measuring and improving public sector performance in various governance settings such as efficiency, accountability, transparency and citizen satisfaction.

### Concept of Tax Administration

World Bank (2021), defines tax administration as the set of procedures, regulations, and systems that governments use to administer taxes, covering taxpayer services, audits, enforcement, and dispute resolution. Effective tax administration supports transparency, compliance, and revenue mobilisation.

Gallagher (2020) defines tax administration as the organisational structure and procedures the government employ to assess, collect, and enforce taxes, focusing on maximising compliance and minimising tax evasion through audits, enforcement, and taxpayer education.

The European Commission (2021), defines tax administration as the application of a country's tax laws through a range of administrative functions, such as registration, assessment, collection, enforcement and taxpayer services, aimed at securing compliance and ensuring the efficient collection of public revenues.

These views emphasised the role of tax administration in ensuring compliance, optimising revenue collection, and integrating a modern system for efficiency and transparency

Alink and Kommer (2021) stated that tax administrations administer taxes. They implement and enforce tax laws and receive their mandates by law. Tax Administrations, like private companies and other organisations, have a core business. The core business of Tax Administrations is the levying and collection of taxes imposed by law. It is important that tax administrations establish a clear definition of their core business from the outset and make it known to their stakeholders. The core functions of a tax administration include, inter alia: registration of taxpayers, including detection of non-registration and false registration; processing of tax returns, withholdings and third-party information; verification or examination of the correctness and completeness of received information (including audit activities); assessment of taxes due; process of enforced debt collection; handling of administrative appeals and complaints; provision of service and assistance to taxpayers; detection and prosecution of tax fraud; and imposing of penalties and interest payments.

Gurama and Mansor, (2015). Sees tax administration as a body responsible for implementing and governing the tax laws and other tax related matter. They are held responsible for assessing, collecting, and administering tax processes. Tax administration therefore entails the registration, assessment, returns, collection, compliance monitoring, compliance enforcement, sanction, taxpayer education and awareness, as well as any other action that might increase the efficacy and efficiency of taxation.

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Federal Inland Revenue Service (FIRS) is the body that is responsible for the administration of taxes that are due to the federal government. The various state boards of internal revenue administer taxes that are due to state governments while local government revenue committees administer taxes that are due to local governments. However, the joint tax board advises, harmonises double taxation, and propose an amendment.

To identify a good tax administration system, Okpolicy (2020) maintained that it should meet five basic conditions: fairness, adequacy, simplicity, transparency, and administrative ease. Although opinions about what makes a good administration tax system will vary, there is consensus that these five basic conditions should be maximised to the greatest extent possible. Firstly, fairness or equity, means that everybody should pay a fair share of taxes. There are two important concepts of equity: horizontal equity and vertical equity. Horizontal equity means that taxpayers in similar financial conditions should pay similar amounts in taxes. Vertical equity means that taxpayers who are better off should pay at least the same proportion of

income in taxes as those who are less well off. Vertical equity involves classifying taxes as regressive, proportional, or progressive. Regressive tax: A tax is regressive if those with low incomes pay a larger share of their income in taxes than those with higher incomes. Almost any tax on necessities, such as food purchased at a grocery store, is regressive because lower-income people must spend a larger share of their income on these necessities. Oklahoma's sales tax is one example. Proportional tax: A tax is proportional if all taxpayers pay the same share of their income in taxes. No taxes are truly proportional. Property taxes often come closest since there is typically a close relationship between a household's income and the value of the property in which they live. Corporate income taxes often approach a proportional tax because one rate applies to most corporate income. Progressive tax: A progressive tax requires higher-income individuals to pay a higher share of their income in taxes. The philosophy behind progressive taxes is that higher-income people can afford and should be expected to provide a bigger share of public services than those who are less able to pay. The personal income tax is the best example of a progressive tax.

While no system of taxes is perfect, it is important to seek horizontal equity because taxpayers must believe they are treated equally. It is just as important to seek vertical equity, so government does not become a burden to low-income residents.

Secondly, adequacy means that taxes must provide enough revenue to meet the basic needs of society. A tax system meets the test of adequacy if it provides enough revenue to meet the demand for public services, if revenue growth each year is enough to fund the growth in cost of services, and if there is enough economic activity of the type being taxed so that rates can be kept relatively low. Thirdly, simplicity means that taxpayers can avoid a maze of taxes, forms and filing requirements. A simpler tax system helps taxpayers better understand the system and reduces the costs of compliance. Fourthly, transparency means that taxpayers and leaders can easily find information about the tax system and how tax money is used. With a transparent tax system, we know who is being taxed, how much they are paying, and what is being done with the money. We can also find out who (in broad terms) pays the tax and who benefits from tax exemptions, deductions, and credits. Fifthly, administrative ease means that the tax system is not too complicated or costly for either taxpayers or tax collectors. Rules are well known and simple; forms are not too complicated; the state can tell if taxes are paid on time and correctly, and the state can conduct audits fairly and efficiently. The cost of collecting a tax should be very small in relation to the amount collected.

From the discussion so far, it has become clear that tax administration entails the responsibility of the government with regard to the levying and collection of taxes imposed in the state by law. The main activities of tax administration have to do with tax registration, processing of tax returns, assessment of tax due to the government, handling of administrative appeals and complaints, provision of service and assistance to taxpayers, detection and prosecution of tax fraud and imposing of penalties and interest payments. Adequate tax administration is essential in view of the importance of tax revenue to the government. Tax constitutes an integral part of the revenue profile of the government. Therefore, for tax administration to be effective, the authority responsible for tax administration has to be in a position to effectively discharge its task diligently. In Kaduna State, there was weak tax registration and internally generated revenue, which led to dependence on revenue from the federal government. This called for reform in the sector to enable the tax authority to carry out its responsibilities efficiently.

### **3.1 Research Methodology**

This study adopted an explanatory sequential mixed-methods research design to assess the impact of the tax administration reform on public sector performance in Kaduna State, Nigeria.

The design involved an initial quantitative phase followed by a qualitative phase to further explain and contextualise the quantitative findings. This approach enabled a comprehensive understanding of the reform outcomes by integrating numerical evidence with in-depth stakeholder perspectives.

The study population comprised staff of five key stakeholder Ministries, Departments, and Agencies (MDAs): Kaduna State Planning and Budget Commission, Ministry of Finance, Office of the Auditor-General (State Audit), Kaduna State Internal Revenue Service, and the Office of the Head of Service, totaling 770 staff. Using the Research Advisors (2006) sample size determination table at a 95% confidence level and 5% margin of error, a sample size of 260 was derived. An additional 10% was included to account for non-response, resulting in 286 questionnaires administered proportionately across the MDAs. A total of 261 valid questionnaires were returned, representing a 91.3% response rate.

Judgmental (purposive) sampling was employed due to the unavailability of a comprehensive staff sampling frame, ensuring the selection of respondents with relevant knowledge of the reform process. Primary data were collected through structured questionnaires adapted from established studies and measured using a five-point Likert scale. To complement the survey data, semi-structured interviews were conducted with two senior officers from each MDA and representatives of civil society organisations.

Quantitative data were analysed using SPSS (Version 25), employing descriptive statistics as well as inferential techniques, including correlation and regression analyses. Qualitative data from interviews were used to explain observed quantitative patterns and provide deeper insights into institutional and implementation dynamics.

#### 4.1 Data Analysis

##### Preliminary Analysis

According to Pallant (2010), some preliminary analysis needs to be carried out to address some research questions through a particular statistical analysis. Additionally, Hair, et. al (2010) added that underlying assumptions related to the application of multivariate techniques need to be examined fundamentally and data screened in order to allow the researcher to understand the nature of the data used for analysis. However, to perform such preliminary analysis, the data needs to be encoded according to the research requirements and entered into a specific data file selected by the researcher (Aminu, 2015). Therefore, in this study, the researcher used SPSS 25 version of the software package for coding, missing value analysis, normality test of data distribution and multicollinearity test.

##### Descriptive Statistics Based on Mean and Standard Deviation

Apart from the descriptive statistics presented using frequencies and percentages, the presentation here is based on mean and standard deviation. The statistics of the latent variables of the study are presented as shown in Table 1.

**Table 1 Mean and standard deviation**

| Variable                  | Mean   | Std Deviation | N   |
|---------------------------|--------|---------------|-----|
| Public Sector Performance | 3.4682 | 0.81756       | 261 |
| Tax Administration        | 3.6069 | 0.60188       | 261 |

Source: Researchers' SPSS output, 2024.

The mean and standard deviation of all the latent constructs were computed based on the Likert 5-point scale, where 1= strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, and 5 = strongly agree. By implication, any mean response of 1 – 2.49, 2.50 – 3.49 and 3.50 – 5.00 may be rated below average, average and above average, respectively.

Evidence from Table 1 showed the mean as well as the standard deviation of public service performance to be 3.4682 and 0.81756, which indicates that the level of agreement with the statement on public sector performance of the respondents is average. Similarly, tax administration has a mean and standard deviation of 3.6069 and 0.60188, respectively, which indicates that the respondents' level of agreement with the statement on tax administration is above average.

Therefore, on a 5-point Likert scale anchored on different degrees of agreement, the study variables are rated high, indicating the respondents' agreement with the statements on the construct. This suggested that, on average, the scores recorded on the variables of the study were considerably in agreement with the questions.

### **Inferential Statistical Analysis**

This is a set of methods used to make predictions or draw conclusions about the population based on data from a sample. While descriptive statistics summarise and describe the data at hand, inferential statistics go a step further to test hypotheses based on the collected data.

### **Regression analysis**

Regression analysis is a statistical method used to examine the relationship between variables, particularly to assess how the value of a dependent variable changes based on changes in one or more independent variables. It helps determine the strength and type of relationships (Field, 2018).

### **Assumptions of Regression Analysis**

Regression analysis, as a parametric tool that uses empirical study to arrive at conclusions, has certain assumptions that must be fulfilled to authenticate the conclusions. The data upon which the test is carried must meet some of the regression assumptions of the coefficient of determination, autocorrelation and multicollinearity. This section presents the necessary tests for these assumptions as they relate to the data used in this study.

**Table 2: Model Summary**

| Model | R                  | R Square | Adjusted Square | R | Std. Error of the Estimate | Durbin-Watson |
|-------|--------------------|----------|-----------------|---|----------------------------|---------------|
| 1     | 0.642 <sup>a</sup> | 0.412    | 0.401           |   | 0.63278                    | 1.583         |

Source: Researcher's SPSS Output, 2024

- a. Predictors: (Constant), Tax Administration.
- b. Dependent Variable: Public Sector Performance.

Table 2 shows that tax administration explains 41% variance in public sector performance. Hair et'al (2010) pointed out that R<sup>2</sup> values of 75%, 50% and 25% are considered substantial, moderate and weak, respectively.

However, Ozili (2023) categorizes R-Square as negative, low and acceptable. He explained that linear model that reports a negative R-Squared should be rejected because the model shows that the explanatory variables do not predict the changes in the dependent variable; R-squared

between 0 and 0.09 (0% to 9%) is too low for an empirical model in social science research and this range of R-squared is not acceptable, so it should be rejected; R-squared that is between 0.10 and 0.50 (10% to 50%) is acceptable only under the condition that some or most of the explanatory variables are statistically significant; and R-squared between 0.50 to 0.99 is acceptable especially when most of the explanatory variables are statistically significant.

In line with the view of Ozili (2023), the R-Square value explained by the independent variable on public sector performance, which stood at 41%, is acceptable because it is within the acceptance range of 10-50%, which fulfils the condition for the acceptance of R-Square within this range.

### Auto-correlation test

Another requirement of linear regression is the assumption of no autocorrelation 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 1.583, as shown in Table 2 which falls within the benchmark. This indicates the absence of harmful serial correlation. Therefore, this fulfils one of the assumptions of linear regression.

**Table 3. Regression Table**

| VARIABLES          | B      | Std. Error | Beta  | T-Statistics | P-Value |
|--------------------|--------|------------|-------|--------------|---------|
| (Constant)         | -0.205 | 0.316      |       | -0.648       | 0.518   |
| Tax Administration | 0.126  | 0.075      | 0.093 | 1.687        | 0.093   |

a. Dependent Variable: Public Sector Performance

**Source: Researcher's SPSS Output, 2024**

### Hypothesis

H<sub>0</sub>: There is no significant impact of tax administration reform and public sector performance in Kaduna State.

The coefficient of tax administration is 0.126, which is positive. This indicates that tax administration and public sector performance are positively related. However, the significance of this can be justified in the t-statistic and p-value. The t-statistic of tax administration is 1.687 with its p-value of 0.093, indicating that the relationship depicted from the model is insignificant at a 95% confidence level. This implied that there is no evidence to reject the null hypothesis, which states that "there is no significant impact between tax administration reform and public sector performance in Kaduna State". The study, therefore, fails to reject the null hypothesis.

### Discussion of Findings

To make meaning of the data gathered and its analyses, discussing the findings makes the phenomenon very clear and understandable. Additionally, most of the data analysed were authenticated by means of secondary data and interview results. The study had earlier presented a hypothesis to accomplish the set objective stated in the introduction of the research.

The null hypothesis states that there is no significant impact of tax administration reform and public sector performance in Kaduna State. From the result of the test of the hypothesis, the positive coefficient of 0.126 suggests a positive but statistically insignificant impact on public

sector performance in Kaduna State. However, this relationship is statistically insignificant as evidenced by the t-statistic of 1.687 and the p-value of 0.093 at a 95% confidence level; these values imply that there is insufficient evidence to reject the null hypothesis. As a result, the study fails to reject the hypothesis that states there is no significant impact of tax administration reform on public sector performance. The finding revealed that tax administration reform has not impacted public sector performance. The justification for this result could be the insufficiency of incentives to the staff responsible for tax administration in the state. Despite the various innovations introduced in the process of tax administration, which are very evident, the inadequacy of incentives could be responsible for the result obtained in this study.

The qualitative feedback from key informants at the Kaduna State Internal Revenue Service (KADIRS) supports the quantitative findings. Staff members noted that the tax administration has indeed resulted in increased internal revenue generation, largely facilitated by the provision of ICT infrastructure that has improved the efficiency of tax collection. However, they also highlighted challenges, particularly regarding insufficient incentives for staff, which may affect their overall performance and the broader impact of tax reform on public sector performance.

This result highlights that while tax administration reform may have a positive correlation with public sector performance, its impact is not substantial enough to be considered statistically significant within the context of this study. These findings contrast with other studies that have shown a stronger link between tax reforms and economic or public service performance.

For example, Jelilov, Abdulrahman, and Isic (2016) found that tax reforms significantly impacted Nigeria's economic growth, suggesting that favourable tax reforms improve government revenue generation, allowing for increased funding of essential services. However, their study focused on economic growth rather than public service performance, and it covered Nigeria as a whole, rather than the specific context of Kaduna State. This difference in scope and focus highlights that while tax reforms may drive economic growth, their direct effect on public service performance may not always be as pronounced.

Similarly, Mbufu (2013) examined the relationship between revenue collection and service delivery in local governments in Tanzania. His findings indicated that revenue collection significantly impacted service delivery, showing that revenue increases led to improved service provision. However, this study was focused on the overall revenue collection process rather than specific reforms in tax administration. In contrast, the current study in Kaduna State examines a more specific aspect of revenue generation: tax administration.

While there is some evidence that the tax administration has positively affected public sector performance, the impact is not statistically significant. The qualitative insights further suggest that although infrastructure improvements have been beneficial, challenges such as inadequate staff incentives may hinder the full potential of tax reform in improving public service performance. This suggests that while tax administration reform is a step in the right direction, more targeted interventions may be needed to achieve significant improvements in service performance.

### **5.1 Conclusion and Recommendation**

From the results obtained in the study, there is evidence that the implementation of the tax administration reform has not significantly impacted public sector performance in Kaduna State. The study, therefore, submits that persistent challenges need to be addressed to fully leverage the potential of tax administration reform.

Based on the results derived from the major findings of this study, we therefore recommend the reassessment of the tax administration reforms to identify areas for improvement. Consider providing additional training for tax administrators and using technology to enhance tax collection processes. Strengthening the reform through better technology and training will likely enhance its effectiveness and impact on public sector performance. Also, for tax administration to achieve the objective of enhancing public sector performance, the staff responsible for tax administration in the state should have comprehensive incentive packages.

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