
By Aliyu, Ahmed Alhaji & Moshood Abdulrasheed Abiola

Abstract- Taxation being the primary source of revenues to government is an important economic tool in attaining economic growth and sustainability. Thus, this research examines the position of taxation in Nigeria fourth republic economy. The study adopted a descriptive and historical research design; secondary data for nineteen years (1999 - 2018) were collected from various issues of the Central Bank of Nigeria (CBN) statistical bulletin and annual reports. Tax revenue as an independent variable was measured with Direct taxes and indirect taxes and Nigerian economy measured using Real Gross Domestic Product. The data was analyzed using multiple regression analysis to establish the relationship between the dependent and independent variables. Durbin Watson test carried out and multicollinerity test using the VIF factor. From the study, we examined that, tax revenues are significant to economic growth in Nigeria. The study concluded that, direct taxes have positive relationship with economic growth and indirect taxes have negative relationship with Nigerian economy.

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1. Introduction

Tax revenue is undoubtedly the most recognized primary source of government revenue in the world. The Nigerian government have been working immensely in diversification of economy, because, revenue accrued from crude oil is topping the revenue accrued chart since its discovery in the 1970s. Therefore, tax is a major player in every society of the world (Azuibike, 2009). Taxation is an important fiscal policy instrument at the disposal of governments to mobilize revenue and promote economic growth and development. The tax system is an avenue for government to use in collecting additional revenue needed in discharging its pressing obligations. A tax system is one of the most effective means of mobilizing a nation’s internal resources and it lends itself to creating an enabling environment to promote economic growth. Towing this line of argument, Nzotta (2007), also argued that taxes constitute key sources of revenue to the federation account shared by the federal, state and local governments. Hence, a tax policy represents key resource allocator between the public and private sectors in a country.

The role of government to provide for public (utilities) goods like roads, communication, power, education and health and so on, continue to rise over the years, due to progressive increases in the population of the people in Nigeria in the fourth republic. This has put the Nigerian government on its feet to deliver well and sound growth and development of the economy, by achieving various macroeconomic objectives: favorable inflationary rate, high employment, sustainable economic growth, price stability, long viability of the balance of payments and external equilibrium. To achieve these, the government requires funds to carry out these duties and responsibilities, and the funds can be generated from tax revenue from the citizens and organizations either on the base on residence or income sources. Effective tax revenue mobilization reduces an economy’s dependence on external flows which is highly volatile. Taxation also allow governments’ greater flexibility in designing and controlling their development agenda; conditions states to improve their domestic economic policy environment, thus creating a favorable environment for the much-needed foreign direct investments; and strengthen the bonds of accountability between governments and the citizens. The 2008/2009 global financial and economic crisis provided useful lessons for countries on the need to direct more attention to domestic resources mobilization efforts, including through increasing tax revenues. In recent time, the minister of finance Ahmed Zainab (2019) said “the problem of the Nigerian economy is not the increasing rise in the public expenditure procurement and public debts profile, but ability to generate sufficient revenues from different channels of the economy”. Thus, government use tax proceeds to render their traditional functions, such as the provision of public goods, maintenance of law and order, defence against external aggression, regulation of trade and business to ensure social and economic maintenance.

However, the use of tax as a source of revenue generation in financing development activities in Nigeria has been a difficult issue. It is evidence that the role of
taxation in promoting economic growth and development in Nigeria is far fetch, primarily because of its poor administration. The major challenges facing tax administration in Nigeria include frontiers of professionalism, poor accountability, lack of awareness of the public on the imperatives and benefits of taxation, corruption of tax officials, tax avoidance and evasion by taxing units, connivance of taxing officials with taxing population, high rate of tax, poor method of tax collection, and so on. Tax administration and individual agencies suffer from limitations in labour, money, tools and machinery to meet the ever-increasing challenges and difficulties. In fact, the negative attitude of most tax collectors toward taxpayers can be link to poor remuneration and motivation. There is also the problem of accuracy of tax statistics. Apart from some few states such as Delta, Lagos, Kaduna and Katsina and the Nigerian Customs Services, where tax are known to be well kept, other agencies of the states and relevant federal tax offices have serious failures in data management. On tax compliance, Statistically, Nigeria has 6% tax to GDP, which considered one of the lowest tax compliance rates in the world; Ghana has 15% and South Africa tax compliance rate stood at 24%. Nigeria's tax compliance is 6% suggesting that there is huge tax evasion and tax avoidance. Over 200,000 companies registered in Nigeria and never paid any tax, which creates setbacks to what is been generated from tax. Several other effects of taxation can also be identified. First, taxes can inhibit investment rate through high tax rates such as corporate and personal income, capital gain taxes. Second, taxes can slow down growth in labour supply by disposing labour leisure choice in favour of leisure. Third, tax policy can affect productivity growth through its discouraging effect on research and development expenditures. Fourth, taxes can lead to a flow of resources to other sectors that may have lower productivity. Finally, high taxes on labour supply can distort the efficient use of human capital high tax burdens even though they have high social productivity.

In Nigeria, however, tax revenue accrued is a major concern, which has lead to many studies on impact of tax revenue on economic growth in Nigeria. Oduosola (2004) in his study asserted that, the tax system is lopsided and dominated by oil revenue which accounted for at least 70% of the revenue; this indicates that traditional tax revenue has never assumed a strong role in the country’s management of fiscal policy. In the same vein, (Festus & Samuel 2007) observed that, Revenue generated through tax has not meet the expectation of government. Government has equally expressed this disappointment and is working towards expanding the non oil tax revenue. Despite the lofty position of crude oil revenue accrued in the economy, it is practically impossible to achieved development along the economic growth in Nigeria if much revenue is not generated from other channels of revenue generation, most especially tax revenue. Thus, no economy, anywhere in the world can deliver sustainable long-term growth, without volatility if tax revenue is at 6% of GDP, (Kemi Adeosun 2017). Therefore, many questions posit themselves, has tax revenue generated triggered economic growth in Nigeria? How much have been accrued from tax revenue in the fourth republic to finance teeming government expenditures? Has tax revenue accrued positively or negatively impacted on the Nigerian economy? All this constitute part of the objective of the study.

Specifically, in the light of the forgoing, this study is directed toward examining the position of taxation in Nigerian fourth republic economy (1999-2018).

II. LITERATURE REVIEW

a) Concept of Taxation

Taxation is the process of imposition of compulsory levies on individuals or entities by government. Taxes are levied in almost every country of the world, primarily to raise revenue for government expenditures. Taxation refers to the practice of government collecting money from its citizens to pay for public services. According to Anyanwu (1997), a tax is a compulsory levy imposed by the government on individuals, companies, goods and services to raise revenue for its operations and to promote social equity through the redistribution of income effect of taxation. In line with this frame of thought, taxation is a source of government revenue by which individuals and corporate bodies are mandatorily required to pay certain proportion of their earnings to the government for the course of development. In addition, Bhatia (2003) defined tax as a compulsory levy payable by an economic unit to the government without any corresponding entitlement to receive a definite and direct benefit from the government. Note, the word direct here does not mean a price paid by the tax payer for any definite service rendered or a commodity supplied by the government. Rather it means that the benefits received by tax payers from the government are not related to or based upon the tax paid by the tax payers. This in effect implies that tax is a generalized exaction, which may be levied on one or more criteria upon individuals, groups, or the legal entities. Abomaye-Nnimenibo (2017) is of the view that, tax is a compulsory contributions made by animate and inanimate beings to government being a higher authority either directly or indirectly to fund its various activities and any refusal is meted with appropriate punishment. Gyani (1990), went on to say that tax is a compulsory contribution imposed by the government on citizens in accordance with legislative provisions and paid by them through agents to defray the cost of administration. Taxation in summary is the transfer of income or resources from the private sector to the public sector in order to enable the
public sector to carry out some, if not all of the Nation’s economic and social goals. The goals may be in the form of provision of Government basic services regularly and particularly in the educational, public health, transportation sectors, amenities and capital formation. Taxes may be levied upon wealth or income or in the form of surcharge on prices.

There are two types of taxes, and they are direct and indirect taxes which differs only in terms of the taxpayers’ awareness or in awareness of the incidence of a particular tax. The burden of the tax is distributed among the taxpayer who bears the tax payment knowingly or unknowingly. The tax burden is incidentally collected from the tax payers proportionally, progressively and/or regressive and they differ from one another on the bases of the relationship between tax base and tax rate.

b) Direct Tax

This is a tax that is levied directly on a person or company and such a person or company is expected to pay the tax, as the taxpayer has been advised by notification, called assessment notice. Any tax authority personnel so empowered to collect tax and who did not comply with the above is a quack and an impostor. The taxpayer must be notified of the incidence of such tax (Abomaye-Nimenibo, 2017). Therefore, Direct tax is a tax levied directly on the income and property of individuals and Companies which includes the following: Personal income tax, Company income tax, Petroleum Profit tax, Capital gains tax etc.

c) Indirect Tax

These are taxes levied on persons or groups who are not intended to bear the burden or incidence but who will shift them to other people. They are normally levied on commodities or services which incidence does not fall directly on the producer or first payer but on the final payers and consumers. They include; Custom duty, excise duty, Stamp duties and Value added tax.

The Nigerian economy has undergone series of changes over time with different policy regimes up to 1990; the economy witnessed some gains which were associated with increased deregulation and liberalization in economic management. However, the scenario changed in 1999, with the return of democratic governance in the country. Democratic governments have introduced series of reforms that were aimed at redressing the distortions in the economy and to restore economic growth following the period of economic decline. In 2004, the government’s economic agenda was formally launched and tagged the National Economic Empowerment and Development Strategy (NEEDS). Within the context of the Central Bank of Nigeria (CBN), a medium-term policy framework adopted since 2002 was to free monetary policy implementation from the problem of time inconsistency and minimize over-reaction to temporary shocks.

However, periodic amendments are constantly made to the policy guidelines in the light of developments in the financial markets and performance of the economy. Thus, in 2005, some new reforms were introduced as “amendments and addendum” to the 2004/2005 monetary policy circular. Even though, emphasis on techniques and instruments to achieve these objectives continually changed over the years, the authority has continued to sanitize and restructure the financial sector. Thus, in 2004 the banking sector consolidation was initiated aimed at recapitalizing the banks and ensuring a sustainable and stable financial system that would support the real sector of the economy.

d) Theories of Taxation

i. Benefit Theory

According to this theory, the state should levy taxes on individuals according to the benefit conferred on them. The more benefits a person derives from the activities of the state, the more he should pay to the government. This principle has been subjected to severe criticism on the following grounds: Firstly, If the state maintains a certain connection between the benefits conferred and the benefits derived. It will be against the basic principle of the tax. A tax, as we know, is compulsory contribution made to the public authorities to meet the expenses of the government and the provisions of general benefit. There is no direct quid pro quo in the case of a tax. Secondly, most of the expenditure incurred by the state is for the general benefit of its citizens, it is not possible to estimate the benefit enjoyed by a particular individual every year. Thirdly, if we apply this principle in practice, then the poor will have to pay the heaviest taxes, because they benefit more from the services of the state. If we get more from the poor by way of taxes, it is against the principle of justice?

ii. The Cost of Service Theory

Some economists were of the opinion that if the state charges actual cost of the service rend from the people, it will satisfy the idea of equity or justice in taxation. The cost of service principle can no doubt be applied to some extent in those cases where the services are rendered out of prices and are a bit easy to determine, e.g., postal, railway services, supply of electricity, etc. But most of the expenditure incurred by the state cannot be fixed for each individual because it cannot be exactly determined. For instance, how can we measure the cost of service of the police, armed forces, judiciary, etc., to different individuals? Dalton has also rejected this theory on the ground that there is no quid pro qua in a tax.
iii. Ability to Pay Theory

The most popular and commonly accepted principle of equity or justice in taxation is that citizens of a country should pay taxes to the government in accordance with their ability to pay. It appears very reasonable and just that taxes should be levied on the basis of the taxable capacity of an individual. For instance, if the taxable capacity of a person A is greater than the person B, the former should be asked to pay more taxes than the latter. It seems that if the taxes are levied on this principle as stated above, then justice can be achieved. But our difficulties do not end here. The fact is that when we put this theory in practice, our difficulties actually begin. The trouble arises with the definition of ability to pay. The economists are not unanimous as to what should be the exact measure of a person's ability or faculty to pay. The main viewpoints advanced in this connection are as follows:

A. Ownership of Property: Some economists are of the opinion that ownership of the property is a very good basis of measuring one's ability to pay. This idea is at right rejected on the ground that if a person earns a large income but does not spend on buying any property, he will then escape taxation. On the other hand, another person earning income buys property, he will be subjected to taxation. Is this not absurd and unjustifiable that a person, earning large income is exempted from taxes and another person with small income is taxed?

B. Tax on the Basis of Expenditure: It is also asserted by some economists that the ability or faculty to pay tax should be judged by the expenditure which a person incurs. The greater the expenditure, the higher should be the tax and vice versa. The viewpoint is unsound and unfair in every respect. A person having a large family to support has to spend more than a person having a small family. If we make expenditure as the test of one's ability to pay, the former person who is already burdened with many dependents will have to pay more taxes than the later who has a small family. So this is unjustifiable.

C. Income as the Basics: Most of the economists are of the opinion that income should be the basis of measuring a man's ability to pay. It appears very just and fair that if the income of a person is greater than that of another, the former should be asked to pay more towards the support of the government than the latter. That is why in the modern tax system of the countries of the world, income has been accepted as the best test for measuring the ability of a person to pay tax.

e) Empirical Literature

Several empirical studies have been conducted on the impact of taxes on economic growth. Ogbonna and Appah (2012) investigating the impact of tax reforms and economic growth of Nigeria using time series data from 1994 to 2009 (a period of 11 years) utilizing Petroleum profit tax, Companies income tax, Value added tax, Education tax, Personal income tax and Customs and Excise duties as proxy for tax reforms (independent variables) and Gross domestic product (GDP) as the dependent variable, claimed that there is a positive relationship between tax revenue and economic growth of Nigeria. They argued that 54% variation in the dependent variable (GDP) is as a result of change in tax revenue and that there exists long run equilibrium relationship between GDP and the independent variables. They used the Augmented Dickey Fuller test for the unit root test and the Johansen’s Co-integration test and Error correction technique to run the regression analysis. However, there study did not consider capital gains tax, which is also part of direct taxes in Nigeria.

In another related study, Worlu and Nkoro (2012) on tax revenue and economic development in Nigeria 1980 to 2007, utilizing least square regression method of analysis, claimed that tax revenue stimulates economic growth through infrastructural development but that tax revenue has no independent effect on growth through infrastructural development and foreign direct investment. Thus, this study did not examine the impact of direct and indirect taxes on economic growth. Since, tax revenue are accrued from both direct and indirect sources, it is important to highlight which of the two have impacted more on the economy, and to recommend appropriate measures on improving either direct or indirect tax revenues.

Anichebe, (2013) conduct a study on the impact of tax on economic growth in Nigeria for periods 1986 to 2010. He found out that a significant relationship exist between tax composition and economic growth. Umoru and Anyiwe, (2013) examine the effect of tax structure between tax composition and economic growth. Umoru and Anyiwe, (2013) examine the effect of tax structure on economic growth in Nigeria. They employed co-integration and error correction methods of empirical estimation with an empirical strategy of disaggregation. They found out that direct taxation is significantly and positive correlated with economic growth while indirect taxation has insignificant negative impact on economic growth.

Emmanuel (2013) examined the effects of VAT on economic growth and total tax revenue in Nigeria using data ranging from 1994 to 2010. He formulated two hypotheses that VAT does not have significant effects on GDP and also on total tax revenue. He found out that VAT has significant effect on GDP and also on total tax revenue. This indicates that increase in value added tax would to increase in tax revenue and economic growth (GDP). However, this study is deficient in the sense that, it only covers VAT effect on economic growth without including other examples of indirect taxes as well as direct taxes. Also, the period under review is not one of defining moments in the Nigerian economic history.
economy which makes the study not a qualitative academic research.

Akhor et al (2016) in their study, impact of indirect tax on economic growth in Nigeria 1993 to 2013, using regression analysis technique and Error correction model among others, they concluded that, VAT and custom and excise duties has no positive significant to economic growth of Nigeria. Thus, this study is deficient because, it did not cover direct taxes revenue; therefore, it cannot be used to conclude on impact of taxation in the economy.

Uzoka and Chiedu (2017), in their study on effect of tax revenue on economic growth in Nigeria, the study used Augmented Dickey Fuller test to check for the presence of a unit root i.e the stationary of the variables and to what degree. Johansen co-integration test was used to check for long run relationship that exists among the variables in the model. In the short-run, deviations from the long-run relationship established could occur due to shocks to any of the variables. The Error Correction Model (ECM) was therefore used to test the speed of adjustment from short run to long-run equilibrium and correct or eliminate the discrepancy that occurs in the short-run. That is to test if the past of the explanatory variables contains information that can be used to predict the future of the dependent variable. They concluded that, CGT and EDT with one year lag have no statistical significant effect on economic growth of Nigeria. PPT, CIT, VAT and CED with one year lag has statistical significant effect on the economic growth of Nigeria.

III. Methodology

The study adopted a descriptive research design. A descriptive approach in data collection is able to collect accurate data on and provide a clear picture of the phenomenon under study. In addition, the principal method common to this kind of research is empirical method. This method entails the use of quantitative, statistical or regression techniques in evaluating the research issues or problems. The time series data is used, and will be source from Nigerian Bureau of Statistics (NBS), Central Bank of Nigeria (CBN) statistical bulletin and website, and World Bank publications. The macroeconomics variables use for this research is Tax Revenues which include Direct Taxes (DIT) and Indirect Taxes (IDT), and Nigerian Economy proxy by Real Gross Domestic Product (RGDP). The population of the study is Nigerian fourth republic; however, the population size used by the researcher was periods from 2000 to 2018. Year 2019 was not included because, this study was conducted in the fourth quarter of 2019, and full year data for the year was not available.

a) Model specification

The multiple econometric regression models for this study were specified as:

- Model: RGDP = F (DIT + IDT)
- Regression Equation: RGDP = \( \beta_0 + \beta_1(DIT) + \beta_2(IDT) + \varepsilon \)

Where:
- RGDP = Real Gross Domestic Product
- DIT = Direct Taxes
- IDT = Indirect Taxes
- \( \beta_0 \) = constant
- \( \beta_1, \beta_2 \) = co-efficient of independent variable
- \( \varepsilon \) = Error Terms

Multiple regression analysis is an extension of simple regression analysis, because in multiple regression analysis, more than one independent variable is used to determine the dependent variable. Variables that are being determined predicted or explained by mathematical equation referred to as dependent variables, while the variable used in determining or predicting is called the independent variable. Therefore, multiple econometric regression models is one that seek to explain variation in the values of the dependent variable on the basis of changes in the independent variables (Akhor et al 2015).

b) Method of Analysis

The study used Durbin Watson test: Durbin–Watson statistic is a test statistic used to detect the presence of autocorrelation at lag 1 in the residuals (prediction errors) from a regression analysis. The Durbin Watson (DW) statistic is a test for autocorrelation in the residuals from a statistical regression analysis. The Durbin-Watson statistic will always have a value between 0 and 4. A value range of 2.0 means that, there is no autocorrelation detected in data. Values from 0 to less than 2 indicate positive autocorrelation and values from 2 to 4 indicate negative autocorrelation. Multicollinearity test will be conducted to establish if there is correlation between the independent variables in the model. Multicollinearity refers to when your predictor variables are highly correlated with each other. This is an issue, as regression model will not be able to accurately associate variance in outcome variable with the correct predictor variable, leading to muddled results and incorrect inferences. Thus, the test is required to examine variables in a multiple regression model whether it can be linearly predicted from the others with a substantial degree of accuracy.
IV. Data Analysis and Presentation of Results

Table 1.1: Descriptive Statistics

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Tax</td>
<td>19</td>
<td>273</td>
<td>3316</td>
<td>1749.84</td>
<td>1079.587</td>
</tr>
<tr>
<td>Indirect Tax</td>
<td>19</td>
<td>43</td>
<td>2288</td>
<td>963.31</td>
<td>663.381</td>
</tr>
<tr>
<td>RealGDP</td>
<td>19</td>
<td>-1</td>
<td>15</td>
<td>6.33</td>
<td>3.687</td>
</tr>
</tbody>
</table>

From the table, we can observe that the dependent variable Real Gross Domestic Product has a mean of 6.33 and varies from -1 to 15, means that on average, Nigeria economy witnesses growth, because the mean of Real Gross Domestic Product is positive over the years of the research, suggesting that, the economic activities in the country for period under review translated into economic growth. Direct taxes has a mean of 1749.84 and varied from 273 to 3,316 indicating that, Nigeria accrued more direct taxes over the years. Suggesting that, the higher the direct taxes collection, it impacted on the economy positively. The variable indirect taxes has a mean 963.31 and varied from 43 to 2288, indicating that, Nigeria raised slightly high indirect taxes from the economy during the period in study.

Table 1.2: Model Summary b

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.667a</td>
<td>.445</td>
<td>.375</td>
<td>2.915</td>
<td>1.178</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), IndirectTax, DirectTax
b. Dependent Variable: RealGDP
Source: SPSS Software Output 2020

a) Model Regression Summary

The coefficient of determination (R – Squared) measures the variability that is accounted for in the statistical model. It can be concluded that there is a relationship between the dependent variable (Economic Growth) and independent variables (Tax Revenues) when these components are considered together which explain 44.5% of changes in Real Gross domestic product. While the remaining 55.5% are due to other factors not identified in this research but impacts positively on the Real Gross domestic product. Suggesting that, the combination of the independent variables above, are responsible for 44.5% of the Economic Growth in Nigeria. Thus, if these variables are well placed in the economic, they will contribute to economic growth by 44.5%, and if not well articulated, they will causes reduction in economic growth by 44.5%.

In addition, Durbin Watson analysis result which shows 1.178, it implies that, there is autocorrelation and positive relationship between the independent variables, thus, makes the independent variables used in study not sufficiently predicting the dependent variable.

Table 1.3: ANOVAa

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>108.799</td>
<td>2</td>
<td>54.400</td>
<td>6.40</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>135.922</td>
<td>16</td>
<td>8.495</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>244.721</td>
<td>18</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Real GDP
b. Predictors: (Constant), Indirect Tax, Direct Tax
Source: SPSS Software Output 2020

From the above table, showing how predictable are the independent variables in predicting the dependent variable. The exact significance level is less than 0.05, in this case assumed to be .009, the model with variables Direct Taxes and Indirect Taxes significantly predicted (Real Gross Domestic Product).
The researcher conducted a multiple regression analysis to determine the relationship between Real Gross domestic product and Direct taxes and Indirect Taxes in Nigeria. From the findings, it indicated that, all of the coefficients were insignificant, but portrays existence of a relationship between real gross domestic products and the variables. Based on the results Direct taxes, was insignificant in at 95% confidence level (p-value=0.855). The value of the coefficient was 0.002. This implies that, the higher the Direct taxes, the better the economy growth rate. In addition, Indirect taxes resulted into statistically insignificant coefficients at 95% confidence level (p-value=0.194). Even it is not significant; it has negative impact on real gross domestic product. The coefficient of - 0.003 indicates that if government Indirect taxes increase by one value, would lead to decrease in the real gross domestic product by 0.003 values. This implies that indirect tax revenue has negative relationship with the rate of economic growth.

Moreover, the above table shows the multicollinearity between the variables. From the above, the VIF value (5.491) which is great than 1 and less than 10 and tolerance scores, which is 0.182 show there is no muticollinearity in the data.

V. CONCLUSIONS AND RECOMMENDATIONS

From the research, using Direct taxes and Indirect taxes as variables representing Tax revenues in Nigeria. And Real Gross Domestic Product in proxy of economic growth in the country, thus we concluded that, Tax revenues have positive relationship with economic growth in Nigeria. This was in line with the study of Ogbonna and Appah (2012), Umoro and Anywe (2013) respectively. In addition, we also concluded that, direct taxes has positive impact on the economy in Nigeria, thus, direct taxes improves the economy growth. This was in line with study of Umoro and Anywe (2013). Furthermore, we concluded that, indirect taxes in statistically insignificant and negatively impact on the Nigeria economy growth. This was in line with the study of Akhor et al (2016) and Umoro and Anywe (2013) respectively.

From the forging, recommended that, the Nigeria government should embrace and improves collection of Direct taxes revenue to boost economic growth in the country. Appropriate economic infrastructures should be put in place to enhance employment opportunities which in turn, boost tax revenue generation. Moreover, the issues of tax evasion and tax avoidance should be adequately administered as well. Also, the government need to be steadfast in aspect of indirect taxes, from policies, relevant regulations and strategies that will catapult indirect taxes revenue to be significant, thereby, positively impacted on the growth of the country’s economy in this 21st century.

REFERENCES Références Referencias