

INTERROGATING THE POTENTIALS OF E-GOVERNANCE IN INTERNAL REVENUE GENERATION IN NIGERIA: THE CASE OF BENUE STATE, 2015-2021

¹Chinedu M. Ejezie, Ph.D., ¹Okorie Albert, Ph.D. and ²Bitrus Micheal

¹Department of Political Science, University of Nigeria, Nsukka

²Department of Political Science, Adamawa State University, Mubi

Abstract: The study demonstrates that the improvement in the Internally Generated Revenue (IGR) profile of Benue State between 2015 and now is largely on account of adoption of e-governance platform by Governor Samuel Ortom's administration. The platform consists in the use of Point Of Sale (POS), e-payment, Automated Teller Machine (ATM), BIRS design apps, e-banking and mobile transfers among others for revenue collection in the State. The study adopted Diffusion of Innovation Theory (DIT) as its theoretical framework of analysis. Mixed method of data collection which comprises of survey (use of questionnaires) and documentary methods were employed for data collection. Data generated were interpreted using content analysis. Findings indicate that adoption of e-payment platforms enabled the state to capture all tax payers especially from the informal sector, increased the revenue profile and led to accountability in revenue collection in Benue State. The study differs from existing analysis by linking the improvement in the IGR base of Benue State to the adoption of e-governance platforms by the government. Contrary to existing literature that tends to attribute the rise of the IGR to growth associated with population size, urbanization and expansion of businesses in the State. Thus, the paper provides empirical insights into how changes in revenue collection methods could improve IGR of a state like Benue State. On the strength of the foregoing the paper recommends reinforcement of e-governance in the state through enactment of enabling laws that will promote and guarantee security of on-line transactions.

Keywords: E-Governance, Internally Generated Revenue, Tax, E-Payment, Point of Sale, Accountability.

Introduction

The quest to catch up with the global and contemporary realities in the advancement of public service has been a top priority for leaders especially from third world countries. That is to say, leaders of developing countries mostly in Africa are still grappling with strategies and policies that will enable them provide optimally the basic needs and meet the aspirations of her citizenry. Hence

one of the major challenges confronting government in the provision of good governance is the development of a robust economic base. As Ake (1987) points out, the economy remains the primacy to the state, and that it is upon the economic sub-structure that the political structure is built. It is on this basis that governments of developing countries in Africa with specific reference to Nigeria are keying into new trends which involves the use

Academic Journal of Current Research

An official Publication of Center for International Research Development

Double Blind Peer and Editorial Review International Referred Journal; Globally index

Available www.cirdjournal.com/index.php/ajcr/index; E-mail: journals@cird.online



of Information Communication Technology (ICT) and technological related facilities to deliver effective public service that will enhance good governance.

The quest for satisfactory and sufficient financial resources remains the ultimate desire for any government both at the state or federal level. State governments to a substantial extent have the constitutional provision to generate revenue outside their statutory allocation to meet up developmental needs of her citizens. Different state governments in Nigeria in attempt to boost internally generated revenue have set up committees whose functions are to come up with policies, identify issues related to the current procedures in the state internal revenue collection process. Internally generated revenue are those revenues that are derived within the state from various sources such as taxes (pay as you earn, direct assessment, capital gain taxes, etc), and motor vehicle license among others.

Nevertheless, the collection and development of a stable financial base that is independent and complementary to the statutory allocation from the federal government remains a source of concern to most states in Nigeria. Scholars such as Coker et al. (2015), Igyo (2016), Nto (2016), Igbini (2017) among others aver that most states in Nigeria are still grappling with the identification, creation and adoption of appropriate ideas and strategies for generating sufficient funds internally to meet with developmental demands.

For instance Igyo (2016) averred that the internally generated revenue (IGR) of the various state governments in Nigeria has consistently been on a decline owing to the neglect of such sources of revenue and consequent preference and over-reliance on the statutory federal allocation. This is confirmed by the inability of the various state governments to even pay salaries and provide the basic infrastructural and social needs of its citizens until the statutory allocation is disbursed.

According to him, IGR is paramount and continues to be a burning issue in most states of the federation. Hence prompting most state government especially those not included in the oil producing states to devise mechanism to boosting their financial base in order to meet citizens' demands rather than rely on statutory revenues from oil. To this end establishment of effective tax regime becomes inevitable.

Generally, the tax system in Nigeria has been structured as a mechanism implemented by government across the federal, state and local cadres as a source of revenue and contributing both to economic growth and development. Worthy to note is that the idea of taxation is not peculiar to the Nigerian state. It is a practice that is recognized globally as a major means of income generation for the improvement of standard of living of the average citizens within a given country (Ojeka et al, 2017). On this basis different strategies have been adopted by government at various tiers for effective taxation and revenue generation. Igbini (2017, p.4) gives an ideal example of strategies adopted in improving the Nigerian tax system where he asserts that:

The current administration of President Muhammadu Buhari recently came up with Treasury Single Accounts (TSA). The goal of this is to increase the revenue base of the government with a view to ameliorating the current financial problem facing the Nigerian economy. A mile stone progress seems to have been made by the government in this direction, given the over three trillion naira acclaimed to have been collected and deposited into this account.

Corroborating the views of Igbini (2017) above, Ofoegbu and Alonge (2016) add that similar strategies and methods were put in place by the Abia State Government which includes but not limited to, direct



bank lodgments; elimination of touts and agents in revenue collection process; harmonization of fees and levies to stamp out multiple taxation; participatory taxation policy through the establishment of institutions like Ministerial Revenue Coordinating Committee (MRC), state internally generated revenue committee and state revenue summit to check the tax collection system and ensure optimal revenue generation.

However, despite these facts, state governments hardly account for the revenue collected from these aforementioned sources due to revenue leakages occasioned by weak internal control systems, high level of corruption from tax agents, as well as other factors that are both internal and external in nature. Also, the tax and entire revenue generation system suffers from non-compliance and evasion from both individuals and corporate organizations that have been captured as revenue generators. Furthermore, other factors impeding the effectiveness of the tax system and IGR in general in most Nigerian states includes: poor administration of tax policies, inability of relevant agencies to prioritize tax efforts, non-availability of tax statistics, poor database system, corrupt practices by revenue collectors, non-compliance, among others (Luba, 2014, Ojeka et al. 2017 and Igbini 2017)

To this end, states in Nigeria are adopting the information communication technology (ICT)/ e-governance which is perceived as quintessential to the improvement of the taxation system and the entire revenue generation process. The use of ICT in governance is what is simply referred to as e-governance. This improvement is necessary because there are constant tensions and contestations that are making the work of the tax administrators more difficult and do not support collaborative effort, focus and commitment that would drive effective internal revenue generation in most states in Nigeria.

To be precise, the Benue State Government tends to follow similar pattern under the leadership of Governor Samuel Ortom. This is predicated on the dwindling IGR of the state and insufficient and inconsistent statutory allocation based on the fluctuations and drop in oil prices. Several past governments before Ortom have made concerted efforts to increase internal revenue base with unsustainable results, notable instances are in 2008 and 2012 respectively (Igyo et al, 2016).

In line with views of Igyo et al.(2016) above ; Anom (2016) asserts that Benue, like most states in Nigeria has over the previous years operated a very broken, lax and ineffective internal revenue collection that contributes less than ten percent (10%) to the annual state's budget. In addition, years of easy oil money from Abuja coupled with a succession of wasteful and visionless leaderships that lacked innovation and creativity did little to deepen and strengthen the state's tax administration system.

Like most states in the federation with an exception of few like Lagos and Rivers; Benue State has overtime grossly depended on statutory allocations that were given by the Federal Government. Hence, the Government of Benue state neglected her sources of IGR. This was evidenced as the State's IGR which is even more reliable than the statutory allocation only accounted for less than 25% of total revenue in the State in 2015 (Agusto, 2015). Consequently, following the decline in crude oil prices, the State ran into bigger problems of meeting with public expenditure and satisfying citizens demand, hence, they began to seek alternatives to improve revenue generation to meet developmental demands.

Sequel to the above and considering that previous administrations lacked data for adequate planning for future revenue collection and reliance on traditional method of revenue generation, Ortom's administration considered it imperative to reform revenue collection processes in the State. Hence, it is against this backdrop



that this study seeks to interrogate the level of efficiency attained since the introduction of e-governance in the collection of internal revenue in Benue State in light of the dwindling federal allocation.

Theoretical Underpinning of the Study

The study adopted Diffusion of Innovation (DOI) Theory as a theoretical framework of Analysis. This theory was developed by Rogers (1983) in his book “Diffusion of Innovations”. It explains a process by which innovation is communicated through certain channels over time among members of a social system. Going by the developments in ICT and diversification in the various fields of human endeavour, empirical studies have been conducted in order to ensure a better understanding concerning their diffusion, adoption, acceptance, and usage (Rogers, 1995; Ntemana and Olatokun, 2012). In his diffusion of innovation (DOI) approach, Rogers (2003) maintained that the rate of adoption is substantially influenced by the perceived attributes and innovation characteristics such as: relative advantage, compatibility, trialability, complexity, and observability. Subsequently, four of these characteristics—relative advantage, compatibility, trialability, and observability, as perceived by members of a social system—are positively related to the rate of adoption. However, the complexity of an innovation, as perceived by members of a social system, is adversely related to its rate of adoption.

According to the proponents of the theory, the relative advantage of an innovation is an individual’s perception that the innovation will be better, when compared to similar ideas, products, concepts or practices. Those innovations that are perceived to be better and adaptable will be adopted. Compatibility is the awareness that a particular innovation is parallel and congruent with existing understandings of similar or past ideas, products, concepts or practices. Innovations that fit into an individual’s existing understanding or scheme will be

more easily adopted (Ntemana and Olatokun, 2012). In the opinion of (Rogers, 1995), complexity refers to the belief of how difficult or otherwise the innovation is to understand or follow. It is assumed to be negatively related to the rate of adoption of an innovation. In other words, if an innovation is found to be too complex, it is not easily adopted and may be rejected. Thus, the alternative perspective of this construct is taken, that is, if an innovation is easy to use, it is more likely to be adopted.

Trialability refers to an individual’s admittance to an innovation for experiment consequent upon adoption and use. Observability is considered by how available and visible an innovation is to an individual. The idea behind observability is similar to unspoken peer pressure: If an innovation is influential, the observer is more likely to adopt it. Observability leads to a social benchmark at the point where an innovation becomes so pervasive or desirable in a culture that even those who would not normally be users of an innovation may consider to adopt the product (Ntemana and Olatokun, 2012).

By application e-governance or use of ICT is not indigenous to Africa; it came as a result of diffusion of innovation. The diffusion of the knowledge and use of ICT in conduct of businesses is largely on account of its usefulness. ICT is noted to have enhanced the efficiency of labour, saved time, reduced cost and losses. The benefits associated with the use of ICT that made both private and public organizations to consider it appropriate in conduct of businesses. Benue State Government having learnt the role ICT could play in various sectors, and in realization that other states have embraced the platform for governance decided to launch it for its revenue collection in 2015. The imperative to adopt the platform stems from the realization that federal allocations to Benue State is continuously on the decline and the need to improve the IGR profile of the state informed the



adoption of e- governance as an innovation that will enhance revenue collection. Since its adoption it has raised the revenue base of the state and led to transparency in revenue collection.

As posited by the theory, the relative advantage of an innovation is individual's perception that the innovation will be better, when compared with similar ideas. Benue State felt that the previous traditional method of revenue collection was no longer fashionable as it did not capture all the tax payers especially from the informal sector, moreover provided windows for revenue misappropriation by the collectors. The compatibility of e-governance for revenue collection is premised on the ground that it has improved the revenue base of other states that adopted it earlier. Such states include Lagos, Rivers, and Delta among others.

Though at the inception, precisely in 2015, when the idea was conceived, it did not yield the desired results largely on account of the complexities usually associated to new innovations. In essence since its trial in 2015, e-governance has become a dominant- platform for revenue collection and governance process in Benue State. The foregoing theoretical expositions adequately captured the relevance of diffusion of innovation theory in the interpretation of the link between e-governance and improved revenue collection in Benue State under Governor Samuel Ortom.

Methodology

The study adopted mixed methods for data collection: survey (questionnaire administration) and documentary methods. The questionnaires were used to elicit information from the respondents selected through stratified and purposive sampling technique across the three senatorial districts in Benue State. The population of the study consists of all tax payers and revenue collections in the state, the sample size was worked out at

450 respondents using Yamane (1973) formula, and 150 respondents represented each senatorial district.

The documentary technique is a process of eliciting information from already existing documents. It enables us gather, investigate, categorize, interpret and identify the usefulness or otherwise of documents consulted as sources of data in the study. Hence documentary method involves contextual analysis requiring the researcher to glean, illuminate , interpret and extract useful information or make inference from existing documents , on the basis of which conclusion could be drawn (Albert, et al, 2021).

The Justification for adoption of mixed methods is that it enabled us to bring to bear information and knowledge gained through questionnaire and interactions with stakeholders into the study. Likewise, the approach facilitated the integration of views and opinions of experts in the industry as expressed in leading print and electronic media on the subject matter into the analysis. Secondly part of the essential data required to validate the position of the study already exist in both public and private publications on the subject matter. In line with the above, the study essentially relied and utilized relevant information from the respondents and data from peer-reviewed journals, special reports from BIRS, Central Bank of Nigeria, National Bureau of Statistics and National Dailies among others.

Content analysis was adopted for the interpretation of data generated in course of the study. This method involves making inferences through objective and systematic identification of specific characteristics of a message (Stone, 1966). This method enabled us elicit information, appreciate the presence and import of words, concepts and themes in the documents we consulted and as well make inference based on the canons of scientific research (Albert, etal, 2021).



The justification for adoption of content analysis for studies like this is that it enables political inquirers to scrutinize, quantify and analyse contents of documents in an effort to appreciate underlying structure and establish the relationship among ideas, words, concepts and themes in a message (White, 1983). Secondly it is useful in delineating the characteristics of a communication itself, causes, circumstances and effects of such communication on the audience. Content analysis is descriptive, dialectical, interactive, multi-dimensional and falls within the intersection of the qualitative-quantitative continuum in a research enterprise, hence is the most appropriate for the analysis of documentary evidence (Albert, etal, 2021). Meanwhile figures and tables were equally used where necessary in order to further enhance clarity of analysis.

The Use of Point Of Sale and Increase in Tax Payments in Benue State

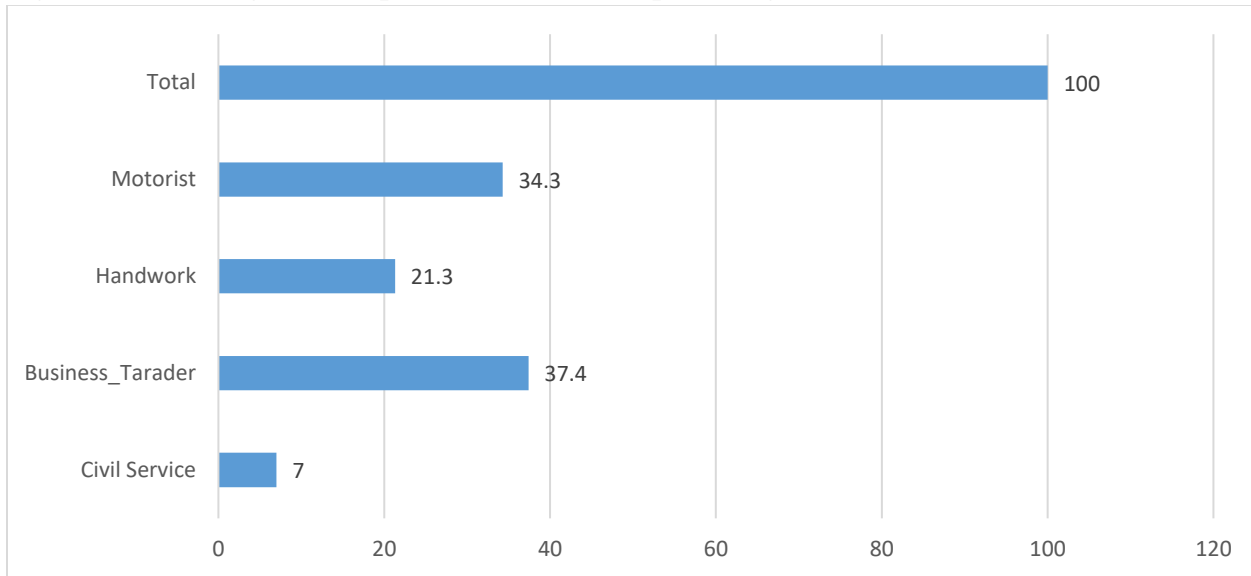
The Point Of Sale (POS) machine is one of the e-governance platforms introduced in Nigeria to further the course of cashless policy. POS is an electronic payment device which enables individuals to make purchases with electronic cards. POS accepts ATM cards for payment of goods and services. This card stores information about an

account on microchips. The microchip contains a purse in which monetary value is held electronically. The card can be used to make purchase of goods and services online, in supermarkets, shopping malls, and other market places (NIBSS, 2015).

In view of the convenience POS machines offer, there is no doubt that since its introduction by the Benue State Government under Governor Samuel Ortom in 2015, there has been increase in tax payment. First, the POS machines makes for quick and fast payment as taxpayers no longer have to stand in queues to pay taxes in offices. Also, the use of the POS has been regarded as convenient because traders and businessmen operating in the informal sector and who form a large proportion of the Benue taxpayers can now pay their taxes without actually leaving their shops or businesses. It is this category of persons, who constitute greater percentage of tax payers that made the adoption of POS machines imperative in the State. As shown in figure 1below, traders, artisans and businessmen constitute over 90 percent of taxpayers in the State.



Figure: 1 Percentage of Occupational Status of People Living in Benue State



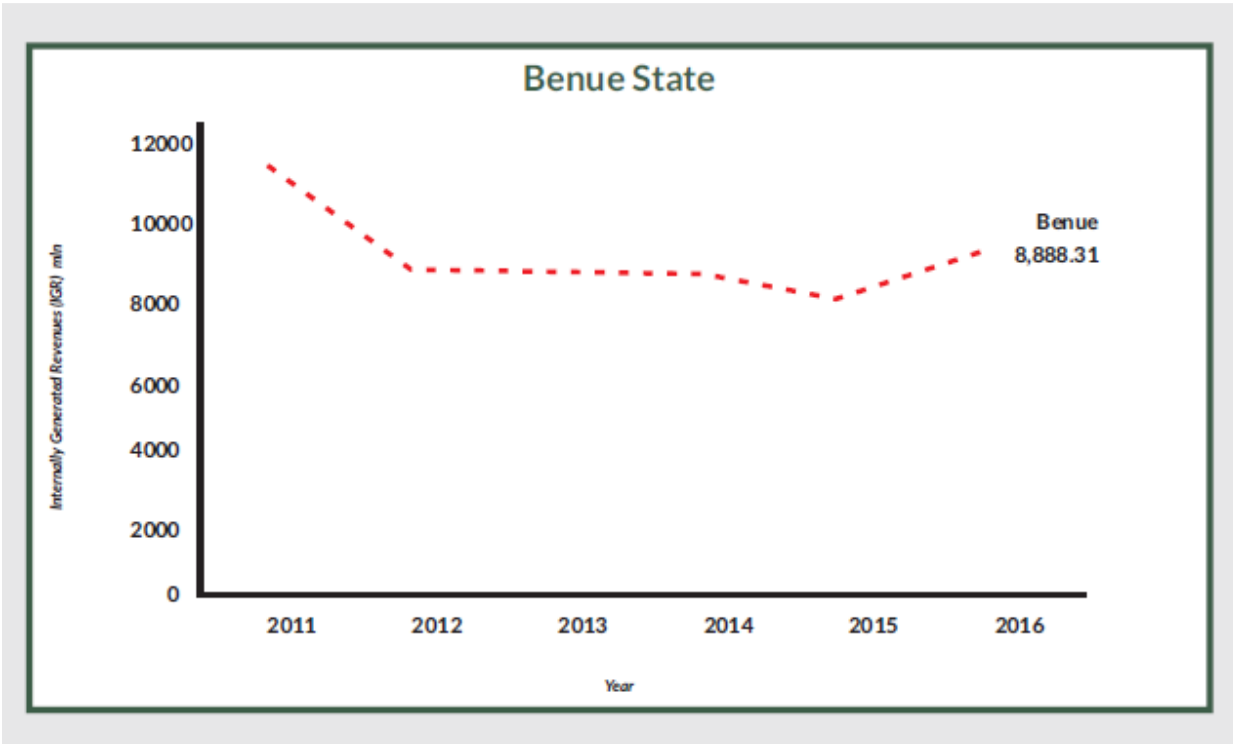
Source: Researchers' Field work 2021

As indicated in figure 1 above, occupational characteristics of the residents in Benue State shows that greater percentage of persons representing 37.4%, 21.3% and 34.3% are self-employed consisting of artisans, farmers, traders, motorists and transporters while the remaining 7% are public/civil servants. The implication is that with the introduction of the POS system to capture their payments, there will be increase in tax payment in the State because the system is very convenient and accessible to them. Besides that, POS machines have accelerated tax payment, it has also reduced drastically financial leakages in IGR collection. Tax collection agents now use POS machines to issue receipts for all

taxes collected at revenue generating points in the state. The payment system is intelligently designed to remotely track and record each transaction made on the device. This provision makes it near fool-proof to fraudulent manipulation by unscrupulous tax agents which was the normal practice in previous regimes. This has undoubtedly increased IGR of Benue State. As reported by NBS (2017) Benue State Internal Revenue Service (BIRS) under the chairmanship of Mrs Mimi Orubibi recorded an improvement in IGR in 2016 and was largely attributed to the introduction of the POS system of payment as shown in figure 2 below.



Figure 2: Trends of Internally Generated Revenue Profile of Benue State, 2011-2016



Source:

National Bureau of Statistics (2017)

The data above show an increase of 14.17% as revenue increased from N7.63 billion in 2015 to N8.89 billion in 2016, that was the highest since 2011. Although it dropped in 2015, owing to the challenges confronted in the initial stage of adoption of POS, however after its acceptance, it began to record successes as seen in the IGR of 2016 were the state recorded N8,888,314,005.20 as against N7,631,789,841.37 in 2015. Since then, the

revenue profile of the state has been on the increase, largely on account of the introduction of e-governance tools in revenue collection. Figure 3 below captured the aggregate opinion of respondents on the adoption of POS as a tool for tax collection in Benue State

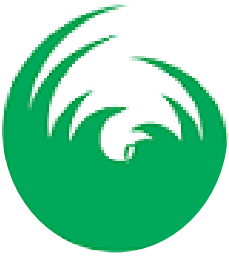
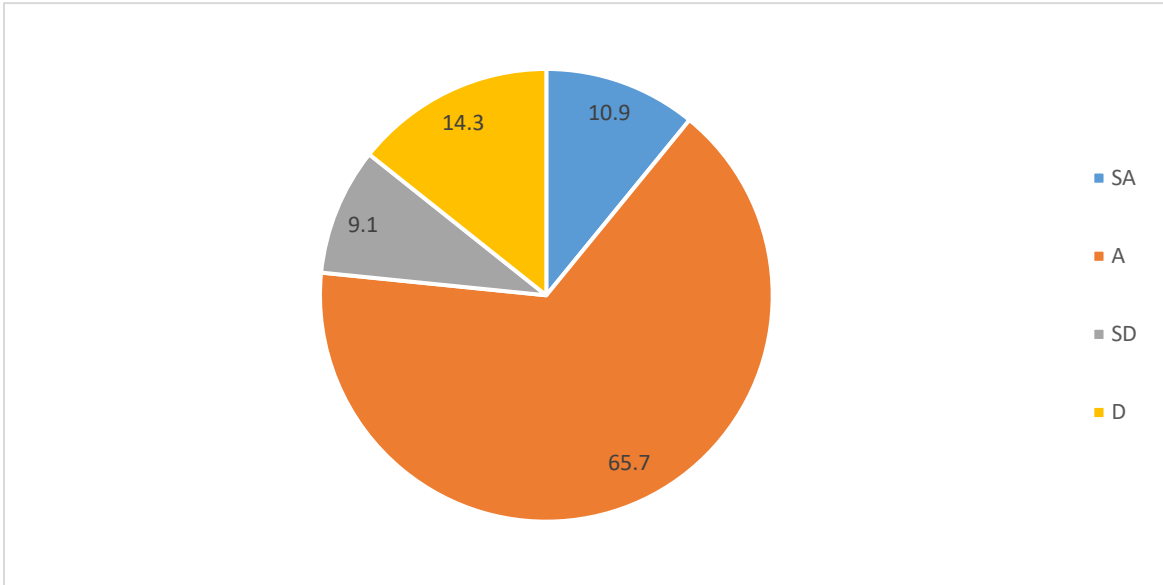


Figure 3: Aggregate Opinion of Respondents on the Effectiveness of POS for Tax Collection in Benue State.



Source: Researchers' Fieldwork, 2021

The results as shown in the figure indicate that a combination of 65.7% and 10.9% making a sum total of 76.6% affirm that the use of internet tools such as POS for tax collection is very effective. Secondly, that this tool was adopted by Benue State Government when Samuel Ortom assumed office in 2015.

The Use of E-Payment Platforms and Increase in Internally Generated Revenue in Benue State

Nigeria is Africa's top internet nation with 48.4 million internet users (Internet World Stats, 2012). The electronic

payments sector in Nigeria is dominated by ATMs, which as at 2011 constituted 93% of all alternatives to cash. The telecommunications revolution from 2001 and banking consolidation of 2005-2006 have provided a strong foundation for growth of electronic payments till date. Like the POS, e-payments also include wallets, phone and online transfers, Automated Tell Machines (ATM) among others. Table 1 and 2 below provide evidence of increasing adoption of e-payments for regular transaction in Nigeria.

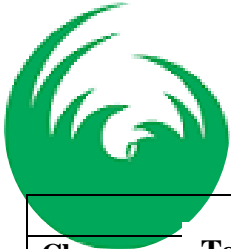


Table 1: Volume of E-Payment in Regular Transactions in Nigeria, 2012 to 2020

	2020	2019	2018	2017	2016	2015	2014	2013	2012
Cheques								14,211,078	12,161,694
NEFT								29,834,317	28,941,559
ATM		-						295,416,724	375,513,154
POS	-	438,614,182	295,890,167	146,267,156	63,715,203	33,720,933	20,817,423	9,418,427	2,587,595
WEB	-	103,497,007	50,815,901	28,991,097	14,088,247	7,981,361	5,567,436	2,900,473	2,276,464
MMO	-	377,265,208	87,086,260	47,804,561	47,053,252	43,933,362	27,744,797	15,930,181	2,297,688
NIP	-	1,145,785,229	663,124,139	370,870,672	153,616,450	71,223,545	40,829,854	17,112,158	4,449,654
EBILLSPAY	-	1,099,805	1,053,342	905,941	1,026,886	1,208,556	593,579	557	-
REMITA		48,481,208	44,461,846	39,706,264	38,249,886	19,417,371	15,029,627		-
NAPS	-	251,490	27,384,756	11,900,00	3,965,212	936,667	-	-	-
M-CASH		663,163	229,328	77,832	-	-	-	-	--
CENTRALPAY	-	90,875,084,742	1,260,380,00	375,356	70,239	66,031	-	-	-

Source: Central Bank of Nigeria (2022) E-Payment Statistics. Available at <https://www.cbn.gov.ng/paymentsystem/epaymentstatistics.asp>;

Retrieved on

January 2ND 2022.



Table 2: Value of E-Payment in Regular Transaction in Nigeria, 2012 to 2020

	2020	2019	2018	2017	2016	2015	2014	2013	2012
Cheques	-	4,481,668,348,494	5,035,334,949,690.47	5,381,909,711,667.16	5,829,549,268,629.00	6,195,461,481,268.00	7,269,079,332,311.00	7,708,669,754,031.00	7,487,411,604,335.00
NEFT	-	25,131,998,130,797	11,030,961,545,925.40	14,946,463,879,672.40	14,584,802,657,086.00	13,087,085,484,769.00	14,563,804,544,654.00	14,367,950,496,617.00	13,753,178,360,585.00
ATM	-	6,512,612,259,811	6,480,085,899,670.37	6,437,592,402,748.64	4,988,133,401,544.00	3,971,651,486,420.00	3,681,980,955,458.00	2,830,533,105,570.00	1,984,990,636,830.00
POS	-	3,204,749,863,644	2,383,108,901,148.12	1,409,813,091,608.35	758,996,505,702.00	448,512,548,727.00	312,071,736,903.00	161,212,840,665.00	48,461,883,431.00
WEB	-	478,140,101,693	404,600,990,712.52	184,596,629,926.57	132,360,333,369.00	91,581,292,533.00	74,205,599,261.00	47,316,331,494.00	31,567,364,087.00
MMO	-	5,080,961,536,595	1,830,701,111,107.85	1,101,998,974,555.00	756,897,483,653.00	442,353,763,489.00	339,236,832,967.00	143,371,761,235.00	31,509,334,783.00
NIP	-	105,222,562,871,372	80,423,025,698,377.30	56,165,666,312,858.10	38,109,061,203,852.00	25,540,842,563,780.00	19,921,499,572,670.00	10,848,734,178,263.00	3,890,260,230,695.00
EBILLSPAY	-	652,586,389,583	500,214,507,607.64	550,750,791,543.15	339,407,748,303.63	217,426,481,827.00	44,334,722,247.00	15,419,049.00	
REMITA	-	20,724,633,755,093	18,495,987,427,570.80	13,529,495,515,408.40	10,652,493,933,099.30	6,223,453,782,841.90	4,914,138,084,329.72	-	-
NAPS	-	600,921,460	12,078,905,639,559.80	4,960,349,089,466.59	753,689,705,802.99	98,684,511,448.00	-	-	-
M-CASH	-	5,476,055,244	1,198,731,322.12	616,936,468.57	-	-	-	-	-
CENTRALPAY	-	441,905,957,714,981.00	8,101,555,613.41	4,996,845,611.06	1,442,064,836.87	311,550,330.00	-	-	-



Academic Journal of Current Research

Vol.9, No.9; September-2022;

ISSN (2343 – 403X);

p –ISSN 3244 – 5621

Impact factor: 6.37

Source: Central Bank of Nigeria (2022) E-Payment Statistics. Available at <https://www.cbn.gov.ng/paymentsystem/epaymentstatistics.asp>;
January 2ND

Retrieved on
2022.

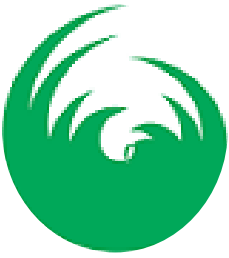
Academic Journal of Current Research

An official Publication of Center for International Research Development

Double Blind Peer and Editorial Review International Referred Journal; Globally index

Available www.cirdjournal.com/index.php/ajcr/index; E-mail: journals@cird.online

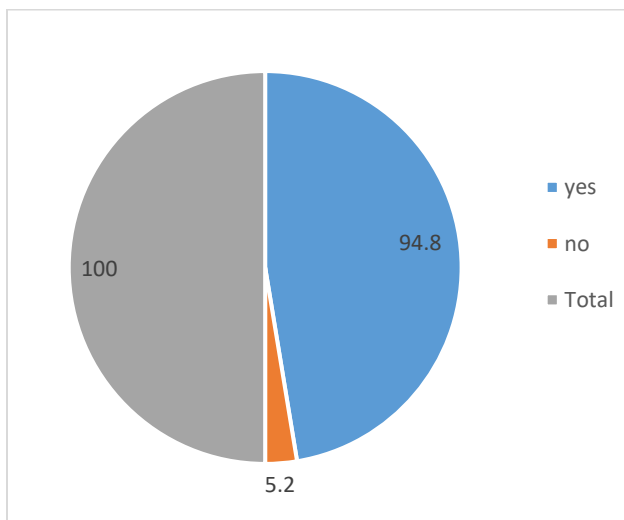
pg. 69



The CBN was first to commence and encourage e-payments and other alternatives to cash, it commenced in Lagos as part of a wider shared services programme that seeks to achieve a 30% reduction in cost of banking services. Other objectives include increasing access, convenience and service levels across the industry and taxpayers; and integrating financial services into the economy. All these are geared towards improved revenue generation.

The policy which started in 2006 in Lagos State and increased momentum in 2011 was soon adopted by the Benue State Government under Governor Samuel Ortom in 2015. However, the strategy in line with POS (which has hitherto been established in this study) yielded more result than the traditional method of payment. Figure 4 below shows the aggregate opinion of respondents on the impact of adoption of e-payment platforms on the increase in revenue generation in Benue State.

Figure 4: Aggregate Opinion of Respondents on the Impact of Adoption of E-Payment on the Increase in Revenue Generation in Benue State



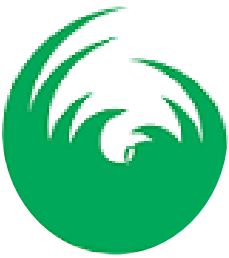
Source: Researchers' Field work 2021

The figure 4 above reflects the response of management of BIRS and other revenue collectors showing that 94.8% of BIRS revenue collectors consented that under the duo of Ortom and Orubibi there has been an increase in revenue generation, largely attributed to the introduction of ICT mechanisms and related strategies.

Development of Database System and Reduced Tax Evasion and Non-Compliance in Benue State

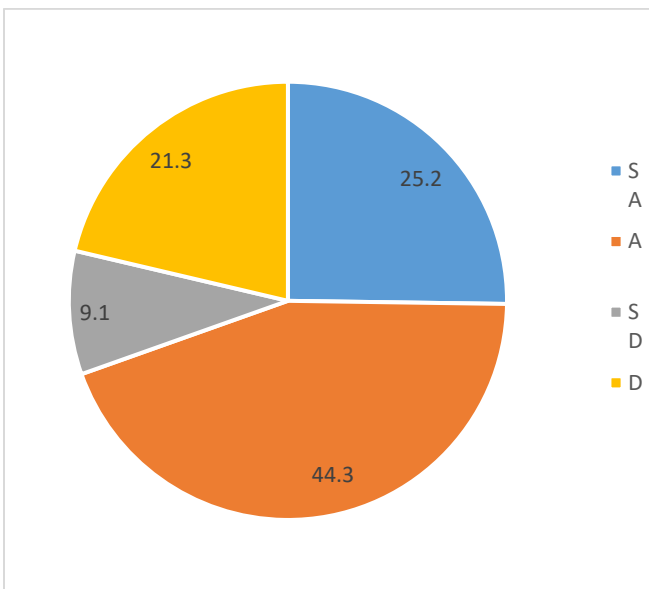
With the introduction and integration of the newly introduced POS system of tax payment in Benue State, the BIRS by so doing captured all taxpayers in the State in a database. Also the development of the database was mainly to capture income earners in the informal sector, as their counterparts in the formal sector have already been captured. The informal sector constitutes over 90 percent of income earners, yet was not captured before the present administration. Thus the databases are developed to assist in the internal operations of most organizations, as such the integration of the POS to reflect in BIRS database is designed for improved revenue generation. It works in unison with the specially launched device called the Smart Attendance Management Solution (SAMS), which checks BIRS staff truancy and improves revenue.

Abah (2018) opined that the BIRS boss, Mrs Mimi Adzape - Orubibi, intends to reduce tax non-compliance and evasion by setting targets for BIRS and monitoring their revenue targets using the aforementioned medium. Mrs Mimi Adzape - Orubibi is quoted to have said, "A department is given a target, let's say N10 million in a month, that department will cascade it to individuals and units. The units will divide it among its staff. Don't hide under the N10million, work towards meeting your targeted amount," (<https://www.dailytrust.com.ng/benue->



launches-device-to-improve-revenue.html). Figure 5 below shows the aggregate awareness of respondents on the development and utilization of database by BIRS for revenue collection in Benue State.

Figure 6: Aggregate Awareness by Respondents of the Development and Utilization of Database by BIRS for Revenue Collection



Source: Researchers' Field work 2021

The result shows that 25.2% of the respondents strongly agreed that BIRS have designed biometric database which captures majority of income earners mainly in the informal sector. Furthermore, 44.3% agreed, 9.1% strongly disagreed, while 21.3% disagreed. However, with the available database by the BIRS, there will be reduce tax evasion and non-compliance because most income earners that paid their taxes using the POS already have their data stored automatically.

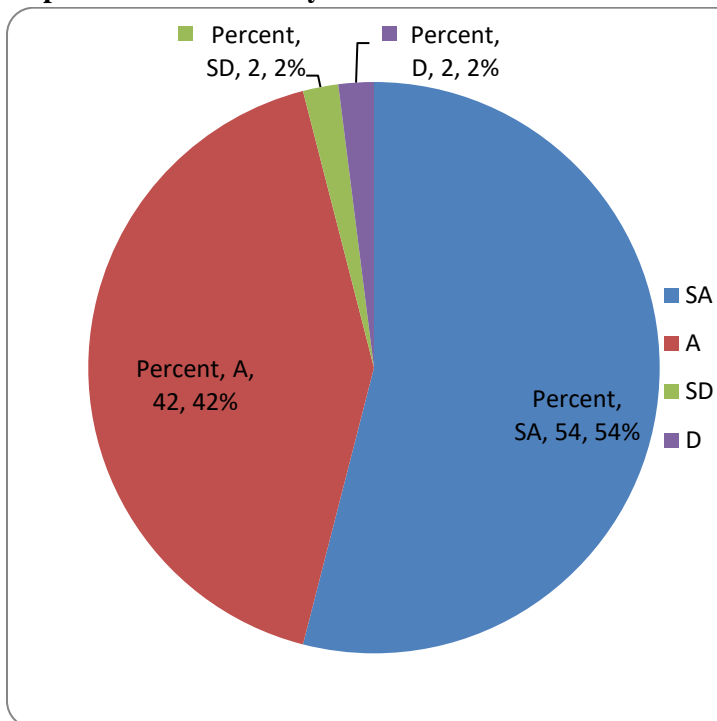
E-Governance and Accountability in Revenue Generation

The introduction and use of e-payment platforms have not only contributed to increase in the IGR in Benue State, but it has also ensured accountability and non-diversion

of generated funds. It was perceived that the use of e-payment platforms was not common in the previous administrations prior to that of Gov. Samuel Ortom, which amounted to gross misappropriation and corruption from revenue agents; thus leading to low IGR overtime. But with the introduction of e-payment platforms such as the use of internet (mobile transfers, BIRS designed apps, e-banking, etc), there has been a high level of accountability. It is remarkable to note that since its implementation in some pilot locations like Makurdi, the electronic payment system has helped to substantially close avenues for revenue leakages like cloning of tax receipts and non-declaration of taxes by revenue agents. Thus, there is no doubt that with the introduction and use of internet by the Benue State Government under Governor Ortom, there has been high level of transparency and accountability which has translated to increase in revenue generation, this was also confirmed by the respondents in figure 6 below.



Figure 6: Aggregate Views of the Respondents on the Impact of E-Governance on Improved Accountability in Revenue Collection



Source: Researchers' Field work 2021

As shown in figure 6 above, 54.0% of the respondents strongly agreed that use of internet ensures accountability and non-diversion of the taxpayer's fund, while 42.7% agreed. However 4% of the respondents disagreed that the internet is more transparent and does not allow diversion of taxpayers' money by the agencies involved in tax collection in the State. Furthermore, the POS allows for integration of all payments direct to the Benue State Internal Revenue Service (BIRS) for synchronization and datafication. The implication is that, the Benue State Government has successfully captured majority of taxpayers mostly in the informal sector under the BIRS tax net; this has in a high significant measure increased revenue generation in Benue State.

Conclusion

The study demonstrates that the improvement in the IGR profile of Benue State between 2015 and now is largely on account of adoption of e-governance platform by Governor Samuel Ortom's administration. The platform consists in the use of point of POS, e-payment, ATM, BIRS design apps, e-banking and mobile transfers among others for revenue collection in the State. Findings indicate that adoption of e-payment platforms enabled the state to capture all tax payers particularly from the informal sector, increased the revenue profile and led to accountability in revenue collection in Benue State. Thus the paper provides empirical insights into how changes in revenue collection methods could improve IGR of a state like Benue State. On the strength of the foregoing the paper recommends reinforcement of e-governance in the State through enactment of supportive and enabling laws that will promote and guarantee security of on-line transactions.

References

- Agusto, P. J. (2015). *Explorations in Southern African Drama, Theatre and Performance*. Cambridge Scholars Publishing.
- Ake, C. (1987). *How politics underdeveloped Africa*. Economic Commission for Africa.
- Albert, O., Abada, I. & Adibe, R. (2021). Crony capitalism in Nigeria: the case of patronage funding of the Peoples Democratic Party and the power sector reform, 1999–2015, *Review of African Political Economy*, DOI: 10.1080/03056244.2021.1958309
- Anom, T. (2016). A New Era of Tax Administration in Benue State. Retrieved from *This DayLife*: <https://www.thisdaylive.com/index.php/2016/04/21/a-new-era-of-tax-administration-in-benue-state/>



- Coker M. A, Eteng, F.O., Agishi, T.V. & Adie, H.I. (2015) Challenges of Expanding Internally Generated Revenue in Local Government Council Areas in Nigeria; *Journal of Sustainable Development; Vol. 8, No. 9; 2015*
- Igbinigie, O. O. (2017) Internally generated revenue in Edo State: The problems and prospects; *International Journal of Innovative Finance and Economics Research 6(1 v.2):1-379, Jan-Mar. 2018 (Version 2, Special Issue)*
- Igyo, A. J., Simon, J. Lorlumun, A. P. (2016). Beyond statutory federal allocation: A critical evaluation of the contribution of personal income tax on internally generated revenue of Benue State. *British Journal of Economics, Management & Trade 13(3)*
- NIBSS Big Data-Electronic Payment Facts Sheet (2015) E-Payment Fact sheet for 2015.
- Nigerian Bureau of Statistics (2017) Report on Internally Generated Revenue in Benue State
- Ntemana J. T. and Olatokun, W. (2012). Analyzing the influence of diffusion of innovation attributes on lecturers' attitudes toward information and communication technologies. *An Interdisciplinary Journal on Humans in ICT Environments, 8(2)*.
- Nto, P.O.O. (2016). Assessment of risk in the internally generated revenue (IGR) structure of Abia State, Nigeria. *Canada Social Science, 12(3), 67 – 72*. Available from: <http://www.csc.canada.net/index.php/css/article/view/817700>; <http://dx.doi.org/10.3968/8177>.
- Ofoegbu, F. I., & Alonge, H. O. (2016). Internally generated revenue (IGR) and effectiveness of University administration in Nigeria. *Journal of Education and Learning, 5(2), 1*.
- Olatokun, W. M., & Adebayo, B. M. (2012). Assessing e-government implementation in Ekiti state, Nigeria. *Journal of Emerging Trends in Computing and Information Sciences, 3(4), 497-505*.
- Rogers, E. M. (1983) *Diffusion of Innovations, 3th edition*; New York: Free Press.
- Rogers, E. M. (1995) *Diffusion of Innovations, 4th edition*, New York: Free Press.
- Stone, P.J., Dunphy, D.C., Smith, M.S. and Ogilvie, D.M. (1966). *The general inquirer: A computer approach to content analysis*. MIT Press, Cambridge, MA.
- White, L. (1989). *Political analysis. techniques and practices*. California: Book/Cole Publishing Company.