

Taxpayer Identification Number (TIN) as a Tool to Widening Tax Data Base in Ondo State, Nigeria.

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Abstract- *The main objective of this research is to investigate empirically the Effect of Taxpayer Identification Number (TIN) As A Tool To widening tax database In Ondo State, Nigeria. Specifically, the study objectives are to examine the impact of taxpayer identification number (TIN) in widening the tax data base in Ondo State. The population of the study comprises of staff of the Ondo State Board of Internal Revenue. Sample Random sampling Technique was used to arrive at the sample size of 209 staff of SBIR in Ondo State. The source of Data is gathered through the use of structured questionnaire. Data collected were presented using Frequency tables. The study made use of simple regression to analyze the formulated hypothesis. Result revealed that TIN have significant impact in widening of tax database in Ondo State, Nigeria ($P=0.000<0.05$). The study concluded that the introduction of TIN has led to widening of tax database in Ondo State, Nigeria. It was therefore recommended that Tax data base should be widened by ensuring that all registered companies in the State are issued TIN number as it will account for more revenue to the government.*

Keynotes: Tax Identification Number, Tax Payer

I. INTRODUCTION

Taxes and tax systems are fundamental to generating government revenue. As Brautigam (2008) noted, taxes enable states to achieve their goals. They are a central arena for state-society relations and shape the balance between accumulation and redistribution, which defines a state's social character (Brautigam, 2008). Therefore, taxes build the capacity to provide security, meet basic needs, or foster economic development. They also build legitimacy and consent, helping to create consensual, accountable, and representative government. A key component of any tax system is its administration (Naiyeju, 2010). Bhai and Bird (2008) state that no tax is better than its

administration, so tax administration is crucial. An essential objective of tax administration is to ensure the maximum possible compliance by taxpayers with their obligations. Unfortunately, in many countries, tax administration is usually weak and characterized by extensive evasion, corruption, and coercion.

In many cases, overall tax levels are low, and big parts of the informal economy don't get taxed at all (Brautigam, Fjeldstad & Moore, 2008). A country's tax system often shows what its people value and what the people in charge believe in (Ross, 2007). So, when a country sets up a tax system, it has to decide how to spread the tax burden and how to use the money collected. In democratic countries where people vote for the leaders who create the tax system, like Nigeria, these decisions show what kind of society the public or government wants to build. Parkin (2006) says that in places where the public doesn't have much say in how the tax system works, the system tends to reflect the values and goals of those in power. Governments use different kinds of taxes and change tax rates to spread the tax burden among different groups in society, like businesses, or to move money around between different groups. The introduction of the Taxpayer Identification Number (TIN) in Nigeria is one of the government's ideas to increase the tax base in the country. A TIN is a 10-digit number that is unique for each taxpayer in Nigeria, whether they are individuals or corporate organizations that earn a steady income. The TIN system helps to make taxpayer identification and registration in Nigeria more coordinated. It also helps connect different tax authorities in Nigeria, improves information sharing, and increases the revenue collected by all levels of government, as mentioned in the Joint Tax Board Bulletin (JTB), 2011. The TIN is a project started by the Joint Tax Board together with the Federal Inland

Revenue Service (FIRS) and the 36 State Boards of Internal Revenue (SBIR). It is an electronic system for taxpayer registration, which will give each taxpayer a unique number and will be available nationwide. The Joint Tax Board, as stated in section 8(q)(d) of the Personal Income Tax Act and section 8(q) of the Federal Inland Revenue Service Establishment Act 2007, is responsible for making sure the TIN is issued and managed across all taxable entities. It also creates a national system for registering and giving everyone a unique identity number, which helps expand the tax database in Ondo State. However, it's well known that the tax database in Ondo State has faced problems like lack of proper identification, registration, and compliance from taxpayers. These issues led to the need for implementing the TIN program in the tax system. The TIN is a system that gives special identification numbers to every person registered in its database. The TIN, which started being used in Nigeria from February 2008, is a 10-digit number given only to taxpayers and companies that have a consistent income, as mentioned in Ezugwu and Agbaji, 2014.

Objectives of the study

The main objective of this study is to assess Taxpayer Identification Number as a tool to widening the tax data base in Ondo State, Nigeria

Hypothesis

The null hypotheses formulated to be tested:

H01: There is no significant relationship between Taxpayer Identification Number and widening of tax data base in Ondo State.

II. STATEMENT OF THE PROBLEM

Taxes are considered one of the main ways to collect money in Nigeria, especially in Ondo State. The money collected through taxes is a big part of the funds used for developing the state. These taxes come from employees working for companies (PAYE) and individuals (Personal Income Tax). The government uses this money for things like building infrastructure and improving education. However, even though taxes are important in Ondo State, there are several issues with how taxes are managed. These problems cause a

loss of tax revenue and create conflicts between those who pay taxes and the government. According to Edori (2017), some of these issues include having too many different taxes, poor management, lack of a proper database, people helping others avoid taxes (tax touting), low minimum tax rates, and delays in getting tax refunds. Some of these problems led to the introduction of a Taxpayer Identification Number. Also, there are a lot of mistakes and errors when calculating taxes for individuals and companies because of manual registration. These mistakes can either reduce or increase the tax amount too much, which leads to conflicts between taxpayers and the government. The introduction of a Taxpayer Identification Number is meant to reduce these errors and improve the accuracy of data collection through an electronic system. This study looked at how the Taxpayer Identification Number can help build a better tax database in Ondo State, Nigeria.

III. LITERATURE REVIEW

Concept of Taxation

Adebayo (1989) mentions that public finance can be divided into the principle of taxation and the principle of expenditure. Also, economic studies show that taxation in public finance became a main topic of discussion among experts starting with Adam Smith. The ability of a government to manage its finances depends on various factors, including its revenue base, the available fiscal resources, and how these resources are collected and used. Therefore, it is the responsibility of the government to effectively collect potential revenue from all parts of the country to avoid economic slowdown. This process involves using taxes that are easy to manage, track, check, and audit, based on principles like fairness and neutrality (Myles 2000). Lewis (1979) states that economic principles are only useful if they guide the government in choosing the right taxation methods.

Today, it is true that apart from funding defense, social and economic development, taxation is also a key tool for fiscal policy. It helps in collecting and distributing resources to important economic areas, sharing income and wealth among different groups, and stabilizing the effects of market changes on prices, jobs, and international trade. Naiyeju (1996) was looking at how the interpretation of tax laws,

especially income tax in Nigeria, relates to the success of the tax system and the role of state governments in managing and justifying tax policies. Smith (2005) says that taxes should be clear and not random. The time, way, and amount of payment should be fixed, and everyone should know exactly what they have to pay. Taxation is the process of making people and businesses pay compulsory charges to the government.

Taxes are collected in almost every country to fund government spending, although they also serve other purposes (Maria, 2020). In modern economies, taxes are the main source of government income. Unlike other forms of revenue, taxes are mandatory and not paid in return for a specific service or benefit. While taxes are meant to benefit everyone, each individual's tax responsibility is not tied to receiving a particular benefit. There are exceptions, such as payroll taxes, which are used to fund social programs like pensions and healthcare, and these are sometimes called contributions. However, even these taxes are compulsory, and the link between the taxes paid and the benefits received is often not strong. Another example of a tax linked to benefits, though not very tightly, is the use of motor fuel taxes to fund road construction and maintenance, which can only be used by people who consume those fuels. Taxation is a way for governments to fund their spending by charging citizens and businesses. Governments use taxes to influence economic behavior. For instance, reducing taxable income by the amount paid as interest on home loans encourages more house building and creates more jobs. Many authors have provided different ways to classify taxes, but the widely accepted categories are Direct Tax and Indirect Tax:

a. Direct Tax: This is a tax taken directly from the person who bears the cost. It is collected directly from the income of the taxpayer. Examples include property tax and income tax. The authority that collects this type of tax is usually the internal revenue service or the board of internal revenue (Drelichman, 2013).

b. Indirect Tax: This is a tax that is applied indirectly. It is placed on goods before they reach the final consumer but is ultimately paid by the consumer as part of the price. The impact and who actually pays the tax may be different people. (Drelichman, 2013)

Purposes of Taxation

In the 19th century, it was believed that taxes were mainly used to fund the government. However, in the past and even now, taxes are used for more than just getting money for the government. One way to understand the purpose of taxes, as suggested by an American economist named Richard A. Musgrave, is to look at three main goals: how resources are managed, how income is shared among people, and how the economy stays stable. (Economic growth and international competitiveness are sometimes listed as separate goals, but they can generally be included under the other three.) If there is no strong reason to interfere, like the need to reduce pollution, then the first goal, resource allocation, is supported when tax policies do not interfere with how the market decides to use resources. The second goal, income redistribution, helps reduce differences in how much people and businesses earn. The third goal, economic stability, is about keeping the economy strong with full employment and stable prices (Maria, 2020). Taxation helps promote economic activity and growth. Through taxes, the government gets the money it needs to fund important projects and support those who are less fortunate. However, in Nigeria today, taxation does not seem to be helping the economy as much as it should. This is because of how poorly the tax system is managed. According to Olashore (1999), the economy has not been growing, and all major economic indicators show that it needs a lot of improvement and major changes. Oni (1998) has said that the way taxes are handled needs a big change, and that the process for getting tax refunds and managing duties should be more efficient.

Concept of Taxpayer Identification Number

The Taxpayer Identification Number (TIN) is a system that helps identify and register taxpayers in Nigeria. It is a major reform introduced by the government to improve tax administration by capturing taxable people through an electronic system for collecting taxes. The main goals of introducing TIN are to connect different tax authorities across Nigeria, improve cooperation and information sharing between them, and help increase the amount of taxes collected by all levels of government (JTB Bulletin, 2011). TIN was created by the Joint Tax Board, working with the Federal Inland Revenue Service (FIRS) and the 36 State Boards of Internal Revenue. TIN is unique and

identifies a taxpayer for life, and it is available throughout Nigeria (FIRS, 2012). It is expected that TIN will help make more people pay taxes by registering all those who are eligible. To improve the old system used at ports, the FIRS and the Nigeria Customs Service (NCS) launched a project called the Importers' Taxpayer Identification Number platform at the country's ports. This project is expected to increase tax revenue, improve efficiency, accountability, and transparency, and make record-keeping better for both FIRS and NCS because TIN must be used for all tax payments. To help states get more tax revenue, the JTB, with the support of federal and state governments, introduced the Unique Taxpayer Identification Number (U-TIN), another electronic system that gives a unique ID to every taxpayer in Nigeria with biometric features. (Ezugwu and Agbaji, 2014).

According to Ebifuro et al. (2014), TIN helps process taxpayer information faster and supports enforcement, awareness, and tax revenue growth. This is supported by Jocet (2014), who said that TIN makes it easier for different groups to agree and cooperate in the taxpayer identification system, which is based on a mechanized system. TIN also links the information about taxpayers with the records of their tax payments, leading to better compliance. TIN is a system that helps identify and register taxpayers and reduces errors that happen with manual registration, while also improving the overall tax system in the country. TIN was created by the Joint Tax Board (JTB), the Federal Inland Revenue Service (FIRS), and the State Boards of Internal Revenue (SBIR) for the 36 states of Nigeria (Joint Tax Board Handbook, cited in Olaoye and Awe (2018). TIN is an electronic system for taxpayer registration and makes it easier to identify and register taxpayers. It is available to everyone (Olaoye & Awe, 2018). According to Olaoye and Awe (2018), the following are the regulations for getting a TIN: regulations for companies or businesses registered with the Corporate Affairs Commission (CAC); a properly filled-out TIN application form; and a Certificate of Incorporation clearly showing the registered number. In practice, the documents required include these essential details: the address of the company or business; the main location of the business; and the date when the business started. Regulations for getting a TIN for individuals or businesses not registered with the CAC include a

properly filled-out TIN application form and any of the following valid identification documents: an international passport, a national identity card, a staff ID card for employed people, and a national driver's license.

Empirical Review:

Olaoye and Awe (2018) studied how having a taxpayer identification number (TIN) affected revenue in Ekiti State over 10 years, from 2006 to 2015. They looked at how internally generated revenue (IGR) changed over this time and how fully using the TIN affected the revenue generated. They used a single equation model where IGR was the main thing they measured, and they included TIN as a hidden variable, along with capital expenditure as another factor. They used a method called ordinary least squares regression to analyze the data. Their study found that using TIN fully had a strong and positive effect on IGR, with a coefficient of 5031.843 and a probability of 0.0182. They concluded that full use of TIN could help increase revenue in the state. They suggested that the government should develop clear ways to make sure that all taxable people and businesses get TINs to make the most of this benefit. Olaoye and Awe (2018) found that using TIN has a strong influence on the revenue generated in Ekiti State. They used correlation and regression analysis for their study. They used IGR as a proxy for revenue in the state. They concluded that using TIN can help increase revenue in the state.

Another study by Ngozi and Obioma (2018) looked at how TIN affected non-oil tax revenue. They compared data from before and after TIN was introduced, from 2000 to 2015. They found that total non-oil tax revenue increased a lot after the introduction of TIN. They got their data from the Central Bank of Nigeria (CBN) Statistical Bulletin (2010). They used descriptive and pairwise t-test statistical methods. They treated total non-oil tax revenue as the main thing they were measuring and included CIT, VAT, and TET as the other factors. Their study said that TIN can lead to more revenue generation. Ezugwu and Agbaji (2014) looked at how TIN affected internally generated revenue (IGR) in Kogi State. They used tables and regression analysis to look at the data and found that TIN improved revenue in that state. They found that before TIN was introduced, IGR was

significant, but after it was introduced, there was a bigger increase. They concluded that TIN can help greatly improve revenue generation. What all these studies have in common is that TIN has the potential to improve revenue generation. Even though the studies were done in different locations, used different methods, and were done at different times, the results were consistent. This suggests that TIN has a built-in way to bring more people and businesses into the tax system. The significance of this study is that it covers Ondo State, Nigeria.

Theoretical Framework:

The following theories will be looked at during this study.

Laffer Theory of Taxation

The Laffer Curve, also known as the Laffer theory of taxation, is a theoretical idea about the relationship between tax revenue and the various tax rates that can be used. It suggests that at very high tax rates, people might not earn any more money, so the government would not get much revenue. On the other hand, very low tax rates would not bring in much revenue. Therefore, there must be a middle point where the government gets the most tax revenue. This study is based on the Laffer theory of taxation. The Laffer Curve, as it is known, shows the relationship between tax revenue and all possible tax rates. It suggests that at very high tax rates, no revenue would be collected because people would not want to earn more. On the other hand, very low tax rates would mean the government does not collect enough. So, there is an optimal tax rate that brings in the most revenue. This theory is relevant to tax administration because if the government sets too high a tax rate, people might not comply with tax laws, as they might not trust the system (Sarka & Ibrahim, 2019).

Ability to Pay Theory

This theory was created because the benefit and sacrifice theories of taxation were not enough. It is the most common idea of fairness in taxes. It says people should pay taxes based on how much they can afford to pay. It makes sense that taxes should be based on an individual's ability to pay. For example, Mr. A, who earns more than Mr. B, should pay more tax. In a

situation where everyone pays the same amount of tax no matter how much money they earn, fairness and justice in taxation have long been lost. This can lead to people with low incomes not wanting to pay taxes because it feels too heavy for them. If taxes are based on how much someone can afford to pay, then it would be fairer and help reduce tax evasion and avoidance. However, if the TIN (Tax Identification Number) system is created without considering fairness and justice in taxation, it won't work well. People with low incomes will find it hard to bear the tax burden, leading to more tax evasion and avoidance. This idea was discussed by Bhatia in 1991. The "ability to pay" theory, introduced by Slade Kendrick in 1939, is the most widely accepted principle for fair taxation. It suggests that people should pay taxes based on what they can afford. This makes sense because it's fair to ask someone to pay more if they have more money. The TIN system, if set up without fairness and justice in taxation, will not be effective. This is because people with low incomes will feel the tax burden is too much, leading to more tax evasion and avoidance. This was also mentioned by Aguolu in 2001

IV. METHODOLOGY

The research methodology explains the area of study, population of the study, research design, sampling techniques and data analysis techniques. This study is to assess Taxpayer Identification Number as a tool to widening the tax data base in Ondo State, Nigeria. This research work uses survey research design through enquiry and direct collection of data by the use of questionnaire in collecting information from Ondo State Internal Revenue Service, Nigeria. The population of the study was all Staff in the State Board of Internal Revenue in Ondo State Nigeria which are 440 staffs. The study was structured to source for data from primary sources. In order to have a sizeable number for this study, the study therefore adopted Simple Random Sampling Techniques. The sample of the study was calculated using Taro Yamane model of calculating sample size of a study.

Based on the population of State Board of Internal Revenue (SBIR) in Ondo State Nigeria

Sample Size: $n = N / 1 + N(e)^2$

$$n = 440 / 1 + 440(0.05)^2$$

$$n = 209 \text{ Staff in SBIR}$$

The data was collected through the use well-structured questionnaire

Method of data Analysis

In order to achieve the set objectives of this study and for a comprehensive analysis of data collected, emphasis was laid on the use of absolute numbers frequencies of responses and percentages. Frequency in this study refers to the arrangement of responses in order of magnitude or occurrence while percentage refers to the arrangements of the responses in order of their proportion. The simple percentage method is believed to be straight forward easy to interpret and understandable method. The researcher therefore chooses the simple percentage as the method to use. In order to critically examine the research, an inferential statistical tool of analyzing was employed to analyze the data generated for the study. The simple linear regression analysis was used to analyze the objective formulated for the study.

Regression Model

With respect to the broad objective of this study, which was to assess Taxpayer Identification Number as a tool to widening the tax data base in Ondo State, Nigeria

The model below which was used in the past study such as Olaoye and Awe (2018); Efanga, Umoh and Jonah (2019); and Ogbonna and Appah (2016), it was adapted and modified for this study as thus;

$$TDB=f(TIN)$$

$$TDB=\alpha + \beta_1 TIN + \varepsilon \dots\dots\dots(i)$$

Where:

TDB = an indicator representing Tax Data Base (Dependent Variable)

α = constant of the regression

β_1 = Co efficient of the Independent Variable;

ε = Stochastic error term.

The error term is captured because there are other factors that affect total tax data base which are not included in the models.

Operational measurement of variables

VARIABLE	PROXY	Category
Tax payer Identification Number (TIN)	TIN	Independent variable
Tax Data Base	Numbers of Tax Payer in Ondo State	Dependent variable

Source: Researcher's compilation 2021

Data Analysis and Presentation

Ratings of Effect of Taxpayer Identification number in widening the tax data base in Ondo State

This sub-section deals with the assessment of taxpayer identification number as a tool to widening the tax data base in Ondo State. This is with a view to identifying the hierarchy of importance of the identified statements used to examine this issue. It could be noted that this is the first objective for this study. The statement issues discussed includes: Since the introduction of tax payer identification number the tax data base has been widened; Taxpayer identification Number allow easy access to taxpayer information; Taxpayer identification Number give room for easy retriever of taxpayer data; There is no hide out for taxpayer since the introduction of taxpayer identification number; There is an increase in the tax revenue since the introduction of Taxpayer identification number; The introduction of Taxpayer identification Number brings about an effective tax administration; among others.

Data were obtained from the respondents (Tax payer) on salient issues concerning the effect of taxpayer identification number in widening the tax data base in Ondo State. The Likert scale was used to weigh the degree of level of effect of taxpayer identification number in widening the tax data base in Ondo State. This is done by attaching values of weight to different degree of responses as shown: strongly agree (5) agree (4) strongly disagree (3) disagree (2) neutral (1).

The Summation Weight Value (SWV) was obtained by summing up the product of the total numbers of responses (frequency) to each variable and the weight attached to each rating i.e. (a x 5) + (b x 4) + (c x 3) +

(d x 2) + (e x 1). The mean used in the course of computation was also obtained by summing up the SWV and dividing it with the total number of variables, as shown in Table 4.5. The mean weighted value (MWV) was obtained by dividing summation weighted value with the number of total responses

(NR). The mean weighted value was used to explain the dominance and hierarchy of importance of variables of effect of taxpayer identification number in widening the tax data base in Ondo State.

$$MWV = SWV/NR.$$

Table 1.0: Ratings of Effect of Taxpayer Identification number in widening the tax data base in Ondo State

S/N		Ranking					NR (f)	SWV	MWV	Rank
		5	4	3	2	1				
1	Since the introduction of tax payer identification number, the tax data base has been widened	485	416	6	2	5	209	914	4.37	1 st
2	Taxpayer identification Number allow easy access to taxpayer information	525	348	24	14	2	209	913	4.36	2 nd
3	Taxpayer identification Number give room for easy retriever of taxpayer data	470	392	33	10	1	209	906	4.33	3 rd
4	There is no hide out for taxpayer since the introduction of taxpayer identification number	340	368	42	34	18	209	802	3.84	9 th
5	There is an increase in the tax revenue since the introduction of Taxpayer identification number	335	348	33	44	21	208	781	3.75	10 th
6	The introduction of Taxpayer identification Number brings about an effective tax administration.	330	460	51	8	5	207	854	4.13	6 th
7	Taxpayer find it difficult to falsified there personal data as a result of the introduction of taxpayer identification number	385	372	24	30	13	206	824	4.00	8 th
8	There is a great improvement in the processes and procedures of tax administration because of the introduction of taxpayer identification number.	360	464	21	12	6	207	863	4.17	5 th
9	More tax payer has been brought into the tax net since the introduction of taxpayer Identification Number	380	404	18	22	13	207	837	4.04	7 th
10	The introduction of Taxpayer Identification Number has increased the tax data base.	420	432	27	8	2	207	889	4.29	4 th
	Total								41.28	

Mean of $\sum MWV/n = 41.28/10 = 4.13$

Source: Author's field survey, 2021

The Likert computation shown in Table 1.0 reveals ratings of effect of taxpayer identification number in widening the tax data base in Ondo State. It is

observed that the statement 1 (Since the introduction of tax payer identification number, the tax data base has been widened) has the highest mean weighted value of 4.37, and ranked first (1st). This implies that "Since the introduction of tax payer identification

number, the tax data base has been widened” is the highest issue that respondents described as being remarkably obvious in the effect of taxpayer identification number in widening the tax data base in Ondo State. The effect that was ranked second (2nd) is statement 2 (Taxpayer identification Number allows easy access to taxpayer information) with mean weighted value of 4.36. This indicates that “Taxpayer identification Number allow easy access to taxpayer information” is also a major issue when it comes to the effect of taxpayer identification number in widening the tax data base in the study area. The third (3rd) issue in terms of ranking by the respondents, relating to the effect of taxpayer identification number in widening the tax data base in Ondo State is statement 3 (Taxpayer identification Number give room for easy retriever of taxpayer data) with mean weighted value of 4.33. This shows that “Taxpayer identification Number give room for easy retriever of taxpayer data” is also important issues that respondents considered as effect of taxpayer identification number in widening the tax data base in Ondo State.

The dominance of “Since the introduction of tax payer identification number, the tax data base has been widened “as highest level of effects by the respondents might be due to their level of education which is generally high in the study area. There is no doubt that their knowledge might be sharpened due to their exposure and experience on the importance and need to have Tax Identification Number (TIN).

Other issues that respondents rated for the effect of taxpayer identification number in widening the tax data base in Ondo State, according to their mean weighted values are listed as: The introduction of Taxpayer Identification Number has increase the tax data base (4.29); There is a great improvement in the processes and procedures of tax administration because of the introduction of taxpayer identification number (4.17); The introduction of Taxpayer identification Number brings about an effective tax administration (4.13); More tax payer has been brought into the tax net since the introduction of taxpayer Identification Number (4.04); Taxpayer find it difficult to falsified there personal data as a result of the introduction of taxpayer identification number (4.00); There is no hide out for taxpayer since the

introduction of taxpayer identification number (3.84); and There is an increase in the tax revenue since the introduction of Taxpayer identification number (3.75), indicating different categories of the effect of taxpayer identification number in widening the tax data base in Ondo State.

The overall mean value of responses of the effect of taxpayer identification number in widening the tax data base in Ondo State, as obtained from the respondents is 4.13. This implies that mean responses of the people were far more above average indicating that respondents were agreed in their responses concerning the effect of taxpayer identification number in widening the tax data base in Ondo State.

Research Hypotheses One

The analysis and discussion of hypothesis one is carried out in this section of study. The research hypothesis one for this study stated that “there is no significant relationship between Taxpayer Identification Number and widening of tax data base in Ondo State”. Regression Analysis was used for the analysis. One (1) variable was identified and used as Possession of Taxpayer Identification Number. It could be noted, however, that ten (10) variables were also identified for the Widening of Tax Data Base. These variables are: Since the introduction of tax payer identification number, the tax data base has been widened; Taxpayer identification Number allow easy access to taxpayer information; Taxpayer identification Number give room for easy retriever of taxpayer data; The introduction of Taxpayer Identification Number has increase the tax data base; There is a great improvement in the processes and procedures of tax administration because of the introduction of taxpayer identification number; The introduction of Taxpayer identification Number brings about an effective tax administration; More tax payer has been brought into the tax net since the introduction of taxpayer Identification Number; Taxpayer find it difficult to falsified there personal data as a result of the introduction of taxpayer identification number; There is no hide out for taxpayer since the introduction of taxpayer identification number; and There is an increase in the tax revenue since the introduction of Taxpayer identification number.

Linear regression analysis was computed to determine the influence of Taxpayer Identification Number on widening of tax data base in Ondo State, Nigeria. The independent variable is Possession of Taxpayer Identification Number, while the dependent variable is Widening of Tax Data Base. It could be noted that the 10 variables of Widening of Tax Data Base were subjected to factor analysis and the factor scores were saved. This is to enable the dependent variables to be amenable to parametric test of Linear Regression Analysis. After this, the 10 factor scores were summarized into one variable, and named "Widening of Tax Data Base". Widening of Tax Data Base (dependent variable) was regressed on variable of Possession of Taxpayer Identification Number (independent variable). The results are contained in the following tables 1.1a-1.1c.

Table 1.1a: Regression Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.758 ^a	0.575	0.556	0.40850

a. Predictors: (Constant), Possession of tax ID number

Source: Author's Computation, 2021

Table 1.1b: Test of Statistical Significance of Regression Model

ANOVA^a

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	17.454	1	17.454	104.594	0.000 ^b
Residual	34.043	20	1.702		
Total	51.497	21			

a. Dependent Variable: Widening of tax data base

b. Predictors: (Constant), Possession of tax ID number

Source: Author's Computation, 2021

Table 1.1c: Regression Coefficients

Coefficients ^a						
Model		Unstandardized Coefficients	Standardized Coefficients	t	Sig.	
		B	Std. Error			
1	(Constant)	3.266	.089	36.730	0.000	
	Possession of tax ID number	.229	.022	10.227	0.000	

a. Dependent Variable: Widening of tax data base

Source: Author's Computation, (2021)

With F- value of 104.594 and P- value of 0.000 as contained in table 1.1b, it is observed that there is a significant relationship between Taxpayer Identification Number and widening of tax data base in Ondo State at $p < 0.05$ confidence level. This implies that Taxpayer Identification Number actually have impact on widening of tax data base in Ondo State. The null hypothesis is hereby rejected.

Moreover, with correlation coefficient (R) of 0.758 and coefficient of Multiple Determination (R^2) of 0.575, as shown in table 1.1a, one observes that about 57.5% of effects of Widening of tax data base may be attributed to a unit increase in Taxpayer Identification Number. In other words, close to 58% of the variability in observed Widening of tax data base is explained by Taxpayer Identification Number in the study area. The remaining percentage as observed here may be due to other factors that influenced Widening of tax data base, like information and technology hitches, corruption, among others.

To determine the weight of the components of Widening of tax data base, reference is made to the regression coefficients as shown in table 1.1c. Using the unstandardized beta coefficients, the regression equation is of the form:

$$y = a + bx$$

Becomes:

$$y = 3.266 + 0.229x$$

x = Taxpayer Identification Number

y = Widening of tax data base

a = constant

This implies that for each change or increase of one unit in independent variable (x i.e. Taxpayer Identification Number), the mean value of dependent variable (y i.e. Widening of tax data base) is estimated to change/increase by 0.229 units. With P-value of 0.000, it is observed that the relationship between Taxpayer Identification Number and Widening of tax data base is statistically significant at $p < 0.05$ confidence level.

Findings and Discussion

This study has made assessment of Taxpayer Identification Number as a tool to widening tax data base in Ondo State, Nigeria. This is with a view to understanding the challenges faced in the administration of tax and suggest appropriate strategies for improvement. The study also examined the effect of taxpayer identification number in widening the tax data base in Ondo State. The study also tested one hypothesis that is relevant to the stated objectives. Tax officers are the respondents used for this study.

Findings from the study revealed that the highest proportion of the respondents (59.5%) surveyed were between the ages of 25 and 34 years for Tax officers. Majority of the respondents (51.9%) that attend to our questions are female for Tax officers. The highest proportion (51.4%) of tax officers were married. The highest proportion (79.0%) of respondents engaged in civil service occupation, while education of respondents was generally high (72.4%) in the study area with HND/B.Sc. education for Tax officers. It is however, worrisome that a significant proportion (45.3%) have not yet have tax identification number.

It was found out that the mean responses of the respondents (4.13) were far more above average indicating the agreement of respondents in their position concerning the effect of taxpayer identification number in widening the tax data base in Ondo State, Nigeria. "Since the introduction of tax payer identification number, the tax data base has been

widened" is the highest issue (MWV = 4.37) that respondents described as being remarkably obvious in the effect of taxpayer identification number in widening the tax data base in Ondo State Nigeria.

Results from Regression Analysis shows that with correlation coefficient (R) of 0.758 and coefficient of Multiple Determination (R^2) of 0.575, it is observed that 57.5% of effects of Widening of tax data base may be attributed to a unit increase in Taxpayer Identification Number. It is also observed that there is a significant relationship between Taxpayer Identification Number and widening of tax data base in Ondo State at $p < 0.05$ confidence level.

CONCLUSION

After the introduction of TIN in 2008, more people started getting taxpayer identification numbers, which helped grow the tax database. This increase in the database also helped the state's revenue grow, which in turn boosted the economy of Ondo State. The government introduced TIN with the goal of including more taxpayers into the system, and this goal was achieved. Because of this, the state now has a larger group of taxpayers, making it easier to collect taxes and increasing the state's income. Also, with TIN, taxpayers now pay their taxes directly into the state's account instead of going through people who might take a share of the money. This change has greatly reduced leakage, corruption, and dishonest behavior between taxpayers and tax collectors that were common before. TIN has made the process of assessing and collecting taxes more efficient, made it easier to handle tax records, and improved overall control and auditing of taxes.

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