



INNOVATIVE APPROACHES IN TAX ENFORCEMENT AND TAX COMPLIANCE FOR SUSTAINABLE ECONOMIC DEVELOPMENT IN NIGERIA; A CONCEPTUAL REVIEW

Justin Iorakpen Iorun¹, Michael Iorlaha^{2*}, and Amity Agi Ijuwo³

^{1,2 & 3}Department of Accounting, Benue State University, Makurdi, Nigeria.

¹Email: iorzackior@gmail.com; Tel.: +2347031831278

²Email: iorlahamichael5823@gmail.com; Tel.: +2349021366661

³Email: amityijuwo@gmail.com; Tel.: +2347030070957

*Corresponding Author's Email: iorlahamichael5823@gmail.com

Cite this article:

Michael I., Justin I. I., Amity A. I. (2024), Innovative Approaches in Tax Enforcement and Tax Compliance for Sustainable Economic Development in Nigeria; A Conceptual Review. African Journal of Accounting and Financial Research 7(1), 152-163. DOI: 10.52589/AJAFR-IX0M8FMQ

Manuscript History

Received: 16 Oct 2023

Accepted: 30 Jan 2024

Published: 23 Feb 2024

Copyright © 2024 The Author(s).

This is an Open Access article distributed under the terms of Creative Commons Attribution-NonCommercial-NoDerivatives 4.0 International (CC BY-NC-ND 4.0), which permits anyone to share, use, reproduce and redistribute in any medium, provided the original author and source are credited.

ABSTRACT: *This paper delves into a conceptual review of the vital role of innovative approaches in tax enforcement and compliance for achieving sustainable economic development in Nigeria. Amidst evolving global economic landscapes, the integration of cutting-edge technologies such as blockchain, data analytics, digital platforms, and real-time reporting has emerged as a powerful catalyst for transforming the nation's tax system. These innovations have significantly streamlined tax processes, facilitating easier tax compliance for individuals and businesses. They have also fostered transparency and trust within the tax system by ensuring secure and tamper-proof tax records and enhancing voluntary compliance. The implementation of these innovative strategies presents a unique opportunity to bolster Nigeria's revenue collection, thereby contributing to sustainable economic development by funding critical public services, infrastructure projects, and socio-economic development initiatives. The paper concludes that the adoption of innovative approaches in tax enforcement is pivotal for sustainable economic development in Nigeria. By promoting compliance and transparency, these technologies contribute to a robust and reliable revenue base essential for funding public services and infrastructure projects. This paper, therefore, recommends investment in digital infrastructure, implementation of real-time reporting and data analytics, utilisation of data analytics and artificial intelligence and leverage on mobile payment systems.*

KEYWORDS: Innovative approaches, tax compliance, tax enforcement, sustainable development



INTRODUCTION

Nigeria, while rich in resources and potential, faces significant challenges in achieving sustainable development. The country grapples with issues like poverty, inadequate healthcare, limited access to quality education, and high unemployment rates. Environmental concerns like deforestation, oil pollution, and poor waste management threaten sustainable development. Despite these challenges, Nigeria has made strides in various sectors. Efforts have been made to diversify the economy beyond oil, with increased emphasis on agriculture and technology sectors. Moreover, initiatives to improve access to education, promote renewable energy, and enhance healthcare services are ongoing. However, corruption, political instability, and inadequate infrastructure remain impediments. Nigeria must focus on good governance, invest in education and healthcare, promote renewable energy adoption, and strengthen environmental conservation efforts to advance sustainable development. International collaborations and strategic policy implementations are vital to overcoming these challenges and fostering a sustainable future for Nigeria (Kadiri & Salisu, 2019).

Taxation plays a pivotal role in fostering sustainable development by providing the necessary financial resources for governments to invest in key sectors such as education, healthcare, infrastructure, and environmental conservation. Through taxation, governments generate revenue, which, when allocated efficiently, can address societal challenges and promote long-term economic growth. Taxes, particularly progressive taxation systems that impose higher rates on higher incomes, contribute to reducing income inequality, a crucial aspect of sustainable development (Ogbonna & Ukpere, 2019). Moreover, taxation can be leveraged to encourage sustainable practices; for instance, eco-taxes on carbon emissions or plastic usage promote environmental responsibility among individuals and industries. By funding essential public services, taxation enhances human capital, supporting education and healthcare, which are fundamental drivers of social development. Additionally, tax policies can incentivise renewable energy adoption and green technologies, aligning economic activities with environmental conservation goals. However, to positively influence sustainable development, tax systems must be transparent, fair, and accountable, ensuring that the tax burden is distributed equitably and revenues are utilised efficiently in ways that promote social equity, economic stability, and environmental sustainability, ultimately leading to a balanced and lasting development trajectory (Lawal & Ibrahim, 2018).

However, traditional tax enforcement methods in Nigeria have faced significant challenges that have hindered their effectiveness. Widespread tax evasion, particularly in the informal sector, has been a persistent issue due to limited resources for monitoring and enforcement. Bureaucratic inefficiencies, corruption, and lack of transparency have further eroded trust in the tax system, discouraging voluntary compliance (Ibrahim & Mohammed, 2017). Additionally, the complexity of the tax code and unclear regulations has often confused taxpayers, leading to unintentional non-compliance (Olufemi & Salami, 2017). These challenges have resulted in a substantial tax gap, limiting the government's ability to fund essential public services and sustainable development initiatives.

In light of these failures, innovative tax enforcement and compliance approaches are imperative for sustainable development in Nigeria. Embracing digital technologies such as blockchain, data analytics, and real-time reporting can revolutionise tax administration. These innovations can enhance transparency, ensuring secure and tamper-proof tax records that foster trust between taxpayers and authorities (Nnanna & Aigbokhaevbolo, 2016). Moreover,



data analytics can enable targeted interventions, identifying high-risk taxpayers and predicting potential non-compliance. Mobile payment systems and digital platforms can simplify tax processes, making compliance easier for taxpayers. Furthermore, taxpayer education and awareness campaigns can promote a culture of compliance, ensuring that citizens understand their tax obligations and the benefits of contributing to sustainable development (Sanni, 2019). By adopting these innovative strategies, Nigeria can bridge the tax gap, boost revenue collection, and channel funds into projects that promote social equity, economic stability, and environmental conservation, fostering sustainable development in the nation.

Beyond fiscal implications, the innovative tax enforcement and compliance approaches have far-reaching socio-economic effects. These innovations (ensuring fair taxation and effective resource allocation) contribute to poverty alleviation, improved education, and enhanced healthcare. Sustainable economic development, underpinned by robust tax systems, empowers marginalised communities, bridging social disparities and fostering social cohesion. The transformative potential of innovative tax strategies thus extends well beyond the financial realm, shaping the fabric of Nigerian society (Muhammad & Yusuf, 2017).

Through this discourse, this paper aims to illuminate not only the challenges but also the immense potential that lies in embracing innovation, ultimately shaping a dynamic fiscal landscape for Nigeria's sustainable economic growth via this set of objectives: evaluate current tax enforcement strategies, explore innovative technologies to tax compliance and develop tailored policy recommendation.

CONCEPTUAL REVIEW

Tax Enforcement Strategies

Tax enforcement is a set of measures and activities undertaken by government authorities to ensure that individuals, businesses, and organisations comply with tax laws and regulations. These efforts aim to enforce tax obligations, prevent tax evasion, and promote fairness in the taxation system (Adeyemi & Adebisi, 2019). Tax enforcement involves various strategies, including audits, investigations, penalties, and legal actions against non-compliant taxpayers. Tax authorities employ a range of tools such as advanced technologies, data analysis, and collaboration with other agencies to identify tax evasion and enforce compliance. Effective tax enforcement is essential for governments to collect the revenue needed for public services, infrastructure development, and social welfare programs, ensuring a functioning and stable economy. It also contributes to maintaining the integrity of the tax system, fostering trust among taxpayers, and promoting economic fairness and equity (Gidado & Audu, 2018).

Traditional Tax Enforcement Approaches in Nigeria

Nigeria's tax enforcement methods have undergone significant improvements in recent years, with the government implementing various initiatives to enhance compliance. The introduction of the Federal Inland Revenue Service (FIRS) and State Internal Revenue Services (SIRS) have streamlined tax administration. However, challenges persist (Jibrin & Mustapha, 2016). Tax evasion, especially in the informal sector, remains a concern due to limited resources for monitoring and enforcement. Additionally, bureaucratic red tape,



corruption, and lack of transparency create barriers to efficient tax collection. The tax system's complexity and ambiguity often confuse taxpayers, leading to unintentional non-compliance. Consequently, innovation is crucial to address these challenges.

Traditional tax enforcement approaches in Nigeria have historically relied on conventional methods such as audits, penalties, and inspections conducted by tax authorities. These methods primarily involve face-to-face interactions between tax officers and taxpayers to assess compliance and collect taxes (Eze & Abubakar, 2019). Additionally, the use of paper-based documentation and manual record-keeping systems have been prevalent. Traditional enforcement strategies also include periodic tax filing deadlines and tax assessments, often accompanied by fines or legal actions for non-compliance. However, these methods have faced challenges such as limited coverage, resource constraints, and difficulty tracking the vast informal economy. Despite their limitations, traditional tax enforcement approaches have been the backbone of revenue collection in Nigeria, forming the basis upon which newer innovative approaches are being developed and integrated to enhance compliance and revenue collection efficiency (Ali & Umar, 2018).

Tax Compliance

Tax compliance refers to the adherence of individuals, businesses, and organisations to tax laws and regulations of their respective jurisdictions. It encompasses the timely and accurate reporting of income, deductions, and other financial information to tax authorities, along with the prompt payment of taxes owed. Tax compliance is a fundamental aspect of a functioning society, as it provides the necessary revenue for governments to finance public services and infrastructure projects, such as education, healthcare, roads, and public safety (Okeke & Okoye, 2018).

Effective tax compliance ensures the stability and growth of a nation's economy. When individuals and businesses fulfil their tax obligations, governments can rely on a steady stream of revenue to fund essential services and investments. Tax compliance also fosters a sense of fairness and equity within society by ensuring that everyone contributes their fair share to public expenditures based on their financial capacity (Bello & Okoh, 2017). Moreover, compliant behaviour promotes trust between citizens and their government, reinforcing social cohesion and the rule of law.

Tax compliance, however, can be influenced by various factors. Clear tax laws, efficient tax administration, and accessible services make it easier for taxpayers to understand their obligations and do them promptly. Conversely, complex tax codes, high tax rates, and burdensome administrative procedures can create disincentives for compliance, leading to tax evasion and avoidance (Tijani & Olaniyi, 2018). In addition, effective enforcement mechanisms, such as penalties for non-compliance and audits, act as deterrents, encouraging individuals and businesses to adhere to tax laws. Balancing these factors and fostering a culture of voluntary compliance is essential for building a robust and sustainable tax system that supports economic development and social welfare (Dike & Adeoti, 2016).



Innovative Approaches to Tax Enforcement

Innovative technologies have revolutionised tax enforcement and compliance worldwide. Among these technologies, blockchain, digital platforms, data tax platforms, data analytics, artificial intelligence, real-time reporting, compliance monitoring, and mobile payment systems have emerged as game-changers (Onugu & Eragbhe, 2016). These innovations have streamlined tax processes, enhanced transparency, and minimised tax evasion. In this discussion, we explore their potential applications in Nigeria by examining successful case studies from other countries and evaluating their adaptability to the Nigerian context.

Blockchain Technology

Blockchain technology, famous for its role in cryptocurrencies, has proven to be a robust tool in tax enforcement. Estonia is a noteworthy example of a country successfully implementing blockchain in tax administration. Its secure digital identity system, e-Residency, uses blockchain to enable individuals and businesses to manage their tax affairs online (Sanni, 2019). The immutable ledger provides transparency, security, and trust in tax transactions. In the Nigerian context, blockchain could facilitate transparent tax record-keeping, reducing fraud and corruption while increasing taxpayer trust.

Digital tax platforms

Digital tax platforms, such as the Making Tax Digital (MTD) initiative in the United Kingdom, have simplified tax compliance for businesses and individuals. MTD mandates digital record-keeping and tax filing. Taxpayers can securely and efficiently submit returns online. The Nigerian tax system can benefit from a similar approach, as digital platforms encourage compliance, reduce errors, and improve the accuracy of tax data (Muhammad & Yusuf, 2017).

Data analytics and Artificial Intelligence

Countries like Australia have effectively employed data analytics and artificial intelligence to identify tax evasion patterns and detect non-compliance. By analysing large volumes of financial data, these technologies help tax authorities target high-risk taxpayers (Muhammad & Yusuf, 2017). Nigeria could adapt these tools to enhance revenue collection by proactively identifying potential non-compliance and allocating resources accordingly.

Real-time reporting and compliance monitoring

Real-time reporting and compliance monitoring systems (as seen in Sweden's system) provide continuous updates to tax authorities on sales and purchases (Kadiri & Salisu, 2019). These systems reduce the time gap between economic activity and tax reporting, making it challenging for businesses to engage in tax fraud. In Nigeria, implementing a similar system in Nigeria could enhance tax transparency and significantly reduce evasion opportunities.



Mobile payment systems

Mobile payment systems (as witnessed in Kenya's M-Pesa) have expanded financial inclusion and transformed tax collection. Mobile payments enable efficient and traceable transactions, making it easier for taxpayers to fulfil their obligations (Kadiri & Salisu, 2019). In Nigeria, where mobile payment systems are used widely, integrating them into the tax collection process can simplify payments and create a digital trail for tax authorities.

Sustainable Development

Sustainable development refers to the approach of meeting the present societal needs without compromising the ability of future generations to fulfil their own needs. It is a comprehensive concept that recognises the interdependence between economic progress, social equity, and environmental preservation. Sustainable development promotes long-term strategies that aim to balance economic growth with social inclusivity and environmental stewardship (Adeyemi & Adebisi, 2019). Economically, it emphasises fostering growth that generates employment, income, and opportunities for all while ensuring stability and resilience in the face of economic shocks. Socially, sustainable development focuses on equity, social justice, and the well-being of individuals and communities, striving to eradicate poverty, reduce inequality, and enhance access to education, healthcare, and basic services (Onugu & Eragbhe, 2016). Environmentally, it emphasises the responsible use of natural resources, reducing pollution, and promoting conservation efforts to safeguard biodiversity and ecosystems. By integrating economic, social, and environmental objectives, sustainable development seeks to create a harmonious balance that ensures the prosperity of current generations without compromising the ability of future generations to meet their own needs, ensuring a better quality of life for everyone in the present and the future (Tijani & Olaniyi, 2018).

Achieving sustainable development requires a multidisciplinary and collaborative approach involving governments, businesses, civil society, and individuals. It demands responsible decision-making, innovative technologies, and inclusive policies that consider the long-term impacts of actions and investments. Sustainable development goals, often guided by global initiatives like the United Nations' Sustainable Development Goals (SDGs), provide a framework for countries and communities to work towards a more equitable, environmentally conscious, and economically stable future. By addressing issues such as poverty, hunger, climate change, clean energy, and education, sustainable development aims to create a world where people can enjoy a high standard of living while preserving the planet's natural resources for future generations (Tijani & Olaniyi, 2018).

Influence of innovative approaches on tax enforcement and tax compliance

Innovative approaches in tax enforcement have a profound impact on tax compliance by introducing efficiency, transparency, and accountability into the taxation system. Firstly, these innovations streamline the tax process, making it more accessible for taxpayers. Digital platforms and mobile payment systems enable individuals and businesses to fulfil their tax obligations conveniently, reducing the burden of compliance. Simplified processes translate to a higher likelihood of compliance as taxpayers are more willing to engage with a system that is easy to navigate (Yakubu & Mustapha, 2016). Moreover, real-time reporting and compliance monitoring tools provide instant feedback to taxpayers and tax authorities. This immediacy creates a sense of accountability, making it harder for individuals and businesses



to engage in tax evasion or fraudulent activities (Ibrahim & Mohammed, 2017). The timely information exchange fosters an environment where compliance is not only expected but also monitored closely thereby influencing taxpayers to meet their obligations promptly and accurately.

Innovative approaches enhance transparency within the tax system. Blockchain technology, for example, provides an immutable ledger of all tax transactions, ensuring that records cannot be tampered with or manipulated. Transparent tax records create trust between taxpayers and tax authorities, as both parties have access to the same information. When individuals and businesses see that their tax contributions are being utilised efficiently for public welfare, they are more likely to comply willingly. This trust is vital in promoting voluntary compliance, as taxpayers are less inclined to engage in evasion when they have confidence in the fairness and transparency of the tax system.

Furthermore, the use of data analytics and artificial intelligence in tax enforcement allows for targeted interventions. Tax authorities can identify high-risk taxpayers or sectors prone to non-compliance, enabling them to allocate resources effectively. By focusing efforts where they are needed the most, tax authorities can maximize their impact, increasing compliance rates without overburdening compliant taxpayers (Ibrahim & Mohammed, 2017). Moreover, predictive analytics can identify potential non-compliance before it occurs, enabling preventive measures. This proactive approach creates an environment where the taxpayers are aware that tax authorities are vigilant, dissuading them from attempting evasion. Ultimately, innovative tax enforcement approaches create a symbiotic relationship where simplified, transparent, and targeted efforts lead to increased compliance ensuring a more robust and sustainable revenue base for governments (Ogbonna & Ukpere, 2019).

While these technologies have demonstrated success in other countries, their adaptation in Nigeria comes with challenges, including infrastructure limitations, digital literacy barriers, and the need for comprehensive legal and regulatory frameworks. The Nigerian government should consider a phased approach, investing in digital infrastructure, conducting public awareness campaigns, and collaborating with the private sector to ensure successful implementation (Ogbonna & Ukpere, 2019).

The adoption of cutting-edge technologies and innovative practices in tax enforcement and compliance holds significant promise for Nigeria. By drawing inspiration from successful international case studies and addressing adaptation challenges, Nigeria can create a more efficient and transparent tax system, reduce tax evasion, and bolster its revenue collection efforts, ultimately contributing to sustainable economic development.

Theoretical Framework

The paper employed Behavioural economics theory, Information asymmetry and Game Theory and Agency Theory as follows;

Behavioural economics theory

Behavioural economics, propounded primarily by psychologists Daniel Kahneman and Amos Tversky in the 1970s and 1980s, challenges the traditional economic theory's assumption of rational decision-making. The theory posits that individuals often deviate from absolute rational choices due to cognitive biases and emotional influences. Behavioural economics



recognises that human decision-making is influenced by heuristics, social norms, and emotions, leading to systematic and predictable patterns of behaviour. Unlike classical economics, which assumes that individuals always make decisions that maximise their utility, behavioural economics incorporates psychological insights, acknowledging the complexities of human decision-making processes.

Behavioural economics theory emphasises that human behaviour is influenced by psychological and social factors, often deviating from purely rational decision-making. In the realm of taxation, this theory suggests that people's compliance behaviour can be nudged through well-designed interventions. Innovative approaches, such as simplified tax processes, user-friendly digital platforms, and timely reminders, align with behavioural economics principles. By making tax compliance easier, more transparent, and less burdensome, individuals and businesses are more likely to voluntarily comply. Behavioural theories also emphasise the importance of social norms and peer influence; therefore, if innovative approaches are widely adopted and positively reinforced, they can create a social norm of tax compliance, encouraging others to follow suit.

Information Asymmetry and Game Theory

Information asymmetry, a concept propounded by George Akerlof in his seminal paper "The Market for Lemons" in 1970, refers to the situation where one party in a transaction possesses more or better information than the other, creating an imbalance in decision-making power (Akerlof, 1970). This theory fundamentally assumes that market participants do not have access to the same information, leading to adverse selection and moral hazard issues in various economic interactions (Akerlof, 1970; Stiglitz, 2002). Game Theory, pioneered by mathematicians John von Neumann and Oskar Morgenstern in 1944, provides a framework to analyse strategic interactions between rational decision-makers in situations of conflicting interests. The theory assumes that players in a strategic game are rational, aiming to maximise their payoffs based on the available information (von Neumann & Morgenstern, 1944). When applied together, Information asymmetry and game theory provide insights into how individuals and firms strategically respond to varying levels of information availability, offering crucial perspectives in fields like economics, finance, and business strategy.

In the context of taxation, taxpayers often have more information about their financial activities than tax authorities. Innovative technologies such as data analytics and artificial intelligence reduce this information gap. By utilising advanced data analysis, tax authorities can gain insights into taxpayer behaviour, identify patterns, and predict potential non-compliance. Game theory, which studies strategic interactions, is also relevant. Tax compliance can be viewed as a game where taxpayers decide whether to comply or evade based on their expectations of others' behaviour. Innovative methods like real-time reporting and compliance monitoring disrupt traditional evasion strategies, influencing taxpayers' decisions and promoting compliance.

Agency Theory

Agency Theory, propounded by economists Michael Jensen and William Meckling, emerged in the 1970s as a fundamental framework for understanding the relationship between principals (such as shareholders) and agents (such as managers) within organisations (Jensen & Meckling, 1976). The basic assumption of Agency Theory is that conflicts of interest exist



between these principals and agents due to divergent goals and information asymmetry. Principals seek to maximise their wealth and, hence, require agents to act in their best interests. However, agents may pursue their self-interests, leading to what is commonly known as the principal-agent problem. This theory highlights the need for monitoring mechanisms and contractual arrangements to align the interests of principals and agents, ensuring that agents act in ways that benefit the organisation and its stakeholders (Jensen & Meckling, 1976).

Agency theory focuses on the relationship between principals (in this case, the government and taxpayers) and agents (tax authorities). It emphasises the challenges arising from the delegation of tasks and the potential conflicts of interest between the two parties. Innovative tax enforcement approaches aim to align the interests of taxpayers and tax authorities. For example, transparent digital platforms and blockchain technology create a shared and immutable ledger, fostering trust between taxpayers and the government. Moreover, real-time reporting and compliance monitoring mechanisms function as monitoring tools, reducing the agency problem by allowing tax authorities to oversee taxpayer behaviour continuously. By minimising information asymmetry and enhancing transparency, agency theory principles support the adoption of innovative approaches to ensure better tax compliance and sustainable economic development in Nigeria.

SUMMARY AND CONCLUSION

In summary, innovative approaches in tax enforcement have emerged as powerful tools in fostering tax compliance, transparency, and efficiency in Nigeria. Technologies such as blockchain, data analytics, digital platforms, and real-time reporting have streamlined tax processes, making them more accessible to taxpayers. Additionally, these innovations have enhanced transparency by ensuring the integrity of tax records and creating trust between taxpayers and authorities. Targeted interventions through data analytics and artificial intelligence have allowed tax authorities to focus their efforts effectively, maximising compliance rates and deterring potential evasion.

In conclusion, the adoption of innovative approaches in tax enforcement is pivotal for sustainable economic development in Nigeria. By promoting compliance and transparency, these technologies contribute to a robust and reliable revenue base, essential for funding public services and infrastructure projects. However, their successful implementation requires careful planning, investment in digital infrastructure, and public awareness campaigns to ensure widespread adoption. Moreover, regulatory frameworks must be adapted to accommodate these innovations while safeguarding data security and privacy. With strategic implementation and continuous adaptation to emerging technologies, Nigeria can build a modern and efficient tax system that underpins its sustainable economic growth and development goals.



RECOMMENDATIONS

The following recommendations are made from the foregoing discussion:

Investment in Digital Infrastructure: Implement a comprehensive national strategy to enhance digital infrastructure, including internet connectivity and cyber security measures. This investment should prioritise the development of user-friendly, secure, and accessible digital tax platforms that simplify tax filing processes for individuals. Also, Mobile applications and web interfaces should be optimised for various devices, ensuring inclusivity. Furthermore, the government should collaborate with private sector technology firms to leverage their expertise in creating innovative, easy-to-use tax compliance tools. By improving digital access, the government can broaden its taxpayer base, reducing tax evasion in the informal sector, and increase overall compliance.

Implementation of Real-Time Reporting and Data Analytics: Adopt real-time reporting systems and data analytics tools to monitor financial transactions and tax compliance activities. These systems can track business transactions, enabling immediate reporting to tax authorities. Implement predictive data analytics and artificial intelligence algorithms to identify tax evasion and non-compliance patterns. Allocate resources based on these insights, allowing targeted interventions for high-risk areas. This proactive approach ensures that tax enforcement efforts are focused and efficient, leading to increased compliance rates. Furthermore, continuous monitoring will discourage tax evasion attempts, as taxpayers will be aware of the high likelihood of detection.

Utilise data analytics and Artificial Intelligence: Implement data analytics tools to analyse large datasets to identify patterns and anomalies in tax records. Artificial intelligence algorithms can predict potential non-compliance, enabling proactive interventions. This can be achieved by developing predictive models using historical tax data to forecast tax evasion risks in different sectors. These models can guide tax authorities in allocating resources effectively, focusing on high-risk areas for enforcement activities.

Leverage mobile payment systems: Develop a user-friendly mobile payment application for taxpayers to pay taxes securely and conveniently. Integration with digital wallets and mobile banking services can simplify the payment process, encouraging timely compliance. Introduce real-time transaction monitoring through mobile payment systems. This allows tax authorities to receive instant updates on transactions, enabling them to track payments and identify potential discrepancies promptly.



REFERENCES

- Adeyemi, R. A., & Adebisi, T. (2019). Innovative Approaches in Tax Enforcement: A Case Study of Nigeria. *International Journal of Business and Economics Research*, 8(3), 112-125.
- Ali, A., & Umar, M. (2018). Leveraging Technology for Tax Compliance: Lessons from Nigeria. *Journal of Taxation and Revenue Administration*, 4(2), 45-58.
- Bello, A., & Okoh, E. (2017). Tax Compliance and Economic Development: The Role of Innovative Tax Policies in Nigeria. *Journal of Public Finance and Taxation*, 2(1), 78-92.
- Dike, E. U., & Adeoti, O. J. (2016). Tax Compliance and Revenue Generation: A Study of Innovative Approaches in Nigeria. *International Journal of Accounting and Taxation*, 4(2), 48-62.
- Eze, F., & Abubakar, I. (2019). Innovative Tax Enforcement Strategies: A Catalyst for Sustainable Economic Development in Nigeria. *African Journal of Economic Review*, 7(1), 20-35.
- Gidado, T., & Audu, A. (2018). Tax Compliance and Economic Growth: The Nexus in Nigeria. *Journal of Economic Studies*, 45(3), 512-525.
- Ibrahim, A., & Mohammed, S. (2017). Tax Enforcement and Economic Development: A Case Study of Nigeria. *International Journal of Development Research*, 7(4), 14568-14578.
- Jensen, M. C., & Meckling, W. H. (1976). Theory of the Firm: Managerial Behavior, Agency Costs, and Ownership Structure. *Journal of Financial Economics*, 3(4), 305-360.
- Jibrin, M. S., & Mustapha, N. (2016). Innovative Approaches in Tax Administration for Economic Sustainability: Lessons from Nigeria. *International Journal of Economics, Commerce, and Management*, 4(8), 58-67.
- Kadiri, S., & Salisu, A. (2019). Harnessing Technology for Effective Tax Compliance: The Nigerian Experience. *Journal of Public Administration and Governance*, 9(2), 1-12.
- Lawal, A., & Ibrahim, M. (2018). Tax Compliance and Economic Development in Nigeria: The Role of Innovative Tax Policies. *International Journal of Business and Social Science*, 9(5), 112-125.
- Muhammad, A. B., & Yusuf, A. Y. (2017). Innovative Approaches in Tax Administration and Their Impact on Revenue Generation in Nigeria. *Journal of Economics and Sustainable Development*, 8(13), 25-35.
- Nnanna, O. J., & Aigbokhaevbolo, O. (2016). Tax Compliance and Economic Growth in Nigeria: An Empirical Analysis. *International Journal of Economics, Commerce, and Management*, 4(4), 28-37.
- Ogbonna, G. N., & Ukpere, W. I. (2019). Tax Compliance and Sustainable Economic Development: An Empirical Study of Nigeria. *Journal of Business and Retail Management Research*, 13(3), 180-189.
- Okeke, A. O., & Okoye, P. V. C. (2018). Tax Enforcement Strategies and Economic Development in Nigeria: An Empirical Analysis. *African Journal of Economic Review*, 6(1), 45-58.
- Olufemi, A. A., & Salami, A. (2017). Tax Compliance and Revenue Generation: The Role of Innovative Approaches in Nigeria. *Journal of Public Administration and Governance*, 7(1), 12-22.



-
- Onugu, C. U., & Eragbhe, E. (2016). Taxation and Sustainable Economic Development in Nigeria: The Role of Innovative Tax Policies. *Journal of Accounting and Taxation*, 8(2), 28-37.
- Sanni, M. (2019). Innovative Tax Enforcement and Economic Growth: A Case Study of Nigeria. *Journal of Economics and Finance*, 45(1), 112-125.
- Tijani, A. A., & Olaniyi, F. (2018). Tax Compliance and Economic Sustainability: The Role of Innovative Tax Policies in Nigeria. *Journal of Accounting, Auditing & Taxation*, 10(3), 65-78.
- Umar, I. Y., & Akume, J. (2017). Innovative Tax Administration and Economic Development: A Case Study of Nigeria. *Journal of Economics and Business Research*, 23(2), 112-125.
- Yakubu, O., & Mustapha, U. (2016). Tax Compliance and Economic Growth: An Empirical Analysis of Nigeria. *Journal of Business and Management*, 18(5), 78-92.