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AN ANALYSIS OF REVENUE MANAGEMENT EFFICIENCY IN NIGERIA: A CRITICAL EXAMINATION FROM THE PERSPECTIVES OF TAX PROFESSIONALS

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Abstract

The roles of taxation are critical to the survival of any economy in the 21st century. The efficiency of tax administration is critical to revenue collection. The efficient revenue management is essential and recognized as a fundamental pillar for the functioning of any government globally. This study investigated the efficiency of revenue management in Nigeria. The research was grounded on qualitative research approach and primary data was collected through individual questionnaires from taxation professionals and administrators in Nigeria. The research collected primary data from a sample size which comprises of 200 tax professionals selected through purposive and simple random sampling methods. The study revealed that electric taxation collections was identified as the most effective revenue collection practice in Nigeria. Further, the study highlighted Fraud, Administrative inefficiencies and limited enforcement as challenges facing tax administration in Nigeria. The paper argued that the current measures put in place by the Tinubu Administration should increase the revenue collection; however, the study found the overall extent of these strategies to be poor. The study recommends a harmonization or review of the legal framework supporting revenue collection to enable Federal Inland Revenue Service (FIRS) realize its full potential.

Keywords: Nigeria Economy, FIRS, Revenue collection, Efficiency, Bank Deposits, Revenue Management, Strategies

INTRODUCTION

The administration of taxation in any economy is the principal role defined by the constitution of that country. This is further important because the government needs to generate the needed funds for the effective running of its administration from taxation. As a consequent, it is imperative for the administration of taxation as a critical factor in any economy. Government at all levels play a critical role in providing essential public services, such as infrastructure development, health services, and education (Abiola and Asiweh, 2012)

Historically, the focus of revenue collection was focussed on oil revenue and the non-oil revenues were neglected. This was not always the situation. During the first decade of colonial liberation, Nigeria relied on exporting key agricultural goods like cocoa, groundnut, and palm kernel to generate cash. The discovery of oil in the 1970s led to an overreliance on oil money, neglecting conventional sources. The federal and state governments become less concerned with non-oil revenue streams.

Due to the dwindling oil revenue which was a consequent of Niger-Delta unrest, oil spillage, pipeline vandalization, illegal activities such bunkering and crude oil theft, Nigeria have lost significant oil revenues.
Today, oil and its quick monetization provide the federal government of Nigeria with funds to further its economic operations. This lent support to the formation of various public companies. According to Anyanwu (1997), governments' revenue profiles are becoming more volatile, posing challenges for fiscal policy coordination and threatening the sustainability of some states. This can lead to technical bankruptcy and heavy debt burdens due to complex tax policies and low compliance. The Federal Government implemented economic and financial reforms, including diversifying revenue sources and lowering volatility, to address a lack of fiscal discipline and high government spending in the economy (Okafor, 2013)

Nigeria has struggled to generate money due to poor governance standards, making it one of the poorest developing countries. Okwori and Sule (2016, p. 113) stated that corruption and incompetence have hindered Nigeria's economy from utilising revenue and other resources to achieve long-term self-sufficiency.

To support these services, authorities rely on money from a variety of sources, including taxes, fees, and grants. However, the efficiency and efficacy of revenue management in government authorities are frequently questioned, with many authorities seeing considerable obstacles in collecting and managing money (Owoeye 2024). Despite the fundamental necessity of revenue management for government financial sustainability and the delivery of important public services, many authorities face challenges such as poor revenue collection rates, inadequate technology, limited personnel capability, and corruption.

According to Okwori and Sule (2016), oil income remains the primary source of revenue creation, despite numerous tax revenue rules being adjusted and implemented. This is an indication of high level of inefficiency in the tax administration in Nigeria, which is contrary to the tax-and-spend hypothesis put forward by Friedman (1978) which states that changes in government revenue bring about changes in government expenditure with sole aim of bringing growth in the economy.

Oladele et al (2020) argued that over the years, tax revenue has remained one of the major sources of revenue to governments at all levels. Governments, through revenue so collected, can meet expenses of governance and achieve economic growth through the delivery of adequate and desirable infrastructures. A robust tax system gives excellent opportunities to the government to generate more revenue needed in discharging its pressing obligations. Besides, an efficient tax system would present an effective means of mobilizing a nation's internal resources while also lending itself as an avenue where an environment conducive to the promotion of economic growth can be created (Maisiba & Atambo, 2016). Tax is imposed on a subject and any property that might be in one's name and is described as a compulsory levy and used by the government to provide security, social amenities and create conditions for the economic well-being of the society (Awai & Oboh, 2020).

The primary goal of a revenue authority is to collect the taxes and duties payable in accordance with the law and to do this in such manner that will sustain confidence in the tax system and its administration. The actions of taxpayers whether due to ignorance, carelessness, recklessness, or deliberate evasion and avoidance as well as weaknesses in a tax administration mean that instances of failure to comply with the law are inevitable. Therefore, tax administration should have in place strategies and structures to ensure that non-compliance with tax law is kept to a minimum.

However, tax administration has continuously been fraught with a myriad of challenges ranging from fraudulent collection procedure, misappropriation of tax proceeds by fraudulent tax officials and tax evasion and avoidance by the taxpayers. Habitually, tax compliance is a major problem for many tax authorities, especially in Nigeria. Taxpayers will always look for means of reducing their tax liability either through tax evasion or tax avoidance. This may give rise to incorrect filling of their tax returns and loss of revenue to the government (Mohammed, Derashid and Ibrahim 2016).

Most countries thrive more in tax revenue drives because they embrace electronic tax system (e-taxation) that enables taxpayers to pay tax, file return and receive an assessment from tax authorities without visiting tax offices. In many instances, it has been discovered that this has been one of the factors that contribute to higher tax compliance and receipts in countries such as Germany, United States of America, Malaysia and many other advanced countries. Nigerian government most notably with the dwindling oil revenue is not different. But, this great opportunity of e-taxation has not been exploited to the maximum by Nigerian governments even by some around the world (Oladele, Aribaba and Adekunle, 2020).

It is worthy of note that effective tax administration plays a vital role in the performance sitting government, the citizens standard of living and the overall economy. Taxes are the main source of revenue to the government as it assists in infrastructure development at all levels of government, and this is the reason for the existence of government. However, Ojo (2003) posits that tax is a tool for proper development in a country.

Pîrvuţ and Ciuhureanu (2020) paper argued that efficient collection of revenues is critical to the consolidated general budget of Romania. They further argued that the efficient revenue collections played a critical factor to cover the country's budget deficit imposed by the accession to the

Maastricht treaty. The major source of public spending funding is income gathered to ensure the State's operation and strengthening. The primary goal of fiscal policy, which plays a significant role in the long-term growth of the national economy, is to supply the required resources. Improving budgetary revenue collection enables the state to support public investment from European funds by raising the amounts provided for project co-financing.

The current economic situation in Romania is proving challenging. The negative implications for the whole economic sector generated by the State's COVID-19 pandemic-related actions will result in low tax and charge collection for the Consolidated General Budget. In these circumstances, Pîrvuţ and Ciuhureanu (2020) proposed that the state must emphasis on developing and recruiting new sources of investment finance, allowing enterprises to adjust to current conditions by updating or reorienting their economic activities. According to the Pîrvuţ and Ciuhureanu (2020) report, the European Union has also recommended economic recovery measures to aid nations afflicted by the coronavirus epidemic, such as Romania. These will include additional investments, financial plans to help the health industry, and budgetary revenue initiatives.

Nigeria faces significant revenue management challenges, as argued by many authors which underscores substantial shortfalls in market fee collections, uncollected business levies from financial institutions, and unclaimed government grants on properties with a substantial rateable value of the economy. Compounded by the failure to meet statutory obligations, Staff obligations-terminal benefits, Long service bonus and PAYE these issues reflect broader challenges in fiscal management, governance, and regulatory adherence that mirror global difficulties in local government revenue optimization. Addressing these multifaceted problems is crucial for enhancing the Nigeria's financial health and ensuring the continued provision of essential public services.

This paper will focus on address the following research questions

1. How efficient are the current revenue collection practices in Nigeria?
2. What specific challenges does Nigeria face in revenue management?
3. What is the relationship between various revenue management factors and the effectiveness of revenue collection strategies in Nigeria?

The second section delves into the literature review, including concepts such as conceptual review, conceptual framework, theoretical review, and empirical review. Section three goes on the study's methodology. Section four covers data analysis and interpretation. Section five contains a summary, findings, and suggestions.

LITERATURE REVIEW

Revenue collections in the Nigeria like other countries of the world is very important function which cannot be neglected. Owoeye (2024) argued that serious governments at all levels should come up with the various innovations that ensure the ease of revenue collection. Furthermore, Revenue is defined as the economic advantages derived from actions required by rules. These tasks range from the issue of permits to the monitoring of public control measures. Essentially, it represents the financial benefits obtained from the numerous regulatory responsibilities performed by government through its agencies.

According to Ahmed (2010), revenue refers to funds received by a government from both internal and external sources, including refunds, debt issuance, investment sales, agency or private trust transactions, and intra-governmental transfers. Government revenue refers to the amount received by government-dependent agencies, boards, commissions, and organisations. Chaudhry and Munir (2010) defined revenue as revenues from all government accounting funds, excluding intra-governmental service (revolving), agency, and private trust funds. According to Edogbanya and Sule (2013), income refers to monies earned by the government to finance its operations. Revenue refers to the funds earned by the government (federal, state, or municipal) to cover expenses within a fiscal year. This refers to the entire amount of revenue received and costs incurred from that source.

Revenue might be either internal or external. The internally generated revenue are revenues generated by the government from various sources with the states. These includes rates, fines, fees and licenses with the states of the federation. While the external sources from revenue from the federal account. The amount of revenues that will be available for government depends on efficiency of revenue collections.

Table 1: Sources of Revenue in Nigeria

S/N	Types of Revenue	Authority Responsible	Revenue Category
1	Import duties	Federal Government	Internally generated revenue sources
2	Excise duties	Federal Government	Internally generated revenue sources
3	Export duties	Federal Government	Internally generated revenue sources
4	Mining and Royalties	Federal Government	Internally generated revenue sources
5	Education tax	Federal Government	Internally generated revenue sources

6	Petroleum sales and profit tax	Federal Government	Internally generated revenue sources
7	Companies tax	Federal Government	Internally generated revenue sources
8	Capital gains tax	Federal/State Governments	Internally generated revenue sources
9	Personal income tax (Except those listed in number 10	State Government	Internally generated revenue sources
10	Personal income tax, armed forces, external affairs officers, on-residents, residents of the Federal Capital Territory and the Nigeria Police	Federal Government	Internally generated revenue sources
11	License fees on television and wireless radio	Local Government	Internally generated revenue sources
12	Stamp duties	Federal/State Governments	Internally generated revenue sources
13	Capital transfer tax	State Government	Internally generated revenue sources
14	Value Added Tax (VAT)	Federal Government	Internally generated revenue sources
15	Pools Betting and other Betting taxes	State Government	Internally generated revenue sources
16	Motor Vehicle and Drivers' Licenses	State Government	Internally generated revenue sources
17	Entertainment Tax	State/Local Government	Internally generated revenue sources
18	Land registration and survey fees	State Government	Internally generated revenue sources
19	Property taxes and rating	Local Government	Internally generated revenue sources
20	Marketing and trading licenses and fees	Local Government	Internally generated revenue sources
21	Motor part duties	Local Government	Internally generated revenue sources
22	Advertisement fees	Local Government	Internally generated revenue sources

23	Gift tax	State Government	Internally generated revenue sources
24	External borrowing (Loans)	Federal/States/Local Government	External Revenue Sources
25	Statutory allocation from Federation Account	State/Local Government	External Revenue Sources
26	Financial transfers	State/Local Government	External Revenue Sources
27	Special grants	Local Government	External Revenue Sources
28	Intergovernmental Transfer	Local Government	External Revenue Sources
29	Donations	Local Government	External Revenue Sources

Source: Shimawua (2022)

When it comes to revenue collection, the term efficiency has many different meanings depending on the topic of study. In the context of this study, efficiency refers to the ability of the government to meet its revenue collecting goals while maximising resource utilisation. This may include maximising output from fixed inputs, as well as ensuring that government procedures are efficient and effective in producing the intended financial outcomes (Chitembo, 2009).

The worldwide perspective on government revenue management reveals a wide range of difficulties and potential solutions, as investigated in several empirical studies. One important model is the Revenue Authority model, which provides a framework for improving tax administration and is especially useful in countries with low pay rates and restrictive public service systems. This approach, proposed by Devas, Delay, and Hubbard (2001), has the potential to improve institutional efficiency in revenue collecting, giving useful insights for sectors experiencing comparable challenges.

Farvacque-Vitkovic and Kopanyi (2014) paper focussed on strategic financial management in the government finances. This thorough manual for governments emphasises the significance of managing spending, increasing income, and ensuring credit worthiness. The insights presented might serve as a roadmap for towns looking to improve their financial management processes. Fjeldstad and Heggstad (2012) believed that revenue mobilisation is critical in African government agencies. However, it is frequently insufficient to fulfil the needs of a fast-expanding population. This emphasises the need of developing new solutions to increase local revenue streams and improve service delivery.

Several studies have highlighted the issues in revenue management across nations (Teremetskyi et al., 2021; Fjeldstad et al , 2014). These difficulties, which range from poor financial management to corruption and technical limits, call for legislative reforms, worker training, and technology investments as proposed remedies.

Wunsch (2001) outlines the challenges of successful local governance in Africa, highlighting the difficulty in converting broad reform aspirations into specific working arrangements at the local level. These obstacles, notably in planning, budgeting, and fiscal management, impede African governments' ability to achieve effective governance.

Agbe, Terzungwe, and Igbabee (2017) argued that low income generation by governments in Nigeria has ramifications for the country's overall development. Effective procedures are thought vital to create cash for local development, emphasising the crucial relationship between revenue creation and overall development goals.

Measures to increase the efficiency in revenue collection

Pîrvuţ and Ciuhureanu (2020) argued that the increase measures of efficiency in revenue collection. They further emphasized that when there is an increase in the efficiency of revenue collection and as a consequent, there will be increase in the share of revenues for the growth of the economy. They opined that the implementation of an effective tax regulation, institutional framework and conducive atmosphere that will make revenue collection a robust and reward government activities.

In the context of this paper, Pîrvuţ and Ciuhureanu (2020) argued for the efficiency of the Tax Administration agency in tax collection. Relating to this discussion, they emphasized that there should be optimized use of allocated resources, suitable collection methods should be critical objectives of increasing revenue collection.

The main objectives for increasing the efficiency in the revenue collections particularly in Nigeria should include the followings.

- Simplifying tax administration procedures to encourage voluntary compliance with tax payments;

- Promoting compliance with tax duties;

- Combating tax evasion

- guaranteeing differential tax treatment based on taxpayers' tax conduct.

These objectives are achievable through the implementation of specific measures, such as:

• Reducing the number of forms and declarations for legal persons while maintaining informational content;

• Balancing the amount of information needed to administer taxes and charges with the taxpayer's effort to fulfil declaratory obligations;

• Simplifying individual declarations.

• Efficiently collect revenue information through electronic filing of tax returns.

• Provide assistance to taxpayers in implementing tax regulations based on control body findings.

• Restructure outstanding budgetary obligations and simplify payment rescheduling procedures.

• Implement a supervision system.

• Identifying affiliated persons and verifying transfer prices to correct tax returns;

• Improving electronic control techniques;

• Gradually implementing specific measures based on taxpayer behaviour, including notification of potential irregularities that may cause discrepancies.

Efficiency of Administration

According to the National Tax policy 2017 published by the Federal Ministry of Finance of Nigeria, the paper identified the followings as critical factors that can increase the efficiency and effectiveness of tax administration in Nigeria.

Payment Processing and Collection

The efficiency of tax administration in any economy is determined by payment process and collection process. This paper argued the introduction of a robust technology to assist in the process. This is pursuant to the role artificial intelligence and robotics have played in advanced and industrialized economies. Furthermore, the paper emphasized that the collection system to be introduced in the collection process by the tax authority shall leverage on modern technology towards advancing ease of payment and prevention of revenue losses.

Record Keeping

The role of record keeping is critical to the efficiency of tax administration. When there are adequate records kept in safe and secured environment, tax payers will have confidence in the Tax administration. Tax authorities must collaborate with appropriate agencies to implement automated systems and provide proper training to tax officers on how to utilise and maintain them. To improve the tax administration process, electronic record-keeping systems should be used in accordance with worldwide best practices.

Exchange of Information

Information gathering for efficient tax administration cannot be undermined in any economy. The role of the tax authorities are to get the undated information on the tax payers is relevant. Cooperation among various government agencies is essential. Tax authorities must provide an effective structure for collaboration and information exchange with other tax authorities, as well as appropriate local and international entities. This will reduce tax avoidance and revenue loss. Owoeye (2024) argued that where there are no efficient information gathering that could discourage tax compliance and enhance tax avoidance. This conclusion is consistent with Itsibor (2024), who discovered that information systems had a substantial positive association with revenue collection in governments, emphasising the relevance of technology integration in revenue management systems.

Enforcement of Tax Laws

The tax law should be made simple and easy to understand. The Tax authorities should constantly review and update tax laws through the act of parliament. Tax authorities are responsible for enforcing civil and criminal punishments outlined in various tax laws.

Funding of Tax Authorities

The efficiency and effectiveness of Tax authority requirement significant funding for its collection operations. The government should ensure that appropriate fundings are provided for its tax agencies. As a result, the government should ensure that the authority receives an appropriate share of the income collected for its activities.

Funding for Tax Refunds

This paper argued that the process of Tax refunds should be made very clear and straight forward. Furthermore, access to the process of Tax refunds should be available to all tax payers. The government will provide appropriate money to cover refund commitments. Tax authorities are responsible for ensuring that refunds are paid on time and efficiently.

Ease of Paying Taxes

The impact of ease of payment system of the Tax Administration particularly in Nigeria is highly important for the collection of Tax revenues. Owoeye (2023, 2024) argued that the impact of electronic tax collection on tax revenue and the use role of artificial intelligence on the Tax administration. This paper emphasized that Tax authorities must guarantee that payment methods and paperwork are convenient and cost-effective. Tax authorities must try to ensure that the worldwide index of tax ease improves as quickly as possible.

Revenue Autonomy

The Federal Inland Revenue Service (FIRS) is principally responsible for the Tax Administration in Nigeria. Currently it is under the federal ministry of finance and the chairman of the FIRS reports to the Minister. The paper argued that for efficient Tax Administration should have autonomy in terms of all operational activities and implementation of tax policies in Nigeria. The Government should provide its tax agency with a fair amount of budgetary and administrative autonomy to enable its carry out its responsibilities effectively.

Constraints of effective revenue collection in Nigeria.

Since the 1970s, the Nigerian government has implemented many changes to increase income collection and fulfil its statutory commitments to the people. This was achieved through increased revenue generation, despite challenges such as low borrowing capacity, corruption, mismanagement, misappropriation of state government funds, ineffective revenue generation strategies, and a shortage of skilled personnel.

Mismanaged and misappropriated government funds

Mismanagement of state government revenues is a serious issue in Nigeria's income generation system. Tax collectors are responsible for collecting all revenue streams, but often fail to use additional sources available to the government. Government officials have been accused of embezzling funds through various methods, including contract inflating, white elephant projects, and outright syphoning, negatively impacting Nigeria's growth (Uhunmwangho and Aibieyi, 2013).

Corruption

Corruption among revenue collectors has hampered the government's ability to collect internal revenue, which was intended to boost funding. Unofficial receipts held by tax collectors allow them to transfer government revenues for private purposes. Corruption has eroded government income by distorting return receipts, embezzling, and misappropriating cash. According to Afuberoh and Okoye (2014), due to low voluntary compliance and honesty, many taxpayers disguise their identity by providing bogus addresses. Efforts to prevent corruption and theft in tax collecting are crucial for achieving desired revenue levels.

Poor financial management

Poor work ethic and dishonest revenue collectors contribute to this issue. According to Owoeye (2024), a casual attitude among revenue collectors and treasury personnel is a contributing reason to poor revenue collection by government agencies. They believe that the 'father charismas' of the Federation Account will provide personal emoluments for personnel, regardless of any direct money collected. Some councils have struggled to pay salaries following state government deductions due to inadequate income generating.

Political Influence, Limited Enforcement and Administrative Inefficiencies

Takwa, Babila, and Teno (2020) paper argued on issues relating to revenue collection. They believed that the government's interference with domestic income production and lack of authority to enact finance legislation were due to political influence and limited enforcement concerns. Sharma (2021) examined the critical issues around tax authorities in emerging nations confront with addressing fiscal imbalances caused by fast urban population expansion and reliance on central government transfers. This is consistent with the budgetary management issues, which include administrative inefficiencies. Kuusaana (2015) highlighted that weak data systems, political meddling, and limited staffing are key impediments to tax collecting strategies.

Turley and McNena (2019) described several revenue concerns that Irish governments confront, such as fiscal autonomy and income disparities between urban and rural councils, which indicate a wide range of challenges, including corruption and fraud. Mbedzi and Gondo (2010) identified factors contributing to inefficiency in revenue collection, such as poor organisational structure and insufficient accounting systems, which are similar to administrative inefficiencies. Madhovi (2020) emphasised the benefits of integrating social accountability mechanisms on fiscal management difficulties faced by governments.

Research Methodology

The research was grounded on qualitative research approach and primary data was collected through individual questionnaires from taxation professionals and administrators in Nigeria. The research collected primary data from a sample size comprised of 200 tax professionals selected through purposive and simple random sampling methods. Furthermore, a simple percentage will be used to critically analyse how the Tax practitioners perceive how efficient the current collection practices in Nigeria, identify the prominent challenges facing revenue collection in Nigeria and discuss the effectiveness of revenue collection strategies in Nigeria.

Discussions and Data Analysis.

This section focussed on the discussion of the outcome of the results from the questionnaires completed by the tax professionals and administrators.

Methods of Revenue Collection

The first question was on the critical investigation of the methods of revenue collection in Nigeria. Based on the perception of the participants, 85% of the participants emphasized that the methods of revenue collection in Nigeria is not efficient and sufficient enough to collect more revenue for the Nigerian economy. 65% of the participants strongly agreed and 20% agreed in their assessment, that the methods put in place by Federal Inland Revenue Services (FIRS) are not suitable for revenue collections in the 21st century. However, the FIRS are currently reorganising its structure and embedding e-collection (Owoeye, 2024) in their processes. How efficient that is, is an important question.

Effective Methods of Revenue Collection

This question focussed on effectiveness of the methods of revenue collection. This question compared the payment of revenue collection physically and electronic payment system. The participants totally agreed that electronic payment system should enhance the efficient revenue collection in Nigeria. This is because electronic payment systems should mitigate the cumbersome tax administration and curb corruption. Owoeye (2024) argued that e-payment systems encouraged many tax payers to pay their fair share of taxes and the role of the middle-men are reduced or eliminated.

Methods of Monitoring and Evaluating the Effectiveness

The role of monitoring and critical evaluation of the effectiveness of revenue collection in Nigeria. There should be a monitoring mechanism that ensure that revenue collections are adequate and fit for purpose. Based on the results from the questionnaire, 75% of the participants strongly agreed that the methods of monitoring and evaluation the effectiveness of revenue collections in Nigeria is far from suitable. This paper argued that the Federal Inland Revenue Service (FIRS) should engage in staff training in latest monitoring methods and implement the use of technology and artificial intelligence to robustly implement the monitoring of the revenue collections in Nigeria.

Challenges Faced in Revenue Management

This question examined the various challenges identified mitigating the efficiency of revenue collection in Nigeria. The following challenges such as: tax evasion and compliance, corruption, poor financial management, inexperience human resources, complex tax laws. Based on the results, 95% of the participants strongly agreed that the above problems have significantly affected the revenue management in Nigeria. This paper argued that government must should empower the Federal Inland Revenue Service (FIRS) with the mandate to come up with policies that prevent tax evasion and enhance compliance, eliminate corruption, excellent financial management, employ experience staff and on-going training with current staff and restructure the tax laws.

Tactics and Strategies used to Reduce Loss

The question examined that the tactics and strategies implemented so far and how efficient those tactics and strategies can prevent financial losses. The participants result revealed that poorly executed tactics and strategies are the bane of the revenue collections in Nigeria. The paper argued that the use of consultants as revenue collection agents as a tactic is not reasonable. This is because the amount of revenue collected by them is not sufficient. In some instance, the consultants collude with the tax payers to defraud the government.
Improving data management, automation, and technology, as well as emphasising enforcement and compliance, are viewed as useful measures for reducing revenue loss.

External Factors Influencing Revenue Management

Revenue management in Tax Administration is a critical practice to optimize the revenue potential of Nigeria. This paper argued that external factors such as macroeconomic conditions, weather, economy activities and financial landscape have significant impact on revenue collections. This is because the Tax authorities can only collect revenue from Tax payers. Based on this assessment, and when there are favourable macroeconomic conditions and economic prosperity is when tax payers can make sufficient money to be taxed and efficient revenue collection. This is confirmed by the results of the questionnaire where 98% of the participants strongly agreed that external factor influenced revenue management in Nigeria.

Internal Factors Influencing Revenue Management

This question examined the roles of the internal factors such company culture, organisational structure, management style, employee satisfaction, remunerations and access to equipments to work. These factors play important role in determining the Federal Inland Revenue Services

(FIRS) capacity to expand, implement new strategies, increase revenue collections, and compete successfully in the marketplace.
The results of the questionnaires revealed important insight. This paper observed that 99% of the participants strongly agreed that revenue collections will improve significantly if the internal factors identified above are adequately engaged with. Furthermore, the FIRS has restructured its organisational structure for effectiveness, creating an open-door policy, continuous training of staff, hiring experienced tax professionals and engagement in technology. Okidi, Akello, and Opio (2021) found that control actions have a major impact on revenue collection in governments, emphasising the relevance of internal elements in determining revenue management efficiency.

Summary and Conclusions

The research examines revenue collection and management, emphasising the relevance of diverse revenue sources and the use of effective collection techniques such as electronic payment systemm and the establishment of various collecting stations by Federal Inland Revenue Services (FIRS). It highlights issues such as political interference, corruption, and administrative inefficiency that are frequent in governments, particularly in Nigeria. The need of strategic adaptation to promote financial stability and operational efficiency is highlighted. Key techniques include using technology to improve enforcement and ensuring that internal and external issues such as compliance and economic circumstances are appropriately controlled. The study's findings are useful for policymakers and strategic planners, since they provide a template for improving revenue systems in similar circumstances across the world.

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