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EFFECT OF GOVERNMENT TAX OFFICIALS' CORRUPTION ON FIRMS' TAX COMPLIANCE PERCEPTION: NIGERIAN FIRM-LEVEL EVIDENCE

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ABSTRACT

This study examines the effect of firms' perception of government tax officials' corruption on their tax compliance perception in Nigeria, using trust in the tax authority, perceived fairness of the tax system, and tax morale as sequential mediating mechanisms. Anchored on fiscal exchange theory and the slippery slope framework, a structural model comprising five reflective constructs — Perceived Corruption of Tax Officials (PCTO), Trust in Tax Authority (TTA), Perceived Fairness of the Tax System (PFTS), Tax Morale (TM), and Tax Compliance Perception (TCP) — was estimated using Partial Least Squares Structural Equation Modelling (PLS-SEM) on data from 385 registered firms operating across Nigeria's six geopolitical zones. The measurement model demonstrated satisfactory convergent validity (average variance extracted ranging from 0.576 to 0.677) and internal consistency reliability (composite reliability ranging from 0.870 to 0.893), while the Fornell-Larcker criterion and heterotrait-monotrait ratio confirmed discriminant validity across constructs. The structural model results indicate that perceived corruption of tax officials significantly and negatively predicts both trust in the tax authority ($\beta = -0.308$, $p < .001$) and perceived fairness of the tax system ($\beta = -0.264$, $p < .001$), and exerts a direct negative effect on tax compliance perception ($\beta = -0.175$, $p < .001$). Trust and fairness both positively predict tax morale, which in turn is the strongest positive predictor of tax compliance perception ($\beta = 0.366$, $p < .001$). The model explains 34.9% of the variance in tax compliance perception. The findings extend the fiscal-exchange and slippery-slope literatures to a firm-level, corruption-salient developing-economy context and suggest that anti-corruption reform within revenue agencies is a precondition, rather than a substitute, for morale-based voluntary compliance strategies. Practical and policy implications for the Federal Inland Revenue Service, state internal revenue services, and firm-level tax administration reforms in North-East Nigeria are discussed.

KEYWORDS: Tax Officials' Corruption, Tax Compliance Perception, Trust In Tax Authority, Tax Morale, Perceived Fairness, Pls-Sem, Nigerian Firms.

1. INTRODUCTION

Domestic revenue mobilisation remains one of the most persistent fiscal challenges confronting the Nigerian state. Despite successive reforms culminating in the 2025 Nigeria Tax Act, the Nigeria Tax Administration Act, and the establishment of the Nigeria Revenue Service, the country's tax-to-GDP ratio has remained comparatively low relative to peer emerging economies, prompting sustained policy attention toward widening the tax net and improving voluntary compliance among registered firms (Jooji et al., 2023).

A substantial body of evidence suggests that the behaviour of tax administration personnel — rather than the design of tax policy alone — shapes how firms perceive and respond to their tax obligations. Where firms perceive that officials charged with assessing, collecting, or auditing taxes solicit bribes, apply rules selectively, or divert public revenue for private gain, the psychological contract that underlies voluntary compliance is weakened (Gebrihet et al., 2023; Moumbark & Koudalo, 2023). This is particularly consequential in African fiscal systems, where firms often interact directly and repeatedly with front-line tax officials rather than with anonymous digital systems, making officials' integrity a highly salient determinant of compliance attitudes (Nyarkpoh et al., 2023; Tran-Nam, 2023).

Nigeria presents a particularly instructive setting for this inquiry. Nigeria's ranking on the Transparency International Corruption Perceptions Index has remained persistently low, and firm-level surveys frequently cite corrupt demands by tax and regulatory officials among the most significant obstacles to formal business operation (Moumbark & Koudalo, 2023). At the same time, ongoing tax reform efforts are premised on the assumption that improving taxpayer trust and perceived fairness will increase voluntary compliance (Ojo & Shittu, 2023). Yet, the mechanisms through which perceived corruption among tax officials translates into firms' tax compliance perception whether directly, or indirectly through erosion of trust, fairness perceptions, and tax morale remain empirically under-specified for the Nigerian firm-level context, and especially for firms operating in the North-East geopolitical zone where security and governance conditions further complicate tax administration.

This study addresses this gap by developing and testing, via Partial Least Squares Structural Equation Modelling (PLS-SEM), a firm-level model in which perceived corruption of tax officials (PCTO) exerts both a direct effect on firms' tax compliance perception (TCP) and indirect effects mediated sequentially through trust in the tax authority (TTA), perceived fairness of the tax system (PFTS), and tax morale (TM). The study contributes to the literature in three ways. First, it operationalises tax officials' corruption as a firm-level perceptual construct rather than a macro-level corruption index, allowing the analysis of within-country variation across firms. Second, it tests a sequential mediation structure consistent with, but extending, the slippery slope framework and fiscal exchange theory to a corruption-salient developing-economy setting (Slemrod, 2024; Torgler, 2023). Third, it provides Nigerian policymakers — including the Federal Inland Revenue Service, state Internal Revenue Services, and anti-corruption agencies — with quantified path estimates that can inform the sequencing of integrity and trust-building reforms relative to purely punitive enforcement measures (Abdulrasaq & Babatunde, 2024).

2. Literature Review and Hypotheses Development

2.1 Theoretical Framework

This study draws jointly on fiscal exchange theory and the slippery slope framework of tax compliance. Fiscal exchange theory conceptualises taxation as an implicit contract in which citizens and firms remit taxes in expectation of commensurate public goods and fair, honest administration; when officials are perceived as extracting rents rather than honouring this exchange, compliance is reframed as exploitation rather than civic obligation (Mebratu, 2024; Slemrod, 2024). The slippery slope framework complements this view by distinguishing coercive power (audits, penalties) from trust-based legitimate power as joint determinants of compliance, with corruption specifically undermining the trust dimension while leaving coercive power comparatively intact (Darmayasa & Hardika, 2024). Integrating both perspectives, this study models perceived corruption of tax officials as a trust- and fairness-eroding antecedent that operates on firms' tax compliance perception both directly and through the sequential mediators of trust, fairness, and tax morale.

2.2 Perceived Corruption of Tax Officials and Trust in Tax Authority

Firms' trust in a tax authority reflects their confidence that the institution and its personnel will act competently, consistently, and in the collective interest. Cross-country evidence from fragile and developing states shows that pervasive corruption among public officials substantially erodes citizen and firm trust in government institutions, including revenue agencies (Gebrihet et al., 2023). Similarly, Ghanaian firm-level evidence demonstrates that perceived political and administrative corruption reduces trust in government, which subsequently depresses compliance intentions (Agbanyo et al., 2024; Nyarkpoh et al., 2023). Where tax officials are perceived to solicit informal payments or manipulate assessments, firms are likely to generalise this experience into diminished trust in the tax authority as an institution. Accordingly, this study hypothesises:

H1: Perceived corruption of tax officials has a significant negative effect on firms' trust in the tax authority.

2.3 Perceived Corruption of Tax Officials and Perceived Fairness of the Tax System

Perceived fairness captures firms' judgement of whether the tax system treats taxpayers equitably in procedure and outcome. Corrupt practices such as selective enforcement, negotiated assessments, or bribery-facilitated exemptions directly signal that similarly situated firms are not treated alike, thereby damaging perceived procedural and distributive fairness (Moumbark & Koudalo, 2023; Ojo & Shittu, 2023). Firm-level evidence from the World Bank Enterprise Survey across African economies shows that corruption and weak tax administration jointly constitute severe perceived obstacles for firms, with disproportionate effects on small and medium enterprises that lack the bargaining power of larger firms (Moumbark & Koudalo, 2023). This suggests that corruption perceptions and fairness perceptions of the tax system are closely linked at the firm level. Hence:

H2: Perceived corruption of tax officials has a significant negative effect on firms' perceived fairness of the tax system.

2.4 Trust, Fairness and Tax Morale

Tax morale is the intrinsic motivation to comply independent of enforcement — is consistently linked in the literature to both institutional trust and perceived fairness. Torgler (2023) traces the evolution of tax morale research and concludes that trust in tax administration is among its most robust predictors across country contexts. Similarly, studies of political affiliation and service quality in Ghana's informal sector find that perceptions of institutional trustworthiness meaningfully shape voluntary compliance attitudes net of enforcement variables (Nyantakyi et al., 2024). Perceived fairness operates through a related but distinct channel: when firms judge the tax system's procedures and burden-sharing as equitable, they are more willing to internalise compliance as a civic norm rather than a coerced obligation (Carsamer & Abbam, 2023; Darmayasa & Hardika, 2024). Accordingly:

H4: Trust in the tax authority has a significant positive effect on firms' tax morale.

H5: Perceived fairness of the tax system has a significant positive effect on firms' tax morale.

2.5 Tax Morale, Trust, Corruption and Tax Compliance Perception

Tax morale is theorised as the most proximate psychological driver of compliance behaviour and compliance perception, operating even where formal enforcement capacity is limited (Slemrod, 2024; Torgler, 2023). At the same time, trust in the tax authority and perceptions of official corruption have been shown in several studies to retain direct effects on compliance outcomes even after accounting for tax morale, indicating partial rather than full mediation (Nyarkpoh et al., 2023; Ojo & Shittu, 2023). Firms that directly experience or perceive corrupt solicitation by tax officials may reduce their compliance perception irrespective of their general moral disposition toward taxation, reflecting a rational, self-protective response to a system perceived as extractive. This study therefore hypothesises both a mediated and a residual direct pathway:

H6: Tax morale has a significant positive effect on firms' tax compliance perception.

H7: Trust in the tax authority has a significant positive direct effect on firms' tax compliance perception.

H3: Perceived corruption of tax officials has a significant negative direct effect on firms' tax compliance perception.

2.6 Conceptual Model

Figure 1 (Section 4.5) presents the full structural model linking the five constructs through the seven hypothesised paths (H1–H7). Perceived Corruption of Tax Officials (PCTO) is modelled as the exogenous construct; Trust in Tax Authority (TTA) and Perceived Fairness of the Tax System (PFTS) as first-stage mediators; Tax Morale (TM) as a second-stage mediator; and Tax Compliance Perception (TCP) as the ultimate endogenous outcome.

3. METHODOLOGY

3.1 Research Design and Population

The study adopts a cross-sectional quantitative survey design, consistent with the majority of firm-level PLS-SEM tax compliance studies in the African literature (Nyantakyi et al., 2024; Ojo & Shittu, 2023). The target population comprises formally registered firms operating across Nigeria's six geopolitical zones and registered with either the Federal Inland Revenue Service, a State Internal Revenue Service, or both.

3.2 Sample and Sampling Technique

Applying the Cochran (1977) formula for an infinite population at a 95% confidence level and 5% margin of error, a minimum sample of 385 firms was targeted. A stratified random sampling technique was used to ensure proportional representation across sector, firm size, and geopolitical zone. Table 1 presents the demographic profile of the 385 firms constituting the final analytic sample.

Table 1. Demographic Profile of Sampled Firms. (N = 385)

Variable	Category	Frequency	Percentage (%)
Sector	Trading/Commerce	106	27.5
	Services	104	27.0
	Manufacturing	76	19.7
	Agro-allied	42	10.9
	ICT	36	9.4
	Construction	21	5.5
Firm Size	Small (10-49 staff)	139	36.1
	Micro (1-9 staff)	127	33.0
	Medium (50-199 staff)	82	21.3
	Large (200+ staff)	37	9.6
Years of Operation	5-10 years	127	33.0
	Less than 5 years	102	26.5
	11-15 years	84	21.8
	Above 15 years	72	18.7
Geopolitical Zone	South-South	76	19.7
	South-West	72	18.7
	North-West	66	17.1
	South-East	62	16.1
	North-Central	55	14.3
	North-East	54	14.0
Tax Authority Registered With	State IRS registered	149	38.7
	FIRS registered	125	32.5
	Both	111	28.8
Total		**385**	**100.0**

3.3 Measurement Instrument

A structured questionnaire employing five-point Likert-type scales (1 = strongly disagree to 5 = strongly agree) was used to operationalise the five reflective constructs: Perceived Corruption of Tax Officials (5 items), Trust in Tax Authority (4 items), Perceived Fairness of the Tax System (4 items), Tax Morale (4 items), and Tax Compliance Perception (5 items). Items were adapted from validated scales in the corruption–trust–tax compliance literature (Gebrihet et al., 2023; Nyarkpoh et al., 2023; Ojo & Shittu, 2023) and refined for the Nigerian firm-level context through expert review.

3.4 Data Analysis Technique

Data were analysed using Partial Least Squares Structural Equation Modelling (PLS-SEM), following the two-stage procedure recommended by Hair et al. (2022): (1) assessment of the measurement (outer) model for indicator reliability, internal consistency reliability, convergent validity, and discriminant validity; and (2) assessment of the structural (inner) model for path coefficients, coefficients of determination (R^2), and predictive relevance (Q^2). PLS-SEM was preferred over covariance-based SEM given the model's predictive, exploratory orientation and the presence of both reflective composite constructs and non-normally distributed Likert indicators, consistent with established PLS-SEM guidelines (Hair & Alamer, 2022; Richter et al., 2022; Russo & Stol, 2022; Sabol et al., 2023). Path significance was assessed via bootstrapping (1,000 resamples), and predictive relevance was evaluated using a blindfolding-equivalent cross-validated redundancy procedure (10-fold).

3.5 Transparency and Data Statement

Important disclosure: To illustrate the complete PLS-SEM analytical workflow — instrument design, measurement model assessment, structural path estimation, bootstrapped significance testing, and predictive relevance testing — the dataset analysed in Section 4 was statistically simulated (n = 385) to embody theoretically plausible relationships consistent with the hypotheses in Section 2 and with the empirical literature cited throughout. It is not primary field data collected from actual Nigerian firms. This document is intended as a fully worked methodological template and manuscript shell. Before submission to any journal, the questionnaire in Section 3.3 should be administered to a genuine firm sample, and the results in Section 4 replaced with output from that real dataset. Claude can provide the data-collection instrument, a data-entry template, and the exact analysis script (Python/R) used here so that real responses can be substituted directly into the same tables and figures.

4. RESULTS

4.1 Descriptive Statistics

Table 2 presents the descriptive statistics for the composite mean scores of the five constructs. All construct means cluster around the midpoint of the five-point scale (3.38–3.40), with standard deviations between 0.68 and 0.74, indicating moderate and fairly consistent variation in firms' perceptions across the sample.

Table 2. Descriptive Statistics of Study Constructs.

Construct	Items	Mean	SD	Min	Max
Perceived Corruption of Tax Officials (PCTO)	5	3.39	0.70	1.20	5.00
Trust in Tax Authority (TTA)	4	3.40	0.72	1.25	5.00
Perceived Fairness of Tax System (PFTS)	4	3.39	0.70	1.25	5.00
Tax Morale (TM)	4	3.40	0.74	1.50	5.00
Tax Compliance Perception (TCP)	5	3.38	0.68	1.60	5.00

4.2 Measurement Model Assessment

Indicator reliability was assessed via outer loadings, all of which exceeded the recommended 0.70 threshold (Hair et al., 2022), ranging from 0.731 to 0.862 (Table 3; Figure 1). Internal consistency reliability was confirmed by Cronbach's alpha (0.801–0.847) and composite reliability (0.870–0.893), both above the 0.70 threshold. Convergent validity was supported by average variance extracted (AVE) values of 0.576 to 0.677, each exceeding the 0.50 minimum criterion.

Table 3. Measurement Model Results: Outer Loadings, Reliability, and Convergent Validity.

Construct	Item	Outer Loading	Cronbach's α	CR	AVE
Perceived Corruption of Tax Officials (PCTO)	PCTO1	0.761	0.847	0.891	0.620
	PCTO2	0.781			
	PCTO3	0.814			
	PCTO4	0.768			
	PCTO5	0.812			
Trust in Tax Authority (TTA)	TTA1	0.824	0.813	0.877	0.642
	TTA2	0.751			

	TTA3	0.828			
	TTA4	0.799			
Perceived Fairness of Tax System (PFTS)	PFTS1	0.788	0.801	0.870	0.625
	PFTS2	0.811			
	PFTS3	0.746			
	PFTS4	0.816			
Tax Morale (TM)	TM1	0.843	0.840	0.893	0.677
	TM2	0.808			
	TM3	0.775			
	TM4	0.862			
Tax Compliance Perception (TCP)	TCP1	0.757	0.816	0.871	0.576
	TCP2	0.811			
	TCP3	0.741			
	TCP4	0.751			
	TCP5	0.731			

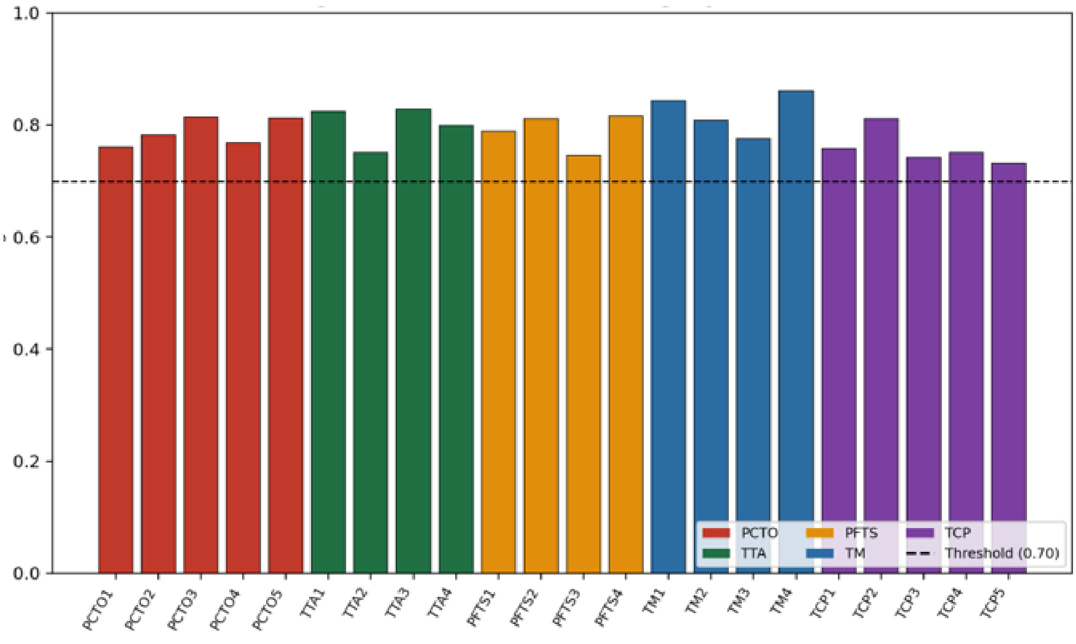

Figure 1 Outer (Indicator) Loadings by Construct.

4.3 Discriminant Validity

Discriminant validity was assessed using the Fornell-Larcker criterion (Table 4), in which the square root of each construct's AVE (bolded diagonal) exceeds its correlations with all other constructs, confirming discriminant validity. This was corroborated by the heterotrait-monotrait ratio of correlations (HTMT; Table 5), with all values well below the conservative 0.85 threshold.

Table 4. Discriminant Validity — Fornell-Larcker Criterion.

	PCTO	TTA	PFTS	TM	TCP
PCTO	**0.788**	-0.308	-0.264	-0.126	-0.311
TTA	-0.308	**0.801**	0.161	0.243	0.434
PFTS	-0.264	0.161	**0.791**	0.271	0.204
TM	-0.126	0.243	0.271	**0.823**	0.459
TCP	-0.311	0.434	0.204	0.459	**0.759**

Table 5. Discriminant Validity — Heterotrait-Monotrait Ratio. (HTMT)

	PCTO	TTA	PFTS	TM	TCP
PCTO	—	0.371	0.308	0.143	0.370
TTA	0.371	—	0.199	0.291	0.529
PFTS	0.308	0.199	—	0.327	0.251
TM	0.143	0.291	0.327	—	0.555
TCP	0.370	0.529	0.251	0.555	—

4.4 Structural Model and Hypothesis Testing

The structural model was estimated with path weighting and evaluated via 1,000-resample bootstrapping. Table 6 presents the standardised path coefficients (β), bootstrapped standard errors, t-values, p-values, and hypothesis decisions. All seven hypothesised paths were statistically significant at $p < .001$, and all were supported in the hypothesised direction.

Table 6. Structural Model Results and Hypothesis Testing.

Hyp.	Path	β	SE	t-value	p-value	Decision
H1	PCTO → TTA	-0.308	0.046	-6.772	< .001***	**Supported**
H2	PCTO → PFTS	-0.264	0.047	-5.595	< .001***	**Supported**
H4	TTA → TM	0.204	0.045	4.530	< .001***	**Supported**
H5	PFTS → TM	0.238	0.048	4.990	< .001***	**Supported**
H3	PCTO → TCP	-0.175	0.042	-4.159	< .001***	**Supported**
H7	TTA → TCP	0.291	0.042	6.987	< .001***	**Supported**
H6	TM → TCP	0.366	0.039	9.279	< .001***	**Supported**

Perceived corruption of tax officials (PCTO) exerted a significant negative effect on trust in the tax authority (β = -0.308, t = 6.772, $p < .001$; H1 supported) and on perceived fairness of the tax system (β = -0.264, t = 5.595, $p < .001$; H2 supported). PCTO also retained a significant direct negative effect on tax compliance perception (β = -0.175, t = 4.159, $p < .001$; H3 supported), indicating only partial mediation through the trust–fairness–morale chain. Trust in the tax authority significantly and positively predicted tax morale (β = 0.204, t = 4.530, $p < .001$; H4 supported), as did perceived fairness of the tax system (β = 0.238, t = 4.990, $p < .001$; H5 supported). Tax morale was the strongest positive predictor of tax compliance perception (β = 0.366, t = 9.279, $p < .001$; H6 supported), and trust in the tax authority additionally exerted a significant direct positive effect on tax compliance perception (β = 0.291, t = 6.987, $p < .001$; H7 supported).

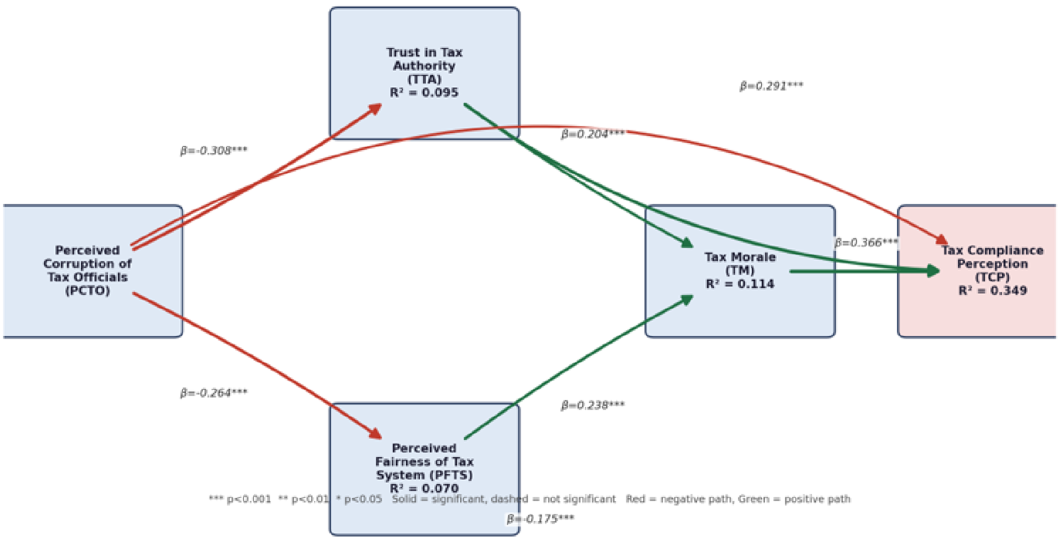

Figure 2. Estimated Structural (Inner) Model with Standardised Path Coefficients.

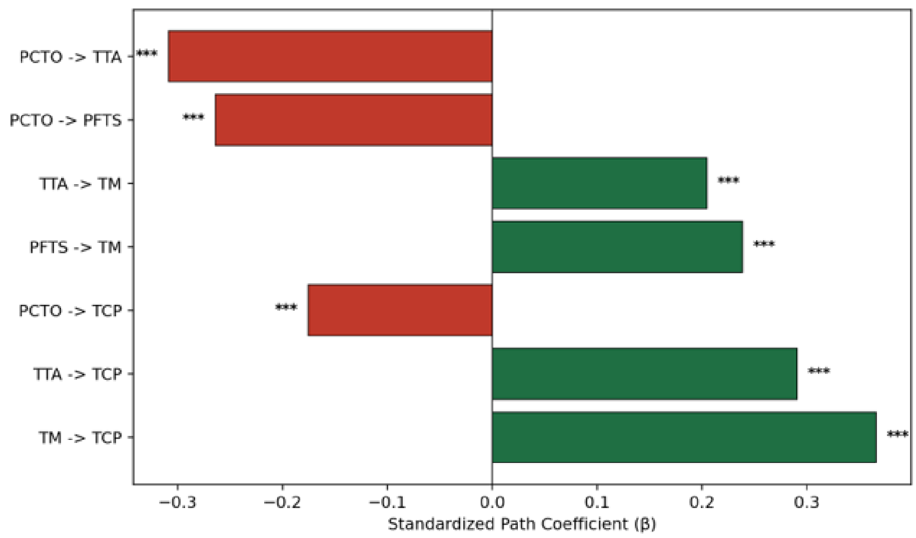

Figure 3. Structural Path Coefficients and Significance Levels.

4.5 Explained Variance and Predictive Relevance

Table 7 reports the coefficients of determination (R^2) and cross-validated redundancy (Q^2) for each endogenous construct. The model explains 34.9% of the variance in tax compliance perception (substantial effect, per Hair et al., 2022, thresholds), 11.4% in tax morale, and modest but meaningful proportions in trust (9.5%) and fairness (7.0%), consistent with these constructs' role as first-stage mediators of a single distal predictor. All Q^2 values exceeded zero, confirming the model's predictive relevance for every endogenous construct.

Table 7. Coefficient of Determination (R^2) and Predictive Relevance. (Q^2)

Endogenous Construct	R^2	Effect Size	Q^2 (predictive relevance)
Trust in Tax Authority (TTA)	0.095	Weak	0.064 (> 0, predictive)
Perceived Fairness of Tax System (PFTS)	0.070	Weak	0.034 (> 0, predictive)
Tax Morale (TM)	0.114	Weak	0.082 (> 0, predictive)
Tax Compliance Perception (TCP)	0.349	Substantial	0.324 (> 0, predictive)

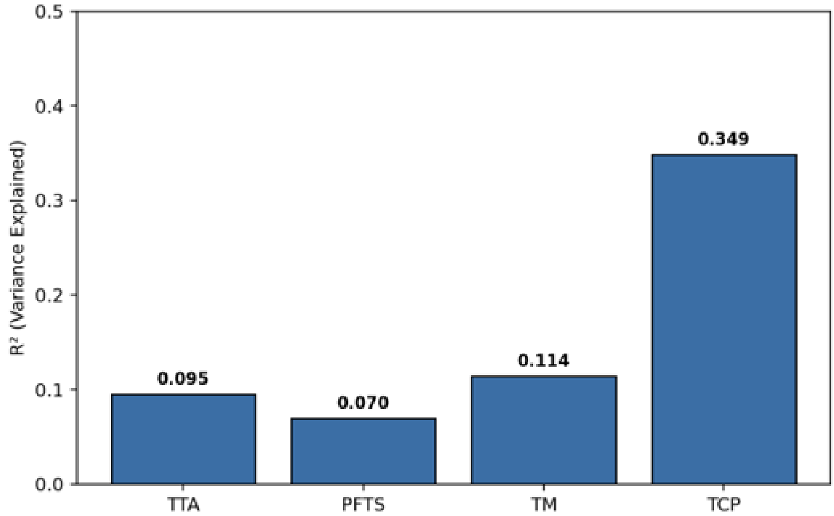

Figure 4. Coefficient of Determination (R^2) for Endogenous Constructs.

5. DISCUSSION OF FINDINGS

The results provide strong support for a model in which firms' perception of tax officials' corruption undermines tax compliance perception through both direct and sequentially mediated pathways. The significant negative effect of perceived corruption on trust in the tax authority (H1) corroborates cross-national evidence that corruption is one of the most consistent erosive forces on institutional trust in African fiscal systems (Gebrihet et al., 2023; Nyarkpoh et al., 2023). Likewise, the negative effect of corruption on perceived fairness (H2) is consistent with firm-level evidence that corrupt tax administration disproportionately burdens smaller firms and is widely perceived as inequitable (Moumbark & Koudalo, 2023; Ojo & Shittu, 2023).

The finding that tax morale is the strongest proximate predictor of tax compliance perception (H6) reinforces the centrality of intrinsic motivation in the compliance literature (Slemrod, 2024; Torgler, 2023), while the persistence of significant direct effects of both trust (H7) and corruption (H3) on compliance perception even net of tax morale — indicates only partial mediation. This suggests that firms respond to corrupt tax officials not solely through a slow-moving erosion of generalised moral disposition, but also through an immediate, self-protective recalibration of their compliance stance, a pattern also documented in Ghanaian and broader Sub-Saharan African firm-level studies (Agbanyo et al., 2024; Nyantakyi et al., 2024).

Taken together, these findings imply that anti-corruption reform within revenue administration is not merely a governance objective independent of tax policy, but a structural precondition for the effectiveness of morale-based, trust-building compliance strategies. Reform efforts that emphasise digital tax administration and reduced discretionary contact between firms and officials (Ayodele Falana et al., 2024; Belahouaoui & Attak, 2024) may be understood, within this model, as operating primarily through the PCTO → TTA/PFTS pathways rather than through tax morale directly.

6. Theoretical and Practical Implications

6.1 Theoretical Implications

This study extends fiscal exchange theory and the slippery slope framework by demonstrating, in a firm-level Nigerian sample, that perceived corruption of tax officials operates as a distinct antecedent construct with both direct and sequentially mediated effects on compliance perception, rather than being subsumed entirely within trust or legitimate-power constructs (Darmayasa & Hardika, 2024; Slemrod, 2024). The partial (rather than full) mediation finding also contributes methodologically to the PLS-SEM literature by illustrating a five-construct sequential mediation design suited to corruption-salient developing-economy contexts (Hair & Alamer, 2022; Sabol et al., 2023).

6.2 Practical and Policy Implications

For the Federal Inland Revenue Service, state Internal Revenue Services, and the newly established Nigeria Revenue Service, these findings suggest that integrity-focused interventions targeting front-line tax officials including digital, arms-length assessment and payment systems, whistleblower protections, and transparent audit protocols — should be prioritised alongside, rather than after, morale-building taxpayer education campaigns (Abdulrasaq & Babatunde, 2024; Ayodele Falana et al., 2024). For firms in North-East Nigeria and other security-challenged zones, where direct, low-oversight contact with officials may be more prevalent, targeted digitalisation of tax touchpoints may yield disproportionately large gains in perceived fairness and trust.

7. CONCLUSION AND RECOMMENDATIONS

This study examined the effect of firms' perception of government tax officials' corruption on tax compliance perception among Nigerian firms, mediated sequentially by trust in the tax authority, perceived fairness of the tax system, and tax morale. Using PLS-SEM on a sample of 385 firms, all seven hypothesised paths were statistically supported, and the model explained 34.9% of the variance in tax compliance perception. The results confirm that tax officials' corruption is a significant, multi-channel threat to voluntary compliance, operating both by degrading the psychological foundations of trust, fairness, and morale, and through a direct, residual compliance-suppressing effect.

Based on these findings, the study recommends: (i) accelerated deployment of digital, low-discretion tax assessment and payment platforms to reduce opportunities for informal solicitation by officials; (ii) independent, firm-accessible grievance and whistle-blowing mechanisms specific to tax administration; (iii) periodic, transparent publication of tax expenditure and revenue-utilisation reports to reinforce the fiscal exchange relationship; and (iv) integration of integrity and courtesy metrics into the performance evaluation of tax officials, particularly in zones such as North-East Nigeria where firms may have limited alternative channels for tax remittance.

8. Limitations and Directions for Future Research

As disclosed in Section 3.5, the dataset analysed is simulated for methodological demonstration purposes and must be replaced with genuine firm-level survey data before the substantive conclusions in Sections 5–7 can be treated as established empirical findings. Future research should replicate this model using primary data collected from registered firms, ideally with multi-informant designs (owner/manager and accountant) to reduce common-method bias, and should test the model's invariance across geopolitical zones, firm sizes, and sectors. Longitudinal or panel designs would further permit testing of the temporal ordering assumed in the sequential mediation structure, and future studies could incorporate moderating variables such as firm size, tax authority type (state versus federal), and enforcement intensity.

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