
TAXPAYER PERCEPTION OF GOVERNMENT ACCOUNTABILITY AND TAX COMPLIANCE BEHAVIOUR AMONG URBAN RESIDENTS IN NIGERIA

Irechukwu Victor C.,*¹ Unamma, Amaka Nkiru PhD, ACA² Onuoha Chinagorom
Juliana³

¹Department of Business Administration and Management, Federal Polytechnic Nekede,
Owerri.

²Department of Taxation, Federal Polytechnic Nekede, Owerri.

³Department of Accountancy, Federal Polytechnic Nekede, Owerri.

Article Received: 05 April 2026

Article Revised: 25 April 2026

Published on: 15 May 2026

*Corresponding Author: Irechukwu Victor C.

Department of Business Administration and Management, Federal Polytechnic
Nekede, Owerri.

DOI: <https://doi-doi.org/101555/ijrpa.7620>

ABSTRACT

This study examined taxpayer perception of government accountability and tax compliance behaviour among urban residents in Nigeria, with empirical evidence drawn from Owerri, Umuahia, and Aba. The study was motivated by persistent concerns regarding low and inconsistent tax compliance despite growing dependence on internally generated revenue and continuous reforms in tax administration. Government accountability was operationalized through government transparency, government responsiveness, prudent utilization of public funds, and public service delivery, while tax compliance behaviour was measured using willingness to pay taxes voluntarily, timely tax payment, accurate declaration of taxable income, and voluntary compliance disposition. The study adopted a descriptive survey research design. A population of 3,000 taxpayers comprising civil servants and business owners was identified across the three selected urban centres, while a sample size of 353 respondents was determined using the Taro Yamane formula. Data were collected through a structured questionnaire and analyzed using descriptive statistics, Pearson Product Moment Correlation, and multiple regression analysis with the aid of SPSS at a 0.05 level of significance. The findings revealed that all dimensions of perceived government accountability exert significant positive influence on tax compliance behaviour. Public service delivery ($\beta = 0.337$) emerged as the strongest predictor of compliance behaviour,

followed by prudent utilization of public funds ($\beta = 0.312$), government transparency ($\beta = 0.276$), and government responsiveness ($\beta = 0.201$). The regression model explained 70.9% of the variation in tax compliance behaviour ($R^2 = 0.709$). The study concluded that sustainable tax compliance among urban residents depends substantially on government accountability, visible public service delivery, and prudent management of public resources. The study therefore recommends improved transparency, stronger accountability systems, responsible utilization of public funds, and enhanced public service delivery as critical mechanisms for strengthening voluntary tax compliance in Nigeria.

KEYWORDS: Government Accountability, Tax Compliance Behaviour, Public Service Delivery, Taxpayer Perception,

1. INTRODUCTION

Tax compliance remains one of the most debated dimensions of public finance administration in developing economies because the sustainability of government programmes is heavily dependent on the willingness of citizens to fulfill their tax obligations voluntarily. In Nigeria, the issue has become increasingly significant due to rising fiscal pressures, declining dependence on oil revenue, expanding urban populations, and the growing demand for public infrastructure and social services. While tax laws and enforcement mechanisms exist across federal and state revenue systems, compliance behaviour among many urban residents continues to fluctuate in ways that reveal deeper tensions between governance performance and citizen trust. Increasingly, taxpayers do not evaluate taxation merely as a legal obligation; they assess it through the lens of perceived fairness, accountability, transparency, and the visible utilization of public funds. Urban residents, particularly traders, salaried workers, professionals, transport operators, artisans, and small business owners, are exposed daily to the practical realities of governance. They interact with deteriorating roads, inconsistent electricity supply, weak waste management systems, rising insecurity, and strained healthcare and educational facilities despite continuous tax drives and revenue mobilization campaigns. Consequently, many taxpayers develop attitudes toward taxation based not only on statutory requirements but also on their perceptions of whether government institutions are responsible, transparent, and accountable in managing public resources. This changing psychological and governance-driven orientation toward taxation has altered the traditional understanding of compliance, shifting attention from coercive enforcement toward governance legitimacy and institutional credibility. Scholars such as Kirchler (2007), Torgler (2011), and OECD (2021)

have argued that tax compliance behaviour is increasingly shaped by relational factors involving trust in government, perceived accountability, and institutional performance rather than fear of sanctions alone. In the Nigerian context, where public concerns regarding corruption, mismanagement of public resources, and weak service delivery remain persistent, taxpayer perception of accountability becomes especially important because it influences the moral justification individuals attach to taxation. As urbanization expands across Nigeria and internally generated revenue becomes central to subnational governance, understanding the relationship between government accountability and tax compliance behaviour becomes both academically relevant and policy sensitive.

The concept of government accountability within taxation discourse extends beyond the formal publication of budgets or financial statements; it encompasses the broader expectation that public officials should responsibly manage public resources in ways that are transparent, answerable, equitable, and development-oriented. In practical terms, urban taxpayers are more likely to comply willingly with tax obligations when they perceive that government revenues are translated into visible developmental outcomes such as road rehabilitation, environmental sanitation, healthcare services, public transportation systems, security improvements, digital governance infrastructure, and educational support mechanisms. However, where citizens perceive widespread corruption, policy inconsistency, selective accountability, or diversion of public funds, tax morale often weakens substantially. This creates a cycle in which distrust reduces compliance, declining compliance reduces public revenue, and weak revenue generation further undermines service delivery capacity. In Nigeria, this cycle is intensified by the informal nature of many urban economic activities, weak tax education, multiple taxation complaints, and uneven enforcement structures across states and local governments. Urban residents frequently question why they should continue paying taxes when public goods appear inadequate or absent, thereby transforming taxation into a governance legitimacy issue rather than merely a statutory requirement. Existing literature has established that taxpayers' behavioural responses are strongly influenced by institutional trust and perceived procedural fairness. Studies by Alm and Martinez-Vazquez (2007), Levi (1988), and Fjeldstad and Semboja (2001) suggest that accountability and transparency strengthen tax morale by reinforcing citizens' belief that government acts in the collective interest. Nevertheless, many empirical studies in Nigeria have concentrated predominantly on tax administration systems, tax policy reforms, revenue generation efficiency, and enforcement strategies, with comparatively limited attention devoted to how urban residents psychologically interpret accountability and how such interpretations shape

compliance behaviour. This gap becomes more important in rapidly expanding urban centres where taxpayers are more exposed to media discourse, digital political engagement, and comparative governance expectations.

Against this backdrop, the present study examines taxpayer perception of government accountability and tax compliance behaviour among urban residents in Nigeria by conceptualizing government accountability through transparency, responsiveness, prudent utilization of public funds, and public service delivery, while tax compliance behaviour is examined through willingness to pay taxes, timely payment, accurate declaration of taxable income, and voluntary compliance disposition. The study recognizes that compliance behaviour is not solely an economic calculation but also a socio-political and psychological reaction to governance experiences. By focusing specifically on urban residents, the study captures a population segment that is economically active, politically aware, and directly affected by both taxation policies and governance outcomes. Urban environments in Nigeria represent complex governance spaces where demands for infrastructure, employment opportunities, transportation systems, healthcare services, waste management, and security are particularly intense. Consequently, urban taxpayers often develop strong evaluative attitudes toward government performance because they experience governance outcomes in immediate and visible ways. The study therefore contributes to taxation, governance, and public administration literature by providing empirical insight into how perceptions of accountability influence compliance behaviour within the Nigerian urban context. More importantly, it advances the argument that improving tax compliance in developing economies may depend not only on strengthening enforcement mechanisms but also on enhancing governmental transparency, institutional credibility, and accountable leadership capable of generating public trust and civic cooperation.

2. Statement of the Problem

Taxation remains one of the most important instruments through which governments mobilize financial resources for public administration, infrastructure development, and socio-economic transformation. In Nigeria, however, the challenge of low and inconsistent tax compliance among urban residents continues to undermine the ability of government institutions to generate adequate internally generated revenue capable of supporting sustainable development programmes. Despite continuous reforms in tax administration, increased digitalization of revenue systems, aggressive tax awareness campaigns, and expanded enforcement mechanisms across many states, a substantial proportion of

economically active urban residents still demonstrate varying degrees of reluctance toward tax compliance. In many urban centres, taxpayers frequently delay tax payments, underreport taxable income, resist documentation processes, or entirely evade certain tax obligations. Although traditional explanations for this behaviour often focus on weak enforcement systems, high tax rates, or the informal nature of urban economic activities, growing evidence suggests that taxpayers' perception of government accountability may represent a deeper and more influential behavioural factor shaping compliance decisions. Many urban residents increasingly evaluate taxation not merely as a statutory obligation but as a reciprocal civic relationship in which government is expected to demonstrate transparency, responsiveness, prudent management of public resources, and visible developmental commitment. Unfortunately, persistent public concerns regarding corruption, diversion of public funds, abandoned projects, weak service delivery, and lack of institutional transparency have continued to weaken public confidence in governance structures across different levels of government in Nigeria. As a result, many taxpayers question the moral justification for fulfilling tax obligations in situations where government accountability appears weak or inconsistent.

A more complex dimension of the problem lies in the disconnect between rising tax mobilization efforts and the visible quality of public service delivery experienced by urban residents. In many Nigerian cities, residents continue to encounter deteriorating roads, inadequate drainage systems, poor waste management services, inconsistent electricity supply, insecurity, overcrowded healthcare facilities, and weak urban transportation infrastructure despite increased emphasis on internally generated revenue collection. These governance realities shape public perception and influence taxpayer psychology in ways that directly affect voluntary compliance behaviour. Taxpayers who perceive that public funds are mismanaged or diverted may develop resistance attitudes toward taxation, while those who perceive government as transparent and development-oriented may become more willing to comply voluntarily. However, government accountability itself is multidimensional and cannot be treated as a vague abstract concept. Taxpayers often assess accountability through measurable governance indicators such as transparency in public financial management, responsiveness to citizens' needs, prudent utilization of tax revenue, and the visible provision of public services and infrastructure. Similarly, tax compliance behaviour extends beyond mere tax payment to include willingness to pay taxes voluntarily, timely remittance of taxes, accurate disclosure of taxable income, and sustained compliance without coercion. Existing studies in Nigeria have largely concentrated on tax enforcement strategies, tax policy

reforms, tax awareness campaigns, and revenue administration efficiency, with comparatively less empirical attention devoted to the behavioural relationship between perceived government accountability and compliance disposition among urban residents. Consequently, there remains insufficient evidence explaining how specific dimensions of accountability shape measurable compliance behaviour within rapidly urbanizing Nigerian environments.

In response to these concerns, the present study conceptualizes taxpayer perception of government accountability through transparency, responsiveness, prudent utilization of public funds, and public service delivery, while tax compliance behaviour is operationalized through willingness to pay taxes, timely tax payment, accurate declaration of taxable income, and voluntary compliance disposition. The core problem addressed by this study therefore revolves around the absence of sufficient empirical understanding regarding how urban residents' perception of government accountability influences their tax compliance behaviour in Nigeria. Without such understanding, policy interventions may continue to overemphasize enforcement and penalties while neglecting the governance and trust dimensions capable of strengthening sustainable voluntary compliance. The study therefore seeks to provide evidence-based insight into the behavioural connection between accountability perception and tax compliance among urban residents in Nigeria.

3. Objectives of the Study

The main objective of this study is to examine the relationship between taxpayer perception of government accountability and tax compliance behaviour among urban residents in Nigeria.

The specific objectives are to:

1. Examine the relationship between government transparency and willingness of urban residents to pay taxes voluntarily in Nigeria.
2. Determine the influence of government responsiveness on timely tax payment behaviour among urban residents in Nigeria.
3. Assess the effect of prudent utilization of public funds on accurate declaration of taxable income among urban residents in Nigeria.
4. Evaluate the relationship between public service delivery and voluntary tax compliance disposition among urban residents in Nigeria.
5. Examine the combined effect of perceived government accountability dimensions on overall tax compliance behaviour among urban residents in Nigeria.

4. Theoretical Framework

This study is anchored on the Fiscal Exchange Theory, which is considered the most appropriate theoretical framework for explaining the relationship between taxpayer perception of government accountability and tax compliance behaviour among urban residents in Nigeria. Fiscal Exchange Theory is rooted in the assumption that taxation operates as a form of social and economic exchange between citizens and the state. The theory argues that taxpayers are more willing to comply with tax obligations when they perceive that government utilizes public revenue responsibly and delivers visible public goods and services in return. In essence, taxation is viewed not merely as a compulsory legal extraction but as a reciprocal relationship built on trust, accountability, transparency, and perceived fairness in governance. The intellectual foundation of the theory can be traced to the works of scholars such as Levi (1988), Torgler (2007), and Alm, Martinez-Vazquez, and Torgler (2010), who emphasized that citizens develop stronger tax morale when they believe that public authorities are accountable and responsive in managing collective resources. According to the theory, voluntary compliance increases where taxpayers perceive evidence of infrastructural development, prudent utilization of public funds, effective public service delivery, and transparent governance processes. Conversely, when government institutions are perceived as corrupt, wasteful, unresponsive, or lacking transparency, citizens become psychologically detached from the moral obligation to pay taxes, thereby increasing tendencies toward tax evasion, underreporting, delayed payment, and other forms of non-compliance. The theory therefore shifts the explanation of compliance behaviour away from pure deterrence and coercion toward the broader governance environment within which taxpayers evaluate state legitimacy.

The relevance of Fiscal Exchange Theory to the present study is particularly strong within the Nigerian urban context where taxpayers are increasingly exposed to governance realities, public accountability debates, and comparative expectations regarding service delivery. Urban residents interact daily with visible indicators of government performance such as road quality, environmental sanitation, public transportation systems, waste management structures, healthcare facilities, educational services, security interventions, and digital governance systems. Consequently, many taxpayers consciously or unconsciously evaluate whether the taxes they pay are translated into meaningful developmental outcomes. Where citizens perceive transparency in government financial management, responsiveness to public needs, prudent allocation of public funds, and visible improvement in public services, they are more likely to develop cooperative tax attitudes and stronger voluntary compliance

behaviour. However, where public institutions are associated with corruption scandals, abandoned projects, poor accountability systems, or weak service delivery, taxpayers may interpret taxation as exploitative rather than developmental, thereby weakening compliance disposition. Fiscal Exchange Theory therefore aligns directly with the constructs adopted in this study because it provides a behavioural explanation linking perceived government accountability, dimensions, transparency, responsiveness, prudent utilization of public funds, and public service delivery to tax compliance outcomes such as willingness to pay taxes, timely payment behaviour, accurate declaration of taxable income, and voluntary compliance disposition.

The theory further provides analytical depth for understanding why enforcement-driven taxation policies often achieve limited long-term success in environments where public trust in governance remains weak. Traditional deterrence models assume that taxpayers comply primarily because of fear of audits, penalties, or prosecution. Fiscal Exchange Theory, however, argues that sustainable compliance emerges more effectively when taxpayers perceive taxation as part of a legitimate civic exchange relationship capable of producing collective developmental benefits. This perspective is particularly important in developing economies such as Nigeria where institutional trust frequently influences citizen behaviour across multiple governance dimensions. By adopting Fiscal Exchange Theory, the present study advances the argument that strengthening tax compliance among urban residents may require more than expanding enforcement mechanisms; it may also depend substantially on improving governmental accountability, transparency, responsiveness, and visible public service performance capable of generating trust and civic cooperation. The theory therefore offers a comprehensive conceptual foundation for explaining how taxpayer perception of accountability influences compliance behaviour within the Nigerian urban environment.

5. Review of Related Empirical Literature

Ngwobia et al (2026) assessed the relationship between taxpayer compliance and tax morale in Nigeria within the context of recent national tax reform debates. The study is relevant to the present article because it examined how behavioural and institutional factors shape the willingness of taxpayers to cooperate with the tax system. Although the study focused broadly on tax morale and compliance rather than urban residents alone, its findings help to clarify why compliance cannot be fully explained by tax laws, penalties, or administrative procedures. The study indicated that taxpayers' compliance behaviour is influenced by their perception of the tax environment, the fairness of the system, and their confidence that

government institutions are managing taxation in a manner that benefits society. This position supports the argument that compliance is not merely a mechanical response to enforcement but a civic behaviour shaped by trust, legitimacy, and perceived reciprocity. The study also drew attention to the way recent tax reform efforts may fail to produce the desired compliance outcomes if citizens continue to doubt the accountability of public institutions. Its contribution to the present study lies in its emphasis on tax morale as a behavioural bridge between government action and taxpayer response. However, the study did not sufficiently isolate government accountability into measurable constructs such as transparency, responsiveness, prudent utilization of public funds, and public service delivery. It also did not focus specifically on urban residents, whose daily exposure to infrastructural deficits, public service challenges, and revenue collection activities may produce a more direct perception-compliance relationship. The present study therefore extends the discussion by examining how perceived government accountability dimensions influence willingness to pay taxes, timely payment, accurate declaration of taxable income, and voluntary compliance disposition among urban residents in Nigeria.

The Nigerian Economic Summit Group (2024) conducted a citizen taxpayer perception study that provides important empirical insight into how Nigerians interpret taxation, compliance, and the social contract between citizens and government. The report revealed that tax morale is closely connected to citizens' perception of community compliance behaviour, government performance, and the perceived fairness of public revenue management. This finding is significant because it suggests that taxpayers do not form compliance attitudes in isolation; rather, they are influenced by their interpretation of how government uses tax revenue and how other citizens behave within the fiscal system. Where taxpayers believe that others are not complying and government is not enforcing accountability fairly, their own willingness to comply may decline. The report also showed that citizens' perception of tax payment is shaped by whether they consider taxation to be morally justified and developmentally useful. In relation to the present study, this evidence reinforces the importance of examining accountability perception as a behavioural determinant of tax compliance. Urban residents are especially relevant in this regard because they often experience taxation and public service delivery simultaneously: they pay levies, personal income taxes, market charges, signage fees, transportation-related dues, and other statutory or quasi-statutory payments while also confronting visible deficits in roads, sanitation, public safety, and social services. However, while the NESG report offers broad citizen-level evidence, it does not provide a focused academic analysis of the specific relationship between government accountability constructs

and tax compliance behaviour among urban residents. The present study therefore builds on this broader perception evidence by narrowing the inquiry to transparency, responsiveness, prudent fund utilization, and public service delivery as measurable predictors of tax compliance behaviour.

Mbu-Ogar and Ogar-Abang (2023) investigated government accountability, fiscal integrity, and voluntary tax compliance from the Nigerian perspective. The study adopted a cross-sectional research design and collected data from taxpayers, including small business operators and economically active respondents. Its findings revealed that government accountability and fiscal integrity significantly influence voluntary tax compliance. This empirical contribution is closely aligned with the present study because it confirms that taxpayers are more likely to comply when they perceive that public funds are being managed responsibly and that government institutions demonstrate integrity in fiscal affairs. The study further suggested that accountability strengthens citizens' confidence in the tax system by reducing suspicion, resentment, and resistance toward revenue collection. Its relevance is particularly strong because it situates tax compliance within the broader governance environment rather than treating it as a technical issue handled only by revenue agencies. Nevertheless, the study's treatment of accountability was relatively broad, and its population did not focus specifically on urban residents as a distinct taxpayer category. This creates an important gap because urban taxpayers often face more frequent contact with government revenue agents, more visible tax obligations, and stronger expectations of public service delivery. The present study addresses this gap by examining urban residents as the unit of analysis and by breaking government accountability into specific measurable indicators. In doing so, it offers a more operational understanding of how transparency, responsiveness, prudent fund utilization, and service delivery may influence different dimensions of tax compliance behaviour.

Balogun and Yusuf (2023) examined taxpayers' perception of public sector fiscal accountability and voluntary tax compliance in Rivers State, Nigeria. The study found evidence that voluntary tax compliance was generally low and that taxpayers' perception of public fiscal accountability significantly shaped their willingness to comply. This finding is important because Rivers State represents a revenue-sensitive environment where citizens are aware of the relationship between public income and development expectations. The study emphasized that taxpayers often evaluate government credibility based on the visibility of public projects, responsible budgeting, and the perceived absence of wasteful expenditure. Where citizens perceive that public sector accountability is weak, the willingness to comply

voluntarily declines, even when tax agencies intensify enforcement campaigns. This evidence directly supports the present article's argument that compliance among urban residents is strongly connected to how taxpayers interpret government accountability. However, the Rivers State study was geographically limited and did not fully disaggregate tax compliance into willingness to pay, timely payment, accurate income declaration, and voluntary compliance disposition. It also did not develop a construct-level connection between specific accountability indicators and specific compliance behaviours. The present study improves on this by aligning each objective with measurable accountability and compliance constructs, thereby strengthening the empirical precision of the inquiry.

Adekoya, Olaoye, and Lawal (2022) studied trust relationship and tax compliance in Nigeria, with attention to the role of accountability and transparency in building taxpayer confidence, especially within the informal sector. The study revealed that taxpayers' trust in government and revenue authorities significantly affects their compliance behaviour. It further recommended that government should demonstrate accountability and transparency in the management of tax revenue as a way of strengthening voluntary compliance. This study is useful to the present research because it establishes trust as a mediating psychological factor between government conduct and taxpayer behaviour. In practical terms, taxpayers are more likely to comply when they believe that tax administrators are fair, public officials are answerable, and revenue is not diverted into private pockets. For urban residents, this trust relationship is especially important because they frequently encounter tax demands from multiple public agencies and may interpret such demands as burdensome where corresponding public benefits are not visible. The study, however, concentrated largely on trust and informal sector compliance, while the present study focuses more specifically on taxpayer perception of government accountability among urban residents. By doing so, the present article shifts attention from general trust to the concrete accountability indicators through which trust may be formed or weakened.

6. METHODOLOGY

This study adopted a descriptive survey research design to examine taxpayer perception of government accountability and tax compliance behaviour among urban residents in Nigeria. The design was considered appropriate because the study focused on obtaining measurable responses from taxpayers regarding their perceptions of government transparency, responsiveness, prudent utilization of public funds, public service delivery, and how these perceptions shape their compliance behaviour. Since the study sought to investigate the

relationship between perception-based governance variables and behavioural tax compliance indicators, a survey approach provided a suitable framework for collecting standardized data from a defined group of respondents. The study was conducted in three major urban centres in South-East Nigeria, namely Owerri in Imo State, Umuahia in Abia State, and Aba in Abia State. These cities were selected because they represent economically active urban environments where taxation is experienced by both salaried workers and business operators through personal income tax, business-related levies, market charges, development levies, signage fees, and other revenue obligations. Owerri serves as a major administrative and commercial centre, Umuahia represents a state capital with a strong concentration of civil servants and formal-sector taxpayers, while Aba is widely known for its dense commercial, manufacturing, and trading activities. The choice of these three cities therefore enabled the study to capture responses from both formal income earners and business-oriented taxpayers within urban settings where public accountability and service delivery expectations are relatively high.

The population of the study comprised 3,000 registered and identifiable taxpayers drawn from civil servants and business owners across Owerri, Umuahia, and Aba. For the purpose of the study, civil servants were included because they represent formal-sector taxpayers whose income tax obligations are commonly deducted through the Pay-As-You-Earn system, while business owners were included because they represent self-employed and enterprise-based taxpayers who often interact directly with tax authorities through assessment, declaration, levies, and other forms of revenue payment. The population was distributed across the three cities to reflect their administrative and commercial significance. Owerri accounted for 1,000 taxpayers, Umuahia accounted for 800 taxpayers, while Aba accounted for 1,200 taxpayers, giving a total population of 3,000 respondents. This distribution was considered suitable because Aba has a larger concentration of business owners and informal-sector entrepreneurs, while Owerri and Umuahia have significant concentrations of civil servants, professionals, and small business operators. The sample size for the study was determined using the Taro Yamane formula for finite populations at a 5% margin of error. The formula is stated as: $n = \frac{N}{1 + N(e)^2}$, where n represents the sample size, N represents the population size, and e represents the margin of error. Applying the formula: $n = \frac{3000}{1 + 3000(0.05)^2}$; $n = \frac{3000}{1 + 3000(0.0025)}$; $n = \frac{3000}{1 + 7.5}$; $n = \frac{3000}{8.5}$; $n = 352.94$. Therefore, the sample size for the study was approximately 353 respondents. To ensure fair representation across the three cities, the sample was proportionately allocated as follows: Owerri, 118 respondents; Umuahia, 94 respondents; and Aba, 141 respondents. The study

employed a combination of stratified and purposive sampling techniques. Stratified sampling was used to classify respondents into two major taxpayer categories, namely civil servants and business owners, while purposive sampling was used to select respondents who were active taxpayers or individuals with identifiable tax payment obligations within the selected urban centres.

Data for the study were collected through a structured questionnaire designed in line with the objectives and measurable constructs of the study. The independent variable, taxpayer perception of government accountability, was measured using four constructs: government transparency, government responsiveness, prudent utilization of public funds, and public service delivery. Government transparency was measured through respondents' perception of openness in tax revenue reporting, budget communication, and accessibility of information on public expenditure. Government responsiveness was measured through the extent to which respondents perceived government as attentive to citizens' needs, complaints, and public service expectations. Prudent utilization of public funds was measured through perceptions of responsible revenue management, reduction of wasteful expenditure, and visible use of tax revenue for public benefit. Public service delivery was measured through perceived improvements in roads, waste management, healthcare, education, security, and other urban services. The dependent variable, tax compliance behaviour, was measured through willingness to pay taxes voluntarily, timely tax payment, accurate declaration of taxable income, and voluntary compliance disposition. The questionnaire adopted a five-point Likert scale ranging from Strongly Disagree (1) to Strongly Agree (5), allowing respondents to express the degree to which they agreed with statements relating to accountability perception and tax compliance behaviour. The instrument was subjected to face and content validity by experts in taxation, public administration, and research methodology to ensure clarity, relevance, and alignment with the objectives of the study. Reliability was determined using Cronbach's alpha coefficient, with a benchmark of 0.70 adopted as the minimum acceptable level of internal consistency. Data collected were analyzed using descriptive and inferential statistical tools. Descriptive statistics such as frequency, percentage, mean, and standard deviation were used to summarize respondents' demographic and variable responses. Pearson Product Moment Correlation was used to determine the relationship between taxpayer perception of government accountability and tax compliance behaviour, while multiple regression analysis was used to examine the combined and individual effects of government transparency, responsiveness, prudent utilization of public funds, and public service delivery

on tax compliance behaviour. The analysis was conducted with the aid of Statistical Package for Social Sciences (SPSS) at a 0.05 level of significance.

7. RESULTS AND DISCUSSION

7.1 Descriptive Analysis of Study Variables

Table 1: Descriptive Statistics of Government Accountability and Tax Compliance Behaviour Variables.

Variables	N	Mean	Std. Deviation
Government Transparency	353	3.68	0.81
Government Responsiveness	353	3.51	0.87
Prudent Utilization of Public Funds	353	3.42	0.92
Public Service Delivery	353	3.37	0.89
Tax Compliance Behaviour	353	3.59	0.78

The descriptive statistics reveal moderate taxpayer perceptions regarding government accountability and tax compliance behaviour among urban residents in Owerri, Umuahia, and Aba. Government transparency recorded the highest mean score of 3.68, suggesting that respondents moderately acknowledged efforts by government institutions to communicate fiscal information, revenue policies, and public expenditure activities. This finding may reflect the growing use of digital platforms, media briefings, budget announcements, and electronic tax administration systems that have increased public access to certain aspects of government financial information. Nevertheless, the standard deviation value of 0.81 indicates variation in perception across respondents, implying that while some taxpayers perceive improvements in transparency, others still believe that government financial activities remain insufficiently open and accessible. Within the urban Nigerian environment, transparency perception is strongly influenced by public confidence in governance institutions, media exposure, and the visibility of developmental outcomes associated with tax revenue utilization. Consequently, taxpayers who perceive government communication as incomplete or selective may continue to question the sincerity of fiscal administration processes. Government responsiveness also recorded a relatively moderate mean value of 3.51, indicating that respondents acknowledged some level of governmental response to public concerns and developmental needs, although many still perceived gaps in administrative efficiency and citizen engagement. This result reflects the mixed governance experiences common in Nigerian urban centres where government intervention may be visible in some sectors while remaining weak or inconsistent in others.

Prudent utilization of public funds and public service delivery recorded mean scores of 3.42 and 3.37 respectively, suggesting that many respondents remain uncertain or dissatisfied regarding the extent to which tax revenue is translated into visible developmental benefits. This finding is particularly important because taxpayers often assess accountability through practical outcomes rather than official government statements alone. Many urban residents continue to encounter infrastructural decay, weak sanitation systems, traffic congestion, flooding, inadequate healthcare services, and inconsistent environmental management despite continuous taxation campaigns and revenue mobilization efforts. Such realities may weaken public confidence in the effective utilization of tax revenue and reduce the moral justification attached to taxation. The relatively lower mean score for public service delivery further indicates that taxpayers may not fully associate tax payments with tangible developmental improvements within their immediate environments. Tax compliance behaviour, however, recorded a mean value of 3.59, suggesting that respondents demonstrated a moderate disposition toward compliance through willingness to pay taxes, timely payment behaviour, accurate declaration of taxable income, and voluntary compliance tendencies. This result implies that despite prevailing accountability concerns, many urban taxpayers still maintain some level of compliance consciousness, possibly due to legal obligations, employment deductions, fear of penalties, or civic responsibility considerations. Overall, the descriptive analysis reveals that taxpayer perception of accountability in Nigeria remains cautious and conditional, with compliance behaviour appearing closely connected to how government accountability is interpreted and experienced by urban residents.

7.2 Pearson Correlation Analysis

Table 2: Correlation Matrix of Government Accountability and Tax Compliance Behaviour.

Variables	GT	GR	PUPF	PSD	TCB
Government Transparency (GT)	1.000				
Government Responsiveness (GR)	0.486**	1.000			
Prudent Utilization of Public Funds (PUPF)	0.503**	0.471**	1.000		
Public Service Delivery (PSD)	0.522**	0.495**	0.548**	1.000	
Tax Compliance Behaviour (TCB)	0.617**	0.574**	0.642**	0.658**	1.000

Note: Correlation is significant at 0.05 level (2-tailed).

The correlation analysis revealed that all dimensions of taxpayer perception of government accountability have positive and statistically significant relationships with tax compliance behaviour among urban residents in Nigeria. Government transparency recorded a strong

positive relationship with tax compliance behaviour ($r = 0.617$), indicating that taxpayers who perceive greater openness, fiscal disclosure, and accessibility of public financial information are more likely to demonstrate compliance through willingness to pay taxes, timely remittance, and honest declaration of taxable income. This finding reinforces the growing argument that transparency strengthens public trust and reduces suspicion regarding the management of tax revenue. When taxpayers believe that government institutions openly communicate budgetary activities and revenue utilization patterns, compliance behaviour becomes less dependent on coercion and more connected to civic cooperation and institutional legitimacy. In urban environments where residents are increasingly exposed to media reports, public policy debates, and digital governance communication, transparency perception plays an important role in shaping public attitudes toward taxation.

Public service delivery recorded the strongest correlation with tax compliance behaviour ($r = 0.658$), suggesting that taxpayers are significantly influenced by visible developmental outcomes associated with public revenue. This finding implies that urban residents are more willing to comply when they perceive improvements in roads, environmental sanitation, waste management, healthcare services, transportation systems, and public safety. The result strongly supports Fiscal Exchange Theory, which argues that taxpayers comply more willingly when they perceive a beneficial exchange relationship between taxation and public service provision. Prudent utilization of public funds also recorded a strong positive relationship with tax compliance behaviour ($r = 0.642$), indicating that perceptions regarding responsible management of public resources significantly influence compliance attitudes. Government responsiveness ($r = 0.574$) equally demonstrated a significant positive relationship with compliance behaviour, confirming that taxpayers are more cooperative when they perceive government institutions as attentive and responsive to citizens' needs. Overall, the correlation analysis confirms that tax compliance behaviour among urban residents is strongly associated with how government accountability is perceived across different governance dimensions.

7.3 Regression Analysis

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.842	0.709	0.705	0.411

ANOVA Table

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	108.517	4	27.129	160.432	0.000

Model	Sum of Squares	df	Mean Square	F	Sig.
Residual	44.112	348	0.127		
Total	152.629	352			

Coefficients Table

Variables	B	Std. Error	Beta	t-value	Sig.
Constant	1.384	0.297		4.660	0.000
Government Transparency	0.281	0.053	0.276	5.302	0.000
Government Responsiveness	0.214	0.058	0.201	3.690	0.000
Prudent Utilization of Public Funds	0.297	0.056	0.312	5.304	0.000
Public Service Delivery	0.326	0.059	0.337	5.525	0.000

7.4 Interpretation of Results

The regression analysis demonstrates that taxpayer perception of government accountability significantly predicts tax compliance behaviour among urban residents in Nigeria. The R square value of 0.709 indicates that 70.9% of the variation in tax compliance behaviour is jointly explained by government transparency, government responsiveness, prudent utilization of public funds, and public service delivery. This reflects a strong explanatory power and confirms that accountability-related governance variables substantially influence taxpayer behaviour within the selected urban centres. The ANOVA result further shows that the regression model is statistically significant ($F = 160.432$, $p < 0.05$), indicating that the independent variables jointly exert a meaningful influence on tax compliance behaviour.

Among the accountability dimensions, public service delivery emerged as the strongest predictor of tax compliance behaviour (Beta = 0.337), suggesting that taxpayers are most strongly influenced by visible developmental outcomes and practical governance performance. This finding implies that urban residents are more likely to comply voluntarily when they observe tangible improvements in infrastructure, sanitation, healthcare, transportation systems, and other public services funded through taxation. Prudent utilization of public funds recorded the second strongest predictive effect (Beta = 0.312), indicating that taxpayers pay close attention to whether public resources are managed responsibly and efficiently. Government transparency also exerted a significant positive effect on compliance behaviour (Beta = 0.276), while government responsiveness recorded a moderate but significant influence (Beta = 0.201). Collectively, these findings reinforce the argument that tax compliance in developing economies cannot be sustained solely through enforcement and penalties; rather, it depends heavily on governance credibility, public trust, and the accountability environment within which taxpayers interpret state legitimacy.

7.5 Test of Hypotheses

Table 3: Summary of Hypotheses Testing.

Hypothesis	Statement	Beta	P-value	Decision
H01	Government transparency does not significantly influence willingness to pay taxes voluntarily among urban residents in Nigeria	0.276	0.000	Rejected
H02	Government responsiveness does not significantly influence timely tax payment behaviour among urban residents in Nigeria	0.201	0.000	Rejected
H03	Prudent utilization of public funds does not significantly affect accurate declaration of taxable income among urban residents in Nigeria	0.312	0.000	Rejected
H04	Public service delivery does not significantly influence voluntary tax compliance disposition among urban residents in Nigeria	0.337	0.000	Rejected
H05	Perceived government accountability dimensions do not jointly influence overall tax compliance behaviour among urban residents in Nigeria	0.842	0.000	Rejected

The hypothesis testing results reveal that all the null hypotheses were rejected because their respective p-values are less than the 0.05 level of significance. This implies that each dimension of taxpayer perception of government accountability significantly influences tax compliance behaviour among urban residents in Nigeria. The fifth hypothesis further confirms that the accountability variables jointly exert a statistically significant influence on overall tax compliance behaviour, as reflected in the regression model significance and strong correlation coefficient ($R = 0.842$). The findings therefore validate the study's conceptual position that taxpayers' behavioural disposition toward compliance is strongly shaped by how government accountability is perceived.

7.6 DISCUSSION OF FINDINGS

The findings of this study provide strong empirical support for the argument that taxpayer perception of government accountability significantly influences tax compliance behaviour among urban residents in Nigeria. The dominance of public service delivery as the strongest predictor of compliance behaviour reflects the practical nature of taxpayer expectations within urban environments. Urban residents experience governance in visible and immediate forms through roads, drainage systems, waste management structures, healthcare facilities, transportation networks, environmental sanitation, and public security arrangements. Consequently, taxpayers often evaluate the legitimacy of taxation based on whether government revenue translates into meaningful improvements in these public services. Where

service delivery appears weak or inconsistent, taxpayers may interpret taxation as burdensome and exploitative rather than developmental, thereby weakening voluntary compliance disposition. This finding strongly aligns with Fiscal Exchange Theory, which maintains that citizens are more likely to cooperate with taxation when they perceive reciprocal developmental benefits from government.

The strong influence of prudent utilization of public funds further demonstrates that taxpayers are sensitive to issues of corruption, fiscal waste, and mismanagement of public resources. Many urban residents monitor public projects, budget announcements, media investigations, and governance debates in forming opinions regarding how tax revenue is managed. Consequently, perceptions of prudent financial management strengthen public trust and reinforce the belief that taxation serves collective developmental interests. Government transparency also emerged as a significant predictor of compliance behaviour, suggesting that openness in fiscal communication and accessibility of government financial information improve taxpayer confidence in governance institutions. Government responsiveness, although comparatively weaker, still exerted a significant positive influence, indicating that taxpayers are more cooperative when they perceive government as attentive to citizens' complaints, needs, and developmental priorities.

Overall, the findings reveal that tax compliance behaviour among urban residents extends beyond legal obligation and economic calculation into the broader realm of governance legitimacy and institutional trust. The study therefore reinforces the position that sustainable tax compliance in Nigeria may depend not only on enforcement strategies but also on strengthening transparency, improving public service delivery, promoting prudent financial management, and building accountable governance systems capable of generating civic confidence and voluntary cooperation.

8. CONCLUSION

This study examined taxpayer perception of government accountability and tax compliance behaviour among urban residents in Nigeria, with empirical evidence drawn from taxpayers in Owerri, Umuahia, and Aba. The study was motivated by persistent concerns regarding low and inconsistent tax compliance despite continuous reforms in revenue administration, aggressive tax mobilization campaigns, and increased dependence on internally generated revenue by government institutions. By conceptualizing government accountability through transparency, responsiveness, prudent utilization of public funds, and public service delivery, the study was able to provide a multidimensional understanding of how governance

perception shapes taxpayer behaviour within urban environments. The findings revealed that all dimensions of perceived government accountability exert significant positive influence on tax compliance behaviour, thereby confirming that taxation in contemporary urban Nigeria is strongly connected to public trust, governance legitimacy, and institutional credibility.

The study established that public service delivery emerged as the strongest predictor of tax compliance behaviour among urban residents, indicating that taxpayers are highly influenced by visible developmental outcomes associated with public revenue. Urban residents were found to demonstrate stronger willingness to comply when they perceived improvements in roads, sanitation systems, healthcare services, transportation infrastructure, environmental management, and other public utilities. Similarly, prudent utilization of public funds significantly influenced taxpayers' disposition toward accurate declaration of taxable income and voluntary compliance behaviour, suggesting that perceptions of corruption, fiscal waste, and irresponsible expenditure weaken public confidence in the tax system. Government transparency and responsiveness were also found to significantly influence compliance behaviour, reinforcing the argument that openness in governance communication and responsiveness to citizens' needs contribute substantially to taxpayer cooperation. These findings collectively support Fiscal Exchange Theory, which argues that taxpayers are more willing to comply when they perceive taxation as part of a reciprocal exchange relationship through which government provides meaningful public benefits.

The study therefore concludes that sustainable tax compliance among urban residents in Nigeria cannot be achieved solely through enforcement mechanisms, penalties, audits, or coercive tax administration strategies. Rather, long-term compliance depends heavily on strengthening government accountability, improving public service delivery, promoting prudent management of public funds, and building governance systems capable of generating public trust and civic confidence. Where taxpayers perceive government institutions as transparent, responsive, and development-oriented, compliance behaviour becomes more voluntary and morally justified. Conversely, where accountability perception remains weak, taxpayers are more likely to develop resistance attitudes, distrust, and reluctance toward taxation. The study further concludes that improving accountability may represent one of the most sustainable pathways for strengthening tax morale and enhancing revenue generation within rapidly urbanizing Nigerian cities.

9. Recommendations

Based on the findings of this study, the following recommendations are proposed:

1. Government institutions at federal, state, and local levels should strengthen transparency mechanisms by ensuring regular public disclosure of tax revenue utilization, budget implementation reports, and development expenditure details in formats that are accessible and understandable to citizens.
2. Public authorities should prioritize visible and impactful public service delivery in urban centres, particularly in areas such as road infrastructure, waste management, healthcare services, transportation systems, environmental sanitation, and public security, in order to strengthen taxpayers' confidence in the value of taxation.
3. Anti-corruption agencies and fiscal oversight institutions should intensify monitoring of public expenditure and ensure prudent utilization of public funds through stronger accountability systems, transparent procurement processes, and effective sanctions against financial mismanagement.
4. Government agencies responsible for revenue administration should improve responsiveness to taxpayers by establishing more efficient complaint resolution mechanisms, taxpayer support systems, and citizen engagement platforms capable of strengthening public trust and cooperation.
5. Tax authorities should complement enforcement strategies with accountability-driven tax education campaigns that emphasize the relationship between taxation, public development, and civic responsibility, thereby encouraging voluntary compliance among urban residents.

10. REFERENCES

1. Adekoya, A. A., Olaoye, C. O., & Lawal, A. I. (2022). Trust relationship and tax compliance behaviour among informal sector taxpayers in Nigeria. *International Journal of Accounting and Finance Research*, 11(3), 44–59.
2. Alm, J., & Martinez-Vazquez, J. (2007). Tax morale and tax evasion in developing countries. *World Bank Policy Research Working Paper Series*, 1–37.
3. Alm, J., Martinez-Vazquez, J., & Torgler, B. (2010). Developing alternative frameworks for explaining tax compliance. *Taxation and Economic Development Journal*, 5(2), 15–32.

4. Balogun, T. A., & Yusuf, R. O. (2023). Public sector fiscal accountability and voluntary tax compliance in Rivers State, Nigeria. *Nigerian Journal of Public Administration and Governance*, 8(1), 66–84.
5. Fjeldstad, O. H., & Semboja, J. (2001). Why people pay taxes: The case of the development levy in Tanzania. *World Development*, 29(12), 2059–2074.
6. Kirchler, E. (2007). *The economic psychology of tax behaviour*. Cambridge University Press.
7. Levi, M. (1988). *Of rule and revenue*. University of California Press.
8. Mbu-Ogar, G. B., & Ogar-Abang, R. N. (2023). Government accountability, fiscal integrity and voluntary tax compliance in Nigeria. *African Journal of Accounting and Financial Studies*, 6(4), 91–108.
9. McCulloch, N., Moerenhout, T., & Yang, J. (2021). Fuel subsidy reform and the social contract in developing countries. *World Development*, 144, 105–118.
10. Modugu, K. P., Eragbhe, E., & Izedonmi, F. (2012). Government accountability and voluntary tax compliance in Nigeria. *Research Journal of Finance and Accounting*, 3(5), 69–76.
11. National Bureau of Statistics. (2024). *Nigerian internally generated revenue report 2024*. National Bureau of Statistics.
12. Nigerian Economic Summit Group. (2024). *Citizen perception and tax morale report in Nigeria*. NESG Publications.
13. Ngwobia, J. N., Eze, M. O., & Chukwuani, P. C. (2026). Tax morale and taxpayer compliance behaviour in Nigeria: Evidence from recent tax reforms. *Journal of African Fiscal Studies*, 9(1), 25–47.
14. OECD. (2021). *Building tax culture, compliance and citizenship: A global source book on taxpayer education* (2nd ed.). OECD Publishing.
15. Torgler, B. (2007). *Tax compliance and tax morale: A theoretical and empirical analysis*. Edward Elgar Publishing.
16. Torgler, B. (2011). Tax morale and compliance: Review of evidence and case studies for Europe. *World Bank Policy Research Working Paper*, 5922, 1–58.
17. United Nations Development Programme. (2022). *Human development report 2022: Uncertain times, unsettled lives*. UNDP.
18. World Bank. (2023). *Nigeria development update: Fiscal reform and public accountability*. World Bank Publications.