Tax Administration And Tax Revenue Performance Of Kiboga District Local Government, Uganda

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ABSTRACT: The main aim of the study was to investigate the relationship between tax administration and tax revenue perfomance . This was accomplished by taking Kiboga district as a case study. Its specific objectives included to assess the relationship between tax registration and tax revenue perfomance, examine the relationship between tax assessment and tax revenue perfomance and assess the relationship between tax revenue collection and tax revenue perfomance. It was also guided by the research qestions, elaborated conceptual frame work. It adopted a cross sectional study and used both qualitative and quantitave approaches to gather the required data. The study sample was 136 respondents selected by simple random sampling and purposive sampling. Questionnaires and documentary review were used for data collection. The gathered data were tabulated, analysed. The findings of the study were less involvement in tax registration by all stake holders like the village chairpersons and area councilors at sub county level. The study indicate an increasing level of tax registration has a positive impact on revenue performance. The findings for increasing levels of tax assessment have direct positive impact on revenue perfomance. The study findings for increasing the level of tax collection procedures have a direct positive impact on the level of perfomance. And from the regresion analysis, the independent variable, tax administration trough tax registration, assessment and collection procedures have positive significant influence in the dependent variable (local revenue perfomance). The study recommends that the local governments engage in registration of all stakeholders, businesses and people to broaden the tax base for which local revenue is based so as to improve service delivery. Also, the researcher recommends that local government engage in registration and asessment of alll stakeholders, businesses, people for the purpose of broadening the tax base.

Keywords: Revenue Collection Perfomance, Tax Administration, Tax Assessment, Tax Collection Procedures, Tax Registration

CHAPTER ONE
GENERAL INTRODUCTION

1.0 Introduction
This chapter presents a frame work that guided the research study which assessed the relationship between tax administration and revenue performance in local governments. The chapter presents the background of the study, statement problem, purpose of the study, objectives of the study, hypothesis, research questions, scope the study, significance and the conceptual framework.

1.1 Background to the Study
Taxation came to be known in East Africa by the British colonial administration as the system of compulsory public works such as roads construction, building of administrative headquarters and schools, (Bigirwa, 2009). The Tax system in Uganda has grown over time to reflect socio- economic and political situations prevailing at the different times. During the colonial era, income, customs and excise taxes were under East Africa commission, while District commissioners over saw the collection of personal tax which was known as graduated tax on behalf of the treasury. Local chiefs were given the mandate to collect taxes for local governments. After the establishment of the East African Community (EAC) in 1967, all tax administration matters were placed under the community as per Custom Tariff Act

Cap337. In 1973 every member country of the East African Community which included Uganda, Kenya and Tanzania, decided to administer income tax on its own while customs and excise taxes remained under the control of East African Community. Following the collapse of EAC in 1973, the administration of taxes in Uganda was placed under the Ministry of Finance, until when the Uganda Revenue Authority (URA) was established by Parliament in 1991. In reference to the URA Act 1991, URA was established as autonomous executive agency, aimed at providing efficiency in tax revenue administration and collection. In addition to the above it's a central body for tax enumeration, assessment, collection and enforcement. According to Bahiigwa, (2005), African governments and international development agencies increasingly acknowledge that effective tax administration is vital for a sustainable development basing on the following factors: (a) ability to mobilize domestic tax bases as a key mechanism for developing countries to escape foreign aid or single resource dependency, (b) reinforcement of government legitimacy through promoting accountability of Government to the public who are the tax payers and practicing effective financial management, (c) achieve a fairer share of the costs and benefits of globalization. There is also a growing realization in Africa that taxation and state buildings are linked (Ayoki, Obwona, & Ogwapus, 2005). The concept is true because the more the tax revenue collected, the higher the growth and development of countries in form of

increasing public goods like infrastructure development in form of schools, hospitals and road construction which are needed to speed up national development, in return improving on the wellbeing of the citizens (Bristow Annett, Mahler & Terkper, 2000). In Local Governments, the administrative units for tax revenue include districts, municipalities, sub counties and Town Councils as mandated by the Local Government Act 2007 (CAP 243), to collect tax revenue and provide goods and services to the citizens. Taxes collected by local governments include business licenses, market fees, property income, park fees local service tax, fines and penalties and hotel tax as stated in the Local Government Act Cap 243Although there are a lot of revenue bases for tax revenue collection in Local Governments in Uganda, there is still a big challenge to realization of enough tax revenue leading to low service delivery to the citizens (Mawejje, 2016). Taxes are essential to finance public services and functioning of the state administration, to enhance growth and development (OECD 2004). Public services include roads, schools hospitals, security all these have a perpetual provision. Uganda government has taken a number of steps to address the fiscal constraints by introducing tax reforms, like new taxes such as local service tax and hotel tax. In addition, the Uganda government has constituted different commissions to enhance tax revenue performance in local government such as Local Government Finance Commission (LGFC) and Governance Accountability Participation and Performance program (GAPP), which have conducted workshops and seminars aiming at improving tax revenue collection in local governments (Avis, 2017). Despite such reforms and efforts, most local governments have failed to attain enough locally generated tax revenues to fund services offered to the public (MoLG, 2012).

1.2 Statement of the problem

Local tax revenues play a major role in financing the provision of decentralised services in local government however, all local governments budgets are funded by central government revenue. Kiboga District's tax revenue contributed only 1.4% of its total budget, (Bainamugisha, 2014). In financial Year 2016/2017, Kiboga District local tax revenue contributed 6% of its total budget and the balance of 94% was Central Government transfers in form of conditional grants and wage bill (Kiboga District Budget, 2016/17). In addition Kiboga district had budgeted tax revenue of UGX 391,000,000 (three hundred ninety one million) only 57% was collected. In Financial year 2017/18, local revenue budgetd was UGX 450,000,000 (four hunderd fifty million) of which the district realised UGX 250,000,000 (Two hundred and fifty million) only represented by 55% meaning that tax revenue declined half way. Despite tax adnimistarators implementing their mandatory duties to ensure that revenue perfomance improves, the problem still persists as shown by audited reports by both internal and external auditors for financial year 2016/17. The researcher therefore had to access the impact of tax administration on the tax revenue performance in Kiboga District.

1.3 Objectives of the study

1.3. 1 General objective
The general objective of the study was to assess the impact of tax administration on the tax revenue performance in Kiboga District Local Government, Uganda.

1.3.2 Specific objectives of the study
The following objectives guided the study;
i.   To assess the influence of tax payers' registration on tax revenue performance in Kiboga District.
ii.   To establish the extent to which tax assessment affects tax revenue performance in Kiboga District.
iii. To assess the relationship between tax revenue collection procedures and tax revenue performance in Kiboga District.

1.4 Research Questions
i.   What is the influence of tax payers' registration on tax revenue performance in Kiboga District ?
ii.   What is the extent to which tax assessment affects tax revenue performance in Kiboga District?
iii. What is the relationship between tax revenue collection procedures and tax revenue performance in Kiboga District?

1.5 Hypothesis
Ho: Tax payers' registration has no significant relationship on tax revenue performance in Kiboga District.
Ho: Tax assessment has no significant influence on tax revenue performance in Kiboga District.
Ho: There is no significant relationship between tax revenue collection procedures and tax revenue performance in Kiboga District.

1.6 Scope of the study
The study established the relationship between tax revenue administration and tax revenue performance. The following areas were covered; tax registration, tax assessment and tax revenue collection, all in relation to tax revenue performance. It was limited to Kiboga Local Government technical staff in tax administration and politically elected leaders presumed to have vast information in relation to the study.

1.7 Significance of the study
i.   The study would provide tax administration with the data flow on revenue collection. This study would provide relevant data and information to the local governement and other stakeholders to act as reference if and when necessary.
ii.   The study would stimulate more researchers on tax administration in local governments. This would allow policy makers and government to generate policies in regard to the governing of revenues as collected by the district.
iii. The study is hoped to serve as a bench mark between the past and the future studies on the subject. The study would provide literature to researchers and consultants as a study document at the library of Team University and other institutions.

1.8 The Conceptual Frame Work

Independent variable   **Dependent Variable**

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Tax Administration

- **Tax registration**
  - ✓ Revenue register
  - ✓ Number of registered enterprise
  - ✓ Number of deregistered enterprises
- **Tax assessment**
  - ✓ Cerfficate of assessment
  - ✓ Self assessment
  - ✓ Joint assessment
- **Tax collection procedures**
  - ✓ Demand note
  - ✓ Availability of banking
  - ✓ Transparency of tax collection

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Tax Revenue Performance

- ✓ Budget Vs Actual amounts
- ✓ Market Dues
- ✓ Lincenses
- ✓ Tax Park fees
- ✓ Registration fees
- ✓ Loyality fees
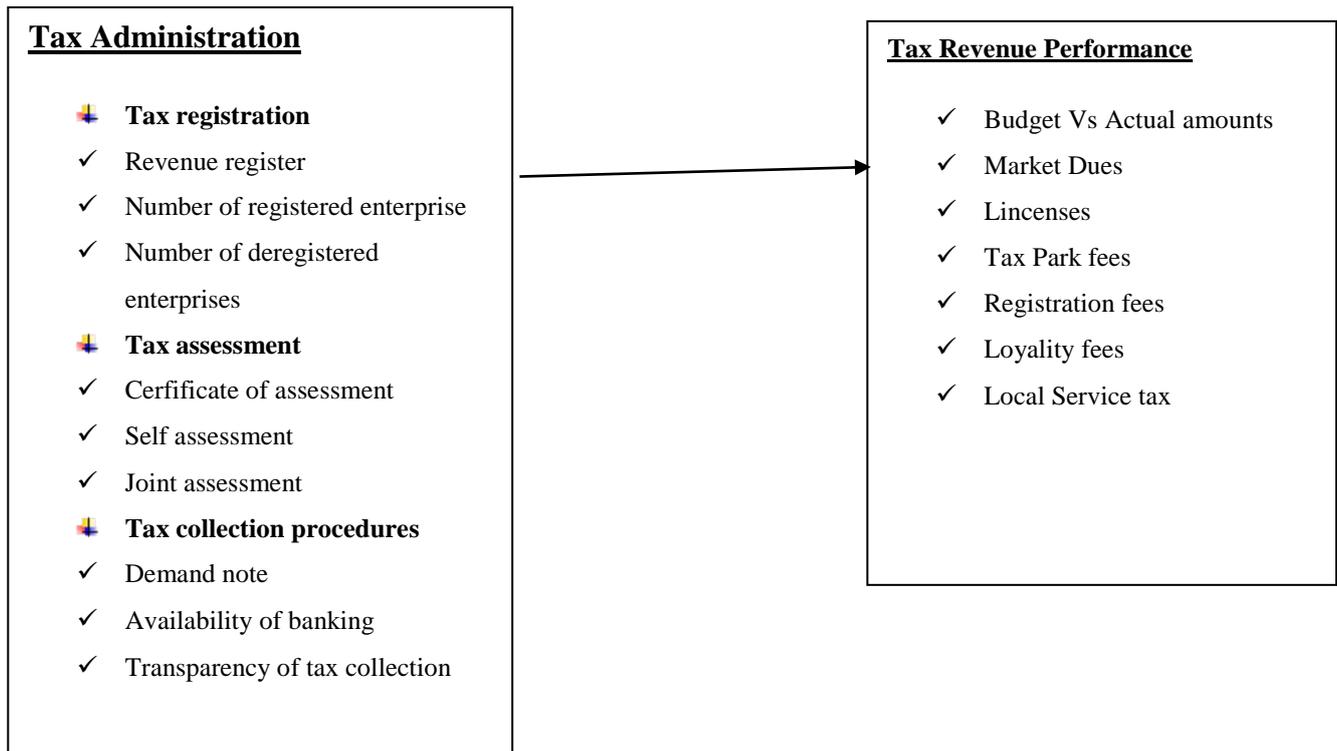- ✓ Local Service tax

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Figure 1: Adopted from Tax Administration and local revenue perfomance based on ideas from Bird in 1992 with modification by the reseacher 2018

The study was guided by this model from Bird (1992) and shows the relationship between the independent variable (Tax administration) with dedendent variable (Tax revenue perfomance). The constructs of Tax administration included: Tax registration, Tax assessment and Tax collection Procedures. It was hypothesised that efficient and effective tax administartion practices in local government influence positively on Tax revenue perfomance. And guided by the fact that assessment and good administaration practices do influence postively on tax revunue perfomance in any authorirties of the government.

CHAPTER TWO
LITERATURE REVIEW

2. 0 Introduction
This chapter deals with the review of the existing literature on relationship between tax administration interms of Tax registration, Tax Assessment and Tax collection procedures and tax revenue performance.

2.1 Taxation
The first formal tax; the hut tax was introduced in 1900, (Seatini, 2010). The requirement to pay this tax forced the indigenous Ugandans to enter the market sector of the economy through either selling their agricultural produce or hiring out their services. Taxation as defined by Mugerwa (1990) is a sovereign right, the state uses to transfer resources from private use to public use in the way that is most suitable and consistent with the economic goals of the society. According to Tumuhimbise (2000), tax is a compulsory levy imposed by the government upon assessment of various categories of individuals or other legal persons. The Oxford Advanced Dictionary (2000) defines tax revenue as the money that government receives from taxes or that an organization receives from its businesses. The rrsearcher adopted the oxford advanced dictionary definition because tax is the revenue levied on individual or organisations in gain full employement. Tax is paid without corresponding returns in terms of goods and services from government to particular tax payers, commonly known as non-quid pro quo. However, this is not true as of today because tax payers demand proper accountability of the taxes they pay to government. For a tax to be known as income tax it should be charged for each year of income and it there by imposed on every person who has chargeable income (income tax Act, 1997). However according to (Tayebwa, 1992), the government of Uganda has three main sources of revenue. These include tax revenue, non-tax revenue and donation or grants. Taxes serve two purposes as a tool to protect infant industries by idea of a tax holiday in order to make them compete with already existing firms and revenue for financing government expenditure. If taxation is to be effective, it should be based on certain principles of equity, fairness, flexibility and comprehensive enough. (Mugerwa, 1990). The tax system in the world has developed on the principles of economics, political and social factors but the economic factors are the manifold ones. Therefore a good tax system should be designed in such a way so as to meet efficiency in resource allocation, goals of macro- policy as well as administration.

2.2 Tax registration and Revenue Performance
There has been a lot of attempts by rresearchers about tax registration but none has tried to express whether there is a relationship. Casanegra and Bird (1992) argue that improvement in the administration is crucial in rising revenue and that rules must be simple, tax payers should know and be sensitized about them. The registration and recording of taxpayer information is one of the fundamental functions of the Tax Administration and, to a great extent, drives how other core administrative functions operate. An inaccurate taxpayer database will inevitably lead to ineffective compliance programs. The timely and accurate collection and recording of basic identifying information of the taxpayer will permit the Tax Administration to understand its taxpayer base, staff itself accordingly, and to effectively plan other core Tax Administration functions. In short, the administration cannot manage its taxpayers if it does not know who they are, where they are located, and whether they are active or inactive (Arturo, Crawford, Murdoch, Yassiemine, & Lethbridge, 2013). A good Tax Administration system should recorganize all those required to pay taxes and issue unique identification numbers that are fed into a master file upon which updates are made and from which retrievals can be made (Moyi & Ronge, 2006). Baingana, (2011) in his research revealed that taxpayer identification is one of the most important aspects of Tax Administration. This is because, as more taxpayers are located and registered, the taxpayers that would otherwise evade are reduced. Hence, Bird (2010) notes that if taxpayers are identified and registered, it would enhance efficiency and significantly ease revenue collection. However the process of tax registration and data processing is very expensive in tax administration (Almy, 2000). Birds calls for the use of revenue officials to carry out door to door services looking for potential tax payers and he is in support of voluntary registration as provided for in the Local government Act (1999).

2.3 Tax payer assessment and local revenue performance
Like it is for registration, tax payers' assessment is one of the key aspects of tax administration (Bird, 1992) and that it is a process of ascertaining a person's tax liability. Oriaro et al (1998) said that in Uganda, tax payers assessment is quite automatic especially in the formal employment however where there exist peasants whose income is raised based on property as a presumption basis, then it takes time for assessment to be done (Abigaba, 1998). And such as situation is unpleasant and may lead to wrong view leading to loss of revenue (Bird, 1992). Tax assessment need to be perpetual and progressive in nature, emphasizing on fairness of tax of individual incomes, with the higher income received to afford higher tax rates and pay higher taxes (Shah and Whalley, 1991). Under Sec 3 of the income tax Act, assessment is defined as the ascertainment of chargeable income and the amount of tax payable on it by the tax payer for a year of income under this Act, including a deemed assessment under Section 97.Among the major assessment activities are evaluation and audits and the latter activity being the most important (Denjntscher, 1992). Bird (1992) proclaims that audits to be effective must be selectively based on some rational citizens and should in any case include intensive field audits conducted by well-trained officers and Pigou (1951) noted that any tax formula is made of two elements, namely the object of assessment and the function. This function relates the quantity of revenue to be raised from the individual tax payers to the quantity of assessable objects in their hands, that is, the relationship between revenue and tax base. Masarirambi (2013) elucidated that the improvement in the degree of tax compliance problem is an outcome of devising a complex tax system that taxpayers are not able to operate and interpret. This problem becomes clearer under circumstances where the nation makes use of a self- assessment structure. Kicher (2013) further added that the modern tax business systems can be quite burdensome especially on small to medium enterprises. Guest (2012) also explained that the three main

elements of the tax burden are, the process of the tax implementation amongst the taxpayers, in addition they also explained that competent costs that are incurred as a result of compliance known as compliance costs which have arose due to the payments of taxes and in conclusion there are expenditures associated with operating a particular tax system, which can be referred to as costs of complying with tax laws. James and Nobes (1992) revealed that administrative expenditures during budgeting process caused inefficiencies in tax revenue collection. They suggest that clear monitoring procedures were required to determine and measure costs such as salaries and wages of revenue collectors, enumeration and assessment of the tax payer, etc. They therefore established that efficiency in tax collection would be realized if these costs were checked with high level of accuracy. These would enhance smooth running of revenue collection exercise and reduction of tax evasion and avoidance. Pigou (1951) contends that any tax formula is made up of two elements namely, the object of assessment and function. He points out that the function relates the quantity of revenue to be raised from the individual tax payer to the quantity of assessable object in their hands. That is, the relationship between tax revenue and tax base. He asserted that theoretically, this base can be anything but practically, it is largely some sum of money or income in some cases it is quantity of stuff such as commodities or land. In a nut shell he suggests that tax revenue is a function of tax base. Musgrave and Musgrave (1983) noted that assessment and collection of taxes require personnel and equipment. Tax revenue collectors ought to be facilitated with equipment that enables them execute their duties efficiently and effectively. Personnel ought to be empowered to rightly assess, collect and remit tax revenue to the treasury. Therefore how much is collected in tax revenue will depend on how well equipped the tax personnel is. In Uganda, the population is agrarian based and the assessment is not easy as it seems to affect revenue collection Oriaro et al (1998). There is a large informal sector and many small establishments in developing countries as argued by Tanzi and Zee (2000). Shdinzi and Squire (1989) show that presumptive methods operate in Cameroon, Ghana, Senegal and Togo with a high monitoring efforts and potential for revenue collection and that tax is dependent on improving tax compliance. Muhumuza (2000) proposes that with such mode, tax assessment be related to productivity of assets and not the current value of the product. It is vital that Kiboga district appropriates local revenue assessment for each sub county, it works deliberately and amidst challenges of manpower skills especially the parish chiefs who lack the tactics of tax payer handling and end up jeopardizing the process.

2.4 Tax collection procedures and local revenue performance

Collection procedures are attempts to collect money from the tax payer and their effectiveness can be seen from the number of compliant tax payers on whom it is made (Okello and Nsumba, 1995). Golola (2001) suggests that taxes can be unpopular when aggressive and coercive means are used in tax collection which stresses a notion that the tax collection procedures should be simple and fair to the tax payers. It was put clear that the non-compliance of graduate tax was mainly due to poor collection procedure. To obtain better compliance, tax administration should be strengthened as Shdinzi and Squire, (1989) noted. Chen and Reinikka (1999)

argue that people engage in Tax evasion when benefits of taxes are equal to the expected costs and this is seen to agree with Acingham and Sandmo (1972) who suggested that a rational choice to evade will be based on the expected gain/loss associated with the decision. Shalinzi and Shan (1991) with a broader perspective noted that tax structures in most developing countries (like Uganda) raises little revenue and the reason seems to be (Tirsk, 1991) weak administration, tax evasion and avoidance. He argues that to obtain better compliance, countries should strengthen tax administration activities including collection procedures. Hassan (2014) showed that Collection Procedure and Tax Assessment are beneficial to both the tax payers and the tax body and that it's vital to always use receipts as an appropriate tax collection method and to make sure that tax assessors are effective in registering and assessing all potential tax payers. Whereas Christensen (2005) emphasizes that for Tax Authority to manage Tax Administration strategies well, they need to hinder a situation where employees of various levels connive with tax payers so as to gain from what would be revenue for the institution. Enforcing these strategies of tax administration will help to control ethical or undesired activities in managing taxes such as undervaluing, under assessments, receiving bribes from tax payers and failure to register the potential tax payers (Baker, 2005).

2.5 Tax Revenue performance

Revenue performance is reflected in the tax collected and shows the compliance of tax payers (Tayebwa, 1992). He further noted that without funds from taxes, local authorities would virtually grind to a halt if central government failed to provide substitute funds (Bigirwa, 2009).The objective of raising taxes is to raise revenues for the government so that it can undertake its various policy measures concerning the society as a whole,(Ayoki, 2005). Tax assessment and tax collection requires personnel and equipment. Tax revenue collectors ought to be facilitated with equipment that enables them execute their duties efficiently and effectively. Personnel ought to be empowered to rightly assess, collect and remit tax revenue to the treasury. Therefore how much is collected in tax revenue will depend on how well equipped the tax personnel are. The major reason why direct taxes have become more increasingly popular is that they can easily be tailored to fit personal ability to pay (Gupta, 2007). The progressiveness and repressiveness of the tax system has got an important bearing on revenue collection.

2.5.1 Budgeted Tax and Revenue Realized

The dominance of the agricultural sector poses the largest impediments to tax revenue performance in Uganda. One percentage increase in agricultural gross Domestic product is associated with a 2.270 percent decrease in the tax to GDP ratio. This is because agriculture sector is largely small holder and informal therefore potentially difficult to tax (Kasirye, 2015) According to the Auditor general report (2017) for local governments in Uganda, not all tax revenue budgeted was realised asillustrated below:

Table 1: Kiboga district tax revenue perfomance over three finacial years

TIME	BUDGETED (UGX)	ACTUAL COLLECTED (UGX)	Variance (UGX)
2016/2017	391,400,000	223,124,316	168,275,684
2015/ 2016	382,600,000	232,876,000	149,724,000
2014/2015	361,476,000	294,907,000	66,569,000

Source:Auditor general annual financial reports, (2017)

In order for, tax revenue performance to improve, there must be improved responsiveness to tax revenue administration which requires the pursuit of broadbased growth policies, improving compliance to tax regulations, revenue growth at national level by local government through districts, town councils and subcounties, (Bigirwa, 2009). However, different researchers like Gupta (2007), Das (2011) ,and Karugaba (2011) have carried out a study research on factors that determine tax revenue performance, mostly in revenue authorities, capital city authorities but not in local governments on tax revenue registration, tax revenue assessment, and tax revenue collection that neccesitated the researcher to investigate the impact of tax administation and revenue perfomance in Kiboga District.

CHAPTER THREE
METHODOLOGY

3.0 Introduction
This chapter discusses the methodology of the research. It explains the nature of the research, research design, study population, sampling design which included the sampling method, sampling procedure and sampling size, sources of data collection, data collection methods, data processing, analysis and presentation and problems encountered.

3.1 Research Design
The researcher adopted a descriptive, cross sectional survey design as it allows an indepth investigation of the problem and enabled a one time study. (Sekaran, 2003). Surveys were used to gather data from a sample of population at a particular time. Both qualitative and quantitative techniques were used to get better results.

3.2 Study Area
Kiboga district was formerly Ssingo of Mubende until in 1991 when it got a district status. The district is comporised of 10 subcouties (including the two town councils).The district shares boarders with Nakaseke District to the north and east, Mityana District to the south, Mubende District to the Southern and Kyankwanzi District to the North West. Kiboga district lies at an altitude ranging from 1,400 to 1,800 metres above sea level. Kiboga district is predominately an agricultural area with 80% of the population depending on agricultural activities for their livelihoods. The leading crops grown are maize, beans, coffee and cassava.

3.3 Study Population
The target population under study was 210 in Kiboga district(Kiboga Tax administration Body, 2017). These comprised of technical staff associated with revenue collection, political leaders and tax payers. The reseacher involved the district political leaders and techinical staff because of the role they play in revenue collection in the area of their jurisdication. The technical staff included the Chief Administrative Officer, Chief Finance Officer, seniour accounts, principal internal auditors,law enforcement officers andother staff. The political leaders involved in the study are the District Chairperson and councilors at district and subcounty level.

3.4 Sample Size determination and Sampling techniques
A sample sample size of 136 was sampled from the study population as based on Morgan and Krecjice (1970). A sample of 5 Respondents at the district level, 10 key informants and 44 Technical staff were purposively selected one from each subcounty basing on the knowledge in the local politics and revenue administration including collection and disembassment both at the district head quarter and subcounties. A sample of 77 tax payers were random selected from the population as shown in the table 2 below.

Table 2: Sample size determination and distribtion in relation to sampling technique

Category	Target population	Sample size	Sampling techniques
District C/P	1	1	Purposive Sampling
CAO	1	1	Purposive Sampling
District Planner	1	1	Purposive Sampling
Chief Finance Officer	1	1	Purposive Sampling
Principal Internal Auditor	1	1	Purposive Sampling
Sub counties Technical Staff	50	44	Purposive Sampling
Tax payers	145	77	Simple Random
Key Informants	10	10	Purposive Sampling
Total	210	136	

Source: Kiboga Tax administration Body, (2017)

3.5 Data Collection Methods and Instruments
The researcher used both documentary review and researcher questionnaires that were administered to respondents in a cross-sectional manner. The questionnaires were filled by the respondents with the presence of the researcher. This was intended to build a better atmosphere for the respondents to answer questions.

3.6Sources of Data Collection
The researcher gatheredboth secondary and primary data by using both documentary review and questionnaires. The questionaires were used so as to get first hand raw data that had never been acquired by any one for the same purpose. Further, questionnaires were used because they collect responses with minimum errors and have high level of confidentiality. In addition, the researcher used already existing literature in terms of documentary review to relate with the findings that came from the field.

3.7. Data Quality control
Data was tested for validity and reliability as below;

3.7.1 Validity of the research instrument

Validity refers to the degree to which an instrument measures what it is supposed to. The validity of the instrument was ascertained by the supervisor to determine whether it was able to elicit responses and information that facilitated the achievement of the study objectives. After which a content validity test was carried out to test the instrument in relation to their objectives from where a coefficient of 0.87 was attained hence a good fit as shown in the formula below:

$$CVI = \left[\frac{n}{N}\right]$$

Where; n = Number of items rated as relevant
N = Total number of items in the instrument.

Judges	Relevant	Irrelevant	
Judge 1	28	31	
Judge 2	6	3	
Total	34	34	68

$$CVI = \frac{28+31}{68} = 0.87$$

3.7.2 Reliability of the research instrument

According to Golafshani (2003), reliability is the extent to which results of a study are consistent over time and there is an accurate representation of the total population under study. The reliability of the research instruments was ascertained through pre-testing to cross check the consistency and accuracy of the questions and answers obtained. A Cronbach alpha test was particularly carried out to establish the reliability of the questionnaire from where R sqd (Alpha) value of 0.775 was revealed hence good fit for the study.

Reliability Statistics

Cronbach's Alpha	N of Items
.775	34

3.8. Data Measurements

A standard questionnaire of five point Likert scale was used to measure quantifiable primary data from individual respondents. Where 5= Strongly Agree, 4=Agree, 3 = Neutral, 2= Disagree and 1= Strongly Disagree .This particular attitude test scale was used because it was flexible and easily (Amin, 2005).The measurement scale was arbitrarily developed to express values relating to variable attributes using statements about the variables.

3.9 Data analysis and presentation

The data was collected, cleaned and sorted. All the respondents' opinions and views obtained from the field were matched and coded using numerical numbers, then entered in SPSS 20 version after which analysis was done. Descriptive statistics were presented using contingency tables to describe the data. Measures of association were used to examine the relationship between the independent and dependent variables. The mean score, standard deviation and correlation coefficients for each attribute were calculated and the standard deviation used to interpret the respondents deviation from the mean. This was followed by analysis using appropriate measures such as regression and ANOVA analysis to examine the strength of the relationship between variables.

3.10. Ethical Considerations

The researcher sought an introduction letter from the School of Graduate Studies and Research authorizing and permitting him to obtain the primary data and study the desired selected groups. After approval, the researcher administered questionnaires to the respondents to obtain data for the study. The collected data was recorded, analyzed and compiled to make a final research report. The researcher held the information given by respondents with secrecy, privacy and confidentiality.

3.11 Anticipated Limitations and solutions to the Study

The researcher anticipated to encounter quite a number of challenges related to the research and most particularly during the process of data collection.

i. Some respondents were biased while giving information due to reasons such as privacy and busy schedules. However this was amicably aviated as the researcher assured the respondents of the secrecy, privacy and confidentiality.

ii. The researcher encountered a financial constraint challenge in relation to data collection however this was aviated through soliciting funds from the friends and well-wishers for the success of this research.

CHAPTER FOUR
DATA PRESENTATION, ANALYSIS AND INTERPRETATION OF RESULTS

4.0 Introduction

This chapter entails the presentation, analysis and interpretation of study findings. It represents analysis on biodata and furthur analysis in relation to study objectives.

4.1 Response Rate

Table 3: *Response rate 2018*

	Response rate	Percentage (%)
Respondents	134	98
Sample Size	136	

Source: primary data (2018)

Table 3 shows that 134 respondents responded to the study which represents a 98% response rate that is above 50% hence viable for this study.

4.2 Demographic characteristics of respondents (Bio data)

This section entails analysis on Biodata in relation to Age, Sex, education level and marital status as shown in table 4 below.

Table 4: *Showing the Age, Sex, education level and marital status of respondents*

	Number of respondents	Percentage
Gender		
Male	90	67
Female	44	33

Age		
21-30	40	30
31-40	62	46
41-50	28	21
51+	4	3
Education level		
University	43	32
Tertiary	39	29
Secondary	42	31
Primary	10	8
Marital Status		
Married	85	63
Single	42	31
Widow/ widower	4	3
Divorced	1	1
Separated	2	2

N=134
Source: primary data (2018)

From the table 4 above, results revealed 67% were male and 33% are female. The above findings on gender have a culture meaning and traditionally, african women are limited in participating in enterprenuer activities fewer to men and this is not an exception in Uganda and Kiboga district in particular. Showing that the study is based on view of both sexs giving views and attitudes towards tax which may vary. Further, the researcher investigated the age of respondents from where majority were aged 31-40 as given by 46%, these were followed by ones of 21-30 years as given by 30% and then ones of 41-50 and 51 and above as given by 21% and 3% respectively. With the majority ranging between 31-40 implies that most tax payers are mature and people in the productive agegroup hence responses are credible and the study reliable. In relation to the education level, study findings revealed that majority had University degrees as given by 32%, followed by secondary 31%, then tertially 29% and the minority primary 8%.This agree with the fact that tax payers have education and clearly understand questions asked giving educated answers compared to few sections below ordinally level and hence were aware benefits of paying taxes and the consquences of tax evasion and avoidance. In addition, the researcher assessed the marital status of respondents and results revealed that the majority are the married with 63%, followd by the single 31%, then widow/ widower 3%, seperated 2% and the minority divorced 1%. Such distribution meant that there were more stable respondents whose attitude towards paying tax was positive. Impling that tax payers express their responsibility and willingness in enhansing local revenue for effective delivery of services.

4.3 Descriptive statistics
This section entails the descriptive analysis on tax registration, assessment and tax collection procedures verses Revenue perfomance. Below is the descriptive analysis of tax registration and revenue perfomance of Kiboga district.

4.3.1 Tax Registration and Revenue Performance
The researcher assessed 8 questions in an attempt to establish the extent to which tax registration afffects local revenue perfomance in local governemnt as established below.

Table 5: *Response on tax registration*

Statement	SA(%)	A(%)	NS(%)	D(%)	SD(%)	Mean	Std Deviation
The tax payers registration affects the local revenue	55(41)	46(34)	8(6)	16(12)	9(7)	3.91	1.24
Registration contributes to the effeciency and effectiveness of local revenue perfomance	48(36)	73(55)	6(4)	4(3)	3(2)	4.17	0.83
When am registered, my name is recorded in the revenue register	46(34)	71(53)	9(7)	7(5)	1(1)	4.15	0.81
Am issued with the TIN after registration	40(30)	54(40)	13(10)	24(18)	3(2)	3.78	1.12
Tax collectors treat me fairly when registering	28(21)	75(56)	10(7)	17(13)	4(3)	3.79	1.01
Tax payers are aware how local revenue maybe collected, appropriated and accounted for	15(11)	25(19)	6(4)	46(35)	42(31)	2.44	1.39
Registration is done from home in the working hours	8(6)	13(10)	18(13)	54(40)	41(31)	2.20	1.15
Am aware of the importance of paying taxes	43(32)	53(40)	11(8)	17(13)	10(70	3.76	1.23

Source: primary data (2018)

Note: Mean range and intepretation of the variables is that (4.0-5.0)-Very importantant; (3.2-3.9)- Important; (2.4-3.19)-Neutral; (1.6-2.39); Fairly important; (0.8-1.59)- Least importantResults from table 5 above show that tax payers registration affects the local revenue as indicated by 75% in agreement, 6% not sure and 19% contrary. On whether registration contributes to the effeciency and effectiveness of local revenue perfomance, study findings revealed that 91% agreed, 4% were not sure and 5% minority disagreed. This is in agreement with a narrative from one of the key informants who had this to say "People who register to pay taxes have a better perception towards government, they think government is ding the necessary objecctive with taxes they pay and hence want to continue their obligations by ensuring that they register and pay taxes". In addition, the researcher found that when a tax payer is registered, his or her name is recorded in the revenue register as given by 87% in agreement, 7% were not sure and 5% minority disagreed. On whether the tax payer is issued the TIN after registration, study findings showed that 70% were in agreement, 10% not sure and 20% in contrary. The researcher investigated whether tax collectors treat tax payers fairly when registering and results revealed that 77% were in agreement whereas 7% were not sure and 16% disagreed. As indicated by what this informant had to say "Kiboga district look at avenues of raising taxes such as local service tax, charges, fines and penerities to deliver the necessary services to the citizens such as Education and road construction which leads to the better treatment of tax payers as the district's main motive is to increase revenue mobilisation".On asked whether tax payers are aware of how local revenue maybe collected, appropriated and accounted for, the study results showed that 30% agreed, 4% were not sure and the majority 66% disagreed. In regard to one of the key in formants who argued that " some people have made it a culture to register as tax payers because they know the effects of tax evarsion and avoidance when caught. And that if they don't register as tax payers then they cant demand for services to be brought to them, hence we have continued to explain to them that we only able to give the needed services when tax is properly paid to the district". The researcher further investigated whether registration is done from home in the working hours and the study findings indicated that 16% agreed, 13% were not sure and the majority 71% disagreed. Finally, the researcher inquired whether that tax payer is aware of the importance of paying taxes and findings revealed that 72% majority agreed, 8% were not sure and 20% disagreed. And this was in agreement with this statement "Majority of the people in Kiboga district appreciate what the new technical team is doing as district leaders who are mandated to explain to citizens what is expected of them and one option is to pay taxes from which social service delivery comes from. We have encouraged them to register in order to pay their objigtion as the district her part of the agreement" argued another informant. The reseacher went ahead to investigate whether there is a relationship between tax registration and Local revenue performsnce and the results are as below

Table 6: *Showing the correlation coefficient on Tax Registration and Revenue Perfomance*

		Local Revenue performance	Tax Registration
Local Revenue performance	Pearson correlation	1	0.655
	Sig (2-tailed)		0.007
	N	134	134
Tax Registration	Pearson correlation	0.655	1
	Sig (2-tailed)	0.007	
	N	134	134

**correlation is significant at 0.05 level (2 Tailed)
Source: primary data (2018)

Results indicate a positive correlation coefecient of 0.655 between tax registrationand local revenue perfomance that is statistatically significant since 0.007<0.05. This implies that tax payers' willingness to registrer for influences local revenue perfomance.

4.3.2 Tax Assessment and Revenue Performance

The researcher in an attempt to establish the extent to which tax assessment affects local revenue perfomance in local government, she assessed them on the given questions as established table 7 below.

Table 7: Showing the descriptives of tax assessment and local revenue perfomance

Statement	SA(%)	A(%)	NS(%)	D(%)	SD(%)	Mean	Std Deviation
My income is considered before tax is levied	40(30)	37(28)	24(18)	27(20)	6(4)	3.58	1.23
Abolition of graduated tax affected greatly the perfomance of local revenue	51(38)	38(28)	24(18)	15(11)	6(5)	3.84	1.18
There is a tax assessment tribunal in this subcounty/ division	28(21)	31(23)	48(36)	15(11)	12(9)	3.36	1.19
Tax lability is determined based on age only	6(4)	16(12)	31(23)	52(39)	29(22)	2.39	1.09
I get a copy of my assessment before I pay my tax	13(9)	33(25)	23(17)	45(34)	20(15)	2.81	1.24
Assessment is done from home in the working hours	6(5)	17(13)	3(2)	62(46)	46(34)	2.08	1.13
The tax payers assessment affects revenue perfomance	32(24)	68(51)	10(7)	16(12)	8(6)	3.75	1.12

Source: primary data (2018)

Note: Mean range and intepretation of the variables is that (4.0-5.0)-Very importantant; (3.2-3.9)- Important; (2.4-3.19)- Neutral; (1.6-2.39); Fairly important; (0.8-1.59)- Least importantResults revealed that the majority 58% agreed that their income is considered before tax is levied whereas 24% disagreed and 18% were not sure. On whether the abolition of graduated tax affect greatly the perfomance of local revenue, results revealed that 66% majority agreed, 16% were contrary and 18% not sure. The reseacher futher investigated whether there is a tax assessment tribunal in this subcounty/ division. This was agreed by 44%, 20% contrary and 36% not sure. This is explained by what one of the key informats had to say "There is a functioning registry which is in the process of being automated in the district, when automated many loopholes in tax evasion, tax avoidance and other forms of cheats will be brought to close which will greatly improve revenue collcetion in Kiboga district. The system will be accessed by many tax payers and financial supervisors making assessment and administration of revenue collection transparent". On whether tax liability is determined based on age only, 16% agreed as the minority, 61% were contrary and 23% were not sure. The following narration was derived from a key infomant on tax assessment in Kiboga district "Kiboga district is mindfull of the trouble associated with revenue assessment and collection and as such administrators sensitize the local citizens which has resulted in fair assessment of tax payers business and setlling up an instalment payment system to enable them pay the dues in time" Findings on whether one gets a copy of his/her assessment before he/she pays the tax, results indicated that 34% agree, 25% were not sure and 49% disagreed. The researcher further inquired whether the assessment is done from home in the working hours, findings revealed that 18% agreed, the majority 80% were contrary and 2% were not sure. Finally, on whether tax payers assessment affects revenue perfomance, the majority 75% agreed, followed by 18% who disagreed and 7% were not sure. Further the researcher investigated whether there is a relationship between Tax assessment and Revenue Collection and results are as in the table 8 below.

Table 8: *showing a Correlation coefficient on tax assessment and Revenue Perfomance*

		Local Revenue performance	Tax Assessment
Local Revenue performance	Pearson correlation	1	0.787
	Sig (2-tailed)		0.001
	N	134	134
Tax Assessment	Pearson correlation	0.787	1
	Sig (2-tailed)	0.001	
	N	134	134

**correlation is significant at 0.05 level (2 Tailed)
Source: primary data (2018)

Results indicate a positive correlation coefecient of 0.787 between tax assessment and local revenue perfomance that is statistically significant since $0.001<0.05$. This implies that tax payers' get fair assessment to pay taxes that significantly influences local revenue perfomance.

4.3.3 Tax Collection procedures and Revenue Performance
The researcher further invesigated the modes of tax collection in Kiboga district which were guided by the questions below

Table 9: *Showing the descriptives on Tax collection procedures and Revenue Perfomance*

Statement	SA(%)	A(%)	NS(%)	D(%)	SD(%)	Mean	Std Deviation
The method used in the collection of revenue in Kiboga District is appropriate	25(19)	50(37)	11(8)	26(20)	22(16)	3.15	1.39
Taxes are collected on check points during spot check	29(22)	55(41)	9(7)	22(16)	19(14)	3.40	1.36
The local government is partly responsible for poor revenue collection	29(22)	30(22)	3(2)	47(35)	25(19)	2.93	1.45
There is a tax collection office in my parish/ward	35(26)	47(35)	5(4)	29(22)	18(13)	3.39	1.41
Tax collectors treat me fairly when collecting tax money from me	17(12)	49(37)	8(6)	33(25)	27(20)	2.97	1.39
Am satisfied the way taxes are collected from me	26(19)	64(48)	12(9)	27(20)	5(4)	3.59	1.12

Source: primary data (2018)

Note: Mean range and intepretation of the variables is that (4.0-5.0)-Very importantant; (3.2-3.9)- Important; (2.4-3.19)-Neutral; (1.6-2.39); Fairly important; (0.8-1.59)- Least importantThe researcher investigated whether the methods used in collection of revenue in Kiboga District are appropriate, results showed that the majority 56% agreed, 36% were contrary and 8% were not sure. This conquers with on of the tax informants who was quoted saying "Kibiga district has organised a number of talks aimed at sensitizing her citizens in tax related matters. And this has benefited all traders and tax payers through workshops. This has resulted into increased tax collection on compliance and payments". On whether taxes are collected on check points during spot check, findings indicated that 63% agreed, followed by 30% who disagreed and 7% were not sure. This aligns with what one of the key informants said "we as the district have mounted check points to broke illegal businesses and to those who use public infrastructure suchas parkyards have greatly improved on business of collecting revenues yielding improved results". Findings on whether the local government is partly responsible for poor revenue collection, results indicated that 54% disagreed, followed by 44% who agreed and 2% not sure. In an attempt to establish whether there is a tax collection office a parish/ward, results showed that the majority 61% agreed, 35% disagreed and 4% were not sure. "Kiboga district has introduced notice boards were they continually post tax related announcements which ahs helped the locals to access information on their sub county head quarters than going to district head quarters. All this is done to help sensitization process on tax related matters" (Argued another key informant). On whether tax collectors treat tax payers fairly when collecting tax money, findings that 49% agreed, followed by 45% who disagreed and 6% were not sure. Finally on whether tax payers are satisfied with the way taxes are collected, results revaled that the majority 67% agreed, followed by 24% who disagreed and 9% were not sure. Further the researcher investigated whether there is a relationship between revenue collection procedures and Revenue Perfomance as given in table 10 below.

Table 10: *Showing the Correlation coefficient on tax Collection procedures and Revenue Perfomance*

		Local Revenue performance	Tax collection procedure
Local Revenue performance	Pearson correlation	1	0.834
	Sig (2-tailed)		0.003
	N	134	134
Tax collection procedures	Pearson correlation	0.834	1
	Sig (2-tailed)	0.003	
	N	134	134

**correlation is significant at 0.05 level (2 Tailed)
Source: primary data (2018)

Results indicate a positive correlation coeffecient of 0.834 between tax collection procedures and local revenue perfomance that is statistatically significant since 0.003<0.05. This implies that tax payers' willing to register, get fair assessment and accepting to pay taxes thus significantly influences local revenue perfomance.

4.4 Local Revenue performance

The researcher sought to establish the perfomance of local revenue generation in local government. A number of questions were therefore asked as shown table 11 below.

Table 11: Showing the descriptives on Revenue Perfomance

Statement	SA(%)	A(%)	NS(%)	D(%)	SD(%)	Mean	Std Deviation
Kiboga District generates all budgeted revenue every year	27(20)	25(19)	13(10)	39(29)	30(22)	2.85	1.47
Revenue is generated from all the planned sources	46(34)	34(25)	9(7)	39(29)	6(4)	3.56	1.3
Revenue generated is inline with the budget	34(25)	46(34)	39(29)	9(7)	6(4)	3.69	1.06
All revenues generated is reciepted	36(27)	23(17)	5(4)	63(47)	7(5)	3.13	1.38
Revenue is not spent at source	11(8)	44(33)	7(5)	51(38)	21(16)	2.80	1.27
Revenue generated is banked intact	23(17)	27(20)	11(8)	60(45)	13(10)	2.9	1.31
Outsourcing revenue collection enhances revenue perfomance	24(18)	44(33)	35(26)	16(12)	15(11)	3.34	1.22
Kiboga district experiences decline in local collection every year	49(37)	72(54)	3(2)	7(5)	3(2)	4.17	0.88

Source: primary data (2018)

Note: Mean range and intepetation of the variables is that (4.0-5.0)-Very importantant; (3.2-3.9)- Important; (2.4-3.19)- Neutral; (1.6-2.39); Fairly important; (0.8-1.59)- Least importantThe researcher inquired whether Kiboga District generates all budgeted revenue every year and the results indicate that the majority 51% disagreed, whereas 39% agreed and 10% were not sure.On whether revenue is generated from all the planned sources, results showed that 59% respondent were in agreement, 33% contrary and 7% were not sure. The study findings indicated that revenue generated is inline with the budget as shown by 59% in agreement, followed by 29% not sure and 11% in disagreement. With respect to whether all revenues generated are reciepted, findings revealed that 52% majority disagreed, 44% agreed and 4% were not sure. On whether revenue is not spent at source of collection, 54% disagreed whereas 41% agreed and 5% were not sure. With respect to whether revenue generated is banked intact, study findings revealed that 55% disagreed, 37% agreed and 8% were not sure. This agrees with what one of the informants had to say "In respect to tackling that, the district has introduced a mobile collection van that accesses tax payers in their localities as scheduled by the district efforcement team". On whether outsourcing revenue collection enhances revenue perfomance, results indicated that 51% agreed, 26% were not sure and 23% as the minority disagreed. Finally, the researcher investigated whether Kiboga district experiences decline in local collection every year and the study findings showed that the majority 91% agreed, 7% disagreed and 2% were not sure.

4.5 Regression Analysis

In abide to investigate the strength of the relationship between tax administration and Revenue Perfomance, the researcher carried a regression analysis as shown in table 12 below.

Table 12: *Regression Analysis on Tax Administration and Revenue Perfomance*
model summary

mode	R	R square	Adjusted R Square	Std. error of the estimate
1	0.699	0.489	0.479	7.14817

a, Predictors; (constant), tax registration, tax assessment, tax collection
Source: primary data (2018)

The model summary table of regresssion shows an an account for the total variation in local revenue perfomance and only explains a limited proportion of the total variation which can be measured by its variance. If the regression line is not completely horizontal (b coefficient is different from 0). Then total variance is accounted for by the regresion line. As such part of the variance is measured as sum of the squared differences between respondents predicted the dependent variable values and the overall mean divided by number of respondents, then we arrive at the proportion of total variance that is accounted for by the regression equation that is between zero and one shown by the adjusted R^2 of 0.479 impling that 47.9% of the variations in local revenue perfomance is explained by the level of tax registration, assessment and collection procedures.

4.6 ANOVA Analysis

The researcher carried out the Analysis of Variance and results are as shown in table 13 below.

Table 13: *ANOVA table on Tax Adminstration and Revenue Perfomance*
ANOVA b

Mode	Sum of squares	Df	mean square	F	Sig
Regression	9543.721	3	2385.93	46.695	0.000
Residual	9963.779	131	51.096		
Total	19507.5	134			

a, Prediction; (constant), tax registration, tax assessment, tax collection
Source: primary data (2018)

From the ANOVA table 13 above, the researcher concludes that tax administration inform of tax registration, assessment and collection procedures significantly influence local revenue perfomance as indicated by the F value of 46.695>2 and the P-value of 0.000<0.05.

4.7 Multi regression analysis

The researcher also run a multiregression analysis and results are as given in tabel 14 below.

Table 14: Showing the Multiregression Analysis results

MODEL		COEFFICIENTS				
		Un Standardized coefficients		Standardized coefficients		
		B	Std error	Beta	t	sig
1	Constant	12.325	3.194		3.859	0.000
	tax registration	0.389	0.074	0.368	5.252	0.000
	tax assessment	0.05	0.062	0.054	0.801	0.000
	tax collection	0.335	0.073	0.347	4.607	0.000

Source: primary data (2018)

Y=12.325+0.389 Tax registration + 0.05 Tax assessment + 0.335 Tax collection procedures

From the model above, the β coefficients are all positive with p-values 0.000<0.05 meaning that an increase in the level of tax registration, tax assessment and tax collection will lead to an increase in local revenue performance.

4.8 Documentary review

Table 15: *Results from the Documentary Review for 2018*

Source	Approved budget	Actual revenue	Percentage collected	Under/over performance
Graduated tax compensation	252,883,200	128,663,000	51	(124,220,200)
Local service tax	22,920,000	12,946,724	56	(9,973,276)
Application fees	58,560,000	39,837,000	68	(18,723,000)

Business license	1,056,000	410,000	39	(646,000)
35% sub counties	2,400,000	1,417,670	59	(982,330)
Registration of business	792,000	724,000	91	(68,000)
Contract fees	52,689,600	32,679,629	62	(20,009,971)
Market dues	17,808,000	3,413,250	19	(14,394,750)
Miscellaneous receipts	2,232,160	6,034,749	270	3,802,589
Total	411,340,960	226,126,022	55	(185,214,938)

Source: primary data (2018)

The documentary review above shows that perfomance was bad and such a position cannot sufficiently provide the services to the citizens. A critical look indicate 55% of perfomance of local revenue is due to to the fact that revenue flow under perfomed due to graduated tax compensation variation of 49%, local service tax 32%, business licence 61%, 35% sub counties 41%, registrationof business 9%, contract fees 38%, market dues has the widest variation of 81%, yet actual revenue collected by the district is small impling that perfomance is even worse than reflected. Other reasons given for poor perfomance are indicated by the subcounties and district final account, revenue enhancement plans and development plan for the period under study further gives the following;

- ✓ Low compliance among tax payers
- ✓ Negative political influence- Don't disturb voters
- ✓ Poor assessment and collection practices
- ✓ Corrupt officers who accept bribes at complomise of large revenue eg in forestry
- ✓ Late payment of taxes affect budgeting
- ✓ Change of names by tax payers to evade taxes
- ✓ Delays in enumeration exercise by district authorities
- ✓ Lack of proper data storage
- ✓ Poor valuation of properties leading to low taxation
- ✓ Use of revenue collection before contacting banks
- ✓ Poor revenue price setting and reliable data
- ✓ Poor information records and malpractices

However efforts have been put in place through the revenue taskforce and the following strategies to improve collcetion, management and accountability have been put in place;

- ✓ Putting check points on roads to trap fees
- ✓ Sensitization of people, revenue collectors and parish chiefs
- ✓ Capacity building of revenue collectors by giving transport and lunch
- ✓ Timely collection of revenue
- ✓ Fencing of livestock markets and improving on sanity
- ✓ Proper assessment made on tax collection
- ✓ Registration using Tax Identification Numbers
- ✓ Physical construction of offices at parish level
- ✓ Discourage direct spending of cash revenue by subcounty chiefs before banking.

CHAPTER FIVE
SUMMARY, DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS FOR THE STUDY

5.0 introduction
This section entails the summary of the study, discussion of the study findings in relation to to the study objectives, conclusions and recommendations for the study.

5.1 Summary of the Study Findings
The study indicate an increasing level of tax registration has a positive impact on revenue performance. The findings for increasing levels of tax assessment have direct positive impact on revenue perfomance. The study findings for increasing the level of tax collection procedures have a direct positive impact on the level of perfomance. And from the regresion analysis, the independent variable, tax administration trough tax registration, assessment and collection procedures have positive significant influence in the dependent variable (local revenue perfomance).

5.2 Discussion of the study findings
Registration contributes to the efficiency and effectiveness of local revenue performance as given by 91% agreed, 4% were not sure and 5% minority disagreed and further a mean of 4.17 and lower deviation of 0.83. In addition, there is a positive correlation coefficient of 0.655 between tax registration and local revenue performance statistically significant at 0.007<0.05. this agrees with one of the striking features in governance of tax administration in sub-Saharan African through decentralization of government and weaknesses of state localities and remote regions according to Herbst, (2000); Mkandawire, (2002). And as efforts by these local governments to improve tax registration, tax assessment and collection procedures have been made for better revenue performance. Also the findings agree with Allingham and Sandom, (1972) whose model is based on a risk-averse tax payer and the outcome of the model show that a higher penalty rate discourages tax evasion and avoidance and that high tax rates induce these. Results indicated that tax payers' assessment affects revenue performance as given by 75% in agreement and further that abolition of graduated tax affect greatly the performance of local revenue as shown by 66% in agreement and further the means of 3.84 and 3.75, standard deviations of 1.18 and 1.12 respectively. This is further supported by a correlation coefficient of 0.787 statistically significant since 0.001<0.05. This is in agreement with Shalinzi and Squire (1989) who observes that such methods have worked in Cameroon, Togo and Senegal although performance monitored is still small pointing out that revenue collected from presumptive taxes is dependent on improving compliance. On the revenue collection procedures, the study results showed 56% in agreement and that tax payers are satisfied with the way taxes are collected as indicated by 67% in agreement. This was further explained by the mean of 3.15 and 3.59, and the standard deviation of 1.39 and 1.12 respectively. This is further supported by a correlation coefficient of 0.834 statistically significant at 0.003<0.05. this position of the research study agrees with the preposition of World bank survey in 1994 which say that sensitization should be done on different taxes that impact the business owners and the

rationale that underlines the imposition of taxes because tax payers are not aware of the reasons for paying taxes, evasion of tax duties, laws and regulations are very important.

5.3 Conclusions of the study

Based on the study findings, it can be concluded that Registration contributes to the efficiency and effectiveness of local revenue performance. And that there is a positive relationship between Tax registration and local revenue performance as given by r (0.655). Therefore an increase in registration of tax payers by the local government will significantly increase revenue performance. Further as based on the study findings, the researcher concludes that tax payers' assessment affects revenue performance and that abolition of graduated tax affect greatly the performance of local as supported by a correlation coefficient of 0.787 statistically significant since 0.001<0.05. Therefore stringent assessment methods and modes by the local government will increase the local revenue performance. In conclusion, the researcher concludes that tax payers are satisfied with the way taxes are collected and that the collection methods as used by the local government are appropriate as correlation coefficient of 0.834 statistically significant at 0.003<0.05. Therefore better tax collection procedures significantly influence the revenues collected in the local revenues. In a nutshell, the researcher concludes that tax administration in form of tax registration, assessment and collection procedures significantly influence local revenue performance and that 47.9% of the variations in local revenue performance are explained by the level of tax registration, assessment and collection procedures.

5.4 Recommendations for the study

The study recommends that the local governments engage in registration of all stakeholders, businesses and people to broaden the tax base for which local revenue is based so as to improve service delivery. It is a deliberate action including registration commitees and sensitization of the tax payer on the advabntages of registering in time to avoid penalties. The researcher recommends that local government engage in registration and asessment of alll stakeholders, businesses, people for the purpose of broadening the tax base. Councils should be engaged in such dialogue to establish task forces to handling pertinent issues like inventory on sources of revenue, and any under takings to understand and explain trends on tax assessment and revenue perfomance. Assessment should be done before tax collection is made. If necessary use tribunals to sector disagreements between the tax authority and tax payers. Furthermore, the study recommend that local government engage in registration, assessment and collection from all stakeholders, businesses, and people to improve on service delivery. Sponteneous collection outside official working hours should be avoided by revenue collection officers to maximise revenue collection. Parish chiefs should remain condinated with the disatrict and tax indentification number system should continually be encouraged throughout for use and fresh registration for new tax payers.

5.5 Area of further research

The researcher recommends that further research be done on the impact of tax revenue towards service delivery in local governments.

More research be carriedout on the contribution of tax reforms in local government towards tax revenue perfomance.

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Olivia Atuhairwe is a registered member of Certified Public Accountant of Uganda, has uninterrupted experience of over 20 years working in finance and audit department in the Local Governments of Hoima district, Hoima Municipality and Kiboga district. She has also worked with donor projects as an accountant and an advisor working independently, objectively and ethically. She has intensively been involved in variety of financial and audit activities such as; ensuring that budgets are prepared and implemented according to the legal frame work, timely production of audit and financial reports, ensured compliance and implementation of organizational finance system among others.

Olivia Atuhairwe graduated in Master of Science in Finance from Team University, have attained a Certificate as a Certified Public Accountant from the Institute of Certified Accountants of Uganda (ICPAU) and also graduated with first class honors degree in Business Administration, Accounting and Finance option from Uganda Christian University-Mukono among others.

APPENDICES

Appendix A: Showing the research Questionnaire
QUESTIONNAIRE TO EMPLOYEES KIBOGA DISTRICT LOCAL GOVERNMENT
Dear respondents,
Iam a master's of science finance student at Team University currently conducting research about tax administration and tax revenue performance in Uganda, A case study of Kiboga District Local Government. This questionnaire intends to capture data concerning tax registration, assessment, tax revenue collection and tax compliance. Relevant information obtained shall be used for academic purposes only. You are therefore requested to fill the above questionnaire carefully to enable me attain the intended objective. Please put a tick/ circle for your choices or written on provided blank spaces.
Part 1: Demographic Data
Please tick the correct answer
1.1 Name: ………………………………………………………….(optional)
1.2 Place of residents of the respondents
Sub county………………………….Village/Ward/LC………………………..
1.3 Gender
Male   Female
1.4 Age:
21-30 years   31-40 years   —50 years
d above

1.5   Desigiation
………………………………………………………..
1.5 Level of Education
None   Primary
Secondary   Postsecondary
University
1.6 Marital status
Married   Single
Divorsed   Seperated
Widow/Widowee
PART II

Tick in the appropriate box under each question. Where 5 = Strongly Agree, 4 =Agree, 3 = Neutral, 2 = Disagree and 1 = Strongly Disagree.

Tax Administration and Revenue Perfomance

Question	1	2	3	4	5
Statement					
Tax Registration and Revenue Perfomance					
The tax payers' registration affects the local revenue					
Registration contributes to the effeciency and effectiveness of local revenue perfomance					
When am registered, my name is recorded in the revenue register					
Am issued with the TIN after registration					
Tax collectors treat me fairly when registering					
Tax payers are aware how local revenue maybe collected, appropriated and accounted for					
Registration is done from home in working hours					
Am aware of the importance of paying taxes					
Tax Assessment and Revenue Perfomance					
My income is considered before tax is levied					
Abolition of Graduated tax affected grealy the perfomance of local revenue					
There is tax assessment tribunal in this Sub county/division					
Tax liability is determined based on age only					
I get a copy of my assessment before I pay my tax					
Assessment is done from home in the working hours					
The tax payers assessment affects revenue perfomance					
Tax Collection procedures and revenue Perfomance					
Methods used in the collection of revenue in					

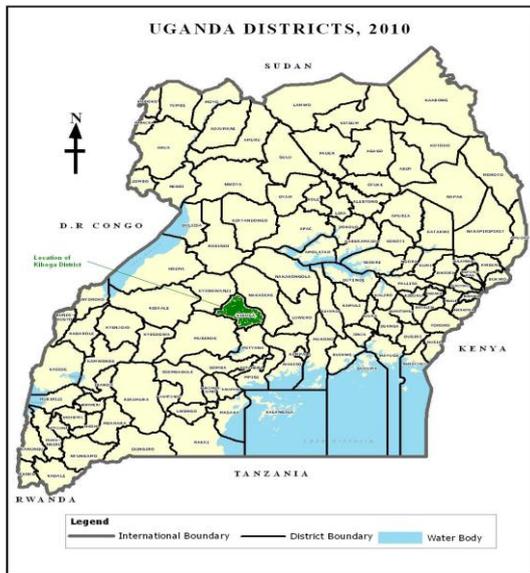| Kiboga district are appropriate					
Taxes are collected on check points during spot checks					
The local government is partly rensponsible fo revenue collection					
There is a tax collection office in my parish/ward					
Tax collectors treat me fairly when collecting tax money from me					
Am satisfied the way taxes are collected from me					
Revenue Performance					
Kiboga district generates all budgeted revenue every year					
Revenue is generated from all the planned sources					
Revenue generated is inline with the budget					
All revenue generated is reciepted					
Revenue is not spent at source					
Outsourcing revenue collection enhances revenue perfomance					
Kiboga district experiences decline in revenue collection every year					

Thank you for your cooperation

Appendix B: Documentary review method
The researcher reviewed the following documents of 2017/18

1. District development plan to establish the extent to which planning intervation will actually deliver
2. Analysed budget perfomance of the district and establish the underlying factors for the perfomance
3. Analysed revenue enhancement plans for the entire district to establish the extent it has achieved and why
4. Analysed quarterly revenue perfomance and established trends and underlying factors
5. Analysed revenue monthly returns and establish under/over perfomance and underlying factors
6. Analysed the reciepting systems and revenue banking procedures in the councils
7. Revenue tax administration procedures and practices inline with relevant laws and regulation.

Appendix C: Map of Uganda

UGANDA DISTRICTS, 2010

N	S	N	S	N	S	N	S	N	S
80	66	240	148	600	234	2000	322	40000	380
85	70	250	152	650	242	2200	327	50000	381
90	73	260	155	700	248	2400	331	75000	382
95	76	270	159	750	254	2600	335	100000	384

(Source: Amin, 2005:454)

From R.V. Krejcie and D.W. Morgan (1970), Determining sample size for research activities, Educational and psychological measurement, 30,608, Sage Publications.

Appendix E: Sample size (s) required for a given population size (N)

N	S	N	S	N	S	N	S	N	S
10	10	100	80	280	162	800	260	2800	338
15	14	110	86	290	165	850	256	3000	341
20	19	120	92	300	169	900	269	3500	346
25	24	130	97	320	175	950	274	4000	351
30	28	140	103	340	181	1000	278	4500	354
35	32	150	108	360	186	1100	285	5000	357
40	36	160	113	380	191	1200	291	6000	361
45	40	170	118	400	196	1300	297	7000	364
50	44	180	123	420	201	1400	302	8000	367
55	48	190	127	440	205	1500	306	9000	368
60	52	200	132	460	210	1600	310	10000	370
65	56	210	136	480	214	1700	313	15000	375
70	59	220	140	500	217	1800	317	20000	377
75	63	230	144	550	226	1900	320	30000	379