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Effects Of Technological Environment On Service Delivery In Anambra Internal Revenue Services (2014- 2022)

Ifeoma Priscilla Udegbunam[1] & Prof. Basil C. Nwankwo2

[1,2]Department of Public Administration
Faculty of Management Sciences
Nnamdi Azikiwe University Awka, Anambra state, Nigeria
[1]pi.udegbunam@unizik.edu.ng; [2]bc.nwankwo@unizik.edu.ng

ABSTRACT

This study examines the effects of technological environment on service delivery within the Anambra Internal Revenue Service (AIRS) from 2014 to 2022. Through a descriptive survey design, data was collected from 331 staff members of AIRS, covering various departments. The study utilized a structured questionnaire and both primary and secondary data sources for analysis. The research objectives focused on investigating the relationship between E-payment of tax and tax payers' commitment to pay tax to AIRS, as well as analyzing the effect of the Internet of Things (IoT) on service quality in AIRS. These objectives were supported by three research questions and two null hypotheses. The findings revealed significant relationships between E-payment of tax and tax payers' commitment to pay tax to AIRS, as well as a significant effect of the Internet of Things on service quality in AIRS. Specifically, the study identified that efficient E-payment services contribute to tax payers' commitment to pay taxes, while the use of the internet enhances service quality by facilitating efficient service delivery, wide coverage of tax-related activities, quick payments, fraud reduction, and prompt customer feedback. These findings align with previous research indicating the positive impact of electronic tax systems on tax compliance and revenue generation. Moreover, they underscore the importance of technological advancements, including IoT, in improving service quality within revenue collection agencies like AIRS.

Keywords: Technological environment, Service delivery, E-payment, Internet of Things (IoT)

INTRODUCTION

The economic landscape of Nigeria has been significantly shaped by fluctuations in global oil prices, given the country's heavy reliance on oil exports for revenue. This dependency has led to considerable economic instability, particularly evident in the recent recession, which has diminished the funds available to all tiers of government (Fasanya and Ogundare, 2018). The federal government's revenue is predominantly derived from oil, and state and local governments heavily rely on their share of the Federation Account, also funded largely by oil revenues. This reliance on a volatile resource has underscored the urgent need for state and local governments to diversify their revenue sources and enhance their internal revenue generation capabilities.

In response to this challenge, Anambra State established the Anambra State Internal Revenue Service (AIRS) in 2010 under the Anambra State Internal Revenue Service Law No. 11 of 2010. AIRS was created to oversee the assessment, collection, and accounting of taxes and other revenues for the state government. Its primary objective is to bolster the internally generated revenue (IGR) of Anambra State through efficient tax collection, compliance enforcement, and taxpayer education (AIRS, 2022). This initiative represents a strategic shift towards reducing dependency on federal allocations and improving the state's financial autonomy. Anambra State Internal Revenue has implemented various initiatives to enhance revenue collection, including the adoption of modern technologies such as electronic tax filing systems and mobile tax collection platforms (AIRS, 2018). These technological advancements aim to streamline tax processes, improve compliance, and increase transparency in revenue collection. For instance, the introduction of an integrated billing system in 2020 has consolidated multiple bills into a single payment platform, thereby reducing the risk of over-taxation and fraud while facilitating online payments (AIRS, 2020).

Despite these advancements, challenges remain. Taxpayers continue to face difficulties in using the new platforms, especially in rural areas where issues such as poor network connectivity and lack of digital literacy prevail (John-Akamelu and Iyidiobi, 2019). Moreover, instances of corruption and manipulation in the revenue collection process have been reported, highlighting the need for further improvements in governance and technology utilization within AIRS. The integration of technology into the operations of AIRS has raised critical questions regarding its impact on service delivery. Ideally, a technologically advanced tax administration system should enhance efficiency, streamline processes, boost taxpayer compliance, and optimize revenue collection (John-Akamelu and Iyidiobi, 2019). However, despite these potential benefits, AIRS has faced significant challenges in realizing these outcomes.

While Anambra State's internally generated revenue (IGR) showed a commendable growth of 61.3% from 2016 to 2020, increasing from N17.3 billion to N28 billion, there is a notable gap in understanding the role of the technological environment in this achievement (Egbuna, 2021). Inefficiencies in service delivery, as evidenced by reduced revenue collection during certain periods and operational challenges, suggest that the current technological framework may not be fully effective. Effective revenue collection is crucial for the economic development of Anambra State, financing essential public services and infrastructure projects (Adefolake et al., 2022; World Bank, 2023). However, inefficient service delivery can impede these efforts, leading to budget deficits and reduced public trust. The financial costs of these inefficiencies are multifaceted, including increased administrative expenses, potential data security breaches, and decreased voluntary compliance (International Monetary Fund, 2023; Boukheroua et al., 2021). Therefore, this study aims to examine the effects of the technological environment on service delivery within AIRS, identifying the challenges and opportunities presented by the adoption of modern technologies in tax administration.

Research Objectives

The broad objective of this study is to examine the effect of technological environment on service delivery in AIRS. The specific objectives include:

i. To examine the relationship between E-payment of tax and tax payers commitment to pay tax to AIRS.
ii. To analyze the effect of Internet of Things on service quality in AIRS.

Research Question

The following two research questions were formulated to guide the study:

i. What is the relationship between E-payment of tax and taxpayers' commitment to pay tax to AIRS?
ii. What is the effect of Internet of Things on service quality in AIRS?

Hypothesis

The following two null hypotheses were tested for the purpose of this study

1. There is no significant relationship between E-payment of tax and tax payers' commitment to pay tax to AIRS.
2. There is no significant effect of Internet of Things on service quality in AIRS.

Concept Clarifications: Technological environment and Service delivery

Ezeilo (cited in Enemuo, Onyejiaku, and Olowe, 2022) argued that it becomes evident that the concept of the technological environment within an organization or institution encompasses a multifaceted landscape of factors that profoundly influence its operations and development. This technological environment is dynamic and encompasses a range of interconnected elements that collectively shape the organization's interaction with science and technology. First and foremost, the state of science and technology within an organization or institution is a critical facet of the technological environment. This refers to the level of advancement, innovation, and knowledge within the organization's technical domains. It encompasses the current state of technological capabilities, the availability of cutting-edge tools and equipment, and the depth of expertise possessed by its workforce. A technologically advanced organization is better equipped to adapt to changing market demands and remain competitive in today's rapidly evolving world.

On a similar note, Suman (cited in Enemuo, Onyejiaku, and Olowe, 2022) posits that technology represents a dynamic and ever-evolving realm within the business landscape. It encompasses advancements, innovations, and transformations in various technological domains that exert a profound influence on business operations. These technological advancements introduce novel approaches to production, processes, and methods of conducting business activities. This interplay between technology and business is multifaceted, extending beyond mere gadgets and tools. It encompasses a broader spectrum of changes, including the integration of cutting-edge technologies like artificial intelligence, automation, data analytics, and digital platforms into business strategies and operations. These innovations enable businesses to streamline their processes, enhance efficiency, and create new avenues for value creation. Suman's perspective underscores the pivotal role that technological environmental factors play in shaping the business landscape. These factors encompass a wide array of elements, such as regulatory frameworks, market trends, consumer preferences, and competitive pressures, all of which are influenced by technological advancements. Consequently, businesses must proactively adapt to these technological environmental factors to remain competitive and relevant in the rapidly evolving business world.

According to Barnat (Okechukwu and Okoronkwo, 2018), the technological environment wields the power to significantly disrupt and potentially obliterate established businesses and entire industries. This transformative force stems from its capacity to redirect consumer demand from one product or service to another. In essence, the technological landscape is an ever-evolving arena where innovation and advancement can swiftly render existing business models and industry standards obsolete. The dynamic nature of technology fosters a climate of constant change, pushing businesses to continually adapt or risk becoming casualties of progress. As new technologies emerge and gain traction, they have the potential to shift consumer preferences, create new market niches, and redefine the competitive landscape. This phenomenon has been evident across various sectors, from the advent of e-commerce platforms disrupting traditional retail to the rise of streaming services transforming the entertainment industry. Furthermore, the speed at which these shifts occur can be staggering. What may have been a dominant product or service yesterday can quickly lose relevance in the face of technological innovation. As a result, businesses must remain vigilant, monitoring the technological environment, and proactively adjusting their strategies to stay competitive. Those that fail to do so may find themselves struggling to survive as consumer demand gravitates toward newer, more technologically aligned alternatives.

Bush (2016) asserts that the technological environment encompasses a broad spectrum of elements, with a pivotal focus on technological advancements that possess the potential to exert either positive or negative influences on an industry's functioning and the overall market dynamics. These encompass a multifaceted array of facets, including but not limited to automation, the vigor of research and development endeavors, and the degree of technological acumen prevalent within a given market. The dynamic concept of automation, as elucidated by Bush, signifies the transformative power of emerging technologies that can streamline and enhance operational efficiency within industries. Whether it's the integration of intelligent robotics, the automation of repetitive tasks, or the adoption of cutting-edge software systems, these innovations have the capacity to propel businesses to new heights of productivity, or conversely, they may render traditional approaches obsolete, potentially posing challenges to established players. Furthermore, Bush delves into the crucial role of research and development in the technological milieu. He emphasizes that industries that actively invest in R&D not only stay ahead of the competition but also catalyze the continuous evolution of technology. Pioneering research initiatives can lead to breakthrough innovations, creating novel market opportunities and, subsequently, reshaping industry landscapes.

Service delivery, as described by Nico and Ophillia (cited in Nwokike et al., 2021), involves a complex process aimed at efficiently providing services and products to customers, clients, or citizens. This process consists of several interconnected stages: Service providers must thoroughly understand the needs and desires of their target audience to tailor their offerings accordingly, enhancing the customer experience. This requires coordination among various teams and departments.

Seamless alignment of all elements in the service delivery process is crucial to minimize disruptions and maximize efficiency. Effective communication is key. Strict quality checks and standards ensure that services and products consistently meet high standards, fostering customer satisfaction, trust, and credibility. Meeting deadlines and being punctual demonstrates reliability and respect for customers' time, which is essential for customer satisfaction. Beyond core offerings, addressing customer inquiries, concerns, and feedback is crucial. This fosters a positive relationship between the service provider and customers. In the digital age, technology plays a central role in service delivery. Innovative solutions and digital platforms streamline processes, enhance accessibility, and offer personalized experiences. Regular assessments and evaluations of the entire process help identify areas for improvement. A growth mindset and openness to refining approaches are essential to staying competitive in the dynamic market.

Service delivery, as a concept, encompasses the extent to which services provided by different sectors meet or exceed the expectations of their beneficiaries, typically the general public (Shittu, 2020). This evaluation involves considering factors such as quality, efficiency, effectiveness, accessibility, responsiveness, and customer satisfaction. It is important to note that the assessment of service delivery varies depending on the specific sectors involved, which may include government departments, healthcare facilities, educational institutions, transportation networks, utility providers, and other entities responsible for delivering public services. In the realm of the service industry, Lovelock and Wright (Marthins and Ledimo, 2015) emphasize that service delivery is fundamental. It encompasses not only the process of providing services and products to customers or clients but also the actual fulfillment of promises made to consumers, ensuring they receive the expected level of quality and value from the service offered. This definition underscores that service delivery extends beyond the exchange of tangible products; it also encompasses the intangible aspects of the service experience. In essence, the delivery process in the service sector profoundly influences customer satisfaction, loyalty, and overall brand perception.

When considering service delivery in the context of governance and public administration, it pertains to the provision of social or public goods that contribute to the socio-economic wellbeing of citizens, primarily offered by the government (Angahar, in Dike, 2019). These essential services provided by the government include public utilities, security, economic development projects, law enforcement, and more. The primary objective of delivering these public goods and services at the local government level is to elevate the standard of living of the population. By providing necessary services and infrastructure, the government aims to enhance the overall quality of life, create economic opportunities, and promote social progress within communities. Efficient and effective service delivery is paramount for achieving positive socio-economic outcomes. Well-managed and accessible public services can contribute to poverty reduction, improved education and healthcare, enhanced public safety, and the overall development of the nation. Furthermore, it's essential to understand that service delivery is a versatile concept that can manifest in various forms, including tangible services such as repairing a car, intangible services like consulting advice, or a combination of both. In essence, service delivery encompasses all activities and interactions involved in providing and fulfilling a service to meet the needs and expectations of the recipients.

Carlson, Lamalle, Fustukian, Katy, Sibbons, and Sondorp (cited in Kayoed, Adagba, and Anyio, 2013), advanced a comprehensive conceptualization of service delivery, perceiving it as the intricate interplay among policy makers, service providers, and disadvantaged individuals. Their perspective embraces various essential elements that are conventionally deemed the purview of the state. These encompass critical social services, such as primary education and basic healthcare, alongside vital infrastructure components like water supply, sanitation facilities, and transportation networks, including roads and bridges. This holistic view underscores the multifaceted nature of service delivery, emphasizing the pivotal role of these interconnected entities in ensuring the effective provision of essential services and public amenities to the population. More so, Kayode et al., (2013) defined service delivery as encompassing both tangible and intangible goods and services offered by the government with the ultimate aim of enhancing the overall welfare and quality of life of its citizens. This broad interpretation underscores the multifaceted nature of service delivery, emphasizing that it extends beyond mere physical products to encompass intangible elements such as healthcare, education, and public utilities. In essence, their definition highlights the holistic approach that governments should adopt when striving to meet the diverse needs and expectations of their constituents. This comprehensive perspective on service delivery underscores its vital role in advancing societal well-being and underscores the importance of effective governance and public administration in achieving these objectives (Kayode et al., 2013).

Kim (2013) offered a comprehensive definition of service delivery, characterizing it as a multifaceted concept encompassing a diverse set of elements. Service delivery, as conceptualized by Kim, involves a meticulous assemblage of principles, standards, policies, and constraints that together serve as a compass for the entire lifecycle of services. This lifecycle includes their inception, development, deployment, ongoing operation, and eventual retirement. All of these activities are orchestrated by a service provider, who undertakes the responsibility of ensuring that services meet the predefined criteria and objectives. The overarching goal of this service delivery framework, as outlined by Kim, is to maintain a steadfast and uniform service experience. This consistency is vital and must be upheld across the entire spectrum of services, primarily targeting a specific user community situated within a particular business context.

Empirical Review

Adegbola, Nwanji, Eluyela, Inegbedion, and Eleda (2021) did a study on e-tax system effectiveness in reducing tax evasion in Nigeria, aimed to investigate the impact of electronic tax systems (E-tax systems) on reducing tax evasion in Nigeria. The research utilized a survey sample comprising employees of the Federal Inland Revenue Service (FIRS) and small to medium-scale enterprise taxpayers registered in F.C.T., Abuja, Nigeria. The primary data collection involved the distribution of questionnaires to a population consisting of 60 FIRS officials and employees, as well as taxpayers from small and medium-scale enterprises in F.C.T., Abuja, Nigeria. Additionally, secondary data was extracted from the FIRS tax revenue collection report spanning the years 2000 to 2019, covering a 20-year period. The study employed a conclusive research design and utilized statistical techniques such as the General Linear Model and Linear Regression to analyze the collected data. To assess the effectiveness of the E-tax system, the researchers used actual tax revenues and the level of electronic tax services as key indicators. In contrast, tax evasion was evaluated through measures of tax compliance and the mindset of taxpayers regarding the E-tax system. The study also considered taxpayers' attitudes toward the E-tax system, actual tax revenue figures, tax compliance levels, and the extent of electronic tax services as mediating and control variables. The results of the analysis revealed a significant and negative relationship between the E-tax system and tax evasion. In essence, the research findings indicate that a well-implemented electronic tax system can significantly reduce instances of tax evasion. This highlights the importance of effectively implementing electronic tax systems in addressing the issue of tax evasion, which can have adverse economic and social consequences within the tax administration system in Nigeria. In summary, this study underscores the potential of E-tax systems as a tool for enhancing tax compliance and revenue collection in the country.

Night and Bananuka (2018), explored the relationship between small business enterprises' (SBEs) attitudes toward electronic tax systems, their adoption of such systems, and their tax compliance in an African developing economy, specifically Uganda. The study utilized a quantitative research approach, employing questionnaires with closed-ended questions. A total of 214 SBE managers participated, and data analysis was conducted using SPSS v22 and the MedGraph program in Excel. The findings of the study revealed that the adoption of electronic tax systems plays a partial mediating role in the connection between attitudes toward electronic tax systems and tax compliance. Additionally, the research showed significant associations between both the adoption of electronic tax systems and attitudes toward them with tax compliance. However, the study had certain limitations. It was cross-sectional, meaning it couldn't track behavioral changes over time. The use of a quantitative approach limited respondents' ability to fully express their feelings or insights. Furthermore, the study's applicability may be restricted to developing countries with conditions similar to those in Uganda. In terms of its contribution, this research added valuable empirical evidence by examining the mediating impact of electronic tax system adoption on the relationship between attitudes and tax compliance within the context of SBEs in an African developing economy, Uganda. This perspective offered fresh insights into the dynamics of tax compliance in such regions.

Umenweke, Nwabachili, and Anushiem (2023) examined the challenges of taxing the digital economy in Nigeria. Taxation is described as a compulsory government levy on economic transactions, with a focus on online activities in this context. Numerous Nigerians engage in digital activities daily, with many interacting with non-resident companies like Amazon, Walmart, and others. The challenges identified included difficulties in identifying these companies, their income, and digital activities, as well as issues related to data accuracy, a specialized court, corruption, and a lack of IT expertise. The paper emphasized the need to diversify Nigeria's revenue sources beyond oil and recommended clear legislation for a digital services tax, collaboration between tax authorities and banks, and effective implementation of such legislation to enhance government revenue.

Hamza, Qader, Gardi, Hamad and Anwar (2021) explored the impact of information technology on efficient tax management in Kurdistan. The research adopted a descriptive research approach and employd a questionnaire for data collection, with subsequent analysis carried out using multiple regression and Pearson product moment correlation. The findings of the study highlighted the positive influence of information technology on efficient tax management, particularly in the context of online tax filing, online tax registration, and online tax remittance. This literature review aims to summarize the key points from this research and contextualize it within the existing extant literature.

Adegoke and Lawal (2022) examined the pivotal role of technology in tax administration within Nigeria, with a focus on the State Board of Internal Revenue Services (SBIRS). As the world undergoes rapid technological advancements, businesses and governments must adapt to stay relevant and efficient. This paper assessed the current state of technology adoption within SBIRS, categorizing it into three groups: those embracing technology, those gradually moving toward it, and those still reliant on manual processes. Lagos State Internal Revenue Service (LIRS) stands out as a leader in technology adoption, leveraging digital tools to streamline tax processes effectively. However, many other SBIRS entities are in various stages of adopting technology, with some only recently shifting to online tax reporting due to the COVID-19 pandemic. The challenges hindering technology adoption within SBIRS include concerns over data privacy, system downtime, poor user interfaces, and a lack of IT experts. Despite these challenges, the benefits of embracing technology in tax administration are substantial. Technology enables tax authorities to identify taxpayers, verify information, reduce tax avoidance and evasion, and improve administrative efficiency. This, in turn, reduces compliance burdens and related costs. To enhance tax administration in Nigeria, SBIRS is urged to accelerate the automation of tax processes, provide comprehensive training for tax personnel in technology use, engage efficient service providers to minimize system downtime, create user-friendly web interfaces, and prioritize data protection mechanisms.

John-Akamelu and Iyidiobi (2019), investigated into the impact of electronic taxation (e-taxation) on revenue generation within Anambra state. This research aimed to achieve three primary objectives: first, to assess how e-taxation influences tax revenue generation in Anambra state; second, to determine whether the implementation of e-taxation has led to a reduction in tax malpractice within the state; and third, to examine whether tax revenue has seen improvements following the adoption of e-taxation in Anambra state. To conduct this study, the researchers employed a survey design and collected relevant data, which was subsequently analyzed. The analysis involved the use of a one-sample t-test to evaluate the hypotheses formulated by the researchers. The study's results indicated several noteworthy findings. Firstly, it concluded that e-taxation indeed has a significant effect on tax revenue generation in Anambra state. Secondly, the adoption of e-taxation has played a role in reducing instances of tax malpractice within the state. Lastly, there was evidence to suggest that tax revenue has experienced a positive boost as a result of the implementation of e-taxation in Anambra state. In light of these findings, the researchers put forth several recommendations. Among these recommendations, they stressed the importance of government establishing well-equipped databases containing information on taxpayers. Such databases would serve the purpose of identifying all potential sources of income for taxpayers, facilitating more efficient and accurate tax collection processes. Overall, the study's findings shed light on the positive impact of e-taxation on revenue generation and the potential for reducing tax-related misconduct in Anambra state, underscoring the importance of leveraging technology for tax administration.

Ogbonna and Appah (2016) investigated the impact of tax administration and revenue on the economic growth of Nigeria. The researchers gathered data from primary and secondary sources,

including scholarly books, journals, and a structured questionnaire. Their analysis, using regression analysis, indicates a significant relationship between various tax revenues (such as Personal Income Tax, Company Income Tax, VAT, and Petroleum Profit Tax) and economic indicators like per capita income and Gross Domestic Product (GDP). The study concludes that tax administration and revenue have a noticeable influence on Nigeria's economic growth during the studied period. It suggests the need for tax administration reforms to address revenue leakage and loopholes in tax collection and remittances, which could hinder the nation's economic growth.
Eke and Alohan (n.d.), which focused on assessing the impact of electronic taxation (e-taxation) on tax administration in Nigeria. Their research aimed to determine whether the implementation of e-taxation has improved the efficiency of tax collection and administration in the country. To conduct the study, the researchers collected primary data from various sources, including taxpayers, tax professionals, chartered accountants, and tax administrators working within the Federal Inland Revenue Service in Benin and Auchi branches. They utilized a sample size of 399 individuals selected through stratified random sampling and administered a structured questionnaire to gather information. The data collected were subjected to statistical analysis using software called SPSS 23. The researchers employed various statistical techniques, including descriptive statistics, correlation analysis, and panel regression, to examine the relationships and trends within the data. The key findings of the study were as follows: E-taxation had a negative impact (-0.032) on the "Ease of Paying Taxes," indicating that it did not significantly improve the ease of tax payment in Nigeria. Moreover, this result was not statistically significant (p = 0.221 at a 5% level), implying that e-taxation did not lead to a significant improvement in tax payment convenience. E-taxation had a negative impact (-0.129) on the "Processing Time of Tax Returns and Assessment." This negative impact indicated a 12.9% reduction in the time it takes to process tax returns and assessments, and this result was statistically significant (p = 0.013 at a 5% level). In other words, e-taxation had a positive effect on reducing the processing time for tax-related tasks. Based on their findings, the researchers made several recommendations. They suggested that taxpayers should receive training on how to use electronic methods for tax payment, particularly with the introduction of TaxPro Max, a new electronic tax system. Additionally, they recommended that the e-tax system should undergo regular reviews to make it more efficient and streamlined in its operations.

RESEARCH METHODS

The study adopted a descriptive survey design to investigate the effects of technological environment on service delivery in Anambra State Internal Revenue Service (AIRS) from 2014 to 2022. The study was conducted in Anambra State, Nigeria, and the population consisted of 331 staff members of AIRS, including administrative, collection, accounting, planning, research, and statistics staff, as well as staff from the assessment, PAYE, and inspection and other taxes departments. Since the population size was manageable, no sampling technique was employed, and all 331 staff members were included in the study. Data was collected using a structured questionnaire, which was designed to solicit information from the staff on the effects of technological environment on service delivery in AIRS. Both primary and secondary data sources were utilized, including official documents, textbooks, journals, online resources, and expert opinions.
To ensure the validity of the research instrument, expert evaluation was conducted, and the instrument was reviewed by three experts. The reliability of the instrument was ensured through the test-retest method, which involved administering the questionnaire to a pilot group of 30 respondents, and then re-administering it two weeks later. The reliability coefficient of 0.93 indicated a high level of consistency in the responses. Data analysis was performed using frequency tables, percentage, multiple regression, and ANOVA. The decision rule for testing hypotheses was to reject the null hypothesis if the calculated value exceeded the table value at a 5% significance level. This meant that if the calculated value was greater than the table value, the null hypothesis would be rejected, indicating a significant relationship between the variables.

RESULTS AND DISCUSSION

Here, the two hypotheses formulated were tested using t-statistics and significance value of the individual variables in the regression result. The essence of this is to ascertain how significant are the effect of individual independent or explanatory variables on the dependent variables. In hypothesis one, study found that E-payment has a t-statistics of 15.157 and a probability value of 0.001 which is statistically significant. Therefore, we reject the null hypothesis and accept the alternative hypotheses which state that there is significant relationship between E-payment of tax and tax payers' commitment to pay tax to AIRS. Also, a significant proportion of respondents agreed or strongly agreed that various aspects of E-payment services, such as quality, reliability, efficiency, ease of integration, and flexibility, contribute to tax payers' commitment to pay taxes. While hypothesis one stated that there is no significant relationship between E-payment of tax and tax payers' commitment to pay tax to AIRS, the findings suggest otherwise. The data indicates that there is significant relationship between E-payment of tax and tax payers' commitment to pay tax to AIRS. The findings by Adegbola, Nwanji, Eluyela, Inegbedion, and Eleda (2021) are consistent with prior research, highlighting that well-implemented electronic tax systems can effectively reduce instances of tax evasion. This study reinforces the notion that E-payment systems play a crucial role in enhancing tax compliance by providing a more efficient and transparent tax collection process. Similarly, Night and Bananuka's (2018) study underscored the positive impact of electronic tax system adoption on tax compliance. Their findings emphasize the correlation between the adoption of electronic tax systems and favourable attitudes toward them with improved tax compliance among small business enterprises. This suggests that the integration of electronic tax systems encourages greater compliance with tax regulations, thereby contributing to more robust revenue collection efforts.

In addition, the study found that Internet usage has a t-statistics of 8.868 and a probability value of 0.001 which is statistically significant. Therefore, we accept the alternative hypothesis which states that there is significant effect of the internet of things on service quality in AIRS. By implication, there is a positive significant effect of the Internet of Things (IoT) on service quality in Anambra Internal Revenue Services. Respondents generally agreed that the use of the internet in the organization encouraged efficient service delivery, helped in wide coverage of tax and tax-related activities, allowed customers to make quick payments, reduces fraudulent activities among staff to a large extent, and enables quick feedback from customers, promoting efficient service delivery. Previous study by Hamza, Qader, Gardi, Hamad and Anwar (2021) explored the impact of information technology on efficient tax management in Kurdistan, which provided insights into the broader impact of technology, including IoT, on service quality. While it focused on tax management, the findings regarding the positive influence of information technology offered implications for service quality improvement through technological advancements.

CONCLUSION

The study set out to explore the effects of the technological environment on service delivery within the Anambra Internal Revenue Services (AIRS) from 2014 to 2022. Through an extensive examination of various facets of the technological landscape and service delivery frameworks, coupled with empirical evidence from previous studies, the research aimed to shed light on the intricate relationship between technological advancements and service quality.

The findings of the study have provided compelling insights into this relationship. Firstly, concerning the hypothesis relating to E-payment of tax and taxpayers' commitment to pay tax to AIRS, the analysis revealed a significant and positive correlation between these variables. This implies that the adoption of E-payment systems within AIRS has effectively bolstered taxpayers' commitment to fulfilling their tax obligations. The convenience, reliability, and efficiency offered by E-payment services have emerged as key drivers behind this enhanced commitment, aligning with prior research highlighting the efficacy of electronic tax systems in curbing tax evasion and fostering compliance.

Secondly, regarding the hypothesis examining the effect of the Internet of Things (IoT) on service quality within AIRS, the results demonstrated a significant and positive impact. The utilization of the internet within the organization has facilitated more efficient service delivery, expanded coverage of tax-related activities, accelerated payment processes, minimized fraudulent activities, and enabled prompt feedback mechanisms. These findings underscore the transformative potential of IoT technologies in enhancing service quality and operational effectiveness within governmental institutions like AIRS.

RECOMMENDATIONS

Based on the research findings, the following recommendations are made:

1. Given the significant relationship between E-payment of tax and taxpayers' commitment to pay tax, it is recommended that the Anambra Internal Revenue Services (AIRS) should actively promote and facilitate the use of E-payment platforms. This could include offering incentives such as discounts or rewards for taxpayers who utilize E-payment methods, as well as improving the accessibility and user-friendliness of these platforms.
2. Since the study found a significant effect of the Internet of Things (IoT) on service quality, it is advisable for AIRS to integrate IoT technology into their operations. This could involve implementing IoT devices and sensors to collect real-time data on service delivery processes, thereby enhancing efficiency, transparency, and responsiveness. Additionally, investing in IoT infrastructure and training staff on IoT technology would be crucial for successful implementation.

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