

ISSN: 2635-2966 (Print), ISSN: 2635-2958 (Online).

©International Accounting and Taxation Research Group, Faculty of Management Sciences, University of Benin, Benin City, Nigeria.

Available online at <http://www.atreview.org>

Original Research Article

Taxation and Small Business; Challenges and Prospects in Nigeria

Ajibade, T.I.¹, Ayodele, O.², Joseph, O³ & Adeniji, S.O⁴

¹ Department of Accounting; Dominican University Ibadan, Oyo State.

² Department of Finance; Ekiti State University, Ado Ekiti

³ Department of Accounting, Lead City University, Ibadan, Oyo State

⁴ Department of Accounting, Dominican University Ibadan, Oyo State,

samsonadeniji05@gmail.com

For Correspondence, email: ajibadetemiloluwa@gmail.com

Received: 28/10/2020

Accepted: 20/12/2020

Abstract

Nigeria is governed by a federal system; hence its fiscal operations also adhere to the same principle. This has severe implications on how the tax system is managed in the country. Small and medium enterprises (S.M.E.s) are considered the backbone of economic growth in all countries. Most S.M.E.s in Nigeria die within their first five years of existence, a smaller percentage goes into extinction between the sixth and tenth year while only about five to ten per cent survive, thrive and grow to maturity

Exploratory design was adopted for the study, as several extant literatures related to the concept of taxation and S.M.E.s in Nigeria were reviewed.

Findings revealed that S.M.E.s are the channel for improving domestic markets' efficiency and making productive use of scarce resources, thus facilitating long-term economic growth in poor countries. By creating employment, the disposable incomes will rise further, contributing to the increase of the social standards. Consumption will also increase, impacting positively on the national incomes.

The S.M.E.s cannot compete for business with larger companies, and thus, there is a need for governments to accelerate their growth by creating an enabling environment for them via appropriate tax incentives to enhance their sustenance and growth. Also, tax policy will enable the government to generate maximum revenue without affecting the survival of the small businesses. It is recommended that SMEs should be levied a lower percentage of taxes

to allow enough funds for business development and better chances of survival in a competitive market. The government should also consider increasing tax incentives such as exemptions and tax holidays as these will encourage voluntary compliance and attract investors who are potentially viable tax payers in the future.

Keywords: Economic growth, Employment, Government, Taxation, Tax Policy

JEL Classification Codes: M41

This is an open access article that uses a funding model which does not charge readers or their institutions for access and is distributed under the terms of the Creative Commons Attribution License. (<http://creativecommons.org/licenses/by/4.0>) and the Budapest Open Access Initiative (<http://www.budapestopenaccessinitiative.org/read>), which permit unrestricted use, distribution, and reproduction in any medium, provided the original work is properly credited.

© 2020. The authors. This work is licensed under the Creative Commons Attribution 4.0 International License

Citation: Ajibade, T.I., Ayodele, O., Ayodele, O., & Adeniji, S.O. (2020). Taxation and small business; challenges and prospects in Nigeria. *Accounting and Taxation Review*, 4(4): 67-77.

1.0 Introduction

Nigeria is governed by a federal system; hence its fiscal operations also adhere to the same principle. This has severe implications on how the tax system is managed in the country.

Deloitte (2018) noted that the new National Tax Policy (NTP)'s main objective is to establish a robust and efficient tax system in Nigeria with a focus on legislative amendments to reduce the tax burden on SMEs. The NTP also proposed reducing corporate tax rates and introducing tax registration thresholds as an incentive to encourage compliance and protect SMEs. However, taxes still appear to be a major constraint to the development of these SMEs in Nigeria.

According to Oxford Business Group (2019) a revised national tax policy (NTP) was approved by the Federal Executive Council in February 2017. The NTP is a document which sets broad parameters for the taxation and ancillary matters connected

with taxation in Nigeria. It is a clear statement on the principles governing tax administration and revenue collection. It provides a set of guidelines, rules and modus operandi that would regulate taxation in Nigeria, which all stakeholders can subscribe to. The federal tax system's impact on small business has been a matter of increasing interest and concern to many persons during the last few years. Keith (2010) noted that while this burden of federal taxation was known to represent all business, its impact was thought to have been especially severe on small businesses, mainly because they had little or no access to public markets for capital.

Aryeetey & Ahene, 2004; Oludele & Emilie, 2012 noted that Small and Medium Enterprises have always been considered a significant force for economic development and industrialization in developing economies. These small enterprises have increasingly been recognized as enterprises that contribute considerably to the creation

of jobs, economic growth and eradication of poverty in Africa. According to the 2015 World Development Report, creating "sustainable" jobs and opportunities for smaller entrepreneurs are the key strategies to take people out of poverty. Small and medium enterprises are mostly private enterprises, and they face difficulties when dealing with the government in general and the tax administration in particular, mostly the developing countries. Many of the tax authorities' difficulties may be deemed the consequences of poorly conceived tax policies and a lack of certainty regarding future policy changes. However, it would be rare indeed to not observe complaints about the complication and ambiguity of the tax laws and high tax rates (Baurer, 2005).

Small and medium enterprises (SMEs) are considered the backbone of economic growth in all countries. Smaller enterprises represent a major percentage of private business and contribute significantly to employment and GDP in most African countries (UNIDO, 2009). According to Ocheni (2015), Small and Medium Enterprises Make up large of the entire economy, and they serve as a source of employment generation, innovation, competition, economic dynamism, which ultimately lead to poverty alleviation and national growth. At any rate, tax policy is one of the factors that constitute these Small and medium enterprises in the economic environment.

Atawodi and Ojeka (2012) stated that the revenue generated from individuals and businesses' taxation is an essential stream of income for the government. In an economy like ours that is struggling to remain afloat, it is even more important. Tax revenue is the source of funds used for development projects such as the provision of

infrastructure like good roads, stable power supply, and stable water supply. All of these combine to create an enabling environment for businesses and turn the economy at large to grow.

Udoh (2015) noted that the informal sector comprises self-employed persons, small and microenterprises and other forms of economic activities. Incomes generated by the operators in the sector, in many cases, are not officially captured into the tax net of the States or Nation. According to Andersen (2018), the micro, small, and medium scale enterprises, including traders and artisans belong to the informal sector. Furthermore, they constitute a significant portion of the economy.

Udoh (2015) noted Informal economy is a concept initially introduced by the International Labour Organization in its Kenyan Mission study 1972 and has defined informality as 'a way of doing things' and characterized by seven drivers; (a) ease of entry; (b) reliance on indigenous resources; (c) family ownership; (d) small scale operations; (e) labour-intensive and adaptive technologies; (f) unregulated and competitive markets. Evans Lawrence and Richard (2016) emphasise that taxation plays an important role in the development of every economy and the growth of Small and Medium Enterprises (SMEs). Especially in a developing area like sub-Saharan Africa, the role of SMEs is critical in pushing the socio-economic development agenda of the country further. Therefore, the tax system's alignment and policy to the specific SME growth needs can be considered an important agenda for the policy-makers. The study aimed to explore the importance of taxation in Nigeria on small businesses examining the prospects and challenges.

1.1 Statement of the problem

The sustainability of small and medium scale enterprise is a significant concern in most developing countries. Aremu (2004) is of the opinion that the promotion of such enterprises in developing economies like Nigeria will bring about great distribution of income and wealth, economic self-dependence, entrepreneurial development employment and a host of other positive, economic uplifting factors. According to Ocheni (2015) Small and Medium Enterprises make up about 95% of the entire economy and they serve as source of employment generation, innovation, competition, economic dynamism which ultimately leads to poverty alleviation and national growth. Most SMEs in Nigeria die within their first five years of existence. A smaller percentage goes into extinction between the sixth and tenth year while only about five to ten per cent survive, thrive and grow to maturity (Agu 2014). Ocheni (2015) noted that some factors responsible for these untimely close-ups are tax-related issues, ranging from taxations to enormous tax burdens, multiplicity of taxes. Therefore, in dealing with small and medium enterprises, these unique qualities need to be considered. According to Atijosan (2014), another problem faced with SMEs in Nigeria is that the levying of taxes for these enterprises, in particular, issues that need to be considered are how these tax policies can be designed to bolster the growth of Small businesses and the most effective ways to administer them. Findings revealed that high tax rates and complex filing procedures are the most crucial factors causing SMEs' non-compliance. Other factors like multiple taxations and lack of proper enlightenment affect tax compliance among the SMEs surveyed only to a lesser extent. (Atawodi & Ojeka, 2012). The importance of Small businesses as a mechanism of economic

growth and development is often ignored. They are perceived as minute establishments that have minimal effect on the state of the economy. Hence, the need to study to highlight the challenges and prospect of taxation on SMEs in Nigeria and its benefits to the Nigerian economy.

Against the above background, the broad objective of this paper is to explore the importance of taxation in Nigeria on small businesses examining the prospects and challenges in relation to the Nigerian economy.

2.0 Literature Review

According to World Bank (2000), taxes are compulsory transfer of resources to the government from the rest of the economy; it was also made known that no single tax structure can meet every country's requirements. The best system for any country should be determined considering its economic structure, its capacity to administer taxes, its public service needs, and many other factors. Nonetheless, one way to get an idea of what matters in tax policy is to look at what taxes exist worldwide. Taxation is one among other sources of revenue generation of any government to enable her meet the need of the citizens some of which have been mentioned above. In French laws, public force and administrative running expenses are the purpose of taxation in Public Finance General Directorate (2009). Akintoye and Tashie (2013) maintained that tax revenue is needed to enable the execution of public expenditure. It is important to note that the government has order means of generating revenue, including borrowing, foreign aids etc. Since public expenditure can be executed by taxation, public goods consumption should be equal among citizens. In developing countries, taxation

has become a punitive levy on low-income taxpayers who constitute the larger proportion of the tax net as they are deprived of equal benefit of the facilities. The tax system in Nigeria constitute the tax policy, the tax laws and the tax administration. All of these are expected to work together in order to achieve the economic goal of the nation. (Presidential Committee on National tax policy 2016), Atawodi and Ojeka (2012) explained that, the choice of tax policy to employ depends on using one or both two groups of instruments. The first is special tax preferences and the other incentives to support start-up and growth of small companies (Atawodi & Ojeka, 2012). These incentives include lowering corporate income tax rates, special tax exemptions or tax holidays, and relieve for small businesses. The underlying reason for all these is to effectively raise revenue through measures that suit a country's circumstances and administrative capacity (Atawodi & Ojeka, 2012).

There are many success stories in the world where the adoption of an appropriate strategy for establishing and promoting SMEs has given impressive results in economic growth (Steensma, Marino and Weaver 2000). Elisabeth and Lefebvre (2001) have shown the impact of SMEs' innovative capabilities as the primary determinant on export performance. All the technological capabilities of SMEs are positive and significantly correlated with exports. The data show that SMEs are vital to the economic health worldwide in countries with high-income economies and low-income. SMEs are adversely affected by the global financial crisis of the year 2008. The contribution of SMEs to GDP is important. SMEs account for 52% of the private sector's value, which is a reasonable

estimate for the global economic contribution (ACCA 2010). Statistics rarely deny the influence of SMEs on GDP. For example, in 2006/7, the contribution of SMEs to India's GDP was only around 6%. Thus, SMEs' output accounted for about 40% of the industrial production and 40% of all exports (Ghatak 2010).

2.1 Theoretical Review

2.1.1 The Planned Behavior Theory

The Planned Behavior Theory developed by Ajzen (1991) is one of the attitude theories applied in several of behaviours. It was stated that the Planned Behavior Theory is one of the models of social psychology that is often used to predict behaviour. The Planned Behavior Theory is a good predictor of behavior because it is balanced by carrying out the behavior. Thus, the researchers use the Planned Behavior Theory to explain phenomena or factors that affect SMEs' tax compliance. In the Planned Behavior Theory, behavior acted by the individual arises because of the intention to behave. The rising of intention to behave is determined by three factors, namely: (1) attitude toward the behavior; (2) the subjective norm; and (3) the perception of controlled behavioural (Ajzen, 1991). Hanno and Violette (1996) studied tax compliance and found that the attitude and subjective norm positively affected intentions and behavior of tax compliance. Blanthorne (2000) improved the Planned Behavior Theory by adding the ethic variables to examine two individual taxpayers groups' tax compliance behaviour. The first group was individual taxpayers that had an opportunity to disobey, and another group was individual taxpayers that did not have an opportunity to disobey. Blanthorne (2000) could not prove that attitudes influenced the tax compliance intentions. From this study, it was found

that the influence of the surrounding people (subjective norms) and perception of controlled behavioral affected negatively to the tax compliance intentions. Comparative Treatment: The comparative treatment model was established based on the equity and positive theory that addressing inequities in the exchange relationship between government and Taxpayers would improve compliance (McKerchar and Evans, 2009). One of the things that have to be considered in the implementation of tax in the country was justice. This is because psychologically, the Community recognized that the tax is a burden. Therefore, of course, people needed certainty that they got fair treatment in the state's imposition and collection of taxes. It did not aim to obstruct the operating of the existed tax system. This assessment was probably to affect the assessment of citizen and how citizens saw each other (D 'Arcy, 2011).

2.1.2 Political Legitimacy Theory

The theory emphasizes the need for government to exhibit voice and accountability by giving room for the voice of the citizens to be heard and being accountable equally; Effective in the area of provision of basic public goods and formulation of policies that will in great measure affect the well-being of the citizens positively. This affects the survival of SMEs (Kirchler et al., 2008 cited in Syadullah and Wibowo, 2015). Legitimacy could be termed as a belief or confidence to governments, institutions, and social arrangements that should be suitable, accurate, fair, and work for the society's goodness. After independence, African countries stressed national development for ethnic identity has been more successful than those who permitted the major ethnic hatred politics. Political scientists discussed how the legitimacy of political and civil

identification was managed. This study would be hinged on this theory of political legitimacy which seems to be in line with enlisting taxpayers trust in government, bringing about improved tax payments. On the other hand, the theory emphasizes the need for government to exhibit voice and accountability by giving room for the voice of the citizens to be heard and also be accountable to the citizen equally; Effectives in the area of provision of basic public goods and formulation of policies that will in great measure affect positively the well-being of the citizens; Regulatory quality is also expected to be in place in the formulation and implementation of good regulation for the citizens towards having a better society.

In addition, government is also expected to uphold rule of law and entrench political stability to empower its various institutions and shun corrupt practices thereby enlisting citizens' trust in the government. Political legitimacy theory underpins the cause of the study because of its bidirectional role played in the relationship between institutional quality and tax revenue in Nigeria.

4.1 Challenges of SMEs

There are many threats affecting SMEs and stunt their growth. However, there are some peculiar problems relating to specific countries. However, the challenges SMEs face in different countries and geopolitical divisions are the same. According to Organization for Economic Co-operation and Development (OECD) (2004), a survey was conducted on Turkish SMEs. Results showed that SMEs suffered the consequences of policy inconsistency, poor access to finance, insufficient know-how and low level of technology, and so many others. Ocheni (2015) stated that given the place occupied by the SMEs in Nigeria's

industrial sector, it is expected that the success of the Nigerian economy would be partly dependent on the success of the SMEs. Muritala, Awolaaja, and Bako (2013) investigate Small and Medium Enterprises as a veritable economic growth tool and development tool. A survey method was used to gather data from 200 SME/Entrepreneurial officers and Managers from five selected local government in Nigeria, namely; Ijebu North, Yewa South, Sagamu, Odeda and Ogun Waterside Local government. Data were collected with a structured questionnaire and analyzed with several descriptive statistics to identify the perception of SMEs' roles in Nigeria. Therefore, the study results reveal that the most common constraints hindering small and medium scale business growth in Nigeria are lack of financial support, poor management, corruption, lack of training and experience, poor infrastructure, insufficient profits, and low demand for product and services.

Ocheni (2015) studied the impact analysis of tax policy, and the performance of small and medium scale enterprises in the Nigerian economy. Results revealed no significant difference in the mean opinion scores of managers and accountants on the best tax policy that encourages tax compliance by SMEs in Nigeria. It was also revealed that there is no significant difference in the mean opinion scores of managers and accountants of the implications of tax policy on SMEs growth. The paper, therefore, recommended that for Small and Medium Enterprises to get better equipped, have enough funds and survive in a competitive market, the rate of tax levied on the small business should be lower; The rate of tax incentives and exemptions which serve as catalysts and bait for attracting investors should be highly increased by the

three tiers of government in Nigeria. Agwu (2014) stated that the multiplicity of tax had become a major problem, especially given the role of tax consultants and agents hired by local governments. They are often crude in their operation, excessive in their assessment and destructive in their relationship with the production process. They tax everything in their bid to generate revenue without considering the net effect on household incomes and employment; similarly, Atawodi and Ojeka (2012) researched factors that affect tax compliances among SMEs in the North, and findings revealed that tax compliance among SMEs is poor. Therefore, this study was conducted using SMEs in Zaria, North-Central Nigeria to evaluate and rank the factors that encourage non-compliance with SMEs' tax obligation. It was found that high tax rates and complex filing procedures are the most crucial factors causing non-compliance of SMEs. Other factors like multiple taxations and lack of proper enlightenment affect tax compliance among the SMEs surveyed only to a lesser extent.

4.2 SMEs and Economic Growth

According to Twesige and Gasheja (2019), in a bid to stimulate the growth of SMEs, several countries have used tax incentives for both investors and listing firms to promote activity on SME boards. Investors' tax incentives are the more common approach, particularly in advanced markets (Mintz & Chen, 2011). Poland adopted the policy of encouraging investment in shares of SMEs through removing so-called "back-end" taxes, which are the taxes applied to profits made when selling a security. (Twesige & Gasheja 2019) According to Ademola, Samuel, and Ifedolapo (2012), small scale enterprises are catalysts for catalysts for the world's economic growth and development which have dominated the

industrial sector of both developed and underdeveloped countries. Aruwa (2013) believed that Nigeria's industrial sector is dominated by small and medium scale enterprises (SMEs) which accounts for 90% in terms of the number of enterprises, as compared with other developed countries where more than 98% of all their enterprises belong to SME sector, about 80% of the total industrial labour force in Japan is SME, 50% in Germany, 46% in USA are employed in smaller firms. SMEs are the main indicators of a country's economic development. Myslimi and Kacani (2016) opined that SMEs have a significant impact on the social development. SMEs create jobs, compete with big enterprises, become part of the global market, contribute to poverty alleviation in developing countries, boost exports and reduce imports. Udechukwu (2013), in a similar vein, viewed the SME sector as a crucial sector that will enhance the private sector's contributions and provide the critical building blocks for industrialization and sustainable economic growth. SMEs broaden the base of participation in society, decentralize economic power and give people a stake in the society's future (Williams, 2016). By creating employment, the disposable incomes will rise further, contributing to the increase of the social standards. Consumption will also increase, impacting positively on the national incomes (Keskin, Dhe Senturk 2010). SMEs have also been recognized as a channel for improving domestic markets' efficiency and making productive use of scarce resources, thus facilitating long-term economic growth in emerging countries (Aryeetey & Ahene, 2014).

Furthermore, in light of SMEs' impact on the economic growth of a country, Myslimi and Kacani (2016) stated that SMEs

dominate the world economy in terms of employment. Given that SMEs enhance competition, promote efficiency, innovation, and productivity, SMEs' government support can help countries reap social benefits. The SMEs subsidy can help to reduce poverty. But it could not be diminished the value that large enterprises have in economic growth.

5.0 Conclusion and Recommendation

Informal sectors make enormous contributions to national economies, in both human and financial terms, because of the cost and procedural burden (most especially the tax burden) of joining the formal sector outweigh the benefit of staying in the informal sector most SMEs remain in the informal sector. Given the Nigeria tax authority's inability to capture the informal sector in the tax net, there is still the issue of tax compliance. However, the SMEs cannot compete for business with larger companies, and thus, there is a need for governments to accelerate their growth by creating an enabling environment for them via appropriate tax incentives to enhance their sustenance and growth. Also, tax policy will enable the government to generate maximum revenue without affecting the survival of the small businesses. It is recommended that SMEs should be levied a lower percentage of taxes to allow enough funds for business development and better chances of survival in a competitive market. The government should also consider increasing tax incentives such as exemptions and tax holidays as these will encourage voluntary compliance and attract investors who are potentially viable taxpayers in the future.

References

- ACCA (2010). Small Business: A global agenda. ACCA global: London. Retrieved on 7 January 2020 from [www.accaglobal.com › small-business › pol-afb-sbaga](http://www.accaglobal.com/pol-afb-sbaga).
- Ademola, G. O., Samuel O. J. & Ifedolapo O. (2012), The roles of record keeping in the survival and growth of small scale enterprises in Ijumu local government area of Kogi State. *Global Journal of Management and Business Research*, 12 (13), 34-45
- Agu, C. C. (2014). Understanding the ABC of the Financial System. 42nd Inaugural Lecture, University of Nigeria Nsukka, 1-55. Retrieved May 16, 2017, from <http://www.unn.edu.ng/wp-content/uploads/2015/09/42nd-Lecture.pdf>.
- Akintoye, I. R. & Tashie, G. A. (2013). The effect of Tax Compliance on Economic Growth and development in Nigeria, West Africa. *British Journal of Arts and Social Sciences*, 1(1), 222-231.
- Anderson (2018). Effective taxation of Nigerian informal system. Retrieved from <https://andersentax.ng/effective-taxation-of-the-nigerian-informal-sector> on January 7 2020.
- Aremu, M. A. (2004). Small Scale Enterprises: Panacea to Poverty Problem in Nigeria, *Journal of Enterprises Development, International Research and Development Institute*, Uyo, Akwa Ibom, Nigeria, 1(1): 1 – 8.
- Aruwa (2013). The influence of tax reforms on the prosperity of microfilms and small businesses in Uzbekistan. *Asia-Pacific Journal*, 16(2), 31-64.
- Aryeetey, E. & Ahene, A. (2004). Changing regulatory environment for small-medium size enterprises and their performance in Ghana. *CRC Working Paper No. 30594*; Centre on Regulation and Competition (CRC). Retrieved from <http://ageconsearch.umn.edu/bitstream/30594/1/cr050103.pdf>
- Atawodi, O. W. & Ojeka, S. A. (2012). Factors that affect tax compliance among small and medium enterprises (SMEs) in north central Nigeria. *International journal of business and management*, 7(12). 87-96.
- Atijosan, G. (2014). *Tax policy for small and medium enterprises*. Paper delivered at the 6TH Global conference on business and economics; Gut man conference center, U.S.A
- Baurer, L. I., (2005). Tax administration and Small and Medium Enterprises (SMEs) in Development Countries. Retrieved from [http://www.ifc.org/ifcext/sme.nsf/AttachmentsByTitle/BEE+SME+Taxation/\\$FILE/SME+Taxation+Toolkit.pdf](http://www.ifc.org/ifcext/sme.nsf/AttachmentsByTitle/BEE+SME+Taxation/$FILE/SME+Taxation+Toolkit.pdf)
- Blanthorne, C. M. (2000). *The Role of Opportunity and Beliefs On Tax Evasion: A Structural Equation Analysis*. Arizona State University: Dissertation.
- D'Arcy, M. (2011). Why do citizens assent to pay tax? Legitimacy, taxation and the African state. *Afrobarometer Working Paper* (126), 1-25.
- Deloitte (2018). Nigeria's National Tax Policy Retrieved from <https://www2.deloitte.com/ng/en/pages/tax/articles/inside-tax-articles/nigerias-national-tax-policy-any-agenda-for-the-new-firs-chair.html>
- Élisabeth, L. & Lefebvre, L. A. (2001). *Innovative capabilities as determinants of export performance and behavior: A*

- longitudinal study of manufacturing SMEs*. Mac Millan Press): London
- Ghatak, S. (2010), Micro, Small and Medium Enterprises (MSMEs) in India: An Appraisal www.legalpundits.com/Content_folder/SMEArti150610.pdf
- Hanno, D. M. & Violette, G. R. (1996). An Analysis of Moral and Social Influences on Taxpayer Behavior. *Behavioral Research in Accounting*, 8, 57-75.
- Keith, E. G. (2010). The impact of taxation on small business. Retrieved from
- Kirchler, E., Hoelzl, E., & Wahl, I. (2008). Enforced versus voluntary tax compliance: The slippery slope framework. *Journal of Economic Psychology*, 29, 210-225.
- McKerchar, M. & Evans, C. (2009). Sustaining growth in developing economies through improved taxpayer compliance: Challenges for policy makers and revenue authorities. *Journal of Tax Research*, 7(2), 171-201.
- Muritala, T. A., Awolaja, A. M. & Bako, Y. A (2012). Impact of small and medium enterprises on economic growth and development. *American Journal of Business and Management*, 1(1), 18-22.
- Myslimi, G. & Kacani, K. (2016). Impact of SMEs in economic growth in Albania. *European Journal of Sustainable Development*, 5(3), 151-158.
- Ocheni, S. I. (2015). Impact analysis of tax policy and the performance of small and medium scale enterprises in Nigeria economy. *Strategic Management Quarterly*, 39(1) 71-94.
- Oludele, A. A. & Emilie, C. K., (2012). Regulation, awareness, compliance and SMEs performance in Cameroon's manufacturing and retail sectors. *International Journal of Social Economics*, 39(12) 34- 47.
- Oxford Business Group (2019). *An overview of national tax policy and administration in Nigeria* retrieved from <https://oxfordbusinessgroup.com/overview/widening-net-detailed-look-national-tax-policy-and-administration> on January 7, 2020.
- Public Finance General Directorate (2009). Annual report. Retrieved from https://www.economie.gouv.fr/files/files/directions_services/dgfip/Rapport/rapport_2009_version_anglaise.pdf
- Steensma, H. K., Marino, L. & Weaver, K. M. (2000). Attitudes toward cooperative strategies: A cross-cultural analysis of entrepreneurs. *Journal of International Business Studies*, 31(4), 591- 602.
- Syadullah, M.. & Wibowo, T. (2015). Governance and tax revenue in Asian countries. *Journal of Social and development Sciences*, 6(2), 76–88.
- Twesige, D., & Gasheja, F. (2019). Effect of tax incentives on the growth of small and medium-sized enterprises (SMEs) in Rwanda: A case study of SMEs in Nyarugenge district. *Journal of Accounting and Taxation*, 11(5), 89-98.
- Udechukwu, F.N. (2003). *Survey of small and medium scale industries and their potentials in Nigeria*. Paper presented at the Central Bank of Nigeria seminar on small and medium industries equity investment scheme (SMIEIS). Retrieved from www.cenbank.org/out/Publications/guidelines/dfd/2019/smieis.pdf. On January 7 2020.
- Udoh J. E. (2015). Taxing the informal economy in Nigeria. issues, challenges

and opportunities. *International Journal of Business and Social Science*, 6(10),160-175.

UNIDO (2012). Tanzania SME development policy 2003, ten year after Implementation review. Retrieved from http://www.tzdpd.or.tz/fileadmin/_migrated/content/uploads/Implementation_Review_SME_Policy_2003_Presentation_Nilgun.ppt+&cd=3&hl=en&ct=clnk&gl=ng

World Bank (2000). *Lessons of Tax Reform*. World Bank; Washington DC.