UKR Journal of Economics, Business and Management (UKRJEBM)
Homepage: https://ukrpublisher.com/ukrjebm/
Email: submit.ukrpublisher@gmail.com
Volume 2, Issue 8, 2026 ISSN: 3049-429X (Online)

Effect of Tax Reforms Awareness on Taxpayers Behaviour: Nigerian Experience

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DOI: *https://doi.org/10.5281/zenodo.22024032*

Article History

Original Research Article

Received: 17-06-2026

Accepted: 24-07-2026

Published: 20-08-2026

Citation: Ogunrinde Olufemi Philip. (2026). Effect of Tax Reforms Awareness on Taxpayers Behaviour: Nigerian Experience. UKR Journal of Economics, Business and Management, 2(8), 90-97.

Abstract

The degree of awareness and comprehension among taxpayers is a major factor in the effectiveness of Nigeria's tax reforms. This study uses time-series data from 2005 to 2024 and secondary quantitative data to examine the impact of tax reform awareness on Nigerian taxpayers' behavior. Descriptive statistics and ordinary least square multiple regression analysis were used to analyze the obtained data. The results show that while tax compliance costs have a negative impact on compliance behavior, taxpayer behavior is positively impacted by tax knowledge and perceived fairness of the tax system. The findings show that better perceptions of the tax system's fairness and greater taxpayer education greatly increase voluntary compliance. On the other hand, excessive compliance costs deter favorable taxpayer behavior The study concludes that taxpayer awareness initiatives, streamlined compliance processes, and openness in tax administration must be given top priority in any successful tax changes. To encourage sustainable revenue production in Nigeria, the report suggests stepping up tax education programs, lowering compliance costs through digital tax systems, and boosting public confidence in tax authorities.

Keywords: *Tax reforms awareness, taxpayers' behavior, Nigerian experience.*

1.1 Introduction

Governments now employ tax reforms as a key tool to increase revenue collection and bolster fiscal sustainability. The degree of knowledge that taxpayers have about tax laws, regulations, and procedures is known as tax reform awareness. Public education campaigns, tax seminars, and digital information portals aimed at educating taxpayers are examples of awareness programs (Adebayo & Onuoha, 2022). Thus, awareness of tax revisions is thought to be crucial in influencing the attitudes and actions of taxpayers. Taxpayers are more inclined to comply voluntarily when they are well-informed about tax laws and believe the tax system is transparent and equitable (Pascale et al., 2023). On the other hand, complicated processes and hefty compliance costs may deter compliance.

The degree to which taxpayers comprehend tax rules, obligations, and procedures is known as tax knowledge (Adebisi & Gbegi, 2020). Because they are more conscious of their obligations and possible fines, taxpayers with higher levels of tax awareness typically exhibit better compliance behavior. (Eze & Okoye, 2020) Taxpayers' perceptions of the equity of tax laws and the responsible use of tax money by the government are related to perceived fairness (Adetunji & Olalekan, 2022). Taxpayers are more likely to comply when they believe that tax management is fair. The financial, administrative, and time costs paid by taxpayers in meeting their tax duties are referred to as tax compliance costs. Exorbitant compliance fees could deter voluntary compliance and encourage tax evasion (Adeoye, 2019). One of the biggest sources of funding for the government is taxation, which is also essential to the growth of the national economy.

Tax reforms have been put in place in many developing nations, including Nigeria, to increase the effectiveness of revenue collection and encourage voluntary tax compliance. Restructuring tax laws, strengthening tax administration, and boosting taxpayer education are common components of these reforms (Adetunji & Oluwadamilola, 2022). Nigeria has implemented a number of reforms, yet voluntary tax compliance is still comparatively low. While some individuals think the tax system is unfair or onerous, many do not fully comprehend tax laws. These problems have a big impact on taxpayer behavior, which in turn has an impact on government revenue performance (Akinyemi, 2021). According to TPB, raising taxpayer awareness and education can increase their intents to utilize Tax-Pro-Max, which will increase tax remittances to the FIRS and increase compliance Afolabi, 2021).

A thorough foundation for comprehending the moderating impact of taxpayer knowledge and education on the implementation of Tax-Pro-Max and FIRS tax remittance income in Nigeria is provided by the theory of Planned Behavior (Pascale et al., 2023). Awareness and education can have a substantial impact on taxpayers' intents and behaviors with regard to tax compliance by altering attitudes, subjective norms, and perceived behavioral control (Alm et al., 2020). The behavior of taxpayers reveals how closely people and businesses adhere to tax laws. Timely filing of tax forms, accurate income reporting, and voluntary tax payment are characteristics of positive behavior (Bello & Usman, 2020). By concentrating on three important factors—tax knowledge, perceived fairness of the tax system, and tax compliance cost—this study investigates how tax reform awareness affects taxpayer behavior in Nigeria.

1.2 Statement of the Problem

One of the most dependable sources of funding for public services, infrastructure development, and economic growth is still tax income (Adeoye, 2019). However, despite numerous tax revisions over the years, low levels of voluntary tax compliance persist in many emerging economies, including Nigeria. In order to increase revenue mobilization, broaden the tax base, and improve tax administration, the Nigerian government has implemented a number of policy initiatives. Public awareness campaigns, electronic tax filing platforms, and the modernization of tax systems are some of these initiatives (Adetunji & Olalekan, 2022). Despite these initiatives, company and individual tax compliance is still very low, which restricts the tax system's ability to promote national development. Designing successful tax laws that promote voluntary compliance requires an understanding of how taxpayer behavior is impacted by tax reform awareness. The studies on this area of research are still scanty. A review of related literature such as those studies conducted by Fjelstad and Heggstad (2018); Saad (2019); Adebisi and Gbegi (2020); Ibrahim et al. (2021); Ojo and Akande (2021); Adetunji and Oluwadamilola (2022); Adetunji and Olalekan (2022); Adebayo and Onuoha (2022);; Olawale et al., (2022); Pascale et al. (2023); FIRS (2024); Lawal et al. (2024) are yet to carry out an investigation on tax reform awareness on taxpayers' behavior, implying that the studies on the effect of tax reform awareness on taxpayer behavior has received little empirical attention, despite the fact that numerous research have looked at tax compliance behavior in Nigeria. Therefore, by analyzing the roles of tax knowledge, perceived fairness of the tax system, and tax compliance cost, this study explores the impact of tax reform awareness on taxpayers' behavior in Nigeria.

1.3 Objective of the Study

The main aim of this study is to investigate the effect of tax reform awareness on taxpayers' behaviour in Nigeria. The specific objectives are to:

i. Assess the effect of tax knowledge on taxpayers' behaviour in Nigeria.
ii. Analyze the effect of perceived fairness of the tax system on taxpayers' behaviour.
iii. Determine the effect of tax compliance cost on taxpayers' behaviour in Nigeria.

2. Literature Review

2.1 Taxpayers' Behaviour

Taxpayers' behavior means the attitudes, beliefs, and behaviors that people and organizations display with regard to adhering to tax rules and regulations (Adebayo & Onuoha, 2022). It shows how eager taxpayers are to accurately report their income, submit taxes on time, and pay taxes willingly and free from compulsion from tax officials (Adetunji & Oluwadamilola, 2022). A number of variables, such as financial incentives, psychological attitudes, social norms, and institutional trust, might affect tax compliance behavior. Adebisi and Gbegi (2020) asserts that moral considerations and views of the fairness of the tax system influence taxpayer behavior in addition to enforcement actions like audits and penalties (Adeoye, 2019). Adherence to filing dates, accurate income reporting, and voluntary compliance are all indicators of positive taxpayer behavior (Afolabi, 2021).

On the other hand, tax evasion, tax avoidance, or underreporting of income are examples of undesirable behavior. Perceptions of unfairness in the tax system, mistrust of government institutions, and a lack of knowledge about tax laws frequently influence taxpayer behavior in many developing nations (Adetunji & Olalekan, 2022). Additionally, behavioral economics contends that psychological elements like perceived legitimacy of tax laws and governmental trust impact taxpayers' choices (Afolabi, 2021). Taxpayers are more likely to willingly cooperate when they perceive that tax resources are used for public goods and services. Therefore, policymakers who want to create efficient tax policies that promote compliance and lower tax evasion must have a thorough grasp of taxpayer behavior (FIRS, 2024).

2.2 Tax Reforms Awareness

Tax reform awareness refers to the degree to which taxpayers comprehend current tax laws, regulatory modifications, and administrative processes controlling taxation within an economy (Adebisi & Gbegi, 2020). It entails providing taxpayers with information via official and informal channels regarding tax requirements, reforms, and compliance measures (Alm et al., 2020). To make sure that people and organizations are aware of tax laws, governments frequently run awareness efforts, media releases, taxpayer seminars, and internet platforms (Adetunji & Oluwadamilola, 2022). These programs are crucial since a lot of taxpayers don't pay their taxes because they don't understand the rules and regulations, rather than because they intentionally avoid paying taxes (Akinyemi, 2021).

The Organization for Economic Co-operation and Development (2019) states that by increasing taxpayers' comprehension of the tax system and their responsibilities, taxpayer education and awareness programs greatly increase voluntary compliance (Adetunji & Olalekan, 2022). Taxpayers are more likely to comply voluntarily when they are adequately informed about reforms, such as adjustments to tax rates, filing requirements, or digital tax systems (Saad, 2019). Awareness of tax reform is crucial for improving the relationship between taxpayers and tax authorities in emerging nations like Nigeria (Eze & Okoye, 2020). Effective tax communication techniques boost taxpayer confidence in tax authorities and motivate them to carry out their civic duties, according to studies (FIRS, 2024). As a result, tax reform knowledge is a vital policy instrument that helps governments boost revenue production, improve tax compliance, and raise tax administration transparency (Pascale et al., 2023).

The level of comprehension that taxpayers have about tax laws, obligations, and administrative processes is referred to as tax knowledge. It includes knowledge of tax rates, allowed deductions, tax filing procedures, and non-compliance penalties (Adebayo & Onuoha, 2022). Taxpayers who possess sufficient tax knowledge are able to effectively fulfill their obligations and accurately grasp tax legislation (Akinyemi, 2021). Because they are aware of the repercussions of breaking tax regulations, taxpayers with greater tax expertise are more likely to do so. Additionally, tax knowledge boosts taxpayers' confidence when dealing with tax authorities and lowers the possibility of errors in tax reporting. To increase citizens' tax literacy, tax authorities in many nations make significant investments in taxpayer education initiatives (Ibrahim et al., 2021). Workshops, online courses, and educational campaigns that provide straightforward explanations of tax procedures are examples of such activities. Taxpayers are more likely to see taxes as a civic duty rather than a financial hardship when they are sufficiently informed about the tax system.

The term "perceived fairness of the tax system" refers to taxpayers' belief that the allocation of tax obligations among persons and companies is reasonable and that tax laws are fair (Eze & Okoye, 2020). Taxpayers' attitudes regarding tax compliance are frequently influenced by their notions of fairness. Taxpayers are more inclined to voluntarily comply when they feel that the tax system treats people fairly and that the government spends tax funds wisely for public services (Olawale et al., 2022). Ibrahim et al. (2021) asserts that taxpayers' moral commitment to paying taxes is significantly influenced by their judgments of justice. Taxpayers may develop negative attitudes about the tax system and become less inclined to comply if they believe that particular groups are unduly favored by tax policy or that public monies are misused. Therefore, in order to preserve public confidence and promote compliance, governments must guarantee accountability, openness, and fair tax laws (Olawale et al., 2022).

The financial, administrative, and time-related costs that taxpayers suffer in meeting their tax duties are referred to as tax compliance costs (FIRS, 2024). These expenses include time spent preparing and filing tax forms, hiring tax experts, and keeping financial records. Taxpayers are frequently deterred from voluntarily complying by high compliance expenses, particularly small enterprises and independent contractors. Lawal et al. (2024) claims that complicated tax processes and administrative difficulties raise the cost of compliance and obstruct voluntary compliance. In order to lower these expenses, governments try to streamline tax procedures and implement digital tax platforms (Bello & Usman, 2020). In many nations, the implementation of automated tax computations, electronic tax filing systems, and streamlined tax forms has greatly decreased the cost of compliance Fjelstad & Heggstad, 2018). In addition to making tax procedures more accessible to taxpayers, lower compliance costs also promote greater levels of voluntary compliance (Pascale et al., 2023).

2.3 Theoretical Review

This research of the effect of tax reforms awareness on taxpayers' behavior, Nigerian experience

is based on the Theory of Planned Behavior (TPB) coined by Ajzen in 1991 (Eze & Okoye, 2020). This theory offers a solid framework for comprehending how taxpayers' behavior regarding tax compliance and the adoption of new tax technology can be influenced by awareness and education (Eze & Okoye, 2020). According to the Theory of Planned Behavior, three main factors attitude toward the behavior, subjective standards, and perceived behavioral control influence behavioral intentions, which in turn direct individual behavior (Eze & Okoye, 2020). TPB Attitude Toward the Behavior's Components.

Attitude toward the behavior is one of the TPB's components (Lawal et al., 2024). This is the extent to which an individual views the behavior in issue favorably or unfavorably. Effective awareness efforts that emphasize the advantages and user-friendliness of Tax-Pro-Max can promote a positive attitude toward its use in the context of tax compliance (Lawal et al., 2024). Subjective norms are the perceived societal constraints to engage in or refrain from engaging in a particular behavior (Lawal et al., 2024). When peers and powerful people support the usage of Tax-Pro-Max, it can foster a culture where compliance is accepted as the standard, which will motivate additional taxpayers to do the same. Perceived Control over Behavior (Lawal et al., 2024):

This is the perceived ease or difficulty of carrying out the behavior, which is thought to be influenced by both predicted challenges and prior experiences (Ojo & Akande, 2021). Here, education is essential because it gives taxpayers the information and abilities they need to use Tax-Pro-Max efficiently, increasing their sense of control over the behavior (Ojo & Akande, 2021). According to TPB, raising taxpayer awareness and education can increase their intents to utilize Tax-Pro-Max, which will increase tax remittances to the FIRS and increase compliance (Bello & Usman, 2020). By altering attitudes, subjective norms, and perceived behavioral control, awareness and education can have a substantial impact on taxpayers' intents and behaviors with regard to tax compliance (Bello & Usman, 2020). The Theory of Planned Behavior is relevant the present study as it offers a thorough framework for this research.

2.4 Empirical Review

Empirical research on tax compliance behavior on numerous elements that affect taxpayers' desire to abide by tax laws have been uncovered by. Tax expertise is one of the most often studied factors. For an instance, a study of Tax-Pro-Max by Adetunji and Olalekan (2022) examined how digital tax systems affected Nigerian revenue collection. The study used a mixed-method approach, combining qualitative interviews with FIRS officials and Taraba State taxpayers with quantitative data analysis on tax remittances prior to and following the implementation of Tax-Pro-Max. Using a quasi-experimental methodology, the study examined tax remittance data from the Federal Inland Revenue Service (FIRS) both before and after Taraba State implemented Tax-Pro-Max. According to the study, Tax-Pro-Max significantly increased tax revenue, with an average gain of 25% in the first year following installation.

In a similar vein, Adetunji and Olalekan (2022) studied Tax-Pro-Max and the impact of digital tax systems on revenue collection in Nigeria. The study used a mixed-method approach, combining qualitative interviews with FIRS officials and Taraba State taxpayers with quantitative data analysis on tax remittances prior to and following the implementation of Tax-Pro-Max. Using a quasi-experimental methodology, the study examined tax remittance data from the Federal Inland Revenue Service (FIRS) both before and after Taraba State implemented Tax-Pro-Max. According to the study, Tax-Pro-Max significantly increased tax revenue, with an average gain of 25% in the first year following installation.

A research by Ojo and Akande (2021) assessed how well Tax-Pro-Max improved tax compliance in Nigeria. They compared tax remittance data from 2015 to 2020 as part of a longitudinal research. Regression analysis was employed in the study to assess how TaxPro-Max affected tax revenues in various regions, with an emphasis on urban vs rural areas. According to the study, there was a 20% increase in tax income when Tax-Pro-Max was implemented. The biggest benefits were seen in metropolitan areas, which the authors attributed to improved access to information and increased adoption of technology. A study on population density and tax remittances was conducted by Ibrahim et al. in 2021. Adebisi and Gbegi (2020) conducted research on the subject: Tax education's effect on SMEs' tax compliance in Lagos State, Nigeria. In order to analyze the connection between tax education and Tax-Pro-Max compliance, the study employed a survey to collect data from SMEs in Lagos State. According to the study's findings, tax programs greatly increased SMEs' compliance. Higher remittance rates resulted from educated taxpayers' increased ability to comprehend and effectively utilize the TaxPro-Max system.

The empirical review above indicates that taxpayer behavior in Nigeria is significantly influenced by institutional trust and tax awareness. Research has shown that by raising taxpayers' awareness of their tax responsibilities and advantages, public education initiatives and better communication between tax authorities and individuals improve compliance.

3. Methodology

This study employed quantitative research design and secondary data to investigate the connection between Nigerian taxpayers' behavior and their awareness of tax reform. Secondary data were used because they offer dependable and affordable information sources for examining long-term patterns in taxpayer awareness and compliance. The information was gathered from reliable institutional sources, such as publications on tax administration, World Bank governance indices, and reports from the Federal Inland Revenue Service. The behavior of taxpayers, which reflects their degree of voluntary tax compliance, is the study's dependent variable. Tax knowledge, the perceived fairness of the tax system, and the cost of tax compliance serve as proxies for the independent variable, which is tax reform awareness. Based on the body of theoretical and empirical research on tax compliance behavior, these factors were chosen. Determining the effect of tax reform awareness on taxpayer behavior, the data were examined using multiple regression analysis and descriptive statistics. Regression analysis was used to look at the relationship between the independent factors and the dependent variable, while descriptive statistics were used to characterize the features of the data.

3.1 Model Specification

This study adjusted the econometric model employed by Soyinka et al. (2016) to examine the impact of tax rate, audit likelihood, and penalty rate on tax revenue:

$TRV_t = \beta_0 + \beta_1 TR_t + \beta_2 PR_t + \beta_3 AP_t + \mu_t$---(3.1) After the modification to the adapted model, this study econometric model is specified as:

$TPB_t = \beta_0 + \beta_1 TK_t + \beta_2 PFTS_t + \beta_3 TCC_t + \mu_t$---(3.2)

Where:

TPB = Taxpayers' Behaviour

TK = Tax Knowledge

PFTS = Perceived Fairness of Tax System

TCC = Tax Compliance Cost

β_1, β_3 = Coefficient

t= 2015 - 2024

μ it = Error term

Table 1: Variable Measurement and Sources

Variable	**Variable Proxy**	**Variable Definition and Measurement**	**Source**
Dependent Variable Taxpayers' Behaviour	Taxpayers' Behaviour (TPB)	Tax filing behaviour index, Tax Compliance Behaviour Index	Federal Inland Revenue Service (FIRS), World Bank
Independent Variable Tax Reforms Awareness	Tax Knowledge (TK)	Tax Awareness Index Taxpayer education participation and awareness surveys, Log 1 for awareness and 0 for not	FIRS, OECD Tax Administration Reports
	Perceived Fairness of Tax System (PFTS)	Fairness Perception Index Public perception surveys on tax equity. Log 1 for fairness and 0 for not	Afrobarometer, World Bank Governance Indicators
	Tax Compliance Cost (TCC)	Compliance Burden Index Cost required for tax filing	World Bank Doing Business Tax Reports

Source: Author's Compilation, 2026

4. Result and Discussion

Table 4.1 Descriptive Statistics

Variable	**Mean**	**Minimum**	**Maximum**
TPB	38.510	20.421	57.632
TK	61.331	40.821	78.713
PFTS	54.621	36.511	74.211
TCC	39.221	21.413	58.921

Source: *Data Analysis, 2026*

Table 4.1 shows the descriptive statistics results on the fundamental features of the variables employed in the study, such as taxpayers' behavior (TPB), tax knowledge (TK), perceived fairness of the tax system (PFTS), and tax compliance cost (TCC),. According to the findings, the average behavior of taxpayers is 38.510, with a minimum of 20.421 and a high of 57.632. This implies that Nigeria's tax compliance behavior fluctuates over the course of the study period. The variance shows how shifts in legislative reforms, awareness campaigns, and economic circumstances have affected people' willingness to pay taxes.

The mean score for tax knowledge was 61.331, with a range of 40.821 to 78.713. This comparatively high mean indicates that taxpayer awareness campaigns and educational programs have progressively raised Nigerian taxpayers' tax knowledge levels. The large disparity between the minimum and maximum readings, however, suggests that taxpayer knowledge is still uneven. Perceived fairness of the tax system (PFTS) has an average value of 54.621, with a minimum of 36.511 and a maximum of 74.211. This suggests that although there are still times when taxpayers believe the Nigerian tax system is less equitable, public opinion of the system's fairness has somewhat improved over time. The average tax compliance cost (TCC) is 39.221, with a minimum of 21.413 and a high of 58.921. The comparatively large variance indicates that there are still substantial administrative and financial expenses related to tax compliance. These charges could include professional consulting fees, tax filing costs, and time spent adhering to tax laws. Taxpayers may be deterred from voluntarily complying with tax laws by high compliance expenses.

Table 4.2 Unit Test Result- ADF Method

Variable	**Statistics**	**P-value**	**Time-series**
TPB	3.78510	0.000	20
TK	6.91331	0.021	20
PFTS	5.74621	0.003	20
TCC	3.69221	0.040	20

Source: *Data Analysis, 2026*

Table 4.2 discloses the findings of the Augmented Dickey-Fuller (ADF) unit root test, which was used to assess the stationarity of the time series variables included in the study. In time series analysis, stationarity is crucial since it guarantees that the variables' statistical characteristics don't change over time. According to the findings, taxpayers' behavior (TPB) has a probability value of 0.000 and an ADF statistic of 3.78510. This suggests that, at the traditional significance level, the variable is stationary. In a similar vein, tax knowledge (TK) demonstrated stationarity with an ADF statistic of 6.91331 and a p-value of 0.021. Tax compliance cost (TCC) has an ADF statistic of 3.69221 with a p-value of 0.040, but perceived fairness of the tax system (PFTS) has an ADF statistic of 5.74621 with a p-value of 0.003. All of the variables' probability values are below the significance level of 0.05, suggesting that they are stationary. The time series data are appropriate for regression analysis since the stationarity of the variables suggests that there are no unit root issues. As a result, the model's regression results are trustworthy and not erroneous.

Table 4.3: Ordinary Least Square Regression Analysis

Variable	**Coefficient**	**P-value**
Constant	3.8200	1.0314
TTK	0.4100	0.0021
PFTS	0.3600	0.0042
TCC	-0.2700	0.0031
Model Summary: Observation=20 R-square =0.8222 Adj. R-Square=0.79540		

Source: Data Analysis, 2026

The Ordinary Least Squares (OLS) regression analysis performed to look at how tax reform awareness affected Nigerian taxpayers' behavior is shown in Table 4.3. The explanatory variables in the regression model are tax knowledge (TK), perceived fairness of the tax system (PFTS), and tax compliance cost (TCC). With a p-value of 0.0021, the coefficient of tax knowledge (TK) is 0.4100. This finding suggests that taxpayer behavior is positively and statistically significantly impacted by tax knowledge. It follows that greater knowledge and comprehension of tax laws motivate taxpayers to fulfill their tax obligations. Taxpayers are more likely to voluntarily file tax forms and make timely tax payments when they have sufficient awareness of tax procedures and obligations.

With a p-value of 0.0042, the perceived fairness of the tax system (PFTS) coefficient is 0.3600. This finding implies that taxpayers' behavior is positively and statistically significantly impacted by perceived fairness. Put another way, people are more inclined to abide by tax regulations when they think the tax system is just and equal. Fairness perceptions encourage voluntary cooperation and bolster public confidence in tax authority. Conversely, tax compliance cost (TCC) has a p-value of 0.0031 and a coefficient of −0.2700. This suggests that taxpayers' behavior is significantly and negatively impacted by the expense of tax compliance. Taxpayers are deterred from performing their tax obligations by high compliance expenses.

The likelihood that taxpayers may postpone or avoid paying taxes increases with the complexity and cost of the tax compliance process. Additionally, the model summary reveals that the coefficient of determination (R^2) is 0.8222. This indicates that the independent variables in the model account for about 82.22% of the variation in taxpayer behavior. The model's excellent explanatory power and good fit to the data are confirmed by the corrected R^2 of 0.79540.

4.1 Discussion of Findings

The results of this study show that taxpayer behavior in Nigeria is positively and significantly influenced by tax knowledge. This finding implies that voluntary compliance is enhanced by greater knowledge and comprehension of tax laws. Taxpayers are more likely to fulfill their tax obligations if they have sufficient understanding of tax rules and procedures. The claim that taxpayer education is an essential part of efficient tax administration is supported by this research. The outcome is in line with Saad's (2014) study, which discovered that tax education greatly increases taxpayers' willingness to abide by tax laws. In a similar vein, Adebisi and Gbegi (2020) found that tax education initiatives increase small and medium-sized businesses' compliance in Nigeria.

The findings also demonstrate that taxpayers' behavior is positively and significantly impacted by their perception of the tax system's fairness. Taxpayers are more inclined to cooperate willingly when they think the government utilizes tax funds responsibly and that the tax system distributes tax responsibilities fairly. This result is consistent with the notion of tax morale, which postulates that tax compliance is influenced by views of justice and confidence in governmental institutions. The outcome is consistent with Adebayo and Onuoha (2022); Olawale et al., (2022); Pascale et al. (2023); Lawal et al. (2024) findings, which highlight the importance of taxpayers' sense of fairness in encouraging voluntary tax compliance.

Additionally, the study concludes that taxpayers' behavior is significantly and negatively impacted by the expense of tax compliance. This suggests that taxpayers are deterred from meeting their responsibilities by the high administrative and financial expenses of tax compliance. Long paperwork procedures, complicated tax laws, and expensive consulting costs can make taxpayers' lives more difficult and lower compliance rates. This result is in line with Alm, Jackson, and McKee's (2009) study, which found that taxpayers are less inclined to follow tax laws due to high compliance costs. Overall, the results support the Theory of Planned Behavior's applicability in elucidating tax compliance behavior. Compliance costs have an impact on taxpayers' perceived control over their ability to comply with tax regulations, perceived fairness reinforces subjective norms and system trust, and tax knowledge influences attitudes toward tax compliance.

5. Conclusion

This study concludes that encouraging voluntary tax compliance in Nigeria requires taxpayer knowledge. Strengthening the connection between tax authorities and taxpayers requires efficient tax education programs, clear tax administration, and streamlined tax procedures. Enhancing these elements will boost voluntary compliance, which will eventually raise government revenue. Using time-series data, this study investigated how tax reform awareness affected Nigerian taxpayers' behavior. The findings show that taxpayer compliance behavior is much enhanced by tax knowledge and the perception of the fairness of the tax system. Taxpayer voluntary compliance is encouraged by greater knowledge of tax laws and a sense of justice in tax administration. On the other hand, taxpayers' willingness to comply with tax duties is adversely affected by high tax compliance costs.

5.1 Contributions to Knowledge

This study adds to the body of knowledge in a number of significant ways. First, it uses time-series data to provide empirical evidence on the relationship between tax reform awareness and taxpayer behavior in Nigeria. This adds to the scant literature on the effect of tax awareness initiatives on compliance behavior in developing economies. Secondly, it integrates tax knowledge, perceived fairness, and tax compliance costs into a single analytical framework to explain taxpayer behavior. This comprehensive approach offers a deeper understanding of how institutional and behavioral factors interact to influence tax compliance. Third, by showing how awareness, fairness perceptions, and compliance costs influence taxpayers' attitudes and behavior, the study expands the applicability of the Theory of Planned Behavior to Nigerian tax administration.

5.2 Policy Recommendations

In order to increase taxpayers' knowledge and comprehension of tax laws, government organizations like the Federal Inland Revenue Service should step up their taxpayer education campaigns through workshops, media programs, and digital platforms, according to the study's findings. To boost public confidence and enhance views of the fairness of the tax system, tax authorities should establish equitable tax policies and provide openness in the use of tax funds. To lessen the cost and administrative burden of tax compliance, the government should streamline tax filing processes and increase the use of digital tax systems like electronic filing platforms.

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