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TAXPAYERS' MOTIVATION AND COMPLIANCE BEHAVIOUR OF SMALL AND MEDIUM ENTERPRISES IN AKWA IBOM STATE

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ABSTRACT

This study examined taxpayers' motivation and tax compliance behaviour of SMEs in Akwa-Ibom State. The research adopted descriptive survey research design. The population for this study was two thousand seven hundred and eighty-four small and medium enterprises in Akwa-Ibom State and a sample size of three hundred and fifty staff of small and medium enterprises in Akwa-Ibom State. The study used questionnaire instrument, and data were analysed in the Statistical Package for Social Sciences (SPSS) Version 22. The research questions were analysed using mean and standard deviation and hypotheses were tested using Simple bivariate regression analysis at a significance level of 0.05. The results of the findings showed that there is a positive significant influence of self-assessment, and tax incentives on compliance behaviour of SMEs in Akwa-Ibom State. It was further revealed that there was positive and significant combined influence of taxpayers' motivation measures on compliance behaviour of SMEs in Akwa-Ibom State. Therefore, the study concludes that there is a strong positive relationship between taxpayers' motivation measures and tax compliance behaviour of SMEs in Akwa-Ibom State. The study recommends that Small and Medium Scale Enterprises should adopt and comply with the tax laws provisions in order to claim the available Tax incentives in order to trigger capacity for improved performance. Relevant tax authority should boost small and Medium Scale Enterprises compliance motivation with adequate tax incentives and policies including self-assessment as this is one of the major drivers in increasing Tax revenue. The Small and Medium Scale Enterprises should continuously improve on tax filings and returns through proper record keeping, as this will go a long way in enhancing the firms' compliance to tax laws and policies. The tax authorities should organize seminars, workshop and trainings of taxpayers periodically on tax compliance. This will encourage self-compliance. Tax education is recommended to further enlighten people about the need to fulfil tax obligations even right from the schools.

KEYWORDS: Taxpayers' motivation, tax compliance, self-assessment, tax incentives, SMEs.

INTRODUCTION

In today's world, taxation remains a significant source of revenue that the Government uses in funding its many programmes for the benefit of the citizens. For this reason, the Government imposes various kinds of taxes, such as income-based, capital-based, and consumption-based taxes. The revenues so generated provide governments with the funds needed to invest in development programmes, poverty eradication, public service delivery, building physical and social infrastructure for the long-term development and growth of the nation. However, the government's ability to raise revenue from taxes depends mainly on the level of tax compliance by the citizens and the tax-paying public.

Tax compliance refers to the willingness of taxpayers to fulfil tax obligations as and when due. Tax non-compliance manifests itself through tax evasion and avoidance. Taxation is one of the most volatile subjects in governance both in the developing and developed nations. Tax refers to a compulsory levy by a public authority for which nothing is received directly in return (James and Nobes, 2020). Tax is a compulsory contribution, imposed by government, and while taxpayers may receive nothing identifiable in return for their contribution. But nevertheless, benefit from public provisions by government. Taxation is part of the price to be paid for an organized society with derived advantages. These include: provision of public goods, redistribution of income and wealth, promotion of social facilities and economic welfare, economic stability and harmonization and regulation. In other words, a tax is an imposed levy by the government against the income, profits, property, wealth and consumption of individuals and corporate organizations to enable government obtain the required revenue in order to provide basic amenities, security and well-being of the citizens. The first detailed information about taxation can be found in Ancient Egypt. The Pharaoh’s regime appointed tax collectors (called scribes) and paid them high salaries to reduce the incentives to enrich them. Furthermore, scribes working in the field were controlled by a group of special scribes from head office. Today, corruption of the tax agency is still a problem, especially in developing countries.

Taxpayers’ motivation is defined as the intrinsic motivation to pay taxes. Torgler (2020) stress its relevance to understand the high observed level of compliance. Three key factors are important in understanding taxpayers’ motivation: They are: moral rule and sentiments, fairness and the relationship between taxpayer and government. The elements of taxpayers’ motivation are made up of self-assessment, tax incentives and tax education among others. Self-assessment cannot cope with every eventuality and has to be supplemented with administrative procedures and decisions and just as importantly, in order to work, it has to have a reasonable degree of willing compliance on the part of the taxpayers themselves. Some preliminary taxpayers’ motivation research was conducted during the 1960s by the Cologne School of Psychology, that tried to narrow the bridge between economics and social psychology by emphasizing that economic phenomena should not only be analysed from the traditional neoclassical point of view but also from social psychology perspective (Murphy and Reinhart, 2005). In particular, they saw taxpayers’ motivation as an important and integral attitude that was related to tax non-compliance. A tax incentive is a temporary reduction or elimination of a tax. It is synonymous with tax abatement, tax subsidy or tax reduction. Governments usually create tax incentives as incentives for business investment, although the arrangement has also been characterized as a form of corporate welfare that leads to a redistribution of resources away from smaller businesses and private citizens and towards monopolies and other forms of consolidated wealth.

In 2018, the government introduced self-assessment scheme, under which a taxpayer is expected to fill a tax assessment form to determine his taxable income. Here, the intrinsic motivation to pay tax (that is,

taxpayers' motivation) will determine the level of compliance with reporting requirements. Which means, that the taxpayer files all required tax returns at the proper time and that the returns accurately report tax liability in accordance with the law. The advent of democratic rule in 1999 has put greater pressure on the three-tier of governments to generate enough revenue and meet electoral promises in terms of provision of basic necessities and infrastructure for the economic empowerment of the people. To achieve these goals taxpayers must pay their taxes willingly as and when due. In other words, a high taxpayers' motivation is required from the taxpayer in order to achieve a high degree of tax compliance. Therefore, the more exciting question should be which factors shape the emergence and maintenance of taxpayers' motivation and how these factors influence compliance decisions. Thus, this research will examine the factors that affect taxpayers' motivation and, subsequently, the effect on compliance behaviour of Small and Medium Scale Enterprise (SMEs) in Akwa-Ibom State, Akwa Ibom State, thereby supplementing empirical research on this important international problem.

Statement of the Problem

Despite the measures taken by tax authorities to enhance tax compliance in Nigeria, the level of responsiveness in the country remains extremely low. The abysmal low compliance has resulted in a gross reduction in revenue accruable to the Government at all levels. The decline in tax revenue and dwindling oil revenue have compelled the Federal Government of Nigeria to resort to endless borrowing to provide the funds needed for the country's infrastructural development. It has been reported that the Nigerian debt profile has been very high and recently stood at about 138 trillion Naira with more requests from the Federal Government for more loans (National Bureau Statistics, 2024). Moreover, low tax compliance is a matter of serious concern in many developing countries. This is because it limits the capacity of government to raise revenue for developmental purposes. This implies that the higher the revenue, the more likely government will put in place developmental plans for the enhancement of the living standard of the people. This is because when people pay taxes more revenue accrues to the government. There are limits for a government to increase compliance using traditional policies such as audits and fines. Therefore, if the government can influence a norm, tax evasion can be reduced by policy activities

A review of existing studies on tax compliance has left a significant research gap in the area of tax compliance by failing to link taxpayers' motivation and compliance behaviour and not using data from the informal sector, which consists of the majority of the Micro and Small-Scale businesses. The majority of previous studies have focused on determinants of taxpayers' motivation and the role of the cognitive moral development in tax compliance. Most researches on tax compliance for example, Torgler (2020), McBarnet (2020) and Murphy and Harris (2017), focused their attention on the Western World and some Asian countries. Prior studies such as on tax compliance measures have focused on enforcement and deterrent treatment of tax non-compliance. The neoclassical school of thought believes that strict enforcement and punishment of tax offenders will enhance tax increases. These measures have achieved minimal results; hence the continuous search for a more robust compliance measure that will drive citizens towards voluntary tax compliance. In the light of the above research gaps, the researchers attempt to bridge this gap in the area of tax compliance by linking taxpayers' motivation and tax compliance behaviour of small and medium-scale enterprises in Akwa Ibom State.

Purpose of the study

The main objective of this study is to examine the influence of taxpayers' motivation on compliance behaviour of SMEs in Akwa-Ibom State. Specifically, the study seeks to:

i. examine the influence of self-assessment on the compliance behaviour of SMEs in Akwa-Ibom State.
ii. ascertain the influence of tax incentives on the compliance behaviour of SMEs in Akwa-Ibom State.

Research Questions

The following research questions were developed to guide the study:

i. What is the influence of self-assessment on tax compliance behaviour of SMEs in Akwa-Ibom State?
ii. What is the influence of tax incentives on tax compliance behaviour of SMEs in Akwa-Ibom State?

Research Hypotheses

The following hypotheses were formulated and stated in the null form:

H_{O1}: There is no significant influence of self-assessment on the compliance behaviour of SMEs in Akwa-Ibom State.

H_{O2}: There is no significant influence of tax incentives on the compliance behaviour of SMEs in Akwa-Ibom State.

REVIEW OF RELATED LITERATURE

Theoretical Review

Traditional Tax Compliance Theory

According to the argument, the taxpayer is expected to maximize the anticipated rewards of the tax evasion bet, weighing the advantages of successful tax cheating against the uncertain possibility of getting found and penalized by tax authorities, (Sandmo, 2019). According to Alameda, et al., (2021), tax audits and penalties play a significant role in the deterrence theory. They also emphasized how the fear and penalties associated with this theory of tax compliance force taxpayers to pay taxes. According to Viswanah, and Umashanker, (2015), the deterrent theories propose that taxpayers "play the audit lottery," that is, they determine the financial effects of various complying options. The deterrence model of tax compliance, according to Verboon and Dijke, (2017), focuses primarily on the relationship between the likelihood of detection and the seriousness of the sanctions that should be applied to non-compliance. The classical view is only based on economic analysis; social and psychological factors play an equal role in comprehending the problem of tax noncompliance, (Sandmo, 2019). For example, stated that if deterrence (i.e., the likelihood of detection and the severity of the consequence) were the most significant factor in explaining compliance, rational people would not comply in the majority of cultures around the world because deterrence levels are low. The Notion of Planned Behaviour According to the theory of planned behaviour, social behaviours are influenced by certain circumstances, stem from specific causes, and develop in a planned manner (Faizal, 2015). According to Benk, (2019), a person's capacity to engage in a specific behaviour depends on the purpose they have for doing so. Therefore, attitude toward behaviour, subjective norms, and perceived behavioural control are the components that determine the purpose of that behaviour. According to Alameda, (2021), behavioural beliefs, normative beliefs, and control beliefs all have an impact on these variables. According to Frey, (2017), sociological and psychological aspects are significant in explaining the high levels of tax compliance. To foster better knowledge of tax compliance, such analyses make use of notions like faith in authority, perceived fairness of the system, moral considerations, and norms (Besley and Persson, 2022).

Conceptual Review

Concept of Taxpayers' Motivation

Taxation is one of the most important revenue sources for many nations like Nigeria. According to Organization for Economic Co-operation and Development (OECD, 2017) tax has been ranked as the main supply of revenue in international locations consisting of the UK, France, Sweden, Norway, and different excessive earnings for the government. In Africa, tax revenue has substantially contributed closer to the monetary increase of various international countries. In Nigeria, taxation has been current

even earlier than the amalgamation in 1914 of the North and South protectorates to shape the territory now referred to as Nigeria. The sorts of taxes paid in those days were of homage paid to Oba`s family in contribution for the renovation of peace and renovation of safety guards, soldiers, the penalty paid for the overall performance of civil proper, and contribution to academic development. However, the form of Nigeria taxation is not the same as that of the international countries. For example, in Africa like Nigeria, tax is categorized into tax-revenue and non-tax revenue. In Nigeria, federally accumulated revenue is labeled oil revenue and non-oil revenue. It is likewise discouraging to show that tax revenue is now no longer contributing substantially in the direction of the monetary increase of Nigeria whilst as compared with the tax-to-GDP ratio of different African international revenue like Cameroon, Senegal, Tunisia, and so on. (Economic Co-operation and Development (OECD, 2017).

Taxation refers to obligatory or coercive cash collection through a levying authority, typically a government. The term "taxation" applies to all forms of involuntary levies, from profits to capital profits to property taxes. According to McLure (2015), taxation is an obligatory monetary price or a few different forms of levy imposed upon a taxpayer (a person or different felony entity) through a governmental company with the intention to fund numerous public expenditures.

Taxation according to Chijioke *et al* (2018) is an obligatory levy by the Government collected through its agency from its subjects. These levies are made on non-public income, inclusive of salaries, commercial enterprise profits, interests, dividends, reductions, and royalties. It is likewise levied towards the company`s profits, petroleum profits, capital profits, and capital transfer. Taxation is the most important source of revenue for modern governments, typically accounting for ninety percent or more of their income. Tax is a common source of income generation for financing government activities. Individuals and organizations are expected to fulfill their obligations on tax payments as required by law to give the government financial power. Therefore, effective taxation becomes important as it is a source required for financial power for a government to provide social services for its citizens (Chijioke *et al.*, 2018).

Self-assessment

The self-evaluation charge system is an arrangement of expense organization by which a citizen is conceded the right, by regulation to figure his own duty risk, pays to the assigned bank and delivers proof of assessment paid at the hour of filling his government form at the relevant tax authority on due date. Then again, the assessment has the obligations of enablement to and minds the citizen to guarantee consistence with charge organization process at the end of the day, self-assessment system is portrayed by organization and divided jobs and obligations among the citizen and the duty authority The change in perspective in the system is that having kept the citizen with the weight of documenting assessment forms, the assessment authority guarantees through enablement, and consistence requirement exercises that the right (right) measure of expense due is paid and brilliantly, and if in any case to apply sanctions as given by the assessment regulations stringently. It is underscored that this duty system is finished with a continuum of exercises; from citizen enablement, recording of government forms, and instalments. Assessment forms handling, instalment obligation the board and Consistence/requirement. Self-evaluation applies to representatives, independently employed restricted obligation organizations including oil organizations, specialists/available people, on account of significant worth added charge (Tank) The Self-appraisal charge system depends on key suspicions as expressed beneath:

The citizen is a partner and an accomplice and ought to be dealt with considerately, The citizen tells the truth and to be sure shows this by marking a statement concerning the rightness of the expense forms; The citizen maintains the business and knows the perfect proportion of benefits and payable, as a result of (I) and (iii) above ought to be permitted to self-survey; and with respect to the Income Authority, it

ought to acknowledge returns as documented and later subject the profits to take a chance with evaluation. However, it should be noted that the extent of self-assessment compliance depends on the measures of tax enforcement because tax enforcement is a key issue in enhancing tax compliance (Essiet, 2026). It involves compelling taxpayers to adhere or obey the provisions of the relevant tax laws

Tax incentives

Taxation may be defined as the demand made by the Government of a country for a compulsory payment of money by citizens of the country with the objectives of raising revenue to finance government expenditures, satisfy collective wants of the people and regulate economic and social policies. Simply put, taxation is a compulsory payment to the government backed up b' the force of law and for which the government need not offer explanation or services (Ezejelue & Ihendinihu, 2006). Tax incentives, according to Philip (2015), is 'a deliberate reduction in (or total elimination of) of tax liability granted by government in order to encourage particular economic units (e.g. corporate bodies to act in some desirable ways (e.g. invest more, produce more, employ more, save more, consume less, import less pollute less and so on). Any tax is amenable to being modified to create a tax incentive. The reduction in tax liability which a tax incentive constitutes can be achieved through reduction in tax rate, reduction in tax base, tax deferment or outright tax holiday (Kiabel & Nwakpasi, 2012). Taxation is used to encourage investment and boost local industries among others. Consequently, priority sectors of the economy such as agriculture, mineral, oil and gas, export and manufacturing are given incentives in order to influence purchasing power and production costs both of which are crucial for the growth of industries (Kiabel & Nwakpasi, 2012). In recognition of the need to attract foreign investment into the country, diversifying and enduring the expansion of the export of Nigeria as a means to speed up economic development and encouraging existing companies and potential firms to continue operation in Nigeria, various forms of tax incentives packages have been put in place in Nigeria. Incentive is something that motivate or encourages you to do something. Hence tax incentive is a measure adopted by government which is a means of encouraging individuals and businesses to act in some desirable ways such as to spend money by reducing the amount of tax they have to pay. Tax incentives are special adaptation in the tax laws to entice, retain or increase investment in a particular sector, encourage growth in specific areas and assist businesses and individuals arriving on identified activities (Essiet and Paago, 2024). The underlying basis is to ensure overall growth in the economy and an even development of all sectors (Ibanichuka, 2016).

Concept of Tax Compliance

Tax compliance is described as the response/outflow of the fiscal policy of the government to raise public revenue towards public expenditure and challenges that may face the taxpayer and revenue authorities in the process. Elizabeth, (2016), asserts that, contrary to tax evasion, which measures taxpayers' behaviour, consider tax compliance as a gauge of taxpayers' attitudes. It is associated with civic responsibility and ethics. Tax motivation is the innate moral drive to comply, even though it is not a legal requirement but rather a moral one to contribute to the well-being of society.

According to Nwokoye, (2019), "tax compliance" is a catch-all word for these inherent tax compliance incentives. For instance, people may be intrinsically motivated to pay taxes or may experience guilt or shame if they don't comply. Fakile (2021) canvassed that tax compliance could include the degree of willingness with self-assessment and administration that can be achieved without the immediate threat or actual application of enforcement activity. Similarly, Mohd and Ahmed (2021) defined tax compliance as the taxpayer's willingness to abide by the self-assessment, declare accurate income timely, claim correct reliefs and allowances and pay all taxes due in a timely manner. Moreover, Palil and Mustapha

(2021) defined tax compliance as a process of filling tax returns by declaring all income accurately and paying the exact tax liability using applicable self-assessment and regulation.

Furthermore, Geibart (2022) stated that tax compliance is a means of directing a network of rules and regulations which rendered tax agent confused, disorientated and lost. In the same vein, Gangl, Hofmann and Kirchler (2015) looked at tax compliance from the perspective of taxpayer's motivational position and asserted that tax compliance has to be seen in harmony with the following:

Enforced Motivation - Taxpayer's unwillingly pay taxes for fear of audits and fines or hold the view that there is no substitute to compliance.

Voluntary Motivation - taxpayer's willingly pay taxes by following due processes without any complaint in terms of law; and

Committed Motivation - taxpayers consider payment of tax as a moral obligation. More so, Ayuba, Saad and Ariffin (2016) pointed that tax compliance is the ability of the taxpayers and his willingness to abide by the self-assessment, disclose their actual income and remit the right amount of taxes on the due date to the relevant tax authority.

From the definitions, the range of definition extends from the narrow law enforcement approach through wider economic definitions and on to even more comprehensive versions relating to taxpayer decisions to conform to the wider objectives of society as reflected in tax incentives. It is also clear from the definitions that the taxpayers are to exercise care to lodge appropriate tax returns in line with the requirements of the tax legislation. This is to avoid unintentional evasion and also to prevent deliberate evasion of tax.

Tax compliance is a behavioural issue as taxpayers either pay willingly or are forced to pay their taxes (Fagbemi and Abogun, 2015). Tax compliance also refers to a taxpayer's ability and desire to abide by different tax regulations, as dictated by the political, ethical, and legal environment, as well as other situational elements relevant to a specific time and place (Palil and Mustapha, 2021). Tax compliance is important for many reasons. This is because non-compliance leads to a reduction in tax collections, which in turn affects public services received by the citizens, including compliant taxpayers. It also requires the government to expend resources to deter non- compliance, to detect its magnitude and to penalize its practitioners. Tax compliance is used to describe the payment of tax due without any excuses by the taxpayers (Braithewaite, 2021) and is used to express the willingness of taxpayers to settle their tax liabilities (Kirchler, 2020) while tax noncompliance refers to the discrepancies between the expected tax due and the actual amount of tax paid (Braithewaite, 2021).

Tax compliance is built on social psychology, which holds that the individual and group of people significantly influence their response and behaviour on taxation. This attitude is anchored on their trust, ethics, social norms, and perception of Government. Despite the popularity this concept has enjoyed, the role of taxpayers' motivation in influencing the compliance behaviour of taxpayers has not received the adequate attention that it deserves, especially among SME operators.

Utilization of tax revenues generated, corruption, fraud and embezzlement, and the government's attempts to combat fraud and corruption influences taxpayers' willingness towards fulfillment of tax obligations (Abiola and Asiweh, 2021). Tax compliance among SMEs is influenced by various factors which includes the level of trust in government operations and activities as a higher level of trust in government results in greater tax compliance among SMEs and vice-versa (Aladejebi, 2018).

METHODOLOGY

The research design that will be adopted in this study is survey design. The reason is that the entire population cannot be studied and a survey is considered appropriate. The population of this study consists of all Small and Medium Scale Enterprises (both registered and non-registered) in Akwa-Ibom State. The target population for this study was chosen based on the two thousand seven hundred and eighty-four (2784) registered SMEs in Akwa-Ibom State according to the Small and Medium Enterprises Development Agency in Nigeria (SMEDAN Report, 2023) also, the sample size of 350 was determined using Taro Yamane's formula

Table 1: Table Showing Target Population

SMEDAN REPORT OF SMEs IN AKWA IBOM			
Category	**Akwa-Ibom State**	Other Parts	Total
Small	**2309**	12017	14316
Medium	**475**	2472	2947
TOTAL	**2784**	14479	17263

Source: SMEDAN Report (2026)

Data for the study was collected through the administration of questionnaire to the sample size. Interview and observations were also employed to ensure the retrieval of relevant information to guide the research in testing of hypotheses. Qualitative analysis was done through interpretation, narration of case reports and contextual elaboration of what tax compliance behaviour. Based on the nature of this research work, the researcher employed the five-point likert scale questionnaire as a necessary instrument for data collection. The questionnaire is tailored in simple English and pre-tested for comprehension. The questionnaire contained items, seeking information on the two major variables (taxpayers' motivation and compliance behaviour) and were designed on a five-point Likert scale. The data obtained from the field will be analyzed at several stages. The analyses were carried out in primary, secondary and tertiary stages respectively. The primary stage of the analyses had to do with descriptive analytical tool called frequency table supported with charts which was used in analyzing demographic data due to nominal scale used. At the secondary stage, the descriptive analytical tool employed was descriptive statistics for answering research questions earlier proposed and the tertiary stage of the analyses, the regression analysis was used to test the hypotheses formulated for the study with the aid of the Statistical Package for Social Sciences (SPSS) version 21.

RESULTS AND DISCUSSION

This section presents the results of analysis using the generated data. This study adopted 5-point likert scale in our questionnaire, having response categories in the order of VHE =5, HE=4, ME=3, LE=2 and VLE=1. Going by this, the interpretation of our mean was according to Asawo (2009) categorization where all responses with mean value between 1-2 as being low, 2.5-3.5 as being moderate, 3.5 – 4.5 as high and 4.5 above as very high. 350 sets of questionnaires were administered out of which 345 sets of valid questionnaires were retrieved and thus suitable for the analysis.

Table 1: Demographic Profile of Respondents

Variable	Category	Frequency (356)	Percentage (%)
Gender	Male	183	53
	Female	162	47
Age	18-30	72	21
	31-40	128	37
	41-50	131	38
	51 & above	14	4

Source: *Field Work Survey (2026)*

Table 1 indicates that male respondents marginally outnumbered their male respondents. Also, table 1 shows that Most respondents of this survey were distributed in the 31 - 40 and 41 - 50 age groups. This suggests that the respondents were generally young and active enough to play a critical role in key operational and performance-related activities.

Table 2: Descriptive Statistics of Constructs

Construct	N	Mean	Std. Dev.	Interpretation
Self-assessment	345	4.06	1.2543	High
Tax incentives	345	4.08	1.2260	High
Tax Compliance	345	4.04	1.1283	High

If mean >3.5<4.5 = High. If mean ≥ 4.5 =Very High

Table 3: Collinearity Analysis

Variable	Tolerance	VIF	Decision
Self-Assessment	0.622	1.608	No multicollinearity
Tax Incentives	0.715	1.399	No multicollinearity

All Tolerance values exceed 0.10 and VIF values are below 10, indicating the predictors are distinct and no serious multicollinearity problem. Each construct can be treated as independent predictor.

Regression Coefficient of Influence of Taxpayers' motivation on Compliance Behaviour.

The data presented above were used in the analysis of the study. They also formed the basis for testing the hypotheses. Regression coefficient was used for the analysis at 5% significant level.

Tabel 4 Model Summary of Influence of Self-Assessment and Tax incentives on Compliance Behaviour

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.751[a]	.719	.515	2.12292	.651	13.003	5	94	.002	1.467

a. Predictors: (Constant), SfA, TaxInc.

b. Dependent Variable: CompBehaviour

The regression analysis outcome provides valuable insights into how self-assessment, tax incentives and tax education influence tax compliance in the study. The R-squared value of 0.719 signifies that approximately 71.9% of the variability in tax compliance behaviour can be accounted for by a combination of self-assessment and tax incentives. This advocates that both factors have a substantial consequence on tax compliance behaviour.

The adjusted R^2 of 0.515, indicates that even after considering the predictors used in the model, a moderate portion of the variability in tax obedience remains unexplained. This underscores the significance of self-assessment and tax incentives in influencing tax compliance behaviour. Moreover, the F-statistic of 13.003 with a p-value of 0.002 underscores the model's statistical significance, implying that at least one of the predictor variables (either self-assessment or tax incentives) has a notable impact on tax compliance behaviour. Additionally, the Durbin-Watson statistic of 1.467, which is close to the ideal value of 2, suggests that there is no substantial auto-correlation in the residuals, affirming the validity of the regression model. The findings from the regression analysis resonate with several key aspects of the empirical studies discussed (Hardika, Wicaksana, & Subratha, 2021; Amah, Rustiarini, & Hatmawan, 2021; Lisi, 2015; Stetsenko & Nishcheretov, 2021).

Tabel 5. Regression Coefficient of Influence of Self-Assessment and Tax incentives on Tax Compliance Behaviour.

Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1 (Constant)	-3.070	1.429		-2.148	.034		
Self-A	0.583	1.038	.104	5.685	.000	.171	1.861
TaxInc.	1.103	1.713	.116	1.327	.001	.138	1.181

a. Dependent Variable: CompBehaviour

DISCUSSION OF FINDINGS

Test of Hypothesis 1

H_{O1}: There is no significant influence of self-assessment on the compliance behaviour of SMEs in Akwa Ibom State.

Self-Assessment: From the result above, it implies that the coefficient for self-assessment is 0.583. This coefficient represents the change in the predicted tax compliance behaviour level for a one-unit change in self-assessment while holding other variables constant. Since the standardized coefficient (Beta) is 0.104, we can conclude that a one-unit rise in self-assessment is related with a 0.104 standard deviation increase in tax compliance behaviour. The t-statistic of 5.685 is highly substantial ($p < 0.001$), showing that self-assessment has a statistically substantial favourable impact on tax compliance behaviour. Moreover, the tolerance value of 0.171 and VIF of 1.861 suggest that there is no problematic multicollinearity with Self-assessment, meaning it can be interpreted as an independent predictor.

Test of Hypothesis 2

H_{O2}: There is no significant influence of tax incentives on the compliance behaviour of SMEs in Akwa Ibom State.

Tax incentives: From the result in table 13 above, the coefficient for Tax incentives is 1.103. This coefficient represents the change in the predicted tax compliance level for a one-unit change in tax incentives while holding other variables constant. The standardized coefficient (Beta) of 0.116 indicates that a one-unit change in tax incentives is associated with a 0.116 standard deviation change in tax compliance. The t-statistic of 1.327 is statistically substantial ($p = 0.001$), implying that tax incentives also have a substantial favourable effect on tax compliance. The tolerance value of 0.138 and VIF of 1.181 suggest no problematic multicollinearity with Tax incentives.

H_{O3}: There is no significant combined influence of taxpayers' motivation through self-assessment and tax incentives on the tax compliance behaviour of SMEs in Akwa Ibom State.

The regression analysis outcome provides valuable insights into how self-assessment, tax incentives and tax education influence tax compliance in the study. The R-squared value of 0.719 signifies that approximately 71.9% of the variability in tax compliance behaviour can be accounted for by a combination of self-assessment, tax incentives and tax education. This advocates that both factors have a substantial consequence on tax compliance behaviour.

Conclusion

In a globally dynamic and competitive business environment, adequate Taxpayers' motivation is a key driver of Tax compliance in the 21st century organizations. In today's challenging environment, no business can efficiently comply to its tax returns and payment, without adequate and intrinsic motivation. It is, therefore, imperative to inspire, encourage and motivate small and medium scale enterprises to enhance tax compliance. Good and adequate Taxpayers' motivation such as self-assessment and tax incentives do not only helps in enhancing Tax compliance, but also provide motivation to increase tax revenue for government to fund its projects and programs. The tax laws and policies objectives should be clear, unambiguous, coupled with equality and fairness, recognition. The study concludes that

Taxpayers' motivation through self-assessment and tax incentives significantly influence the compliance behaviour of small and medium scale enterprises in Akwa-Ibom State.

Recommendations

Based on the discussion and conclusion above, the following recommendations are hereby made:

i. Small and medium scale enterprises should adopt and comply with the tax laws provisions in order to claim the available Tax incentives in order to trigger capacity for improved performance.
ii. Relevant tax authority should educate small and medium enterprises with tax laws and policies including self-assessment as this is one of the major drivers in increasing Tax compliance.
iii. The Small and medium scale enterprises should continuously improve on tax filings and returns through proper record keeping, as this will go a long way in enhancing the firms' compliance to tax laws and policies.

Contribution to Knowledge

The empirical findings from this study contributes to the existing body of knowledge in respect to the relationship between taxpayers' motivation and compliance behaviour of small and medium scale enterprises in Akwa-Ibom State as to the best of my knowledge, no known study has significantly ascertained the relationship between taxpayers' motivation and compliance behaviour of small and medium scale enterprises especially in Akwa-Ibom State. So, this study findings will contribute to knowledge.

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