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# Effect of 2011 Personal Income Tax (Amendment) On Revenue Generation in Anambra State

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***Abstract:*** *This study seeks to identify the effect of 2011 personal income tax on revenue generation in Anambra State. The study specifically seeks to ascertain the extent to which personal income tax revenue affect the development of Anambra state; identify the difference between tax revenue generated in Anambra state before and after the 2011 personal income tax Act and ascertain the effect of 2011 personal income tax Act on the economic growth in Anambra state. The study adopted correlational survey design. The population was one hundred and fifty-two drawn from both federal and state boards of internal revenue in Anambra State. The determined sample size was one hundred and ten with the adoption of Taro Yamane. Validity and reliability of the instrument were tested. Pearson Product Moment correlation was used to test the hypotheses with the aid of SPSS version 20. The findings revealed that personal income tax revenue has no significant effect on the development of Anambra state, there is significant difference between tax revenue generated in Anambra state before and after the 2011 personal income tax Act; personal income tax Act has significant effect on the economic growth of Anambra state. It was recommended that Anambra State government should rise to the challenge of boosting their revenue base by ensuring that all available sources of revenue are adequately tapped and tax administration and collections become more effective and efficient.*

***Keywords:*** *Tax Revenue, Personal Income Tax, Economic Growth*

## I. Background to the study

In both developed and developing economies, government has to play an active role in enhancing economic development. In this sense, fiscal policy has been employed as a vital instrument in protecting economic development. A key aspect of fiscal policy is taxation. System of taxation can contribute to societies in three main areas: those of Revenue, Redistribution and (Political) representation. In Nigeria, the fiscal operations are carried out by many units of Governments, which in geo-political jargon can be called jurisdictions. Some fiscal functions are operated on a more centralized level while others are decentralized. Each of the three major fiscal functions namely, allocation, distribution and stabilization have economic reason to be operated by each of Government. Taxes are imposed to regulate the production of certain goods and services, production of infant industries, control business and curb inflation, reduce income inequalities amongst others. Taxation is recognized as a very important tool for national development and growth in most societies. It can be viewed as a major vehicle for long term development of infrastructure of the state (Okoye, Amahalu, Obi & Iliemna, 2019).

Personal income tax is tax levied on the income of individuals or partnership and is divided into two major groups when determining the statutory income of individual which are earned and unearned income. Section 1 of the personal Income tax Act (PITA), 1993 which repealed the income Tax management Act (ITMA), 1961 provides the there is hereby imposed a tax on the income of (a) individuals, communities and family and (b) trustees or estate, which shall be determined under and be subject to the provision of this Decree". Thus, the personal income Tax Act imposes taxes on individuals who have taxable incomes, partnerships, trustees and executors of settlements, and on family and community incomes (Aruna, Oshiole & Amahalu, 2020). Personal income tax (PIT) according to Decree No. 4 of 1993 is a tax imposed on the incomes of individuals, communities and families. It is also charged on the incomes due to a trustee or an estate. Since the enforcement of personal income tax through Decree No.4 of 1993, amendments have been to this decree almost on a 10 years basis all in the effort to overcome challenges that are identified with the actualized of the objective of the tax regime. In 2011, the president of the Federal Republic of Nigeria signed into law, the personal income tax (amendment) and Act (PITAM or 'the act'). The gazette version of the act was made available to the public in January 2012 (although 24 June 2011 was the date of publication stated on the gazette). The PITAM amends/deletes thirty-six sections of the personal income tax act, cap P8, laws of the federation of Nigeria, 2004(PITA). It also modifies the first, third and sixth schedules to the PITA. Some of the highlights of the act are: section 2 (8) expanded the meaning of "personal emolument" to include "benefits in kind." These are benefits received by an employee in the course of employment that does not take the form of money. Section 3(1) (b) was amended by inserting the phrase "temporary or permanent" after the phrase "person to any" in line 5. The section reads, salary, wages, fee, allowance or other gain or profit from employment including compensations, bonuses, premiums, benefits or other prerequisites allowed, given or granted by any person to any consolidated tax free allowance of N200,000 or 1 percent of gross income whichever is higher, plus 20 percent of the gross and personal relief. Minimum tax in section 37 which was formerly 0.5% has been reviewed to 1% of gross income.

Tax reform programmes are therefore geared toward strengthening economic and social objectives and policies of governments. Such reforms have become a major features of the Nigeria tax system which tends to provide a legal framework for taxing income of persons in Nigeria (Ezechukwu, Amahalu & Okudo, 2022). In view of the importance of taxation as a principal source of revenue as well as a powerful instrument in the conduct of public policies, this study examines the effects of personal income tax (amendment) on revenue generation in Anambra State in order to determine its effect on revenue generation and to discover whether it has enhance tax compliance by citizens.

## II. Statement of problem

Countries in Sub-Saharan African and South Asia face overwhelming difficulties with regards to both the level and the stability of revenues. For instance, in Nigeria the dependence of the country on crude export for revenue based on the projected price and assumed production is 80%. However, presently, there has been a decline fall in the price of crude oil which has adversely affected the Nigeria economic. The decline in price of oil in recent years has led to a decrease in the funds available for distribution to the federal and state governments. The mono-product status of the Nigerian economy has therefore received series of criticisms in recent times. Without the diversification of the economy, collapse is imminent (Bennee, Okoye & Amahalu, 2021). Against the backdrop of the need to diversify the economy, taxation has come extremely handy. Therefore, the need for an in-depth investigation of the effects of 2011 personal income tax amendment on revenue generation in the state. It is on this note that this study empirically evaluated the effects of 2011 personal income Tax (Amendment) (PITAM) on revenue generation in Anambra State.

**Objectives of the study**

The main objective of this study is to examine the effect of 2011 personal income tax act (amendment) on revenue generation in Anambra state. The specific objectives of the study are as follows:

1. To determine the effect of personal income tax revenue on the development of Anambra state.
2. To ascertain if a significant difference exists between tax revenue generated in Anambra state before and after the 2011 personal income tax Act (Amendment)
3. To examine the effect of 2011 personal income tax Act (Amendment) on the economic growth in Anambra state

**Research Hypotheses**

The following null hypotheses were formulated:

**$Ho_1$:** There is no significant effect of Personal Income Tax Revenue on the economic development of Anambra State

**$Ho_2$:** There is no significant difference between Personal Income Tax Revenue Generated in Anambra State before and after the 2011 Personal Income Tax Act (Amendment)

**$Ho_3$:** There is no significant effect of 2011 Personal Income Tax Act (Amendment) on the economic growth of Anambra state.

## III. Conceptual Review

### Taxation

Taxation is the system of imposing a compulsory levy on all income, goods, services and properties of individuals, partnerships, trustees, executorships and companies by the government (Okeke, Mbonu & Amahalu, 2018a). Samuel (2010) sees taxation as a levy imposed by the government against the income, profit or wealth of the individuals, partnership, corporate organization. Taxation is one of the sources of income for government; such income is used to finance or run public utilities and perform other social responsibilities. Taxation involves compulsion. The taxpayers are required to make payment regardless of their feelings or willingness. Once the tax has been levied, no individual has the choice of paying or not paying unless, of course doing it illegally like tax evasion.

### The Personal Income Tax in Nigeria

Personal income tax (PIT) is considered the oldest form of tax in the country. It was first introduced as a community tax in northern Nigeria in 1904, before the unification of the country in 1914, and was later implemented through the native revenue ordinance to the western and eastern regions in 1917 and 1928, respectively. Among other amendments in the '30s, it was later incorporated into Direct Taxation Ordinance No.4 of 1940. The need to tax personal incomes throughout the country prompted the income Tax Management Act (ITMA) of 1961 (Ashiedu, Okafor, Amahalu & Obi, 2022). In Nigeria, personal income tax for salaried employment is based on Pay-as-you-earn (PAYE) system and several amendments have been made to the 1961 income Tax Management Act. For instance, in 1985 PIT was increased from N600 or 10 per cent of earned income to N2, 000 plus 12.5 per cent of income exceeding N6000. In 1989, a 15 per cent withholding tax was applied to savings deposits valued at N50,000 or more while tax on rental income was extended to cover chartered vessels, ships or aircraft. In addition, tax on the fees of directors was fixed at 15per cent. These policies were geared to achieving effective protection of local industries, greater use of local raw materials, generating increased government revenue among others (Okonkwo, Amahalu & Obi, 2022).. Since the implementation of the structural Adjustment Programme (SAP), however, taxes have been used been to enhance the productivity and competiveness of business enterprises. The current legislation is the personal income tax act (PITA) 1993, which repealed the income Tax Management Act(ITMA)1961 and the income tax(Armed force and other persons) (Special Provisions) Act, 1972.

Personal income Tax ('PIT') according to Decree No.104 of 1993 is a tax imposed on the incomes of individuals, communities, families. It is also charged on the income due to a trustee or an estate. It codified all personal income tax legislations into one uniform personal income tax Act (Okeke,Mbonu, & Amahalu, 2018b).

### Personal Income Tax (amendment) Act, 2011

The personal income tax (amendment) Act (PITAM or 'the Act'), 2011, was signed into law to amend the personal income tax, cap. P8 LFN 2004. The gazette version of the Act was made available to the public in January 2012 (although 24 June 2011 was the date of publication stated on the gazette). The PITAM amends/deletes thirty-six sections of the personal income tax Act, Cap P8, Laws of the federation of Nigeria, 2004 (PITA). It also modifies the first, third and sixth Schedules to the PITA. Under PITA 2011, there is an Introduction of a consolidated tax free allowance of N200,000 or 1% of gross income, whichever is higher, plus 20% of the gross income. Gross emolument (or income) is defined to include benefits in kind, gratuities, superannuation and any other incomes derived solely by reason of employment. Based on Section 33(1) of the PIT Act, Consolidated Relief Allowance (CRA) is computed as the higher of ₦200,000 and 1% of Gross Income + 20% of Gross Income.

### Administration of Personal Income Tax

Income tax laws in each state of the federation are administered by the state board of internal revenue. The 1993 amendment has a uniform composition throughout the country prior to this year, the composition of the board differ from one State to another. Section33 subsection (A) gives the composition of the state Board of Internal Revenue as follows;

a) The Executive Chairman of the state service who shall be a person experienced in taxation and appointed by the state Governor from within the state service.
b) The Directors and Heads of Department within the state service
c) The Director from the state Ministry of Finance
d) Three persons nominated by the commissioner of finance in the state on their personal merit
e) A legal adviser to the state service
f) The secretary to the state service who shall be an ex-officio member.

The functions of the state Board of Internal Revenue are as follows;

a) The state board is responsible for the assessment and collection of pay as you earn and other personal income tax
b) Ensuring the effectiveness and optimum collection of all taxes and penalties due to government.
c) Doing all such things as may be deemed necessary and expedient for the assessment and collection of and account for all amounts so collected in a manner to be prescribed by the Commissioner.
d) Making recommendations, where appropriate to the JTB on tax policy, tax reforms, tax legislation, tax treaties and exemptions as may be required from time to time
e) Generally controlling the management of the state service on matters of policy, subject to the provision of the law setting up the state service.
f) Appointing, promoting, transferring and imposing discipline on employees state service

**Self-Assessment Tax System**

The self-assessment tax is a system of tax administration whereby the tax payer is granted the right by the law, to compute his own tax liability, pay the tax due (at the designated bank) and produce evidence of the tax paid at the time of filling his tax return at tax office, on due date. On the other hand, the tax authorities have the responsibilities of enablement to check on the tax payers to ensure compliance on tax administration process. This means that the assessment is characterized by the partnership and shared roles and responsibilities between the tax payers and the tax authority (Dim, Okafor, Eneh & Amahalu, 2022).

i. The self-assessment requires the concurrent filling of the tax returns and payment of tax dues on or before the due date.
ii. A tax payer must compute his or her tax liabilities, pay the tax due and file the relevant return with evidence of payment on or before the due date
iii. The relevant tax authority shall carry out necessary check to ensure that all required information have been appropriately entered into the tax return forms.
iv. Failure by tax payer to submit the tax return form on or before the due date is a breach of this regulation and tax payer shall be liable to pay such fines together with interest as may be prescribe in the regulation or under relevant provisions of the applicable tax laws.

## IV. Theoretical Review

**Benefit Theory of Taxation**

According to this theory, the state should levy taxes on individuals according to the benefit conferred on them. The more benefits a person derives from the activities of the state, the more he should pay to the government (Amahalu, Ezenwaka, Obi & Okudo, 2022). If, in accordance with the “benefit theory of taxation”, we conceive of taxes as payments in exchange for government benefits, perhaps states should be obliged to confer personal income tax benefits on residents who contribute their tax coffers. The benefits theory would imply that a resident should be able to collect personal tax benefits to extent that her tax payments to the state exceed the money value of any state government benefits she already receives, including infrastructure, regulated labour and capital markets, and so on.

## V. Methodology

**Research Design**

The study adopted the correlational survey research design which involves the use of questionnaire structured on a five point likert scale ranging from strongly agree to strongly disagree. This research design showed how the data collected from the variables interact and relate with one another.

**Population of the Study**

The population of the study consists of all the employees of federal board internal revenue and state board internal revenue in Anambra State.The boards of internal revenue selected and the numbers of employees are shown below:

**Table 1: Population of the study**

| S/N | NAME OF THE ESTABLISHMENT | NO OF EMPLOYEES |
|---|---|---|
| 1 | Federal Board of Internal Revenue | 85 |
| 2 | State Board of Internal Revenue | 67 |
| | **Total** | **152** |

*Field Survey, 2022*

**Sample Size And Sampling Techniques**

Considering the population size which is large, and to reduce the size of the population to a manageable size. The researcher uses Taro Yamane's formula to determine the sample size to be used for the study.

$$\frac{N}{1+N(e)^2}$$

$$n = \frac{152}{1+152(0.05)^2}$$

$$n = \frac{152}{1.38}$$

$$n = 110$$

**Source of Data Collection**

To obtain reliable information that will help the researcher to ensure the effectiveness of the study in question, data will be collected from both primary and secondary sources.

**Primary sources**

Data are facts or things certainly known and from which conclusion may be drawn. For the purpose of this study, data will be collected from primary source to obtain reliable information that will help the researcher to ensure effectiveness of the study in question.

The researcher used questionnaire to obtain the primary data. The questionnaire was designed in a structured form and made up of general questions of two (2) research questions to be answered hypothetically and was restricted to responses made of Strongly Agree SA, Agree A, Undecided U, Disagree D, and Strongly Disagree. A total of 110 copies of the questionnaire were distributed.

**Reliability of the Instrument**

Instrument reliability was ascertained with the use of crobanch alpha and the technique applied is split-half reliability.

**Table 2: Reliability Result**

| | |
|---|---|
| Value | .949 |
| Part 1 | |
| Cronbach's Alpha No. of items | 5[a] |
| Value | .918 |
| Part 2 | 5[b] |
| No. of items | |
| Total No. of items | 12 |
| Correlation between forms | .934 |
| Spearman – Brown | .966 |
| Equal length | .966 |
| Coefficient Unequal length | |
| Gutman split – Half coefficient | .943 |

*Source: Field survey, SPSS ver. 20, 2022*

The formular for computation is given as:

$$r_{SB} = \frac{2r_{hh}}{1+r_{hh}}$$

Where; $r_{hh}$= Pearson correlation of scores in the two half tests

Applying the formula in getting the Split Half Coefficient:

$$r_{SB} = \frac{1.868}{1.934}$$

$$= 0.9659$$

A reliability coefficient of .966 is adjudged high and so the instrument was certified reliable for the study.

**Data Presentation and Analysis**

A total number of 110 copies of the questionnaire were distributed to the respondents but only eighty three (83) were returned, which represents 75.5 response rate.

**Analysis of Research Questions**

**Table 3: Research Question 1:** There is no significant effect of Personal Income Tax Revenue on the economic development of Anambra State.

| S/N | Items | Mean | Standard Deviation | N |
|---|---|---|---|---|
| | **Personal Income Tax Revenue and Economic Development** | | | |
| 1 | The need for tax payments has been a phenomenon of global significance as it affects every economy irrespective of national differences | 4.14 | .556 | 394 |
| 2 | Tax payment is not for the direct exchange of good and/or services but a transfer of resources and income from the private sector to the public sector in order to achieve some of the nation's economic and social goals | 4.23 | .847 | 394 |
| 3 | The goals of personal income tax may be in for of high level of employment, stable prices, rapid growth of gross national product, favourable balance of payments position, and promotion of labour and capital development | 4.71 | .854 | 394 |
| 4 | Taxes affect the expenditure size of government, the productivity and level of activities of businesses, the consumption pattern of individuals, the propensity to save and invest and the growth path of the economy | 4.62 | .972 | 394 |

*Field Survey, 2022*

Table 3 shows that mean values of 4.14, 4.23, 4.71 and4.62 respectively, a significant influence of personal income tax on economic development being above 3.

**Table 4: Research question No. 2**: There is no significant difference between Personal Income Tax Revenue Generated in Anambra State before and after the 2011 Personal Income Tax Act (Amendment)

| S/N | Items | Mean | Standard Deviation | N |
|---|---|---|---|---|
| | **Effect of Pre and Post Personal Income Tax in Anambra State** | | | |
| 1 | PITA 2011 has compelled Anambra state government to imbibe the culture of improving internally generated revenue as alternative means of meeting and sustaining the various competing financing needs. | 4.70 | .793 | 394 |
| 2 | PITA 2011 serves as a major means for Anambra State government to improve their revenue base | 4.48 | .991 | 394 |
| 3 | PITA 2011 enhances the economy of a Anambra State as a means of achieving financial stability and promoting economic growth. | 4.55 | 1.124 | 394 |
| 4 | The sole objective of PITA 2011 is to raise revenue | 4.41 | 1.029 | 394 |

*Field Survey, 2022*

Table 4 reveals that PITA 2011 significantly influence revenue generated as the mean values of 4.70, 4.48, 4.55 and 4.41respectively are greater than 3 each.

**Table 5: Research question No 3**: There is no effect of 2011 Personal Income Tax Act (Amendment) on the economic growth of Anambra state.

| S/N | Items | Mean | Standard Deviation | N |
|---|---|---|---|---|
| **Personal Income Tax Act (Amendment) and economic growth** | | | | |
| 1 | The primary function of a PITA is to raise enough revenue to finance essential expenditures on the goods and services provided by government | 4.53 | .820 | 394 |
| 2 | Tax remains one of the best instruments to boost the potential for public sector performance and repayment of public debt | 3.91 | 1.434 | 394 |
| 3 | PITA avails itself as a veritable tool that mobilizes a nation's internal resources and it lends itself to creating an environment that is conducive for the promotion of economic growth | 4.32 | .523 | 394 |
| 4 | Taxation plays a major role in assisting a country to meet its needs and promote self-reliance. | 4.71 | .901 | 394 |

*Field Survey, 2022*

Table 5 reveals that self evaluation enhances job retention in these selected banks. This is confirmed by the respondents mean values of 4.53, 3.91, 4.32, 4.71 and 4.87 respectively being more than 3 each.

**Test of Hypotheses**

$H_0$: There is no significant effect of Personal Income Tax Revenue on the economic development of Anambra State.

**Table 6: Hypothesis I Result**

| | Value | Asymp. std error | Approx $T^c$ | Not sig. |
|---|---|---|---|---|
| Interval by interval Pearson's R | .132 | .007 | .395 | .797 |
| Correlation | .124 | .009 | .519 | .560 |
| N of valid cases | 83 | | | |

*Field Survey, 2022*

The computed Pearson Product Moment Correlation value of .132 is less than the critical table of .797 as shown in table 6. We therefore accept the Ho which says that there is no significant effect of Personal Income Tax Revenue on the economic development of Anambra State.

**Hypothesis Two**

**$H_0$:** There is no significant difference between Personal Income Tax Revenue Generated in Anambra State before and after the 2011 Personal Income Tax Act (Amendment)

**Table 7: Hypotheses II Result**

| | Value | Asymp. std error | Approx $T^c$ | Not sig. |
|---|---|---|---|---|
| Interval by interval Pearson's R | .920 | .083 | .341 | .794 |
| Correlation | .510 | .086 | .181 | .005 |
| N of valid cases | 83 | | | |

*Field Survey, 2022*

The computed Pearson Product Moment Correlation value of .920 is greater than the critical table value of .797 as shown in the table 5. We therefore accept the alternate hypothesis that there is a significant difference between Personal Income Tax Revenue Generated in Anambra State before and after the 2011 Personal Income Tax Act (Amendment).

**Hypothesis Three**

**$H_0$:** There is no significant effect of 2011 Personal Income Tax Act (Amendment) on the economic growth of Anambra state.

**Table 8: Hypotheses III Result**

| | Value | Asymp. std error | Approx $T^c$ | Not sig. |
|---|---|---|---|---|
| Interval by interval Pearson's R | .830 | .073 | .341 | .767 |
| Correlation | .540 | .079 | .171 | .005 |
| N of valid cases | 83 | | | |

*Field Survey, 2022*

The computed Pearson Product Moment Correlation value of 0.830 is greater than the critical table value of 0.797 as shown in the table 8. The study therefore accepts the alternate hypothesis that there is a significant effect of 2011 Personal Income Tax Act (Amendment) on the economic growth of Anambra state.

## VI. Findings

The summary of findings show the actual results of the study as obtained from the test of hypotheses. These are presented below:

1. There is no significant effect of Personal Income Tax Revenue on the economic development of Anambra State. This is reflected in the result that the computed Pearson Product Moment Correlation value of .132 is less than the critical value of .797. Then the null hypothesis is accepted.

2. There is a significant difference between Personal Income Tax Revenue Generated in Anambra State before and after the 2011 Personal Income Tax Act (Amendment). This is shown in the result that computed Pearson Product Moment Correlation Coefficient value of .920 is greater than the critical value of .797. The study accepted the alternate hypothesis.

3. There is a significant that effect of 2011 Personal Income Tax Act (Amendment) on the economic growth of Anambra state. This is indicated in the result that the computed Pearson Product Moment Correlation Coefficient value of .830 is greater than the critical value of 797, alternate hypothesis was also accepted.

## VII. Conclusion

The broad objective of this study is to examine the effect of 2011 personal income tax (Amendment) on revenue generation in Anambra State. The research adopted the correlational survey research design which involves the use of questionnaire structured on a five point likert scale ranging from strongly agree to strongly disagree. This research design showed how the data collected from the variables interact and relate with one another. The findings revealed that there is no significant effect of Personal Income Tax Revenue on the economic development of Anambra State; that here is a significant difference between Personal Income Tax Revenue Generated in Anambra State before and after the 2011 Personal Income Tax Act (Amendment) and that there is a significant that effect of 2011 Personal Income Tax Act (Amendment) on the economic growth of Anambra state.

## VIII. Recommendations

Based on the findings, it is recommended that:

1. Anambra State government in Nigeria should rise to the challenge of boosting their revenue base by ensuring that all available sources of revenue are adequately tapped and tax administration and collections become more effective and efficient.

2. Anambra State government should engage in a complete re-organization of the tax administrative machineries in order reduce tolerable problems of tax evasion and avoidance.

3. To enhance the tax base of government, employment opportunities should be created and a good environment for entrepreneurship and innovation to thrive using tax proceeds.

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## QUESTIONNAIRE

Please tick (√) appropriately in the spaces provided section A:

i. Sex: Female ( ) Male ( )
ii. Age group: 21-25 ( ), 26-30 ( ), 31-40 ( ), Above 41 ( )
iii. Level of education: Under-Graduate ( ), Graduate ( ), Post-Graduate ( )
iv. Years of Experience ____________________________________________
v. Job designation ______________________

**Personal Income Tax Revenue and economic development of Anambra State.**

**The response scale for the questions is as below:**
**1= Strongly Agree, 2= Agree, 3= Uncertain, 4= Disagree, 5 = Strongly Disagree**

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | The need for tax payments has been a phenomenon of global significance as it affects every economy irrespective of national differences | 1 | 2 | 3 | 4 | 5 |
| 2 | Tax payment is not for the direct exchange of good and/or services but a transfer of resources and income from the private sector to the public sector in order to achieve some of the nation's economic and social goals | 1 | 2 | 3 | 4 | 5 |
| 3 | The goals of personal income tax may be in for of high level of employment, stable prices, rapid growth of gross national product, favourable balance of payments position, and promotion of labour and capital development | 1 | 2 | 3 | 4 | 5 |
| 4 | Taxes affect the expenditure size of government, the productivity and level of activities of businesses, the consumption pattern of individuals, the propensity to save and invest and the growth path of the economy | 1 | 2 | 3 | 4 | 5 |

**Difference between Personal Income Tax Revenue Generated in Anambra State before and after the 2011 Personal Income Tax Act (Amendment)**

**The response scale for the questions is as below:**
**1= Strongly Agree, 2= Agree, 3= Uncertain, 4= Disagree, 5 = Strongly Disagree**

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | PITA 2011 has compelled Anambra state government to imbibe the culture of improving internally generated revenue as alternative means of meeting and sustaining the various competing financing needs. | 1 | 2 | 3 | 4 | 5 |
| 2 | PITA 2011 serves as a major means for Anambra State government to improve their revenue base | 1 | 2 | 3 | 4 | 5 |
| 3 | PITA 2011 enhances the economy of a Anambra State as a means of achieving financial stability and promoting economic growth. | 1 | 2 | 3 | 4 | 5 |
| 4 | The sole objective of PITA 2011 is to raise revenue | 1 | 2 | 3 | 4 | 5 |

**Effect of 2011 Personal Income Tax Act (Amendment) on the economic growth of Anambra state**

**The response scale for the questions is as below:**
**1= Strongly Agree, 2= Agree, 3= Uncertain, 4= Disagree, 5 = Strongly Disagree**

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | The primary function of a PITA is to raise enough revenue to finance essential expenditures on the goods and services provided by government | 1 | 2 | 3 | 4 | 5 |
| 2 | Tax remains one of the best instruments to boost the potential for public sector performance and repayment of public debt | 1 | 2 | 3 | 4 | 5 |
| 3 | PITA avails itself as a veritable tool that mobilizes a nation's internal resources and it lends itself to creating an environment that is conducive for the promotion of economic growth | 1 | 2 | 3 | 4 | 5 |
| 4 | Taxation plays a major role in assisting a country to meet its needs and promote self-reliance. | 1 | 2 | 3 | 4 | 5 |