IMPACT OF MULTIPLE TAXATION ON BUSINESS SURVIVAL AMONG SMALL AND MEDUIM SCALE ENTERPRISES (SMEs) IN IKORODU, LAGOS STATE, NIGERIA.

BY

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A PROJECT WRITTEN AND SUBMITTED TO THE DEPARTMENT OF ACCOUNTING AND FINANCE, COLLEGE OF HUMANITIES, MANAGEMENT AND SOCIAL SCIENCES

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DECLARATION

I, OLAJIDE AKINKUNMI declare that this project was written by me and to the best of my knowledge, that the data contained in this project work are from my original research work and have not been submitted to any other university or institution for examination. All references in this work have also been duly acknowledged.

…………………………… …………………

Olajide Oluwatosin Akinkunmi Date

CERTIFICATION

This to certify that this project, “The Effect of multiple Taxation on business survival among small and medium scale enterprises in Ikorodu, Lagos state, Nigeria”. was carried out by me **Akinkunmi olajide Oluwatosin** (Matriculation Number:17020101011) in partial fulfilment of requirement for the award of Bachelor of Science (B.Sc.) in Accounting, College of Humanities, Management and Social Sciences, Mountain Top University, Ogun State, Nigeria.

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Head of Department	Signature &Date

DEDICATION

This project work is dedicated to GOD Almighty for His infinite mercy, grace, love, wisdom, understanding and protection over me

ACKNOWLEDGEMENT

In my usual habit, I like to firstly direct all glory, adorations and praise to GOD Almighty for everything he has done and still doing in my life, for the breath of life and overflowing strength for the completion of my project work.

Secondly to the best parents one can have, Mr. & Mrs. Akinkunmi Alao, for their immeasurable love, always being there for me, always being understanding, caring and financially supportive. Also, to my siblings Akinkunmi Oluwajomiloju & Akinkunmi Oluwajimisola for their love and care towards me

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ABSTRACT

The title of this research work is 'The Effect of Multiple Taxation on Business Survival Among Small and Medium Scale Enterprises (SMEs) in Ikorodu, Lagos State, Nigeria'. Taxation is one of the major fiscal policies used by the government of any nation such as Nigeria to achieve economic stability and financing of capital expenditure. The design used in this research is descriptive research design and data were collected through questionnaires which were administered physically with a sample size of One Hundred and Twenty (120) members of Five (5) random different SMEs operating within Lagos Mainland of Ikorodu. Data collected were presented in tabular form, critically analyzed using simple linear regression. The study's findings revealed prevalent problem of multiple taxations being imposed on SMEs in Ikorodu Axis of Lagos State. SMEs pay tenement rate and business permit fee to both state and local governments. while the recommendations are in Nigeria, a unified tax policy across the board is recommended to support SMEs, with the government taking into account the size of SMEs when developing tax regulations on them. Corruption among tax agents and harassment of entrepreneurs by tax agents should be addressed. It is also recommended that numerous local taxes should be consolidated for ease of compliance and administration while occurrence of multiple taxation on businesses should be totally discouraged and appropriately gazetted. Further research may be directed at 'Studies that should be carried out to examine why to determine the appropriate tax policy that is best suited for SMEs in Nigeria' and also 'There is need for further studies to determine the root cause of multiple taxation and the best way to address it'.

KEYWORDS: Business Survival, Business Growth, Financial Distress, Financial performance Multiple Taxation, Small and medium scale Enterprise

CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND TO THE STUDY

Nigeria has relied on oil for its main source of income and foreign exchange for decades. According to the International monetary fund, oil sales account for about 40% of federal government revenues and over 95% of export earnings in Nigeria. According to World meter's elaboration of the most recent United Nations numbers, Nigeria has a population of over 250 million people. Despite being Africa's most populated country, its largest economy remains one of the continent's poorest oil producers. It is critical to search for alternative sources of income due to the continuous decline in per capita income, comparative unfavorable social indicators, and countries seeking alternative energy sources.

Despite the contribution of SMEs to the GDP, Nigeria's GDP is currently below the ideal level due to the current level of petroleum products. As a result, diversifying the economy before the market for petroleum products dwindles would be extremely beneficial to the nation. It is critical to pay special attention to non-oil-based sectors such as farming, production, commercial, and tourism activities. These industries are primarily small and medium-sized businesses, and as a result, the phrase "SMEs are important to the Nigerian economy". Nigeria is blessed with rich farmlands, huge mineral reserves, and a large human resource pool, making it an attractive location for small and medium-sized businesses. Nigeria has risen to the top of Africa, thanks to these opportunities, governments prefer working with large corporations because they are more appealing, clear-cut, and less nuanced than SMEs.

Large companies are more attractive, clear-cut and less complex set than SMEs and governments prefer dealing with them. In designing public policies, especially tax policies, governments often target their strategies to large companies, Holban, (2007). It is essential to devise methods that will Encourage these businesses' growth and development in order for them to attain their full potential. As a result, the commercial and regulatory system has become more favourable. should be created for businesses to thrive. This research focuses on how tax policy might help SMEs flourish. Large corporations have their roots in SMEs, and many of them began as SMEs before expanding. This means that tomorrow's huge enterprises are today's SMEs, which must be maintained to ensure their continuous improvement. Furthermore, they are widely regarded as the foundation of innovation and entrepreneurship, generating a large number of small investments that would not have occurred otherwise. Aryeetey & Ahene, (2004).

Nigeria needs to further develop its private sector through the creation of an enabling environment that will favor the growth of SMEs. This will strengthen the factors that lead to business success and addressing the challenges threatening the continuous existence and development of SMEs, Chu, Kara & Benzing, (2008). Following the removal of trade and other barriers, the planet has evolved into a global community. As a result, SMEs in developed countries are struggling to thrive in highly competitive domestic and foreign environments. It is critical in a developing country like Nigeria to establish a conducive environment for the growth of small businesses Deployment of domestic savings for investment is one example of such a role, appreciable contribution to gross domestic product, increase harnessing of local raw materials, generate employments and significantly contributes to poverty reduction through sustainable livelihoods and enhancement in employees' income, technological development and export diversification, Smatrakalev, (2006).

This is why an optimal fiscal strategy is needed to promote economic growth and the appropriate use of the assets available. This is not the case because taxes are charged for regulation of investment behaviour of households are not meant to suffocate any entrepreneur initiative as this seems like a major challenge to the development of the SMEs. Olorunshola, (2003). The definition of SMEs is relative and dynamic. Uncertainty, evolution, and creativity are all features of SMEs. A thorough understanding of the SMEs universe necessitates a thorough understanding of its characteristics. Local SMEs are typically small in scale, lack organizational and management structure, and lack organizational and management structure, whereas urban SMEs are more structural. This represents one of the most important characteristics of SMEs in Nigeria. SMEs are in most cases, one-man business or partnership enterprise, despite the fact that they may be registered as a limited liability company. Udechukay, (2003).

Olorunshola (2003) confirmed that this ownership style has resulted in small and medium-sized enterprises having a simple management structure that makes them easier to handle than large firms. This essentially means that the lifetime of SMEs is determined by the lifespan of the vision owners; when the vision owner dies, if the estate is not properly cared for, the company dies with the vision of the owner. Another characteristic of SMEs in some countries is their heterogeneity, which can range from small shops to highly paying professionals and even large manufacturing companies. Small and medium enterprises vary in organizational form, from a sole proprietorship (one-man business), small scale corporations (public or private), professionals and partnerships etc. In addition, Production method in SMEs are labour - intensive, and they always function as a supplier to large manufacturing enterprises by relying on locally acquired raw materials. Hanefah, Ariff and Kasipfflai (2002).

SMEs, like one-person business required less initial capital than huge corporations. According to Akinsulire (2010), managers' decisions are more likely to be subjective because they are managed by the same individual, and the employee-employer relationship in most SMEs is primarily informal. Besides, the contribution that SMEs usually make to tax revenue is lower as compared to its contributions to national output and employment. International Tax Dialogue, (2007). Notwithstanding SMEs have not been competitive enough to improve their share of output even though they form three-fifths of the manufacturing industries and they are solely relied upon by large manufacturing companies for their supplies. Hanafah et al, (2003).

Based on the Country's international standing at any point in time and the economic policies adopted by the Government, the importance of the various source of revenue varies from time to time. Nigeria has a mixed economy in which the government invests commercially alongside the private sector while pursuing socially responsible economic policies. Government also makes more commercial investments since taxes may not be a sufficient source of revenue for the government in terms of the amount of revenue generated, but taxation is a reliable revenue stream for the government due to its certainty and consistency. Taxation may generate a tiny portion of revenue in a socially oriented economy. Taxation generates a bigger proportion of government revenue in a capitalist economy (Osita, 2004). Eftekhari (2009), stated that taxation has always been a source of contention for both the government and the taxpayer from the dawn of civilization. Over time, tax concerns have sparked numerous debates. Several economic thrones have been developed in order to manage an effective tax system.

1.2 Statement of the Problem

Some of the most significant issues that SMEs confront in developing nations such as Nigeria include areas of unfavorable link between taxes and the business ability to sustain itself and to expand. Such as high tax rates, multiple taxation, complex tax regulations, complete absence of proper enlightenment or education regarding tax-related issues, insufficient resources, weak technological and management skills, environment issues, and government regulations that influence SMEs operations, these challenges are like a worm eating a large chunk of the income generated by all these SMEs for their development and sustainability. This has resulted in an increase in the number of small and medium-sized businesses closing down (SMEs). This study aims to raise awareness about the effects of double taxation and to supplement existing studies and research.

1.3 Objectives of the Study

The general objective of this study is to investigate the effect of multiple taxation on business survival among small and medium scale Enterprises (SMEs) in Ikorodu, Lagos state, Nigeria.

The specific objectives are:

(i) To investigate the effect of multiple taxation on financial performance among small and medium scale enterprises in Ikorodu, Lagos state, Nigeria.

(ii) To examine the relationship between multiple taxation and business growth among small and medium scale enterprises in Ikorodu, Lagos state, Nigeria.

(iii) To ascertain the effect of multiple taxation and financial distress on small and medium scale enterprises in Ikorodu, Lagos state, Nigeria.

1.4 Research Questions

The following research questions will be answered to achieve the objectives of this study:

(i) To what extent does multiple taxation affect financial performance among small and medium scale enterprises in Ikorodu, Lagos state, Nigeria?

(ii) Of what significance is the relationship between multiple taxation and business growth among small and medium scale enterprises in Ikorodu, Lagos state, Nigeria?

(iii) What effect does multiple taxation have on financial distress among small and medium scale enterprises in Ikorodu, Lagos state, Nigeria?

1.5 Research Hypothesis

The following hypotheses will be tested for confirmation or rejection in this research review:

H_{01}: Multiple taxation has no significant effect on financial performance among small and medium scale enterprises in Ikorodu, Lagos state, Nigeria.

H_{02}: There is no significant relationship between multiple taxation and business growth among small and medium scale enterprises in Ikorodu, Lagos state, Nigeria.

H_{03}: Multiple taxation has no significant effect on financial distress among small and medium scale enterprises in Ikorodu, Lagos state, Nigeria.

1.6 Significance of the Study

The study would be of great importance to the government and its agencies like joint tax board and the Federal Inland Revenue Service in assessing and collecting taxes from businesses so as to minimize the impacts of multiple taxation. The research will also be useful to state board of internal revenue and local government revenue collectors, as it will seek to remind them of the consequence and impact of multiple taxation on businesses most especially small and medium scale enterprises. The study will also be useful to researchers who plan to conduct research on a similar topic, as it will serve as a guide for their research. Finally, it will be beneficial to academia's students and the general public.

1.7 Scope of the Study

The research was carried out within the geographical boundary of Ikorodu in Lagos state. It will focus on impact of multiple taxation on small medium scale enterprises in Ikorodu, Lagos state, Nigeria. Research method will be restricted to the use of copies of a structured questionnaire.

1.8 Definition of Terms

Business growth: Business growth is a stage in which a company has reached the point of expansion and is looking for new ways to produce more profit. The business lifecycle, industry growth patterns, and the owners' ambition to create equity value are all factors that influence business growth.

Financial distress: Financial distress is a circumstance in which a firm or individual cannot earn sufficient sales or income, making it unable to meet or pay its financial commitments. This is often owing to high fixed expenses, a substantial degree of illiquid assets, or revenues vulnerable to economic downturns.

Financial performance: Financial performance is a subjective indicator of a company's ability to earn revenue from its principal way of operation. The phrase is frequently employed as a broad indicator of a company's overall financial health over time. Financial performance is used by analysts and investors to evaluate similar organizations in the same industry or to analyze industries or sectors as a whole.

Multiple taxation: It refers to the many illegal mandatory payments made without proper legal backing by local and state governments by bullying and harassing payers.

Small scale enterprise: Small-scale enterprise in this study refers to a business with small teams of employees, small volume of sales and fewer areas of business coverage and are mostly sole proprietorship or partnership

CHAPTER TWO

LITERATURE REVIEW

2.0 Preamble

A critical overview of the concepts, theories and empirical studies that are applicable to this study are presented in this chapter.

2.1 Conceptual Review

This subsection consists of a critical analysis of the variables of the study derived from the related concepts discussed in this study. In addition, the effect of multiple taxation on business survival will be thoroughly analyzed. A comprehensive review of the types of taxes will be made such as direct and indirect taxes, proportional tax, regressive tax and progressive tax.

2.1.1 Tax

Taxation is a compulsory transfer or Payment of money from private individuals, institutions, and corporations to the Government. Anyanwu (1997) Noted that tax has three main aims, including economic and economic activities regulation, government revenue increase, revenue control and employment. Tax has three main objectives. Taxable revenue depends mainly on a number of elements but on the tax basis and on the rate. The tax basis refers to the aforementioned minimum amount specified as taxable, whereas the tax rate is the amount that is levied per support unit.

Taxation is one of the key fiscal policies that can be used to achieve economic stability and to finance capital spending by the government of any country. Different taxes are imposed by the government for the intent or benefit of the general public on the wealth or income of the individual, family and company. A tax is a financial fee or other levy imposed by a state on a tax payer, who may be a person or a legal entity, so that failure to pay is punishable by law. As a consequence, taxes cannot be considered a voluntary payment or gift, but rather a constitutionally required contribution. In a modern tax system, such as Nigeria's, taxes are imposed on money, which can be utilized for a variety of tasks and purposes, including public order, life and property protection, and economic infrastructure such as roads, bridges, railway, airports, seaports, power supply, affordable health and education system amongst others.

Maintaining fair tax rates will help in the growth of the private sector and the formalization of companies. In terms of modest tax rates, small and medium-sized businesses that contribute to economic growth and employment but do not dramatically increase tax revenues are particularly important. For economies in Sub-Saharan Africa and the Middle East and North Africa, typical distributions of tax revenue by firm size show that micro, small and medium-sized businesses account for more than 90 percent of taxpayers, but contribute only 25-35 percent of tax revenue. The imposition of high tax costs on corporations of this scale may not contribute much to government tax revenue.

The taxes collected by the government no doubt emanate from varying sources ranging from personal income tax, company income tax, value added tax, capital gain tax, property tax, education tax to list but few. Government needs sustainable sources of funding for social programs and public investment to support economic growth and development. Health, education, infrastructure and other services programs are important for the common goal of a prosperous, functional and orderly society. Not only does taxation pay for public goods and services, but it is also a central component of the social contract between people and the economy. The very integrity of the government can be determined by how taxes are collected and spent. Keeping the government accountable facilitates efficient tax revenue management and most importantly, good public financial management.

Tax bases simply are those income upon which tax revenue is derived (Mansfield, 1973). Tax proceeds is a major revenue to Government and as such Government makes an effort towards maximizing tax revenue. But, to the extent that Government tries to maximize tax revenue, consideration of tax effects on economic agents that pay the tax should not be ignored. To this level, Bhat (1973) Opined that it matters in government policies, especially fiscal measures, to structure them with social fairness to promote rapid growth, while ensuring they are simple, easy and unintended. The tax system, therefore, should be consistent with the overall economic policy, which may include such objectives such as encouraging savings over consumption and raising private investment. Taxes, no matter the type and how they are being administered bear effects on the payer. Effects of taxation are the changes in the economy consequent upon tax imposition.

Anyanwu (1997) contended that the presence of tax distorts the Pattern of production, consumption, investment and employment either for good or bad. These distortions are collectively viewed as the effects of taxation. Charges may have a great variety of effects; they may cause some goods to become more expensive as compared to others and cause a change in the pattern of consumption. They may fall more heavily on some households than others, thus altering the distribution of net income. "They may affect people's willingness to work and to save, and to take risks and they may affect the total supply of resources available to the economy". Bhatt (1973) noted that the tax system is an organic part of the economic system. Hence, there must be some certainty and stability of its essential features. According to him, a large number of adhoc changes each year create a climate of uncertainty which hampers productive effort and diverts valuable, scarce resources towards speculative and other undesirable channels as well as encouraging attempts to circumvent the Government measures. Thus, the qualitative aspect of taxation in the conventional economic analysis is not much concerned with the revenue-yielding capacity of a tax but with its effects on industrial units which are subjected to the payment of tax.

Osita (2004), explained taxation as a compulsory levy by the government through the use of its various agencies. Tax is basically of three structures - proportional, progressive and regressive. Proportional tax is defined as a type of tax in which taxpayer is levied an amount in proportion to his earnings, progressive tax levies are higher rate on higher-income earners. In comparison, the regressive tax is the one that charges a higher rate to the person earning lower income. Tax could be categorized into two broad categories which are direct and indirect tax. Multiple taxation to a company or individual is a situation whereby the same tax base that is liable for tax in Nigeria had been accessed to tax by another authority in Nigeria or outside Nigeria (Osita, 2004). Where such situation arises, relief is usually granted to the taxpayer in respect of the earlier tax suffered. Specific arrangements are made to prevent such multiple taxes or to provide relief as appropriate in the circumstance.

2.1.2 SMEs

The definition of SMEs varies according to the context, author and the country where these businesses operate in the UK, for example, companies with an annual sale of less than £2 million are defined as companies with less than 200 paid staff (Ekpeyone & Nyong, 1992). In Japan, SMEs with 100-million-yen capital and 300 employees are regarded as those enterprises. (Brussels, Mexico, 1992). In Nigeria, small businesses with a low number of people of between 1 and 100 are categorized as entrepreneurial firms for small and medium-sized enterprises up to 500 or more (CBN report, various issues).

SMEs in Nigeria are broadly defined as business with turnover of less than N100million per annum and/or less than 300 employees and having capital investment not exceeding N2 million (excluding the cost of land) or a minimum of N5million naira (CBN reports). The Central Bank of Nigeria's Monetary Policy Circular No. 22, 1988, defined SMEs as businesses with a turnover annual level of not greater than N500,000. The 1990 budget defines, for commercial bank loans purposes, the Federal Government of Nigeria as having annual sales not more than N500.000 and those undertakings which hold capital investment not more than N2 million (excluding land costs) or a maximum of N5 million for Merchant Bank loans. The Merchant Bank is a credit union. The National Economic Recovery Fund (NERFUND) has established a cap of N10 million for small-scale companies. Section 37b (2) of the Companies and Allied Matters Decree of 1990 states that a small business as one with an annual revenue of not more than N2 million and net asset worth of not more than 1 million naira (Ekpenyong & Nyong, 1992).

The definition of SMEs is relative and changeable (Olorunshola, 2003). SMEs are characterized by uncertainty, innovation and change. A comprehensive grasp of SMEs would demand a good awareness of its features. Aderemi (2003) highlighted that the SMEs in Nigeria are basically small owners or family-controlled business supplying basic goods and services, which tend to lack organizational and managerial structures with the urban ones tending to be more structural than their rural counterparts. This is one of the most generic qualities of SMEs in Nigeria.

Additionally, the production processes of SMEs are frequently labour intensive and they usually function as suppliers for the larger manufacturing businesses with their operations being largely dependent on natural materials sourced locally (Hanefah, Ariff, & Kasipillai, 2002). They also demand a lesser initial capital than the larger enterprises (Akinsulire, 2010). While the choices of the managers have a greater propensity to be subjective given that they are managed and supervised by the same individual. Also, the employee's relation with the employer in most SMEs is primarily informal.

The Small and Medium Enterprise Equity Investment Scheme (SMEEIS) regards the SME as "any enterprise with a maximum asset base of N500 million (excluding land and working capital), and with no primary or secondary limit of staff". In 1992, the National Council on Industry for the precise purpose of clarity as regards the meaning of SMEs in Nigeria came up with a definition which was to be assessed every four years, in essence taking care of the lack of homogeneity that emerged due to diverse definitions as suited the many different bodies making them. This concept split the small and medium enterprise sector into micro, small and medium enterprises. These sub-categories were defined by the National Council on Industry at their 13th Committee meeting. However, for tax purposes, Section 40(6) of the Companies Income Tax Act Cap C21 LFN 2004 vaguely alluded to businesses with a turnover of N1 million and below operating in the industrial production, agricultural production, solid mineral mining, and export trading sectors as SMEs; While subsection 8 states that beginning from 1988 all companies engaged in trade or business with a revenue of N500,000.00 and below qualify as small and medium enterprises. (Iwuji, 2003).

2.1.3 Multiple Tax

Multiple Tax or Multiplicity of Taxes (MT) refers to unlawful and coercive Payment collected usually by municipal and state government without legal justification. Abiola, (2012). It is a case where a tax payer is pushed by two (2) or more tiers of government to pay whether the same or identical taxes in desperate endeavour to boost their revenue base (Folayin,2015). Abiola (2016) viewed MT as a circumstance where the same branch of government charges two or more taxes on the same base. Adum (2018) identified MT as a circumstance where profit or wealth of a person or corporate body is taxed more than once.

Dike (2013) made a study on positioning tax system in line with 21st Century trend at the JTB international tax conference of 29th October, 2013. He observed the serious challenges facing the global community such as unprecedented economic crises which ravaged world economies leading to the virtual collapse of the financial and industrial sectors. In the Nigerian economy, oil revenue witnessed a decline which necessitated the need to reduce its dependence on revenue from petroleum and find alternative sustainable means of revenue generation from the non-oil sector. Their focus was to find out how the Nigerian tax system can be positioned to achieve sustainable development for the country as the 21st Century unfolds. He identified some of the challenges facing the effectiveness of tax administration in Nigeria as: Tax Evasion, Multiplicity of taxes, Complexity and rigidity of tax laws, Corruption among taxpayers, tax practitioners and administrators alike, lack of a tax compliance culture among the citizenry, poor staffing, ignorance on the part of tax payers, lack of autonomy of some State Revenue Boards and non-availability of an up-to-date data base and Statistics of tax payers.

He recommended that tax matters should be left in the hands of professionals who have been trained for it, so that the business owners, investors and customers will not continue to complain of such vices as multiple taxation, inefficient and ineffective administration, obsolete tax laws, extortion, evasion and low internal generated funds (IGR). Tax Policy in Nigeria has been primarily used to generate maximum revenue for the Government. As a result, its use for the optimal allocation of resources or redistribution of income is being ignored.

Anyanwu (1997) claimed that tax authorities in Nigeria have focussed on the manipulation of the rates and tax bases to produce enough revenue for the Government. This has led to the imposing of several forms of taxes and levies by tax authorities. These numerous taxes, which might have otherwise come under one form of tax are impaled into many types and they are in this work referred to as "many taxes”. Ndekwu

(1988) opined that many taxes are imposed at different or supplementary rates and they involve different tax bases to be accessed at different times. In Nigeria, planning of tax policy is not clearly assigned to any specific unit. Change in tax laws are usually designed in an ad-hoc manner and based on the expediency rather than on long-term studies (Anyanwu 1997).

Utomi (2000), in line with this view, noted that Nigeria has a confusing tax philosophy which results into proliferation of taxes and tax laws. Hence, tax multiplicity. Awake (2003) observed that over 300 different taxes are paid by taxpayers in some African countries, while in some Asian countries, local officials impose dozens of illegal charges from fees for growing bananas to taxes on slaughtering pigs-either to top up (increase) the local finances or pad their pockets. From the three levels of Government in Nigeria, the local governments involve themselves more in the issue of tax multiplicity. This, according to Uba (1996), resulted from the expansion of local government responsibilities. Local Government imposes various types of taxes and levies to cope with the added responsibilities expected of them to discharge. Apart from personal and business income taxes, traders and small-scale entrepreneurs are expected to pay other taxes and levies such as special levy, development levy, advert fee, storage fee, market taxes, trade license such as business registration fees etc.

These levies run counter to the economic objectives of the Federal Government, which clamors for rapid economic growth and reduction of inflation. Small-scale enterprise operators do not only complain of government imposition of new taxes but also increase in the rates of the existing ones. The entrepreneurs then transfer the burdens of these taxes to the consumers by way of price hike hence inflation. Traders and entrepreneurs whose elasticity of their goods and services do not permit the transfer of these taxes to the consumers most times are crowded out from the operation. Ogunleye (2000) It has been noted that Small Scale Enterprise operators struggle with large production costs as a result of numerous taxes and levies imposed on them by many government bodies at various levels. In his words, it is funny that companies that reel under the stress of incurring generators maintenance cost, are also subjected to pay what the government call generator levies.

Uba (1996) had earlier observed this view when he said that traders provide necessary facilities in the markets such as good stalls, health centers, toilets, water, car parks and roads because the markets are bereft of these facilities, yet they (traders) are forced by Government to pay different levies in the name of providing these facilities. Obasanjo's Economic Direction (1999-2003) has observed the need for non-distortionary and non-retrogressive economic policies and as such has directed that an efficient tax system devoid of a multiplicity of taxes be adopted for accelerated growth of small-scale enterprises and the economy as a whole.

2.1.4 Growth

In business, growth is the process of increasing some measure of an organization's success, primarily through cost reduction and profit maximization (Fasch, 2013 Any business that creates considerable cash flow earnings and grows at a higher rate than the broader economy is considered to be growing (Kaigama, 2016). Profitable reinvestment and expansionary opportunities from retained earnings are common in a growing business (Famolola, 2014). Business growth, according to Lawal and Aduku (2016), is the stage when a company reaches the point of development and looks for new ways to increase earnings.

2.1.5 Tax Policy and the Survival of Small and medium scale enterprises

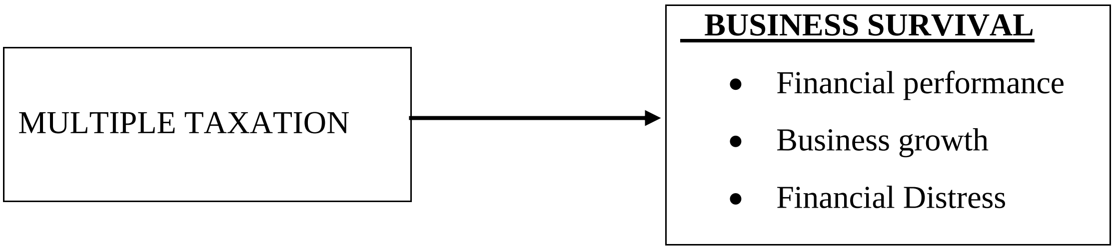
In accordance to Tomlin (2008), According to economists, the resources that smaller businesses use to tax compliance are resources that could otherwise be employed for investments or to facilitate future growth and development. As a result, there is a perception that taxation and a complicated tax system place an undue burden on small firms. Small taxpayers are discriminated against in the routine operation of the tax system, because compliance costs, requirements, and tax rates are the same for small and large businesses. The profit level of a small business will increase if compliance costs and tax rates are reduced. It will also increase the Government's tax revenue, since there will be a simplified provision for a micro-enterprise.

Historically, it will reduce the size of the shadow economy and the number of non-compliant taxpayers. Additionally, SMEs oftentimes have to operate under an intense regulatory environment with several regulatory agencies coupled with multiple taxation, cumbersome procedures of importation and increased port charges that constantly cause serious burdens on their operations. Many SMEs have to relate with several agencies at higher cost which are heterogeneous and different in size and structure and may in turn carry different obligations for record-keeping that can affect the enterprises costs of compliance. Public corporations, for instance, usually have stronger accounting requirements and internal control systems than sole ownership. Enterprises with employees may be subjected to the full enforcement of the requirements associated with Pay as You Earn taxes and other statutory deductions (International Tax Dialogue 2007).

A complex regulatory system and tax regime with a non-transparent administration and enforcement can make tax compliance to become unnecessarily burdensome which oftentimes have distortionary effects on the development of SMEs as they would be tempted to morph into forms which offer them a reduced tax burden or no tax burden at times (Masato, 2009). This results in a tax system which imposes a high expense on the citizen. Poorly administered tax system always leads to inefficiency, high collection cost, time wastage for taxpayers and eventually low amounts of tax generated and the deviation of optimum allocation of resources (Farzbod, 2000). Existing empirical research suggests that when these expenses are adjusted by revenue or assets, small and medium-sized enterprises are adversely affected. Small and medium-sized businesses have higher regulatory costs than giant corporations (Weichenrieder, 2007). Among the factors working against the **S**MEs tax compliance are high tax rates, inefficiency, high collection cost, waste of time for taxpayers and the staff, and the low amounts of taxes received. According to Yaobin (2007), other factors working against the SMEs tax compliance are double taxation, little or inadequate professional tax consultancy, weak tax planning amongst others.

2.1.6 FIGURE 1

Conceptual Model showing the relationship between multiple taxation and business survival among SMEs.



2.2 Theoretical Review

A theoretical framework is a collection of concepts and their definitions, as well as references to relevant scholarly literature, that are employed in your research. The theoretical framework must demonstrate a comprehension of ideas and concepts pertinent to the research paper's topic and related to the broader fields of knowledge being explored. Some of the theories reviewed in this study are:

i. Contingency Theory
ii. Corporate tax avoidance Theory
iii. Laffer curve Theory
iv. Business Growth Theory

This study will adopt the Business Growth Theory.

2.2.1 Contingency Theory

Contingency theory argued that organizations can continue strategy matching which correspond with the external environment and uncertainties to get the necessary competitiveness, business growth performance and sustainability. Contingency theory is the fundamental theoretical lens utilized to view the firm (Dentchev et al.,2018). The essential tenet of the contradiction of contingency theory would be that organizational efficiency derives from the adaption of organizational components, such as structure and contingencies that reflect the organizational circumstances (Bagnoli & Giachetti, 2015), Penning (1992). Because the optimal contingency of strategy choices results in greater performance, the company seeks to confirm fits (Van Looy & Van den Bergh, 2018). For these reasons, embracing new organization features that meet new contingency levels, firms are encouraged to avoid the misalignment that arises from contingency enhancements (Victer, 2020). As a result, contingency plans are reshaping the organization as they need to be updated to prevent productivity losses from sales or inadequate form of tax deduction. The theory of contingencies consequently includes the notion of fit that influences performance and, in turn, motivates efforts of adaptive change and sustainable business success (Dobbs & Hamilton, 2007). The contingency of environmental stability tends to alter the structural system (Penning, 1992). The contingency theory suggests that the organizational structure needs to be updated to match three contingencies, such as the environment, size and strategy (Donaldson, 2006).

2.2.2 Corporate tax avoidance Theory

The factors affecting individual tax avoidance and compliance are thoroughly studied in public economics (Slemrod and Yitzhaki, 2002). In theory, individual tax compliance is influenced by tax rates, the chance of detection and punishment, penalties, and risk-aversion, (Allingham and Sandmo, 1972) as well as intrinsic reasons such as civic duty. Many of these variables apply to the corporate taxpayer as well. However, as Slemrod (2004) points out, extra challenges develop in widely held firms because of the separation between ownership and control. Risk-neutral shareholders want managers operating on their behalf to focus on profit maximization, which includes going after opportunities to lower tax liabilities as long as the estimated incremental benefit outweighs the incremental cost. Thus, tax evasion is not, in and of itself, a reflection of agency difficulties. However, separation of ownership and control can lead to company tax decisions that reflect the private interests of the manager. Thus, the challenge for shareholders and boards of directors is to discover the combination of control mechanisms and incentives that minimize these agency costs. (Jensen and Meckling, 1976). Slemrod (2004), Chen and Chu (2005), and Crocker and Slemrod (2005) establish the theoretical foundation for comprehending corporate tax avoidance within an agency framework. Chen and Chu (2005) study corporate tax avoidance under a normal principal-agent model and focus on the efficiency loss owing to the separation of management and control. Crocker and Slemrod (2005) study the pay contract of the executive e.g. (CFO or tax director) who calculates the firm's deductions from taxable corporate income and focus explicitly on the relative efficacy of tax compliance penalties applied on the principal vs the agent. Most of the research prior to these studies assumes the firm makes the tax reporting decision with no agency considerations. The separation of ownership and control implies that if tax avoidance is a desirable activity, then the owners ought to establish proper incentives to ensure that management make tax efficient judgments. By tax-efficient, we mean corporate tax actions that raise the after-tax wealth of the firm's owners, that is, when the marginal gains of the transaction exceed the marginal costs. This can be done directly based on tax outcomes or implicitly via contracts relating compensation to after-tax returns or stock price. This approach can be extended to provide a set of predictions about the relation between tax reporting, incentive systems, and corporate value.

2.2.3 Laffer curve Theory

Laffer curve theory of taxation propounded by Arthur Laffer (1979) cited in Afuberoh & Okoye (2014). The curve demonstrates a possible correlation between taxation rates and the corresponding forms of government revenue. With emphasis on taxable income elasticity. The theory states that no tax revenue is raised at the excessive tax rates of 0 percent and 100 percent, government collect zero (0) revenue due to changes in behaviour of tax payers in response to the rate of taxation either losing their incentive to do business or finding various ways to avoid paying tax just like 0 percent tax rate where no revenue is raised. The concept further addressed the two effects of taxes namely: The arithmetic and socioeconomic effects of tax rates on revenue. The two aspects have contradictory outcome on revenue in case of drop or rise in tax rates. According to the mathematical impact, if tax rates are cut, tax revenue will be lowered by the amount of the fall in the rate. That is the amount of the tax revenue is a function of income available for taxation multiplied by the tax rate. Thus, Revenue R is equal to t x B where t is the tax rate and B is the taxable base (R = t x B). The economic effect however recognized the positive impact that lower tax rate has on work, output, employment and entrepreneurship growth. At a high tax rate with multiple imposition, negative economic effect like tax evasion and disinvestment will dominate arithmetic effect leading to decline in tax revenue

2.2.4 Business Growth Theory

Several scholars hypothesized theories on the growth of company. The oldest and the most used among them according to Elhiraika and Nkurunziza (2006) is Gibrat's law of proportionate effect L.P.E. (1931). In this law, Gibrat opined that the growth rate of a firm is independent of its startup size. By implication, this means that large firms are more preferable within the context of private firm development because they create more employment than small firms. Conversely, Jovanovich (1982) mentioned in his learning model that younger firms tend to learn over time and this helps them to improve their performances as they garner market knowledge. In accordance with his model, younger firms grow faster than older ones.

Moreover, younger firms are usually smaller than older ones (businesses) for the reasons discussed earlier, Jovanovich (1982) deduced that smaller firms grow faster than larger firms. There is a process of convergence where small firms will eventually become large just like any other longer firm in some sectors as time goes by. Church and Lewis (1983) as referenced in Olawale & Garvwe (2010), claim that as a new firm start and develops, it evolves through some growth stages, such with its distractive characteristics. He also identified the said growth stages as Existence, Survival, Success, Take-off and Maturity. In each of the stages of development, different set of factors are critical to the firm's survival and success. This model gives an insight into the growth dynamics of SMEs which includes its distinguishing characteristics, challenges and requirement of growing SMEs and also explains business growth processes amongst SMEs, the moment in time when a startup venture becomes a new business has not yet been determined theoretically. However, the ideology of business survival could be equated to a firm that has fully completed the transaction to stage - two organizations in the five stages of small business growth

2.3 Empirical Review

The literature is rich in empirical studies on the effect of multiple taxation on business survival among small medium scale enterprises (SMEs).

Adebisi and Gbegi's (2013) looked into the impact of several taxes on the survival of small businesses. A survey research design was used with a population of 91 people in the study. The study employed a survey research design with a population of 91 persons. The sample size was calculated to be 74, and data was collected via a self-administered questionnaire. Simple percentages were used to quantitatively examine the data, and ANOVA was used to test the study hypothesis. Multiple taxation has a negative impact on SMEs' survival, according to the findings, and there is a considerable relationship between SMEs' size and their ability to pay taxes. As a result, i urge that the government implement a uniform tax policy that will encourage the development of SMEs in Nigeria, and that the government consider the size of SMEs when establishing tax policies.

The study of Abata (2014) focused on the impact of tax revenue on Nigeria economy. The sample size was determined using a descriptive survey design and a simple random sampling technique. The findings show that tax revenue has a significant impact on the Federal Government's budget implementation in Nigeria, that the tax administrative system has a significant impact on revenue generated in Nigeria, that tax evasion has a significant impact on government revenue in Nigeria, and that tax officers' lack of training has a significant impact on government revenue generation in Nigeria

The 1993 survey of Small Businesses by National Small Business United (NSBU) and the Arthur Anderson Enterprise Group shows that business owners rank tax burden as the biggest challenge they face. Chicago-based Grant Thornton Accountants and Management Consultants in a (1993) survey of 250 Mid-size Manufacturers found that 81 percent listed reduced regulation (especially tax reduction) as the change that would be most beneficial to their companies. Another study published in Small Business Reports by the same investigators in 1992 showed that the government tax increased by 34 percent while in 1993, found that from 1989, tax burden per worker increased while business profit per worker declined by 22 percent. According to this study

"Government taxes since 1989 amount to nothing less than economic crib death, suffocating jobs in the cradle of small business". Estimating the effects of tax on small firm's growth in Uganda, Fisman and Svenson (2000) found that there is a statistically stronger relationship between taxation and growth.

Adeniyi and Osazee (2018) conducted a research on effect of multiple tax regimes on sustainable development among small scale enterprises in Lagos State focusing on Lagos Island Local Government. The article made use of survey design technique through the administration of questionnaire to a sample of 250 respondents judgmentally selected from the target population. The hypotheses were investigated using multiple regression approach. Findings demonstrate a substantial link between numerous tax burden and performance factors of SMEs. The report advises the development of an institution to manage the issue of numerous taxes in country.

Okolo, Okpalaojiego & Okolo (2016) investigated the effect of multiple taxation on investments of small and medium enterprises in Enugu State, Nigeria. A survey design was conducted on the population of 80 SMEs. Simple percentages/frequencies were utilized in evaluating the principally sourced data and the study hypotheses were examined utilizing ANOVA. The study demonstrated a detrimental link between multiple taxation and SMEs performance. Based on the findings, the study advocates the establishment of tax policy that considers the enhancement of SMEs capital allowance when imposing taxes by the government.

Similarly, Adebisi and Gbegi (2013) studied effect of multiple taxation on performance of SMEs, a study of West African Ceramics Ajeokuta, Kogi State, Nigeria. Using survey design on a population of 91 staff and 74 samples calculated statistically using Taro Yamani formula; the study indicated that multiple taxation has negative influence on SMEs' success and a substantial positive association between SMEs' size and ability to pay taxes. A unified tax policy across the federation was advised to favor SMEs in Nigeria and that government should taking into consideration the size of SMEs when formulating tax policies on them.

In contrast, Ojochogwu and Ojeka (2012) examined relationship between tax policy, growth of SMEs and Nigeria economy. Using judgmental sampling as research design and spearman rank correlation, the study demonstrated a substantial negative association between taxes and business performance of SMEs. Based on the findings, the study proposed that proper tax policy that will encourage healthy business climate should be put in place to let SMEs prosper.

Similarly, Machira and Irura (2012) analyzed taxation and SME sector growth in Kenya. The paper adopted binary logistics regression as a measure of analysis. The results of the investigation demonstrate a considerable association between taxation and growth of SMEs. On the basis of their findings, they advised that there should be a favorable tax policy for every start up business preferable a tax holiday or an implementation of a growth cap which may be considered as a level stable enough to support tax payment.

Bosco (2011) conducted a study to examine the performance of business enterprises in Ntungamo Town Council, with the goal of determining if tax payers are aware of all their tax duties, policies and problems that affect them as well as their businesses. The findings indicated the issues that tax payers confront in terms of mode of assessment, collection, and tax collectors, tax collector inefficiency, loss of equipment, sales, and stock as a result of taxes.

Fatia (2011), looked at small and medium-sized businesses in Nigeria and the changes that are preventing them from increasing capacity and attaining their full potential, as well as the opportunities for improvement and development. He discovered that the challenges and problems faced by small and medium-sized businesses are linked to economic variables and challenges such as high unemployment, high poverty rates, and low economic and industrial capacity, as well as a lack of finance, insufficient infrastructure, and uncertainty in the business climate. Rarely is the process of approving budget at the legislative level timely due to executive and legislative face-off. Most time and often when budget is even approved it is very slow to implementation due to administrative holdups. This delays investment of small and medium scale enterprises, especially on tariff and taxes measure in their trade decision. High cases (incidence) of government regulatory agencies, taxes and levies by different levels of government have resulted in multiple taxation leading to high cost of running SMEs and entrepreneurs seems not to be encouraged by this factor (Onugu, 2005).

2.3.1 Summary of Literature Review

S/N	Author	Study	Findings/Results	Critiques/Gap
1	Adebisi & Gbebi (2013)	The effect of multiple taxation on SMEs survival	Multiple taxation has a negative impact on SMEs survival and there is a considerable relationship between SMEs size and their ability to pay taxes	Methodological gap
2	Abata (2014)	The impact of tax revenue on Nigeria economy	The findings show that tax revenue has a significant impact on the Federal Government's budget implementation in Nigeria, that the tax administrative system has a significant impact on revenue generated in Nigeria, that tax evasion has a significant impact on government revenue in Nigeria, and that tax officers' lack of training has a significant impact on government revenue generation in Nigeria	Variable Exclusion

3	Fisman and Svenson (2000)	The effects of tax on small firm's growth in Uganda	The findings show that there is a statistically stronger relationship between taxation and growth.	Geographical Gap
4	Machira and Irura (2012)	Taxation and SME sector growth in Kenya	The findings advised that there should be a favorable tax policy for every start up business preferable a tax holiday or an implementation of a growth cap which may be considered as a level stable enough to support tax payment.	Geographical Gap
5	Fatia (2011)	small and medium scale enterprises in Nigeria, in relation to those changes which affects SMEs from developing capacity in realizing its full potentials as well as the prospect for improvement and development	He found out that the challenges and problems of small and medium scale enterprises are fixed to some economic variables and challenges like high level of unemployment, high poverty incidence and low industrialization capacity, lack of	Methodological Gap

			finance, inadequate infrastructure and insecurity of the business climate among others.	

2.4 Gap in the Literature

2.4.1 Relevance of S.M.E.s to the Development of National Economy

Small and Medium Scale Enterprises are dominating other aspects of enterprises in Nigerian economy. Nwankwo (1992) estimated that probably up to 90 percent of all registered businesses in the Country are within the category of small and medium scale enterprises. In the case of Ebonyi State, over 96 percent of the business organizations are small-scale businesses. The importance and contributions of SMEs to national economy's growth cannot be overemphasized. They play a crucial role in providing solid base for a country's socio-economic development. Small and medium scale enterprises manufacture goods and services for both end and intermediate users and also utilize low capital cost for creating jobs especially in the fast-growing service sector of the economy.

Liedholm and Mead (1987) observed that small and medium scale enterprises provide productive employment and earning opportunities. Longnecker et' al (1997) postulated that small scale enterprises in United State of America had created over 3 million new jobs in manufacturing between 1976 and 1986. SMEs also play a vital role of introducing innovations. Records show that many scientific breakthroughs have originated with independent inventors and small organizations. Petty et al (1997) suggest, on the basis of several studies by the U.S. Department of Commerce, that 50 percent of all innovations since World War I1 have come from new and smaller firms.

Ekator (2001) observed that most countries in the world that have attained advanced stage in industrial development did so because they started their industrial development with programmes in the small and medium scale enterprises.

SMEs foster linkages within industries and between industries and other sectors of the economy (Olusoji, 1999). SMEs can also contribute to long-run industrial growth by producing an increasing number of firms that grow up and out of small-scale sector. They accelerate rural development and promote the utilization estimated that probably up to 90 percent of all registered business organizations in Nigeria are in the category of small and medium scale enterprises. They accelerate rural development and promote the utilization of domestic resources by adapting to ' local - markets and local sources of material. Eze (1999) noted that small-scale enterprises make use of waste material from big industries for further production. Small business can be an aid to personal and national self-reliance.

Ukeje (2003) noted that small-scale enterprises contribute 70 percent of industrial employment in Nigerian economy though it accounts for only 10-15 Percent of manufacturing output. In fact, SMEs play a variety of economic and social functions in the nation's economic development. To this effect, polices that would facilitate their utilization should be adopted by concerned authorities. In realization of the advantages of promoting SMEs, the Federal Government of Nigeria has continued to play pioneer and active roles in stimulating SMEs (Obitayo, 1991). The Government has established many institutions to facilitate the growth of SMEs. These institutions include the National Directorate of Employment (NDE), Family Economic Advancement Programme (FEAP) etc.

The Government also provided technical assistance to SMEs through its various agencies such as the Industrial Development Centre (IDCs), Centre for Industrial Research and Development (CIRD), Project Development Agency (PRODA), Small and Medium Scale Enterprise Development Agency of Nigeria (SMEDAN), Small and Medium Scale Enterprise Investment Equity Scheme (SMEIES) etc. Also, the Federal Government of Nigeria recently signed the 2019 Finance bill into law in February, 2020 to review certain tax laws in order to favor the SMEs as part of the objectives of the bill amongst others. Tax laws affected includes Company Income Tax Act (CITA), Value

Added Tax Act (VATA), Capital Gain Tax Act (CGTA), Stamp Duties Act (S.D.A.), Customs and Excise Duties Act (CEDA) etc.

2.4.2 S.M.Es and the 2019 Finance Bill

The Micro, Small and Mid-Enterprises (MSMEs) are the backbone for driving inclusive, vigorous and enhancing economic growth in any economy. Official research puts the total MSMEs in Nigeria at approximately 41.5 million (compared to 17.5 million in 2010) with Lagos, the nation's commercial metropolis, accounting for a considerable part. In 2017, over 59 million people were employed by MSMEs (representing more than 86 percent of the national workforce) and the market contributed about 49.8 percent of the nation's G.D.P. with a total number of almost 17.4 million and they account for about 50 percent of the nation's industrial jobs and about 90 percent of the production sector, in terms of number of enterprises. Despite the critical role MSMEs play in promoting advancement, they continue to battle with key difficulties such as insufficient finance, numerous tax regimes and infrastructures deficiencies such as epileptic electricity supplies.

According to the NBS SMEDAN MSME survey performed in 2017, for most firms – both Micro & SMEs – savings was the most prevalent source of capital. Nationally, just 49.5 percent of S.M.E.s (that are sole proprietors) that had access to bank credit. It is projected that with continuous assistance in form of policy changes and regulations targeted at improving market circumstances, the MSME sector will expand further and prosper in the future years.

The Finance Bill attempts to propose across-the-board modifications to the different tax laws in Nigeria that would have effect on MSMEs and their role in sustainable growth. The bill provides specific benefits for enterprises in this category.

This component of the research work examines the recent provision, what is really being recommended and the implications to MSME stakeholders. Current state of research in the Law, the Companies Income Tax Act (CITA) levy corporate income tax (CIT) on the profits of a firm at the rate of 30 percent. The rate is 20 percent for agricultural, mining, export or manufacturing firms with an annual turnover of N1m and lower. Companies just commencing operation are expected to plan their accounts for the first three years using the 'commencement rules'. Commencement rules subjects the profit for a period of at least 12 months within the same period to double taxes. CITA was changed in 2007 to abolish the previous 4 years restriction of losses. However, several statements were not deleted which did not allow the tax losses to be carried over beyond the fourth year of commencing of operation.

The FIRS did not implement this regulation in practice but it generated considerable uncertainty for new investors. Failure to file CIT returns entails a penalty of twenty-five thousand naira for the first month of and five thousand naira for each consecutive month where failure continues. The Value Added Tax (VAT) rate in Nigeria is 5 percent. The Act mandates all taxable entities to register for VAT during 6 months of operation. Companies are expected to accumulate for Value Added Tax depending on the issued invoices. This compels corporations to file returns in the month after the month of taxable supply or purchases. Failure to register for Value Added Tax generates a penalty of ten thousand naira the first month and five thousand naira for each of the succeeding months in which the failure occurs. Exported services and basic food goods are Value Added Tax exempted. VAT Act defines exported service as service delivered by a Nigerian resident or a Nigerian corporation to a person outside Nigeria.

There is no straightforward definition of what constitutes a fundamental food item which has led to various disagreements and court cases on the Value Added Tax (VAT) Amendments in the new law now enable banks to demand for Tax Identification Number (TIN) as a requirement to bank accounts opening, while existing account holders must supply their Tax Identification Numbers as a necessity to continue running their bank accounts, Stamp duty on bank transfer are to be charged on amount ranging from ten thousand naira and above while transactions between accounts of the same owner is to be exempted from stamp taxes.

The scope for commodities or products to be subjected to excise duties based on the Customs Act have now been broadened to encompass "goods imported and goods manufactured in Nigeria. The Stamp Duty Act (S.D.A.) now defines 'instrument' to cover "any written document including electronic documents". Also, some of the significant changes that Micro, Small and Medium-scale Enterprise should know about the current law and the crucial Activity are amendments to the Value Added Tax (VAT), the VAT rate increase from 5 percent to 7.5 percent , VAT registration tipping point now twenty-five million naira turnover in a calendar year, this implies that SMEs which do not meet the requirement would not necessarily need to register for Value Added Tax until they are mature enough for enrollment and also would not recover input Tax credits on their items purchased, penalties for failing to register now rises to twenty-five thousand naira for the first month of failure and twenty thousand naira for each of the following months, the meaning of values into practice supplies and definition of good and service is now expanded to also include intangible items apart from Land and others, remittance of VAT. now to be on a cash basis, that is, the distinction between output VAT collected and input VAT paid in the previous month, a specific explanation of the basic food item and description of exported service as "services provided within or outside Nigeria by an individual person who lives in Nigeria to a person outside Nigeria".

It can be noted from these revisions that Government is putting up efforts to strengthen the fiscal policies and the rules to boost growth in the SME sector. However, there is also an attempt to ensure that the industry contributed to the revenue production of the nation without transferring undue burden to the residents. The area of attention for Government would be to formalize the firms through TIN registration scheme which will be supported by the commercial banks. Although, the scope of instruments for stamp duty has been enlarged to embrace electronic transfers so as to give legal weight to the Central Bank's N50 stamp duty charge. The increase in the chargeable value to N10, 000 and higher will reduce the issues experienced by SMEs and shopkeepers who have already shifted the N50 tax on their customers. Most of the benefits in the Finance bill are for SMEs and we think this would improve the ‘ease of doing business in Nigeria’. Other advantages that will benefit the SMEs include Export Growth Grants and the Pioneer Status as the effective tax rate for a small firm has now been reduced compared to the costs of personal income tax for informal business owners. This gives a chance for many informal sector actors to formalize their enterprises.

Small enterprises having a revenue of less than twenty-five million naira shall be excluded from CIT and a lower CIT rate of twenty percent shall applicable to medium-sized companies with a revenue between twenty-five million naira and one hundred million naira. Business owners may need to prove to their consumers to persuade them that they fit into the category of firms that do not satisfy the threshold to incur withholding tax payment. Commencement and cessation regulations have been adjusted to remove overlaps and gaps so as to avoid multiple taxation and complication at start, the restriction of tax losses to be carried forward of has been revised such that tax losses can be carried forward indefinitely. This is advantageous for start-up enterprises that incur considerable losses in their initial years of existence because they can now carry forward their tax losses towards their future taxable income. Organizations can now pay their CIT liability on or before due date of filing in one lump sum or in instalments as negotiated with the FIRS with the last installment paid on or before the filing due date. Companies would only be exposed to minimum tax at 0.5 percent of turnover if turnover reaches N25m.

Finally, Large Enterprises that pay their CIT on or before 90 days from the due date of June for filing shall enjoy a benefit of 1 percent bonus while Medium scale companies that pay their CIT on or before 90 days from the due date shall benefit 2 percent bonus.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

In every research work, methodology outlays different methods and techniques of carrying out research in order to produce a meaningful and standard result. In this chapter, an insight is given into the methodology adopted in carrying out the research work. Also, the strategy adopted for achieving objectives is discussed as well as the description of the research design, the population and sample of the study, model specification, and source of data, data collection instrument and validation and method of data analysis.

3.1 Research Design

Descriptive research design survey was used in building up this project work, the choice of this research design was considered appropriate because of its advantages of identifying attributes of a large population from a group of individuals. The design was suitable for the study as the study sought to examine the effect of multiple taxation on business survival among small and medium enterprises in Ikorodu, Lagos state, Nigeria.

3.2 Population and Sample of Study

Population of a study is a comprehensive group of individuals, institutions, objects or aggregate items or things with common characteristics from which the research is interested in getting information for the study - The effect of multiple taxation on business survival among small and medium enterprises in Ikorodu, Lagos state, Nigeria. Employees of five (5) random SMEs in Ikorodu were considered as the population of this study. The Staff Strength being 100 employees.

3.3 Sources & Method of Data Collection

Questionnaire is the main instrument of data collection. In this Study questionnaire will be developed based on the objective of the study. A five-point Likert scale rating format will be used in line with the type of information being sought. Thus, it is categorized as Very high- (5), High- (4), Average- (3) Low- (2), Very low- (1). The mean values of the descriptive table will be compared with the cut-of mean. The primary data will be obtained by administering questionnaire to obtain data from staff of the businesses; primary data for this research will be obtained from participants by the use of structured questionnaires as the major tool of data gathering. Data that will be used in this study will be collected in this analysis using a well-structured & organized questionnaire.

3.4 Model Specifications

Model 1

FINP = $\alpha_0 + \alpha_1$ MTAX + ε …………………. (1)

Where:

MTAX - Multiple Taxation

FINP – Financial performance

α_0 - Constant

α_1 – Regression Coefficient

ε - Error Term

Model 2

BIZG= $\alpha_0 + \alpha_1$ MTAX + ε………………… (2)

Where:

MTAX – Multiple Taxation

BIZG -Business growth

α_0 - Constant

α_1 - Regression Coefficient

ε - Error Term

Model 3

FIND = $\alpha_0 + \alpha_1$ MTAX + ε………………… (3)

Where:

MTAX – Multiple Taxation

FIND – Financial distress

α_0 – Constant

α_1 - Regression Coefficient

ε - Error Term

3.5 Method of Data Analysis

Both inferential and descriptive statistics will be used for data analysis. The descriptive statistics include mean and standard deviation because the data is assumed to be normally distributed. The inferential statistics include correlation and multiple regression Correlation will be used to measure the association between the variables while regression will be used to analyze the relationship between the variables.

CHAPTER FOUR

DATA ANALYSIS AND DISCUSSION OF FINDINGS

4.0 Introduction

This chapter deals with the presentation of results which begins with the description of the bio-data information. The objectives and hypotheses formulated for this study guided the arrangement of the tables.

4.1 Sociodemographic Data

Table 4.1: Sociodemographic Characteristics of the Respondents

Variable	Frequency (n) N=120	Percent (%)
Gender		
Male	57	47.5
Female	63	52.5
Age; (Mean=40.5±9.7yrs)		
Below 30 years	14	11.7
30-49 years	80	66.7
50 years and above	26	21.7
How long have you been worked with your organization: (Mean=8.1±5.8yrs)		
1-5	64	53.3
6-10	42	35.0
11 and above	14	11.7
Academic Qualification		
OND & below	10	8.3
HND/B.Sc.	52	43.3
MBA/M.sc& Ph.D	58	48.3
Job Description		
Acct/Finance dept	50	41.7
Audit department	43	35.8
Administrative department	27	22.5

Source: Research Survey (2021)

Table 4.1 showed sociodemographic of 120 respondents with 52.5% female and 47.5% male. The mean age of the respondents is 40.5 years and standard deviation of 9.7years with highest frequency of 80 (representing 66.7%) fall between 30 and 49years. More than Half (53.3%) of the respondents engaged working in their organization between 1 and 5 years with the mean of **8.1±5.8yrs** .48.3% had MBA/ MSc / PhD, 43.3% had HND or BSc while8.3 had OND or below. Job description amounting to Fifty (50) respondents which represent 41.7% working in the Acct/Finance Department, forty-three (43) respondents from the Audit department representing 35.8% and Twenty-seven (27) respondents from Administrative department representing 22.5%. This outcome revealed that majority of the participant are either from acct/finance department or members of audit department which shows that they are in best capacity to provide responses to the issues raised in the study.

Table 4.1.1 Multiple Taxation

Multiple Taxation	**Very high**	**High**	**Average**	**Low**	**Very Low**
Payment of tenement rate to both state & local government	34(28.3)	76(63.3)	5(4.2)	2(1.7)	3(2.5)
Payment of business permit fee to both state & local government	51(42.5)	53(44.2)	7(5.8)	5(4.2)	5(3.3)
Payment of similar tax twice or more to the same authority	34(28.3)	67(55.8)	13(10.8)	6(5.0)	-
Arbitrary rates of taxes	56(46.7)	49(40.8)	5(4.2)	5(4.2)	5(4.2)
Taxes & levies from business association & the community	48(40.0)	60(50.0)	6(5.0)	4(3.3)	2(1.7)

Table 4.1.1 showed extent in which respondents' companies are facing the multiple taxation issues in which most of the respondents rated payment of tenement rate to both state & local government (91.6%), payment of business permit fee to both state & local government (86.7%), payment of similar tax twice or more to the same authority

(84.1%), arbitrary rates of taxes (87.5%) and taxes & levies from business association & the community (90.0%) high

Table 4.1.2: Financial Performance

Financial Performance	Very high	High	Average	Low	Very Low
Gross profit margin	20(16.7)	82(68.3)	6(5.0)	9(7.5)	3(2.5)
Net profit margin	22(18.3)	79(65.8)	12(10.0)	4(3.3)	3(2.5)
Return on investment	61(50.8)	46(38.3)	13(10.8)	-	-
Return on equity	39(32.5)	74(61.7)	5(4.2)	-	2(1.7)
Return on capital employed	26(21.7)	75(62.5)	12(10.0)	5(4.2)	2(1.7)

Table 4.1.2 showed respondents response about the extent in which multiple taxation negatively affect financial performance indices in their company. Most of the respondents (85%) agreed that gross profit margin negatively affect financial performance indices, 84.1% accepted that net profit margin, 89.1% conceded that return on investment, 94.2% accepted that return on equity and 84% agreed that return on capital employed negatively affect financial performance indices.

Table 4.1.3: Business Growth

Business Growth	Very high	High	Average	Low	Very Low
Sales of turnover	25(20.8)	85(70.8)	8(6.7)	2(1.7)	
Total assets	33(27.5)	68(56.7)	13(10.8)	4(3.3)	2(1.7)
Working capital	46(38.3)	50(41.7)	18(15.0)	6(5.0)	-
Cash flow	32(26.7)	61(50.8)	13(10.8)	8(6.7)	6(5.0)
Reinvestment opportunities	32(26.7)	62(51.7)	17(14.2)	6(5.0)	3(2.5)

Table 4.1.3 showed the response of the respondents as regards to the extent to which multiple taxation negatively affect the business growth indices in their company. Majority of the respondents rated that sales of turnover (91.6%), total assets (84.2%), working capital (80.0%), cash flow (77.5%) and reinvestment opportunities (78.4%) high.

Table 4.1.4: Financial distress

Financial distress	Very high	High	Average	Low	Very Low
Continuous record of small profits	28(23.3)	79(65.8)	10(8.3)	3(23.3)	
Continuous annual reporting of losses	34(28.3)	65(54.2)	13(10.8)	6(5.0)	2(1.7)
Inability to pay debts	34(28.3)	63(52.5)	19(15.8)	2(1.7)	2(1.7)
High labour turnover	31(25.8)	71(59.2)	12(10.0)	4(3.3)	2(1.7)
Selling of assets to pay debts	29(24.2)	68(56.7)	14(11.7)	6(5)	2(1.7)

Table 4.1.4 showed extent to which respondents agree that multiple taxation can aid the following indices of financial distress in their company. Majority of the respondents rated continuous record of small profits low (89.1%), continuous annual reporting of losses (82.5%), inability to pay debts (80.8%), high labour turnover (80.0%), and selling of assets to pay debts (80.9%) low.

4.2 Hypotheses Testing

The following hypotheses stated in null form and tested will serve as the basis of this research based on the research objectives;

4.2.1 Hypothesis 1

H01: Multiple taxation has no significant effect on financial performance among small and medium scale enterprises in Ikorodu, Lagos state, Nigeria.

Table 4.2.1: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.530	.281	.275	1.89903

a. Predictors: (Constant), Multiple Taxation

Table 4.2.2: ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	166.155	1	166.155	46.074	0.000
	Residual	425.545	118	3.606		
	Total	591.700	119			

a. Dependent Variable: Financial Performance

b. Predictors: (Constant), Multiple Taxation

Table 4.2.3: Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	11.583	1.318		8.790	0.000
Multiple Taxation	-0.425	0.063	0.530	6.788	0.000

a. Dependent Variable: Financial Performance

From the regression tables above (Tables 4.2.1 - 4.2.3), the model summary result indicated that there is a strong negative significant correlation between multiple taxation and financial performance of small and medium scale Enterprises (SMEs) in Ikorodu, Lagos State, Nigeria. This is reflected on the value of the co-efficient of the correlation (R) which is 0.530. This value indicates that the strength of the relationship between the two variables under study is about 53% while holding other independent variables constant. The co-efficient of determination (R^2) showed a value of 0.281 which indicates about 28.1%. This result implies that on the average about 28.1% variations in financial performance can be systematically explained by changes in multiple taxation. Thus, not more than 71.9% variations in the financial performance remain unexplained by this explanatory variable. The coefficient value is -0.425, with large F-value with a corresponding p-value < 0.001 which is less than the 0.05 (5%) significance level (at 95% Confidence interval). This depicts a statistically significant negative relationship between multiple taxation and financial performance. As a result, we reject the null hypothesis that there is no significant association between multiple taxation and financial performance of SMEs in Ikorodu, Lagos State, Nigeria.

4.2.2 Hypothesis 2

H02: There is no significant relationship between multiple taxation and business growth among small and medium scale enterprises in Ikorodu, Lagos state, Nigeria.

Table 4.2.4: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.543	.294	.289	2.22548

a. Predictors: (Constant), Multiple Taxation

Table 4.2.5: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	243.939	1	243.939	49.253	0.000
	Residual	584.428	118	4.953		
	Total	828.367	119			

a. Dependent Variable: Business Growth

b. Predictors: (Constant), Multiple Taxation

Table 4.2.6: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	9.373	1.544		6.069	0.000
	Multiple Taxation	-0.515	.073	0.543	7.018	0.000

a. Dependent Variable: Financial Performance

From the regression tables above (Tables 4.2.4 - 4.2.6), the model summary result indicated that there is a strong negative significant correlation between multiple taxation and business growth of small and medium scale Enterprises (SMEs) in Ikorodu, Lagos State, Nigeria. This is reflected on the value of the co-efficient of the correlation (R) which is 0.543. This value indicates that the strength of the relationship between the two variables under study is about 54.3% while holding other independent variables constant. The co-efficient of determination (R^2) showed a value of 0.289 which indicates about 28.9%. This result implies that on the average about 28.9% variations in business growth can be systematically explained by changes in multiple taxation. Thus, not more than 71.1% variations in business growth remains unexplained by this explanatory variable. The coefficient value is -0.515, with large F-value (49.253) and a corresponding p-value <0.001 which is less than the 0.05 (5%) significance level (at 95% Confidence interval). This depicts a statistically significant negative relationship between multiple taxation and business growth. We therefore reject the null hypothesis of no significant relationship between multiple taxation and business growth of small and medium scale Enterprises (SMEs) in Ikorodu, Lagos State, Nigeria.

4.2.3 Hypothesis 3

H03: Multiple taxation has no significant effect on financial distress among small and medium scale enterprises in Ikorodu, Lagos state, Nigeria.

Table 4.2.7: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.399	.159	0.152	2.21102

a. Predictors: (Constant), Multiple Taxation

Table 4.2.8: ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	109.110	1	109.110	22.319	.0012
	Residual	576.857	118	4.889		
	Total	685.967	119			

a. Dependent Variable: Financial Distress

b. Predictors: (Constant), Multiple Taxation

Table 4.2.9: Coefficient

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	12.998	1.534		8.472	0.0012
	Multiple Taxation	0.345	.073	0.399	4.724	.000

a. Dependent Variable: Financial Distress

From the regression tables above (Tables 4.2.7 - 4.2.9), the model summary result indicated that there is a moderately strong positive significant correlation between multiple taxation and financial distress among small and medium scale Enterprises (SMEs) in Ikorodu, Lagos State, Nigeria. This is reflected on the value of the co-efficient of the correlation (R) which is 0.399. This value indicates that the strength of the relationship between the two variables under study is about 39.9% while holding another independent variable constant. The co-efficient of determination (R^2) showed a value of 0.159 which indicates about 15.9%. This result implies that on the average about 15.9% variations in financial distress among small and medium scale enterprises (SMEs) in Ikorodu can be systematically explained by changes in multiple taxation. Thus, not more than 84.1% variations in financial distress remains unexplained by this explanatory variable. The coefficient value is 0.345, with large F-value (22.319) and a corresponding p-value =0.001 which is less than the 0.05 (5%) significance level (at 95% Confidence interval). This table shows a statistically significant positive link between multiple taxes and financial difficulty among Ikorodu's small and medium-sized businesses. As a result, we reject the null hypothesis that there is no significant association between multiple taxation and financial distress among SMEs in Ikorodu, Lagos State, Nigeria.

4.3 Discussion of Findings

Maintaining fair tax rates will help in the growth of the private sector and the formalization of companies. Nigeria has a confusing tax philosophy which results into proliferation of taxes and tax laws and leads to tax multiplicity. This study aimed to ascertain the effect of multiple taxation on business survival among small and medium enterprises (SME's) in Ikorodu, Lagos state, Nigeria. Self-administered questionnaire was distributed to One Hundred and Twenty (120) employees of five (5) randomly selected SMEs in Ikorodu.

Sociodemographic data obtained from the respondents showed that more than average of the respondents are females which depicts that woman are now being given employment opportunity without being discriminated upon. Another reason that can be adduced to this finding is that most firms use these females as marketers to attract customers and improve their patronage. Similarly, finding was reported by Adeniyi and Osazee (2018), who reported more female respondents in their survey of SME's in Lagos State. Also, sociodemographic data obtained showed that more than 70% below age 50 with mean age of 40.5±9.7years. Most of the respondents are graduates having minimum of Higher National Diploma (HND)/BSc as less than Ten percent of the respondents have Ordinary National Diploma and below. These findings indicate young well-educated respondents that were capable of giving accurate and reliable information to address research questions.

The study's findings revealed that there is a prevalent problem of multiple taxations being imposed on SMEs in Ikorodu Axis of Lagos State as they pay tenement rate and business permit fee to both state and local governments. The study also found arbitrary rates of taxes while SMEs also pay similar taxes twice or more to the same authority. This is compounded by taxes and levies from business associations and the community. This finding is in line with the findings of Folayin (2015) who reported prevalence of multiple taxation in Nigeria due to lack of proper coordination among tax collection bodies especially at the local government level.

Objective 1: To investigate the effect of multiple taxation on financial performance among small and medium scale enterprises in Ikorodu, Lagos state, Nigeria.

The study found strong negative significant correlation between multiple taxation and financial performance of small and medium scale Enterprises (SMEs) in Ikorodu, Lagos State, Nigeria. This value implies that increase in occurrence of multiple taxation leads to significant decrease in the financial performance of small and medium scale enterprises (SMEs) in Ikorodu Lagos state. This implication of this on performance of SMEs is that a well-coordinated taxation system that is devoid of multiple taxation will leads to stronger financial performance among SMEs. Similar finding was reported by Ojochogwu and Ojeka (2012) who also reported a substantial negative association between multiple taxes and business performance of SMEs. Similarly, Adeniyi and Osazee (2018) examined the study on the influence of many tax regimes on sustainable development among small scale firms in Lagos State, with a focus on Lagos Island Local Government, found a significant link between numerous tax burden and performance variables of SMEs.

Objective 2: To examine the relationship between multiple taxation and business growth among small and medium scale enterprises in Ikorodu, Lagos state, Nigeria.

The study also found strong negative significant correlation between multiple taxation and business growth of small and medium scale Enterprises (SMEs) in Ikorodu, Lagos State, Nigeria. This finding implies that increase in occurrence of multiple taxation leads to significant decrease in the chances of business growth among of small and medium scale enterprises (SMEs) in Ikorodu Lagos state. This finding is in line with study reported by Fisman and Svenson (2000) that there is a statistically stronger relationship between taxation and growth. In the same manner, Adebisi and Gbegi's (2013) reported that multiple taxation has a negative impact on SMEs' survival, and outline considerable relationship between SMEs' size and their ability to pay taxes.

Objective 3: To ascertain the effect of multiple taxation and financial distress on small and medium scale enterprises in Ikorodu, Lagos state, Nigeria.

Finally, the analysis found fairly strong positive significant connection between multiple taxation and financial distress among small and medium scale Enterprises (SMEs) in Ikorodu, Lagos State, Nigeria. This finding implies that increase in occurrence of multiple taxation leads to significant increase in the chances of financial distress among of small and medium scale enterprises (SMEs) in Ikorodu Lagos state. Similar finding was reported by Okolo, Okpalaojiego & Okolo (2016) investigated the effect of multiple tax on financial viability among SMEs in Enugu state, and the study reported a detrimental link between multiple taxation and SMEs performance and financial viability. Adeniyi and Osazee (2018) also reported a substantial detrimental link between numerous tax burden and performance factors of SMEs including financial viability.

CHAPTER 5

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.0 Preamble

This chapter discusses the summary of the research findings, conclusion gotten from the survey and the necessary recommendation.

5.1 Summary

The primary objective of this research was to investigate the effect of multiple taxation on business survival among Small and Medium Scale Enterprises (SMEs) in Ikorodu, Lagos state, Nigeria. Effects of multiple taxation was measured on financial performance, business growth, and financial distress among SMEs in the study setting. Related literatures related to the major concepts of the study was reviewed in line with the study's objectives and previous related study which served as sources of empirical. The theoretical frameworks on which the study was anchored are: Contingency Theory, Corporate tax avoidance Theory, Laffer curve Theory and Business Growth Theory which is the key taxation and business survival theories recognized in the literature.

The study adopted a descriptive study design to elicit information from staff of five (5) randomly selected SMEs in Ikorodu. The study generated primary data through Self-administered questionnaire that was administered to One Hundred and Twenty (120) employees of selected SMEs. The population of the study was made up of the all SMEs in Ikorodu, Lagos State, Nigeria. Data generated was subjected to both descriptive and inferential analysis with the aid of Statistical package for social sciences (SPSS) Version 23.

The results of the analysis are summarized as below;

1. The study's findings revealed prevalent problem of multiple taxations being imposed on SMEs in Ikorodu Axis of Lagos State. SMEs pay tenement rate and business permit fee to both state and local governments.
2. The study also found arbitrary rates which is compounded by taxes and levies from business associations and the community.
3. The study found strong negative significant correlation ($p<0.001$, $r= -0.530$) between multiple taxation and financial performance of small and medium scale Enterprises (SMEs) in Ikorodu, Lagos State, Nigeria.
4. The study also found strong negative significant correlation ($p<0.001$, $r= 0.543$) between multiple taxation and business growth of small and medium scale Enterprises (SMEs) in Ikorodu, Lagos, Nigeria.
5. Finally, the study discovered relatively high positive significant link between multiple taxes and financial distress among small and medium size Enterprises (SMEs) in Ikorodu, Lagos State, Nigeria.

5.2 Conclusion

The study appraises the effect of multiple taxation on SMEs in Ikorodu, Lagos State, Nigeria. From study's findings, the results suggest that the creation and operation of SMEs has economic influence on the nation. The study established harmful effect of double taxation on financial performance and commercial growth of SMEs. This implies that double taxation has devastating effect on the ability of SMEs to make profit and develop. Also, multiple taxation has immense capability to cause financial distress among SMEs and should therefore be discouraged. The researchers therefore conclude that multiple taxations negatively affect the survival and growth of SMEs in Ikorodu, Lagos State.

5.3 Recommendations

The study recommends that:

1. In Nigeria, a unified tax policy across the board is recommended to support SMEs, with the government taking into account the size of SMEs when developing tax regulations on them.
2. Based on the findings, the study recommends that a proper tax policy be implemented to support a healthy business climate, allowing SMEs to prosper and develop.
3. Based on the findings, the study recommends that the government adopt a tax strategy that prioritizes the enhancement of SMEs' capital allowance when imposing taxes.
4. The study also recommends the creation of an agency to deal with the country's multiple tax issues.
5. The study also recommends that the government design a unified tax policy that will stimulate the development of SMEs in Nigeria.
6. Government take into account the size of SMEs when developing tax policies.

5.4. Further Study Areas

1. There is need for further studies to determine the root cause of multiple taxation and the best way to address it.
2. Studies should be carried out to examine why to determine the appropriate tax policy that is best suited for SMEs in Nigeria.

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APPENDIX

RESEARCH QUESTIONNAIRE

Department of Accounting & Finance,
Mountain Top University,
Ibafo, Ogun State.
August 2021.

Dear Respondent,

I am a final year undergraduate of the Department of Accounting & Finance, College of Humanities, Management and Social Sciences, Mountain Top University. I am currently conducting a research on **"THE EFFECT OF MULTIPLE TAXATION ON BUSINESS SURVIVAL AMONG SMALL AND MEDIUM SCALE ENTERPRISES IN IKORODU, LAGOS STATE, NIGERIA".** It would be really appreciated if you can kindly respond accurately to the best of your knowledge the questions and items contained in the questionnaire. All responses will be treated with utmost confidentiality and will be strictly used for academic purposes only.

Thank you very much for sparing your time and willingness to share your experience

Yours faithfully,

AKINKUNMI OLAJIDE

QUESTIONNAIRE

Section A: Demographic Characteristics

Instruction: Please tick (√) the correct answers from the options provided below.

1. Gender: Male ( ) Female ( )

2. Age: (a) Below 30 years ( ) (b) 30-49 years ( ) (c) 50 years and above ( )

3. How long have you been worked with your organization: (a) 1- 5 years ( ), (b) 6 - 10 years ( ), (c) 11 and above

4. Educational Qualifications: (a) OND & below ( ), (b) HND/B.Sc. ( ), (c) MBA/M.sc& Ph.D.( )

5. Job Description ……………………………………………

Section B: Multiple Taxation

6. To what extent do you agree that your company is facing the following multiple taxation issues?

Where: **Very high- (5), High- (4), Average- (3) Low- (2), Very low- (1)**

S/N	ITEMS	Very High				Very Lo
		5	4	3	2	1
6a	Payment of tenement rate to both state & local government					
6b	Payment of business permit fee to both state & local government					

6c	Payment of similar tax twice or more to the same authority					
6d	Arbitrary rates of taxes					
6e	Taxes & levies from business association & the community					

Section C: Financial Performance

7. To what extent do you believe that multiple taxation is negatively affecting the following financial performance indices in your company?

S/N	ITEMS	Very High				Very low
		5	4	3	2	1
7a	Gross profit margin					
7b	Net profit margin					
7c	Return on investment					
7d	Return on equity					
7e	Return on capital employed					

Section D: Business Growth

8. To what extent do you think that multiple taxation is negatively affecting the following business growth indices in your company?

S/N	ITEMS	Very High				Very Low
		5	4	3	2	1
8a	Sales of turnover					
8b	Total assets					
8c	Working capital					
8d	Cash flow					
8e	Reinvestment opportunities					

Section E: Financial distress

9. To what extent do you agree that multiple taxation can aid the following indices of financial distress in your company?

S/N	ITEMS	Very High				Very Low
		5	4	3	2	1
9a	Continuous record of small profits					
9b	Continuous annual reporting of losses					
9c	Inability to pay debts					
9d	High labour turnover					
9e	Selling of assets to pay debts					