

AN EVALUATION OF 'RETURNS RENDITION' IN VAT
COLLECTION AND RECOVERY UNDER THE VALUE ADDED TAX
ACT IN NIGERIA

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ABSTRACT: This research is an evaluation of 'returns rendition' in Value Added Tax collection and recovery under the Value Added Tax Act in Nigeria. This study has become necessary considering the very important role played by Value Added Tax in Tax revenue generation in Nigeria and the need to sustain that role. The doctrinal method was adopted in the study and the information for the study were obtained from Tax Laws, case laws and the research effort of others. It was found from the study that Returns rendition is a very important aspect of Value Added Tax revenue collection process since it is the first step in Value Added Tax payment. It was also found that the preparation and submission of Value Added Tax returns is mandatory for all Value Added Tax registered businesses in Nigeria. It was further found that non-compliance with Value Added Tax returns renditions is sanctioned by the Tax Authorities. It was also further found that electronic filing of Value Added Tax returns has now been introduced in our Tax system and has been more efficient than the manual filing method. Based on this, it is recommended that due to the low level of computer

Knowledge, and the fact that e-filing is more efficient, Tax Authorities should provide compulsory computer appreciation skills to businesses, especially the small businesses that may not have the financial means to engage the services of Accountants and Tax professionals. Tax Authorities should effectively use all available means of advertisement and promotions to bring to the notice of Taxpayers, especially those in the rural areas, the knowledge of Tax payment and the filing of returns. Finally, and most importantly, government should utilize Tax money to provide facilities needed by Taxpayers to encourage Tax compliance.

Keywords: *Returns rendition; Input Value Added Tax, Output Value Added Tax, Tax Audit, Vatable Goods and Services.*

1.0 INTRODUCTION

Value Added Tax is one of the traditional taxes administered by Countries to raise revenue to finance expenditure. A value-added tax (VAT) is a consumption tax that is levied at every stage of production for a good or service at which value has been added. Every business in the production process receives a Value Added Tax credit for the Value Added Tax that has been paid except for the final consumer, who pays the final Value Added Tax. The total amount of the Value Added Tax is based on the cost of the product minus any costs of materials in the product that have already been taxed at a previous stage. A value-added tax is a common form of consumption tax that is due at every stage of a product's production from the sale of the raw materials to its final purchase by a consumer. The vendor is required to pay the difference between the output tax and the input tax or claim a Value Added Tax refund where the input tax exceeds the output tax. Value Added Tax is therefore, charged at each stage of the production and distribution process and it is proportional to the price charged for the goods and services. Value Added Tax is similar to, and is often compared with, a sales tax. Value Added Tax is an indirect tax because the consumer who ultimately bears the burden of the tax is not the entity that pays it. Specific goods and services are typically exempted in various jurisdictions. Value Added Tax is usually implemented as a destination-based tax, where the tax rate is based on the location of the producer. In international taxation, two principles guide the application of Value Added Tax on cross-border transactions and define the allocation

of taxing rights amongst countries that are engaged in such transactions. These principles are the “Origin Principle” and the “Destination Principle”. The Origin Principle states that each country will impose Value Added Tax on the value created within its own borders. This essentially means that exporting jurisdictions would impose Value Added Tax on their exports. On the other hand, the Destination Principle allows for the imposition of Value Added Tax in the countries of import where the goods and services are consumed. This principle is favoured in international trade as it inherently protects the tax/revenue base of developing countries that create less value within their borders and rely heavily on import taxes as a major source of government revenue.

The Nigerian Value Added Tax Act appears to favour the Destination Principle given that it specifically exempts all exported goods and services from Value Added Tax, while specifically omitting imported goods and services from the list of Value Added Tax-exempted items. However, the extent of application of these principles and the Nigerian Value Added Tax to cross-border transactions, more particularly on “imported services” defined in the Value Added Tax Act as “service rendered in Nigeria by a non-resident person to a person inside Nigeria,” have resulted in several disputes and continues to generate controversy between the taxpayers and the administering tax authority, the Federal Inland Revenue Service (FIRS). Some of these disputes have culminated into court actions, notably the case of Vodacom Business Nigeria Limited Vs. FIRS, delivered by the Court of Appeal on 24th June, 2019. The benefits of Value Added Tax has been itemized as follows:

1. Decrease in variation. With a tax based on consumption rather than another variable, VAT provides a stable revenue source as a consistent tax. ...
2. Ease of administration: It is very easy to administer. It is imposed on the manufacturer of the item who pays it and later shift it the consumer of the item.
3. Increase in tax revenue: It is known to increase revenue for the government by those who have the finance to do so.
4. Discouragement of tax evasion: Those who pay Value Added Tax willingly do so.

5. The exclusion of some products: Essential products needed by many people are exempted from Value Added Tax.
6. The expense from income: The expense from the income of the taxpayer is negligible.
7. Visibility: There is transparency and accountability in the administration of Value Added Tax because whoever records sale of Vatable items state in their receipts, the price of their goods and that of Value Added Tax separately. Thus the amount of Value Added Tax is visibly stated for collection.
8. Taxation rate: The rate is often low. In Nigeria, it is currently 7.5% of the value of the Vatable item.

Rendition of Returns: Every Taxpayer is expected to render returns of its business activities to the Tax Authority in the process of paying the required Tax. A tax return is a form or forms filed with a tax authority that reports income, expenses, and other pertinent tax information. Tax returns allow taxpayers to calculate their tax liability, schedule tax payments, or request refunds for the overpayment of taxes⁷. A tax return is a collection of documents you file with the government that reports your income, expenses and other relevant financial information. The information you provide in a tax return allows you to calculate your tax liability and either claim a refund or settle an outstanding tax debt.⁸ A tax return reports income, expenses, tax payments made during the year and other relevant information to the taxing authority. It helps to determine whether a tax refund is due. This will depend on whether a person has overpaid on taxes, or was late in paying tax for previous years. A person or organization may not be required to file a tax return depending on circumstances, which are different in each country. Generally, a tax return does not need to be filed if income is less than a certain amount, but other factors such as the type of income, age, and filing status also play a role. Occasionally, there may be situations where the tax return need not be filed, but is filed anyway to receive a tax refund.⁹ The tax return is not necessarily the final calculation; it may be accepted or not accepted as correct by the government authority. The time and effort involved in filing a tax return varies from country to country, but governments try to help citizens in

different ways. Many governments utilize electronic filing and payment systems that keep a record of a person's history of tax returns and refunds. Another notable change in recent years is that government bodies share the data with each other.¹⁰ The benefits of filing tax Returns are:¹¹

1. It Acts as a Legal Document: Income Tax Return holds immense legal value. It is recorded with the government. It acts as legal proof in two ways:
 - a) Identity Proof: The return that you fill can be used as identity proof in various scenarios such as while applying for an AADHAR card, or any other document. The government accepts it as a proof of address as well
 - b) Income Proof: As discussed, the Tax Returns contains a detailed list of all your incomes and expenses. On this basis, the tax you have to file is calculated. Thus, it can also be used as income proof as some transactions such as the purchase of property do require you to show proof of income.
2. Can help you Claim Deductions: To reduce the burden on the taxpayers and to encourage more people to pay their taxes, the government allows certain deductions to you.
 - a) These deductions and exemptions can be availed in some investments and thus help in reducing the tax you ultimately pay;
 - b) TDS and rebates can also be claimed back. But to have access to these tax benefits, you are required to file an income tax return. If you have not filed ITR you cannot claim deductions as well.

Important Document While Applying for Loans: When you decide to apply for a loan to purchase something, say a car or a new home for your family or for business, the bank requires you to submit some documents such as: a) Aadhar card¹²; b) PAN card¹³; c) Driver's license; d) Photo ID etc. One important document asked is your income proof. Banks generally asked for ITR for the last three years. This is done to assess your past and current financial situation and whether you will be able to pay the loan or not. Not only while applying for loans from the bank, but ITR can also be

useful to get you a credit card as well. Credit card companies also ask for your past salary and returns before issuing you the card.

3. Helps if Planning to go Abroad: Going abroad involves some procedures to be followed.

If you do not file your ITR, then it can deter your plans to go abroad. ITR form is one item in the list of the documents that are required by the countries that you want to visit. This is because of the following:

- a) Having a history of filing income tax returns helps your case and improves your chances of getting visa approval.
 - b) It gives details about your financial situation to the embassy.
4. Avoid Penalty and Punishment: The taxes that apply to you are governed by the Income Tax Act 1961. Thus, you are required to pay taxes if you fall above the exempt criteria. So, if you are eligible to pay taxes on your income and yet still fail to file your Income Tax Returns, then you attract charges. The income tax officer can levy a penalty of up to Rs 5000 Rs. Other serious punishments can also occur if you do not file returns. Thus, you should file ITR to be safe from such penalties and punishments.
 5. Losses can be Carried Forward: Section 70 and 71 of The Income-tax Act 1961 of India contains some provisions for carrying forwarding losses of a particular year to the subsequent year. This means that you can move your loss to the next assessment year. Here are a few examples:
 - a) Losses from house property can be carry-forward till the next 8 assessment years and can be set off from income from house property;
 - b) Loss from business can be carried forward and paid with the future income from the business. If you do not file an Income tax return, you cannot carry forward or set off your losses.

Filing of the Income-tax return not only helps you but also helps the nation. The tax that you pay is used by the government to build infrastructure and to improve other

facilities of the nation such as medical, defense, etc. The more people file returns and pay Tax, the more would government be able to spend and provide us with a good economy, increase gross domestic product, improve standard of living and build a developed country where citizens enjoy improved welfare services and productivity.

1.1 VALUE ADDED TAX AND SALES TAX IN NIGERIA

The difference between Value Added Tax and Sales Tax is that Value Added Tax has no effect on how businesses organize, because the same amount of tax is collected regardless of how many times goods change hands before arriving at the ultimate consumer. By contrast, sales taxes are collected on each transaction, encouraging businesses to vertically integrate to reduce the number of transactions and thereby reduce the amount of tax. For this reason, Value Added Tax has been gaining favor over traditional sales taxes. Value Added Tax is an important revenue earner in most Countries including Nigeria and so some of these Countries have increased the rate to generate more revenue without distorting the economy since only those who can afford Vatable goods and Services purchase them and pay the new rate as part of the increased price of the good or service. This is different from other Taxes where their imposition affects everybody because it affects all goods and services whether luxury items or necessities in which case everybody that purchase them pay the tax in form of additional increased price.

1.2 LEGAL FRAMEWORK FOR THE RENDITION OF RETURNS UNDER THE VALUE ADDED TAX ACT IN NIGERIA.

Section 15 of Value Added Tax Act provides that:

1. A taxable person who, in the course of Business, has made taxable supplies or expects to make taxable supplies, the value of which, either singularly or cumulatively in any Calendar year, is #25,000,000 or more shall, render to the Service, on or before the 21st of every month in which this threshold is achieved and on or before the same day in successive months thereafter, a return of the input tax paid and output tax collected by him in the preceding month in such manner as the Service may prescribe;

2. In determining whether a person meets the threshold, the value of the following supplies shall be excluded:
 - a) A taxable supply of a capital asset of the person; and
 - b) A taxable supply made solely as a consequence of the person selling the whole or a part of its business or permanently ceasing to carry on Business; provided that does not fall within the threshold is exempt from this Act.
3. The exemptions provided for in subsection (2) shall not apply to companies engaged in upstream Petroleum operations as described in the Petroleum Industry Act and Petroleum Profit Tax Act.

Section 18 of Value Added Tax Act provides that where a taxable person fails to render returns or renders an incomplete or inaccurate returns, the Service shall assess to the Best of Judgement, the amount of tax due on the taxable goods and Services purchased or supplied by the taxable person.

The use of Best of Judgement to assess the tax liability of the taxpayer has been very controversial but the Act emphasized on its use because there is no information available to the Tax authority on the Business transaction of the defaulting taxpayer. However, there are many case laws on the use of Best of Judgement assessment in determining the tax liability of the taxpayer. While some are in support of its imposition, others are against its use as a form of assessment.

Section 35 of VAT provides that a taxable person who fails to submit returns to the Service, is liable to a fine of #50000 in the month of default and #25000 for every month in which the failure continues. "An individual who fails to file tax returns will face multiple jeopardies for this failure as stipulated by the Personal Income Tax Act 2011 as amended. These jeopardies include both pecuniary fines and custodial punishments. Furthermore, the individual is liable to be assessed on a best of Judgment basis under extant provisions of the act. We have various instances of prosecuting individuals for failure to file and pay assessed taxes. Just recently the agency instituted criminal actions against a very popular individual in Lagos State for this offence. Upon his failure to attend to his criminal summons, the court issued

a bench warrant for his arrest, and he was subsequently remanded at the Kirikiri Prison for jumping bail. This underscores the seriousness of this offense”.

1.3. SOME JUDICIAL DECISIONS ON RETURNS RENDITIONS.

1. In *Theodak Nigeria Limited v FIRS*¹⁵: In a key Federal High Court (FHC) case involving FIRS and Theodak Nigeria Limited, it was held that the FIRS could not use the "value of the company's property" as a basis for a deemed turnover assessment, as this was not a fair and reasonable percentage of turnover as required by the law.

The court clarified the distinction between deeming turnover (under specific conditions in Section 30(1)(a) of CITA) and deeming total profits (under Section 65(3) when no return is filed).

2. In the Indian case of *DALMIA POWER LIMITED & ANR. (APPELLANTS) V THE ASSISTANT COMMISSIONER OF INCOME TAX (RESPONDENT)*¹⁶, the issue was whether the Department ought to have permitted the assessee companies to file the revised Income Tax Returns for the Assessment Year 20162017 after the expiry of the due date on account of reasons. The judgement of the Appeal Court was that Companies can file belated returns with cogent reasons.
3. In the Kenyan case of *Highland Mineral Water Limited VS KRA*,¹⁷ the Kenyan Revenue Authority disallowed input VAT worth KES 258.3m on the grounds that it was time-barred. On appeal, The Tribunal held that the wording of section 17(2) of the VAT Act is clear and ambiguous and that where a tax payer filed its VAT return late, then the input VAT should only be allowed for deductibility to the extent that it is within 6 months at the time of filing the return. As such TAT dismissed HMWL appeal.

In *Skyline Tower Investment v Commissioner of Domestic Taxes*,¹⁸ where on similar facts with above, the Tribunal held that the requirement for filing VAT monthly returns was not a condition for deduction of input tax and that in the absence of clear, certain and unambiguous legal provisions requiring the Appellant to file a VAT³ return in order to claim an input tax deduction the Appellant was entitled to

deduct input tax for the period under review. The Tribunal held that if the intention of the legislature required the filing of a VAT3 return before an input claim is allowed, the VAT legislation would have expressly provided so hence the Commissioner's decision to disallow deduction of input VAT amounted to an imposition of a constructive penalty not provided by law.

4. In *Rabai Operation and Maintenance Ltd v Comm. of Domestic Taxes*¹⁹, the Court also held that the requirement for filing Returns was not a condition for the deduction of input VAT under Section 11 (Repealed) that was similar to Section 17(20) of the VAT Act.
5. In *R (oao Broomfield) v HMRC* (2018)²⁰: This case involved a challenge to HMRC's information powers (Finance Act 2014 powers). It touched upon the ongoing interaction between taxpayer rights and HMRC's authority to demand information. The High Court held that the follower notices were not invalidated by minor inaccuracies in their description of the time available for representations or corrective action. The decision largely affirmed HMRC's powers to use follower notices and APNs to tackle tax avoidance schemes, even in the face of arguments about procedural technicalities and human rights implications.
6. In *HMRC v Charlton and others* (2012)²¹: A leading case on discovery assessments. The taxpayers successfully challenged HMRC's right to issue a discovery assessment when they had made a full and adequate "white space" disclosure (providing details in the additional information box) on their tax returns.

In *Paya v HMRC / Tooth v HMRC* (2021): The Supreme Court clarified the law on "discovery" assessments. It ruled that disclosing information in the wrong box of a tax return, but explaining it clearly in the "white space", was not an "inaccuracy" as the return had to be considered as a whole. This affects when HMRC can raise a discovery assessment to collect underpaid tax outside the normal enquiry window.

A discovery assessment is a power used by a tax authority, such as HM Revenue & Customs (HMRC) in the UK, to recover unpaid tax from a past period, especially after the normal time limit for opening a standard tax enquiry has expired. HMRC

can issue a discovery assessment when they discover any of the following: An amount of income tax

7. *Smith v Revenue & Customs*²⁴ (date varies by specific case facts): Numerous First-tier Tribunal cases, such as a 2018 case, have dealt with penalties for the late filing of Self- Assessment tax returns. These cases often hinge on whether the taxpayer had a "reasonable excuse" for the delay, a statutory defence under Schedule 55, FA 2009. Fines are imposed therefore, when there are no valid reasons adduced for failing to file returns at the stipulated time.
8. In *FBIR v FM Solanke*²⁵, Court held that when the return of income is not accepted by the commissioner, he is entitled, indeed has a duty to make an estimated assessment. It is not necessary for the commissioner to give his reasons for arriving at his estimates.
9. In *ITC v Badridas*,²⁶ the court held that the officer has to make an assessment to the best of his judgment against a person who is in default as regards supplying information. He must not act dishonestly or vindictively or capricious, because he must exercise judgment in the matter. In other words, if the Taxpayer fails to supply accurate information of his financial transaction, the Tax Authority has the power to assess the Taxpayer but by way of punishment or vindictiveness. He has to assess the Taxpayer honestly without any negative emotional attachment. or capital gains tax which ought to have been assessed but has not been assessed. There is an under-assessment of tax (including when a self- assessment tax return has been submitted).
10. In *Securicor Nig. Ltd v Lagos Internal Revenue Service*,²⁷ when the respondent (Tax Authority) refused to accept the actual figures of the salaries earned by employees in 2010 assessment year and raised best of judgement assessment, the Court vacated the BOJ assessment and directed assessment based on the actual data produced by the appellant (employer). The reasoning of the Court is that since the Taxpayer has filed his returns, there was no basis for the Best of Judgement Assessment since such assessments are often raised when the Taxpayer fails to file

accurate returns or fails to file returns at all and when contacted becomes recalcitrant.

1.4. THEORITICAL FRAMEWORK

The issue of filing of Tax Returns has generated a lot of comments. According to (Firmus 2025)²⁸, Value Added Tax (VAT) filing for businesses is a crucial component of Nigeria's tax system, serving as a major source of revenue for the government. Value Added Tax compliance is essential for businesses to avoid penalties and ensure smooth operations as such businesses must register and collect Value Added Tax from customers and remit it to the Federal Inland Revenue Service (FIRS). FIRS is the government charged with the responsibility of managing Value Added Tax, collection, and enforcement. The details of filing returns are provided by (FIRS 2025)²⁹ as follows: Details of your business operations and accounting period; Total revenue/income from all sources; Tax-deductible expenses and capital allowances; Computations of chargeable/taxable profits or income; Applicable tax credits and reliefs; Tax liability calculations based on rates for your business;

Summary of taxes paid or still owed. (Andersen 2023)³⁰ stated that taxpayers are required to charge Value Added Tax on sales through the issuance of a tax invoice, collect, remit and file monthly Value Added Tax returns and payments to the FIRS on or before the 21st day of the following month in which the purchases or supplies were made. Similarly, Ministries, Departments and Agencies and companies operating in the oil and gas sector are required by law to withhold Value Added Tax on purchases or payments to their vendors, remit and file monthly Value Added Tax returns and payments to the FIRS on or before the 14th day of the following month in which the purchases or supplies were made. On non-compliance to collect and remit Value Added Tax collected, (Brass 2022)³¹ stated that a return must be accompanied with a listing of all Vatable supplies received and provided and failure to file a return may incur a fine of NGN 5,000 per month. Also failure to remit any Value Added Tax due will incur a fine equal to 5% of the liability, plus interest. On the possibility of claiming refund in the filing of Value Added Tax Return, (Mascagni et al 2022)³² opines that Firms are required to claim the Value Added Tax they pay on their inputs in the relevant filing period. If necessary, they can delay this claim to

the next filing period, as long as they do so within two years of the date of the original transaction. If the Value Added Tax paid on inputs exceeds the Value Added Tax charged on sales, firms are granted Value Added Tax credits. Credits under a certain threshold are rolled over to the next filing period to be offset against future Value Added Tax liabilities, while larger credits are refunded directly to the firm.

In a circular of FIRS on Transaction of Financial institutions on Value Added Tax. (Andersen 2021)³³ stated that all Value Added Tax payable in respect of services consumed by financial institutions should be regarded as part of normal operational expenses chargeable to Statement of Profit or Loss Account. Thus, input Value Added Tax on such items should not be claimed or deducted from output Value Added Tax collected. However, where financial institutions suffer input tax on goods supplied to customers, such input tax shall be allowed against the output tax on those goods. (Gupta et al 2025)³⁴ are of the view that encouraging filing increases tax revenue, as non-compliance is not limited to taxpayers with zero or low tax liability. (Singh 2021)³⁵ stated that the consolidation of multiple taxes (including Value Added Tax) as General Service Tax has streamlined compliance, lowered tax evasions, eliminated the domino effect of taxes, promoted the ease of doing business, and boosted the efficacy of the country's economy. (Sundar et al 2021)³⁶ stated that digitalization in all the government systems & services has enabled people get quick & good service and also it helps the government to collect easy & keep their records digitally instead of paperwork. Here digitalization refers E filing of ITR with the help of the internet. The study by (bharathi et al 2020)³⁷ found that income tax filing increased in response to exposure to newspaper adverts that provided information on tax eligibility but not in response to those that reported the tax filing deadline or the financial penalties of not filing. advertisements that relied on moral suasion and portrayed self-employed taxpayers improved tax filing among the self- employed but not among the broader survey population. The study by (Kumraswamy et al 2020)³⁸ reveals that the existing users are satisfied with the e-filing facilities but most of the individual tax payers are not aware of the e-filing procedures so sufficient steps are required for create more awareness in the minds of tax payers regarding e-filing of income tax. (Uma et al 2024)³⁹ opines that the E-filing is the new effective method of filing income tax return through online and make E-payment tax and that it saves

our golden time, energy, cost and also reduces tension, so the tax payers are required to use E-filing facilities.

1.5 VALUE ADDED TAX RETURNS AND VALUE ADDED TAX REVENUE GENERATION IN NIGERIA.

Value Added Tax Returns are filed to provide information on the supplies made on vatiable goods and services and the information determines the total amount of Value Added Tax charged. Filing of Value Added Tax returns is mandatory for all businesses registered for Value Added Tax and sanctions are imposed by the Tax Authorities for non-compliance. Manual filing has been in existence for a long time but e-filing has now been introduced to ease the process of filing. However, because of low level of computer literacy, manual filing is still an acceptable method of submitting returns in Nigeria. As a result of sanction for non-compliance, more Taxpayers now file their Value Added Tax returns and that has increased the Value Added Tax revenue generation and subsequently the total revenue realisable by the government but the issue of computer literacy has affected the optimal collection of Value Added Tax revenue. Rendition of returns is the first step in the process of Value Added Tax payment. One can comfortably say therefore that returns rendition has positive and significant relationship with Value Added Tax revenue collection in Nigeria. When more people file returns either manually or electronically, more Value Added Tax payment would be made and more revenue would be realized by the government. It is the duty of the government and the Tax Authorities therefore to provide the necessary enablement to enable Taxpayers File Value Added Tax returns correctly at the appropriate time to enable government optimize Value Added Tax revenue collection to enhance government social and economic activities. Due to the low level of computer Knowledge, and the fact that e-filing is more efficient, Tax Authorities may provide compulsory computer appreciation skills to businesses, especially the small businesses that may not have the financial means to engage the services of Accountants and Tax professionals. Tax Authorities should effectively use all available means of advertisement and promotions to bring to the notice of Taxpayers, especially those in the rural areas, the knowledge of Tax payment and filing of returns. Finally, and most importantly, government should utilize Tax money

to provide facilities needed by Taxpayers to encourage Tax compliance. A taxpayer that perceives government as using Tax money for his benefit is most likely to file accurate returns and pay the required amount of Tax to the government. There is therefore a strong need for all taxable persons, companies, organizations and agents in Nigeria to adhere to the relevant provisions of the applicable law on rendition of Value Added Tax returns to ensure good standing as corporate citizens and prevent avoidable fines, penalties and interests for non-compliance. This would provide the means for the government to ensure the availability of social goods and services for the country.

1.6 CONCLUSION

Value Added Tax returns rendition is a very important aspect of Value Added Tax payment because it is the first step in the process of Value Added Tax payment. Every business registered for Value Added Tax must file Value Added Tax returns with all the attachments to the Tax office within the stipulated time. Value Added Tax has been generating much revenue to the government and effort should be made to maintain that level of revenue generation and even surpass it. One can comfortably say therefore that returns rendition has positive and significant relationship with Value Added Tax revenue collection in Nigeria. When more people file returns either manually or electronically, more Value Added Tax payment would be made and more revenue would be realized by the government for social and economic activities that would enhance the economic growth and development of the economy.

1.7 RECOMMENDATION

Considering the importance of Value Added Tax returns rendition to Value Added Tax revenue generation in Nigeria, every effort should be made to support its administration in Nigeria. It is hereby recommended that due to the low level of computer Knowledge, and the fact that e-filing is more efficient, Tax Authorities should provide compulsory computer appreciation skills to businesses, especially the small businesses that may not have the financial means to engage the services of Accountants and Tax professionals. By this effort, more Taxpayers would now adopt e-filing as a method of filing Tax returns as it obtains in most developed economies.

Tax Authorities should effectively use all available means of advertisement and promotions to bring to the notice of Taxpayers, especially those in the rural areas, the knowledge of Tax payment and the filing of returns. Finally, and most importantly, government should utilize Tax money to provide facilities needed by Taxpayers to encourage Tax compliance,

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