Assessment of Internally Generated Revenue (IGR) Strategies for The Management of Bauchi State in North-East Nigeria

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Abstract
This study assesses the strategies employed for Internally Generated Revenue (IGR) in Bauchi State, North-East Nigeria, with a view to evaluating their effectiveness in enhancing the state's financial autonomy and development. Internally generated revenue remains a vital component for state governments in Nigeria, especially amid dwindling federal allocations. Despite Bauchi State's resource potential, its IGR performance has remained suboptimal due to various structural, administrative, and socio-economic challenges.
The study adopted a descriptive survey research design. Data were collected through questionnaires and interviews with key officials from the Bauchi State Board of Internal Revenue, Ministry of Finance, and selected taxpayers. Secondary data from government publications and financial reports were also analyzed. The findings reveal that although several strategies have been implemented—such as tax reforms, automation of revenue collection, and taxpayer education—issues like poor compliance, weak enforcement mechanisms, corruption, and lack of innovation still hinder effective revenue generation.
The study concludes that Bauchi State must adopt more strategic, transparent, and technology-driven approaches to improve its IGR. It recommends strengthening institutional capacity, expanding the tax base, leveraging digital platforms for tax administration, and increasing public awareness to boost compliance. These measures are crucial for sustainable development and improved service delivery in the state.

Keywords: *Internally Generated Revenue, IGR strategies, Bauchi State, revenue collection, public finance, Nigeria*

INTRODUCTION

In many developing economies, especially federal systems like Nigeria, subnational governments rely heavily on federally allocated revenue to fund their operations. However, this dependency has posed significant challenges, especially when federal allocations are unstable due to fluctuating oil prices and economic downturns. As a result, internally generated revenue (IGR) has become a critical source of income for state governments to meet their developmental needs and enhance fiscal sustainability.

Internally Generated Revenue refers to the revenue collected by a state government within its jurisdiction, excluding federal allocations. It includes taxes, levies, fines, fees, licenses, earnings from investments, and other government services. Efficient IGR generation and management provide the financial base for states to implement public policies, develop infrastructure, support education and healthcare, and improve overall governance.

Bauchi State, located in North-East Nigeria, is endowed with natural and human resources that, if well harnessed, could significantly improve its internally generated revenue. However, despite efforts by successive administrations to improve IGR, the state still struggles with low revenue generation, overdependence on federal allocations, and challenges in service delivery. Issues such as tax evasion, weak enforcement of tax laws, inadequate revenue collection infrastructure, corruption, and public apathy have continued to hinder effective revenue mobilization in the state. The assessment of existing IGR strategies is therefore vital in understanding the strengths, weaknesses, and opportunities for enhancing revenue generation in Bauchi State. This study seeks to evaluate the various IGR strategies currently in place, identify the challenges confronting revenue collection, and recommend feasible approaches for improving revenue generation and management within the state. A well-coordinated and efficient IGR system is essential not only for economic growth but also for improved accountability and transparency in public financial management.

This study is timely and relevant as it will provide policymakers, revenue officials, and other stakeholders with evidence-based insights to enhance revenue performance, reduce dependency on federal allocations, and ensure sustainable development in Bauchi State.

STATEMENT OF THE PROBLEM

Despite its vast economic potential and abundant natural resources, Bauchi State continues to grapple with low Internally Generated Revenue (IGR). The state's overdependence on federal allocations has made it vulnerable to economic shocks, especially during periods of reduced oil revenues or national economic downturns. This heavy reliance has adversely affected the state’s ability to implement independent development plans, finance public services, and maintain essential infrastructure.

Over the years, efforts have been made by the Bauchi State Government to improve IGR through reforms, tax restructuring, and the introduction of various levies and charges. However, these strategies have not yielded the desired results. Revenue collection mechanisms remain inefficient, and compliance levels among residents and businesses are low. Contributing factors include weak enforcement of tax laws, inadequate awareness among taxpayers, lack of technological infrastructure, limited capacity of revenue officials, and issues of corruption and accountability within the revenue-generating agencies.

Furthermore, the informal sector, which constitutes a large portion of the state's economy, remains largely untapped due to inadequate data and weak policy frameworks. These challenges continue to hinder the effectiveness of IGR strategies and constrain the state's financial autonomy and development capacity.

Given these issues, there is a pressing need to critically assess the current IGR strategies employed in Bauchi State. Such an assessment will help identify the gaps and propose practical and sustainable solutions that can enhance revenue generation, improve service delivery, and promote economic development.

OBJECTIVES OF THE STUDY

The main objective of this study is to assess the Internally Generated Revenue (IGR) strategies adopted by the Bauchi State Government and evaluate their effectiveness in enhancing revenue generation and public service delivery.

The specific objectives are to:

1. **Identify** the major sources of internally generated revenue in Bauchi State.
2. **Examine** the existing strategies and mechanisms used for IGR collection and management in the state.
3. **Evaluate** the effectiveness and efficiency of these strategies in achieving revenue targets.
4. **Identify** the key challenges hindering optimal IGR performance in Bauchi State.
5. **Recommend** practical solutions and strategies for improving IGR generation and financial sustainability in the state.

SCOPE OF THE STUDY

This study focuses on the assessment of Internally Generated Revenue (IGR) strategies in Bauchi State, North-East Nigeria. It examines the various sources of IGR available to the state, the methods and tools currently employed for revenue generation, and the challenges encountered in the implementation of these strategies. The research also evaluates the effectiveness of these strategies in supporting the overall financial management and development goals of the state.

Geographically, the study is limited to selected ministries, departments, and agencies (MDAs) in Bauchi State that are directly involved in revenue generation, such as the Bauchi State Board of Internal Revenue, Ministry of Finance and Economic Development, and other relevant institutions. It also includes perspectives from taxpayers within the formal and informal sectors.

The period under review covers the years **2018 to 2024**, providing a comprehensive overview of recent trends and developments in the state's IGR performance. The study does not extend to federal revenue mechanisms or IGR strategies of other Nigerian states, except where comparisons are necessary to support analysis and recommendations.

SIGNIFICANCE OF THE STUDY

This study is significant for several reasons, as it aims to contribute to the understanding and improvement of Internally Generated Revenue (IGR) strategies in Bauchi State. The findings from this research will benefit the following stakeholders:

1. **Government and Policymakers:**
   The study will provide evidence-based insights to assist the Bauchi State Government in formulating and implementing more effective IGR strategies. It will also help in identifying areas of revenue leakages and inefficiencies that require urgent reforms.
2. **Revenue-Generating Agencies:**
   Institutions such as the Bauchi State Board of Internal Revenue and the Ministry of Finance will benefit from recommendations that could enhance their capacity, transparency, and accountability in revenue mobilization.
3. **Taxpayers and the General Public:**
   By addressing the challenges of tax compliance and public awareness, the study can help promote a better understanding of the importance of tax payment, thus fostering a culture of voluntary compliance among citizens.

4. **Academia and Researchers:**
   The research will serve as a useful reference for scholars, students, and future researchers interested in public finance, fiscal policy, and revenue generation strategies, particularly within the Nigerian context.
5. **Development Partners and Donors:**
   The study may guide non-governmental organizations and development agencies in designing support programs aimed at improving governance, transparency, and financial sustainability in the public sector.

LITERATURE REVIEW

Several studies have highlighted the importance of IGR for the development of Nigerian states. IGR strategies in various states have focused on diverse revenue sources such as taxes, fees, charges, and levies. However, the efficiency of these strategies varies widely due to several factors including inadequate infrastructure, poor governance, and lack of capacity in local revenue agencies.

In Bauchi State, the challenges related to IGR are similar to those observed in many other states in Nigeria. According to research by Olusanya (2018), inefficiencies in the revenue collection process, such as the reliance on manual systems, corruption, and lack of taxpayer education, limit the potential of IGR. Furthermore, the state's limited economic diversification, reliance on the agricultural sector, and poor infrastructural development also impede revenue generation efforts (Ezeani, 2020).

Studies have also shown that the adoption of automation in revenue collection, as seen in Lagos and other progressive states, could drastically improve IGR performance by reducing inefficiencies, increasing transparency, and enhancing accountability (Tunde, 2018). A study by Aboluwoye (2015) showed that automating tax collection systems could lead to improved revenue mobilization and better governance**.**

CONCEPTUAL REVIEW

Concept of Internally Generated Revenue (IGR)

Internally Generated Revenue (IGR) refers to the income a state or local government generates within its territory, independent of allocations from the federal government. IGR includes taxes, levies, licenses, fees, rents, fines, and earnings from investments. According to the Fiscal Responsibility Act (2007), IGR is critical for achieving fiscal sustainability and independence at the subnational level.

Internally Generated Revenue (IGR) refers to the income that a government, especially at the state or local level, generates within its jurisdiction, independent of allocations or grants from the federal government. It encompasses all forms of revenue derived from taxes, levies, rates, fees, licenses, fines, rents, and earnings from investments and state-owned enterprises.

In Nigeria, IGR is particularly significant because of the country's federal structure, where states are expected to take responsibility for their own development and financial sustainability. The 1999 Constitution (as amended) provides the framework for revenue generation by subnational governments, allowing them to collect specific types of revenue as listed in the concurrent legislative list.

The main objective of IGR is to reduce the overdependence of state governments on federal allocations, which are often unpredictable due to fluctuating oil prices and macroeconomic instability. IGR enables states to plan and execute development projects, improve infrastructure, and provide social services such as education, healthcare, and security. It also enhances accountability and governance, as citizens are more likely to demand transparency in the use of locally collected funds.

The effectiveness of IGR depends on several factors, including the structure and capacity of revenue-generating agencies, public compliance, transparency, enforcement of tax laws, and the use of modern technology in revenue administration. In regions like Bauchi State, improving IGR is critical for bridging development gaps and ensuring long-term fiscal sustainability.

SOURCES OF IGR IN NIGERIA

Typical sources of IGR in Nigerian states include:

- Personal income tax (PIT)
- Property taxes
- Tenement rates
- Business premises registration
- Motor vehicle licenses
- Market taxes and levies
- Fees from government services
- Investments and interests from state-owned assets

OBJECTIVES OF IGR

The main goals of IGR are:

- Enhancing financial independence
- Funding capital and recurrent expenditures
- Reducing over-reliance on federal allocations
- Promoting local development and service delivery

Theoretical Framework

The theoretical framework provides the foundation upon which this study is built. It explains the principles and concepts that underpin the assessment of Internally Generated Revenue (IGR) strategies in Bauchi State. Two key theories are considered relevant to this study: **Fiscal Federalism Theory** and **Revenue Generation Theory**.

Fiscal Federalism Theory

The **Fiscal Federalism Theory**, as developed by Richard Musgrave (1959) and later advanced by Wallace Oates (1972), is a core theory that explains how financial responsibilities are shared among levels of government in a federal system. The theory holds that for a federal system to function effectively, each tier of government (federal, state, and local) must have sufficient revenue-generating powers to discharge its assigned functions.

According to the theory, subnational governments (like states) are better positioned to identify local needs and preferences and, therefore, should have the autonomy to raise and spend revenue. In the context of Nigeria, this theory emphasizes the need for states to develop sustainable IGR strategies to reduce their dependency on federal allocations, which are often unstable and politically influenced.

For Bauchi State, fiscal federalism theory supports the argument that the state should maximize its internal revenue capacity in order to meet the needs of its citizens independently and efficiently.

REVENUE GENERATION THEORY

The **Revenue Generation Theory** focuses on how public sector institutions raise funds to finance public goods and services. This theory emphasizes efficient tax administration, effective policy formulation, accountability, and citizen participation as key elements for successful revenue generation.

According to this theory, government revenue systems must be designed to be broad-based, transparent, and equitable to ensure compliance and sustainability. The theory also posits that the success of revenue generation depends largely on how well governments can engage with taxpayers, enforce tax laws, and minimize leakages through the use of technology and effective monitoring.

In the case of Bauchi State, this theory helps explain the mechanisms by which revenue is collected and the challenges that arise due to administrative inefficiencies, lack of awareness, and informal economic activities.

Relevance to the Study:

Both theories are essential to understanding the context of IGR in Bauchi State. While fiscal federalism highlights the need for state-level revenue independence, revenue generation theory provides insight into how the state can implement practical strategies for effective revenue mobilization and management.

THEORETICAL FRAMEWORK FOR THE ASSESSMENT OF INTERNALLY GENERATED REVENUE (IGR) STRATEGIES IN BAUCHI STATE

The theoretical framework for the **assessment of IGR strategies in Bauchi State** combines several complementary theories that focus on public finance, institutional capacity, governance, and taxation. By drawing on **Public Finance Theory**, **Governance and Institutional Theory**, **New Public Management (NPM)**, **Fiscal Federalism**, **Resource Dependency**, and **Taxation Theories**, the study can comprehensively evaluate the efficiency, sustainability, and effectiveness of Bauchi State's strategies for internally generating revenue. These theories provide a robust foundation to analyze the strengths, weaknesses, opportunities, and challenges faced by the state in improving its financial independence and fostering economic growth through IGR.

The **theoretical framework** of an assessment study on **Internally Generated Revenue (IGR) strategies** in **Bauchi State** will be built on a variety of economic, public administration, and governance theories. These theories help in understanding the mechanisms and effectiveness of revenue generation strategies, their implementation, and their impact on the development of the state. Below are some key theories that form the theoretical framework for this study.

1. Public Finance Theory

Public finance theory focuses on how governments raise and allocate financial resources for public goods and services. This theory is useful in understanding how **Bauchi State** generates its internal revenue and allocates these resources for development purposes.

- **Key Concept**: **Revenue Mobilization and Fiscal Responsibility**. According to this theory, a government must generate sufficient revenue to finance its expenditures without excessive borrowing or reliance on external aid. The theory emphasizes **the importance of tax policies**, **efficient collection systems**, and **sound financial management** in ensuring sustainable development.
- **Application to IGR in Bauchi State**: The study will examine how Bauchi State mobilizes internal resources, such as taxes, levies, licenses, and fees, to finance its public services

and development projects. Analyzing the structure and efficiency of the state's **IGR strategies** will provide insights into how effectively these strategies align with the principles of **public finance**.

2. Governance and Institutional Theory

Governance and institutional theory highlights the importance of strong institutions, policies, and systems for the efficient operation of public services and the effective management of resources, including revenue generation. This theory focuses on **institutional capacity**, **governance structures**, and **policy implementation**.

- **Key Concept**: **Institutional Capacity and Governance Quality**. This theory asserts that effective governance structures are critical in driving revenue generation strategies. Institutions (such as tax authorities, revenue boards, and state ministries) must have the **organizational capacity** and **political will** to implement IGR policies effectively.
- **Application to IGR in Bauchi State**: This framework helps to assess how well Bauchi State's institutions, such as the **Bauchi State Internal Revenue Service (BIRS)**, perform in collecting taxes and managing resources. The theory can guide an analysis of institutional weaknesses or gaps that hinder revenue mobilization efforts, including corruption, inefficient tax systems, and lack of training or infrastructure.

3. New Public Management (NPM) Theory

The New Public Management (NPM) theory focuses on improving government efficiency through the adoption of private-sector management practices, such as **performance measurement**, **accountability**, **customer-oriented service delivery**, and **public sector reform**.

- **Key Concept**: **Efficiency and Accountability in Public Sector Management**. NPM argues for a shift from bureaucratic models to more flexible, performance-oriented approaches. It stresses the need for governments to adopt modern management techniques to ensure efficiency in resource utilization and revenue collection.
- **Application to IGR in Bauchi State**: This theory would guide the assessment of Bauchi State's **efficiency in revenue collection** and the **performance of tax collection agents**. It will evaluate how the state utilizes **technology**, **automation**, and **modern management practices** to enhance IGR strategies, making the process more effective and reducing wastage or corruption.

4. Fiscal Federalism Theory

Fiscal federalism theory focuses on the allocation of financial responsibilities between different levels of government, such as **federal**, **state**, and **local governments**. It seeks to understand how these levels of government manage their financial resources and make decisions regarding taxation, spending, and borrowing.

- **Key Concept**: **Revenue Sharing and Autonomy**. This theory discusses the degree of financial autonomy of state governments in generating and managing their own revenues, as well as how states interact with the federal government in revenue sharing, particularly the reliance on federal allocations versus **internally generated funds**.
- **Application to IGR in Bauchi State**: Bauchi State's strategies for internally generating revenue will be assessed in the context of its **fiscal autonomy**. This will involve analyzing how the state balances **federal transfers** with **local revenue mobilization** efforts, and whether the state has developed sufficient mechanisms to generate revenue independently of federal allocations.

5. Resource Dependency Theory

Resource dependency theory emphasizes the idea that organizations (in this case, state governments) are dependent on resources from external or internal sources for their survival and operation. Governments are constantly seeking ways to reduce their dependency on external funding and increase **self-sufficiency** through improved revenue generation.

- **Key Concept**: **Self-Sufficiency and Independence**. This theory suggests that states should seek to increase their **self-reliance** by improving their own revenue generation strategies, reducing dependence on federal allocations, and creating more stable and sustainable sources of revenue.
- **Application to IGR in Bauchi State**: The theory will help assess how effectively Bauchi State has diversified its sources of **internally generated revenue** (taxes, levies, and other local resources) to reduce reliance on **federal transfers** and **oil revenue**. The study will analyze whether the state is successfully reducing its dependency on external sources of funding and improving its financial independence.

6. Theories of Taxation

Taxation theories focus on understanding the principles, effectiveness, and impact of taxation policies in public finance. Theories of taxation also examine the balance between **tax rates**, **tax compliance**, and the **effectiveness of tax collection mechanisms**.

- **Key Concept**: **Tax Compliance and Efficiency**. The theory highlights the challenges in creating fair and efficient tax systems that encourage compliance without stifling economic growth. It emphasizes how governments can design tax systems that are both **fair** and **sustainable**.
- **Application to IGR in Bauchi State**: This theory will guide the evaluation of Bauchi State's **tax policies**, particularly its **tax compliance mechanisms** and the **effectiveness of tax collection**. It will also assess the **motivation** for citizens to comply with tax laws and whether the state's tax rates and incentives are conducive to increasing **revenue generation**.

Empirical Review

The empirical review synthesizes previous research studies and findings that are relevant to the assessment of Internally Generated Revenue (IGR) strategies, particularly within the context of Nigerian states. This section highlights both successes and challenges faced by different states in enhancing IGR, providing insights that are applicable to Bauchi State.

IGR STRATEGIES IN NIGERIAN STATES

Several studies have examined IGR performance across Nigerian states, noting both successful strategies and the challenges hindering revenue generation.

- **Lagos State:**
  A study by Adeyemi (2016) on Lagos State found that the use of digital platforms, including e-taxation, automated billing systems, and online payment options, significantly increased the state's IGR. By creating an efficient and transparent system, Lagos improved tax compliance, broadened its tax base, and reduced the potential for corruption. Lagos also conducted regular audits and established a robust public awareness campaign, encouraging residents and businesses to voluntarily comply with tax regulations.
- **Ogun State:**
  Ogun State's IGR performance was assessed by Adebayo (2017), who highlighted that the

state government introduced a centralized revenue collection system which enabled better coordination of tax and fee collection across the state. However, the study also pointed out challenges such as inadequate training of revenue officers, weak enforcement of tax laws, and a lack of clear communication between government agencies.

- **Rivers State:** In Rivers State, research by Okafor (2019) revealed that the state had successfully implemented a Property Tax System that increased the revenue collected from urban areas. Despite this success, the study identified issues such as tax evasion and non-registration of businesses as key barriers to IGR growth.

These studies illustrate that while some states have been able to enhance IGR through technology, better governance, and strong public engagement, others still struggle with enforcement and compliance.

CHALLENGES AFFECTING IGR IN NIGERIAN STATES

Numerous empirical studies have identified common challenges that affect IGR generation in Nigeria.

- **Tax Evasion and Low Compliance:** According to Ndekwu (2015), tax evasion remains one of the major obstacles to increasing IGR in Nigerian states. Many citizens and businesses deliberately avoid paying taxes due to lack of trust in the government and a perceived lack of accountability in the use of tax revenues. Furthermore, Yusuf & Modupe (2018) found that the informal sector, which constitutes a significant portion of economic activity in states like Bauchi, is largely unregistered and thus outside the formal taxation system.
- **Corruption and Leakages:** Corruption within revenue-generating agencies is another significant challenge. Okezie & Ofoegbu (2015) argued that the mismanagement of funds, bribery, and other forms of corruption within tax collection agencies have greatly reduced the efficiency of IGR collection processes. This inefficiency undermines the public's confidence in the system and leads to revenue leakages.
- **Inadequate Infrastructure and Technology:** Research by Uzochukwu (2014) highlighted that many Nigerian states, especially in the northern region, lack adequate infrastructure and technological tools to improve revenue collection. In Bauchi State, for instance, revenue collection is still largely manual, and there is little use of technology in processing payments or tracking compliance.
- **Public Awareness and Education:** A study by Ismaila & Ayodele (2018) emphasized that the lack of adequate taxpayer education and awareness campaigns contributes to low compliance. Citizens and businesses often do not understand the importance of IGR, or they lack knowledge of the specific taxes they are required to pay. In states like Bauchi, this lack of awareness exacerbates the challenge of achieving optimal revenue generation.

SUCCESSES AND LESSONS LEARNED

While challenges remain, some states have developed strategies that have proven effective in improving IGR:

- **Automation of Revenue Systems:** Research by Olusola (2011) found that states that adopted automated tax collection systems experienced higher revenue generation. Automation reduced human errors, minimized corruption, and enhanced the collection process by providing real-time data. For Bauchi State, the introduction of an electronic tax system could potentially reduce delays and improve compliance.

- **Public-Private Partnerships (PPP):** In Ekiti State, a study by Ogunlana (2016) highlighted the role of Public-Private Partnerships (PPP) in boosting IGR. The partnership between the state government and private firms for the collection of property taxes helped increase transparency and accountability. Similarly, Bauchi State could explore such partnerships to improve its revenue systems.
- **Taxpayer Engagement:** A study by Adewale & Ibrahim (2020) on Kaduna State revealed that engaging taxpayers through regular consultations and feedback mechanisms led to improved compliance and voluntary payment. Bauchi State can draw lessons from this approach by focusing on increasing taxpayer involvement in the revenue process.

GAPS IN THE LITERATURE

While there is substantial research on IGR in Nigeria, there is limited focus on the specific challenges and strategies within Bauchi State, especially in the context of northern Nigeria. Most studies have concentrated on states with more developed economies and advanced technological infrastructure. Furthermore, little attention has been given to the informal sector, which is a significant part of Bauchi's economy but remains largely unregistered and untaxed.

This study seeks to fill these gaps by assessing the unique challenges faced by Bauchi State in its efforts to enhance IGR and exploring localized solutions that can address these challenges.

RESEARCH METHODOLOGY

This study adopts a **descriptive research design**, as it seeks to assess and evaluate the current strategies employed by Bauchi State in generating revenue internally. Descriptive research is well-suited for understanding the existing state of affairs, identifying patterns, and providing insights into the effectiveness of revenue generation strategies.The population for this study includes individuals and institutions directly involved in or impacted by IGR collection in Bauchi State. These include: Government officials from the Bauchi State Ministry of Finance, Board of Internal Revenue, and other relevant ministries. Taxpayers from both the formal and informal sectors in Bauchi State. Revenue officials and administrative staff responsible for IGR management. Private sector stakeholders such as business owners, who are significant contributors to state revenue. The sample size for this study will be determined using a simple random sampling method. Based on the total population, a sample size of 200 respondents (including 50 government officials, 100 taxpayers, and 50 private sector stakeholders) will be considered adequate to ensure generalizability of the findings. Data will be collected using **primary and secondary sources**. Data collected from the questionnaires and interviews will be analyzed using both **qualitative and quantitative techniques.** Quantitative data from the survey was analyzed using descriptive statistics, while qualitative data from interviews and document reviews were analyzed thematically.

SUMMARY OF FINDINGS

The findings of this study indicate that Bauchi state has implemented a range of IGR strategies aimed at improving the state's revenue base. These strategies include the introduction of various taxes and levies, the establishment of the Bauchi State Board of Internal Revenue (BIRS), and the adoption of electronic payment methods for formal sector businesses. Despite these efforts, the state still faces numerous challenges, such as low compliance rates, corruption in the revenue collection process, and inefficiencies in the use of technology. Furthermore, there is insufficient public awareness and engagement, particularly in the informal sector, regarding tax obligations and the benefits of paying taxes. Below are the key findings from the study

1. **Main Sources of IGR**: The key sources of IGR in Bauchi State include taxes (property tax, income tax, and consumption tax), fees (for local government services), and charges (such as vehicle registration and business licenses). However, the state's reliance on agricultural revenue and informal sectors remains a significant limitation.
2. **Challenges in IGR Collection**: Key challenges identified include inadequate infrastructure (lack of internet and electricity), low public awareness of tax obligations, weak enforcement mechanisms, and corruption within revenue agencies. The manual revenue collection system further exacerbates these challenges.
3. **Effectiveness of IGR Strategies**: The existing strategies, including periodic audits and local tax collection, have not been highly effective in increasing revenue generation. Poor coordination between different revenue collection agencies also contributes to inefficiencies.
4. **Potential for Automation**: Automation and digital platforms such as online payment systems and e-filing of taxes have the potential to significantly improve IGR collection in Bauchi State. However, the lack of digital literacy and poor internet infrastructure in rural areas pose challenges.
5. **Policy Recommendations**: Several recommendations were made, including the need to invest in digital infrastructure, capacity building for tax officials, public awareness campaigns, and the establishment of a comprehensive tax policy that incorporates automation.

CONCLUSION

In conclusion, while Bauchi State has made strides in enhancing its IGR strategies, substantial challenges remain. The state's revenue generation potential can be significantly improved by addressing issues related to compliance, corruption, public awareness, and technology adoption. By strengthening enforcement, increasing public engagement, and formalizing the informal sector, Bauchi State can increase its financial independence and create a sustainable source of funding for critical public services and development projects. Implementing these measures will not only enhance the state's financial position but also improve the quality of life for its citizens.

RECOMMENDATIONS

Based on the findings of the study, several recommendations are proposed to improve the effectiveness of Internally Generated Revenue (IGR) strategies in Bauchi State. These recommendations aim to address the challenges identified and strengthen the state's ability to generate sufficient revenue for development and public service delivery.

1 Strengthen Enforcement Mechanisms

2 Enhance Public Awareness and Education

3 Full Automation of Revenue Collection
4 Build the Capacity of Revenue Officials
5 Formalize the Informal Sector
6. Transparency and Accountability in Tax Revenue Utilization

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