

**TAX ADMINISTRATION AND TAX COMPLIANCE IN RUBANDA DISTRICT: A
CASE OF BUBAARE SUB-COUNTY**

1 Ahumuza Audrey, 2 Dr. Arinaitwe Julius, 3 Dr Ariyo Gracious Kazaara

1, 2, 3 Metropolitan International University

ABSTRACT

The study established the relationship between Tax administration and Tax compliance among tax payers in Bubare Sub- County, Rubanda District and it was Guided by the following study objectives; To find out the level of Tax Administration employed, to identify the level of tax compliance and to determine the relationship between Tax Administration and Tax Compliance of tax compliance in Bubaare Sub- County. The Population of this study comprised of all Seven (7) Bubare Sub- County Staff, ten (10) from Uganda Revenue Authority and 243 Tax payers who included Property tax and Trading licence payers from Bubare Sub- County who was added up to get 260 because they are the basis of the study and this provided the relevant answers to the study questions. The research findings revealed that their businesses were voluntarily registered as a taxpayer with the tax authority which is Bubare sub-county department of Accounts as this accounted for 30(52%) strongly agreed and 28(48%) who agreed. However, other who disagreed and they accounted for 18(31%). The study revealed that the business or company annually pays taxes assessed to the tax authority and this accounted for 20(34%) and 34(59%) who strongly agreed and agreed respectively. The others who accounted for 4(7%) who were not sure. The administration of tax is headed by sub-county chief and the sub-county accountant as evidenced by 25(43%), 15(26%) of those who strongly agreed and others who agreed respectively. The level of compliance among taxpayers in the sense that the perception of taxpayers with regard to leniency and effectiveness of the tax policies, skills of tax collectors, in addition to the mode and period of payment of tax obligations among other issues greatly determined the level of taxes realized. The researcher recommended that sensitization of taxpayers regarding the importance of paying taxes and their obligations be given more emphasis than it is at the present.

Key words: tax administration and tax compliance

Background to the Study

Tax administration entails assessment and collection of taxes and enforcement of liability (Bird, 1974). It is therefore a structure or procedure or identification of potential taxpayers, assessment, collection, and laws governing taxation. Therefore, a great deal of attention should be paid to critical aspects of tax administration such as staffing, training, administration procedure, and the collection and use of information. The tax administrators are responsible for all key tax administration functions which include taxpayers' services, registration, collection, enforcement, returns processing, filing enforcement, audit, refunds and objections (Christopher, 2005).

The study was based on the neoclassical theory of crime and punishment proffered by Becker in 1968, Allingham and Sandmo state that tax non-compliance is a rational decision taken by defiant taxpayers who weigh profit and gain against punishment in the event of being caught, and successful escape from detection. Consequently, a rational taxpayer attempts to evade or avoid tax if the gain outweighs the probable punishment for this law-defying, undesired demeanor.

Tax administration involved identifying and registering a tax payer as well as defining, assessing individual taxpayer's income, fixing a rational system of rates and finally collecting the taxes due (Stiglitz, 1985). According to Wenzel (2002) tax administration involves tax identification and registration of the taxpayers, assessment, collection, enforcement and monitoring and sensitization.

Maxwell (2003) defines tax compliance as the degree to which the tax paying community meets the tax obligation as set out in the appropriate legal and regulatory provisions. He adds that compliant tax payers in Uganda make timely, proper and accurate declaration to the tax authority and voluntarily settle all the due tax liabilities. Taxpayer compliance depends on economic incentives embedded in the tax structure and the effectiveness in detecting and penalizing non-compliance.

The current trends show Tax administration as a key role in determining the success of tax compliance level or nontax compliance in a given tax system. In Uganda, Uganda Revenue Authority was formed to perform the task of tax administration. It was organized to accomplish the basic functions of tax collection agency, taxpayer audit, internal audit, financial management, enforcement, legal and regulatory affairs and also central tax administration and compliance (Kaweesa, 2004).

Statement of the Problem

According to Braithwaite, (1998), Tax administration determines the taxpayer's willingness to pay taxes especially when the taxpayer is aware of the implications and costs of noncompliance. An inefficient tax administration weakens the willingness of the taxpayers to comply and creates room for political manipulation and in the process, government loses revenue (Bird, 1992). Relatedly, Tax compliance was still low due to the fact that tax authorities have not sufficiently addressed the key shortfalls in the administration system, which include unregistered taxpayers, inadequate clear tax literature, difficulties in enforcement, stop filing taxpayers and tax evaders as well as delinquent taxpayers (Byaruhanga, 2007). Despite of the measures taken by government in reforming tax administration in Uganda tax compliance still remains low due to the fact that the tax system is still complicated and non-transparent because of comprehensive changes in the tax structure (rates and bases) in recent years. This study therefore was set to the relationship between Tax administration and Tax compliance among tax payers with reference to Bubare Sub- County, Rubanda District.

Specific Objectives

1. To find out the level of Tax Administration employed by Bubare Sub- County.
2. To identify the level of tax compliance of Bubare Sub- County.
3. To determine the relationship between Tax Administration and Tax Compliance of tax compliance in Bubare Sub- County.

Research Questions

1. What is the level of Tax Administration employed by Bubare Sub- County?

2. What is the level of tax compliance of Bubare Sub- County?
3. What is the relationship between Tax Administration and Tax Compliance of tax compliance in Bubaare Sub- County?

Methodology

Research Design

The study adopted a descriptive research design. According to Thornhill (2011) the key purpose of descriptive research is that it describes affairs as they exist and involves collection of data to test hypothesis regarding the current status of the study subject. The researcher used the descriptive research design as appropriate for the study because the study was concerned with finding answers to questions about the research topic under study by the researcher.

Target Population

The Population of this study comprised of all Seven (7) Bubare Sub-county Staff, Ten (10) from Uganda Revenue Authority and 243 Tax payers who included Property tax and Trading licence payers from Bubare Sub-county who was added up to get 260 because they are the basis of the study and this provided the relevant answers to the study questions.

Sampling Size

A sample is defined as a small proportion of an entire population; a selection from the population (Lohr, 2010). Sample Size determination is the act of choosing the number of observations or replicates to include in a statistical sample (Singh, 2008). The sample size is an important feature of any empirical study in which the goal is to make inferences about a population from a sample (Noy, 2008). Singh (2008) stated that a sample is a subset of a population that was useful if it accurately represents the larger population. In order for this to be achieved, the researcher used Sloven (1967) formula for determining sample size

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

$$S = \frac{260}{1+260(0.05)^2}$$

$$S = \frac{260}{4.5}$$

$$S = 58$$

Where S represents sample size

N represents target population

n represents number of respondents

e represents acceptable error value

Therefore, a number of 58 used as a sample size and it represented the whole target population under study.

Sampling Technique

Using simple random sampling, the researcher selected 41 tax payers who included people operating businesses and are paying trading licenses. The study used Purposive Sampling Technique to select Seven (7) Bubare Sub- County Staff, Ten (10) from Uganda Revenue Authority.

Data Collection Tools.

Data collection methods refer to the process of collecting data after the researcher has identified the types of information needed which is based on the research questions guiding the study (Fielding, 2010).

Questionnaire

The Questionnaires was issued to the respondents through informal self-introduction. Each entity within the questionnaire was developed to tackle a specific research question to fit best in the research problem. Structured questionnaires were more convenient since respondents were busy people and it that they would have less time to take part in oral interviews.

Interview guide

An interview is a face-to-face conversation between an interviewer and respondents conducted for the purpose of obtaining information (Kakinda, 1986). The researcher used interview guides because some of respondents are time conscious and would not be able to fill questionnaires. The researcher used interview to derive information from respondents by face-to-face interactions which have an advantage to the interviewer, the use of interviews helped to avoid misinterpretation of the questions as the researcher was assisted to interpret questions that were properly understood by the respondents such that immediate responses were obtained.

Observation

This method was used by the researcher because it avoids obtaining wrong information since it is based on what a researcher observes in addition, it studies people's attitudes which are expressed verbally and thus giving firsthand information.

Data Analysis

Data analysis is the systematic organization and synthesis of the research data and the testing of research hypotheses, using those data (Creswell and Plano, 2010). Data analysis also entails categorizing, ordering, manipulating and summarizing the data and describing them in meaningful terms (Pearson, 2010). As per Cooper and Schindler (2011), the reason for information analysis is to lessen aggregated information to a sensible size, creating synopses, searching for examples, and applying statistical techniques. Descriptive analysis was used to determine the proportions and frequency of the variables. The results were presented in form of frequency tables and percentages using SPSS.

RESULTS

Sex of the Respondents

The researcher found out information from the sex of the respondents as shown in the table below

Table 1: Showing the Sex of Respondents

Sex of Respondents	No. of Respondents	Percentage (%)
Males	30	52
Females	28	48

Total	58	100
--------------	-----------	------------

Source: *Field Data, (2022)*

According to the table above, most of the respondents who participated in the study were males representing 30(52%). Other respondents were females representing 28(48%). This means that males are the ones who mostly participated in the study.

Age of the Respondents

Table 2: Shows the Age of the Respondents

Age group	Number of Respondents	Percentages %
20-29	16	28
30-39	8	14
40-49	15	26
50-59	14	24
60+	5	9
Total	58	100

Source: *Field Data (2022)*

From the above table, 20 respondents were between 20-29 and made 28%. Those in the age group 30-39 were 8 and accounted 14%, others who were in the age group of 40-49 were 15 and they accounted for 26%. There were those who were in the age group of 50 years and above and they were 14 accounted for 24% hence this brought the total to 58 respondents and 100%.

Marital Status of the Respondents

The researcher found out information from the Marital Status of the respondents which he later presented, analyzed and discussed as shown in the table below

Table 3: Showing Marital Status of the Respondents

Marital Status	Number of Respondents	Percentage
Married	33	57
Single	20	34
Engaged	05	9
Total	58	100

Source: *Field Data (2022)*

According to the table above, most of the respondents who participated in the study were married and this accounted for 33 (57%). 20 respondents (34%) were single and they included some traders in the Central Business Districts doing some small-scale businesses. Other 5 respondents who represented (9%) were engaged. This implies that the respondents who mainly participated in the study were married. The researcher considered marital status of respondents for she wanted to ascertain whether marital status have played any positive role in collection of taxes and with reference to Bubaare Sub- County, Rubanda District.

Education Level of Respondents

The respondents had completed different levels of education starting from Primary school, secondary and tertiary institution as tabulated in the table below.

Table 4: Showing the Education Level of the Respondents

Education Levels	Number of Respondents	Percentages %
Primary School	18	31
Secondary School	20	34
Tertiary Institution	15	26
Others	5	9
Total	58	100

Source: Field Data (2022)

According to the table above, most of the respondents who participated in the study had completed primary education and they included those who were doing businesses in Bubaare sub-county and they accounted for 18(31%) of the respondents.

There were some other respondents who had completed S.4 and S.6 and they accounted for 20(34%) and these included some business people in all the different trading centres of Bubaare sub-county. Other respondents who participated in the study had completed tertiary institutions and they had Degrees, Diplomas and certificates from different institutions these included those who were Government employees like employees of Bubaare sub-county and they accounted 15(26%).

Finally, other 05(9%) of the respondents who participated in the study did not specify their level of education and they included respondents who owned some small and medium businesses in the Bubaare sub-county, Rubanda district accounted for 5(10%) bringing the total to 58 and 100 %. The researcher considered education background by finding out whether policies regarding collection of taxes have been put in place.

Occupation of Respondents

The respondents had different occupations and the researcher tabulated it as shown in table 5 bellow.

Table 5: Showing the Occupation of Respondents

Occupation	Number of Respondents	Percentages %
Bubaare Sub- County staff	13	22.4
Traders	25	43.1
Landlords	20	34.1
Total	58	100

Source: Field Data (2022)

According to the table above, the respondents who participated in the study were municipal employees who included employees from all departments at Central Division and they accounted for 13(22.4%) of the total participants.

Other respondents who accounted for 25(43.1%) were traders who were doing different businesses in the Bubaare Sub-County especially in trading centres.

Finally, other respondents who participated in the study accounted for 20(34.1%) of the total respondents were landlords who own commercial buildings in hence this brought the total to 58 and 100%.

Results of the Specific Objectives.

The Level of Tax Administration employed by Bubare Sub- County.

During the study a set of statements regarding the Level of Tax Administration employed by Bubare Sub- County. A likert scale of “Strongly Agree (SA) = 5, Agree (A) = 4, Not Sure (NS) = 3, Disagree (D) =2 and Strongly Disagree (SD) =1” quantified the responses and the results were presented in the table.

Table 6: The Level of Tax Administration employed by Bubare Sub- County

Responses	SA		A		NS		D		SD		F	%
	5		4		3		2		1			
	F	%	F	%	F	%	F	%	F	%	F	%
The business voluntarily registered as a taxpayer with the	30	52	2	4	0	0	0	0	0	0	58	100
			8	8	0	0	0	0	0	0		
The tax administrators came to the business premises and asked the business to register for tax	20	34	3	5	4	7	0	0	0	0	58	100
			4	9			0	0	0	0		
I pay my taxes willingly because I know the benefits	15	26	2	4	0	0	1	3	0	0	58	100
			5	3	0	0	8	1	0	0		
I always pay my dues at the right time and in the right amount.	30	52	2	3	8	3	0	0	0	0	58	100
			0	4		1	0	0	0	0		
Tax payer's attitude towards tax officials affects the level of tax compliance.	21	36	3	5	7	1	0	0	0	0	58	100
			0	1		2	0	0	0	0		
The business or company discloses all income earned for tax purposes	30	52	2	4	0	0	0	0	0	0	58	100
			8	8	0	0	0	0	0	0		

The business /company makes correct and accurate assessments annually	25	43	15	26	00	00	18	31	00	00	58	100
The tax assessed is done on the annual business profits/losses	20	34	30	52	83	31	00	00	00	00	58	100
The business files Tax assessments with the tax authority annually	30	52	84	30	20	31	00	00	00	00	58	100
The tax authority frequently moves into business/comp. any premises to discuss tax matters any premises to discuss tax matters	8	31	20	34	30	52	00	00	00	00	58	100

Source: Field Data, (2022)

According to table 6 above, the responsible who participated in the study revealed that their businesses were voluntarily registered as a taxpayer with the tax authority which is Bubare sub-county department of Accounts as this accounted for 30(52%) strongly agreed and 28(48%) who agreed.

The other respondents who accounted for 20(34%) strongly agreed and others who accounted for 34(59%) agreed that the tax administrators came to the business premises and asked the business to register for tax. The other respondents who accounted for 4(7%) were not sure whether the tax administrators came to the business premises and asked the business to register for tax.

The respondents also revealed that they pay their taxes willingly because they know the benefits and this accounted for 15(26%) of those who strongly agreed and 25(43%) who agreed. The other respondents I pay my taxes willingly because I know the benefits disagreed that they pay their taxes willingly because they know the benefits instead, they noted that they pay because their see others paying.

There are other respondents who revealed that they always pay their dues at the right time and in the right amount as this accounted for 30(52%) of those who strongly agreed and 20(34%) of those who agreed. However, there are others who disagreed that they always pay their dues at the right time and in the right amount instead their businesses are always first closed by the tax authorities from the Bubaare Sub- County before they go and clear with the accounts department hence this accounted for 18(31%) of the respondents.

The Level of Tax Compliance of Bubare Sub- County

During the study a set of statements regarding the Level of Tax Compliance of Bubare Sub-county. A likert scale of “Strongly Agree (SA) = 5, Agree (A) = 4, Not Sure (NS) = 3, Disagree (D) =2 and Strongly Disagree (SD) =1” quantified the responses and the results were presented in the table.

Table 7: The Level of Tax Compliance of Bubare Sub- County

Responses	SA		A		NS		D		SD		F	%
	5		4		3		2		1			
	F	%	F	%	F	%	F	%	F	%	F	%
The sub-county files actual taxes assessed whenever they fall due.	15	26	2	4	0	0	1	3	0	0	58	100
			5	3	0	0	8	1	0	0		
The business or company annually pays taxes assessed to the tax authority	20	34	3	5	4	7	0	0	0	0	58	100
			4	9			0	0	0	0		
The company or business annually pays taxes due on time	30	52	2	4	0	0	0	0	0	0	58	100
			8	8	0	0	0	0	0	0		
The business pays actual taxes assessed whenever it is due	30	52	2	3	8	3	0	0	0	0	58	100
			0	4		1	0	0	0	0		
The business or company discloses all income earned for tax purposes	21	36	3	5	7	1	0	0	0	0	58	100
			0	1		2	0	0	0	0		

The business /company makes correct and accurate assessments annually	20	34	3 0	5 2	8	3 1	0 0	0 0	0 0	0 0	58	100
The businesses consistently follow tax laws when making assessments	25	43	1 5	2 6	0 0	0 0	1 8	3 1	0 0	0 0	58	100
The business annually files tax returns with the tax authority promptly	28	48	3 0	5 2	0 0	0 0	0 0	0 0	0 0	0 0	58	100
The business always files tax returns on time.	30	52	8	3 4	2 0	3 1	0 0	0 0	0 0	0 0	58	100

Source: Field Data, (2022)

According to table 7 above, the respondents who participated in the study revealed that, the sub-county files actual taxes assessed whenever they fall due as this accounted for 15(26%) of those who strongly agree, 25(43%) agreed. However, other who disagreed and they accounted for 18(31%).

The other respondents who participated in the study revealed that the business or company annually pays taxes assessed to the tax authority and this accounted for 20(34%) and 34(59%) who strongly agreed and agreed respectively. The others who accounted for 4(7%) who were not sure. The respondents who participated in the study revealed that the company or business annually pays taxes due on time as this accounted for 30(52%), 28(48%) who strongly agreed and agreed respectively.

The respondents who participated also revealed that, the business pays actual taxes assessed whenever it is due and this is done by the department of accounts Bubaare sub-county where assessments are done before revenue collection. This was revealed by some of the business men in different trading centres in Bubaare sub-county hence this accounted 30(52%), 20(34%), 8(31%) who strongly agreed, agreed and others were not sure respectively.

The respondents who participated also revealed that the business or company discloses all income earned for tax purposes. They argued that some business which have a working capital of 100,000,000/= Ugandan shillings are the ones which disclose their income tax as revealed by some of the respondents and this is done to track the income earned annually by accounts department with sub-county chief. This accounted for 20(34%), 30(52%), 8(31%) strongly agree, agree and others who were not sure.

The Level of Tax Compliance of Bubare Sub-county

During the study, the researcher attempted research question one to record the level of Tax Compliance of Bubare Sub- County and the results were presented below in Table 8 below.

Table 8: Showing respondents' views on the level of Tax Compliance of Bubare Sub- County

	N	Minimum	Maximum	Mean	Std. Deviation
The sub-county files actual taxes assessed whenever they fall due :	58	1	5	2.45	1.263
The business or company annually pays taxes assessed to the tax authority	58	1	5	2.00	1.311
The company or business annually pays taxes due on time	58	1	5	2.94	1.413
The business pays actual taxes assessed whenever it is due	58	1	5	3.37	1.398
The business or company discloses all income earned for tax purposes	58	1	5	2.66	1.278

The business makes correct and accurate assessments annually	58	1	5	2.45	1.264
The businesses consistently follow tax laws when making assessments	58	1	5	3.35	1.397

Source: Primary Data 2022

The results presented in table 8 above, the respondents mentioned use of the sub-county files actual taxes assessed whenever they fall due with a mean of 2.45 and a standard deviation of 1.263, the respondents with a mean of 2.00 and standard deviation of 1.311 also mentioned the business or company annually pays taxes assessed to the tax authority. The respondents who mentioned the company or business annually pays taxes due on time had a mean of 2.94 and a standard deviation of 1.413, the respondents with a mean of 3.37 and a standard deviation of 1.398 mentioned the business pays actual taxes assessed whenever it is due and the respondents with a mean of 2.66 and a standard deviation of 1.278 mentioned the business or company discloses all income earned for tax purposes. The respondents with a mean of 2.45 and standard deviation of 1.264 mentioned the business makes correct and accurate assessments annually. Finally, the other respondents with mean 3.35 and a standard deviation of 1.397 mentioned the businesses consistently follow tax laws when making assessments. This implied that the respondents had different views on the level of Tax Compliance of Bubare Sub- County.

The relationship between Tax Administration and Tax Compliance by Tax payers.

During the study a set of statements regarding the Level of Tax Compliance of Bubare Sub- County. A likert scale of “Strongly Agree (SA) = 5, Agree (A) = 4, Not Sure (NS) = 3, Disagree (D) =2 and Strongly Disagree (SD) =1” quantified the responses and the results were presented in the table.

Table 9: The Relationship between Tax Administration and Tax Compliance by Tax payers

Responses	SA		A		NS		D		SD		F	%
	5		4		3		2		1			
	F	%	F	%	F	%	F	%	F	%	F	%
Tax administration sensitization with tax payers encourages complying with tax obligations	2 5	4 3	1 5	2 6	0 0	0 0	1 8	3 1	0 0	00 0	5 8	100
The identification and registration of tax payers, influences how much revenue is collected	3 4	5 9	2 0	3 4	4 7	0 0	0 0	0 0	0 0	00 0	5 8	100
The effectiveness of the monitoring tax payers affects the revenue collected by the sub-county	2 8	4 8	3 0	5 2	0 0	0 0	0 0	0 0	0 0	00 0	5 8	100
The tax collection methods and procedures have a direct influence on tax payer's compliance	3 0	5 2	2 0	3 4	8 3	3 1	0 0	0 0	0 0	00 0	5 8	100
The tax authority audits the books of accounts and any.	2 1	3 6	3 0	5 1	7 2	1 0	0 0	0 0	0 0	00 0	5 8	100
The assessment system by sub-county staff determines the total taxes collected	2 0	3 4	3 0	5 2	8 3	3 1	0 0	0 0	0 0	00 0	5 8	100

The tax collection methods and procedures have a direct influence on tax payer's compliance	1 5	2 6	2 5	4 3	0 0	0 0	1 8	3 1	0 0	00 8	5 8	100
---	--------	--------	--------	--------	--------	--------	--------	--------	--------	---------	--------	-----

According to the table above, the respondents who participated in the study revealed that Tax administration sensitizes tax payers and encourages complying with tax obligations. The administration of tax is headed by sub-county chief and the sub-county accountant hence this accounted for 25(43%), 15(26%) of those who strongly agreed and others who agreed respectively.

The respondents also revealed that the identification and registration of tax payers, influences how much revenue is collected as revealed by those who strongly agreed 34(59%) of those who 20(34%) who agreed and 4(7%) who were not sure.

The respondents also revealed that the tax collection methods and procedures have a direct influence on tax payer's compliance as indicated by 28(48%), 30(52%) who strongly agreed and other agreed respectively. The respondents revealed that, the tax collection methods and procedures have a direct influence on tax payer's compliance as indicated by those who strongly agreed 30(52%), 20(34%) who agreed and 8(31%) who were not sure.

The respondents revealed that reported that the tax authority audits the books of accounts and any. They argued that this is done to ensure transparency and accountability of received amount as revenue. This was indicated by those who strongly agreed 21(36%), 30(51%) and 7(12%) of those who were not sure. The assessment system by sub-county staff determines the total taxes collected as revealed by 20(34%) of those who strongly agreed, 30(52%) of who agreed and 18(31%) who were not sure.

Finally, the tax collection methods and procedures have a direct influence on tax payer's compliance as revealed by 15(26%) of those who strongly agreed, and 25(43%) who agreed and 18(31%) who disagreed.

The Correlation coefficient between Tax Administration and Tax Compliance by Tax payers

Table 10: Shows the Correlation coefficient between Tax Administration and Tax Compliance by Tax payers.

Correlations		Tax Administration	Tax Compliance
Tax Administration	Pearson Correlation	1	.038**
	Sig. (2-tailed)		.582
	N	209	209
Tax Compliance	Pearson Correlation	.038**	1
	Sig. (2-tailed)	.582	
	N	209	209

**. Correlation is significant at the 0.01 level (2-tailed).

Pearson correlation of tax administration and tax compliance, results revealed the significance positive responses relation between tax administration and tax compliance that is 0.038** significant at 0.01 level of a two tailed test with 209 degrees of freedom.

This implies that there is a moderate positive significant relationship between tax administration and tax compliance.

Conclusions

The findings are evident that tax administration has a positive effect the level of taxpayer's compliance. Once the methods and procedures of tax administration are inconsistent and vague, compliance will thus be negatively affected impacting on the level of revenue performance, yet if methods are good and the payers also regard them in such esteem, compliance will be enhanced hence increased level of revenue performance for the economy.

Recommendations

It is also recommended that sensitization of taxpayers regarding the importance of paying taxes and their obligations be given more emphasis than it is at the present. Quality and timely information should be availed to taxpayers and also encourage feedback from the taxpayers.

The local tax revenue authority should adopt a more pro-active approach rather than reactive approach in trying to collect taxes. This would go along in minimizing administrative and compliance costs since voluntary compliance will be enhanced. Relatedly, recommendations concern the expertise and skills of the Rubanda District Local Government.

REFERENCES

- Ayoki, M. (2017), Tax Performance in poor countries: Country Report Uganda Kampala: Institute of Policy Research and Analysis.
- Ayoki, M (2015). Tax Reforms and Domestic Revenue Mobilization in Uganda. Institute of Policy Research and Analysis. Kampala.
- Babie, E (2010). Adventures in social research data analysis using SPSS 14.0 and 16.0 for Windows. (6th Ed.). New York, N.Y: Pine Forge Press Publishers.
- Best, M (2015). ‘Production Versus Revenue Efficiency with Limited Tax Capacity: Theory and Evidence from Pakistan’. Journal of Political Economy, 123(6): 1311–55
- Bigirwa K (2009), a critical analysis of the effects of graduated tax abolition on Decentralization Policy in Uganda. (MBA Dissertation) UMI.

Bird, R. M, (2014). The administrative dimension of tax reforms in developing countries. In taxation reform in Developing Countries. Duke University Press, Durham and London PP. 315 – 330.

Braithwaite, J (2018), "Towards compliance framework for large businesses and international". Working paper, ANU, for Austria Taxation Office, Canberra.

Brewer, J. 1990. The Sinews of Power: War, Money, and the English State, 1688-1783. Cambridge: Harvard University Press.

Chambas A. (2010).“Optimal Taxation and Public Production I: Production Efficiency,” American Economic Review 61(1), March

Chitembo J.S. (2004). Basic Economics for East Africa: Concepts, Analysis & Applications. Kampala: Foundation Publishers.

Christopher J. (2005) "Compliance with the Law". A decision-making approach to taxpaying. Center for Tax Policy and Administration (2001). Principles of Good Tax Administration, <http://www.oecd.org/departments/o.html> comparison.

Cooper, D. R., & Schindler, P. S. (2011). Business Research Methods. (11th Ed.). New York,

Fjeldstad & Heggstad, (2011); Fjeldstad & Moore (2019) Tax and governance in Tanzania: an econometric study of how various sources of revenue affect expenditure in local governments

Hawkins, B. (2019). Financing Local Government. Aula Conference paper presented at the International Conference Center, Kampala.

Holtzman Yair (2007) Challenges in Achieving Transparency, Simplicity and

Iversen et al (2016) Paul A. "Diagrammatic Exposition of a Theory of Public Expenditure".
University of California, Santa Barbara.

Kasimbazi, S., (2013). "Revenue Impacts of Uganda's Trade Integration Strategy", a report prepared for the Tax Policy Department, Ministry of Finance, Planning and Economic Development
Kaweesa, CC.(2004) Taxation and Investment in Uganda. Structure and Trend. A presentation to the Business Forum in London, UK for investment opportunities in Uganda.

Kinondoni Municipal Report. (2017), Strategic plan 2007/2010, retrieved September 20, 2009 from the World Wide Web: <http://ncc.org/Taxoutline/index.html>

Maxwell. S. (2003) "Revenue impacts of Uganda's Trade Integration strategy". A report prepared for the Tax policy department, Ministry of Finance, Planning and Economic Development.

Ministry of Finance Economic Development. (MoFED (2010/2011). Back ground to the budget, Kampala Uganda.

Mwanja W. (2009), The effects of Administrative Procedures on Income Tax Collection. MBA Dissertation (Unpublished), Makerere University.

Noy, C. (2008). Sampling Knowledge: The Hermeneutics of Snowball Sampling in
NY: McGraw-Hill Publisher.