

Triangulation Analysis of the Effect of Taxation Policy on Revenue Collection Performance by Kenya Revenue Authority

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Abstract

The main objective of the study was to analyze the effect of government taxation policies on revenue collection in Kenya Revenue Authority (KRA) by examining the effect of policies governing staff training, internal controls, tax incentives and tax regulations on revenue collections in KRA. The study was based on human capital theory, systems theory, optimal theory of taxation and economic deterrence model. The study applied mixed design including descriptive survey design triangulated with secondary data and correlation research design. The target population comprised all the revenue officers working in the 34 KRA stations in the six regions across the country. The study sampled a total of 313 revenue officers in 34 KRA stations. Questionnaires containing close ended was used in the collection of primary data. The collected data was analyzed using statistical package for social sciences (SPSS) version 24 computer software. Descriptive statistics (frequencies, percentages, means and standard deviations) as well as inferential statistics (correlation analysis and regression analysis) were used in data analysis. Data was presented in charts and tables accompanied by relevant discussions of the findings. The study established that staff training, internal control mechanisms, tax incentives and tax regulations all had significant positive relationship with revenue collection. Further, regression analysis demonstrated that the independent variables taken together significantly accounted for 43.9% of the variation in revenue collection. When the results were triangulated with secondary data, the results were the same in staff training, internal control and tax incentive policies. Results from triangulated data had slight change on the relationship between tax regulation policy and revenue collection which turned out to be insignificant. The researcher had confidence to believe the consistent results of the main epistemological and ontological positions which of both the primary and secondary data on effects of government taxation policies on revenue collection by Kenya Revenue Authority. The study recommended that the government through the treasury devise policy guidelines to inform on the training of KRA staff in regard to revenue collection. Further the top management in KRA should devise internal control mechanisms to aid in monitoring the operation of the organization. On the other hand, the treasury in conjunction of KRA management board should put in place policy framework for the coming up and implementation of tax incentives.

Key words: Tax collection Performance, Human Capital Development, Tax Internal Control Management, Tax incentives management and Tax Regulation Practice.