# PERSONNALITY ATTRIBUTES AND TAX MORALE AS PREDICTORS OF WILLINGNESS TO PAY TAX: A STUDY OF TAX PAYERS, OGUN STATE NIGERIA.

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## ABSTRACT

*From the history of revenue generation in Nigeria, various governments; local, state and federal have tried to increase the level of tax compliance. Most often adopted is an obdurate attitude towards all taxpayers by applying laws and regulations to sanction and fine evaders. These means of enforcement proved to be without a significant success. Towards the end of the 20th century, governments have realized that a change is needed in order to increase revenue generation through tax collection. Adopting psychological strategies, rather than economic laws and regulations, could impel voluntary decisions for tax payment. This paper therefore examined personality attributes (openness, conscientiousness, extraversion, agreeableness, neuroticism) and tax morale as predictors of Ogun State taxpayers' willingness to pay. An ex-post facto research design was adopted, while participants comprised 154 taxpayers randomly selected at the tax paying station in Ogun State. Personality attributes and tax morale were hypothesized to jointly and independently predict tax payers' willingness to comply with tax regulations. Gender difference in the willingness to pay also was also investigated. Standardized psychological instruments were used to measure the variables in the study. Results showed that each of extraversion ($r = .34$; $p<0.05$), agreeableness ($r = .56$; $p<0.01$), openness ($r = .61$; $p<0.01$), and tax morale ($r = .66$; $p<.01$) correlated positively, while conscientiousness ($r = -.55$; $p<0.01$) and neuroticism ($r = .58$; $p<0.01$) correlated negatively, with willingness to pay tax. All the variables jointly accounted for 83% variance in willingness to pay tax [$R = 91$; $R^2 = 0.83$; $F_{(6,147)} = 121.92$; $p<0.01$]. But the personality factors alone accounted for 81% variance in willingness to pay tax [$R =.90$; $R^2 = .81$; $F_{(6,148)} = 123.41$; $p<0.01$]. There was no gender difference in willingness to pay tax $t$ (152) = 0.480; $p>0.05$. The study concluded that higher personality attributes on openness to experience, conscientiousness, and agreeableness, and low neuroticism disposition, including high tax morale predisposes taxpayers' willingness to pay in Ogun State whereas no gender difference in willingness to pay was established. It is recommended that tax implementers should understand the personality of tax payers and educate them on tax morale in other to increase their willingness to pay tax.*

***KEYWORDS**: Personality, Tax morale, Gender, Willingness to pay tax, Ogun State*

## INTRODUCTION

Every nation depends largely on rates and taxes for economic growth, development and project executions. Taxation is the system by which a government takes money from people and spends it on things such as education, health, defense and other social infrastructure to be enjoyed by all (Collins Dictionary, 2009). Tax payment may be direct or indirect (James & Alley; 2004). A direct tax is the one paid directly to the government by the taxpayer (juristic or natural) on whom it is imposed. This is often accompanied by a tax return filed by the taxpayer. Examples include income tax and corporate tax. An indirect tax (such as sales tax, value added tax (VAT), is a tax collected by an intermediary (such as a retail store) from the person who bears the ultimate economic burden of the tax (such as the customer). The intermediary later files a tax return and forwards the tax proceeds to government with the return. Indirect Tax compliance has always been much more complex as compared to the direct taxes.

An individual who earns income and is aged above 18 is expected to pay taxes; they refer to such as "eligible taxpayers". The degree to which taxpayers meet their obligations under the tax law is tax compliance. Tax compliance is therefore the degree to which a taxpayer complies (or fails to comply) with the tax rules of his or her country, by fulfilling all tax

obligations as specified by the law freely and completely, submitting a tax return within the stipulated period, correctly stating income and deductions, paying assessed taxes by due date and paying levied taxes (Integrity Management Toolbox, 2017). In other words, tax compliance means making tax payments and producing and submitting information to the tax authorities on time and in the required formats. Others writers defined tax compliance as the reporting of tax liability to the relevant authority in compliance with applicable tax laws, regulation and court (Jackson & Milliron, 1986). It has also been defined as a process in which tax payers file all the required tax returns by declaring all income accurately and paying the exact tax liability using applicable tax laws and regulation (Palil & Mustapha, 2011). Franzoni (1998) outlined the components of tax compliance to include true reporting of the tax base, correct computation of the liability, timely filling of the return, and timely payment of the amount(s) due.

Towards achieving the goal of revenue generation through tax, rules and laws are set to explicitly prescribe such conditions for its implementation. Non-compliance jeopardizes the collective project and can be utterly destructive. James and Alley (2004) raised the question whether 'compliance' refers to voluntary or compulsory behaviour. Compulsory compliance exists where taxpayers 'comply' only because of dire threats or harassment or both, whereas voluntary compliance occurs when taxpayers do comply willingly, without the need for enquiries, obtrusive investigations, reminders or the threat or application of legal or administrative sanctions or the actual application of enforcement activity. The latter is of importance in this discourse. Tax compliance has also been described in two other forms; administrative and judicious compliance (Chow, 2004). Administrative compliance refers to compliance with the applicable tax laws as stipulated in the relevant regulations, whereas judicious compliance refers to the accuracy in filling the tax return forms.

Tax compliance can be through enforcement by relevant authorities or through voluntary willingness of the taxpayers (Kastlunger, Lozza, Kirchler, & Schabmann, 2013; Kirchler, Hoelzl, & Wahl, 2008; Kirchler, Hofmann, &Gangl, 2012; Muehlbacher, Kirchler, & Schwarzenberger, 2011; van Dijke & Verboon, 2010; Wahl, Kastlunger, & Kirchler, 2010). Tax compliance enforcement is through powers conferred on the relevant authorities to force the tax payers to pay while voluntary compliance refers to morality of the taxpayers to pay tax willingly. Thus, voluntary tax compliance entails the filling and reporting of tax returns, correct self-assessment of tax due and payment of taxes before or on the due date without enforcement (Silvani & Baer, 1997). Tax administrators are obviously concerned about enforcement, and also emphasise improving "tax morale," by which they generally mean increasing voluntary compliance with tax laws and creating a social norm of compliance (Allingham & Sandmo, 1972).

Tax compliance and evasion is a global phenomena hassling both developed and developing countries but the level of tax evasion and noncompliance on average is much more in developing and transition countries than the developed countries (Kim, 2008). In comparing the tax evasion scores of developing African countries with that of developed and transition countries, it is evident that tax evasion is worst in African developing States (Kim, 2008). Statistics of average tax evasion in developing countries as at 2002 was put between 35% and 55% of the GDP, which is worse than that of developed nations like US (Terkper, 2003). For personal income tax about 95 percent of personal income tax in developing countries come from the formal sector through withholding tax (PAYE) deducted by the public sector and large firms in the salaries and wages of its employees, compared to 80 percent in developed nations (International Monetary Fund, 2011). Further, less than 5 percent of the population in developing countries paid personal income tax compared to about 50 percent in developed nations. Furthermore, only about 15 percent of taxpayers'

income is reached in developing countries for tax purposes compared to about 57 percent in the developed countries. Moreover, comparison of personal income tax as a percentage of GDP reveals that for the period of 1980-2005 personal income tax is 9-11 percent of GDP in developed countries compared to less than 2 percent in the developing countries (Sabirianova, Buttrick, & Duncan, 2009).

More recently, Isbell (2017) presented a High Level Panel report on Illicit Financial Flows from Africa. Tax abuse was reported as an important contributor (along with laundering of criminal proceeds, corruption, and market abuse) to an estimated $30 billion to $60 billion per year that African governments lose to illicit financial flows. These hamper economic and social growth through state investment, improvements in education and health services, and lower debt commitments abroad (United Nations Economic Commission for Africa, 2015a, 2015b; Guardian, 2015). Low tax compliance weakens the state's ability to invest and develop. Fuest and Riedel (2009) reported that in 2005, only 15% of gross domestic product (GDP) in developing countries were derived from taxes, compared to 35% in developed countries. Low tax compliance in developing countries costs around $285 billion per year (Cobham, 2005).
Efforts have been made by researchers to explain poor tax payment in Africa. Aiko and Logan (2014), for instance, reported that majority of Africans claim they do not know what taxes they are supposed to pay and that their government abuse tax revenues, in addition to tax officials being corrupt. Ali, Fjeldstad, & Sjursen (2013) also found negative correlation between not understanding how taxes are used and tax compliance. This analysis highlights the need to further investigate factors responsible for poor tax compliance in African countries.

Several studies have examined the effect of tax rate on tax compliance. Most of the studies found that high tax rate causes high tax noncompliance (Hai & See, 2011; Spicer & Becker, 1980). Similarly, it was found that taxpayers' underreporting behaviour is positively correlated with high tax rate (Clotfelter, 1983; Joulfaian & Rider, 1998). More evidences show that high tax rate is positively related to tax evasion and negatively related to tax compliance (Ali, Cecil, & Knoblett, 2001; Christian & Gupta, 1993; Feinstein, 1991). Some studies, however found negative relationship between tax rate and tax evasion or positive relationship between tax rate and tax compliance (Alm, Sanchez, & De Juan, 1995; Feinstein, 1991). Other studies in one of the African countries showed that tax rate does not have any relationship with tax compliance (Modugu, Eragbhe, & Izedonmi, 2012).

It is evident that there are mixed findings on the relationship between tax rate and tax compliance. Thus, it is suggested that since the economic literature on the effect of tax rate and tax compliance is not conclusive due to mixed findings by various studies, the issue still requires further investigation (Freire-Serén & Panadés, 2013), especially in identifying other possible explanations for tax evasion or compliance.

Fischer, Wartick, and Mark (1992) used fourteen variables identified by Jackson and Milliron (1986) in formulating tax compliance model (Chan, Troutman, & O'Bryan, 2000). The model regrouped those fourteen factors into four groups comprising of demography of taxpayers, non-compliance opportunity, attitude and perceptions and tax system/structures. The model incorporates demographic variables (e.g. age and gender), noncompliance opportunity variables (e.g. education, occupation, income level and income source), attitudes and perceptions (e.g. taxpayer's moral reasoning and attitude and perception toward tax system), and tax system structures (e.g. tax rate, detection probability, tax system complexity, contact with tax authority and sanctions). The choice variables for the present research, which are personality and ethical morale are subsumed under attitudes and perception; people's attitudes and perceptions are assumed to be a function of these two variables.

Mitton and Patelli (2000) classified taxpayers in three groups: 'honests', 'initiatives' and 'perfect free riders', suggesting that the personality dispositions of tax payers would determine tax paying compliance. A personality theory developed by Paul Costa and Robert Macrae in 1987 is the big five theories. According to them, personality consists of five basic factors or traits namely: Openness to experience, Conscientiousness, Extraversion, Agreeableness and Neuroticism. Openness to experience explains individuals with a wild imagination and varying interests. They like to learn new things and gain novel experience(s). These persons will be willing to comply with tax laws if they see what the government is doing with their funds. Conscientiousness describes people that have a high degree of reliability and are always prompt. They are organized, 'methodic' and thorough. These persons will be willing to perform their civic duty of paying their taxes. Extraversion describes persons whose energy feed on their interaction with others. They are usually assertive, energetic and may be talkative. Such individuals will be willing to pay taxes to achieve social acceptance. Agreeableness describes friendly, cooperative and compassionate individuals. They are kind, sympathetic and affectionate. Like persons open to experience, they must be convinced that their funds are judiciously used by the authority before they would comply to tax payment. Seeing what the government does with the money is not as convincing as them agreeing with what such is used for. Neuroticism explains one's emotional stability and degree of negative emotions. Neurotic persons are generally apprehensive, moody and tensed. These persons are less or the least likely to be pleased with the government's actions or policies. This builds the tendency to deliberately evade or avoid tax payment.

Tax morale is an intrinsic motivation about paying taxes. Individuals may have some intrinsic motivation to pay taxes or feel guilt or shame for failure to comply. They may comply due to reciprocal motivations such as the willingness to pay taxes in exchange for benefits that the state provides to them or to others even though their pecuniary payoff would be higher if they did not pay taxes. Individuals may be influenced by peer behavior and the possibility of social recognition or sanctions from peers. Cultural or social norms can affect the strength or sanctions from peers and these norms can affect the strength of these intrinsic motivations, reciprocal motivations or the sensitivity of peers.

The benchmark economic model of tax evasion proposed by Allingham and Sandmo (1972) explains the self-interested taxpayers choose how much income to report to the tax authority by tading off the benefits of evasion (lower tax payments) against the costs of evasion (the possibility of being caught and punished). By this model, persons scoring high on conscientiousness, openness to experience, and low on neuroticism would likely be more willing to pay tax than those low on conscientiousness and openness to experience, but high on neuroticism. In this model, the key policy parameters affecting tax evasion are the tax rate, the detection probability, and the penalty imposed conditional on the evasion being detected. The OECD (2001), for example, noted that the promotion of voluntary compliance should be a primary concern of revenue authorities in its principles for good tax administration, and it has highlighted the importance of tax morale more generally (OECD 2013).

Studies on tax morale and tax compliance have mainly been undertaken in the United States. However, scholars like Torgler (2007) tried to bridge the gap in literature by focusing on Europe, Asia and Latin America. Most recently, research has been extended to developing countries through the Organization for Economic Development and Cooperation (OEDC) tax and development study. This study sought to complement global analysis through the generation of more detailed regional information from Africa, Asia and Latin America. Fjeldstad and Heggstad (2012) narrowed their study even more by focusing on taxpayer culture in Mozambique, Tanzania and Zambia. Their study did not isolate tax morale as an area of study but maintained regional focus.

The present research hinges on two theories: the theory of reasoned action and the theory of planned behavior. The theory of reasoned action (TRA) explains an individual's decision, a voluntary behavior (Colman, 2015), to engage in a particular behavior based on the outcomes the individual expects will come as a result of performing the behavior. In other words, prospective tax payers will be willing to pay based on their perceived utilization of the proceeds from taxation. It could also be the perceived penalty that would be received on account of nonpayment of tax. The idea found within the theory of reasoned action is that of an individual's basic motivation to perform an action, which in this case is tax compliance. TRA says that a person's intention to perform a behavior is the main predictor of whether or not they actually perform that behavior. According to the theory, intention to perform a certain behavior precedes the actual behavior (Azjen & Madden, 1986). The theory of reasoned action suggests that stronger intentions lead to increased effort to perform the behavior, which also increases the likelihood for the behavior to be performed. It is proposed therefore that tax morale may positively influence tax compliance. Similarly, conscientiousness, openness, agreeableness as personality dispositions will positively influence tax compliance where tax proceeds are judiciously utilized, but negative where it is not.

The theory of planned behavior (TPB) is another theory deemed relevant to the study. It proposes that human behavior is guided by three kinds of consideration; "behavioral beliefs," "normative beliefs," and "control beliefs." (Ajzen, 1991). In this, "behavioral beliefs" produce a favorable or unfavorable "attitude toward the behavior"; "normative beliefs" result in "subjective norm"; and "control beliefs" gives rise to "perceived behavioral control." In combination, "attitude toward the behavior," "subjective norm," and "perceived behavioral control" lead to the formation of a "behavioral intention" (Ajen, 2002). In particular, "perceived behavioral control" is presumed to not only affect actual behavior directly, but also affect it indirectly through behavioral intention (Noar & Zimmerman, 2005). It is very much likely that the personality of a prospective tax payer will in this wise inform the direction of these three beliefs. As a general rule, the more favorable the attitude toward behavior and subjective norm, and the greater the perceived behavioral control, the stronger the person's intention to perform the behavior in question should be. Tax morale in this wise will be positively related to the behavioural control for tax compliance. The theory states that attitude toward behavior, subjective norms, and perceived behavioral control, together shape an individual's behavioral intentions and behaviors.

Considering the fall in federal government subvention to states, the need to internally generate revenue is fast becoming the main source of revenue for all state governments in Nigeria. Citizens' voluntary tax payment becomes an important issue for state governments nationwide. What causes people to pay tax or try to evade tax is what every state government in Nigeria will desire to know. Towards achieving this goal, the present study aims at examining:

1. Personality attributes as correlates of tax payers' willingness to pay tax in Ogun state.
2. Personality attributes as predictors of tax payers' willingness to pay tax in Ogun State.
3. Personality attributes and tax morale as joint predictors of tax payers' willingness to pay tax in Ogun State.
4. To examine gender difference in tax payers willingness to pay tax in Ogun state.

It is believed that the findings of this research will assist the Federal Internal Revenue service in general, and the employees of Ogun State Internal Revenue Service in particular in understanding the psychological variables that could influence prospective tax payers' compliance in the payment of tax. This will also help tax practitioners to understand their clients better, thereby limiting the incidence of tax flight and increasing the stock of tax as a

source of internal revenue generation. With improved professional practice, the tax collectors practitioners will understand their clients better, thereby limiting the incidence of tax flight and increasing the stock of tax as a source of internal revenue generation.

Consequent upon the literature reviewed, the following hypotheses will be tested:

1. Personality attributes and tax morale will each independently correlate significantly with tax payers' willingness to pay tax in Ogun State.
2. Personality attributes of extraversion, agreeableness, conscientiousness, neuroticism and openness, and tax morale will jointly predict tax payers' willingness to pay tax in Ogun State.
3. Female tax payers will report significantly higher willingness to pay tax than their male counterparts in Ogun State.

## METHODS

### Design:

This study adopted an ex-post facto design owing to the fact that data were gathered using questionnaire and its suitability to study a large population within a short period of time. The variables in the study were not manipulated because they were 'after the effect', which included personality and tax morale as they relate to willingness to pay tax.

### Setting:

The study was conducted in Ogun Stage among tax payers at the tax station in Oke-Mosan in Abeokuta. Oke-Mosan is located in Abeokuta, which is the capital city of Ogun State. It is the geographical location where the state government administrative parastatals reside. This place is situated in Obafemi-Owode, Ogun, Nigeria.

### Participants:

A total number of 152 taxpayers were selected from the tax station in Ogun State to obtain a true representative sample of the population in the study. The sample was constituted of 92 (59.7%) male and 70 (40.3%) female participants with average age as 21.27 years and standard deviation as 5.23. Among the participants 78 (51.3%) were married 49 (32.2%) were single while 25 (16.4%) were of other marital status categories. On religion 69 (45.4%) were Christians, 58 (38.2%) were Muslims, while and 25 (16.4%) where of other religious affiliations.

### Instrument:

The instrument was a standardized structured questionnaire comprising four sections; A – D. Section A comprises demographic variables; section B contains the big five inventory scale; section C has the tax morale items and section D evaluates tax payers' willingness to comply or pay taxes scale.

### Section A- Demographic Data

This section contained items that measured gender, age and other demographic data

### Section B- Personality Attributes Inventory

The questionnaire consists of the Big-five personality inventory (BFI). The scale was jointly developed by John and Srivastava (1999). The inventory contains 44 items measuring openness to experience, conscientiousness, extraversion, neuroticism and agreeableness and it is a 5-point rating scale, ranging from strongly disagree to strongly agree. The reliability was reported independently such that extraversion trait is .87, agreeableness, .74,

conscientiousness, .84, neuroticsm, .88 and openness to experience, .79. The scoring procedure of this scale indicates that the higher the score the higher each individual trait on that particular personality factor, and vice-versa. For the present research, the Cronbach alpha coefficients for the scale are .89, .82, .79, .86 and .90 for extraversion, agreeableness, conscientiousness, neuroticism, and openness to experience respectively.

**Section C- Tax Morale Scale.**

This scale consists of a 20- item questionnaire measuring tax morale, developed by Bee, Valentine and Robert (2014), as reported by Cummings, Martinez-Vazquez, McKee, and Torgler (2009). It is based on a seven-point Likert scale. The responses range from 1 to 7; 1= completely disagree to completely agree=7. It has reliability coefficient of 0.87, the internal consistency coefficient of the scale was assessed and reported as Cronbach's alpha of .90. The authors reported content, discriminants and convergent validity for the instrument. However, items 1-10 measure tax morale while items 11-20 measure tax rule orientation but both were combined for the present study and a Cronbach alpha coefficient of .82 was obtained.

**Section D-Taxpayer's Willingness to Pay**

It consists of a ten-item scale measuring tax compliance which is based on a seven-point Likert format scale. It was developed by Rene, Bruno, Der Derkan and Werner (2003), as reported by Cummings, Martinez-Vazquez, McKee & Torgler (2009). The authors established a Cronbach alpha reliability of .92 and its cross-validation evidences indicated that, the item reliability ranged from 0.71 to 0. 93. The responses range from strongly agree to strongly disagree. For the present study a Cronbach alpha coefficient of .88 was obtained.

**Procedure**

The researcher used a self –administered questionnaire designed for this study and administered two hundred copies among tax payers in Ogun state at their pay station in Oke-Mosan in Abeokuta, through accidental sampling procedure. Copies of the questionnaire were deposited with the tax collection officers at a peak period of tax collection, which prompted increased presence of the tax payers at the period the research was conducted. A copy of the questionnaire was give to each respondent to fill after consent had been sought. Only those who agreed to participated and collection was made after. A total of 200 copies of the questionnaire were administered but only 154 were retrieved and found usable for analysis

**Statistical Analysis**

. Data collected were analysed using SPSS version 21.0 for statistical sophistication. This includes descriptive and inferential statistics. The stated hypotheses were tested using most appropriate statistical tool for statistical sophistication. Hypotheses 1 and two were tested using Pearson Product Moment Correlation, while hypothesis 3 was tested using multiple linear regression analysis, and 4 was tested using t-test for the independent samples.

**RESULTS**

The first hypotheses stated that personality attributes and tax morale will independently correlate significantly with tax payers' willingness to pay tax. This was tested using Pearson Product Moment correlation and the results are presented in a zero order correlation Table.

**Table 1: Zero Order Correlation of Personality Attributes and Tax Morale and Tax Payers' Willingness to Pay Tax in Ogun State.**

| Measures | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Mean | SD |
|---|---|---|---|---|---|---|---|---|---|
| 1. Extraversion | - | | | | | | | 31.58 | 5.14 |
| 2. Agreeableness | .68** | - | | | | | | 28.34 | 7.52 |
| 3. Conscientiousness | .33** | .54** | - | | | | | 26.88 | 9.64 |
| 4. Neuroticism | -.48** | -.36* | -.41** | - | | | | 22.16 | 4.89 |
| 5. Openness | .68** | .69** | .46** | -.52** | - | | | 31.54 | 6.77 |
| 6. Tax Morale | .37* | .44** | .49** | -.48** | .51** | - | | 69.77 | 12.32 |
| 7. Tax Payment Willingness | .34* | .56** | -.55** | -.58** | .61** | .66** | - | 22.89 | 5.62 |

*P< .05
** P< .01

The results in Table 1 show that extraversion (r = .34; p< .01), agreeableness (r = .56; p< .01), openness to experience (r = .61; p< .01), and tax morale (r = .66; p< .01) correlated positively with tax payers' willingness to pay tax. However conscientiousness (r = -.55; p< .01) and neuroticism were negatively correlated with willingness to pay tax.

To test the second hypothesis that personality traits (openness to experience, conscientiousness, extraversion, agreeableness and neuroticism) will jointly and independently predict tax payers' willingness to pay tax in Ogun State, the standard multiple regression analysis was used with the results presented in Table 2.

**Table 2: Summary of Standard Multiple Regression of Willingness to Pay Tax on Personality Traits**

| Variables | R | $R^2$ | F | P | Beta | t | P |
|---|---|---|---|---|---|---|---|
| Extraversion | | | | | .04 | .70 | ns |
| Agreeableness | | | | | .23 | 3.41 | <.001 |
| Conscientiousness | | | | | -.12 | -2.28 | <.05 |
| Neuroticism | .90 | .81 | 123.41 | <.01 | .28 | 4.74 | <.001 |
| Openness to experience | | | | | .55 | 9.78 | <.001 |

Table 2 shows that extraversion, agreeableness, conscientiousness, neuroticism and openness jointly predicted willingness to pay tax among tax payers in Ogun State {R= .898; $R^2$= .807; F(6, 148)= 123.142; P< .01}. This result support the hypothesis therefore it is accepted. The personality traits jointly accounted for 80.7% variance in tax payers' willingness to pay tax. The independent contributions of the variables in the joint prediction shows that openness to experience had the highest contribution (β = .545, t = 9.782; p< .001) and it was positive; indicating that the more open to experience a tax payer is the more willing is the individual to pay tax. The next contributing personality trait is neuroticism (β = .275; t = 4.735; p< .001), with positive relationship with willingness to pay tax. It implies that the more emotionally unstable a person is the more likely is the person willing to pay tax. Agreeableness was the next significant personality trait that contributed positively in influencing willingness to pay tax (β = .225; t = 3.411; p <.001). It means that persons who are more inclined to agreeing would be more willing to pay tax. The contribution of conscientiousness was significant but negative (β = -.122; t = -2.282; p< .05), implying that the more conscientious a person is the less likely is the person willing to pay tax. However the contribution of extraversion was not significant (β = .044; t = .700; p>.05).

In the third hypothesis, it was proposed that personality attributes and tax morale will have significant and joint effects on tax payers' willingness to pay tax in Ogun State. This was tested using multiple regression analysis and the results shown in Table 3.

**Table 3: Summary Table showing Multiple Regression of Tax Payers' Willingness to Pay Tax on Personality factors and Tax Morale**

| Variables | R | $R^2$ | F | P | Beta | t | P |
|---|---|---|---|---|---|---|---|
| Extraversion | | | | | -.001 | -.009 | ns |
| Agreeableness | | | | | .19 | 3.01 | <.01 |
| Conscientiousness | | | | | .11 | 2.25 | <.05 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Neuroticism | .91 | .83 | 121.92 | <.01 | - .25 | - 4.59 | <.001 |
| Openness to experience | | | | | .49 | 9.14 | <.001 |
| Tax Morale | | | | | .21 | 4.80 | <.001 |

Table 3 indicates that extraversion, agreeableness, conscientiousness, neuroticism, openness to experience and tax morale jointly predicted willingness to pay tax among tax payers in Ogun State {R= .913; $R^2$= .833; F(6, 147)= 121.919; P< .01}. This implies that personality factors and tax morale jointly accounted for 83% variance in tax payers' willingness to pay in Ogun State. The results support the hypothesis and it is therefore accepted. The result shows that among the personality traits, openness to experience (β = .485; t = 9.138; p <.001), conscientiousness (β = .112; t = 2.247; p<.05), and agreeableness (β = .187; t = 3.010; p <.01) are the personality traits that positively predicted willingness to pay tax. This implies that the more open a person, the more conscientious is the person, and the more agreeable a person is, the higher the willingness to pay tax. Neuroticism contributed significantly and negatively in the prediction of pay payers' willingness to pay tax; implying that the more emotionally unstable a person is the less willingness to pay tax. However, extraversion did not contribute significantly in predicting willingness to pay tax. Tax morale had significant positive prediction on tax paying willingness (β = .213; t = 4.790; p <.001), implying that the higher the tax morale of a tax payer the higher the willingness to pay tax.

Female tax payers will report significantly high willingness to pay taxes than their male counterparts in Ogun State. This was tested using t-test for independent groups and the results are presented in Table 4.

**Table 4: t-Test Summary Table Showing Influence of Gender on Tax Payers' Willingness to Pay**

| Sex | n | $\overline{X}$ | SD | df | t | P |
|---|---|---|---|---|---|---|
| Male | 101 | 26.23 | 8.30 | | | |
| | | | | 152 | .480 | >.05 |
| Female | 53 | 25.51 | 10.35 | | | |

From Table 4, the results show that gender has no significant influence on willingness to pay tax among tax payers in Ogun State t (152) = .480; P> .05). This implies no gender difference in willingness to pay tax among the participants. The hypothesis is therefore rejected.

## DISCUSSION

The results on correlation analysis show that extraversion, agreeableness and openness to experience correlated positively with willingness to pay tax, while conscientiousness and neuroticism correlated negatively. When the five personality traits were examined jointly on willingness to pay tax, they jointly accounted for significant variance but only the contributions of agreeableness, neuroticism and openness were significant and positive. Though conscientiousness contributed significantly but it is negative, whereas the contribution of extraversion is not significant.

Tax morale correlated positively and significantly with willingness to pay tax and it contributed significantly in its joint prediction of tax payers' willingness to pay tax, along with the personality traits. Contributing significantly along with tax morale are openness to experience and agreeableness. Interestingly conscientiousness correlated negatively with willingness to pay tax, and contributed negatively in the joint prediction by all the personality traits but contributed positively in the joint prediction with tax morale as a predictor variable. It means that tax morale is a suppressor variable; its presence suppressed the negative influence conscientiousness had on tax payers' willingness to pay tax. Similarly neuroticism that showed positive relationship turned negative with the presence of tax morale. This shows that tax morale is an important variable in the activity of personality variables in predicting tax payers' willingness to pay tax.

The study findings revealed that personality attributes (extraversion, openness, neuroticism, agreeableness and conscientiousness) jointly and independently predicted willingness to pay tax among tax payers in Ogun State. It was also discovered that tax morale had significant influence on willingness to pay tax among tax payers in Ogun State. This result implies that high tax morale is significantly associated with high willingness to pay tax among the participants.

The results show that certain personality dispositions could influence tax compliance behavior like true reporting of the tax base, correct computation of the liability, timely filling of the return, and timely payment of the amount(s) due as outlined by Franzoni (1998). From the findings persons higher on openness to experience, agreeableness and conscientiousness, and those lower on neuroticism would incline more to tax payment than their counterparts. ). By the benchmark economic model of tax evasion proposed by Allingham and Sandmo (1972), personality of these types would choose how much income to report to the tax authority by trading off the benefits of evasion (lower tax payments) against the costs of evasion (the possibility of being caught and punished).

By Mitton and Patelli's (2000) classification tax payers into three groups of 'honests', 'initiatives' and 'perfect free riders', it is implied that personality dispositions of compliant tax payers would be those high on openness to experience, conscientiousness, agreeableness and low on neuroticism. By the theory of reasoned action (TRA), these persons would take decisions on voluntary engagement of tax compliant behavior based on the outcomes they expect will come as a result of performing the behavior. Such outcomes could be making of good roads, better health facilities and schools, and so on. It is opined from these finding that persons of the identified personality dispositions are likely guided by the three kinds of consideration proposed by the theory of planned behavior (TPB) (Ajzen, 1991), which are "behavioral beliefs," "normative beliefs," and "control beliefs;" these guide their willingness to pay tax.

Although compliance can be through enforcement by relevant authorities or through voluntary willingness of the tax payers (Kastlunger, et al., 2013; Kirchler, et al., 2012; Muehlbacher, et al., 2011; van Dijke & Verboon, 2010; Wahl, et al., 2010). The results from this study showed that those of high tax morale would be more inclined to tax payment. In other words, persons of this inclination would file all the required tax returns by declaring all income accurately and pay the exact tax liability using applicable tax laws and regulation (Palil & Mustapha, 2011; Silvani & Baer, 1997).

Tax administrators (Chow, 2004) should work towards improving tax morale of tax payers by enlightening the populace on the importance of tax payment. This activity could change the attitude and perceptions of tax payers as proposed in the tax compliance model by Chan, et al. (2000). According to the benchmark economic model of tax evasion proposed by Allingham and Sandmo (1972), persons of high tax morale would choose how much income to report to the tax authority by trading off the benefits of evasion (lower tax payments) against the costs of evasion (the possibility of being caught and punished). These implications denote various responsibilities for the tax collectors, State Government, Federal Government and other stakeholders in affairs of taxation and revenue management. The promotion of voluntary compliance, according to OECD (2001), would be a primary concern of revenue authorities in its principles for good tax administration. They should also understand personality inclinations that would voluntarily pay tax, as opposed to those who would not. Lastly the result of no gender difference in willingness to pay tax shows that both genders should be treated equally.

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