

Abuja, Nigeria
10 February 2021

News release

Majority of Nigerians say they find it difficult to get information about taxes, new Afrobarometer study shows

A majority of Nigerians say they find it difficult to get information about taxes they are supposed to pay and how the government uses taxes revenues, the latest Afrobarometer study shows.

Only half of Nigerians endorse the right of the tax authorities to make people pay taxes. About the same proportion are willing to pay higher taxes for more government services. A significant proportion think ordinary Nigerians are required to pay too much in taxes while the rich pay too little. Many think it is fair to tax rich people at a higher rate than ordinary people in order to help pay for government programs to benefit the poor.

The study also shows that a significant proportion of citizens want the government to strengthen the tax net to ensure that small traders and other workers in the informal sector pay taxes on their businesses.

Key findings

- Majorities say it is difficult to find out what taxes and fees they are supposed to pay (65%) and how the government uses the revenues from people's taxes and fees (74%) (Figure 1).
- Only about half (49%) of Nigerians agree that the tax authorities always have the right to make people pay taxes, while about one-third (36%) disagree (Figure 2).
- While almost half (47%) say that it is better to pay higher taxes in exchange for more government services, almost as many (39%) would prefer lower taxes, even if there would be fewer government services (Figure 3).
- Almost four in 10 Nigerians (37%) say that ordinary Nigerians are required to pay "somewhat too much" or "far too much" in taxes, while the same proportion say the rich pay "somewhat too little" or "far too little" (Figure 4).
- Six in 10 Nigerians (61%) say it is fair to tax rich people at a higher rate than ordinary people in order to help pay for government programs to benefit the poor (Figure 5).
 - Four in 10 (40%) want the government to make sure small traders and other people working in the informal sector pay taxes on their businesses.
 - One-third (34%) say the government usually uses the tax revenues it collects for the well-being of citizens.

Afrobarometer surveys

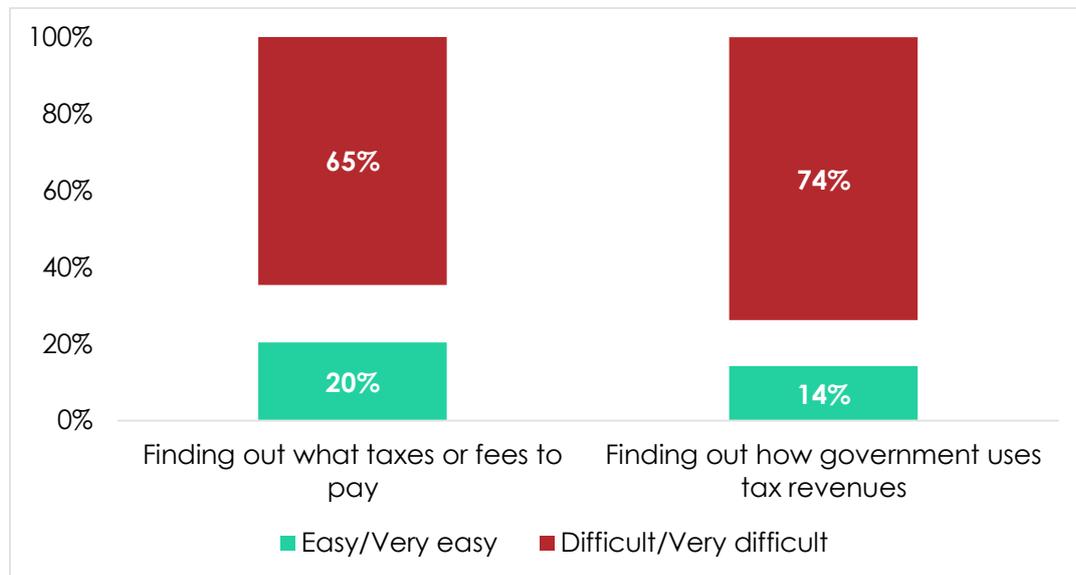
Afrobarometer is a pan-African, nonpartisan survey research network that provides reliable data on African experiences and evaluations of democracy, governance, and quality of life. Seven rounds of surveys were completed in up to 38 countries between 1999 and 2018. Round 8 surveys in 2019/2021 are planned in at least 35 countries. Afrobarometer conducts

face-to-face interviews in the language of the respondent's choice with nationally representative samples.

The Afrobarometer team in Nigeria, led by NOIPolls, interviewed 1,599 adult citizens of Nigeria in January-February 2020. A sample of this size yields country-level results with a margin of error of +/-2.5 percentage points at a 95% confidence level. Previous surveys were conducted in Nigeria in 1999, 2002, 2005, 2007, 2008, 2012, 2014, and 2017.

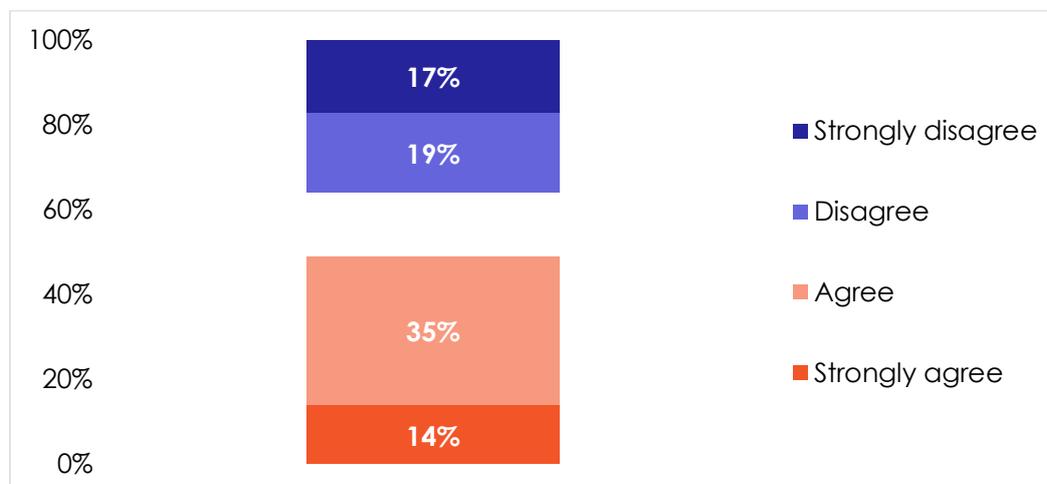
Charts

Figure 1: Access to information on taxes | Nigeria | 2020



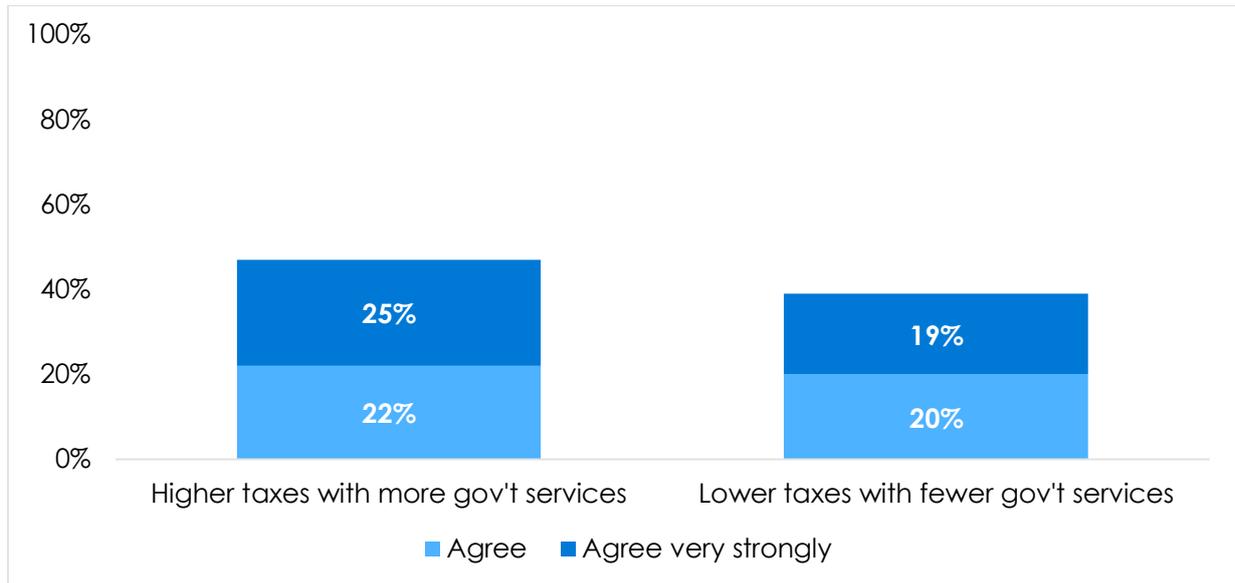
Respondents were asked: Based on your experience, how easy or difficult is it to do each of the following: To find out what taxes and fees you are supposed to pay to the government? To find out how government uses the revenues from people's taxes and fees?

Figure 2: Tax authorities have the right to make people pay taxes | Nigeria | 2020



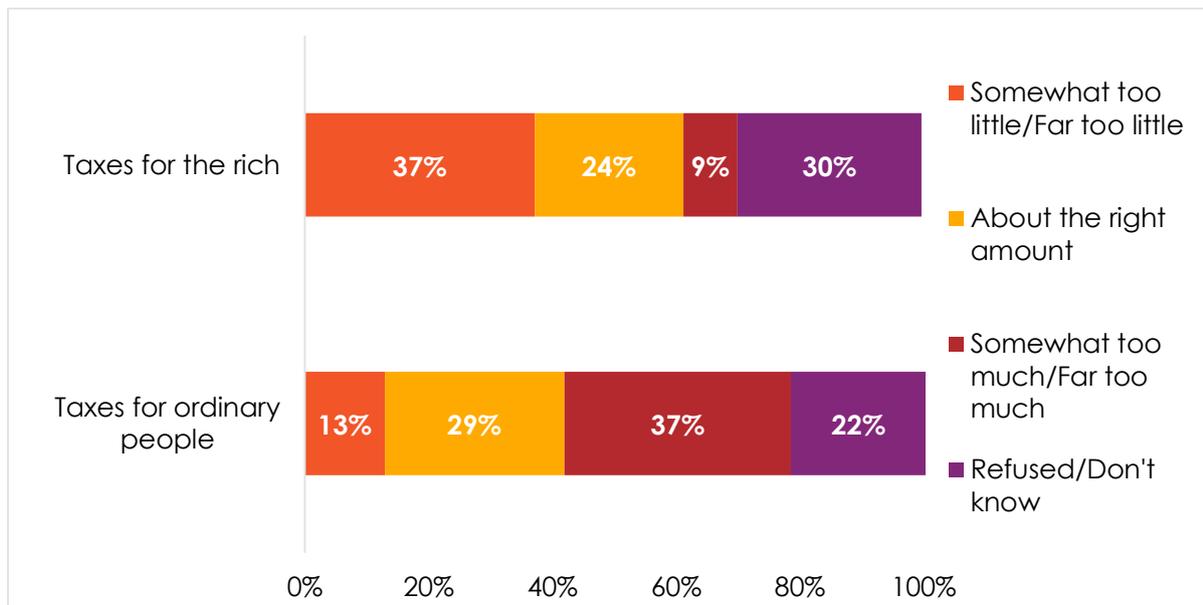
Respondents were asked: For each of the following statements, please tell me whether you disagree or agree: The tax authorities always have the right to make people pay taxes?

Figure 3: Higher taxes for more government services? | Nigeria | 2020



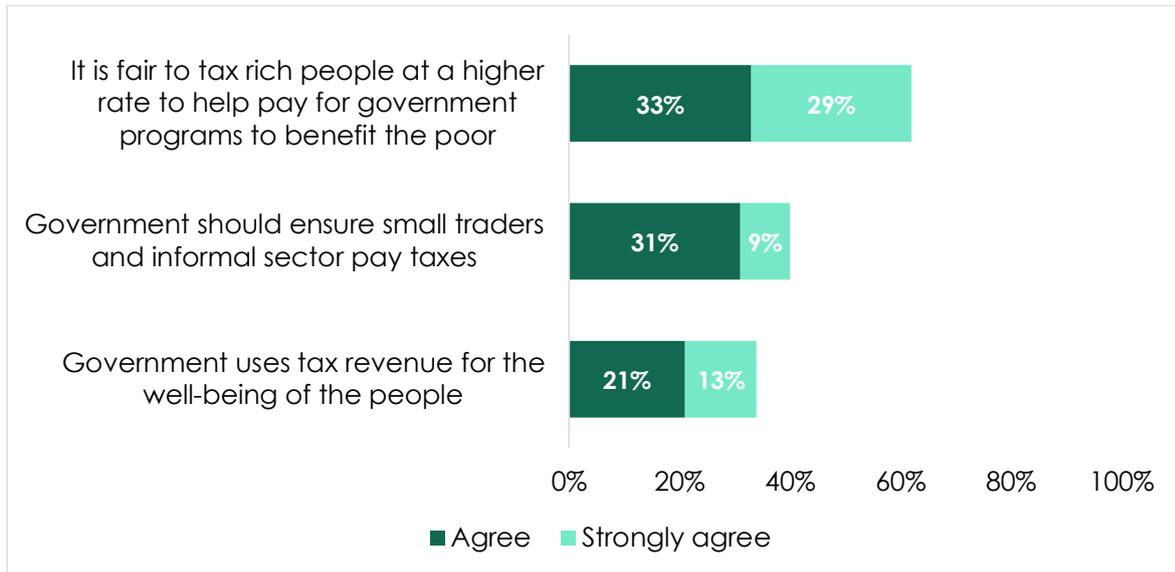
Respondents were asked: Which of the following statements is closest to your view?
 Statement 1: It is better to pay higher taxes if it means that there will be more services provided by the government.
 Statement 2: It is better to pay lower taxes, even if it means there will be fewer services provided by the government.

Figure 4: Taxes for the rich vs. ordinary people: Too little or too much? | Nigeria | 2020



Respondents were asked: Do you think that the amount of taxes that ordinary people in Nigeria are required to pay to the government is too little, too much, or about the right amount? Do you think that the amount of taxes that rich people in Nigeria are required to pay to the government is too little, too much, or about the right amount?

Figure 5: Popular views on taxation | Nigeria | 2020



Respondents were asked: Do you agree or disagree with each of the following statements?
It is fair to tax rich people at a higher rate than ordinary people in order to help pay for government programs to benefit the poor.
Government should make sure small traders and other people working in the informal sector pay taxes on their businesses.
The government usually uses the tax revenues it collects for the well-being of citizens.

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