AUTOMATION OF REVENUE COLLECTION, REVENUE MAPPING, REVENUE LEGISLATIONS AND REVENUE GENERATION IN PALLISA DISTRICT LOCAL GOVERNMENT

BY

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A RESEARCH REPORT SUBMITTED TO BUSITEMA UNIVERSITY FACULTY

OF MANAGEMENT SCIENCES IN PARTIAL FULFILLMENT OF

THE REQUIREMENT FOR THE AWARD OF BACHELORS OF

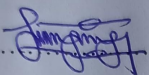**BUSINESS ADMINISTRATION OF**

BUSITEMA UNIVERSITY

AUGUST, 2024

DECLARATION

I OKHUN ROSS TUKEI do consent that this research report is my own work and it has never been submitted for examination in this university for academic qualification.

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APPROVAL

This report is submitted to Busitema University as a partial fulfillment for the award of Bachelors of Business Administration in Accounting and Finance with my approval as the academic supervisor.

Mr. EMUSUGUT DESTERIO

Signature... Date ... 23rd AUGUST 2024

DEDICATION

This work is dedicated to the Almighty God for His incessant blessings without which it is impossible to ensure the report submission a reality, to my parents Mr. Tukei Albert and Mrs. Tukei Jane Kakai for their moral support, encouragement and understanding. To all my siblings, friends, course mates and lecturers.

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LIST OF ACRONYMS

C.V.I	Content Validity Index
EFRIS	Electronic Fiscal Receipting and Invoicing Solution
F/Y	Financial Year
GDP	Gross Domestic Product
IRAS	Integrated Revenue Administration System
LAC	Latin America and the Caribbean
OAG	Office of the Auditor General
OECD	Organization for economic co-operation and development
PDLG	Pallisa District Local Government
SPSS	Statistical packages for social sciences
TPB	Theory of Planned Behavior
URA	Uganda Revenue Authority
MOLG	Ministry of Local Government
OSR	Own Source Revenue

ABSTRACT

The study examined the effect of automation of revenue collection, revenue mapping and revenue legislations on revenue generation in PDLG. The study was guided by the following objectives; to examine the effect of automation of revenue collection on revenue generation, to assess the effect of revenue mapping on revenue generation, to evaluate the effect of revenue legislations on revenue generation in PDLG. The study used a cross-sectional research design and a quantitative approach. Data was collected from a target population of 73 employees with accessible sample size of 62, using simple random and purposive sampling techniques. Data was collected with the aid of a closed ended questionnaire and the statistical package for social sciences (SPSS) was employed to analyze data from which frequency tables, descriptive statistics (mean and standard deviation), reliability and validity, correlation and regression results were obtained. The study findings revealed that there is a positive and significant effect of automation of revenue collection on revenue generation; revenue mapping on revenue generation; and revenue legislations on revenue generation. The study recommends that to improve revenue generation in District Local Governments, automation of revenue collection, revenue mapping and revenue legislations should be embraced.

Finally, the study concludes that there is a strong predictive power that automation of revenue collection, revenue mapping and revenue legislations contribute towards enhancing revenue generation in PDLG.

CHAPTER ONE:

INTRODUCTION

1.0 Introduction

This chapter covers the background of the study, statement of problem, purpose of the study, objectives of the study, scope of the study, significance, conceptual framework and definition of key terms.

1.1 Background of the Study

Revenue generation has assumed a very prominent position worldwide. This is because for any meaningful development to take place in terms of infrastructure, provision of social services, security of lives and property of the citizens and meeting the increasing cost of governance, more revenues have to be generated (Mohd et al., 2022). Efuntade (2020) suggests that generation of revenue by every entity is of paramount importance and this cuts across households, firms, states and nations. States governments reduce their vulnerability to uncertainties in revenue accruing from external sources such as statutory allocation by exploiting internal (tax and non-tax) sources of revenue (Ojedokun H.A, 2023).

Globally, there is growing agonies regarding tax generation. For instance, in China, evidence demonstrates that the Chinese government fiscal budgeted revenues in 2018 were 18.34 trillion yuan and the actual tax revenues generated were approximately 15.64 trillion yuan account for 14.7% reduction in total revenues generated (Naito, 2020). In terms of structure, the main indirect taxes combined domestic value-added tax, consumption tax, and value-added tax and consumption tax on imported goods (collected by customs) account for around 57% of the tax revenues from 2018. Correspondingly, at the conclusion of year budget report of the Republic of Punjab in India for the FY 2020/21 as cited by Brier and lia dwi jayanti (2020) indicates that a total of Rs. 1,675.0 billion was collected against a target of Rs.1,750.0 billion in general revenue receipts indicating a shortfall of Rs. 75.0 billion attributed to a shortfall in general revenue sharing.

In Latin America and the Caribbean (LAC), according to OECD (2023) revenue statistics report, the average tax-to-GDP ratio in the Latin America and Caribbean region was 21.7% in 2021. Levels ranged from 12.7% in Panama to 33.5% in Brazil. All LAC countries recorded a tax-to-GDP ratio below the OECD average of 34.1%.

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