



FUTIFMS International Conference

Comparative Effectiveness of Indigenous Language Communication in Tax Reform: Yoruba, Hausa, and Igbo and Taxpayer Compliance in Nigeria

By

¹ABATAN, Titilayo Abidemi ²ODERINDE, Olajumoke Ibukunoluwa

***¹Department of General Studies, Faculty of Management Science, Federal University of
Technology, Ilaro, Ogun State, Nigeria**

**²Department of General Studies, Faculty of Management Science, Federal University of
Technology, Ilaro, Ogun State, Nigeria**

titilayo.abatan@federalpolyilaro.edu.ng, olajumoke.oderinde@federalpolyilaro.edu.ng

+2348038307152, +2349135200550

Abstract

This study examines the comparative effectiveness of indigenous language communication in tax reform on taxpayer compliance and economic development in Nigeria. Despite successive tax reforms through Finance Acts 2019-2023 and administrative modernization by the Federal Inland Revenue Service, Nigeria's tax-to-GDP ratio remained at 10.8% in 2024, below the World Bank's 15% benchmark. Using Institutional Theory and Communication Accommodation Theory, this comparative conceptual study analyzes secondary data from FIRS zonal reports 2019-2024, CBN Statistical Bulletin 2024, and NBS GDP Report 2024 to assess Yoruba, Hausa, and Igbo tax communication initiatives. Findings reveal that all three language initiatives improved taxpayer understanding, trust, and engagement compared to English-only communication. The Yoruba zone leveraged proverbs and respectful address, the Hausa zone used radio and religious institutions for reach, and the Igbo zone applied benefit-focused messaging. However, informal sector compliance remained below 35% across zones due to inconsistent translation of national reforms. The study concludes that a zonal multilingual model using Yoruba, Hausa, and Igbo is more effective for compliance than English-only campaigns. It recommends that FIRS institutionalize translations, use culturally appropriate channels, and evaluate impact across zones to enhance revenue for development.

Keywords: Indigenous Language, Tax Reform, Taxpayer Compliance, Economic Development, Multilingual Policy

1. Introduction

Taxation is a primary instrument of fiscal policy used by governments to mobilize revenue for financing public goods, infrastructure, and social services. In Nigeria, overdependence on crude oil revenue, which accounts for over 70% of export earnings and 50% of government revenue, exposes the economy to global price volatility and external shocks (CBN, 2024). To diversify revenue and reduce oil dependence, the Nigerian government implemented successive tax reforms through annual Finance Acts from 2019 to 2023 and administrative modernization by the Federal Inland Revenue Service (FRN, 2020).

Key reforms included the increase of Value Added Tax from 5% to 7.5% in 2020, reduction of Companies Income Tax to 20% for small companies, and introduction of digital taxation for non-resident companies. Although these reforms increased nominal tax revenue from ₦5.26 trillion in 2019 to ₦12.37 trillion in 2024 (FIRS, 2024), Nigeria's tax-to-GDP ratio remained at 10.8% in 2024 (FIRS, 2024), far below the World Bank's 15% benchmark for developing



FUTIFMS International Conference

economies (World Bank, 2023). This persistent revenue gap suggests that the challenge is not only policy design but also how tax policies are communicated and understood by taxpayers. Nigeria operates a multilingual fiscal environment with over 500 indigenous languages, yet tax policy is predominantly communicated in English (FRN, 2020). This linguistic mismatch creates barriers for the 60% of taxpayers with low English proficiency, particularly in the informal sector (NBS, 2024). The Federal Inland Revenue Service has pursued tax reform through Finance Acts 2019-2023 and digitalization, but Nigeria's tax-to-GDP ratio was 10.8% in 2024, compared to the African average of 16.5% (OECD, 2023).

Recent evidence suggests that communication in dominant indigenous languages improves policy uptake. In the Southwest, FIRS Yoruba radio jingles increased query rates among market traders (FIRS, 2022). In the Northwest, Hausa sensitization campaigns improved trader registration in Kano (Kano State Internal Revenue Service, 2022). In the Southeast, Igbo town-hall meetings correlated with higher voluntary compliance among artisans (Enugu State Internal Revenue Service, 2021). However, no study has systematically compared the effectiveness of these three major language initiatives within one framework.

This comparative gap is critical because Nigeria's linguistic zones differ in culture, media access, and economic structure. If effectiveness varies by language and zone, a uniform English-only strategy may be suboptimal. This study therefore compares Yoruba, Hausa, and Igbo tax communication to determine which approach yields better compliance and revenue outcomes.

Literature Review

Theoretical Framework

Institutional Theory: The theory argues that organizations operate within institutional environments shaped by formal rules, informal norms, and enforcement mechanisms. When tax laws and policies are written only in English, they become "institutional barriers" for Yoruba-speaking citizens who lack proficiency in English (Olurankinse & Oladejo, 2021). Institutions that adapt their communication to local languages reduce uncertainty and improve compliance (North, 1990).

Communication Accommodation Theory: The theory posits that effective communication occurs when speakers adjust their language, tone, and style to converge with their audience (Giles & Coupland, 1991). Applied to tax administration, when FIRS uses Yoruba language to explain VAT, CIT, and new tax obligations, taxpayers are more likely to understand, trust the process, and comply voluntarily. Failure to accommodate the audience's language creates psychological distance and resistance (Giles & Coupland, 1991).

Multilingual Policy Implementation Theory: This theory suggests that policy outcomes vary across linguistic contexts due to differences in ambiguity, conflict, and local capacity. This explains why the same tax reform may produce different compliance rates in Yoruba, Hausa, and Igbo zones. (Matland, 1995)

Empirical Review

Language, Tax Compliance and Development: Studies in South Africa and India show that using local languages in tax communication increased compliance rates by up to 40% (Bird & Zolt, 2005). In Nigeria, Olaoye and Ekundayo found that many taxpayers in Yoruba-speaking states lacked knowledge of the provisions of Finance Act 2020 due to language barriers (Olaoye & Ekundayo, 2019). FIRS reports show that while tax revenue increased, compliance among informal sector operators remained below 30% (FIRS, 2024).

Yoruba Language and Policy Communication: Adegbija established that Yoruba language embodies cultural values of respect and communal understanding, making it effective for public enlightenment. However, most FIRS public notices, radio jingles, and television



FUTIFMS International Conference

advertisements on tax reforms are in English, excluding many market women and farmers in Yoruba communities (NBS, 2024). This exclusion undermines the government's revenue mobilization efforts (Adegbija, 2004).

Hausa Language Initiatives in Northern Nigeria: Kano Internal Revenue Service used Hausa radio jingles and mosque announcements for VAT and presumptive tax. Aminu reported increased market trader registration after Hausa campaigns, but data on revenue was limited (Aminu, 2020).

Igbo Language Initiatives in Southeast Nigeria: Enugu State Internal Revenue Service used Igbo radio and trader association briefings focusing on tax benefits. Adeosun, 2023 found higher compliance among Igbo agricultural producers when benefits were communicated in Igbo. Schneider linked Igbo communication to lower shadow economy participation (Schneider, 2019).

Informal Sector and Agriculture: The informal sector constitutes over 70% of Nigeria's economy, with a significant proportion of operators being Yoruba speakers (NBS, 2024). Schneider demonstrated that using taxpayers' native languages in tax communication reduces the size of the shadow economy. In agriculture, Adeosun argued that Yoruba farmers are more likely to comply with agricultural taxes when policies are explained in Yoruba with clear benefits communicated (Schneider, 2019), (Adeosun, 2023).

Conceptual Gap

While existing studies examine single-language cases, few have compared Yoruba, Hausa, and Igbo initiatives within one framework (Yusuf & Mallo, 2020). This study fills that gap by assessing which indigenous language approach is most effective for taxpayer compliance in Nigeria's multilingual context.

2. Methodology

Research Design

This study adopts a comparative conceptual design with qualitative secondary data analysis. The comparative design is appropriate because it examines variation in compliance outcomes across three linguistic zones rather than a single case. The study period covers 2019–2024 to capture Finance Acts 2019–2023 and FIRS zonal communication campaigns.

Source of Data

Data for this study were obtained from secondary sources to enable cross-zonal comparison and ensure reliability. Key sources include the Federal Inland Revenue Service Annual Report 2024 (FIRS, 2024), FIRS Zonal Reports 2019–2024 (to identify the presence/absence of Yoruba, Hausa, and Igbo materials by zone. SW = Yoruba, NW/NE = Hausa, SE = Igbo), Central Bank of Nigeria Statistical Bulletin 2024 (CBN, 2024), and National Bureau of Statistics Gross Domestic Product Report Q4 2023 (NBS, 2024). Additional data were extracted from peer-reviewed journal articles published between 2010 and 2024, government policy documents such as the Finance Act 2020 (FRN, 2020), and reports from international organizations including the World Bank (World Bank, 2023) and OECD. These sources provide reliable data on tax revenue trends, tax-to-GDP ratios, GDP growth, and language use in policy communication.

Analytical Procedure

The analytical procedure for this study involves three main steps: thematic content analysis, descriptive trend comparison and cross case synthesis. Thematic content analysis was applied to policy documents, FIRS public notices, and peer-reviewed literature to identify how indigenous languages were used or omitted in tax policy communication (Giles & Coupland, 1991; Adegbija, 2004).



FUTIFMS International Conference

Descriptive trend comparison was used to compare informal sector compliance rates and tax-to-GDP contributions across SW, NW/NE, and SE zones 2019–2024 and to examine patterns and changes in tax revenue and economic development indicators in Nigeria between 2019 and 2025. Data on total tax revenue, tax-to-GDP ratio, and GDP growth were extracted from FIRS Annual Reports and CBN Statistical Bulletins (FIRS, 2024; CBN, 2024). Trends were described to show the relationship between tax reform implementation and revenue performance during the study period.

Cross-Case Synthesis was used to apply Communication Accommodation Theory and Multilingual Policy Implementation Theory to explain similarities and differences in effectiveness across the three languages.

The analysis focused on recurring themes such as language accessibility, translation quality, cultural appropriateness of communication, and their effects on taxpayer knowledge and compliance. Each document was coded based on whether it addressed indigenous taxpayers and the communication strategies adopted.

3. Discussion of Findings

Extent and Strategy of Indigenous Language Use

Table: Comparative Profile of Indigenous Language Tax Communication by Zone, 2019-2024.

Dimension	Yoruba zone: SW Lagos, Oyo, Ogun	Hausa Zone: NW/NE Kano, Kaduna	Igbo Zone: SE Anambra, Enugu
Policy Status	No formal FIRS policy. Ad-hoc jingles 2021-2023	No formal FIRS policy. Ad-hoc radio 2020-2022	No formal FIRS policy. Ad-hoc town halls 2021-2023
Primary Channels	Radio (Bond FM 92.9), TV (TVC), X/Twitter, Market sensitization	Radio (Freedom Radio 99.5), Mosques, Market unions	Radio (Cosmopolitan FM), Town Unions, Trader associations
Linguistic strategy	Proverbs `owe`, Respectful address `òrò ọwọ̀`, Indirectness	Religious framing, Oral tradition, Emir/`Sarkin Kasuwa` authority	Benefit-framing `uru`, Communal duty `oha na eze`, Peer accountability
Tax Content Localized	Finance Act summaries, VAT, PIT, WHT	VAT, Presumptive Tax, CIT basics	CIT, VAT, Agric Tax, Taxpayer Rights Charter
Institutional Partners	Baales, Iyalojas, NURTW	Emirs, `Sarkin Kasuwa`, JIBWIS	Town Unions, ASPMDA, AMATAM

Source: Author's compilation from FIRS, 2022; KIRS, 2022; ESIRS, 2021

Discussion: The table shows that all 3 zones used ad-hoc approaches without a national multilingual policy. The strategic differences reflect cultural norms. Yoruba used proverbs and respect to reduce resistance. Hausa used religious/traditional authority for legitimacy. Igbo used benefit-focused messaging to create instrumental compliance. This supports



FUTIFMS International Conference

Communication Accommodation Theory: convergence to audience language and norms increases acceptance (Adeosun, 2023).

Implications for Economic Development

Persistent <35% compliance implies revenue loss. A zonal multilingual model could capture more informal sector revenue for development financing (OECD, 2023).

Trends in Tax Revenue and Compliance

Tax revenue increased from ₦5.26 trillion in 2019 to ₦12.37 trillion in 2024, yet the tax-to-GDP ratio remained at 10.8% (FIRS, 2024). This ratio is below the World Bank's 15% benchmark (World Bank, 2023). In Yoruba-speaking states such as Oyo, Ogun, and Lagos, compliance rates among market traders remain below 35% due to limited access to tax information in Yoruba language (NBS, 2024)

Impact of Indigenous Language on Taxpayer Compliance

Findings show that the absence of Indigenous language in the dissemination of Finance Act provisions and VAT regulations creates ignorance and fear among taxpayers (Olaoye & Ekundayo, 2019). Communication Accommodation Theory suggests that when government uses the audience's language, trust and cooperation increase (Giles & Coupland, 1991). In Nigeria, 70% of informal sector operators speak indigenous, yet 90% of FIRS public notices are in English only (FIRS, 2022). This mismatch reduces voluntary compliance.

Implications for Economic Development

Due to limited compliance among Indigenous-speaking taxpayers, significant revenue that should accrue from traders and farmers is lost, reducing government capacity to fund education and health infrastructure. Schneider found that countries using indigenous languages in tax communication achieve higher compliance and better development outcomes. Adeosun noted that Yoruba farmers comply more when agricultural tax policies are explained in Yoruba with clear benefits (Schneide, 2019), (Adeosun, 2023)

4. Conclusion

Based on the findings, this study concludes that:

Indigenous language communication is not a “soft” or cultural issue. It is a non-coercive tool that directly increases tax compliance, trust, and engagement by reducing information and psychological costs. The English-only approach produced the lowest compliance, trust, and engagement. It is inconsistent with Nigeria's multilingual reality and Institutional Theory's demand for legitimacy.

The 3 major languages work, but for different reasons. The Igbo model is best for compliance because it links tax to visible benefits. The Yoruba model is best for engagement because it reduces resistance through respect. The Hausa model is best for reach but needs consistency. The absence of a formal, funded FIRS Multilingual Tax Communication Policy is the main constraint preventing scale, consistency, and national impact.

Therefore, for Nigeria to improve its 10.8% tax-to-GDP ratio, tax communication must shift from English-only to a structured, zonal 3-language model.



FUTIFMS International Conference

5. Recommendations

Based on the comparative findings, the following recommendations are made:

1. The National Assembly, in collaboration with FIRS, should enact a policy mandating that all major tax laws, Finance Acts, and public sensitization materials be produced in English, Yoruba, Hausa, and Igbo. This will remove ambiguity and ensure consistency across zones.
2. FIRS should create 3 Zonal Language & Culture Units for SW, NW/NE, and SE. Each unit will be responsible for culturally adapting messages: `owe` for SW, religious idioms for NW/NE, and benefit-framing for SE.
3. The Federal Ministry of Finance should dedicate a minimum of 5% of FIRS' communication budget to translation, community engagement, and media in indigenous languages.
4. FIRS should replicate the SE approach nationally: 1) Tie tax to visible benefits `uru`, and 2) Partner with trader unions and town unions as compliance champions. This addresses the trust deficit.
5. FIRS should scale the "Yoruba Model" for Engagement: Use proverbs, respectful address, and indirect persuasion in national jingles and social media to reduce resistance and increase queries/clarification, especially among artisans and SMEs.

REFERENCES

- Adegbija, E. (2004). Language, communication and development in Africa. *Journal of Language and Politics*, 3(1), 55-73.
- Adeosun, O. T. (2023). Indigenous language and tax compliance among agricultural producers in Southeast Nigeria. *African Journal of Public Administration and Management*, 14(2), 112-129.
- Aminu, M. (2020). Hausa language campaigns and informal sector tax compliance in Kano State. *Kano Journal of Economics and Development Studies*, 6(1), 45-61.
- Appah, E. (2010). The relationship between tax revenue and economic growth in Nigeria. *International Journal of Economic Development*, 12(3), 22-31.
- Bird, R. M., & Zolt, E. M. (2005). The limited role of the personal income tax in developing countries. *Journal of Asian Economics*, 16(6), 928-946.
- Central Bank of Nigeria. (2024). *Statistical bulletin*. Abuja: CBN.
- Enugu State Internal Revenue Service. (2021). *Annual report on taxpayer sensitization and revenue performance*. Enugu: ESIRS.
- Federal Inland Revenue Service. (2022). *Tax administration challenges report*. Abuja: FIRS.
- Federal Inland Revenue Service. (2024). *Annual report and audited financial statements*. Abuja: FIRS.
- Federal Republic of Nigeria. (2020). *Finance Act 2020*. Federal Government Printer.
- Giles, H., & Coupland, N. (1991). *Language: Contexts and consequences*. Open University Press.
- Grizzle, G. A. (2017). Performance management and public sector effectiveness. *Public Administration Review*, 77(3), 367-376.
- Hill, M., & Hupe, P. (2009). *Implementing public policy: An introduction to the study of operational governance*. Sage.
- Kano State Internal Revenue Service. (2022). *KIRS annual report and informal sector outreach*. Kano: KIRS.
- Matland, R. E. (1995). Synthesizing the implementation literature: The ambiguity-conflict model of policy implementation. *Journal of Public Administration Research and Theory*, 5(2), 145-174.



FUTIFMS International Conference

- Musgrave, R. A., & Musgrave, P. B. (1989). *Public finance in theory and practice* (5th Ed.). McGraw-Hill.
- National Bureau of Statistics. (2024). *Nigerian gross domestic product report Q4 2023*. Abuja: NBS.
- North, D. C. (1990). *Institutions, institutional change and economic performance*. Cambridge University Press.
- OECD. (2023). *Revenue statistics in Africa 2023*. Paris: OECD Publishing.
- Olaoye, C. O., & Ekundayo, A. T. (2019). Tax reform in Nigeria: Case for VAT increment and tax digitalization. *International Journal of Accounting and Finance*, 8(2), 1-12.
- Olurankinse, F., & Oladejo, D. (2021). Tax revenue and economic development in Nigeria. *African Journal of Management Studies*, 12(1), 88-103.
- Polidano, C. (2000). Measuring public sector capacity. *World Development*, 28(5), 805-822.
- Schneider, F. (2019). The shadow economy in Africa. *Journal of Development Studies*, 55(9), 1867-1883.
- World Bank. (2023). *Nigeria development update: Seizing the opportunity*. Washington DC: World Bank.
- Yusuf, M. B., & Mallo, S. (2020). Taxation and economic growth in Nigeria: A management perspective. *Journal of Public Sector Management*, 15(2), 45-62.