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ROAD TRANSPORT TAX MANAGEMENT AND SUSTAINABILITY OF QUARRY BUSINESSES IN EBONYI STATE NIGERIA.

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ABSTRACT

This study, Road transport tax management and the sustainability of Quarry businesses was aimed at assessing the effect of road tax management on the growth and sustainability of quarry business in Ebony State. The study was carried out focusing on five quarry sites of Ishiagu, Eziulo, Amasiri, Sharon and Ozizza all in Ebony State. The population of the study comprised of two hundred and twelve (212) truck drivers and staff of the above named quarry businesses, while the sample size of 138 was determined using Taro Yamani sample size determination formula. The collected data were analyzed using tables, percentages and graphs. The formulated hypotheses were tested using Pearson correlation statistical techniques with the help of SPSS statistical package version 23. Findings; there was a negative moderate correlation between the illegal tolls collections and sustainability and growth of quarry business, there was a strong negative correlation between government tax policies and its effect on quarry business, there was a strong negative correlation between multiple taxations and growth of quarry business, there was a strong negative correlation between compliance and enforcement of road taxation on quarry business and finally, there was a strong negative correlation between high road taxation and the growth of quarry business.. The results implied that there are negative correlations between the five variables of the study and their effect on the growth and sustainability of quarry businesses in Ebony State. These means that the influence of illegal toll collection, high taxation, multiple taxation, lack of compliance monitoring on quarry businesses create a heavy burden on quarry business cash flow, make operators operate on tight budgets and creates an unfavorable business environment, equally stifles investment, and ultimately hinders the growth and sustainability of quarry businesses in Ebonyi State. With this implications, the study among others, recommended the implementation of the single inter-state road tax sticker policy in Nigeria which will represent a significant step towards addressing issue of illegal and multiple

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taxations on inter-state roads, and again, for the quarry business to survive and continue to operate efficiently, there is need for government agencies to structure tax policies that will sustain the development and improvement of these businesses to guarantee their survival at full capacity.

Keywords: Road Tax Management, Business Sustainability and Quarry Business

Introduction

Transport is fundamental to human life and the foundation of all monetary and social exchanges. One of the most prominent aspects of Nigeria's economic growth is the country's transport infrastructure. Shipping products and people from one place to another is what we mean when we talk about transportation (Olakunori 2016). Logistics is the process by which resources (including people, machines, raw materials, and finished goods) can be moved to and from locations as needed for various purposes, whether for profit or not (Aigbedion, Salihu & Omoruyi Kenneth 2015). Without practical transportation, it is impossible for any two places to communicate with one another. Inadequate transit options are the rule rather than the exception in many third world nations. Poor roads, insufficient bus or truck fleets, erratic, insufficient, and overcrowded trains and flights, and crowded ports are some of the issues plaguing Nigeria's transport sector since the country gained independence in 1960. The developing world is characterized by these traits. So, a well-developed transport network is crucial for a thriving economy. When to invest in transportation infrastructure, how it works, how much investment is necessary for a certain level of development, and many other questions about transportation's precise role in economic development have been the subject of heated debate among academics for decades. Reasons why these issues are difficult to answer include the fact that transport demand is a "derived demand" and the fact that transport impacts and is impacted by several other economic sectors. In contrast to earlier developments like animal-drawn carts, the expansion of road transport in Nigeria occurred much later on (Stanford Research Institute, 2014). It wasn't until the introduction of the internal combustion engine in the 1920s and 1930s that this institute claims highways were created (Aigbedion, Salihu & Omoruyi kenneth 2015).

International and national logistics have increasingly relied on truck freight, also known as road haulage, since the 1950s, especially after the liberalization of freight markets in Europe in the early 1990s. Modern economies rely on road freight transport, often known as trucking, because of the special socioeconomic role it plays in connecting supply and demand and a wide range of industries. Transportation is a key indicator of economic health since it generates a substantial portion of GDP, employs millions of people, and provides the main means for moving domestic, trans-border, and international cargo. It is also essential to tourism, trade, and the overall prosperity of any economy.

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Businesses are connected to global markets via road transport, which accounts for about 70% of land freight service at origin and destination sites. Providing better, rather than just more, transport is crucial to the long-term viability of the road transport sector, which supports the real economy. Justifying general tax support based on benefit apportionment is very different from formulating road policy almost entirely with reference to traffic considerations. The former would likely not seriously neglect needed requirements or work unfairly upon those required to bear the cost to meet the effective demand of users. Consequently, the fact that the road function may be interpreted in terms of the common welfare does not prove that doing so would be desirable. There would likely be unfairness towards those who would have to pay for road policies that are mostly focused on traffic concerns. Yes, according to Shorey (2012).

The concept of charging transport users has been a topic of discussion about equity and efficiency in national development since 1960, and it has a substantial impact on economic output. When it comes to emerging nations, road transit is still king. The failure of the rail transport infrastructure makes it the de facto standard for freight operations. The movement of goods by road is an essential component of every economy. In the transportation of products and services via road networks, trucks play a crucial role. Trucking is the main mode of transport for goods in Nigeria, as it is in many developing nations.

Trucking, or road freight transport, plays a crucial role in contemporary economy since it connects many industrial sectors, links supply and demand, and has a distinct socioeconomic position. The majority of commodities are transported to their ultimate destinations by road transport (Pilar 2019). Tourism, commerce, and economic health are all dependent on it. It is the principal indicator of economic health, generates a substantial share of GDP, and provides major means for transporting local, trans-border, and international freight (World Bank 2020). A lot of people say it's the real economy's backbone (Pilar 2019). By bringing products to customers where they are required, road transport both provides and enhances the value of commodities. If products weren't readily accessible at the points of sale, acquisition, and consumption, customers wouldn't be able to benefit from them. Consequently, it is essential that entrepreneurs, manufacturers, and marketers establish a reliable and efficient transportation infrastructure to ensure the timely delivery of products and services. This is a necessary evil that must be emphasized (Pradhan, 2010).

The goal of trade as a developmental tool is to increase prosperity, decrease poverty, and maintain economic expansion. Road freight transport, which employs millions of people and contributes significantly to GDP, particularly in low- and middle-income nations, has the greatest direct effect on poverty as a result of all forms of transport being crucial for this reason. The majority of domestic, trans border, and international cargo is transported by trucks, which account for more than 70% of the freight bill and an even larger portion of the

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cargo value. The production, distribution, and mobilization processes in today's globalized economy are largely dependent on road freight transit, which in turn drives social, environmental, and economic growth. To sum up, trucking plays a crucial role in global economies.

There are many ways in which transportation costs may be high: delays in delivery, damage during transit, spills, and other types of cargo depreciation; market access barriers caused by unpredictable delivery dates; and direct reduction or "tax" on trade earnings due to high transport and logistics rates. While transport and logistics are multi-faceted, a large portion of these expenses in West Africa are attributable to road freight. African intra-regional goods trade is mostly facilitated by road freight, which connects producers and consumers to airports and seaports. In cases when overall transport cost estimations are accessible, road freight accounts for twenty to fifty percent.

With little to no help from the government, private businessmen in Abakaliki, Nigeria's stone quarry sector has been steadily upgrading from a manual to a semi-automated manner. The quarrying or mining industry, in addition to agriculture, is the main source of domestic income that drives the economy. Little or no government policy exists to regulate the industry or ensure workers' safety, despite the fact that quarrying and stone crushing are rapidly becoming the backbone of the Ebonyi State economy and a significant source of locally produced income.

All transportation-related taxes and fees, as well as the limits and restrictions that affect the expansion of quarry operating operations in Ebonyi State's three geo zones, were thoroughly examined in this research. Discussions and debates about the expansion of quarry activities in Ebonyi state revolve on current information regarding quarry mining operations, which includes unlawful taxes and levies.

Statement of the Problem

Transport is fundamental to human life and the global economy. It is also the bedrock upon which all other kinds of social and economic progress rest. When compared to other modes of transportation, such as trains, planes, or boats, road travel offers the greatest degree of flexibility and adaptability, allowing it to reach even the most remote regions. Businesses and suppliers alike rely on it as their go-to transportation option in the supply chain. Shipment by road is the norm for all types of cargo, even those that are packed or gathered in containers and are destined for shipment by sea or air. Because of this, companies of all kinds throughout the world prefer and use road transit. Vehicle owners contribute to the upkeep of these roads by paying an annual road tax to the government. This allows the government to effectively fulfil its fiscal duties in this regard. Various vehicle classifications in Nigeria are subject to a

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predetermined rate of vehicle road tax, which is collected annually by the states. The main statutes that control road taxes in Nigeria are the State Road Traffic Management Authority (SRTMA) statutes, the Federal Inland Revenue Service (FIRS) statute, and the Federal Road Maintenance Agency (FERMA) statute. Various taxes and fines pertaining to road use and upkeep were laid down in these statutes.

However, due to inefficient management and poor job execution, all these acts and policies have become ineffective with poor result output which has caused a lot of loss of revenue to the government. Worst still, the lacuna created by the prevailing inefficient management of these statutory bodies have created room for the operation of touts who engage in brazen extortion of motorist on daily basis on Nigerian roads thereby short changing the government of her revenue and also creating night mares for motorists who try to resist their extortions. With all these pains inflicted on the psych of the unsuspecting motorist, haulage drivers are usually discouraged from plying Nigerian roads and this have enormous devastating effects on the growth of Quarry business in Ebony State. For instance, there are cases where some drivers are seriously brutalized and manhandled by these touts under the guise of road tax collection usually withdraw their driving services of transporting these Quarry products to their various places of needs. This seriously not only hampers and affects the transportation of Quarry products, but negatively affects Quarry business in Ebony State. Some even decides to embark on night journey in a bid to evade the activities of these touts. At times, such decision of embarking on night journey has some negatives consequences of loss of human life's through road accidents. All these constitute a serious problem to general road users, especially big trucks that are in Quarry business.

Though, previous researches have been carried out on tax management system in Nigeria, but little has been exposed on how efficient and effective road tax management system in Nigeria will improve the growth and sustainability of Quarry business in Ebony State. This gap was what this research work seeks to fill and expose.

1.3 Objectives of the Study

The general objective of the study was Road Tax Management and the Growth and Sustainability of Quarry Business in Ebonyi State.

The specific objectives are:

1. To determine the effect of illegal tolls on road on Quarry business sustainability.
2. To determine the effect of road tax policies on sustainable of Quarry business in Ebonyi State.
3. To find out the effect of multiple road taxations on quarry business growth.

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4. To determine the effect of compliance monitoring/enforcement of road taxation on Quarry Business in Ebony State.
5. To examine the effect of high taxation on sustainability of quarry business in Ebonyi State.

1.4 Research Questions

The specific research questions:

1. Does illegal tolls on roads affect quarry business sustainability in Ebonyi State?
2. Does road tax policies affect the sustainability of Quarry business in Ebonyi State?
3. Does multiple road taxations in Ebonyi State affect quarry business growth?
4. Does methods of compliance monitoring/enforcement of road taxation affect quarry Business in Ebony State?
5. Does high taxation affect the sustainability of quarry business in Ebonyi State?

1.5 Research Hypothesis

The specific objectives are:

Hypothesis 1: There is no significant relationship between illegal tolls on road and Quarry business sustainability in Ebonyi State.

Hypothesis 2: There is no significant relationship between road tax policies and sustainable of Quarry business in Ebonyi State.

Hypothesis 3: There is no significant relationship between multiple road taxations and quarry business growth.

Hypothesis 4: There is no relationship between compliance monitoring/enforcement of road taxation and Quarry Business in Ebony State.

Hypothesis 5: There is no relationship between high taxation and sustainability of quarry business in Ebonyi State.

LITERATURE REVIEW

2.1 Conceptual Review

Road Transport Management Principles and Government Revenue.

Government revenue refers to income realized by the government from different varieties like government monthly allocation, grant, privatization, crude oil disposal, and tax revenue. Revenue are extracted from varieties sources like taxes from individuals, private organization,

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and trade, revenue from foreign aid, and royalties from natural resources. Tax revenue is seen as income forcefully collected from income, profits, goods and services, payroll taxes, ownership, and disposal or transferred property (Adegbite, 2020). It can also be perceived as the income gained or realized by the government through taxation. This taxation revenue has been considered as the primary and the pertinent income source for the state. Total tax revenue as a ratio of GDP specifies the country's output share that is realized by the state through taxes such as road tax, PIT, direct assessment, capital gained tax, corporation tax, stamp duties just to mention few. It can also be regarded as one the parameters of the extent in which the government superintend economy's resources. This revenue can be utilized to control the affair of the country in terms of employment generation, economic stability and growth and development of neglected area of economy.

Quarry Business and Road Transportation

There is a great deal of connectivity between road transportation and quarry business. It is a common knowledge that quarry mining sites are predominantly located on hilly topographies or in some cases, main lands but in which ever case above, road transportation rather than air or water, is usually the basic access route by Haulage trucks to those quarry sites.

Therefore, efficient road network or transportation is one of the major factors affecting quarry business across the globe. Without good road transportation, quarry materials cannot be transported to the end users locations. In other words, non-efficient road transportation can hamper and frustrate quarry business because transportation is like a fulcrum on which quarry productions and the work place deliveries swing or hinged on. Therefore, for a hitch free quarry business, road transportation, efficient and customer friendly tax management system are interwoven and indispensable factors. The introduction and practice of an exploitative tax system is very inimical and unstainable to quarry business but a fair taxation system is like a lubricant that guards against quarry business corrosion and other unnecessary business frictions.

Challenges and Problems of Road Tax in Nigeria

Akpoghomeh (2015), Lack of clarity in the road tax legislation is the major challenge of road tax in Nigeria. The only statute that mentioned road tax in the Nigerian legal regime is the Taxies and Levies (Approved List for Collection) Act.28. There is no further legislation on how road tax should be administered. The obscurity in the law has caused a lot of problems to road tax administration as many states have taken advantage of those loopholes to collect all manners of taxes in the form and guise of road tax. It has caused multiple taxation. Road is a network of two or more states; or two or more local government. Sometimes a federal road or state road may link two or more states, and each of the states or local government may want to

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collect road tax in different forms and name. This has caused the tax payer the burden of paying taxes, fees or levies to various states while en route. The Taxies and Levies Act did not make any provision with respect to; whether the road tax shall be collectable by one state so that it would not be paid to different states. But if the Act made such provision, which state would want to leave it for another to collect? This is the problem with road tax collection and administration.

Atubi (2007), another problem is issue of touting by revenue agents. Most of the road tax collectors are fake tax agents. Under the aegis of government revenue agents, they mount road blocks to collect taxes. They use all manners of force and intimidation to extort money from the commuters. They charge higher amount and engage the tax payer in negotiation against the principle of a good tax system that tax payment must be certain. The inefficient administration has also caused untold revenue leakage for the government. The most revenue consultants appointed to collect road taxes are the stooges of the political gladiators who are assigned such as a political patronage them. What the consultants do is to pay an agreed some to the State Inland Revenue Service to secure the contract to collect the road tax. What would eventually be collected would naturally be much higher than what is paid; the difference is the shortfall of the state's revenue.

The price of goods in the market increases on daily basis depending on the number of tolls, tickets, sticker commuters pay before reaching their final destination. Where goods are transported from Northern Nigeria to Eastern Nigeria, more than 12 to 15 revenue teams would have intercepted the vehicle en route their destination, they would extort different manners of taxes from the commuters. In some instances, the market women are made to pay the fees when their driver is averse to the payment in order to facilitate the movement of her goods. All the expenses made on the way gradually transcend into the cost of the product. The resultant effect is inflation.

Onokala (2020), the general cause of all the problems is lack of political will to address it. Those who should fight the problems of road tax are benefitting directly or indirectly from it. Nigeria has witnessed tremendous reforms in the tax sector; but there seems to be no political will to reform road tax because of the beneficiaries of the inefficiencies are political associates. Where there is political will to address same, it can be reformed like others.

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Figure 2. QUARRY AND QUARRYING ACTIVITIES IN EBONYI STATE

Quarry is one of the natural extractive resources in Nigeria. It is a type of open-pit mine from which rock or minerals are extracted. Quarries are generally used for extracting building materials, such as dimension stone, construction aggregate, riprap, sand and gravel. Quarry stone is found in many parts of Nigeria, especially Ebonyi State, Cross River State, Bauchi State, Kwara State, Zamfara State and Federal Capital Territory, and is used after being extracted and processed for building houses and construction of roads. Ebonyi State is very rich in solid minerals and deposits of rock, lead and zinc are richly abundant in the state. The State lies within the lead-zinc field of the Eastern cretaceous belt of Nigeria e.g. Abakaliki and Ishiagu areas where lead and other associated ores are also mined and limestone quarried (Ebonyi State Ministry of Information and State Orientation (2013). Quarrying of different useful minerals like limestone from underground deposits is an old technology (Ekmekci, 2016).

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Quarrying industries are industries that extract and process quarry stones (granites) wherever they are found. They are expected to create employment and generate revenue to societies or communities where they are extracted and processed. The Egyptians and the Romans of old used quarried materials in the construction of the huge pyramids, temples, and monuments that still exist today. Baker (1981) reported that mineral discovery and development in Nigeria dates back to the pre-historic era. The colonial administration embarked on quarrying in Nigeria for limestone in 1920 in Akamkpa area of Cross River State and its subsequent exploitation led to the establishment of Calabar Cement Company. Although quarrying has been going on in the area as far back as 1800 at Old Netim Akamkpa Local Government Area (Crysanthus, 2014). Quarry industries play a significant role in the economic development of societies where they operate. The importance of quarrying industry in Nigeria, according to Nwite and Ogiji (2009), include employment of labour or creation of employment, generation of revenue to the government, enhancing national growth and development, encouraging specialization among people in the area, giving identity to the state or community, use in building and construction of roads, promoting infrastructural development, and attracting the establishment of other industries like banks and insurance companies.

Quarrying activities is associated with dust particles which constitute one of the most invasive and potentially irritating air pollutants (Langer, online). Atmospheric dust occurs in various forms including as fugitive dust from excavation, from haul roads and stone blasting or from point sources such as drilling, crushing and screening. Dust reduces visibility which poses a potent threat to both human health and the environment (Langer, online).

The increasing demand for housing and quality roads in Nigeria for instance, has resulted to increased quarrying activities and depletions of natural quarry deposits with accompanying environmental and health impacts (Adie & Etim, 2012). Typically the cost of transportation in mining is in the order of 15% to 20% of the total operational costs, while 25% of mining accidents can be attributed to the area of transportation.

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Figure 3. PROBLEMS OF QUARRY BUSINESS IN EBONYI STATE

Nwite and Ogiji (2009) identify the followings as problems facing quarrying industry in Nigeria:

Manpower Problem: There is a serious shortage of real quarry engineers in Nigeria and institutions offering courses in mining engineering, hence technically competent mine managers are scarce to find. Even when found, most of them cannot evaluate economic factor, face legal and socio-political problems in land use, zoning, environment protection and reclamation. This problem of inadequate indigenous manpower results in hiring the expertise of foreigners.

Socio-economic Problems: One hectare of land could be owned by up to 30 or more families. To obtain their total consent is very difficult in terms of finance and other relevant issues. The land owners may make unreasonable demands such as provision of pipe-borne water, good road, electricity, hospital and scholarship, thereby creating problems for the quarrying industries.

Problems of Expediency: Nigerians are very much ready to act for self-interest and not from principle because principles hardly work here. This implies that corruption and fraud are a major problem in quarrying industries. Officials, workers and customers are in most cases guilty of corruption and/or cutting corners in quarry business. Some operators or managers in quarry industry use fraudulent plans to divert quarry stones and sell them to make personal gains.

Problems of Technology: In Nigeria, some of the major technology for implementing ideas and polices are not available. In most cases, machine and equipment are very expensive and

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out of reach for the local entrepreneurs to use. In rural areas where some of these natural resources are located there are no good electricity, telephone, computers, and other technologies that will benefit the rural communities.

Problems of Data and Information: Lack of accurate data and information constitutes a serious obstacle. The reason is because of inadequate record keeping by public establishment. Nigerians hoard and treat data or information as secrets. The quarry extractors hardly give accurate figures of production. This is why a lot of feasibility such as good road, pipe-borne water, electricity, etc., may also hinder the industry from achieving its desired goal.

Government Instability: Change in government may affect the operation of quarry industry. For instance, the new government may change the staff or management of the industry, thereby resulting in new challenges or problems. Also, excessive intervention by government in the affairs of the industry can affect the management and as well as the productivity or survival of the industry. Inconsistent Power Supply: This constitutes a serious problem or challenge to quarrying industries in Nigeria. The operators spend much in using other means of power other than the one supplied by the Power Holding Company of Nigeria (PHCN).

THEORETICAL FRAMEWORK

The Benefits-Received Theory

This theory was first developed by Knut Wicksell (1896) and Erik Lindahl (1919). They were two economists of the Stockholm school.

It is used for assessing the efficiency of taxes and appraising fiscal policy.

Buchanan (2013) stated that this approach was extended by Samuelsson and Musgrave and has been applied to such subjects as tax progressivity, cooperation taxes, and taxes on property or wealth.

Benefits-received theory speculates that there is principally a contractual and exchange relationship between taxpayers and government. The state makes available specific goods and services to public in which the taxpayers have to contribute to the state purse in the proportion to the benefits received. Government provides public goods and services in which construction of roads is among. This road which has been plying by the road users (vehicle owners) needs periodic maintenance from government ends. This can be supported by the revenue realized from road tax which are payable by the road users. This theory further states that taxpayers must also make available funds in terms of tax to assist the government as the replenishment of services benefited from government. But this theory failed to display the issues of equitable

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distribution of income and wealth but considers the benefit received as a parameter to distribute tax burden. It is also failed to displaying the varieties of implementing tax policy for the attainment of economic growth and stabilization in the affected states (Adegbite, 2021).

The cost-of-service theory

Babatunde (2007) this was propounded by Arthur Cecil. It implies that the government should tax the citizens according to the cost of service rendered by it.

Cost of service theory is benefits-received theory alike in which it emphases that there is semi-commercial connection between taxpayers and state to a greater extent. According to this theory citizen is not entitled to any benefits unless tax has been paid. Government is mandated to provide welfare functions, protection, and other social amenities like roads in the state in which taxpayers are to pay in returns. In the process, but this theory failed to display the issues of equitable distribution of income and wealth. No effort is being displayed to improve income distribution (Adegbite, 2020). This study harnesses on the benefits-received theory and cost of service theory because of the pertinent contractual relationship that existed between taxpayers and the state. The state constructs road to the citizens, and citizens pay tax in returns to support the government to fulfill their responsibilities (Adegbite, 2020).

EMPIRICAL REVIEW

Adeniyi and Imade (2019) carried out a study on the effect of multiple tax regimes on sustainable development among small scale enterprises in Lagos State. The burden of multiple taxes on small scale business in Lagos Island Local Government Area is compounded by the administrative burden to comply with these taxes which is higher than competitors. The specific objectives of the study are; to determine the influence of multiple tax burdens on business performance of small scale enterprises, and to ascertain the influence of multiple tax administration on small scale enterprises business performance. The study will cover small scale enterprises in Lagos Island Local Government Area in Lagos State. Survey design was adopted for the study. Data collection was done through primary and secondary sources. The researcher used judgmental sampling technique in selecting participants for the study. This sampling technique was used for convenience sake. The study discovered that there is significant relationship between multiple tax burden and business performance of small scale enterprises.

Adebisi and Gbegi (2013) examined the effect of multiple taxation on quarry (small scale enterprises) survival in Ebonyi in particular and Nigeria in general and discovered that multiple taxation has negative effect on business survival and the relationship between size and its ability to pay taxes is significant.

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Alabi, David, and Adeinto (2019) investigated impact of government policies on business growth of small and medium enterprises that operates in six states that made up the South-west geopolitical zone of Nigeria. The study adopted descriptive ex-post facto type and involved both primary and secondary data. The researcher used stratified sampling technique for determination of exact sample population to use for the study. Structured questionnaires were used as the main tools data collection. Both the descriptive and inferential analytical techniques of the SPSS packaged were used to analyze the data obtained from the respondents. The result of this research shows that there is a significant relationship between government policy and business growth of Small and Medium Enterprises (SMEs) in South Western Nigeria. These results indicate the need for the Nigeria government to formulate and implement policies that will help ensure the optimal performance and subsequent survival of small scale businesses in the country. Furthermore, the country's monetary policies and macroeconomic indicators ought to be modified, to become more suitable for SMEs operating in the country. It is also important for the various levels of government in the country to embark on the massive infrastructural development

Adanlawo and Vezi-Magigaba (2022) carried out an investigation aimed at discovering the influence of tax policies on the performance of SMEs in Lagos State. The Unicist Theory of business growth was used to underpin the study, the theory analysed the implications that multiple tax could have on the growth of SMEs in Nigeria. Survey method with close ended structured questionnaire was administered to 110 SMEs owners in three local government areas in Lagos State. Collected data were analyzed with descriptive statistics while formulated hypothesis was tested with Chi square method. Findings revealed that various Governmental policies on taxes significantly affect the performance of SMEs in Lagos State.

Nnam, Maduabuchi, Igwe, Okeke and Chuwkwuike (2022), examined the effect of taxation/taxing practices on the growth of SMEs with a specific focus on whether 'multiple payment obligations placed on SMEs have significant implications on their profitability, investment decisions, and cash flows. The study adopted survey research design. The chi-square and regression analysis were used in testing hypotheses. Results from the chi-square and regression analysis indicated that tax practices significantly affect SMEs profitability and investment decisions.

Methodology

The study adopted survey research design. The population of the study was 212 staff and Truck drivers of five quarry mines in Abakaliki, while a sanple size of 138 was determined using Taro Yamane sample size determination technique. The study used Pearson Correlation will in testing hypothesis of the investigation with the aid of software program (SPSS) for social sciences.

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Data Presentation

The data used in this study was from a total of one hundred and thirty eight (138) questionnaires, which were randomly distributed to the respondents and were collected for data analysis. The results of the analysis are presented in tabular format for interpreting them and to review the major findings in conformity with the null hypotheses earlier generated. The bio-data of the respondents were analyzed using simple percentage. The hypotheses formulated were tested using Pearson Product Moment correlation at 0.05 level of significance.

Descriptive Statistics of all the Variables

The variable of the study was presented in the descriptive statistics table below, which shows minimum, maximum, means, standard deviations as presented in the table below.

Table 9. Descriptive Statistics of all the Variables

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Total Illegal Tolls	138	8.00	35.00	23.7464	6.53465
Total Road Tax Policies	138	7.00	33.00	19.4710	6.44368
Total Multiple Road Taxation	138	7.00	33.00	19.4710	6.44368
Total Methods of Compliance	138	7.00	33.00	21.5435	8.24809
Total High Taxation	138	7.00	33.00	21.5362	8.23838
Total of Business Sustainability	138	7.00	33.00	21.5435	8.18412
Valid N (listwise)	138				

Source: Spss

Hypothesis 1

H0: There is no relationship between illegal tolls on road and Quarry business sustainability in Ebonyi State.

Illegal tolls and business sustainability

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Correlations

		Total Illegal Tolls	Total of Business Sustainability
Total Illegal Tolls	Pearson Correlation	1	-.448**
	Sig. (2-tailed)		.000
	N	138	138
Total of Business Sustainability	Pearson Correlation	-.448**	1
	Sig. (2-tailed)	.000	
	N	138	138

**. Correlation is significant at the 0.01 level (2-tailed).

Source: From the data analysis of the researcher

Hypothesis 2

H0: There is no relationship between road tax policies and sustainable of Quarry business in

Tax policies and business sustainability

Correlations

		Total of Business Sustainability	Total Road Tax Policies
Total of Business Sustainability	Pearson Correlation	1	-.708**
	Sig. (2-tailed)		.000
	N	138	138
Total Road Tax Policies	Pearson Correlation	-.708**	1
	Sig. (2-tailed)	.000	
	N	138	138

**. Correlation is significant at the 0.01 level (2-tailed).

Source: From the data analysis of the researcher

Hypothesis 3

H0: There is no relationship between multiple road taxations and quarry business growth.

Multiple Road Taxation and Business Sustainability

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Correlations

		Total of Business Sustainability	Total Multiple Road Taxation
Total of Business Sustainability	Pearson Correlation	1	-.708**
	Sig. (2-tailed)		.000
	N	138	138
Total Multiple Road Taxation	Pearson Correlation	-.708**	1
	Sig. (2-tailed)	.000	
	N	138	138

**. Correlation is significant at the 0.01 level (2-tailed).

Source: From the data analysis of the researcher

Hypothesis 4

H0: There is no relationship between compliance monitoring/enforcement of road taxation and Quarry Business in Ebony State.

Method of compliance/monitoring and Business Sustainability/Growth

Correlations

		Total of Business Sustainability	Total Methods of Compliance
Total of Business Sustainability	Pearson Correlation	1	-.998**
	Sig. (2-tailed)		.000
	N	138	138
Total Methods of Compliance/	Pearson Correlation	-.998**	1
	Sig. (2-tailed)	.000	
	N	138	138

**. Correlation is significant at the 0.01 level (2-tailed).

Source: From the data analysis of the researcher

Hypothesis 5

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H0: There is no relationship between high taxation and sustainability of quarry business in Ebonyi State.

High Taxation and Business Sustainability/Growth

Correlations

		Total of Business Sustainability	Total High Taxation
Total of Business Sustainability	Pearson Correlation	1	-.898**
	Sig. (2-tailed)		.000
	N	138	138
Total High Taxation	Pearson Correlation	-.898**	1
	Sig. (2-tailed)	.000	
	N	138	138

**. Correlation is significant at the 0.01 level (2-tailed).

Source: From the data analysis of the researcher

Summary of Findings

1. The results showed that there was a negative moderate correlation between the two variables: illegal toll collections and sustainability and growth of quarry business r= -.448, n=138, p < .000. The result indicates that the more there are illegal tolls collecting money from the quarry business owners there are likelihood that the business may not be sustained or grow in a long run.
2. Findings two indicated a strong negative, correlation between the two variables; government tax policies and effect on quarry business r= -.708, n=138, p < .000. The result indicates that the more the road tax policies are not properly formulated or not favourable to road users the more likely that the quarry business may not be sustained or grow in a long run.
3. The third findings indicated a strong negative, correlation between the two variables: multiple taxation and the growth of quarry business r= -.708, n=138, p < .000. The result indicates that the more there are multiple taxations collected from quarry business operators, the more people withdraw from the business and that will adversely affect the growth and sustainability of quarry business.
4. The fourth findings indicated a strong negative, correlation between the two variables: compliance monitoring/enforcement of road taxation on quarry business. r= -.998, n=138, p < .000. The result indicates that the more the road taxation enforcers uses unfriendly or unfavourable manner to enforce payment of tax by road

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users the more likely that the growth of quarry business may be hampered in a long run.

5. The result of the fifth hypothesis indicated a relationship between high road taxation and the growth of Quarry Business in Ebony State. It was found that there was a strong negative, correlation between the two variables, r= -.998, n=138, p < .000. The result indicates that the more the government agency increase road taxation of road users the more likely that the growth of quarry business may be hampered in a long run

Conclusion

The influence of multiple taxation on quarry business and other businesses in Nigeria cannot be over stressed, because it create a burden on quarry business cash flow, they operate on tight budgets and paying multiple taxes and levies at different road checking points can be challenging to them. It generates an unfavorable business environment, stifles investment, and ultimately leads to the closure of businesses. This problem leads to cash flow problems which affects their ability to pay their workers, and contractors. Quarry and other small and medium-sized businesses are mostly susceptible to this phenomenon. These industries are the mainstay of the Nigerian economy, engaging millions of individuals and contributing meaningfully to the nation's GDP. Yet, they are facing the greatest challenge in terms of multiple taxation by the tax agents both genuine and fake ones.

The implementation of the Single Interstate Road Tax Sticker policy in Nigeria which will represents a significant step towards addressing the issue of illegal and multiple taxations on inter-state roads. This policy, accompanied by the Single Haulage Fee initiative, aims to streamline tax collection, eliminate illegal taxation, and enhance the ease of doing business in the country. By reducing roadblocks, eliminating double taxation, and blocking revenue leakages, the policy is expected to have a positive impact on revenue generation, business operations, and the agricultural sector.

Recommendations

1. In view of the findings of the study, it was recommended that government agencies should implement a single interstate road tax sticker policy to tackle illegal taxation on within and interstate roads in Nigeria. This move will be in alignment with Nigeria's broader objective of improving its ranking in the Ease of doing business index.
2. Furthermore, government agencies should also implement a single haulage fee (SHF), which purpose was to eradicate unlawful tax collection, extortion, and revenue leakages in Nigeria in general and Ebonyi State in particular. Introducing a single tax sticker and haulage fee will reduce incidences of double taxation and create a more

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business-friendly environment in Ebonyi State in particular and Nigeria in general among the quarry business owners.

3. It also recommended that the state government should reduce the number of taxes and levies it imposed on businesses to make the tax system simpler and less burdensome. And fight against corruption and fraud should moves from rhetoric to action. And equally should implement uniform tax policies that will favour the development of small scale businesses in Nigeria.
4. It was recommended that stringent punishment should be expended on corruptive personnel, and those whoever circumvent the payment of taxation irrespective of how prominent such defaulters are in order to serve as detriment to others.
5. The study furthermore recommended that Government should support and cooperate with relevant tax authorities for effective management of Ebonyi State tax system for effective and desired output.

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