

**NAME:** PETER L. MWAMBUJA

**COURSE:** BUSINESS ADMINISTRATION

**TOPIC TITLE:** FACTORS AFFECTING COLLECTION OF TAX REVENUE IN LESS  
DEVELOPED COUNTRIES: THE CASE OF TANZANIA REVENUE  
AUTHORITY KINONDONI REGION

**SUPERVISOR:** Sr. Dr. DEUSIDEDITA LUTEGO

**YEAR:** 2021

**ABSTRACT:**

The study presents a report on factors affecting the collection of tax revenue in less developed Countries taking a case of Tanzania Revenue Authority Kinondoni Region. In most developing countries, tax administration has been the critical and most important aspect in ensuring that there is enough revenue for the operation of the government. Various measures have been taken to ensure that people pay taxes to their government and that there is effective administration of tax to ensure enough government revenue but the efforts still yield insufficient collection of tax revenue. The major goal of the study was to assess factors affecting collection of tax revenue in less developed countries but specifically on whether all the available sources of tax revenue has been exhausted and how the tax administration is effectively undertaken together with the taxpayer's perception in paying tax. The methodology used was mainly a qualitative survey which involved analysis of key tax administration documents including the available tax laws and regulations and other reports. It also involved administration of a questionnaire and interviews to key stakeholders including tax assessors, business persons, registered tax consultants, The study found that the problem with tax compliance in less developed Countries is contributed by, among other factors, the lack of relevant knowledge about tax and taxation among citizens, negative perception of citizens on tax paying which is caused by poor and brutal tax administration system together with unfair tax imposed to citizens of which they felt that there was unequal treatment by the tax authorities in paying tax. Governments should take immediate action of identifying new tax bases so that the lost revenue will be collected and improve the service provision capacity.