

# **Factors Affecting Personal Competence in Revenue Collection Among Revenue Collectors in Siha and Same District Councils**

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## **Abstract**

Government expenditures rely on collected revenues. However, the low levels of collected revenues have been witnessed in developing countries including Tanzania. Among other drivers of poor revenue collection, tax collectors' competence has been an ideal towards increased collection of government revenues. This study aims to assess the determinants of revenue collectors' competence in Tanzania. The study used 247 revenue collectors from Siha and Same districts in Tanzania, by applying the cross-sectional study design. Data was collected using questionnaires, entered into a Statistical Package for the Social Sciences, for analysis. Both descriptive and inferential analysis were conducted. Descriptively, data were summarized in a frequency distribution table using frequency, percentages, means and standard deviations. Inferential analysis employed the structural equation modelling, where both the measurement and structural models were determined. Assumptions of Structural Equation Modelling were taken into account following particular model fit indices. Out of the 247 participants, majority were 58.7% males, 82.2% aged between 25 – 54 years, 53.4% with certificate and diploma and 59.5% living in Same district. Based on the determinants of revenue collectors' competence, it was revealed that for each unit increase in Tax Laws, Personal Competence increased by 0.36 ( $p < 0.001$ ). Similarly, for each unit increase in Technological Support Services and Tax Enforcement, the Personal Competence increased significantly by 0.17 and 0.21 respectively at a 1% level. Furthermore, for each unit increase in Tax Compliance, the Personal Competence increased significantly by 0.31 at a 5% level. The study revealed that Tax Law had a higher effect on Personal Competence while Technological Support Services had a lower effect as compared to other factors. These findings imply that more investments and training on advancing available technology is needed so as the effect of Technological Support Services to outweigh other factors. Therefore, government and stakeholders should make sure that revenue collectors are well equipped with available technologies through training so as to enhance proper revenue collection to cater for government expenses.

**Keywords:** Competence, revenue collection, council, revenue collectors, government