ANUK COLLEGE OF PRIVATE SECTOR Accounting Journal

VOL. 1 NO. 2 DECEMBER, 2024

A Publication of College of Private Sector Accounting
ANAN University Kwall, Plateau State, Nigeria.

Published December, 2024.

Web Address: https://www.anukpsaj.com, Email: anukpsaj@gmail.com

Printed by:
MUSSAB Printers,
NB, 9 Muri road by gwari road, Kaduna State, Nigeria.
Phone contact: 07038776658,
Email: meetsuleiman009@gmail.com

Structure of Manuscript

Manuscripts must be typed on A size paper with 12 font size (Times New Roman), not more than 15 pages, double-spaced, and in English. The file name should include the corresponding author's name and a keyword from the title.

Sequence of Manuscript

I. Title page
II. Abstract (150-250 words)
III. Keywords (3-5)
IV. Introduction
V. Literature Review
VI. Methodology
VII. Results and Discussion
VIII. Conclusion and Recommendations
IX. References (APA 7th Edition)
X. Appendices (if necessary)
XI. Author Biographies (optional)

Plagiarism Policy

ANUK is committed to maintaining high standards through an indept peer-review process with sound ethical policies. Any infringements of professional ethical codes, such as plagiarism; including self-plagiarism, fraudulent use of data, are seriously frowned at by the journal with zero tolerance.

ANUK implements the Code of Conduct of the Committee on Publication Ethics (COPE), and uses the COPE Flowcharts for Resolving cases of suspected plagiarism or any publication misconduct.

In order to avoid plagiarism cases with the ANUK, the following guidelines must be strictly adhered to by authors:

Authors should ensure that they have written entirely original works, and if authors have used the work and/or words of others that this has been appropriately cited or quoted.

An author should not, in general, publish manuscripts describing essentially the same research in more than one journal or primary publication. Submitting the same manuscript to more than one journal concurrently constitutes unethical publishing behavior and is unacceptable.

Proper acknowledgment of the work of others must always be adhered to. Authors should cite publications that have been influential in determining the nature of the reported work.

Editorial Team

TABLE OF CONTENT

EFFECT OF TAX INCENTIVES ON FOREIGN INVESTMENT INFLOWS IN NIGERIA

Linus Igboyi
ANAN University, Kwall, Jos
08036237427
linigboi50@gmail.com

Enekwe Chinedu Innocent
ANAN University, Kwall, Jos
08037515783
Chineduinnocent1@gmail.com

ABSTRACT

This article studied the effect of tax incentives on foreign investment inflows in Nigeria. In recent years, Nigeria has faced undue challenges to attract foreign investment due to many factors that work against the business environment for foreign investments. The study employed the historical research design to review the literature on foreign investment inflows in Nigeria. The research finds out that even with the so many tax incentives such as tax concessions, tax holidays, withholding tax, etc available, their impart to attract foreign investment remained generally non-significant. This situation is attributable to the several factors such as the activities of Boko Haram, kidnapping, Herdsmen, corruption, etc. that has played against business environment for foreign investment in Nigeria. The study recommended that tax incentives should be properly streamlined to deal with government policy lapses. Otherwise, government main goals of eradicating poverty, sustainable growth and development might not be realizable.

Key Words: *Foreign investment, Nigeria, Tax incentives, Tax waivers.*

1.0 Introduction

The benefits of tax incentives differ from country to country. The effects of tax incentives on the economic growth and expansions of the overall tax are not the same across the board. It is not all tax incentives that will attract new foreign investments that will contribute to the economic growth and development of a country. A particular tax incentive may bring about few new investments but with a significant cost to the government who may not afford it.

Some developing countries maybe cash trapped and unable to have the sufficient revenue to meet their budgetary requirements. Despite this problem the countries still offer a wide range of tax incentives which some multinational companies take advantage of to engage in international tax planning to reap maximum economic benefits.

Sometimes government grant tax credits as incentives to multinational companies to enjoy tax-free status but soon after that some of them to close business and register a new company and continue the old business in the same locality. These actions will deny government the much needed revenue that inform the grant of tax incentives in the instance. Anyadike and Eme (2017), opined that part of the objectives of tax waivers in Nigeria is to boast local industries, make the much needed raw materials available in the market to generate employment. The author concluded that none of these lofty objectives has been achieved in Nigeria. Most of the local companies and industries have closed down due to lack of raw materials resulting into joblessness in Nigeria.

Anyadike and Eme et al (2017) still observed that in other economies, waivers are seen as a mechanism for achieving set economic goals, protection of local industries, job creation, export promotion, generation and preservation of foreign exchange. In 2014, the coordinating minister of the Economy in Nigeria, Dr. Ngozi Okonjo-Iweala declared that Nigeria had lost N797.8 billion between 2011 and May 2014 to import waivers and tax holiday concessions. Anyadike and Eme et al (2017) regretted that none of the objectives of tax waiver has been met in Nigeria. According to them, some beneficiaries sell duly approved waivers for essential goods to importers of cars or other products which have little or no benefit to the economy. This is corruption. Other multinational firms carrying on operation in Nigeria pay little or no tax at all to government. Those operating in the Export Processing Zones (EPZ) close down their businesses after enjoying the ten year tax incentive holiday period and relocate to other counties to enjoy similar tax incentives.

1.2 Research Question

Many scholars have carried out studies on the risks, benefits and effect of tax incentives on foreign investment inflows into Nigeria, (Peters and Kiabel, 2015). Most of these studies reveal that effective tax incentives have been cited as a major factor in enhancing investment in developing countries (Peters and Kiabel, 2015). To provide a guide to the Nigerian government in their policy formulation and implementation in this regard, an empirical study that investigates the effect of tax incentives on foreign investment inflows deserves to be embarked upon. This article seeks to achieve this. We contend that in understanding the scope and impact of tax incentives is a necessary condition for the reform of tax incentives systems in Nigeria.

1.3 Objective of the study

The objective of this study is to assess the effect of tax incentives on foreign investment inflows in Nigeria. Nigerian governments in the last decade has failed in attracting direct foreign investment as a result of the role that Foreign Direct Investment (FDI) played in the development process (Appiah-Kubi, 2021). According to them, many of the efforts made became futile as a result of several factors that work against the business environment for foreign investments. Unlike other developing African countries, Nigeria has not succeeded in taking advantage of some tax incentives for economic benefits to attract foreign investment.

According to Appiah-Kubi et al (2021), most researchers have emphasized and outlined some factors such as corruption, internal insecurity from the activities of Boko-haram, Fulani Herdsmen and kidnapping, government unfavourable regulation, foreign exchange deficiencies, instability in market forces etc as responsible for failures to attract foreign direct investment into Nigeria (Love and Klaper, 2002, Dupasquiver, 2012, Maruskinova, 2018. Agyemang, 2016, Bokpin, 2017, Sanni and Singhania, 2018, Appiah-Kubi, 2020).

Apart from tax incentives, Appiah-Kubi (2020) noted that there have been several recommendations for African countries to attract significant inflows of foreign direct investment to enhance infrastructural development by United Nations Sustainable Development Goals (UNSDG). Nigeria should compete for foreign investment to generate jobs and economic growth, advance information technology that would lead to alleviation of poverty and benefit the economy in other ways. (Lee, 2012, Maitahz, 2014, Kuzmina, 2014, Malec, 2016 and Appiah-kubi, 2020).

Foreign investments are capable of constituting an immense contribution to increase the economic productivity and growth of Nigeria (Miletkov 2014), Peters and Kiabel (2015) assert that investors' scale of preference when it comes to factors that influence their investment decision making are sound security, exchange rate, political stability, inflation, market stability, etc instead of physical and tax incentives. In order to curb this problem, Nigeria should initiate and implement various measures of improving a friendly business environment to attract inflows from foreign investors. Tuomi (2011) mentioned measures to be adopted to liberate the economy as; tax incentives, low exchange rates, provision of enabling environment, tax holidays, tax credits (WHT), tax deduction, investment allowances, etc.

2.0 Review Of Related Literature

2.1 Conceptual Review

2.1.1 Tax Incentives

So far there is no consensus on the definition of tax incentives. Researchers have given varying definitions and explanations. Tax incentives are some government measures which are intended to encourage individual tax paying entities to spend money or to save money by decreasing the amount of tax that have to pay. These incentives might be in form of Special Economic Zones like tax holidays, credit allowances, carried forward loses, investment allowances, reduced tax rates, exemptions, allowable deductions, investment tax credits and other preferential treatments and advantageous tax computations (Cotrut, Choi, Munyandi, Ferreira and Reiensta, 2018).

Abramorsky, (2018) describe tax incentives as measures that give more clear-cut beneficial tax treatment to isolated companies, industries, sectors, regions or investments. This distinct tax treatment is more advantageous, comparative to prevailing conventional tax regime applicable to broad sectors, industries or regions in the economy.

Tax incentives can have both positive and negative impacts on the economy. If tax incentives are implemented and properly designed, it can attract investment into a country. Additional benefits of tax incentives include increased employment, higher number of capital transfers, improvement to less developed countries, research and development in technology. Again of tax incentives are properly implemented, they can enhance economic welfare through increasing economic growth and government tax revenue.

On the other hand, tax incentives can cause negative effects if they are not properly designed and implemented can affect government financial condition (McDonald, 2020). Tax incentives have traditionally been used by governments as tools for promoting a particular economic goal. The justification for rising tax incentives has been the need to:

I) Correct market inefficiencies associated with the externalization of certain economic activities.
ii) Target new industries and mobile investments that are subject to tax competition.
iii) Generate a form of agglomeration economies or concentration externalities.
iv) Subsidize companies during their sectors downturn (Trepeikov and Verdia, 2018).

Tax incentives are also used to support the competitiveness of the enterprise of developed countries in the global market to attract foreign investment and foster national industries. Tax incentives according to Knewumi (1996) encompass all the measures adopted by government to motivate tax payers to respond favourably to their tax obligations.

2.1.2 Foreign Investment Inflows

Foreign direct investment is an investment by a multinational corporation in foreign counties in order to control assets and manage production activities in those countries (Dutse, 2008). Macrotrends (2021) defines Foreign Direct Investment (FDI) as direct investment equity flows in the reporting economy. It is the sum of equity capital, reinvestment of earnings, and other capital. Direct investment is a category of cross-border investment associated with a resident in one economy which has control or a significant degree of influence on the management of an enterprise that is resident in another economy. Ownership of 10 percent or more of the ordinary shares of voting stock is the criterion for determining the existence of a direct investment relationship (Macrotrends, 2021).

Based on the Harrod-Domar development model, a nation whose rate of savings falls short of the level sufficient to enable it achieve a planned level of investment can fill the gap with foreign capital. The Neo-classical scholars contend that this will make a nation achieve its target rate of growth. Foreign Direct Investment contributes to a nation's development by filling the gap between targeted or desired investment and locally mobilized savings. Another role played by foreign direct investment is its contribution to filling the gap between target foreign exchange requirements and those derived from net export earnings. This foreign exchange or trade gap, it is argued, can be filled by an inflow of foreign capital. If the multinational enterprise is able to generate net positive export earnings, the deficit incurred by the host country can be removed over time. This is the basis of arguing that the operations of multinational corporations leave a positive effect on the balance of payments of the host nation. Again, pro-FDI scholars argue that by taxing multinational corporation's profits the government of the host nation mobilizes sufficient funds for development projects. One other advantage that FDI confers on the host country is a whole lot of packages such as management, entrepreneurship, technology and skills. Multinational corporations not only provide circulating capital but also new factories and sophisticated technological knowledge which can be transferred to their local counterparts by means of training programs and the process of learning by doing.

2.2 Theoretical Review

2.2.1 Trickle-down Theory

According to Kenton (2021), Trickle-down theory also called trickle-down economics states that tax breaks and benefits for companies and the wealthy will trickle down to everyone else. This theory argues that income and capital gains tax breaks or other financial benefits to large businesses, investors, and entrepreneurs stimulate economic growth based on two assumptions, namely;

I) All members of society benefit from growth, and
ii) Growth is most likely to come from those that have the resources and skills to increase productive output.

Trickle-down economics involves less regulation and tax cuts for those in high-income tax brackets as well as corporations. However, critics contend that the added benefits the wealthy receive add to the growing income inequality in the country. Trickle-down economics is political, not scientific (Kenton, 2021). The first reference to trickle-down economics was made by American comedian and commentator, Will Rogers. Trickle-down economics comes in several forms. For instance, while the supply-side theorist believe that less regulation, tax cuts for corporations, and high-income earners would motivate companies and the wealthy to raise output and create better jobs, the demand-side theorists believe in subsides and tariffs, whereby the wealthy need protections to keep paying their employees or to raise spending.

2.3 Empirical Review

Wilson and Wildasin, (2004) define withholding tax as an income tax that is paid to the government through the corporation, as opposed to the employee wherein countries implement tax rate strategies in a bid to steer the investment of internationally mobile capital. The current proof on the relationship between tax and investment in business international locations cannot simply be extrapolated to growing countries. In addition, Asiedu (2006) finds that even inside growing nations, tax results on FDI might be exceptional in

Africa. Different tax incentives have additionally different effects on the user cost of capital. Lei Guangping (2006) cited in Yan (2016) found that the reactions to different types of business tax incentives are not the same. The study also concluded that tax incentives can neither make up for the defect in the investment climate in the country, nor produce the desired external effects. However, when other factors (such as infrastructure, trans-port costs, political and economic stability) are substantially equal to a regional tax, they are likely to have a great impact on investor choice. However, this effect is not stereotyped, as it all depends on the tax means used, multinational characteristics, and the relationship between the national tax system and investment between the receiving countries.

Djankov, (2010) in partnership with Price Waterhouse Coopers surveyed 85 countries. It emerged that corporate tax quotes harm gross investment, FDI, and entrepreneurship. The conclusions show divergent views on the effectiveness of tax incentives on FDI attraction. Walid, (2010) analyzed the monetary factors and risks on FDI on a full-scale level from 1997 to 2007 by utilizing a multiple linear regression model, which uncovered that there exists a critical and positive connection between FDI, and monetary factors used for the examination. Taking all the variables into account, the examination suggested the advancement of FDI through tax incentives to draw in new investments.

Krandoff (2010) in his observation of the usefulness of tax incentives of foreign direct investment attraction in South Africa presumes that taxation is crucial in attracting performance-searching for FDI. For instance, Djankov et al. (2010) point to the ambiguous impact of tax holidays on the value of capital, relying on the span of the investment, the evolution of the sales, and the quantity to which the invested capital is deductible.

Tuomi, (2011) additionally examined the function of investment climate and tax incentives within the foreign businesses' investment choices in South Africa. The study uncovered those monetary incentives assuming a negligible position within the choice for the majority of foreign firms. Through spatial econometrics strategies, Klemm and Van Parys (2012) researched the results of tax incentives in over 40 Latin American and Caribbean countries during 1985 -2004. They found out that there is proof for vital communication in tax holidays, notwithstanding notable rivalry over the Corporate Income Tax (CIT) rate. While other studies that include Klemm and Parys (2012) discover tax incentives to be crucial to luring foreign direct investment in low-income countries, Van Parys and James (2010) additionally find tax concessions to have a very positive impact inside the Caribbean Island countries.

The evidence of several studies recommends that by and large, investment incentives are not a large reason for internal FDI. Fawowe, (2013) in his study examined whether fiscal incentives promote investment in Nigeria via constructed indexes from 1970. The empirical results of his study revealed a noteworthy negative relationship between fiscal incentives and FDI in Nigeria. The results recommend that Nigeria effectively concentrate on the removing factors such as insufficient infrastructure, low-quality institutions, and poor regulations that could discourage foreign investors.

By using static Error Correction Modeling (ECM), Peters and Kiabel (2015) inspected the impact of tax incentives in the choice of foreign investors to locate in Nigeria, utilizing information from the yearly measurable bulletin of the Central Bank of Nigeria and the World Bank World Development Indicators Database. Their outcomes uncovered that FDI reaction to tax incentives is adversely critical. They further suggested that reliance on tax ought to be decreased and more consideration be focused on different incentive technique, such as stabilizing financial changes and the political environment.

Anyadike and Eme (2017) examined the economic implications of the abuses of waiver in Nigeria. The paper addressed those challenges using secondary sources. The paper suggested among others that the National Assembly should complement the executive arm of government to end tax waiver abuses in Nigeria. Agbo, (2018) investigated the effect of foreign direct investment on economic growth with specific reference to the Nigerian economy. Multiple regression analysis technique was employed in estimating the model. The data used for the study were extracted from the Central Bank of Nigeria statistical bulletin from 1980 – 2012. The results of the study showed that foreign direct investment has a positive relationship with Nigerian economic growth. Etim. (2019), in their investigation over 19 years, determined the result of cost focused and benefit-fixed tax technique incentives on FDI in Nigeria. This was accomplished by using secondary data sourced from the CBN and World Bank data sets via multiple regression strategies. The discoveries uncovered that the expense-focused tax strategy incentives had a powerful impact on FDI when compared with benefit-focused tax strategy incentives; however, there was no critical connection between cost-focuses versus benefit-based tax strategy incentives and FDI in Nigeria. It was consequently recommended that non tax incentive mediation should be sought after by the government as a fundamental enhancement to the tax strategy incentive to drive FDI inflows into Nigeria.

3.0 Methodology

This study aligns with the work of OECD (2021) in adopting the historical research design. Its few limitations notwithstanding, the main advantage of historical research is that it is the only research method that can study evidence from the past. It is well suited for trend analysis and permits the investigation of topics that could be studied in no other way. Historical research or historiography, "attempts to systematically recapture the complex nuances, the people, meanings, events and even ideas of the past that have influenced and shaped the present" (Berg and Lure, 2012: 305).

4.0 Tax Incentives Regime In Nigeria

Various Ministries, Departments, Agencies and Commissions are charged with administering tax incentives in Nigeria. According to Marwam, (2018), the extensive use of tax holidays reduced rates. Also, generous allowances by Nigeria eroded her revenues from CIT, which only yielded 1 percent of GDP in 2016. In spite of imposing a relatively high statutory rate of 30 percent, Nigeria's CIT efficiency, as measured by the ratio of CIT revenues to the GDP and the corporate tax rate, is only 0.03 when calculated with respect to the non-oil economy only and 0.06 when CIT revenue is compared to GDP. These values are significantly lower than the 0.07 ECOWAS average and the 0.13 average for the group of emerging and developing economies.

Nigeria offer several types of tax incentives and allowances (Marwam, et al, 2018). The income tax system has generous incentives in the form of tax holidays of 3 to 5 years for pioneer industries and products, complete exemption of tax at the Federal, State and Local levels for companies that are under the free zones regime, as well as several waivers and reductions by presidential decree or as contained in the CITA for preferential sectors (NIPC, 2017). The justification for tax incentives is to change relative prices, profits and costs to attract investment in a desired direction. However, if tax incentives are granted to almost all sectors of the economy their efficiency is diffused and make little difference in attracting investments (Marwam, et al, 2018).

An inter-Ministerial Committee was set up in January 2016 to undertake a review of tax expenditures resulting from 52 types of incentives being implemented by the Federal Government through its agencies (NCS, FIRS and NIPC). The Committee's preliminary findings based on a partial quantification of expenditures indicate that between 2011 and 2015, the government conceded N1 Trillion or 1.28 percent of GDP to the granting of only four types of incentives: Import duty and VAT waivers, concessions, grants and pioneer status. The largest share of incentives came from the granting of import duty waivers, which represented almost half of the total cost of incentives (Marwam, et al. 2018). According to Richard et al. (2021), Nigeria is facing a fiscal crisis. In 2019, tax incentives cost the Federal Government US$3.2 Billion in revenue.

4.1 Principles to be adopted to increase the tax incentives for investment in Nigeria

OECD (2021) observes that the problem of tax base erosion due to tax incentives is worsened by the lack of transparency and clarity in the provision, administration and governance of tax incentives for investment is often done outside of a country's tax laws and administration, sometimes under multiple pieces of legislation. Generally, despite the widespread use of tax incentives for investment, there is inadequate analysis of their costs and benefits in a national context to support government decision-making.

OECD (2021) suggests that to increase the transparency and governance of tax incentives for investment in developing countries the relevant governments should take the following actions:

(I) Make a public statement regarding all tax incentive for investment and their objectives within a governing framework.

(ii) Use tax laws only to provide tax incentives for investment.

(iii) Pull together all the tax incentives that are for investment under the authority of one government body, if possible.

(iv) Insist that tax incentives for investment are ratified through the law making body or parliament.

(v) Administer tax incentives for investment transparently.

(vi) Compute the amount of revenue forgone that is attributable to tax incentives for investment and release a statement of tax expenditures publicly.

(vii) Review the continuance of existing tax incentives periodically by assessing the extent to which they meet the stated objectives.

(viii) With a regular statement of tax expenditures, highlight the largest beneficiaries of tax incentives for investment by specific tax provision, where possible.

(ix) Engage in a systematic collection of data to underpin the statement of tax expenditures for investment and to monitor the overall effects and effectiveness of individual tax incentives.

(x) Increase regional co-operation to avoid harmful tax competition.

4.2 Tax Incentives and the Nigerian Economy

Tax incentives are basically designed to attract new investments and to expand existing one in priori industries which is based on the country development plan. In literature, the broadening of a country's taxable capacity is often linked to the generous incentives prevalent in its tax system. The provisions of generous exemptions often tend to erode the tax base, which in turn, affects income elasticity of a tax through tax-to-base elasticity (Osoro, 1993).

Nigeria's experience in the granting of tax incentives can be traced to the commencement of British Administration in the territory when all sorts of reliefs, allowances and tax holidays were granted to British companies and individuals as an attraction to establish trade links with it. Specifically, tax incentives for industrial development started in 1958 and included:

(I) Pioneer companies relief, which exempted companies operating in pioneer industries for up to 5 years from paying company income tax;

(ii) Companies Income Tax relief which gave capital allowances regarding investments in machinery, building, loss carry-forward facility, etc.

(iii) Import duties relief which exempted selected pioneer companies from paying import duties on imported inputs; and

(iv) Approved user scheme, under which import duties were refunded to the approved enterprises which import in the export-turned production. Generally, tax incentives have operated under the following sub-heads in Nigeria: tax holidays, investment allowances, rural investment allowance, tax free interest, deductible capital allowance, research and development, tax-free dividends, tax treaties, reliefs and allowances; and capital allowances.

Current policy of Nigerian Government is to ensure: incentives are sector based and not granted arbitrarily, the benefit to the Nigerian economy exceeds the cost of taxes foregone, and incentives are reviewed regularly to confirm if they are serving the expected purpose, while foreign investors enjoying incentives are expected to voluntarily plough back into the Nigerian economy.

5.0 Conclusion And Recommendations

In due recognition of the role played by foreign direct investments in the development process, Nigeria have been in a serious competition and faced several challenges while striving to attract them. This study employed the historical research approach with the purpose of obtaining an updated literature on what has been the effect of tax incentives on foreign direct investment in Nigeria. We found that as good as employing tax incentives is good economic strategy for enhancing economic growth they have suffered serious abuse in the hands of corrupt politicians. Consequently, even as tax concessions, long tax holidays, withholding tax and other tax expenditures in Nigeria have continued to be in the increase, their impact on FDI has remained weak generally. This situation is equally blamable on a number of factors that have played against the business environment for foreign investments in developing Nigeria.

Our study recommends that tax incentives should be properly structured to deal with policy lapses by the government of Nigeria. In addition, our study recommends the following actions to be taken by the government of Nigeria:

I) Governments should embark on an extensive review of tax incentives using independent audit firms. This should be used as a parameter to judge if tax incentives are really beneficial or not to the economy.

ii) There should be an efficient monitoring and evaluation system which would offer a periodic and timely evaluation of the tax so as to prevent abuse by the MNCs and their local collaborators.

iii) The governments should incorporate the abuse of tax waivers in their anti-corruption drive. The individual found to be culprits ought to be punished under the framework of the existing anti corruption institutions.

iv) The governments should empower its tax institutions with the intention of enhancing transparency around tax waivers given to MNCs.

v) The legislatures of in Nigeria need to improve on its oversight functions on the issue of tax waivers. The issues concerning tax waivers must be seriously checkmated by them.

vi) Policy inconsistencies and reversal construed in order to meet the desires of the political class in power, who also double as importers, exporters and manufacturers should be discouraged.

vii) The practice of excluding Vat-able items to suit some sectors of the economy need to be discontinued.

viii) Excessive dependence on external capital should be discouraged as that will lead to greater vulnerability to external sources of uncertainty.

ix) The resource-rich countries need to reap benefits from FDI and foster linkages in order to diversify their economies. This study anticipates that fostering local firms and human resources to reap the benefits from FDI will probably be the next area of focus for Nigeria.

The unavailability of required data as well as the reliability of some available data on tax incentives posed some limitations to the use of time series data to determine the impact of tax incentives on FDI in Nigeria. We hope that future research will be able to overcome the limitations not addressed explicitly by this study.

References

Agbo, E. I., Onyema, J.I and Odo, L.C (2018). Effect of Foreign Direct Investment on Economic Growth: The Nigerian Perspective, *Research Journal of Finance and Accounting 9*, (12), 79 -87.

Anyadike, N. O. and Eme, O. I. (2017). The Economics of Waivers in Nigeria. Science Arena Publications Specialty Journal of Accounting and Economics Available online at www.sciarena.com 3(1): 31-50

Appiah-Kubi, S.N.K., Malec, K. Mansoor, M., Kutin, S.B., Pankova, L., Phiri, J. and Zaganjori, O. (2019). The Impact of Macroeconomics variables on the inflows of FDI in the least Developed West African Countries, In Proceedings of the Agrarian Perspectives XXXIII Business Scale in Relation to Economics, Prague, Czeh Republic, 18 September; 27, 7-13.

Appiah Kubi, S.N.K., Malec, K., Maitah, M., Kutin, S.B., Pankova, L., Phiri J and Zaganjori, O. (2020). The Impact of Corporate Governance Structures on Foreign Direct Investment: a Case Study of West African Countries. *Sustainability*, 12, 3715.

Appiah Kubi, S.N.K., Phiri J., Malec, K., Maitah z., Smutka, L., Blazek, V. Maitah, K and Sirohi, J. (2021). Impact of Tax Incentives on Foreign Direct Investment: Evidence from Africa, Sustainability 2 13(15), 8661: https://doi.org/10.3390/su13158661.

Asiedu, E. (2006). Foreign Direct Investment in Africa: The Role of Natural Resources, Market Size Government Policy, Institutions and Political Instability. World Econ., 29, 63 -77.

Djankov, S.; Ganser, T.; McLiesh, C.; Ramalho. R.; Shleifer, A (2010). The Effect of corporate Taxes on Investment and Entrepreneurship. Am Econ. J., 2, 31 -64.

Dupasquier, c.; Meloni, M.; Young, S. (2012). UNCTAD's Investment Policy Reviews: Key Policy Lessons Transnatl. Corp., 21, 45 -59.

Etim, R.S., Jeremiah, M.S. and Jeremiah, O.O. (2019) Attracting Foreign direct investment (FDI) in Nigeria through effective tax policy incentive. International Journal of Applied Economics, Finance and Accounting 4, 36 -44.

FIRS (2020). Nigeria Lost N1.3trn in 5 years February 13

Fowowe B. (2013). Financial liberalization in Sub-Saharan Africa. What do we know? Journal of Economic Survey, 27 1 -37.

Klemm, A. and Parys, s. (2012). Empirical Evidence on the Effects of Tax Incentives. Int. Tax Public Finance 19 393 – 423.

Kransdorff, M. (2010). TAX Incentives and Foreign Direct Investment in South Africa, Consilience. *The Journal of Sustainable*.

Kuewuni, M. (1996). A Critique of Tax Incentives in Nigeria Tax News, 2. (1), 4 -8.

Lee, H., Staats, J. L. and Biglaiser, G. (2012). The importance of legal systems for portfolio investment in the develoing world. Int. Area stud. Rev., 15, 339 – 358.

Love, I. and Klapper, L.F. (2002). Corporate Governance, Investor Protection, and Performance in Emerging Markets. World Bank, 13, 15 -20.

Macrotrends (2021). Nigeria Foreign Direct Investment 1970 – 2012 " Foreign Direct Investment 1970-2021

Malec, K., Guoda, S., Kuzmenko, E., Soleimani, D., Rezbova, H. and Sanova, P. (2016). Gross Domestic Product Development and Employment in Egypt (2000 - 2013). *International Journal of Economic and Financial Issues,* 6, 199-206.

Marwam, I., Newiak, M., O'Sullivan, L., Luca, O. Chen, K., Tamene, M., Hosny, A (SPR) and Younger, S. (2018). Mobilizing Tax Revenues in Nigeria. International Monetry Fund, February 15.

Miletkov, M.K., Poulsen, A.B. and Wintoki, M.B. (2014). The Role of Corporate Board Structure in Attracting Foreign Investors. Journal of Corporate Finance, 29, 143 – 157.

OECD, (2007). Corporate Tax Incentives for Foreign Direct Investment, *OECD Tax Policy Study, No. 4*

OECD (2021). Principles to Enhance the Transparency and Governance of Tax Incentives for Investment in Developing Countries. Tax and Development. Retrieved from .

Osoro, N.E (1993). Revenue Productivity Implications of Tax Reform in Tanzania, AERC Research Paper 20, September, Nairobi, P. 24

Peters, G.T. and Kiabel, B.D. (2015). Tax Incentives and Foreign Direct Investment in Nigeria. IOSR J. Econ. Finance, 6, 10 -12.

Richard, J, Kraus, J and Bredar, L. (2021). Is there a place for tax incentives in post-COVID Africa? Retrieved from https://www.one.org/africa/blog/true-impact-tax-incentives-africa/26 May.

Trepelkov, A. and Verdi, M. (2018). Design and Assessment of Tax Incentives in Developing Countries: Selected issues and a country experience United NATIONS, New York.

Tuomi, K. (2011). The Role of the Investment Climate and Tax Incentives in the Foreign Direct Investment Decision: Evidence from South Africa. J. Afr. Bus., 12, 133 – 147.

Ugbodaga, M. (2021). UN: Nigeria's FDI Inflows Increased 4% to $2.4bn in 2020. The Cable. Retrieved from https://www.thecable.ng/un-nigerias-fdi-inflows-increased-4-to-2-4bn-in-2020.

Walid, Z.S. (2010). Determinants of Direct Foreign Investment: Evidence from Jordan. Bus. Econ. Horiz. 1, 67-75. Available online: https://www.ceeol.com/search/article-detail?id=60126