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ANALYSIS OF INTERNALLY GENERATED REVENUE (IGR) AND ECONOMIC GROWTH OF SOUTH STATES OF NIGERIA

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Abstract: This study determined the effect of internal generated revenue on gross domestic product in South-South States in Nigeria. Ex-Post Facto research design was adopted by the study. Data were generated from the publications of State Internal Generated Revenue (SIGR) of the five South-South States and Central Bank of Nigeria (CBN), for fourteen (14) years spanning from 2011 to 2024. Regression analysis was employed to test the hypothesis. The study found that internal generated revenue has a significant positive effect on gross domestic product among in Nigeria. The study recommended that though the IGR has a positive significant effect on gross domestic product, and it can be used for policy making, a deliberate action needed by South-South States governments to improve internal generated revenue of their states, as well develop a proper mechanism for the appropriate application of their resources.

Keywords: Internal generated revenue, Gross domestic product and South-South States, Nigeria.

Introduction

State governments in Nigeria are in economically precarious positions in this period of monetary recession. Owing largely to dwindling oil fees and economic imbalance, many states in Nigeria are nonetheless defaulting in their economic responsibilities to their workers despite the bailout finances via the Federal government to assist them to pay splendid salaries and allowances. Most of the states should hardly ever meet their recurrent expenditure no longer to talk of capital fees. The federal government of President Muhammadu Buhari granted more statutory allocation of N1.seventy five trillion as bailout to state governments in 2017, following pleas from Nigeria Governors‟ forum (DMO, 2017 referred to in Fasoye, 2020).This gesture became followed by means of some other launch of N760.17 billion as refund under the Paris membership mortgage to state governments (Fasoye, 2020).

Beyond internally generated revenue and federally allocated revenue, debt financing is another tool for handling a situation where government revenues fall short of expenditures. Debt option is analogous to salt in cooking: too little or too much of it is bad. Yusuf and Mohd (2021) posit that economic growth becomes faster when judicious borrowings are used to fund public and infrastructure development. However, excessive debt funding is not without numerous adverse consequences on the economy which include but not limited to huge

debt overhang and cash strain owing to interest payments (Joy & Panda, 2020). In the same vein, high debt profile inhibits the borrower's capacity to invest in productive activities such as investment in infrastructure, education and public health (Johnny & Johnnywalker, 2018).

Personal income tax, licenses, charges and fines were the bedrock of internally generated revenue (IGR) of Sokoto kingdom. A huge percentage of the IGR come from personal profits tax (PAYE) deductions from employee's salary resident inside the kingdom. As a result, it has become vital for country and nearby governments to provide sufficient sales from home assets. This requirement emphasizes how eager nation, local, and even federal governments are to locate new revenue streams or to come to be extra competitive and innovative in their methods of obtaining price range from already-present resources.

Revenue generation and its sustainability are of paramount importance due to the fact that revenue represents the life wire of establishments both in evolved and developing nations. The significance of revenue era, allocation, and distribution toward keeping each the prevailing and new socio-political and monetary structure in any economy cannot be overemphasized (Morufu & Babatope, 2017). Revenue generation guarantees financial viability which represents the potential to generate sufficient income to fulfill operating bills and debt commitments, and in which relevant, to where increase even as maintaining service levels.

Studies such like; Kabiru, Abdulkadir and Yahaya (2024) ascertained the importance of internally generated revenue (IGR) on service delivery in Sokoto state. Agnes, Samuel and Okpanachi (2023) determined the effect of internally generated revenue at the national and regional levels in Nigeria, which are dealing with significant development obstacles. Okon and Uwah (2023) assessed the association between internally generated revenue and infrastructural development in Akwa Ibom State from 2007 to 2020. Ibukun (2023) evaluated of the association between internally generated revenue and economic growth in Lagos State from 2012 to 2020. Nwafor, Obineme, and Okey (2021) determined the returns from land-based revenue and internally produced revenue after budgeting. Sani and Ahmad (2019) examined the effect of aggregate and disaggregate tax income on economic growth in Nigeria from 1979 to 2018. Nkechi and Onuora (2018) ascertained the effect of internally generated revenue on the infrastructural development of the southeastern states in Nigeria from 2013 to 2017. The prior studies have conducted research on internally generated revenue from different parts and regions in Nigeria between two to three years ago. However, to the best of the researchers' knowledge, there was a dearth study of this nature in South-South region of the country. This has created regional and periodic gaps which this present study sought to fill. This study assesses the effect of internal generated revenue on gross domestic product in South-South States in Nigeria.

Literature Review

Concept of Revenue

Taxation is a way of raising revenue or income by the authorities be it the primary, state or neighborhood government to meet their macro-monetary goals inside the realms of monetary and financial policies. The authorities makes use of the profits it gets from taxes to perform its mandate, which incorporates, amongst other things, enforcing laws and guidelines, shielding people and belongings, imparting welfare blessings, and resolving conflicts (Kabiru, Abdulkadir & Yahaya, 2024). Tax is an obligatory levy imposed by means of government being a higher authority both directly or circuitously on earning of individuals and companies our bodies and any refusal is meted with appropriate punishment.

Different scholarly view revenue differently. For instance, Sani (2019) recognizes tax revenue as a social engineering tool that can foster economic development and growth. It is essential to any country and a prerequisite for its development. Every state government must also prevent economic collapse by providing macroeconomic variables. Sani and Musbahu (2019) reported that internally generated revenue is an outcome of economic activity. Identifying unrecorded activities and using the collected funds to improve the business environment can increase taxpayers' willingness to pay taxes. Because IGR is a key factor in determining a state's allocation of revenue from the federation account, the current revenue sharing formulae disfavor states when internally generated revenue is low.

Revenue is money received by the government from taxes and non-tax sources to enable it to undertake public expenditure. Many authors have defined revenue in their different perceptions. Nightingale (2002) defines revenue as funds needed by the government in the public sector to finance government activities, adding that these funds are generated from non-oil sources such as income tax and other forms of taxes, royalties, fines, fees, rates, and aids from the federal government, foreign financial institutions and foreign countries. Otunbala (2011) documented that government revenue includes the entire funds generated from oil and non-oil sources other than funds raised from the issue of debt instruments such as government bonds, stocks, treasury certificates and treasury bills from capital and money market Non-oil sources of revenue include income tax, royalties, fees, utilities, miscellaneous revenues, among others. Udu and Nkeanor (2016) assumed that internally generated revenues are those generated within the state, including revenue from personal income tax, motor vehicle licensing, royalties, fees, fines rate, and funds from sales of government properties, among others. Accordingly, the two sources of revenue accruing to State governments are from the externally generated and internally generated revenue. The externally generated revenue is allocated from the federation account and value-added tax.

Internally Generated Revenue

Adesoji and Ogechi (2013) emphasized that internally generated revenue is those revenues that are derived within the state from various sources and are not evenly distributed by the states along the lines of infrastructural development. The inequality in distribution may be based on the need of the state for specific development or recurrent expenditures. In the report of the Nigerian Extractive Industries Transparency Initiative (NEITI, 2013), Internally Generated Revenue (IGR) is defined to include the following: personal income tax which applies to the residents of the state; withholding tax which applies to individuals only; capital gains tax for individuals only; stamp duties applicable to instruments executed by individuals only; road taxes, like vehicle licenses; taxes on pool bets, lottery and casino wins; business premises and registration fees; developments levy applicable to taxable individuals only; fees for right occupancy on urban land owned by the state government; market taxes and levies where state finance is involved; and miscellaneous revenue including but not limited to rent on government property, incomes from investment (Ibukun, 2023).

Adesoji and Ogechi (2013) emphasized that internally generated revenue is the ones income which are derived in the kingdom from diverse resources and are not calmly disbursed by the states alongside the strains of infrastructural development. The inequality in distribution can be primarily based at the need of the kingdom for precise improvement or recurrent expenditures. inside the record of the Nigerian Extractive Industries Transparency Initiative (NEITI, 2013), Internally Generated revenue (IGR) is described to consist of the following: personal profits tax which applies to the residents of the nation; withholding tax which applies to

individuals best; capital profits tax for individuals handiest; stamp obligations relevant to contraptions done by using people handiest; street taxes, like vehicle licenses; taxes on pool bets, lottery and on line casino wins; enterprise premises and registration fees; tendencies levy applicable to taxable individuals simplest; prices for right occupancy on urban land owned by way of the kingdom government; marketplace taxes and levies wherein kingdom finance is worried; and miscellaneous revenue inclusive of but no longer restrained to hire on authorities property, earning from funding (Ibukun, 2023).

Fines, Fees, Rates and Forfeits

Income from this aspect is from college fees generated from state-owned colleges, water costs, and fines from the court, amongst others. International Monetary Fund (IMF, 2013) stated fines and penalties are obligatory modern-day transfers imposed on gadgets by means of courts of regulation or quasi-judicial our bodies for violations of legal guidelines or administrative rule. Most fines, consequences, and forfeits are determined at a specific time. Administrative costs but encompass expenses for compulsory licenses and other administrative fees which are income of offerings. Fines and forfeitures and monetary consequences imposed for violations of the regulation, fines and costs which include parking tickets and rushing tickets (such as those from visitors cameras), be counted-imposed charges used to cover administrative fees and funds, unique initiatives and different crook justice-related prices and penalties. Consistent with Afeez, Ndalu, and Micah (2022), a tax penalty is a financial penalty imposed by using the inner sales service (IRS) for acting a prohibited act or failing to execute a required act, together with failing to timely file a return or submitting incorrect or undervalued taxes.

Economic Growth

Economic growth refers to the increase in production of goods and services within an economy over a period of time. It is traditionally measured as the percent rate of increase in gross domestic product (GDP). In terms of measurement, economic growth can be measured in nominal terms, or in real terms. It is measured in nominal terms if it includes inflation while it is in real terms if there is adjustment for inflation. Measurement of economic growth in real terms (i.e. inflation adjusted terms) is preferable because the distorting effect of inflation on the price of good and services produced is eliminated (Ibukun, 2023).

Growth can be intensive or tremendous. It is far in depth increase where the growth is resulting from extra green use of inputs (which includes labour, physical capital, power or substances). Again, sizeable growth way that the growth is driven only by way of will increase in the quantity of inputs to be had for use (extended population, new territory). For comparing one country's economic growth to another, GDP or GNP according to capita is used to account for population differences between nations. Monetary growth is not the same as economic improvement, although the two (2) terms are used interchangeably, maximum particularly by way of non-economists. Economic growth commonly refers to the sustained, concerted moves of policy makers and communities that promote the same old of residing and monetary health of specific vicinity.

Empirical Review

Kabiru, Abdulkadir and Yahaya (2024) ascertained the importance of internally generated revenue (IGR) on service delivery in Sokoto state. Data were sourced from the state’s financial statements and reports. The study used regression analysis and correlation coefficients to evaluate the level of relationship between the variables. The found thatinternally generated revenue affects Sokoto State's service delivery, the inefficiencies and offering potential solutions. Angahar and Olalere (2023) investigated Internally Generated Revenue (IGR) and

the Economic Viability of States in Nigeria using State Government Debt Stock from 1986 to 2021 for six states each from Nigeria's six geopolitical zones. A Panel Vector Error Correction Model (PVECM) was used as the method of analysis. Results showed that the IGR of States in Nigeria had a positive effect on State government expenditure. Agnes, Samuel and Okpanachi (2023) determined the effect of internally generated revenue at the national and regional levels in Nigeria, which are dealing with significant development obstacles. As a result of these efforts, the state's ranking rose from 11th in 2016 to 6th in 2021, surpassing Kano, which according to the 2019 census is the most densely populated state in Nigeria and the main economic hub of the northern region. The data used in this study was sourced from credible publications, published studies, and other media outlets. This led to a significant increase in Internal Generated Revenue (IGR), an unavoidable outcome that revolutionized revenue creation in Nigeria's Kaduna State. Okon and Uwah (2023) assessed the association between internally generated revenue and infrastructural development in Akwa Ibom State from 2007 to 2020. Data were analyzed using simple regression analyses to test the hypotheses. The study found that internally generated revenue (IGR) has a positive relationship with infrastructural development in the State, showing a positive and significant relationship with development in education, and an insignificant but positive relationship with health and sanitation. Ibukun (2023) evaluated of the association between internally generated revenue and economic growth in Lagos State from 2012 to 2020. Data generated from National Bureau of Statistics and Lagos State Bureau of Statistics was analyzed with the Autoregressive Distributed Lag technique. The study show a long-run significant relationship for other taxes, direct assessment and road taxes with gross domestic product in Lagos state, leaving out pay as you earn with insignificant impact. Nwafor, Obineme, and Okey (2021) determined the returns from land-based revenue and internally produced revenue after budgeting. Using a descriptive technique, the study discovered that Abia state failed to realize what was anticipated nearly throughout the time, that the growth rate of both has remained negative, and that the contribution of land-based tax income to domestically produced revenue was less than 5% on average. Fasoye (2020) studied the factors that determine the Internally Generated Revenue (IGR) of State governments in Nigeria. The PAYE and road taxes were found to be the primary determinants of IGR for the States, as they appeared to be less affected by the prevalence of corrupt practices in Nigeria's public sector. This information was obtained using the Fully Modified Ordinary Least Square (FMOLS) technique. The study came to the conclusion that State governments in Nigeria have over the years fallen short of fully utilizing other internal revenue sources available to them. Joseph and Omodero (2020) examined the relationship between government revenue and economic growth in Nigeria. The study employed exploratory and ex post facto research design. Data from 1981 to 2018 were used. The study used the ordinary least square (OLS) regression technique. The result revealed that federally received revenue and value-added tax (VAT) have a moderate and positive impact on economic growth. Onwuka and Christian (2019) determined the effect of revenue generation on infrastructural development in Nigeria. Ordinary least square (OLS) regression analysis technique was employed in the study from 1981 to 2018. The study revealed that revenue generated has a significant impact on infrastructural development in Nigeria. Sani and Ahmad (2019), examined the effect of aggregate and disaggregate tax income on economic growth in Nigeria from 1979 to 2018 using a sample technique. They employed the ARDL model. The findings showed that PPT significantly affects the gross domestic product, with a coefficient of 0.4675 at the 5% significance level. Furthermore, there is a substantial positive correlation between corporation income tax and economic growth (coefficient 0.1975, p-value of 5% significant). The study showed that tax revenue significantly

influenced economic growth. The report suggests that the government should strive for economic diversification, as it must leverage petroleum profits to broaden its income streams. Overall, the results showed that tax income significantly influenced overall economic growth. Almustapha (2018) used a field survey research design to investigate the factors that contribute to tax evasion in the informal sector in the Northwestern states of Nigeria. The study found that a number of factors, including fiscal and tax issues, economic and administrative issues, and others, statistically influence tax evasion behavior. Michael (2018) ascertained the effect of internally generated income (IGR) on Nigeria's economic growth. In Nigeria, the issue of states' and local governments' insufficient income collection, which makes it difficult for them to meet their spending commitments, has gained significant attention. This study used an ex post facto research design to find out how total intergovernmental revenue (TIGR), federal government independent revenue (FGIR), state intergovernmental revenue (SIGR), and local intergovernmental revenue (LIGR) affect the real gross domestic product (RGDP), which is a measure of the growth of the economy as a whole. The Central Bank of Nigeria's (CBN) Statistical Bulletin provided the temporal data used in this study, which covered the years 1981 to 2016. To evaluate hypotheses, the data analysis employed the statistical techniques of t-tests and multiple regressions. The results of the study show that TIGR, SIGR, and LIGR have a strong and statistically significant positive effect on RGDP. Nkechi and Onuora (2018) ascertained the effect of internally generated revenue on the infrastructural development of the southeastern states in Nigeria. The ex-post facto design was used in the study. Secondary data were used, and they were extracted from budget estimates of each of the five South Eastern States of Imo, Abia, Ebonyi, Enugu, and Anambra state from 2013 to 2017. The study employed descriptive statistics, correlation, and linear multiple regression for data analysis and data interpretation. Findings from the study revealed that there is a significant relationship between internally generated revenue and the cost of infrastructure in the South East States as of the date of the study, thus suggesting that government should increase IGR in other to meet up the cost of infrastructure. Amin (2018) ascertained the sources of revenue generation, the capacity of the Asa local government area of Kwara State in generating revenues for developmental programs, and the extent to which the generated revenues have been used for community development in the local government. The finding from the study showed that: Asa local government generates revenues from internal and external sources. External sources are the statutory allocation from federal accounts and borrowed money from the State government. The local government generated huge amounts of revenue from market rates and levies and permit fees on land and establishment. Tax enforcement is not efficient and a majority of the respondents agreed that local government officers are more efficient than consultants. Mbah and Onuora, (2018) ascertained the effect of internally generated revenue on infrastructural development of south-east states of Nigeria. The study adopted an ex-post facto research design. The data used were secondary. The study employed descriptive statistics, correlation and multiple linear regressions for data analysis. The study revealed a significant relationship between internally generated revenue (IGR) and the cost of infrastructural development in the southeast states of Nigeria. Oyetakin and Yahaya, (2017) analyzed the effect between internally generated revenue and infrastructural development in the public universities in Ondo state, Nigeria. Data were generated from questionnaires of 50 management staff were sampled. The study found a negative and significant relationship between internally generated revenue (IGR) and the amount spent on infrastructural development in public universities in Ondo state. Ajiteru, Adaranijo, and Bakare (2018) studied the association between internally generated revenue and infrastructural development in Ogun state. Data

obtained through a survey. The questionnaire was analyzed using descriptive statistics. The study found that tax revenue is a very strong tool for infrastructural development in the state.

Methodology

Ex-post Facto research design was employed. An ex-post facto investigation seeks to indicate the possible association on existing condition or state of affairs and searching back in time for plausible contributing factors. The population of the study was five states (Edo, Delta, Akwa Ibom, Rivers and Cross River states) of South-South Region. Data were generated from the publications of State Internal Generated Revenue (SIGR) of the five South-South States Central Bank of Nigeria (CBN), Annual Reports and Statement of Accounts and Statistical Bulletins of various issues for fourteen (24) years spanning from 2011 to 2024.

Research Variables

Independent Variables

The independent variable in this study is state internal generated revenue (IGR),

The dependent variable is economic growth, which is proxied by:

i. Real Gross Domestic Product: was sourced from Central Bank of Nigeria Statistical Bulletin, World Bank Statistical Bulletin and National Bureau of Statistics.

Model Specification

This model modified the model of Ofoegbu, et. al. (2016) presented functionally as: $RGDP = f$(CIT, PPT, VAT, CED)……...……i

$HDI = f$(CIT, PPT, VAT, CED)……ii

Thus, the testable models were specified in econometric form as follows:

Model I

$lnRGDPt = \alpha 0 + \alpha 1 lnCITt + \alpha 2 lnPPTt + \alpha 3 lnVATt + \alpha 4 lnCEDt + \varepsilon t$…… iii

Model II

$lnHDIt = \beta 0 + \beta 1 lnCITt + \beta 2 lnPPTt + \beta 3 lnVATt + \beta 4 lnCEDt + \varepsilon t$….…..iv

Where:

RGDP = Real Gross Domestic Product is market value of final goods and services produced by persons, businesses, governments and foreigners less inflation

Thus, the Modified Model used for the study is represented in a functional form as shown as:

GDP = f(IGR, IFR) ....…… .. …….i .

In a linear function, the following models were constructed in line with the study objectives:

$GDP_{it} = \beta o + \beta_1 IGR_t + \beta_2 IFR_t + \mu_t$ - - - - - - - **i**

Where:

IGR_t = Internal Generated Revenue for period t (Independent variable)

IFR_t = Inflation rate for period t (control variable)

βo = Constant term

β_1= Regression coefficient of the independent variables

μ_t = Error Term for period t

Method of Data Analysis

Descriptive and Inferential statistics of the data to be used in this study were conducted via the aid of E-View 9.0 statistical software, using:

i) Descriptive statistics: is a good measure of central tendency that provides information on the mean, standard deviation, skewness, kurtosis, minimum and maximum values of the variables observed during the period under investigation.

ii) Multiple Regression analysis: predicts the value of a variable based on the value of the other variable and explains the effect of changes in the values of variable on the values of the other variables.

Decision Rule

The decision will be based on 5% (0.05) level of significance. The null hypothesis (H_o) will be accepted, if probability value ($P\text{-}_{value}$) calculated is greater than (>) than the stated 5% level of significance, otherwise reject.

Data Analysis and Results

Table 1: Descriptive Statistics

	GDP	IGR_B_	IFR
Mean	466.6584	58.27071	15.56571
Median	451.8100	55.49000	12.73500
Maximum	671.9200	92.60000	39.93000
Minimum	375.7500	28.02000	8.050000
Std. Dev.	73.33862	22.80060	8.111267
Skewness	1.411209	0.235935	1.904210
Kurtosis	4.936059	1.573653	6.249574
Jarque-Bera	34.16692	6.583288	73.10270
Probability	0.000000	0.037193	0.000000
Sum	32666.08	4078.950	1089.600
Sum Sq. Dev.	371120.1	35870.85	4539.693
Observations	70	70	70

For gross domestic product (GDP), the mean value is 466.66 with a standard deviation of 73.34, showing a moderate dispersion of data around the mean. The negative skewness of 1.412, suggests that the distribution is skewed to the right, implying a longer tail on the positive side. The high kurtosis of 4.94 is showing heavy-tiredness and potential outliers in the distribution. The Jarque-Bera test's extremely low probability (0.000) signifies a departure from normality, reinforcing the presence of non-normal distribution characteristics. The maximum value of 671.92 and the minimum of 375.75 reflect the range of gross domestic product, with the data potentially containing extreme values or outliers.

For Internal Generated Revenue (IGR), the mean is 58.27 with a small standard deviation of 22.80, showing a relatively narrow dispersion of data around the mean. The positive skewness of 0.23 suggests a longer tail to the right, showing potential right values. The kurtosis of 1.57 reflects normal-tiredness and the potential for extreme values. The Jarque-Bera test with a probability of 0.037, accepts the normality assumption, revealing non-normal distribution characteristics. The minimum value of 92.60 and the maximum of 28.02 indicate a limited range of return on assets values, suggesting relatively consistent profitability levels among the banks, with potential for outliers on the lower end.

For inflation rate (IFR), the mean is 15.57 with a small standard deviation of 8.11, showing a relatively narrow dispersion of data around the mean. The positive skewness of 1.90 suggests a longer tail to the right, showing potential right values. The kurtosis of 6.25 reflects normal-tiredness and the potential for extreme values. The Jarque-Bera test with a probability of 0.000, accepts the normality assumption, revealing non-normal

distribution characteristics. The minimum value of 39.93 and the maximum of 8.05 indicate a limited range of return on assets values, suggesting relatively consistent profitability levels among the banks, with potential for outliers on the lower end.

Test of Hypothesis

In other to examine the effect between the dependent variable GDP and the independent variable, and control variable IGR and IFR respectively. The study used a pooled multiple regression analysis since the data had both time series (2011-2024) and cross sectional properties. The pooled interaction based multiple regression results are presented and discussed in Table 2 below.

Table 2 Panel Least Square Regression analysis testing the relationship between GDP, IGR and IFR

Dependent Variable: GDP
Method: Panel Least Squares
Date: 08/18/25 Time: 18:15
Sample: 2011 2024
Periods included: 14
Cross-sections included: 5
Total panel (balanced) observations: 70

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	317.2112	22.56702	14.05641	0.0000
IGR_B_	1.116803	0.289438	3.858524	0.0003
IFR	5.420260	0.813604	6.662037	0.0000

R-squared	0.458872	Mean dependent var	466.6584
Adjusted R-squared	0.442719	S.D. dependent var	73.33862
S.E. of regression	54.74820	Akaike info criterion	10.88528
Sum squared resid	200823.5	Schwarz criterion	10.98164
Log likelihood	-377.9847	Hannan-Quinn criter.	10.92355
F-statistic	28.40771	Durbin-Watson stat	1.303629
Prob(F-statistic)	0.000000		

Source: Analysis Output using E-views 9 (2025)

The Adjusted R-squared, at 0.44, takes into account the number of predictors and the sample size, providing a more conservative estimate of the model's explanatory power. The F-statistic of 28.408 is statistically significant with a p-value of 0.000000, indicating that the joint effect of the independent variable (internal generated revenue) significantly contributes to explaining the changes in gross domestic product. Therefore, the internal generated revenue model has a meaningful effect on understanding and predicting gross domestic product among the studied.

The internal generated revenue (IGR) shows a substantial coefficient of 1.116803, indicating that a one-unit increase in results in a significant 112 increase in the natural log of total GDP. This positive and highly significant effect, with a probability of 0.000 that is less than 0.05, underscores the pivotal role of IGR in shaping GDP. The alternate hypothesis was accepted that internal generated revenue has a significant positive

effect on gross domestic product among in Nigeria (*p*-value = 0.000).

Conclusion

This study ascertained the effect of internal generated revenue on gross domestic product in South-South States in Nigeria. Data were generated from the publications of State Internal Generated Revenue (SIGR) of the five South-South States and Central Bank of Nigeria (CBN), for fourteen (14) years spanning from 2011 to 2024. Regression analysis was employed to test the hypothesis. The study found that internal generated revenue has a significant positive effect on gross domestic product among in Nigeria.

Though the IGR has a positive significant effect on gross domestic product, and it can be used for policy making. Deliberate actions needed by South-South States governments to improve internal generated revenue of their states, as well develop a proper mechanism for the appropriate application of their resources.

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