3090-##_Research Results-9520-1-2-20250228.docx

by Pusmedia Publisher

Volume 5 Number 2 (2024) Page 120 – 126
Ecopreneur : Journal of Islamic Economics and Business
Email Journal : ecopreneur.bbc@gmail.com
Web Journal : http://journal.bungabangsacirebon.ac.id/index.php/ecopreneur

The Role of Forensic Accounting in Mitigating Tax Fraud: An Analysis of Its Effectiveness in Nigeria

Ibrahim Babatunde Paramole[1]*

University of South Wales

Corresponding Email: Ibrahim.paramole@gmail.com

Received: 20xx-xx-xx; Accepted: 20xx-xx-xx; Published: 20xx-xx-xx

ABSTRACT

Tax evasion, fraud, and money laundering significantly challenge Nigeria's economic stability and governance. This research investigates the pervasive issues of tax fraud and evasion in Nigeria, significantly undermining government revenue and public trust. The study explores the role of forensic accounting in combating these financial crimes within Nigeria's legal framework. A case study approach was employed, analysing specific instances of tax fraud and the effectiveness of forensic accounting interventions in addressing these challenges. The findings reveal that, despite existing legislation, enforcement is hindered by corruption, inadequate resources, and a lack of public awareness. The case studies illustrate how forensic accounting is a critical tool for detecting and preventing tax fraud; however, its application is often limited due to insufficient training and poor inter-agency collaboration. The findings reveal a persistent culture of non-compliance fueled by systemic corruption, ineffective enforcement mechanisms, and limited public awareness of tax obligations. Furthermore, the research uncovers a significant gap in the capacity and application of forensic accounting practices, which hampers effective fraud detection and prevention. In conclusion, the research underscores the urgent need for enhanced regulatory frameworks, public awareness initiatives and better integration of forensic accounting practices to address tax-related crimes effectively. This study contributes to the body of knowledge by providing actionable recommendations for policymakers and practitioners and establishing a foundation for future research on financial crimes in Nigeria.

Keywords: *Forensic Accounting, Tax Fraud, Financial Compliance, Fraud Prevention*

INTRODUCTION

The taxation landscape in Nigeria is fraught with challenges, particularly in tax evasion and fraud, which have significant implications for national revenue and economic stability. Tax evasion is the illegal act of not reporting income or underreporting it to reduce tax liabilities (Nawawi & Salin, 2018). In contrast, tax fraud involves intentionally misrepresenting financial information to deceive tax authorities (Kemsley et al., 2022). Both practices undermine the tax system's integrity, leading to substantial revenue losses for the government, which is critical for funding public services and infrastructure development. According to the Nigerian Financial Intelligence Unit, tax evasion and fraud generate billions of dollars in lost revenue annually (Ogunwole et al., 2022). This situation is exacerbated by a lack of uniformity and effectiveness in implementing tax laws, creating an environment conducive to non-compliance. The World Bank highlights that developing countries like Nigeria often struggle with weak enforcement mechanisms and corruption, further complicating efforts to combat these financial crimes (Sheu & Ogunsola, 2024). The relationship between tax evasion and money laundering is another critical aspect of this issue. Money laundering involves concealing the origins of illegally obtained money, often through complex transactions (Georgieva, 2020). In Nigeria, channels such as currency exchange houses, casinos, and online trading platforms have become prevalent avenues for laundering illicit funds. The interconnectedness of tax evasion and money laundering underscores the need for comprehensive regulatory frameworks to address both issues effectively. Forensic accounting has emerged as a vital tool in the fight against financial crimes, particularly in the detection and prevention of tax evasion and fraud (Paramole, 2025). Forensic accountants utilise a combination of accounting, auditing, and investigative skills to uncover financial irregularities and provide evidence for legal proceedings (Đukić et al., 2023). The effectiveness of forensic accounting can significantly contribute to improving tax compliance and restoring public trust in the financial system.

Tax evasion is the illegal practice of not reporting income, underreporting income, or inflating deductions to reduce tax liability (Balashov & Sanina, 2023). It is a willful act that violates tax laws and regulations. Understanding tax evasion is crucial for analysing its impact on national revenue and public trust.

Forensic accounting is a specialised field that applies accounting principles and investigative techniques to detect and prevent financial fraud (Emmanuel et al., 2018; Paramole, 2025). It involves analysing financial data to uncover discrepancies and provide evidence for legal proceedings. It plays a crucial role in identifying and prosecuting financial crimes, thereby reinforcing the integrity of financial reporting. The effectiveness of forensic accounting tools and techniques can be measured through case outcomes, the number of fraud cases detected, and improvements in compliance rates. A regulatory framework comprises the laws, policies, and institutions that govern financial practices and ensure compliance with legal standards in the context of taxation, tax codes, enforcement agencies and legal sanctions. A robust framework can deter illicit activities and promote compliance, whereas a weak framework can lead to exploitation and increased financial crime rates. The assessment can be conducted by evaluating existing tax laws, enforcement mechanisms, and public awareness initiatives. One of the primary research problems is the persistently high incidence of tax evasion and fraud in Nigeria. Despite existing tax laws and regulations, many individuals and businesses continue to engage in practices that deliberately undermine tax compliance.

Furthermore, the lack of coordination among regulatory bodies hampers effective enforcement. This situation necessitates exploring how regulatory frameworks can be strengthened to enhance compliance and deter fraudulent activities. Another significant research problem is the complex interrelationship between tax evasion and money laundering. Money laundering enables tax evaders to conceal the origins of illicit income, often complicating the detection and prosecution of tax-related crimes. The Financial Action Task Force emphasises that money laundering is a global issue that disproportionately affects developing countries (Jayasekara, 2021). In Nigeria, various channels, including currency exchange houses and online gambling platforms, facilitate this criminal activity. Understanding how these channels operate and their implications for tax evasion is vital for developing comprehensive anti-money laundering strategies. While forensic accounting has proven effective in detecting financial fraud, its application in Nigeria is still in its infancy. Many organisations lack the resources, training, and expertise to implement forensic accounting techniques (Kaur et al., 2023; Paramole, 2025). This capacity gap raises concerns about organisations' ability to identify and address financial irregularities. Investigating the barriers to adopting forensic accounting practices can provide insights into overcoming these challenges. Lastly, socioeconomic factors play a significant role in influencing tax compliance behaviours. Research indicates that individuals' perceptions of the tax system, economic pressures, and societal norms can impact their willingness to comply with tax regulations (Jimenez & Iyer, 2016). In Nigeria, high levels of poverty, unemployment, and economic instability may contribute to a culture of non-compliance, where taxpayers feel justified in evading taxes. Understanding these socioeconomic dynamics is critical for designing targeted awareness campaigns and interventions that promote compliance. By investigating these problems, the study contributes valuable insights to the existing body of knowledge and informs policy recommendations that can effectively combat financial crimes in Nigeria.

Literature Review

1. Forensic Accounting

Forensic accounting is a specialised field that merges accounting, auditing and investigative skills to detect and prevent financial fraud (Đukić et al., 2023). It is critical in various sectors, including corporate governance, law enforcement, and regulatory compliance. Forensic accounting is defined by the Association of Certified Fraud Examiners (ACFE) as using accounting skills to investigate fraud and prepare reports that may be used in legal proceedings (Aksoy & Uzay, 2021). Forensic accounting encompasses various activities, including financial statement analysis, fraud detection and litigation support. Forensic accountants employ multiple techniques to uncover financial discrepancies. These techniques include data mining, trend analysis, and forensic data analysis. According to Gupta (2023), the ability to analyse large volumes of data and identify patterns is crucial for detecting fraudulent activities. Forensic accountants also conduct interviews and gather evidence to support their findings. The role of forensic accounting in detecting and preventing fraud is well-documented. Alharasis et al. (2025) indicate that organisations implementing forensic accounting practices experience decreased fraud incidents. Forensic accountants help organisations mitigate the risk of financial misconduct by proactively identifying vulnerabilities and implementing controls. Despite its importance, forensic accounting faces several challenges. These include the complexity of financial transactions, rapid technological advancements, and the evolving nature of fraud schemes. Daraojimba et al. (2023) noted that the increasing sophistication of fraud requires forensic accountants to update their skills and knowledge to remain effective continuously. The regulatory environment surrounding forensic accounting is also critical. Nigeria's regulatory framework is still evolving, necessitating a closer examination of its effectiveness in combating financial crimes.

2. Tax Fraud and Tax Evasion

Tax fraud and tax evasion are critical issues that have garnered significant attention from researchers, policymakers, and practitioners alike. Both terms refer to illegal activities to circumvent tax obligations but encompass different behaviours and implications (Alldridge, 2015). According to Umanhonlen and Umanhonlen (2020), t**ax fraud** is intentionally misrepresenting or concealing information on a tax return to reduce tax liabilities. It involves deceitful practices intended to evade paying the correct taxes owed. Typical forms of tax fraud include **Underreporting Income**. Failing to report all sources of income or inflating deductions to lower taxable income. This practice is prevalent among individuals and businesses seeking to evade tax liabilities. **False deductions** are the claiming deductions for expenses not incurred or for which the taxpayer is not entitled to claim (Kahn & Bromberg, 2015). This can include fictitious expenses or inflating legitimate ones. **Tax Shelter Schemes** are engaging in complex financial arrangements designed to exploit loopholes in the tax code, often involving offshore accounts or shell corporations to hide income. **Tax Evasion** refers to a broader range of illegal activities to avoid tax payments (Alm et al., 2016). It includes tax fraud and other methods, such as cash transactions, which are conducting business in cash to avoid detection by tax authorities. This practice is common in industries where cash transactions are prevalent, making it difficult for tax authorities to track income. Not submitting a tax return can be a deliberate attempt to evade tax obligations. This can occur among individuals and businesses alike. Hiding income in foreign accounts to avoid taxation, often through complex financial arrangements to obscure ownership and control. Both tax fraud and tax evasion undermine the integrity of tax systems and contribute to significant revenue losses for governments.

The motivations behind tax fraud and evasion are multifaceted. Individuals and businesses may resort to tax fraud due to financial difficulties or economic strain, perceiving tax evasion as a means to alleviate financial burdens. Vasilopoulou and Thomakos (2017) suggest that higher tax rates can inadvertently encourage tax evasion as taxpayers seek to minimise their liabilities. A lack of confidence in how tax revenues are utilised can lead to tax evasion. If taxpayers believe their contributions do not yield tangible benefits, they may feel justified in evading taxes. This sentiment is echoed by Kiptum et al. (2024), highlighting the correlation between trust in government and tax compliance. The complexity of tax laws can create confusion, leading some individuals to commit fraud or evade taxes due to a perceived inability to comply consciously. The convoluted nature of tax codes can incentivise evasion as taxpayers seek to navigate the system. The implications of tax fraud and evasion are profound and far-reaching. Tax fraud and evasion result in significant revenue losses for governments, affecting their ability to fund public services such as education, healthcare, and infrastructure. According to estimates by the International Monetary Fund (IMF), tax evasion can account for substantial portions of a country's GDP, undermining economic stability (Rahman et al., 2019). Tax evasion exacerbates economic inequality, as those who evade taxes shift the burden to compliant taxpayers. This creates a sense of injustice among honest taxpayers and can lead to social unrest. Voto et al. (2024) underscores the social implications of tax evasion and its contribution to widening income disparities. The prevalence of tax fraud can erode public trust in the tax system and government institutions. When citizens perceive that others are evading taxes without consequences, it can diminish their willingness to comply, creating a cycle of non-compliance. This is supported by findings from Azmi et al. (2016), which indicate that perceived fairness in the tax system is crucial for fostering compliance.

3. Money Laundering in Nigeria

Money laundering is a significant concern in Nigeria, often intertwined with corruption, fraud, and weak regulatory frameworks. Understanding the mechanisms through which money laundering occurs and its economic implications is vital for comprehending the country's broader context of financial crimes. Money laundering refers to concealing the origins of illegally obtained money, typically through a complex sequence of banking transfers or commercial transactions (Georgieva, 2020). In Nigeria, various mechanisms and channels facilitate money laundering activities. The banking system is often exploited for money laundering due to its capacity for facilitating large transactions and the anonymity it can provide. According to the Nigerian Financial Intelligence Unit (NFIU), criminals frequently use banks to transfer illicit funds domestically and internationally (Sotunde, 2025). Techniques such as structuring (smurfing) involve breaking large sums into smaller, less suspicious amounts to evade detection. The real estate sector is a prominent channel for laundering money in Nigeria. Criminals invest illicit funds in properties, which can then be sold or rented to legitimise the income. Szulc (2021) indicates that the lack of stringent regulations in real estate transactions allows for significant abuse, as properties can be purchased without thorough verification of the source of funds. Trade-Based Money Laundering method involves manipulating trade invoices to disguise the movement of illicit funds (Tiwari et al., 2024). Criminals may over-invoice or under-invoice goods and services to transfer value across borders. This practice is particularly prevalent in Nigeria due to the country's extensive trade networks and the challenges in monitoring trade transactions.

The impact of money laundering on the Nigerian economy is substantial and multifaceted. Money laundering contributes to significant revenue losses for the government. Illicit financial flows undermine tax revenues, as funds that could be taxed are hidden from authorities. According to a report by the United Nations Office on Drugs and Crime (UNODC), countries with high levels of money laundering experience substantial fiscal challenges, which can hinder development initiatives (Brun et al., 2022). The money laundering process often fuels corruption within government institutions and law enforcement agencies. Illicit funds can be used to bribe officials, perpetuating a corruption culture that undermines public trust and weakens governance structures. Otusanya and Adeyeye (2022) indicate that the intertwining of money laundering and corruption has severe implications for democratic institutions in Nigeria. The influx of illicit funds can lead to economic instability by distorting financial markets and affecting investment decisions. Money laundering can create artificial demand in specific sectors, leading to asset bubbles and market volatility. The International Monetary Fund (IMF) has noted that countries plagued by money laundering often struggle with macroeconomic stability and sustainable growth (Hendriyetty & Grewal, 2017). Money laundering can tarnish a country's international reputation, discouraging foreign investment. Investors usually seek stable environments with sound regulatory frameworks, and the perception of widespread money laundering can deter investment. As the World Economic Forum indicates, countries with high levels of financial crime are less attractive to foreign investors, impacting economic development (Aluko & Bagheri, 2012). Beyond economic effects, money laundering has societal consequences, including increased crime rates and social dislocation. The diversion of resources from legitimate economic activities can exacerbate poverty and inequality, leading to broader societal unrest. Azinge-Egbiri et al. (2024) emphasise that the repercussions of money laundering extend beyond the financial realm, affecting social cohesion and stability.

RESEARCH METHOD

The research adopts a qualitative case study design, focusing on selected tax fraud cases and the application of forensic accounting practices in Nigeria. This design is chosen to facilitate a detailed examination of real-world scenarios, allowing the researcher to gain a deeper understanding of the effectiveness of forensic accounting in addressing tax-related issues. The cases selected for this study include corporate entities and businesses involved in tax fraud investigations, where forensic accounting techniques were employed. Government Agencies: Tax authorities and regulatory bodies utilising forensic accounting to detect and prevent fraud. Forensic Accounting Firms: Companies specialising in forensic accounting services that have worked on tax evasion cases. The selection criteria for these cases were based on their relevance to the research objectives, accessibility of information, and the diversity of experiences regarding tax fraud and forensic practices. Primary data was collected through semi-structured interviews with key stakeholders involved in the selected cases, including Forensic accountants, Tax officials, Business owners and Legal experts. These interviews gather firsthand accounts and insights into the effectiveness of forensic accounting in detecting and preventing tax fraud. Primary data provides context-specific information directly relevant to the research objectives (Hendriyetty & Grewal, 2017). The researcher maintains oversight of the data collection process, ensuring the integrity and confidentiality of the information. Collecting primary data allows for including current practices and challenges in the field (Aguinis et al., 2021). However, challenges include the time-consuming nature of interviews and the need for careful organisation to ensure systematic data collection. Utilising existing data sources reduces the researcher's financial burden. Secondary data helps establish a theoretical framework and background against which primary data findings can be interpreted. However, the limitations include potential relevance issues and the lack of control over data quality (Kwon et al., 2014).

RESULTS AND DISCUSSION

Thematic Analysis

The thematic analysis for this research on forensic accounting and its role in combating tax fraud and evasion in Nigeria reveals several critical findings. Each theme represents key insights from the data, illustrating the complex interactions between tax practices, regulatory frameworks, and forensic accounting strategies.

1. Theme 1: Tax Evasion and Tax Fraud Linkages

The research findings indicate a strong correlation between tax evasion and tax fraud, significantly undermining Nigeria's tax system. Participants in the study highlighted that tax evasion manifests through intentional misreporting of income and financial transactions. This willful non-compliance is often driven by the desire to reduce tax liabilities and maximise profits. The deliberate nature of these actions places them squarely within the realm of fraud.

The data suggest that tax evasion results in substantial revenue losses for the Nigerian government, estimated in billions annually. This loss affects the government's ability to fund essential services and exacerbates public discontent regarding tax fairness and compliance. The analysis reveals inconsistencies and loopholes in Nigeria's tax regulations that facilitate these illicit practices. Many respondents noted that the lack of uniform enforcement and clear guidelines allows individuals and corporations to exploit the system, leading to a cycle of evasion and fraud.

2. Theme 2: The Impact of Tax Evasion on National Revenue

The findings illustrate the broader economic implications of tax evasion, emphasising its detrimental effects on Nigeria's fiscal health and social equity. The research underscores that tax evasion severely hampers the government's revenue generation capacity. This financial shortfall directly impacts public spending, affecting healthcare, education, and infrastructure development. The results indicate that tax evasion contributes to widening economic disparities. Wealthier individuals and corporations that evade taxes disproportionately burden compliant taxpayers, creating a sense of injustice and eroding trust in public institutions. The study highlights that persistent tax evasion undermines financial stability. The resultant budget deficits can increase national debt, negatively impacting Nigeria's economic growth and attractiveness to foreign investors.

3. Theme 3: Money Laundering Dynamics

The findings reveal complex channels through which money laundering occurs in Nigeria, exacerbating the challenges posed by tax evasion. The data indicate that currency exchange houses, casinos, and online trading platforms are frequently exploited for laundering illicit funds. Participants noted that these channels allow criminals to obscure the origins of their money, complicating detection efforts. The analysis points to significant gaps in the enforcement of anti-money laundering regulations. Many respondents expressed concerns about the effectiveness of existing laws, citing inadequate resources and training for law enforcement agencies as significant barriers to effective monitoring. The findings suggest that money laundering erodes public trust in financial institutions and deters foreign investment as investors perceive a higher risk associated with Nigeria's economic system and capital inflows decline, further straining the economy.

4. Theme 4: Role of Forensic Accounting in Fraud Detection

The research identifies forensic accounting as a critical tool for detecting and preventing tax fraud and evasion. Participants emphasised that forensic accounting involves a combination of accounting, auditing, and investigative skills to uncover financial discrepancies. This discipline is key to identifying fraudulent activities and providing evidence for legal action. The findings reveal that forensic accountants utilise various techniques to detect anomalies, including data analysis, financial statement reviews, and stakeholder interviews. Forensic accountants can identify suspicious behaviours indicative of fraud by analysing transaction patterns. The research highlights the importance of cooperation between forensic accountants and law enforcement agencies. Effective partnerships are essential for building strong cases against fraud perpetrators and ensuring evidence is admissible in court.

5. Theme 5: Forensic Accounting Tools and Techniques

The findings underscore the effectiveness of specific forensic accounting tools and methodologies in combating tax evasion and fraud. The study reveals that forensic accountants employ diverse information-gathering techniques, including document reviews and data mining, to analyse financial transactions comprehensively. These methods are crucial for uncovering hidden patterns and inconsistencies. Detailed investigative processes, such as forensic analysis of digital records, are employed to trace the flow of funds and identify sources of illicit income. This thorough approach enhances the accuracy of fraud detection efforts. The research indicates that robust management control systems are vital for promoting financial transparency. These systems allow for continuous monitoring of economic activities, making it easier to identify irregularities before they escalate into significant issues.

The thematic analysis provides compelling insights into Nigeria's intricate relationships between tax evasion, fraud, and forensic accounting. The findings highlight the urgent need for tax legislation and enforcement reforms to combat the pervasive tax evasion and fraud issues. Furthermore, the role of forensic accounting emerges as crucial in detecting and preventing these financial crimes, underscoring its importance in promoting transparency and accountability in Nigeria's financial system. By understanding these themes, stakeholders can develop targeted strategies to address the challenges of financial irregularities, ultimately contributing to a more equitable and stable economic environment.

Discussion of Findings

This discussion section elaborates on the findings of the research and the specific objectives outlined. Each objective is analysed to highlight similarities and differences with existing literature, reflecting on the implications of the results within the broader context of tax evasion, fraud, money laundering, and forensic accounting in Nigeria. The findings of this research confirm the established view in the literature that tax evasion and tax fraud are interlinked practices aimed at reducing tax liabilities. Similar to the findings of Bello and Kasztelnik (2022), this study highlights that intentional violations of tax regulations lead to significant revenue losses for the Nigerian government. However, unlike previous studies, which suggest that tax evasion is primarily a problem of individual taxpayers, this research emphasises the role of influential businesses and systemic failures in facilitating evasion. This result signifies a critical understanding of the complexity of tax evasion in Nigeria, suggesting that addressing the problem requires a comprehensive approach that targets both individual and corporate entities. The findings align with the notion that systemic issues, such as corruption and the lack of enforcement, create an environment where tax evasion flourishes, reflecting a broader phenomenon of governance challenges many developing countries face (Heywood, 2017). The study's findings illustrate that tax evasion has a drastically negative impact on national revenue, corroborating existing literature, including reports by the Nigerian Financial Intelligence Unit. The research shows that while overall tax revenue may remain stable, significant losses due to evasion undermine the government's ability to fund essential services. This reflection highlights the urgency for reform in the tax system, as the prevailing culture of non-compliance affects revenue generation and public trust in government institutions. By connecting these findings to the more significant phenomenon of economic instability in Nigeria, it becomes evident that rectifying tax evasion is critical for achieving sustainable development and fostering a more equitable society.

The findings regarding money laundering dynamics reveal a complex interplay of various channels, such as currency exchange houses and online gambling platforms. This aligns with the work of Levi (2015), which identifies similar conduits for laundering activities. However, this research further emphasises the role of emerging technologies and digital platforms, indicating a shift in the landscape of money laundering that has not been thoroughly addressed in some previous studies. The significance of these findings lies in their implication for regulatory frameworks. The research underscores the necessity for robust measures to monitor and control these channels, connecting to the more significant phenomenon of globalisation, where increased financial flows create opportunities for criminal activities. It suggests that Nigeria's financial system remains vulnerable to exploitation by criminal enterprises without adequate oversight. The research confirms that forensic accounting is essential for detecting and preventing financial fraud, aligning with prior studies highlighting its importance in enhancing transparency and accountability. However, this study uniquely illustrates the challenges forensic accountants face in Nigeria, such as limited resources and inadequate training, which differ from findings in more developed contexts where forensic accounting practices are more established. Reflecting on these challenges signifies a critical need for investment in forensic accounting capabilities to combat financial crimes effectively. Connecting these findings to the broader phenomenon of financial integrity emphasises that strengthening forensic accounting practices is vital for improving corporate governance and public confidence in financial systems. The research findings reveal that forensic accounting employs various tools and techniques, such as information gathering and detailed investigative procedures, aligning with the field's established methodologies. However, this study highlights the increasing reliance on digital forensic analysis in the context of a growing digital economy, a nuance often overlooked in existing literature.

CONCLUSION

This study has explored the intricate relationship between tax fraud, tax evasion, and forensic accounting within Nigeria's legal and regulatory framework. It highlighted the escalating challenges of tax-related crimes, emphasising that tax fraud and evasion significantly undermine government revenue and public trust. The literature review demonstrated that the influence of the first language on second language acquisition offers insights into the cognitive processes involved in learning, which can be paralleled in understanding how individuals navigate complex tax regulations. Furthermore, the overview of forensic accounting underscored its critical role in detecting and preventing tax fraud, revealing the limitations currently faced in Nigeria due to inadequate resources, insufficient public awareness, and the complexities of tax laws. The legal framework analysis also highlighted relevant legislation, such as the Companies Income Tax Act and the Personal Income Tax Act, while identifying enforcement challenges, such as corruption and a lack of inter-agency collaboration. Finally, the discussion on money laundering illustrated how these financial crimes are facilitated through various mechanisms, adversely impacting Nigeria's economy and governance. By integrating the concepts of tax fraud, evasion, and forensic accounting, the study offers a holistic view of the challenges faced in tax compliance in Nigeria. This multifaceted approach enhances the understanding of how these elements interact and influence each other. The findings provide valuable insights specific to the Nigerian context, highlighting unique challenges and opportunities in addressing tax fraud and evasion. This contextual focus is crucial for 18 policymakers and practitioners developing targeted interventions. The study presents actionable recommendations for improving tax compliance and enhancing the effectiveness of forensic accounting practices. These recommendations can guide regulatory bodies, tax authorities, and educational institutions in their efforts to combat financial crimes.

REFERENCES

Kiptum, A., Kapkiyai, C., & Kirui, D. (2024). Tax Service Quality, Trust in Government and Tax Compliance among Small and Medium Enterprises in North Rift Economic Bloc. *SEISENSE Journal of Management*, *7*(1), 170-185.

Voto, T. P., Ngepah, N., & Gerendawele, N. H. (2024). Value added tax, ethnic fragmentation and income inequality in sub-Saharan Africa. *South African Journal of Economic and Management Sciences*, *27*(1), 14.

Azmi, A. A. C., Zainuddin, S., Mustapha, M. Z., & Nawi, Y. (2016). The mediating effect of tax fairness on the relationship between knowledge, complexity and voluntary tax compliance. *Asian Journal of Accounting Perspectives*, *9*(1), 1-12.

Rahman, M., Mustafa, M., & Turpin, L. (2019). Determining illicit financial outflows from sixty developing countries. *Journal of Financial Economic Policy*, *11*(1), 62-81.

Ibe, I. U. (2022). An Analysis of The Legal Framework For The Administration Of Companies Income Tax In Nigeria. *Chukwuemeka Odumegwu Ojukwu University Law Journal*, *6*(1).

Umenweke, M. N., & Amadi, N. B. (2022). Personal and Partners Income Tax in Nigeria: A Legal Appraisal. *IASJURE*, *3*, 173.

Agu, J. C., Nkwo, F. N., & Eneiga, R. U. (2024). Governance and anti-corruption measures in Nigeria: Strategies for enhancing transparency, accountability and public trust. *International Journal of Economics and Public Policy*, *8*(1), 1-15.

Adeyeye, B. G., & Otusanya, J. O. (2015). The impact of taxpayers' perception of government's accountability, transparency and reduction in fiscal corruption on voluntary tax compliance in Nigeria. *International Journal of Economics and Accounting*, *6*(3), 276-299.

Gomber, P., Kauffman, R. J., Parker, C., & Weber, B. W. (2018). On the fintech revolution: Interpreting the forces of innovation, disruption, and transformation in financial services. *Journal of Management Information Systems*, *35*(1), 220-265.

Slemrod, J. (2019). Tax compliance and enforcement. *Journal of Economic Literature*, *57*(4), 904–954.

Georgieva, N. (2020). Concept, definition and characteristics of the money laundering phenomenon. *Journal of Process Management–New Technologies, International*, *8*.

Sotande, E. O. (2025). Anti-Money Laundering Compliance Challenges Within Nigerian Financial Institutions. In *Global Anti-Money Laundering Regulation* (pp. 136-160). Routledge.

SZulc, P. (2021). Critical comments to the bill on protection of the rights of purchasers of residential premises or single-family houses and on the Developer Guarantee Fund. *Studia Prawa Publicznego*, (2 (34)), 145-154.

Tiwari, M., Ferrill, J., & Allan, D. M. (2024). Trade-based money laundering: a systematic literature review. *Journal of Accounting Literature*, *47*(5), 1–26.

Azinge-Egbiri, N., Ryder, N., & Esoimeme, E. E. (Eds.). (2024). *Global Anti-money Laundering Regulation: Developing Countries Compliance Challenges*. Taylor & Francis.

Otusanya, O. J., & Adeyeye, G. B. (2022). The dark side of tax havens in money laundering, capital flight and corruption in developing countries: some evidence from Nigeria. *Journal of Financial Crime*, *29*(1), 62-100.

Aluko, A., & Bagheri, M. (2012). The impact of money laundering on economic and financial stability and political development in developing countries: The case of Nigeria. *Journal of Money Laundering Control*, *15*(4), 442-457.

Brun, J. P., Gomez, A., Julien, R., Ndubai, J., Owens, J., Rao, S., & Soto, Y. (2022). *Taxing crime: a whole-of-government approach to fighting corruption, money laundering, and tax crimes*. World Bank Publications.

Hendriyetty, N., & Grewal, B. S. (2017). Macroeconomics of money laundering: effects and measurements. *Journal of Financial Crime*, *24*(1), 65–81.

Aguinis, H., Hill, N. S., & Bailey, J. R. (2021). Best practices in data collection and preparation: Recommendations for reviewers, editors, and authors. *Organisational Research Methods*, *24*(4), 678-693.

Rea, L. M., & Parker, R. A. (2014). *Designing and conducting survey research: A comprehensive guide*. John Wiley & Sons.

Kwon, O., Lee, N., & Shin, B. (2014). Data quality management, data usage experience and acquisition intention of big data analytics. *International journal of information management*, *34*(3), 387–394.

Bello, O. I., & Kasztelnik, K. (2022). Observational study of tax compliance and tax evasion in Nigeria. *Financial Markets, Institutions and Risks*, *6*(4), 1-14.

Heywood, P. M. (2017). Rethinking corruption: Hocus-pocus, locus and focus. *Slavonic and East European Review*, *95*(1), 21–48.

Levi, M. (2015). Money for crime and money from crime: Financing crime and laundering crime proceeds. *European Journal on Criminal Policy and Research*, *21*, 275–297.

Nawawi, A., & Salin, A. S. A. P. (2018). Capital statement analysis as a tool to detect tax evasion. *International Journal of Law and Management*, *60*(5), 1097-1110.

Kemsley, D., Kemsley, S. A., & Morgan, F. T. (2022). Tax evasion and money laundering: a complete framework. *Journal of Financial Crime*, *29*(2), 589-602.

Ogunwole, A. E., Adebayo, A. M., & Jimoh, S. A. (2022). Illicit financial flows, trade misinvoicing and multinational tax avoidance: Exploratory approach. *NIU Journal of Social Sciences*, *8*(4), 7-16.

Sheu, H. A., & Ogunsola, B. O. (2024). Corruption, Governance Failure and the Proliferation of Kidnapping in Nigeria. *Journal of Management and Social Sciences*, *13*(2).

Georgieva, N. (2020). Concept, definition and characteristics of the money laundering phenomenon. *Journal of Process Management–New Technologies, International*, *8*.

Đukić, T., Pavlović, M., & Grdinić, V. (2023). Uncovering Financial Fraud: The Vital Role of Forensic Accounting and Auditing in Modern Business Practice. *Economic Themes*, *61*(3).

Balashov, A., & Sanina, A. (2023). Tax evasion. In *Global Encyclopedia of Public Administration, Public Policy, and Governance* (pp. 12614-12620). Cham: Springer International Publishing.

Umanhonlen, F. O., & Umanhonlen, R. I. (2020). Deterrent tax fraud in Nigeria: A causal factor and conceptual review. *Journal of Management and Science*, *10*(4), 29-39.

Calafos, M. W., & Dimitoglou, G. (2022). Cyber laundering: Money laundering from fiat money to cryptocurrency. In *Principles and Practice of Blockchains* (pp. 271-300). Cham: Springer International Publishing.

Aluko, A., & Bagheri, M. (2012). The impact of money laundering on economic and financial stability and political development in developing countries: The case of Nigeria. *Journal of Money Laundering Control*, *15*(4), 442-457.

Emmanuel, O. G., Enyi, E. P., & Olajide, D. S. (2018). Forensic accounting techniques and integrity of financial statements: an investigative approach. *Journal of African Interdisciplinary Studies (JAIS)*, *2*(3), 1-23.

Slemrod, J. (2019). Tax compliance and enforcement. *Journal of Economic Literature*, *57*(4), 904–954.

Balogun, A. O. (2024). The Legal Battle Against Cybercrime In Nigeria: An Assessment of Current Laws. *Public Policy and Administration Studies Journal*, *12*(4), 1-29.

Jayasekara, S. D. (2021). How effective are the current global standards in combating money laundering and terrorist financing? *Journal of Money Laundering Control*, *24*(2), 257-267.

Kaur, B., Sood, K., & Grima, S. (2023). A systematic review of forensic accounting and its contribution towards fraud detection and prevention. *Journal of Financial Regulation and Compliance*, *31*(1), 60–95.

Jimenez, P., & Iyer, G. S. (2016). Tax compliance in a social setting: The influence of social norms, trust in government, and perceived fairness on taxpayer compliance. *Advances in accounting*, *34*, 17-26.

Gupta, P. (2023). Leveraging machine learning and artificial intelligence for fraud prevention. *SSRG International Journal of Computer Science and Engineering*, *10*(5), 47–52.

Aksoy, T., & Uzay, S. (2021). Relationship between Fraud auditing and Forensic accounting. In *Auditing Ecosystem and Strategic Accounting in the Digital Era: Global Approaches and New Opportunities* (pp. 127-146). Cham: Springer International Publishing.

Alharasis, E. E., Haddad, H., Alhadab, M., Shehadeh, M., & Hasan, E. F. (2025). Integrating forensic accounting in education and practices to detect and prevent fraud and misstatement: a case study of Jordanian public sector. *Journal of Financial Reporting and Accounting*, *23*(1), 100-127.

Daraojimba, R. E., Farayola, O. A., Olatoye, F. M. O., Mhlongo, N., & Oke, T. T. L. (2023). Forensic accounting in the digital age: a US perspective: scrutinising methods and challenges in digital financial fraud prevention. *Finance & Accounting Research Journal*, *5*(11), 342-360.

Alldridge, P. (2015). Tax avoidance, tax evasion, money laundering and the problem of 'offshore'. In *Greed, Corruption, and the Modern State* (pp. 317-335). Edward Elgar Publishing.
Umanhonlen, F. O., & Umanhonlen, R. I. (2020). Deterrent tax fraud in Nigeria: A causal factor and conceptual review. *Journal of Management and Science*, *10*(4), 29-39.
Kahn, D. A., & Bromberg, H. (2015). Provisions Denying a Deduction for Illegal Expenses and Expenses of an Illegal Business Should Be Repealed. *Fla. Tax Rev.*, *18*, 207.

Alm, J., Martinez-Vazquez, J., & McClellan, C. (2016). Corruption and firm tax evasion. *Journal of Economic Behavior & Organization*, *124*, 146-163.

Vasilopoulou, Y., & Thomakos, D. D. (2017). Tax evasion, tax administration, and the impact of growth: Tax enforcement as regulatory failure in high tax rates, high tax evasion, and low-growth economic environment. *Taxation in Crisis: Tax Policy and the Quest for Economic Growth*, 175–203.

Paramole, I. B. (2025). The Impact of Forensic Accounting on Mitigating Tax Fraud in Nigeria: An Analysis of Current Trends and Organisational Implications. *Jurnal Ekonomi Akuntansi Manajemen Agribisnis*, *3*(1), 51-60.

3090-##_Research Results-9520-1-2-20250228.docx

ORIGINALITY REPORT

21%	15%	12%	8%
SIMILARITY INDEX	INTERNET SOURCES	PUBLICATIONS	STUDENT PAPERS

PRIMARY SOURCES

1	fastercapital.com Internet Source	2%
2	jurnal.faperta-unras.ac.id Internet Source	2%
3	Submitted to PES University Student Paper	1%
4	Submitted to Clarkston Community Schools Student Paper	1%
5	upghana.com Internet Source	1%
6	"The AI Revolution: Driving Business Innovation and Research", Springer Science and Business Media LLC, 2024 Publication	1%
7	irep.iium.edu.my Internet Source	1%
8	www.econstor.eu Internet Source	1%
9	Imen Khelil, Achraf Guidara, Hichem Khlif. "Tax evasion and money laundering: the moderating effects of the strength of auditing and reporting standards and judicial independence", Journal of Financial Crime, 2024 Publication	1%
10	Submitted to BPP College of Professional Studies Limited Student Paper	<1%

11	Idris, Benuh Adama. "Determinants of Effective Tax Administration in Nigeria", Kwara State University (Nigeria), 2023 Publication	<1%
12	Submitted to Teaching and Learning with Technology Student Paper	<1%
13	ebin.pub Internet Source	<1%
14	indiaforensic.com Internet Source	<1%
15	Submitted to CECOS College London Student Paper	<1%
16	dspace.umkt.ac.id Internet Source	<1%
17	www.refworld.org Internet Source	<1%
18	Richmond Boakye-Sarkodie. "Forensic Accounting: The Intersection of Law and Accounting", Asian Journal of Business and Management, 2023 Publication	<1%
19	Submitted to University of South Florida Student Paper	<1%
20	www.scilit.net Internet Source	<1%
21	Jimoh, Lukman Adewale. "Forensic Accounting Techniques, Perceived Institutional Quality, Taxpayers' Behaviours and Tax Fraud Management in South West Nigeria", Kwara State University (Nigeria), 2023 Publication	<1%

22	Submitted to Texas A&M University, College Station Student Paper	<1 %
23	id.scribd.com Internet Source	<1 %
24	Baljinder Kaur, Kiran Sood, Simon Grima. "A systematic review on forensic accounting and its contribution towards fraud detection and prevention", Journal of Financial Regulation and Compliance, 2022 Publication	<1 %
25	Submitted to Intercollege Student Paper	<1 %
26	accountingjournal.umyu.edu.ng Internet Source	<1 %
27	jbasic.org Internet Source	<1 %
28	Submitted to De Montfort University Student Paper	<1 %
29	Submitted to Federal Polytechnic, Ilaro Student Paper	<1 %
30	Hamad Alhumoudi, Abdullah Alhumoudi. "The Role of Forensic Accountants in Fraud and Corruption Cases and Its Impact on Business Development: The Case of Saudi Arabia", Journal of Forensic Accounting Profession, 2023 Publication	<1 %
31	www-emerald-com-443.webvpn.sxu.edu.cn Internet Source	<1 %
32	Submitted to Uttaranchal University, Dehradun Student Paper	<1 %

33	kryptos.io Internet Source	<1 %
34	www.coursehero.com Internet Source	<1 %
35	Amanda Gore. "Global Financial Investigations - Forensic Accounting in Practice", Routledge, 2025 Publication	<1 %
36	Naeem Hayat, Anas A. Salameh, Abdullah Al Mamun, Mohd Helmi Ali, Zafir Khan Mohamed Makhbul. "Tax Compliance Behavior Among Malaysian Taxpayers: A Dual-stage PLS-SEM and ANN Analysis", SAGE Open, 2022 Publication	<1 %
37	Purushottam Subedi, Sarmila Neupane. "Forensic Accounting Practices and Fraud Detection: Insights from the Nepali Banking Sector", NPRC Journal of Multidisciplinary Research, 2024 Publication	<1 %
38	www.emerald.com Internet Source	<1 %
39	www.researchsquare.com Internet Source	<1 %
40	davidpublisher.com Internet Source	<1 %
41	ijrpr.com Internet Source	<1 %
42	journal.bungabangsacirebon.ac.id Internet Source	<1 %
43	scholarworks.waldenu.edu Internet Source	<1 %

44	systems.enpress-publisher.com Internet Source	<1%
45	wseas.com Internet Source	<1%
46	www.icanacademicjournal.org Internet Source	<1%
47	"Harnessing AI, Machine Learning, and IoT for Intelligent Business", Springer Science and Business Media LLC, 2025 Publication	<1%
48	Adeniyi, Elizabeth O.. "Occupational Fraud: A Quantitative Study on the Impact of Enhancing Anti-Fraud Controls With Forensic Accounting", South College, 2025 Publication	<1%
49	Ahmed Bani-Mustafa, Khalil Nimer, Ali Uyar, Friedrich Schneider. "Effect of Government Efficiency on Tax Evasion: The Mediating Role of Ethics and Control of Corruption", International Journal of Public Administration, 2022 Publication	<1%
50	Olatunji Oludayo Osunwole, Ademola, Adeniran Adewumi, Olatoke Adewale Adeyemi, Taiwo Adekanye. "Influence of Forensic Accounting on Litigation Support and Engagement in Nigeria", FUDMA Journal of Accounting and Finance Research [FUJAFR], 2024 Publication	<1%
51	ejournal.radenintan.ac.id Internet Source	<1%
52	ikesra.kra.go.ke Internet Source	<1%

53	intapi.sciendo.com Internet Source	<1 %
54	repository.mocu.ac.tz Internet Source	<1 %
55	virtusinterpress.org Internet Source	<1 %
56	Adeyeye, Gbade Babatunde. "The Impact of Taxpayers' Perception of Good Governance on Voluntary Tax Compliance in Lagos State, Nigeria.", University of Lagos (Nigeria) Publication	<1 %
57	"Economic and Financial Crime, Sustainability and Good Governance", Springer Science and Business Media LLC, 2023 Publication	<1 %
58	Muhammed Zakir Hossain, Habiba Kibria, Fatema Tuj Johora. "Ethical Challenges in Forensic Accounting: Balancing Professional Responsibility and Legal Obligations", Open Journal of Accounting, 2024 Publication	<1 %
59	Prianto Budi Saptono, Ismail Khozen. "What determines the tax compliance intention of individual taxpayers receiving COVID-19-related benefits? Insights from Indonesia", International Journal of Sociology and Social Policy, 2023 Publication	<1 %

Exclude quotes	On	Exclude matches	Off
Exclude bibliography	On		