

ABSTRACT

Majority of county governments are unable to collect the revenue required for the provision of public services; huge gaps exist between reported and projected revenues. It is unclear for the county governments to assess the revenue base, payment of taxes, explicit and intentional tax evasion and resistance from taxpayers and inappropriate application of revenues in county governments and its link to information communication technology which is inadequately covered by past studies. The purpose of this study was to establish the influence of ICT on revenue collection in Migori and Homa Bay County governments in Kenya. The objectives of the study were: to determine the influence of ICT system for single business permits on revenue collection; evaluate the influence of ICT system for land rates on revenue collection; establish the influence of ICT system for property rates on revenue collection and establish the influence of ICT system for bus park on revenue collection in Migori and Homa Bay County Governments, Kenya. The study adopted a correlation study research design whose focus was comparative analysis. The target population was 864 who were employees from the devolved functions in Migori and Homa Bay county governments. Sample size was 86 respondents were selected using stratified random sampling technique and purposive sampling technique for this study. The study used both primary and secondary data. Primary data was collected using a questionnaire. Secondary data was collected using document analysis guide. Quantitative data analysis was done using descriptive statistics and inferential statistics. Descriptive statistics involve the use of percentages and means. Inferential statistics involved determination of coefficient of multiple correlations and regression equations to establish the relationship between the variables. The findings showed that a strong and almost a perfect association existed between ICT systems adopted and the revenue collection ($R = 0.959^a$); the application of the information communication technology systems explain up to 91.9% variation in revenue collection efficiency in the county governments ($R^2 = 0.919$). The application of these systems improves revenue collection efficiency in the county governments. Findings reveal that all the ICT systems when utilized in Homa Bay County their contribution to revenue collection is statistically significant ($p < 0.005$); the results indicate that USBPR systems utilization in Homa Bay County causes 0.456-unit increase in revenue collection in the county followed by USPRR system at 0.271-unit increase in revenue collection. Without the utilization of ICT in this county Revenue collection will be negative at -0.067 units' deficit in revenue collection. Further a strong and positive association existed between ICT systems and revenue collection ($R = 0.679^a$) and the application of ICT systems in Homa Bay county explains up to 46.1% variation in revenue collection efficiency in the county government ($R^2 = .461$); indicating that 53.9% of the variation in revenue collection could be caused by other factors not included in the study. The results for Migori County indicate that when ICT systems are utilized their contribution to revenue collection is statistically significant ($P < 0.005$); USBPR systems utilization causes 0.658-unit increase in revenue collection followed by USPRR system which has 0.378-unit increase contribution towards revenue collection. Without the utilization of ICT in Migori county Revenue collection will be negative at -0.054 units' deficit. The results show a strong and positive association exist between ICT systems utilized and the Revenue collection ($R = 0.758^a$) and the application of ICT systems explains up to 57.5% variation in revenue collection efficiency ($R^2 = .575$). The findings of this study are significant to county governments and the national government to improve on the revenue collection efficiency for the provision of public services.