

Revenue Generation and Rural Development in Idah Local Government Area of Kogi State

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Abstract

This study examined the Effect of Revenue Generation on Rural Development in Idah Local Government Area, Kogi State. The research was motivated by the persistent underdevelopment in rural communities despite the availability of revenue generating structures at the local government level. The study specifically aimed to: determine the relationship between revenue generation and rural development; examine whether inadequately trained revenue officers affect effective revenue generation; and assess the extent to which corruption among revenue officers hinders both revenue generation and its utilization for rural development. The Efficient Service Theory was adopted as the theoretical framework to support the investigation. The study employed a survey research design, using questionnaire and interview to gather data. Data analysis was carried out using simple percentages and the chi-square statistical method. Findings revealed that the lack of adequately trained revenue officers and the high level of corruption significantly impede effective revenue generation and utilization in Idah Local Government Area. Additionally, it was observed that weak accountability mechanisms and financial mismanagement have limited the impact of rural development initiatives. The study recommends amongst others regular workshops, seminars, and on-the-job training for revenue officers to enhance their capacity in modern revenue collection technique. Furthermore, strict monitoring and accountability frameworks should be implemented to reduce corrupt practices and promote effective utilization of generated revenue and strengthen collaboration with traditional rulers and community leaders by involving them more actively in revenue sensitization and community mobilization efforts.

Keywords: Local Government, Revenue Generation, Revenue Utilization, Rural Development.

1.0 Introduction

The necessity for the creation of local governments worldwide stems from the need to facilitate development at the grassroots level. To achieve this, local governments have been empowered to generate funds through statutory allocations from the federal and state governments, as well as internally through specific means within their powers, such as levies, fees, rates, fines, property sales, and taxes. The importance of local governments lies in their ability to generate a sense of belonging, safety, and satisfaction among their populace. All forms of government, regimes, or political systems have, so far, aimed to ensure the attainment of this goal. Such strategies for ensuring national administrative development and political efficacy are embodied in the concept and practice of local government (Bello, 2016). Revenue generation is one of the main requirements for local governments to meet their basic rural development function in any

society. Finance through revenue generation has long been identified as the lifeblood of any functioning local government. In Nigeria today, no government is capable of carrying out its functions effectively without revenue generation (Adedokun, 2004). For any local government to be autonomous, it must be financially independent of the central government. Sections 2 and 3 of the 1999 Constitution of the Federal Republic of Nigeria highlight Nigeria as one indivisible and indissoluble sovereign state, consisting of thirty-six states and the Federal Capital Territory, Abuja, with 774 local government areas (Stem, 2002).

Akpo (2009) further emphasized that generated revenue is essential to fund rural development. According to the author, revenue generation does not contribute to hyperinflation; it is free and does not carry the burden of repayment and interest, unlike domestic borrowing or loans. Through taxation, generated revenue serves as the nerve center of the social contract, making local governments more responsible and responsive to the needs of the people. It serves as a tool for economic development, and it is crucial for planning savings and investments, as well as a powerful fiscal tool for directing the economy. Revenue also acts as a means of social engineering, keeping society moving as local governments generate more revenue and commission more projects. As more money circulates, more employment opportunities arise, and more business opportunities are created, positively impacting society. Above all, revenue generation serves as a tool for rural development.

Development is essential for modern civilization. In the effort to carry out development in every corner of society, the local government, as one tier of government, is closer to the people and is responsible for their direct development. Rural development is strongly associated with funding, as significant revenue is needed to plan, execute, and maintain infrastructure and facilities at the local government level. The amount of revenue generated helps local governments embark on developmental projects, such as constructing accessible roads, building public schools, healthcare centers, bridges, and more, funded by taxes, royalties, haulage fees, fines, and grants from state, national, and international bodies (Emenuga and Ehidozie, 1993). Thus, local governments cannot initiate, execute, or maintain these projects without adequate revenue generation. This is the primary reason why development remains skeletal in some local government councils in Nigeria.

Rural development reflects modern civilization and improves the standard of living in rural communities. It involves the provision of socio-economic goods and services that are too remote for the federal government to reach or have become an overburden for (Ojo & Oyedele, 2017). In order to achieve development at the rural level, it is the responsibility of the local government to critically assess and improve sources of revenue generation through taxes, rates, federal and state allocations, and so on. But how effective has revenue generation been for rural development? The ultimate goal of this research is to identify the level of utilization of generated revenue for rural projects that will improve development in Idah Local Government Area, Kogi State.

Revenue generation plays a crucial role in the ability of local governments to achieve their statutory responsibilities, especially development at the rural areas. In the case of Idah Local Government Area of Kogi State, the effectiveness of revenue generation and its utilization has had a significant impact on the community's development trajectory. Between 2015 and 2023, the local government implemented various revenue strategies, such as collection of taxes, levies, and fees, with the objective of funding infrastructure, healthcare, education, and other social services. However, the impact of these efforts has been mixed because some communities have witnessed improvements in local markets, access roads, and primary school renovations, while other communities still suffer from poor infrastructure, inadequate healthcare services, and a lack of clean water supply. This issue has raised concern about how revenue is generated, managed, and utilized. Thus, this study seeks to assess how revenue generation in Idah Local Government has affected rural development whether positively or negatively.

1.1 Statement of Problem

Idah Local Government is tasked with taking care of its people at the grassroots level, with a focus on rural development. However, over the years, rural development in Idah Local Government has fallen far short of expectations, as the people at the grassroots level continue to lack essential facilities and modern amenities. They lack access to potable water, reliable electricity, accessible roads, and quality educational infrastructure, among other basic services. The primary reason behind the creation of local governments is to meet the unique needs of people at the grassroots. However, it is regrettable that the local government

has demonstrated incompetence in revenue utilization and substantive development. The result of this ineffective revenue utilization is that many local governments face financial crises, rendering them incapable of addressing service delivery challenges or mobilizing the human and material resources necessary for meaningful development. Consequently, underdevelopment persists, and many people remain ignorant of the reasons why local governments were created (Nwankwo, 2013).

Olawale (2013) argues that corruption is a major factor contributing to the problem of ineffective revenue utilization. There is a high level of corruption within the local government system. Internally generated revenue is often treated as a "top secret." The leadership in many local governments is corrupt, with revenue available for carrying out functions but diverted for personal use instead.

Ndubuisi and Onuba (2016) revealed that various challenges have impeded the performance of local government councils over the years in fulfilling their constitutional responsibilities. One of the most significant challenges is the dwindling revenue base, which remains an obstacle to national development. The relevance of local government councils as grassroots governments is measured by the quality and quantity of services they provide to rural dwellers. For local governments to provide meaningful services, such as basic amenities, road construction and maintenance, employment opportunities, and timely payment of staff salaries, they need revenue. Without sufficient revenue, local governments cannot function effectively, and they risk collapse. Therefore, for local governments to carry out their statutory functions, they must not only be adequately funded but also ensure that such funds are efficiently utilized.

However, the problems encountered in effective revenue utilization include unaccountability, poor financial control, misappropriation, and embezzlement of local government funds (Nebo & Chigbo, 2015). Idah Local Government Area is no exception. Issues such as inadequate accountability and transparency in fund disbursement, poorly trained revenue officers, corruption among revenue officers, and ineffective financial control have all hindered effective revenue generation and utilization for rural development. As a result, rural communities suffer from a lack of infrastructure, social amenities, and physical structures, leading to economic stagnation, poverty, and various social ills. It is against this backdrop that this study seeks to assess the effect of revenue generation on rural development in Idah Local Government Area, Kogi State, from 2015 to 2023.

1.2 Objectives of the Study

The main objective of the study is to examine Effect of Revenue Generation on the Rural Development of Idah Local Government Area, Kogi State within the timeframe of 2014-2023. However, the specific objectives of the study are to:

- i. determine the relationship between revenue generation and rural development in Idah Local Government Area.
- ii. investigate whether inadequately trained revenue generation officers serve as a factor limiting effective revenue generation in Idah Local Government, thereby affecting rural development.
- iii. examine whether corruption among revenue generation officers hinders effective revenue generation and its utilization for rural development in Idah Local Government Area, Kogi State.

1.3 Hypothesis of the Study

The following research hypothesis were formulated to guide the study:

H₀₁: There is no significant relationship between revenue generation and effective rural development in Idah Local Government Area, Kogi State.

H₀₂: Inadequately trained revenue generation officers do not serve as a factor limiting effective revenue generation in Idah Local Government toward achieving rural development.

H₀₃: Corruption among revenue generation officers does not hinder effective revenue generation and its utilization for rural development in Idah Local Government Area, Kogi State.

2.0 Review of Related Literature

Revenue Generation and Rural Development in Idah Local Government

Revenue generation in Idah Local Government is primarily derived from taxation, which plays a crucial role in fostering development. Taxation has historically been an essential element of governance, as

individuals have been required to pay taxes either in cash or kind to their leaders or organized governments (Ojo, 2003). No system of governance, whether local or national, can function effectively without financial independence, which is fundamental for achieving rural development. The history of local government development in Idah, Kogi State, spans several decades. The practice of direct taxation in Idah Local Government can be traced back to pre-colonial times when community taxes were levied on local settlements (Rabiu, 2004). In contemporary times, Idah Local Government derives revenue from two broad sources: external sources (allocations from the federal and state governments) and internal sources (locally generated revenue, including taxes, levies, and service charges).

Internally generated revenue has provided significant benefits to the people of Idah Local Government in terms of rural infrastructural development. These benefits include:

- a. Provision of clean water supply to improve sanitation and health conditions.
- b. Construction of good road networks for efficient transportation.
- c. Establishment of well-equipped healthcare centers to reduce mortality rates.
- d. Provision of free or subsidized education to combat illiteracy.
- e. Enhancement of electricity supply to boost economic activities.

Despite these benefits, several challenges hinder effective revenue generation in Idah Local Government. However, these challenges can be mitigated through the adoption of strategic measures, including:

- (a) Improvement of Infrastructure:** A well-developed infrastructure, including good road networks, schools, hospitals, and water supply, encourages business activities and population growth, leading to increased tax revenues. Aderinto (2005) asserts that a conducive environment attracts businesses and investors, ultimately boosting revenue generation.
- (b) Staff Motivation:** According to Henry Fayol's principles of management, motivation is a crucial factor in enhancing employee performance. Adebisi (2005) suggests that providing incentives, training, and improved working conditions for revenue officers can enhance their efficiency in tax collection and management.
- (c) Establishment of Revenue-Generating Projects:** The local government should invest in small-scale industries and agricultural ventures, such as farming and agro-processing, to create employment opportunities and enhance economic growth. The establishment of industries like the Idah farm industry has contributed to job creation within the community.
- (d) Effective Revenue Management:** Mismanagement and embezzlement of funds remain major challenges in local government revenue administration. To address this, revenue collection departments should be centralized, and staff roles rotated periodically to reduce opportunities for financial malpractice.
- (e) Encouraging Taxpayer Compliance:** A significant number of eligible taxpayers evade tax payments, which adversely affects revenue generation. Changing public perception and increasing awareness of the importance of tax compliance can improve revenue collection. Proper sensitization programs should be implemented to encourage voluntary tax payment and reduce evasion.

Implementing these strategic measures will not only improve revenue generation in Idah Local Government but also enhance its capacity to deliver essential services and promote rural development.

Revenue Utilization for Rural Development in Idah Local Government

Since revenue flows into the local government, it must be effectively utilized to support developmental projects and public services. Oke (2004) notes that the utilization of local government revenue can be assessed based on the functions of the local government, whether these functions fall under the exclusive list or the concurrent legislative list. In Idah Local Government, revenue generated over the years has been directed toward various development projects aimed at improving the standard of living in rural communities. Some of the key areas of expenditure include:

Provision of Social Amenities:

The council has invested in social welfare projects such as drilling boreholes to provide clean potable water and constructing primary healthcare centers to enhance medical services.

Road Construction and Infrastructure Development:

Revenue has been allocated for the construction and maintenance of access roads, naming and numbering of streets, and the provision of motor parks and solar-powered streetlights. Examples include:

- i. The construction of roads and installation of solar streetlights in Angwa community.
- ii. Construction of Bishop Road and Okpalacha Road.
- iii. Naming of major streets such as Aruba Street, Obaje Street, Idakwo Street, Kadri Street, Accountant General Street, Ajofe Street, Opaluwa Street, and Ruben Street.
- iv. House numbering projects in Idah main town and G.R.A. Idah.

Electricity Supply:

To improve electricity access, the council has funded the installation of transformers in various communities, such as; Installation of transformers in Iyegwu and Naval Base communities at Inachalo.

Educational Development:

The local government has invested in education through the construction and renovation of primary schools, including:

- i. Oma Idoko Primary School
- ii. Ayegba Primary School
- iii. St. Boniface Nursery and Primary School
- iv. Inikpi Primary School

Finally, revenue utilization in Idah Local Government has had a significant impact, particularly in five key communities: Inachalo, Angwa, Igalaogba, Ichala, and Ukwuja. The effective allocation of funds has enhanced infrastructure, improved public services, and fostered economic growth. These developments highlight the importance of transparent and efficient revenue management in driving rural progress. A continued focus on responsible revenue utilization will sustain these gains and ensure long-term development for the communities in Idah Local Government.

Challenges of Revenue Generation in Idah Local Government

Local government in Nigeria was established to provide essential services and amenities to both rural and urban areas, as outlined in the 1976 Local Government Reforms. Since the federal government cannot singlehandedly manage the development of rural areas, this responsibility is delegated to local governments through elected representatives. However, the federal government still plays a complementary role in providing essential infrastructure such as roads, potable water, hospitals, education, electricity, and recreational facilities. These services are largely funded through revenue generated at the local level.

Despite the significance of revenue generation, numerous challenges hinder the financial performance of local governments in Nigeria, including Idah Local Government. Scholars have extensively documented the financial constraints faced by local governments, with Adedeji (2006) identifying inadequate funding as a major obstacle to their effective functioning. Although local governments have independent revenue sources, these sources are not truly autonomous, as they require state government authorization for collection and enforcement. For instance, local authorities cannot unilaterally increase tax rates without legal provisions and approval from higher governmental bodies.

One of the major challenges facing revenue generation in Idah Local Government is the shortage of well-trained personnel responsible for tax collection and financial management. Even among the few available personnel, many lack adequate training in budgetary and financial administration. Additionally, local governments often struggle to attract and retain competent staff capable of formulating and implementing development plans. For instance, a UNDP-Presidency survey found that out of 750 local governments, only 541 had rolling plans, and by 1995-1997, only 151 had established planning boards. Furthermore, these planning boards were mostly composed of educators and community health officers rather than professionals such as economists, medical doctors, and engineers, highlighting a critical skills gap at the local level.

Another significant challenge is excessive state government control over local government finances. Although statutory allocations and internally generated revenue are provided for in the constitution, state governors exercise significant influence over local government finances. They often manipulate the disbursement of funds and impose bureaucratic hurdles that weaken local governments' revenue mobilization capacity. This over-reliance on external sources such as federal and state allocations, grants, and value-added tax (VAT) revenues fosters a "dependence syndrome," making local governments vulnerable to financial instability if external funds are delayed or reduced.

Additionally, state control over local government budgeting imposes further constraints. Local government budgets must pass through multiple approval stages at the state level, and even after approval, post-budget controls restrict expenditure flexibility (Roberts, 1998). Delays in budget approval sometimes taking up to three months adversely affect local government operations, including staff salary payments and infrastructure development.

The horizontal revenue-sharing formula used for distributing federal allocations to local governments has also been criticized. In 1996, newly elected local government chairmen condemned the 40% equality formula, arguing that it disproportionately benefits some local governments while disadvantaging others, especially as more local governments are created. Corruption and mismanagement of funds further exacerbate revenue generation challenges. Some local government staff divert collected revenue for personal use, depriving the council of much-needed funds for service delivery. Additionally, some local government chairmen deposit council funds into private savings accounts instead of utilizing them for developmental projects. In extreme cases, some local governments operate without a designated account, creating loopholes for financial mismanagement.

The challenges of revenue generation in Idah Local Government stem from inadequate funding, excessive state control, poor financial management, corruption, and a shortage of skilled personnel. Addressing these issues requires institutional reforms, capacity-building programs, and enhanced transparency in financial administration to ensure effective revenue mobilization for sustainable rural development.

Theoretical Framework

The study adopted efficient- service theory and the central idea of this school of thought is that the primary purpose of local government systems is to efficiently provide essential social services such as law and order, local roads, primary education, sanitation, and others. William Mackenzie (1954), the leading advocate of the efficient service school (as cited in Adeyemo, 2010), emphasized that service delivery to local people should be the main focus of the resources, power, and time of local government authorities. Kafle and Karkee (2003) also note that the core argument of the efficient-service school is that local governments exist primarily to ensure the efficient delivery of services. Some scholars consider this role so crucial that they argue it should take precedence over other functions such as encouraging democratic participation. They contend that as long as grassroots citizens receive effective services, reduced democratic involvement in governance is justifiable.

The proponents of this theory argue that local government, due to its closeness to the people, is better positioned to provide certain services more efficiently than state or central governments. In fact, local governments often serve as better channels through which federal and state policies and programs are implemented. Functions that may be too complex or burdensome for the state or federal government such as the collection of rates, radio and television licenses, or the registration of births, deaths, and marriages are more conveniently managed at the local level. Nico (2008) further argues that by nature, local government brings governance closer to the people, making it easier to translate community preferences into responsive policies and programs. Local decisions and development projects are often more practical and sustainable because they consider local diversities and historical contexts. This means that the delivery of local public goods and services tends to better reflect the needs and preferences of the community.

In addition, Laski (1982) explains that not all problems are central in nature. Some issues require decisions from those who are most affected by them, and local governments provide the appropriate framework for such problem-solving. Local governments also play a key role in mobilizing support and resources for government projects. They are in a position to generate revenue internally and utilize these funds alongside allocations from state and federal governments to improve the lives of people within their jurisdictions. The theory emphasizes on accountability and transparency in the use of public funds. This is relevant to this

study because it highlights the importance of holding local government officials accountable for the efficient use of revenue, thereby ensuring that funds are not mismanaged or wasted.

3.0 Research Method

Survey research design was adopted. The design is a process of carrying out a study by collecting, analyzing data gathered and interpretations of data so as to explain the underlying factors that surround the problems that triggered the research. The survey design is suitable for this study because, it enables the researcher to examine the effect of revenue generation on rural development in Idah Local Government Area, Kogi state.

The targeted population of this study was one thousand, two hundred and thirty-six (1,236). This figure comprises of the Idah Local Government Staff from grade level seven (7) and above. The Taro Yarmane sampling techniques was employed to determine the sample size for study making it a total sampled population of 309.

Therefore, out of three hundred and nine questionnaires to the selected staff of Idah Local Government from grade level seven (7) and above, two hundred and eighty were duly returned which serve as the sample size of the study. The data collected from the questionnaire and source were presented in a tabulated form from with focus on the major research items in other to enable the researcher determine the results. The data obtained from the coding was fed into SPSS software and the hypotheses were tested using the Chi-Square statistical tools.

4.0 Analysis of Result

Hypothesis 1

H0₁: There is no significant relationship between revenue generation and effective rural development in Idah Local Government Area, Kogi State.

Table 1: Cross tabulation of Sex and Perception of the Relationship Between Revenue Generation and Rural Development

			SD	D	U	A	SA	Total
SEX	M	Count	8	12	5	50	69	144
		Expected Count	13.4	17.0	7.2	41.1	65.3	144.0
	F	Count	18	21	9	30	58	136
		Expected Count	12.6	16.0	6.8	38.9	61.7	136.0
Total	Count		26	33	14	80	127	280
	Expected Count		26.0	33.0	14.0	80.0	127.0	280.0

Source: SPSS Output IBM SPSS Statistics Version 23. 2025

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	13.178 ^a	4	.010
Likelihood Ratio	13.371	4	.010
Linear-by-Linear Association	8.083	1	.004
N of Valid Cases	280		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 6.80.

Source: SPSS Output IBM SPSS Statistics Version 23. 2025

The Pearson Chi-Square value is 13.178 with 4 degrees of freedom, and the p-value is 0.010, which is less than the 0.05 significance level.

Decision Rule: Since the χ^2 cal value (13.18) is greater than the χ^2 table value (9.49) at 5% level of significance, we reject the H_0 which states that there is no significant relationship between revenue generation and effective rural development in Idah Local Government Area, Kogi State. This implies that there is a significant relationship between revenue generation and effective rural development in Idah Local Government Area, Kogi State.

Hypothesis 2

H0₂: Inadequately trained revenue generation officers do not serve as a factor limiting effective revenue generation in Idah Local Government toward achieving rural development.

Table 2: Crosstabulation of Sex and Perception of Training of Revenue Officers

			SD	D	U	A	SA	Total
SEX	M	Count	17	37	6	32	52	144
		Expected Count	18.5	25.2	5.7	36.5	58.1	144.0
	F	Count	19	12	5	39	61	136
		Expected Count	17.5	23.8	5.3	34.5	54.9	136.0
Total		Count	36	49	11	71	113	280
		Expected Count	36.0	49.0	11.0	71.0	113.0	280.0

Source: SPSS Output IBM SPSS Statistics Version 23. 2025

Chi-Square Tests

	Value	Df	Asymptotic Significance (2-sided)
Pearson Chi-Square	14.147 ^a	4	.007
Likelihood Ratio	14.758	4	.005
Linear-by-Linear Association	4.289	1	.038
N of Valid Cases	280		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 5.34.

Source: SPSS Output IBM SPSS Statistics Version 23. 2025

The Pearson Chi-Square value is 14.147 with 4 degrees of freedom and a p-value of 0.007. Since the p-value is less than the significance level of 0.05, the result is statistically significant.

Decision Rule: Since the χ^2 cal value (14.15) is greater than the χ^2 table value (9.49) at 5% level of significance, we reject the H_0 which states that inadequately trained revenue generation officers do not serve as a factor limiting effective revenue generation in Idah Local Government toward achieving rural development. This implies that inadequately trained revenue generation officers serve as a factor limiting effective revenue generation in Idah Local Government toward achieving rural development.

Hypothesis 3

H0₃: Corruption among revenue generation officers does not hinder effective revenue generation and its utilization for rural development in Idah Local Government Area, Kogi State.

Table3: Crosstabulation of Sex and Perception of Corruption

			SD	D	U	A	SA	Total
SEX	M	Count	6	18	8	44	68	144
		Expected Count	15.9	19.0	7.7	40.6	60.7	144.0
	F	Count	25	19	7	35	50	136
		Expected Count	15.1	18.0	7.3	38.4	57.3	136.0
Total		Count	31	37	15	79	118	280
		Expected Count	31.0	37.0	15.0	79.0	118.0	280.0

Source: SPSS Output IBM SPSS Statistics Version 2. 2025

Chi-Square Tests

	Value	Df	Asymptotic Significance (2-sided)
Pearson Chi-Square	15.294 ^a	4	.004
Likelihood Ratio	16.162	4	.003
Linear-by-Linear Association	11.076	1	.001
N of Valid Cases	280		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 7.29.

Source: SPSS Output IBM SPSS Statistics Version 23. 2025

The Pearson Chi-Square value is 15.294 with 4 degrees of freedom, and the p-value is 0.004, which is less than the significance level of 0.05

Decision Rule: Since the χ^2 cal value (15.129) is greater than the χ^2 table value (9.49) at 5% level of significance, we reject the H_0 which states that Corruption among revenue generation officers does not hinder effective revenue generation and its utilization for rural development in Idah Local Government Area, Kogi State. This implies that Corruption among revenue generation officers hinder effective revenue generation and its utilization for rural development in Idah Local Government Area, Kogi State.

5.0 Discussion of Findings

Based on the analysis of data derived from the respondents. The following were discussed: The study found that increased and well-managed revenue generation has a positive effect on rural development in Idah Local Government Area. It revealed that effective revenue collection that is not diverted or mismanaged has contributed to the execution of projects such as road rehabilitation, primary school construction of market stalls, and provision of boreholes in the area. This outcome is in agreement with the view of Ojo (2014), who posited that internally generated revenue serves as a vital tool for financing rural infrastructure and delivering essential public services. Similarly, Olasupo and Fayomi (2012) emphasized that the capacity of local governments to implement developmental projects depends largely on their revenue generation ability and financial independence.

The study found that inadequately trained revenue generation officers significantly hinder effective revenue generation in Idah Local Government, thereby affecting rural development efforts. Responses from the interviews further reinforced this finding, as many participants emphasized the urgent need for regular capacity-building programs. This reflects widespread concerns regarding professionalism and skill gaps among revenue personnel. This finding support with Ezeani (2004), who stressed that local government staff require proper training in revenue mobilization, accounting procedures, and transparency mechanisms to perform effectively. Similarly, Olusola (2011) points out that a lack of adequate training often results in inefficiencies, leakages, and even corrupt practices within the revenue system.

The study further revealed that corruption among revenue generation officers significantly hinders effective revenue generation and its utilization for rural development in Idah Local Government Area. Data from the interviews supported this finding, as respondents expressed widespread dissatisfaction with the manner in which revenue is managed, identifying corruption as a major obstacle to progress. This corroborates the findings of Adeyemi et al. (2012), who argued that corrupt practices such as embezzlement and bribery severely weaken the integrity of local revenue systems and impair developmental planning. Similarly, the World Bank (2010) emphasized that corruption not only diminishes the effectiveness of local governance but also erodes public trust and contributes to the persistent underdevelopment of rural communities.

Conclusion

Based on the findings of the study, one can infer that revenue generation has effect on rural development. This is because based on its findings, inadequateness in accountability and transparency in disbursement of fund affects revenue generation and utilization for substantive rural development, inadequate trained revenue generation officers serve as factor limiting effective revenue generation towards achieving rural development, corruption among revenue generation officers hinders effective revenue generation and utilization towards rural development in Idah Local Government Area. The revenue accruing to Idah Local

Government over the years has been poorly utilized for towards achieving rural development. The internally generated revenue within the study period; 2015-2023 were utilized by revenue officer for personal use and this serves as causal factor of rural development in Idah Local Government Area.

Recommendations

The following recommendations were made:

- i. This includes regular audits, transparent reporting systems, and disciplinary actions for any act of financial misconduct to ensure that generated revenues are fully utilized for rural development in Idah Local Government Area, Kogi State.
- ii. The local government should ensure of regular workshops, seminars, and on-the-job training should be provided for revenue officers to improve their skills in modern revenue collection techniques, transparency, and
- iii. Funds generated should be channeled directly into visible community development projects such as road rehabilitation, provision of water, primary school and market structures
- iv. Idah local government should boost the morale and productivity of revenue officials, the local government should introduce incentives such as bonuses, recognition awards, and opportunities for promotion.
- v. The local government should strengthen collaboration with traditional rulers by involving them more actively in revenue sensitization and community mobilization efforts.

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