International Journal of Development and Sustainability
ISSN: 2186-8662 – www.isdsnet.com/ijds
Volume 7 Number 1 (2018): Pages 329-342
ISDS Article ID: IJDS18010502

Assessment of taxpayers' perception on property tax administration in Lawra municipality of Ghana

Robert Ayamga [1], Andrews Perprem [2*], Clement A. Atampugre [3]

[1] *Land Valuation Division, Land Commission-Ghana/Faculty of Planning & Land Manage, University for Development Studies, Ghana*
[2] *DrewperpConsult Limited (CEO)/Faculty of Planning & Land Management, University for Development Studies, Tamale, Ghana*
[3] *Ghana Health Service/Institute of Chartered Accountants-Ghana, Wa-Centre, Ghana*

Abstract

Property tax is seen as a potential significant contributor to local governments' internally generated funds in most jurisdictions. However, the performance of property tax in the Lawra District is next to zero. The study therefore examined the perceptions of taxpayers on property tax in the Lawra District. Based on a cross-sectional survey, the study employed accidental sampling technique in selecting 130 respondents for the study. Simple percentages and frequency tables were employed for the data analysis through the help of statistical package for social sciences (SPSS).The study discovered that taxpayers have very negative perceptions about property tax even though they believe the tax has the potential to develop the Municipality. The study recommends that the Municipal Assembly as a matter of urgency should halt the implementation of the property levies and properly educate the citizens before resuming the implementation. The education should not be left in the hands of tax collectors but should be spearheaded by the Head of the Finance and Budgeting Unit with assistance from the Town and Country Planning in order to erode the negative perceptions, so as to reduce resistance and refusal to pay.

Keywords: Taxpayers; Perception; Property Tax; Lawra Municipal

Cite this article as: Ayamga, R., Perprem, R. and Atampugre, C.A. (2018), "Assessment of taxpayers' perception on property tax administration in Lawra municipality of Ghana", *International Journal of Development and Sustainability*, Vol. 7 No. 1, pp. 329-342.

* Corresponding author. *E-mail address:* drewperp@yahoo.com

1. Introduction

Property tax remains the oldest form of tax in history (Carlson, 2004). During the Egyptian, Babylonian, Persian, and Chinese civilization era, property tax in the form of land and crops were imposed on citizens, refusal to pay meant one will be sent to court, judged and be punished, thus taxation was compulsory even in ancient times (Carlson, 2004).

Property tax was introduced in sub-Saharan Africa by the colonial masters. However, prior to the emergence of the Europeans, other forms of taxes existed in Africa. For instance weaker Kingdoms were taxed to pay annual tax to their superior kings (Fjeldstad et al., 2014).

In Ghana before gaining independence in 1957, property tax in the then Gold Coast known as "*Ntokuaa tuor*" (window tax) was instituted by the British. This tax was in tandem with the size of one's building. The school of thought of the initiators of the tax was that, big houses have many windows, hence the amount to pay was assessed based on the number of windows one has on his or her building. The greater the number of windows, the higher one's tax obligation. However, there was great concern on the bias inherent of the tax system, many argued that the system was not fair because some citizens with larger houses may pay less tax because their houses might have had less windows or those with small houses but have plenty windows may be forced to pay more, hence the system did not confirm to equity (Adem and Kwateng, 2007).

The issues raised about the unfairness of the window tax led to the establishment of Municipal Council Ordinance in 1951 under which four municipalities namely Accra, Kumasi, Cape Coast and Sekondi-Takoradi came to being. These municipalities were mandated to impose rates on buildings with yearly rental value of not less than 6 pounds (Petio, 2013).

Local Government Ordinance was enshrined in 1954 to also confer responsibility on urban and local councils to collect property tax in their jurisdictions. The regulations prescribed the procedure for assessing non-movable property value and also gave its definition as any house, hut, structure, shed or roofed enclosure, whether used for purpose of human habitation or otherwise (Local Government Ordinance, 1954).

After independence frantic efforts were made by successive governments to make property tax more uniform and workable hence various legislative instruments and regulations were promulgated to guide property tax in the country. Among them are the Municipal Rating (Immovable Property Rate) Regulations (L.I. 212), 1959; the Local Government (Immovable Property Rate) Regulations (L.I. 40), 1960; the Local Government (Immovable Property Rate) Amendment Regulations (L.I. 348), 1964; the Municipal Rating (Immovable Property Rate) Amendment Regulations (L.I. 349), 1964; the Municipal Rating (Immovable Property Rate) Amendment Regulations (L.I. 650), 1970; the Immovable Property Rate Amendment Regulations (L.I. 1049), 1975.

In Ghana as with many African countries, there was a shift from the centrally planned development to decentralization through the local governance system during the 1980s. When most African countries were advised to pursue decentralization after implementing the structural adjustment programmes (Olowu, 2002). The process of Ghana's current decentralization started in 1988 when PNDC Law 207 was passed and the country was re-demarcated. This increased the number of Metropolitan, Municipal and District

Assemblies (MMDAs) from 65 to 110. The first local government election under the new law was organized in 1989. Local Government policy was operational until PNDC Law 207 was replaced by the Local Governance (Act 462) 1993. Article 240 sub-section 1 of the 1992 constitution stipulates that Local Government in Ghana should be decentralized as far as possible.

A sound revenue system for local governments is an essential pre-condition for the success of fiscal decentralisation (Bahl, 2009), therefore section 94 of (Act 462) 1993 mandates MMDAs to be the rating authorities in their jurisdictions. Hence the MMDAs have been assigned with the responsibility of determining, levying and collecting property taxes, fees, fines, licenses, and rent, among others. The idea is to make local government truly independent from central government by mobilizing enough revenue (Friedrich-Ebert-Stiftung Ghana, 2010).

MMDAs are mandated to initiate their own developmental projects and generate funds, in addition to the mandatory district assemblies' common fund (DACF) which is given by the central government to fund all their projects (Ahwoi, 2010). In principle, infrastructural development of the various districts are the responsibility of the assemblies, hence assemblies that are able to generate enough revenue is expected to develop at a faster rate (Nkrumah, 2000).

Despite the power given to MMDAs to mobilize and generate revenue to finance their own expenditures, MMDAs in Ghana barely generate enough revenue that can fund their expenditure (Kessey, 2014). Researches have shown that funds from central government has become the bedrock for MMDAs in Ghana (Boamah, 2013; Ayitey, et al., 2013; Kessey, 2014). The heavily dependence on central government transfers which are mostly erratic in supply is seen as the reason for the huge fiscal deficit that is witnessed by most MMDAs (Olowu, 2002).

The Lawra Municipal Assembly has been performing very abysmally in revenue generation. In 2012 the district was able to generate only Ghȼ37, 392.48 representing 47.5 % of the budgeted Ghȼ74040. The trend in 2013 was more pathetic, the assembly realised only Ghȼ35, 233.33 representing 45.8% of the budgeted Ghȼ74040 (Lawra Municipal Assembly, 2015). Within the District's IGFs, the least performed is property rates. For instance, in 2012 the assembly budgeted to realise Ghȼ41,320 from property rates, however only Ghȼ873.20 was realised forming only 0.5% of the total IGF generated by the assembly in that period (Lawra Municipal Assembly, 2015). During 2013, the assembly realised Ghȼ190.0 representing 0.45% of the total budgeted Ghȼ41320.00 of property rates in the period (Lawra Municipal Assembly, 2015).

In 2012, property rates' contribution to the entire revenue generated by the Lawra Municipal Assembly was 0.013%, this dropped to 0.006% in 2013 (Lawra Municipal Assembly, 2015). An indication that revenue generation from property rates is very insignificant to the district, even though research has shown that property rates have the potential to increase the revenue generation of MMDAs (Boamah, 2013).

Despite the ever dwindling performance of property rates in the Lawra Municipal, it appears no empirical study has been conducted in the Municipality to establish the perception of taxpayers on property rates so as to come out with findings that can help policymakers and the Municipal Assembly to properly plan and salvage the situation. The above issue of concern necessitated the study to investigate the perception of taxpayers on property tax in the Lawra Municipal Assembly.

2. Literature review

2.1. Property tax

Bahl et al. (2010) defines property tax as compulsory charges enforced on either rental values or the value of landed properties. Youngman and Malme (1994) viewed property tax as the mandatory charges levied on personal properties of individuals within a specific jurisdiction by government or local authorities or bodies appointed by government or local authorities to see to the collection. The authours further contended that, properties such as inventories, automobiles and business equipment are included in property taxes even though property taxes are generally levied against ownership of buildings and lands. On his part, Franzsen (2003) defines property taxes as obligatory levies charged on income resulting from the sales, use of, acquisition of and transfer of landed or immovable property by local, urban council or central government.

Some literature do not give distinctions between property tax and property rates but rather use them inter-changeably (Carlson, 2004). Globally, property rates is the most common form of property taxes, hence its inter-changeability with property tax in general (Cabral and Hoxby, 2012). However, property rate is a subset of property tax (Slack, 2011). Property tax includes property rates, rent income tax, stamp duty tax, gift tax, inheritance tax, capital gains tax, and other levies on properties which a jurisdiction finds it appropriate, although in many jurisdictions property taxes are administered by local governments rather than the central governments (Franzsen 2003).

Ghana's Local Governance Act (462) 1993 section 96 (schedule 2 and 3) defines property rates as a rate payable by owners of premises within the District Assembly areas on rateable value of premises. The MMDAs Government of Ghana (2011) also refers to rateable properties as immovable or landed properties notably buildings and lands. In Ghana, the Local Governance Act (462) section 44 gives the MMDAs the sole mandate to rate properties in Ghana (Tahiru et al., 2014).

In many jurisdictions in the world including Ghana, property rates are based on ad valorem system of taxation, which means that the amount to be charged as a property rate is determined by the value of the property or the area (Slack and Bird, 2014). To ensure the application of the principle of equity, the ad valorem system ensures that owners of buildings located in the same area pay the same property rate. Thus a building of equal value located in two different areas may pay differential rates based on the values of those two areas. The higher the value of the building and the area, the higher the property rate and vice-versa (Kelly, 2013). It is simply based on the principle that the amount of tax to be paid should relate to the value of the premises and not the wealth of the person or his/her ability to pay (Haruna, 2007). Thus, it can be stated that properties under the ad valorem system should be based on the open market value.

The Ad Valorem system associated with property rates can cause major problems for rural districts such as Lawra District. This is because the open market value of properties in urban districts such as Wa Municipal will have more value than that of the rural districts, hence more property rates can be mobilized by the Wa Municipal Assembly as compared to that of Lawra Municipal Assembly (Slack and Bird, 2014).

For the purpose of this study, property tax refers to periodic compulsory financial burden levied on ownership, transfer, rental or sales of both residential and commercial immovable properties by Metropolitan, Municipal or District Assembly (MMDAs). The immovable properties include land, buildings, mast, and giant billboards, among others. The property tax definition of this study encompasses all taxes in relation to immovable properties that MMDAs are mandated to administer in Ghana.

2.2. Sources of revenue to Metropolitan, Municipal and District Assemblies (MMDAs)

As a result of decentralization, most countries have given local authorities the power to tax their jurisdictions in order to generate enough revenue to fund its recurrent and capital expenditure (Pulse and Kamenov, 2013). In most developing countries the main source of revenue for local governance are usually transfers from central government (Olowu, 2002). Even though the laws of most countries demand local authorities to generate internal funds in order to make them truly independence and have semi-autonomy, local revenue generation need much to be desired (Fjeldstad et al., 2014).

Fjeldstad et al*.* (2014) categorized local governments' revenue sources into two, namely narrowly defined own local revenues and own local revenues. The authours suggest that narrowly defined own local revenues comprises of tax and non-tax revenue directly mobilised by the local government authourities. These revenues include property taxes, rental income, per capita tax, taxes on activities, licenses and taxes based on professional activities, local taxes or fees on utilities, livestock or grazing fees, royalties in compensation for the exploitation of natural resources, miscellaneous taxes, levies and stamp duties. Yasui (2010) argued that the amount of narrowly defined own local revenues signifies the level of local authorities' mobilisation effort and the establishment of accountability to local taxpayers based on public goods delivered. Mobilisation of narrowly defined own local revenues may have a favourable effect on the effectiveness of local expenditure due to the accountability introduced at the level of the local authority (Fjelstad and Moore, 2009).

Own local revenues according to Fjeldstad et al. (2014), refers to revenues that are generated by central governments through taxation but by legislation are ceded to local authorities.

In Ghana, Metropolitan, Municipal and District Assemblies (MMDAs) have various income generating sources to fund their activities (Kessey, 2014). Five broad sources of revenue generation were made available for MMDAs under the decentralization policy (Ayee, 1992). These sources of revenue are the District Assemblies Common Fund (DACF), ceded revenue, internally generated fund through local taxation, loans, permits, among others, and from other sources like sale of lands (Ayee, 1992).

The DACF is the central government's transfer to MMDAs in order to support the internally generated fund of the MMDAs. Ideally the DACF is supposed to be a buffer to what the assemblies could generate on their own, but studies across the developing countries proves otherwise (Oluwu, 2002; Jacobs., 2012). The DACF consists of constitutionally- guaranteed minimum share of government revenue (7% increased to 7.5% in 2008, but not less than 5%) which is transferred to the MMDAs through the Ministry of Finance (Boamah, 2013).

The ceded revenue consists of a number of smaller tax fields that the central government has surrendered to the MMDAs, this include entertainment duty, casino revenue, betting tax, advertisement tax and others which are collected by the Ghana Internal Revenue Authority (Ayee, 1992). Kessey (2014), posit that MMDAs in Ghana, in addition to DACF, generate income from non-tax revenue items which includes licenses, user charges and general community levies. The MMDAs as a licensing body for various activities including the sale of liquor, concerts, musical or theatrical performances, video shows, cinemas, fairs, circuses, dances billiard and horse racing generate revenue from licensing fees charged for the operation of these activities.

However, entrainment events organised for charity purposes are exempted from such licensing fees. MMDAs are mandated to issue licences for keeping dogs, hawking, extended hours' activities, hotels and restaurants, petroleum installations, herbalist, taxi cab operation, lorry park overseeing, fishing rights, among others (Armah-Attoh and Awal, 2013). Bahl and Martinez-Vazquez (2008) argue that local authorities (MMDAs) in developing countries have a very wide revenue net, hence most of them should have been able to depend solely on their internally generated funds (IGFs).

MMDAs also charge user fees on services that they provide for citizens of their jurisdictions (Tahiru et al., 2014). The user charges and fees are restricted to markets in a form of market tools, slaughter house user charges, Lorry Parks user fees, conservancy and burial facilities user fees (Tahiru, et al., 2014). Imposition of facility user fees and charges by MMDAs has always post a problem to property tax payment and collection which is part of the MMDAs' taxation source of revenue (Anderson, 2006). Most citizens of communities expect services such as garbage clearing, solid waste management, use of slaughter houses among others to be free since property rates are levied on lands and buildings which these services are put in place to serve (Kidd and Crandall, 2006).

MMDAs are mandated to impose general community levies on their jurisdictions. This levies are mostly imposed on harvested crops excluding coffee, cotton or cocoa (Adu-Gyamfi, 2014). The MMDAs can also rely on bye laws and impose other special levies on its communities for particular project (Adu-Gyamfi, 2014). MMDAs are not restricted by law to invest in the open market or monetary instruments (Kessey, 2014). MMDAs can invest in monetary instruments or other income generating activities in order to generate more revenue for their activities (Kessey, 2014).

Although the sources of MMDAs revenue differ from one district to the other (Ayittey et al., 2013), the Local Government Act, 1993 (Act 462) obliges every Assembly to keep a detailed list of its internal revenue sources and in addition keep pertinent information on total possible collectable revenues. The traditional sources of MMDAs revenue items as listed on Schedule Six of Act 462 are basic rates, special rates, property rates, fees and charges, license fees, trading services, rent and investment income.

2.3. Taxpayers' perception on property tax

The effectiveness of MMDAs in service provision for communities largely depend on their ability to generate enough revenue to fund the costs (Fjelstad et al., 2014). However, the orientation and perception of taxpayers have direct effects on the ability of local governments to generate enough revenue from taxation

(Armah-Attoh and Awal, 2013). Nightingale (2002) observed that citizens find it difficult to paying tax due to their negative perceptions about taxation.

In their study, Cabral and Hoxby (2012) observed that property tax is the most hated tax worldwide even in the ancient days yet it is the tax that communities derive most benefits from. Ayodele (2006) observe that taxpayers in Nigeria perceive property tax as a cheat in the sense that individuals buy their own lands, buy expensive building materials and then a local government decides to tax the building. Some taxpayers perceive property tax as a way of discouraging individuals from owning any property.

In most parts of Africa, taxpayers see tax collectors as corrupt, hence paying property tax is a form of helping tax collectors and politicians to enrich themselves (Ayodele, 2006). According to Bird and Slack (2007) the main purpose for levying property tax is to enable local governments provide social services for communities however if local authorities fall short in delivering such services, taxpayers feel cheated. Thereby forming a negative perception about the tax and being reluctant to pay (Yasui, 2010).

Boamah (2013) in his study discovered that majority of property taxpayers in Ghana lack tax education hence they do not see the needs to pay property tax. Contrary to Boamah's findings, Armah-Attoh and Awal (2013) observe that Ghanaians generally are aware of the existence of property tax and know they are obliged to pay it, however they do not see the need to pay. This is because MMDAs do not provide enough social services that can motivate taxpayers, hence the few that pay feel they are being cheated by the MMDAs. Ghanaians in general do not believe in tax administrators in Ghana including that of the local government. The tax administration system is considered porous, hence most taxpayers have lost confidence in the system. This is one of the reasons why local governments are not able to generate enough funds internally (Armah-Attoh and Awal, 2013). The trend of taxpayers losing confidence in tax administrators is not peculiar to Ghana alone but other parts of the world including some advanced countries (Kelly, 2013).

Although it is obligatory for property owners to pay property tax, its enforcement has been difficult in developing countries, especially that of Africa. Politicians do not give it any importance, hence electorates are motivated not to pay with the notion that politicians will come to their aid when prosecuted by local government authorities (Fjelstad et al., 2014).

3. Methodology

3.1. Research design

Cross-sectional survey design with mixed method approach to data collection were employed for the study. Bhattacherjee, (2012) defines survey as a method of collecting data from respondents through the use of standardized questionnaires or interviews. Survey designs collects data about people's attitudes, preferences, beliefs, knowledge, practices or situations from a random sample in a field setting. Cross-sectional survey was appropriate for the study because cross-sectional data describing and interpreting current trend of issues, practices that prevail, beliefs, perceptions or attitudes that are held was collected from sampled respondents. According to Creswell (2014) the mixed method involves combining or integration of qualitative and quantitative research and data in a research study. The mixed method approach also enabled the collection both numeric and text information concurrently from respondents. The mixed method afforded the researcher the opportunity of merging both text and figures in the analysis, this further ensured accuracy and reliability of the results analysed.

3.2. Target population and sample size

The target population of the study included all owners of immovable properties in the Lawra Municipal Assembly. These includes owners of residential and non-residential properties including bank premises, telecommunication masts, giant billboards, among others and staffs of the Lawra Municipal Assembly.

The total number of immovable property owners in the Lawra Municipal Assembly is unknown, hence, a definite, statistically-sound sample size is not feasible for the study. A sample size of 130 property owners (taxpayers) were selected in order to carry out the study successfully.

3.3. Sampling technique

Accidental sampling techniques was employed for the study. With the application of accidental sampling technique, the researcher moved within the communities in the Lawra District and identify immovable property owners. Property owners were approached and those willing to participate in the study were allowed to. Accidental sampling technique is strictly based on the availability of respondents and their willingness to participate in a study, hence the technique may not lead to fair representation of the population. However, accidental sampling technique was more appropriate for this study because the Lawra Municipal Assembly does not have the records on number of immovable properties in the district or their ownership titles, hence randomization was impossible.

3.4. Survey instruments

Questionnaire was the instrument employed for the data collection. Questionnaires mainly consisting of a five-points- Likert scale ranking and both closed and open ended questions were administered to property owners in their residence or at their workplaces. The questionnaires were given out to the literate respondents to fill by themselves with or without the assistance of the researcher while the researcher assisted the non-literate respondents to fill. Questionnaires will be employed because it saved the researcher and the respondents' time, also respondents were able to carry their views across without any fear due to the anonymity of the questionnaires. This further helped in generating more valid data for the analysis.

4. Result and discussion

The sociodemographic background of the respondents of the study is presented in Table 4.1. Male respondents dominate the study (about 72%), suggesting majority of the property owners are males. The finding is not consistent with the gender composition of the District (see Ghana Statistical Service, 2014).

However, the finding is not surprising since culturally, inheritances are passed on to males in the Municipality. The survey shows that majority of the respondents (about 77%) are below 55 years. This may suggest majority of property owners in the Municipality are young people.

Only few respondents (about 19%) do not have formal education. At least (about 81%) of the respondents are literates with majority (about 43%) having tertiary education. This finding is also inconsistent with the education dynamic of the Municipality according to the Ghana Statistical Service (2014). However, in Ghana the more educated people have higher tendency to secure reasonably high paid jobs, this may have allowed majority of the educated people to mobilise funds to build properties in the Municipality as against the uneducated.

Table 4.1. Sociodemographic background of respondents

Variable	Frequency	Per cent
Gender		
Male	93	71.5
Female	37	28.5
Sub-total	**130**	**100.0**
Age (in years)		
25-34	20	15.4
35-44	64	49.2
45-54	16	12.3
55+	30	23.1
Sub-total	**130**	**100.0**
Highest education		
Non-literates	24	18.5
Basic	9	6.9
Secondary	41	31.5
Tertiary	56	43.1
Sub-total	**130**	**100.0**

Source: Field survey (2016)

Table 4.2 presents respondents perceptions about property tax. Respondents generally perceive that property tax is good for development. However, less than 1% of respondents have ever paid property rate. Almost all respondents (about 99.7%) have never paid property tax even though they largely believe the tax can argument development of the District. Majority of respondents (about 75%) perceive property tax as a nuisance tax that robes property owners to enrich politicians. Most of the taxpayers claim the District Assembly hardly implements any project of benefit to the communities that warrant the payment of property tax. Hence, the tax is perceived to be senseless and breeds corrupt tax officials.

On a whole, respondents have very negative perception about property tax, it is seen as a cheat even though they generally agree it can be useful in developing the District.

The findings suggest taxpayers may fiercely resist any attempt to levy them for owning properties, since they consider it as a cheat. The very bad perception respondents hold against property tax may be due to inadequate education and understanding about the purpose of and the utilisation of the tax collected. This finding however confirms Cabral and Hoxby (2012)'s assertion that property tax is one of the most hated forms of taxation globally.

Table 4.2. Respondent's perception about property tax

Variable	Frequency	Per cent
Property tax is good for development		
Completely agree	70	53.9
Somewhat agree	58	44.6
Somewhat disagree	2	1.5
Sub-total	**130**	**100.0**
Property tax enriches politicians		
Completely agree	6	4.6
Somewhat agree	92	70.8
Uncertain	12	9.2
Somewhat disagree	13	10.0
Completely disagree	7	5.4
Sub-total	**130**	**100.0**
Property tax is not used for any visible project in my locality		
Completely agree		
Somewhat agree	10	7.7
Uncertain	25	19.2
Somewhat disagree	85	65.4
Sub-total	10	7.7
	130	**100.0**
Property tax is a way of robbing property owners		
Completely agree	15	11.5
Somewhat agree	61	46.9
Uncertain	53	40.8
Completely disagree	1	.8
Sub-total	**130**	**100.0**
Property tax encourages corruption		
Completely agree	27	20.8
Somewhat agree	94	72.3
Uncertain	9	6.9
Sub-total	**130**	**100.0**
Overall impression about levying of property tax		
It is useful	55	42.3
It is a cheat	71	54.6
It is fair	4	3.1
Sub-total	**130**	**100.0**

Source: Field survey (2016)

5. Conclusion and recommendation

Based on literature reviewed and the findings emanating from data gathered, the study concludes that property taxes have the potential to add significant revenue to the internally generated funds of the Lawra Municipality. However, citizens' compliance for property tax in the Municipality is next to zero, mainly due to negative perceptions that have been formed about property tax in the Municipality due to lack of understanding of the property tax concept and lack of trust and confidence in tax administrators in the Municipality.

Based on the conclusions drawn, the study suggests that;

1. First and foremost the District Assembly as a matter of urgency should halt the implementation of the property levies and properly educate the citizens before resuming the implementation. The education should not be left in the hands of tax collectors but should be spearheaded by the Head of the Finance and Budgeting Unit with assistance from the Town and Country Planning. The education should be carried out in a form of stakeholders' forum, where all stakeholders including chiefs and opinion leaders will be involved. Stakeholders should properly be schooled on the need for the property tax, what it will be used for and legal frameworks backing the levies. The citizens should be allowed to ask questions pertaining to the tax.

After this, Chiefs and Assembly men/women in each village or community should be tasked to carry out the education and explain to other friends and family members the need for the tax. The Assembly should also advertise on the community radio on the need for citizens to pay property tax, this can be done in short plays broadcast periodically. Also Pastors and Imams should be encouraged to educate their congregations on the need for them to honour the new tax and the consequence involved if not honoured. The education process should last for at least six months, then the assembly can resume with the implementation. These may help change the bad perception and also reduce the rate of resistance and the refusal to pay.

References

Adem, M.N. and Kwateng, O.A. (2007), *Review of Real Property Tax Administration in Ghana*, Master of Science Thesis Number 381. Royal Institute of Technology, Stockholm, Sweden.

Adu-Gyamfi, E. (2014), "Effective Revenue Mobilisation by Districts Assemblies: A Case Study of Upper Denkyira East Municipal Assembly of Ghana", *American Research Institute for Policy Development,* Vol. 2 No. 1, pp. 97-122.

Ahwoi, K. (2010), *Local Government and Decentralisation in Ghana*. Unimax Macmillan, Accra.

Anderson, N.B. (2006), "Property tax limitations: An interpretive review", *National Tax Journal*, Vol. 59 No.3, pp. 685–694.

Armah-Attoh, D. and Awal, M. (2013), 'Tax Administration in Ghana: Perceived Institutional Challenges", Afrobarometer Briefing Paper No. 124.

Ayee, J.R.A. (1992) “Decentralization and effective government: the case of Ghana's district assemblies”, *Africa Insight,* Vol. 22, pp. 49–56.

Ayitey, J.Z., Kuusaana, E.D., and Kidido, J.K. (2013), “Potential and Hurdles in Property Rating in Ghana: Evidence From The Wa Municipality”, *The Ghana Surveyor,* Vol. 5, No. 1.

Ayodele, O. (2006), “*Tax Policy Reform in Nigeria*”, World Institute for Developmental Economic Research (WIDER) Research Paper, Vol. 2006/03.

Bahl, R. (2009), “Property Tax Reform in Developing and Transition Countries, Fiscal Reform and Economic Governance Project”, United States Agency for International Development, USA.

Bahl, R. and Martinez-Vazquez, J. (2008), The Determinants of Revenue Performance. In R. Bahl, J. Martinez-Vazquez and J.M. Youngman (eds.), Making the Property Tax Work Experiences in Developing and Transitional Countries, Cambridge, Mass, Lincoln Institute of Land Policy, pp. 35–57.

Bahl, R., Martinez-Vazquez, J. and Youngman, J.M. (2010), *Whither the Property Tax: New Perspectives on a Fiscal Mainstay*. In R. Bahl, J. Martinez-Vazquez, and J.M. Youngman (eds.), Challenging the Conventional Wisdom of the Property Tax, Cambridge, Mass, Lincoln Institute of Land Policy, pp. 3–14.

Bhattacherjee, A. (2012), *Social Science Research: Principles, Methods, and Practices, 2nd edition*, University of South Florida, Tampa, Florida, USA.

Bird, R, M. and Slack, E. (2007), *Taxing land and property in emerging economies: raising revenue…and more.* In Land policies and their Outcomes, eds. Gregory K. Ingram and Yu-Hung Hong, Cambridge, MA: Lincoln Institute of Land Policy, pp. 204-233.

Boamah, N.A. (2013), “Constraints on Property Rating in the Offinso South Municipality of Ghana”, *Commonwealth Journal of Local Governance*, Issue 13 Vol. 14.

Cabral, M. and Hoxby, C. (2012), “The Hated Property Tax: Salience, Tax Rates, and Tax Revolts”, National Bureau of Economic Research Working Paper 18514, 1050 Massachusetts Avenue Cambridge, MA 02138.

Carlson, R.H. (2004), “*A Brief History of Property Tax”*, A paper presented to IAAO Conference on Assessment Administration in Boston, Massachusetts, on September 1, 2004.

Creswell, W.J. (2014), *Research Design: Qualitative, Quantitative and Mixed Methods Approaches 4thd ed.* SAGE Publications, Inc. 2455 Teller Road, Thousand Oaks, California 91320.

Fjeldstad, O., Chambas, G. and Brun, J. (2014), “Local Government Taxation in Sub-Saharan Africa: A Review and an Agenda for Research”, ICTD Working Paper 2014:7. International Centre for Tax and Development: Brighton.

Fjeldstad, O.H. and Heggstad K.H. (2012), “Local Government Revenue Mobilisation in Anglophone Africa”, ICTD Working Paper 2012:7. International Centre for Tax and Development, Brighton.

Fjeldstad, O.H. and Heggstad, K.H. (2011), “The Tax System in Mozambique, Tanzania and Zambia: Capacity and Constraints”, CMI Report R 2011:3. Chr Michelsen Institute, Bergen.

Fjelstad, O. and Moore, M. (2009), “Revenue Authorities and Public Authority in sub-Saharan Africa”, *Journal of Modern African Studies,* Vol.47 Issue 1, pp.1-18.

Franzsen, R.C.D. (2003), "Property taxation within the Southern African Development Community (SADC) Current status and future prospects of land value taxation in Botswana, Lesotho, Namibia, South Africa and Swaziland", CMI Working Papers. No 25141, Cambridge, MA, Lincoln Institute of Land Policy.

Friedrich-Ebert-Stiftung. (2010), *A Guide to District Assemblies in Ghana*. Accessed from www.fesghana.org 14/05/16.

Ghana Statistical Service (2014), *2010 Population and Housing Census, District Analytical Report-Lawra District,* Ghana Statistical Service Accra.

Government of Ghana (1988), *The Local Government Law*, 1988, PNDCL, 207.

Government of Ghana (1992), *Constitution of the Republic of Ghana*, Accra.

Government of Ghana (1993), *Local Government Act*, 1993, Act 462.

Government of Ghana. (2011), Metropolitan, Municipal and District Assemblies *Accounting, Manual,* Government of Ghana-Accra.

Haruna, J.A. (2007), *Effective Administration of Property rates in Ghana. A case study of Cape Coast Municipal Assembly,* A Dissertation presented to the Department of Land Economy in partial fulfillment of the requirements for the award of BSc. (Hons.) Degree in Land Economy.

Jacobs, A. (2012), "Status of Recent Tax Reform in Jamaica and Benchmarking Tax System Performance", Hinsz, S., *Detailed Guidelines for Improved Tax Administration in Latin America and the Caribbean*, USAID Leadership in Public Financial Management, Washington DC, pp.22-91

Kelly, R. (2013), "Making the Property Tax Work", International Center for Public Policy, Andrew Young School of Public Policy, Georgia State University, Working Paper 13-11.

Kessey, K.D. (2014), "Decentralized Governance from the Perspective of Internally Generated Revenue for Local Development Finance: Analysis and Practice", *Journal of Empirical Economics.,* Vol. 3, No. 3, pp. 184-192.

Kidd, M. and Crandall, J.W. (2006), "Revenue Authorities: Issues and Problems in Evaluating Their Success", International Monetary Fund Working Papers. 06.

Lawra Municipal Assembly (2015), *The Composite Budget of the Lawra Municipal Assembly for the 2015 Fiscal Year,* download from www.mofep.gov.gh or www.ghanadistricts.com 12/04/16

Nightingale, K. (2002), Theory and Practices of Taxation, Financial Times/Prentice Hall Publication, UK.

Nkrumah, S.A. (2000), "Decentralisation for Good Governance and Development: The Ghanaian Experience", Regional Development Dialogue, Vol. 21 No. 1, pp. 61.

Olowu, D. (2002), "*Property Taxation and Democratic Decentralization in Developing Countries",* Paper for Seminar on 'Taxation Perspectives: A Democratic Approach to Public Finance in Developing Countries' Institute of Development Studies, Sussex, October 28-29, 2002.

Petio, M.K. (2013), "Role of the Land Valuation Division in Property Rating by District Assemblies in Ghana's Upper East Region", *Commonwealth Journal of Local Governance,* Issue 12.

Pulse, D. and Kamenov, A. (2013). Detailed Guidelines for Improved Tax Administration in Latin America and the Caribbean, *USAID Leadership in Public Financial Management (LPFM)*.

Slack, E. (2011), "The Property Tax – in Theory and Practice. IMFG Papers on Municipal Finance and Governance", Institute on Municipal Finance and Governance, Munk School of Global Affairs, University of Toronto-Canada.

Slack, E. and Bird, R. (2014), "The Political Economy of Property Tax Reform", OECD Working Papers on Fiscal Federalism, No. 18, OECD Publishing. Available at http://dx.doi.org/10.1787/5jz5pzvzv6r7-en

Tahiru, F., Agbesi, S. and Osei-Owusu, A. (2014), "Investigating The Challenges In Revenue Collection Process: The case study of Ghana AMA property rate collection", *International Journal of Innovation and Scientific Research,* Vol. 11 No. 2, pp. 566-576.

Yasui, T. (2010), "Cooperation between Customs and Tax Administrations: Lessons Learned from Revenue Authorities", World Customs Organisations Research Paper No.5

Youngman, J. and Malme, J. (1994), *An International Survey of Taxes on Lands and Buildings,* Kluwer Academic Publishers, Deventer and Boston.