ABSTRACT

The study work entitled the contribution of import taxes on government revenues in Rwanda. In Rwanda, some tax payers avoid import taxes through illegal ways, which lead to tax avoidance or the import tax avoidance by escaping tax collectors on customs in many ways. This has a negative impact on the Rwanda economy because the taxation is not only a convenient method of rising revenues but also to way to fund government expenditures and facilitate the development of the country. The general objective of the study was to identify the contribute in import taxes on government revenues in Rwanda and specific objectives were; to determine the effectiveness of Kanyaru boarder in collection of import taxes, to identify strategies and measures taken by Kanyaru border's Staff for increasing import taxes collection, to analyze the levels of import tax levied on Kanyaru border on government revenues. Primarily, the research used methodology, this covered the Interview and questionnaires were used to collect data. The research design adopted was a case study design, this case study utilized descriptive approach to allow the respondents to answer and explain the issues they were familiarly with. Primary and secondary data were collected. Qualitative and quantitative data were analyzed, for secondary data as well as existing literature in the text books, RRA annual reports, magazines were used, and the collected data were presented in statistical tables, analyzed and interpreted in line with the objectives to have meaningful information. From the analysis and interpretation of the data, basing on first objective of the study, the findings of the study revealed that the principles of the taxes are put into consideration during tax administration, the respondents strongly agree on this statement as far as Rwanda taxation being efficient. The research also revealed that the level of contribution of import taxes on government revenues goes hand in hand with the contribution of taxes, this was revealed by the respondents who highlighted that taxes play a big role in poverty reduction, supporting GDP, and helps to support government obligation including state securities, setting up and running up of and developmental project other public utilities as indicators development taxes form an important role in fiscal policy of any government in many countries developed or undeveloped. According to tax officials, the decrease was due to increase of RRA staffs, regional cooperation, penalizing defaulters through heavy fines and interests and restructuring tax administration. Taxpayers on the other hand are not contented about the amount of taxes they pay. Taxes play important duties like supporting national budget, protection for home industries, basing on the findings and secondary data RRA such should put much effort in fighting smuggling and should reduce inform sector to increase tax base.