

# **Determinants of Revenue Collection of the Local Authorities in Trincomalee**

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All Local Authorities (LA) have collected revenue to meet their budgetary obligations. However, the LA are unable to provide vital services to public as revenue collection is poor. Therefore, it is essential to identify determining factors of revenue collection in the LA. The objectives of the study were; to identify the effectiveness of computerized application in revenue collection of LA in Trincomalee, to identify the effectiveness of revenue monitoring and evaluation systems of LA in Trincomalee, to identify the effectiveness of revenue collection mechanism of LA in Trincomalee, to identify the level of complaint handling related to revenue collection of LA in Trincomalee and to examine the significant difference among the LA pertaining to revenue collection in Trincomalee. The target population of the study was employees of the LA in Trincomalee. Random sampling technique was applied to select respondents from the various departments of LA. Data were analyzed by Univariate Analysis and ANOVA using SPSS. The findings of the study revealed that Assessment Tax is the main sources of revenue. Further, study shown that computerized applications as well as revenue monitoring and evaluation systems in revenue collection of LA were low level whereas revenue collection mechanism and complaint handling were moderate level in the LA. Result of ANOVA indicated that there is no statistically significant difference pertaining to revenue collection in the LA. It was concluded that above factors are not accurately managed to collect revenue by all LA in Trincomalee. The study recommended that all revenue collection systems should be computerized and staff should be trained to properly collect the revenue of the LA.

*Keywords:* Local authority, Revenue collection, Computer application, Monitoring mechanism