Title: The Effects of Company Income Tax on Dividend Policy of Firms in Nigeria.
Author(s): Olubukunola, Uwuigbe & Olowe, Olusegun.
Outlet: OECONOMICA, Vol 9, no 1, pp. 79-90
Date of Publication:  
Abstract: This study examined the effects of company income tax on the dividend policy of firms in Nigeria. To achieve the objective of this study, a total of 40 listed firms in the Nigerian stock exchange market were selected for the study using the judgmental sampling technique. Also, the Central Bank of Nigeria Statistical Bulletin and the corporate annual reports for the period 2006-2010 were used for the study. This paper basically modeled the effects of company income tax on the dividend policy of firms in Nigeria using the regression analysis method. The study as part of its findings observed that there is a significant positive relationship between the company income tax and the dividend payout of the sampled firms in Nigeria. Consequently, the paper concludes that a change in corporate income tax rate will significantly affect the dividend policies of the sampled firms operating in Nigeria.