An Examination of the Laws on Tax Reliefs and Exemption In Nigeria: The Status Of Non-Governmental Organizations

BY
1 Dr. M. K Adebayo  
2 Barr Bunu M. Abubakar  
3 Dr. Zainab Gimba
1,2 Department Of Private Law, Faculty Of Law, University Of Maiduguri, Borno State, Nigeria  
3 Department Of Public Administration, Faculty Of Management Sciences, University Of Maiduguri, Borno State, Nigeria

Abstract: Tax, simply is a charge imposed by governmental authority upon property, individual, or transaction, to raise money for public. Generally, tax is assessed in accordance with some reasonable rules of apportionment on persons or property within the tax jurisdiction. However, the benefits of contribution are not necessarily to be enjoyed contemporaneously or proportionately to contributions by individuals. Both the Personal Income Tax Law and the Companies Income Tax Act, exempt from taxes certain categories of individuals based on selected criteria and profits of companies engaged in certain public benefit activities such as ecclesiastical, educational or charitable, so long as the profits are not derived from trade or business undertaking. Profits of companies established to promote sporting activities are also exempted. The purport of this paper is to draw attention to the reawakening concept of tax reliefs and exemptions under Nigeria’s current dispensation and tax policies. The aim is to clear some doubts and misgivings about the status scope, nature, and objectives of tax exemption concept.

I. Introduction

Nigeria’s current fiscal framework is characterized by a relatively high general taxation coupled with generous incentives for sector activities. Along with the sheer complexity of the tax system, especially at the state and local levels, where business report a multiplicity of taxes and a degree of arbitrariness in how taxes are announced, levied and collected which gives rise to inefficiencies and confusion. It leads to unhelpful discrimination between tax payers i.e between individuals and corporate sole.1

In September, 2007, the President (Late Musa Ya’ar’dua) established a Presidential Committee on the review of incentives, waivers and concessions. Its role is to analyze the existing tax and incentives policy among others, and recommend any improvement required to better achieve the Government Fiscal Objectives. The incorporation of the feedback received on the draft submitted by the Committee was published in the final version of the report. Based on the fiscal study of the impact of the proposal contained in the report, a new fiscal framework was prepared and introduced into the budget.2

Personal relief and allowances are amounts allowed as free from taxes each year. They are intended to give some relief to taxpayers according to the individual’s responsibility and circumstances. These amounts are deductible from taxpayers’ gross income before arriving at the taxable income. The amounts are fixed by the government and are subject to changes.3

The taxpayer is required to make a claim for relief before the relevant tax authority will grant it, this is because individual taxpayers have unique peculiarities depending on individuals’ responsibilities and circumstances and may not be equitable to work on assumption.

Tax Laws And Exemptions

Nigeria is a Federal Republic; therefore, the country’s legal system is based on the English Legal tradition. The law governing voluntary not for profit organizations in Nigeria, is a byproduct of the English common laws. Statutory law governs the creation of a not for profit companies. Others not profit organization, such as unincorporated associations, charitable, charitable trust, friendly societies, political parties, and trade unions also exist in Nigeria.

Nigerian companies are taxed under the Companies Income tax Act (CITA). The Companies Income Tax Act, exempt from tax the profits of companies engaged in certain public benefits activities, so long as the profits are not derived from trade or business undertaking. Profits of companies established to promote sporting

2 Ibid.
activities are also exempted. Nigerian companies may also make tax deductible donations to certain public benefit organizations that are listed in the Fifth Schedule to the Companies Income Tax Act.

The relevant laws on tax exemption are the Constitution of the Federal Republic of Nigeria, 1999; Companies and Allied Matters Act; Companies Income Tax Act; Criminal Code; and Federal Inland Revenue Service (Establishment) Act, 2007.

An association of persons, which appoints one or more trustees and pursues registration under Part C of the Companies and Allied Matters Act, is called incorporated trustees. Upon registration, the trustees become a body corporate with a perpetual succession as well as the power to sue and be sued. There are essentially two forms of association with incorporated trustees. The first form occurs where the trustees are appointed by any community of persons bound together by customs, religion, kinship or nationality. The second form is identified by the fact that the trustees are appointed by anybody or association of persons established for any religious, educational, literary, scientific, social, development, cultural, sporting, or charitable purpose.

Also, a Company Limited by Guarantee is formed for the promotion of commerce, art, science, religion, sports, culture, education, research, charity, or other similar objects. The income and property of the company is applied solely towards the promotion of its objects. No portion of the company’s income or property may be paid or transferred directly or indirectly to the members of the company except as permitted by the Companies Allied Matters Act.

The activities listed in the Companies Income Tax Act for the purposes of tax exemption and deductibility of donations indicate which types of activities are considered to be of public benefit. These may include: ecclesiastical, charitable, educational, or sports. The Taxies and Levies (Approved List for Collection) Act 1998 No. 21 is the most comprehensive and authoritative legislation on taxes that can be collected by each level of government.

In Nigeria, certain types of income are exempted from income tax. The exempted income includes the profit of any company engaged in ecclesiastical, charitable or educational activities of a public character in so far as such profits are not derived from trade or business carried on by such company; and the profits of any company formed for the purpose of promoting sporting activities where such profits are wholly expendable for such purposes.

It should be noted that the Federal Inland Revenue (FIRS) recently issued guidelines stating that all Non-Governmental Organizations (NGO’s) are expected to register with the nearest Integrated Tax Office (ITO) of FIRS with the following documents: i) a copy of registration certificate issued by the Corporate Affairs Commission (CAC), ii) certified copy of Memorandum or Constitution, Rules and Regulations governing the NGO, iii) list and profiles of the Trustees/Board members nominated; one of the Trustees/Board member must be serving government official responsible for the activity of the NGO; iv) copy of the current Tax Clearance Certificate of each of the Trustees.

It is mandatory for every NGO to file a tax return every year at the Integrated Tax Office where it was registered. An NGO seeking clarification on its tax exemption status can direct its inquiry to the Integrated Tax Office where it was registered. The laws of Nigeria do not provide for the deductibility of donations made by individuals to Nigerians for non-profit organizations. A tax benefit in the form of an allowable deduction is available to any Nigerian company that makes a donation to certain Nigerian funds and institutions. Specifically, the amount of any donation made by a company to any of the Nigerian specified in the Fifth Schedule of Companies Income Tax Act may not be deducted. The amount of deduction for any year of assessment may not exceed 10% of the total profits for the company during that year.

The Council of Ministers may alter this limitation on the amount of the deduction by an Order in the Federal Gazette. The Finance Minister is empowered to amend the listing in the schedule in any manner whatsoever.

---

5 Companies and Allied Matters Act, Cap C 20 L F N 2004 Vol.3
7 Criminal Code Act, Cap C 38 L F N 2004 Vol. 4
8 Federal Inland Revenue (Establishment) Act, 2007
9 Section 673 of the Companies and Allied Matters Act, 1990.
10 Section 26(1) of the Companies and Allied Matters Act, 1990
11 Section 19(1) (c) and (d) of the Companies Income Tax Act
12 Ibid Section 23(1) (c) and (d)
15 Section 25(3) of the Companies Income Tax Act.
16 Ibid.
17 Ibid. Section 25(3).
Types Of Tax Relief And Allowances

Personal allowance/earned income:- this is defined as income derived from trade business profession, vocation, or employment carried on or exercised by an individual and the pension derived by him in a previous employment.\textsuperscript{18} The chargeable earned income of an individual include gains of a profit, business, profession, or vocation, salary, wages, fees, allowances, gains or profits from employment including compensation, bonuses, premiums, benefits or other prerequisites allowed, given or granted by any other person to an employee other than reimbursable, pension charge or annuity;

Children allowances is also available to taxpayer that maintained a child in the year preceding the year of assessment. The child must however be unmarried and maintain by an individual during the year preceding the year of assessment, and provided too that on the first day of the preceding year, he had not been sixteen years of age or was schooling. The tax payer is expected to furnish to the relevant authority through completed form information about the full name of the child, date of birth, name and address of educational establishment which each child attends;

Dependant/Relative Allowance:- a taxpayer is entitled to claim an allowance on the amount spent on his or her close relative in the year preceding the year of assessment. A close relative is defined to include that of an individual taxpayer or of the individual spouse who was either incapacitated by old age or infirmity from maintaining himself or is the widowed mother, provided the relative do not have an income in the year preceding the year of assessment in excess of N600.\textsuperscript{19}

Life Assurance Premium Allowance:- there is also an allowance given to an insurance policy taken on the life of the taxpayer or his/her spouse. The allowance in the case of life assurance policy is fixed i. e 10% in the case of capital sum assured; 20% of the total sum; actual premium paid in the preceding year, and maximum sum of N20,000=k on life assurance policy. A tax relief will be granted on the contribution made by the employee to pension scheme approved by the Joint Tax Board. The aggregate allowance relief of taxpayer can obtain on contribution to an approved pension scheme is N5,000=k.\textsuperscript{20}

Allowance for Pension On Self Employed Individuals:- tax relief shall be granted to an individual in self- employment on premium paid to any insurance company in respect of pension or annuity. The maximum tax relief is limited to 10% of self employed total income. This is in addition to tax relief on premium paid in the preceding year on his life assurance policy. This may be to motivate more taxpayers to participate in a life assurance policy with the resultant boost to the insurance industry.\textsuperscript{21}

Partially Taxable Allowance:- the following allowances are not taxable where they fall within the statutory allowable limit.\textsuperscript{22} for instance, transport allowance and housing allowance.

Retirement Gratuities:- these are lump sum payments made to a person as a terminal benefit by his employer in respect of services rendered by him under a contract of service with the employer.\textsuperscript{23}

Allowance on Mortgaged Interest:- equally too, an employee is entitled to claim relief on interest paid on mortgage on owner occupier residential house. The amount allowable is the actual amount of interest paid in the preceding year.

There is also annual membership fees paid to recognized professional institutions. The Personal Income Tax Law is salient on whether or not a relief should be granted on subscription paid to a professional association. In practice, tax relief is normally granted on the production of a demand note or receipt.\textsuperscript{24}

Allowance on Equity Investment in Research and Development Company:- the amount invested by an individual in any company is specifically floated for research and development activities is regarded as an allowance against the tax payers statutory total income.

Allowable Deductions:- these are deductions made from the employee remuneration that are considered as allowances against the employee’s total income for instance, contributions made by the employee to National Social Insurance Trust Fund (NSTIF); contributions made by the employee to National Housing Fund (NHF); and National Health Insurance Scheme (NHIS).

Reliefs for losses in Business:- Section 36 of the Personal Income Tax Act 1993 provide for reliefs in respect of the amount loss incurred by the individual during the year of assessment in any trade, business, profession, or vocation, provided that written claim is made within the year following the year of assessment; or the amount of loss incurred by the individual in any trade, business or profession, vocation

\textsuperscript{18} Section 3 of Personal Income Tax Decree No. 104 1993.
\textsuperscript{19} Ibid.
\textsuperscript{20} Ibid.
\textsuperscript{21} Ola, C.S op. cit p149
\textsuperscript{22} Ibid
\textsuperscript{23} Ibid at p.151
\textsuperscript{24} Ibid
during any year preceding the year of assessment which has not been deducted from the total assessable income of an earlier year. \(^{25}\)

This provision limits loss relief generally to losses incurred in a trade, business, profession, or vocation. Losses have the tax effect of reducing assessable income of a year or future years to nil or reducing such assessable income substantially and therefore reducing the tax payable substantially or to nil. \(^{26}\)

The allowable losses must arise from the carrying on a trade, profession and so on, the loss must also be incurred during the year of assessment; and apportionments of figures for successive accounting period may therefore be inevitable, the loss must be computed in the same way as profits.

**Position Of Non-Resident In Nigeria**

The Federal Inland Revenue Service Information Circular\(^ {27}\) was issued for the information of the general public and in particular all tax payers. The purpose of the Circular was to provide a general description of the application of the Nigerian tax laws to non-residents and in particular the extent of their liability to Nigerian taxes, as well as the payment procedure.

The concept of residence determines the extent to which the income of a taxpayer is liable to tax under a tax jurisdiction. In Nigeria, a resident person (individual or corporate) is assessable on the global income. This means that the taxpayer is liable to tax on the income or profits accruing, derived, brought, or received in Nigeria. It also determines the scope of deductions that may be allowed for the purpose of computing an individual’s chargeable income. For instance, only residents may claim children’s allowance, dependants’ allowance and life assurance allowance. \(^{28}\)

A non-resident individual for the purpose of the Circular is a person that is not domiciled in Nigeria for less than 183 days, but derives income or profits from Nigeria. A non-resident individual becomes liable to tax from the day he commences to carry trade, business, vocation, or profession in Nigeria. However, he is liable to tax in respect of employment income when he becomes resident. \(^{29}\)

There is also a non-registered company or corporation. These are companies or corporations not registered in Nigeria, but which derives income or profits from Nigeria. It should be noted that exemption from income does not confer exemption from payment of tax on any company. Every company, resident or non-resident, is liable to tax in Nigeria if its income is liable to tax under the provisions of the Companies Income Tax Act. It is also to be pointed out that the Nigerian taxes do not exempt the income of a branch company from tax. \(^{30}\)

The tax laws of some countries i.e (Ghana, United Kingdom), regard a branch company as resident, for tax purposes, in the same country as the parent company and therefore exempt the income of branches from tax Law. A Nigeria branch of a foreign company is treated as a corporate entity under the law of the land and any income or profit derived by it be treated as a corporate entity under the law of the land and any income or profit derived by it from Nigeria is taxable. The only exemption where a branch may not be so treated is, if the branch is used solely for the storage or display of goods or merchandise; and if the branch is used solely for the collection of information. \(^{31}\)

Under the old law, the liability to the Nigerian tax on the income from a trade or business of a non-resident company or individual in Nigeria was treated to that portion of the income attributable to the operations performed in Nigeria. The government of the day is in favour of encouraging foreign investment and has therefore decided to state clear and in specific terms which activities of a non-resident company and individual would attract Nigerian tax and to what extent. Perhaps, the pertinent question to ask are:- does the corporation have a fixed base in Nigeria; does the corporation operate in Nigeria through a dependent agent authorized to conclude contracts or deliver goods or merchandise on it’s behalf; is the corporation executing a turnkey project; or is the operation between the corporation and its Nigerian subsidiary at arm’s length. \(^{32}\)

**The Position Of Non-Governmental Organization’s Revisited**

It is the character of an organization, especially the fact of registration and the type of activities embarked upon that determine the tax law applicable to particular a N.G.O’s in Nigeria. Under the Company Income Tax Act, a company is defined as any company or corporation other than a corporation sole established or under any law in force in Nigeria or elsewhere. Section 9 of the Company Income Tax Act, imposes a tax on
the profit of any company accruing in, derived from, brought into or derived in Nigeria in respect of any trade or business, rent or any premium arising from of a property, dividends, interest, discount, charges, or annuities, fees, dues, and allowances for services rendered, and any other source of annual profits.33

Section 19 of the Company Income Tax Act exempts from tax fourteen types of income prime most are seven viz:- a) the profits of any statutory or friendly society, in so far as such profits a not derived from a trade or business carried on by such society; b) the profit of any company being a cooperative society registered under any enactment or law relating to cooperative societies, not being profits from any trade or business carried on by that company other than cooperative activities solely carried out with its members or from any share or other interest possessed by that company in a trade or business in Nigeria carried on by some other persons or authority; c) the profits of any company engaged in ecclesiastical, charitable, or educational activities of a public character in so far as such profits are not derived from a trade or business carried on by such company; d) the profits of any company formed for the purpose of promoting sporting activities where such profits are wholly expendable for such purpose; e) the profits of a company being a trade union registered under the Trade Unions Act in so far as such profits are not derived from a trade or business carried on by such trade union; f) interest received by a company from the Federal savings Bank (defunct); g) dividends derived by a company from another company incorporated in Nigeria.34

Accordingly, except to the extent that they receive any profit derived from trade or business. Most registered NGOs are exempted from tax. In other words, NGOs to which these provisions apply can engage in trade or business provided that they will enjoy tax exemption only in respect of their income from outside of trade or business. Unregistered NGOs do not enjoy this exemption. Most registered NGOs, it appears, can persuade the tax authorities that they come within the purview of paragraphs (a) or (c) or (d) above. If they can, then they are exempted automatically. If they cannot, they may still be able to apply to the National Council of Ministers for an order under section 19(2) to exempt them from all or any profits/tax from any source.35

In respect of exemption from state and local income taxes, the applicable state law or local government bye-law may provide for an exemption for NGOs. For instance the state Commissioner in Lagos State may by notice reduce or remit any stamp duty or fee for registration of instrument payable by all or any cooperative society.36 Equally, in respect of Value Added Tax (VAT), certain goods and services are exempted from payment of VAT. For instance, goods like medical and pharmaceutical products, basic food items, books and educational materials, newspapers and magazines, baby products, commercial vehicles and spare parts, fertilizer, agricultural and veterinary medicine, farming machinery and equipments, and their exports.37

The exempted services are; medical services, services rendered by Community Banks and Mortgage Institutions, plays and performances conducted by educational institutions as part of learning and all exported service. The effect is that NGOs are not as an organization, exempt from payment of VAT since the tax is not on person, but goods and services supplied. Whether or not they will pay VAT depends on the goods or services they will buy or sell. The tax is computed at a flat rate of 5% on the value of all taxable goods and services.38

Furthermore, by virtue of Section 5 and the Second Schedule to the Customs, Excise and Tariff, Etc (Consolidation Act),39 certain goods are exempted from import duties. For instance, goods accepted by the Finance Minister as “necessary and appropriated for equipping the, members of a voluntary organization which is not profit making, enjoys international recognition and is approved by the Minister where he is satisfied that adequate arrangements have been made for the legitimate use of the goods are necessary and appropriate for the successful prosecution of the aims and objectives of the organization. Also, goods approved by the Finance Minister for donation to charity where he is satisfied that the goods are provided or donated on humanitarian grounds and if the donor is either an established body recognized by the Government of the country of the place of establishment; or a person or body approved by the Federal Government of Nigeria or approved by a person authorized by the Government in that behalf.40

Import duty exemption can only be enjoyed in these instances if the NGO is able to persuade the Finance Minister. It is open to any organization that is not darling of bureaucracy. It is should be noted that no statutory procedure is prescribed for claiming this exemption. Also there are no rules to prevent the possible abuse of the exemption through the re-sale of the goods imported duty free.41

34 Section 19 Companies Income Tax Act
35 Iheme, E op. cit
36 Section 32 of the Cooperative Societies Law 1936 of Lagos-State
37 Section 3 and Schedule 3 of the Value Added Tax Act, 1993.
38 Iheme, E op. cit.
40 Iheme, E op. cit.
41 Ibid.
Tax benefit, in form of an allowable deduction, is available to any Nigerian company that makes a donation to any of a more or less closed category of Nigeria funds and institutions. Section 21 and the Fifth Schedule provided that; for the purpose of ascertaining the profits or loss of any, the amount of any donation made by that company to any of the Nigeria funds and institutions specified in the Fifth Schedule shall be deducted. The institutions include any government recognized educational institution, any government owned hospital and several NGOs. The Finance Minister is however empowered to amend the listing in the Schedule in any manner whatsoever. No legal limits are placed on the amount of donation that may made by a company to an organization.

On capital transfer tax in respect of endowments or gifts inter-vivos, or on death, Nigeria law offers no relief to NGOs. There seem to be no statutory provision that exempts NGOs earnings on endowment from taxation. There seem also to be no statutory provision that precludes the NGOs from investing in endowment in majority ownership of business. Dividends accruing from such investments are taxable under Section 19 of the Companies Income Tax Act 1979 (as applicable).

Taxes on real estate are determined by state legislation and local government bye-law. For instance in Lagos-State, under the Entertainment Tax Law of Lagos-State, there is an exemption for places of entertainment owned by the NGOs. Section 5 of the Law provides that; tax under this Law shall not be charged on any payment for admission to a place of entertainment if the Director-General on application to him in writing is satisfied that the net proceeds are to be devoted to philanthropic or charitable purposes; or that the entertainment is of wholly educational in character; or that the entertainment is provided for artistic, literary or scientific purposes by a society, institution or committee not conducted or established for profit; or that the entertainment is an agricultural, horticultural or poultry exhibition held under the auspices of a society or association approved by the Executive Council; or that the entertainment is provided by or on behalf of a school or other educational institution, and the school or institution is not established for profit, and the entertainment is provided for the sole purpose of promoting some object or for the benefit of the school or institution.

Application for approval to the Director — General shall be in writing addressed to him in his official capacity. Although the decision of the Executive Council is stated to be final, by the rules of common law and by our constitution that does not suffice to oust that jurisdiction of the court for purpose of judicial review. Also under the Local Government Law, exemption from assessment for and payment of tenement rates is given for premises occupied by charitable institutions, place of religion and educational institutions certified by the state Commissioner responsible for education to be non-profit making.

The question is, to what extent can Nigerian, NGOs engage in commercial or economic activities? For unregistered NGOs, there is no restriction; they may fully engage in these activities. The clear terms of Section 26(1) of the Company and Allied Matters Act, in requiring that a company limited by guarantee apply its income and property solely towards the promotion of its object, which must be the promotion of arts, commerce, science, religion, religion, sports, culture, education research, charity or other similar objects.

These imply that an NGO registered as such cannot engage in commercial or economic activities. NGOs with incorporated trustees are not under a similar statutory bar. They may therefore engage in these activities. If they choose to go into these areas, there are no statutory provisions that stop them from doing business directly or through a for-profit subsidiary. Incomes from such activities are subject to tax and there are no tax rules. In this respect which distinguishes between commercial or economic activities related or unrelated to the core objects of NGOs.

II. Conclusion

In the usual practice of professionalism, a tax payer may be exempted from tax under Personal Income Tax Act/Companies Income Tax Act. Any tax organization must be organized and operated exclusively for an exempt purpose. A tax exempt entity, may acquire a practice provided that such acquisition is consistent with its charitable purpose and is on an arm’s length, fair market value basis. Compliance with tax exemption requirements is essential both in determining the value to be paid to tax exempt organization. In order to be considered for tax relief or exempt, organization must serve a public rather than a private interest. However, the organization may confer a private benefit, as long as it purely incidental to the public benefit it serves.

For our tax system to be able to contribute its own quota to addressing the long term national objective of revenue maximization and financing of good quality education, technological based industries and political and economic stability, considerable attention should continue to be focused on the problem areas in our tax systems especially as it affects personal income tax reliefs and allowances. Though while accepting the fact that

42 Companies Income Tax Act (Supra)
43 Ibid.
44 Entertainment Tax Law of Lagos-State, 1993
45 Iheme, E op. cit.
our tax structure and administration is due for reform, the problems lie more with tax administration than the structural defects. Therefore, on a general note what our tax system needs is patriotism on the part of the government, tax officials and tax payers.

Furthermore, the Nigeria tax regime can rightly be described as draconian in some respects. This situation is further exacerbated by the largely bureaucratic manual tax administrators system rather than a technological driven approach ranging from tax legislation to administration and tax policy matter. The attempts will be to reduce ambiguity in the tax law and practice, correct unintentional errors, reform obsolete or out modeled provisions in the law, improve efficient tax collections and payment, and also to stimulate the economy and enable Nigerians to assume a more competitive position on the global stage.

Although, Nigeria has made some improvements to the tax system in the recent past, there is still a long way to go and the status quo is not an option. If taxes were to be are to be paid and collected effectively and fairly both in monetary and equitable terms for the benefits of all Nigerians much reforms should be carried out. For instance, without fully embracing technology it will be difficult to realize Nigeria’s dream of becoming one of the largest economies in the world by 20: 2020. Online filing and tax payment should be introduced to reduce the compliance time and the associated cost. It will also help reduce human interaction between the tax payers and the tax officials which could help in checking sharp practices, though this is being experimented.

Furthermore, Nigeria is one of the few countries in the world where it is fashionable to evade tax. The various structures which are required to work together to make tax evasion difficult are not properly coordinated. For instance it is possible for a company to register with the Corporate Affairs Commission without registering with the Federal Inland Revenue Service, when it could be one of the conditions in the company registration process. Enforcement of tax compliance should be given adequate attention and various government agencies should collaborate and share information to reduce tax evasion.

The Personal Income Tax Act (PITA), provides for a number of tax reliefs and allowances, but most of these are unrealistically low such as children allowance of ₦2,500 per child subject to a maximum of 4 children, utility ₦10,000, entertainment ₦6,000, transport allowance ₦20,000, rent allowance ₦150,000, meal subsidy ₦5,000, and dependant relative ₦2,000. Reliefs and allowances should be reasonable and in tune with current reality as much as possible. Allowances should be percentage of earnings rather than an absolute amount which has the risk of becoming unreasonable low with time due to inflation and slow reviews and amendments to tax laws in Nigeria.

It is difficult currently to obtain the necessary information required for tax compliance purpose even for entities willing to comply voluntary. Tax laws, guidelines, forms, information circulars, regulations, tax rulings, administrative procedures, tax treaties and so on, should easily be accessible to the public and freely available on the internet for instance on the websites of the Joint Tax Board, Federal Inland Revenue Service and States Tax Authorities.

Finally, tax touting which is most common especially at the Local Government level where unprofessional and untrained individuals are engaged to enforce collection of taxes and levies. Only professionally trained personnel should be involved in tax assessment and collection. The Joint Tax Board could explore the possibility of centrally recruiting , training and deploying personnel to collect taxes at Local Government level to ensure professionalism and reduce multiple taxation.

References

[1]. Companies and Allied Matters Act, Cap C 20 L F N 2004 Vol.3.
[4]. Cooperative Societies Law 1936 of Lagos-State
[5]. Criminal Code Act, Cap C 38 L F N 2004 Vol. 4
[7]. Entertainment Tax Law of Lagos-State, 1993
[10]. Federal Inland Revenue Service Information Circular No. 9302 of March, 1993

DOI: 10.9790/487X-17540410 www.iosrjournals.org 10 | Page