



The Nigerian Tax System

Repositioning ICAN for Impact

Taxation and Fiscal Policy Management Board

26 June 2018



Background and issue definition

Background

Nigeria lags behind the rest of the world in different areas and key indicators of a good tax system including:

- Obsolete tax legislation
- Professionalism in tax administration
- Tax policy implementation
- Ease of paying taxes
- Inter-agencies and subnational coordination
- Tax compliance
- Transparency and accountability

Issue definition

There is currently a significant gap in terms of a “rallying point” and a “force” to reckon with, that is unbiased and puts national interest first above all other considerations.

ICAN can and should play this role!

Some issues identified include:

- Being proactive rather than reactive
- Being coherent and consistent in terms of our messaging
- Leveraging on the resources we have especially our members
- Seeking strategic partnerships and alliances
- Influencing policies and promoting national development



Objectives

S/N	Strategic Priorities	Strategic Objectives
1	Influence the tax system positively in all key areas of tax policy, legislation, administration and adjudication	Relevance and Influence (RI)
2	Be a reference point and a voice for tax and fiscal policy matters in Nigeria and internationally	Thought Leadership (TL)
3	Set standards and guidelines for tax practice in collaboration with other relevant bodies.	Quality and Standards (QS)
4	Enhance members' value proposition through quality training, skills development programmes, recognition and practice protection	Members Value (MV)
5	Promote transparency and accountability in the tax system for the overall good of society	Public Interest (PI)



Action plan

S/N	Activity	KPI	Timeline	Responsibility
1	<p>Identify key stakeholders and partners:</p> <ul style="list-style-type: none"> • MoF, MoTI, MoBP, PEBEC • NASS, NILDS ... • FIRS, JTB, Customs • LIRS, FCTIRS, RSIRS ... • MAN, NECA, NESG, LCCI, NASME, FRCN, BIG4 firms ... • OECD, ATAF, WATAF, WB, IMF, TIWB, IFA ... • CITN, NBA ... • Judiciary (TAT, NJC) • Media (social media, broadcast and print) <p>Consider critical issues and areas of interest for engagement e.g. ERGP, Tax reform</p>	(RI)	July 2018	<p>Tax Faculty</p> <p>Secretariat</p>



Action plan

S/N	Activities	KPI	Timeline	Responsibility
2	<p>a) Set up a structure for regular publications for members and the public (online and print media)</p> <p>b) Consider research into key issues e.g. Tax Gap, Ease of Tax Compliance Index by States and LGs etc</p> <p>c) Joint ICAN/CITN media program e.g. Tax on radio, TV, social media etc</p> <p>d) Setup a Think Tank on global tax developments and impacts on Nigeria (BEPS, TIWB, Cooperative Compliance, etc)</p>	(TL)	<p>a) Dec 2018</p> <p>b) Dec 2018</p> <p>c) Oct 2018</p> <p>d) Oct 2018</p>	<p>a) Secretariat</p> <p>b) Faculty</p> <p>c) Faculty & Secretariat</p> <p>d) President</p>



Action plan

S/N	Activities	KPI	Timeline	Responsibility
3	<p>a) Initiate process to join the Nigerian Taxation Standards Board</p> <p>b) Initiate engagement with the Financial Reporting Council of Nigeria for capacity building in Tax Accounting and Reporting</p> <p>c) Develop standards and guidelines for tax practice in collaboration with other relevant bodies</p> <p>d) Develop a Tax Professional competency framework</p> <p>e) Develop framework for professional firms peer reviews</p>	(QS)	<p>a) July 2018</p> <p>b) July 2018</p> <p>c) Dec 2018</p> <p>d) Mar 2019</p> <p>e) Mar 2019</p>	<p>a) Faculty Chair & Council</p> <p>b) Council</p> <p>c) Tax Faculty Board & Council</p> <p>d) Faculty</p> <p>e) Faculty</p>



Action plan

S/N	Activities	KPI	Timeline	Responsibility
4	<p>a) Initiate engagements with FIRS, JTB and other tax administration bodies on recognition of ICAN members to practice tax</p> <p>b) Develop certification programmes for members and other professionals in key areas such as Transfer Pricing, International Taxation, Tax Policy & Administration etc.</p> <p>c) Create platforms for access to information for members, bulk subscriptions, and job opportunities</p> <p>d) Review ICAN Act to identify areas for amendment</p>	(MV)	<p>a) Aug 2018</p> <p>b) Dec 2018</p> <p>c) Mar 2019</p> <p>d) Mar 2019</p>	<p>a) Council / President</p> <p>b) Tax Faculty Board</p> <p>c) Tax Faculty</p> <p>d) Council</p>



Action plan

S/N	Activities	KPI	Timeline	Responsibility
5	<ul style="list-style-type: none"> a) Develop a template for tax revenue reporting based on global best practice b) Develop a standard / recommended Code of Tax Conduct for Tax Officers, Tax Practitioners, and Taxpayers c) Develop a Taxpayer Bill of Rights d) Tax whistleblowers framework e) Institute a credible annual tax awards to promote transparency and professionalism in taxation f) Conduct annual surveys about the tax system and relative ranking of tax agencies at federal, states and LGs. 	(PI)	<ul style="list-style-type: none"> a) Dec 2018 b) Dec 2018 c) Mar 2019 d) Mar 2019 e) Mar 2019 f) Mar 2019 	<ul style="list-style-type: none"> a) Faculty b) Faculty c) Faculty d) Faculty e) Council f) Council / Secretariat



Next steps and key asks

1. Consideration and approval of this plan by Council
2. Review the composition and mandate of the Taxation and Fiscal Policy Management Faculty Board
3. The joint meeting of Faculty Boards should be more regular (at least once every quarter) and should have face-time with Council
4. Strengthen the Secretariat and support systems to ensure better effectiveness
5. Consider employing a dedicated tax resource to drive the tax strategy
6. Review strategy and update at least once every 3 years
7. Review credit hours award for seminars consistent with MCPE
8. Approve participation in certification programmes by non-ICAN members