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PROSPECTS OF ELECTRONIC TAXATION JURISPRUDENCE IN NIGERIA*

By

IKENGA K.E. ORAEGBUNAM

Abstract

This study has critically examined the prospects of electronic taxation and explored how it can aid the enforcement of various revenue laws towards improving the Nigerian economy. The Discourse found that continued engagement in manual paper filing of returns, assessment and collection of the different taxes imposed on individuals, companies and unincorporated groups of persons face enormous challenges which include tax evasion and dearth of a readily accessible database of taxpayers. Taxpayers too face the problems of multiple taxation, illegal taxation enforced by wrong tax authorities, and difficulties in getting tax refunds in cases of excessive assessment or illegal double taxation. The study also discovered that electronic taxation which entails the process of filing returns, being assessed, paying taxes and generally tax administration through the internet has made the taxation trajectory easy. The research methodology employed is purely doctrinal analysis of relevant literary sources. The paper recommends relevant legislative review that would back e-taxation practice, massive computer literacy, provision of Information and Communications Technology and constant electricity and other infrastructure, in addition to general creation of awareness, for adequate and complete adoption of electronic taxation in Nigerian economy.

Keywords: E-Taxation, Revenue laws, ICT, Cyberspace, Internet, Nigeria economy

1. Introduction

Information technology has, in diverse ways, radically changed how things are done. Daily activities of human beings are increasingly affected in form, size, content and time by the computer and the internet in quite positive ways. The result is that the benefits of the attendant information revolution are well extended to all. Banking, commerce, contract, communication, publication, education, research, marketing and even governance, are enhanced and facilitated by computer technology and its products. This has also radically transformed tax administration nationally and internationally. Discussions on electronic taxation (e-taxation) reveal that electronic tax administration system where well implemented aids the taxpayers and the various tax authorities respectively. As at 2010, about 66 economies globally had fully implemented electronic filing and payment with 20 of them having adopted the system in the past 8 years.[1] Not wanting to be left out in the current wave for electronic tax system, the Nigerian Government at both Federal and State levels has initiated the preliminary stages of e-taxation. This paper x-rays the prospects of e-taxation in Nigeria today with a view to improving its operations.

2. Federal Government and E-Taxation in Nigeria

For improved tax administration in Nigeria, the FG in August 2002 commissioned a study group led by Dotun Phillips.[2] This group

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[1] T Oyedele, 'The Making of a Good E-Tax System,' Business Day, September 11, 2013, p. 9.

[2] I Omoigui-Okauru, A Comprehensive Tax History of Nigeria, (Ibadan: Safari Books Ltd, 2012), p.107

invited the International Monetary Fund (IMF)[3] between 2003 and 2007 to critically appraise the Nigerian tax system in line with global standards.[4] Upon a critical scrutiny of the Nigerian tax system, the IMF recommended the modernisation of the FIRS for it to remain virile and relevant amidst economic realities.[5] In line with these recommendations, the FIRS adopted a seven-fold programme of reforms which includes funding of FIRS and acquiring autonomy; strengthening investigation and enforcement; auditing oil and gas taxpayers and also other large taxpayers; providing taxpayer education and services; re-engineering and automating tax collection and tax administration generally; building capacity in organisational structure, staffing and specialisation; and re-engineering and automating manual tax, finance and procurement processes.[6] In order to achieve the seven-fold reform programme, the FIRS adopted what it called a Modernisation Plan to cover 2004 –2009. The components of this plan involves mobilisation of donor funding; new business models; acquisition, development and implementation of an Integrated Tax Administration System (ITAS); self- assessment; Medium Taxpayers Administration; human resources, capacity building and training; infrastructure and IT networks and communication; integrity and anti-corruption; and legislation.[7]

The objectives[8] of FIRS Modernisation Programme are quite laudable. The Programme seeks the enactment of an FIRS legislation to provide for its autonomy and independent funding of its activities. It equally seeks the amendment of all extant tax legislation to reflect the recommendations of the study groups, working groups and other groups that worked cooperatively with

[3] IMF.

[4] I Omoigui-Okauru, Federal Inland Revenue Service and Taxation Reforms in Democratic Nigeria, (Ibadan: Safari Books Ltd, 2012), p.153.

[5] Ibid.

[6] Ibid.

[7] Ibid.

[8] Ibid.

the FIRS in suggesting relevant amendment to the tax laws. The Programme desires to have well established operational facilities and one-stop client service outlets from where all taxes can be administered, with large taxpayers brought together under common outlets for more effective service delivery. It advocates the alignment of work processes to match changes in tax legislation while conforming them to the use of information technology and other modern business-support and business-enhancing tools. It also pursues the development and maintenance of client education and community confidence-building programmes that recognise the variance in clients' needs. Presently, the FIRS has been able to achieve some of these objectives.[9] There is now the Federal Inland Revenue Service (Establishment) Act of 2007 with the establishment of the Tax Appeal Tribunal therein. Personal Income Tax Act, 2004 has been amended to become the Personal Income Tax (Amendment) Act, 2011. Again, the Companies Income Tax Act was amended in 2007. There is also now an Integrated Tax Administration System with an implementation timeline in view, and so on. More still, in order to conform to the current global trend of e-taxation through automation of tax administration process, the FIRS has embarked on a good number of projects which include[10] Project FACT – Friendly Accurate Complete and Timely;[11] Bank Payment Process Automation and Taxpayers Database Development Project;[12] Integrated Tax Administration System,

[9] Ibid.
[10] Ibid.
[11] This purpose to be achieved by this project is to ensure that funds collected by banks as tax are not delayed, converted or diverted by the banks. Omoigui-Okauru. Tax Reforms. Op. cit. p.165.
[12] This is basically the automation of the bank payment process, developing a reliable and comprehensive national taxpayers' database and assigning taxpayers identification number, inter alia.

ITAS, Project;[13] and Record Management and Documentation Tracking.[14]

Seminal efforts have therefore been made in Nigeria to introduce electronic taxation for effective and efficient administration. At the Federal level, the Federal Inland Revenue Service (FIRS) has since 2005, been in the pilot stage of introducing e-taxation. It commenced the relevant training of its staff and working on its yet-to-be-introduced Integrated Tax Administration System (ITAS) project, to enable taxpayers to pay their taxes electronically.[15] It is expected that this will create a centralized platform through which taxpayers can pay all forms of taxes, levies, and rates existing at the Federal, State and Local levels. Recently, the FIRS launched the e-Tax Pay Solution in Lagos assuring taxpayers that they can now pay their taxes online by logging onto the internet banking platform of any commercial bank in Nigeria.[16] Hence, several efforts have been made to automate tax administration, namely, FIRS's Integrated Tax Administration System (ITAS), the Joint Tax Board (JTB)'s Unique Tax Identification Number (UTIN), and the Nigerian Customs Service (NCS)'s Nigeria Integrated Customs Information System (NICIS)/ Automated Systems for Customs Data (ASYCUDA) system. This paper will examine seriatim the extent of the establishment of these systems.

[13] The ITAS project which is very relevant to the tOpic in discourse shall be discussed in details below.
[14] This project is essentially aimed at re-engineering records and documents handling, filling and retrieval process with information and information technology.
[15] Guardiannews.com 'FIRS Redesigns Tax Forms. May go Electronic in Third Quarter,' http://www.guardiannews.com retrieved on 19 December, 2015 at 11.29am.
[16] I. Anumihe, 'FIRS Launches Online Tax Payment.' http://sunnewsonline.com/new/?p=107330 retrieved on 19 December, 2015 at 11.38am .

The Integrated Tax Administration System (ITAS) will no doubt revolutionise tax administration in Nigeria.[17] The ITAS is a set of programmes specifically developed to support the automation of tax administration,[18] core tax processes and functions. It is envisaged that when ITAS becomes fully implemented and operational, taxpayers should be able to calculate and pay their tax liability even from the comfort of their homes.[19] The ITAS solution procurement and installation involves the deployment of the Standard Integrated Government Tax Administration Solution (SIGTAS) and hardware infrastructure including support services for the FIRS.[20] It seems that the acquisition of ITAS remains the best way forward for modernising tax administration in Nigeria. The advantage of ITAS is that the commercially available products have tended to incorporate modern integrated business processes that relate to the core tax administration areas into the design of the systems. This allows a new tax administration to 'leapfrog' some of the lengthy system and business process analysis that would otherwise be required to prepare for a new computer processing capability. A major effort needs to be launched to secure funding for ITAS, giving the lead for procurement, customisation and training required.[21]

While incorporating international best practice for revenue administration, ITAS aims at improving revenue collection to aid the government in alleviating poverty, fighting crime and corruption, improving infrastructure, education and health services to citizens, as envisaged in the Federal Government's economic development blueprint. The system also seeks the improvement of

[17] A Amos, U Y Usman, and D Omilabu. 'ITAS Takes FIRS to the Next Level.' Gauge, January – March, 2011, p.8.
[18] E Obeta. 'Building a Modern Tax Authority.' Gauge, January – March, 2013. p.7
[19] Ibid.
[20] U.Y Usman.'The ITAS Solution Gathers Momentum.' Gauge, January – March, 2013, p. 8.
[21] A Amos. Op. cit. p8.

governance through effective and efficient channels of collaboration with taxpayers. It works towards achievement of transparency to enable free and equal treatment of all taxpayers. ITAS' objective is also to arrive at the efficiency of overall revenue administration and reducing turnaround times for providing services to taxpayers in order to support voluntary compliance.[22] The areas of focus of the ITAS project include[23] customer interface management;[24] taxpayer registration and identification; [25] tax returns and payment processing; [26] tax audit, appeals and investigation; taxpayers' services and education;[27] and data management.[28]

An ITAS Project team was set up and given a timeline of 2008 – 2011 to achieve several milestones in line with the ITAS project which include [29]streamlined and more efficient tax administration processes; implementation of a commercial off-the-shelf ITAS which has been customised to suit FIRS' environment and specific requirements; and a complete set of documentation required for the operation and continued maintenance of the above such as training manuals, system configuration documents. Generally, the successful implementation of an integrated tax administration system, including the re-engineering of core taxation processes, is expected to provide the fulcrum of the FIRS reform agenda and numerous benefits. [30] These include streamlined efficient processes that

[22] I Omoigui-Okauru, Tax Reforms, Op. cit. p.169.
[23] Ibid.
[24] This is probably to ensure that several taxpayers in different locations can access FIRS services at any time.
[25] This is to ensure that taxpayers can register electronically and be issued identification numbers to have easy access to FIRS' services online.
[26] For taxpayers to file their returns electronically, get assessed electronically and also make payments electronically.
[27] This has to do with taxpayers generally having online access to FIRS services and also getting information about same online.
[28] This is to help FIRS manage the large volume of taxpayers data as they register and submit data to FIRS electronically.
[29] I Omoigui-Okauru, Tax Reforms Op. cit. p.170.
[30] Ibid. p. 171.

enhance taxpayer compliance, taxpayers and stakeholders' interaction with the FIRS and FIRS' responsiveness to taxpayers' needs. There is also availability of a comprehensive taxpayers' database that enables the FIRS to support and monitor the database. Other benefits are the provision of industry and market information on taxpayers enabling modern risk assessment and management approaches for compliances; and aid in case management for audit, investigation and appeals; and so on.

After a protracted procurement process that started in 2004, the Federal Executive Council approved in 2010 contracts for the procurement, installation and implementation of ITAS based on an off-the-shelf solution called, 'Standard Integrated Government Tax Administration Systems (SIGTAS).[31] SIGTAS was to be delivered by the Telnet/Sogema Consortium,[32] while Accenture (Nigeria) Ltd was to provide management services for project management, change management and business process re-engineering.[33] SIGTAS, the chosen software for the implementation of ITAS, is an integrated software solution that enables governments to automate tax administration.[34]The primary goal of the ITAS/SIGTAS is to re-engineer the tax administration service delivery, eliminate gaps and redundancies in the current administrative assessment processes by leveraging technology in line with global best practices ultimately leading to simpler taxpayer compliance.[35] Due to its integrated nature, SIGTAS is able to manage every facet of the tax management process which includes taxpayer registration, handling of tax declaration forms, assessment, collections, case management, objections, case management, and payment of tax penalties and

[31] A. Amos, et al., Op. cit. p. 9.
[32] That is a partnership of Telnet Nigeria Ltd and Sogema CRC, a Canadian software solutions company.
[33] A. Amos, et al., Op. cit. p. 9.
[34] Ibid.
[35] F. Obaro, 'Modernizing Tax Administration with SIGITAS', Vanguard, December 2, 2013, p. 35.

calculation of interest and tax audit.[36] SIGTAS when fully implemented in Nigeria[37] would lead to a reduction of taxpayers' cost of compliance, while simultaneously improving taxpayer compliance rates. It would guide taxpayers through a clear intuitive step-by-step approach to e-transactions. The implementation of the ITAS/SIGTAS project has been viewed by the FIRS and other major stakeholders in the Nigerian tax system as ushering in a new era in tax administration.[38]It will upgrade the FIRS into a modern day IT-compliant agency, with processes that are efficient and in line with international best practice. It has been observed that, for the SIGTAS to be successful there is need for synergy and integration with other similar projects across revenue generation institutions and organisations such as the Nigerian Customs Service and Corporate Affairs Commission: to integrate their processes especially in the area of database and building which makes it easier to reach the "untaxed" and the "hard-to-tax".[39]

Another major effort of the FG towards automating tax administration in Nigeria today is through the Joint Tax Board[40] (JTB) which is presently working on two projects, namely registration of taxpayers and issuance of taxpayer identification number; and integrated Tax Administration System. The Unique Taxpayer Identification Number (UTIN)[41] project was embarked upon pursuant to Section 86 of the Personal Income Tax Act[42] which established the JTB and vested it with some powers and functions. The legal basis for the generation and issuance of the TIN is found in Section 8 (1) (q) of the FIRS (Establishment) Act, 2007, which provides that, "The Service shall issue taxpayer identification

[36] A Amos, et. al., Op. cit. p. 9.
[37] Ibid.
[38] Ibid.
[39] Ibid.
[40] Hereinafter referred to as JTB.
[41] Hereinafter referred to as TIN or UTIN i.e. Unique Taxpayer Identification Number.
[42] As amended in 2012.

number to every taxable person in Nigeria in collaboration with States Boards of Internal Revenue and Local Government Councils." The TIN project was initiated as a platform to harmonise and ensure uniformity in the identification and registration of taxpayers across Nigeria.[43] To ensure the successful implementation of the TIN registration and issuance exercise, the JTB procured the needed infrastructure such as the installation of Long Access Network at the JTB headquarters in Abuja, and so on.[44]

Essentially, the UTIN is a unique and personal ten-digit number issued by the JTB to individual and non-individual taxpayers upon registration as no two persons can be issued the same TIN. Further, the UTIN project is an electronic system of taxpayer identification and registration. The object of the UTIN Project is to address and resolve certain problems,[45] which include lack of standardised infrastructure and system for the effective identification and registration of taxpayers; lack of sustainable platform for revenue generation amongst the three tiers of government; absence of a national platform for the registration and identification of taxpayers with priority based on persons and not the nature of the transaction; and dearth of effective information sharing mechanisms amongst the various tax authorities in the country.

To address and resolve the above issues, the UTIN project aims at full automation of all tax authorities, thereby adopting common registration processes, infrastructure and systems as the registration application will be uniform nationwide to help in the elimination of multiple taxation and tax registration. The UTIN system, being an electronic system would also replace the manual registration system being employed by most tax authorities in Nigeria, thereby upgrading national tax administration in conformity with international best practices. It equally aims at ensuring greater information sharing amongst the various tax/revenue collection

[43] Joint Tax Board. 'JTB TIN Programme goes Live.' http://www.jtb.gov.ng/node/97 , retrieved on 19 December, 2015 at 11.58am.
[44] Ibid.
[45] Ibid.

authorities in Nigeria. UTIN aids tax authorities across the country to collate, access, analyse and retrieve taxpayers' data with ease, thereby facilitating a more efficient system of tax assessment and administration. The UTIN through effective utilization of information from the database can also be used as a tool for national planning, budgeting and allocation of resources as well as social and national security.[46]

To successfully obtain a Taxpayer Identification Number in Nigeria, the following steps must be followed:[47] a. Visit any tax office, either any FIRS office or the State Board of Internal Revenue of any of the States to obtain any of the following forms as the case may be: i. Taxpayer Identification Number (TIN) Registration Input Form (Form 001) - for individuals. ii. Taxpayer Identification Number (TIN) Registration Input Form (Form 002) - for non-individuals. b. Fill in important required details in the space provided for them on the form. c. Submission of the duly filled form to the tax office with a valid proof of identification such as driving licence, national identity card, international passport, and so on. d. Biometric data of the taxpayer is captured such as his photograph and fingerprint impressions. Once this is captured and stored, the taxpayer cannot register more than once throughout his lifetime. e. Where the taxpayer being registered is a non-individual, e.g. a company, the following documents shall be submitted to the tax authority for verification:[48] These documents include a letter of identification of the company, in the company's letter headed paper; a photocopy of the company's certificate of incorporation; and other document(s) containing the address of the company, enterprise or business; principal location of business and date of commencement of business. f. Verification and validation

[46] Ibid.
[47] FIRS. 'Facts about Obtaining and Updating your Taxpayer Identification Number.' http://www.firs.gov_Obtaining_20and_20Updating_20your_20TIN.pdf retrieved on 19 December, 2015 at 12.08pm.
[48] Ibid.

of all the data submitted to the tax authority. After this is done, a unique ten-digit taxpayer identification number is issued to the taxpayer – whether an individual or non-individual. How soon the taxpayer identification number is issued is determined by how fast the relevant tax authority's internet connection is. Where a taxpayer has already obtained a TIN but provided incomplete data to the tax authority, the details of the TIN registration can be updated at the tax office where the TIN initially generated for ease of convenience while supplying the following additional information – email address and phone number.[49] After updating the taxpayer's TIN registration, the system being used by the tax authority to do the update indicates that "the TIN has been successfully updated."

To carry out certain transactions with government institutions, ministries, departments and agencies,[50] and even private organisations,[51] requiring validation of the TIN, this can be done by logging on to JTB website.[52] Presently, the JTB is working hand-in-hand with the FIRS to fully implement ITAS through SIGTAS as has been discussed earlier. Hence, the JTB UTIN Project can authoritatively be said to be a huge success so far and the first step in the e-taxation process.

Further discussions on the efforts of the FG in establishing e-taxation regime in Nigeria revolve around the Nigeria Customs Service (NCS). Undeniably, the revenue generated by the NCS from import, export and excise duties constitutes a large percentage of income being collected by the Federal Government of Nigeria. The NCS has actually undergone several reforms in the last decade while employing information and communications technology in its administration and services to improve revenue collection.[53] In

[49] Ibid.
[50] Like the Nigerian Customs Service and the Central Bank of Nigeria.
[51] Like banks.
[52] FIRS, 'Facts about Obtaining and Updating your Taxpayer Identification Number' Op. cit.
[53] See Nigeria Customs Service website, https://www.customs.gov.ng retrieved on 20 December, 2015 at 2.01pm.

2006, the Nigerian Customs Service introduced an e-trade platform known as the Nigeria Integrated Customs Information System[54] meant to effect Automated Systems for Customs Data.[55] ASYCUDA is a computerised customs management system which covers most foreign trade procedures.[56] The ASYCUDA software was developed in Geneva by UNCTAD[57]. The NICIS was fully implemented on the 1st of February, 2010, as self-assessment and implementation were also introduced.[58] The NICIS is made up of the ASYCUDA processing and risk management system enhanced by a number of modules which have been developed by the Nigeria Customs Service in association with Webb Fountaine and which are known as the Trade World Manager (TWM),[59] which at present includes modules for risk assessment, e-manifest, e-payment, Form 'M'[60] and passenger declaration. Actually, the development of the NICIS and its TWM modules is to gear the Nigeria Customs Service towards an e-trade system which is somehow connected to e-taxation.

The main objectives for the automation of the Nigeria Customs Service through the NICIS include the provision of more accurate data and increased revenue collection with the use of more uniformly applied code; improvement of integrity through

[54] NICIS.
[55] ASYCUDA. See M D Jatau (ed.). 'Customs Reforms and Modernisation in Nigeria: Towards a Comprehensive Vision.' http://www.globalsouthgroup.com/wp-content/uploads/2013/08/download0b30.pdf, retrieved on 20 December, 2015 at .2.02pm.
[56] Ibid.
[57] ASYCUDA, http://www.asycuda.org/aboutas.asp, retrieved on 20 December, 2015.
[58] M D Jatau (ed.), 'Customs Reforms and Modernisation in Nigeria: Towards a Comprehensive Vision.' http://www.globalsouthgroup.com/wp-content/uploads/2013/08/download0b30.pdf, retrieved on 20 December, 2015 at .2.02pm.
[59] TWM.
[60] Form 'M' is a pre-clearance document.

transparency in the system; easy access to information on goods being imported before the arrival of the goods to enhance goods being cleared more quickly, thereby improving trade facilitation; and higher predictability in decision-making.[61] It has been observed that the overall aim of the NICIS/ASYCUDA System is cargo control in terms of import and export of goods. Further, to ensure that the import and export of goods comply with the relevant laws and Customs' regulations, cargo control requires the receipt of transport documents by Customs from the trader i.e. the importer or exporter. Under the NICIS/ASYCUDA System, the cargo control process is known as the 'manifest module' that provides support for all transport documents.[62]

In essence, with the NICIS/ASYCUDA System in place, the process of importation of goods into Nigeria is now automated. It has been identified that for any modern customs administration to be automated, seven core functions must be fulfilled.[63] There must be cargo control which is used to monitor all movements of imported, exported and transit goods, ensuring that all goods are properly cleared before their release. There must be declaration processing which involves capturing and processing data for the assessment and collection of relevant duties and taxes. Again, payment and accounting that entails records and accounts for payments made by trader should be made. Risk management which involves the assessment of consignments, transactions or persons to measure the level of risk they pose to the country should be ensured. There is also the need for statistics and reporting which deals with the collection, collation and dissemination of accurate data on border movements/transactions etc. It is also needful to ensure intelligence and enforcement mechanism which involves recording and

[61] M D Jatau (ed.), 'Customs Reforms and Modernisation in Nigeria: Towards a Comprehensive Vision.' http://www.globalsouthgroup.com/wp-content/uploads/2013/08/download0b30.pdf, retrieved on 20 December, 2015 at .2.02pm.
[62] Ibid.
[63] Ibid.

disseminating of data for risk management, compliance, management and enforcement as it relates to customs rules and regulations, evasion of tax/duty etc. Another necessary apparatus is the communications gateway which provides efficient and effective communication with customs, access to instructions and electronic access to customs procedures, guidance on clearance of goods and ancillary matters for traders and all stakeholders generally.[64]

These functions are carried out through the NICIS and ASYCUDA system through import manifest management, declaration processing, risk assessment and selectivity, inspections, and removal of goods.[65] Import Manifest Management[66] is the first step in cargo control which ensures that all goods coming into the country comply with the relevant laws, customs' rules and regulations. Cargo control phase, under the NCS/ASYCUDA system is called "Manifest Module". Hence, prior to the arrival of goods, traders are to comply with ASYCUDA system wherein the details of the manifest of goods being imported are captured electronically through the e-manifest. In the e-manifest system, data captured must contain[67] manifest Identity which is a list and description of goods contained in the vehicle or vessel containing imported goods; the means and method of transportation through which the goods would be imported into the country.; transport documents with apt information like embarkment point, shipper, consignee and several other relevant things.[68] The above data to be captured in two steps:[69] *Storage Stage* comprising inputting and storage of the e-manifest, Bills of lading and transport documents, and *Registration Stage* wherein the imported goods are legally put under the control of the NCS once they arrive the country. After the relevant data mentioned above are captured and registered, the next

[64] Ibid.
[65] Ibid.
[66] Ibid.
[67] Ibid.
[68] Ibid.
[69] Ibid.

stage under import manifest management is the "manifest discharge" stage,[70] which involves the confirmation of the presence of the imported goods upon arrival in the country before clearance and collection by the importer. Where a manifest has been discharged all the events and documents captured are pointed out automatically.[71]

The declaration processing module of ASYCUDA provides the ability to input declarations for every import, export or transit while sorting the goods and assigning customs procedure codes. Data Capture; data validation; and registration, assessment and payment constitute the several steps involved in declaration processing:[72] Data capture[73] relates to the expenses incurred with proof of same, value of the goods and other relevant information. Data validation[74] involves system validation of the data inputted to ensure that authentic information has been supplied; where any invalid information or code is inputted and detected by the system, such is rejected. The ASYCUDA system has control checks in place. Where the system user has completed the data input, the ASYCUDA system makes provision for authentication by the system user.[75] The validation of declaration consists of four stages, viz:[76] storage of inputted data, registration of goods upon arrival, assessment of duties, taxes and fees based on parameters provided by NCS; and payment of duties, taxes and fees payable. The parameters of the taxation modules are completely integrated into NCS's tariff files and the ASYCUDA system.[77]

Again, the ASYCUDA system provides for particular declaration to be inspected by particular custom officers in a random and

[70] Ibid.
[71] Ibid.
[72] Ibid.
[73] Ibid.
[74] Ibid.
[75] Ibid.
[76] Ibid.
[77] Ibid.

automatic basis. It is aimed at preventing collusion between custom officers and traders.[78] Such random assignment in practice is not existent as officers are often transferred at very short notice and the system is not generally up to date. Hence, when an examination is needed, in practice, the head of the section assigns it manually.[79] The officer assigned is entered into the NCIS to ensure the highest level of integrity, security and management.[80] The officer is expected to provide detailed reports on his findings achieved in the ASYCUDA system, where the findings are positive the consignment is cleared.[81]

The last act is the removal of goods[82] Internal control within ASYCUDA does not allow premature release of goods in NCS custody. The consignee or his agent receives a notification that the consignment of goods has been cleared. Then he goes to the terminal operator for the release of his goods. The terminal operator is duty bound to verify if everything has been paid and the documentation validated. All the terminal operators' warehouses are bounded, hence the terminal operator is duty bound to verify if every relevant fees has been paid and the documentation validated. All the terminal warehouses are bounded; hence the terminal operators are responsible for paying duty on the goods to the NCS for any consignment that has been released prematurely.

With the reforms immensely going on in the public sector, especially the automation and systems integration, the NCS can be said to be at the forefront. Presently, the FIRS, with other government agencies like the Corporate Affairs Commission, are working on systems integration with the NCS wherein there will be automatic sharing of information.[83] Other developments within the NCS gearing towards e-taxation and are still in the pilot stage

[78] Ibid.
[79] Ibid.
[80] Ibid.
[81] Ibid.
[82] Ibid.
[83] Ibid.

include the following:[84] electronic currency form; and introduction of data-mining across national databases.

3. E- Taxation by the State Governments

Electronic taxation is relatively new in Nigeria wherein few states such as Lagos State, Ogun State Cross River State and Akwa Ibom have started implementing some aspects of it. In the last quarter of 2004, the Lagos Internal Revenue Service, in conjunction with Alpha Beta Consulting Limited, introduced electronic tax clearance for taxpayers of Lagos State.[85] By the second quarter of 2005, electronic tax clearance certificate was introduced to the informal sector of the economy which includes transport workers, traders and sundry artisans.[86] In 2008, the Akwa Ibom State Internal Revenue Service made electronic tax payment services available to its taxpayers.[87] Ogun State offers e-taxation services to its taxpayers through its Internal Revenue Service.[88] Many other States are still in different pilot stages of electronic taxation, preparatory to formally unveiling their e-taxation services. As a case study, electronic taxation in Lagos and Cross River States is discussed below.

In Lagos State, the Lagos Internal Revenue Service,[89] the main revenue authority of Lagos State Government, in order to improve tax administration has taken major steps in the direction of e-taxation. These include Electronic Banking System of Revenue

[84] Ibid.
[85] O Andu, 'Electronic Tax Clearance for Lagos Residents.' Thisday Newspaper, November 12, 2004, p. 31.
[86] B Adeyemi, 'Lagos Extends Electronic Tax System to Informal Sector.' The Guardian Newspaper, May 13, 2005, p. 49.
[87] B A Akpan, 'Notice to General Public on the Introduction of Electronic Monitoring of Payments into Collecting Banks in Respect of Internally Generated Revenue.' http://www.icmaservices.com /ICMASERVICES /articles3. htm retrieved on 19 December, 2015 at 11.26am.
[88] Ogun State Internal Revenue Service, http://www.ogunstaterevenue.com , retrieved on 3 October, 2013.
[89] Hereinafter referred to LIRS.

Cycle Management; and Electronic Tax Clearance Certificate.[90] Electronic Banking System of Revenue Cycle Management system[91] is a sophisticated information network linking all the tax stations and other revenue agencies in Lagos State to the lodgement banks. This system is aimed at going online with the Direct Bank Lodgement System of the revenue collection process and and providing information for tax administration and planning while monitoring and co-ordinating all revenue generating activities of the State. The Lagos State Government EBS-RCM mainly comprises[92] a communication system wherein information on banking transactions through a secured internet link to a central server maintained by Alpha Beta Communications Ltd- an information technology company under a contract with the Lagos State Government to supply the various requisite software needed to power the EBS-RCM. It also contains a database software system with a customised software application that captures all relevant information, creates a customised interface between the banks and the internet messaging system and automating database management system.[93] Other components include an accounting and reconciliation system that *inter alia* sorts out and reconciles taxpayers' data and tax account;[94] and a monitoring system that monitors and coordinates the activities of parties to the EBS-RCM which includes taxpayers, LIRS, tax stations, other revenue agencies, participating banks.[95]

[90] See LIRS website, LIRS, www.lirs.gov.ng retrieved on 4 May, 2015.
[91] EBS-RCM. See EBS-RCM, 'Lagos State Government EBS-RCM – EBS-RCM Overview', http://lasg-ebs-rcm.com/ebsrcm/overview.asp , retrieved on 20 December, 2015 at 2.31pm.
[92] Ibid. see also, EBS-RCM, 'Lagos State Government EBS- RCM – EBS-RCM (Components),' http://lasg-ebs-rcm.com/ebsrcm/components.asp , retrieved on 20 December, 2015 at 2.31pm.
[93] Ibid.
[94] Ibid.
[95] Ibid.

Under the EBS- RCM system, all payments of tax and fees to Lagos State Government are done through the following procedure:[96] a. The tax payer logs into the EBS-RCM website – www.lasg-ebs-rcm.com, registers for and obtains a taxpayer identification number. b. The taxpayer, having obtained taxpayer identification number, logs in again into the EBS-RCM website again, and fills the self-assessment form. Thereafter, the amount due as tax is calculated electronically based on the information supplied. Alternatively, the taxpayer can download and print a hard copy of the self-assessment form or pick same from the nearest tax office, fill the form and assess tax due for payment by himself. c. After having ascertained the amount due as tax, the taxpayer goes with the amount assessed and due as tax to one of the designated banks listed on the EBS-RCM website, obtains and fills a customised deposit slip. After filling the deposit slip, the taxpayer submits the completed deposit slip which must contain his taxpayer identification number and the amount assessed and due as tax to a bank teller who logs into the EBS-RCM website, enters the taxpayer's payment details on the EBS-RCM e-Payment application for verification. After verification, the bank teller synchronises the transaction, generates and prints out an Automated Revenue Receipt. d. After collecting the Automated Revenue Receipt, the taxpayer is to take same to the nearest LIRS tax station for validation and issuance of a Permanent LIRS Receipt which is exchanged, upon application, with a tax clearance certificate. No doubt, the Lagos State Government EBS-RCM[97] would engender increase in the internally generated revenue base of Lagos State Government. It would also provide easy administration, monitoring and coordination of all revenue activities

[96] EBS-RCM. 'Lagos State Government EBS-RCM - Frequently Asked Questions.' http://lasg-ebes rcm.com/faq/index.asp , retrieved on 20 December, 2015 at 2.31pm.

[97] EBS-RCM. 'Lagos State Government EBS-RCM – EBS-RCM (Advantages).' http://www.lasg-ebs-rcm/ebsrcm/achievements.asp , retrieved 20 December, 2015 at 2.31pm.

in the State. It would equally assist in identifying fraudulent debit, diversion of funds and excess charges on the State accounts.

Having fully implemented the EBS-RCM, the LIRS have observed the System's benefits to include elimination of all sources of revenue leakage on all fronts especially through taxpayers, revenue officers and bank officials; creation of an online database of taxpayers whose taxpaying habits are monitored real-time; ability to generate with a high degree of accuracy, projected revenue of future periods from all sources; ability to show distribution of revenue collected geographically, and capacity to generate reports showing revenue distribution by revenue type and revenue agency.

Yet another feat achieved in Lagos State is the evolvement of electronic tax clearance certificate. This is a new system of issuing tax clearance certificate (TCC) in Lagos State, which was piloted sometime in 2000. It replaces the old, paper and manually processed tax clearance certificate and was embarked on as a project to eliminate abuses that characterised the administration of the old tax clearance certificate system in Lagos State.[98] Such abuses included[99] the proliferation of fake TCCs in circulation; loss of revenue by the State Government; tax evasion; delay in issuing tax clearance certificate to taxpayers; and poor identification of taxpayers. The objective of the e-TCC project is to increase the internally generated revenue of the State through[100] Pay as You Earn (PAYE), and direct assessment of individual taxpayers into the tax net, etc. It is expected that this would ensure the elimination of fake tax clearance certificate; identification of taxpayers; easy reconciliation of tax returns; elimination of delay in obtaining tax clearance certificate; and provision of easy access by taxpayers of their tax payment history.[101]

[98] EBS-RCM. 'Lagos State Government EBS-RCM e-TCC.' http://www.lasg-ebs-rcm-.com/ebsrcm/index-etcc.asp. accessed on 20 December, 2015 at 2.31pm.

[99] Ibid.

[100] Ibid.

[101] Ibid.

The e-TCC is a certificate that is an acknowledgement of the payment of tax by a taxpayer.[102] It is issued free of charge to individuals that have paid their tax through the EBS-RCM and usually takes about 72 hours to process.[103] The e-TCC does not require the payment of any processing fees, unlike what obtained during the manually issued Tax Clearance Certificate regime. However, where a taxpayer loses the first issued tax clearance certificate, the following steps must be taken. The taxpayer will pay the sum of ₦2500 into the Lagos Internal Revenue's account with any of the designated banks. The account number can be got from any of the LIRS tax stations. Then, he applies for the re-issuance of a replacement of the lost e-TCC made to the LIRS, enclosing therein a sworn affidavit and a police report.

Cross River State has also achieved a lot in electronic taxation. In order to improve its internally generated revenue collection machinery and to keep up with the global trend of e-taxation, the Cross River State Internal Revenue Service (CRSIRS) introduced the Automated Revenue Collection and Monitoring (ARCM) System.[104] The ARCM System has the following features, namely, registration of taxpayers and issuance of Tax Identification Number; paying of cash/local cheques to the tax authority's designated collecting banks for all tax types; instant generation and issuance of electronic ticket to taxpayers as proof of payment of tax; appointment of 13 collecting banks for the collection of IGR of the State; and online real-time reports[105] of details of payment by taxpayers, tax type, bank/branch, and date.

[102] LIRS. 'FAQs on e-TCC'. http://www.irs.lg.gov.ng/faqs/faqs-on-etcc/ accessed on 20 December, 2015 at 3.30pm.

[103] Ibid.

[104] Hereinafter referred to as ARCMS. See CRSIRS. Cross River State Tax Guide for PAYE, Withholding Taxes, Direct Taxes, Urban DevelOpment Tax, and DevelOpment Levy 2009/2010. (Calabar: Cross River State Internal Revenue Service, 2010) p.26.

[105] That is, immediate and spontaneous electronic reports.

The software being utilised for the ARCM system is the Cross River State Interswitch Ltd PAYDirect which is a customised version of Interswitch PAYDirect.[106] It is a P C-based electronic payment solution that leverages on Interswitch's connection to banks to collect the State's IGR from taxpayers. Also, the ARCM/PAYDirect system is designed to be a payment collection and monitoring solution and supports payments from cash, cheques, debit and credit cards for all kinds of taxes across the state. Essentially, the Cross River State PAYDirect gives the Cross River State Government an online real-time view of all payments made to it by taxpayers in different designated banks and give the designated banks connected to the Interswitch network one view to do collections for the State Government in an easy and secure way.

Presently, the procedure for payment of tax in Cross River State with the ARCM/PAYDirect System is as follows:[107]

1. Registration for and acquisition of TIN which is presently done in collaboration with the JTB. Prior to the implementation of the JTB registration and issuance of the national unique TIN, the CRSIRS was registering taxpayers within the State and issuing them with TIN valid only within the State.
2. Filling the Self-Assessment form to be obtained from any of the tax stations of the CRSIRS across the State.
3. The taxpayer proceeds with the completed filled Self-Assessment form to any of the designated banks, obtain a payment teller, properly fill and submit the Self-Assessment form, the payment teller and the amount assessed as tax to a collecting teller of the bank.
4. The bank collecting teller logs in to the CRSIRS PAYDirect website and enters the taxpayer's TIN.
5. Subsequently, the bank collecting tellers elects the revenue type and payment mode i.e. whether it is cash,

[106] Ibid.

[107] Ibid. p.27-28.

bank draft of credit card. The bank teller inputs the required fields for the selected payment type from the contents of the Self-Assessment form and the payment teller.

6. Where all the relevant data is correctly inputted and verified, the bank teller clicks the 'PAY' option to complete the transaction.
7. Once payment is confirmed, PAYDirect posts the payment into Interswitch and sends the transaction immediately to the CRSIRS and generated a 'Proforma Payment Receipt' which is printed out and given to the taxpayer to take to the CRSIRS for validation and issuance of a permanent payment receipt. Where payment is by bank draft or cheque from another bank other than the collecting bank, proforma payment receipt is issued but cannot be submitted to the CRSIRS in exchange for a permanent payment receipt till the bank draft or cheque is validated. Where the bank draft or cheque is not cleared, the Proforma payment receipt is invalidated.

It is however observed that there are a number of practical challenges encountered since the implementation of the ARCM/PAYDirect system in Cross River State. There is manifest illiteracy on the part of taxpayers that have difficulty in properly appreciating the ARCM/PAYDirect system for filing tax returns and making tax payments. There is epileptic power supply which delays the CRSIRS online-real time view of payments made by taxpayers. Most times, the internet connectivity of the CRSIRS head office website affects the speed of its server, thereby hampering the speed of the collecting banks as they help taxpayers pay their taxes online, thereby delaying the collecting banks in electronically notifying the CRSIRS of the payments made by taxpayers.[108] Again, the taxpayers supply insufficient information that cannot be adequately verified. There is too an inadequate awareness created

[108] This is referred to as 'downtime' by the officials of CRSIRS.

amongst taxpayers on how the ARCM/PAYDirect system works in order to exploit its benefits.

Be that as it may, the ARCM/PAY Direct system is a blessing as it has greatly increased the State's internally generated revenue. In 2007, the year before the introduction of the ARCM/PAYDirect system in Cross River State, the total IGR collected was ₦3, 341,876,034.34.[109] In 2008 that the ARCM/PAYDirect system was introduced, the IGR of the State almost doubled – ₦6, 447,975,865.96.[110] As at 2012, the total IGR collected throughout the State through the ARCM/PAYDirect system was a total of ₦12, 734,560,333.33.[111]

More still, many States across the Federation have either adopted or are in the process of adopting e-taxation, having realised its immense benefits especially in increasing internally generated and tax administration generally. Such States include Akwa Ibom, Edo,[112] Ekiti,[113] Ogun,[114] Osun,[115] and Adamawa[116] States. In Akwa Ibom State for instance, e-taxation i.e. the Revenue Enhancement and Electronic Monitoring System (REEMS),[117] was initiated in the first quarter of 2006 in Uyo City and was later spread to other parts of the State for the collection of PAYE and withholding tax.[118] This

[109] Mr Edet, Head of ICT Department, Cross River State Internal Revenue Service, Head Office, Calabar – personal interview conducted with him by the researcher, E S Ifediora, on the 21st of January, 2014 at about 10.00am.

[110] Ibid.

[111] Ibid.

[112] See www.edostate.gov.ng/eirs , retrieved on 20 December, 2015 at 3.42pm.

[113] See www.eksg-ebs-rcm.com/ , Op. cit.

[114] See http:/www.ogunstaterevenue.com/Ogun/Howto.aspx , retrieved on 24 June, 2014.

[115] See www.ossg-ebs-rcm.com. Op. cit

[116] See www.adma-ebs-rcm.com/, Op. cit.

[117] The company that created and provided the software with which the Akwa Ibom State Revenue Service partially automated its tax administration is ICMA Services Ltd.

[118] A Eyo, Head of Road taxes department, Akwa Ibom Internal Revenue Service, Head Office, Uyo – personal interview conducted with him by the researcher , E S Ifediora, on the 20th of January, 2014.

has greatly improved the IGR of the State as the Akwa Ibom State Government has made several efforts to create awareness amongst taxpayers on REEMS for them to fully appreciate how it works. The Akwa Ibom State Internal Revenue Service (AISIRS[119] created the awareness through television and radio adverts, banners and fliers.[120] The AISIRS is making efforts to ensure that taxpayers in the informal sector utilise the REEMS to pay their taxes.[121] Other States like Osun,[122] Ekiti,[123] Adamawa,[124] and Sokoto[125] have either introduced and implemented it or are in the process of implementing the Lagos-styled EBS-RCM.

It is believed that since the Federal Government is seriously working on automating tax administration at the Federal level, while some States have commenced partial e-taxation and other are working towards it, in no distant time,[126] the tax administration would be fully automated nationwide. Hence, taxpayers would be able to pay their taxes from the comfort of their homes or any other place for that matter in any part of the world.

4. Comparing E-taxation in Nigeria with Practices in Some Foreign Jurisdictions

It is pertinent to do a comparative analysis of the situation of e-taxation in some jurisdictions with what obtains in Nigeria to see if there are adjustments to be made in order to upgrade the automation of tax administration in Nigeria. In the USA, Australia and Japan, E-taxation is optional to manual taxation unlike in Nigeria where it is compulsory for all taxpayers. It has been observed that in the developed countries, e-taxation is optional and tax compliance is

[119] AISIRS.
[120] A Eyo. Op. cit.
[121] Ibid.
[122] See www.ossg-ebs-rcm.com/ . retrieved on 15 May, 2014.
[123] See www.eksg-ebs-rcm.com/ . retrieved on 15 May, 2014.
[124] See www.adma-ebs-rcm.com/. retrieved on 15 May, 2014.
[125] See www.sosg-ebs-rcm.com/ . retrieved on 15 May, 2014.
[126] Possibly by 2016.

quite high with the number of tax returns filed electronically far surpassing those filed manually. In Nigeria which is a developing country on the other hand, in the States where e-taxation has partially commenced like Akwa Ibom and Cross River States, utilisation of e-taxation by taxpayers to pay their taxes is compulsory. This is probably so because most Nigerians do not feel obligated to pay their taxes since taxpayers' money is rarely seen at work. Hence, making e-taxation optional is a leeway for Nigerian taxpayers to evade tax. It is undisputable that the number of people that have registered for the JTB TIN is a far cry from the population of Nigerians earning taxable income.

Again, e-taxation practised in developed countries is completely different from what is practised in Nigeria. USA, Australia and Japan practise complete e-taxation. Accordingly, taxpayers can fully pay their taxes from online assessment to receiving automated receipt and refund where necessary. The reverse is the case in Nigeria in States that have commenced e-taxation like Cross River State and Akwa Ibom State where the taxpayer still has to go physically to the designated banks to pay their taxes and still go to the tax authority to collect permanent receipt and tax clearance certificate as evidence of tax payment. In the above foreign jurisdictions, there are legislation backing up e-taxation. In the USA, Australia and Japan,[127] legislation legitimise the e-taxation processes. In Nigeria, there is no single statutory provision that backs up the automation of tax administration embarked on by the various tax authorities. In Nigeria too, there is no provision of ICT centres where taxpayers can pay their taxes electronically. But in Japan for instance, the Japanese government provided dedicated ICT centres as a means of encouraging taxpayers to use the Japanese e-Tax to pay their taxes. In Nigeria on the other hand, the tax authorities made utilisation of e-taxation compulsory without creating adequate awareness and providing ICT centres where taxpayers can go to pay their taxes electronically. Furthermore,

[127] Ibid.

unlike in the above foreign jurisdictions where computer literacy level is higher, the computer literacy level of most taxable Nigerians is quite low. In Japan where it seems to be also relatively low, the Japanese NTA established ICT centres across Japan appreciating the low computer literacy level of its taxpayers, to allow the taxpayers understand and exploit the immense benefits of e-taxation. This central effort of curbing high computer illiteracy is correspondingly not being made in Nigeria. Till date, no visible effort has been made to provide free computer literacy programmes for taxpayers through the establishment of ICT centres as is the case of Japan.

5. E-Taxation as the Key to Effective Enforcement of Tax Administration Laws in Nigeria

It is common knowledge that at the Federal and State levels, there are numerous tax legislation regulating the imposition, assessment and collection of tax in its various forms; and also tax authorities for the collection of taxes and tax administration. There are also tax offences created by the said tax legislation and punishment for committing those offences. The reality on ground is that most of the tax authorities in Nigeria are more concerned with collecting tax from taxpayers than prosecuting tax offenders. Another reality lies in the fact that, before the recent transition towards automating tax administration in Nigeria, most tax authorities in Nigeria did not have a comprehensive database of individuals with taxable income in Nigeria. This is where the necessity for e-taxation becomes pertinent for the enforcement of the plethora of revenue laws in Nigeria at the Federal and State Levels.

The procedures involved in e-taxation include Electronic Registration, Verification and Issuance of Tax Identification Number, Electronic Filing of Tax Returns, Payment of Tax, Issuance of Electronic Validation, Tax Refund. The first stage is the most important to tax authorities as it helps them to electronically capture relevant information of individuals with taxable income. Thus, this helps the tax authorities to build a comprehensive

database of taxpayers. With a comprehensive database of taxpayers within its jurisdiction, each of the tax authorities in Nigeria can easily keep track of taxpayers to effectively enforce the provisions of the various revenue laws in Nigeria that legitimize the imposition, assessment and collection of the taxes contained therein. Impressively, the tax authorities in Nigeria have realized the pertinence of e-taxation to tax administration and have made reasonable efforts to adopt and utilise e-taxation in tax administration.

6. Conclusion and the Way Forward

From the foregoing discussion, it is found that Nigeria is still at the pilot stage at the federal level as is revealed in the efforts of the FIRS, JTB and the NCS.[128] At the State level however, some States have gone beyond the pilot stage like Lagos and Cross River States. So far, the Federal Government has spent billions of Naira to ensure that tax administration in Nigeria is fully automated. Notwithstanding, taxpayers still file tax returns manually, get assessed manually, pay taxes manually, get tax clearance certificate manually and even process tax refunds manually beyond the 90 days that is stated on paper. Presently, JTB and FIRS are currently collaborating on several projects, especially the ITAS/SIGTAS project to ensure that tax administration processes are automated.[129] Yet the ITAS/SIGTAS project is still at the first stage of e-taxation which is the registration of taxpayers and issuance of TIN.

However, there is currently massive publicity on the TIN registration and issuance exercise all over the country. Efforts are being made by the tax authorities at the federal and state levels to create awareness through sponsored advertisements in the print and electronic media, on the acquisition of the unique TIN. Nigeria has what it takes financially to successfully, effectively and completely

[128] Ibid.

[129] Collins Umenwosu, personal interview with E. S. Ifediora, Esq., on the 2nd of February, 2014, at the JTB head office, Asokoro, Abuja.

implement e-taxation centrally. Thus, since a lot of money is generated from taxation in Nigeria,[130] the financial implications does not seem to be the problem but for the relevant stakeholders to get their acts together, in the acquisition of relevant technology for the implementation of e-taxation.

Be that as it may, computer literacy level in Nigeria is still low for taxpayers to appreciate and effectively take to e-taxation. Unfortunately, it is mainly the younger generation and students in Nigeria who do not earn taxable income that are computer literate. It is also regrettable that more than half of eligible taxpayers do not have access to internet facilities. It cannot also be over-emphasised that corruption amongst government officials has negatively affected taxpaying culture. The high level of corruption has affected the psyche of Nigerians in general, deadening their consciences from appreciating their civic duty to pay taxes in order to make funds available for the government to provide services and utilities. Politicians and government appointees lavish taxpayers' money on white elephant projects without making any efforts to reasonably give account of how same is spent. All these make taxpayers to boldly engage in tax evasion and connive with tax officers to pay less tax whenever the opportunity presents itself.

In the light of the foregoing, this study makes the following recommendations. Adequate legal framework to regulate e-taxation in Nigeria should be put in place. In some foreign jurisdictions, there exist statutory provisions that regulate electronic tax filing and authorise and legitimise the e-taxation processes. It is strongly suggested that either the various federal and state tax legislation are amended to accommodate provisions to regulate electronic tax filing or e-taxation or new laws be enacted to regulate the entire e-

[130] In the first quarter of this year, i.e. 2015, the FIRS was reported to have recovered the sum of ₦ 756.7 billion from petroleum profit tax, non-oil taxes inclusive of income tax, gas income, capital gain tax, stamp duties, and value added tax. I. Onuba., 'FIRS Earned N756.7bn from Taxes in Q1 - FIRS.' http://businessnews.com.ng/2015/06/06/fg-earned-n756-7bn-from-taxes-inq1-firs retrieved on 21 December, 2015 at 4.27am.

taxation processes. Thus, the FIRS needs to prevail on the National Assembly to enact laws that would back up e-taxation in Nigeria. This is to give the e-taxation process some statutory/legal basis.

Again, E-taxation should be utilised by the various tax authorities to ensure the enforcement of various revenue laws in Nigeria. There is no gainsaying that e-taxation makes the enforcement of tax laws easier. This is seen in the fact that the since e-taxation facilitates the establishment and maintenance of an electronic database of taxpayers and their tax history, tax authorities can frequently check their database and taxpayers' history to pick out tax defaulters and enforce the laws they have breached against them in the relevant courts. This is what helps the US' IRS, Australia's ATO, etc., in detecting and prosecuting tax defaulters. Hence, upon the eventual completion and implementation of e-taxation at the Federal and State levels in Nigeria, it is advocated that relevant tax authorities should take advantage of e-taxation by utilising same to enforce the various revenue laws in Nigeria.

More still, walk-in ICT centres should be established in all States especially in the rural areas. The essence of this is for taxpayers to access free computer literacy programme on how to utilise e-taxation for federal and state taxes maximally when tax administration processes throughout Nigeria eventually become automated. Commendably, the FIRS and JTB have been creating a lot of awareness on tax issues, especially on the registration for and the issuance of TIN exercise.

Furthermore, the Federal and State governments should embark on house-to-house electronic registration of tax payers. Since the JTB commenced the registration for and the issuance of TIN exercise, only an insignificant percentage of taxable Nigerians have registered and been issued with the TIN.[131] This has the likelihood of further delaying the entire automation of tax administration in

[131] NAN, Leadership Newspapers, '80% Nigerians do not Have Taxpayers Identification Numbers - Edo Tax Boss.' http://leadership.ng /business /433948 /80-nigerians-do-not-have-taxpayers-identification-number-edo-tax-boss retrieved, on 21 December, 2015 at 4.41am.

Nigeria. It would do great good if the federal and state governments collaborate with the JTB to embark on a house-to-house registration exercise to capture the data of taxable Nigerians. Taxpayers ought to be sent constant reminders of their tax liabilities through the address (es) supplied during the TIN registration exercise. Where taxpayers have supplied email and house/office addresses, it would help the tax administration process if the relevant tax authorities send constant reminders to taxpayer of their liability, especially before the due date that tax becomes payable, so that they do not rely on the contrary and evade tax.

Again, E-taxation should be made compulsory for all taxpayers. Nigeria is a developing country wherein taxpayers already have a negative and poor taxpaying culture. Where e-taxation becomes fully implemented throughout the Federation, with a fore knowledge of the negative and poor taxpaying culture amongst taxpayers, it is suggested that taxpayers should not be given the option of choosing how they want to pay their taxes- either electronically or manually as it may become an excuse or opportunity for tax evasion. Incentives may be considered for taxpayers to encourage them adopt and utilise the facilities of e-taxation. It is common knowledge that Nigerians generally like free things. Such incentives may include tax waivers for a particular period of time with the aim of capturing the taxpayers in the tax authorities tax net and database.

It is also necessary that dedicated IT-personnel should always be available to resolve challenges of taxpayers using the e-taxation. Hence, various tax authorities should ensure that they have a proactive IT-team to handle internet and other related challenges to be encountered by taxpayers in the course of paying their taxes. Finally, there needs to be a resolution of the power supply problem by the Nigerian government. Without constant power supply, e-taxation may not work effectively. World thriving economies like the USA, the UK and even Australia that make most of their income through taxation are utilisng electronic means aided by constant power supply.