KPMG

Tax Dispute Resolution Survey

May 2021

home.kpmg/ng

Contents

Foreword 1

About The Survey 2

Survey snapshot 3

Tax Dispute Resolution System in Nigeria 5

Tax Dispute Resolution and the Tax Function 7

Tax Audits and other Compliance Verification Exercises 9

Appealing the Decision of the Tax Authority 11

Appealing the Decision of the Tax Appeal Tribunal 13

Impact of Changing Accounting Standards on Tax Disputes 14

Technology and the Future of Tax Administration 15

KPMG Nigeria's Tax Disputes Resolution Services 17

Related Thought Leadership Publications 17

KPMG Newsletter Publications in 2019/2020 20

Foreword

One of the indicators of a good tax system is the quality of tax administration – this includes the nature and frequency of tax audits and other compliance verification exercises, the nature and basis of tax assessments issued to taxpayers, the duration of the tax audit cycle, the manner in which tax disputes are resolved, etc. Tax authorities should be able to take on board taxpayers' views and feedback on these indices in order to ensure that their tax practices are fair, equitable, and forward-looking.

We are, therefore, pleased to launch the maiden edition of this Tax Disputes Resolution Survey Report ("the Report") prepared by KPMG in Nigeria. The Report serves as a feedback tool through which taxpayers are able to share their experiences (including pain points) on the salient issues impacting effective tax administration such as: multiplicity of tax compliance verification exercises, protraction of the tax audit cycle, slow adoption of technology in the tax audit process, etc. The Report also serves as a benchmark tool for taxpayers to assess their strategies and processes for mitigating tax risks and resolving tax disputes against those of other taxpayers.

We also hope that the Report will serve as a useful reference for the tax authorities as they seek to improve existing processes whilst mobilising revenue aggressively for the Government. This is particularly important as we have seen an increasing focus by the Government to ramp up tax revenue in order to shore up its dwindling revenue, occasioned in part by the Covid-19 pandemic. In the last 2 years, the Federal Government has signed into law, the Finance Acts 2019 and 2020, and subsequently issued tax-related Executive Orders – the VAT Modification Order 2020, and the Companies Income Tax (Significant Economic Presence) Order, 2020. On its part, the FIRS has issued various Circulars and Public Notices informing the general public of its position regarding the interpretation of the above pieces of legislation. Some of these publications have proven controversial and may be the subject of tax disputes in the future.

We also trust that our readers will glean some insights in managing their tax affairs proactively as they review their tax risks and tax dispute management frameworks. More importantly, however, taxpayers should be willing to affirm their rights by seeking judicial redress, if necessary, where non-litigious options have been exhausted. This is important to the development of our tax jurisprudence, which is still in its infancy.

We acknowledge and thank all the respondents that took out time to be part of this year's survey. We look forward to your participation in subsequent editions. We encourage our readers to provide feedback on the publication and participate in the subsequent editions of the survey. You can send your comments or indication of your interest to participate in future surveys by sending an email to NG-FMKPMGGlobalTaxSurvey@ng.kpmg. com.

Wole Obayomi
Partner & Head, Tax, Regulatory and People Services
KPMG in Nigeria

About the survey

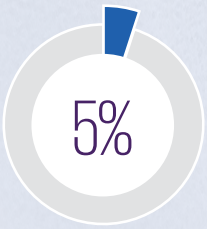
Ajibola Olomola
Partner
Deal Advisory, M&A Tax and Financial Services
KPMG in Nigeria

The Tax Dispute Resolution Survey charts respondents' assessment of the tax dispute resolution system in Nigeria. During the survey, we elicited feedback from respondents on:

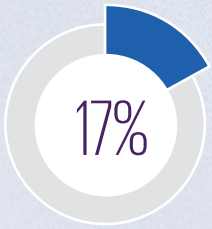
- how their tax functions and processes are configured to mitigate tax risks;
- their experience during tax audits and other compliance verification exercises;
- their strategy for resolving tax disputes, including their disposition towards seeking judicial redress;
- the role of technology in resolving tax disputes; and
- their expectations for the future of tax dispute resolution in Nigeria

The findings in this report are based on a survey of companies spread across various industries in Nigeria, with approximately 78% of the companies operating across several States in Nigeria. The companies vary in revenue profile and range from < ₦100 million to > ₦1 billion.

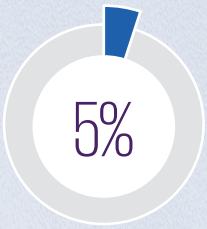
The distribution of our respondents across various sectors is illustrated below:



Business Support & Logistics

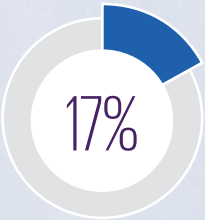


Finance & Financial Services

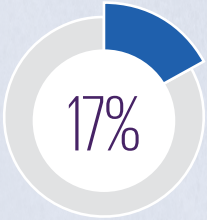


FMCG

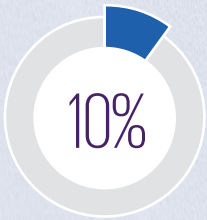
Nonprofit



Telecommunications, Technology, Internet & Electronics

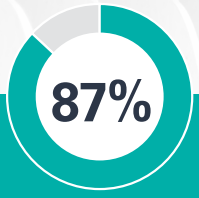


Utilities, Energy, and Extraction



Others

Survey snapshot



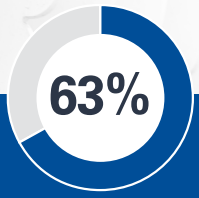
Tax Dispute Resolution and The Tax Function

The Survey results show that 87% of the respondents have a well-defined tax strategy, while 75% confirmed that tax is an important element of their organisation's overall business strategy.

On the biggest issue faced by their tax department, 44% of the respondents cited retrieval of historical information (i.e. document retention or archiving) while 29% cited the non-involvement of the tax department in pre-contractual stages by the legal and / or procurement functions.

Management of Tax Affairs

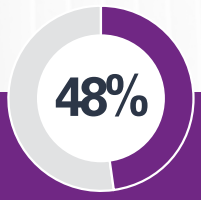
62% of the respondents indicated that on grey areas of the law, they would simply adopt a conservative position (i.e. adopt a worst-case scenario) while 30% suggested that they would apply for an advance tax ruling from the relevant tax authority.



Tax Audits and Other Compliance Verification Exercises

63% of the respondents indicated that they are increasingly experiencing simultaneous tax verification exercises (tax audits, desk reviews, monitoring exercises, etc.) on overlapping periods of assessment.

57% of the respondents indicated that, on average, it takes 1-3 years to resolve a federal tax dispute while only 2% estimated an audit cycle of less than 3 months. With regards to State tax disputes, 46% estimated an audit cycle of 1-3 years while 9% estimated an audit cycle of less than 3 months.

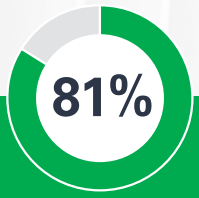


Reconciliation of Tax Disputes

About 48% of the respondents indicated that over 50% of Federal and State tax disputes are resolved at the reconciliation stage.

Over 93% of the respondents indicated that they would seek judicial redress only if there is an impasse in resolving a particular issue having exhausted all possible conciliatory measures.

Only 17% of respondents confirmed that they have a materiality threshold for appealing tax disputes and a larger percentage of this group cited N100million – N500 million as the threshold.

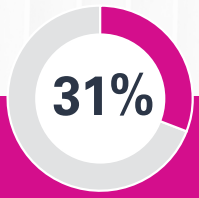


Appealing The Decision of The Tax Appeal Tribunal

81% of the respondents indicated that they were willing to appeal, on point of law, to higher courts if the TAT issues judgement in favour of the Tax Authority.

Impact Of Changing Accounting Standards On Tax Disputes

30% of the respondents ranked the impact of changing accounting standards as "very significant", 49% said it was "moderately significant" and 21% said it was "not significant".



Technology and The Future Of Tax Administration

95% of the respondents are of the view that the tax authorities are not embracing technology enough in conducting tax audits efficiently. 73% of the respondents expect tax authorities to migrate to the practice of conducting e-audits (i.e. not merely requesting documents to be provided by e-mails but also standardising the format of audit files which should be generated electronically).

Tax dispute resolution system in Nigeria

Background

Taxpayers are required by law to self-assess to tax and submit a return with the tax authority. The tax authority, on the other hand, is statutorily empowered to review taxpayers' returns for completeness, accuracy and compliance with relevant provisions of the tax laws. The tax authority may conduct its review on-the-spot in the form of a 'desk audit query' or during an in-depth tax audit or investigation exercise.

Taxpayers and the tax authority may have varied interpretations of the tax laws and its application to certain income and expense items. This sometimes exposes taxpayers to additional taxes over and above their self-assessed amount. Thankfully, the tax laws provide an effective and multi-layered framework for managing and resolving disputes between taxpayers and the tax authority.

- In the first instance, a taxpayer who is dissatisfied with the tax authority's assessment may object in writing on points of law and established practice and even provide supporting documentation to validate its position. In some cases, the tax dispute ends here. In other cases, the tax authority may disagree with the Taxpayers' position and, following several attempts at reconciliation, issue a Notice of Refusal to Amend the Assessment (NORA).

  The taxpayer may accept the NORA and settle any additional taxes assessed on it by the tax authority. At this point, the dispute ends.
- If the NORA is rejected, the taxpayer can seek recourse at the Tax Appeal Tribunal (TAT). The TAT will deliberate on the issues in dispute and deliver a ruling in favour of either party to dispute. The TAT's ruling may be accepted, and any additional assessment quashed or settled.
- Depending on each party's conviction on the strength of their position, an appeal of the TAT's ruling may be submitted to the FHC. The FHC may also serve as the court of first instance depending on the preference of the aggrieved party[1]. From the FHC, the dispute may proceed to the Court of Appeal (CoA) all the way up to the Supreme Court – being the Highest court in Nigeria. Decisions reached by the Supreme Court are binding on all parties to the case and all courts in Nigeria, except the Supreme Court itself.

  The Supreme Court's judgment marks the termination of the tax dispute in its entirety.

The Tax Appeal Tribunal

Prior to 2007, the Body of Appeal Commissioners and the Value Added Tax Tribunal separately determined tax matters. However, with the enactment of the Federal Inland Revenue Service (Establishment) Act (FIRSEA) 2007, these institutions were dissolved and replaced with the Tax Appeal Tribunal. The TAT operates in six geo-political zones presided over by Tax Appeal Commissioners (TAC).

The FIRSEA effectively established the TAT to be an administrative body that settles disputes, between taxpayers and tax authorities, arising from the interpretation and application of the following tax laws:

- Companies Income Tax Act
- Personal Income Tax Act
- Petroleum Profits Tax Act
- Value Added Tax Act
- Capital Gains Tax Act
- Any other tax legislation, regulations, proclamations, government notices or rules issued in respect of the above pieces of legislation

Several controversies have trailed the establishment of the TAT, chief of which is the constitutionality of the TAT to hear matters pertaining to the revenue of the Federal Government (FG), considering that Section 251 of the 1999 Constitution of the Federal Republic of Nigeria vests only the FHC with the power to hear matters relating to FG revenue. However, recent court decisions[2] have settled this issue by affirming that the TAT does not usurp the powers of the FHC under the constitution and is simply a statutory administrative body that adjudicates issues pertaining to tax disputes.

The Honorable Minister of Finance, in July 2018, appointed new TACs two years after the expiration of the tenure of the previous TACs in 2016. The TACs, who are expected to hold office for a term of 3 years from their date of appointment, were drafted from various professional bodies such as the Institute of Chartered Accountants of Nigeria, Association of National Accountants of Nigeria, the Chartered Institute of Taxation of Nigeria, the Nigerian Bar Association and the Nigerian Association of Chambers of Commerce & Industry, Mines and Agriculture. A number of the Commissioners have

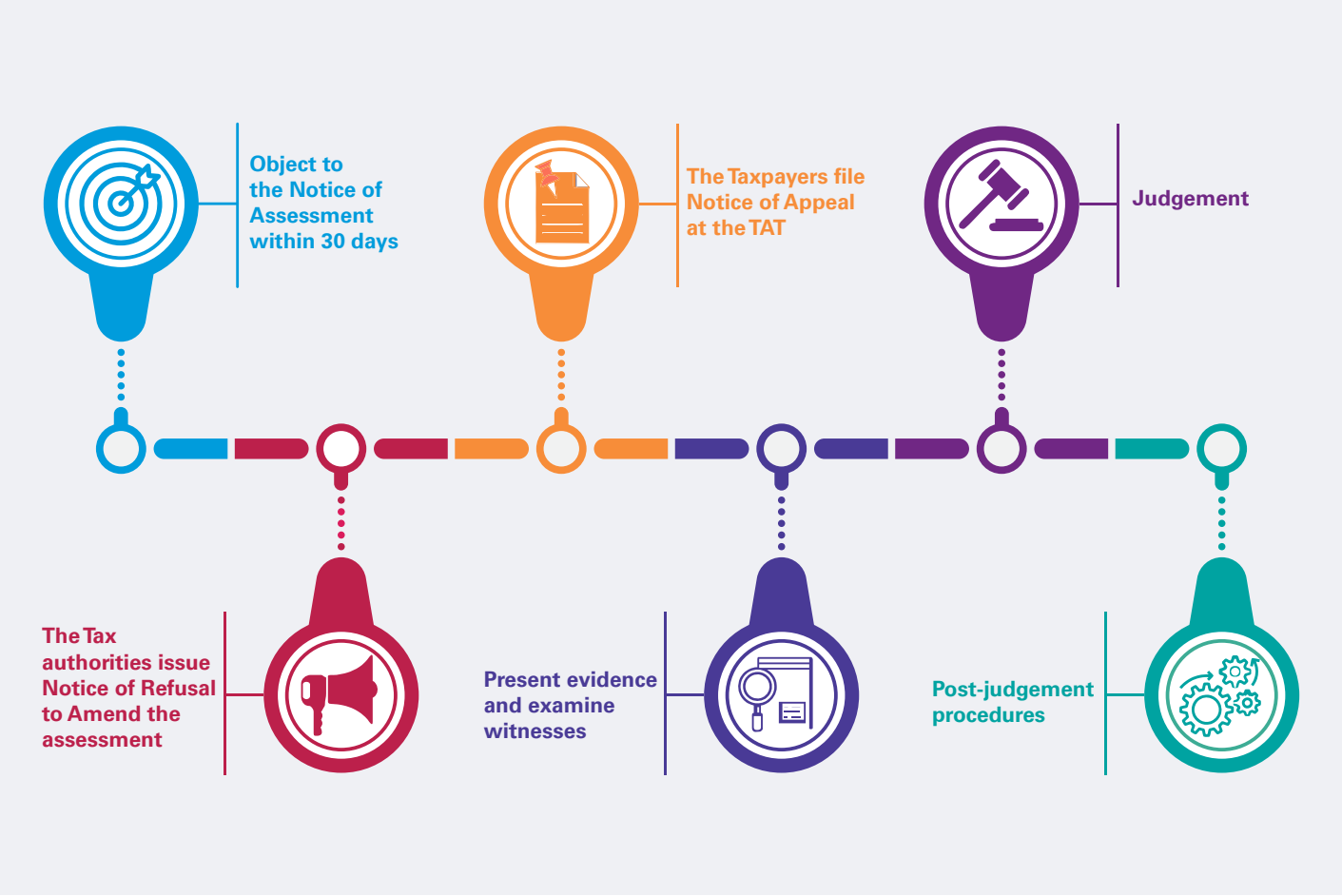
[1] Example of cases that were taken directly to the FHC are; Theodak Nigeria Limited v FIRS, Suit No: FHC/ABJ/CS/17/2017 delivered on the 29th November 2018, State Oil (Nig) Ltd v FIRS Suit No: FHC/ABJ/CS/104/2011, CNOOC Exploration and Production (Nig) Ltd & Anor v NNPC & Anor Suit No. FHC/L/CS/7A/2013

[2] NNPC v TAT & Ors. (2014) TLRN (Vol) Pg. 39 and SNEPCO v FIRS CA/A/208/2012 delivered on 31 August 2016

extensive experience in tax administration, policy, enforcement and practice, having served for many years at the Federal Inland Revenue Service.

Since the inauguration of the TACs in 2018, the TAT has heard at least two hundred tax appeals. These cases comprise a backlog of cases during the two-year technical suspension and new cases filed after July 2018.

A typical tax dispute circuit at the TAT



Tax dispute resolution and the tax function

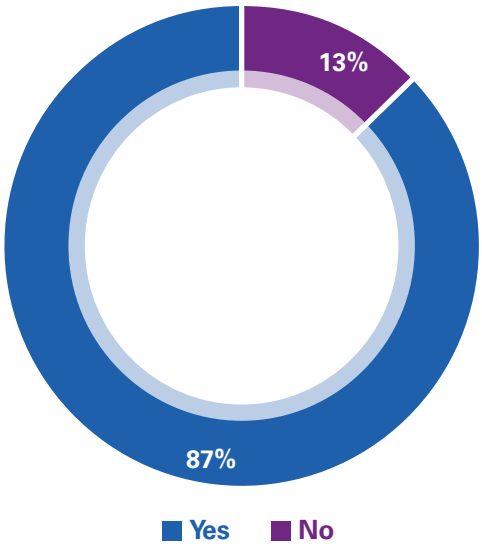
The tax function comprises all the departments of an organisation that are directly or indirectly responsible for the organisation's tax compliance. It could include departments such as Tax, Finance, Human Resources, Supply Chain/Sales, Procurement, Legal, etc.

The tax function plays a pivotal role in managing future tax disputes. Therefore, it is important that processes within the tax function be driven by a clearly defined tax strategy that aligns with the overall business strategy of the organisation. There should also be an effective interrelationship amongst the separate departments comprising the tax function. For instance, the procurement and legal departments of a company should consult with the core tax team before entering into arrangements with customers, vendors, etc. in order to reduce the risk that such contracts may in the future, trigger unfavourable tax consequences for the organisation.

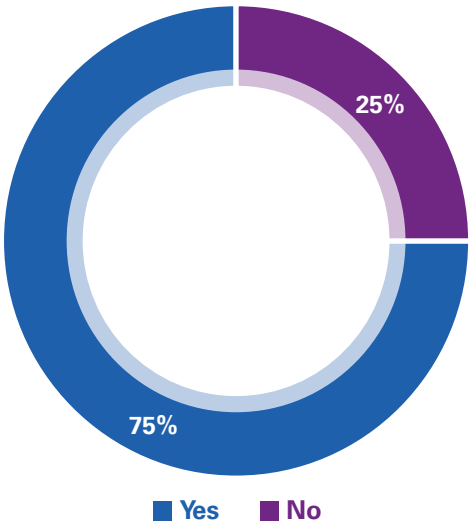
Furthermore, within the tax department itself, there should be a robust tax control framework that clearly drives the daily processes, statutory tax reporting, tax treatment of key transactions and tax dispute management. This is particularly important as control gaps can trigger undue tax liabilities and erode profitability and ultimately, shareholder returns.

Survey Findings

The Survey results show that 87% of the respondents have a well-defined tax strategy while 75% confirmed that tax is an important element of their organisation's overall business strategy.



Does your organisation have a well-defined strategy?



Is tax a well-defined aspect of your organisation's overall business strategy?

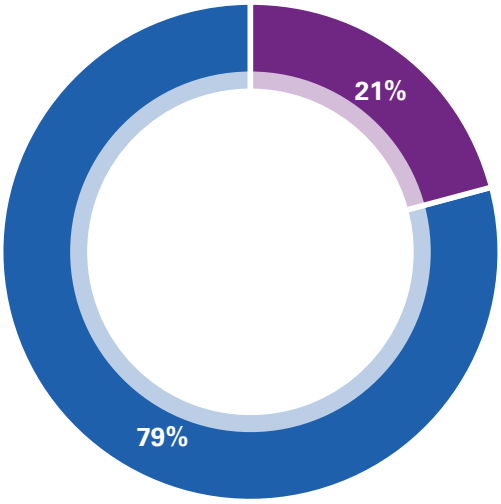
Source:KPMG Nigeria

We also sought respondents' views on their key tax risks. 44% of the respondents indicated that the incorrect treatment of income or expense items in tax computations was the source of the greatest tax risk faced by their organisations while 17% attributed their key tax risk to the ability of their Enterprise Resource Planning (ERP) system to completely (and accurately) capture transaction taxes. Other responses varied from legacy issues arising in the course of migrating to an ERP system to the impact of accounting conventions on the tax treatment of certain transactions.

The respondents also shared their views on the greatest issue faced by their tax functions in resolving tax disputes. 44% of the respondents cited retrieval of historical information (i.e. document retention or archiving) as their biggest issue; 29% cited the non-involvement of the tax department in pre-contractual stages by the legal and / or procurement functions. Other responses were more outward looking – "difficulty of the tax authorities to understand the taxpayer's business model" and "information management" (i.e. the nature and volume of information requested by the tax authorities in the course of a tax audit).

Resolution of tax audits often imposes a strain on tax departments (which are usually lean), particularly for large organisations which operate across multiple States and have a number of subsidiaries in Nigeria. Tax personnel have to deal with their routine compliance tasks, address tax related queries on transactions and still attend to tax audit issues. This sometimes creates control gaps in the tax compliance process of the tax department due to the pressure on available personnel. As a result,

big organisations and conglomerates often outsource tax dispute resolution to external tax consultants who have vast experience. Unsurprisingly, 79% of our survey respondents indicated that they engage tax consultants to assist in resolving tax disputes.



Do you engage tax consultants to assist your organisation to resolve tax audit and other related issues?

Source: KPMG Nigeria

We also asked the respondents about how they proactively manage their tax affairs. Specifically, what steps they take in avoiding undue tax exposures where litigation is not a preferred option. 62% of the respondents indicated that on grey areas of the law, they would simply adopt a conservative position (i.e. adopt a worst-case scenario) while 30% suggested that they would apply for an advance tax ruling from the relevant tax authority. Other respondents provided additional (specific) responses in two broad categories: "seeking professional guidance or expert opinion" and "seeking clarification from both the Tax authorities and external consultants".

Key takeaways:

Business leaders need to periodically review their tax operating model to ensure that the interrelationships of the departments within the tax function are well coordinated. Contractual agreements that have tax implications should be reviewed by key personnel in the tax function or by external tax consultants. Businesses should also ensure that their ERP systems are robust and dynamic enough to capture evolving tax developments and that pay close attention to the legacy issues (e.g. lost historical information) that often arise in the course of migrating to new ERP systems.

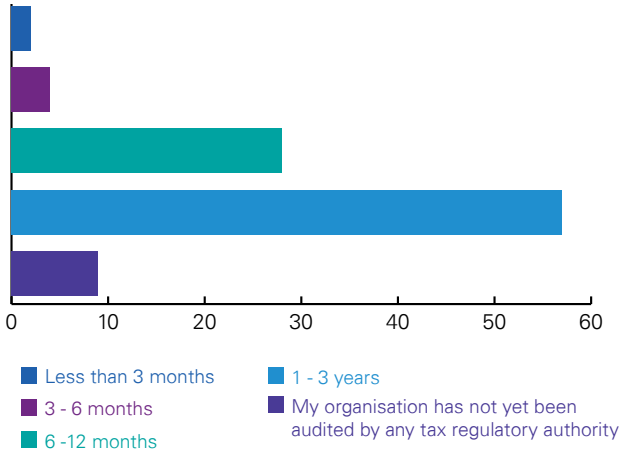
In addition, the tax function should always have a 'review and audit readiness' strategy in place. There should be a system in place for periodically assessing an organisation's level of tax compliance. Such exercises may help an organisation identify, upfront, the gaps in the tax compliance processes (and if there are issues with existing technology that need to be fixed). It is also important for tax managers to seek professional guidance or independent expert opinion, where necessary, on uncertain tax treatments.

Tax audits and other compliance verification exercises

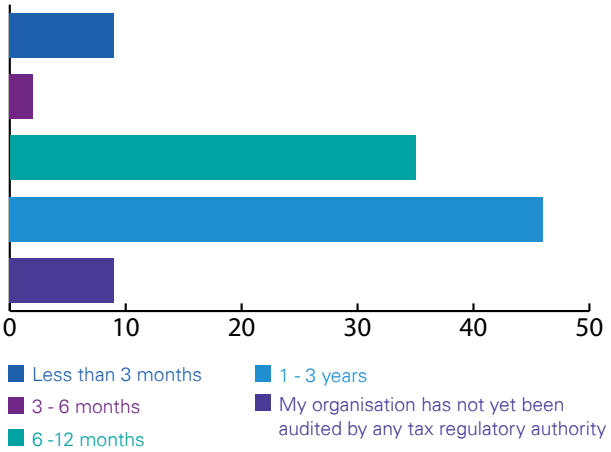
Tax audit is an integral part of the tax administration framework in Nigeria. Beyond collecting tax remittances from taxpayers, tax authorities are statutorily empowered to conduct tax audits on taxpayers to ensure completeness of the taxes remitted.

Tax audits are different from tax monitoring exercises (typically scheduled visits by tax authorities to review a taxpayers' compliance with transaction taxes for a year or two) or desk reviews (routine queries by the tax authority regarding certain items in a taxpayers' tax computation). The tax laws provide a 6-year statute of limitation for tax audits; however, a tax authority may conduct a tax investigation (beyond the 6-year limitation period) where it is of the view that there is evidence of fraud, willful default, or neglect on the part of the taxpayers.

Ideally, desk reviews and tax monitoring exercises should enable a tax authority to conduct reasonable risk assessment on a taxpayer and to facilitate an efficient statutory tax audit exercise. Hence, the practice of 'converting' desk reviews and tax monitoring exercises to pseudo-tax audits detracts from a sound tax administration system. It imposes an administrative burden on taxpayers as they have to provide the same financial information (and answers to repeated queries) to various tax officials. This sometimes results in protracted tax audits.



From your experience, what's your estimate of the average time it takes to resolve a Federal tax dispute (i.e. from the issuance of a tax audit report to the closure of the audit)



From your experience, what's your estimate of the average time it takes to resolve a State tax dispute (i.e. from the issuance of a tax audit report to the closure of the audit)

Survey Findings

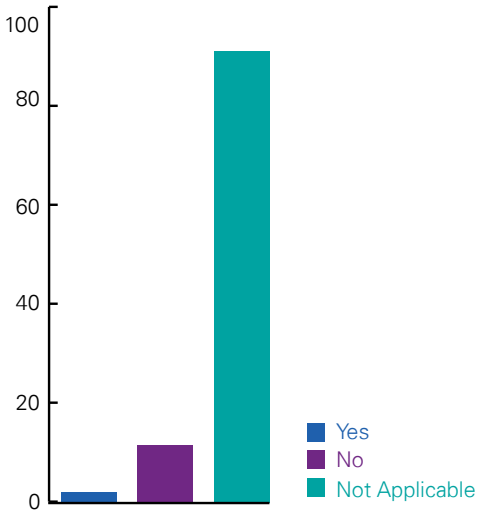
Sadly, 63% of the respondents indicated that they are increasingly experiencing simultaneous tax verification exercises (tax audits, desk reviews, monitoring exercises, etc.) on overlapping periods of assessment.

We also asked the respondents to estimate the typical audit cycle (for Federal and State tax audits) based on their experiences in resolving tax disputes. We define an audit cycle to be the period from the issuance of a tax audit report to the closure of the audit – i.e. settlement of final liability, if any. Based on the outcome of the Survey, 57% of the respondents indicated that, on average, it takes 1-3 years to resolve a Federal tax dispute while only 2% estimated an audit cycle of less than 3 months. With regards to State tax disputes, 46% estimated an audit cycle of 1-3 years while 9% estimated an audit cycle of less than 3 months.

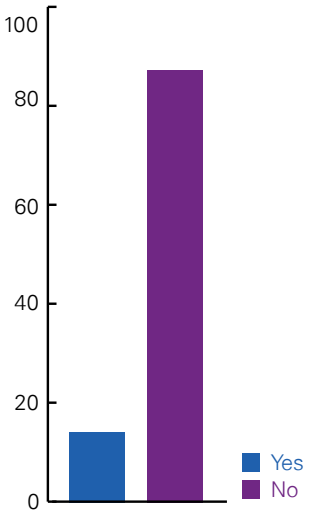
The FIRS, in May 2019, notified the general public of its plan to conduct joint tax audits (JTA) with State Internal Revenue Services (SIRS) of States where taxpayers conduct their businesses. The FIRS noted that the joint tax audit would improve the tax audit experience of taxpayers in Nigeria, reduce the audit cycle, and eliminate the incidence of multiple tax audits by various tax authorities.

We sought respondents' feedback on their experience regarding the FIRS' proposed JTA. Only

14% of the respondents had experienced a JTA and, sadly, just 2% reckon that the JTA had contributed to more efficient tax audits (and by extension, the speedy resolution of tax audits).



Has the introduction of JTA contributed to more efficient tax audits?



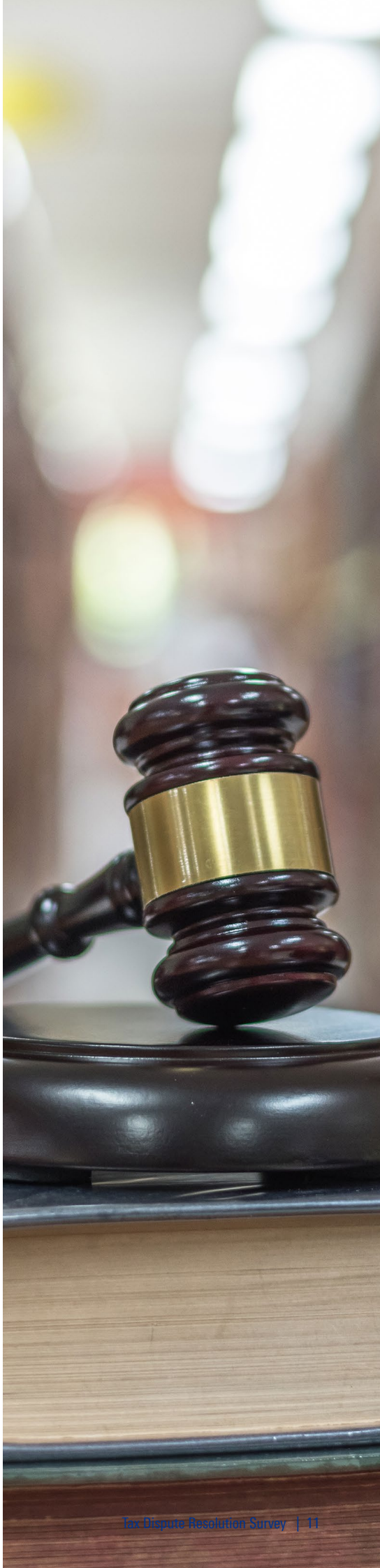
Has a Joint Tax Audit (JTA) been conducted on your organisation?

We also sought the respondents' feedback on whether they were experiencing tax compliance verification exercises by various agencies of Government (FIRS, Revenue Mobilisation Allocation and Fiscal Commission, etc.) on overlapping tax periods. Based on the outcome of the Survey, only 17% of the respondents had encountered such exercise. And when asked about how they have sought to resolve any emanating tax disputes, over 90% who had experienced such exercise indicated that they settled the additional tax liability in order to manage reputational issues.

Key takeaways

While it is important for tax authorities to conduct tax audits on companies, it is important that they adopt risk-based audits, in line with international best practices. Desk reviews and tax monitoring exercises should not evolve into pseudo-audits; rather they should give the tax authorities sufficient information to conduct comprehensive tax audits in an effective and efficient manner.

It is equally important for tax audits to be completed as quickly as possible – indeed, the best practice is for tax audits to be closed within 90 days from the date of issuance of a tax audit report. To achieve this desired state of tax administration, tax authorities need to leverage technology to conduct risk-based audits and to ramp up efforts in capacity building – tax officers need adequate training in order to understand the tax issues that underlie evolving business models.



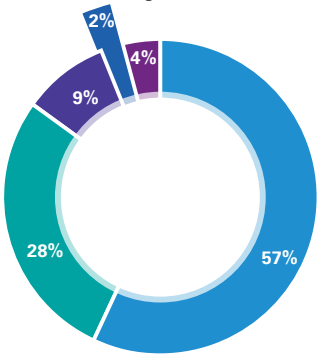
Appealing the decision of the tax authority

As tax audits are conducted and the tax authority issues its notice of additional tax assessment, one of the challenges of Tax managers is deciding whether to concede on an emanating contentious tax issue, straddle a middle ground with the authority, or seek judicial redress at the TAT.

We therefore sought our respondents' feedback on the extent to which tax audits (at the State and Federal levels) are resolved at the reconciliation stage, their disposition towards appealing at the TAT, whether they have a materiality threshold for appealing their tax cases at the TAT, and so forth.

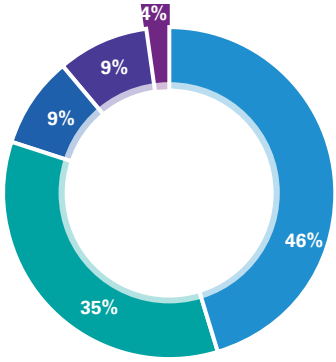
Survey Findings

Based on the outcome of the survey, about 48% of the respondents indicated that over 50% of Federal and State tax disputes are resolved at the reconciliation stage.



Less than 3 months
1 - 3 years
3 - 6 months
My organisation has not yet been audited by any tax regulatory authority
6 -12 months

What is your estimate of the average time it takes to resolve a Federal tax dispute?

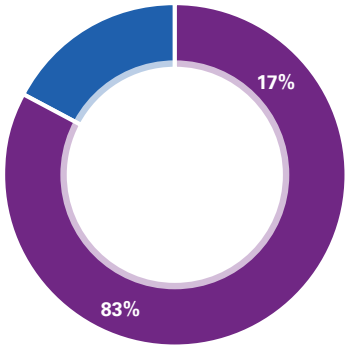


Less than 3 months
1 - 3 years
3 - 6 months
My organisation has not yet been audited by any tax regulatory authority
6 -12 months

What is your estimate of the average time it takes to resolve a State tax dispute?

On seeking judicial redress, over 93% of the respondents indicated that they would seek judicial redress only if there is an impasse in resolving a particular issue having exhausted all possible conciliatory measures. Over 83% of the respondents indicated that, in the first instance, they would seek legal redress at the TAT while 16% indicated that the Federal High Court (or State High Court for State tax issues) would be their first port of call for tax adjudication.

We also asked the respondents if they had a materiality threshold for appealing tax cases. Only about 17% of the respondents responded in the affirmative. Of this group of respondents, approximately 10% of them indicated a materiality threshold of N100million – N500 million; 8% of them indicated a materiality threshold of N500million – N1billion; and just 2% of them indicated a materiality threshold of over N1billion.



Yes
No

Does your organization have a materiality threshold for seeking redress at the TAT?

Source: KPMG Nigeria

From a risk management perspective, we also sought to know whether the respondents had a protocol in place for evaluating the success of a tax appeal at the TAT or higher court. Surprisingly, only 17% of the respondents answered in the affirmative.

Key takeaways:

In resolving tax disputes, taxpayers should, as a first step, seek non-litigious options due to the costs, time, and efforts required in prosecuting cases at the Tribunal and statutory courts. However, where necessary, taxpayers should be courageous to affirm their rights by seeking judicial redress. From our experience, prosecution of such cases does not harm or negatively impact the relationship of the taxpayer with the tax authorities.

Appealing the decision of the Tax Appeal Tribunal

It is not unusual for taxpayers to contest the decisions of the TAT. In fact, the FIRS (Establishment) Act provides certain protocols for taxpayers or the tax authorities to appeal the decision of the TAT at the FHC. Between 2016 and 2020 there have been up to 14 decided FHC cases based on appeals from TAT judgements. In 6 of these cases, the taxpayer was the Appellant and the FHC ruled in favour of the taxpayer in one case. For the other 8 cases where the tax authority was the Appellant, the FHC ruled in favour of the taxpayer in three cases.

The statistics above should, however, not be interpreted to mean that the FHC is generally biased towards the tax authority. The probability of winning a tax case at the FHC largely depends on the technical merits of the taxpayer's case, considering the relevant facts and circumstances of the case.

In some cases, a taxpayer may feel dissatisfied with the outcome of an FHC judgment and may choose to seek redress at the Court of Appeal (COA). The COA would usually treat each case on its own merit. For example, in a case between *Vodacom Business Nigeria Limited and FIRS* on whether supplied satellite-network bandwidth capacities were VATable and on whom the VAT was chargeable, the COA ruled in favour of the tax authority on the ground that the service fell within the description of VATable goods and services under the Act and that the taxable person was the consumer of the said goods and services, in this case the Nigerian company. This position in favour of the FIRS has now been codified in the Finance Acts of 2019 and 2020 respectively.

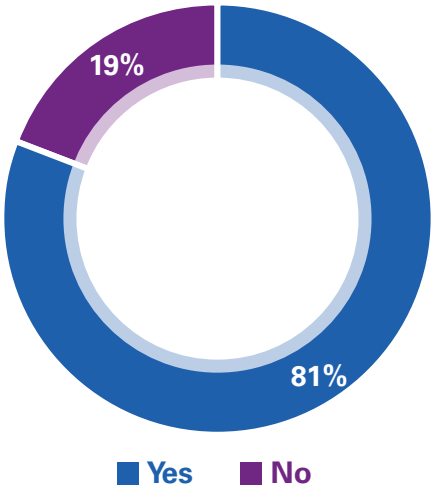
Conversely, in *Ecodrill Nig. Ltd and Akwa Ibom State Internal Revenue Service*, the COA ruled on whether the deemed residency rule would apply to on the employees of the Appellant who were working on a vessel close to Akwa Ibom State. The Court ruled in favour of the taxpayer on the ground that that "place of residence" envisaged under the First Schedule to Personal Income Tax Act could not be extended to cover vessels. The COA further held that the PITA contemplated factual residence and did not extend to deemed residence in the circumstances of the case.

While a taxpayer has the legal right to appeal a COA decision at the Supreme Court, there has not been any recent Supreme Court judgment on tax matters.

In view of the foregoing, we sought to know our respondents' disposition towards appealing TAT judgements.

Survey Findings

Based on the outcome of the Survey, 81% of the respondents indicated that they were willing to appeal, on point of law, to higher courts if the TAT issues judgement in favour of the tax Authority.



If the TAT rules in favour of a tax authority in a dispute involving your organization, would you be willing to appeal to higher courts if, on point of law, it is just and equitable to do so?

Key takeaways

Taxpayers who are dissatisfied with the decision of the TAT should be willing to appeal to the FHC if there is a strong legitimate basis to do so. And if dissatisfied with the decision of the FHC, taxpayers should be courageous enough to make their appeals at the Court of Appeal and even up to the Supreme Court.

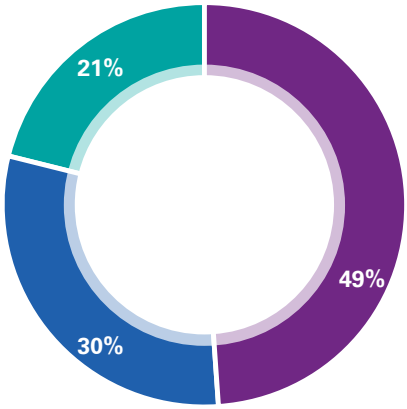
Impact of changing accounting standards on tax disputes

Generally speaking, tax computations are prepared on the basis of the provisions of the tax laws; however, the inputs to the computations are drawn from financial statements, which are prepared on the basis of the relevant accounting standards – the International Financial Reporting Standards (IFRS).

However, the tax laws do not contain special provisions for the tax implications of changing accounting standards. Hence, the tax treatments of new accounting standards would typically be based on the principles that underlie the extant tax provisions, giving regard to economic substance and equity. Consequently, there could be instances where an accounting position becomes the subject of a tax dispute.

Survey Findings

Based on the outcome of the Survey, 30% of the respondents ranked the impact of changing accounting standards as "very significant".



Very Significant
Not Significant
Moderately Significant

How significant is the impact of changing accounting conventions (e.g. introduction of new accounting standards) on the tax disputes you encounter with the tax authorities?

Key takeaways

One of the hallmarks of a good tax system is certainty – the taxpayer and the tax authority should be aligned on the tax implications of changing accounting conventions. Indeed, Nigeria can take its cue from other jurisdictions where the tax laws are regularly updated to stipulate the tax implications of new accounting standards. Hopefully, with the new commitment of the Federal Government to enact the Finance Act annually, this should no longer be a source of concern.

Technology and the future of tax administration

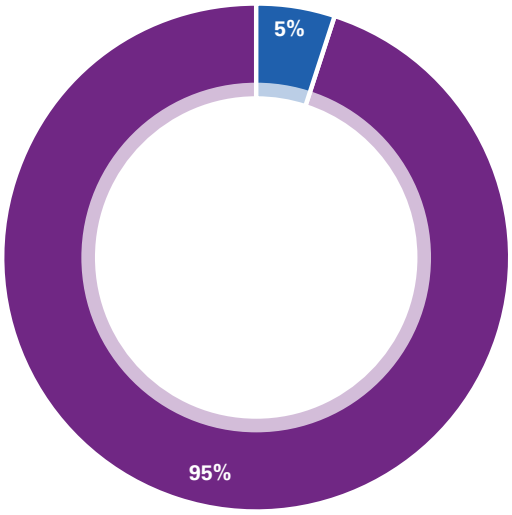
Many tax systems, globally, are increasingly leveraging technology to simplify tax administration in a bid to lower cost and achieve efficient data collection and audit. Tax authorities in a number of European countries such as France, Luxembourg, Portugal and Germany are able to conduct tax audits electronically by requesting taxpayers to submit tax information in a prescribed format in accordance with the Standard Audit File for Tax (SAF-T) requirements.

Even on a transactional basis, some countries are able to obtain real-time invoicing data for VAT compliance purposes. In Hungary, for example, certain taxpayers are required to generate on-demand transaction information in a prescribed format.

In Nigeria, the tax authorities have yet to fully leverage technology in minimizing the cost of tax administration. Recent initiatives announced by the tax authorities (at the State and Federal levels) have been largely focused on electronic filing of tax returns. While such developments are quite commendable, we expect that the tax authorities would significantly digitalise other aspects of the tax compliance process such as tax audits.

Survey Findings

Based on the outcome of the Survey, 95% of the respondents are of the view that the tax authorities are not embracing technology enough in conducting tax audits efficiently.



Yes No

In your view, do you think the tax authorities are leveraging technology enought in conducting tax audits and similar exercises?

We also sought our respondents' feedback on how they anticipate technology to shape the future of tax administration. 73% of the respondents expect tax authorities to migrate to the practice of conducting e-audits (i.e. not merely requesting documents to be provided by e-mails but also standardising the format of audit files which should be generated electronically). 29% expect the tax authorities to leverage technology in conducting risk-based audits while 18% anticipate that e-invoicing (obtaining real-time transaction information) would be adopted in the future.

Key takeaways

The Nigerian tax authorities are encouraged to leverage technology to digitalise tax administration as far as is possible. This would help to significantly reduce the costs of tax compliance and, presumably, expedite the tax dispute resolution process as tax audits can be conducted quicker. Commendably, the Finance Act 2020 currently empowers the FIRS to deploy proprietary technology to automate the tax administration process including tax assessments and information gathering provided it gives 30 days' notice to the taxpayer. FIRS may also issue a Notice of Assessment on any person via email or any other electronic means. Likewise, taxpayers may now submit notices of objection to the FIRS electronically.

Additionally, the Finance Act empowers the TAT to conduct its hearing remotely via virtual means, using such technology or application as may be necessary to ensure fair hearing. It is expected that these changes will have a positive impact on the interaction between the taxpayer and tax authorities, and more directly, on the disposition of any party to approach the TAT for potential dispute resolution.

In light of the above, the taxpayer may need to improve or update its internal processes in terms of record-keeping, information sharing, and generally employing technology in-house to ensure adequate collaboration with FIRS.

KPMG Nigeria's tax dispute resolution services

KPMG Nigeria has a dedicated Tax Dispute Resolution Team who are able to provide holistic support in respect of pre-trial services, representation at the Tax Appeal Tribunal and general tax litigation support. The scope of services and the specific ways that KPMG Nigeria may be of assistance include:

Pre-Trial Services

- Resolution of long-standing tax audits and investigations
- Advance rulings on controversial matters
- Negotiation, mediation and out-of-court settlement
- Tax foot-print diagnostics on transactions and deals
- Data Repositories for clients

TAT Representation

- Preparation and filing of Notice of Appeal at the Tax Appeal Tribunal ('TAT')
- Representation and prosecution of appeals at the TAT
- Provision of Expert witness services at the TAT

General Tax Litigation Support

- Case Management Support
- Expert Witness Services at the Appellate Courts
- Evaluation of tax litigation strategy including review of originating processes and Briefs of Arguments

Our approach is designed to address tax disputes through effective strategies that ensure proper mitigation, management and prompt resolution. KPMG Nigeria's Tax Dispute Resolution Team has recorded successes in providing excellent service to several clients in different sectors of the economy.

Related thought leadership publications

Bloomberg Tax

bloombergindustry.com

INSIGHT: Tax Deductibility of Fines and Penalties in Nigeria

BY OLATOYE AKINBORO

The Finance Act 2019, which came into force on January 13, 2020, has clarified the rule on the tax deductibility of statutory penalties in Nigeria. There was no clear statutory provision on the tax deductibility of fines and penalties prior to this clarification; however, the general practice had been that fines and penalties were not tax deductible.

One reason given for this was that penalties are deterrents for which companies should be solely responsible, and allowing tax deductions would allow such companies to indirectly share the punishment with the public.

Another reason given for the practice was that fines and penalties do not satisfy the criteria for tax deductibility of valid business expenses, that is, they are not wholly, reasonably, exclusively and necessarily incurred for business operations (the WNEN test). This view was reiterated recently by the Tax Appeal Tribunal (TAT) in the case of MTN Nigeria Communications Limited v. Federal Inland Revenue Service Appeal No: TAT/LC/CIT/001/2018, delivered on February 5, 2020.

Significantly, the practice of disallowing fines and penalties in Nigeria, the Tribunal noted, extends to non-commercial penalties, or mere levies, which although imposed by governmental authorities still qualify as commercial fines such as demurrage.

Against this background, the clarification provided by the Finance Act amendment to Section 27 of the Companies Income Tax Act (CITA), is a welcome development. The amendment to Section 27 reads as follows: "Notwithstanding any other provision of this Act, no deduction shall be allowed for the purpose of ascertaining the profits of any company in respect of any penalty prescribed by any Act of the National Assembly for violation of any statute."

The law is now clear on the nature of penalties that would be disallowed expenses for tax purposes. This law change also codifies the ruling of the Federal High Court (FHC) in the case of National Oil Spill Detection and Response Agency v. Mobil (2018) Ipob-14/2018(ad).

Olatoye Akinboro is a Manager with KPMG Advisory Services, Nigeria

that only the National Assembly can impose penalties on companies. The amendment also seems to settle the controversy generated by the judicial decisions under which oil producing firms were not allowed to take gas flaring payments as tax deductible expenses in the Mobil Producing Nigeria Unlimited v. Shell Petroleum Development Company of Nigeria Ltd (Suit No: FHC/L/A/2017), and Federal Inland Revenue Services v. Mobil Producing Nigeria Unlimited (Suit No: FHC/L/3A/2017).

Uncertainty of Outcome

However, all is not well in Camelot. The specificity of the wording of the Finance Act's amendment may lead to uncertain outcomes.

The general rule on the interpretation of each "deterrent sectioer" is that punishment for infraction of any law should be limited to the punishment expressly provided under the law (see Section 17, Interpretation Act, Cap 123, Laws of the Federation of Nigeria 2004).

Lord Denning's oft-quoted quip that "the draftsman, due to the precision of the language of the Finance Act's amendment, is "the express mention of one thing is the exclusion of all others" (*expressio unius est exclusio alterius*). This connotes that once certain items are mentioned, it means that the draftsman, or the law maker, deliberately intended to exclude all others that were not mentioned. Adopting this appropriate rule of statutory interpretation may often lead to the conclusion that the CITA now permits most "fines and penalties" to be allowable expenses for tax.

Lord Denning's oft-quoted quip that "the draftsman, due to the precision of the language of the Finance Act's amendment, is "the express mention of one thing is the exclusion of all others" (*expressio unius est exclusio alterius*). The National Assembly's precision in limiting the non-deductibility to penalties (excluding fines, damages or forfeitures, etc.) that are prescribed in an Act of the National Assembly (excluding commercial fines or penalties; penalties and fines imposed by State Houses of Assembly; fines and penalties imposed by regulators, government authorities or other bodies) due to the violation of any statute (excluding the violation of regulations, directives, rules, orders, etc.). The law's remedy, then, could result: The endless possibilities of variety of penal tools, and the virtual nuances and contexts which are not covered by such restrictive language used by the Finance Act are many, leading to uncertainty in how it should be applied.

1. Tax deductibility of fines and penalties in Nigeria

Olatoye Akinboro

by Olatoye Akinboro

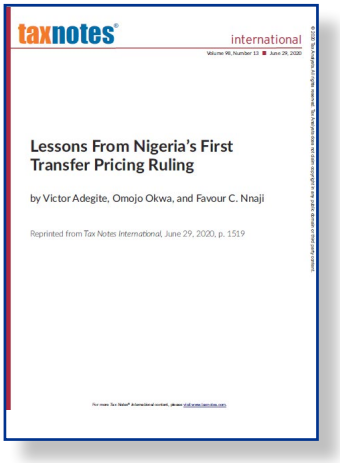
Prior to the Finance Act, 2019 there were questions of whether fines and penalties are tax deductible for tax purposes. However, the general practice had been that fines and penalties were not tax deductible. One reason given for this was that penalties are deterrents for which companies should be solely responsible and allowing tax deductions would allow such companies to indirectly share the punishment with the public.

Another reason given for the practice was that fines and penalties do not satisfy the criteria for tax deductibility of valid business expenses, that is, they are not wholly, reasonably, exclusively and necessarily incurred for business operations (the WREN test). The Courts are at different times examined the arguments for and against the tax deductibility of fines and penalties; MTN v FIRS, Federal Inland Revenue Service v. Mobil Producing Nigeria Unlimited and Federal Inland Revenue Service v. Shell Petroleum Development Company of Nigeria Ltd

Against this background, the Finance Act amended Section 27 of CITA as follow; "Notwithstanding any other provision of this Act, no deduction shall be allowed for the purpose of ascertaining the profits of any company in respect of any penalty prescribed by any Act of the National Assembly for violation of any statute."

Thankfully, the law is now clear on the nature of penalties that would be disallowed expenses for tax purposes. However, the specificity of the wording of the amendment may lead to uncertain outcomes. The amendment limits the non-deductibility to penalties (excluding fines, damages or forfeitures, etc.), that are prescribed in an Act of the National Assembly (excluding commercial fines or penalties; penalties and fines imposed by State Houses of Assembly; fines and penalties imposed by regulators, government authorities or other bodies) due to the violation of any statute (excluding the violation of regulations, directives, rules, orders, etc.).

You can read the full article at https://news.bloombergtax.com/daily-tax-report-international/insight-tax-deductibility-of-fines-and-penalties-in-nigeria


taxnotes international

Volume 98, Number 13 ■ June 29, 2020

Lessons From Nigeria's First Transfer Pricing Ruling

by Victor Adegite, Omojo Okwa, and Favour C. Nnaji

Reprinted from *Tax Notes International*, June 29, 2020, p. 1519

2. Lessons from Nigeria's First Transfer Pricing Ruling

by Victor Adegite, Omojo Okwa and Favour Nnaji

Victor Adegite

Omojo Okwa

Favour Nnaji

The Tax Appeal Tribunal was formally set up in 2010 and the first Transfer Pricing Regulations came into force in 2012. With all these developments, the Tribunal recently delivered its maiden Transfer Pricing judgement in 2020. This serves as groundbreaking development as more judgments are expected to follow.

In a nutshell, the facts are; during the 2013 and 2014 financial years, Prime Plastichem Nigeria Ltd. (PPNL), purchased chemical products from a related party, Vinmar Overseas Ltd. In 2013 PPNL selected the comparable uncontrolled price method as the most appropriate transfer pricing method to analyze the transaction. However, because of a lack of comparable data, in 2014 PPNL switched to the transactional net margin method (TNMM) using the operating margin as the profit level indicator.

When the FIRS reviewed PPNL's transfer pricing documentation, it determined that the TNMM was the most appropriate method to analyze the transaction but found that the gross profit margin was the appropriate profit level indicator. It applied this method to test both the 2013 and 2014 transactions. The FIRS also relied on sections 55 and 77 of the CITA and section 32 of the FIRS Establishment Act 2007 to impose interest and penalties on the transfer pricing adjustment totaling NGN 1.74 billion ($4.83 million). PPNL objected to the FIRS's assessment and filed an appeal with the tribunal, which ruled in favor of the FIRS on all the issues.

This article reviews the salient issues of the case and weighs the tribunal's decision against the 2012 Nigerian Transfer Pricing Regulations and the international best practices documented in the 2010 OECD Transfer Pricing Guidelines and the 2013 U.N. Practical Manual on Transfer Pricing for Developing Countries.

You can read the full article at Tax Notes International (Vol 98, No 13), 29 June 2020 Edition.

TAX ISSUES

Is the Attorney General of the Federation Nigeria's new taxman? (1)

3. Is the Attorney General of the Federation Nigeria's new tax man

Basirat Mutairu

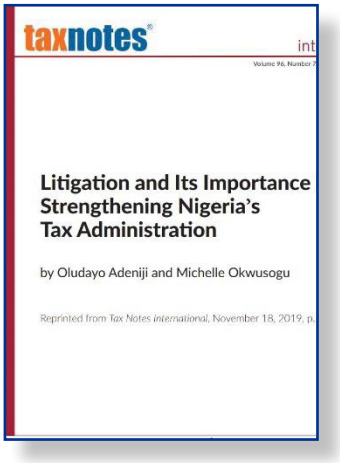
by Basirat Mutairu

In recent times, the Attorney General of the Federation ('AGF') acting on behalf of the Federal Government of Nigeria ('FGN') issued Notices similar to Notice of tax audit/investigation to certain high-profile companies requesting them to show compliance with statutory requirements, payment of certain taxes and import duties owed to the FGN. The AGF via this action sought to recover taxes payable on visible and invisible transactions to wit; Withholding Tax (WHT), Value Added Tax (VAT) and Import Duties. The companies were required to turn over documentary evidence showing complete and effective discharge of their said statutory obligations.

Many commentators have faulted this intervention by the office of the AGF especially as it had deviated from the traditional role of that office and apparently reached into the jurisdiction of other agencies of government. Essentially, the most notable criticism was the question of legitimate authority, bordering on whether the AGF could validly carry out this exercise in the circumstance that relevant statutory oversight for administration and collection of taxes/levies had been vested by legislation on agencies such as the Federal Inland Revenue Service (FIRS), Nigerian Customs Service (NCS) and the likes, respectively.

From news reports on the matter, Nigerian telecommunication giant, MTN Nigeria Communication Limited (MTN) was one of the companies that received these Notices. The AGF alleged that the company owed about $2,000,000,000.00 (Two Billion US Dollars) in outstanding tax revenue to the Government of Nigeria. MTN eventually instituted an action at the Federal High Court Lagos challenging the authority of the AGF to carry out the exercise. In the action, MTN requested the court amongst other reliefs sought, to declare the AGFs' action as illegal and subsequently vacate the alleged outstanding tax liabilities. The AGF in its response filed in court posited that its powers to conduct the exercise stems from the provisions of the Nigerian Constitution, which vests all executive powers on the President of the Federal Republic of Nigeria. The said powers are then delegated on the AGF as the Chief Law Officer of the Federation, thus, empowering it "to review and investigate infractions against all the laws of Nigeria." Therefore, the AGF argued that he has power to investigate and prosecute all defaulters in relation to duties to pay taxes, levies and duties that are imposed by extant Nigerian laws.

You can read the two-part article in "BusinessDay Newspaper" of 1 and 8 April 2020 respectively.


taxnotes int

Volume 96, Number 7

Litigation and Its Importance Strengthening Nigeria's Tax Administration

by Oludayo Adeniji and Michelle Okwusogu

Reprinted from *Tax Notes international*, November 18, 2019, p.

4. Litigation and its importance in strengthening Nigeria's tax administration

Oludayo Adeniji

Michelle Okwusogu

by Oludayo Adeniji and Michelle Okwusogu

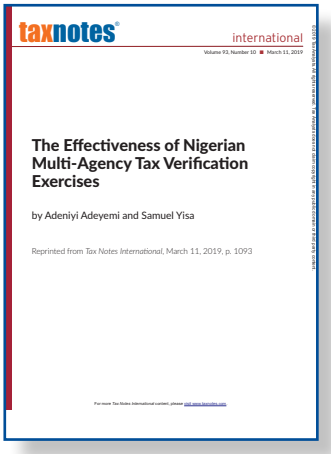
Disputes are almost inevitable when people, companies, or regulators with different interests are involved in a commercial cycle of trade and industry. It is therefore unsurprising that tax disputes are common, especially because the stakes can be high.

Acknowledging that gives rise to general tax provisions, which allow parties to seek redress in court when tax disputes occur. The key desire for most developing countries is economic growth and development, and Nigeria's fast-growing economy makes it a major target market for foreign direct investments. Because of recent warnings about a global economic recession, foreign investors are exploring business opportunities in regions with projected growth rates, with Nigeria an optimal destination. In the fourth quarter of 2018, the total value of capital importation into Nigeria was $2.14 billion, while in the first quarter of 2019, the total value was $8.49 billion, an increase of 296.73 percent.

Nigeria's tax system has evolved so that tax authorities seek to encourage taxpayers to voluntarily participate to ensure tax compliance. It has paved the way for aggrieved taxpayers to seek redress via adjudication. The Federal Inland Revenue Service Establishment Act (FIRSEA) established the Tax Appeal Tribunal (TAT), which can settle disputes arising from the operation of the FIRSEA, as well as other legislation administered by the Federal Inland Revenue Service (FIRS). The TAT can also settle disputes between taxpayers and state tax authorities.

The FIRSEA provides that a person who has received a FIRS assessment or demand notice or is subject to any action or decision under the tax laws can appeal against that decision within 30 days from the date on which a copy of the order or decision is served by the FIRS to the taxpayer. The tax authorities may allow an extension if satisfied there is sufficient cause for delay. If the taxpayer does not provide a notice of appeal in the specified period, the assessment or demand notices become final and conclusive and the FIRS can charge interest and penalties in addition to recovering the outstanding liability.

You can read the full article at Tax Notes International (Vol 96, No 7), 8 November 2019 Edition.


taxnotes international

Volume 93, Number 10 ■ March 11, 2019

The Effectiveness of Nigerian Multi-Agency Tax Verification Exercises

by Adeniyi Adeyemi and Samuel Yisa

Reprinted from *Tax Notes International*, March 11, 2019, p. 1093

5. The Effectiveness of Nigerian Multi-Agency Tax Verification Exercises

by Adeniyi Adeyemi and Samuel Yisa

Adeniyi Adeyemi

Samuel Yisa

On October 31, 2018, the World Bank released its Doing Business 2019 report. The report, which provides a comparative assessment of 190 countries' regulatory environment, indicated that Nigeria had moved up 14 places in its Ease of Paying Taxes Index rankings (Nigeria was 171st the previous year). This is a laudable achievement, reflecting the unflinching effort by Nigerian revenue authorities — particularly the Federal Inland Revenue Service (FIRS) — to automate tax filing and other compliance requirements through technology. However, there is still room for significant improvement within tax administration. One of the key areas of focus should be tax audits carried out by disparate government agencies.

This article seeks to assess multi-agency tax verification exercises (MTVE), particularly at the federal level, within the context of the Nigerian tax system. It will highlight the effect of these exercises on both the government and taxpayers and then make recommendations for an improved tax administration system.

You can read the full article at Tax Notes International (Vol 93, No 10), 11 March 2019 Edition

KPMG newsletter publications in 2019/2020

i. *The Court of Appeal rules on the inapplicability of investment tax credit to production sharing contracts executed after July 1998.*

The Court of Appeal (COA or "the Court") has overturned the judgement of the Federal High Court (FHC) in the appeal between the Federal Inland Revenue Service (FIRS or "the Appellant") and CNOOC Exploration and Production (CNOOC) and South Atlantic Petroleum Corporation (SAPETRO), by ruling that Investment Tax Credit (ITC) is not applicable to Production Sharing Contracts (PSCs) executed after 1 July 1998, in line with Section 4 of the Deep Offshore and Inland Basin (Production Sharing Contract) Act, Cap D3, Laws of Federation Nigeria, 2004 (DOIBPSCA or "the Act").

You can access the complete newsletter at: https://home.kpmg/ng/en/home/insights/2021/02/court-of-appeal-rules-on-the-inapplicability-of-investment-tax-credit-to-production-sharing-contracts-executed-after-july-1998.html

ii. *Federal High Court upholds the illegality of stamp duty deductions prior to the amendment of the Stamp Duties Act*

The FHC held in the case between Mr. Rupert Irikefe (trading as Abimbola Energy Ventures (the Plaintiff) and Central Bank of Nigeria (CBN), Zenith Bank Plc ("the Bank") & Attorney General of the Federation (AGF), collectively referred to as ("the Defendants") that collection of stamp duties on teller deposits or electronic transfers of monies prior to the amendment of the Stamp Duty Act, Cap. S8, Laws of the Federation of Nigeria (LFN), 2004 (as amended) (SDA) was arbitrary, unlawful and illegal and contemptuous of the lawful orders of superior courts of competent jurisdictions. The FHC also awarded exemplary damages against the CBN and Banks to set an example to tax and regulatory authorities that willfully flout decisions of the courts of law.

You can access the complete newsletter at: https://home.kpmg/ng/en/home/insights/2021/01/fhc-upholds-the-illegality-of-stamp-duty-deductions-prior-to-ame.html

iii. *TAT's judgment on the tax deductibility of demurrage*

The Tax Appeal Tribunal (TAT) delivered judgement in the consolidated tax appeals between Tetra Pak West Africa Limited ("the Appellant") and the Federal Inland Revenue Service ("the Respondent") on the tax deductibility of certain expenses and the applicability of interest and penalty on assessments under dispute. Specifically, the dispute was whether expenses, such as demurrage, training and education expenses etc., incurred by the taxpayer are legitimate business expenses which were wholly, reasonably, exclusively and necessarily (WREN) incurred in generating the company's profits, and therefore, should be allowed for tax purposes.

The TAT held that "Demurrage" is neither a fine nor penalty imposed by any statutory provision. Rather it is a business expense which should be subject to deductibility rule test. Further, the cost was incurred WREN for the operation of the Appellant's business and should, therefore, be allowed for tax purposes.

You can access the complete newsletter at: https://home.kpmg/ng/en/home/insights/2020/09/tat-s-judgement-on-the-tax-deductibility-of-demurrage-and-other-0.html

iv. *TAT affirms the applicability of excess dividend tax*

The TAT delivered judgement in the case between Ecobank Nigeria Limited and the Federal Inland Revenue Service. The TAT determined in its judgement held that Section 19 of the Companies Income Tax Act (CITA) on taxation of dividends, otherwise known as the Excess Dividend Tax (EDT), is applicable to income derived from bonds, treasury bills and other short-term government securities which are tax-exempt by virtue of the Companies Income Tax (Exemption of Bonds and Short-Term Government Securities) Order, 2011 ("Exemption Order").

You can access the complete newsletter at: https://home.kpmg/ng/en/home/insights/2020/03/tat-affirms-the-applicability-of-excess-dividend-tax-on-dividend.html

v. *TAT affirms the exemption of gratuities from tax*

The TAT sitting in Enugu delivered judgement in the case between Nigerian Breweries Plc ("the Appellant") and Abia State Board of Internal Revenue ("the Respondent") and held that gratuities are wholly tax-exempt under the Personal Income Tax (PIT) Act 2004 (as amended).

You can access the complete newsletter at: https://home.kpmg/ng/en/home/insights/2019/07/tax-appeal-tribunal-affirms-the-exemption-of-gratuities-from-tax.html

vi. *TAT's judgment on the tax deductibility of Voluntary Pension Contribution*

The TAT sitting in Lagos delivered judgment in the case between Nexen Petroleum Nigeria Limited ("Appellant") and Lagos State Internal Revenue Service ("Respondent") and held that voluntary pension contribution (VPC) is a valid deduction for calculating Pay-As-You-Earn (PAYE) tax on employees' emoluments.

You can access the complete newsletter at: https://home.kpmg/ng/en/home/insights/2019/07/tat-s-judgement-on-the-tax-deductibility-of-voluntary-pension-co.html

vii. *TATs judgment on the applicability of penalty on taxes collected but not remitted*

The TAT sitting in Lagos delivered judgement in the case of Shell Nigeria Exploration and Production Company Limited ("the Appellant") and Lagos State Board of Internal Revenue ("the Respondent") and held that penalty and interest are due on taxes collected but not remitted as at when required by relevant provisions of the law.

You can access the complete newsletter at:https://home.kpmg/ng/en/home/insights/2019/06/tax-appeal-tribunal-s-judgement-on-the-applicability-of-penalty-.html

viii. *The Court of Appeal judgment on the taxation of an educational institution in Nigeria*

The Court of Appeal (COA) upheld the decision of the Federal High Court (FHC) in Best Children International Schools Limited ("BCISL" or "the Appellant") vs Federal Inland Revenue Service ("FIRS" or "the Respondent") by deciding that BCISL, not being a company limited by guarantee, was liable to Companies Income Tax (CIT).

You can access the complete newsletter at: https://home.kpmg/ng/en/home/insights/2019/01/The-Court-of-Appeal-judgement-on-the-taxation-of-an-educational-institution-in-Nigeria.html

ix. *FHC rules against Income Tax Assessment based on the value of a property*

The FHC sitting in Abuja gave a judgement in favour of Theodak Nigeria Limited ("the plaintiff") in its lawsuit against the Federal Inland Revenue Service (FIRS or "the defendant"). The issue for determination was whether the FIRS had statutory power to deem the value of the Company's property to be its turnover for any year of assessment (and impose income tax thereon) based on the provision of Section 30 of the Companies Income Tax (CIT) Act.

The FHC held that The FIRS did not act within the boundaries of Section 30(1) of CITA in assessing the Company to tax on the basis of the value of its property. Section 30 only empowers the FIRS to assess a company to tax on a fair and reasonable percentage of its turnover, and that turnover refers to the aggregate income that a business receives from its normal business activities for a given period, usually from the sale of goods and services. Hence, the value of the Company's property is not the same as its turnover or income.

You can access the complete newsletter at: https://home.kpmg/ng/en/home/insights/2019/01/FHC-rules-against-income-tax-assessment-based-on-the-value-of-a-property.html

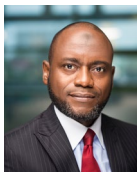
Contact us

Wole Obayomi
Partner & Head
Tax, Regulatory & People Services
KPMG in Nigeria
T: +234 803 402 0946
E: wole.obayomi@ng.kpmg.com

Adewale Ajayi
Partner & Head
Tax, Energy & Natural Resources and ManagedServices
KPMG in Nigeria
T: +234 803 402 1014
E: adewale.ajayi@ng.kpmg.com

Ajibola Olomola
Partner & Head
Tax, Deal Advisory and M&A
KPMG in Nigeria
T: +234 803 402 1039
E: ajibola.olomola@ng.kpmg.com

Tayo Ogungbenro
Partner & Head
Transfer Pricing & Tax, Consumer & Industrial Markets
KPMG in Nigeria
T: +234 803 402 1016
E: tayo.ogungbenro@ng.kpmg.com



Ayo Salami
Partner
Tax, Energy & Natural Resources
KPMG in Nigeria
T: +234 802 864 6604
E: ayo.salami@ng.kpmg.com

Olanike James
Partner & Head
Tax, Financial Services, Deal Advisory and M&A
KPMG in Nigeria
T: +234 803 402 1051
E: nike.james@ng.kpmg.com

Olufemi Babem
Partner
Tax, Consumer& Industrial Markets
KPMG in Nigeria
T: +234 803 975 4131
E: olufemi.babem@ng.kpmg.com

Martins Arogie
Partner
Tax, Energy & Natural Resources
KPMG in Nigeria
T: +234 703 403 6318
E: martins.arogie@ng.kpmg.com

Ugochi Ndebbio
Senior Manager
Deal Advisory, M&A Tax
KPMG in Nigeria
T: +234 703 403 6344
E: ugochi.ndebbio@ng.kpmg.com

Toye Akinboro
Manager
Deal Advisory, M&A Tax
KPMG in Nigeria
T: +234 706 813 0685
E: olatoye.akinboro@ng.kpmg.com

Samuel Yisa
Manager
Deal Advisory, M&A Tax
KPMG in Nigeria
T: +234 803 078 2175
E: samuel.yisa@ng.kpmg.com

home.kpmg/ng
home.kpmg/socialmedia

Printed in Nigeria.

Publication name: Tax Dispute Resolution Survey

Publication date: May 2021