

The recently appointed Acting Chairman of the Federal Inland Revenue Service (FIRS) has, at the meeting with the major tax consultants in Nigeria on 3 September 2015, proposed a new direction for the FIRS. The propositions, which are geared towards improving the administrative capacity and revenue generation of the FIRS, include:

- Prompt filing and payment of relevant taxes by taxpayers
- A beneficial collaboration between tax consultants and the FIRS, especially during audit exercises. This is with the view to enhancing the flow of information and improving the level of transparency between taxpayers and the FIRS
- Joint execution of tax audit exercises by the FIRS and the State Boards of Internal Revenue Service. This is intended to reduce the time spent by taxpayers on audit exercises, as well as ensure consistency of information provided by taxpayers to the various tax authorities
- Prompt resolution of tax audit issues, especially for lingering audits, and timely reconciliation of outstanding tax matters
- Improve client service delivery through the use of technology
- Integration of taxpayer information, including data collection, through the adoption of an effective database management system
- Knowledge and capacity building of FIRS officials.

The Chairman also communicated the FIRS's intention to enforce the provision of the law which requires every company to pay tax at 30% on interim dividend declared, and regard such as an advance payment of the tax due on profits.

The issue of granting amnesty to non-compliant taxpayers is now being favourably considered by the FIRS, especially for taxpayers who work with consultants to obtain concessions. This is a welcome development as it will serve to widen the tax base and encourage voluntary tax compliance.

Lastly, the general consensus is for the FIRS and tax practitioners to hold quarterly meetings to discuss, amongst others, topical and longstanding tax issues. This will facilitate the speedy resolution of controversial tax issues and improve knowledge sharing among tax consultants (and practitioners) and the FIRS.

Taxpayers are advised to continue to comply with the provisions of the law and keep abreast of the developments in the tax space.

For further enquiries, please contact:

Victor Onyenkpa

NG-FMTAXEnquiries@ng.kpmg.com

Disclaimer "The information contained are of a general nature and are not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation".

© 2015 KPMG Advisory Services, a partnership registered in Nigeria and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved. Printed in Nigeria.

[Privacy](#) | [Legal](#)