President Signs Personal Income Tax (Amendment) Act into Law

The long awaited Personal Income Tax (Amendment) Bill seeking to amend the Personal Income Tax Act Cap P8, LFN (2004) Principal Act, has finally been signed into law by President Goodluck Jonathan. The bill was actually signed on 14th June, 2011 but was only made public on Tuesday 13th Dec. 2011 during the 2012 budget presentation by Mr. President to the joint session of the National Assembly. The Act is yet to be officially gazetted hence the non-inclusion of its commencement date.

The PIT (Amendment) Act 2011 has broadened the operational scope of the newly established Tax Appeal Tribunal (TAT). Under the PIT (Principal Act) 2004, tax disputes hitherto were resolved by the defunct Body of Appeal Commissioners which has now been replaced by Tax Appeal Tribunal (TAT). This is pursuant to the substitution of Section 60 of the Principal Act for a new Section 60 of the Amendment Act which states that: “The Tax Appeal Tribunal has the power to adjudicate ibural established pursuant to section 59 of the Federal Inland Revenue Service (Establishment) Act, 2007 shall have the powers to entertain all cases arising from the operations of this Act”. By virtue of such disputes and controversies arising from the operations of this amended act and other taxes such as; Companies Income Tax, Petroleum Profits Tax, Value Added Tax, Capital Gains Tax, etc. as stipulated in the 1st schedule to the Federal Inland Revenue Service (Establishment) Act 2007.

An aggrieved taxpayer can file an appeal at any of the tribunals in the six geo-political zones of the states from which the assessments or demand notices emanate from or where the taxable person is resident within 30 days from the date of receipt of the disputed assessment/demand notice or notice of refusal to amend (NORA). It is at the level of the tribunal that issues relating to unresolved assessments, artificial and fictitious transactions, employers’ obligation to deduct Pay As You Earn (PAYE) etc., will be adjudicated speedily.

It would be recalled that on February 4th, 2010, the Federal Government of Nigeria inaugurated the forty members of the Tax Appeal Tribunal (TAT) with the aim of bridging the gap between tax payers and tax authorities on issues of dispute resolution and strengthening the tax system.

Highlights of the Personal Income Tax (Amendment) Act 2011 among others include the following: disputes under the act are to be referred to the TAT, introduction of consolidated relief allowance (CRA) of N200,000.00 or 1% of gross income, increase in fines for offences committed under the act, widening of the tax band and adjustments to the rates, increase in minimum tax rate from 0.5% to 1%, computation of PAYE for temporary and casual workers and removal of tax immunity enjoyed by the President, Vice President, Governors and their Deputies.

TAT’S COORDINATING SECRETARIAT RELOCATES

The Coordinating Secretariat of Tax Appeal Tribunal on 6th January, 2012, relocated from their former office situated at No 19 Atbara Street, Wuse II, Abuja to, Hamdallahi Plaza, No 23 Jimmy Carter Street Asokoro, Abuja. The Coordinating Secretariat, until the movement to Asokoro shared an office accommodation with the Abuja Zone of (TAT) at Wuse II, Abuja.

The relocation was to create a more conducive working environment for the Abuja Tribunal and Coordinating Secretariat which had experienced office space constraint in the past. The Abuja Zonal office still occupies the office accommodation at No 19 Atbara Street, Wuse II.

The Coordinating Secretariat serves as the headquarters to all the zonal Tax Appeal Tribunal offices and coordinates, renders support services and facilitates the operations of the respective zones.
Coordinating Secretary’s 2012 Statement

The year 2011 marked the first full year of operation of the TAT. As a budding organization, we experienced some technical, administrative and infrastructural challenges; however, with the teamwork and ingenuity of the Tribunal Chairmen, Commissioners and entire staff, some of these challenges were overcome.

At the beginning of 2011, the following targets among others were set for the tribunal: work assiduously to reduce the caseload by 40%; formulate an effective case-flow management procedural manual and prepare a capacity building, governance framework & operational guidelines. In addition, we targeted to ensure adequate training of Commissioners and Staff; implement an effective communication and publicity programmes; develop an implementable corporate plan; restructure job schedules for the staff to enhance efficiency and job performance; and relocate the coordinating secretariat to a new office.

At the end of the year, the tribunal recorded these modest achievements: The tribunal disposed of forty six appeals representing 33.3% of the total caseload (138 Appeals) in 2011, the average backlog reduction rate achieved was 67% and the average Appeal Clearance Rates achieved was 41%. The two committees set up to prepare the 2012-2016 Corporate development plan and the Case flow Management Procedure have produced reports. On publicity and stakeholder enlightenment, we vigorously pursued some public enlightenment programme while the Coordinating Secretariat secured and furnished an office accommodation.

Furthermore, the draft restructured manning positions, work schedules and KPIs’ document were prepared and would be implemented effective 2012.

Our hopes and prospects are high in 2012. The year will provide an opportunity for the TAT to consolidate on its achievements over the past 18 months of existence. We therefore intend to work assiduously towards overcoming all challenges that inhibited our achievements in 2011 while pursuing vigorously our targeted objectives going forward. Our targeted objectives and accompanying initiatives/activities for the year 2012 are expectedly in line with our strategic road map; the 5-year Strategic Plan (2012-2016). The plan is a consensual charter of all internal stakeholders of the TAT.

In line with TAT’s objectives, our strategic focus in 2012 is conveniently situated within these 5 broad themes:

i. Improve the case-flow management procedure in order to fast track the tribunal adjudicatory processes;

ii. Consolidate our efforts in physical development and infrastructure in the past 18 months;

iii. Engage relevant stakeholders in strengthening the legal and institutional framework of TAT;

iv. Enhance human capital development through capacity building and training for commissioners and staff; and

v. Vigorously improve on our publicity and stakeholders’ awareness and engagement programmes.

We will also pursue a culture that emphasizes professionalism, integrity, equity, efficiency, mutual respect, excellence, shared ambition, service, teamwork.

Finally, I thank the Chairmen, Commissioners, management, staff at all levels for their contributions, hard work and resourcefulness; and key stakeholders for their support which facilitated the modest successes achieved in 2011.

Thank you.

TAT Adopts Five-Year Strategic Corporate Plan

Tax Appeal Tribunal has adopted a five-year strategic corporate plan as part of its efforts to attain the objectives of its establishment. The strategic plan which is a veritable tool for the actualization of its vision and mission statements is a follow up to the various reports of the syndicate breakout sessions at the first TAT Strategy Retreat held in Dec. 2010 for its members and administrative staff. A 12-man ad-hoc committee comprising Chairmen, Commissioners and Secretaries was set up to prepare the corporate plan. The draft was reviewed and subsequently adopted by the TAT Advisory Board.

This medium term (2012-2016) strategic corporate plan expected to take effect from this year 2012, has placed heavy premium on four cardinal areas of: Infrastructural Developments; Institutional and Legal Framework which will remediate some of the perceived inadequacies in the legal framework of TAT; Human Capital Development through effective capacity building and competency enhancement programs, and finally; Publicity and Communications by engaging in vigorous awareness/enlightenment campaigns to ensure adequate stakeholders’ acceptance of TAT.

It is expected that the effective implementation of this medium term corporate plan will help TAT realize the core objectives for its establishment which include:

i. To adjudicate on all tax disputes arising from operations of the various Tax Laws as spelt out in the 1st Schedule to the FIRS (Establishment) Act 2007;

ii. To be an important component of the tax system which offers a complainant a step by step objection and appeal process and opportunity to explore other dispute resolution mechanisms;

iii. To reduce the incidence of tax evasion and ensure fairness and transparency of the tax system, and minimize the delays and bottlenecks in adjudication of tax matters as presently experienced;

iv. To improve the tax payers’ confidence in our tax system., and provide opportunity for expertise in tax dispute resolution and avenue for effective involvement of parties; and
## ANALYSIS OF APPEALS FOR THE YEAR 2011

<table>
<thead>
<tr>
<th>Zones</th>
<th>Caseload as at the beginning of Year 2011</th>
<th>New Appeals Filed</th>
<th>No. of Appeals Handled</th>
<th>No. of Appeals Received from other Zones (+)</th>
<th>No. of Appeals Transferred to other zones (-)</th>
<th>No. of Appeals Struck-out (-)</th>
<th>No. of Appeals Determined (-)</th>
<th>No. of Appeals Pending as at December 31st, 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abuja</td>
<td>23</td>
<td>1</td>
<td>24</td>
<td>7</td>
<td>7</td>
<td>1</td>
<td>-</td>
<td>23</td>
</tr>
<tr>
<td>Lagos</td>
<td>25</td>
<td>10</td>
<td>35</td>
<td>12</td>
<td>2</td>
<td>12</td>
<td>1</td>
<td>32</td>
</tr>
<tr>
<td>South-West</td>
<td>14</td>
<td>-</td>
<td>14</td>
<td>-</td>
<td>2</td>
<td>5</td>
<td>1</td>
<td>6</td>
</tr>
<tr>
<td>North-West</td>
<td>7</td>
<td>5</td>
<td>12</td>
<td>-</td>
<td>-</td>
<td>4</td>
<td>1</td>
<td>7</td>
</tr>
<tr>
<td>South-South</td>
<td>14</td>
<td>2</td>
<td>16</td>
<td>1</td>
<td>-</td>
<td>2</td>
<td>3</td>
<td>12</td>
</tr>
<tr>
<td>North-Central</td>
<td>4</td>
<td>-</td>
<td>4</td>
<td>-</td>
<td>3</td>
<td>1</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>South-East</td>
<td>16</td>
<td>4</td>
<td>20</td>
<td>-</td>
<td>-</td>
<td>5</td>
<td>7</td>
<td>8</td>
</tr>
<tr>
<td>North-East</td>
<td>6</td>
<td>7</td>
<td>13</td>
<td>-</td>
<td>6</td>
<td>-</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>109</strong></td>
<td><strong>29</strong></td>
<td><strong>138</strong></td>
<td><strong>20</strong></td>
<td><strong>20</strong></td>
<td><strong>30</strong></td>
<td><strong>16</strong></td>
<td><strong>92</strong></td>
</tr>
</tbody>
</table>

## TRIBUNALS’ PERFORMANCE EVALUATION FOR THE YEAR 2011

<table>
<thead>
<tr>
<th>Zones</th>
<th>Backlog Reduction Rate</th>
<th>Appeal Clearance Rate</th>
<th>% of Pending Appeals</th>
<th>Sitting Session/Year</th>
<th>Commissioners’ attendance</th>
<th>No. of Pending Appeals</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Target Values</strong></td>
<td>55%</td>
<td>40%</td>
<td>60%</td>
<td>Minimum of 4 sitting sessions</td>
<td>Minimum of 16 days / Year</td>
<td></td>
</tr>
<tr>
<td>Abuja</td>
<td>35 %</td>
<td>26 %</td>
<td>74%</td>
<td>11 sittings</td>
<td>42 days</td>
<td>23</td>
</tr>
<tr>
<td>Lagos</td>
<td>60 %</td>
<td>32 %</td>
<td>68 %</td>
<td>11 sittings</td>
<td>39 days</td>
<td>32</td>
</tr>
<tr>
<td>South-West</td>
<td>57 %</td>
<td>57 %</td>
<td>43%</td>
<td>8 sittings</td>
<td>24 days</td>
<td>6</td>
</tr>
<tr>
<td>North-West</td>
<td>71%</td>
<td>42%</td>
<td>58%</td>
<td>6 sittings</td>
<td>25 days</td>
<td>7</td>
</tr>
<tr>
<td>South-South</td>
<td>36%</td>
<td>29%</td>
<td>71%</td>
<td>12 sittings</td>
<td>37 days</td>
<td>12</td>
</tr>
<tr>
<td>North-Central</td>
<td>100%</td>
<td>0%</td>
<td>0%</td>
<td>2 sittings</td>
<td>2 days</td>
<td>0</td>
</tr>
<tr>
<td>South-East</td>
<td>75%</td>
<td>60%</td>
<td>40%</td>
<td>8 sittings</td>
<td>16 days</td>
<td>8</td>
</tr>
<tr>
<td>North-East</td>
<td>100%</td>
<td>43%</td>
<td>57%</td>
<td>8 sittings</td>
<td>16 days</td>
<td>4</td>
</tr>
<tr>
<td><strong>Average for all the zones</strong></td>
<td><strong>67%</strong></td>
<td><strong>41%</strong></td>
<td><strong>59%</strong></td>
<td></td>
<td></td>
<td><strong>92</strong></td>
</tr>
</tbody>
</table>

A Tribunal by Tribunal analysis shows that a total of forty-six (46) Appeals were disposed of, representing 33.3% of the total caseload (138 Appeals) in 2011. While the average backlog reduction rate achieved was 67% compared to 55% set as target for 2011. On the other hand, the average Appeal Clearance Rates achieved was 41% compared to the average clearance rate target of 40%.
A tribunal is located in each of the six geo-political zones, Abuja and Lagos with areas of jurisdiction as stated below:

**Tax Appeal Tribunal, Lagos** covers Lagos State only.
4th Floor, FIRS Building, 17B Awolowo Road, Ilpoyi, Lagos. Lagos State.
tel: +234 709 812 1663, +234 709 812 1669
email: tat.lagzone@gmail.com

**Tax Appeal Tribunal, Abuja** covers the Federal Capital Territory only.
19, Abacha Street Off Cairo Street, Wuse 2, P.M.B.120, Garki, G.P.O. Abuja, FCT.
tel: +234 9 783 0508
email: tat.abuja@gmail.com

**Tax Appeal Tribunal, South West Zone Ibadan** covers Ogun, Ondo, Osun and Oyo States
No. 5, Ibrahim Tawo Avenue,
Off UI-Secretariat Road,
New Bodija Estate Ibadan, Oyo State.
tel: +234 2 873 6475
email: tat.swz@gmail.com

**Tax Appeal Tribunal, South South Zone** covers Akwa Ibom, Bayelsa, Cross River, Delta, Rivers and Edo States.
No 39, Airport Road, Benin City, Edo State.
tel: +234 52 291 565
email: tat sszone@gmail.com

**Tax Appeal Tribunal, South East Zone** covers Abia, Anambra, Ebonyi, Enugu and Imo States.
No. 1 Temple Avenue, GRA Enugu,
Enugu State.
tel: +234 42 290 801
email: tat.sez@gmail.com

No 2, Yakubu Gowon Way, Secretariat Junction,
Jos, Plateau State.
tel: +234 709 358 1375
email: tat.ncez@gmail.com

**Tax Appeal Tribunal, North-West Zone** covers Kaduna, Kano, Katsina, Kebbi, Jigawa, Sokoto and Zamfara States.
House 4, Ahmed Rufai Close,
Off Aminu Buhari Drive GRA, Malali,
Kaduna, Kaduna State.
tel: +234 62 834 172
email: tat.nwz@gmail.com

**Tax Appeal Tribunal, North-East Zone** covers Adamawa, Borno, Bauchi, Gombe, Yobe and Taraba States.
Plot BA 26, Jolly Nyame Crescent,
Old Sarkin Fawo Street, G.R.A.
Bauchi, Bauchi State.
tel: +234 709 882 2979
email: tat.neez@gmail.com

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**Tit Bits**

**Love in Action**: A very poor man lived with his wife. One day, his wife, who had a very long hair asked him to buy her a comb for her hair to grow well and to be well-groomed. The man felt very sorry and said no.

He explained that he did not even have enough money to fix the strap of his watch he had just broken. She did not insist on her request. The man went to work and passed by a watch shop, sold his damaged watch at a low price and went to buy a comb for his wife. He came home in the evening with the comb in his hand ready to give to his wife. He was surprised when he saw his wife with a very short haircut.

She had sold her hair and was holding a new watchband. Tears flowed simultaneously from their eyes, not for the futility of their actions, but for the reciprocity of their love.

**MORAL**: To love is nothing, to be loved is something but to love and to be loved by the one you love, that is EVERYTHING. Never take love for granted. Reciprocate good

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**Staff News**

**Congratulations!** Barrister Jude Rex-Ogbuku on your recent appointment as the Secretary of Federal Character Commission, Abuja.

We congratulate Mr. Fidelis Igiri of the Facility Unit of TAT on his exchange of marital vows with Miss Veronica Ejege recently.

Mr. Faisal Njida Ahmed of the Facility Unit of TAT recently wedded Miss Sa‘adatu Nyako at Yola Adamawa State. Congratulations and happy married life.

We congratulate and rejoice with Mr. Adedokun Abdul‘akeem and Mrs Maudlyn Oyirinda Amadi on the birth of their baby girls recently.