

**PROFESSIONALISING THE TAX ADMINISTRATION
SYSTEM: A PARADIGM SHIFT**

**A PRESENTATION BY IFUEKO OMOIGUI OKAURU, FCA,
MFR
THE EXECUTIVE CHAIRMAN, FEDERAL INLAND REVENUE
SERVICE; CHAIRMAN JOINT TAX BOARD**

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**THE FIRST NATIONAL ROUNDTABLE STRATEGY ON
INTERNALLY GENERATED REVENUE WITH THEME
"SURVIVING THE DOWNTURN: REFOCUSING ON
INTERNALLY GENERATED REVENUE"**

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Protocols

Your Excellencies, the Executive Governors of the 36 States, Guest Speakers, Special Guests, distinguished ladies and gentlemen, I am very delighted to be asked to speak at this event, not only because it is the first of its kind to ever take place in Nigeria, but more importantly because this event has brought together major stakeholders in Government at this time when it is clear that we must become creative about our revenue generation systems. This event therefore provides us all an equal opportunity and platform to analyse the facts, identify then issues, solutions and agree the way forward. I am therefore very hopeful that at the end of this program, we will take away valuable lessons and make resolutions, which we will all take home and champion.

Introduction

Your Excellencies, the topic on which I have been asked to speak is pivotal to the tax system and therefore the entire revenue generation process. The connection is very clear, if we have a professional and well structured tax administration, we effectively have a professional system of revenue generation, as the structure in the tax administration can easily be replicated in other areas of revenue generation at levels of Government. However, before we start our discussion, I think it is necessary that we understand some basic concepts, upon which we can build. In my view, there is no better place to start than to ask the question, what tax administration is and who encompasses the tax administration.

Defining tax administration

What is tax administration and what are the components of tax administration. In asking this question, my goal is to ensure that we all have a similar understanding of exactly what tax administration encompasses and its ramifications. This is necessary, because there is the tendency to view tax administration as only those agencies or persons who are directly involved in either administration of tax laws or collection of taxes, in other words, the tax authority and any other agency directly linked to the tax authority. While this definition is factual, it is actually incomplete and narrow. I will therefore provide us with a definition, which I think would be more helpful especially at this time, when there is a clear resolve to reform the tax administration system for optimal effect. In my view, the tax administration

"encompasses those persons, agencies, institutions (in the public and private sector) and the processes involved in

- *tax legislation*
- *administration/enforcement of tax laws*
- *collection, allocation, distribution and expenditure of tax revenue; and*

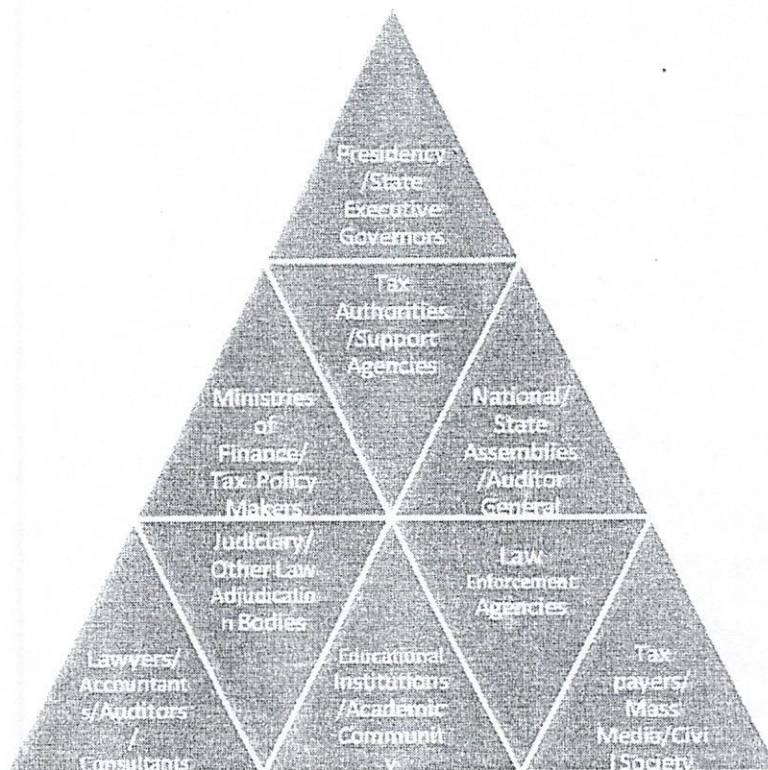
- *other ancillary matters related to efficient performance of tax functions and the tax system.*

The tax administration is therefore not only the Federal Inland Revenue Service, State Boards of Internal Revenue or Local Government Revenue Councils, but includes agencies and arms of Government and even the private sector, which are ancillary to and support the process of tax administration.

We cannot however look at tax administration in isolation given that the tax administration operates within a system. In this regard, we must look at tax administration in the broader sense of the entire tax system. I have set out the matrix below to aid our understanding of the components of the tax system

Defining the Tax System

Your Excellencies, closely related to the above, is the need to also define and understand what the components of the tax system are, as the tax system is the main structure within which the tax administration operates. The matrix below provides a sense of what one may regard as components that build up the Nigerian tax system along with their various roles:



- **Presidency/State Executive Governors** – at the helm of the tax system is the President of the Federal Republic of Nigeria as Chief Tax Officer for Nigeria; His counterpart is the State Executive Governor at the State level. Accordingly, in the quest to improve revenues generated, the President, Vice President and Executive State Governors need to personally drive this effort; Whatever the FIRS is seen to be doing, is done on behalf of the President of the Federal Republic of Nigeria; similarly, whatever is done by the State Internal Revenue Service (SIRS) is done on behalf of the State Executive Governor
- **Ministries of Finance/Tax Policy Makers** – These include the Ministries of Finance or any such bodies at the Federal and State levels that review the policy environment and constantly ensure that the tax policy environment is supportive of creating the right fiscal environment to support economic growth and development
- **Tax Authorities/Support Agencies** – Tax Authorities at the Federal and State levels, are created by relevant tax laws and charged with the administration of taxes and levies under the jurisdiction of the various levels of government – Federal, State and Local Governments. These agencies must employ an efficient mix of the right people, processes and technologies to deliver on their mandates. In addition, they require the support and linkage with other agencies like the Ministries of Lands and Physical Planning, the Federal Road Safety Commission (FRSC) (for Drivers Licenses) as well as Banks and other Financial Institutions. It is also important to note that the office of the Accountant General of the Federation and accounting officers in State and Federal Ministries and Departments (MDAs) play a critical role in tax administration
- **National/State Assemblies/Auditor General** – These legislative houses provide the platform for review of tax and related laws on an ongoing basis as well as ensuring that the existing laws are properly codified for proper tax education and awareness amongst the populace. The National and State Assemblies are also expected to play a strong role, working with the Auditor General of the Federation to ensure strong oversight over the tax system.
- **the Central Bank of Nigeria and revenue collecting Banks** - the Central Bank is the custodian of tax revenue, while the collecting banks act as agents on behalf of the tax authorities for the purpose of collecting and remitting taxes paid by taxpayers. Since the ultimate purpose of the tax system is to collect taxes, any person or organisation that collects or retains custody of taxes must be viewed as part of the tax administration and especially so for the banks who collect from the general public and the CBN, which collects from all the banks and from taxpayers.
- **Lawyers, Accountants, Auditors and Consultants** - the professionals that support the tax industry are key to its development. They should bring to bear a repository of regularly updated skills, tools as well as integrity to bear in continually improving the system. This group plays a key role in ensuring that taxpayers are well guided to

comply with tax laws on an ongoing basis. They should be seen as clearly supporting growth and institutionalizing tax administration

- **Judiciary/Law Adjudication Bodies:** The judiciary and other law adjudication bodies are essential for fairness and equity especially for aggrieved taxpayers. These groups are also important in the development of case law which complements the tax laws in ensuring practical understanding and application.
- **Educational Institutions:** Educational institutions are critical from the perspective of the teacher as well as the student at primary, secondary and tertiary levels. These provide early on in the lives of the taxpayer, an awareness of the importance of tax. It provides a pipeline of persons who will become active practitioners of tax and ensures that on an ongoing basis, we improve the intellectual content of our tax laws and practice.
- **Law Enforcement Agencies:** Working with the tax authorities, law enforcement agencies provide support to the enforcement process which is expected to be the tool of last resort to tackle the challenge of wilful non-compliance to tax laws.
- **Taxpayers/Mass Media/Civil Society** – an often underestimated stakeholder, the taxpayer, mass media and civil society in general are key to the development of the tax system. Individual taxpayers are expected to know their rights and obligations and demand fair treatment. The Mass media supports and complements tax education. Workers Unions, Trade organization and occupational groups are expected to act as watchdogs for the interest of their members and are also expected to operate with an understanding that compliance with tax laws are key to having a tax system that supports a vibrant economy required for sustainable income and employment generation.

Your Excellencies, ladies and gentlemen, from the foregoing it is clear that the tax system encompasses all of us, even if with varying degrees of responsibility. Therefore, the goal of building a professional tax system and administration of our dreams cannot be left in the hands of tax authorities alone. All the major stakeholders must work together, with each group committed to playing its role in a spirit of trust and collaboration. Our nation must begin to chart the path of institutionalizing taxation, as anything to the contrary works to weaken the tax system and makes it unable to achieve its potential as a major source of funding for governments at all levels.

I am therefore hopeful that as the process of preparation of the 2010 budget gears up at State and Federal level, issues that border around the need to improve the tax administrative machinery of government will be given adequate attention. It is note worthy to once again highlight that strong tax institutions help the Federal, State and Local Governments, the entire nation and its citizens, in the quest for sustainable development.

Professionalism in the context of tax administration

• **Why Professionalism?**

I will now move into the main issue for this paper, which is achieving professionalism in the tax system. Before discussion the processes or procedures required to achieve professionalism, it would be necessary to first understand the professionalism, which we seek to achieve in the context of tax administration.

Professionalism is basically defined as a particular trait, quality or standard shown or upheld in a particular field or area of pursuit by persons in that field or area. From the above definition, we may therefore say that professionalism with respect to tax administration means the standard or quality of service which is expected or required of persons involved in tax administration in the discharge of their functions as tax officials. In this respect a professional tax administration would generally be expected to:

- be effective and efficient in the provision of its service;
- be proactive and responsive and able to anticipate challenges and meet them;
- see itself as a service provider and be concerned about customer relationship;
- be well equipped with required tools and facilities for the discharge of its function;
- possesses well trained, adequate and motivated personnel;
- have a well structured and defined system in place; and
- be administered in line with global best practices for similar institution.

The above is by no means an exhaustive indication of what a professional tax administration should possess, but provides us with a working understanding of the minimum expectations of a professional tax administration.

The next issue to address is the imperative for a professional tax administration. We must avoid the temptation of becoming content with a system, as long as it seems to be working and achieving its aims. We must always seek to achieve the level of professionalism that would achieve maximum results from any system. Professionalism entails that a system is structured in a manner to function optimally. We must restructure our processes, our recruitment and performance management processes must be based on merit and we must avoid the temptation of outsourcing key functions and responsibilities in the tax administration to third parties. We must create policy and research units within the tax system, so that we can anticipate challenges and plan proactive responses. A professional tax administration cannot survive if it is only reactive.

The pursuit of excellence should be the ultimate of the tax administration, which if properly harnessed holds the potential for resolving most of the revenue and fiscal issues challenges, which we face in the quest to provide development to our people. Taxation has the potential to be the most stable and sustainable source of revenue for Government and unlike natural resource does not have a life span or is it measured in reserves which can be depleted. If we get it right, we can be like several other developed nations which currently survive largely on taxation and see other sources of revenue as secondary sources, which are viewed as a bonus, rather than what obtains here in Nigeria where revenue from natural resource extraction (mostly oil and gas) is viewed as the primary source of revenue for government expenditure and taxation is viewed as a side dish or a mere desert.

It is upon the above premise that I will proceed to consider the cost of achieving professionalism in the tax administration

- **Cost of Achieving Professionalism**

It must however be understood that achieving professionalism comes with a price tag and in this regard would entail not only investment in facilities and equipment, but especially in human resource. People are the most important factor in achieving professionalism, as they are one who will drive any system which is put in place. Accordingly, no matter how well structured a system is, if we do not have the right person running the system, then it would not achieve its goals. Likewise if we have the right persons without the proper system, there is bound to be a disconnect at some point. It is therefore imperative to have both ingredients present in the right mix. FIRS's experience clearly illustrates that investment in human resource and infrastructure is key to achieving revenue generation goals. Increased funding to the FIRS has directly impacted our ability to provide a much better working environment and ultimately enhance tax administration. It costs money to generate money.

Your Excellencies, we must then consider the role of the Executive in bringing about this professionalism, or as the topic says the paradigm shift towards professionalising our tax systems. While it is by no means, the sole responsibility of the Executive to put in place the structures required, it is my view, that the Executive must lead the line and Your Excellencies as the Heads of the Executive and Chief Executives of the State Government machinery are saddled with this responsibility. It is therefore important for Your Excellencies to take on this role and put in place this vision and obtain the buy in of the entire state machinery and citizenry, as indeed has been done commendably in some states. In this regard, the first step is to have shift from a revenue expenditure mindset to a revenue generation mindset and institutionalise a tax culture in our various states and constituencies. The first question we should ask when engaging in any transaction is how can this transaction raise revenue for the State, rather than how much revenue

the State going to be expended in this transaction. We must therefore elevate the status of our tax administrations and provide them the necessary support in terms of right people, necessary infrastructure, political and legislative backing, autonomy, proper and adequate funding and such other support as any be required. In summary, Your Excellencies must be willing to invest your time, money and political goodwill in order to aid this paradigm shift that we are all gathered to discuss here today.

When we look at certain countries or economies, which are being run solely or largely on taxation, there is usually the tendency to detach ourselves from such success stories and find reasons why such a system is not achievable in Nigeria. I respectfully beg to disagree. In my view, the major difference is that there has been a conscious and sustained effort by such countries to achieve the kind of development, which they achieved, backed by investment over a sustained period of time in the tax system. Based on my observation of such systems, it is my conclusion that all that is needed is the right vision, determination and staying power to achieve similar or even better systems. In this regard, I will use the progress that has been made in the introduction of the unique tax identification number (U-TIN) as an example of what is achievable when the will to do so is present.

When the U-TIN idea was first conceived, there were significant doubts as to its practicability and how we would be able to implement such a massive project in a system such as ours. However, as I speak today, the Joint Tax Board, under whose platform the U-TIN is being implemented as received the support and approval of the National Economic Council and especially the Vice-President and the Governors of the thirty-six States of the Federation for the Project. Since the approval of this project, members of the Committee have visited thirty four of thirty six States of the Country to assess the level of automation as part of the initial project commencement steps. The JTB has also just closed on the public advert placed in national and international media for a six week period in which reputable firms were invited to express interest in their ability to effectively execute this project on our behalf. If we can record this progress in such a time, it is my belief that we can also record the same type of progress in our quest towards achieving a professional standard for our tax administrations.

Clarifying the Myth of Federal Allocation and Internally Generated Revenue

To take our discourse further, I would like to address one issue which we all seem to have a mis-conception about and this relates to our understanding of what constitutes federal allocation and internally generated revenue. The general understanding is that federal allocation is money distributed to the States by the Federal Government from the federation account, value added tax, excess crude and other similar accounts, while internally generated revenue (IGR) relates only to revenue generated and retained within a State. However, I would rather define IGR to be any revenue which is generated

within a particular geographical location, whether it is retained within that location or paid into a pool for distribution. If we adopt this definition, it would open up our minds to the enormous potential that exists in the area of revenue generation.

In this regard, we must have a change in the mindset that any taxes or revenue collected by Federal agencies such as the FIRS constitutes federal revenue simply because it is collected by a Federal Government agency. The FIRS is only a collecting agent on behalf of the Federal, State and Local Government, while the Federal Government only acts as a custodian of the funds, until the time of distribution. We must change from a mindset that places undue attention on who collects revenue. There are examples from other jurisdictions, where revenue is collected by a central body for distribution to the different federating units. For example in Argentina, Australia, Canada (other than the Province of Quebec) taxes are collected by the central agency and subsequently distributed on an agreed formula and this system is been run efficiently and without conflict.

Before I am misunderstood, this is not to say that I am necessarily advocating for centralisation of all taxes in this paper. However, I am saying that even those taxes collected centrally today are for all tiers of government and how such taxes are distributed should also be of focus of the State and Local Governments. That taxes are collected by te FIRS does not mean that the SG and LG cannot collaborate with the FIRS to grow the level of such taxes collected within their State.

This change in mindset will bring about greater professionalism in our tax collection, accounting and distribution process and enable us focus on how to make these systems more proactive and efficient. We all have a stake in the taxes generated within our jurisdiction and we should place greater emphasis on creating well structured and professional systems. We can thereafter channel our energies towards resolving the issue related to control of revenue and distribution formulas.

I have set out below what in my view should be deemed as IGR and for which all stakeholders in the tax system should claim ownership:

<u>S/N</u>	<u>Source of Revenue</u>	<u>FG</u>	<u>SG</u>	<u>LG</u>	<u>% cont to State Revenue</u>	<u>Remarks</u>
1	Petroleum Profits Tax/royalties/share of crude oil	Federal Funds	Federal Funds + IGR for Oil producing states	Federal Funds + IGR for Oil producing states	40% for oil producing states (10% for other States)	Avoid use of PPT for recurrent expenditure

<u>S/N</u>	<u>Source of Revenue</u>	<u>FG</u>	<u>SG</u>	<u>LG</u>	<u>% cont to State Revenue</u>	<u>Remarks</u>
2	Company Income Tax -from corporate entities within the State \	Federal Funds	IGR++	IGR++	20%	
3	Value Added Tax - for transactions within the State	Federal Funds	IGR++	IGR++	30%	
4	Education Tax -from corporate entities within the State	Federal Funds	IGR++	IGR++	3%	
5	Technology Development Levy and other levies from entities within the State	Federal Funds	IGR++	IGR++	2%	
6	Personal Income Tax, levies, fees and charges collected	As collected	IGR	IGR	30%	30% to be allocated to the LG
7	Fees, levies and charges collected by the Local Government	Federal Funds	IGR	IGR	5%	70% to be allocated to the LG

If we adopt the above, taxes, such as company income tax and petroleum profits tax and value added tax, which are traditionally viewed as Federal Government revenue can be accommodated within the purview of States IGR. This would make States focus on collaboration with the agencies who are empowered to collect the taxes and ensure that the taxes are efficiently collected and accounted for since, they would ultimately form part of the pool, which would distributed to all.

A related issue is rather than focus only on who collects, attention should also be on how revenues collected are distributed. Mechanisms to ensure that such discourse is based on facts would also augur well for improving professionalism within the tax system.

Recommendations

Following from all the analysis and conclusions reached above, it would be necessary to further proceed and examine those steps or processes which are necessary to bring about a professional tax administration and achieve the paradigm shift we all seek. Before doing this, let me clarify that there are no strict rules or guidelines to achieving a professional tax administration and what may work effectively in one system may not be so effective in another. There are however basic issues that must be addressed and processes and infrastructure that must be present in any system which wants to achieve professionalism. I will set out these matters and discuss them in brief:

(i) Political will

This is probably the single most important factor necessary for achieving a professional tax system. As I earlier noted, State Governors are the heads of the tax administration in their various States and therefore any reforms or change of the tax administration or system must start from them. It is very necessary to lead from the front and provide the vision that would lead to change. In doing this, we must have and exercise the necessary political will to see through the necessary reforms put give taxation its due position in then development of the Nigerian economy

(ii) Vision

Closely related to political will, is vision. There must be a vision of the type of system we wish to put in place, as political will without vision would not lead to the desired result. More importantly, the leader must be able to cascade down his vision to the persons who will ultimate run the system, so they can see it, buy in and own it. A shared vision has a higher chance of success, than one which is only seen by the leader or by a select few.

(iii) Funding

Funding is as critical as any other factor. We must be able to back up our vision with the necessary investment in the tax administration. As illustrated above any progress or success that has been achieved by the FIRS or any other tax administration for that matter could only have come through significant investment in manpower and infrastructural development. Hiring and retaining the best hands cost money, putting it place necessary technology and platforms costs money, taxpayer education publicity, automation of systems etc all costs money. Indeed, without spending the

money (effectively and judiciously) any reforms are likely to be dead on arrival.

(iv) Legal Backing

Another key factor that must be present is the necessary legal backing for the reforms. In the case of the FIRS, the reforms were greatly aided by the passing of the FIRS (Establishment) Act, 2007, which gave the FIRS the required statutory backing for a number of actions which were needed to bring through the change required in various aspects of tax administration and the tax system. Without a doubt, the FIRS Act was a very important piece in our reform program. Likewise any change or paradigm shift, must necessarily encompass legislative support in terms of necessary statutory backing for the actions and changes which will be effected in the system.

(v) Reforms within the system

The significant work would however be done within the system and would cover virtually every area of the tax administration or system, if we are to achieved the required level of professionalism that would bring about success. The key areas include:

(a) Citizen / taxpayer education and sensitisation

Necessary efforts and requires must be channelled towards enlightenment and awareness. The taxpayers are the most important stakeholders in the tax system and so must be properly educated about the roles and responsibilities in that system. This is key because they provide the tax revenue and in turn expected that it would be expended to provide the developmental needs.

(b) Strengthening the tax administration through:

- **autonomy** – a professional tax administration must be given the required level of autonomy and independence to carry out its mandate without any political interference
- **funding** – this has been mentioned above, but will continue to be a recurring factor at every point in the reform process
- **provision of manpower and infrastructure** – the manpower and infrastructure must not only be of the required quantity, but quality. The reform process will fail or succeed on the basis of the quality of persons entrusted with running the system. In addition, those person must be provided the necessary tools and facilities to succeed in their day to day duties
- **automation of systems and use of effective and efficient technology platforms** – the nature of 21st tax practice is such that its systems must be automated and in line with global best practices, we cannot expect to have a 21st century tax system being run on outdate platforms or technology. There

must therefore be massive investment in automation of systems and electronic

- **introduction of e-payment systems** – this is necessary to reduce and effectively plug leakages in the system, so that the tax administration can effectively realise and account for revenue, which is the main focus of the reforms. In this regard, there must be active collaboration with the Banks and other collecting agents. The tax administration must put in place a system for monitoring tax collection online in real-time
- **instituting proper financial regulation and reporting framework at all levels of Government** – there must be a conscious effort to ensure that there are proper financial regulations and reporting framework to guide the operations of the tax administration
- **accountability for tax revenues** – there must also be a conscious efforts to institute a proper system of accountability for tax revenue, so that taxpayers are kept aware and informed about how much revenue is realised and how its allocated and spent. A high level of accountability will give taxpayers a sense of ownership and greater willingness to voluntarily contribute for the use of all
- **improved collaboration and co-operation with other tax authorities in the Nigerian tax system** – this is very key, as no professional tax administration can survive and perform effectively on its own especially in such an inter-linked system such as ours. The tax administration must be empowered and encouraged to collaborate, co-operate and compete with other tax authorities within the country. This would enable the tax administration properly benchmark itself and also obtain the necessary assistance and guidance in meeting its set targets
- **enforcement of tax laws** – there must be a conscious effort to enforce tax laws. The preferred option for all tax administration should be voluntarily compliance. But where this fails, then there must be will and backing to ensure that tax laws are enforced and offenders are sanctioned. Likewise taxpayers who voluntarily comply should be encouraged and rewarded
- **eradication of corruption** – most importantly, there must be a conscious efforts to fight and eradicate corruption. After putting in all the necessary efforts, investments in terms of human and material resource, a professional tax administration must not allow corruption or corrupt officials deprive it of all its gains. In this regard, there must be will and ability to identify corrupt officials and visit them with the necessary sanctions

(c) Improved collaboration with professional bodies

The various professional bodies have a major role to play in professionalising the system. As their names suggest, they hold the ace in creating standards of professional practice.

It should be noted that the above is by no means exhaustive and is only meant to serve as a guide. Accordingly each system must develop at its own pace and identify those areas, which require immediate attention and focus, while working to ensure that all other aspects of the tax administration are ultimately developed to the expected level.

(vi) The Role of the Joint Tax Board

The Joint Tax Board (JTB) is the body established by law to promote uniformity and harmony in personal income taxation and other taxes under concurrent Federal and State jurisdiction. Accordingly a discussion on professionalising the tax system would not be complete without a discussion of the roles, which the JTB can play. This in line with the charter of the JTB, which is to function as an institution working to create a tax friendly environment and in so doing, promote uniformity, harmony and efficiency in the administration of the relevant taxes.

In line with its mandate above, the JTB can be utilised in the following areas among others:

- (i) development of a national capacity building framework for all tax authorities;
- (ii) increased co-operation and collaboration amongst tax authorities on matters, such as introduction and implementation of the unique taxpayer identification project, verification of Tax Clearance Certificates issued by tax authorities, training, introduction of technology based and electronic platforms for tax administration, eradication of multiple taxation etc
- (iii) provision of technical assistance to tax authorities
- (iv) development of standards and a framework for the operation of tax authorities;
- (v) collation of data and other information which may be required by tax authorities from time to time and also creation of a national repository and statistical database for information on all tax matters
- (vi) supporting members in ensuring effective payments and remittance of FG/SG/LG taxes to the appropriate tax authorities and the amicable and informal resolution of any tax or fiscal disputes, which may arise amongst tax authorities;
- (vii) acting as an effective National Assembly and other Stakeholder Liaison on pending and new legislation amongst others, which will impact tax administration at all levels;
- (viii) acting as a platform for all tax authorities to discuss any other issues affecting tax administration in Nigeria and to bring about a coordinated and effective tax administration at all levels of Government in Nigeria

Conclusion

This paper has tried to identify and discuss those issues, which can bring about an effective and professional tax administration in Nigeria. I have tried to define exactly what the Nigerian tax administration encompasses and the framework, within which it operates. In doing so I have also addressed some issues affecting the Nigeria tax administration and discussed some issues, which require clarity such as the nature of our tax system and the taxing powers provided by the Constitution to each level of Government.

I have also considered what the basic requirements are for a professional tax administration and how this can be achieved, including the role which Governors are to play as Chief Executives of their States and of course heads of the tax administration in the States. I have also carried out some analysis and case studies to show that professionalism will require significant financial and manpower investment and then set out some recommendations on the steps to achieving a professional tax administration.

It is my hope that this paper would have enriched our understanding of the Nigerian tax system and the imperatives for instilling professionalism in our tax administration. What this paper intends to achieve is to give us an indication of the work, which we all have to do to bring about the desired system of taxation, which can free us all from dependence on oil revenue with all its volatility and uncertainties. As I have always maintained taxation is a stable and sustainable system of revenue generation, which if properly nurtured can serve as a major platform for the development of our respective States and the Federation and their example to show already. It is therefore my hope, that this paper would assist us all in drawing up blue prints for the development of our respective tax administrations and that sometime soon, when we sit down to compare notes, we would see that we are all making the kind of progress required to take us to the place where we want to be in respect of our tax administration.

Within the context of professionalising tax administration, our major focus should be how to grow different streams of revenue and revenue base, without overdependence on any particular stream. This can only be achieved by a highly professional system, which is able to view taxation from a holistic perspective. In doing this, we will then:

- grow the revenue profile of the Federal, State and Local Government and economically empower ourselves with much needed revenue for development; and
- diversify our revenue base, so that a challenge or shortfall in one area of revenue generation can be managed with revenue from another area

Once again let me thank Your Excellencies and invited ladies and gentlemen for listening to me, the organisers of the event for inviting me and all of us for taking time off our busy schedule to discuss a matter which is of national importance.

I thank you all. God bless us and God bless Nigeria.