

**STATE-SPECIFIC RECOMMENDATIONS**

**Scorecard for Katsina State**

Katsina State’s IGR increased from N3.2 billion in 2010 to N6.2 billion in 2014, recording a commendable 21% compound annual growth rate over the period. This revenue component was however only 9% of its total recurrent revenue, while its per capita IGR was as low as N847. Monthly revenues generated in 2014 was just above N500 million, compared with over N1 billion in Kano and Kaduna.

**IGR SNAPSHOT IN THE NORTH WEST ZONE (2014)**

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| --- | --- | --- | --- | --- | --- | --- |
| S/N | STATE | MONTHLY IGR (N) | ANNUAL IGR (N) | 5 YR GROWTH RATE | IGR/RECURRENT REVENUE (%) | IGR PER CAPITA (N) |
| 1 | KANO  | 1,138,487,827.99  | 13,661,853,935.85  | 19.9% | 14.1% |  1,120.78  |
| 2 | KADUNA  | 1,065,210,209.54  | 12,782,522,514.51  | 2.5% | 15.9% |  1,650.55  |
| 3 |  JIGAWA  | 522,775,884.70  | 6,273,310,616.35  | 49.9% | 9.8% |  1,144.42  |
| 4 | KATSINA  | 518,586,466.58  | 6,223,037,599.00  | 18.5% | 8.9% | 846.76  |
| 5 | SOKOTO  | 468,146,938.36  | 5,617,763,260.35  | 9.6% | 9.0% |  1,197.71  |
| 6 | KEBBI  | 319,511,970.16  | 3,834,143,641.95  | 0.2% | 6.6% | 922.24  |
| 7 | ZAMFARA | 262,469,212.83  | 3,149,630,553.96  | 11.1% | 5.8% | 746.62  |

Commendable Practices in IGR Mobilisation:

1. Availability and sufficiency of the State’s IRS budget. Budget release is reliable and the amount is based on the performance of the IRS
2. Ease of tax payment at commercial banks and use of e-payment
3. Double taxation at the State and local levels have been significantly eliminated, and there’s no usurpation of the taxing authority of LGAs by the State government
4. Katsina state also has a clear government policy on utility fees implemented in the area of transport, health and education.

**Major Challenges:**

1. Katsina uses a manual (inefficient) method of processing of tax payments
2. Katsina State has no property and consumption tax law
3. It has no clear tax policy on sanitation
4. Inadequate capacity building programmes for IRS staff
5. Insufficient coverage of the IRS district offices.
6. Steps are still underway to simplify procedures and tax forms
7. TIN has been introduced but it’s not effective and unified.
8. Fragmented taxpayer database, thus making it difficult to plan tax activities.
9. Some degree of leakages and corruption still exist
10. No clear debt management policy or process
11. Informal sector business are being identified; however, there’s still no clear strategy for engagement

**STATE’S ACTION PLAN**

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| **S/N** | **Identified goals** | **Actions required to achieve goals** | **Timeline** | **Responsibility** |
| 1 | Financial and operational autonomy | * Demonstration of political will
* Raising of relevant Bills for consideration by the legislature
 | Immediately | Katsina State government |
| 2 | Tax Automation | * Preparation of MOU to address the issue of consultants
* Employment of competent IT personnel
* Setting up of a committee comprising board staff, relevant community leaders and consultants for data generation
* Establishment of standards /GUI lines for the automation
* Training of personnel on IT
 | Immediately | Katsina State government |
| 3 | Strengthening of enforcement activities | * Establishment of revenue courts
* Appointment of a standing committee on road tax activities
* Effective enforcement of tax laws where tax clearance is required.
 | Immediately | Katsina State government, BIR, and MDAs |