

**STATE-SPECIFIC RECOMMENDATIONS**

**Scorecard for Nasarawa State**

Nasarawa State’s IGR rose from N1.9 billion in 2010 to N4.1 billion in 2014, recording an impressive 22% growth rate. Its performance has however remained poor despite its close proximity to the Federal Capital Territory and the large quantity of mineral resources in the State. The State’s IGR in 2014 was only 8% of its recurrent revenue, at an average of N340 million monthly, around 3 times less than N1 billion generated in Kwara State.

The proportion of the State’s taxable population who pay tax is 40% – made up of civil servants (70%), formal private sector (20%), and the informal private sector 10%.

**IGR SNAPSHOT IN THE NORTH CENTRAL 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 | KWARA  | 1,038,376,496.21  | 12,460,517,954.55  | 14.3% | 21.7% |  4,158.55  |
| 2 | BENUE  | 690,368,763.39  | 8,284,425,160.72  | 4.8% | 12.6% |  1,537.46  |
| 3 | PLATEAU | 690,368,763.33  | 8,284,425,159.92  | 24.9% | 13.4% |  2,087.68  |
| 4 | KOGI | 547,494,054.46  | 6,569,928,653.47  | 31.2% | 10.5% |  1,564.97  |
| 5 | NIGER  | 478,098,752.99  | 5,737,185,035.88  | 15.2% | 8.7% |  1,110.23  |
| 6 | NASARAWA  | 340,427,298.81  | 4,085,127,585.70  | 21.9% | 8.0% |  1,725.09  |

**Major Challenges:**

* Non-compliance with Governor’s directive by revenue-collecting MDAs
* Non implementation and enforcement of the special development levy imposed on the State and Local Government council employees
* Inadequate incentives (including training) for staff of the IRS
* Non automation of tax collection processes, which has resulted to the prevalence of fraudsters who falsify government contract papers/receipts to extort money from unsuspecting members of the public.

**STATE’S ACTION PLAN**

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| **S/N** | **Goals** | **Reforms required** | **Timeline** | **Responsibility** |
| 1. | Granting of both administrative and financial autonomy to the State Internal Revenue Service. This will enable the agency to finance its expenditure, budgets in the areas of ICT, media campaigns, staff salaries, training, etc | An enabling law for both administrative and financial autonomy through an Executive Bill to be sponsored by the Governor | Immediately | H.E. The Governor of the State |
| 2. | To capture the untapped informal sector for tax purposes | Introduction of the Presumptive Tax Regime through sponsoring of a Bill for legal backing | Within 1 (One) Year | The Chairman, SIRS |
| 3. | All IGRs in the State to be accounted only by the State Internal Revenue Service from one single account | 1. A law compelling all revenue collecting MDAs to remit into a Treasury Single Account (TSA) under the custody of the State IRS.
2. Executive Bill to the State Assembly and Executive policy pronouncement
 | Immediately | H.E. The Governor of the State |
| 4.  | Intensive taxpayers awareness campaign | 1. Adequate funding to finance the process
2. Financial autonomy for the IRS
 | Immediately  | H.E. The Governor of the State |
| 5. | Explore the solid minerals sector for solid minerals taxation | 1. Collaboration with the Federal Ministry of Solid Minerals- Abuja
2. Sponsor a Bill for legal backing in the State House of Assembly
 | Immediately | The State Governor |