

GEMS 3

TAX TOOLKIT

IMPROVING STATE & LOCAL GOVERNMENT
TAX REVENUE PROCESSES



PART 7:

Point of Sale (PoS) Payments
June 2016

LIST OF ABBREVIATIONS

AGM	Annual General Meeting
BIR	Board of Internal Revenue
BMO	Business Membership Organisation
CATU	Council and Traders Union
CBN	Central Bank of Nigeria
CRSG	Cross River State Government
CSO	Civil Society Organisation
DFID	UK Department for International Development
DPM	Director of Personnel Management
ENABLE2	Enhancing Nigerian Advocacy for a Better Business
EXCO	Executive Council
FIRS	Federal Inland Revenue Service
GBP	Great British Pounds
GEMS3	Growth and Employment in States 3
GIZ	Gesellschaft für Internationale Zusammenarbeit
IGR	Internally Generated Revenue
IMO	Interim Management Officer
JTB	Joint Tax Board
KACCIMA	Kano Chamber of Commerce, Industry, Mines and Agriculture
KASTU	Kano State Traders Union
LASAA	Lagos State Signage & Advertisement Agency
LCDA	Local Council Development Areas
LG	Local Government
LG&CA	Local Government and Chieftaincy Affairs
LGA	Local Government Area
LGC	Local Government Councils
LIRS	Lagos State Internal Revenue Service
LRC	Land Records Company, Lagos
M&E	Monitoring and Evaluation
MAN	Manufacturers' Association of Nigeria
MDA	Ministries, Departments and Agencies
MOA	Memorandum of Agreement
MoJ	Ministry of Justice
MoLG	Ministry of Local Government
MOU/MoU	Memorandum of Understanding
NASSI	Nigerian Association of Small Scale Industrialists
NGN	Nigerian Naira
NGO	Non-Governmental Organisation
NIBSS	Nigerian Inter-Bank Settlement System
NURTW	National Union of Road Transport Workers
OPS	Organised Private Sector
PAYE	Pay-As-You-Earn
PIN	Personal Identification Number
PIT	Personal Income Tax
POS	Point of Sales/Point of Service
PPD	Public Private Dialogue
PPEM	Public Private Engagement Mechanism
PT	Presumptive Tax
RCIU	Revenue Complaints and Information Unit
SAVI	State Accountability and Voice Initiative
SHoA	State House of Assembly
SME	Small and Medium Enterprise
SMS	Short Message Service
SOP	Standard Operating Procedures
SPARC	State Partnership for Accountability, Responsiveness and Capability
SWOT	Strengths, Weaknesses, Opportunities and Threats
TAT	Tax Appeal Tribunal
TIN	Taxpayer Identification Number
TNA	Training Needs Analysis
ToT	Training of Trainers
UK	United Kingdom
WEE	Women Economic Empowerment

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1. Point of Sale (PoS) Payments – Introduction

1.1 What are “Point of Sale” payments?

A “Point of Sale” payment (PoS) is a payment made to an authorised Revenue Collector using a PoS machine. PoS machines are devices that allow tax payments to be made in cash or by debit/credit card and receipts to be immediately provided to taxpayers.

Payments by debit/credit card generally require the PoS machines to be connected online to bank debit/credit card systems, but cash payments (the vast majority of cases where payment by PoS is made) can be made offline, with details of such payments being uploaded to banking systems later. (Note: this is the case with PoS cash payments where the switch company is InterSwitch. At this point of time, PoS cash payments where the switch company is Citiserve can only be made online)

1.2 Reasons for “Point of Sale” payments

One beneficiary of “Point of Sale” payments is the LGA itself. Potential benefits include increased amounts of IGR (internally generated revenue) through both a more efficient process and less leakages, as well as from reduced payment system costs. These benefits indirectly accrue to all LGA constituents.

Taxpayers themselves also benefit through more efficient processes, from having a further payment option, and from a process which gives them more assurance that their payments will end up with the LGA. The PoS system gives taxpayers an immediate receipt for payments made at their business premises which along with extra controls over money received also contributes to less harassment by revenue collectors. In states such as Lagos where many tax payments are already paid directly to banks, PoS can also provide a benefit by allowing controlled payment to revenue collectors without the need to visit and queue at banks.

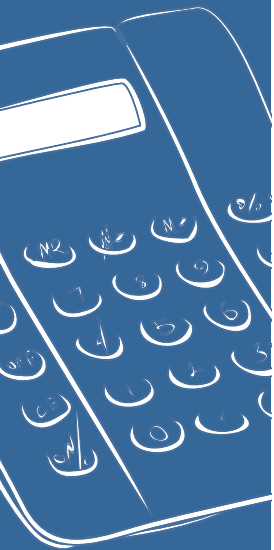
1.3 Implementation of “Point of Sale” payments

GEMS3 reviews of different payment systems have shown that options which mean that payments get to LGAs without interaction with a LGA revenue collector are preferred. By nature, these options reduce the opportunities for leakages and give taxpayers greater confidence that their payments will end up in LGA accounts.

Of the options available, payment direct to banks is the most preferred option and hence GEMS3 is ensuring that this option (direct bank lodgements) is not only available but also facilitated through the use of customised tellers and publicised.

It is however recognised that paying at the bank is not so appropriate for charges of low value that are payable regularly. Similarly paying at the bank is not practical where the nearest bank branch is not handy and/or the taxpayer does not have a bank account. There is therefore a need to continue to allow taxpayers to make payment in cash and to make payment direct to LGA revenue collectors.

GEMS3’s initial analysis of payment systems indicated that the best way of managing cash payments to revenue collectors would be using Point of Sale (PoS) devices. PoS payment processes are however more complicated than other payment processes in that three





separate stakeholders are involved; the LGAs, the lead bank of the LGA and a switch company which provides electronic payment facilities.

In general, the PoS approach has been easier to implement in southern compared with northern Nigeria. While it was confirmed that the PoS system was the best for Nigeria, it was decided to separate the payment system process into two parts; a first part dealing with all aspects of reviewing and improving payment systems, other than PoS (which is the subject of another Activity Guide) and a second part covering PoS (covered by this Activity Guide). This enables a decision to be made while/after working on the first part on the likelihood of PoS implementation being accepted and whether resources should be dedicated to PoS in each LGA.

2. Point of Sale (PoS) Payment Activities

2.1 PoS: Signing of MoU between LGA and bank (& switch company part of process)

- a. Review LGA results (from improved payment system work) and decide whether to proceed with PoS (the following steps assume decision made to proceed)
- b. Identify intervention partners for payment system enhancements (if not already completed as part of improved payment systems work)
- c. Approach banks, and get them to present to LGA
- d. Identify lead bank for LGA (for purposes of PoS)
- e. LGA sends mandate letter (refer example at Appendix 1) and draft MoU (refer example at Appendix 2) to preferred bank
- f. Bank returns draft MoU to LGA
- g. MoU updated and finalized by all parties
- h. Signing of MoU between LGA and bank/service provider
- i. Sign off “PoS: Signing of MoU between LGA and bank” milestone

2.2 Set up PoS collections issue resolutions committee

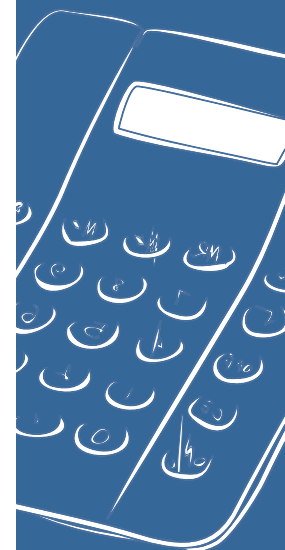
- a. Set up PoS collections issue resolution committee for LGA
- b. Facilitate identification of members of LGA PoS collections issue resolution committee (2 people from Revenue Committee and bank representative)
- c. Ensure LGA PoS collections issue resolution committee is set up and operating effectively

2.3 PoS-specific Operational Guide finalised

- a. Update & finalize demand notice (if not already completed as part of improved payment systems work)
- b. Draft operational guide for PoS collections (see example attached as Appendix 3)
- c. Review and finalise operational guide

2.4 Ensure each LGA has funded electronic wallets for PoS machines prior to launch

- a. Tripartite meeting between banks, switch company and LGA to agree work plan for PoS launch
- b. LGA to send list of levies and charges to be collected, along with rates
- c. Ensure LGA has funded electronic wallets for PoS machines prior to launch (unless other



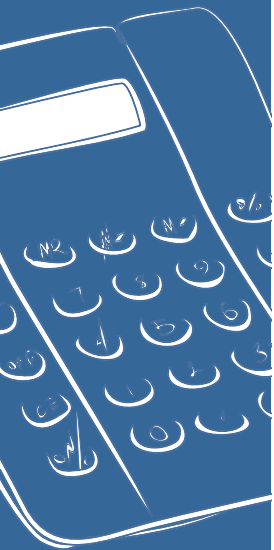
- stakeholders have agreed to provide seed money)
- d. Bank and service provider to configure PoS machines
- e. Testing PoS machines prior to launch
- f. Conduct training of PoS staff immediately prior to PoS launch
- g. LGA PoS ready for deployment

2.5 Official launch of PoS collections

- a. Create sensitisation materials
- b. Conduct PoS sensitisation activities in the LGA
- c. Agree date and venue of PoS launch with LGA and stakeholders
- d. Official launch of PoS collections

2.6 Ensure actual PoS collections are active

- a. Ensure actual PoS collections commenced/implemented
- b. Monitor LGA PoS collections for one month post launch or until major issues resolved
- c. Handover responsibility for PoS to LGA for scale up
- d. Sign off “ensure actual PoS collections are active” milestone





APPENDICES

APPENDIX 1: Example of Mandate Letter for LGA “PoS” Bank

(Date)

The Manager
xxxxx Bank

Attention: Mr xxxxxx

Dear Sir,

DEPLOYMENT OF E-PAYMENT SERVICES FOR REVENUE COLLECTIONS IN xxxxx LOCAL GOVERNMENT COUNCIL

We refer to your proposal on the above subject matter.

We are pleased to inform you that xxxxx Bank has been appointed to deploy POS terminals and other payment options for the improvement and optimization of the Local Government payment systems.

Please note that we plan to deploy the POS in addition to the direct lodgement system currently in place and we are open to other options that may be recommended by your bank in improving our collection system.

Kindly provide your terms and conditions for this service in due course

We thank you and look forward to a mutually beneficial relationship with your Bank

Yours faithfully

Executive Chairman
xxxxxx Local Government Council

**APPENDIX 2: Example of PoS MoU between LGA and Bank
(with GEMS3 comments included)**

**MEMORANDUM OF AGREEMENT
BETWEEN
XXXXX LOCAL GOVERNMENT AREA
AND
XXXXX BANK**

DATED THIS DAY OF201X



MEMORANDUM OF AGREEMENT (MOA)

This Memorandum of Agreement is made this Day of 2014

BETWEEN

XXXXX BANK, a commercial bank licensed to carry out banking business in Nigeria and having its principal (hereinafter referred to as “the Bank” which expression shall where the context so admits include its successors-in-title and assigns), of the first part,

AND

xxxxx LOCAL GOVERNMENT AREA having its principal office at xxxxx Local Government secretariat (Hereinafter referred to as the XLGA which expression shall where the context so admits include its successors-in-title and assigns), of the second part.

WHEREAS

- a. The Bank has been approved by the Central Bank of Nigeria to operate various forms of Payment Service in Nigeria via various mediums inclusive of the Point of Sale (POS) Solution and other e-payment platforms;
- b. The XLGA is a local government establishment consisting ofwards which it manages and collects various rates and levies there-from approved by the Constitution of Nigeria as Internally Generated Revenue (IGR);
- c. The XLGA agrees to contract the Bank to automate the collection process, and the monitoring, collection and remittance of its Internally Generated Revenue (IGR) using its POS Solution and other e-payment platforms (“the Project”) and
- d. The Parties have agreed to enter into this MOA to provide the platform for the Project with a view to being legally bound by its terms.

NOW THIS MEMORANDUM WITNESSES as follows:

1. APPOINTMENT

The XLGA hereby contracts the Bank to automate the collection process, and the monitoring, collection and remittance of its Internally Generated Revenue (IGR) using its POS Solution and other e-payment platforms (“the Project”) to the XXXXX Local Government wards for a term of TWO (2) years and any further extension of said term (“the Contract Term”) as shall be mutually agreed by both parties.

Note: The term of the PoS MoU will vary from LGA to LGA. In general GEMS3 should support longer terms (to make the PoS implementation more economically viable for the banks), but some LGAs may want to restrict the term to the length of their tenure and not want to bind their successors. A term based on the tenure of LGA management is acceptable, but should be for a minimum of 12 months even if there are elections within that period.

2. THE PROJECT

The Bank shall, at its cost, deploy the Customized POS Solution and other e-payment solutions to the XLGA.

- 2.1** If at any time during the Contract Term, XLGA makes a specific request for the upgrade of the Customized POS Solution that would enhance the effectiveness of the Project the XLGA shall be responsible for the cost of deploying the upgrade subject to negotiation as agreed by the parties.
- 2.2** If the XLGA makes a request for change of revenue codes, the Bank shall effect the changes at no cost provided the frequency is not more than twice a year.
- 2.3** Both parties agree that this MOA shall not terminate until both parties have fulfilled all obligations as contained herein.

3. DUTIES OF THE BANK

- a. To deploy the Customized POS Solution and other e-payment platforms to the XLGA.
- b. Ensure the solution employs high & best practice security techniques. Charge not more than the agreed fees.
- c. To compile all collections made for the XLGA using the Customized POS Solution and report on a weekly basis. The said report shall show how much has been collected by the various collecting points.
- d. Ensure revenue collected is made available to the XLGA for use on the T+ 1 day basis as presently prescribed by the CBN.
- e. Put in place a platform to be interconnected with switches and can be viewed by the XLGA management on a real time basis.
- f. Facilitate training and capacity building for revenue and tax collectors on the usage of the various channels deployed for the collections.

4. POS TRANSACTION FEES

There shall be a 3% POS transaction fees to be borne by the XLGA for every successful POS transaction. This transaction fee is to be shared between the bank, the switch company and other service providers.

Note: The fee amount will vary from LGA to LGA. Fee levels of 3% or 3.5% for banks (and their providers such as switch companies) are usual but anything above 4% should be looked at closely. To support PoS operation by LGA revenue collectors, it is good practice to also specify a similar % to be kept by the LGA for payment of incentives to their staff (e.g. having a 6% fee with 3% paid to banks/providers and 3% to the LGA). The LGA incentives part of the fee clause should not however detail the specific LGA staff that will receive the incentives; rather this should be left to the LGA to decide whether incentives should go to:

- » All revenue collectors or only those trained in and using PoS
- » Revenue collectors only or also support staff such as treasurers, internal auditors

An example of a suitable paragraph would be:

“A monthly 6% commission shall be deducted from the total monthly collections from the POS transactions. From the 6% deduction, xxxx Bank plc shall be entitled to 3% (to be shared between the bank, the switch company and other service providers) and xxxx LGA shall be entitled to 3% (to be provided as incentives for LGA staff who support PoS operations)”.

5. DUTIES OF THE XLGA

- a. To identify and advise collecting points in and around the area of coverage.
- b. To advertise and disseminate information to the general public to enlighten them on all aspects of the Project as it relates to the new modalities of tax payment under the Project.
- c. Enacting legislation and or amending existing legislation, regulations and/or policies to create an enabling framework for the successful implementation of the Project.
- d. To abide by all regulations and provisions of Card Associations (which issue the cards used for the collections), Central Bank of Nigeria, Nigeria Inter Bank Settlement System (NIBSS) for the acceptance of payment cards.
- e. To take full care of the Bank's POS infrastructure.
- f. At all times observe the provisions of this agreement.
- g. Honour all Switch company/Verve/Master presented by giving appropriate value for Tax Payments.
- h. Indemnify the Bank from and against all losses, expenses and damages which Switch company/Verve/Master Cardholders may suffer or incur as a result of their failure to observe any of its obligations hereunder or arising from any dispute between it and any Tax Payer.
- i. Retain copies of receipts for a minimum of two years from the issuance and make them available for reconciliation and review.



- j. Ensure that it uses the POS in the agreed manner and shall secure the POS at all times
- k. Ensure that the POS is active at all times and made available for customers' use.
- l. Ensure that it contacts the Bank or any of its representatives within 24hours after it detects any fault or malfunctioning of the POS.

6. CHANGE IN COMPOSITION OF PARTIES

The parties hereto hereby agree that this Agreement shall be enforceable notwithstanding any change in the composition of any of the parties hereto.

7. GOVERNING LAW

The governing law shall be the Laws of the Federation of Nigeria.

8. OWNERSHIP OF SOFTWARE

- a. The property in the software system, operating system and other materials deployed to carry out the Project shall vest in the Bank during the Contract Term and shall be handed over to (with the exception of the POS terminals) and shall become the property of XLGA upon the expiration of the Contract Term (not before then). The Bank recognises the XLGA exclusive right to seek copyright protection for the services and the Bank hereby agrees to render the XLGA any and all assistance requested by the XLGA in connection with the protection of the copyright. The POS shall however at all times remain the property of xxxxx BANK Nigeria Limited.

***Note:** The purpose of this provision is to ensure that banks hand over all information and supporting material to LGAs when the MoU term expires. This to guard against banks holding LGAs "captive" and ensuring their continued involvement with PoS should the LGA want to change banks. Note also this does not refer to the software maintained by switch companies as these MoUs only bind the banks (and LGAs).*

- b. The XLGA shall not permit the copying, duplication of same by any party or institution without the prior written consent of the Bank.

9. ARBITRATION/DISPUTE RESOLUTION

All disputes, disagreement and issues arising out of or in connection with this MOA which cannot be resolved amicably shall be submitted to the final decision of a single arbitrator who shall be appointed and operate in accordance with the provisions of the Arbitration and Conciliation Act, Caps A18 Laws of the Federation of Nigeria 2004. The costs of the Arbitration shall be borne equally by both parties save the costs of each party's counsel which shall be borne by the counsel's party. If however, the parties are unable to agree on the choice of the single Arbitrator, or one of the parties is not disposed to submitting to Arbitration, then the parties shall have recourse to a court of competent jurisdiction in Nigeria.

10. MISCELLANEOUS TERMS

Except as specifically provided for in this MOA, this Agreement is strictly for the benefit of the Parties and is not transferrable to any third party without the prior consent of the other party first had and obtained.

11. COMMENCEMENT

This Agreement shall come into effect from the date of execution of these present.

12. SEVERABILITY

If any of the clauses in this MOA is declared unlawful or enforceable by a court of competent jurisdiction, such clause shall cease to have effect without affecting the remaining provisions of this MOA which shall continue in full force and effect notwithstanding the severance of the unlawful clause.

13. EFFECTIVENESS

This MOA shall become effective upon the execution and delivery hereof by each of the parties hereto in any number of counterparts. This MOA shall be binding upon and inure to the benefit of the parties hereto and their respective successors, permitted assigns and permitted transferees, provided, that none of the parties may assign/transfer any of their rights or delegate any duty under this MOA to any person except as expressly permitted by the other Party in writing.

14. AMENDMENT

This MOA shall only be amended by the written consent of both parties and the authority of their authorized representatives.

15. TERMINATION

15.1 Either party may upon giving not less than ninety (90) days' notice in writing to the other, terminate this Contract if the other party defaults under or substantially breaches any obligation hereunder or fail to satisfactorily complete their obligations and duties defined in this MOA and same is not substantially cured within 30 days after written notice from the other party.

15.2 Where either of the parties indicates its intention to terminate, it shall be bound by all commitments to the contract up to the time of the receipt of the Notice of Termination by the other party.

16. INDEMNITY

16.1 The XLGA hereby undertakes that it would indemnify the Bank and keep it indemnified, against any damage to the POS Machine by the negligence of its employees; any accidental loss of, or damage to, the POS Machine caused by its agents or employees, any fraud detected or reported whilst the POS is not at an agreed location, and all claims, expenses, or damages that result from the actions of its employees and agents.

16.2 The parties shall at all times during the continuance of this MOA observe the principles of good faith towards one another in the performance of their obligations in terms of this MOA.

16.3 The parties acknowledge that this service is reliant on the availability and functionality of the internet networks which is outside the direct control of the Bank. Consequently, the Bank shall not be liable to the XLGA or any 3rd party claiming through them or any of their customers for any claim of whatsoever or any damages or sums whatsoever as a result of the service/ network failure.

16.4 The XLGA and its officials to be in charge of operating the POS hardware understand that their PINs are confidential and should be kept out of the reach of anyone. Consequently, the Bank shall not be liable to the individuals mentioned above or any 3rd party claiming through them for any claim of loss or any damages or sums whatsoever occasioned as a result of the disclosure of their PIN to a 3rd party. If the party suspects a compromise of their PIN, they should report immediately by calling the Bank's Contact Centre on any of the following numbers



Note: Most PoS MoUs that have been signed to date do not contain paragraphs covering warranties for performance of the parties or liability for non-performance. The following two paragraphs are also suggested for inclusion in MoUs

17. WARRANTIES

17.1 Services.

17.1.1 The parties warrant that services will be performed in a professional manner. The parties further warrant that all employees assigned to perform work under this MOA shall have a reasonable level of skill and experience commensurate with the requirements of the task to which such employees are required to perform.

17.1.2 Neither party shall incur any liability on behalf of the other or in any way pledge or purport to pledge the other's credit or make any contract binding upon the other without their consent.

17.2 Bank Warranties

The Bank warrants that it has the experience and ability in such fields and related disciplines as may be necessary to perform all work required by this MOA or the transactions contemplated by it with a high standard of quality. The Bank acknowledges that XLGA is relying on its skill and expertise in the foregoing for the performance of the obligations stipulated under this MOA or the transactions contemplated by it and agrees to notify XLGA whenever it does not have the necessary skill and experience to fully perform hereunder.

17.3 Limitation on Warranties

Other than the warranties stated above, the Bank makes no other representations or warranties, statutory, express or implied (including, but not limited to, warranties of merchantability, fitness for a particular purpose, non-infringement, non-interruption of use and freedom from program errors).

18. LIMITATIONS ON LIABILITY

18.1 Neither XLGA nor the Bank shall be liable or obligated with respect to the subject matter of this MOA or under any other contract for any act or omission resulting in damages for any amounts in excess of the affected sum/ consideration paid by a customer of XLGA and received by the Bank hereunder.

18.2 Neither party will be liable to claim from the other party for indirect, special, incidental, punitive or consequential damages (including, without limitation, damages resulting from loss of profits, data or records of XLGA), even if such party has been notified of the possibility or likelihood of such damages, except with respect to the obligations of Paragraph 18 of this MOA.

IN WITNESS WHEREOF THE PARTIES HAVE EXECUTED THE AGREEMENT BY THEIR DULY AUTHORIZED REPRESENTATIVES:-

Signed, sealed and delivered by:-

FOR: and on Behalf of XLGA:-

Address _____

Occupation_____

Date_____

The common seal_____

Witnessed by:-

Name_____

Signature_____

Address_____

Occupation_____

Date_____

Signed by the authorized representative of xxxxx BANK:-

Name: _____

Designation: _____

Signature: _____

Date: _____

In the presence of:-

Name: _____

Address: _____

Designation: _____

Signature: _____

Date: _____

For the purposes of this agreement, monitor shall mean:

- Tracking of payments through POS terminals deployed by the Bank on behalf of the XLGA.
- Reports to the portal real time payment at all collection points.
- Surveillance of non-POS transaction of the revenue accruable or collectible by XLGA tracking of e-platforms other than POS solution put in place by the XLGA except otherwise authorized.



APPENDIX 3: Example of PoS Operational Guide

Operational guide to the use of Point of Sales (POS) machines for Revenue Collection in Local Government Areas in Cross River State.

1. Introduction

The Local Government Council, in partnership with Smartgov.CRSG as facilitated by GEMS3 has introduced a new automated collection method for Local Government fees, levies and charges.

This document provides operational guidelines for the use of POS for Revenue collection in the Local Government Area. It provides an overview of the services, step-by-step instructions on field collections and back-office operations, and highlights sources of support for both customers and revenue staff.

The aim of this document is to ensure that a standardized procedure is employed throughout the revenue collections system, and enforced by the relevant bodies where necessary.

2. Background

Calabar South Local Government, in partnership with GEMS3 and Smartgov.CRSG has introduced a new, consolidated and harmonised fees, levies and charges structure, and a new innovative, automated method of collection. The new system aims to reduce the occurrence of revenue leakage, resulting in a far more effective and efficient method of local government revenue collection.

The new revenue collections method uses electronic Point of Service (POS) machines, through which monies are loaded and deposited at First Bank on a daily basis. Revenue officers have been trained on both field and back office operations, complimented by extensive sensitisation of the tax payers in the local government area.

Revenue officers are now identified by their POS machines, high visibility vests and identity cards, and proof of payment is provided to all tax payers through printed receipts. This reduces the risk of illicit collections being conducted.

The new system is split into two key areas; field collections, and back office operations. Field collections are conducted 6 days a week by revenue officers using POS machines, and back office revenue officers monitor the collections, including end of day reconciliation.

3. Step by step guide to field collections

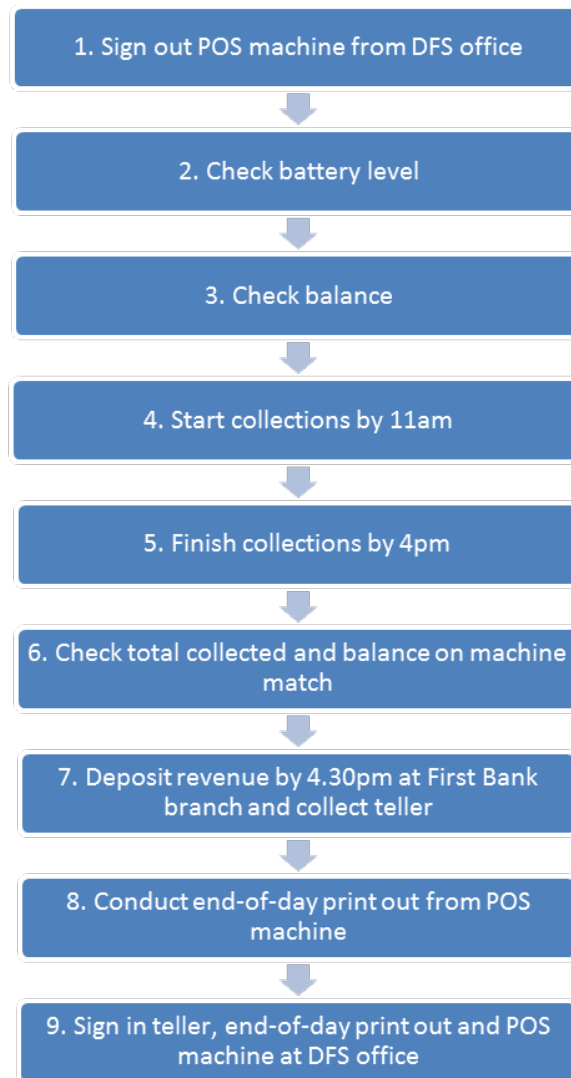
Collection of local government fees, levies and charges will be made by revenue officers in the field on a daily basis. This step by step guide outlines the collections process, and required service standards.

Daily collections process

This process must be followed by all field revenue officers

Daily collections process

This process must be followed by all field revenue officers





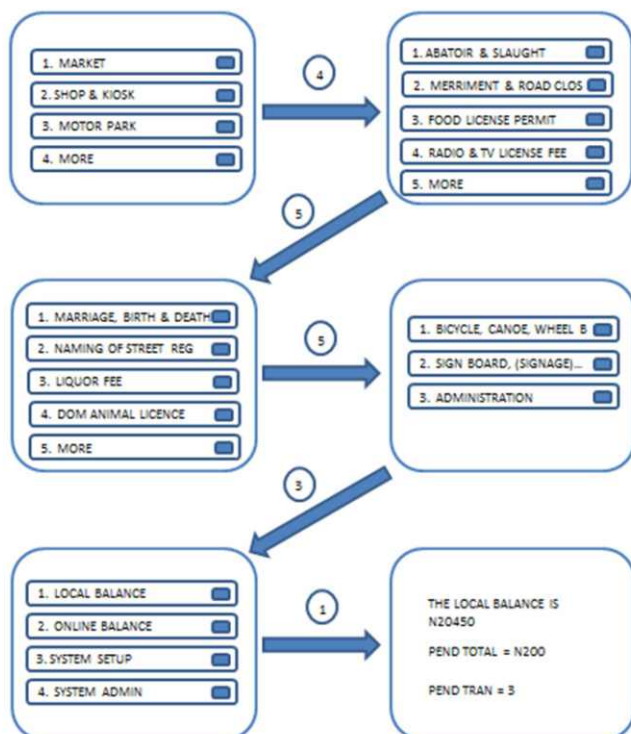
The POS machine

The POS machine must be used for all collections. Each revenue officer will be provided with his/her own POS machine. The diagram below outlines the basic functions of the machine.



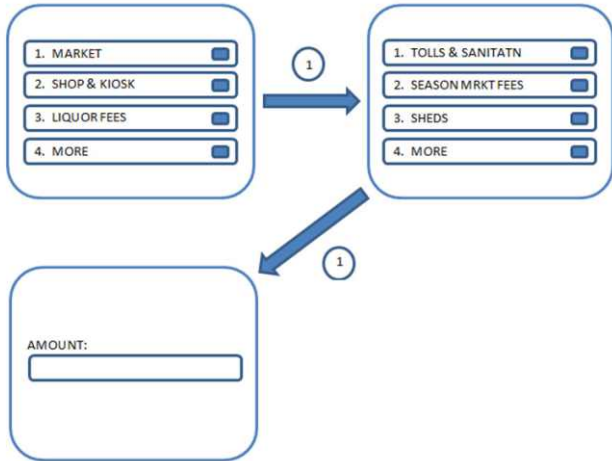
1. Sign out POS machines from DFS office
Each revenue officer must collect only their own POS machine from the DFS office every morning, signing the register provided to prove this.
2. Check the battery level
The POS machine should have been charged overnight. Each revenue officer must check the battery level on the screen on the machine, to ensure the battery is full enough to go into the field.
3. Check balance
The POS machine should have been loaded with funds the previous night. Each revenue officer must check the balance on the machine, to ensure it is possible to conduct collections.

The diagram below demonstrates how to check the balance of a POS machine. Each box represents the display screen of the POS.

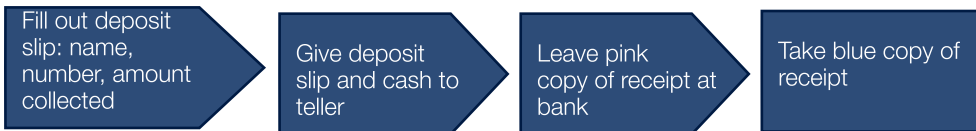


4. Start collections by 11am
If the POS machine is fully charged, and the balance is correct, the revenue officer can begin their collections. Collections must begin at 11am every day.

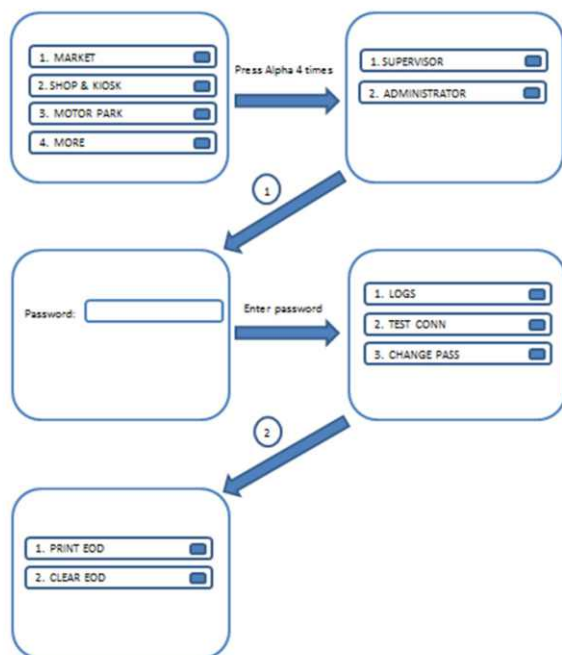
Each revenue officer will have an allotted area for collections. They must conduct collections in this area only. Each collection must be recorded on the POS machine. The receipt must then be printed and given to the payee. The diagram below gives an example of how to process collections on the POS machine. Each box represents the display screen on the POS machine



5. Finish collections by 4pm
Collections must finish at 4pm every day to allow revenue officers time to reach the bank.
6. Check total collected and balance on machine match
Officers must count amount of cash collected and check balance on POS machine (see point 3) to ensure that they match.
7. Deposit revenue by 4.30pm at First Bank branch and collect teller
The flow chart below outlines the process for depositing revenue at the bank at the end of the day:



8. Conduct end of day print out from POS machine
Revenue officers must then print out the end of day report from the POS machine:



9. Sign in teller, end-of-day print out and POS machine at DFS office
Revenue officers must then go back to the DFS office to sign in their POS machine for charging, the teller from the bank confirming cash deposit, and the end of day print out from their POS machine.

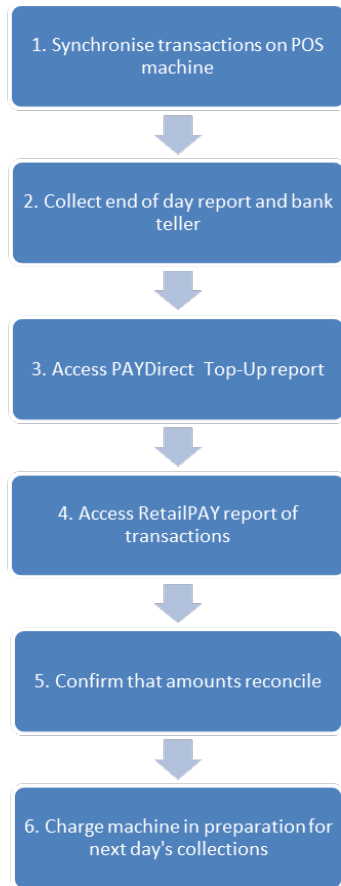
Service standards

The following standards must be met to ensure that the field collections service is delivered effectively:

- Field collections revenue officers must wear uniforms and carry identification at all times.
- POS machines must be charged every evening before use the next day.
- Collections must commence by 11am, and cease by 4pm daily.
- Collections must be paid into First Bank branch by 4.30pm daily.

4. Step by step guide to back office operations

Back-office revenue officers are responsible for monitoring the collections process, and ensuring that POS machine records and deposit cash amounts reconcile. **Daily back office process**



1. Synchronise transactions on the POS machine

Follow instructions on the application screen:



- 2. Collect end of day print out and bank teller
At the end of his/her shift, the revenue officer will sign in the following:
 - End of day print out from the POS machine
 - Teller from FirstBank, stating how much cash has been paid in

The back office staff must collect both of these, for reconciliation purposes.

- 3. Access end of day top-up report
Go to PAYDirect link: **www.paydirectonline.com**
Enter username and password:

Paydirect

User Name:

Password:

Institution Code:

One Time Password: [What is your One Time Password?](#)

v2.8.01

Powered by Interswitch

Select 'CSLG Agent Top Up Payments Report' from Reports Menu:

PAYDirect

ISW Business Officer

User: Adams, Jonah [Interswitch_Business_Officer]
Domain: Interswitch

Thursday, May 14, 2013

Bank Branch Reports

Channels Reports

Change Password

Direct Debit **Revo***

Log Out

CSLG Agent Top Up Reports Menu

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General Reports

- [CSAT PAYDirect Payment Search](#)
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Bank View Reports

- [CSAT PAYDirect Payments Report](#)
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- [CSAT PAYDirect Payments By Branches](#)
- [CSAT PAYDirect Payments By Payment Item](#)
- [CSAT PAYDirect Cheque Status Monitoring](#)
- [CSAT PAYDirect Payment Reversal Report](#)
- [CSAT PAYDirect Payment Category Summary Report](#)
- [CSAT PAYDirect Bank Settlement Report By Product](#)

Transaction Reports

- [CSAT PAYDirect Transactions Report](#)

feedback & support

Select the correct date range and click 'search':

PAYDirect

User: Adams, Jonah [InterSwitch_Business_Officer]
Domain: InterSwitch

Thursday, May 16, 2013

ISW Business Officer

- Bank Branch Reports
- Channels Reports
- Change Password
- Direct Debit **New***
- Log Out

:: CSLG Agent Top Up Payments Report

Enter search criteria and click 'Search' to view data.

Payment Date From: 16 May 2013 To: 16 May 2013

Payment Channel: All Payment Channels

Payment Item: - All Payment Items -

Bank: All Banks

Bank Branch: All Branches

Payment Currency: Naira

Search Printable Version Excel Download < Reports Menu

Total Number of Records: 0
Total Amount*: =N= 0.00
Accurate to a 0 Minute(s) Difference due to Adjustments by Bank Tellers

The results will be displayed as below:

PAYDirect

User: Adams, Jonah [InterSwitch_Business_Officer]
Domain: InterSwitch

Thursday, May 16, 2013

ISW Business Officer

- Bank Branch Reports
- Channels Reports
- Change Password
- Direct Debit **New***
- Log Out

:: CSLG Agent Top Up Payments Report

Enter search criteria and click 'Search' to view data.

Payment Date From: 15 May 2013 To: 16 May 2013

Payment Channel: All Payment Channels

Payment Item: - All Payment Items -

Bank: All Banks

Bank Branch: All Branches

Payment Currency: Naira

Search Printable Version Excel Download < Reports Menu

Total Number of Records: 11
Total Amount*: =N= 16,910.00
Accurate to a 0 Minute(s) Difference due to Adjustments by Bank Tellers

Payment Ref. Number	Payment Date Time	Receipt No	Customer Name	Payment Item	Amount	Payment Method	Deposit Slip	Cheque Value Data
1 FBN(BRH)CSAT15-05-20131708192	15-May-13 16:31:19 0011007	1313509278	CLSG8	Dealer Payment	=N= 900.00	Cash	7622055	
2 FBN(BRH)CSAT15-05-20131708183	15-May-13 16:29:21 0011007	1313509258	CLSG8	Dealer Payment	=N= 500.00	Cash	7622054	

4. Access RetailPAY report of transactions

Go to retailPAY site: <http://webpay.interswitchng.com/retailpay>
Enter username and password:

Login - RetailPAY™ Enterprise Server

Retailpay is an integrated retail management solution that supports e-payment services & online real-time management of merchant businesses.

Username:

Password:

Login

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Click 'Query' and go to 'transaction history'

Select the correct date range and click 'Query Transactions'. Results will be displayed as below:

Order Code	Date Purchased	Payment Method	Total	Order Status	Order Type	Remote Response
<input type="checkbox"/> 1304197957	19/04/2013 16:22		50.00	Failed	Invoiced Order	N/A
<input type="checkbox"/> 1304197949	19/04/2013 16:21		50.00	Failed	Invoiced Order	N/A
<input type="checkbox"/> 1304197927	19/04/2013 16:20	DmsCredit	1.00	Successful	Invoiced Order	Successful
<input type="checkbox"/> 1304197897	19/04/2013 16:17		10.00	Failed	Invoiced Order	N/A
<input type="checkbox"/> 1304197834	19/04/2013 16:12		10.00	Failed	Invoiced Order	N/A
<input type="checkbox"/> 1304197804	19/04/2013 16:10		10.00	Failed	Invoiced Order	N/A
<input type="checkbox"/> 1304197790	19/04/2013 16:09		10.00	Failed	Invoiced Order	N/A

5. Confirm that amounts reconcile
Check that the following records reconcile:
 - End of day POS print out (amount collected)
 - Bank teller (amount paid into bank branch)
 - PAYDirect Top-Up report (amount paid into bank branch)
 - RetailPAY report (amount collected)
6. Charge POS machine
Back office revenue staff are responsible for ensure POS machines are charged in preparation for the next day's collections.

7. Operations Support Services

Smartgov.CRSG are available for technical support:

1st level contact:

Primary contact - Iroegbu Iroegbu

Phone number – 07045355442

Email address – iiroegbu@smartgov.com.ng

General support

support@smartgov.com.ng

2nd level contact:

Primary contact – Etim Mkpanam

Phone number - 07045355444

Email address – emkpanam@smartgov.com.ng

General support

support@smartgov.com.ng



A woman being shown how easy pos can be at the Ejigbo Iga pos launch, Lagos state



For further information, contact:

Louisa Chinedu-Okeke

Project Manager, Tax Workstream
Growth and Employment in States (GEMS3)
24 Buchanan Crescent
Wuse II
Abuja

E: louisa.chinedu-okeke@gems3nigeria.com

M: 0908 706 8516

www.gemsnigeria.com/gems-3

info@gemsnigeria.com

Amos O. Oduleye

Head, Technical Services
Joint Tax Board
Plot No 1863, Cadastral Zone A04, Lee-Kuan
Yew Street,
Asokoro Extension 3, FCT, Abuja

E: somasudo@yahoo.com

M: 08065983630

www.jtb.gov.ng



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