

MEMORANDUM OF UNDERSTANDING

BETWEEN

FEDERAL INLAND REVENUE SERVICE

AND

.....STATE BOARD OF INTERNAL REVENUE

**FOR THE IMPLEMENTATION OF THE VOLUNTARY ASSET AND INCOME
DECLARATION SCHEME**

This Memorandum of Understanding is made this day of 2017.

BETWEEN

THE FEDERAL INLAND REVENUE SERVICE, a statutory body of the Federal Government of Nigeria, established under the Federal Inland Revenue Service (Establishment) Act, 2007 (hereinafter referred to interchangeably as "the FIRS" or "the Service") and having its Head Office at Revenue House, No. 20, Sokode Crescent, Wuse, Zone 5, Abuja, Federal Capital Territory;

AND

THESTATE BOARD OF INTERNAL REVENUE(hereinafter referred to as "State") and having its Head Office at

(S.B.I.R.)

PREAMBLE

1. ACKNOWLEDGING that the FIRS is charged with the responsibility for the assessment, collection of and accounting for revenues accruable to the Federal Government and Administering the Personal Income Tax Act within its jurisdiction ;
2. CONSIDERING that the State is charged with the responsibility for the assessment, collection and accounting for Personal Income Tax from individuals residing within its jurisdiction.
3. RECOGNISING that section 8 (1)(l) of the FIRS Act mandates the Service to provide and maintain access to up to date and complete data information on all taxable persons, individuals and corporate bodies for the purpose of efficient tax administration.
4. RECOGNISING that FIRS is mandated under Section 8(1) (m) of the FIRS Act to maintain data base, statistics, records and reports on persons, assets and properties relating to tax administration including matters relating to waivers, fraud or evasion.
5. CONSIDERING that the Federal Government plans to launch the Voluntary Asset and Income Declaration Scheme under the National Tax Amnesty Programme, which will create a window of opportunity to enable all eligible taxpayers to voluntarily disclose their assets and income within and outside Nigeria for the purpose of assessing and paying their tax liabilities with the added benefit of avoiding prosecution;
6. ACKNOWLEDGING that the implementation of this scheme requires asset tracing by experts and that the States do not have the machinery and resources required to trace assets nationally and internationally and to enter into co-operation agreements with other sovereign nations.
7. ACKNOWLEDGING that there is need for collaboration between the FIRS and the State Governments to tackle the problem of inaccurate disclosure of

assets and income, non-filing of tax returns, non-payment of taxes, tax evasion and avoidance.

- 8. Affirming that both the Federal and State Governments desire to enthrone a culture of transparency, honesty and accountability in its citizens.
- 9. Recognizing that it has become necessary for a collaborative effort between the Federal and State Governments to embark on a sustainable drive to increase revenue accruing to State Governments and to the Federation.
- 10. DESIRING to provide a framework for the implementation of the Nigerian Voluntary Assets and Income Declaration Scheme.

NOW THE PARTIES HERETO AGREE TO THE FOLLOWING UNDERTAKINGS AND ARRANGEMENTS:

CLAUSE 1

DEFINITIONS

In this Memorandum of Understanding (hereinafter referred to as "MOU") unless the context otherwise requires, the following words have the meanings assigned to them:

- 1. ATT means Asset Tracing Team
- 2. FIRS means Federal Inland Revenue Service
- 3. PITA means Personal Income Tax Act
- 4. PIT means Personal Income Tax
- 5. JTB means Joint Tax Board
- 6. SCHEME means Nigerian Voluntary Assets and Income Declaration Scheme
- 7. SBIRS means State Board of Internal Revenue Service

CLAUSE 2

PURPOSE AND SCOPE OF THE MEMORANDUM.

- 1. The purpose of this MOU is for the Parties to collaborate with each other for the implementation of the Nigerian Voluntary Assets and Income Declaration Scheme.
- 2. This MOU recognizes the various provisions of the statutes on the rights of the various administrative authorities and the need to collaborate and share information, data, expertise and personnel for the assessment and collection of PIT under the scheme by the States.
- 3. By this MOU, the Parties have agreed, subject to the provisions hereto to do all things necessary to attain the objectives herein and its successful implementation.

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- 4. This MOU sets forth the Parties' statement of intent to establish a framework for mutual assistance and co-operation in the fulfilment of their respective responsibilities.

CLAUSE 3.

OBLIGATIONS OF THE PARTIES.

i. FIRS

- a. The FIRS shall render such assistance as may be required from the SBIRS for the effective and efficient implementation of the scheme.
- b.—The FIRS shall provide to SBIRS all the information and data obtained under this scheme to enable the SBIRS assess and collect PIT from those subject to tax within the jurisdiction of the SBIRS.

ii. SBIRS-

- a. SBIRS shall assess and collect taxes from all the taxpayers within its jurisdiction subject to Personal Income Tax Act (PITA), who take advantage of this special window to declare their assets and income within and outside Nigeria.

iii. STATE GOVERNMENTS-

- Amend* b. State Governments shall not allow local governments or any of its agencies to collect back taxes within the period of the Scheme without the written clearance of the Asset Tracing Team (ATT) to prevent collusion, underpayment, and double payment.
- c. The State shall provide necessary data, reports and information to enable the ATT experts trace the assets and income of taxpayers under this Scheme.
- d. The State shall render every possible support and assistance at the request of FIRS to enable the ATT carry out their assignment.

iv. JOINT TAX BOARD

- a. Data on eligible taxpayers shall be freely shared through the Joint Tax Board and each State shall have the right to participate and receive data.
- b.—An Oversight Committee of Chairmen of State Internal Revenue Boards shall be established to monitor the scheme in order to protect their interest. The Committee shall be chaired by the Executive Chairman, FIRS and in his absence, by one of the State Chairmen duly elected by his/her peers for a term agreed upon by members.

- c.—
- d.—

e-b. ATT- Asset Tracing Team

a. The ATT shall be responsible for tracing the assets and income of those who did not declare their assets and income at all and those who did not fully declare their assets and income.

iv. ALL Parties

a. All Parties shall take all necessary technical, corporate, and legal actions as may reasonably be required to give full effect to the provisions of this MOU.

CLAUSE 4. ACCOUNT FOR THE SCHEME

Separate accounts for each State shall be established and maintained for the Scheme whereby each State shall be signatory to its account

CLAUSE 5

AMNESTY IMPLEMENTATION PLAN

1. There shall be an amnesty period which shall run for a period of 9 months commencing from **1st JULY 2017-30th March 2018.**
2. Taxpayers who take advantage of this amnesty during the first six (6) Months of the period to declare their assets and income shall enjoy the full and complete waiver of interests as well as penalty.
3. Taxpayers who take advantage of this window during the last three (3) Months period shall only enjoy the waiver of ~~interest~~ but shall be liable to pay penalty.
4. Taxpayers shall be allowed up to 3 years to settle their liability subject to an agreed instalment payment plan.
5. Defaulting Taxpayers who fail to take advantage of the amnesty scheme by voluntarily declaring their assets and income shall be subject to the full implementation of the relevant tax laws.

CLAUSE 6

CONFIDENTIALITY

a. Information received by either party shall be treated as confidential.

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- b. Such information may be disclosed only to persons or authorities concerned with the assessment or collection of the taxes covered under this Scheme or with the enforcement of the provisions of all tax laws as well as the provisions of the guidelines of the scheme, or with the prosecution of persons who have failed to comply with the guidelines or laws.
- c. Such persons or authorities shall use such information only for such purposes and may disclose the information during public or judicial proceedings or during the pronouncement of judicial decisions.
- d. The information may not be disclosed to any other person or authority without the express written consent of the relevant Tax Authorities.
- e. This prohibition shall not prevent either party from, with the written consent of the other, issuing press releases containing non-sensitive information in relation to the progress attained in the implementation of the scheme.
- f. All information and documents inclusive of financial, technical or otherwise in pursuance of this Scheme, obtained by either party or its employees, contractors, consultants or agents which are not published or publicly available shall be kept confidential from third parties except with the prior written approval of the other parties;
- g. Upon termination of this MOU all information obtained shall continue to be treated as confidential according to the provisions herein contained.

CLAUSE 7

AMENDMENT/MODIFICATION

No provision of this MOU shall be amended or modified in any way either in whole or part, except by an instrument in writing and signed by both parties or their duly authorized representatives.

CLAUSE 8

COMMENCEMENT AND TERM

This MOU shall become effective on the day of its signing and shall continue to regulate the arrangement between the Parties hereto throughout the duration of the Scheme or as may be extended by an agreement of the parties subject to an approval by the Honourable Minister for Finance.

CLAUSE 9

TERMINATION

- 1. This MOU may be terminated automatically if the Federal Government terminates the scheme.
 - 2. If at the time of coming into effect of such termination there are still ongoing activities, those activities shall be carried out pursuant to this MOU and completed.
- Upon termination of the MOU however Parties shall continue to be bound by the provisions of Clause 5 with respect to any information obtained under this MOU.

2.

both parties agree terminate under any conditions

CLAUSE 10

DISPUTE RESOLUTION

All disputes in connection with this MOU shall be settled by negotiation and consultation by parties involved failing which the matter shall be referred to the JOINT TAX BOARD for determination after which such matters may be referred to the courts of competent jurisdictions.

CLAUSE 11

NOTICES

- a. Any notice under this Agreement shall be in writing and may be served on either party personally or by registered mail or recorded delivery mail at the addresses listed below and there must be a written acknowledgement;
- b. The notice shall be deemed properly served if received by hand upon being delivered to the party for whom it is intended and with evidence of a signature signalling receipt thereof.
- c. In the case of registered or recorded delivery by Nigeria Postal Services or by Courier Service, such notice shall be deemed to have been delivered 5 days following deposit of same in the mail provided there is written evidence of same.
- d. If sent by facsimile or email, such notice shall be deemed to have been delivered upon receipt of a printed confirmation of delivery.

a) **THE EXECUTIVE CHAIRMAN,**
Federal Inland Revenue Service,
No. 20, Sokode Crescent,
Wuse Zone 5,
Abuja, FCT

b) **STATE BOARDS OF INTERNAL REVENUE**

1. **The Chairman/Chief Executive,**
Abia State Board of Internal Revenue,
Headquarters,
(Behind Aguiyi Ironsi Conference Centre),
Finbarr's Road,
Umuahia, Abia State.
2. **The Executive Chairman,**
Adamawa State Board of Internal Revenue,
No. 47 Ahmadu Bello Way.
Jimeta, Yola,
Adamawa State.
3. **The Executive Chairman,**
Akwa-Ibom State Board of Internal Revenue,
Block 9,
State Secretariat Headquarter,
Uyo, Akwa-Ibom State.
4. **The Chairman/Chief Executive,**
Anambra State Board of Internal Revenue,
Revenue House,
1 Esther Obiakor Avenue
Awka, Anambra State.
5. **The Executive Chairman,**
Bauchi State Board of Internal Revenue,
Ahmadu Bello Way,
Bauchi,
Bauchi State.
6. **The Executive Chairman,**
Bayelsa State Board of Internal Revenue,
Revenue House,
Lambert Eradiri Road,
Onopa – Yenagoa,
Yenagoa, Bayelsa State.
7. **The Executive Chairman,**

Benue State Board of Internal Revenue,
State Secretariat,
Makurdi,
Benue State.

8. **The Executive Chairman,**
Borno State Board of Internal Revenue,
Jos Road,
Opposite Ramat Polytechnic,
Maiduguri, Borno State.
9. **The Executive Chairman,**
Cross-River State Internal Revenue Service,
New Secretariat Complex,
Calabar, Cross-River State.

10. **The Executive Chairman,**
Delta State Board of Internal Revenue Headquarters,
64, Okumagba Avenue,
Warri,
Delta State.
11. **The Executive Chairman,**
Ebonyi State Board of Internal Revenue,
BIR Headquarters,
Abakaliki,
Ebonyi State.
12. **The Executive Chairman,**
Edo State Board of Internal Revenue,
80 New Lagos Road,
Benin City, Edo State.
13. **The Executive Chairman,**
Ekiti State Board of Internal Revenue,
Ado-Ekiti,
Ekiti State.
14. **The Executive Chairman,**
Enugu State Board of Internal Revenue,
7 Ridgeway Road,
Government Secretariat,
Enugu, Enugu State.
15. **The Executive Chairman,**
Gombe State Board of Internal Revenue,
Jeka-da-Fari Road,
Gombe, Gombe State.
16. **The Chairman/Chief Executive,**
Imo State Board of Internal Revenue,
Block 4 (3rd Floor),

New Secretariat,
Port Harcourt Road,
Owerri, Imo State.

- 17. The Executive Chairman,**
Jigawa State Board of Internal Revenue,
Dutse Old Secretariat,
Dutse,
Jigawa State.
- 18. The Executive Chairman,**
Kaduna State Board of Internal Revenue,
Olusegun Obasanjo House,
Yakubu Gowon Way,
Kaduna State.
- 19. The Executive Chairman,**
Kano State Board of Internal Revenue,
Bank Road, Kano,
Kano State.
- 20. The Executive Chairman,**
Katsina State Board of Internal Revenue,
Justice Mahammadu Bello Road G. R.A.
Katsina,
Katsina State.
- 21. The Executive Chairman,**
Kebbi State Board of Internal Revenue,
Sultan Abubakar Road,
Birnin Kebbi,
Kebbi State.
- 22. The Executive Chairman,**
Kogi State Board of Internal Revenue,
Along Marie Road,
Lokoja, Kogi State.
- 23. The Executive Chairman,**
Kwara State Board of Internal Revenue,
27, Ahmadu Bello Way, GRA,
Ilorin,
Kwara State.
- 24. The Executive Chairman,**
Lagos State Board of Internal Revenue,
The Good Shepherd Building,
Block H, Plot H1,
Central Business District,
Opposite Lagos State Secretariat Main Gate,
Alausa, Ikeja, Lagos State.

25. **The Executive Chairman,**
Nasarawa State Board of Internal Revenue,
BIR Office Opposite Emir's Palace,
Lafia, Nasarawa State.
26. **The Executive Chairman,**
Niger State Board of Internal Revenue,
Niger State Old Secretariat,
Minna, Niger State.
27. **The Chairman/Chief Executive,**
Ogun State Internal Revenue Service,
Oke-mosan,
Abeokuta,
Ogun State.
28. **The Executive Chairman,**
Ondo State Board of Internal Revenue,
Ministry of Finance & Econ. Planning,
Alagbaka, Akure,
Ondo State.
29. **The Executive Chairman,**
Osun State Board of Internal Revenue,
New Governor's Office,
Gbongan Road,
Osogbo,
Osun State.
30. **The Executive Chairman,**
Oyo State Board of Internal Revenue,
Government Secretariat,
Agodi, Ibadan,
Oyo State.
31. **The Executive Chairman,**
Plateau State Board of Internal Revenue,
7 Beach Road,
Jos, Plateau State.
32. **The Executive Chairman,**
Rivers State Board of Internal Revenue,
22, William Jumbo Street, Old GRA
Port Harcourt,
Rivers State.
33. **The Executive Chairman,**
Sokoto State Board of Internal Revenue,
Ibrahim Dasuki Road,
Sokoto, Sokoto State.

34. The Executive Chairman,
Taraba State Board of Internal Revenue,
56, Hamaruwa Way,
Jalingo,
Taraba State.

35. The Executive Chairman,
Yobe State Board of Internal Revenue,
Kano Road,
Damaturu, Yobe State.

36. The Executive Chairman,
Zamfara State Board of Internal Revenue,
Sani Abacha Way,
Opposite Tudun Wada, Juma'a Mosque,
Gusau,
Zamfara State.

37. The Chairman,
Joint Tax Board,
Plot No 1863, Cadastral Zone
Lee Kuan Yew Street
Off Mahathir Mohammed Street
Asokoro District,
FCT Abuja

CLAUSE 12

AGENCY

- a. The Parties hereby agree that each party remains an independent body with its statutory obligations and responsibilities as provided for under its enabling legislation.
 - b. Nothing in this MOU is to be construed as making a Party the agent of the other Party except as expressly provided for under this MOU.
- e.b. _____

CLAUSE 13

GOVERNING LAW

- a) This MOU shall be governed and construed in accordance with the Laws of the Federal Republic of Nigeria;
- b) The Parties shall ultimately (where administrative arbitration in this MOU fails) submit to the exclusive jurisdiction of the courts of the Federal republic of Nigeria in relation to any legal actions or proceedings arising out of or in connection with this MOU.

IN WITNESS WHEREOF, the authorized representatives of the parties hereto have executed this MOU on the day and year first above written.

For and on behalf of the within named **FEDERAL INLAND REVENUE SERVICE (FIRS)**

Signature

Name

IN THE PRESENCE OF:

Name

Signature

For and on behalf of the**STATE BOARD OF INTERNAL REVENUE**

Signature

Name

IN THE PRESENCE OF:

Name

Signature
