

**STATE-SPECIFIC RECOMMENDATIONS**

**Scorecard for Kebbi State**

In the last five years, Kebbi State has witnessed a slow growth in IGR – at only 0.2% from N3.81 billion in 2010 to N3.83 billion in 2014. Reforms in revenue generation have not been sustained and effective; hence, internal revenues have remained at roughly 7% of total recurrent revenue. Monthly IGR averaged N320 million in 2014, while per capita IGR was N922.

**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 |

Despite the State’s poor performance, there have been a number of commendable practices including the following:

1. Availability of an IRS budget: The budget released is reliable and the amount is based on the performance of the IRS
2. Tax procedures and tax forms for taxpayers to file and pay taxes have streamlined procedures, even as simplified tax forms are used
3. Ease of tax payment: Tax payments are done at commercial banks and also through e-payments.
4. Leakages and corruption have been reduced because of systematic enforcement of sanctions and penalties
5. Double taxation at the State and local levels has been reduced, and there’s no usurpation of taxing authority of LGAs by state governments.
6. Kebbi has a policy on user fees implemented on utilities.

**Major Challenges:**

1. The State still uses a manual and inefficient method for processing tax payments
2. It has no property and consumption tax, no information on informal sector business, and lacks a comprehensive strategy.
3. Kebbi State lacks transportation, education, and health user charges.
4. Financial incentives for staff are relatively low, and though staff have some skills, they are inadequate; and in need of regular training
5. Limited and insufficient coverage of district offices
6. TIN has been introduced but it’s neither effective nor unified.
7. Taxpayer database is fragmented, thus making it difficult to use for planned tax collection
8. Kebbi still lacks sufficient number of trained tax officers/auditors
9. In terms of tax enforcement, measures exist but enforcement is ad hoc
10. Some degree of leakages and corruption still exist

**STATE’S ACTION PLAN**

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| **S/N** | **Identified goals** | **Actions required to achieve goals** | **Timeline** | **Responsibility** |
| 1 | Autonomy of the internal revenue service and less interference in revenue collection | To enact a law that will grant the autonomy | Six months | BIR, ESCO, and KBHA |
| 2. | Introduction of property, consumption, and presumptive tax to capture the informal sector into the tax net | To enact an edict that will back the collection of revenue accruing from property, consumption, and presumptive tax. | Six months | Kebbi State government |
| 3. | Review of fees, rates and other user charges | To enact a law for the review of fees, rates, fines and other user charges in compliance with current economic and cultural realities | Six months | BIR, ESCO and KBHA |
| 4 | Use of electronic data base, and POS for collection of revenue payments | Engagement of consultants, donor agencies, etc | Six months | Kebbi State government |
| 5 | Enforcement of reliable measures on tax payers and related revenue collectors to ensure optimum revenue collection | Enforcement of laws and administrative policies | Six months | BIR and ESCO |