

# GEMS 3

## TAX TOOLKIT

IMPROVING STATE & LOCAL GOVERNMENT  
TAX REVENUE PROCESSES



**PART 5:**  
Training  
June 2016

## LIST OF ABBREVIATIONS

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

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## 1. TRAINING - INTRODUCTION

### 1.1 Scope of training

The focus of GEMS3 training is on training needed by state/local government officials in order that they can understand and implement the reforms that GEMS3 is encouraging.

State/local government employees have a wide range of training needs (e.g. induction training, management training, computer training, language training, technical training, refresher training) all of which would assist such employees to do their jobs. In this context, training is an endless ongoing need and it could therefore be tempting for government officials to ask GEMS3 to support a wide range of training activities.

The primary focus of GEMS3 is however to improve the business environment as compared with secondary objectives such as improving IGR through activities such as staff training. It follows that the primary focus of GEMS3 training activity is on those aspects related to GEMS3 reforms as covered by the tax toolkit. The training activities covered in this activity guide reflect this focus.

This focus also directly affects the content and the timing of the training. For example, GEMS3 tax intervention activity has to date focused more on the local government level (e.g. the enactment of harmonised laws affecting LGA rates and levies, improved payment systems at LGA level, improving tax complaints processes at LGA level, etc) and accordingly training activity has focused on LGA officers needing to be aware of these changes. The focus of GEMS3 also covers state/MDA level (e.g. harmonised tax laws affecting state government/MDAs and implementation of the presumptive tax system) for which training activities are also undertaken to cover BIR and other state-level revenue agency officials.

It should be noted that this Activity Guide does not cover the following GEMS3 training:

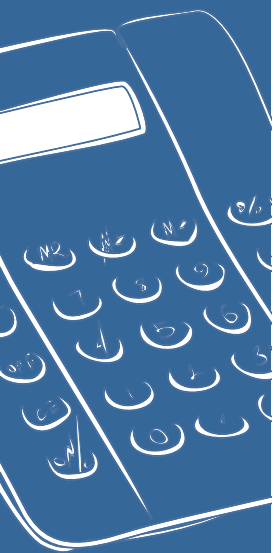
- » Training provided by external trainers (such as training on the operation of PoS devices by banks and/or switch companies, although it is noted that such training will often be included as part of a broader training programme for revenue officers, particularly where the timing of PoS launch / implementation allows this)
- » Training provided to enumerators as part of baseline survey work (as baseline surveys are not a tax toolkit item)
- » Internal GEMS3 training (e.g. induction and ongoing “on the job” training provided by centre tax team advisors to state tax teams, training provided through tax workshops)

### 1.2 Reasons for training

The GEMS3 project is amongst other things a tax reform project. There is a need to ensure that state/local government tax officials are trained on tax harmonisation reforms, in order for those reforms to be understood and implemented.

At the same time, it is recognised that training also improves the overall capacity of the officers being trained. This has particularly been the case with LGA revenue officers, many of whom have indicated that they have not received any training for over 10 years.

There is also a need to ensure that training activities conducted by GEMS3 are sustainably transferred to appropriate agencies (such as the Ministry of Local Government) to ensure the





**continuance of such training activities for new government officials after GEMS3 concludes. GEMS3 training activities include the establishment of 'training of trainer' (ToT) programmes to meet this sustainability need.**

### 1.3 Implementation of training

The training activities covered in this Activity Guide include some common elements that are found in standard training methodologies, namely:

- » Conduct of a training needs analysis (TNA) to confirm training needs
- » Design of training packages to meet those needs
- » Development of training materials for the proposed trainees
- » Delivery of training to attendees
- » Evaluation of the training

In conducting these activities, remember to limit the focus to the key training needs related to the GEMS3 tax toolkit. For example, it is expected that the TNA will focus on training needs related to tax laws, payment systems, dispute processes, etc rather than the much wider training needs that individual officers may have. GEMS3 does not have the resources or time to become the primary deliverer of training for all the training needs of state/local government officers and needs to prioritise those training needs that most directly enable GEMS3 to meet its objectives before support with wider training needs can be considered.

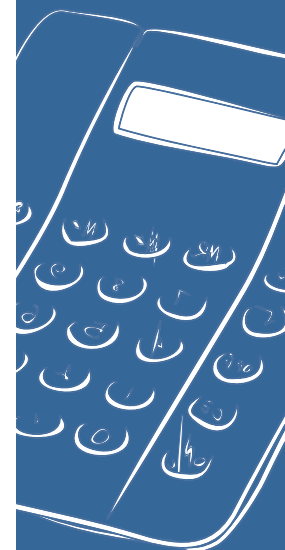
Specific training needs for revenue officers and complaint handling officers related to the GEMS3 tax toolkit are covered in this Activity Guide. Such training should cover not only the specifics of the toolkit topics (e.g. laws, payment and complaint processes) but also the actions and behaviours that the officers should adopt when dealing with taxpayers.

While such training is focused directly on revenue officers and complaint handling officers (which will often be information officers), it is recognised that LGAs will often have other roles that work alongside those officers (e.g. legal officers, internal auditors) who should also receive the same training. Where feasible, these officers should also be trained along with the revenue officers and/or complaints handling officers as appropriate.

Typically, training for revenue officers will span 2 or 3 days. Appendix 1 is an example from Dekina LGA, Kogi of the topics that were covered in their 3-day training for revenue officers.

As the provision of training will require specific resources (e.g. training room hire, costs of printing training materials, provision of water, provision of meals/tea breaks and potentially travel and accommodation costs for attendees), there will also generally be a need to prepare a specific training budget covering proposed training activities. If there is insufficient funding in existing state tax team allocations, a specific budgetary approval will need to be submitted through the GEMS3 centre to DFID for approval at least 2 weeks before the training is planned to commence. **Appendix 2** is an example of a training budget in respect of Hadejia LGA, Jigawa.

At the conclusion of each training programme, a brief summary report of the training should be prepared supplemented with a list of attendees and photos. **Appendix 3** provides an example of the training report prepared in respect of the Dekina LGA training programme outlined in **Appendix 1**.





**Appendix 4** provides a selection of Powerpoint slides that have been used in GEMS3 training courses for LGA revenue staff.

## 2 TRAINING ACTIVITIES

### 2.1 Training of Revenue Officers completed

- a. Proposal to conduct training for revenue officers mentioned during initial GEMS3 introductory meetings with Governor and State Government stakeholders and during initial PPEM meeting
- b. Conduct training needs analysis (TNA) for revenue officers
- c. Design training packages, including gender input
- d. Develop training materials and arrange training logistics (room, supplies)
- e. Prepare training agenda and distribute to participants
- f. Deliver training packages to revenue officers
- g. Participant evaluation of training and presentation of course completion certificates
- h. Record details of training conducted (list of attendees, photos)

### 2.2 Training of officers involved in complaints resolution mechanism

- a. Conduct training needs analysis (TNA) for complaint handling officers
- b. Design training packages, including gender input
- c. Develop training materials and arrange training logistics (room, supplies)
- d. Prepare training agenda and distribute to participants
- e. Deliver training packages to complaint handling officers
- f. Participant evaluation of training and presentation of course completion certificates
- g. Record details of training conducted (list of attendees, photos)

(Note consideration should be given to combining the training for revenue officers under 2.1 and for complaints handling officers under 2.2 where this is feasible).

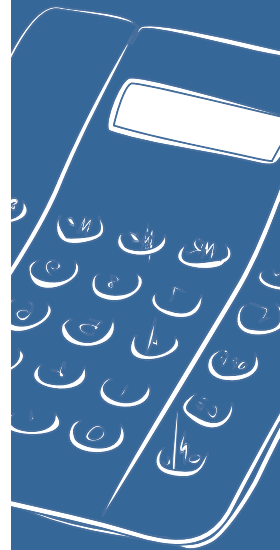
### 2.3 Train the Trainers programme established

- a. To ensure sustainability of training, identify who is in the best position to take over responsibility for training for new revenue/complaints handling officers and refresher training for existing officers (this could be the Ministry of Local Government or nominated “experts” within particular LGAs – the former is preferred, although it is acknowledged that this may require establishment of a training function and/or designation or appointment of officers who will have training responsibility)
- b. Identify which officers will be the designated “trainers” who take on that responsibility
- c. Design “train the trainer” programme packages, including gender input
- d. Develop training materials and arrange training logistics (room, supplies)
- e. Prepare training agenda and distribute to participants
- f. Deliver training packages to designated officers
- g. Participant evaluation of training and presentation of course completion certificates
- h. Record details of training conducted (list of attendees, photos)
- i. GEMS3 supervise at least one or two step-down training sessions organised by the LGA/MDA and conducted by the trainees of the ToT programme



## 2.4 Training activities complete

- a. Ensure all revenue officers and complaint handling officers have received training (as per 2.1 and 2.2 above)
- b. Ensure “train the trainer” programme has been established (as per 2.3 above)
- c. If satisfied above training activities can continue without further GEMS3 involvement, record milestone (training activities complete) as having been met





## APPENDIX 1

### CAPACITY BUILDING FOR DEKINA LOCAL GOVERNMENT REVENUE STAFF

Venue: LG Conference Room

Date: 15-17 Jan 2014

#### Agenda- Day 1

Time	Activity
09.30am – 10.00am	Arrivals and Registration
10:00am – 10.05am	Introduction to the Training
10:05am – 10.20am	Personal introductions
10.20am – 10.30am	Ground rules
10.30am – 10.40am	About GEMS3
10:40am – 11.00am	Tea Break
11:00am – 12.00pm	Dekina LG TNA
12.00pm – 01.00pm	Lunch Break
01.00pm – 02:30pm	The Nigeria Tax system
02.30pm – 03.00pm	Recap & Feedback
03.00pm – 03.10pm	Closing Remark

#### Agenda- Day 2

Time	Activity
09.00am – 09.30am	Arrivals & Opening remarks
09:30am – 11.00am	Revenue Management Procedure
11.00am – 11.30am	Tea Break
11:30am – 12.30pm	Right of Tax Payers
12.30pm – 01.30pm	Lunch Break
01.30pm – 03.00pm	Objection and dispute Resolution
03.00pm – 03.30pm	Recap & Feedback
03.30pm – 03.40pm	Closing Remarks

#### Agenda- Day 3

Time	Activity
09.00am – 09.30am	Arrivals & Opening remarks
09:30am – 11.00am	Record Keeping
11.00am – 11.30am	Tea Break
11:30am – 12.30pm	Communication & Etiquette
12.30pm – 01.30pm	Lunch Break
01.30pm – 03.00pm	Customer Care
03.00pm – 03.30pm	Recap & Feedback
03.30pm – 03.40pm	Closing Remarks



## APPENDIX 2

### Budget for Training in Hadejia LGA

BUDGET FOR TRAINING IN HADEJIA LGA					
Item	unit cost	quantity	number of days	Total Naira	Total GBP
Venue Hire	xxx	1	3	xx,000	xx
Tea Break (3 days)	xxx	30	3	x,000	xxx
Lunch (3 Days )	xxx	30	3	xx,000	xx
Water	xxx	30	3	x,000	xx
Printing of Cert.of Attend. -DI	xxx	30	1	xx,000	x
Material (Handout)	xxx	30	1	x,000	xx
Material (notepad and Pen)	xxx	30	1	xx,000	x
Grand Total				xxx,000	xxx



## APPENDIX 3

### Dekina LGA Staff Training Report

Title	Capacity building programme for Treasury Staff Of Dekina Local Government Area
Date	15/01/14 – 17/01/2014
Venue	Dekina LGA Council Hall
Purpose of the training	The training is for Dekina LGA Staff was a part of capacity building programme towards effective revenue management for the LGA.
Objectives	<ul style="list-style-type: none"> <li>• The training objectives were:</li> <li>• To ensure participants understand the legal framework for lga taxation system and to know exactly the taxes that the lgas can collect based on law</li> <li>• To discuss and educate the staff on the improved revenue management procedure and improved paperwork for the purpose of revenue administration</li> <li>• To provide participants with techniques to effectively communicate with their customers</li> </ul>
Background	The GEMS3 team in Kogi State aims at improving the current revenue paper system in Dekina Local Government area and to also launch the POS eventually. The intervention aims to consolidate and harmonise the existing Local Government fees, levies and charges, making them fairer, more transparent and more predictable.
	Treasury staff will handle the implementation of the improved paper system and the POS in the Local Government Area. As such, capacity building through training, sharing of experience and peer learning is vital for its success.
Facilitators	GEMS3 tax advisors (Kogi and Abuja)
Participants	Revenue officer, revenue supervisors, revenue collectors, legal officers, information officers, audit staff, budget and planning staff. 51 Staff were trained (37 Males and 14 female) Attached is the attendance.
Certificates	51 participants were issued with Gems certificate of participation covering the scheme of training.
Methodology	The training took place across three days, with multiple sessions on each day. Find attached the time table for the training. Lecture method was adopted to deliver the training. However, people participants were allowed to intercept at any point to ask questions. It was made as interactive as possible. Valuable experiences, document samples and photographs were shared and discussed during the 3 days training.
Training assessment	We applied the training assessment form and forms were completed and returned by all participants except 3. The participants were of the unanimous opinion that the training was satisfactory and eye-opening



## APPENDIX 4 – TRAINING MATERIAL - SLIDES

### 1. Nigerian Tax System and Policy



TRAINING WORKSHOP FOR REVENUE STAFF xxxxxxxxxxxxxx

#### NIGERIAN TAX SYSTEM AND POLICY



#### Outline

- Differences Between Different Forms Of Taxation
  - Characteristics And Functions
- Nigerian Tax Policy
- Nigerian Tax System
- Taxing Powers
- Approved List Of Collection Act
- Others



#### Meaning of Taxation

##### What is taxation?

- ✓ A system by which compulsory non-refundable contributions are imposed by government on its people for public expenditure.
- ✓ Taxation may be defined as a system by which governments extract resources from individuals and institutions for provision of service.

##### Why taxation?

(Mainly) Raise Revenue for government to provide public goods e.g. Roads, Hospitals, etc



#### Differences between Tax, Duty, Levy and Fee.

##### Tax

Any payment to Government - Central, State or Local - to fund public spending, regardless of whether it is called a tax or not, which is:

- **Mandatory**-not voluntary and for which penalties can be imposed for non compliance;
- **Unrequited**- no direct return on value, not directly related to a service and it is not just income tax.

##### Duty

A tax commonly levied on imports or local industrial products; e.g. Import Duty and Excise Duty



#### Differences between Tax, Duty, Levy and Fee

##### Levy

A levy is a legal charge in any form payable to an authorised body, by law and without any direct benefit in return.

##### Fee or Charge

Fees and charges are imposed in exchange for direct benefit or service

##### Fine

is the sum of money paid as a punishment for breaking the law



#### Purpose of taxation

- **Revenue** – it is generally believed, that the main purpose of taxes is to raise revenue for use by Government
- **Redistribution** – taxes may be used to transfer wealth from one section of the society to another;
- **Repricing** – taxes may be used to address externalities i.e. fiscal policies may be used to affect some area of the economy, which cannot otherwise be done; and
- **Representation** – this implies that taxes are imposed to assure citizens of representation in the Governance of the society. In this regard, rulers impose taxes and citizens demand accountability in return.



## Characteristics of a good Tax System

### Comprehensiveness

- All taxable persons pay tax without discrimination.

### Productivity

- Revenue yield is, stable, predictable and measurable in time and quantity;
- Leads to increase in production of goods and services and community welfare.



## Characteristics of a good Tax System

### Efficiency/Effectiveness

- Revenue yield is optimal; high revenue, low cost of collection, low compliance cost.

### Certainty

- Exact knowledge of what to pay (*tax type*), how much (*computation basis*), when (*timing*) and on what (*tax base*).

### Fairness (Ability to pay)

- No *excessive burden*.
- Recognises ability to pay.



## Characteristics of a good Tax System

### Economy

- Tax collection should be comparatively cheap.
- Maximises revenue

### Convenience

- Pay tax when money still available

### Flexibility or Buoyancy

- System easily responds to changes in the economy.



## Nigerian Tax Policy

### Objectives of Nigerian tax policy:

- To achieve **economic growth and development**.
- allow for **stimulation of the economy** and not stifle growth,
- The tax system should therefore not discourage **investment** and the **propensity to save**.
- Taxes should not be a burden, but should be applied proactively with other policy measures to stimulate economic growth and development.



## Levels of Tax System

- **Policy Level**- policy formulation and review (Executive function / MoF)
- **Legislative Level**- legislation/enactment of policies and laws (Political function of Legislative Assembly (Parliament, Senate, Congress, etc))
- **Administrative Level**- implementation/ administration of policies and laws (function of government or its agency).
- **The judicial Level**; arbitration to execute justice (often leads to tax law reforms).



## Taxing Power

- Taxing power is the power of a government to raise revenue through taxes within the limits of its jurisdiction.
  - ✓ Exclusive legislative list (only Federal Government can legislate)
  - ✓ Concurrent legislative list (State Government can legislate)





## Tax Administration

- The implementation of the legal provisions, tax policies to mobilise revenue.
- Concerned with assessment, collection, accountability for taxes through an organised, legitimate institution/system.
- Requires uniform interpretation/application of statutory provisions.
- Thus, knowledge of the laws and principles and their application are not mutually exclusive



## Functions of tax Administration

- Registration and Education Function- taxpayer services and customer care;
- Assessment Function- audit, assessment, objections and appeals;
- Collection and Recovery Function- monitoring and enforcement;
- Accountability to Government/Taxpayers (collected/uncollected taxes) – payments/refunds.



## Tiers of Tax Administration

- Federal Government Level (FIRS) collects some PIT, CIT and VAT and apply revenue to Federal budget
- State Governments Level (BIRs) collect (largely) PIT not collected by FIRs and apply the revenue to State Budgets
- Local Governments Level (LGRCs) charge and collect such rates and levies as authorized



## Tiers of Tax Administration

- Tax Administration Tiers:
  - Federal Government Level (FIRS) collects some PIT, CIT and VAT and apply revenue to Federal budget
  - State Governments Level (BIRs) collect (largely) PIT not collected by FIRs and apply the revenue to State Budgets
  - Local Governments Level (LGRCs) charge and collect such rates and levies as authorized



## Three Tiers Tax Schedule

### Taxes to be collected by Federal Government

1. Companies income tax
2. Withholding tax on companies, residents of the Federal Capital Territory, Abuja and non-resident individuals
3. Petroleum profits tax
4. Value added tax
5. Education tax
6. Capital gains tax on residents of the FCT, bodies corporate and non-resident individuals
7. Stamp duties on bodies corporate and residents of the FCT
8. Personal income tax in respect of (a) members of the armed forces of the Federation, (b) members of the Nigeria Police Force, (c) residents of the FCT, (d) staff of the Ministry of Foreign Affairs and non-resident individuals
9. National information technology development levy



## Three Tiers Tax Schedule

### Taxes to be collected by the State Government

1. Personal income tax in respect of (a) Pay-As-You- Earn (PAYE) and (b) direct taxation (self-assessment)
2. Withholding tax (individuals only)
3. Capital gains tax (individuals only)
4. Stamp duties on instruments executed by individuals
5. Pools betting and lotteries, gaming and casino taxes
6. Road taxes
7. Business premises registration fees in respect of urban and rural areas which includes registration fees and per annum renewals as fixed by each State
8. Development levy (individuals only) not more than ₦100 per annum on all taxable individuals
9. Naming of street registration fees in the State Capital
10. Right of Occupancy fees on lands owned by the State Government in urban areas of the State
11. Market taxes and levies where State finance is involved





## Three Tiers Tax Schedule

### Taxes to be collected by the State Government (Cont'd)

12. Land use charge, where applicable
13. Hotel, restaurant or event centre consumption tax, where applicable
14. Entertainment tax, where applicable
15. Environmental (ecological) fee or levy
16. Mining, milling and quarrying fee, where applicable
17. Animal trade tax, where applicable
18. Produce sales tax, where applicable
19. Slaughter or abattoir fees, where State finance is involved
20. Infrastructure maintenance charge or levy, where applicable
21. Fire service charge
22. Property tax, where applicable
23. Economic development levy, where applicable
24. Social services contribution levy, where applicable
25. Signages and mobile advertisement, jointly collected by States and Local Governments



## Three Tiers Tax Schedule

### Taxes and Levies to be collected by the Local Government

1. Shops and kiosk rates
2. Tenement rates
3. On and Off Liquor Licence fees
4. Slaughter slab fees
5. Marriage, birth & death registration fees
6. Naming of Street registration fees excluding streets in the State Capital
7. Rights of Occupancy fees on lands in rural areas, excluding those collectible by the Federal and State Governments
8. Market taxes and levies excluding any market where State is involved
9. Motor Park levies
10. Domestic Licence fees
11. Bicycle, trucks, canoe, wheelbarrow & cart fees excluding mechanically propelled trucks



## Three Tiers Tax Schedule

### Taxes and Levies to be collected by the Local Government (Cont'd)

12. Cattle tax payable (cattle farmers only)
13. Merriment and road closure levy
14. Radio and television licence fees (other than radio and television transmitter)
15. Vehicle radio license fees (imposed by the L G of the State in which the car is registered)
16. Wrong parking charges
17. Public convenience sewage/refuse disposal fees
18. Customary burial ground permit fees
19. Religious places establishment permit fees
20. Signboard/Advertisement permits fees
21. Wharf landing charge, where applicable.



## The Joint Tax Board (JTB)

### Membership

- Chairman FIRS who is also Chairman of JTB
- all Chairmen BIRs,
- The JTB has a secretariat headed by Secretary JTB

### Role

- Advise the Federal Government on tax matters
- Harmonize tax operational activities of FIRS, BIRs, LGRCs
- Promote uniformity/equity in application of Tax laws in Nigeria
- Provide guidance on matters of procedure/interpretation of PIT laws on any State



## Double and Multiple Taxation

### What is Double Taxation?

The imposition of taxes by different jurisdictions of government mostly on assets and personal Income.

### What is Multiple Taxation?

The imposition of the same or similar taxes on the same base, transaction or person by one or more levels of Government.

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## 2. GEMS3 & WEE in Tax

### Our Mission



GEMS3 works with private and public stakeholders at National, State and LGA levels to build and deliver a systematic framework that helps make it easier to do business in Nigeria, leading to lasting improvements in economic opportunities for the poor, especially women

**Women Economic Empowerment (WEE) is very important and central to our work. And should be central for every MDA and state in Nigeria!**

### What is WEE?

- Women’s Economic Empowerment is the **process** which increases women’s real power over economic decisions that influence their lives and priorities in society.
- Women’s economic empowerment can be achieved through equal **access** to and **control** over critical economic resources and opportunities, and the elimination of structural gender inequalities in the labour market, including a better sharing of unpaid care work.

(Source: Sida, 2009)

## Why the Focus on WEE?





## Why the Focus on WEE?

### WOMEN'S ECONOMIC EMPOWERMENT – A CRITICAL PATHWAY TO POVERTY REDUCTION

- Women account for half of the population – nationally and in X State
- The exclusion of women from the mainstream of the economy is unjust and inefficient
- Evidence shows a focus on expanding opportunities for women to engage the in economy has a deeper, accelerated, more sustainable impact on poverty reduction
- Women have the potential to transform Nigeria

## Why the Focus on WEE?

- Nigeria close to bottom of GEI (118/134) and EIU's Women's Economic Opportunity Index (99/113)
- Women only 6% of national elective positions
- Women account for X% of State Assembly members in X State
- 20% formal sector enterprises run by women – one of lowest rates in SSA
- Greatly under-represented in formal sector – both private and public sectors (32% and 27%)
- Only 15% of women have bank account
- Men twice as likely to secure finance (64%)
- Women's incomes estimated to be less than half men's
- 87 – 90% of land registered is in men's names

## Policy Basis for WEE

- Nigerian Constitution (1999) Cap 4
- National Gender Policy (2006)- Objective 2.5.6
- CEDAW - (Convention on the Elimination of All Forms of Discrimination Against Women - 1979)
- MDGs – Millennium Development Goals (2000)
- Africa Union Protocol on Women Rights (2005)
- Beijing Declaration (1995)

## Examples of WEE integration in Tax

**Objective:** Increase women's voice in local tax administration and increase the proportion of women to benefit from increased income gained from reduction in harassment and nuisance taxes

- Decision-making -Women included in Tax Committees in Kaduna, Cross River, Kogi
- Implementation- Women trained as Tax officials in Cross River
- Awareness – Women-only meeting to discuss tax issues – all states
- Access -Special information channels to reach business women with Tax advice and support – Lagos, Kogi
- Capacity building- on ways to plough back increased income and grow businesses –Kano, Cross River, Lagos, Kogi

Though Nigerian women constitute about half (48%) of the population of the country, there is still a preponderance of women below the poverty line.





# Examples of WEE work in Lagos Tax

**Thriving Business Women Business Meeting**

**Female CEO Program**

**Tax Forum for NECA NEW**

*Being WEE Compliant, 60% of canvassers are women.*

**Widows being sensitized**

**Sensitization with hairdressers (NASHCO)**

**Empowering women through our various WEE Events**

## Discussion Questions

1. What are some of the challenges we may face in trying to make a case for WEE in our work?
2. What strategies will help us work through those challenges?





### 3. Revenue Management Processes and Rights of Taxpayers



TRAINING WORKSHOP FOR REVENUE STAFF OF xxxxxxxxxxxx LOCAL GOVERNMENT, xxxxx

#### REVENUE MANAGEMENT PROCEDURES AND RIGHTS OF TAXPAYERS

xxxxxx, 2016



#### PILLARS OF EFFECTIVE REVENUE MANAGEMENT

- Taxpayer service (TPS)
  - Scope
  - procedures
- Service Level Agreement (SLA)
- Taxpayer Charter
  - Taxpayer rights
  - Taxpayer obligations



#### EFFECTIVE REVENUE MANAGEMENT PILLARS

Effective revenue management process involves the following:-

- Existence of the taxing law and publicity thereof
- Taxpayer identification and registration
- Assessment/ notification/collection
- Accountability
- Dispute settlement
- Taxpayer education and care



#### TAXPAYER IDENTIFICATION AND REGISTRATION

- Identify all liable taxpayers by considering:-
  - Goods
  - Premises
  - Services
  - Location
- Build a data base or register of taxpayers
- Update data base or register regularly
- This is the basis of LGA revenue estimate



#### ASSESSMENT AND COLLECTION

- The assessment should be derived from the law
- Notify the taxpayer by demand notice and\* communicate well
- Apply the rates to all taxpayers without discrimination.
- Collect the tax by appropriate means\*
  - Direct lodgement to bank
  - PoS
- Enforcement: see LGA Harmonized law\*
- Maintain data on all this processes



#### ACCOUNTABILITY

- Daily collection report from every collector
- Checking of revenue receipt usage
- Reconciling bank accounts
- Weekly, monthly and annual revenue reports
- Periodic internal audit checks
- The public also needs accountability for revenue generated from them
- Taxpayers have the right to object any tax not due to them or which are wrongly demanded.





## TAXPAYER EDUCATION AND CARE

- Taxpayers have the right to know all what, when, where and how to pay
- An informed taxpayer is easier to manage
- Supply information on billboards, notice boards, flyers, radio, TVs....
- Remember taxpayers rights
- Taxpayers are customers to be taken care of



## MEANING OF TAX PAYER SERVICE (TPS)

- Taxpayer service is the process by which a tax authority caters for its Customers ( Taxpayers) needs
- TPS describes the process of taking care of customers (taxpayers) in a positive manner
- Courtesy and helpfulness
- Willingness to resolve complaints
- Commitment to meet customers (taxpayers) needs
- Promotion of taxpayer awareness by various channels (advertisements, broadcasts, brochures, etc.

Customers are 80% of the time right and may be 20% of the time wrong



## TPS PROCEDURES

LGAs must have procedures in place to ensure that

- Each tax officer always enough forms and guides of every sort
- Forms and guide are to be provided free of charge
- Establish website to provide all forms of information
- Establish information and complaint offices
- Dedicated hotlines for complaints and enquiries
- Social media
- The mas media
- LGAs should evaluate regularly if taxpayers are able to understand the forms and guides properly
- PPDs



## TPS STANDARDS

- Some TPS standards are embedded in subsidiary legislations
- Others are set administratively in manuals/guidelines, built on mutual trust and respect with taxpayers in the day to day interactions.

### Why TPS Standard

Improve quality of taxpayer service especially in operational areas



## SCOPE OF TPS STANDARDS

- TPS cuts across all areas of operation especially those that directly affect tax compliance.
- A checklist of TPS standards should be fully documented in all functional areas:



## KEY OPERATIONAL AREAS OF (TPS) STANDARDS

- Taxpayer registration
- Taxpayer education and enlightenment
- Tax returns and assessments management
- Tax collection and Enforcement
- Accountability for tax payments
- Management of taxpayer's mails
- Management of Objections and Appeals
- Management of tax audits
- Management of inquiries, complaints and disputes



### SERVICE LEVEL AGREEMENT

- SLA is an agreement/contract between two or more parties, where one is the customer (Taxpayer) and the other is service provider (The LGA)
  - This can be legally binding, formal or an informal contract
- Example of SLAs:**
- We will respond to your phone calls within
  - Attend to Taxpayers visiting a tax office in at most 30 minutes
  - Acknowledge receipt of letters in at most 7 days.



### SERVICE LEVEL AGREEMENT

- Payment receipt shall be issued immediately you submit payment slip to the cashier.



### TAXPAYER CHARTER

**What is a Taxpayer Charter**

- It is a document that sets out the rights and privileges to be enjoyed by a taxpayer and his obligations
- It outlines the standard of behaviour to be maintained by the tax collector and the tax office



### TAXPAYER CHARTER

**Rights of a taxpayer**

**The Taxpayer in his dealings with ....LGA has the right:**

- To be informed, assisted and heard
- To object and appeal
- To pay no more than the right amount of tax
- To enjoy certainty
- To enjoy privacy
- To be presumed honest
- To be treated with courtesy and respect
- The right to make instalment payments
- The right to be represented



### TAXPAYER CHARTER

**Taxpayer obligations**

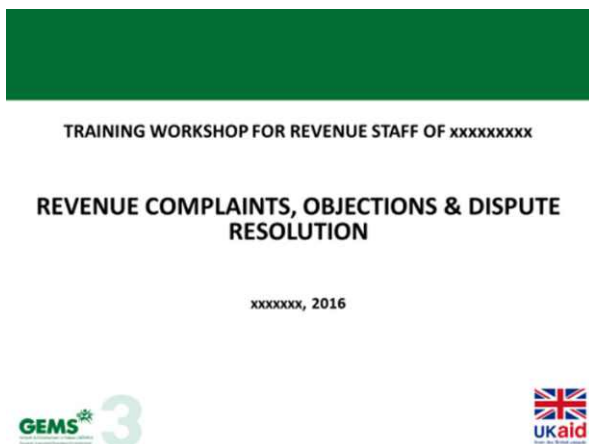
The Taxpayer in his dealings with ....LGA has the obligation to:

- Be honest
- Be cooperative provide accurate information and documents on time
- Keep records for the required retention period
- Pay taxes on time
- Transgression will be dealt with in accordance to the Law





## 4. Revenue Complaints, Objections & Dispute Resolution



### INTRODUCTION

- Disagreements do arise between tax authorities and taxpayers
- These disagreements can be easily resolved between the two parties
- There has to be a proper information and transparent mechanism for doing so.
- The issues can be resolved instantly with the revenue collector or manager in the first instance or
- With a complaint officer who is independent of the revenue department

### WHY A COMPLAINT MECHANISM

- Revenue Complaint Mechanism provides taxpayers with an open and transparent way for making a complaint against tax collector
- For seeking a review of any assessment/demand notice.
- For the public to offer suggestions and make comments on issues that affect them
- The focal point is the local government information and complaint office.

### WHEN TO COMPLAIN

- If there is unreasonable delay in the issuance of official receipt for tax paid or a Licence applied for
- If there is a mistake in demand notice served or receipt issued for payment made.
- Mistakes in demand notice may include wrong category of revenue or demand for any revenue that you are not liable to pay etc.
- If amount paid is not properly indicated on receipt issued to you
- If harassed by a tax collector
- If there is incidence of extortion or any sharp practice by a revenue collector.
- Others

### HOW TO COMPLAIN

- Before making complain, Taxpayer must have talked to the revenue collector or revenue manager that issued the demand notice or receipt and failed to mutually agree on the matter.
- Complaint can be made by phone, in writing, visit, and through a complaint Box.
- complaint procedures:
  - By Phone** – Taxpayer can call the information and complaint officer or the Chairman of the Local Government and explain his/her grudges.

### HOW TO COMPLAIN

**In writing** - Complaint can be lodged in Writing addressed to the information and complaint officer stating clearly grounds of the complaint

The Taxpayer must explained clearly what he expect the Local Government to do. Here he must include the following information:

- his/her name
- his/her place of business
- Nature of business



## HOW TO COMPLAIN

- Details of demand notice issued to him (date, serial number, type and category of revenue demanded from you and amount demanded)
- Whether he have paid the revenue or not
- Name of the revenue collector that received the payment.
- Details of pay in slip (where payment was made through Direct Bank Lodgement).
- copy of demand notice, and if he have paid the revenue, attach copy of receipt issued to him



## HOW TO COMPLAIN

- **Visit** – Taxpayer can visit the office of the complaint officer or the Chairman of the council during working hours on work days and lodge his/her complaint.
- **Through a representative** –taxpayer can send a representative to complain on his/her behalf.
- To do this, he/she must put his/her complaint in writing and attached all relevant documents.
- The representative may be a lawyer, accountant, friend, relative or any other person of your choice.



## HOW TO COMPLAIN

- **Collective representation** – members of a union or trade association can lodge complaint collectively on similar issues that affect a good number of them.
- **Complaint Box** – the Local Government shall provide a complaint box which you can use to drop any suggestion, concern, advice or comments on the way and manner a particular aspect of its revenue collection or tax for service activities are being carried out.



## WHO CAN COMPLAIN

- Any member of the public who has dealings with the Tax Office can make a Complaint. This/her will usually be a taxpayer.
- A complaint can also be made by someone acting on a person's behalf, provided his/her written consent is obtained and is presented to the complaint Office at the time a complaint is being lodged.



## COMPLAINT RESOLUTIONS

- try to solve the problem and reply to the complainant as quickly as they can
- handle complaint confidentially and shall not disclose details of any information you supplied to a third party except where the law requires the LG to do so
- give name and contact details of any officer that may be assigned to handle any aspect of the complaint
- Where a mistake is made on demand notice or receipt or where wrong category of revenue was issued, the Local Government shall withdraw the wrong one and issue a new one.



## COMPLAINT RESOLUTIONS

- Where amount on the receipt issued to you is short of the actual amount paid, the Local Government shall quickly withdraw the receipt and issue correct one.
- Where a Taxpayer is in the opinion that issues have not been resolved as expected and wish to take up the matter to higher levels he can complain to the followings:
  - **The Kaduna State Joint Revenue Committee** (as provided under section 7 of the Kaduna State Local Governments Revenue Harmonization Law, 2014)The KSJRC is headquartered in the Kaduna State Board of Internal Revenue and chaired by the Chairman of the Board.





## COMPLAINT RESOLUTIONS

### The Revenue Court

A taxpayer can also seek redress in the State Revenue Court.



## MEANING OF OBJECTION

### What is objection?

- A communication or notification in **writing** by a taxpayer expressing dissatisfaction with an assessment served on him/her.
- States precisely the grounds upon which it is made.

## FEATURES OF A VALID OBJECTION

- To be lodged within a specified time after service of notice of assessment.
- Must be in writing, stating precisely the grounds of objection;
- Payment of (part of) tax not in dispute or tax assessed as the specified in law



## SETTLEMENT OF OBJECTIONS

### Settlement of objection

- An objection is settled when an objection decision is made and communicated in writing within a specified time either:
  - Allowing the objection to the satisfaction of the taxpayer or
  - Disallowing the objection in full or in part to the dissatisfaction of the taxpayer.
- Under some laws a taxpayer may deem the tax authority to have allowed the objection in absence of an objection decision.



## Dispute Resolution

- Provide legal framework that is fully operational for resolving tax disputes
- Attend to objections in accordance with laws and procedures
- Facilitate taxpayer to exercise right of appeal through lawful arbitration procedure



## Structure and Role of The Judiciary

- **Judicial Role;** Arbitration/dispute resolution. The principle attribute is independence.
- **Judicial Structure;**
  - Revenue Courts
  - Tax Appeals Tribunal, Appeal Commissioners or Local Council or Committee.
  - High Court.
  - Court of Appeal.
  - Supreme Court

## Tax Appeal

**General**

- Appeal is made by a taxpayer dissatisfied with the objection decision.
- There are different appellants systems; (Local Committees, Tax Appeals Tribunals, Commissioner for Appeals).
- Rationale is the principle of independent arbitration/justice to resolve tax disputes.
- First level is a hearing on a point of fact.
- Subsequent levels are hearings on point of law.



## Class exercise

- 1 How are Disputes or Objections Notified in the LGA.
- 2 Ways of Settlement of Disputes and /or Objections in the LGA
- 3 Recommendation for improvement



### 5. Record Keeping

## Record Keeping

**Outline:**

- Definition of record and Record Keeping
- Benefits of Record Keeping
- Record Keeping Tools/Systems
- Tax Ledger/Register
- Record Analysis Tools



## What is a Record

- Is a document regardless of form or medium created, received, maintained, and used by an organization (public or private) or an individual in pursuance of legal obligations or in the transaction of business, of which it forms a part or provides evidence.
- Is a 'snapshot' of an action or event. It offers a picture of something that happened.



## What is Record Keeping

- Is the systematic procedure by which records of an organization are **created, captured, maintained, and disposed of**. The system ensures their preservation for evidential purposes, accurate and efficient updating, timely availability and control of access to them.



## Benefits of Record Keeping

- Improved comprehensiveness and reliability of corporate memory
- Lend credibility - particularly if one is called to give evidence of a particular fact or matter
- It help you monitor the progress of tax collection and allows you to compare your progress from year to year, quarter to quarter, etc
- It protects the worker and the agency, particularly from later claims of negligence.
- It help track non-compliance, part payment, over/under tax payments
- increased public confidence in the integrity of an organisation's activities
- the ability to deliver services in an efficient and consistent manner
- **Legal and compliance:** allow you to identify records that are needed for legal and compliance purposes and ensure they are assigned the appropriate retention periods. This benefits organizations in the event of lawsuits, audits, and governmental inquiries.





## Record Keeping Tools/Systems

An organisation may choose to operate a manual or electronic record keeping system, or a combination of both (hybrid).

### Manual/Paper (Traditional Method)

- ✓ Receipt Books
- ✓ Ledgers/Registers
- ✓ Cashbooks
- ✓ Files
- ✓ Weekly, Monthly, Quarterly Returns



## Record Keeping Tools/Systems (Cont'd)

### Electronic

- ✓ Computers
- ✓ Back-up Storage Facilities (e.g. Servers, flash Drives, CDs, DVDs, etc)
- ✓ Electronic Records Mgt Systems (e.g. cloud, Dropbox, etc)

## Automated/Electronic Record Keeping

- Tax authorities should partner with the relevant agencies to set up automated systems and also train tax officials in the use and maintenance of such systems. (e.g. creation of specialised unit in the new Tax Policy)
- An electronically enabled system of record keeping would not only be in line with global best practices but greatly enhance the tax administration process and assist tax officials efficiently discharge their duties.

### Advantages

- ✓ Ease of retrieval and movement of records
- ✓ It enhances integrity and durability of the record keeping system and increased taxpayer confidence in the system
- ✓ Allows you to back up records and keep them in a safe place in case of fire or theft.
- ✓ .



## Tax Ledger/Register

- A chronological detailed account of tax assessments/payments of a given taxpayer.
- A summary of tax position, reflecting cumulative opening/closing (debit/credit) balance for each year.
- A tool for monitoring/evaluating a taxpayer's compliance trend over years and ensuring no tax arrears remain uncollected

## Tax Ledger/Register

- Tax Revenue Register/ledger should contain the following information:
  - The name of the tax-payer.
  - The address of the tax-payer.
  - The amount due to be paid.
  - The time the payment is due.
  - The time First Reminder is issued.
  - The Second and final Notice and intention to sue is issued.
  - The time the matter is referred to the legal department.



## Simple Record Analysis

- The information obtained from the ledger and other instruments of collection can be further analyzed to serve other meaningful purposes .
- This includes and is not limited to the following:
- Daily Returns.
  - Weekly Returns.
  - Quarterly Returns.
  - Half-Yearly Returns.



## Simple Record Analysis(Cont'd)

- Yearly Returns.
- Revenue Collections by area offices.
- Comparison of revenue generated from prior and current years.
- Comparison of revenue generated from the major revenue heads.
- Trend Analysis.



## Simple Record Analysis(Cont'd)

- A more fashionable way of record keeping and analysis is the use of statistical methods. The most commonly used statistical methods in most revenue offices are Histograms, Bar-charts and Pie-charts
- A Chart is a physical description of numerical information such as revenue generated monthly. Charts are particularly effective for showing relationship among different values.



## Bar Chart

- A bar chart is a simple pictorial/graphical representation of data. The bar chart is similar to the histogram. The only difference between a bar-chart and a histogram is that while a histogram is closely-knitted, that is there is no gap between the various items that are represented, a bar chart is not closely-knitted.



## Advantages of Bar Charts

1. Values can be seen at a glance.
2. Comparison of values can be done easily.

### Example of a Bar-chart

The following is an hypothetical figures of revenues internally generated by Mai-adaua Local Government for 2014.



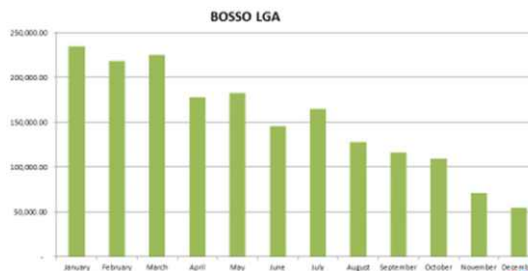
## Example of a Bar Chart

MONTHS	AMOUNT GENERATED (=N=)
• JANUARY	235,000
• FEBRUARY	218,000
• MARCH	225,000
• APRIL	178,000
• MAY	183,000
• JUNE	146,000
• JULY	165,000
• AUGUST	128,000
• SEPTEMBER	116,000
• OCTOBER	109,500
• NOVEMBER	71,000
• DECEMBER	54,500

The data above can be represented by a bar chart drawn below



## Example of a Bar Chart (Cont'd)





## Pie Chart

- A Pie-chart is also a pictorial representation of data. It is normally reflected in form of a circle and each part is shown as a percentage of the whole. Each item is represented by a degree. The whole circle is 360 degrees.

### Example of a pie-chart.

The following are the hypothetical major sources of revenue of XYZ Local Government in 2014.



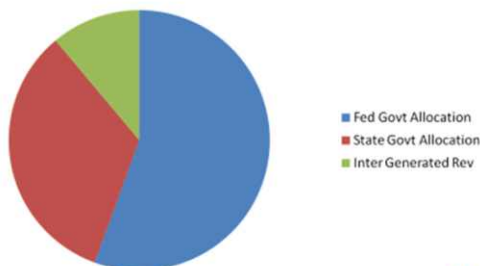
## Example of a Pie Chart

SOURCE OF REVENUE	AMOUNT.
FEDERAL GOVERNMENT ALLOCATION	500,000
STATE GOVERNMENT ALLOCATION	300,000
INTERNALLY GENERATED	100,000
TOTAL	900,000

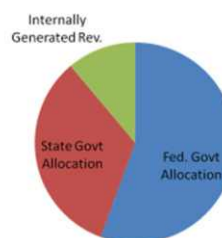
  

Federal Government =	$\frac{500,000}{900,000} \times 360 = 200$
State Government =	$\frac{300,000}{900,000} \times 360 = 120$
Internally Generated =	$\frac{100,000}{900,000} \times 360 = 40$

## Example of a Pie Chart



## Example of a Pie Chart (Cont'd)



## 6. Communication

### TAXPAYERS COMMUNICATION STRATEGIES FOR INCREASED REVENUE GENERATION

#### INTRODUCTION

- This paper is a twofold presentation which attempts to discuss the very important role of communication in revenue drive/ generation as well as examine the strategic role of interpersonal relationship in managing tax payers complains.



## Communication

#### Outline:

- Definition of Communication
- Types of Communication
- Classification of Communication
- Communication Process/Flow
- Communication Barriers
- Communication Skills
- Strategic Role of Communication in Revenue Generation



## Definition of Communication

- ✓ Communication is the act of transferring information from **one person to another** or from **one place to another**, whether this be **verbally** (using voice), written (using printed or digital media such as books, magazines, websites or emails), **visually** (using logos, maps, charts or graphs) or **non-verbally** (using body language, gestures and the tone and pitch of voice).



## Types of Communication

- **Verbal:** Verbal communication is the act of transmitting information with words. In other words, verbal communication is the act of saying what's on your mind with words.
- **Non-Verbal:** This is the act of transmitting messages/ information or saying what's on your mind without speaking. Examples of this form of communication include Facial gestures (smiling, frowning, sober look), body language (nodding, wave, thumbs up, legs shaking; resembling nervousness, sitting upright giving someone full attention)
  - ✓ The impression you give to others with your appearance is a form of non verbal communication (Dress, body image and body odor)



## Classification of Communication

Communication can be classified into intra-personal and interpersonal modes:

- **Intra-personal communication** refers to individual reflection, contemplation and meditation by talking to oneself and communicating with the divine in form of prayers.
- **Interpersonal communication** refers to direct, face-to-face communication that occurs between two persons. This is essentially a dialogue or a conversation between two or more people.

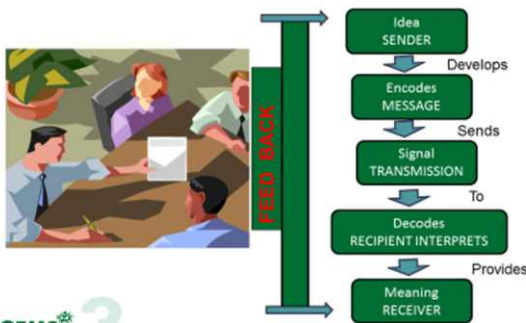


## Communication Process/Flow

- **SENDER** – The person who initiates or begins the communication.
- **MESSAGE** – The idea or thought to be sent from the sender to the receiver.
- **CHANNEL** – The means of sending the message e.g. memo, letters, TV, newspapers, Phone etc.
- **RECEIVER** – The person who receives the message.
- **NOISE** – Anything that may distract the attention of the receiver.
- **FEEDBACK** – The response of the receiver which indicates that the message of the sender has been delivered and understood



## The Communication Flow



## Communication Barriers

- Lack of interest
- Shaming
- Moralizing
- Refusal to talk
- Distractions
- Lack of personal hygiene
- Avoiding eye contact
- Restlessness and many more.





## Communication Skills

### Meaning:

is a set of skills that enables a person to convey information so that it is properly received and well understood. Communication skills refer to the repertoire of behaviors that serve to convey information for the individual

### Sender's skills:

- ✓ Skill to compose the message
- ✓ Skill to send/transmit the message

### Receiver's Skills:

The skill of receiving the message:-

- ✓ Without assumption
- ✓ Placing biases aside
- ✓ Actively listening ( Key element of effective communication)



## Improving Your Communication Skills

The following steps are fundamentals to improving your communication skills:

- ✓ Think before you speak/ Have a general idea.
- ✓ Be an active listener/Don't be distracted
- ✓ Make good eye contact/ avoid shifty eyes (seems dishonest)
- ✓ Take it slow/Don't speak too fast so as not to lose your audience
- ✓ Use appropriate volume and tone /Avoid monotone
- ✓ Practice/the more you do it, the easier it will get



## Method of Communication with Taxpayers

Communication with taxpayers is a two-way process and it involves listening to them as well as giving information. To ensure taxpayers receive the best service, information can be passed through:

- ✓ **Written material** - Tax forms and documents must be clear, in plain language and available at all times.
- ✓ **Telephones calls** - Calls must be answered promptly and efficiently.
- ✓ **Interviews** - Interviews should be documented and authenticated.
- ✓ **Reception facilities** - Taxpayers visiting the tax stations must see the image of the surroundings as positive and impressing.



## Method of Communication with Taxpayers (Cont'd)

- ✓ **Publications** - Providing an understanding of taxation and tax administration.
- ✓ Audio visual materials.
- ✓ Press release and Reports.
- ✓ Bulk Mail.
- ✓ Leaflets.
- ✓ Adverts (Signs and Billboards)
- ✓ Use of TV Programmes (Tax Talk)
- ✓ Newspapers
- ✓ Questionnaire-Seeking the views of the taxpayers.



## Important Issues to Note in Communicating

- There is no communication if the receiver does not understand the message of the sender.
- A person does not communicate only a word, but a whole man (the sender) comes with the word, that is who send it, how he said it and when he said it.
- Communication should take the receivers experience into consideration ( context in situation).
- No organization can continue to succeed without a free flow of information.



## Things to Consider in Communicating

- ✓ Always speak or write with the audience in mind, taking into consideration their level of understanding, education and knowledge.
- ✓ Do not be too fast when giving out instructions or explanations
- ✓ Always edit or cross check whatever you write before sending it out.
- ✓ Buy and make use of a good dictionary.
- ✓ Maintain good eye contact when talking to people to improve level of impact.
- ✓ Seek for feedback to determine whether your message is understood or not.
- ✓ Do not jump into conclusions, always inquire for accurate information before reaction.





### Importance of Communication

- ✓ The success of any revenue drive by an agency relies on shared skill, experience and knowledge of the members of the team or task force.
- ✓ Hostile communication could create bad blood even among the best of friends.
- ✓ Communication involves marketing, advertising, public relations, event management, and interpersonal relationship etc.



### Strategic Role of Communication in Revenue Generation

The following are some basic communication strategies that could be employed by revenue agencies to bring about a change of attitude or the negative perception attached to revenue collectors by tax payers:

**1. Interactional Communication:** This can be achieved through a coordinated synergy among the different units of the agency such as meeting with unit heads, management staff with members of staff of council, task force, group committees, traditional rulers, opinion leaders, market women, etc.



### Strategic Role of Communication in Revenue Generation (Cont'd)

- 2. **The Use of Mass Media:** The mass media at the local government level serve little or no purpose because the rural people will want their interest served at a more personal level through the use of alternative medium (ORAL MEDIA) like gong man, village town crier, theatre, town hall meeting, town hall meetings and interpersonal mode among others
- 3. **Community Relationship:** Regularized activities like support and sponsorship of village/community based development projects, monitoring of opinion leaders and responding to their challenges will attract lasting good will of the community which will make compliance easier.



### Strategic Role of Communication in Revenue Generation (Cont'd)

- 4. Motivate and Mobilise the tax payer to create good will/ reputation about the MDA's activities. Let the tax payers know that the agency's vision is 'excellent service delivery'. Agree that taxes are heavy and constitute a burden on tax payers but emphasize the benefits which are provision of social services by government for them.
- 5. **Strategic Engagement:** The significant strategies of consultations, meetings, briefings, making speeches, demonstration of projects, and the motivation of taxpaying public will enable a change of attitude.



### Strategic Role of Communication in Revenue Generation (Cont'd)

- 5. **Employee Relationship:** There should be a regular publication of employee newsletters and bulletins as well as periodic and well programmed face to face interactions between employee and management.
- 6. **Press/Media Relationship:** Involve the support of the press / media in the promotion of events and activities in the council, ownership of community newspapers would consider the sensibility of the council.
  - ✓ *Engage capable and competent public relations personnel with the necessary experience to handle sensitive public functions of the council*



### Strategic Role of Communication in Revenue Generation (Cont'd)

- 7. **Others:**
  - ✓ Display and exhibition of photographs of the agency's activities and other materials that will propagate the socio-cultural, political and enhance the resources of the agency.
  - ✓ Use of traditional / alternative media: e.g. town criers, cultural festivals and local theatre will form part of a comprehensive communication programme for tax education.
  - ✓ Notice boards and suggestion boxes should be strategically placed in the MDA office and town halls to serve the public.
  - ✓ Branded gift items like pens, calendars, exercise books, season cards and almanacs should be distributed freely as incentives
  - ✓ Use of specialized medium such as the viewing centers, mobile cinema, VCD, DVD to showcase activities and achievements – tax at work!





## Food for Thought

ARGUMENT REMAINS THE WORST  
FORM OF COMMUNICATION,  
AVOID IT!!!!!!



## 7. Customer Service

### Customer Care/Service

#### Outline

- ✓ Who is a customer
- ✓ What is Customer Care?
- ✓ Why Customer Care?
- ✓ Practical Customer Care Tips
- ✓ Customer Behaviour and Concern
- ✓ Customer need
- ✓ Derivation of Customer satisfaction
- ✓ Emotions and Customer Care
- ✓ Benefits of Good Customer Service



### Who is a Customer

- ✓ A Customer is an individual or a group who have business relationship with the organisation. A customer receives and uses, or are directly affected by the product and services of the organisation. In relation to Tax Administration, "A Customer is a Taxpayer who is a service user to the Revenue Authority".

### What is Customer Care

- Tax authorities are characterised by poor corporate image: highhanded, unprofessional & sharp practises
- Tax payers be treated as customers & should not be directly or indirectly exploited.
- Tax payers entitled to (1) high quality service/public relations; (2) audience (3) information
- Customer care is the principle of managing and controlling attitudes, mindset & values one places on his business & its relationship with the customer in order to reposition one's organisation in the market place & in the mind of its customers.



### Why Customer Care

- The world is an arena for competition and choice.
- Tax Administration has competitors/customers.
- Business and Tax Administration scramble for a share on the same resources from the customer.
- The customer is considering available options /choices for spending resources *optimally* (for maximum satisfaction)
- Tax Administration must win and make customers believe in the product offered in the market.





**Tsayarin Kudadden Shiga na Tsaranta Tsaranta Hukumomi na Jihar Jigawa**  
**2014**  
 Ku San Sabuwar Dokar Tattara Kudadden Shiga

**Tsayarin Kudadden Shiga na Tsaranta Tsaranta Hukumomi na Jihar Jigawa**  
**2014**  
 Ku San Sabuwar Dokar Tattara Kudadden Shiga

**Jigawa State Local Government Harmonised Rates and Levies**  
**2014**  
 Know Your New Rates and Levies

Drama troop, Kaduna



## Customer Care Tips

*'The Customer is always right – you are wrong – even if you are right!'*

- ✓ Change the environment to suit customer demands (be fully constantly aware of customer needs).
- ✓ Study customer behaviours and link it with customer satisfaction.
- ✓ Make compliance to your business convenient (Customers want to spend less for more).
- ✓ Attain, Retain and Develop (ARD) (retain and use old customers as a platform for winning new ones).
- ✓ Publicly associate with your big customers in promotions. Rejoice in affluence, credibility and masses.



## Customer Behaviours and Concerns

In satisfying and providing tax services, it is of utmost importance to understand the different behaviour demonstrated by taxpayers as this will create a means of identifying each taxpayer uniquely.

- ✓ **Customer Behaviour** - The types of behaviour that could be expected from a taxpayer includes:
  - honest, frank, dishonest, rude, violent, deceitful, timid, inquisitive, suspicious, sensitive, emotional, knowledgeable, ignorant, crafty, evasive, etc.
- ✓ **Customer Concerns** - Expectations of taxpayers from Tax Authority:



## Customer's Concerns

- **Recognition**  
Personally known and respected (e.g remembering birthdays)
- **Appreciation**  
Enjoying a beneficial/rewarding business relationship.
- **Responsiveness**  
Promptly cared about whenever and wherever in need.
- **Satisfaction**  
Providing/servicing sufficiently the needs all the time.



## Derivation of Customer Satisfaction

**Deliver six products:**

- High quality product - goods/services
- Fair (just the right) cost or price of product
- Timely/correct supply of product (just in time)
- Reliable/consistent availability of product
- Accurate/timely information about product
- Acceptance/apology (*humility costs less than arrogance*)



## Emotions and Customer Care

- Man and emotions are inseparable partners (psychology).
- Emotions are 'waves' that drive man.
- Man's concern is basically safety and satisfaction.
- Change is initially perceived negatively or pessimistically and resisted. Acceptance is a gradual process.
- **Note:** No one speaks to you more than yourself. Spend more time reasoning with yourself to control your emotions.
- Think of alternative ways of doing things to minimize loss or maximise gain.



## Benefits of Good Customer Care

Good customer care results in the following benefits:

- ✓ Retention of customers (no customer, no business).
- ✓ Acquisition of new customers (no new customers, no growth).
- ✓ Resolving customers complaints (increasing complaints, diminishing market).
- ✓ Growing customer relationship.
- ✓ Efficiency in service delivery.
- ✓ Growth in business and gains (expansion).







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