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PRESUMPTIVE **TAX** REPORT

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GEMS 3
Growth & Employment in States (GEMS3)
Support Improved Business Environment

UKaid
from the British people

Table of Contents

1.0	INTRODUCTION	3
2.0	OBJECTIVE OF PRESUMPTIVE TAX IMPLEMENTATION	4
3.0	IMPLEMENTATION OF THE PRESUMPTIVE TAX FRAMEWORK	4
3.1	Approach	4
3.2	High Level Buy-in	5
3.3	The work plan	5
3.4	Implementation Activities	6
4.0	BENEFITS OF THE IMPLEMENTATION OF PT	10
5.0	CHALLENGES	11
6.0	LESSONS LEARNT	12
7.0	RECOMMENDATIONS	12
8.0	CONCLUSIONS	13
	APPENDIX	14 - 29
	PHOTO STORY	30

List of Abbreviations and Acronyms

ATM	Automated Teller Machine
BMOs	Business Membership Organisations
CRSIRS	Cross River State Internal Revenue Service
FIRS	Federal Inland Revenue Service
GEMS3	Growth and Employment in States
JTB	Joint Tax Board
KASTU	Kano State Traders Union
KDIRS	Kaduna Internal Revenue Service
MOU	Memorandum of Understanding
NASSI	Nigeria Association of Small Scale Industrialists
PPD	Public Private Dialogue
PT	Presumptive Tax
PIT	Personal Income Tax
SIRS	State Inland Revenue Service
TIN	Tax Identification Number
TOR	Terms of Reference
T4S	Tax for Service

REPORT ON PRESUMPTIVE TAX IMPLEMENTATION SUPPORT

1. INTRODUCTION

GEMS3 is a project funded by the Department for International Development UK that is systematically implementing Business Environment Improvement Framework to make it easier to do business in Nigeria through investment, land and tax reforms.

As part of its tax reform programme, GEMS3 is supporting the domestication and implementation of the Federal Government of Nigeria's presumptive tax policy framework 2015, in three selected pilot States of Kano, Kaduna and Cross River. The intervention is designed to improve tax compliance by taxpayers (individuals including any corporation sole, trustees or executors with income chargeable to tax) in a hassle free and fair manner while helping the States expand their tax nets.

MEANING OF PRESUMPTIVE TAX

Presumptive Tax means personal income tax on individuals chargeable under the Personal Income Tax Act where it is not possible or impracticable to keep accounting records (Presumptive Tax regulations 2015)
It is a tax regime/system of assessing taxpayers where, for all practical reasons/purposes, their income cannot be ascertained or records are not kept in such manner as would enable proper assessment of their income.

THE LEGAL BASIS OF PRESUMPTIVE TAX:

Presumptive tax as a method of assessment of income tax is supported by section 36(6) of the Personal Income Tax (Amendment) Act 2011 that states:
"Notwithstanding any of the provisions of this Act, where for all practical purposes the income of the taxpayer cannot be ascertained or records are not kept in such a respectively. manner as would enable proper assessment of income, then such a taxpayer shall be assessed on such terms and conditions as would be prescribed by the Minister in regulations by order of gazette under a presumptive tax regime".

Sect 5 First schedule part 1(7) of the Kaduna State Tax Codification and Consolidation Law, 2016 signed into law on 26th day of February 2016 provides that "There shall apply to taxable persons where for all practical purposes their income cannot be ascertained or records are not kept in such manner as would enable proper assessment of income" while Third schedule sections (55), (56) and (57) sub (1 & 2) covers PT Tax registration form, Presumptive Tax Returns form, Daily income guide and PT payable respectively.

REPORT ON PRESUMPTIVE TAX IMPLEMENTATION SUPPORT

2.0 OBJECTIVES OF PRESUMPTIVE TAX IMPLEMENTATION

The GEMS3 presumptive tax intervention in the 3 pilot states is in line with the tax work stream's goal of improving the business environment for businesses to thrive, with special focus on the poor and women, by removing illegal, unfair or otherwise burdensome tax rules and practices.

In line with the strategic priorities of GEMS3 in Year 6 and beyond, the objective of the presumptive tax intervention is to help facilitate the implementation of the new presumptive income tax regulations in a way that supports the business environment.

Based on the foregoing, therefore, the objectives of GEMS3 support for the implementation of the presumptive tax regime are:

1. To support the domestication and implementation of the Federal Government of Nigeria presumptive tax policy/ regulations 2015 in the three pilot states.

2. To improve tax compliance by taxpayers (individuals and small business owners whose income is chargeable under the personal Income Tax Act) in a convenient hassle free manner while helping the State expand her tax net and increase revenue.

3. To secure private sector stakeholders buy-in and cooperation in the implementation of PT through Public Private Dialogues with the various trade unions, associations, and professions.

4. To sensitize, agree on fair rates of tax and secure the cooperation of private stakeholders.

5. To build and/or improve the database of taxpayers in the informal sector including administering PT registration and returns forms and assisting them to complete same.

6. To enhance sustainability and institutionalization of the processes through training and capacity building of BIR officers on presumptive tax implementation in the State.

3.0 IMPLEMENTATION OF THE PRESUMPTIVE TAX FRAMEWORK

3.1 APPROACH:

To kick start the implementation process, a baseline survey was conducted to establish the existing status in the pilot states. At the beginning and several meetings were held with the relevant stakeholders and the following approach was adopted for the successful implementation of the intervention:

i. Engagement with the management and staff of State Internal Revenue Service of all the pilot states on the introduction of Presumptive Tax;

ii. Classification of the informal sector in terms of size, structure and how it has been taxed;

iii. Engagement with top government officials for buy in;

iv. Engagement with various trade unions and taxpayer groups for their buy in;

iv. Engagement with various trade unions and taxpayer groups for their buy in;

v. Capacity building of Internal Revenue Service staff on Presumptive Tax;

vi. PPDs to bring government and informal sector together to discuss and reach agreement;

vii. Improvement of the collection system;

viii. Signing of Tax for Service (T4S) Memorandum of Understandings (MOUs)

3.2 HIGH LEVEL BUY-IN

a. Kaduna

High level engagement started off with the Honorable Commissioner of Finance, Kaduna state on 3rd October 2015. The Commissioner in turn facilitated a meeting with the State Governor on the 27th October 2015. These engagements resulted in PPDs with BMOs and Trade Associations and subsequent inclusion of Presumptive Tax in the Kaduna State Tax (Codification & Consolidation) Law, 2016.

b. Kano

The State Governor attended and chaired the PPD on Presumptive Tax held on the 25th and 26th of January 2016 at Mumbayya House Gwamaja Kano. This demonstration of political buy-in was instrumental in gaining and sustaining the commitment of other stakeholders.

c. Cross River

On the 5th of February 2016, the State Governor represented by the Honorable Commissioner of Finance, Mr. Asuquo Ekpeyong and the Chairman of the SBIRS, Dr. Ukam Edodi participated a the PPD workshop with BMOs which gave impetus to the implementation of PT in the State.

3.3 THE WORK PLAN

The presumptive tax intervention had an initial duration of forty five (45) days. However, given the acceptability and achievements recorded within the short period, the duration of the intervention was then extended to ninety (90) days.

	Activities/Output	Timelines		
		Kaduna	Kano	Cross River
1	Scoping work/base line survey	January 2016	October 2015	December 2015
2	Constitute PPD Committees	November 2015	Jan-Feb, 2016	November 2015
3	Conducted PPDs	December 2015	December 2015	December 2015
4	Constitute PT Implementation Committee	December 2015	October 2015	November 2015
5	Agree on presumptive Tax Rate	Ongoing (5 out of over 45 associations are yet to agree rates)	January 2016, ongoing	November 2015 - December 2016
6	Training of Revenue Staff	March 2016	February 2016	March, 2016
7	Introduction of better payment techniques	Ongoing	February, 2016	
8	Improved Taxpayers Data base	October - December 2016	March 2016, Ongoing	April 2016
9	Sign MOUs for T4S projects		March, 2016	
10	Public Sector Sensitization	May & June 2016	March, 2016	March, 2016
11	Public Sector Sensitization	May & June 2016	March, 2016	March, 2016

3.4.0 IMPLEMENTATION ACTIVITIES

3.4.1 Establishment of the Technical Working Committee

After series of engagements with the management of the Internal Revenue Service coupled with several PPD sessions with the BMOs/Trade Association, the Presumptive Tax Implementation Committees were established. The composition of the committee in the pilot states were:

Cross River	Kaduna	Kano
Asst. Director, Informal Sector (Committee Chairman) Deputy Director, PRS Deputy Director (Head, PAYE) Head, Human Resources SA - Executive Chairman's Office ICT Department GEMS 3 – Income Tax Expert Head, Debt Mangt. & Collections (Legal Services)	Head of PIT - KADIRS Head of PT unit - KADIRS Four members of Staff of KADIRS 18 Representative of various Association/BMOs	Director, Assessment- Chairman Director, Collection Director, MDA Director, PAYE Director, Road Taxes Coordinator, Area Rev Office Director, ICT Area Rev Officer, Kwari Area Rev Officer, S/Gari Dep Director, Assessment Secretary

The Committee was charged with the following terms of reference (TOR):

1. Drive the implementation of presumptive tax in the states.
2. Propose presumptive tax rates for presentation to BMOs.
3. Dialogue with taxpayers through PPD platform and agree on presumptive tax rates.
4. Improve the capacity of the staff across the State Internal Revenue Service (SIRS) on presumptive tax.
5. Sensitize taxpayers.
6. Be a liaison between the management of the SIRS and taxpayers.
7. Implement PPD decisions.
8. Guide the BIR on how best to sanction the deliberate defaulters of the regulation (members of market/trade association, BMOs, etc) to serve as a deterrent to others.
9. Act as a channel through which grievances of unions/associations could be relayed to the government most especially on the provision of Tax for Service.
10. Act as the key persons responsible for providing state contacts, introductions and liaison for the Presumptive tax intervention.
11. Provide input to, and work with the baseline survey and impact assessment survey providers.
12. Hold meetings with stakeholders, including Government, SIRS, Business Membership Organisations (BMOs) and other relevant stakeholders, to determine intervention priorities and opportunities, and to achieve stakeholder buy in.

REPORT ON PRESUMPTIVE TAX IMPLEMENTATION SUPPORT

3.4.2 Presumptive Tax Rate

The Implementation Committees reviewed the Joint Tax Board (JTB) proposed Presumptive Tax rates and came up with rates based on the economic realities in each State. The proposed rates were then presented to targeted informal sector stakeholders at high level PPD sessions. Most of the rates proposed by the SIRS were discussed and agreed after some amendments. It should be noted that certain rates were increased by the unions themselves and in some cases, the categorization of other rates increased from three to six. (See Appendix 1, 2 & 3)

3.4.3 Improved Collection System

The recently introduced collection systems by the SIRS include:

- Bank draft,
- Electronic debit
- ATM Card
- Point-of-Sales terminal
- Internet transfer
- Any other electronic means approved by JTB

3.4.4 Training of SIRS Staff On Presumptive Tax:

As part of the institutionalisation and sustainability component of the GEMS3 PT implementation support, targeted training sessions were conducted for designated SIRS officers on the implementation of the Presumptive Tax regime. The training sessions were held in February 2016 for both Kano and Cross River States while training sessions for Kaduna were held in March 2016.

The training covered all aspects of Presumptive Tax, such as the meaning, objectives, legal basis and benefits of the Presumptive Tax regime. The PT regulations issued by the Federal Ministry of Finance were also presented and discussed in details, covering various provisions of the regulations such as:

- The objective and scope of the PT regulations
- Those to be administered under the PT regime
- Tax registration and returns
- Tax Payment under the PT regime
- Administration of the PT regime
- Exit rules
- Sanctions and Penalties
- Interpretations and citation

The training also included a practical session to discuss arrangements, documentation and infrastructural facilities required for the effective implementation of the presumptive tax system, as well as the challenges and other factors that could affect the effective implementation of the PT system.

3.4.5 Presumptive Tax Registration and Data Base

1. Kaduna

Registration of tax payers under the Presumptive Tax regime is ongoing. The following methods were adopted for creating the Taxpayers data base:

a. Obtaining hardcopies of members list including names, addresses and phone numbers.

b. Administering of PT Registration Forms to be completed and submitted by the tax payers accompanied by evidence of payment collected from members via their associations. (This process is still ongoing). A total of four thousand two hundred and fifteen (4,215) forms have so far been administered across the state.

c. Develop database of tax payers using the data on the forms collected. The KDIRS is currently using limited number of computer systems for this process and leveraging the existing TIN system.

2. Kano

With the support of the KASTU and NASSI, the Kano State Internal Revenue Service has registered Sixty six thousand (66,000) new taxpayers especially in the markets. With the inauguration of PPD committees in twenty five (25) markets, it is expected that more taxpayers would be registered. However, this would depend- on how the Kano State Internal Revenue Service is able to carry along the trade associations.

3. Cross River

CRSIRS had commenced an internal process of developing tax payer's database across the nineteen (19) tax offices in the state. About 66,000 tax payers were registered during the period under review and the registration process is still ongoing.

3.4.6 Public Private Dialogue (PPD)

a. Kaduna

In the course of implementing Presumptive Tax in Kaduna, the following PPDs were held:

i. Mini PPD held with Representatives of five (5) Trade Associations at the Board of Internal revenue office on 16th November 2015.

ii. A mega PPD Held with 40 BMOs/Trade Associations at Bafra Hotel Kaduna on 25th November 2015.

iii. PPD Held with his Excellency the Executive Governor of Kaduna State at Sir Kashim Ibrahim House on 2nd December 2015 with 62 BMOs/Trade Associations in attendance.

iv. The Commissioner of Finance was directed to anchor yet another PPD which was held at Hamdala Hotel Kaduna on 9th December 2015 with 62 BMOs/ Trade Associations in attendance. The PPD was held to collate therequest/demands of various Associations for the State Councils consideration.

The Governor has started fulfilling some of the promises made by awarding contracts for the sowing of school uniforms for primary school children to Tailors and school benches to Carpenters.

b. Kano

A central PPD committee was established with the Presumptive Tax implementation committee representing the Board and officials of the two main trade groups (KASTU & NASSI) representing the taxpayers.
Twenty-five other market-PPD committees were also established and inaugurated on 26th May, 2016 at the Grand Central Hotel, Kano. The committees are to ensure the smooth implementation of the presumptive tax and the Tax for Service projects. More PPD committees are expected to be established until the whole state is covered.

c. Cross River

The PPDs were attended by private sector stakeholders representing various Business Membership Organisations (BMOs), CSOs and market traders' associations, as well as officers from the Cross River State Internal Revenue Service. These PPDs were held on the 23rd, 24th & 26th November 2015 and on the 5th February 2016.

3.4.7 Signing of MOUs (Kano)

Two major MOUs were executed in Kano between the following parties:

a. Kano State Government and the Kano State Traders Union in March, 2016,

b. Kano State Government and the Nigeria Association of Small Scale Industrialists, Kano state chapter on 8th June, 2016

The high point of both MOUs is the agreement by the private sector represented by BMOs, trade associations/unions, to sensitize and encourage their members to pay taxes voluntarily. The government on its part committed to providing the enabling environment for easy tax payment and provide services in the markets and industrial cluster parks.

3.4.8 Presumptive Tax Sensitization

a. Kaduna

A Sensitization workshop on Kaduna State Tax Codification & Consolidated law that includes Presumptive Tax was conducted for:

- Selected 100 staff of Kaduna Internal Revenue Service (KADIRS)
- Staff of MDAs- 150 (Directors of Finance, Chief Accountants and Cashiers)
- BMOs – 45participants
- LGAs Revenue Collectors for Zone 1 at Kaduna Central (45 Revenue officers)
- LGAs Revenue Collectors for Zone 2 at Zaria (45 Revenue officers)
- LGAs Revenue Collectors for Zone 3 at Kafanchan (35 Revenue officers)

b. Cross River

GEMS3 also developed and provided a robust formal sensitization package to the CRSIRS. This comprised production of various sensitization materials including fliers, jingles and documentaries containing relevant information on presumptive tax, both in English and the local languages

c. Kano

- PPD between KASTU, BMOs, KIRS and adviser on PT
- PPD between KNSG and Kano Traders on PT Rates – Mumbayya House, Kano
- Implementation of PT in Kano W/S for KIRS staff – Tahir Guest Palace, Kano
-. Signing of MoU between KASTU, NASSI and KIRS – KIRS Conference Hall, Kano
- Inauguration of Markets PPD committees by Chairman KIRS – Central Hotel, Kano
- Airing of PT Awareness Jingle on Freedom Radio, Kano

4. BENEFITS OF THE IMPLEMENTATION OF PRESUMPTIVE TAX

1. Taxpayers have a definite and easily understood tax liability. They know how much to pay, when to pay and where to pay.
2. It reduces and checks the tendency for multiple, subjective and inaccurate assessments by SIRS.
3. Reduction in the possibility of leakages as the IRS has a centralized database of taxpayers and therefore has a more accurate idea of the tax that should be collected. This will definitely minimise or eliminate fraud and boost the State internally generated revenue.
4. The tax burden is more evenly spread among the taxpayers.
5. It reduces disputes between the taxpayers and the tax authority and increases tax payer's confidence in the assessment system.
6. Saved energy and resources from objecting to assessments and/or attending to objections to tax assessments can better be channelled to other productive uses.
7. Increased IGR for the state.
8. It provides a streamlined, easy and simplified tax compliance system.

5. CHALLENGES:

Some of the major challenges to effective presumptive tax implementation as identified by stakeholders include:

1. Funding challenges: the current funding level of the SIRS appears inadequate to fund the activities necessary for effective implementation of PT in the State.
2. Presumptive tax collection is most effective in the medium to long term when a significant number of informal taxpayers have been included in the tax net. Therefore, it can be said that in the short term, a State may experience high cost of collection of taxes compared to the short term tax yield. In this case taxing the informal sector could be expensive and might not yield the desired results in the short run.
3. As a new policy, it may be misunderstood and there may be resistance from the various taxpayers' unions due to wrong perception of PT as another form of personal income tax.
4. Lack of reliable database of both existing and potential tax payers, especially the informal sector operators such as members of trade associations/unions, is a draw-back to effective and efficient revenue administration.
5. The unwillingness of taxpayers to disclose information about the status of their businesses and income not just for assessment but even for the purpose of proper categorization and segmentation.
6. Lack of adequately trained and skilled manpower in the SIRS for PT implementation.
7. Poor and inadequate infrastructure for effective capturing of the informal sector into the tax net.
8. Inadequate functional alternative payment systems/avenues for the convenient use of taxpayers.
9. Inadequate (and sometimes total absence of) T4S projects to serve as incentives to tax payers. Tax payers cannot see direct benefit of paying taxes.
10. Poor and ineffective enforcement mechanisms and/or prosecution of tax defaulters to serve as deterrent to others.
11. Poor remuneration/welfare package for SIRS staff and lack of adequate performance incentives could be a demotivating factor and lead to unexpected leakages.
12. Handling the diverse number of informal sector associations can be very challenging.
13. Resistance to change by some staff of the Internal Revenue Service can be an impediment to PT implementation.
14. Lack of synergy between the State and Local government revenue authorities.
15. Lack or insufficient political will to vigorously pursue PT implementation can be a stumbling block to achieving success.
16. The use of consultants by SIRS to implement PT, and rightly resisted by tax payers.
17. Changes in the management of SIRS arising from changes in governments after the 2015 elections delayed the intervention.
18. Some of the associations may have leadership problems and may not be true representatives of the members.

6. LESSONS LEARNT

i. Given the available data on taxation of the informal sector in Nigeria, the presumptive income tax mechanism remains a veritable tool for integrating the informal sector into the tax net. Effective taxation of the informal sector holds the key to increased non-oil tax revenue in Nigeria.

ii. As Presumptive Tax is not a new tax but a new taxing mechanism, compliance would not be automatic. The buy-in and support of the taxpayers' unions is essential to successful implementation of the Presumptive Tax regime.

iii. Our public private dialogue mechanism has proven to be a very good approach to the successful implementation of the PT regime. Taxpayers are most likely to accept and comply with their tax payment obligations if they are adequately enlightened and sensitized. This periodic engagement of the informal sector bring them closer to the Government and makes it easier for their views/needs with respect to Presumptive Tax to be heard and addressed.

iv. The success of Presumptive Tax implementation depends heavily on stakeholder involvement and commitment.

v. Tax for service is a very strong selling point for increased voluntary tax compliance.

vi. Buy-in and support from the highest political leadership of a state is a key success factor for successful PT implementation.

7. RECOMMENDATIONS

Effective Presumptive Tax implementation is at the center of the drive to wean the nation and the component states off over-dependence on oil revenue. Available statistics globally indicate that the informal sector is the engine of sustainable growth in tax revenues and therefore need to be properly harnessed and the operators brought into the income tax net. In order to grow State IGR, particular focus must be placed on the informal sector, which is largely outside the tax system and mainly untaxed.

To derive full benefits from Presumptive Tax implementation, the following recommendations are made for adoption by the relevant authorities.

1. Adequate funding of States for PT activities. The present funding of the SIRS appears inadequate to fund the activities necessary for effective implementation of PT in the States.

2. Effective and extensive sensitization of the taxpayers, especially stakeholders in the informal sector. There is need for massive enlightenment of the taxpayers and other stakeholders on the Presumptive Tax system to get their buy-in and support.

3. The Board/Service should device a means of ensuring that non-members of associations join/enroll into their respective associations.

4. Government should ensure that the genuine demands/request of the Taxpayer's are provided so as to boost their confidence.

5. Negotiations of Presumptive Tax rate should be done annually or at least every three years.

6. PPDs should be held on regular basis.

7. Regular training for the staff of the SIRS to enhance and build their capacity should be planned.

8. Taxpayer Service units/departments should be created by states to cater for taxpayer complaints and grievance resolution.

9. There should be provision of adequate and appropriate infrastructure for the collection and development of robust database of taxpayers and potential tax payers, especially the informal sector operators.

10. The State Government(s) should adopt T4S projects to serve as incentives to tax payers while ensuring that effective machinery exists for the prosecution of tax defaulters to serve as deterrent to others.

11. The problems of poor remuneration and incentive packages as well as lack of security/insurance cover for tax officers should be addressed.

12. As much as possible, the States should train and utilise the SIRS staff for core tax functions of assessment and collection. The use of consultants should be discontinued.

13. The SIRS should also invest in support and strengthening of the capacity of trade associations since they are useful linkage to the informal tax payers.

8. CONCLUSION

Presumptive Tax is a sure way of bringing all and sundry in the informal sector into the tax net. Replicating it in all the states in the Federation will further give more impetus to the project.

There is no doubt that the informal sector holds the key to improved IGR in the states as it has huge potential yet to be tapped. However, there are several challenges inherent in the implementation of Presumptive Tax which requires swift action in order for it to be successful.

It is recommended governments should make huge investments in capacity building, automation, taxpayer service and awareness in order to reap the benefits of presumptive tax.

On the whole, the GEMS3 intervention on Presumptive Tax can be said to have been successful with tremendous cooperation and support from all stakeholders.

REPORT ON PRESUMPTIVE TAX IMPLEMENTATION SUPPORT

APPENDIX 1: KANO NEGOTIATED PRESUMPTIVE TAX RATE

S/N0	TRADE/BUSINESS	MINIMUM	MEDIUM	MAXIMUM
1	ADULT WEARS-BOUTIQUE	10,000.00	30,000.00	50,000.00
2	AGRO ALLIED PRODUCTS	10,000.00	25,000.00	50,000.00
3	ALUMINIUM DOORS & WINDOWS	20,000.00	40,000.00	100,000.00
4	ARTISTS AND SIGN WRITERS	5,000.00	20,000.00	50,000.00
5	AUCTIONEERS / Estate Agent	30,000.00	75,000.00	150,000.00
6	BAKERIES WITH CONFECTIONARIES	15,000.00	50,000.00	100,000.00
7	BAKERIES WITH ELECTRIC OVEN	20,000.00	25,000.00	50,000.00
8	BAKERIES WITH MUD OVEN	15,000.00	40,000.00	80,000.00
9	BAKERS WITH ELECTRIC OVEN	60,000.00	75,000.00	150,000.00
10	BAKERS WITH FIREWOOD OVEN	15,000.00	60,000.00	120,000.00
11	BARBERS (Local)	3,000.00	7,000.00	10,000.00
12	BARBING SALON	5,000.00	10,000.00	30,000.00
13	BENCH MILLS	2,000.00	5,000.00	10,000.00
14	BICYCLE REPAIRS	2,000.00	5,000.00	10,000.00
15	BLACKSMITH	3,000.00	5,000.00	10,000.00
16	BLOCK MAKING INDUSTRIES	7,000.00	15,000.00	60,000.00
17	BLOCK MAKING INDUSTRIES WITH ELECTRIC MACHINE	70,000.00	125,000.00	250,000.00
18	BLOCK MAKING INDUSTRIES WITH SMALL MACHINE	10,000.00	20,000.00	60,000.00
19	BOOKSHOP/STATIONERY STORES	10,000.00	50,000.00	70,000.00
20	BOOKSHOPS MINI SHOP STAFF	20,000.00	60,000.00	100,000.00
21	BRICKLAYERS	10,000.00	15,000.00	30,000.00
22	BUILDING MATERIALS	15,000.00	50,000.00	100,000.00
23	BUILDING MATERIALS & DEALERS	50,000.00	75,000.00	150,000.00
24	BUREAU-DE-CHANGE	50,000.00	100,000.00	250,000.00
25	BUSINESS CENTRES	20,000.00	50,000.00	100,000.00
26				
27	BUTCHERS	5,000.00	10,000.00	50,000.00
28	CARBINET MAKERS	30,000.00	50,000.00	100,000.00

REPORT ON PRESUMPTIVE TAX IMPLEMENTATION SUPPORT

APPENDIX 1: KANO NEGOTIATED PRESUMPTIVE TAX RATE

29	CAR WASH	3,000.00	4,500	7,000.00
30	CAR WASH OWNERS	7,000.00	25,000.00	35,000.00
31	CAR (FANCY) PARTS	20,000.00	40,000.00	60,000.00
32	CARPENTERS	5,000.00	10,000.00	20,000.00
33	CASINO OPERATORS	100,000.00	150,000.00	300,000.00
34	CEMENT DEALERS/SELLERS	30,000.00	50,000.00	100,000.00
35	CHILDREN WEARS	5,000.00	10,000.00	20,000.00
36	CLERGY/PASTORING	to be decided	to be decided	to be decided
37	CLOCK AND WATCH REPAIRES	2,000.00	3,000.00	5,000.00
38	CLOCK AND WATCH SELLERS	5,000.00	10,000.00	20,000.00
39	CLTH SELLER (WITH SHOPS)	5,000.00	15,000.00	30,000.00
40				
41	COBBLERS	2,000.00	3,000.00	5,000.00
42	COLD FISH AGENT/DISTRIBUTORS	10,000.00	35,000.00	70,000.00
43	COLD ROOM	2,000.00	3,000.00	5,000.00
44	COMMERCIAL MINI BUS OWNER (PER MINI/BUS)	10,000.00	15,000.00	20,000.00
45	COOKING GAS/ AIR CONDITIONER SELLER	10,000.00	15,000.00	30,000.00
46	CULVERT/WELL RING MAKER	30,000.00	37,500.00	75,000.00
47	CURTAN & INTERIOR DECORATORS	10,000.00	20,000.00	50,000.00
48	CYBER CAFE OPERATOR	12,000.00	25,000.00	40,000.00
49	DEALERS IN MATTRESS/FOAMS	20,000.00	30,000.00	50,000.00
50	DOORS	20,000.00	30,000.00	50,000.00
51	DRAMA/ENTERT. GRP.	10,000.00	15,000.00	25,000.00
52	DRAUGHTSMAN	10,000.00	15,000.00	20,000.00
53	DRIVERS	30,000.00	75,000.00	150,000.00
54	DRY CLEANERS	10,000.00	75,000.00	150,000.00
55	ELICTRICAL PARTS & FITTINGS	40,000.00	75,000.00	150,000.00
56	ELECTRICANS	30,000.00	50,000.00	100,000.00

APPENDIX 1: KANO NEGOTIATED PRESUMPTIVE TAX RATE

57	ENTERPRENUERS	10,000.00	15,000.00	20,000.00
58	FACE TO FACE BULDING OUTSIDE . (RENT)	50,000.00	50,000.00	100,000.00
59	FARM`S SETTLEMENTS	35,000.00	50,000.00	100,000.00
60	FASHION DESIGNERS	35,000.00	50,000.00	100,000.00
61	CINEMAS CENTERS	50,000.00	75,000.00	150,000.00
62	FURNITURE MAKERS	40,000.00	50,000.00	100,000.00
63	FURNITURE MAKERS/WOODEN CAVERD	60,000.00	50,000.00	100,000.00
64	FURNITURE/ FURNISHING MATERIALS SELLERS	50,000.00	75,000.00	100,000.00
65	GAS REFILLING SELLERS DEPOT	50,000.00	60,000.00	100,000.00
66	GBAGI CLOTH SELLERS WITH SHOPS	50,000.00	70,000.00	100,000.00
67	GENERAL CONTRACTOR	10,000.00	20,000.00	40,000.00
68	GENERAL MERCHANTS & DISTRIBUTORS	10,000.00	20,000.00	40,000.00
69	GIFT SHOP	5,000.00	10,000.00	15,000.00
70	GOLDSMITH	5,000.00	15,000.00	30,000.00
71	GRAPHIC ART & DESIGNS	5,000.00	15,000.00	30,000.00
72	GRAPHIC ARTS & STUDIO	5,000.00	10,000.00	20,000.00
73	GRINDING MILLS	5,000.00	8,000.00	15,000.00
74	GUEST HOUSES	40,000.00	60,000.00	80,000.00
75	HAIR DRESSERS	2,000.00	5,000.00	10,000.00
76	HAIR DRESSING SALON	5,000.00	10,000.00	15,000.00
77	HORTICUTURE / FLORIST	5,000.00	15000.00	20,000.00
78	HOTEL PROPRIETORS WITH LODGINGS	50,000.00	75,000.00	150,000.00
79	IMITATION JEWELERY SELLERS	5,000.00	10,000.00	20,000.00
80	INTERIOR DECORATORS	5,000.00	10,000.00	20,000.00
81	INTERMEDIATE SHOP OR STALL	2,000.00	3,000.00	4,000.00
82	IRON BENDERS	2,000.00	3,000.00	10,000.00
83	JEWELERY SELLERS	15,000.00	30,000.00	50,000.00
84	LAND LORDS - RESIDENTIAL (PER ROOM)	5,000.00	15,000.00	20,000.00
85	LAND SPECULATORS	20,000.00	50,000.00	100,000.00

REPORT ON PRESUMPTIVE TAX IMPLEMENTATION SUPPORT

APPENDIX 1: KANO NEGOTIATED PRESUMPTIVE TAX RATE

86	LAND LORDS - FACE – FACE (PER ROOM)	2,000.00	5,000.00	10,000.00
87	LARGE STALL	10,000.00	20,000.00	30,000.00
88	LAUNDRIES (DRY CLEANERS)	10,000.00	20,000.00	30,000.00
89	LEATHER CARPETS (LINOLEUM)	5,000.00	10,000.00	15,000.00
90	LETTER – WRITERS	40,000.00	90,000.00	180,000.00
91	LICENSED MERCHANT	60,000.00	90,000.00	180,000.00
92	FABRICATORS OF COOLERS, ALUMINUM, ETC.	10,000.00	15,000.00	20,000.00
93	MATERNITY OWNERS	2,000.00	5,000.00	10,000.00
94	MARTERNITY PRIVATE PROPRIETORS	40,000.00	75,000.00	150,000.00
95	MEAT SELLERS	5,000.00	10,000.00	15,000.00
96	MECHANIZED FARMS	15,000.00	25,000.00	40,000.00
97	MEDICINE STORE PATENT	5,000.00	15,000.00	30,000.00
98	MOBILE PHONE SELLERS	5,000.00	10,000.00	15,000.00
99	MOBILE PHONE DEALERS	75,000.00	150,000.00	300,000.00
100	MOBLE PHONE DISTRIBUTORS	100,000.00	200,000.00	400,000.00
101	MONEY LENDERS	80,000.00	100,000.00	200,000.00
102	MOTOR CYCLE MECHANICS	2,000.00	3,000.00	5,000.00
103	MOTOR VEHICLE PANEL BEATERS & SPRAYES	5,000.00	10,000.00	15,000.00
104	MOTOR SPARE PART DEALERS (NEW PARTS	50,000.00	100,000.00	150,000.00
105	MOTOR SPARE PART DEALERS (OLD)	20,000.00	40,000.00	60,000.00
106	MOTOR VEHICLE MECHANIC	10,000.00	20,000.00	50,000.00
107	MOTOR VEHICLE AIR CONDITIONER.	5,000.00	10,000.00	20,000.00
108	MUSICIANS / ENTERTAINERS	5,000.00	10,000.00	20,000.00
109	BASIC SCHOOL PROPRIETORS	50,000.00	100,000.00	150,000.00
110	OPTICIANS	15,000.00	20,000.00	50,000.00
111	PAINTERS AND DECORATORS	5,000.00	10,000.00	15,000.00
112	PAINT DEALERS	40,000.00	50,000.00	100,000.00
113	GROUND NUT OIL DEALERS	10,000.00	20,000.00	30,000.00
114	PALM OIL DEALERS	10,000.00	20,000.00	30,000.00

APPENDIX: 1, KANO NEGOTIATED PRESUMPTIVE TAX RATE

115				
116				
117	PETROLEUM DEALERS	150,000.00	250,000.00	500,000.00
118	PETROLEUM PRODUCTS	2,000.00	5,000.00	10,000.00
119	PHARMACEUTICAL CHEMISTS	50,000.00	75,000.00	150,000.00
120	PHOTO COLOR LABORATORIES	10,000.00	15,000.00	20,000.00
121	PHOTOGRAPHERS	2,000.00	3,000.00	5,000.00
122	PHOTO DEVELOPERS	5,000.00	7,000.00	10,000.00
123	PHOTOGRAPHIC MATERIALS SHOPS	10,000.00	15,000.00	20,000.00
124	PLANK SELLERS	5,000.00	10,000.00	30,000.00
125	PLASTIC RUBBERS	5,000.00	10,000.00	30,000.00
126	PLUMBERS	2,000.00	5,000.00	10,000.00
127	PLUMBING MATERIALS	5,000.00	10,000.00	20,000.00
128				
129	POOL AGENT	40,000.00	50,000.00	100,000.00
130	POOL PROMOTERS	50,000.00	150,000.00	300,000.00
131	POULTRY FARMERS	10,000.00	15,000.00	40,000.00
132	POULTRY FEED DEALERS	20,000.00	30,000.00	50,000.00
133	POULTRY FEEDS SELLERS	5,000.00	10,000.00	30,000.00
134	POULTRY FEEDS MILLERS	50,000.00	75,000.00	150,000.00
135	PRINTER (MODERN PRESS)	50,000.00	100,000.00	150,000.00
136	PRINTER(WITH PRESS)	10,000.00	15,000.00	20,000.00
137	PRINTER (WITHOUT PRESS)	5,000.00	10,000.00	15,000.00
138	PRINTERS	15,000.00	30,000.00	40,000.00
139	PRODUCE BUYERS	30,000.00	50,000.00	100,000.00
140	PROVISION STORE & MINI SUPER MARKET	100,000.00	150,000.00	250,000.00
141	PROVISION STORES MINI	5,000.00	7,000.00	10,000.00
142	PURE WATER PRODUCERS	5,000.00	10,000.00	30,000.00
143	RAW FOOD SELLERS	5,000.00	7,000.00	10,000.00
144	RECREATIONAL CENTRE	40,000.00	75,000.00	150,000.00

APPENDIX: 1, KANO NEGOTIATED PRESUMPTIVE TAX RATE

145	REFUSE COLLECTIONS	20,000.00	50,000.00	70,000.00
146	RENTALS	15,000.00	30,000.00	70,000.00
147	RESTAURANTS	5,000.00	10,000.00	20,000.00
148	RESTAURANTS (BUKA)	5,000.00	10,000.00	15,000.00
149	RE WIRES & BATTERY CHARGERS	2,000.00	3,000.00	5,000.00
150	RECICKLERS	20,000.00	30,000.00	100,000.00
151	RUGS & CARPETS	50,000.00	60,000.00	120,000.00
152	SAWMILL PROPRIETORS	20,000.00	30,000.00	50,000.00
153	SEAMSTRESSES, FASHION DESIGN	40,000.00	50,000.00	100,000.00
147	RESTAURANTS	5,000.00	10,000.00	20,000.00
154	SEWING MACHINE DEALERS	50,000.00	75,000.00	150,000.00
155	SHOE MAKERS AND COBBLERS	5,000.00	7,500.00	15,000.00
156	SPARE PART DEALERS (MOTOR CYCLE)	20,000.00	50,000.00	100,000.00
157	SPARE PART DEALERS (MOTOR VEHICLE)	30,000.00	150,000.00	300,000.00
158	SPARE PART DEALERS (BICYCLE)	20,000.00	50,000.00	100,000.00
159	SUPER MARKETS	50,000.00	150,000.00	300,000.00
160	TAILORS	5,000.00	10,000.00	15,000.00
161	TAXI & MOTOR DRIVERS	2,000.00	5,000.00	10,000.00
162	TAXI OWNER (PER TAXI CLUB)	30,000.00	40,000.00	80,000.00
163	THRIFT COLLECTORS	20,000.00	30,000.00	50,000.00
164	TIMBER CONTRACTORS	30,000.00	50,000.00	100,000.00
165	TIMBER DEALERS	50,000.00	100,000.00	150,000.00
166	TRANSPORTATION	60,000.00	75,000.00	150,000.00
167	TRAVELING AGENCY	50,000.00	100,000.00	150,000.00
168	TYPING STUDIO, EXCLUDING BUSINESS CENTRES	15,000.00	40,000.00	80,000.00
169	TYER DEALER (NEW)	20,000.00	40,000.00	50,000.00
170	TYER DEALER TOKUNBO)	5,000.00	10,000.00	20,000.00
171	VIDEO CLUBS	10,000.00	50,000.00	100,000.00
172	VULCANIZER	2,000.00	3,000.00	5,000.00

APPENDIX 1: KANO NEGOTIATED PRESUMPTIVE TAX RATE

173	WELDERS	5,000.00	10,000.00	20,000.00
174	WINE & BEER LICENSE OPERATORS	50,000.00	100,000.00	150,000.00
175	YOGHURT SELLERS	3,000.00	3,000.00	3,000.00
176	PUBLIC CONVINIENCE	10,000.00	20,000.00	50,000.00
177	GRANDNUT OIL MILLERS	10,000.00	20,000.00	100,000.00
178	FRUIT SELLERS	2,000.00	3,000.00	5,000.00
179	GWANJO S/HAND CLOTH DEALER	10,000.00	30,000.00	50,000.00
180	GWANJO S/HAND CLOTH SELLERS	2,000.00	3,000.00	5,000.00
181	BORHOLE OWNERS (COMMERCIAL)	10,000.00	20,000.00	30,000.00
182	EVENT CENTERS	50,000.00	100,000.00	200,00
183	KWARI MARKET	5,000.00	10,000.0	30,000.0
184	SABON GARI MARKET	40,000.00	100,000.00	200,000.00
185	KOFAR WAMBAI MARKET	30,000.00	75,000.00	150,000.00
186	KASUWAR KURMI	5,000.00	50,000.00	100,000.00
187	KOFAR RUWA	20,000.00	50,000.00	200,000.00
188	RIMI MARKET	5,000.00	10,000.00	50,000.00
189	DAWANAU	10,000.00	100,000.00	250,000.00
190	YANKABA MARKET	5,000.00	50,000.00	100,000.00
191	TARAUNI MARKET	5,000.00	20,000.00	50,000.00
192	CAMEL/COW DEALERS	50,000.00	100,000.00	200,000.00
193	GOAT/SHEEP DEALERS	30,000.00	50,000.00	100,000.00
194	SHARADA MARKET	5,000.00	15,000.00	50,000.00
195	YANKATAKO	10,000.00	50,000.00	100,000.00
196	YAN LEMO	5,000.00	15,000.00	30,000.00
197	SINGA	50,000.00	100,000.00	200,000.00
198	YAN WAYA	10,000.00	50,000.00	75,000.00

APPENDIX 2: KADUNA NEGOTIATED PRESUMPTIVE TAX RATE

NEGOTIATION OF RATES ON PRESUMPTIVE TAX WITH TRADES/BUSINESS ASSOCIATIONS

S/n	Trades/Association (Trade)	micro (N)	Small (N)	Medium (N)	Remarks
1	MOMTAN				Inconclusive
2	Electrical	3,500.00	5,000.00	7,000.00	
3	Electronics	3,500.00	5,000.00	7,000.00	
4	Furniture /Fittings (Opp. Magajin Gari)	5,000.00	7,500.00	10,000.00	
5	Stationeries	2,500.00	4,000.00	6,000.00	
6	Building Material Dealers	3,500.00	5,000.00	7,500.00	
7	Panteka Maket Industrial Association	2,000.00	5,000.00	10,000.00	
8	Panteka Market Building Material	2,000.00	5,000.00	10,000.00	
9	Motor dealers	12,000.00	15,000.00	20,000.00	
10	Printers	4,000.00	15,000.00	30,000.00	
11	Confectioneries and Bakeries	7,500.00	15,000.00	20,000.00	
12	Kaduna Market Traders Association				Inconclusive
13	Kasuna South Traders Association				Inconclusive
14	Old Panteka Market Association	2,000.00	5,000.00	10,000.00	
15	NATA	2,500.00	5,000.00	10,000.00	
16	Motorcycle				Inconclusive
17	Keke Npepe				Inconclusive
18	ACOMORAN				Inconclusive
19	Printing Materials	3,500.00	5,000.00	7,000.00	
20	Cah wash	3,000.00	5,000.00	6,000.00	
21	Tea & Bread	2,000.00	3,000.00	3,500.00	
22	Capenters	2,000.00	5,000.00	10,000.00	
23	Cement Dealers	5,500.00	8,000.00	12,000.00	
24	Curtain Makers	4,000.00	5,000.00	8,000.00	
25	Spare parts dealers	3,500.00	5,000.00	7,000.00	
26	Patent Madicine	5,000.00	7,500.00	10,000.00	Inconclusive
27	Sports Equipment	5,000.00	6,000.00	10,000.00	
28	Timber Sabo	4,000.00	7,500.00	15,000.00	
29	Tailoring	2,000.00	5,000.00	10,000.00	
30	Photographers	2,500.00	6,500.00	10,000.00	
31	Quarry	2,500.00	5,000.00	10,000.00	Inconclusive
32	Wine dealers	5,000.00	10,000.00	15,000.00	

APPENDIX 2: KADUNA NEGOTIATED RATES ON PRESUMPTIVE TAX WITH TRADES/BUSINESS ASSOCIATIONS

33	Transport Owners - RTEAN, NATO, ALBOA				On going
34	Tipper Drivers				On going
35	Transport workers - NURTW				On going
36	Cummunity Pharmacists	5,000.00	10,000.00	15,000.00	
37	Office Machine	3,500.00	5,000.00	7,500.00	
38	Sales & Repairs of Handset	2,500.00	3,000.00	4,000.00	
39	Blocks	15,000.00	20,000.00	2,500.00	
40	Poultary	5,000.00	15,000.00	20,000.00	
41	Grind Mills				Contact
42	Footware & Leader Goods Manufacturers	3,000.00	5,000.00	10,000.00	
43	Refridgeration & Air-Conditioner (NARAP)	2,500.00	5,000.00	10,000.00	
44	Sabo United Traders	5,000.00	7,500.00	10,000.00	Inconclusive
45	New Panteka	5,000.00	7,500.00	10,000.00	Inconclusive
46	Maternity Owners	20,000.00	30,000.00	50,000.00	
47	Butchers				Contact
48	Welders				Contact
49	Rental Services				Absent
50	Hair dressing & Costometologist	2,500.00	5,000.00	10,000.00	Inconclusive
51	Vulcanizers	25,000.00	5,000.00	7,500.00	
52	Tomatos sellers				
53	Grain Sellers				

APPENDIX 3: ADMINISTRATIVE DOCUMENT FOR THE GUIDANCE OF PRESUMPTIVE TAX ADMINISTRATORS PRESUMPTIVE TAX TABLE CROSS RIVER STATE DOMESTICATION FOR URBAN TOWNS

S/NO	TRADE/BUSINESS	Micro Business	Small Business	Medium Business
1	Boutiques and other cloth sellers - Adult and Children wear.	2,500.00	16,250.00	50,000.00
2	Fabricating, Welding, Bench Milling, Black Smith, Gold Smith.	2,500.00	13,750.00	50,000.00
3	Confectioneries Bakeries.	2,500.00	33,750.00	75,000.00
4	Barbers and Hair Dressing Saloon.	2,500.00	18,750.00	50,000.00
5	Service Providers - Business Centres and Typing Studio, Printers, Thrift Collector, Video Clubs, Car Wash and Owners, Casino Operators, Cyber Café Operators, Drama Group, Laundries, Dry Cleaners, Cinemas, Commercial Mobile Calls, Photographers/Photo Developers, Recreational Centre, Refuse Collections, Rentals, Travel Agency.	2,500.00	30,000.00	75,000.00
6	Artisians - Masons, Vulcanizes, Iron Benders, Carpenters, Cobblers, Painters and Decorators, Plumbers.	2,500.00	22,500.00	50,000.00
7	Petrol, Kerosene and Lubricant Sellers.	2,500.00	16,250.00	60,000.00
8	Tailoring, Interior Decoration, Fashion Designers and Garment Makers, Curtain Makers, Seamstress.	2,500.00	41,250.00	75,000.00
9	Transport Workers - Taxi, Bus, Lorry, etc.	2,500.00	22,500.00	60,000.00
10	General Trading/Enterprises - Retail and Wholesale, Land Speculators, Raw Food, Bookshops/Stationery Stores, Building Materials, Cement, Cooking Gas, Air-Conditioners, Mattress/Foams, Doors, Electrical Parts and Fittings, Furniture/Furnishing Material, Gas Refilling, General Contractor, General Merchants and Distributors, Gift Shop, Entrepreneurs, Imitation Jewel, Jewel, Land Speculators, Leather Carpets, Licensed Merchants, Mobile Phone, Motor Cycle, Spare Parts, Patent Medicine, Photographic Materials, Plank, Plastic Rubbers, Plumbing Materials, Poultry Feeds, Raw Food, Rugs and Carpets, Sewing Machine, Timber Dealers, Tire, Wine and Beer License Operators, Yoghurt.	2,500.00	30,000.00	70,000.00
11	Financial Services - Bureau De Change, Pool Agents and Promoters, Money Lenders.	2,500.00	25,000.00	70,000.00
12	Furniture and Cabinet Makers.	2,500.00	25,000.00	75,000.00
13	Restaurant and Food Sellers.	2,500.00	30,000.00	65,000.00
14	Property - Guest House, Lodging, Face to face Building.	2,500.00	25,000.00	70,000.00
15	Mechanics, Technicians, Electricians, Panel Beaters, motorcycle, Bicycle, Keke NAPEP, Clock and Watch Repairers, and other Machine Repairers, Re-Wires, Battery Chargers.	2,500.00	21,750.00	50,000.00
16	Artisians, Design and Sign Writers, Hand Craft Makers Graphic Arts.	2,500.00	32,500.00	70,000.00
17	Professional Services - Opticians, Photo Lab, Auctioneers, Draughtsman, Maternity Owners, Medicine Store Patent.	2,500.00	27,500.00	60,000.00

ADMINISTRATIVE DOCUMENT FOR THE GUIDANCE OF PRESUMPTIVE TAX ADMINISTRATORS PRESUMPTIVE TAX TABLE CROSS RIVER STATE DOMESTICATION FOR RURAL AREAS

S/NO	TRADE/BUSINESS	Micro Business	Small Business	Medium Business
1	Boutiques and other cloth sellers - Adult and Children wear.	2,500.00	9,750.00	30,000.00
2	Fabricating, Welding, Bench Milling, Black Smith, Gold Smith.	2,500.00	8,250.00	30,000.00
3	Confectioneries Bakeries.	2,500.00	20,250.00	45,000.00
4	Barbers and Hair Dressing Saloon.	2,500.00	11,250.00	30,000.00
5	Service Providers - Business Centres and Typing Studio, Printers, Thrift Collector, Video Clubs, Car Wash and Owners, Casino Operators, Cyber Café Operators, Drama Group, Laundries, Dry Cleaners, Cinemas, Commercial Mobile Calls, Photographers/Photo Developers, Recreational Centre, Refuse Collections, Rentals, Travel Agency.	2,500.00	18,000.00	45,000.00
6	Artisians - Masons, Vulcanizes, Iron Benders, Carpenters, Cobblers, Painters and Decorators, Plumbers.	2,500.00	13,500.00	30,000.00
7	Petrol, Kerosene and Lubricant Sellers.	2,500.00	9,750.00	36,000.00
8	Tailoring, Interior Decoration, Fashion Designers and Garment Makers, Curtain Makers, Seamstress.	2,500.00	24,750.00	45,000.00
9	Transport Workers - Taxi, Bus, Lorry, etc.	2,500.00	13,500.00	36,000.00
10	General Trading/Enterprises - Retail and Wholesale, Land Speculators, Raw Food, Bookshops/Stationery Stores, Building Materials, Cement, Cooking Gas, Air-Conditioners, Mattress/Foams, Doors, Electrical Parts and Fittings, Furniture/Furnishing Material, Gas Refilling, General Contractor, General Merchants and Distributors, Gift Shop, Entrepreneurs, Imitation Jewel, Jewel, Land Speculators, Leather Carpets, Licensed Merchants, Mobile Phone, Motor Cycle, Spare Parts, Patent Medicine, Photographic Materials, Plank, Plastic Rubbers, Plumbing Materials, Poultry Feeds, Raw Food, Rugs and Carpets, Sewing Machine, Timber Dealers, Tire, Wine and Beer License Operators, Yoghurt.	2,500.00	18,000.00	42,000.00
11	Financial Services - Bureau De Change, Pool Agents and Promoters, Money Lenders.	2,500.00	15,000.00	42,000.00
12	Furniture and Cabinet Makers.	2,500.00	15,000.00	45,000.00
13	Restaurant and Food Sellers.	2,500.00	18,000.00	39,000.00
14	Property - Guest House, Lodging, Face to face Building.	2,500.00	15,000.00	42,000.00
15	Mechanics, Technicians, Electricians, Panel Beaters, motorcycle, Bicycle, Keke NAPEP, Clock and Watch Repairers, and other Machine Repairers, Re-Wires, Battery Chargers.	2,500.00	13,050.00	30,000.00
16	Artisians, Design and Sign Writers, Hand Craft Makers Graphic Arts.	2,500.00	19,500.00	42,000.00
17	Professional Services - Opticians, Photo Lab, Auctioneers, Draughtsman, Maternity Owners, Medicine Store Patent.	2,500.00	16,500.00	36,000.00

APPENDIX 4:

DRAFT

MEMORANDUM OF UNDERSTANDING

BETWEEN

KANO STATE GOVERNMENT OF NIGERIA

(REPRESENTED BY KANO STATE INTERNAL REVENUE SERVICE)

AND

NIGERIA ASSOCIATION OF SMALL SCALE INDUSTRIIALISTS, KANO STATE CHAPTER

REPORT ON PRESUMPTIVE TAX IMPLEMENTATION SUPPORT

APPENDIX 4:

This Memorandum of Understanding is made on the..... ...day of..... ....., 2016

BETWEEN

KANO STATE GOVERNMENT OF NIGERIA (hereinafter referred to as **"the State Government" represented by Kano State Internal Revenue Service, which expression shall where the context so admits include its successors in title and assigns),** having its principal place of business at Kano State of Nigeria of the one part;

AND

Nigeria Association of Small Scale Industrialists, Kano State Chapter (hereinafter referred to as **"the small scale industrialists association" which expression shall where the context so admits include its successors in title and assigns),** having its principal place of business at Block 13, Sharada Phase1, Sharada Industrial Area, Kano, Gwale Local Government Area of Kano State of Nigeria of the other part.

The State government and the small scale industrialists association shall be collectively referred to as the "Parties" and individually called "Party".

WHEREAS:

1. The State Government is established for the administration of business activities within its territorial jurisdiction.

2. The State government is responsible for the collection of rates and taxes from businesses and markets within its territorial jurisdiction

3. The National Association of Small Scale Industrialists, Kano State Chapter (NASSI) is the umbrella organization of all small scale industrialists carrying out businesses in Kano State.

4. All members of the National Association of Small Scale Industrialists, Kano State Chapter (NASSI) are liable to pay taxes and rates to the Kano State Government as contained in the Personal Income Tax Act (PITA), Presumptive Tax (PT) Regulation and Kano State MDA Revenue Harmonization Law.

In consideration of the covenants, terms and conditions set forth herein, the parties agree as follows:

APPENDIX 4:

1. OBLIGATIONS OF STATE GOVERNMENT

1.1. The State government shall collect taxes and rates stipulated in the schedule to this MoU in Kano State.

1.2. The State government would adhere to the procedure of collection of taxes and rates from the market operators in accordance with the relevant laws.

1.3. The State Government shall provide efficient and transparent payment systems for the collection of taxes and levies in the markets.

1.3. The State Government shall provide the following services to the Association as may be agreed to between the parties from time to time:

a. Establish dditional, specialized Industrial clusters in each of the three senatorial zones.

b. Water supply, refuse collection and street lightening and access roads,security fire prevention in the Sharada, Dakata, Saunar Kawaji, Kwanar Dawaki and Bagadawa Industrial clusters.

c. Support and facilitate the securing of affordable finances from development banks and donor agencies for MSMEs

d. Patronize MSMEs products, as long as they are of standard quality.

e. Training and skill acquisition programs for the members of the association

1.5. The State government shall carry out such other duties as may be necessary in the discharge of its obligations in this MoU.

2. OBLIGATIONS OF NASSI

2.1 The officials of NASSI would support the State government in making assessment for the collection of the agreed taxes and rates contained in the schedule to this MoU.

2.2. The officials of NASSI shall support the Kano state government in the collection of the agreed taxes and rates contained in the schedule to this MoU.

REPORT ON PRESUMPTIVE TAX IMPLEMENTATION SUPPORT

APPENDIX 4:

2.3 The officials of NASSI shall keep a register of all its members.

2.4 The officials of NASSI shall carryout such other duties as they may be necessary in the discharge of its obligations in this MoU.

3. EFFECTIVE DATE

The term of this MoU shall begin on the effective date, which is the date of the execution of this MoU, and continue until terminated by either Party subject to the provision of Paragraph of this MoU.

4. FORCE MAJEURE.

The obligations of either of the Parties prevented from, or delayed in, complying with its obligations, in whole or in part, by Force Majeure shall to the extent that such obligations are affected by such Force Majeure, be suspended during the continuance of any inability so caused. The Party so affected shall use all reasonable diligence to remove or remedy the Force Majeure situation with all reasonable dispatch in an economic manner; provided, however, that the settlement of labour disputes, including strikes or lockouts, shall, subject to the other terms of this MoU, be entirely within the discretion of the Party having the difficulty.

5. AMENDEMENT:

This MoU contains the entire understanding of the Parties and may not be amended, modified, superseded or canceled except in writing signed by both parties. This provision is without prejudice to any rights, which may have already accrued under prior understandings or written or oral agreements.

6. SEVERABILIY. Each provision of this MoU constitutes a separate and distinct undertaking, covenant and/or provision hereof. If any provision(s) of this MoU shall be adjudged by any court or arbitration panel of any competent jurisdiction to be unenforceable or invalid, such provision(s) shall be limited or eliminated to the

APPENDIX 4:

minimum extent necessary so that this MoU shall otherwise remain in full force and effect and enforceable.

7. GOVERNING LAW.

This MoU and all the rights and duties of the Parties arising from or relating in any way to the subject matter of this MoU or the transactions contemplated by it shall be governed by and construed and enforced in accordance with the laws of Nigeria.

8. DISPUTE RESOLUTION.

8.1. Any dispute or differences arising in connection with this MoU, which the Parties have not been able to resolve by dialogue, shall be referred to an arbitrator jointly appointed by the Parties who shall act in accordance with the provisions of the Arbitration and Conciliation Act, Cap. A18, Laws of the Federation of Nigeria 2004.

8.2 Any claim, action, dispute or controversy of any kind arising out of or relating to this MoU or concerning any aspect of performance by any Party under the terms of this MoU (a 'Dispute') shall be resolved by final and binding arbitration administered pursuant to the provisions of the Arbitration and Conciliation Act, Cap. A18, Laws of the Federation of Nigeria, 2004. The fact that arbitration is or may be allowed will not impair the exercise of any termination rights under this MoU or rights to seek injunctive or other equitable relief.

APPENDIX 4:

IN WITNESS WHEREOF, the parties have caused this memorandum to be executed by their duly authorized officers as of the date and year indicated above.

....

Executive Chairman, KIRS, **Dir Assessment, KIRS**

The Common Seal of the within named

INCORPORATED TRUSTEES OF NATIONAL ASSOCIATION OF SMALL SCALE INDUSTRIALISTS, KANO STATE CHAPTER,

Was hereto affixed in the presence

STATE CHAIRMAN **STATE SECRETARY**

SCHEDULE

	Description	**Amount**
1.	Personal Income tax	Agreed Rate.
2.	Presumptive tax	Agreed rate
3.	MDAs harmonized rates and levies	
4.		

Photo Story

Kano

Chairman of Kano State Internal Revenue Service, during a PPD Workshop with BMOs and Trade association on Presumptive Tax.

H.E Governor Ganduje of Kano State delivering keynote address at PPD workshop on Presumptive Tax

Revenue Staff of Kano State Internal Revenue Service on the field with POS for collection of taxes

Cross River

Capacity building workshop for BIR officers to improve Knowledge and skill in the implementation of Presumptive Tax in Cross River

Executive Secretary of Calabar Chambers of Commerce, Mines and Industry, Mr Kenneth Assim Ittah giving a remark during the PPD on Presumptive Tax with the private sector.

Final engagement workshop/ PPD to reconcile and agree the final IRS position of Presumptive Tax Guidelines and rates.

Kaduna

Signing into law the Kaduna State Tax (Codification & Consolidation) Law, 2016 of which a section on PT is part of it.

The Chairman Joint Traders Association Mr. Shedrack Jimoha making a point during a PPD with the Governor on behalf of all the Associations.

PPD at Hamdala Hotel with the commissioner of finance on 9th December 2015, where the Executive Governor made a surprise appearance

REPORT ON PRESUMPTIVE TAX IMPLEMENTATION SUPPORT

Note

Note

REPORT ON PRESUMPTIVE TAX IMPLEMENTATION SUPPORT

Note