

**STATE-SPECIFIC RECOMMENDATIONS**

**Scorecard for Bauchi State**

Internally Generated Revenue (IGR) accounts for only 7.4% of the total recurrent revenue of Bauchi State. In the last five years, growth in IGR has been very low, averaging only 9.3 percent, from N3.4 billion in 2010 to N4.9 billion in 2014. In 2014, the State’s IGR was only 21 percent of its personnel cost while IGR per capita was less than N1, 000.

**IGR SNAPSHOT IN THE NORTH EAST ZONE (2014)**

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| S/N | STATE | MONTHLY IGR (N) | ANNUAL IGR (N) | 5 YR GROWTH RATE | IGR/RECURRENT REVENUE (%) | IGR PER CAPITA (N) |
| 1 | GOMBE | 433,038,365.16 | 5,196,460,381.93 | 15.2% | 9.8% | 1,707.78 |
| 2 | ADAMAWA | 416,206,823.40 | 4,994,481,880.78 | 4.4% | 8.9% | 1,249.93 |
| 3 | BAUCHI | 404,454,432.07 | 4,853,453,184.87 | 9.3% | 7.4% | 798.27 |
| 4 | TARABA | 316,586,739.46 | 3,799,040,873.48 | 31.1% | 7.2% | 1,317.06 |
| 5 | YOBE | 256,148,346.74 | 3,073,780,160.87 | -15.3% | 5.8% | 1,005.57 |
| 6 | BORNO | 230,064,481.58 | 2,760,773,778.99 | 7.0% | 4.2% | 506.54 |

Commendable IGR milestones achieved by the State:

1. An autonomous board of IRS
2. An effective tax audit system
3. Competitive salary structure for the IRS
4. IT systems and infrastructure in place to register tax payers

Challenges that have lead to drawbacks in revenue generation:

* Tax noncompliance from citizens (taxpayers)
* Leakages in the collection of taxes
* Loopholes in tax laws diminish chances of collecting tax
* High incidences of multiple taxation across the State

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| **S/N** | **Identified Goals** | **Reforms Required** | **Timeline** | **Responsibility** |
| 1 | Establishment of a legal framework on property and consumption tax | * Submission of a draft Bill to the State House Of Assembly | 6 months | Bauchi State Government |
| 2 | Increase IGR by taxing the informal sector | * Updating database on informal sector * Collaboration with all stakeholders in the informal sector (traditional rulers, trade unions e.t.c) | 6 months | Board of Internal Revenue/ Bauchi State Government |
| 3 | Achieve full tax compliance | * Political will from the State Governor * Collaboration with State/Federal MDAs as well as NGOs | 6 months | Board of Internal Revenue/State Government |

**STATE’S ACTION PLAN**