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**LIRS TO ISSUE
NEW TAX
IDENTIFICATION NUMBER
ARTICLE**



The Lagos State Internal Revenue Service (LIRS) recently intimated the general public through a notice, of its intention to integrate the Lagos State Government Electronic Banking System (LASG-EBS) Payer Identification Digit (PID) module into the National Tax Identification Number (TIN) system with the Joint Tax Board (JTB).

The integration is aimed at:

- a. Facilitating the sharing of taxpayer's data with the JTB and other relevant stakeholders;
- b. Making tax payment easy;
- c. Eliminating multiple payer ID;
- d. Simplifying taxpayers' registration;
- e. Serving as proof of taxpayers' registration;
- f. Reducing the cost to both the taxpayer and the tax authorities

Access to the LASG-EBS would require the validation of the tax payer's Bank Verification Number (BVN).

Consequently, in order to create the unique PID, all self-employed individuals are required to provide their BVN to LIRS. Furthermore, all corporate organisations are to ensure that their employees, who qualify for a Tax Clearance Card (TCC), include their BVN in individual e-TCC forms.

It is pertinent to note that the BVN is the unique identity of a bank customer and needs top-level security clearance.

In fact, tax authorities were not listed by the Central Bank of Nigeria (in its Regulatory Framework for BVN Operations and Watchlist for the Nigerian Banking Industry) as one of the entities requiring access to the BVN database. However, tax authorities might access the information where they obtain a valid court order and the approval of the CBN.

Presumably, the LIRS recognises the importance of the BVN information and has stated that it would ensure confidentiality of the information in the Public Notice.

It is expected that the successful integration of the tax systems may impact positively on the ease of doing business in Nigeria and engender an increase in Nigeria's ease of paying taxes ranking.

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