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## THE JOINT TAX BOARD'S NEW TIN REGISTRATION SYSTEM



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Welcome to a new age in tax administration as the Joint Tax Board's ("JTB") new Tax Identification Number registration system ("the new system") goes live. The system was developed to consolidate a national unified taxpayers' database.

A pestering issue in the tax administration has been poor tax compliance, difficulty in payment of taxes, multiple taxations amongst others.

Tax authorities have taken steps to increase the tax base,[1] and at present, Nigeria has a tax base of 20 million persons.[2] It has been reported that the taxpayer roll may likely hit 45 million persons in Q3, 2019 as a result of the efforts of the JTB.[3]

That underscores the need for a central database in effective tax administration. The New TIN System is a novel initiative of the JTB which presents a consolidated tax database for the entire country.[4] In other words, taxpayers' information will be integrated into the central database, and various tax authorities can access the information.

For instance, Lagos State issues a Taxpayers Identification Digit (PID) to taxpayers, and further to this initiative, the Lagos State Inland Revenue Service published a notice of its intention to integrate with the JTB TIN.

Click here to access our article on the public notice.

Nigeria tax to GDP ratio of 6% is one of the lowest in the world,[5] hopefully the JTB innovation will positively influence the ratio.

The new system may also reduce the incidences of double taxation since tax information would be more accessible.

[1] Such as the Voluntary Assets and Income Declaration Scheme

[2] Chris Agabi, Daily Trust - <https://www.dailytrust.com.ng/firs-targets-45m-tax-base-by-q3-2019.html> accessed

[3] FIRS Press Releases- Nigeria's taxpayer roll hugs 45 million as database integration nears completion - <https://www.firs.gov.ng/PressRelease/RollHugs45> accessed 12th July 2019

[4] Idowu Bankole, New TIN System will bring convenience to the tax payer; boost tax compliance, revenue collection - Fowler, <https://www.vanguardngr.com/2019/06/new-tin-system-will-bring-convenience-to-the-tax-payer-boost-tax-compliance-revenue-collection-fowler/>

[5] Tobi Awodipe, The Guardian, "Nigeria's Tax: GDP Ratio remains one of the poorest in Africa" <https://guardian.ng/business-services/nigerias-tax-gdp-ratio-remains-one-of-the-poorest-in-africa/> accessed on 12th July 2019

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