

**A BILL
FOR
AN ACT TO ESTABLISH THE NATIONAL INSPECTOR-GENERAL FOR TAX CRIMES
COMMISSION
TO ADDRESS REVENUE LEAKAGES EMANATING FROM NON-PAYMENT AND
UNDER-PAYMENT OF TAXES; IRREGULARITIES IN THE ASSESSMENT, REPORTING
AND REMITTANCES OF TAXES; TO PREVENT AND COMBAT TAX-RELATED
CRIMES; TO PLUG ALL LEAKAGES IN THE TAX ADMINISTRATION SYSTEM; TO
ENSURE THE PROTECTION OF TAX PAYERS RIGHTS; AND FOR RELATED MATTERS,
2022 (SB. 951)**

Sponsor: Senator Orji Uzor Kalu (Abia North)

[] Commencement.

1 **BE IT ENACTED** by the National Assembly of the Federal Republic of Nigeria as
2 follows –

3 **PART I – ESTABLISHMENT OF THE NATIONAL INSPECTOR-GENERAL**
4 **FOR**
5 **TAX CRIMES COMMISSION**

**Establishment of
the National
Inspector-
General for Tax
Crimes
Commission.**

6 **1.** (1) There is hereby established a body to be known as the National Inspector-
7 General for Tax Crimes Commission (in this bill referred to as “the Commission”).

8 (2) The Commission –

9 (a) shall be a body corporate with perpetual succession and a common seal and
10 may sue and be sued in its corporate name; and

11 (b) may acquire, hold, mortgage, purchase and deal with property, whether
12 movable or immovable.

13
14 **2.** There is hereby established for the Commission a Governing Board (in this
15 Bill referred to as “the Board”) which shall consist of –

**Establishment of
the Governing
Board.**

16 (a) a chairman who shall –

17 (i) be a person with good knowledge in revenue issues, finance and
18 administrative matters, and

19 (ii) have qualifications and experiences as required to perform the
20 functions of that office under this Bill;

21 (b) 2 representative not below the rank of a Director of the Ministries in charge
22 of –

23 (i) Finance,

24 (ii) Budget and National Planning;

25 (c) one representative each of the –

26 (i) Federal Inland Revenue Service,

27 (ii) Budget Office of the Federation,

28 (iii) Revenue Mobilization and Fiscal Responsibility Commission,

29 (iv) Office of the Auditor-General of Nigeria,

1 (v) Office of the Accountant General of Nigeria, and

2 (d) the Secretary who shall be appointed by members of the Board.

3 (2) The membership of the Board shall reflect the six geo-political zones of the
4 Federation.

5 (3) The members of the Board shall be appointed by the President subject to
6 confirmation by the Senate.

7 (4) The Board shall from time to time elect from among its members a vice-
8 chairman, who shall in the absence of the chairman have all the powers and duties of
9 the chairman, and if neither the chairman nor the vice-chairman is available, shall
10 nominate a person from their own ranks to preside at that meeting.

11 (5) The Chairman and other members Board shall –

12 (a) be persons with considerable experience from both the public and private
13 sectors to represent the Finance, revenue and business sectors; and

14 (b) be persons of unquestionable character and proven integrity.

15 (6) The Board shall meet for the conduct of its ordinary meetings at least 4 times
16 in a calendar year.

17 (7) Notwithstanding the provision of subsection (6) of this section, the Board
18 may meet to conduct such other business as exigency demands.

19 (8) The supplementary provision set out in the Schedule to this Bill shall have
20 effect with respect to the proceeding of the Board and other related matters.

21
22 3. (1) The Chairman or a member of the Board shall each hold office for a term of 4
23 years and no more.

**Tenure of office
of members of
the Board.**

24 (2) The Chairman or a member of the Board of Trustees shall cease to hold office
25 if he –

26 (a) becomes of unsound mind;

27 (b) becomes bankrupt or makes a compromise with his creditors;

28 (c) is convicted of a felony or any offence involving dishonesty, fraud, violence,
29 extortion or intimidation;

30 (d) is guilty of serious misconduct in relation to his duties; or

31 (e) is not permanently resident in the Federal Republic of Nigeria.

32
33 4. (1) The Chairman or a member of the Board shall vacate his or her office if
34 he –

**Cessation of
membership.**

35 (a) becomes subject to a disqualification contemplated in section 3(2) of this bill;

36 (b) becomes of unsound mind;

37 (c) is absent without the leave of the Secretary for more than two consecutive
1 meetings of the Board.

2 (2) The Chairman or a member of the Board may be removed from office by the
3 President, subject to the approval of the Senate, if he is satisfied that it is not in the
4 interest of the Commission or the public that the member should continue in that
5 office.

6 (3) The Chairman or a member of the Board may resign his appointment by a
7 notice in writing under his hand, addressed to the President.

8 (4) Where a vacancy occurs in the membership of the Board, it shall be filled by
9 the appointment of a successor to hold office for the remainder of the term of office
10 of his predecessor, so that the successor shall represent the same interest and shall be
11 appointed by the President.

12
13 5. There shall be pay to every member of the Board such allowances as the
14 Commission may from time to time determine.

**Allowances of
members of the
Board.**

16 PART II – FUNCTIONS OF THE COMMISSION

17
18 6. The Commission shall –

Functions of the

- 19 (a) complement the Federal Inland Revenue Service in ensuring compliance with
 20 payment of tax;
 21 (b) develop and implement national policy for tracking down tax defaulters;
 22 (c) develop tax compliance strategies;
 23 (d) provide for an efficient and effective mechanism in administering the
 24 Nigerian tax system;
 25 (e) and to protect taxpayers rights
 26 (f) educate the citizenry on tax matters;
 27 (g) collaborate with relevant stakeholders to ensure payment of taxes and proper
 28 remittance to the Federation Account;
 29 (h) provide a transparent platform on all matters relating to tax;
 30 (i) provide sustainable finance and revenue for the government, and
 31 (j) perform such other functions as may considered necessary for the attainment
 32 of the objective set out in this Bill.

33
 34 7. The Board shall have powers to –

- 35 (a) manage and superintend the affairs of the Commission;
 36 (b) establish committees or specialized departments for the purpose of effective
 regulation and discharge of the Commission's functions under the Bill;
 1 (c) formulate general policies for the regulation and development of the
 2 Commission;
 3 (d) subject to the provisions of this Bill, make, alter, and revoke rules and
 4 regulations for carrying out the functions of the Agency;
 5 (e) with the prior consent of the Inspector General of Tax, to borrow or dispose
 6 of any property;
 7 (f) appoint either on transfer, secondment or leave of absence from any public
 8 service of the federation or private sector, such number of employees as may, in
 9 the opinion of the Board be required to assist the Commission in the discharge of
 10 any of its functions under this Bill, and shall have power to pay such employees
 11 remunerations including allowances as the Board may from time to time
 12 determine;
 13 (g) accept gifts of land, money or other testamentary dispositions, endowments
 14 and contributions on such terms and conditions, if any, as may be specified by
 15 the donor of the gift (provided that the Commission shall not accept any gift if
 16 the conditions attached thereto by the donor are inconsistent with the functions of
 17 the Commission);
 18 (h) subject to the provisions of this Bill, by general or special order in writing,
 19 delegate to any member or officer of the Commission or any other person subject
 20 to such conditions, if any, as may be specified in the order, such of its powers
 21 and functions under this Bill as it may deem necessary;
 22 (i) determine the terms and conditions of service including remunerations of
 23 employees;
 24 (j) subject to the provisions of this Bill, make staff regulations relating generally
 25 to the conditions of service of employees of the Commission and without
 26 prejudice to the generality of the foregoing, such regulations may provide for –
 27 (i) the appointment, promotion and disciplinary control including
 28 dismissal of employee of the Commission, and
 29 (ii) procedure for appeals by such employees against dismissal or other
 30 disciplinary measures; and

Powers of the
Board.

31 (k) do such other thing which in the opinion of the Board and directives of the
32 Inspector-General of Tax are necessary and expedient to ensure the efficient
33 discharge of the functions of the Commission.

34 (l)

35 **PART III – STRUCTURE OF THE COMMISSION**

36
37 **8.** (1) For the purposes of effective administration, the Commission shall be
1 structured into four operational departments as follows –

**Structure of the
Commission.**

2 (a) Investigation and Monitoring;

3 (b) Research;

4 (c) Administration; and

5 (d) Operations.

6 (2) The Board may create additional operational departments and Committees
7 based on management recommendation and prevailing circumstances.

8 (3) Each Department shall be managed by Deputy Inspector General of Tax
9 (DIGT) who shall be charged with the responsibility of coordinating the functions of
10 such department as spelt out in the Administrative manual of the Commission.

11 12 **PART IV – MEMBERSHIP AND ZONAL OPERATIONS OF 13 THE COMMISSION**

14
15 **9.** (1) The Commission shall consist of such number of volunteers and regular
16 members as may, from time to time, be recruited by the Board to meet the
17 requirement of the Commission.

**Membership of
the Commission**

18 (2) Members of the Commission shall be made up of such officers and other
19 ranks as the Board may from time to time determine.

20
21 **10.** (1) The Board shall –

22 (a) divide Nigeria into such number of zones as it may determine for the
23 effective organization of the Commission;

24 (b) To establish, a zone, to be headed by an Assistant Inspector General of Tax
25 (AIGT)

**Establishment of
Zones and zonal
operations of the
Commission.**

26 (2) Each Zonal Assistant Inspector General of Tax shall, subject to the direction
27 and overall operation of the Commission, be responsible for coordinating the
28 activities of the Commission in that Zone.

29
30 **11.** (1) There shall be established for the Commission, a State Inspector of Tax
31 (SIT) in each state of the Federation and the Federal Capital Territory, Abuja

**Establishment of
State Tax
Inspection
Bureau.**

32 (2) The State Inspector of Tax shall subject to the direction and overall operation
33 of the Commission by the Zonal Assistant Inspector General of Tax (AIGTs), are
34 responsible for carrying out the functions of the Commission in the States and the
35 Federal Capital Territory, Abuja.

36 37 **PART V – STAFF OF THE COMMISSION**

1
2 **Appointment of the inspector-General of Tax.**

3 **12.** There shall be an Inspector General of Tax who shall –

4 (a) be appointed by the President subject to confirmation by the Senate;

5 (b) be the Chief Executive and Accounting Officer of the Commission;

**Appointment of
the Inspector-
General**

6 (c) have qualification and experience as are appropriate for a person required to
7 perform the functions of that office under this Bill, and
8 (d) hold office for a period of 5 years in the first instance and may be eligible for
9 reappointment for a further term of 5 years only and on such terms and
10 conditions as to emoluments, and conditions of service as may be specified in his
11 letter of appointment.

12
13 **13.** The Inspector-General of Tax shall, subject to the general direction of the
14 Board, be responsible for –

- 15 (a) the day-to-day administration of the Commission;
16 (b) keeping the books and records of the proceedings of the Board;
17 (c) the administration of the secretariat of the Board; and
18 (d) the general direction and control of all other employees of the Commission.

**Duties and
powers of the
Inspector-
General of Tax.**

19
20 **14.** (1) The Board shall appoint for the Commission such number of employees
21 as may in the opinion of the Board be expedient and necessary for the proper and
22 efficient performance of the functions of the Commission.

**Other staff of the
Commission.**

23 (2) The terms and conditions of service (including remuneration, allowances,
24 benefits and pensions) of the employees of the Commission shall be as determined
25 by the Board.

26 (3) The volunteers of the Commission shall, for any period they are on duty for
27 the Commission, be provided allowances to cover expenses as may be approved by
28 the Board.

29
30 **15.** (1) Service in the Commission shall be approved service for purposes of
31 pension.

Pensions.

32 (2) Employees of the Commission shall be entitled to pension, gratuity and other
33 retirement benefits as are enjoyed by persons holding equivalent grades in the Civil
34 Service of the Federation.

35 **PART VI – FINANCIAL PROVISIONS**

36
37
1 **16.** (1) There shall be established and maintained by the Commission, a Fund
2 into which shall be paid and credited –

**Fund of the
Commission**

- 3 (a) all budgetary allocations from the Federal Government;
4 (b) such monies as may, from time to time, be lent, deposited or granted to the
5 Commission by the Government of the Federation or of a State;
6 (c) all grants received from both local and international organization for the
7 purpose of the Commission;
8 (d) all monies received by the Commission as gifts, loans, contributions,
9 testamentary deposition or donations; and
10 (e) all other monies and assets which may accrue to the Commission from time
11 to time.

12 (2) The Fund shall be managed in accordance with rules made by the Inspector-
13 General of Tax and without prejudice to the generality of the power to make rules
14 under this subsection, the rules shall in particular contain provisions –

- 15 (a) specifying the manner in which the assets of the Fund are to be held and
16 regulating the making payments into and out of the Fund; and
17 (b) requiring the keeping of proper accounts and records for the purposes of the

18 Fund in such form as may be specified in the rules.
19 (3) The Commission may, subject to the provisions of this Bill and the conditions
20 of any trust created in respect of any property, invest all or any of its funds in any
21 security prescribed by the Trustee Investments Act or in such other securities as
22 may, from time to time, be approved by the Minister.

23 17. The Commission shall apply the proceeds of the fund established pursuant to
24 clause 15 of this Bill to –

**Expenditure of
the Commission**

- 25 (a) cost of administration of the Commission;
26 (b) payment of salaries, fees, remuneration, bills, rent;
27 (c) cost of maintenance of any property acquired or vested in the Commission;
28 (d) capital expenditure approved by the Commission;
29 (e) allowances, salaries, remuneration, pensions and gratuities payable to the
30 members of the Board specified in section 5 of this Bill or any Committee of the
31 Board and the employees of the Commission so, however that no payment of any
32 kind under this paragraph (except such as may be expressly authorized by the
33 Board) shall be made to any person who is in receipt of emolument from the
34 government of the federation or a State;
35 (f) the payment for all contracts, including mobilization, fluctuations, variations,
36 legal fees and cost on contract administration;
37 (g) the payment for all purchases; and
1 (h) undertaking such other expenses and activities as are connected with all or
2 any of the functions of the Commission under this Bill.
3

4 18. (1) The Commission may accept gifts of land, money or other property on
5 such terms and conditions; considered lawful.

**Gifts to the
Commission.**

6 (2) The Commission shall not accept any gift if the conditions attached by the
7 person or organization making the gift are inconsistent with the functions of the
8 Commission under this Bill.
9

10 19. (1) The Commission may, with the approval of the Inspector-General of Tax
11 and subject to such conditions and with such limits as the Federal government may
12 impose, borrow money from the Government, a bank, or any other lending
13 institution or individual necessary and convenient to carry out its purposes.

Power to borrow.

14 (2) No money may be borrowed or any advance be accepted by the Commission
15 from the Government, its agencies, or any other source within or outside Nigeria,
16 except with the consent of the Senate.
17

18 20. The Board shall cause to be kept proper accounts of the Commission in
19 respect of each year and proper records thereto and shall cause the accounts to be
20 audited not later than 6 months after the end of each year by auditors appointed from
21 the list in accordance with the guidelines supplied by the Auditor-General of the
22 Federation.
23

Accounts

24 21. The Commission shall not later than 30th September each year or other date
25 stipulated by law or policy, submit to the National Assembly an estimate of
26 expenditure or income of the Commission as approved by the Board for the next
27 fiscal year for incorporation into the National budget.
28

**Annual estimates
and expenditure.**

29

30 22._ (1) The Board shall prepare and submit to the Minister not later than 30th
31 June in each year, a report in such form as the Minister may direct, the activities of
32 the Board during the immediate preceding year, and shall include in the report a
33 copy of the audited accounts of the Fund for that year and the auditor's report
34 thereon.

Annual report.

35 (2) The Minister shall, upon receipt of the report referred to in subsection (1) of
36 this section, cause a copy of the report and the audited accounts of the Fund and the
37 auditor's report thereon to be submitted to each House of the National Assembly.

1
2 23._ The Board, funds and its properties shall not be liable to tax by any
3 government or authority and contributions to the fund shall be recognized for tax
4 purposes as expenditure towards the sustenance of the donor's business.

Exemption from tax.

5
6 **PART VII – MISCELLANEOUS PROVISIONS**
7

8 24._ A staff of the Commission who –
9 (a) contravention of the objects of the Commission;
10 (b) takes part in any subversive activity, including mutiny and disturbance of
11 public peace;
12 (c) abets, incites, conceals or condones the commission of any offence;
13 (d) takes part in an illegal assembly of persons with intention to breach public
14 peace, destroy property or assault any person or group of persons;
15 (e) having knowledge that an offence or any illegal act is about to be committed,
16 fails to inform his superior officer; and
17 (f) takes part in a strike, and assaults his superior officer, commits an offence and
18 shall liable on conviction to imprisonment for a term not exceeding two years
19 and a termination of his employment.

Penalties for staff of the Commission.

20
21 25._ (1) A person aggrieved by any action of the Commission under this Bill,
22 including such action taken on the basis of the Commission's power under this Bill
23 may bring an action in the Federal High Court provided that the aggrieved person
24 shall give the Commission 21 days' notice in writing of the intention to bring an
25 action against such action.

Pre-action notice.

26 (2) The intending plaintiff shall serve on the Commission a formal written notice
27 which shall clearly and explicitly stated –

- 28 (a) the cause of action;
29 (b) the particulars of the claim;
30 (c) the name and place of abode of the intending plaintiff; and
31 (d) the reliefs which the Plaintiff intends to claim.

32 (3) The notice of intention to initiate an action against Commission referred to in
33 sub clauses (1) and (2) of this clause may be addressed to and delivered to the office
34 of the Inspector-General of Tax.

35
36 26._ (1) Subject to the provisions of this Bill, the provisions of the Public
37 Officers Protection Act shall apply in relation to any suit instituted against any
1 officer or employee of the Commission

Limitation of suits against the Commission

2 (2) Notwithstanding anything contained in any other law, no suit against any
3 member of the Board, the Inspector-General of Tax or any other officer or employee
4 of the Commission for any act done in pursuance or execution of this Bill or any

5 other law, or of any public duty or authority or in respect of any alleged neglect or
6 default in the execution of this Bill or such law, duty or authority, shall lie or be
7 instituted in any court unless –

8 (a) it is commenced within 3 months next after the act, neglect or default
9 complained of; or

10 (b) in the case of a continuation of damage or injury, within 6 months next after
11 the ceasing thereof.

12 (3) No suit shall be commenced against a member of the Board, the Inspector-
13 General of Tax, officer or employee of the Commission before the expiration of a
period of one month after written notice of intention to commence the suit shall have
been served upon the Commission by the intending plaintiff or his agent.

(4) The notice referred to in sub clause (3) of this clause shall clearly and
explicitly state the cause of action, the particulars of the claim, the name and place of
abode of the intending plaintiff and the relief which he claims.

27. A notice, summons or other document required or authorized to be served
upon the Commission under the provisions of this Bill or any other law or enactment
may be served by delivering it to the Inspector-General of Tax.

**Service of
documents**

28. (1) In any action or suit against the Commission, no execution or attachment
of process in the nature thereof shall be issued against the Commission.

(2) Any sum of money which may, by the judgment of any court, be awarded
against the Commission shall, subject to any direction given by the court where
notice of appeal of the said judgment has been given, be paid from the general
reserve fund of the Commission.

**Restriction on
execution against
property of the
Commission.**

29. Every member of the Board, agents or employees of the Commission shall
be indemnified from liability incurred in defending any proceeding brought against
the persons under this Bill, in the person's capacity as member, agent or employee of
the Commission.

**Indemnity of
officers.**

30. (1) Every Member of the Board, the Inspector-General of Tax or any other
officer or employee of the Commission shall treat as confidential any information
which is obtained in the exercise of their powers or performance of their duties under
this Bill.

**Duty of non-
disclosure of
information.**

(2) No member of the Board, the Inspector-General of Tax or any other officer or
employee of the Commission shall –

(a) use for personal gain, any information obtained in the exercise of their
power or duty;

(b) disclose any information referred to under subsection (1) of this section
except when required to do so by any court or in such other circumstances as
may be prescribed by the Board from time to time.

(3) Any person who contravenes the provisions of subsection (1) and (2) of this
section commits an offence and shall be liable on conviction to a fine of not less than
₹200,000.00 or imprisonment for a term not exceeding two years or both.

31. (1) For the purpose of carrying out the functions conferred on the
Commission under this Bill, the Inspector-General of Tax or any other officer or
employee of the Commission authorized in that behalf –

**Power to obtain
information.**

- (a) shall have a right of access to all the records of any person or authority affected by this Bill for the specific purpose of discharging his duties under this Bill, and
- (b) may by notice in writing to furnish information require that person or authority to furnish information on such matters as may be specified in notice.
- (2) Any person or authority served with the notice under subsection (1) of this section shall furnish information as required and comply with the notice within a reasonable time.

32. The President may give directives of a general nature or relating generally to matters of policy with regard to functions of the Commission and it shall be the duty of the Commission to comply with the directives.

Directives by the President, etc.

33. The Inspector-General of Tax may, on the recommendation of the Board make regulations as may be necessary or expedient for giving full effect to the provisions of this Bill and for the administration thereof.

Regulations.

34. In this Bill, unless the context otherwise requires –
 “Board” means the Governing Board of the Commission;
 “Commission” means the National Inspector-General for Tax Crimes Commission established by this Bill;
 “Minister” means the Minister charged with responsibility for matters relating to Finance;
 “President” means the President of the Federal Republic of Nigeria;
 “Volunteer” means persons who not being regular members, or officers or employees of the Commission; sign up to aid the Commission in the performance of its functions.

Interpretation.

35. This Bill may be cited as the National Inspector-General for Tax Crimes Commission (Establishment, etc.) Bill, 2022.

Citation.

SCHEDULE

Section 2(8)

SUPPLEMENTARY PROVISIONS RELATING TO THE BOARD

Proceedings of the Board

1. (1) Subject to the provisions of this Bill and section 27 of the Interpretation Act, the Board may make standing orders regulating its proceedings or those of any of its committees.

(2) The quorum of the Board shall be 5 members and the quorum of any committee of the Board shall be determined by the Board.

2. (1) The Board shall meet not less than 4 times in each year and subject thereto, the Board shall meet whenever it is summoned by the Chairman, and if the Chairman is required to do so by notice

given to him by not less than 3 other members, he shall summon a meeting of the Board to be held with 14 days from the date on which the notice is given.

(2) At any meeting of the Board, the Chairman shall preside but if he is absent, the members present at the meeting shall appoint one of them to preside at the meeting.

(3) Where the Board desires to obtain the advice of any person on a particular matter, the Board may co-opt him for such period as it thinks fit; but a person who is in attendance by virtue of this sub-paragraph shall not be entitled to vote at any meeting of the Board and shall not count towards a quorum.

Committees

3. (1) The Board may constitute one or more Committees to carry out, on behalf of the Board, such of its functions or the functions of the Commission as the Board may determine.

(2) A committee constituted under this paragraph shall consist of such number of persons (not necessarily members of the Board) as may be determined by the Board; and a person other than a member of the Board shall hold office on the committee in accordance with the terms of his appointment.

(3) Subject to the provisions of this Bill and the decision of the Board, a committee constituted under this Bill may regulate its own proceedings and business.

(4) A decision of a committee of the Board shall be of no effect until it is confirmed by the Board.

Miscellaneous

4. (1) The fixing of the seal of the Commission shall be authenticated by the signature of the Chairman and any other person authorized generally or specifically to act for that purpose by the Board.

(2) Any contract or instrument which, if made or executed by a person not being a body corporate, would not be required to be under seal may be made or executed on behalf of the Commission by the Inspector-General of Tax or any other person generally or specifically authorized to act for that purpose by the Board.

(3) Any document purporting to be a document duly executed under the seal of the Commission shall be received in evidence and shall, unless and until the contrary is proved, be presumed to be so executed.

5. The validity of any proceeding of the Board or of a committee thereof shall not be adversely affected by any vacancy in the membership of the Board or committee, or by any defect in the appointment of a member of the Board or of the committee, or by reason that a person not entitled to do so took part in the proceedings of the Board or committee.

EXPLANATORY MEMORANDUM

This Bill seeks to establish the National Inspector-General for Tax Crimes Commission to promote economic efficiency and effectiveness in administering the nation's tax system, detect and deter fraud and abuse in taxation programme and operations and to protect tax payer's rights.