

A COMMUNIQUE ISSUED AT END OF THE STAKEHOLDERS RETREAT ON INTERNALLY GENERATED REVENUE ORGANISED BY THE DELTA STATE BOARD OF INTERNAL REVENUE HELD ON JANUARY 18 -19, 2016 AT SONGHAI DELTA, AMUKPE-SAPELE, DELTA STATE

Preamble:

The Delta State Board of Internal Revenue is statutorily saddled with the responsibility of controlling and administering the different taxes/tariffs as enunciated in the Delta State Internal Revenue Consolidation Law 2009. The Board, in line with the above and in an attempt to galvanize and awaken the critical mass of the state to their tax responsibilities organized a stakeholders retreat with the theme ***"Improving Internally Generated Revenue - A collective Responsibility of all Deltans for the Actualisation of the S.M.A.R.T. Agenda"*** on January 18 - 19, 2016 at Amukpe- Sapele, Delta State.

The Thematic focus were on:

1. Growing Internally Generated Revenue
2. Informal Sector: The Untapped Goldmine
3. Withholding Tax collection: The Revenue Potentials
4. Ground Rent: Collection Strategies and Challenges
5. Legal implication of Tax Evasion/Avoidance
6. Road Tax: A Veritable Source of Revenue
7. Consumption Tax and Infrastructure Levy: Examples from other States
8. Boosting IGR through plugging Loopholes: The Electronic Approach
9. Payment of Tax as a civic obligation

The retreat which had in attendance The Executive Governor of Delta State, Senator (Dr) Ifeanyi Arthur Okowa, Speaker and Members of Delta State House of Assembly, Honourable Commissioners, Secretary to State Government, Local Government Chairmen, Permanent Secretaries, Revenue Court Judges, Representatives of the organized private sector, Leaders of Trade Unions, market women and youth leaders, religious and professional bodies, traditional rulers and other selected stakeholders was declared opened by His Excellency, The Executive Governor of Delta State.

Introduction:

The continuous fall in the oil price and the attendant drop in receipts from the Federation account has affected the pursuit of laudable developmental programmes of government at all levels. The need to look inward becomes imperative in the light of the current situation. The state government in her effort to deliver on promises and which is equal to prosperity for all Deltans organized through the Delta State Board of Internal Revenue a stakeholders retreat to brainstorm on the roadmap to an all-inclusive participation in tax payment and judicious use of tax receipts. Succinctly, it identifies taxes as a major means of financing government activities/pogrammes in the state.

Recommendations/Resolutions:

1. The retreat noted that the drastic fall in oil revenue has put governance under severe pressure and calls for the need to look inward.
2. It observed that Tax payment is a matter of the law; a civic responsibility of all taxable Deltans and requires rigorous enforcement done within the confines of the law. It affirmed that tax evasion and avoidance are criminal offences.
3. That, the need for the political will and government backing in enforcement processes cannot be compromised especially in the face of the current situation in the economy,
4. Presently, the bulk of the current tax payers fall within the Pay-As-You-Earn Tax (PAYE) net, therefore creating a conducive operating investment environment for the informal sector to thrive cannot be compromised.
5. That, the use and the deployment of appropriate technology and ICT tools will result in the increase of the States revenue profile.
6. A reward and recognition system to motivate staff of the Board and Tax payers should be institutionalized or put in place.
7. That, the Board should be granted greater autonomy to curtail bureaucratic bottle necks and administrative paralysis.
8. In line with modern tax administration and global best practices, target driven organizations which the tax authority is, assigning responsibility should be purely based on performance since the objective of the organization and the expectation of the government is to meet target
9. That. Government should invest more on Capital expenditure because of its impact on job creation and by extension increasing the tax revenue.
10. That, seamless and voluntary tax compliance processes be put in place.
11. That, the Delta Board of Internal Revenue should increase its database to bring more tax payers into its tax net. More than 70% of taxable adults in Delta State are in the

informal sector and as such, rigorous efforts should be made to capture them into the tax net using presumptive tax.

12. That, collection of relevant information on land ownership and location is vital, this information will be used to build a database for ground rent
13. That, a holistic approach encompassing the Board, Labour Unions, Professional Bodies, civil society groups, religious and traditional institutions, youth and women groups should help in tax awareness campaigns.
14. That, a legislation to bring about the collection of consumption and infrastructure levy be put in place.
15. That, government should invest in Agriculture, Maritime, Manufacturing, Tourism and Renewable Energy sub sectors to expand her revenue base.