



KW-IRS
KWARA STATE INTERNAL REVENUE SERVICE

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KWAREVE*News*

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How Formal is the Informal Sector?

The informal sector is seen to cover as much as 70 percent of the workforce in Nigeria, thus considered as too large to be ignored. There is a wide range of labour market and financial market activities that combine two groups of different categories under this sector. The first is the category of operators in the informal sector that are there as a form of coping strategy or economic necessity for survival because of the economic environment where earning opportunities are scarce. The second category of the informal sector is a product of rational behavior of entrepreneurs that desire to escape state regulations in the operations of their business activities. Such operators in this category are not entirely informal but have chosen to operate under this guise because of various benefits of doing so such as tax evasion and tax avoidance.

This edition of KWAREVENEWS is focusing on this sector because of the obvious significance of the sector, particularly for growth in revenue in the years to come. The question to ask is how do we formalize this informal sector to ensure that the activities of the sector are properly recorded and reported such that the economy will give to this sector what is due to it, and collect from the sector what is due from it.

In pursuit of this drive to capture and cover the informal sector, we consciously organize and

editorial



arrange the artisan groups in the State under the Artisan Congress and rather than dealing with the over 100 associations in the informal sector, we segmented the associations under unique arrangements. We continued with our stakeholders engagement moving from one local government in the State to another, taking the message of the reforms in revenue mobilization to the nooks and crannies of Kwara State. In the journey we not only spoke to the traditional rulers but all facets of the informal sector to ensure that the very least person in the State is consulted and aware of the activities of the Kwara State Internal Revenue Service.

In all of these, we learnt directly from the people and we could see a sense of concern and satisfaction with this approach despite the barrage of complaints and requests from all and sundry. We are therefore using this edition to further project the significance of this sector as we found out that neglecting a large portion of the people in the process of revenue mobilization is not only tantamount to a loss of revenue but also a lack of concern for the well being of these group which we must consciously find a way to formalize.

A business may be informal today and become formal tomorrow. A business that is also formal but operating informally cannot be left uncaptured for too long, as doing so will be counted against us. More importantly is the fact that the large operators who are formally informal can only be covered through one formal arrangement or the other which is equally a responsibility we cannot run away from.

“

A business may be informal today and become formal tomorrow.

A business that is also formal but operating informally cannot be left uncaptured for too long, as doing so will be counted against us.

”



Muritala Awodun, PhD
Executive Chairman

Kwara State Internal Revenue Service (KW-IRS)

COVER STORY ■

The Informality of the **INFORMAL** SECTOR

The concept of the informal sector was introduced into international usage in 1972 by the International Labor Organization (ILO) in its Kenya Mission Report, which defined informality as a “way of doing things characterized by (a) ease of entry; (b) reliance on indigenous resources; (c) family ownership; (d) small scale operations; (e) labor intensive and adaptive technology;....



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The Informality of the INFORMAL SECTOR

Background

The concept of the informal sector was introduced into international usage in 1972 by the International Labor Organization (ILO) in its Kenya Mission Report, which defined informality as a “way of doing things characterized by (a) ease of entry; (b) reliance on indigenous resources; (c) family ownership; (d) small scale operations; (e) labor intensive and adaptive technology; (f) skills acquired outside of the formal sector; (g) unregulated and competitive markets”. Since that time, many definitions were introduced by different authors and the ILO itself. The ILO/ICFTU international symposium on the informal sector in 1999 proposed that the informal sector workforce can be categorized into three broad groups: (a) owner-employers of micro enterprises, which employ a few paid workers, with or without apprentices; (b) own-account workers, who own and operate one-person business, who work alone or with the help of unpaid workers, generally family members and apprentices; and (c) dependent workers, paid or unpaid, including wage workers in micro enterprises, unpaid family workers, apprentices, contract labor, home workers and paid domestic workers.

Private and Informal Sector Employment

The private and informal sector in Nigeria employs over 90% of the nation's workforce in a country where it is estimated that over 65% of its population will be living in the urban centre in the year 2020 going by the present migration rate of 5.5% annually which is roughly twice the national population growth rate of 2.9%.

Precise information on the size of employment structure in the private and informal sector is hard to obtain, but estimates suggest that the sector account for 45% to 60% of the urban workforce up from about 25% in the mid 1960s (National Bureau of Statistics 2012).

These processes of urbanization unleashed by the mass of relatively low income migrants, who have

Muritala Awodun, PhD



flocked into the cities since independence, have necessitated the growth of the private sector to promote employment and subsequent accommodation to meet these demands. The inability to meet this spiraling needs have created urban slums with its attendant lawlessness and increase in crime rate.

The private and informal sector in Nigeria employs over 90% of the nation's workforce in a country where it is estimated that over 65% of its population will be living in the urban centre in the year 2020 going by the present migration rate of 5.5% annually which is roughly twice the national population growth rate of 2.9%.

Massive unemployment has remained the most visible mitigating factor against the smooth operation of the Nigerian state. It is little surprise that violence, armed robbery, thuggery and the latest wave of bombings and kidnappings have sadly become a regular feature due

to the system's inability to provide gainful employment for idle hands. A situation where more than half of the population of a nation operates in a sector (referred to as informal) and their activities and records are not captured appropriately to even be able to make any form of planning for them only encourage crisis of various shades and forms.

The significance of this study therefore requires no further justification beyond what has been revealed from the literature above with the hope that its findings will proffer some reasonable solutions to the problems identified already by various researchers and scholars (Gylfason & Gylfi, 2001; World Development Report, 2012).

Categorization of Informal Sector

The informal sector covers a wide range of labour market activities that combine two groups of different nature. On the one hand, the informal sector is formed

by the coping behavior of individuals and families in economic environment where earning opportunities are scarce. On the other hand, the informal sector is a product of rational behavior of entrepreneurs that desire to escape state regulations.

The informal sector activities can be categorized as follows:

1. Coping strategies otherwise known as survival activities or necessity type: Under this category of informal sector you have casual jobs, temporary jobs, unpaid jobs, subsistence agriculture, multiple job holding among others;

2. Unofficial earning strategies otherwise known as illegal business activities:

2.1 Under this Unofficial business activities category we have people engaging in legitimate businesses but consciously or unconsciously avoiding formalization of their business activities for tax evasion, avoidance of labor regulation and other government or institutional regulations, hence not registering their companies.

2.2 Also under this category are illegal or illegitimate underground activities that are crime or corruption related and such activities are not registered or covered by the statistical offices.

The informal sector plays an important and controversial role. It provides jobs and reduces unemployment and underemployment, but in many cases the jobs are low-paid and the job security is poor. It bolsters entrepreneurial activity, but at the detriment of state regulations compliance, particularly regarding tax and labor regulations. It helps alleviate poverty, but in many cases informal sector jobs are low-paid and the job security is poor. The size of the informal labor market varies from the estimated 4-6% in the high-income countries to over 50% in the low-income countries. Its size and role in the economy increases during economic downturns and periods of economic adjustment and transition.

Operationalization of the Concept of Informal Sector

Operationalizing the concept of informality for the purpose of measurement is not easy both because the two categories of the informal sector overlap and because the border between the informal and the formal sector is blurry. First, if unofficial earning strategies are exercised by a low-profit small enterprise with low quality working conditions, then workers of this enterprise and the enterprise itself can be classified as belonging to both informal market categories. An example of such a case is an unregistered one-person low-profit street trade

enterprise - these characteristics combine unofficial and survival activities. Second, some formal market jobs or enterprises can be classified as informal if it is found that they have poor work protection or if the life style and opportunities they entail are considered undesirable. If the street trader from the previous example registers her enterprise, the enterprise and the trader herself could be categorized as belonging to the formal sector if the profit is considered above the survival level.

Conclusion

The informality of the informal sector could be summarized by presenting the concluding part of an earlier research on “An Assessment of Urban Poverty in the Informal Sector.” The research shows that the majority of the operators of the informal sector had not benefited directly from the various government intervention programmes that could have improved their various activities. Within the limit of the low income of these operators, they consciously engage in saving as a precautionary and growth mechanism for their various businesses. Even though efforts at record keeping is not very significant, the operators of this sector trust and rely more on practical and traditional approaches than the theoretical and modern approaches. Majority of them operate an apprenticeship scheme that enable them recruit and train interested persons in the art and science of their various professions.

This sector is predominantly youth concentrated and this portends both advantages and disadvantages. For the former, it is an implication of sustainability of the activities of the informal sector as most of the youth resort to these businesses in the absence of better alternatives. The danger inherent is the lack of government attention and conscious policy support for the sector which could translate to grave insecurity out of frustration. The LGAs and the State authorities within which the businesses operate are seen as absent in support but present in benefiting from the sectors activities and operations.

It is therefore ripe to recommend that a nation-wide survey and assessment research of the activities of the informal sector would enable government and policy makers recognise the significance of this sector and make conscious effort to target policies that will develop its potentials for growth and development of the economy.

Poverty, as the results of this study has shown is not only predominantly rural based but significantly urban based as well. What has made this more pronounced is the neglect of areas that are crucial such as the informal sector and its attendant contribution, present and potential.



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Education is the most powerful weapon to **change** the World - Nelson Mandela



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KW-IRS INAUGURATES TAX CLUB IN ILORIN SOUTH

*Yetunde Elegboja

Having inaugurated Tax Clubs in Senior Secondary Schools in Kwara Central Tuesday 26 April 2016 with the intention to inculcate the tax culture in Senior Secondary Schools all over the State, it is only imperative for Tax Clubs to be inaugurated at Kwara South and Kwara North of Kwara State also. To accomplish this, the Kwara State Internal Revenue Service (KW-IRS) on 7 June 2016 inaugurated Tax Clubs in Kwara South. Government Secondary School (GSS), Omu-Aran was the selected venue for realization of this remarkable event. Present at the occasion were the representative of the Honourable Commissioner for Education and Human Capital Development, Mr. Kayode Alabi, Deputy Director, Teacher Development, Ministry of Education, PTA Chairman, Ifelodun Local Government, Alhaji S.O Balogun, representative of the Chairman, Kwara State Parents Teachers Association Baba Makama, Mr. Sam Segun Abifarin, Principal Government Secondary School and host of the Ilorin South Tax Club Inauguration, Pastor J.O Ajiboye, National Association of Private Schools (NAPPS), Chairman, Omu-Aran Zone, All Nigerian Conference of Principals of Secondary Schools (ANCOPPS), Chairman, Oro zone, ANCOPPS, Mrs. Olatundun, among others.

In his speech, the Chairman of the occasion, the Honourable Commissioner (represented) on behalf of the Executive

Governor of the State welcomed all to the memorable occasion, he commended the Kwara State Internal Revenue Service (KW-IRS) for the tax club initiative. He admonished students to explore their creativity, show case their talents and represent their schools well so their schools can win the stipulated prizes and benefit from the awards itemized by KW-IRS. He pleaded with teachers to be a part of the change canvassed by KW-IRS by rightly tutoring the students on tax matters because the club is also an avenue to guide the club members into the right future career path.

Speaking at the occasion, the Executive Chairman, KW-IRS, Dr. Muritala Awodun express his appreciation to all the schools present, and stated that the turnout of schools at Kwara South was impressive and should be applauded. He expounded on the reason for the inauguration of Tax Clubs in schools which is intended to give orientation to students on tax matters, engage them with different quiz and competitions. A winner is expected to emerge at the end of the day and prizes given to the winning schools and student of which a 17 seater bus is the grand prize. The representative of the Hon. Commissioner for Education and Human Capital Development, Mr. Kayode Alabi alongside the Chairman, Ifelodun Local Government, Alhaji. S.O Balogun commenced the branding of the student which includes the issuance of school bag per student and the tax club membership card.



Executive Chairman of KW-IRS

Representative of the
Commissioner for EducationDirector of Admin &
Corporate Affairs KW-IRS

Guest at the occasion



Student members of the Tax Club at the occasion



Branding of newly inaugurated Tax Club members



Pictures of activities at the Kwara South launch of the Tax Clubs

TAXPRENEURSHIP: THE WAY TO GO IN REVENUE MOBILIZATION

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hat has entrepreneurship got to do with tax? What is an entrepreneur doing as tax administrator? Is there any link between entrepreneurship and tax administration? Who is an entrepreneur and how is he/she different from a tax administrator? These and many others are questions being asked as I assume responsibility as the taxman of Kwara State Internal Revenue Service.

The concept of entrepreneurship is as old as man, so is the concept of tax and tax administration. If we agree that entrepreneurship is the process of identifying opportunities within the societal problems and transforming those opportunities to innovative products that the society will be willing to exchange for a price to meet their needs that will leave the entrepreneur and the society better off for value addition, then there is serious relevance of entrepreneurship to tax administration worthy of pursuit.

From the above, we will agree that the entrepreneur is **a problem solver, a resource mobilizer, an innovator, a value creator, a risk taker, a service provider, a resource transformer, an enterprise creator, a job creator, and a social transformer.**

The tax administrator in this age and time should therefore not see himself or herself as that enforcer of law alone, particularly when these laws are to be enforced on the people (employers and employees) who have legitimately earned their income and are compelled to pay a portion of this income to the purse of the government as tax.

The administration of tax in the 21st century must take into cognizance the changes in the society, particularly the improvement and advancement in technology, and should therefore consistently innovate to match the pace of innovation of the society. The administrators of tax should be conscious of value creation as the tax payers are more desirous now than ever before of seeing what their taxes are being used for, thus requesting for value for their money. The administrator must be conscious more than ever before of the efficiency of collection to ensure that the cost of collection is as minimal as possible. The administrator of tax today must be creative in thoughts and deeds to come up with more innovative tax products that are packaged for the convenience of the taxpayers. This is essential if collection must be increased as the convenience of payment is a *sin qua non* for maximization of collections.

It is therefore taking all of the above into consideration that the relevance of the concept of entrepreneurship in tax administration is necessary now than it has ever being. In Nigeria, the challenges of tax administration are enormous and the principles of entrepreneurship come handy to provide solutions to each and every of these challenges.

This thus informs our coming up with the concept of **taxpreneurship** to represent our strategy for success in the drive for revenue mobilization in Kwara State. With taxpreneurship, we adopted in creating a new internal revenue service **a labour intensive technology driven approach** for three

“ **Taxpreneurship is making tax payment painless to the taxpayers. Taxpreneurship is making taxpayers get value for the money paid. Taxpreneurship is making the taxpayer a valued customer that must be satisfied at all times.** ”

“

...Taxpreneurship is establishing a long lasting relationship with the taxpayer. Taxpreneurship is about service to the taxpayer and the government. Taxpreneurship is changing the face of tax administration to meet the challenges of our time.

”

major reasons. **First** is the need to have our trained personnel constantly interfacing with the people we are to serve such that we have direct contact and establish direct customer relationship with the taxpayers as our clients. **Second** is the fact that there are serious unemployment problems in our society and we have to be consciously a part of solution to the problem. **Third** is the fact that when we create employment we equally create income and lift up economic activities in the society with the multiplier effects not only bringing about tax payments by the income earners but also the various multiples of receivers of the spending of the employees will earn income and also pay taxes.

We also realized that our society has been disconnected from the government for too long and we have to consciously bring back the presence of government, thus introducing **a community impact programme as our corporate social responsibility** to douse the tension that the disconnect of the past have caused and have a basis to get attention of the people to give the Service a chance to act as an agent of change for process improvement. Thus we chose to touch the lives of people in the society through **education, environment, empowerment, employment and enterprise creation.**

As part of our strategy, we chose to engage the society through conscious stakeholders involvement that cuts across the length and breadth of the State, making every part of the State buy into the new arrangement, and getting them take ownership of the process. We are therefore consciously taking tax collection beyond the traditional but adopting the principles of entrepreneurship in tax administration.

The concept of taxpreneurship, which is our

creation, is therefore simply the application of entrepreneurship principles in tax administration. It is the process of identifying the uniqueness of the society and developing how to collect tax using innovative approaches that will be most convenient for the taxpayers. Taxpreneurship is making the taxman creative and innovative in revenue mobilization taking the taxpayers' convenience into consideration in the process.

Taxpreneurship is making tax payment painless to the taxpayers. Taxpreneurship is making taxpayers get value for the money paid. Taxpreneurship is making the taxpayer a valued customer that must be satisfied at all times. Taxpreneurship is establishing a long lasting relationship with the taxpayer. Taxpreneurship is about service to the taxpayer and the government. Taxpreneurship is changing the face of tax administration to meet the challenges of our time.

As we develop the concept of taxpreneurship, we also invite all tax administrators to begin to reexamine their various positions about tax collection and begin to see the taxpayers as kings and queens without whom the job of the tax administrator cannot be done. Recognizing the significance of the taxpayers and the need to consciously serve them satisfactorily is the only antidote to the various vices of tax evasion and tax avoidance. Taxpreneurship will challenge the tax administrators to think out of the box in coming up with innovative products that will serve the interest of both the taxpayers and the tax collectors.

More than ever before, the need to adopt taxpreneurship is now.

THERE IS AN ENTERPRISE IN EVERYONE: DR. MURITALA AWODUN

*Yetunde Elegboja

Friday the 20th of May 2016 was indeed a back to memory lane for the Executive Chairman of Kwara State Internal Revenue Service (KW-IRS), Dr Muritala Awodun as he delivered a keynote address on the topic: Inspiring the Next Generation of Entrepreneurs to Solve Global Problems at the University of Ilorin. Dr Awodun an Associate Professor of International Business and Entrepreneurship is noted for his numerous contributions in the field of entrepreneurship. Despite his appointment as the Chairman of the State's Revenue Service, Dr Awodun has maintained that the way out of the economic predicament of Nigeria is to raise entrepreneurs.



The Executive Chairman, KW-IRS, Dr Muritala Awodun

It is in recognition of his past contributions that the Small and Medium Enterprise Development Agency of Nigeria (SMEDAN) invited Dr Awodun as a keynote speaker at the one-day entrepreneurship sensitization workshop for the students of University of Ilorin. SMEDAN is an agency of the Federal Government established to promote Small and Medium Enterprises (SMEs) as a panacea for unemployment amongst the youth in Nigeria. Also present at the event as a key note speaker was Mallam Bolaji Abdullahi, former Commissioner for Education, Kwara State and the former Minister for Youth and Sports, Federal Republic of Nigeria.



The Executive Chairman, KW-IRS, Dr Muritala Awodun and dignitaries at the event

The workshop which is a collaboration between SMEDAN and Kingseed & Queenseed Associate (a private consultant) was designed to inspire the minds of the university students towards enterprise creation through a practical and interactive session.

Over 500 students were present at the Auditorium of the University of Ilorin to be impacted from the one day workshop.



Dr Awodun exchanging greetings with guests at the event

Speaking at the occasion, Dr Awodun declared that God is the first entrepreneur who had taken out time to create the heavens, the earth and man. He expounded that the universe is God's enterprise and man is made the manager of God's enterprise. He enumerated that man is expected to take advantage of societal challenges and needs to create enterprises.

Dr Muritala Awodun listed the process of entrepreneurship as identifying a problem and providing a lasting solution to it. He explained that the people that create wealth are entrepreneurs who create enterprises through the creation of products and the product created provides job opportunities for others, income for the employee and lastly wealth for the entrepreneur. Dr. Awodun admonished the attendees of the seminar of the need for each and everyone to look inward to solve societal problems without relying on foreign organizations.

Alhaji Bolaji Abdullahi, former commissioner for education, Kwara State and the former Minister for Youth and Sports, Federal Government of Nigeria also advised the students to look inward to discover the enterprise that lies within them. He explained the importance of finance in executing ones dream and also pointed out the alternative means of kick starting desired projects in the absence of finance.



KW-IRS Director, Admin & Corporate Affairs, Mrs Adenike Babajamu



Organisers and the Executive Chairman, KW-IRS



Cross section of Students of University of Ilorin at the event

KW-IRS DONATES ULTRA MODERN PUBLIC TOILET TO AGO MARKET

*Yetunde Elegboja



As part of the strategy to impact Kwarans at all levels directly or indirectly, the Kwara State Internal Revenue Service (KW-IRS) on 21st May 2016 took its Community Impact Program (CIP) to Ilorin West Local Government Area where an ultra modern toilet facility with 2 blocks of toilets (male and female with 2 stalls each) was donated to the people of Ago Market Community. It was indeed a remarkable day for the people of Ago Market Community as the Kwara State Internal Revenue Service commissioned and handed over the keys of the donated toilets to the Market Executives.

Witnessing the noteworthy event was the representative of His Excellency, Alhaji Abdulfatah Ahmed, the Governor of Kwara State, Hon. Commissioner, Chieftaincy and Local Government Affairs, Hon. Haruna. T. Muhammed, the representative of HRH. Alhaji. (Dr.) Ibrahim Sulu Gambari, the Emir of Ilorin, Magaji Nda, the Executive Chairman, KW-IRS, Dr. Muritala Awodun, Directors of KW-IRS, Iyaloja and Babaloja General, Market Executives, KW-IRS staff and market people.

In his welcome address, Dr. Awodun appreciated all present and reiterated the stand of KW-IRS to ensure that revenue collected by the people is judiciously utilized. He stated that the present administration is not just interested in collecting revenue from its citizenry but also promised that revenue collected is used for the development of the state. He emphatically stated that despite the fact that KW-IRS has not started collection at the Ago market, it still took it to heart to donate a public toilet to the market community following the request of the market executives. He admonished the market



Honourable Commissioner for Local Government & Chieftaincy Affairs, Alhaji Haruna T. Mohammed



The Executive Chairman, KW-IRS, Dr Muritala Awodun

people to see this as evidence that the State Governor Dr Abdulfatah Ahmed is mindful of their plight. He pleaded with the marketers to ensure good maintenance of the facility.

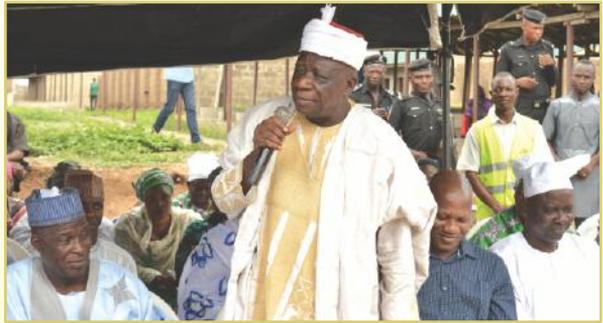
The Hon. Commissioner for Local Government and Chieftaincy Affairs, Hon. Haruna .T. Muhammed in his speech addressed the market people on the need to cooperate with the Abdulfatah Ahmed’s administration and the demands of KW-IRS which is geared towards the positive transformation of the State. He said the toilet donation is just a tip of the iceberg when compared to what the State has in stock for the people. He however pleaded with the market executive to ensure that the toilet is well maintained.

The representative of the Emir of Ilorin, Magaji Nda was full of commendation of the KW-IRS management team. He appealed to all the market people to support the cause of the present Governor and his initiative for the development of the State which KW-IRS is one. He used the opportunity to commend and congratulate His Excellency on the selection of the management team of KW-IRS; saying they are the *right peg in the right hole*. He further requested the market executives to set up a committee that will be responsible for the management of the toilet facility.

The Hon. Commissioner for Chieftaincy and Local Government Affairs, Alhaji. Haruna .T Muhammed proceeded to commission the ultra modern toilet facility by cutting of the tape after which the facility was declared open for use.



L-R Honourable Haruna T. Mohammed, KW-IRS, Deputy Director, Mr Lekan Rotimi, and Kwara State Iyaloja General



The Representative of HRH. Alhaji. (Dr.) Ibrahim Sulu Gambari, The Emir Of Ilorin, Alhaji Magaji Nda



L – R: The Executive Chairman, KW-IRS and the Honourable Commissioner



Official Commissioning of the Ago Public Convenience by Honourable Mohammed



Dignitaries at the commissioning event



Tape cutting of the Ago Public Convenience by Honourable Mohammed



R-L: KW-IRS Director, Ministries, Departments and Agencies, Segun Olaniyi, Director, Admin & Corporate Affairs, Mrs Adenike Babajamu and other KW-IRS staff

KW-IRS EVACUATES 4 YEARS REFUSE DUMP AT ALAPA MARKET

*Yetunde Elegboja



Heap of refuse at the Alapa Market

The Executive Chairman, KW-IRS, Dr. Muritala Awodun on Sunday 22nd May 2016 led the management and staff of the Kwara State Internal Revenue Service (KW-IRS) to Alapa Market located in Asa Local Government Area of the State to evacuate the four years heaps of refuse that was left unattended to by the LGA and the market community after series of efforts to surmount it proved abortive.

The KW-IRS team got to Alapa market at exactly 7:47am and immediately commenced the cleaning of the market as management and staff of the Service personally got involved in sweeping and raking of the large littered market which hosts about 518 stalls.

The Executive Chairman, KW-IRS appreciated the people of Alapa market community for the privileged given to KW-IRS to positively affect their community. He explained that this is a way to give back to the society. He further assured the people of Alapa market that the administration of Dr. Abdulfatah Ahmed is true to his words for the development of Kwara State, hence the establishment of the Kwara State Internal Revenue Service (KW-IRS) for proper collection, monitoring and growing of the State's revenue. He stated that as a body in charge of revenue collection for the State, there is a need for KW-IRS to ensure that money collected from a particular place gets back to that place through projects that will positively affect such environment. He commended the people of Alapa for their cooperation since the Service began collection at the market.



Pay-loaders ready to evacuate refuse



KW-IRS staff and Tax payers money at work

Dr. Awodun further reiterated the fact that KW-IRS through its Community Impact Programme would touch all local governments across the State. He concluded by stating that KW-IRS would in less than 1 month provide waste basket as donations to the Alapa market as a tool for waste management and a preventive measure against a reoccurrence. He was however thankful to the people of Alapa market for their hospitality.

In an interview conducted with the Deputy Director, Informal Sector, Mr. Lekan Rotimi, he explained the importance of the Community Impact Program (CIP) as a give back strategy to the people and an avenue to also answer the incessant question of the people on *“what has the government done for me”*. He however affirmed the effectiveness of the Community Impact Program which has changed the question constantly asked by people to *“when is government coming to my local government because we saw what they did at other local governments”* which is a signal of acceptance of KW-IRS. He gave kudos to the initiative of the Executive Chairman, KW-IRS for the Community Impact Program strategy. He says it is the catalyst for the positive capturing of the people in the informal sector into the tax net.

The Babaloja of Alapa Market, Mogaji Saheed Mohammed in his response expressed appreciation to the Executive Chairman, KW-IRS and his management team. He sees the action of KW-IRS as touching the markets in a positive way.



KW-IRS Executive Chairman and his staff wearing protective gear as they prepare to clean the market

He assured the Executive Chairman, KW-IRS that the market people of Alapa community will always pay their tax and every other revenue required from them as at when due.

He observed the Service still went ahead to clear the refuse dumps that had been staring them in the face for over four years and halting the growth of the market despite the fact that not all the people of Alapa market have fulfilled their part by paying their tax. He said KW-IRS took up the responsibility to evacuate the debris just after 3 months of interacting with them. He declared that this is an indication that positive change has come to stay in Kwara. He admonished Kwarans at all levels to comply with the demands of KW-IRS and the Governor Abdulfatah Ahmed's administration.

The Iyaloja and Babaloja General, in their speech expressed appreciation to the Executive Chairman, KW-IRS for constantly supporting the market people. They however admonished the people of Alapa Market to ensure that they pay their tax. The Iyaloja General however appealed to the executives of the market to ensure that the market maintains a clean look consistently.



KW-IRS Director, Admin & Corporate Affairs, Mrs Adenike Babajamu and other KW-IRS staff cleaning the market



KW-IRS staff collecting refuse



KW-IRS Directors and Kwara State Babaloja and Iyaloja General at the market



Dumping of refuse in truck for transportation



Alapa Market Babaloja and representatives of Afon Market expressing appreciation to the KW-IRS team



KW-IRS staff and volunteer cleaning the market



KW-IRS Executive Chairman, Director, MDA cleaning the market.



Alapa Market after the cleaning

KW-IRS HOSTS NEW EXECUTIVES OF KWARA CITN

*Habibah Aiyelabegan

The newly elected executives of the Kwara State chapter of the Chartered Institute of Taxation of Nigeria (CITN), on 16th May 2016 visited the Kwara State Internal Revenue Service (KW-IRS) Revenue House. The purpose of the visit was to introduce the new executives of the Institute to KW-IRS Executive Chairman, Dr Muritala Awodun and his team of Directors. The Former Chairman, CITN, Kwara State, Chief Richards Olushola presented the new executives which was led by the newly elected Chairman, Alhaji Salaudeen.

The Executive Chairman, KW-IRS welcome the team and assured them that the Service will partner with the Institute as appropriate. He stated that the CITN, Kwara chapter is the first point of call for the Service. He stated that the Institute can expect a boost in membership having informed them that it is part of KW-IRS policy that all its staff become professional members of the Institute before confirmation.

Dr Awodun however challenged the team of new executives to institutionalise the training arm of the association. He suggested the initiation of study centres where students can train for qualifying examinations for professional membership. He said the initiative does not have to start with multiple centres or be solely run by the Institute. He added that partners can be reached out to after a thorough consideration of the implications such as financial, infrastructural, societal, etc.

The Executive Chairman, KW-IRS also suggested that to

enable the Service as well as the Institute plan, budget and seek for support properly, the Institute should come up with an annual calendar of events. He further recommended that the Institute notify the Service of upcoming member meetings since many members can be reached at KW-IRS.

The Chairman, CITN, Kwara thanked the Executive Chairman, KW-IRS for the offer of collaboration, support and his advice. He mentioned that the CITN Annual Conference for 2017 is to be hosted in Kwara and as such suggested the constitution of a committee made up of representatives from CITN, Kwara and KW-IRS as members. He also requested for a designated office for CITN in the Revenue House. He added that operating at the KW-IRS Revenue House will foster closer relationship and opportunity to acquire knowledge and share information.

Dr Awodun in his response explained that collaborations between the two organisations has always been part of the design of the Service. With regards to the CITN annual conference to be hosted by Kwara, he advised CITN, Kwara to ensure early planning and paying attention to not just financial implications but also other aspects such as logistics. He prayed for a fruitful working relationship and wished the new executives success and greater accomplishments.



L-R Executives of CITN Kwara and KW-IRS Management team



The Executive Chairman, Dr Muritala Awodun welcoming the team



KW-IRS Directors



Former Chairman, CITN, Kwara State, Chief Olushola Richards presenting the new executives



Executive Chairman, KW-IRS welcoming the team of executives



The new Chairman, CITN, Kwara completing the KW-IRS guest book



Executive Chairman, KW-IRS presenting KW-IRS products to the team



Group photograph of the two parties

KOGI STATE BOARD OF INTERNAL REVENUE ON A STUDY TOUR OF KW-IRS

*Habibah Aiyelabegan

A team of delegates sent by the Kogi State Board of Internal Revenue (KBIR) to understudy the transition of the Kwara Board of Internal Revenue (KBIR) to Kwara State Internal Revenue Service (KW-IRS) arrived the Revenue House on Monday 16th May, 2016. The team was led by Alhaji Saidu Jibrin. Other members of the team included Alhaji Sadiq E. S., Alhaji Amadu Momoh, Mr Celestine O. Idoko, and Ibraheem Adams. The delegate was received by the Executive Chairman, KW-IRS and his team of Directors.

The Head of delegation, in his opening remark, explained that the visit was intended to learn from KW-IRS; both successes and mistakes. He stated that the Kogi State Board is in awe of the smooth transition KW-IRS had and thought it worthy of emulation. He said KW-IRS is viewed by them as a brother and neighbour.

The Executive Chairman, KW-IRS credited the success of the transition to the initiative and political will of His Excellency, Governor AbdulFatah Ahmed. He stated that the tone from His Excellency is that of support and insistence on compliance and this has enabled consistency in the message of the Service to the residents of Kwara. He narrated events leading to the commencement of operations which began with the Kwara State Revenue Administration Law No. 6 that established KW-IRS, and the objective process of selection of the management team, as well as other staff.

When asked about the previous staff of KBIR, Dr Awodun explained that the Service made the recruitment of staff into the new KW-IRS open to everyone, including the staff of the defunct KBIR. Applicants who were interested had to meet the requirements and undergo application processes as designed by the Service. This gave the applicants a choice as to whether to remain in the regular civil service, or apply to join the new Service.

Dr Awodun further explained that while KW-IRS is a State agency and as such a public service, it is however by law autonomous; administratively and financially. KW-IRS operates independently and is performance driven with set targets for each staff. Dr Awodun advised the Kogi State Board of Internal Revenue to deploy appropriate technology, pay attention to staff welfare, improve infrastructure, and ensure proper consideration for the environment and societal pressures.

The Head of the 5-man delegate thanked the Executive Chairman, KW-IRS for all his guidance and assistance. He posited that the Internal Revenue Service is one of the priorities of the Kogi State Governor, Alhaji Yahaya Bello Administration. This is evident in the Governor's will to ensure the Board transitions smoothly with actions such as the approval of a temporary office pending reconstruction of the current site. He also expressed that he is confident that with the study tour to KW-IRS, the transition will be accelerated.

The Executive Chairman, KW-IRS in his closing remarks at the Study Tour opening thanked the team for their admiration of KW-IRS and assured the delegates of the support of KW-IRS when they visit each of the directorates within the Service on their tour.



L-R Delegates of the Kogi Board of Internal Revenue on Study Tour and the KW-IRS Management Team



The delegates with Director, Tax Assessment and Audit



The delegates with Head, Monitoring



The delegates with Assistant Manager, Admin & Corporate Affairs



The delegates with Director, Operations & Process



The delegates with Head, Internal Audit



The delegates with Assistant Manager, Legal & Enforcement



Head of delegates, Alhaji Saidu Jibrin presenting their products to the KW-IRS



Executive Chairman, KW-IRS presenting KW-IRS products to the delegates



Group photo of the two parties

GIVE TAX COLLECTION A HUMAN FACE

- DR OLATUNDE OLADOKUN

*Habibah Aiyelabegan

The Kwara State Internal Revenue team led by its Executive Chairman, Dr Muritala Awodun on 19 May, 2016 visited the office Self-Reliance Economic Advancement Program (SEAP). The KW-IRS team was received by the Executive Program Director, SEAP, Pastor (Dr) Olatunde Oladokun, and his management team. The purpose of the visit was a courtesy one to identify with the business mogul and his team.

In his opening remark, the Executive Chairman, KW-IRS explained that the Kwara State Government in its quest to rejuvenate the revenue generation of the State signed into law the Kwara State Revenue Administration Law No. 6. This enabled the revision and refining of the process of revenue collection by establishing the Kwara State Internal Revenue Service (KW-IRS) as the only agency recognised by Government and saddled with the responsibility of collecting revenue on its behalf. He explained that by law, KW-IRS has autonomy and as such does not operate under the Ministry of Finance as was obtainable with the Kwara Board of Inland Revenue (KBIR).

Dr Awodun explained that one of the major reasons for the reform of the revenue generation was the existence of leakages in the old system which was manifested in form of non-issuance of receipts, issuance of personal receipts, reporting inaccurate figures, etc. There was also the need to promote transparency and accountability in the utilisation of public funds. Consequently there was a need to change the people, process, infrastructure and

technology to drive collection.

Dr Awodun stated that the Service acknowledged the need for sensitisation as part of its advocacy plan and so commenced work by recognising and maintaining relationships with key stakeholders, rather than operate on assumptions. He added that, we all have a stake in the revenue collected. He said it is based on this that the Service has reached out to the Management of SEAP which has been identified as a major stakeholder in Kwara State.

The Executive Chairman, KW-IRS further explained the purpose of the visit to be toward gathering feedback from the interaction so as to make appropriate recommendation to the State Government on Social and Economic policies which is one of the mandates of KW-IRS. The vision of the Service is to mobilise revenue for the strategic development of Kwara State. As such, the concern is not solely on the generation of revenue but also on judicious use of revenue. He said recommendations cannot be made without interacting with the residents of Kwara.

Dr Awodun apprised that SEAP is recognised as a contributor to the development of Kwara State. This is through the provision of employment opportunities, a source of revenue for many, provision of services and products which satisfy basic needs, and involvement in Corporate Social Responsibility (CSR) projects. Dr Awodun stated his appreciation for these contributions



The Executive Program Director and General Manager, SEAP with the KW-IRS Management team

and assured the Chairman, SEAP and his team that KW-IRS intends to make its collection of taxes and other revenues in a way that will not impede or harm businesses.

The Chairman, SEAP thanked the Executive Chairman, KW-IRS and his team of directors for visiting SEAP. He stated that he is a believer of dreams and that has always been his motivation to invest in causes that will benefit the people. He held that as always, he does not wait to be approached before he pays his taxes and he always ensured SEAP and its subsidiaries remit the Pay-As-You-Earn (PAYE) tax for its employees on a monthly basis. He however posited that there is need to appreciate consistent tax payers so as to encourage them.

Pastor Olatunde apprised that having met with the Executive Chairman and Directors of KW-IRS, he is confident in the ability of KW-IRS. He stated that tax men

typically seen in other countries have a friendly approach and he advised KW-IRS to emulate such behaviour. He further advised that the Service does not discriminate based on citizenship, adding that staff must remain faithful, collection must be with a human face and staff must always act with a conscience.

The Executive Chairman, KW-IRS thanked SEAP for opening their doors to KW-IRS. He emphasised the need to remit taxes appropriately. He clarified that KW-IRS is established to serve the residents of Kwara, not just the citizens of Kwara.

Pastor Olatunde asked the KW-IRS team to accept his condolence on the loss of one of its staff. He prayed for the deceased, the Service and a positive relationship between the two organisations.



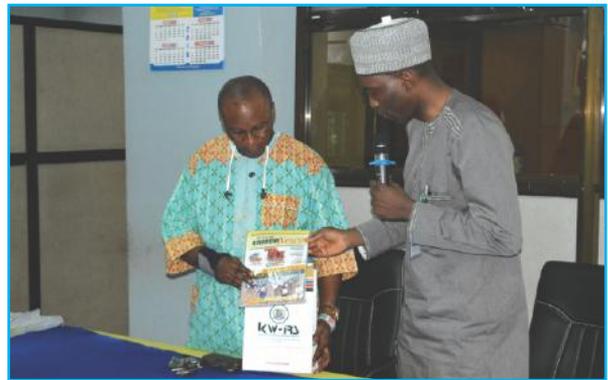
Executive Program Director, SEAP Pastor (Dr) Olatunde Oladokun



General Manager, SEAP, Mrs Oladokun



Director, Admin & Corporate Affairs, Mrs Adenike Babajamu



Executive Chairman, KW-IRS, presenting Kwareve News to the Executive Program Director, SEAP



KW-IRS Management team



The SEAP team

LARONDO

The little plumpy boy of today
Clad innocently in garments of old
Nonconforming, innocently rebellious
Adamant and cantankerous to change
No I will not change my dress
Cries Larondo
I must wear my old garment
He laments

Tell me why I must change my apparel
Why must I dance a new tune?
Why must I be compelled to Change?
Why must I pay tax?
Of what use is compliance?
Let me be old school forever
Let me forever be ancient holding unto my garment of old

But alas Larondo must change
Change is inevitable
Change is alluring
Change is enchanting and can only make life better
Change may be inconvenient but the end is beautiful

And so Larondo embraces change
Beautiful glorious and amazingly
Larondo changes his apparel
Come! behold Larondo now clothed in splendor
Regal royal and resplendent
How beautiful the result of compliance
Let's change our today,
We can't be larondos forever
For a better tomorrow
Play your part
Pay your tax

KW-IRS Executive Chairman pays courtesy visit to the Managing Director of **Tuyil Pharmaceuticals, Elder Awotuyi**



R-L: Executive Chairman KW-IRS, Dr Muritala Awodun handling a souvenir pack to Elder Awotuyi, MD Tuyil Pahraceuticals



Executive Chairman presents compensation package to the next of kin of deceased staff

HEAR ME OUT

A column just for you! Views to air, concerns to voice, questions to ask? Let's hear you out.

Good afternoon,

I have heard your announcements warning us against transacting with touts on vehicle registration, document renewals, license plates, etc. Please I would like to know the various offices where I can do these things myself so that other people can stop exploiting us all.
Alhaji Alhaji

Dear Alhaji,

I'm glad you have heard our warnings. KW-IRS has Motor Licensing Areas (MLAs) across Kwara State where you can make these transactions directly without third party; please find them below.

Kind regards,

Habibah Aiyelabegan

Want to be heard? Send your questions, comments and reviews to press@kw-irs.com

Location	Address	Telephone
Ilorin	KW-IRS Office, Commissioner Lodge Way, Behind KW-IRS Revenue House, GRA.	08102444859
	KW-IRS, Beside Conoil Filling Station, Fate Road	09037668150
	Institute of Technology (IOT), University of Ilorin Mini Campus	08108706920
	No 3 Jos Road, Behind Oando Filling Station, Adewole Estate.	08105043471
Offa	KW-IRS Office, Igbonna Road, Opposite Offa Local Government Secretariat, Offa.	08101207748
Omu-Aran	Irepodun Local Government Secretariat, Secretariat Road, Omu-Aran.	09037945751
Share	Opposite CAC Primary School, Olupako Road, Share.	08104013105
Kosubosu	Baruten Local Government Secretariat, Behind Baruten Local Government Hospital, Kosubosu	08103351412
Bode Saadu	KW-IRS Office, Opposite Local Govt. Secretariat, Bode Saadu	08109087192

THE INFORMAL SECTOR: TOO LARGE TO BE IGNORED

Alabi Taofiq Taiwo

The over-dependence of both the Nigerian government and economy on revenue from the oil sector is a well established fact giving that the sector provides the bulk of the nation's revenue. However due to the fluctuation in international oil prices, insecurity in the Niger Delta region, global economic recession, as well as the need for funds to execute developmental projects, the Nigerian government is seeking ways to diversifying its revenue base. This can be seen in the significant changes being carried out in the Nigeria tax systems and the resultant increment in the revenue generated by the Federal and State's tax authorities.

The informal sector can be described as the aggregate of economic activities that occur outside state regulation. It is also an economic activity that lack conventional accounting procedures, which are characterized by high incidences of non-reporting or under-reporting and is typically excluded from social measurement apparatus such as the Gross Domestic Product, GDP. The activities of this sector include trading, transportation, construction, agriculture, livestock, food preparation, credit facilities, mechanical and electrical work, dressmaking, information technology and communication, distilleries, gold and silver smiting and traditional healing just to mention a few.

In an attempt by the Nigerian government to diversify her revenue base, the significance of the informal sector of the economy which has contributed appropriately to the economy cannot be over-emphasized. The maximization of tax revenue in Nigeria is being hindered by the inability of the tax authorities to bring the informal sector into the tax net as Personal Income Tax and some other taxations are basically being paid by the employees and employers engaged in



the formal sector of the Nigerian economy. The result is that the weight of the tax falls excessively on the shoulders of those in the formal sector while the informal sector of the economy remains largely unexploited.

The effective taxation of the informal sector in Nigeria is a herculean task. The reliance on cash transactions and low or absence of record keeping has been identified as the major hindrance to taxing this sector effectively. Most business transactions in the informal sector are done in cash and in fact, some business establishments refuse to accept bank cheques as a medium of payment. The transaction of business in cash is one of the mechanisms by which individuals and business entities in the informal sector conceal taxable profits. In the course of this, they are able not only to manipulate their records and turnover figures for tax reduction purposes but are also able to do away with all third party information leading to their transactions. Also, most self-employed people and other players in the informal sector are indifferent to appropriate record keeping systems.

The most critical aspect of effective taxation is access to accurate information. Due to the indefinable nature of the sector, securing information on informal sector businesses for tax purposes is an onerous task. Due to lack of proper records, ascertaining tax liability and ensuring compliance can be extremely difficult.

Furthermore, those in the informal sector constitute the substantial vote banks and foot soldiers of the so called grass root politicians. These politicians turn a blind eye to the activities of the informal sector in order to retain their support base at the grass root. In pursuit of this political objective, the widely dispersed low income earners of informal sector are being neglected by the tax authorities while harnessing their resources on few but lucrative tax payers of the formal sector.

Individuals and entities operating in the informal sector may not be paying statutory taxes in the real sense but they do make various forms of compulsory payments to unauthorized persons operating in the uncoordinated and

crude levy systems that have come to be an integral part of the Nigerian markets and motor parks. These illegal revenue collectors are usually the foot soldiers of the ubiquitous, but largely invisible market and motor park kingpins who assume lordship over various spheres usually occupied by majority of those operating in the informal sector.

As part of efforts aimed at improving easy access to the tax system for large pool of eligible tax payers in the informal sector, the Joint Tax Board proposed a new tax regime known as the Presumptive Tax Regime (PTR). PTR, is to ensure that taxpayers in the informal sector are drawn into the tax system and is based on a taxpayer's presumed, not actual income which may not be easy to determine since they do not keep records.

The legality of Presumptive Tax regulation is based on the provisions of Section 6 of the Personal Income Tax Act, 2011, which inserts sub-section 6 to Section 36 of the law. Specifically, the new sub-section states, Where for all practical purposes the income of the tax payer cannot be ascertained or records are not kept in such a manner as would enable proper assessment of income; then, such a taxpayer shall be assessed on such terms and conditions as would be prescribed by the minister.

Presumptive income taxation is primarily used in economies where 'hard-to-tax' taxpayers comprise the majority of the population and administrative resources are scarce. In these societies, most taxpayers lack integrity or financial transparency that allow for effective taxation by the relevant tax authority. The result is that governments estimate or presume the appropriate income on which taxes should be levied. Presumptive tax system must conform to the five major canons of a good tax system which include; certainty, economy, convenience, fairness/equity and simplicity.

PTR simplifies tax administration and improves compliance by small scale taxpayers. It also minimizes tax evasion and avoidance as well as improves tax assessment and minimizes the adverse effect of progressive taxation. The likely challenges that bedevil the Presumptive Tax Regime are:

- * Potential Taxpayers might

These illegal revenue collectors are usually the foot soldiers of the ubiquitous, but largely invisible market and motor park kingpins who assume lordship over various spheres usually occupied by majority of those operating in the informal sector.

ignored. To enhance the Nigerian tax system in Kwara State, various reforms aimed at enhancing tax collection and administration are being introduced. Recent reforms include the adoption and domestication of the Presumptive Tax Regime (PTR).

The deployment of Electronic Revenue Management System (e-RMS) that facilitates tracking of tax positions and issues by individual tax payer e-payment system which enhances smooth payment procedure and reduces the incidence of tax touts, and the enforcement scheme (Special Purpose Tax officers; a special tax officers' scheme in collaboration with other security agencies to ensure strict compliance in payment of taxes and the revenue court to ensure easy and quick dispensation of justice to tax defaulter). Also the statement credited to the State government to plough back revenue generated from this sector back to the sector as well as the harmonization of local government revenue are all commendable reforms.

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not be willing to pay presumptive tax because they think they pay many more other taxes and levies such as toll gate fees, and others.

- * Potential taxpayers 'associations/unions' need to be involved in the process of coming up with tax levels for better compliance than if the tax rates are imposed on them.
- * The typical taxpayers may result to presumptive tax because the costs of maintaining proper books of accounts from which to base normal income tax may be higher thereby making the presumptive taxation a cheaper option.
- * Crude implementation despite its streamlined requirements; more so, the State Government does not have sound tax administration system to implement the scheme.
- * Unstable nature of business carried out by operators in the informal sector which makes it difficult to establish a tax base
- * Lack of modern operational vehicles and equipment
- * Lack of security of staff to Relevant Tax Authority

From the foregoing, it is clear that there is a critical need to harness much needed Government revenue through the taxation of Nigeria's vibrant informal sector—a sector too large to be

Alabi Taofiq Taiwo, is a staff of Kwara State Internal Revenue Service under the Directorate of HNIs and Corporate Organizations.

GET PAST HIGH BLOOD CHOLESTEROL

Godwin C. Ihesie

Introduction

Cholesterol is a white fatty substance (lipid) found to be present naturally in all the cells and tissues of the body, brain and nerves, skin, liver, etc. It is made in the liver and other cells in the body and also found in some animal-based foods.

Triglyceride is equally a kind of lipid present in the human blood, produced in the liver from starchy foods (carbohydrates). Like other fats and oils (lipids), cholesterol and triglyceride do not dissolve in water. Cholesterol in particular is essential to life because it is used as the building blocks in the synthesis of many reproductive, growth and stress-relieving hormones, Vitamin D, bile salt, which the body uses to emulsify fats, etc.

Cholesterol is important for the functions of the nerves, brains, skins, etc. Cholesterol is classified as Low Density Lipoprotein (LDH or “bad cholesterol”) and High Density Lipoprotein (HDL or “good cholesterol”).

Dangers of Elevated Cholesterol

Elevated cholesterol in the blood promotes the medical conditions known as atherosclerosis and arteriosclerosis (that is hardening or narrowing of the arteries). A hardened or narrowed artery associated with hypercholesterolemia, together with hypertension, diabetes, smoking, sedentary life style, inactivity or lack of exercise, obesity, chronic stress, etc are the main factors that leads to heart diseases (heart attack and sudden death, chest pain (angina pectoris), hypertension, stokes, peripheral vascular disease (blockage of circulation to the extremities - mainly the legs) and impotency in men.

Symptoms of Elevated Cholesterol

Elevated blood cholesterol is usually asymptomatic, that is, the body will show no signs or symptoms that will indicate hypercholesterolemia. It is, therefore, recommended that every adult especially over the age of 45 should check his or her lipid profiles annually. Usually, hypercholesterolemia is detected through a blood cholesterol-screening test.

Causes of High Cholesterol

Studies have shown that the liver and other cells in the body produce about 75 per cent of the cholesterol in the blood. The other 25 per cent comes from our diet, such as whole-



fat dairy products (including milk and ice cream), poultry (egg yolk), processed cheese, fatty meat, beef, animal fats (lard) from pork, bacon, burgers, shrimp, fried vegetable oils, hydrogenated oils (e.g. margarine and butter), refined carbohydrates, white flour products, white sugar, foods low in fiber, caffeine-containing beverages, fizzy drinks, etc.

It is known that unhealthy eating habits, including the excessive consumption of the above mentioned foods leads to hypercholesterolemia, especially the low density lipoprotein (LDL) i.e., “bad” cholesterol type. Apart from the unwholesome dietary habits, there are other conditions that can increase the level of low density lipoproteins cholesterol in the body, such as smoking, excessive consumption of coffee and alcohol, intake of certain medications, stress, blood pressure, oral contraceptives, age and genetic predisposition, sedentary life style, inactivity or lack of exercise and obesity, thyroid problems, diabetes mellitus, some kidney problems and chronic stress.

Foods and Herbs That Maintain Normal Blood Cholesterol Levels

The main focus of natural cholesterol lowering therapies is to keep the total cholesterol level, if possible, below 200 mg/dl, to keep the triglycerides level below 150mg/dl and to raise the HDL (“the good” cholesterol) above 60mg/dl, especially in those who are at a very high risk of developing heart disease and stroke.

(A) **Patients with hypercholesterolemia (elevated cholesterol) are advised to:**

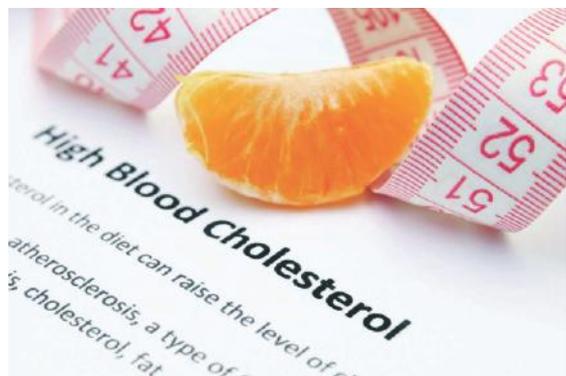
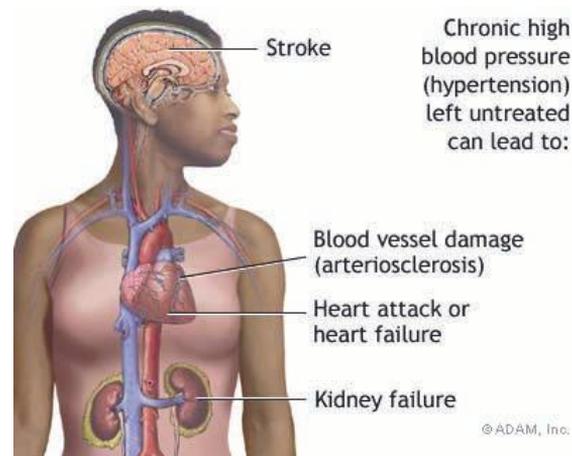
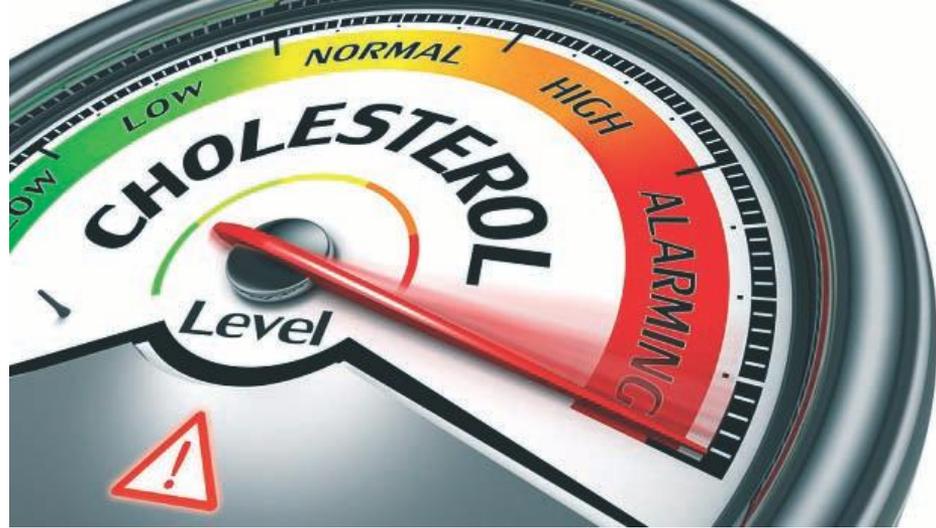
- Reduced their stress level to the barest minimum.
- Get plenty of aerobic exercises daily.
- Drink plenty of clean water.
- Shed excess body weight.
- Avoid all refined, tinned and processed foods, such as refined carbohydrates, white sugar, fizzy drinks, food that contain additives, (sweeteners, colouring agents, stabiliser), decaffeinated coffee and excessive consumption of alcoholic beverages and cigarette smoking.
- Eliminate all fatty foods, hydrogenated oils, (e.g. margarine), butter, fried foods, animal foods, including red meat, chicken with the skin, egg yolk, as well as dairy products, including skimmed milk, cheese, etc.

(B) **Cholesterol lowering foods are as follows:**

- 100% whole grains (wheat, rice, corn, millet, guinea corn, acha, oats, cereals).
- Fresh tree-ripen fruits: such as citrus fruits (grapefruits, oranges, lemon, lime, etc), pineapple, pawpaw, guava, apples, avocado pear, purple grapes, etc.
- Fresh vegetables: fluted pumpkins, cabbage, lettuce, cucumber, carrots, onions, leek, garlic, greens, green and red peppers, tomatoes, garden eggs, spinach, water leaf, etc.
- Legumes, especially beans, soya beans, etc.
- Nuts and seeds.
- Oils: Corn oil, sunflower oil, sesame seed oil, olive oil, cottonseed oil, virgin coconut oil, etc.
- Clinical experience has shown garlic and lemon juice preparation to be one of the most effective cholesterol lowering remedies.

(C) **Cholesterol lowering herbs:**

- Liver cleansing herbs: phyllanthus, lemon grass, balsam pear (bitter melon), bitter leaf, dandelion leaves, turmeric, chicory tea, fluted pumpkin, basil leaves, onions and other sulphur containing vegetables.
- Herbs with high antioxidant activities: Green tea, Red sorrel, Alfalfa, Turmeric, Parsley, Dandelion Leaves, Stinging nettle, Water crest, Wheat sprout, Wheat grass juice etc.
- Blood thinning herbs: Garlic, Onions, Leek, Ginger, cinnamon, Cayenne, Black pepper, etc.



NOTE

Although too much of cholesterol (fats) in the body is dangerous, an extreme low level of cholesterol in the blood may give rise to a severe alteration in the blood and brain chemistry. For example, many health care researchers believe that emotional disturbance, irritability, depression, the urge to commit suicides or crimes, hormonal imbalance, lowered immunity, etc could be associated with cholesterol and fatty acid deficiencies.



An excerpt from *Food & Herbs that lower High Blood Cholesterol* published in the Guardian. Available at guardian.ng/saturday-magazine/c105-saturday-magazine/foods-and-herbs-that-lower-high-blood-cholesterol

CROSSWORD PUZZLE

TAX TERMINOLOGIES

By: Doyinsola Akande

J	Y	O	O	E	C	R	Z	C	Z	J	X	S	D	Q
U	W	Y	U	K	Y	I	G	P	T	R	Z	N	E	I
R	E	V	O	L	L	O	R	F	R	B	B	O	P	I
P	U	S	Z	D	S	B	P	U	S	T	R	I	E	J
N	O	I	T	A	S	N	E	P	M	O	C	T	N	R
T	C	W	C	A	D	Z	O	S	M	E	P	P	D	T
L	O	L	C	S	T	E	B	I	T	B	W	M	E	L
M	I	N	N	N	U	S	D	A	S	I	G	E	N	O
D	J	N	H	O	R	I	I	U	C	U	D	X	T	W
X	K	A	X	K	F	R	A	B	C	X	L	E	D	D
B	Z	A	B	A	T	E	M	E	N	T	Z	C	R	K
B	X	Q	M	A	B	N	A	X	K	R	I	F	X	C
O	Q	O	P	E	F	N	Q	B	L	L	N	O	O	E
R	Z	X	K	T	U	R	K	V	P	E	J	S	N	T
N	E	A	Y	Z	T	B	W	H	S	T	G	U	D	S

Instructions: Search up, down, forward, backward and diagonal to find the Twelve (12) hidden tax terminologies.

Hints: ABATEMENT
DEDUCTION
EXEMPTIONS

COMPENSATION
DEPENDENT
EXPATRIATE

CREDITS
EXCLUSIONS
ROLLOVER

Send your solutions, your name and phone number via email to: press@kw-irs.com

Solution to Kwareve News Issue 6 Crossword Puzzle

N	I	M	S	L	U	D	J	N	O	F	S	N	J	K
V	N	J	X	V	Q	W	T	I	F	C	K	U	A	
P	E	P	C	G	I	G	E	N	M	B	G	W	E	C
Z	M	C	W	I	T	H	O	L	D	I	N	G	Y	O
Z	N	U	X	T	L	S	T	M	T	A	W	A	C	
R	A	O	I	M	E	A	I	N	W	G	E	P	U	
Z	A	C	W	S	R	R	T	E	K	D	E	P	N	U
M	T	V	Q	G	K	R	M	Q	A	Z	X	Y	R	V
F	R	O	O	E	C	N	O	H	C	H	L	O	I	
A	E	G	T	G	O	F	R	O	L	W	Q	S		
I	Z	U	R	U	O	B	P	E	P	Z	V	S	O	
K	N	U	I	F	B	B	N	H	D	R	H	P	W	H
F	E	Y	M	Z	O	O	T	D	R	T	C	V		
B	N	L	A	M	I	N	A	V	W	W	Y	H	T	
E	P	W	W	G	V	D	K	M	O	T	M	Z	E	N

ANIMAL
ENTERTAINMENT
ENVIRONMENT
HOTEL
MARKET
PAYE
PIT
POOL
PROPERTY
ROAD
SIGNAGE
WITHOLDING

Congratulations to Issue 6 winners:

1st Prize: Ibrahim Saliu

2nd Prize: Seriki Ibrahim

3rd Prize: Ogunsola Gbenga Ayodeji



- Adejumoke Adeniyi
- Mustapha Lukman
- Oluwafunmilayo Osinuga

This month, the Hall of Fame welcomes many KW-IRS staff who have all shined in the course of carrying out their duties. These staff have demonstrated tenacity for success, dedication, commitment, perseverance in the face of adversity.

Taxpedia

Faridah AbdulWahab

PAY AS YOU EARN (PAYE)

Pay as you Earn (PAYE) is a tax system derived from Personal Income Tax Act (PITA) in Nigeria. It was introduced in Nigeria on 1 April 1956. PAYE is a method of collecting Personal Income Tax from employees' salaries, wages and income through deduction at source by an employer as provided by the relevant section of PITA Cap P8 LFN 2011.

The due date for remitting PAYE is the 10th day of every month following the month of deduction. PAYE is not a type of tax; rather it ensures that the taxpayer's income tax liability is settled at the same time the income is earned. The deductions for PAYE is determined based on rates taxable or chargeable income.

Reference

Somarin, Teju (2015) A Concise Review of Different Tax Types, *Chartered Institute of Taxation Nigeria (CITN)*, CITN – TEJU TAX No2

HON. JUSTICE MUHAMMED MUSTAPHA ADEBAYO AKANBI CFR



Honourable Justice Muhammed Mustapha Adebayo Akanbi was born on 11 September 1932 in Accra, Ghana. Between 1939 and 1949, he attended African College and Accra Royal Senior Primary School, Accra for his Primary Education before proceeding to the Odorgonno Secondary School, Accra from 1950 to 1953 where he obtained the Senior Cambridge School Certificate in 1953. He attended the Institute of Administration, Ahmadu Bello University, Zaria from 1960 to 1961. He proceeded to the school of Oriental and African Studies, University of London, Gibson and Weldon College of Law from 1961 to 1962. He was called to the English Bar at the Middle Temple, London on 9 July 1963. He is a holder of certificate for Commonwealth Law Officer 1967 to 1968.

Honourable Justice Akanbi started his working experience as a teacher and was later appointed as Government Clerk and Executive Officer in Ghana. He was an assistant Executive Officer in the Ministry of Education, Northern Nigeria. In 1964, he was posted to the Northern Nigeria Civil Service as a Pupil State Counsel in the Ministry of Justice. He rose through the ranks and in 1968 he became a Senior State Counsel. He served in various parts of the country like Kaduna, Kano, Makurdi and Ilorin. At the creation of states, he was deployed from Ilorin to the former Benue/Plateau State as a Senior State Counsel. In 1969, he resigned from the service. Between 1969 and 1974 Justice Akanbi went into private legal practice in Kano. He established branches of the firm of Akanbi, Ibrahim & Co in Kaduna and Ilorin. In 1974, he was appointed a Judge of the Federal Revenue Court (now Federal High Court). He was the Pioneer Resident Judge of the Court in the entire States with headquarters in Port Harcourt. He held sessions in Calabar and Enugu.

In 1977, Justice Akanbi was elevated to the Court of Appeal Bench. He was posted to Enugu Judicial Division of the Court and was later transferred to Ibadan. In 1983, Hon. Justice Akanbi was appointed

presiding Justice of the Court in the Jos Judicial Division. In 1988 he became the presiding Judge in Ibadan Judicial division. In September 1992, he became the President, Court of Appeal (Nigeria), a post he held until he voluntarily retired in January 1999, before reaching the compulsory retirement age of 70 years.

Hon. Justice Akanbi had been Chairman of several National Judicial Commission: Enquiry into the collapsed Hostel Building in University of Ife (now known as Obafemi Awolowo University), 1976; Investigation of remote and immediate causes of student crisis in the Nigerian Universities and other Tertiary Institutions, 1986; Enquiry into embezzlement of funds and problems in the National Fertilizer Company Limited (NAFCON) at Onne, Port Harcourt, 1999; Former Chairman of Independent Corrupt Practices and Other Related Offences Commission otherwise known as "Anti-Corruption Commission."

Hon Justice Akanbi's published works include: Some Societal Challenge, Existential Problems and Some Solutions, Compendium of Speeches Delivered to Muslim Organizations in Nigeria on Selected topics, Corruption on Prowl, The Story of My Two Worlds: Challenges, Experiences and Achievements, and The Judiciary and the Challenges of Justice.

Hon. Justice Akanbi was awarded the Commander of the Order of the Federal Republic (C.F.R), Honourary Doctorate Degree of Letter, University

of Maiduguri, Nigeria, 2010. He was awarded the Honorary Doctorate Degree of Letter, AL-Hikmah University, Nigeria, 2011, the Honorary Doctorate Degree of Letter, Lead City University of Ibadan, Nigeria, 2011. He also received a Kwara State Government – outstanding performance in the fight against corruption, on the occasion of 50th Independence anniversary of Nigeria in 2011. He was also the 1st Wakili of Ilorin appointed by His Royal Highness, the Emir of Ilorin, Amiru Hajj 2013, appointed by the Kwara State Government, Former Governor of the National Judicial Institute. He was a Former member of the National Judicial Council (NJC).

He is the Founder & Chairman, Mustapha Akanbi Foundation, Ilorin, The Chairman Ma – Assalam Islamic Foundation Ilorin, the Founder Nana Aishat Arabic Nursery & Primary School Ilorin. He founded Nana Aishat Academy, Akerebiata, Ilorin. He is a Former Chairman and a Life Bencher, Nigeria Body of Benchers. He is a former member of the privileges committee responsible for appointment of Senior Advocates of Nigeria, past chairman Nigeria Bar Association, Kano Branch, 1970 to 1974, and former member of the Advisory Judicial Committee.

Hon Justice Akanbi is a life member of Plateau Bar Association, and former council member University of Lagos (1971 – 1975), and Chairman, Board of Trustees, Al Hikmah University, Ilorin. Hon Justice Akanbi was a Grand Patron, Faculty of Law, National Open University, Ilorin Study Centre, Ilorin. Life Patron Kwara Branch, Nigerian Bar Association. He was Chairman, Amicus International Club Ilorin, Merit Awardee of the Nigeria Bar Association, and Life Patron, Magistrates Association of Nigeria. He has

received Awards of Excellence from Ijaw Youth Council, Lagos Business School, Association of Women Journalists, Kwara State Council 1998 /2000, and the National Insurance Commission for his contribution to the development of Insurance Industry. He has also received Appreciation of invaluable contribution to the 1st HLF Annual Symposium from the Hallmark of Labour Foundation in 2004.

He has been given Awards of Excellence from Court of Appeal, Jos Division, Zulu Kanaini Gambari Memorial Royal Sports Award in August, 2005, Association of Nigeria Against Corruption, and Magistrate Association of Nigeria, Edo State, Humanitarian service and development of Islamic Propagation from Nigerian Muslim Merit Award (NMMA), the Department of Justice, Federal Bureau of Investigation, Criminal Investigation Division, Balogun Gambari Youth Movement, Ilorin, Association of Sheikh Yahaya Muritala Students in November, and the National Association of Computer Science Students, (NACOSS).

He has received Merit Awards from the Ilorin Emirate Students Union, University of Ilorin, the Nigeria Bar Association, Kaduna Branch, Ijan Otun Community, Irepodun LGA Kwara State, All Nigerian Judges Conference, Ansarul Islam Society of Nigeria and Abroad, National Association of Muslim Law Students, Post Graduate Students Association, University of Ilorin, Ilorin, Ilorin Emirate Students Union, Kwara CAILAS Chapter in 2012 and a Merit Award as Hujjatul Islam (The Proof of Islam) appreciation of his immense contribution and recognition of his meritorious service to Islam, Quran Kareem Academy – Nigerian International Institute for Islamic Affairs 2012.

He is also a recipient of the Nobles International Award from West Africa Nobles Forum, Special Personality Award at Yolans Consultants 25th Anniversary (1980 – 2005), Distinction Award of Excellence and Exemplary Leadership from National Youth Service Corps in January 2008, National Islamic Heroes Award for Community Development in 2012 and Special Award for 'exemplary commitment to prevention of electoral violence in Kwara State', courtesy of Centre for Peace and Strategic Studies, University of Ilorin, Ilorin. He was nominated Turaki Adeen of Jamaat Tajudeen Islamiyya Society of Nigeria (Ondo State Branch). Hon Justice Akanbi was an honouree at the 5th M. M. Akanbi Annual Lecture organised by Faculty of Law, University of Ilorin in March 2012 titled: The Challenges of Judicial Reform in the 21st century: The Nigerian Experience.





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KW-IRS, FRSC, VIO tripartite enforcement team



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KW-IRS

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2	ACCESS BANK	0004063946
3	ECOBANK	4822068065
4	FCMB	0897529151
5	FIDELITY BANK	5030063684
6	FIRST BANK	2029378380
7	GTB	0034886758
8	HERITAGE BANK	6003071503
9	SKYE BANK	1790106140
10	STANBIC IBTC BANK	9201637207
11	STERLING BANK	0049380670
12	UBA	1019295290
13	UNION BANK	0018799797
14	UNITY BANK	0025014446
15	WEMA BANK	0122584028
16	ZENITH BANK	1010522867
17	KEYSTONE BANK	6010010789

	BANK	ACCOUNT NAME	ACCOUNT NO
TSA ACCOUNT	GTB	KWARA STATE CENTRAL REVENUE COLLECTION ACCOUNT	0199648356

Signed:

Muritala Awodun, PhD

Executive Chairman

KWARA STATE INTERNAL REVENUE SERVICE

Corporate Head Office: 27 Ahmadu Bello Way, Ilorin Kwara State

Email: info@kw-irs.com

Website: www.kw-irs.com

Telephone: 0700MYKWIRS (07006959477)

Mobilizing Revenue for the Strategic Development of Kwara State

KW-IRS VISITS THE WRECKED SITE OF THE OJA TUNTUN MARKET

Yetunde Elegboja

Monday, 30th May 2016 was an unpleasant day for some shop owners at the Oja tuntun market, Ilorin (popularly called Baboko market) following an outbreak of fire which engulfed 40 (forty) shops. The fire was reported to have started in the early hours between 1am and 6am on Monday. The cause of inferno was traced to the sudden upsurge of electric power supply and the poor habit of not turning off all electrical appliances before retiring at the end of the day. The secretary of the market Executives, Mr Ladi Olororo who spoke to KW-IRS media officer added that the fact that generators were kept in many shops escalated the inferno.

The KW-IRS team on Tuesday 31 May, led by its Executive Chairman, Dr. Muritala Awodun paid a visit to the market to show their sympathy to the victims of the inferno, the Market Executives as well as the market traders in general. With deep concern, Dr. Awodun expressed shock at the loss adding that it was becoming too frequent and as such there is a need to find a lasting solution to prevent future occurrence. He requested the Iyaloja General and the Babaloja General to make available the list of those affected by the fire incident, the numbers of shops affected and the value of loss in the outbreak to enable him make recommendations to the Executive Governor of Kwara State, Alhaji (Dr) Abdulfatah Ahmed who has visited the market on the day of the incident.

The Secretary of the Oja tuntun Market Executives, Mr. Ladi Olororo, expressed his appreciation to the KW-IRS team for their concern. He explained that even though they got response from the State Fire Service, putting off the fire was not an easy task because of the poor access to the burning shops. This he added led to the consummation of additional two shops in the early hours of Tuesday 31st May 2016. Mr. Ladi informed the KW-IRS team of the visit of His Excellency, the Executive Governor of Kwara State, Alhaji. Abdulfatah Ahmed to the site on the day of the incident.

Dr. Awodun admonished the Market Executives and the market traders as a whole to take precautionary measures in order to prevent future occurrence of fire outbreak. He emphasised that this has to be jointly worked out by the market Executives and the market traders as a whole. He admonished the market people to ensure that electrical appliances are put off daily at the close of business so as to ensure the safety of lives and properties. He assured that KW-IRS will report the incident by way of feedback to the Executive Governor, and suggest what they consider as immediate steps to be taken.



Executive Chairman, KW-IRS, Kwara State Iyaloja and Babaloja and others at the site



KW-IRS Executive Chairman and Directors visiting the site



Babaoko Market Traders showing the KW-IRS team the result of the fire



The state of the shops after the incident



The KW-IRS team empathising with the victims



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ÀSÀ

WA: Our Culture

Habibah Aiyelabegan

À *sà Wa* was a command stage play by top Nollywood Actors and Kwara State Council for Arts & Culture. The play organised by the by the Office of the Special Adviser (SA) on Arts, Culture & Tourism was to showcase Kwara State Culture in commemoration of the 5th Year Anniversary of His Excellency, Alh (Dr) AbdulFatah Ahmed, the Executive Governor of Kwara State.

The event which took place at the Banquet Hall, Ilorin on Friday 27 May 2016 was graced by the Executive Governor of Kwara State, Alh (Dr) AbdulFatah Ahmed, the Speaker of Kwara State House of Assembly, Alh Ali Ahmed, the Secretary to the State Government, Alh Sola Isiaka Gold, the Management team of KW-IRS and traditional rulers. As expected, the occasion was witnessed by veteran Nollywood actors, Adebayo Salami (popularly known as Oga Bello) and his son Femi Adebayo who is currently the Special Adviser (SA) on Arts, Culture & Tourism.

The play featured veteran Nollywood actors such as Yinka Quadri, Odunlade Adekola, Fatiah Balogun, Bimbo Oshin, Muiyika Ademola, Lasun Ray, Afonja Olaniyi (a.k.a. Sanyeri), and Adekola Tijani (a.k.a. Golugo and Muniru Ambali). The play also featured actors of the Kwara State Council for Arts & Culture Troupe and J15 School of Performing Arts among others.

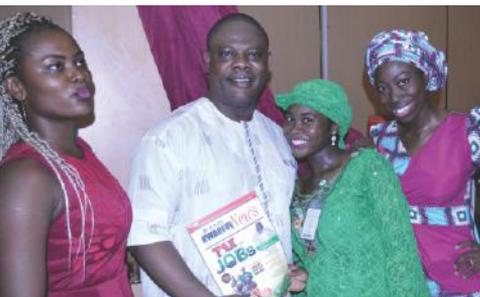
The plot of the play, *Àsà Wa* focused on the visit of a white man called Oyinbo to the State of Kwara State. As he journeyed from Kwara South through Kwara Central to Kwara North, Oyinbo was introduced to the rich and diverse cultures of Kwara State. The play showcased traditional songs, dance steps and the various languages spoken in the state such as Yoruba, Hausa, and Fulani, among others. It also gave a pictorial representation of leadership structure; Emir in Ilorin, and Obas for other places; major business activities which promote self-sufficiency and entrepreneurship such as weaving of aso oke majorly in Ilorin, production of *fura* and *numu*, among the Fulanis and *wara* (local cheese); and other lifestyle activity.



Director, ACA, Mrs Babajamu, and Adebayo Salami AKA Oga Bello



Femi Adebayo, SA Arts, Culture and Tourism with Head, Corporate Affairs, Habibah Aiyelabegan



Juwon Quadri, Yinka Quadri, Head, Corporate Affairs, KW-IRS, Habibah Aiyelabegan and KWASU Senior Assistant Registrar, Hauwah K. K. Abdulkareem



KW-IRS Media Officer, Yetunde Elegboja and SSA, Artisan, Prince Ebenezer Adetula



KW-IRS Media Officer, Yetunde Elegboja and SA, Revenue, Yinka Alabi



Honourable Commissioner, Ministry of Information and Communication, Mahmud Ajeigbe and KW-IRS Media Officer, Yetunde Elegboja



KW-IRS MAY FIELD FEEDBACK/TRAINING

Habibah Aiyelabegan

The Kwara State Internal Revenue Service (KW-IRS) Field Feedback/Training programme is a monthly activity for the continuous development and training of staff of the Organisation. It is also an opportunity for sharing experience from our field operators, identify their challenges and proffer solutions.

At the May edition, the KW-IRS Management and Staff observed a one minute silence for the soul of Bamidele Olanrewaju a staff who died in the month. The KW-IRS Executive Chairman, Dr Muritala Awodun enjoined all to perceive this as a moment to reflect on our own lives. He apprised that this sad incident should serve as a wakeup call to all staff to always check our health status. He posited that health is wealth and a healthy organisation is a wealthy organisation.

In the same vein, the facilitators for the May programme were representatives of Royal Exchange Health Assurance. The Royal Exchange team made a presentation on Stress Management – what it is, the effects of chronic stress and how to cope with stress. The team also presented a proposal on health insurance scheme with various plans to the staff.

As usual, the Field Feedback Training does not end until the Executive Chairman award for the month is announced. Unprecedented however, was that in May, three (3) staff were recognised as the Employees of the Month. These were Adejumoke Adeniyi (Informal Sector Directorate), Oluwafunmilayo Osinuga (Ministries, Departments, & Agencies Directorate) and Mustapha Lukman (Legal & Enforcement Directorate). The award of best Directorate of the month went to the Legal & Enforcement Directorate.



Cross section of KW-IRS staff at the event



Executive Chairman, KW-IRS



Director, Admin & Corporate Affairs



Director, Tax Assessment and Audit



Director, HNI and Corporate Organizations



Head, Monitoring Department, Mr Umar Alege



Deputy Director, Informal Sector



Director, MDAs



Head, Legal & Enforcement Directorate,
Mr Mustapha Lukman



Senior Manager, Operations & Process,
Mr Temi Kolawole



Head, Accounts, Finance, & Reconciliation,
Mr Olayiwola Jinadu



The Best Staffs for the Month of May with the Executive Chairman



KW-IRS Staff making comments



Cross Section of Staff



Cross Section of Staff



Cross Section of Staff



Cross Section of Staff



The Executive Chairman and Members of the Legal and Enforcement Directorate, winners of the Best Directorate of the Month of May

DR. AWODUN DELIVERS A LECTURE AT LANDMARK UNIVERSITY 'OMU-ARAN

Yetunde Elegboja



Executive Chairman, KW-IRS delivering his lecture

With a passion to impact the youth on ways to make a living by becoming entrepreneurs and by leveraging on creative ideas that can engender creation of resources. Dr. Muritala Awodun, the former Dean, School of Business and Governance and founding Director, the Centre for Entrepreneurship at the Kwara State University before his appointment as the Executive Chairman, Kwara State Internal Revenue Service (KW-IRS) gave a lecture to the students of Landmark Business Administration and Corporate Analyst on the theme: *Becoming successful as an Entrepreneur in Today's Business World* at the Landmark University, Omu-Aran on 6 June 2016.

After the reading of his profile by Dr. Mrs Alao, Patron, Landmark University Business Administration and Corporate Analyst (LUBACA), Dr. Awodun, the passionate teacher mounted the podium to do what he knows best by speaking to the theme of the seminar. He express how delighted he gets every time he has the opportunity to speak to young graduates on how they can make the best out of life without the need to wait for any white collar job. He however expressed profound appreciation to the management of Landmark University, Omu-Aran, especially the Department of Business Administration for the opportunity given him to share with the students of the prestigious institution from his wealth of experience.

Dr. Awodun further shed light on the 5 perspectives of entrepreneurship which are: *People, Process, Skills, Methods and Ends*. These are the basic requirements that leads to being a successful entrepreneur. Dr. Awodun emphasized on how the above listed interworks and inter relates as they cannot

be separated as a complete ingredients for a tasty soup of entrepreneurship. Having talked about people and the perspective of entrepreneurship which is the number one perspective to be put into consideration when a potential entrepreneur is at the drawing board, Dr Awodun added that the prospective entrepreneur has to bear in mind that whatever is the outcome of his plan must be something that would work for people who will be his sole clients of whatever his thoughts are.

Dr. Awodun spoke to the second perspective of entrepreneurship, i.e., Process. According to the passionate lecturer, he defines process as the point of ideation which is inseparable from innovations, availability of resources, Enterprise, i.e., setting up the venture itself and the creation of employment which erupts as a result of that. He however enumerated the importance of commitment so as to sustain the process stage which can be lost to procrastination or lack of proper strategy and the detriment of the product development which is supposed to lead to employment for the entrepreneur as well as others and the realization of profit for him which is the key word for success.

Step by step, the Guru of entrepreneur in an atmosphere of passion for what he knows best as created by him explicated the third perspective of entrepreneurship which is the skills perspective. He defines skill as the talent, dexterity as well as the proficiency required by an entrepreneur to succeed. He broke this down to the vision(capacity to create) required by an entrepreneur, the passion, resilience and the never give up spirit mandatory for an entrepreneur because challenges is inseparable from life and the ability to weather the storm is what makes the winner. He further itemized the ingredients tagged to the skill perspective which are self-reliance, competence, motivation and decisiveness. Dr. Awodun spoke about the importance of risk management to an entrepreneur which is a must have



Students at the event



Executive Chairman, KW-IRS Dr Muritala Awodun



Dr. Mrs Alao, Patron, Landmark University Business Administration and Corporate Analyst (LUBACA)

for an entrepreneur and the ability for an entrepreneur to translate vision to reality.

Dr. Awodun also gave an insight on who an intrapreneur is. He characterized an intrapreneur as the leaders of an organization and the main driver of an organization. In this case, a visionary of an idea may not necessary be a working team of his vision, he mostly in this context gives out his vision to experts in that regards to pursue and run with his dream. He further expounded on the fourth perspective which is Enterprise, that is, the medium of affecting and impacting and the last perspective which is the End perspective which he says is idea merged with innovation which results to adding value. He however said that innovation is one percent of inspiration.

Dr. Awodun also stressed the importance of the mind-set

towards the success of an innovation as the mind-set of an entrepreneur ends up to be the reflection of his product as to whether it would succeed or not. He enumerated the effect of one's character which also reflects on the aftermath of one's effort towards success. This implies the importance of discipline and diligence to an entrepreneur.

Full of appreciation to Dr. Muritala Awodun for the lecture delivered which has opened up the understanding of the Business Administration students of Landmark University and has shown them the right ways of getting the best results out of every opportunity that comes their way, the LUBACA president; Mr. Tochukwu Odimgbe commended Dr. Awodun and plead for the Association to be obliged his presence subsequently as they intend to draw more from his wealth of his experience.



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PROVIDE PALLIATIVES FOR KARA MARKET: THE OLUPO OF AJASE-IPO

Yetunde Elegboja



KW-IRS team with the Oba

The courtesy train of the Kwara State Internal Revenue Service (KW-IRS) stopped at the Olupo's Palace at Ajase-Ipo in Irepodun Local Government Area on 2 June 2016. The Executive Chairman, KW-IRS, Dr. Muritala Awodun led the KW-IRS delegates to connect with the blessings of the Olupo of Ajase-Ipo, Oba, Alhaji. Sikiru Atanda Sanni Ilufemiloye Woleola II. Speaking at the palace, Dr Awodun gave an overview of the functions of KW-IRS as established by the Kwara State Revenue Administration Law No. 6 of 22 June 2015.

He was full of appreciation of the Olupo for receiving the KW-IRS team in his palace. He made reference to the importance of blessings of elders for accomplishment in any task especially a State task which the KW-IRS management and staff are undertaking. He explained the need for KW-IRS to seek the support of the people of Ajase-Ipo for effortless revenue collection in their community especially as it relates to the 2 major markets domicile in Ajase-Ipo with the Kara market being the biggest.

Dr Awodun made it clear that his team is open to the advice of the Oba on the mode of revenue collection for Ajase-Ipo because KW-IRS always bears in mind the peculiarity of every community within the State. He quickly shed light on the reason why KW-IRS took over the

collection responsibility of the Local Governments. This he said was to resolve the challenge of multiple taxation through the harmonization of revenue collection. This was done with the consent of all the Local Government Chairmen by a signed Memorandum of Understanding (MOU).

In his opening address, the Olupo of Ajase-Ipo gladly received the KW-IRS team. He gave kudos to the management of KW-IRS for deeming it necessary to pay a visit to Ajase-Ipo town. The Oba categorically said that there is no comparison between the Kara market and the regular market in Ajase-Ipo because the Kara market is the initiative of the people of Ajase-Ipo which dates back to the reign of his late father.

The Olupo stated that KW-IRS can only collect revenue on the cows that are brought into the market. He stressed that the cows going out of Ajase-Ipo town as a result of purchase is for



(L – R) Deputy Director, Informal Sector, Mr 'Lekan Rotimi, Executive Chairman, KW-IRS and HRH, Oba (Alh) Sikiru Atanda Sanni

the development of Ajase-Ipo town and its people. He decried the level of development at Ajase-Ipo Kara market despite the great contribution of the town to the economic development of the State because the market is the most patronised Kara market in the State and have its market day operational every 5 days. This implies that people from all over the country come to Ajase-Ipo every market day to sell or buy cow at the Ajase-Ipo Kara market.

Oba, Alhaji. Sikiru Atanda Sanni Ilufemiloye Woleola II further complained about the lack of basic amenities at the Kara market. He requested the State Government to provide palliatives at the Kara market in terms of perimeter fencing, water and ultra-modern toilet facility. He explained that since government collects revenue from the market, it should use the funds to develop it. He lamented on losses incurred weekly at the Ajase-Ipo Kara market because some of the cows brought for sale run away due to lack of perimeter fencing. The Oba, (current and previous), or the Chairman, Butcher's Association of Ajase-Ipo who is also the architect of the Ajase-Ipo Kara market have had to pay for the cost of missing cow from their pocket.

The Olupo however advised the Executive Chairman, KW-IRS to allow the Iyaloja and Babaloja of the Ajase-Ipo market to assist collect the revenue for the Kara market and the regular market on behalf of KW-IRS. According to him, the major people in the Kara market are the Hausa people who are renowned in the cattle business. He explained that the language barrier may hinder effective collection from the market.

The Chairman, Butchers Association, Alhaji Omo

Okunola, a co-founder of the Kara market in conjunction with the late Olupo of Ajase, the father of the present Olupo of Ajase-Ipo, in his address to the KW-IRS team emphasized the need for the Kara market to be urgently fenced. He also revealed that water supply is a huge challenge at the market especially now that the two wells dug by the community are completely dry.

The Executive Chairman, KW-IRS in his response promised to convey the request of HRM, Olupo of Ajase-Ipo land and that of the people to His Excellency. He explained that, the law that constituted KW-IRS also empowered it to advice the State Government of the pressing needs of the people as it relates to different communities. He also shed light on the Community Impact Project (CIP) which is conducted monthly by the KW-IRS with the purpose of giving back to the society in its own little way. He mentioned some of such projects already conducted which are: the clearing of Ipata market abattoir, the cleaning of Alapa market, and the provision of ultra-modern toilet at Ago-market, among others. He further promised that the Service will also impact on the Ajase-Ipo Kara Market.

The KW-IRS delegates took a tour round the Kara market to gain insight into suggestions to the State Government using its feedback privilege. On getting to the Kara Market, the Executive Chairman, KW-IRS engaged the Seriki Kara (Head of the Kara market) in a discussion to hear his own view as the head of the market. The summation of Seriki Kara was not different from that of the Olupo of Ajase-Ipo land, the Iyaloja and that of Alhaji Okunola. Dr Awodun again reassured the community of his commitment to passing their message to the Executive Governor.

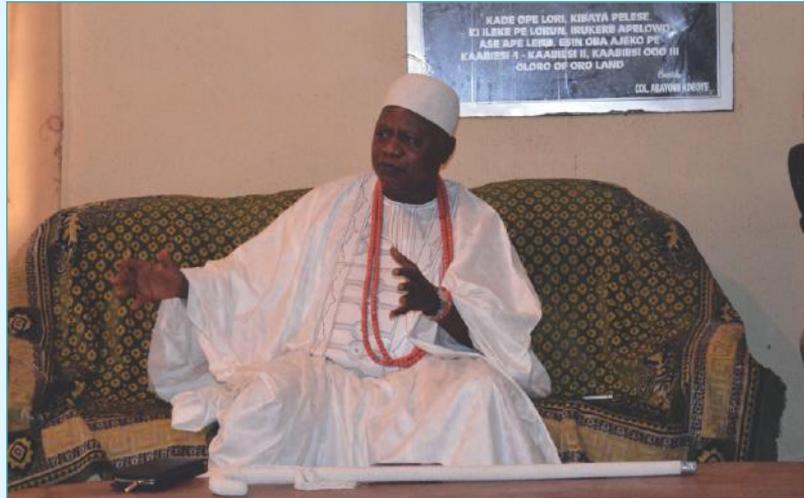


KW-IRS team with the Oba, Babaloja, Iyaloja and others

BE DISCIPLINED AND SHUN EVERY ACT OF CORRUPTION- OBA RAFIU AJIBOYE OYELARAN

Yetunde Elegboja

The Executive Chairman (EC), KW-IRS, Dr. Muritala Awodun with his management team paid the Oloro of Oroland, Oba Rafiu Ajiboye Oyelaran a courtesy visit on 2 June 2016 at his palace in Oro. This is in line with the agenda of the Kwara State Internal Revenue Service (KW-IRS) to connect with all the Royal Fathers in the 3 Senatorial Districts of the State to solicit for their prayers and support and the cooperation of their community for smooth revenue collection.



Oloro of Oro, Oba Rafiu Ajiboye Oyelaran

In his opening address, Dr. Awodun appreciated His Royal Majesty, the Oloro of Oroland for receiving the KW-IRS team warmly. He also appreciated the chiefs and elders present. Dr. Awodun explained that the KW-IRS was set up to monitor revenue collection, block loopholes and expand the tax net. He added that the financial challenges created by the crash in the oil sector has reduced the Federal Allocation which was previously the major source of revenue in states.

Dr Awodun was however grateful for the support received thus far by the Informal Sector Directorate,

under the leadership of Mr. Lekan Rotimi whose directorate has been interfacing with the people of Oro Community, especially from the Iyaloja, Oro, Alhaja Mulikat Jimoh and the Babaloja, Oro, Alhaji.Tijani Sodiq who had been working with the Informal Sector to coordinate revenue collection in Oro market.

Reacting to the remarks of the Executive Chairman, KW-IRS, the Chairman, Descendant Union of Oro town, Prince Jide Titiloye apprised that the Oro market is an initiative of the rulers and people of Oro town. He enjoined the Government to utilise revenue collected judiciously towards the development of the market. Prince Titiloye explained that the non-

remittance of revenue collected in the past affected the development of the town. He admonished the KW-IRS team to ensure that there is a positive difference in their collection process.

The Iyaloja of Oro market, Alhaja Bilikis Jimoh stressed the need for the service to come up with the collection method to be employ so as to communicate same to the market people. She stated that the Government need to urgently look into developing the Oro market which is the second largest market in the State after Offa.

Giving his words of advice to the KW-IRS team and speaking for the people of Oro land, HRM, Oba



L – R, EC, KW-IRS, Iyaloja of the Oro Market, and the Oba



KW-IRS team

Rafiu Ajiboye Oyelaran, the Oloro of Oroland appreciated the Executive Chairman, KW-IRS for seeing it necessary to come down in person to discuss with the people of Oro town. He pledged his support and that of his people for the revenue cause of the State through KW-IRS.

Oba Rafiu Ajiboye Oyediran also appealed to the KW-IRS team to be disciplined and shun every act of corruption. He explained the emphasised the need for integrity among staff. He said when all these are achieved, people will build confidence in the Service. He advanced that the market executives understand and know the market people the most and as such are capable to undertake the task of assisting KW-IRS in collections.

Oba Rafiu Ajiboye Oyediran who also agreed that

previous revenue collections should have been used to develop the market requested on behalf of the market people for portable water to be provided for the market, good toilet, grading of the market entrance (gate) and structural designs for the market.

In his closing address, the Executive Chairman, KW-IRS, appreciated all for their contributions and suggestions. He gave the Oba of Oroland and his team an insight on the activities of KW-IRS for impacting the markets through his Community Impact Program (CIP). He listed some of the projects executed in some of the markets which included the evacuation of dung at Ipata abattoir, the provision of ultra-modern toilet at Ago market, the clearing of 4 years dirt at Alapa Market and the digging of borehole at Ipata market. He stated in conclusion that KW-IRS is here to make a positive difference in the lives of the residents of Kwara.



KW-IRS team being shown the abandoned bore hole at the Oro Market



Iyaloja introducing key Oro market personalities to the KW-IRS team



Iyaloja leads KW-IRS on a tour of the Oro Market

CONTRIBUTE FIRST, THEN ASK FOR RESULTS says OLOFA OF OFFA

Habibah Aiyelabegan

The Kwara State Internal Revenue Service (KW-IRS) team led by the Executive Chairman visited the palace of the Olofa of Offa on 8 June 2016. The meeting was that of KW-IRS and stakeholders of the Offa Local Government. The purpose of the meeting was to foster deliberation on how to go about the task assigned to KW-IRS by the State Government as the service recognises the importance of people's support.

Present at the meeting were His Royal Highness (HRH), the Olofa of Offa, Oba Mufutau Oloyede Gbadamosi, the Local Government (LG) Chairman, Alhaji Abdulwaheed Olusegun, and other LG Executives including the Deputy LG Chairman, Secretary, Speaker and other legislative members, Supervisory Counsellors, the Chief of Staff, as well as Owode Market Executives which included the Babaloja, Iyaloja, among others.

The Chairman, Offa LG welcomed the KW-IRS, Executive Chairman and his team for the visit. He affirmed that the establishment of KW-IRS became pertinent when the allocation from the Federation account became grossly inadequate. He attested that since the take off of the establishment, there has been attention and visible improvements to markets in Kwara state.

The Executive Chairman, KW-IRS confirmed the purpose for the establishment of KW-IRS as stated by the Local Government Chairman. He explained that since the crash of the global price of crude oil Federal Allocation to Kwara State has been reducing continuously. He said that the vision of KW-IRS was however conceived before this, thanks to the foresight of the Kwara State Government. This called for the need to pay attention to sources of revenue previously neglected, internal sources.

Dr Awodun highlighted that the Kwara State Revenue Administration Law No. 6 which established KW-IRS also provides for the harmonisation between the State Government and Local Governments. He said the purpose of this harmonisation includes avoiding multiple taxation of the residents of Kwarans and the use of efficient and effective methods for revenue collection. He however clarified that this harmonisation only permits KW-IRS to collect on behalf of the LGs, this implies that all revenue due to each LG is to be appropriately remitted to them. He informed the Olofa that the implementation of this commenced in February after the LGs and KW-IRS signed Memorandum of Agreement (MOU). He also mentioned that the harmonisation which recently commenced is still being studied carefully as such, not all revenue heads in the LG collection are being collected at the moment.

Babalaja, Owode market who welcomed the KW-IRS stated that the most pressing need the market has at the end is roofing and ceiling of shops which has become important and urgent giving the raining season. He said the Government providing this will be motivation for the market people to perform their civic responsibility. The President, Artisan Association, Offa in recognition of the fact that KW-IRS met with Artisan Associations, National Union of Road Transport Workers (NURTW) and Road Transport Employers Association of Nigeria (RTEAN) to agree on a discount Personal Income Tax (PIT) for residents of Kwara other than the Federal Government Presumptive Regulatory Tax Regime advised that KW-IRS in such meetings in future invite associations invite associations domicile in Offa.



The Olofa of Offa, Oba Mufutau Oloyede Gbadamosi



The Executive Chairman, KW-IRS presenting souvenir to The Olofa of Offa

HRH, the Olofa of Offa, commended the KW-IRS team for its manner of operation so far which he said have been markedly different from how the defunct Kwara Board of Internal Revenue (KBIR) operated. He particularly spoke on the interest of KW-IRS in community development giving the example of the kitting of pupils in 4 LGAs with 2 pairs of school uniforms, sandals and school bag.

In agreement with the Babaloja, HRH also solicited for the support of the State Government in the roofing of shops in Owode Market. He described Offa as the commercial nerve centre of Kwara and is such very important. He added that most of the development of the market has been from the contributions of the people and himself. He recognised the contribution of the State Government in form of donation to Owode market in the past and said there is need for more. He specified the amount being solicited for the roofing of the shops to be N5million naira.

The Olofa of Offa in his concluding statement apprised that he has always supported tax payment. He also agreed with Dr Awodun that IGR is the obvious direction the State Government needs to go. He apprised that in the past, people have always claimed that a few individuals siphon funds for their personal use but now it is obvious the funds are not there as such, if the State will have any resources to develop Kwara, it must be from us. He enjoined his people to support the Government. He apprised that we must all contribute first, before asking for results since the Government basically have nothing to work with at the moment. He stated not this tax reform is obtainable not only in Kwara so the residents of Kwara should not be defensive.

The Executive Chairman, KW-IRS assured the Olofa of Offa that KW-IRS as part of its Community Impact Program will look into the provision of ceiling for the Owode market shops. He thanked the Olofa of Offa, the Local Government Chairman and his team, the Owode Market executives and all those present.



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KW-IRS MEETS WITH THE TRADITIONAL RULERS OF IFELODUN LOCAL GOVERNMENT

Yetunde Elegboja

In its tour round the various communities in Kwara South to sensitize, seek for support as well as the blessings of the Royal Fathers, the Executive Chairman, KW-IRS, Dr. Muritala Awodun in company of Director, Admin and Corporate Affairs Directorate, Mrs. Adenike Babajamu and the Deputy Director, Informal Sector, Mr. Lekan Rotimi led the KW-IRS delegates to the palace of the Elese of Igbaja land, HRH, Alhaji. Ahmed Awuni Babalola Arepo III who is the Chairman, Traditional Rulers of Ifelodun Local Government

Concil. Present at the event were 22 traditional rulers such as HRH, Oba. A. Adelodun, Elesa of Oke-Ode, HRH, Oba. Y.A Buari, Vice Chairman, Olomu of Omupo, HRH, Oba Adebayo Akolade, HRH, Olora of Ora, HRH, Oba. S.A. Adeyeye, Oludofian of Idofian.

Having paid homage to the Elese of Igbaja land in his Royal Chambers to establish the presence of the KW-IRS team before proceeding to the traditional ruler's council where the meeting was conducted, the Ifelodun Local

Government Chairman, Alhaji Ayinde. A Salami welcomed Dr. Awodun and his team on behalf of the Elese of Igbaja land. He spoke of the importance of money in every subject of man's need including his existence even in the area of religion. He linked this point to the decision of His Excellency, Alhaji. Abdulfatah Ahmed, the Executive Governor of Kwara State for establishing the Kwara State Internal Revenue Service which is intended to find a lasting solution to the financial situation of the State through the collection of revenue for the State.



Executive Chairman, KW-IRS, Ifelodun LG Chairman, Alhaji Ayinde, Elesa of Igbajaland, HRH Alhaji Ahmed Awuni Babalola Arepo III

The Ifelodun Local Government Chairman confirmed that the establishment of KW-IRS is a relief for the local governments following the harmonization of revenue collection which gives KW-IRS the power to collect revenue on behalf of the local governments. He stressed that this have helped collection at the local government level and have helped moneys collected get to the right coffers. Alhaji. Ayinde Salami applauded the legacy of the Ifelodun Traditional Councils which have



Cross Section of Oba's in Ifelodun Local Government

supported the Abdulfatah's administration. He explicated that the traditional rulers of communities in Ifelodun Local Government go as far as paying revenues on behalf of some of their kinsmen that are challenged in one way or the other so as to keep them from being embarrassed by the law.

In his remarks, HRM, Eleso of Igbajaland went down the memory lane to when Tax and Agriculture were the major source of income by our nation and the complete deviation from it by our rulers during the oil boom. He was however excited about the decision of His Excellency, the Executive Governor of Kwara State to pay attention to revenue and also revamp the revenue sector through the establishment of the Kwara State Internal Revenue Service (KW-IRS).

Full of appreciation for the opportunity given to the KW-IRS team despite the short notice Dr. Muritala Awodun, the Executive Chairman, KW-IRS gave a brief on the rationale for the establishment of the KW-IRS. He established that one of the reasons for the establishment of KW-IRS is to ensure that revenue collected gets to government coffers and also give feedback to the government on the pressing needs of the people for government's urgent intervention.

Dr. Awodun explained the reasons for the collection of the local government revenue by KW-IRS; for proper accountability and for the harmonization of collection so as to control possible cases of multiple taxation. Dr. Awodun further explicated that this decision was done with the consent of all the local government chairmen in the State with an MOU signed by both parties.

Reacting to the speech delivered by the EC, KW-IRS, the Olomu of Omupo land, HRH. Oba .A. Adebayo Kolade stated that the Land Charge collection will yield more at the State Capital. He stressed that 80% of the buildings they have within their community are dilapidated mud buildings that cannot generate any revenue for the State government. Using his experience as a former revenue collector, he advised strongly that the Service should investigate its proposed consultants before engaging them so as to be sure the required sanity is achieved. He also admonished the management and staff of KW-IRS to be honest, and sincere in their dealings with the people so as to merit the desired trust. He however called for the harmonization of the development levy to be inculcated into the PIT for the artisans so as to further control cases of multiple taxation.

Dr. Muritala Awodun also spoke on the Kwara Resident Identification Project which is conducted by the State government to get the database of the residents of Kwara so the government can through the database generated make necessary provisions for its citizens. He however elucidated the importance of having the KRIN number which would be beneficial to the residents of the State at some point of accessing government facility from next year. He stated that KW-IRS would engage the traditional rulers to coordinate revenue collection for KW-IRS.

The Eleso of Oke-Ode requested to know if the rate for urban and rural is the same while HRH. Oba. Agboola



Cross Section of Oba's in Ifelodun Local Government



Cross Section of Oba's in Ifelodun Local Government



Cross Section of Oba's in Ifelodun Local Government



Executive Chairman, KW-IRS presenting a souvenir to the Eleso of Igbajaland while Ifelodun LG Chairman looks on

(A.S), admonished the management of the Kwara State Internal Revenue Service (KW-IRS) to itemize the necessary payment via documentation and translate it to the major languages in Kwara. He said this would guide people and educate them on what to pay for and how much to pay. He further explained that this would also be a form of check and control for any fraudulent case.

In his closing notes, the EC, KW-IRS appreciated all the Royal Fathers, Council and Legislative members present. He commended them for their suggestions and questions. He answered the question of the Eleso by stating that the property tax for the rural area is different from that of urban area. He stated that KW-IRS would run with the suggestion of the HRH. Oba Agboola (SA) to document the various categories of payment.

KWARA CAN BE SELF-SUFFICIENT IF IGR IS DONE RIGHT- Elerin

Habibah Aiyelabegan



The Elerin of Erin-ile, and Chairman of the Oyun Traditional Council, His Royal Majesty, Oba Abdulganiyu Ajibola Ibrahim Olusokun II on June 8 2016 hosted the management team of the Kwara State Internal Revenue Service (KW-IRS). The team which was led by the KW-IRS Executive Chairman, Dr Muritala Awodun was well received at the palace at Erin-ile. The purpose of the meeting was to solicit the support and guidance of the community leaders and brainstorm on the modalities of collection which will be suitable to the peculiarities of the environment.

Also in attendance were the Kabiesi, Onira of Ira Alh Oba Abdulwahab Oyewale Oyetoro, Onipe of Ipe Land, Alhaji Oba Muftau Adebayo Lawal Titiloye III, Olojoku of Ojoku Land, His Royal Majesty, Alhaji Oba Abdulrazaq Adegboyega Afolabi Iyiolasimi III, the Elemana of Elemana, Alhaji Oba Yusuf Omakanye Oyekanmi I, the Onigbona of Igbona Land, His Royal Majesty, Alhaji Oba Abubakre Soladoye Oyelowo Ilufemiloye I, Local Government (LG) Chairman, Engineer Alao Jimoh Adebayo, LG Vice Chairman, Honourable Mrs Dorcas Okoye, LG Treasurer, Pastor David Omomeji, other members of the Local Government and Babaloja, Oyun LG, Baba Gabriel Ogunremi among others.

The LG Chairman, Engr. Adebayo in his welcome address described the establishment of KW-IRS as symbolic given the national economic downturn which he said called for an urgent reform and possibly overhaul of the current system of Internally Generated Revenue (IGR) at every level of Government. He apprised that the Government must find means to fulfil its responsibilities to the governed. In light of the above, he highlighted some areas of revenue generation for consideration such as markets, motor parks, citizenship/certificate of origin, etc. He stated that intervention in the highlighted areas will be appreciated as it will go a long way to improve the council's IGR. He requested that the Government assist to construct rural roads to help farmers easily transport goods to the market.

Engr. Adebayo posited that the relevance of royal fathers in revenue generation cannot be over-emphasised. He advised KW-IRS to ensure royal fathers are carried along in all activities since they know the land and the people, and without their support, very little can be achieved. He appealed to the royal fathers on behalf of KW-IRS for their cooperation and support through sensitisation and enlightenment of the people. He stated that everyone has a role to play and tax payment is a responsibility that must be fulfilled by citizens all over the world.

Dr Awodun thanked the Elerin, other Obas and all those present. He gave a background on the establishment of KW-IRS explaining that the government of Kwara State realised there was need for a reform of IGR collection, and enacted the Kwara State Revenue Administration Law No. 6 on 22 June 2015 which established KW-IRS and empowered it as the sole agency recognised by law to collect revenue on behalf of the State Government.

Dr Awodun informed the Obas that the Service realised even before the commencement of operations that the task at hand will be more successful with the support of the royal fathers. He said as most have heard from our fathers, tax payment and collection has always been in existence. He added that tax is used globally for state expenditure and development then, and now.

The Executive Chairman, KW-IRS stated that for a long time, Nigerians enjoyed the income from crude oil and as such neglected tax and other IGR since the funds from crude oil seemed to be sufficient. He said we all should be glad Kwara State had the foresight to realise where things were headed and creating the KW-IRS before the situation became as bad as it is today. He reminded those present that Lagos State had taken this route in 2002 and the results have been evident in the growth of their IGR from N800million to N23billion monthly.

Dr Awodun gave an analysis of the Federal Allocation which was received by Kwara State overtime. He said Kwara used to receive up to N3billion which has reduced considerably from

N2billion, to N1.7billion, N1.2billion and is now at N700million only. Kwara State requires about 1.7billion to 2billion to fulfil its salary responsibilities. It is as such obvious that Kwara can no longer solely rely upon the Federal Allocation. He mentioned that the IGR target of Kwara for 2016 is N34billion. He apprised that with the revenue made so far by KW-IRS, with our highest being N2.1billion which was generated in April 2016, Kwara will be self-sufficient if the IGR drive is done right.

Dr Awodun mentioned that some of the revenue heads that have been identified to be important in Oyun includes the Personal Income Tax (PIT) of Markets and Artisans. He informed the royal father that KW-IRS has met with artisan associations and have arrived at an agreed rate. He added that for the markets, the Service has decided to work with Babaloja and Iyaloja of the various markets, since they know the market people best. In the same vein, the royal fathers know their people best. This he said has made it significant to get their blessing, support and guidance.

Elerin of Erinle expressed happiness over the visit and prayed for Oyun LG and KW-IRS. He advised KW-IRS to strengthen its sensitisation and enlightenment to the people as most people are not abreast with the new reforms and are still unclear about the activities of the Service. He used the opportunity to seek clarifications on specific areas as this would enable the royal fathers have adequate information with which they will be equipped to explain to their people. He also sought for frequent communication between KW-IRS and the traditional council.

The Executive Chairman, KW-IRS addressed specific concerns as necessary, thanking the Elerin for seeking clarifications. He said this is particularly important since one of the aims is to speak with one voice. He thanked the Elerin of Erinle and all the Obas and assured them that their advice will be taken inculcated into our practices. He also promised that there will be subsequent meetings with the people of Oyun LGA.



GUIDELINES ON OPERATION OF PAY AS YOU EARN (PAYE) FOR 2016 FINANCIAL YEAR

Nuhu Olaide MUHAMMED

INTRODUCTION

There are various sources available to government to raise revenue to meet up with her competing demands. Taxation being a major source of government funding informed the enactments of various statutes for its administration, collection and accountability. The statutes over the years have undergone several amendments which are aimed to bring to fore the economic realities of today and provide some level of comfort both in the administration and payment of taxes.

Taxation as you all know are either considered direct or indirect of which our major concern here today is on the direct taxes. One of the major types of direct tax is personal income tax which can be taxed and collected through PAYE and Direct payment mechanisms. Direct payment mechanism is concerned with self-employed persons while PAYE deals with persons on employment in all sectors of the economy.

PAYE (Pay As You Earn) as stated above is applicable to incomes of persons derived from employment and payable by the employer on their behalf. In this regard the income of an employee which includes basic salary, rent allowance etc. is commonly referred to as total pay of an employee. It is important to stress here that PAYE scheme applies on the direction of the relevant tax authority. It is expected that on the satisfaction of the relevant tax authority a Notice of Direction (to operate PAYE) is issued authorizing employer to deduct and remit tax from any payment of or on account of emolument made to any employee liable to pay tax in that employment. It is my belief that your individual organizations which you are representing have been directed.

The above is in compliance with S.81 (1) of PITA 104 of 1993 as amended which, provides that income tax chargeable on an employee by an assessment whether or not the assessment has been made, shall, if the relevant tax authority so directs, be recoverable from any emolument paid, or from any payment made on account of the emolument by the employer to the employee. By this provision, directed-employers (those authorize by the relevant tax authority to deduct and remit tax deducted on behalf of the government from any payment of or on any account of emolument made to any employee liable to pay tax in that employment) are obliged by law to deduct and remit the total tax deducted from the employee's remuneration in a month not later than the 10th day of the month following the month of deduction. It is on this note that it is important to you, as one of the major stakeholders to understand the basics of PAYE scheme as it is applicable in this current year (2016).

RESPONSIBILITIES OF PAYE STAKEHOLDERS

Major stakeholders in PAYE scheme are employers of labour, relevant tax authorities (e.g. Kwara State Internal Revenue Service) and the employees.

MEANING OF "EMPLOYER OF LABOUR"

Within the context of PAYE and its operation "employer of labour" is to taken, when necessary, to be:

- a) any person having control of payment of remuneration;
- b) any agent, manager or other representative in Nigeria of any employer who is outside Nigeria;
- c) any agent, manager or other representative in a State of any employer in Nigeria; and
- d) any paying officer of Government or any Local Government.

The concerns of Employer of Labour

- * Major operator of PAYE scheme.
- * Collection of Form A on behalf of the employees.
- * Ensure correct completion of Form A and its return to relevant tax authority for processing.
- * Ensure prompt monthly deduction and remittance of PAYE due from employees' emolument.
- * Preparation and submission of employers' annual returns.
- * Deduction and remittance of WHT as applicable and appropriate.
- * Make records of deductions available to Kwara IRS for inspection.
- * Ensure correct deduction of the tax due.
- * To account for tax deducted and remitted during the year.

RELEVANT TAX AUTHORITY

Meaning of "relevant tax authority"

Relevant tax authority as it relates to individual for a year of assessment means the tax authority of the territory in which the individual is deemed to be resident that year. In this case the relevant tax authority is Kwara State Board of Internal Revenue.

The concerns of Relevant Tax Authority (Kwara State Board of Internal Revenue)

- * To issue Notice of Direction to employer of labour (then qualifying them to be Directed –Employer of labour).
- * To make relevant documents available for the PAYE operation.
- * Process completed Form A to determine the free pay and tax due.

- * To issue certificate of free pay and e-TDS (Electronic Tax Deduction Sheet).
- * Accept and account for remitted tax.
- * Review the employers' annual returns rendered by the employer.
- * Ensure correct deduction of the tax due.

EMPLOYEE

Who is "employee"

Employee is defined to include any holder of an appointment of office, whether public or otherwise, for which remuneration is payable.

The concerns of employee

- * Completion of Form A.
- * Declaration of the total (gross) pay.
- * Corporation with the employer to make correct deduction.

2016 PAYE OPERATION GUIDELINES

The 2016 PAYE operation guidelines shall be in accordance with various amendments contained in the PIT (Amendment) Act of 2011 and the previous ones.

Operator of the Guidelines

All Directed Employers in the State are mandated to operate PAYE scheme in accordance with provisions of S. 81(1) and (2) of the Personal Income Tax Act 104 of 1993, as amended. To this end, you are enjoined to deduct and remit income tax from any emolument paid, or any payment made on account of the employment to the employee. By this provision, you are therefore obliged by law to deduct and remit the total tax deducted from the employee's remuneration in a month not later than the 10th day of the month following the month of deduction. Failure to remit on the said date shall attract a monthly interest and penalty.

Annual Returns

The annual returns on PAYE for this current year and any previous un-remitted ones should be prepared in both hard and soft copy, and forwarded to this office immediately in line with the attached format. You may wish to please note that every employer is required to file return with relevant tax authority of all emoluments paid to its employees, not later than January of every year in respect of all employees in its employment in the preceding year. Any employer that fails to comply is liable on conviction to penalty of N500,000 in the case of a body corporate, and N50,000 in the case of individual. This is in line with provisions of S. 81(2) & (3) of Personal Income Tax (Amendment) Act, 2011.

Treatment of Reliefs

Treatment of relief shall be in accordance with the provision of S. 34 of Personal Income Tax Act 104 of 1993 as amended. The law provides that no deduction (relief) shall be allowed or granted to any person unless claimed in writing in such form as the relevant tax authority may prescribe. The prescribed form for this purpose is Form A (Return of Income and Claim for Allowances and Relief Form) which is readily available at our office. To this end, you are required to collect forms for all your staff.

The 2016 PAYE guideline allows a consolidated allowance of N200,000.00 subject to a minimum of 1% of gross income or whichever is higher plus 20% of the gross income. The balance shall be taxable in accordance with the table

contained in paragraph 4 below. It is important to stress here that the provision S.34 of PITA as amended shall be implemented as all reliefs must be claimed. You are therefore enjoined to ensure that all your staff complete Form A correctly in order to enjoy all reliefs due or apply the improvised form. This is to say that any employee who fails to complete the form A shall be entitled to only a consolidated relief of N200,000.00.

Gross Emolument

For the purpose of the above, S.33(2) of Personal Income Tax (Amendment) define gross emolument (income) to mean wages, salaries, allowances (including benefits in kind), gratuities, superannuation and any other incomes derived solely by reason of employment.

For the avoidance of doubt, the totality of the underlisted allowances and benefits are inclusive in determining the gross income.

- a. Basic Salary
- b. Call Duty
- c. Shift Duty
- d. Hazard
- e. Overtime
- f. Inducement
- g. Responsibility
- h. Learned Society Allowance
- i. Research Allowance
- j. Pension of Retired Public Officers
- k. Rent Allowance/ Subsidy
- l. Transport Allowance
- m. Meal subsidy Allowance
- n. Entertainment Allowance
- o. Utility Allowance
- p. Leave Grant
- q. Teaching Practice
- r. House /Hall Mistress
- s. Head /Dean allowance
- t. Contract Addition
- u. Agency fee/allowance
- v. Wardrobe/dressing allowance
- w. Examination Supervision
- x. Employee's share of profit
- y. 13th Month pay
- z. Acting

The list above is not exhaustive and if any employer is in doubt as to whether any payment is to be included in "total pay" he should not hesitate to consult us given full details of the circumstances in which payment is being made.

Tax Exempt

The following deductions are tax exempt under the current dispensation.

- National housing fund (NHF) subject to maximum of 2.5% of basic salary.
- National health insurance scheme (NHIS) subject to maximum of 1.25% of gross pay.
- Life assurance premium subject to the maximum of 10% of the insured sum or annual premium paid whichever is lower.
- National pension scheme subject to the minimum of monthly emolument of the employee; and
- Gratuities (this is applicable to only gratuities payable to public officer by the Government of the Federal, a State or Local Government in respect of services rendered by the person concerned).

Calculation of Tax Payable

The calculation of personal income tax due shall be in accordance with the provisions of sixth schedule of the PIT (Amendment) Act 2011. This is basically the application of the graduated tax rates contained in the schedule on the chargeable income, subject to a minimum of 1% of gross income. Chargeable income here is defined as the gross income less consolidated relief and tax exempts enumerated above.

S.33 of the Amendment Act allowed a consolidated relief allowance of N200,000 subject to a minimum of 1% of gross income whichever is higher plus 20% of the gross income and the balance shall be taxable in accordance with the income table in the sixth schedule to the Act shown below.

Income Chargeable to tax	Rate of Tax	Percentage
For every N of 1 st N 300,000	7k per N	7%
For every N of next N 300,000	11k per N	11%
For every N of next N 500,000	15k per N	15%
For every N of next N 500,000	19k per N	19%
For every N of above N1,600,000	21k per N	21%
Above N3,200,000	24k per N	24%

Note: All employers should make use of the new tax rate above in working out the tax due.

Minimum Tax Determination

It should be noted that there is no exemption to tax payment in terms of computation given rise to negative balance and therefore in this circumstance the computed tax shall be 1% of the gross income. However, in the event that the computed chargeable income is positive then the computed tax must be compared with 1% of the Gross Income and whichever is higher shall be the tax payable.

WORK EXAMPLES CALCULATION OF TAX PAYABLE

Step I: Determine the gross income.

Step II: Determine the reliefs subject to compliance to S. 34 of PITA as amended.

Step III: Determine the Chargeable income.

Step IV: Apply the tax rates contained in the Fourth Schedule of PITA to the chargeable income.

Step V: Compare your result in step IV with 1% of the gross income.

Step VI: The higher of Step V is the tax due.

Example I:

Alh.Nuhujabata is the Chief accountant of BiotiMo PLC and he is on consolidated annual income of N300,000.00 salary in 2013. Determine the tax payable upon completion and submission of Form A to Kwara IRS.

Solution

	N	NN
Gross Income:		300,000.00
Reliefs: N200,000 subject to min. Of 1% of GI, whichever is Higher.	200,000.00	
Add: 20% of GI	<u>60,000.00</u>	
		<u>(260,000.00)</u>
Chargeable income		<u>40,000.00</u>

Tax Due: First N40,000 @ 7% : N2,800 compare with 1% OF N300,000.00: N3000 (1% of GI). Therefore, the tax due is N3000.00

Example 2:

Alh.Nuhujabata is the Chief accountant of BiotiMo PLC and he is on consolidated annual income of N300,000.00 salary in 2013. Determine the tax payable upon failing to complete and submit the income tax Form A to Kwara IRS.

Solution

	N	NN
Gross Income:		300,000.00
Reliefs: N200,000 subject to min. Of 1% of GI, whichever is Higher.	200,000.00	
Add: 20% of GI	<u>0.00</u>	
		<u>(200,000.00)</u>
Chargeable income		<u>100,000.00</u>

Tax Due: First N100,000 @ 7% : N7,000 compare with 1% OF N300,000.00: N3,000 (1% of GI). Therefore, the tax due is N7,000.00

Example III:

Mr, Abe an employee of a soap factory earns a gross income N200,000.00 and claims his relief. What is his tax payable

Solution

	N	NN
Gross Income:		200,000.00
Reliefs: N200,000 subject to min of 1% of GI, whichever is Higher.	200,000.00	
Add: 20% of GI	<u>40,000.00</u>	
		<u>(260,000.00)</u>
Chargeable income		<u>(60,000.00)</u>

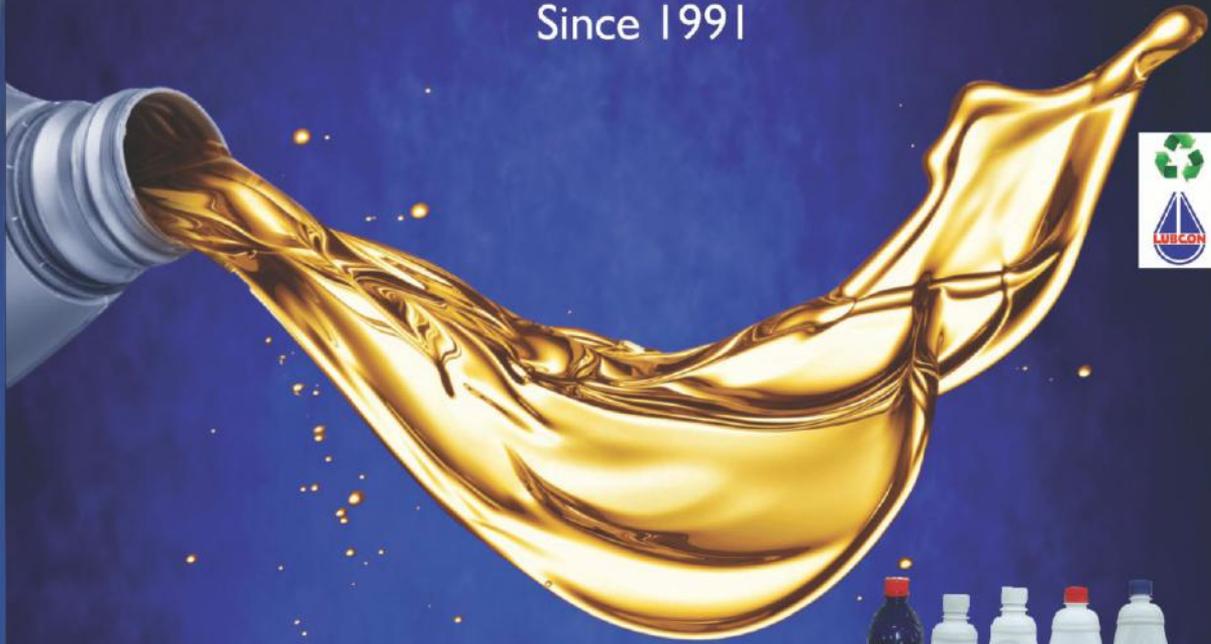
Tax Due: First N(60,000) @ 7% : N0.00 compare with 1% of N200,000.00 : N2,000 (1% of GI). Therefore, the tax due is N2,000.00

To be concluded in the next issue

Nuhu Olaide MUHAMMED is the Director,
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