Bauchi State Internal Revenue Service

2023–2027 Strategy: Leveraging Information and Communications Technology for Improved Internally Generated Revenue

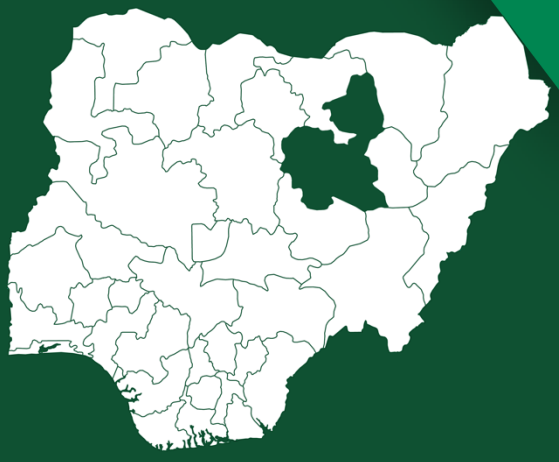
September 30, 2023

BIRS
BAUCHI STATE INTERNAL REVENUE SERVICE
...it pays to pay your tax

BAUCHI STATE IGR ICT STRATEGY

2023–2027

This document was produced with support from the United States Agency for International Development/State Accountability, Transparency and Effectiveness (State2State) Activity. The views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.



USAID
FROM THE AMERICAN PEOPLE

GLOSSARY OF TERMS i
ABBREVIATIONS iii
EXECUTIVE SUMMARY 1
1. INTRODUCTION 3
IGR EXPANSION STRATEGY AND ICT 3
ORGANISATION OF THE STRATEGY 3
2. BIRS ICT OPERATIONAL ENVIRONMENT 4
SWOT ANALYSIS 4
CURRENT STATUS OF ICT 5
INFRASTRUCTURE 5
POWER SUPPLY 5
SERVERS FOR DATA CENTRE 5
CLIENT DEVICES AND APPLICATIONS 5
INTEGRATION OF INFORMATION SYSTEMS 5
PAYMENT INTEGRATION 5
APPLICATION ARCHITECTURE 5
CORE BUSINESS APPLICATIONS 6
INTRANET AND INTERNET SERVICES 6
OTHER PROGRAMMES 7
NON-TAX APPLICATIONS 7
HUMAN RESOURCES 7
FINANCE, PROCUREMENT, ASSET MANAGEMENT 7
3. STRATEGY FOCUS 8
4. ORGANISATION AND STAFFING 12
MANDATE OF THE BAUCHI STATE INTERNAL REVENUE SERVICE 12
ORGANISATIONAL GOVERNANCE 12
ORGANISATIONAL MANAGEMENT 13
CHANGE OF JOB DESCRIPTIONS 14
TRAINING NEEDS AND STAFF DEVELOPMENT 14
5. IMPLEMENTATION PROCESS AND METHODOLOGY 15
STEERING COMMITTEES 15
ORGANISATIONAL CHANGE 16
SCOPE OF AUTOMATION PROJECT 17
SIX STAGES FOR PROJECT DELIVERY 17
ADOPTION OF THE ICT SYSTEMS 29
6. INNOVATION TO AID THE IGR ICT STRATEGY 30
INNOVATION AND SUPPORT TO VOLUNTARY COMPLIANCE 30
ZERO TAX PAYMENT 30
SALARY ACCOUNTS FOR EMPLOYEES/EMPLOYERS 30
COLLABORATION WITH FINANCIAL INSTITUTIONS 30
TAX ON RENT INCOME 31
TAXPAYER ACCOUNT MATRIX 31

STRENGTHEN EXISTING TAX INSTRUMENTS 32
REPORTING AND ANALYTICS 32
TIN REQUIREMENT FOR TRANSACTIONS 32
INTEGRATION WITH OTHER GOVERNMENT SERVICES 32
DATA ANALYTICS AND RISK PROFILING 32
WHISTLEBLOWER INCENTIVES 32
TAXPAYER FEEDBACK MECHANISMS 32
STRENGTHENING ENFORCEMENT AND PENALTIES 32

7. INFORMATION SYSTEMS ROLLOUT 33

EXISTING ICT SYSTEMS 33

LIST OF RECOMMENDED SYSTEMS 33
REVIEW AND SELECT A TAX SYSTEM 34
MAINTAIN EXISTING AUTOREG SYSTEM 34
E-FORMS PROJECT 34
INTEGRATION 35
WORKFLOW 35
SELECT AND IMPLEMENT AN E-DOCUMENT SYSTEM 36
HUMAN RESOURCES, FINANCE, ASSET MANAGEMENT, AND PROCUREMENT 37
NEW FUNCTIONALITY AND NEW ROLES 37
WEBSITE 37
AUTOMATION OUTCOMES 38
LEARNING AND GROWTH 38

ICT INFRASTRUCTURE 38
ADVANTAGE OF USING LAPTOP COMPUTERS 39
DATA CLEANING 40
CLASSIFICATION OF DATA 40
PROFESSIONAL ICT DEVELOPMENT 40
PERFORMANCE MANAGEMENT 41

GENERAL RECOMMENDATIONS 41

Annex 1: Nine IGR Expansion Strategy Goals 43

Annex 2: BIRS – Existing ICT Environment 46

Annex 3: Taxpayer Records 50

Annex 4: BIRS – Applications in Use 51

Annex 5: TADAT Framework 54

Annex 6: Role-Based Access Control 55

Annex 7: Tax Accounting Matrix 57

Annex 8: E-Forms Builder Workflow 58

Annex 9: Recommended Training List 59

GLOSSARY OF TERMS

Application Programming Interface: A set of rules and protocols that allow different software applications to communicate and share data.

Cloud Computing: The use of remote servers and networks to store, manage, and process data, often leading to cost savings and scalability.

Cybersecurity: The practice of protecting information and communications technology (ICT) systems, networks, and data from unauthorised access, cyberattacks, and data breaches.

Data Analytics: The process of examining and interpreting data to gain insights, make informed decisions, and identify revenue generation opportunities.

Digital Inclusion: Ensuring that all citizens and businesses have access to and can effectively use ICT services and platforms.

Digital Literacy: The ability of individuals and organisations to use ICT effectively for various tasks, including tax compliance and revenue generation.

Digital Signature: An electronic equivalent of a handwritten signature, often used for authentication and authorisation.

Digital Taxation: The use of ICT and digital tools to streamline tax collection, reporting, and compliance processes.

Digital Transformation: The process of leveraging digital technologies to streamline operations, improve services, and enhance revenue collection processes.

E-Government: The use of ICT to deliver government services and engage with citizens and businesses online.

E-Payment Systems: Electronic methods of payment, including mobile wallets, online banking, and digital currencies, used for tax payments.

ICT Infrastructure: The physical and virtual components that support ICT operations, including servers, networks, and software.

ICT: The broad range of technologies, systems, and tools used to manage and process information, communicate, and support business operations.

Internally Generated Revenue: The total revenue generated by the Internal Revenue Service from various sources within the country, excluding external aid or grants.

Information Technology Governance: The framework and processes that ensure ICT investments align with organisational goals and are managed effectively.

Revenue Enhancement: Strategies and initiatives to increase the overall revenue collected by BIRS, including measures to reduce tax evasion and boost tax collection.

Tax Assessment: The process of determining the tax liability of a taxpayer, which may involve reviewing financial records and conducting audits.

Tax Base: The total amount of income, property, or goods subject to taxation within a specific jurisdiction.

Tax Code: The body of laws and regulations that govern taxation in a specific jurisdiction.

Tax Collection Efficiency: The effectiveness of the Internal Revenue Service in efficiently collecting taxes owed, often measured as a ratio of collections to outstanding tax liabilities.

Tax Compliance: The extent to which individuals and entities adhere to tax laws and regulations by accurately reporting and paying their taxes.

Tax Evasion: The illegal act of deliberately underreporting income or overstating deductions to reduce tax liability.

Tax Gap: The difference between the amount of taxes owed and the amount actually collected by BIRS due to tax evasion, non-compliance, or errors.

Tax Return: A document filed by taxpayers that reports their income, deductions, and tax liability for a specific tax year.

Taxpayer Identification Number: A unique identifier assigned to individuals or entities for tax reporting purposes.

Taxpayer Portal: A secure online platform where taxpayers can access tax-related information, file returns, and make payments.

Voluntary Compliance: The principle that taxpayers voluntarily and willingly comply with tax laws without the need for excessive enforcement.

ABBREVIATIONS

Acronym	Meaning
AI	Artificial Intelligence
API	Application Programming Interface
BVIRS	Bauchi State Internal Revenue Service
BOJ	Best of Judgement
BTIN	BIRS Tax Identification Number
BVN	Bank Verification Number
CBN	Central Bank of Nigeria
CCNA	Cisco Certified Network Associate
DA	Direct Assessment
EC	Executive Chairman
EDMS	Electronic Document Management System
E-Filing	Electronic Filing
E-payment	Electronic Payment
FIRS	Federal Inland Revenue Service
GIS	Geographic Information System
HR	Human Resources
ICT	Information and Communications Technology
IGR	Internally Generated Revenue
IT	Information Technology
ITAS	Integrated Tax Administration System
JD	Job Description
JTB	Joint Tax Board
KPI	Key Performance Indicator
LAN	Local Area Network
MS	Microsoft
MSME	Micro, Small, and Medium-Sized Enterprise
NGO	Nongovernmental Organisation
NIN	National Identity Number
NTR	Non-Tax Revenue
OM	Organisational Management
PAYE	Pay-As-You-Earn
PESTEL	Political, Economic, Social, Technological, Environmental, and Legal
PHCN	Power Holding Company of Nigeria
PIB	Project Initiation Brief
PIT	Personal Income Tax
PMI	Project Management Institute
PMS	Performance Management System
RBAC	Role-Based Access Control
RFP	Request for Proposal
SMART	Specific, Measurable, Achievable, Realistic, Time-Bound
SMS	Short Message Service
SOA	Service Oriented Architecture
SWOT	Strengths, Weaknesses, Opportunities, and Threats
TADAT	Tax Administration Diagnostic Assessment Tool
TCC	Tax Clearance Certificate
TIN	Taxpayer Identification Number
UPS	Uninterruptible Power Supplies
VAT	Value Added Tax
Wi-Fi	Wireless Fidelity
WIP	Work in Progress
WAN	Wide Area Network
WHT	Withholding Tax

EXECUTIVE SUMMARY

This five-year strategy is focused on leveraging information and communications technology (ICT) to improve internally generated revenue (IGR) in Bauchi State. It is aligned with the five-year (2020–2025) Bauchi State IGR Expansion Strategy (2023–2027) and the internationally recognised good practices of the nine critical goals stated in the Tax Administration Diagnostic Assessment Tool (TADAT) framework.

The Bauchi State IGR Expansion Strategy includes detailed recommendations on process and operational changes in all areas relating to tax activity that will lead to increased IGR, such as registration of taxpayers, provision of e-services including tax automation and e-forms, expansion of the tax base, and improving the ease of doing business.

These recommendations focus on the delivery of ICT solutions to enable the delivery of the IGR Expansion Strategy without supporting any specific technology, product, or vendor. The aim is to increase the Bauchi State Internal Revenue Service's (BIRS) chances of success in delivering the selection, procurement, deployment, implementation, customisation, learning, adoption, and project/change management activities to deliver the ICT systems required for the IGR Expansion Strategy.

To be as accurate as possible, an on-site assessment was conducted to evaluate BIRS's existing environment. The team holistically assessed the environment based on: a) information systems, processes, procedures, and practices; b) existing ICT infrastructure (servers, clients, network, and data centre); c) people, knowledge, training, and culture; and d) organisation and cultural dynamics.

The IGR Expansion Strategy recommends the use of e-forms for efficiency and new applications for non-tax operations. This IGR ICT Strategy recognises that an e-form automation system is required, consisting of hardware, software, and interconnectivity, and the deployment of this system. The strategy acknowledges that ICT must be holistically (end-to-end) deployed in operations. Therefore, BIRS staff must be trained; policies and work practices must be aligned; and organisational reporting lines, workflow, and authorisations must be defined so that the systems and processes can gradually move from a "manual practice" to a transformed operation and practice that includes the adoption of e-forms by staff. Only then can this service be extended to the taxpayer. Finally, the transition needs to be non-disruptive to business; therefore, the recommendation is for it to be done in well-sequenced stages over five years.

Delivering the recommendations in the IGR Expansion Strategy will require rewriting some BIRS processes and procedures documents to eliminate ambiguity and for ease of automation. BIRS must also leverage existing technologies, which are out of its full control, such as the internet, automated teller machines (ATMs), banks, points of sale, Interswitch, National Identification Number (NIN), Joint Tax Board (JTB), Bank Verification Number (BVN), and even the taxpayer's personal phone, personal data, and cellular networks for transactions. Each of these leveraged services represents a significant cost savings to BIRS's operations, making the Service more profitable while offering exceptional service and ease of doing business to the taxpayer.

The IGR ICT Strategy also provides for phased adoption. For example, taxpayers will welcome improved ease of doing business. Today, 100 percent of taxpayer interactions

require some form of physical contact with the BIRS office. With a recommended 15 percent year-on-year transition to electronic processing, the strategy projects that 75 percent of taxpayers will be able to file electronically within five years, and physical contact will only occur at initial registration or when there are exceptional issues.

The five-year strategy starts with the immediate establishment of various Steering Committees to begin the review and evaluation of the Service's needs and strategic interventions toward creating a finalised scope document that can guide the full execution and delivery of the strategy.

Fortunately, BIRS has a functioning Integrated Tax Administration System (ITAS), and one of the goals of further automation is to ensure integration of ITAS with relevant external systems. Another goal is to have all individuals registered with their full details to enable better service delivery, i.e., all corporate Pay-As-You-Earn (PAYE) taxpayers need to break down payment to the individual level as well as all Micro, Small, and Medium-Sized Enterprises (MSMEs), so that an estimated 75,000 additional individuals are added to the tax net each year. In the shortest possible time, every potential taxpayer living in the state should be in the tax net.

The successful implementation of this strategy is contingent on the fact that:

- The Governor's office, Ministry of Finance, development partners, and private sector partners will provide adequate resources to BIRS to enable it to deliver this strategy.
- The political environment will be conducive to enabling economic and business growth and revenue collection initiatives and actions.
- BIRS will continue to be able to exploit developments in ICT policy in the state, which will enable the digitisation of revenue administration.
- BIRS will remain committed to leverage ICT optimally, including the creation of some new specialised business units and project delivery functions that will deliver automation to the core operations team, without disrupting the ongoing business of collecting tax for efficiency.
- BIRS staff will be willing and able to adjust to the new ways of working and deploying the right ICT to encourage taxpayers and facilitate the unhindered implementation of the five-year strategy.

In this context, the focus of this strategy is on modernisation and building the ICT capacity of BIRS to achieve the following objectives: improving voluntary compliance; modernising processes, procedures, and systems; expanding the tax base; ensuring collection systems are efficient, effective, and transparent; and continuously informing, educating, and communicating with the Service's clientele.

1. INTRODUCTION

IGR EXPANSION STRATEGY AND ICT

BIRS is required to significantly increase the amount of IGR that it collects through improved revenue administration. As part of an initiative to strengthen the foundation for state property taxation, Bauchi State is updating property records in urban areas using ICT and maintaining them using a newly developed Geographic Information System (GIS). GIS-based management of property records has tremendous potential to improve the collection of property taxes. In the case of Bauchi State, officers in the Ministry of Lands and Housing indicate that the potential revenue from property taxes could be as high as N20 billion.

The Bauchi State IGR Expansion Strategy includes nine strategic goals based on the TADAT framework (see Annex 5). This IGR ICT Strategy is based on an assessment of the existing ICT infrastructure systems, hardware, and software and recommends appropriate systems, hardware, and software required to support the implementation of the IGR Expansion Strategy in achieving the planned deliverables.

While developing the IGR ICT Strategy, the following were examined and reviewed:

- The current situation of ICT and BIRS's services, including its service portfolio, help desk, customer charter, and perception of ICT.
- Existing ICT, including desktop environment, service environment, online systems, business systems, Local Area Network (LAN), Wide Area Network (WAN), voice, email, remote access and teleworking, ICT security, and physical environment.
- Environmental analysis to determine the business strategy, assess the external and internal situation, identify stakeholders' needs, analyse digital technologies available in Nigeria that can enhance stakeholders' experiences, assess the existing operating model, appraise people and cultural scope for change, and map and cross-map core and extended architectural domains.

The findings of these assessments are summarised in Annexes 2, 3, and 4.

ORGANISATION OF THE STRATEGY

The remainder of this document is presented in six chapters. Chapter 2 covers the IGR ICT operational environment. Chapter 3 sets out the critical strategic goals for the Service in the medium term. Chapter 4 presents BIRS's organisation and staffing arrangements. Chapter 5 describes the actions required to implement this strategy. Chapter 6 illustrates the required information systems and their recommended rollout. Finally, Chapter 7 presents the information on existing ICT systems, recommended systems, systems integration, workflow, and asset management.

2. BIRS ICT OPERATIONAL ENVIRONMENT

SWOT ANALYSIS

The Bauchi State IGR Expansion Strategy provides a Strength, Weakness, Opportunities, and Threats (SWOT) analysis using Political, Economic, Social, Technological, Environmental, and Legal (PESTEL) considerations. The SWOT analysis for ICT, as presented in Table 1, expands the technological evaluation against the internal and external benefits and threats that can influence ICT alone.

Table 1: IGR ICT SWOT Analysis

Strengths (S)	Weaknesses (W)
Improved Efficiency: Computerisation can lead to significant improvements in operational efficiency, such as faster data processing, reduced manual labour, and streamlined workflows. *Accuracy*: Automated processes reduce the risk of human error, leading to more accurate data handling and decision-making. *Data Analysis*: Computerisation allows for better data analysis and reporting capabilities, which can lead to more informed decision-making. *Scalability*: The project may be designed to scale up as the organisation's needs grow, accommodating future expansion. *ITAS*: BIRS has a fully functional and integrated ITAS system and all staff have access to computers.	*Initial Costs*: The upfront costs of implementing computerisation, including hardware, software, and training, can be substantial. *Resistance to Change*: Employees may resist the transition to automated processes, leading to adoption challenges. *Data Security Risks*: Computerisation can expose the organisation to data security threats, requiring robust cybersecurity measures. *Technical Issues*: There may be technical glitches or compatibility issues that disrupt project implementation. *Dependency on Technology*: Overreliance on technology can become a weakness if systems fail or if staff lack the skills to operate them.
Opportunities (O)	**Threats (T)**
Data Insights: Computerisation can provide valuable data insights that can be used to improve decision-making, identify trends, and develop strategies. *Competitive Advantage*: A successful computerisation project can give the organisation a competitive edge in efficiency and customer service. *Enhanced Customer Experience*: Automation can improve the customer experience by providing faster responses and better service. *Regulatory Compliance*: Meeting regulatory requirements for data handling and reporting can be easier with automated systems.	*Data Breaches*: The risk of data breaches and cyberattacks can pose a significant threat to sensitive information. *Technological Obsolescence*: Rapid technological advancements can lead to systems becoming obsolete if not regularly updated. *Operational Disruptions*: Technical issues, system failures, or cyberattacks can disrupt operations and cause downtime. *Cost Overruns*: Unexpected expenses or cost overruns during the project can strain the organisation's budget.
Opportunities (O)	**Threats (T)**
Innovation: The project can serve as a platform for ongoing innovation and improvement in the organisation's operations.	*Resistance to Adoption*: Ongoing resistance to change can hinder the project's success and adoption by staff.

CURRENT STATUS OF ICT

INFRASTRUCTURE

ICT infrastructure, in terms of buildings and facilities to enable operations, is of a high standard. There is a fully equipped and functioning data centre with space for expansion.

POWER SUPPLY

The office building has a Power Holding Company of Nigeria (PHCN) electricity supply backed by generators. These generators can carry the whole building during power failures, but they must be maintained and the logistics for constant fuel supply must be met. The ICT department data centre has solar power inverters ensuring continuous clean power.

If possible, solar inverters could be used to create dedicated power outlets/sources across the buildings for computer use only.

SERVERS FOR DATA CENTRE

The current server infrastructure has three Linux servers that meet the current data centre needs. All three are hosted in the cloud. There are 280 computers for 299 staff, so that almost 94 percent of staff who are knowledge workers have computer access.

CLIENT DEVICES AND APPLICATIONS

The service has 299 staff members, with 190 laptop computers, 90 desktop computers, and 56 printers. This level of penetration will enable processes like electronic document management to start immediately, as almost all staff have computers. Once the Service has mastered the filing and access process for e-documents, taxpayers can be allowed to do online filing, as the Service will be able to manage the electronic documents.

INTEGRATION OF INFORMATION SYSTEMS

Most processes are automated using ITAS, other applications, and web-hosted systems. Full integration is at the Work in Progress (WIP) stage and is recommended for IGR. Consolidation of all tax and non-tax revenue (NTR) into one single view against each BIRS Tax Identification Number (BTIN) with a single consolidated total for ease of payment is highly recommended.

PAYMENT INTEGRATION

Payments and payment receipt processes are automated via external third-party systems. Pay Direct, eTransact, Remita, and other payment gateways are all used.

APPLICATION ARCHITECTURE

Applications are split into four groups:

- Non-tax applications (human resources [HR], finance and administration, assets, etc.)
- Core tax applications (ITAS, vehicle license), call centre
- General office applications (Microsoft [MS] Office, mail, document management)
- Intranet and internet applications (customer intranet)
- All are active and use best-in-class applications but are not fully utilised

CORE BUSINESS APPLICATIONS

The Service has several core tax applications:

- The ITAS system provides for online taxpayer enrolment that also generates BTINs using a Taxpayer Identification Number (TIN) Register in ITAS. The Service is not using the JTB TIN that could be harmonised with other states (on JTB TIN). This would enable taxpayer income earned outside of the state to be legally assessed and taxed. The filing is manually submitted but entered into the ITAS Assessment Module, which is automated. There is an interface to link to payment gateways, and the Service can monitor all payments made to banks and issue receipts for payments. ITAS is updated with payment information automatically.
- There is an Auto Registration (AutoReg) system for driving licenses, learning permits, and vehicle licenses. This can be integrated to create the single taxpayer view across all tax and NTRs and has features for integration with payments and vehicle registration across Nigeria using the TIN as an identifier for the driving license and vehicle owner.

Other features include:

- NTRs for fire services, waste removal, tenement rate, business premises rate and various levies for advertising and other business services.
- Short Message Service (SMS) notices are sent either individually or in batches to notify taxpayers about the tax calendar or dates for penalties.
- A Tax Clearance Certificate (TCC) register with most TCCs being issued against the “Best of Judgement” (BoJ) assessment. The Executive Chairman (EC) of BIRS signs all TCCs.
- Extensive use of mobile interfaces for applications.
- A taxpayer help desk.
- BIRS has workflow diagrams to explain BIRS tax processes, making it easy for taxpayers to understand and adopt.

INTRANET AND INTERNET SERVICES

There is limited use of the internal or external mail systems. Zoom, Gmail, WhatsApp, etc., are used but the Service has no formal mail system. Some BIRS officials use their Gmail account as their official email. Staff members do not yet have official email addresses, and there is no policy in effect for strict enforcement of communication to taxpayers by official email only. This means email messages that are sent to the Executive Chairman (EC) or any staff will be in their personal email, so when officials leave the Service, they will take all the official correspondence addressed to them as it is in their personal email. Apart from inherent concerns about the security of taxpayer data, this also jeopardises business continuity as new staff in post will have no access to previous correspondence with taxpayers. Important official correspondence or mail to Gmail or Yahoo addresses must be printed out and filed. An official mail server is necessary for the security and integrity of taxpayer correspondence. The use of the name.name@birs.gov.ng email address needs to be adopted.

An intranet service provides taxpayers with access to the official mail system using their TIN as a login name and profile and allows them to interact with BIRS staff privately, ensuring the records of this correspondence are owned by the Service. An intranet is also recommended as it can give direct taxpayer access to all messages or information the Service wants them to have, such as pre-notification of tax dates, penalties, assessment notices, etc. The Service must maintain a mail system to enable BIR’s intranet to function effectively for taxpayer services.

OTHER PROGRAMMES

E-forms are needed to ensure consistency in taxpayer registration and submission data. Active Directory is needed to manage workflow, application access and administration, and a governance risk and compliance system. There are no risk or governance systems. There is a need for an Electronic Document Management System (EDMS) so that taxpayers can file electronically.

NON-TAX APPLICATIONS

HUMAN RESOURCES

The HR system is being built. The core modules required are: Personnel Administration; Organisational Management (OM); Payroll, Leave, and Time; Learning and Growth; Performance Management; Compensation (promotion) and Discipline; E-Recruitment; Exit Management; Reporting; and Analytics. The Service maintains the nominal roll that has the employee's name, education, dates such as birth, transfer, employment, exit, last promotion, etc., rank and step, and post. HR is the first step to automation as all business transactions processes and ICT applications are operated by people/staff.

The Service will have greater control if there is a central repository for personnel in a HR system that can centrally manage all HR activity. OM is the practice of documenting all organisational units, the positions in them, and their attributes. OM forms the foundation for all workflow across all applications used by the Service. Training follows the policy for training and development, while performance management is built by first having a detailed Job Description (JD), which leads to Job Objectives, which in turn leads to key Performance Indicators assigned to the position against which staff in the position are measured. Recruitment and Exit policies are both matched to the needs of the JDs for vacancies.

FINANCE, PROCUREMENT, ASSET MANAGEMENT

No system was observed for finance, procurement, asset management, etc. The finance and administration function is manual, but payment records and tax assessments are automated and used for tax revenue accounting. Financial accounting is also manual, and the payment vouchers are manually prepared, but payments and the issuance and generation of receipts are automated.

The Service needs a financial system with an automated asset register and asset depreciation, processes for end of year/end of period reconciliation, and tax revenue accounting and reporting based on the International Financial Reporting Standard. Tax refunds are subject to tax policy, but any payments are made through the finance system. For this reason, the financial system needs to be robust and capable of running the processes that the Service uses for tax-related payments and receivables.

3. STRATEGY FOCUS

The Bauchi State IGR Expansion Strategy is aligned with the TADAT recommendations for each of the nine strategic goals. The IGR ICT Strategy in Table 2 describes the specific ICT focus or application that will support each of those goals. The ICT systems themselves are the appliances, tools, and concepts that support the delivery of work and are not the business outputs of the strategy.

Table 2: IGR Expansion Strategy Goals and ICT Strategy

Strategic Goal	Requirements	ICT Strategy
Goal 1 – Information Held in the Registered Taxpayer Database is Complete, Accurate and Up to Date	BIRS maintains a unique national TIN for all taxpayers, and that taxpayer information is complete, accurate, and up to date, including all spatial and chronological references and type of business, and enables linking of subsidiaries, stakeholders, and assets between taxpayers.	Provision of a platform (E-Form Builder) to enable the design of new forms that capture all necessary taxpayer information and deployment of these forms electronically on the website while retaining physical channels for taxpayers who have not adopted the technology. Over the five-year strategy period, the taxpayer database will grow in all areas while being easy to access, user-friendly, accurate, and secure, and ensure the elimination of duplications and errors.
Goal 2 – Risks to Revenue and IRS Operations are Identified and Managed Effectively	The risk system will identify and mitigate against internal institutional risk as well as external taxpayer risk in terms of compliance, evasion, and other tax-related risk. Internal risks such as staff capacity and knowledge or skill gaps to deliver on business demand will be closed.	With the use of computers, BIRS will monitor risk by running online analysis of data and create real-time online dashboards that deliver predictive analytics and trend-based scenarios. The prerequisite for the delivery of this is effectively executing Goal 1, which ensures the collection of taxpayer records, data, and information that is up to date and accurate so it can be run through the analytics risk engine. The team recommends the use of a cloud-based HR, Finance, Procurement and Asset register to automate these functions and mitigate against the incidence of institutional risks.
Goal 3 – Taxpayers and NTR Payers Have the Necessary Information and Support to	The Service has an obligation to keep taxpayers informed of their obligations and rights with regard to compliance.	Leverage all forms of electronic social media, Facebook, X, WhatsApp, etc., as well as running intelligent questionnaires and using diagnostic tools, including artificial intelligence (AI) to track and analyse trends based on taxpayer profiling, behaviour, and other demographic or commercial attributes.

Strategic Goal	Requirements	ICT Strategy
Voluntarily Comply at a Reasonable Cost to Them	This is generally achieved by using all forms of media to reach out and disseminate information.	Ensure that each ICT-enabled function is mapped to a role or position that is filled to ensure ownership of that function as well as the workflow for approvals, budget, and performance assessments. This ensures ownership, executability, performance assessment, and benefits evaluation.
Goal 4 –Taxpayers File Declarations on Time	The Service monitors on-time filing rates and applies e-filing to improve filing compliance and, subsequently, payment compliance.	▪ Automated monitoring of data trends and the creation of dashboards and analytical reports; ▪ Multi-step workflow and escalation, which creates shared ownership and management oversight that leads to faster internal response times; ▪ The use of e-notices will encourage compliance; and ▪ The availability of online e-systems increases the ease of doing business and compliance.
Goal 5 – Tax and NTR are Paid in Full and on Time	Taxpayers/NTR payers are expected to pay their liabilities when they become due. The Service can ensure this goal is met by: 1) enabling e-payments; 2) using withholding at source and advance payment systems; 3) monitoring PAYE payment performance and timeliness; and 4) ensuring that the stock of arrears is reduced.	Automated e-notices and reminders sent against all assessments and tax liability notices with due dates for payments and penalties, encouraging timely payments. e-notices can also be sent for withholdings, arrears, receipts, Tax Clearance Certificates, and other information. Each e-process is mapped to a role, whose assigned occupant (staff) is accountable for delivering the work process.
Goal 6 – Taxpayers Report Complete and Accurate Information in their Tax Declarations	The Service encourages compliance through the application of penalties for non-compliance. This is achieved through various audits, cross-checking, and verifying data from various third-party sources.	Cross-referencing such as the collation of bank transaction data, data on input and output Value Added Tax (VAT) and Companies Income Tax (CIT) from the Federal Inland Revenue Service (FIRS), and trend data from withholding taxes and other sources. The analytics engine will enable faster audits and tracing of errors in taxpayer submissions. Training for staff and the use of tools like MS PowerBI and the ITAS database can provide advanced analytics that make the process very fast and efficient.

Strategic Goal	Requirements	ICT Strategy
Goal 7 – The Tax Dispute Resolution Process is Fair and Independent, Accessible to Taxpayers, and Effective in Resolving Disputed Matters in a Timely Manner	The Service has in place several mechanisms that lead to effective dispute resolution.	AI or an analytics system will select taxpayers to audit based on any set of criteria, such as age, value, industry, etc. As the tax database becomes more accurate and complete, audits become faster.
Goal 8 – IGR Collection is Efficiently Managed	The Service must be efficient with accounting practices involving realistic forecasting and collection target setting.	Use of a "six-year tax revenue accounting matrix" with all tax types and NTRs for six years listed as columns and the entire list of TINs as rows. The matrix can generate output reports on aged debts, future trend lines, and statistical analysis of variance or standard deviations from the mean, mode, and median values for each taxpayer segment or tax type, time, or spatial analysis. Use of a cloud-based finance system, which will be integrated with HR, payment gateways, and tax revenue accounting to retain BIRS's percentage cost of collection and tax refund processes.
Goal 9 – The Service is Transparent in the Conduct of its Activities and Accountable to the Government and Community	Transparency for tax revenue reporting implies both internal and external reporting meets the industry standards for both Service disclosure and taxpayer confidentiality. The quality is measured in terms of internal controls against accuracy, time, content, ease of accessibility, and public confidence due to confidentiality.	All ICT strategies for Goal 1: completeness and accuracy of taxpayer registration details; Goal 8: accuracy of accounting records; Goal 6: accuracy of taxpayer declarations; and Goal 2: risk register and mitigation actions, will lead to the achievement of Goal 9.
Apart from the ICT platforms and programmes to be procured, three business practices enable effectiveness, productivity, and accuracy. The first is OM, whereby all authorisation is assigned to roles, enabling Role-Based Access Control (RBAC). Everything that		

Strategic Goal	Requirements	ICT Strategy
can be done by staff is controlled by inheriting all authorisation and control from the role. Access rights and restrictions are pre-defined, which prevents staff from doing the wrong thing either by omission or commission. The second is performance, Key Performance Indicator (KPI), or inputs and outputs that are defined at the role level, creating clarity for monitoring outcomes and performance linked with the Risk Register and mitigation monitoring. The third management concept is based on the previous two. Every function that is delivered by ICT (e-forms, etc.) is mapped to a role such that no ICT deliverable lacks ownership. If an e-report is created, that e-report is assessable from the role and sits as a KPI and deliverable in the role, so that the staff occupying the role has ownership for delivery of that function. Because staff know that full accountability for delivery or non-delivery will map back to them and no one else, they are aware that they cannot give excuses, and so work gets assigned, owned, and measured, and what gets measured gets done. OM, RBAC, risk management, performance management, change management, etc., are successful only if the management practice, policy, and procedure to drive them exist. These are business practices more than products, and they cannot be automated by an ICT application in the absence of management commitment and oversight. The goal for transparency is clearer if work is accurately delivered and reported.		

4. ORGANISATION AND STAFFING

MANDATE OF THE BAUCHI STATE INTERNAL REVENUE SERVICE

The Revenue (Codification and Consolidation) Law established BIRS, or "the Service," in 2020. This law mandates the Service to collect, control, and administer specified tax and NTRs. Specifically, BIRS administers the following main taxes: Personal Income Tax (PIT), including PAYE and Direct Assessment; Withholding Tax (WHT) from individuals (e.g., on rents, interest, dividends, etc.); Capital Gains Tax on individuals; stamp duties on instruments executed by individuals; Hotel Occupancy and Restaurant Consumption tax; a presumptive tax on taxable persons without records; and road taxes.

The Service also collects NTRs for various state ministries, departments, and agencies based on the provisions in other laws. NTRs include, but are not limited to, the registration of state government contractors and private sector institutions in the education and health sectors; various fees and charges related to lands and survey services; the environmental and sanitation levy; and the development levy.

MISSION

To effectively mobilise IGR by providing Bauchi State taxpayers with excellent services in a professional, transparent, and accountable manner.

VISION STATEMENT

To be the leading state Internal Revenue Service provider in Nigeria.

CORE VALUES

Professionalism, integrity, efficiency, and enterprise spirit.

ORGANISATIONAL GOVERNANCE

Bauchi State's Revenue Law provides for a Governing Board comprising: 1) the Executive Chairman of the Service; 2) five Directors/Heads of Department from the Service; 3) the State Attorney General; 4) the Board Secretary/Legal Adviser; 5) one representative from each of the three senatorial districts with qualifications in taxation, accounting, economics, or business administration; and 6) a member from the private sector. The Law provides for the Governing Board's members to be appointed for a maximum of nine years – including a first five-year term and a second final term of four years. The Board is expected to provide policy guidance and oversight, review and approve BIRS's strategic plans and make recommendations to the JTB.

Organising and staffing a tax office involves structuring the office's operations, defining roles and responsibilities, and ensuring that the right personnel are in place to carry out various tasks efficiently and effectively.

ORGANISATIONAL MANAGEMENT

OM is a discipline that defines the organisational structure down to specific role-based authorisation, inter-relationships, and reporting lines. The team recommends that BIRS create an Organisational Management Unit under the HR Department, as OM is used in the RBAC permissions model in the Exchange Server and Tax Automation System. The RBAC implies that authorisations are assigned to a role number and not to staff. When a member of staff is assigned to a role/post, the staff inherits all access rights and authorisations from the role. When the staff is transferred out, the next person assigned to the role will continue to work from exactly where the last person left off. Staff never act in their own personal capacity but only in the capacity and authorisation of the role/position they occupy.

RBAC is necessary for an ITAS, and it is essential for the e-document and e-filing systems. RBAC automatically limits staff to accessing only taxpayer files that their role is authorised to use. This way a staff member cannot mistakenly or deliberately drop a document in a location where it is not supposed to be. Because hundreds of thousands of taxpayer records and documents all have "Bauchi, IRS, Tax, PIT, or PAYE" as the search criteria, it is easy to misplace or lose e-records. RBAC automates the rules for access control, reducing the risk of omission and errors. This is especially important when access is granted to the taxpayer or their agent by restricting them to only their specific role and access area. Other features of OM include:

- It maintains all individual organisational units and their hierarchical relationship and workflow between one another.
- It maintains all of the individual positions/roles inside each organisational unit with all their attributes, such as:
  - Each office or organisational unit having a name and unique number.
  - Each organisational unit having a functional description and KPIs.
  - Each position or role having a name and number.
  - Each position belonging to a specific organisational unit.
  - Each position having a JD.
  - Each position having training needs for the position.
  - Each position defining a range of staff ranks that can fit into the role.
  - Each position having KPIs.
  - Each post has RBAC assigned to it, to be inherited by the staff in the role.
  - In each organisational unit, one position is the chief or head of that unit and all other positions in the organisation report to the head.
  - The head position reports to the head in the organisational unit above, and so on, until reporting stops with the EC.
- It takes time to build the organogram or organisational structure, assigning every position a JD, training need, KPI, RBAC, etc. However, once built, few changes are made. For example, the position of the EC will have few changes once created. The position of Director Tax, etc., will not change much either. The usual change is to add or subtract from the number of instances of a single position, i.e., the number of "Assessment Officer PAYE" positions may be increased from three to five by copying and pasting two extra positions into the system or by cutting and pasting positions from one organisational unit to another.

- A position must exist as a vacancy in organisational structure/system before a staff member can be posted into the position. A one-staff-to-one-position rule exists.
- Staff are assigned to specific positions and inherit all attributes of the position. Staff equally relinquish all attributes on transfer from the old position into a new one. They will inherit the attributes of the new position.
- The terms "position," "role," or "post" are used interchangeably and mean the same thing.

CHANGE OF JOB DESCRIPTIONS

Changing the business culture is necessary if the system is to succeed in transforming from a manual to an automated culture. The way people do things is not only driven by policy, process, procedure, and practice but also by personality, personal conviction, and interpersonal power balance, which affects our cultural efficiency and work dynamic.

One of the most effective ways to change culture is to change JDs and titles. To succeed, it is important to redesign and rewrite every JD with a title that describes the role completely, as this sticks in the mind and the title affects how staff see one another. The culture can be changed by changing a title from "Senior Inspector Tax" (a rank) to "Schedule Officer PAYE Assessment" (a function or role) and another person from "Chief Inspector Tax" to "Head PAYE Assessment." This creates a new understanding of staff roles and their relationship with one another. "Head PAYE Assessment," "Officer PIT Filing," or "Manager Tax Reconciliation" are specific roles that describe the level of authority, and the function of the person in the role is immediately known, especially by the person in the position. Re-implementing the organisational structure with post names for the organisational function rather than using job titles based on "rank/cadre" will change efficiency levels considerably.

TRAINING NEEDS AND STAFF DEVELOPMENT

Customer-focused, ICT-driven transformation projects are unusual in that the adoption of the technology by staff is a critical hurdle to overcome before success is possible. Identifying and addressing training needs and staff development is critical for ensuring the successful implementation of the strategy and the effective utilisation of new technologies.

BIRS has a training catalogue set against rank, career path, and in some cases, function. As each new business function is developed and released, BIRS will provide training specific to that function so it can be owned and delivered by the staff posted to the role for which the function is mapped.

KPIs need to be mapped to the roles that deliver new functionality so that adoption and performance are measured. For this reason, when staff are trained in a new ICT function and posted to the role that delivers the function, they should remain in the position and not be posted out until adoption is successfully embedded into the culture and operation of the Service.

All ICT programmes and functions should come with technical and user training manuals, and these should be compiled into a library for referencing. A set of staff should be trained so that they can spearhead a Train the Trainer programme for onboarding new staff into roles as transfers and promotions will continue to create staff movement. A list of recommended training is included in Annex 8.

5. IMPLEMENTATION PROCESS AND METHODOLOGY

Computers are very good at automating repetitive tasks like the computation of numbers and the sorting of data. This strategy aims to increase IGR through 1) the efficient management of the Service; 2) widening the tax net to include every eligible person; 3) improving service delivery to the taxpayer; and 4) enforcement targeted at delinquent taxpayers, all of which will lead to increased voluntary compliance and revenue collection.

While improved process delivery is pursued to deepen processes, it is equally expected that BIRS will widen the tax net by making it extremely easy and necessary for taxpayers to comply, which will increase the number of taxpayers.

Several processes and methodologies are recommended to implement this strategy.

STEERING COMMITTEES

There must be a top-down drive to deliver the IGR ICT Strategy. Several Steering Committees will be set up and headed by the EC, with all Directors as members. Some recommended Steering Committees are:

- IGR ICT Strategy Initiation and Planning Steering Committee: Headed by the EC, it will define needs definition and lead planning. This committee will develop the Project Initiation Brief (PIB), which details the objectives and outcomes, in terms of what is to be achieved, budget, people, departments, business responsibilities, etc. It will also create and give authority to the project team and their responsibilities.
- Change Management and Project Implementation Committee: This committee, also headed by the EC, will deliver the day-to-day sensitisation and changes that will take place across the project from beginning to end. One function is the redesigning of tax forms, processes, and procedures for efficiency and to align manual practices and processes with new automated processes. The implementation stage covers all activities for the delivery of the project, including staff training, provision of new computers, rearranging office furniture for efficiency, new forms and documents, changes in filing schedules, time, detail, cycle, etc. Change management is the human side of all of the change and ensures that people are aware of the change, its benefits, their roles, how it affects them, what they need to do to align with the change, etc. Change management is indispensable for success. By using the Project Management Institute (PMI) standards, BIRS will also increase the chances of success.
- Training Committee: Without training, staff cannot learn or perform. Six types of training are needed:
  - Technical support training for ICT staff and the project staff who will continue to support the backend system.
  - Director training to enable directors to use the systems and drive the effort to discontinue manual processes and encourage adoption.
  - Train the Trainer training for staff in each office to effect direct hands-on training for users on their role so all staff in a unit can learn to use the system and achieve adoption.
  - Training for internal staff who will use the systems.

  - Taxpayer sensitisation training so that new electronic forms for registration, filing, self-assessment, payment, etc. can be adopted by taxpayers.
  - Training on digital inclusion and digital literacy programmes for the taxpayer and general public so that they are aware of and can use the e-services available to taxpayers. Each tax drive conducted by the Service must include information that enhances digital literacy for the public.

  To aid training, BIRS should define and set up a Training Needs Ladder and a training calendar for each career path.
- Performance Committee: Ensure that the Performance Management System (PMS) uses the organisational structure for workflow and matching of tax automation functions to the respective roles for each function. It is also necessary that all roles have a JD assigned to provide a baseline for evaluation.
  - Each organisational department (and its units) needs to have clear goals set and key result areas, which in turn need to be Specific, Measurable, Achievable, Realistic and Time-bound (SMART).
  - The PMS breaks down departmental/organisational targets into individual role/position performance targets for all roles/positions in the department or unit.
  - The staff assigned to a role inherits the performance attributes of the role.
  - This performance system is different from the Annual Performance Evaluation Report, which provides an individual assessment that measures behavioural attributes and tasks assigned to the individual against the Scheme of Service.
  - The PMS assesses organisational units (represented by directors) and the positions/roles inside an organisational unit (represented by the individual staff assigned to a role). Its result represents the organisational performance made up of the cumulative scores of the individuals assigned to roles/positions within each organisational unit. There is correlation and alignment between the organisational score and the sum of the scores of the individual staff in the organisational unit.
- Tax Policy Review Committee: A team consisting of senior tax officials and external specialists, including staff from other tax organisations (FIRS, State IRS, nongovernmental organisations or NGOs, etc.) who can be hired on a contract basis to review existing tax policy documents and make changes, including getting them signed into law, where required, so that BIRS can deliver the new and automated procedures to drive increased IGR and ICT adoption. They should also review the innovation and implementation strategy for presumptive tax.

ORGANISATIONAL CHANGE

For an organisation to adopt ICT, it needs to be set up to leverage ICT and technology optimally. For BIRS, some new specialised business units need to be created for efficiency.

The first requirement in adopting ICT to increase revenue and improve service delivery will be the creation of specialised project delivery functions that will deliver automation to the core operations team without disrupting the ongoing business of collecting tax.

New departmental changes that are recommended include:

- The **HR function** should be automated and needs to automate HR administrative tasks such as hiring, posting, promoting, training, and exit. Two new sub-responsibilities may be created under the HR Department/function: an **Organisational Management Unit** and a **Performance Management Unit**. These two units require HR to be run professionally in real time and with diligence.
- An **Organisational Management Unit** needs to be created to ensure the organisational structure is maintained down to position, post, or role level with RBAC such that authorisation is assigned to the role and staff authorisation is inherited through the role.
- A **Performance Management Unit** should be created under HR but will work with all units across the Service to monitor performance. The performance assessment reports are used by Planning, Research, and Statistics and the risk units to avert or correct performance gaps. The Performance Management Unit will measure and monitor both a) organisational and b) individual staff performance.
- The **Project and Change Management Unit** should be expanded to deliver all automation projects. This unit is responsible for the delivery of the timeline, scope, and budget for all projects. Change management is integral to delivering every project.
- A **Risk Management Unit** should be created. Risk management is the process of identifying, assessing, and controlling threats to an organisation's capital and earnings. These risks stem from a variety of sources, including financial uncertainties, legal liabilities, technology issues, strategic management errors, accidents, and natural disasters. Risk applies not only to tax collection but also to every aspect of operations. For example, there is risk associated with diesel that runs generators, risk of not servicing cars or generators, etc. Risk requires budget approval as most risk can be averted if financial plans are sound. All risks must have a valid mitigation plan and a clear definition as to when the threat is averted or corrected.

SCOPE OF AUTOMATION PROJECT

The work of all Steering Committees is to evaluate the operational aspects of the Service with the intention of improving them, making them fit for automation, eliminating inefficiencies, and improving the overall operation of the Service.

The goal is to collate all the initiatives into a comprehensive ICT Automation for IGR scope document that is developed into a PIB and detailed project plan with technical and financial milestones. The PIB is the baseline throughout the life of the project to ensure deliverables are met in terms of time, budget, and scope.

This PIB forms the basis for approval of the project and its budget. Thereafter, vendors can be provided with the scope of work and Request for Proposal (RFP) and invited to present their solutions for selection.

SIX STAGES FOR PROJECT DELIVERY

IGR system and process automation is a project, and it is recommended that BIRS adopt the following methodology stages to help the Service automate:

- Initiation
- Planning

- Implementation
- Monitoring and Controlling
- Closing and Go Live
- Adoption

These six stages are presented in a Gantt chart in Table 3. Each column in the chart covers six months. Each stage covers between two quarters and two years. The team believes that these periods will provide the time required to successfully complete the tasks set out. Many tasks can run in parallel, so far as there are sufficient human resources assigned to take on all of the work. The table shows the detailed but high-level list of activities, their sequence, expected duration, and interdependencies between activities and tasks in the five-year strategy.

Table 3: Five-Year IGR ICT Adoption Plan Broken Down by Activity

Project Activity	Year 1 (2023)	Year 2 (2024)		Year 3 (2025)		Year 4 (2026)		Year 5 (2027)	
	Q3/Q4	Q1/Q2	Q3/Q4	Q1/Q2	Q3/Q4	Q1/Q2	Q3/Q4	Q1/Q2	Q3/Q4
1. Initiation Initiation activities are the foundation activities that should be built upon. They must be in place first to create the right culture, values, and vision.									
1.1. Create Steering Committees to oversee the ICT IGR Strategy									
1.1.1. IGR ICT Strategy Initiation and Planning Steering Committee (Headed by EC)									
1.1.2. Change Management and Project Implementation Committee (Headed by EC)									
1.1.3. Training Committee (Headed by Director)									
1.1.4. Performance Management(Headed by Director)									
1.1.5. Tax Policy Review Committee (Headed by EC)									
1.2. Acquire government approval that a certain percentage of collection is kept to enable									
1.2.1. Full independence to remunerate and reward staff in line with market values									
1.2.2.Independence to cover operational expense of automation									
1.2.3. Independence to hire skilled staff as required for automation by any									

means necessary (full-time, contract, etc.)									
1.2.4. Independence over administration and day-to-day operations for tax collection									
1.3. An increased commitment by government to transparency in how it spends IGR									
1.3.1. Publish income and expense for earmark taxes / performance									
1.3.2. Sensitize public on tax spending and performance of tax spending									
1.3.3. Advertise tax spending – i.e., notice boards stating the IRS financing of all public works									
1.4. Commitment by state government to support the ICT project									
1.4.1. A one-off upfront grant to purchase ICT infrastructure, training and software may be needed to fund the project									
1.4.2. With support from the state government, seek access to international aid and donor finance for aspects of the program									
1.5. Law stating specifically that the IRS is automated and will use automation for tax-related activities for registration, filing, assessment, payment, reconciliation, reporting, etc.									
1.6. Create new departments/units and functions for ICT program									
1.6.1. Strengthen or create a Program Management Unit under ICT to deliver project									

1.6.2. Create Data Management work stream									
1.6.3. Create Business Analysis and Process work stream									
1.6.4. Create Change Management work stream									
1.6.5. Create ICT Technical work steam									
1.6.6. Create an Organisational Management Unit under HR									
1.6.6.1. All organisational units with name and number									
1.6.6.2. All organisational units with detailed functional descriptions, goals, and objectives									
1.6.6.3. All roles/positions with name and number									
1.6.6.4. All roles with detailed JD, KPIs									
1.7. Workflow and RBAC									
1.7.1. Create a Risk Function under tax									
1.7.2. Create a Performance Management Unit under HR									
1.7.3. Set standards to run organisational performance									
1.7.4. Set standards to run individual performance									
1.7.5. Create units in ICT as required									
1.7.6. Create Project Management Unit to oversee adoption									
2. Planning Planning activities are all specific outcomes needed to deliver the project.									
2.1. Selection of core tax and ancillary systems									
2.1.1. Issue RFP									

2.1.2. View presentations									
2.1.3. Inspect existing sites									
2.2. Procurement planning									
2.2.1. Determine what to purchase in terms of:									
2.1.1.1. Hardware, software, systems, power, and data centre									
2.2.1.2. Buildings (renovation of old buildings or building new ones), data centre, power supply, and security									
2.3. Organisational changes									
2.3.1 New ICT structure									
2.3.2 New department for Projects and Change Management									
2.3.3 New Performance Management Unit									
2.3.4 New e-tax services function									
2.3.5 New Risk Management Unit									
2.4. Staff allocation									
2.4.1. Staffing for ICT									
2.4.2. Staffing for projects									
2.4.3. Staffing for new functions									
2.4.4. New hires for skills acquisition (contract)									
2.4.5. New hires for skills acquisition (permanent staff)									
2.5. Allocation of computer clients									
2.5.1. Allocate to ICT and project staff									
2.5.2. Allocate computers to managers									
2.5.3. Allocate to staff, department by department until 100% of staff have and use computers									
2.6. Plan timetables and dependencies									

2.6.1 Plan sequence of activities of rollout									
2.6.2. Plan sequence dependencies									
2.6.3. Plan capacity and asset allocation									
2.7. Financial planning									
2.7.1. Budget/expenses									
2.7.2. Contingencies									
2.7.3. Change requests									
2.8. Redesign business processes									
2.8.1. New policy documents									
2.8.2. New procedures and guidelines									
2.8.3. New forms and documents and e-forms									
2.8.4. New collaborations for e-payments with banks, Remita, CBN									
2.8.5. New collaboration with JTB, National Identity Management Commission, Nigerian Communication Commission (NCC), etc.									
3. Implementation Implementation activities are the actual activities for the delivery of the systems									
3.1 Seek approval from Steering Committees									
3.1.1. For scope, time, and cost approval									
3.1.2. For teams									
3.1.3. For v training									
3.1.4. Assign project team									
3.2. Purchasing									
3.2.1. Order systems									
3.2.2 Order software									

3.2.3. Order network and communications									
3.2.4. Order client devices									
3.2.5. Order power									
3.2.6. Award contracts									
3.3. Create project team									
3.3.1. Assign or hire technical skills									
3.3.2. Assign or hire project skills									
3.4 Technical project									
3.4.1. Clean data history									
3.4.2. Reclassify/sort data									
3.4.3. Create new forms for new/clean data									
3.4.4. Create new processes									
3.4.5. Create new business rules and exception handling									
3.4.6. Create organisational structure, positions, roles/ responsibilities									
3.4.7. Create user roles and functions									
3.4.8. Create workflow and escalation									
3.4.9. Create outputs and reports									
3.4.10. Create taxpayer self-service interface									
4. Monitoring and Controlling									
4.1. Create risk register									
4.1.1. Document all risks									
4.1.2. Document mitigation plans									
4.1.3. Document change scenario									
4.1.4. Set up help desk and error reporting									
4.2. Testing									

4.2.1. Test process									
4.2.3. Test reports									
4.2.4. Test customer interface									
4.2.5. Test security									
4.2.6. Test finance, audit, and HR functionality									
4.3. Training									
4.3.1. Train managers to direct activities									
4.3.2. Train the Trainer									
4.3.3. Train staff to use risk registers									
4.3.4. Train customers to comply with tax procedures.									
4.4. Run user acceptance tests									
4.4.1. Set pass and fail criteria									
4.4.1.1. Run test – pass – accept									
4.4.1.2. Run test – fail – go back and rebuild									
4.4.1.3. Run test – fail – workaround									
4.4.2. Get approval for change request if fail									
4.4.3. Build changes									
4.4.4. Work until success and sign off									
5. Closing / Go Live Closing is the final stage and implies that the system can be used.									
5.1. Go live checklist									
5.1.1. Cut over from manual to electronic processes									
5.1.2. Run process workflow end-to-end									
5.1.3. Create and use e-customer files and records									

5.1.4. Create and test process for transferring staff out									
5.1.5. Create process for outgoing staff handover									
5.1.6. Create role for onboarding new staff to new role									
5.1.7. Run reports									
5.1.8. Run documents and forms									
5.1.9. Notify all taxpayers									
5.2 Closing									
5.2.1. Close procurement: list suppliers and pay them									
5.2.2. Transfers: repost project staff back to operations as train-the-trainer									
5.2.3. Close paper-based processes									
5.2.4. List penalties for noncompliance (staff and taxpayer)									
5.2.5. Generate end period reports for approvals									
5.2.6. Close all competing manual or paper processes									
5.3 Celebrate									
5.3.1. Sign off on all stages									
5.3.2. Lessons learned manual									
5.3.3. Outstanding issues									
5.3.4. Go live support/warranty									
5.3.5. Operate help desk									
5.3.6. Sign off on project									

5. Adoption Change management activities run from before the beginning to after the end of the project. It is assumed that all systems are built, staff are trained and equipped, taxpayers are sensitised, and all project activities are completed									
6.1. Conduct management retreat with EC and Directors and Heads and agree targets, KPIs, and strategic annual plan each year, for 2025, 2026, and 2027									
6.2. Complete annual performance goal setting for IRS and its departments and units, broken down by quarters									
6.3. Ensure all organisational units have RBAC set up and KPIs are assigned as tasks/KPIs to the roles in each unit (each role has a unique ID number assigned to it)									
6.4. Assign staff to the roles/positions and the attributes (KPI, JD, Tax System Authorisations) of the role inherited by the staff (each staff has a unique ID number)									
6.5. Staff and management are both to sign off on each role's KPIs/performance target after staff is assigned to the role									
6.6. Conduct weekly, bi-weekly, or monthly meetings between staff and management and review work performance based on KPI delivery									
6.7. Conduct quarterly assessment of performance and adjust/review KPIs to ensure delivery of the KPI by each staff									

6.8. Ensure any knowledge gaps about the new process, procedure, practice, and performance expectation are closed									
6.9. Continue Train the Trainer training and refresher training as required									
6.10. Keep working toward a full e-system adoption for e-payments, e-notices, e-filing									

Summary

Activity	Duration	Earliest Start		Latest Close	
1. Initiation	6–12 months	Start	Q3 2023	End	Q3 2024
2. Planning	6–12 months	Start	Q1 2024	End	Q4 2024
3. Implementation	12–24 months	Start	Q3 2024	End	Q4 2026
4. Monitoring and Controlling	24–30 months	Start	Q3 2024	End	Q4 2026
5. Closing / Go Live	3–6 months	Start	Q3 2025	End	Q2 2027
6. Adoption	12–24 months	Start	Q2 2026	End	Q4 2027
Change Management	60 months	Start	Q3 2023	End	Q4 2027

**3.4 Technical Project refers to all projects: a) ITAS, b) upgraded vehicle system, c) Organisational Management, d) workflow, e) RBAC, f) e-forms builder, g) document management, h) intranet/email, i) interactive website, j) cloud-based HR, finance, procurement, asset management, k) SQL database, l) performance management, m) application programming interfaces (APIs), n) Security, o) help desk. The projects can only be implemented sequentially as most are dependent on having a working ITAS first.

ADOPTION OF THE ICT SYSTEMS

The first five activities are from the PMI standard, and adoption is included here as a post-project activity. Constant coaching, improvement, training, and growth are required to perfect the adoption of any new ICT system. For effective and efficient adoption, the following must be considered:

- To start adoption, it is assumed that all systems are built to specification, staff are trained and equipped (computers), taxpayers are sensitised, and all project activities are completed.
- Performance management will be implemented to drive adoption.
  - Conduct a management retreat with EC/BIRS, Directors, and Heads of Units and agree targets, KPIs, and strategic annual plan for 2024–2027.
  - Complete annual performance goals and targets for BIRS and its departments and units, broken down by quarter.
  - Set assessment/KPI target values in terms of Naira value, number of units, percentage, time, or yes/no criteria. These are then assigned as KPI targets to the departments/organisations and roles/positions.
  - Ensure all organisational units have RBAC set up and KPIs are assigned as tasks/KPIs to the roles in each unit. (Note: each role has a unique ID number assigned to it.)
  - Assign staff to the roles/positions, and the attributes (KPI, JD, Tax System Authorisations) of the role are inherited by the staff. (Note: each staff member has a unique ID number.)
  - Staff and their line manager are to both sign off on each role's KPIs and performance target after staff are assigned to roles.
  - Conduct weekly, bi-weekly, or monthly meetings between staff and their line manager and continuously review work performance against KPI delivery.
  - Conduct a quarterly assessment of performance awarding scores for each KPI and adjust/review KPIs so as to ensure delivery of the KPI by each staff.
  - The IGR ICT Strategy Initiation and Planning Committee should review all vendors and system performance with regard to the support contracts on a monthly basis to ensure the tax system is working optimally.

6. INNOVATION TO AID THE IGR ICT STRATEGY

INNOVATION AND SUPPORT TO VOLUNTARY COMPLIANCE

ZERO TAX PAYMENT

To widen the tax base, BIRS should consider "Zero Tax Payment," whereby citizens who believe they earn below the tax threshold can pay zero Naira at the bank with their phone number captured. Filing is not required, and even if the taxpayer has not registered for a TIN, payment of zero can be made to the bank and the bank statement will suffice for compliance. BIRS's income is zero so the cost of taxpayer processing by the Service needs to be as close to zero as possible.

- The taxpayer goes to the bank and completes a payment slip with their name, gender, date of birth, address, TIN (if available), phone number, date, and zero Naira.
- The bank acknowledges the deposit of zero Naira via an SMS, which is sent to the phone number with the taxpayer's name, period, and acknowledgement that tax is paid, but no amount is stated.
- The Service receives the bank statement and adds the taxpayer's name, phone number, etc., to the tax net and sends a TIN to the taxpayer when ready or necessary.
- Paying zero Naira produces a record (bank statement) for the tax authority without it having to incur a major cost and expense of allocating staff, time, and space to manage and file.
- Phone numbers are matched to the existing databases for PAYE or MSMEs to confirm if the taxpayer exists on a list or is a new taxpayer.
- Eventually, everyone in the state will be in the tax net at a very small cost to BIRS.
- BIRS will also have data on how many taxpayers believe they are below the tax threshold.

SALARY ACCOUNTS FOR EMPLOYEES/EMPLOYERS

Banks should be compelled to open "Salary Accounts" for employees. The details of credit transactions into such accounts (income) can then be sent to BIRS with the name of the account holder and their employer so that the Service can match all PAYE schedules sent by employers with the bank statement of staff with salary accounts. In this way, over a short period, no stakeholder (employee/employer) will escape the PAYE tax net.

COLLABORATION WITH FINANCIAL INSTITUTIONS

BIRS should partner with banks and financial institutions to monitor and report suspicious transactions that may indicate tax evasion or illicit financial activities. Relevant government agencies should ensure that only compliant and current taxpayers are eligible for government incentives or loan schemes for MSMEs and the loan amount is directly correlated to taxes paid.

TAX ON RENT INCOME

Taxpayer expenses from property rented should be taxed as the landlord's income:

- All addresses in the state need to exist in a database through the Post Office, GIS, etc.
- The address database should include property use, e.g., commercial, residential, industrial, education, social service, etc.
- All specific addresses need to be mapped to an owner by various data sources, i.e., GIS, Stamp Duty, Post Office, Land Register, and the owner's TIN.
- The owners of the property must be identified by their TIN and their property mapped to the TIN.
- Employers can add the addresses of employees to PAYE forms. (Possible tax relief could be added to encourage compliance.)
- Self-assessment forms should include "address" and "rent paid."
- Rent paid by the tenant should be mapped to the owner as taxable income earned.
- Data should be harmonised with records and addresses for the payment of the tenement rate.

A long-term outlook is to count all dependents that a taxpayer has and add them to an accurate demographic database for Bauchi State. For example, even though relief is for only four children, BIRS can have a record of all dependents of a taxpayer (i.e., four wives, 20 children). One day, they will be taxpayers.

TAXPAYER ACCOUNT MATRIX

The tax account matrix records every tax type in one single tax record per taxpayer in a spreadsheet. The rows (horizontal) list every tax or fee that can be applied to a taxpayer for up to six years. Three values are maintained: 1) assessment, 2) payment, and 3) running balance. The summation at the end of the row gives the three figures for five-year cumulative, assessment, payment, and balance. This is a powerful tool for managing cumulative taxpayer liability.

The vertical columns list the total cumulative value of each column (tax type or NTR fee) against all taxpayers in the state, giving the total revenue per tax type of fee. Once again, the bottom line gives total assessment, payment, and balance values for all taxpayers. This system is such that if any row or column returns a zero, it can be seen immediately and followed up to prevent taxpayer delinquency.

A manual operation has a heavy investment in the discipline of maintaining both the taxpayer file and the matrix. The taxpayer file may be the primary system with sign-off on the paper file as the source of truth, while the matrix value will be updated based on paper file records.

In an automated system, this is reversed, with the matrix taking precedence. The taxpayer files will be electronic, and any file or paper will be secondary and updated from the electronic record after completion of the transaction.

The matrix can be run in MS Excel using PivotTables and should be developed and put to use immediately. There is no need to wait for full automation to use it. It needs to be tested and tweaked to the Service's specific needs so that these can be part of the Automated Tax System RFP questionnaire and evaluation. The sample of a taxpayer matrix is in Annex 7.

STRENGTHEN EXISTING TAX INSTRUMENTS

REPORTING AND ANALYTICS

MS PowerBI is a powerful business intelligence and data visualisation tool that can offer numerous benefits to a tax authority: data integration, data visualisation, real-time insights, advanced analytics, interactive reporting, data security, scalability, collaboration, improved compliance and enforcement, enhanced decision-making, access to real-time actionable data, and transparency.

By using MS PowerBI, BIRS has a comprehensive set of tools to manage, analyse, and visualise tax-related data effectively. The Service can enhance its efficiency, reduce tax evasion, improve compliance, and make data-informed decisions, ultimately benefiting both the government and taxpayers.

TIN REQUIREMENT FOR TRANSACTIONS

The government should require individuals to provide their TINs for various transactions, such as purchasing high-value assets (land, vehicles, houses), registering a business, enrolling children in government schools, opening bank accounts, obtaining loans, or applying for foreign exchange or credit.

INTEGRATION WITH OTHER GOVERNMENT SERVICES

BIRS should integrate tax registration and compliance requirements with other government services and transactions. For example, individuals may need to provide proof of tax compliance to renew passports, vehicle or driver's licenses, signage, advertising, and business and other permits.

DATA ANALYTICS AND RISK PROFILING

BIRS should utilise data analytics and risk profiling techniques to identify potential tax evaders and high-risk taxpayers, and target enforcement efforts towards these individuals and businesses to ensure compliance.

WHISTLEBLOWER INCENTIVES

BIRS should offer financial incentives or protection for whistleblowers who report tax evasion or non-compliance by individuals or businesses and encourage the public to play an active role in enforcing tax laws.

TAXPAYER FEEDBACK MECHANISMS

BIRS should establish mechanisms for taxpayers to provide feedback on their experiences with the tax system and suggest improvements, and should actively address concerns and make necessary adjustments to enhance compliance.

STRENGTHENING ENFORCEMENT AND PENALTIES

BIRS should increase enforcement efforts and penalties for tax evaders, including distrain and criminal prosecution, and should ensure that penalties are consistently applied and serve as a deterrent to non-compliance.

7. INFORMATION SYSTEMS ROLLOUT

EXISTING ICT SYSTEMS

BIRS has a fully functional ITAS system and an AutoReg system. All core tax processes are electronic including payments that are made via Remita. BIRS also use Excel-generated reports. However, The AutoReg and ITAS systems are not fully integrated and greater integration is recommended.

The service has 299 staff members, with 190 laptop computers, 90 desktop computers, and 56 printers. This level of penetration will enable processes like electronic document management to start immediately, as almost all staff have computers. Once the Service has mastered the filing and access process for e-documents, taxpayers can be allowed to do online filing, as the Service will be able to manage the electronic documents.

LIST OF RECOMMENDED SYSTEMS

The recommended areas for automation are:

- ITAS: All tax processes should be done on a single Integrated Tax Administration System (ITAS).
- AutoReg system: BIRS should continue to use AutoReg and other vehicle registration systems with integration to ITAS so that a TIN is a compulsory requirement for vehicle or license registration.
- E-Forms Builder: This builds electronic active forms for e-registration, e-filing, e-notices and reminders, receipts, e-TCC, and e-requests.
- Website: The Service's website needs interactive forms and active pages.
- EDMS: An Electronic Document Management System is required for tracking documents, workflow, and business rules relating to document access and security.
- Non-tax automation: Non-tax consists of HR, finance, procurement, and asset management, which can be outsourced as a service. Sub-systems include performance management, organisational management, internal audit systems, budget management, payroll, etc. All should be cloud-based and subscribed to.
- Risk system: A risk system lists and tracks all risks and creates a statistical engine for risk to better manage revenue on the outcome of tax performance data. The risk engine also provides a tax audit system to tie complex audit outcomes to future tax risk.
- SQL database: The SQL database needs to interface with various systems to share data using workflow rules and policies.
- MS Office automation: The MS Office suite should include Active Directory to manage mail, MS Teams for collaboration, MS Project, MS Visio, and other specific tools. (Once the mail system is working official email should only use name.name@birs.gov.ng email address for official correspondence.)
- MS PowerBI: PowerBI is a powerful analytics tool similar to, but more powerful than, MS Excel. It is the primary tool used for building report queries similar to an AI system. The monitoring and analytics framework to deliver the nine goals of the strategy requires advanced analytical reports.

- Service Oriented Architecture (SOA) / Integration Bus: An SOA-based integration engine is needed to ensure business rules are created for third-party shared data and services.
- Web hosting service: The Service needs to subscribe to a web hosting service for official email addresses, e.g., name.name@BIRS.gov.ng.

REVIEW AND SELECT A TAX SYSTEM

The Service has a working and efficient ITAS system. However, the IGR ICT Strategy requires full documentation of all systems including the existing ITAS in order to integrate new systems to the new ICT service strategy and functionality.

There are several steps to reviewing or selecting a tax system. First is carefully documenting the processes the state has automated in its tax systems, listing any existing gaps in adoption or efficiency and documenting them for closure with a new system.

For the period of implementation of a new system, the existing Excel reports and semi-automated processes will remain in use and must be maintained to run the existing automation. Service staff should be trained to manage all data cleaning and preparation ahead of automation. The existing vendor support payments and AutoReg contracts must be managed until the system changes with clear Service Level Agreements so that business is not disrupted by system failures.

The team recommends that BIRS invite ITAS programmers to send in proposals and deliver presentations on the full functionality of their systems. These should be reviewed by BIRS to see if they meet its needs and if they have additional functionality that can be added to make operations more efficient.

This exercise will create a list of functions that need to change in BIRS's operations, policies, processes, and procedures, indicating where the Service will start and how to sequence the upgrade and changes.

Documenting all technical needs will help create an RFP from which to start the process of evaluation and selection of a new system and its functionality. The implementation of this new system will be the new ITAS project. The existing vehicle registration system provider and ITAS system provider can be included in the vendors that will submit responses to the RFPs.

During project implementation, the existing ITAS, electronic and manual process and Excel reports will continue to run the Service's operations unchanged while the upgrade of the system is being implemented and then changed to the new system once it can go live.

MAINTAIN EXISTING AUTOREG SYSTEM

The current system for vehicle registration, AutoReg, has nationwide adoption and is adequate for now, as it only needs to integrate with the ITAS system so that all vehicle owners and their vehicles are identifiable by TIN.

E-FORMS PROJECT

One of the new requirements to create ease of taxpayer compliance is to provide e-forms for the following processes:

- Taxpayer e-enrolment and e-registration, ensuring clean error-free records.

- Taxpayer e-filing, enabling taxpayers to download and fill forms from the website and to file electronically.
- Tax return forms and presumptive tax forms to enhance the ease of doing business.
- Assessment notices and reminders, payments, e-receipts, e-TCC, etc.
- Forms for negotiation of spread "instalment payment" or "payment plan" against demand notices.

INTEGRATION

All systems (tax, vehicles, document management, and reporting systems) need to be integrated, and this should be part of the upgrade project so that the system design includes testing of all APIs and business process needs.

WORKFLOW

Organisational workflow is related to organisational structure in the way that it coordinates activities, applications, and processes. Workflow follows the organisational hierarchy from staff in a unit to the head of the unit and from the head of the unit to the head of the unit above.

Document workflow refers to a sequence of actions from the first level of creating document content, through the revision phase, to the final stage of publishing a document.

An EDMS requires the two to work together.

E-form delivery requires:

1. ICT infrastructure: hardware, software, networks, governance
   - Interactive pages on a website
   - e-form builder/developer
   - SQL database
   - API to ITAS
   - EDMS
2. Business transformation: new processes, policies, and procedures
   - BIRS needs to set up Steering Committees to review and agree on various changes and select vendors to provide the functionality.
   - Provide and approve budget and resources.
   - Oversee implementation.
3. Organisational change: new organisational units and roles that match new ICT functionality for ownership and delivery of each new function
   - New organisational units must be created within existing departments.
   - A Project or Programme Management Office (PMO) needs to be created to oversee the delivery of the programme.
   - The Change Management Unit must be created, preferably within the Programme Management Office or where it can get proper political and financial support to deliver its mandate.
   - The new Steering Committees and the Change Management Unit should have clearly defined processes for ensuring delivery and monitoring of the programme.

- Temporary Project Delivery teams for each individual ICT project: e-forms and EDMS, ITAS, performance management, organisational management, reporting, risk, non-tax automation (HR, finance, procurement and asset register), and taxpayer education.
- An Organisational Management Unit needs to be created under HR that can manage each role having a unique number, JD, KPI, Training Needs Analysis and work schedule. The purpose is to manage role and organisational efficiency and RBAC, authorisation, and performance.
- A Performance Management Unit under Planning, Research, and Statistics or HR should be established to ensure a structured process for setting role-based KPIs that cascade downwards from the EC's organisational goals and initiatives so that each goal cascades to staff and units and can be monitored.
- The Website Support Unit should be strengthened to manage the website and e-forms under ICT.
- The Risk Management Unit should be strengthened with automated and improved risk monitoring and evaluation.
- A help desk function must be set up with the help desk operating in real-time based on Information Technology Information Library standards.

Organisational management interrelationships are shown in Annex 6.

4. Change management: staff training, cultural alignment, funding, leadership, performance monitoring and controlling, and buy-in for delivery of the vision
    - Organisational and cultural change, change in expectations, change in reward, and change in culture.
    - Training and management training on how to manage new expectations and procedures.
    - Change in targets and goals for tax collection.

SELECT AND IMPLEMENT AN E-DOCUMENT SYSTEM

E-filing, e-documents, e-registration, and many other services that make tax administration easy for the taxpayer cannot happen until the knowledge and ability to deliver this has been internally mastered by staff and the Service.

Historical records will always be needed as part of the tax administration. For this reason, all projects start with data cleaning. The rules for managing e-files will come from how paper processes are managed. In the first year, the Service will need to review how to manage paper processes along with cleaning up, sorting, and reclassifying paper filing processes. The Service will need to get filing cabinets and review access controls, rules for security, backup, archiving, and other rules.

The first stage is to run a mini project to ensure registries are clean, indexed, and neat. Poor practices such as storing documents in bags, cupboards, or other unstructured areas must be corrected and discontinued.

An e-document system should be implemented and interoperated alongside the ITAS so that e-forms can be managed with the system. This will eliminate many paper processes, and with time, this service can be extended to the taxpayer such that taxpayers can fill out e-forms, file taxes, and receive assessments and payment demand notices all online.

HUMAN RESOURCES, FINANCE, ASSET MANAGEMENT, AND PROCUREMENT

The Service's core business is tax and revenue collection. However, BIRS cannot function effectively if there are no administrative functions for HR, finance, procurement, and asset management. If the tax process is automated and efficient but the administration processes that support it function poorly, the efficiency of the tax system will be limited.

Starting with HR is important because every user of the automated operation is a person. A complete HR and accounting system cannot be built without staff policies, financial controls, procurement, asset management and internal audit.

All this implies that there will be several projects going on at the same time and BIRS may need multiple project managers. The Service should consult widely for advice and initially select a web-hosted service that is easy to deploy without excessive expenditure.

NEW FUNCTIONALITY AND NEW ROLES

The team expects many new tax processes and innovations to be implemented as approved by the Steering Committees. The build of any new functionality must be accompanied by a build of that same responsibility in the organisational structure with a role, RBAC, JD, and KPIs assigned to the positions that will deliver the new functionality. If this is not done, the new functionality will not be successful.

The ICT staff will learn through shadowing consultants as well as through formal training. They will test each function extensively and sign off on each build, form by form, function by function. Automation proceeds one process at a time in a logical sequence based on importance and interdependence on data or other conditions. Some data and processes are foundational and need to start first. Other processes cannot start until the foundation is delivered, i.e., the system cannot assess a taxpayer record until that person is registered. Any new system rollout is done one process at a time and is expected to take several months.

WEBSITE

The staffing and internal operation of the BIRS website should ensure information is updated regularly and the website provides:

- All information that a taxpayer could ever need about tax and BIRS.
- All tax forms and information on their use.
- All general public notices.
- The tax calendar and penalties for non-compliance.
- Recruitment and procurement pages.
- Performance of revenue collection.
- Notice of all public contracts funded by BIRS.
- Contacts, offices, addresses, and contact details.
- Education on tax, registration, filing, assessment, payment, TCCs, receipts.
- General information.
- Taxpayer social media page.
- Self-assessment payment calculator.

The website needs to be maintained by a liaison officer who refreshes the pages and information at least quarterly. Some pages are static, but pages for public information and public notices need to be refreshed regularly. Old pages need to be archived but should never be deleted for legal purposes.

The e-document automation project should eventually enable e-registration, e-forms, e-filing, e-assessment, and other e-processes to have e-forms accessed through the website as a public interface and as an avenue to request information from taxpayers. The website is the face of the Service, and the state's ease of doing business rating will be enhanced by having a dynamic website.

AUTOMATION OUTCOMES

Automation must be accompanied by operational changes such as:

- Ensure e-notices are used for all filing or payment demands.
- Ensure only e-payments are used for payments.
- Deliver e-receipts against payments. Phase out paper receipts completely.
- Automatically generate a list of taxpayers who have not filed on time, made payments, etc., so BIRS can action these alerts.
- The only Service communication with a taxpayer is via a name.name@BIRS.gov.ng email address and never by personal mail addresses such as Yahoo, Hotmail, or Gmail.
- Internal notices, such as for promotion, performance assessment, nomination for training, leave application, etc., must also be by official email only to encourage staff adoption.

LEARNING AND GROWTH

Learning and growth is a critical process when undertaking a project of this scale. Three forms of learning are recommended:

- Site visits to existing businesses that use tax automation: For example, a visit can be made to FIRS to understand their process for controlling ICT automation projects. Other states' IRS can also be visited to give the Service confidence as to the viability of its own project.
- Formal classroom training: It is essential that top management be trained on what tax automation delivers to enable them to select the appropriate systems. It is also necessary that staff are trained before the implementation of any new system so that they understand what is being delivered and can guide consultants to deliver exactly what BIRS needs and prevent consultants from delivering out-of-box functionality only. Generic training is also required for MS Office, tools, and other applications.
- Proof of Concept (POC) training: POC training is hands-on knowledge gained by building a prototype or model and learning on the job by doing. The knowledge acquired covers all aspects of the POC: design, management approval, financing, cash flow, deployment, staff assignment, operations, generating reports, reviewing reports, etc. The POC should take the Service from beginning to end on how to deliver a working system.

ICT INFRASTRUCTURE

Beyond software and logical functionality, BIRS's adoption of ICT for increased IGR requires an ICT strategy for systems and hardware deployment. With regard to the back end, there are two main strategies.

- Host with MainOne cloud in Lagos or Galaxy Backbone cloud in Abuja.
- Purchase systems and manage them physically at the BIRS office.

Of these options, Number 1 is easier to set up and has a moderate cost. Number 2 has a higher cost and is complex to support. However, it can be considered for small operations, such as setting up a Local Government Area office that has no network.

The client computer and communications infrastructure remains with BIRS locally. The data centre will host a backup database system, network, and switching web servers for communications management and shared servers for print jobs. One shared network printer per office is more manageable than every person having a printer and reduces the cost of maintenance and abuse of paper consumption.

Power must be 24/7, with downtime measured in nanoseconds. For this reason, solar inverters are recommended rather than Uninterruptible Power Supplies (UPS) for the data centre; an inverter should carry the data centre for hours, which gives enough time for a generator to kick in during the day but also enables the inverter to run at night when there is low load.

All staff need official email addresses – name.name@BIRS.gov.ng – so that official mail is authentic and secure and gives taxpayers confidence and trust.

All staff above level 7 (senior staff) should be issued a laptop computer. Laptop computers can run for hours during a power failure, which makes them preferable to desktop computers that need external UPS power systems that last only a few minutes, forcing the Service to run generators when there is a prolonged power failure.

ADVANTAGE OF USING LAPTOP COMPUTERS

The team recommends one staff to one computer. This enables staff to run e-processes end to end without reverting to slow, error-prone paper processes. Laptop computers offer several advantages over desktops.

- Seamless power continuity: Laptops come equipped with built-in batteries, ensuring uninterrupted work during power outages. In contrast, desktop computers necessitate costly UPS and backup diesel generators. Laptops mitigate dependence on these resources, reducing operational expenses and the hassle of refuelling generators.
- Enhanced mobility and remote work: Laptops empower employees to work from diverse locations, whether at the office, at home, or in the field. In an environment plagued by extended power disruptions, this mobility is invaluable. Staff can relocate swiftly and maintain productivity, irrespective of power availability.
- Cost efficiency: Desktop setups, along with UPS and generators, entail substantial upfront and maintenance costs. Laptops offer a cost-effective alternative, eliminating the need for extensive infrastructure investments. This fiscal prudence can be especially advantageous for a large organisation.
- Energy conservation: Laptops consume significantly less power than desktop systems, which is critical when dealing with erratic power supply.
- Space utilisation: Laptops are compact and require minimal desk space, whereas desktop configurations can be bulky.
- Streamlined maintenance: Laptops are generally easier and more cost-effective to maintain than desktop computers. Timely resolution of technical issues minimises disruptions, promoting continuous workflow.
- Data security: Laptops can be equipped with advanced security features like biometric authentication and encryption, safeguarding critical data against corruption during sudden power cuts.
- Employee satisfaction: Empowering staff with laptops enhances morale and job satisfaction. The ability to work anywhere, anytime, and be immune to power interruptions contributes to a more positive work experience.

- Futureproofing: Laptops adapt readily to evolving technology requirements, ensuring the organisation remains agile and adaptable in the face of changing software and connectivity needs.

Laptops need a technology refresh every five to six years, and if staff can inherit the old laptop, they will ensure the laptop is well cared for and serviceable at all times, to the Service's advantage.

DATA CLEANING

Data availability, completeness, timeliness, accuracy, and usability are the number one challenges to every type of business operation. Data is created through the use of business forms and procedures that are suitable for the business. Poor compliance leads to errors or incompleteness of data for processes required by the Service.

Business forms need to be redesigned, and new forms need to be approved. Where possible, cross-referencing is also needed so that the data is confirmed and will lead to accurate and usable records. There must also be compliance to fill out forms.

- The first task for any ICT project is to clean the data using the "5S" model:
- Sort: Classify into classes or groups.
- Straighten: Arrange data items by alphabet, number, or date index.
- Shine: Clean data by fixing spelling mistakes, etc.
- Standardise: Ensure one standard is used, e.g., all phone numbers start with +234.
- Sustain: Ensure that processes and reports that deliver data are always in use.

Data cleaning can be the hardest and longest task for many projects; it can take months. However, it is worth doing even if computers have not been purchased. So, just like reviewing policy and changing the law creating the tax authority, data cleaning can begin from day one. A culture of maintaining clean records should be encouraged on a continuous basis for the life of BIRS.

CLASSIFICATION OF DATA

Some new classification of data is required for analytics data mining and taxpayer performance. There should be a data management policy, and the Service needs to have specialised staff that can manage this function.

PROFESSIONAL ICT DEVELOPMENT

Continuous professional development is essential for improved performance, hence the need to build the ICT capacity of BIRS staff members through the following strategies:

- Conduct Advanced ICT Administrator training for all senior staff, including the EC, to understand what automation can deliver.
- Modify manual/semi-automated processes and procedures to deliver improved value.
- Select a tax application that can deliver BIRS processes and procedures.
- Build/configure and customise a tax application in line with new policies and procedures.
- Build an integrated computer/ICT delivery programme to automate all new tax processes. (Invest and acquire all back-end computers, core, and non-core application systems, hire core ICT staff for computerisation, and acquire power and safety for ICT.)
- Get laptop computers for all knowledge workers in the Service.
- Train staff on the new automated process.

- Use change management to drive the adoption of the new system.

PERFORMANCE MANAGEMENT

Setting up a new PMS with clear goal setting and the establishment of KPIs along with continuous assessment will play a pivotal role in facilitating staff adoption of the newly re-engineered business processes. (This should not be an Annual Performance Evaluation Report or APER system.)

The new PMS will be driven from the top, with clear and specific goals and objectives related to the reengineered business processes that will provide staff with a clear understanding of what is expected of them. When employees know what they are working toward, they can align their efforts and actions accordingly.

Each of the project stages (Initiation, Planning, Implementing, Monitoring and Controlling, Closing, plus Adoption), needs to have clear goals cascaded down from the EC to all staff so that the expectations of each staff member are clearly understood, assessed, measured, and recognised.

Well-defined goals and KPIs give employees a sense of purpose and motivation. When they see the connection between their efforts and the overall success of the reengineered processes, they are more easily engaged and committed to the changes.

Continuous assessment through KPIs allows managers to monitor the performance of staff over time. This tracking enables them to identify areas of improvement and take corrective actions as needed. By providing clarity, motivation, feedback, and opportunities for improvement, these elements enhance staff engagement, productivity, and their overall willingness to embrace change.

GENERAL RECOMMENDATIONS

BIRS has automation for vehicle registration using AutoReg. The administration of taxes is fully automated using ITAS, while MS Excel is used for reports and lists, such as the list of registered staff. The actual process of filing, judgement, and assessment is a mix of manual and automated steps.

The team's recommendation is to acquire an EDMS application that can automate e-forms and implement document management to deliver online e-services as a means of improving the ease of doing business and taxpayer compliance.

In order to grow the taxpayer base, the team recommends that MSMEs be captured and all individuals who own or work with an MSME be recorded. This should grow the tax base by an additional 100,000–200,000 individual taxpayers each year for the next four years, or at least 500,000 over the five-year strategy.

The taxpayer records must be monitored so that the total tax base is known, and the number of active files, number of dormant files, and number of delinquent files must be actioned. Action must be taken whenever a status changes, e.g., for a taxpayer to move from active to dormant will require a query as to why. If a taxpayer's business is dormant, BIRS must ensure the bank account of that business is also dormant.

Presumptive income tax assessment should be applied to MSMEs at a fixed tax rate for this class of taxpayer. It is not audited, and if the fixed tax is paid, the taxpayer is deemed to be compliant. This system reduces tax administration to a minimum and encourages compliance. The rates for presumptive tax should be published on the website, and e-registration and e-forms should be made available.

ANNEXES

Annex 1: Nine IGR Expansion Strategy Goals

Level	ICT Application	ICT Action
Goal 1: Information Held in the Registered Taxpayer Database is Complete, Accurate, and Up to Date	Provide and implement an EDMS ITAS interface to EDMS Website Manage and maintain systems	Learn to use EDMS Internal adoption of e-documents Create e-files for all taxpayers Design e-forms that are complete and capture all necessary fields for taxpayer registration
Strategy 1.1 Improve the Accuracy and Reliability of Taxpayer Information	EDMS Extend e-forms to website ITAS	The use of intelligent e-forms with mandatory fields and validated entries and cross-referencing existing data prevents errors, duplications, and omissions, leading to complete data
Goal 2: Risks to Revenue and IRS Operations are Identified and Managed Effectively	Set up Steering Committee to identify and list risk	Use ICT reports to run analytics on risk matrix and metrics
Strategy 2.1: Strengthen Compliance Risk Management		Monitor risk reports
Strategy 2.2: Bolster the Management of Institutional Risks		Action reports and analytics
Goal 3: Taxpayers and NTR Payers have the Necessary Information and Support to Voluntarily Comply at a Reasonable Cost to Them	Extend e-forms to website Completed forms workflow to database for verification and then to tax office for processing in EDMS and ITAS	Provide forms and workflow for: E-registration E-filing E-assessment feedback E-notices E-payment E-receipts/TCC
Strategy 3.1: Expand Taxpayer Services	Activate ITAS e-services or external e-services application	Give taxpayers access to their information via e-services registration
Goal 4: Taxpayers File Declarations on Time	ITAS EDMS	Monitor in ITAS and send e-notices and reminders using EDMS

Level	ICT Application	ICT Action
Strategy 4.1: Monitor On-Time Filing Rates	E-forms, ITAS	Use e-forms that write directly into the ITAS database
Strategy 4.2: Introduce Electronic Filing Facilities	E-forms, website,	E-forms accessed for filing through the website and when completed write directly into the ITAS database
Goal 5: Tax and NTR are Paid in Full and on Time	Leverage bank payment gateways: Remita, eTransact, Pay Direct, etc.	Set up interfaces with existing channels with APIs to ITAS
Strategy 5.1: Introduce Electronic Payment Methods		Monitor up time and down time for e-payment channels
Strategy 5.2: Use Efficient Collection Systems	Treasury Single Account, commercial banks	
Strategy 5.3: Monitor Timeliness of Payments	ITAS	Record what period payment is made for e.g., current and overdue payments
Strategy 5.4: Reduce the Stock of Tax Arrears	Finance and tax IGR accounting	Review aged reports on outstanding payment in tax or finance accounting application
Goal 6: Taxpayers Report Complete and Accurate Information in their Tax Declarations	Various audits Risk engine ITAS	ITAS has taxpayer profiles and reports that assist in audits
Strategy 6.1: Expand the Scope of Verification Actions	ITAS	Utilise ITAS and build taxpayer profile
Strategy 6.2: Implement Proactive Initiatives that Encourage Accurate Reporting	ITAS/SQL	Keep adding to customer profile/record
Strategy 6.3: Monitor the Extent of Inaccurate Reporting	ITAS, Power BI, etc.	Do comparative analysis, standard deviation reporting, statistical analysis of variance, etc.

Level	ICT Application	ICT Action
Goal 7: The Tax Dispute Resolution Process is Fair and Independent, Accessible to Taxpayers, and Effective in Resolving Disputed Matters in a Timely Manner	Policy review, legal presidents, statistics, audits, Best of Judgement	
Strategy 7.1: Strengthen Selected Dispute Resolution Processes	ITAS	Maintain statistical reports and risk register
Goal 8: IGR Collection is Efficiently Managed	Website updates and declarations	Policy
Strategy 8.1: Enhance the Level of the Service's Contribution to IGR Forecasts and Estimates	Implement performance system Implement OM system	Maintain statistical records and analysis performance management feedback on staff performance Ensure performance management delivers both individual and organisational performance results
Strategy 8.2: Improve the Functionality of the Tax Revenue Accounting System	Hosted accounting HR and asset management system	Lease an accounting system and link it to ITAS such that each tax payment record retains cost of collection and transaction details to enable reversals, etc.
Goal 9: The Service is Transparent in the Conduct of its Activities Accountable to the Government and Community	ICT governance system to keep accurate records and audits of ICT activity	Publicise performance results and outcomes
Strategy 9.1: Reinforce Internal Assurance Mechanisms		Complete scheduled internal audit before the end of the first quarter of each year
Strategy 9.2: Monitor Trends in Public Confidence in the Service	Feedback from perception surveys	Get feedback from taxpayers via questions sent to email or on website
Strategy 9.3: Publicise Activities, Results, and Plans	Website	Publish on website

Annex 2: BIRS – Existing ICT Environment

ICT Report	Description	Findings	Comments	Recommendations
Senior Staff		200		
Junior Staff		100		
IT Staff		13		
Hardware	Laptops	190	Configuration meets minimum specification All staff have computers	All good; however, the team recommends upgrading computers when needed
	Desktops	90	Configuration meets minimum specification	
Computer Staff Ratio	190/200 & 90/100		95% and 90% ratio	Very good, all workers have a computer
	Server	3	Not being utilised	Utilise server for on-premises data backup
	Cloud	Yes	AutoReg, Remita, ITAS	Host all online systems in the cloud
	Printers/Copiers	65	Not network printers	Shared network printers
Network Connectivity	LAN	No		Structured LAN cabling
	WAN	No		Fibre-optic broadband internet connection with a minimum of 50/50mbps speed
	Wi-Fi	No		Configure two Wi-Fi networks (official network and guest network)
	Router	No	4G router with no network security features	Cisco Meraki or Fortinet network devices
	Switch	No		
	Access Point	No		
	Data Centre	No		Set up a data centre to centralise IT operations and equipment for applications, data storage, data processing, and dissemination

ICT Report	Description	Findings	Comments	Recommendations
Collaboration	Email	Yes	Non-standard email	Standard emailing system, e.g., name.name@birs.gov.ng
	Website	Yes		Website should be secured, interactive, informative and user friendly for taxpayers
	Voice	No		Teams, Google Meet, Cisco WebEx, and Zoom
	Cloud	Partially	AutoReg, AutoVIN, Remita	Host all online systems in the cloud
	Call Centre	No		Set up call centre with basic features such as Interactive Voice Response, call recording/routing, Computer Telephony Integration, Customer Relationship Management integration, etc.
Software/Applications	Tax System (ITAS)	No		ITAS with all tax modules
	Customised Tax System	No		Registration, filing, assessment, payment, reconciliation, reporting, e-filing
	AutoReg	Yes		Integrate TIN to vehicle registration
	Vehicle management system	Yes	Customised in-house	
	Website	Yes	Static pages	Website to be interactive with e-forms
	MS Office	Yes		
	Adobe	Yes		
	Explora	Yes		
	Chrome	Yes		
	Antivirus	No		Kaspersky
	Accounting	No		An accounting system is needed with cost centres, budget and controlling and asset depreciation, general ledger, income, capital, expense, overhead
	Human Resource	No		Get a system that includes organisational management, promotion, upgrade, posting, recruitment, payroll, and exit
	Procurement	No		Use the procurement output to create an asset register

ICT Report	Description	Findings	Comments	Recommendations
	Help desk	No		Set up a help desk system to keep track of complaints, both internal and external
System Automation	Tax process	No	No system, but Excel is used for records	Get ITAS for the tax process
	Single data warehouse	No		Need for a data centre setup
	Data backup	No		Need for a data centre setup
	Active Directory	No		Office365
Power	City Power (PHCN)	Yes		
	Inverter	Yes		
	Solar	No		Get solar for power backup
	Generator	Yes		
IT Trainings	Microsoft Trainings	No		▪ MS Azure Administrator – All IT staff ▪ MS 365 Administrator – All IT staff ▪ MS 365 Enterprise Administrator – Mid-level and Senior IT staff ▪ MS 365 Security Administrator – Mid-level and Senior IT staff ▪ MS Administering Windows Server – All IT staff
	Network Trainings	No		▪ Cisco Certified Network Associate (CCNA) – All IT staff ▪ Cisco Certified Network Professional – Mid-level and Senior IT staff ▪ CompTIA Network+ – All IT staff ▪ VMWare Certified Professional – All staff ▪ VMWare Certified Technical Associate – Mid-level and Senior IT staff

ICT Report	Description	Findings	Comments	Recommendations
	System Administrator	No		▪ CompTIA Server+ – All IT staff ▪ CompTIA Security+ – All IT staff ▪ Linux Administrator – All IT staff ▪ CCNA – All IT staff ▪ MS Azure Administrator – All IT staff
	Software Development	No		▪ Web programming/web design – All staff ▪ Mobile app development – All staff ▪ Data analytics – All staff ▪ Database administration – All staff ▪ DevOps – All staff ▪ UI/UX development – All staff
	End User Training	No		▪ ITAS system, all modules ▪ Nontax systems (HR, Fi, Procurement) ▪ Managing forms (e-filing, e-payment, receipts, TCC) ▪ User training on MS Excel, data analysis ▪ User training on MS Word, report writing
Organisational Structure and Staffing	Staff breakdown	Good		287: ICT, 10; HR, 10; Procurement, 6; Legal, 1; Enforcement, 5; Tax Audit, 14; Tax, 241

Annex 3: Taxpayer Records

Taxpayer register		Total with CAC	Total with IRS record	No. of files in registry	Active	Inactive	Dormant
List of Corporate Affairs Commission registers	BN #	603	603				
	RC #						
List of Government Ministries	State Government						
	Ministry of Finance	21	21				
Financial Institutions	Banks	25	25				
	Pensions	20	20				
	Social Insurance	1					
Identification	TIN, NIN, BVN						
	Phone, email						
	Bank account no.						
Number of records/files		**Estimate pop. for state**	**No. with IRS**	**No. of files in registry**	**Active**	**Inactive**	**Dormant**
List of Individual Taxpayers	PIT	26,201					
List of PAYE	Individual	110,000					
List of PAYE	Company						
List of enterprises		603					
Trusts/NGOs		12					
Unions							

Annex 4: BIRS – Applications in Use

Applications	Sub Modules	Yes	No	WIP	Automated	Manual Process
Tax Application	Registration	Yes			Yes	
	Filing	Yes				
	Assessment	Yes				
	Risk	Yes				Yes
	Tax accounting	Yes				
	Payments	Yes				
	Tax dispute	Yes				
	Renegotiation	Yes				
	Tax refund	Yes				Yes
	Documents	Yes				
	Reports	Yes				
	Enforcement	Yes				Yes
Financial Applications	Accounting		No			Yes
	Balance sheet		No			
	Fixed assets/depreciation		No			
	Cashing		No			
	Budgeting		No			
	Financial reports		No			
	Security docs		No			
Asset Management	Buildings		No			Yes
	Vehicle fleet		No			
	Generators/power		No			
	Safety		No			
	Fixed assets		No			

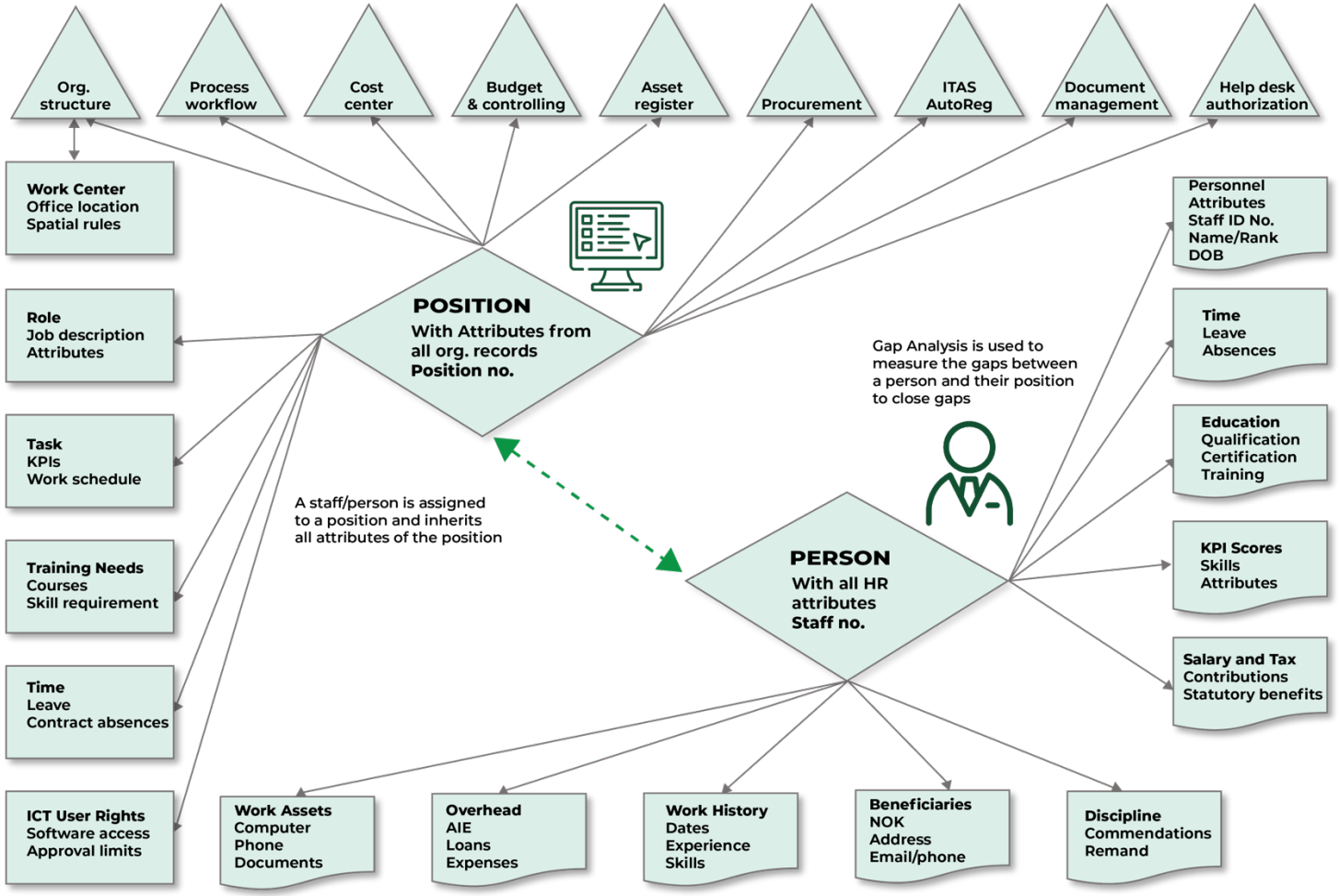
Applications	Sub Modules	Yes	No	WIP	Automated	Manual Process
	Security assets		No			
HR	Recruitment		No			Yes
	Hiring		No			
	Payroll	Yes				
	Promotion/upgrade		No			
	Discipline		No			
	Performance management		No			
	Training		No			
	Welfare		No			
	Exit		No			
	Reporting		No			
Email	info@birs.bu.gov.ng	Yes		WIP		
	Yahoo/Gmail	Yes				
EDMS	Metadata (date, page, author)		No		No	Paper filing
	Version (updates)					
	Naming rules					
	Paging rules					
	Update rules/minutes					
	Workflow/rules					
	Scanning/updating					
	Access controls					
	Quality controls					
	Reporting					
	Integration					
	Archiving					

Applications	Sub Modules	Yes	No	WIP	Automated	Manual Process
Help desk	Call centre				No	Yes
	Escalation					
	Resolution					
	Problem management					
	Change management					
	Reports					
Procurement	Purchase requisition				No	Yes
	Purchase order					
	Vendor management					
	Purchase invoices					
	Analytics and reports					
Office Automation	Word processing (Word)	Yes			Yes	
	Spreadsheets (Excel)	Yes				
	Presentations (PowerPoint)	Yes				
	Database (Access)	Yes				
	Email (Outlook)	Yes				
	Collaboration (Teams, Zoom)	Yes				
	Tools (Project, Note, Visio)	Yes				
	Zoom	Yes				
ICT Administration	Active directory			WIP		
	Firewall	Yes				
	Antivirus	Yes				
	Restrictions			WIP		
Other Applications/Tools	Vehicle registration	Yes			Yes	

Annex 5: TADAT Framework

Performance Outcome Area	TADAT - Tax Administration Diagnostic Assessment Tool	Awareness	Alignment
POA1. Integrity of the Registered Taxpayer Base	Registration of taxpayers and maintenance of a complete and accurate taxpayer database is fundamental to effective tax administration.	Yes	Yes
POA2. Effective Risk Management	Performance improves when risks to revenue and tax administration operations are identified and systematically managed.	Yes	Yes
POA3. Supporting Voluntary Compliance	Usually, most taxpayers will meet their tax obligations if they are given the necessary information and support to enable them to comply voluntarily.	Yes	Yes
POA4. On-Time Filing of Declarations	Timely filing is essential because the filing of a tax declaration is a principal means by which a taxpayer's tax liability is established and becomes due and payable.	Yes	Yes
POA5. On-Time Payment of Taxes	Non-payment and late payment of taxes can have a detrimental effect on government budgets and cash management. Collection of tax arrears is costly and time consuming.	Yes	Yes
POA6. Accurate Reporting in Declarations	Tax systems rely heavily on complete and accurate reporting of information in tax declarations. Audit and other verification activities and proactive initiatives of taxpayer assistance promote accurate reporting and mitigate tax fraud.	Yes	Yes
POA7. Effective Tax Dispute Resolution	Independent, accessible, and efficient review mechanisms safeguard a taxpayer's right to challenge a tax assessment and get a fair hearing in a timely manner.	Yes	Yes
POA8. Efficient Revenue Management	Tax revenue collections must be fully accounted for, monitored against budget expectations, and analysed to inform government revenue forecasting. Legitimate tax refunds to individuals and businesses must be paid promptly.	Yes	Yes
POA9. Accountability and Transparency	As public institutions, tax administrations are answerable for the way they use public resources and exercise authority. Community confidence and trust are enhanced when there is open accountability for administrative actions within a framework of responsibility to the commissioner, legislature, and general community.	Yes	Yes

Annex 6: Role-Based Access Control



Role-Based Access Controls

In the RBAC diagram above, the roles are positions existing within organisational units.

- Each role/position has a unique number to identify it and has the following attributes:
- Date of creation and date of all changes
- Position or role name based not on rank of staff but on function and organisation, e.g., Chief Accountant, Finance Department
- JD based on role name, e.g., Chief Accountant, Finance Department
- Tasks, KPIs and work schedule based on role name
- Time of transaction, = (posting in, posting out, change of JD, promotion of staff, etc.)
- ICT access controls based on role name, e.g., ICT access profile unique to Chief Accountant, Finance Department

The organisational structure could be 1 x EC, 5 x Department, 15 x Sector, 60 x Unit., etc.

- In this structure, all staff in a unit report to the unit head, who reports to the sector head, who reports to the head of the department, etc. In this way, we control workflow.
- In terms of finance, each organisational unit is a cost centre, each has a budget, and each has a controlling account relating to funds disbursement to the subhead.
- Assets in addition to their financial attributes for procurement and financial depreciation, have to be assigned to an organisational unit for both physical location, ownership, and financial cost centre.
- Documents can only be managed if they are assigned to a registry that imitates the organisational structure and workflow. Only staff assigned to positions or roles in the specific organisational unit have access to documents in that same organisational unit's document registry.
- Tax systems and tax processes, including approvals, must use the organisational unit to describe tax roles, workflow, and responsibility.

All staff members have a unique number and name with personnel files for personnel attributes, e.g., date of hire, rank, cadre, date of promotion, training, qualifications, attributes, etc.

Staff attributes are matched to position or role attributes and requirements. For example, if a JD states a training need for staff in the role to do a Principal Inspector of Taxes course as a requisite, the staff member assigned to the role is matched to this requirement from their personnel file, and if they do not have this course in their record, the staff member is nominated for Principal Inspector of Taxes training. If they already have the training, they will not be nominated.

Annex 7: Tax Accounting Matrix

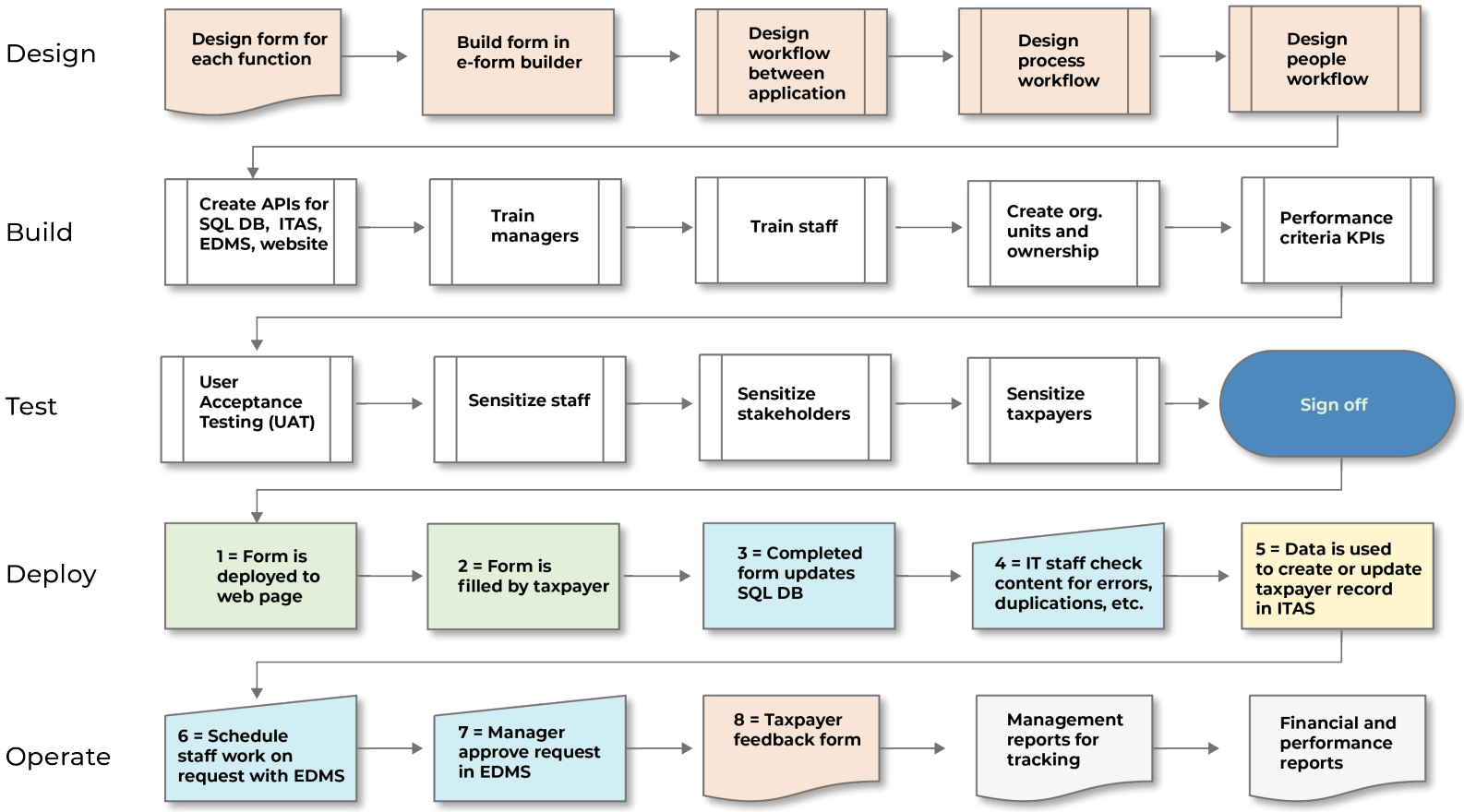
	2019			2019			2019			2020	2021	2022	2023	Cumulative 5-Year Total		
	PIT			PAYE			WHT			~			~		TOTAL	
TIN	Asmt	Pymt	Balance	Asmt	Pymt	Balance	Asmt	Pymt	Balance	~			~	Asmt	Pymt	Balance
44659 - 000	128	134	6	30	25	18	34	14	-46	~			~	278	162	-116
33083 - 000	15	6	-9	23	22	-1	5	6	1	~			~	54	63	9
49454 - 000	3	2.5	-0.5	143	140	-3	0			~			~	19	13	-6
67883 - 000	13	13	0	0	0	0				~			~	123	104	-19
94323 - 000	6	4	-2	0	0	0	0			~			~	22	7	-15
32384 - 000	8	7.5	-0.5	54	55	1	2	1.4	0.6	~			~	29	36	7
~	~	~	~	~	~	~	~	~	~	~			~	~	~	~
~	~	~	~	~	~	~	~	~	~	~			~	~	~	~
~	~	~	~	~	~	~	~	~	~	~			~	~	~	~
~	~	~	~	~	~	~	~	~	~	~			~	~	~	~
Total	165	173	-8	220	217	-3	7	21.4	15.6	~	~	~	~	525	385	-140

Asmt = Assessment
Pymt = Payment
Tax Accounting Matrix Notes:

- The matrix provides values on tax performance for five years for all taxes and NTRs.
- The sum total of any row is the total assessment, payment, and outstanding liability of any single taxpayer.
- The sum total of any column is the total assessment, payment, and cumulative liability for any tax type or NTR.
- The tool allows the IRS to sort data by liability, compliance, value, and other variables. This makes it a powerful decision-support tool for management.
- It allows the IRS to quickly see the amount of liability that is forfeited when it surpasses six years and tax obligation has lapsed.
- It measures the performance of staff, Local Government Area offices, tax verticals, products, etc.
- It enables BIRS to predict its income, cash flow and revenue collection performance accurately.
- It is used by the Risk Management Unit to detect and act on negative trends.

Annex 8: E-Forms Builder Workflow

E-FORMS BUILDER - WORKFLOW FOR DESIGN, BUILD, DEPLOYMENT, AND ADOPTION OF FORMS



Annex 9: Recommended Training List

No	Training Programme for Operations Staff in a Tax Organisation
1	Advanced Financial Statement Review and Data Interpretation
2	Advanced Spreadsheet Analysis (Excel-based)
3	Audit Instigation and General Taxation
4	Audits and IRS Correspondence
5	Basic Accounting
6	Basic Spreadsheet Analysis
7	Bauchi State Tax (Collection, Harmonisation and Consolidation) Law 2020
8	BIRS Formatting Standards for Official Correspondence (MS Word)
9	Client Communication
10	Contentious Areas in the Tax Laws
11	Continuous Learning
12	Customer Service Excellence
13	Data Security and Confidentiality
14	Debt Enforcement Processes
15	Desk review of Tax Returns
16	Document Management and Access Controls
17	Final Assessment and Certification
18	Final Inspector of Taxes
19	Financial Institution
20	Financial Statements and Risk Analysis
21	Fundamentals of Debt Management
22	International Financial Reporting Standard
23	Intelligence Gathering/Reporting
24	intermediary International Tax
25	Intermediate Excel Skills for Data Analysis and Reporting
26	International Taxation
27	Introduction to Taxation
28	Investigation
29	ITAS Software
30	Listening, Reading, and Writing Skills
31	Management of Tax Disputes
32	Mock Client Interactions
33	Mock Scenarios and Role Play
34	Microsoft Office Suite
35	New Federal Government of Nigeria Performance Management System
36	PIT, PAYE, VAT, WHT
37	Principal Inspector of Taxes
38	Problem Resolution

No	Training Programme for Operations Staff in a Tax Organisation
39	Public Sector Finance and Accounting
40	Remita e-Payment System
41	Reports, Minutes, and Meetings: Report Writing and Presentation
42	Review of Financial Statements and Accompanying Notes for Proper Data Analysis
43	Tax Administration and Practice
44	Tax and Financial Accounting
45	Tax Assessment, Deductions, and Credits
46	Tax Audit
47	Tax Audit and Instigation
48	Tax Compliance and Regulations
49	Tax Filing Obligations and Forms
50	Tax Investigation
51	Tax Laws, Ethics, and Practices
52	Tax Office Operations
53	Tax Planning Strategies
54	Tax Policy and Advisory
55	Tax Theory and Reforms
56	Taxation in Nigeria
57	Taxation of Companies
58	Taxation of Companies in Specialised Industry
59	Taxation of Ministries, Departments, and Agencies
60	Taxation of Property
61	Taxation of Small- and Medium-Scale Enterprises
62	Taxation of Specialised Companies
63	Team Collaboration
64	Time Management and Organisation
65	Understanding the Tax Obligations of Non-Governmental Agencies
66	Understanding the Finance Act
67	What's new in Chief Inspector of Taxes Assessment and Principal Inspector of Taxes Assessment in 2022

Bauchi State IGR ICT Strategy (2023–2027)

BIRS
BAUCHI STATE INTERNAL REVENUE SERVICE
...it pays to pay your tax