

TINUBU'S TAX REFORM STORM

***Why Tax Overhaul is Now...Presidency**

***North ups opposition *All Eyes on NASS**



The Presidency has reacted to a suggestion that the National Economic Council's (NEC) recommendation that the tax reform bills forwarded to the National Assembly by President Bola Tinubu be withdrawn for further consultation. The NEC comprising the vice president and the 36 state governors made the call during a meeting including the president, who is also a member, at the Presidential Villa in Abuja on

Thursday, October 31, 2024. Reacting via a statement on the next day, November 1, the Special Adviser to the President on Information and Strategy, Bayo Onanuga, said Tinubu believes that the legislative process, which has already commenced, provides an opportunity for inputs and necessary changes without withdrawing the bills from the National Assembly. While urging the NEC to allow the process to take its full course, Onanuga stated

that Tinubu welcomes further consultations and engagement with key stakeholders to address any reservations about the bills while the National Assembly considers them for passage. He noted: “When President Tinubu set up the Presidential Committee on Tax and Fiscal Policy Reform in August 2023, he had only one objective: to reposition the economy for better productivity and efficiency and make the operating environment for investment and businesses more conducive. This objective remains more critical even today than ever before. “The Committee worked for over a year and received inputs from various segments of society across the geopolitical zones, including trade associations, professional bodies, different Ministries and Government Agencies, Governors, traders, students, business owners, and the organized private sector. “The tax reform bills that emerged were distilled from the extensive work of the Presidential Committee. “The tax bills before the National Assembly aim to streamline Nigeria's tax administration processes, completely overhaul the nation's tax operations, and align them with global best practices. “The bills' overarching objective is to effectively coordinate federal, state, and local tax authorities, thereby eliminating the overlapping responsibilities, confusion, and inefficiency that have plagued tax administration in Nigeria for decades.” The presidential spokesperson said under existing laws, taxes like Company Income Tax (CIT), Personal Income Tax (PIT), Capital Gains Tax (CGT), Petroleum Profits Tax (PPT), Tertiary Education Tax (TET), Value-Added Tax (VAT), and other taxing provisions in numerous laws are administered separately, with individual legislative frameworks. Onanuga said the proposed reforms sought to consolidate the numerous taxes, integrating CIT, PIT, CGT, VAT, PPT, and excise duties into a unified structure to reduce administrative fragmentation. He added: “While there may be differences in approach or specific provisions of the new tax bills, what is not in contention is the need to review our tax laws and how we administer them to serve our overall national development agenda. “President Tinubu will continue to respect and welcome the advice and recommendations of the National Economic Council, an essential constitutional organ of government on economic matters.”

In response to mounting opposition, President Bola



Tinubu has started sending emissaries to the northern elite to clear the way for the passage of the tax reform bills. Sources in the Presidency said Tinubu was also consulting with the political class for support on the bills. An official, who spoke on condition of anonymity because he was not authorized to speak to the press on the matter, said, “What I know is that he (President Tinubu) has been consulting with some of the northern elite at individual level and as groups, even before the holidays.” Another top source said the President was using “back channels” and other means to win over opposition to the bills. “He is reaching out through different channels that are available to him to make sure that the grey areas of the bill are smoothed out,” the source added. However, northern governors have insisted that nothing will change their minds on the bills. While saying they remained unmoved by Tinubu's overtures, they demanded that the bills be withdrawn from the National Assembly for further consultation. The tax reform bills were introduced to the National Assembly by the executive in October 2024. They include the Nigeria Tax Bill 2024, the Nigeria Tax Administration Bill, the Nigeria Revenue Service (Establishment) Bill, and the Joint Revenue Board (Establishment) Bill. Following the introduction of the bills, the Northern

Regarding the state of democracy in the country, Bugaje stated, “The leadership that democracy has produced over the past 25 years can be characterized by three issues. Unless these issues are addressed, it will be very difficult for anyone, no matter how well-intentioned, to succeed. One of these issues is the lack of forward-thinking; when government spokesmen or ministers speak about their ministries, they often seem to lack basic data and figures.”



Governors Forum immediately rejected them, arguing that the proposed model for the distribution of Value Added Tax would severely disadvantage the region. In a communiqué released on October 28, the forum expressed deep concern, stating, “The forum notes with dismay the contents of the recent Tax Reform Bills forwarded to the National Assembly. The reforms, particularly the proposed amendment to the distribution of VAT to a derivation-based model, are detrimental to the interests of the north and other sub-nations.” The communiqué further explained that under the proposed system, VAT is remitted based on the location of a company's headquarters and tax office, as well as where the services and goods are consumed. The governors argued that the approach would undermine the region's economic well-being. As a result, the forum unanimously rejected the proposed amendments and urged members of the National Assembly to oppose any bill that could harm the interests of the people of the North.

The Bauchi State Governor, Bala Mohammed, during an interview took a swipe at Tinubu over the bills, describing them as “anti-northern” and favoring only a section of the country. The governor warned that if the policies continued, the northern region would “show its true colors” in response. However, President Bola Tinubu, during a media chat in December, said he had no intention of withdrawing the bills. He said, “Tax reform is here to say. We cannot just continue to do what we were doing yesteryears in today's economy. We cannot retool this economy with the old broken tools. “You cannot satisfy uniformly the larger community of tax evaders. This tax reform is pro-poor; the vulnerable are not to pay taxes. All we are asking for is to widen the tax net and bake the cake larger so that we can share a larger meal. “They will still ask for this consultation no matter how long I delay it. The hallmark of a good leader is the ability to do what you have to do at the time it has to be done. That is my

philosophy.”

In an interview with *Sunday PUNCH*, the Chairman of the Northern Governors Forum, Governor Muhammad Yahaya, reaffirmed that the northern governors had not relented in their opposition to the bills. Yahaya, who also serves as the Governor of Gombe State, said the governors would remain “adamant” until the President changed his stance. A spokesperson for the governor, Ismaila Misilli, said, “The governors of the northern region have already spoken about their position, and they remain adamant.” He emphasized that even before people became familiar with the contents of the bills, Yahaya had raised concerns, expressing his perspectives on the matter. “That position has not changed. “The governor will not be confrontational about it, as he serves as chairman to colleagues in both the APC and the PDP,” Misilli added. Also, Governor Babagana Zulum of Borno State, maintained his opposition to the bills. Zulum's Senior Special Assistant on New Media, Abdulrahman Bundi, reiterated that the governor's stance remained unchanged. The governor has clearly stated his position, and he is not changing his mind. It is not in his character to play double standards,” Bundi affirmed. “We have weighed all the options, considered the pros and cons of the bills, and have arrived at this decision. Therefore, the stance remains. There is no plan for him to back down or alter his position.”

Also, the Senior Special Assistant on Public Affairs to Governor Abdullahi Sule of Nasarawa State, Peter Ahemba, said northern governors were united in their opposition to the bills. Ahemba, in an interview with *Sunday PUNCH*, said the North had observed that the tax reform bills would only be favourable to states in the South. He noted that the plan to stop the bills was not the idea of a single governor or National Assembly member,





but “the collective responsibility for all political players from Northern Nigeria.” He said, “You could see the Senators from the North and House of Representatives members from the North speaking in one voice. It is the North speaking in one voice on the matter. “Also, the stand of the Northern Governors Forum is very clear on the matter. They are urging the President to step down the tax reform bills and allow for further consultations. They want him to consult widely so that people will actually see reasons with the bills. “For now, the perception is that the tax reform bills will only favour some states like Lagos and others while the North will be shortchanged, and in that regard, the President needs to convince the North about the bills. The Tax Reform Bills that we are talking about is beyond an individual governor. The entire Northern Governors Forum and members of the National Assembly are speaking on this matter with one voice.”

Also, the Kano State Government described the bills as detrimental to the welfare of Nigerians, particularly the northern region. The governor's spokesman, Sanusi DawakinTofa, told *Sunday PUNCH* that the state deputy governor had already made it clear that the state rejected the bills. “The Deputy Governor, Aminu Abdulsalam, who represented the governor at the occasion, had made the position of the government clear on the tax reform bills,” he said.

Governor Abba Yusuf, who was represented by the Deputy Governor, Abdussalam, declared the government's position during the 2025 New Year celebration at the Filin Mahaha, Kofar Naisa Open Theatre. The governor had said, “This tax reform bill is not the solution to our economic challenges. Kano State stands firmly against any policy that negatively affects the welfare of our people.” He described the proposed tax hike as “ill-timed, lopsided, and inimical to the unity of the country.” “Nigerians in general and the north, in particular, are groaning under hyperinflation and

unprecedented insecurity, therefore the presidency should rather concentrate its time and attention on tackling extreme poverty and hunger, especially in the northern part of the country,” he added.

Meanwhile, the Deputy National Chairman of the New Nigeria People's Party, Prince Nwaeze Onu, called on President Tinubu to suspend the tax reform bills for wider consultations with stakeholders. In a New Year's message to Nigerians released on Friday, he emphasized that such sensitive reforms should not be rushed through the legislature. He urged the government to reconsider its approach, stressing that the people of Nigeria were already struggling under the current economic conditions. “The President has to urgently halt the tax reform bills before the National Assembly considering the precarious state of the economy today and how people pay through their noses for daily bread. “The tax reform bills should be dropped, and there should be wider consultation with stakeholders. We also urge Nigerians to remain hopeful as the only way to overcome the hardship in the country,” Onu said. He also condemned what he described as the government's attempts to stifle opposition parties, arguing that a healthy democracy requires a viable opposition to hold the government accountable and offer constructive recommendations. A current affairs analyst, Jide Ojo, argued that the tax bills were not designed with the northern region's interests in mind. Speaking with *Sunday PUNCH*, he advised the Federal Government to withdraw the bills to allow for further consultation. “I have followed the controversy for some time now, and I believe President Tinubu needs to err on the side of caution. No one has a monopoly of wisdom. The North has a legitimate reason to be concerned about these tax bills,” Ojo said. “I agree with the governors that the bills should be withdrawn for more consultation. The argument that the bills should go through public hearings and people can vent their views at that stage smacks of hypocrisy.”





Usman Bugaje, a former National Secretary of the defunct Action Congress (AC), has criticized President Bola Tinubu for what he described as the improper presentation of the tax reform bills to the National Assembly. In an interview with Vanguard, Bugaje raised concerns over how the tax bills were introduced and questioned the President's emphasis on their sacrosanct nature. He emphasized that the legislative process requires thorough consultation and debate, suggesting that the President's approach undermines the principles of democratic governance.

Bugaje remarked, "In his recent media chat, if I'm not mistaken, the President referred to the tax bills as sacrosanct. How can tax bills be sacrosanct? These are bills presented before the National Assembly, yet they were not properly introduced. When the Senate presented them, they were not included in the Order Paper, and according to parliamentary rules, no matter can be discussed unless it is in the Order Paper. The idea was to smuggle the bills in, and this backdoor approach raises a lot of suspicion. I could go on, but let me just make a few points. This issue isn't limited to President Tinubu, it affects nearly all our political leaders."

Regarding the state of democracy in the country, Bugaje stated, "The leadership that democracy has produced over the past 25 years can be characterized by three issues. Unless these issues are addressed, it will be very difficult for anyone, no matter how well-intentioned, to succeed. One of these issues is the lack of forward-thinking; when government spokesmen or ministers speak about their ministries, they often seem to lack basic data and figures."

In an interview recently, the lead partner at Perfect Pitch Consults, an accounting and tax consulting firm, Andrew Echono, echoed Ojo's position, emphasizing the need for broader consultation on the tax bills. While expressing support for the ongoing tax reforms, he argued that the Oyedele-led committee was overlooking a crucial step in the engagement process. "I am fully in support of the

ongoing tax reforms, but I believe that the committee, led by Oyedele, is skipping a very vital step in the engagement process. Given the sensitive nature of these bills, the Federal Government should step down the bills to allow for wider consultation and inputs from all stakeholders," he advised.

However, some members of the National Assembly from the Southern part of Nigeria have countered the call for the withdrawal of the tax reform bills, arguing that such a move would not be in the nation's best interest. The lawmakers contend that any concerns about the bills can be addressed when they come up for debate in the House of Representatives when plenary resumes this month. In an interview with *Sunday PUNCH*, a member of the House from the South-West, Bamidele Salam, stated that any conflicting clauses in the bills could be discussed and amended during public hearings or at other stages of the legislative process. "I do not support those calling for the withdrawal of the bills," Salam said. "That would be akin to throwing out the baby with the bath water. There is no issue in the bills that cannot be corrected during public hearings and the subsequent legislative stages. We should not delay this important reform as we did with the Petroleum Industry Bill, only to lose golden opportunities for two decades."

Similarly, another House of Rep member, Oluwole Oke, emphasized that it would be up to the federal lawmakers to decide the fate of the bills. "In a democracy, the minority will have their say, and the majority will have their way. The representatives of the Nigerian people in Parliament will determine the fate of these four executive bills, not bystanders," Oke insisted.

Meanwhile, President Tinubu has dismissed some governors' opposition to the key policies of his





administration. Tinubu said he was aware that some governors were angry with him but he would live with their “noise.” The President spoke while on a one-day official visit to Enugu State. Tinubu brushed aside the opposition of the governors to his administration's policies, reaffirming his commitment to addressing Nigeria's challenges and implementing reforms. He said, “I inherited some of these critical problems and I'm going

to do it. I'm lucky I have good governors, though some may be angry with me locally, but we just have to push. Yorubas will say, 'The pig will get to the slaughter but there will be a lot of noise,' I will live with the noise.” The President also said he would not allow the negative comments against his administration to deter him from his mission to rebuild Nigeria. “This house (Nigeria), we must build it, build it to satisfy our immediate need which is not going to be enough yet, but our tomorrow too, that is why the removal of the fuel subsidy was necessary. You cannot spend the future of our generations yet unborn in advance, don't bankrupt the nation before they're are born. “People will fight, grumble, abuse me and everything but I asked for the job, I have what it takes, I believe in myself, that is why I gathered a very good team to build the nation. “It is our country; we have to work really hard for it to be the nation that we can be proud of. Negative comments about Nigeria, I'm not taking that, I'm very proud of Nigeria, you all should be proud of Nigeria,” Tinubu said.

The Northern Elders Forum (NEF), has demanded the immediate suspension of the proposed Tax Reform Bills submitted to the National Assembly by President Bola Ahmed Tinubu. The NEF particularly criticized the Federal Government for failure to engage critical stakeholders and experts before putting the bills together and therefore demanded for an extensive dialogue with stakeholders. These were contained in a statement by Al-

Amin Daggash, Chairman of the Management Board Chairman of the NEF, in which the Forum outlined the potential adverse effects of the reforms on Northern Nigeria and the country as a whole.

The NEF explained that it was necessary to emphasize that Nigerians in general, and Northerners in particular, are not opposed to good and meaningful reforms initiated by authorities at the federal, state, or local government levels, stressing however, that based on global best practices, successful reforms are anchored on certain key principles of the public policy-making process, which include, but are not limited to the following; “Extensive pre-reform engagements with experts and critical stakeholders to secure their buy-in. “Establishing a well-defined media and communication strategy to clearly articulate the full scope of the reforms and ensure public awareness and enlightenment on a nationwide scale. “Designing a robust, transparent, and inclusive implementation mechanism. “Proactively implementing a well-sequenced process to ensure the reforms achieve the desired and anticipated outcomes for society,” the Forum noted. The NEF pointedly said that the proposed Tax Reform Bills by the Federal Government out rightly breach key principles of reform and public policy-making, which are globally recognized as best practices.

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Also Former Vice President Atiku Abubakar has declared that transparency and objectivity are essential for promoting accountability, good governance, and public trust in policy-making. Atiku, who stated this in his X handle while adding his voice to the debate on the Tax Reform Bills before the National Assembly, called for objectivity and transparency in the conduct of the public hearing being organized by the National Assembly. He said that as a concerned stakeholder, he has followed the intense public discourse on the Tax Reform Bills with keen interest, stressing that Nigerians are united in their call for a fiscal system that promotes justice, fairness, and equity. In the words of Atiku; “They are loud and clear that the fiscal system we seek to promote must not exacerbate the uneven development of the federating units by enhancing the status of a few states while unduly penalizing others.

“The public hearing process must facilitate open and inclusive participation by all stakeholders, including Civil Society Organizations, traditional institutions, politicians, public officials, and subject matter experts,” he said. Atiku therefore called on the National Assembly to revisit and make public the resolutions of the National

Economic Council, a key stakeholder and an important organ of the state with the constitutional power to advise the President concerning the economic affairs of the Federation. The former Vice President also said that the National Assembly must be appropriately guided and ensure that in the final analysis, the contents of the Bills align with the interests of the vast majority of Nigerians.

Meanwhile the Nigerian Labour Congress (NLC) has insisted that the Federal Government withdraw the controversial tax bills from the National Assembly. In his New Year message to Nigerians, especially workers, the President of NLC, Joe Ajaero said the need to withdraw the bills was based on the welfare of the Nigerian workers. He also spoke on the need for the government to reflect transparency, inclusivity and honesty in its dealings with the masses. The message, titled

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“In 2025, hope is in our collective resolve” read: “As we step into the year 2025, the Nigeria Labour Congress, NLC, extends warm New Year greetings to every worker and citizen across our great nation. “The challenges of survival we have faced as a people must not hold us down.

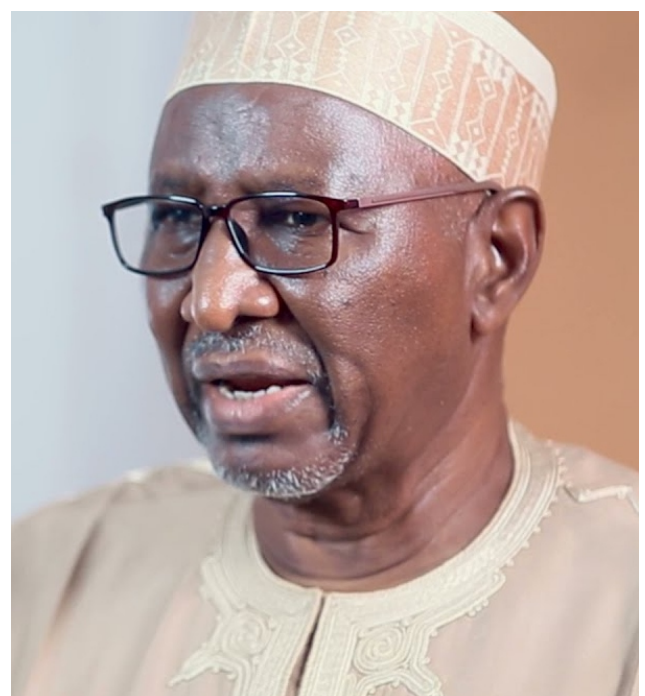


Instead, let us find inner strength to build a collective resolve to drive Nigeria out of the morass of underdevelopment that has held it captive for far too long. “No external power will deliver us from the scourge of economic hardship and stagnation. It is only through our collective effort and determination that we can propel our nation forward. “We must build inner strength to find this collective resolve across the length and breadth of our great nation. This is our civic responsibility—one we must embrace with unwavering determination. “We call on the government at all levels to ensure that governance translates into real benefits for the people. The welfare of the citizens remains the primary justification for the existence of any government. “Access to food and nutrition, better healthcare, quality housing, education, transportation and greater security of lives and properties, including the right to participate in decisions on how they are ruled, are the key expectations of the people and workers. “Policies must, therefore, reflect transparency, honesty, and inclusivity, devoid of chicanery, nepotism, and strong-arm tactics. “To create a thriving, democratic nation, we need a system built on the tenets of social dialogue, allowing critical stakeholders to participate actively in nation-building. Such inclusiveness will foster deeper ownership of government policies, ensuring stability and sustainability.

“It is on this premise that we once again call on the federal government to withdraw its present tax bills before the National Assembly so that all key national stakeholders will be part of the process. "As we embark on a national dialogue in Ibadan in January, 2025, we want to join hands in co-creating a new national tax law that would enjoy wider acceptance and fulfill its purpose of propelling national development which we believe is the main objective of government. “As we move into 2025, we urge the federal government to prioritize industrial peace by

taking social dialogue seriously, pursuing pro-human-progress policies, and respecting agreements with trade unions. “The increasing use of violence in engagements with workers and unions must cease, as it is a recipe for industrial disharmony. Trade unions which we are, as a pan-people organization, remain a committed partner in progress, striving for the development of Nigeria while protecting the rights of workers and citizens at large. “We have a very large stake in our nation and are concerned about how our nation is run compelling us to thus seek to ensure that government policies give our nation optimal outcomes. While we, therefore, urge the government to govern well it must be understood that we are responsible to our members and this we cannot shirk. “We insist that governments at all levels must comply with the provisions of the 2024 National Minimum Wage Act from the very beginning of the year. Furthermore, given the economic realities imposed by recent government policies, we shall engage the government for a wage review to safeguard workers' welfare. “Our nation will become more productive when the incomes of workers are able to meet at least their basic needs, thus committing more to their work. In this, we believe there ought to be unanimity between us and governments at various levels. We look forward to fruitful engagement on this with our social partners as we move into 2025. “Let us unite in our resolve to ensure a Nigeria where workers' welfare, decent work environments, and the security of life and property are prioritized. Together, through collective effort and determination, we can transform our nation into one of progress, inclusion and shared prosperity.”

Members of the House of Representatives from the northern part of the country have raised concerns over the four tax reform bills currently under consideration in the National Assembly. They spoke at an interactive session organized by the House of Representatives with the members of the Presidential



Committee on Fiscal Policy and Tax Reforms on Monday. The bills, particularly the proposed amendment to the distribution of Value Added Tax (VAT) revenue, have sparked widespread debate. The bills are: The Nigeria Tax Bill 2024, which is expected to provide the fiscal framework for taxation in the country; and the Tax Administration Bill, which will provide a clear and concise legal framework for all taxes in the country and reduce disputes. The others are: The Nigeria Revenue Service Establishment Bill, which will repeal the Federal Inland Revenue Service (FIRS) Act and establish the Nigeria Revenue Service (NRS), and the Joint Revenue Board Establishment Bill, which will create a tax tribunal and a tax ombudsman. The National Economic Council (NEC) and state governors have urged President Bola Ahmed Tinubu to withdraw the bills for further consultations. Also, northern leaders, including traditional rulers and lawmakers, have expressed their opposition, saying the proposed reforms are skewed against the region. Despite this, President Tinubu has maintained that the legislative process should proceed, emphasizing that ongoing deliberations allow for inputs and amendments without the need to withdraw the bills. They argued that the region's economy, already weakened by insecurity and poor productivity, could suffer further under the proposed amendments. But the presidential tax reform team allayed the fears, saying the current VAT distribution favours few states and is unfair to others. The northern lawmakers raised concerns that the socio-economic vulnerabilities faced by states in the region, largely driven by insecurity, have not been adequately considered in the proposed tax reform bills. The lawmakers called for a balanced approach to the tax reform process, one that considers the region's security challenges and ensures fair treatment for all states. Rep. Gagdi said insecurity has disrupted the previously vibrant economies of many northern states and questioned how conflict-displaced citizens in the North could benefit from VAT proceeds tied to consumption and other import-related taxes. He noted that industries, factories, and other means of production in these areas have been severely impacted, with large portions of the productive population displaced or rendered less effective due to challenges such as Boko Haram insurgency and banditry. Rep. Jaha said the timing of the proposed tax amendments is inappropriate given the current security situation in the North, which has significantly affected its economy.

Meanwhile Ali Ndume, a federal lawmaker representing Borno South Senatorial District in the National Assembly (NASS), says the tax reform bills sent to the legislative arm of government by President Bola Tinubu are dead on arrival. Ndume said the President should listen to the National Economic Council (NEC) and the Northern Governors' Forum and immediately withdraw the bills. "If it goes on like that, I can tell you that it will be dead on arrival. We don't need to study the bills," the unsparingly blunt lawmaker known for his unconventional stance on national issues said on Channels Television's *Politics Today* programme on Tuesday. Ndume, one of the longest

lawmakers in the National Assembly, said the Federal Government should be looking at ways to reduce the tax burden on Nigerians and not increase it. "The general thing is that Nigerians are not willing to talk about or pay any tax now considering the (economic) situation we are in now," he said. "Nigerians are willing to pay taxes but they can only pay taxes when they can afford it. Right now, people are struggling to survive. Let people live first before you start asking them for taxes," he added. The senator said "it will be fair to shut the bill down, it is the fairest thing to do", indicating that he has started campaigning against the bills among his colleagues and he is getting good support to throw out the bills. Ndume, who is in the President's party, the All Progressives Congress (APC), said the Tinubu administration needs to reform itself and not increase taxes paid by Nigerians. He said, "What he (Tinubu) needs to do is to withdraw the bill, educate Nigerians and make us understand it. We are representing the people and the people that we are representing have already spoken." "The governors, the traditional rulers have said that the bill is not good. So, the best thing to do is to immediately withdraw it. "Right now, what our people are saying is that they don't want VAT bill, they don't even want to hear about it. That is why we are going to make it dead on arrival." The tax reform bills which have been sent to the National Assembly have faced scathing criticisms with the 36 state governors asking the President to withdraw the bills from the legislature. However, the President insisted that the bills won't be withdrawn but "inputs and necessary changes" can be made by the lawmakers.

Even as the members of the National Assembly are currently divided alongside regional cleavages over the contested Tax Reform Bills introduced by President Bola Tinubu-led administration, the Northern governors and Senators are called upon to focus their attention on economically liberating, empowering the masses of the



people of the north to become producers and consumers of goods and services so there would be no need crying over sharing formula of revenues from taxation especially from the value added taxation. Making the clarion call is the pro-democracy and social justice advocacy group: HUMAN RIGHTS WRITERS ASSOCIATION OF NIGERIA (HURIWA) which also appealed to Nigerian Senators and House of Representatives members to engage in merit-based debates around the new tax reform bills of the current administration so as to ascertain the long-term impacts, merits or demerits or otherwise and not to continue to ignite ethnic and regional tensions over economic matter of reforming the tax system that is scientific, evidence-based, empirical and therefore logical. "Those who oppose the bills should list out their reasons backed up by scientific body of evidence and with statistics and not on ethnic or regional sentiments."

HURIWA said the conversations around the proposed tax



reform bills shouldn't be reduced into convoluted political theatrics but rather those who are afraid of being shortchanged if the distribution system of value added tax benefits states that the citizens consume more taxable products than others who do not, these opponents, particularly our Northern political elites are to be blamed for failing to economically empowering and liberating their people so in that process, the masses would be in the financial position to consume more taxable goods and thereby generate heavy financial windfall for their states. HURIWA recalled that the President had, on September 3, transmitted four tax reform bills to the National Assembly for consideration just as the envisaged government's tax reforms stemmed from the recommendations of the Presidential Committee on Fiscal and Tax Reforms headed by Taiwo Oyedele, for the review of existing tax laws. The bills are the Nigeria Tax Bill 2024, which is expected to provide the fiscal framework for taxation in

the country, and the Tax Administration Bill, which will provide a clear and concise legal framework for all taxes in the country and reduce disputes. Others are the Nigeria Revenue Service Establishment Bill, which will repeal the Federal Inland Revenue Service Act and establish the Nigeria Revenue Service, and the Joint Revenue Board Establishment Bill, which will create a tax tribunal and a tax ombudsman. HURIWA recalled that the major burning issue around the debate is the proposed paradigm shift to a derivation-based model for Value Added Tax distribution, which would allocate tax revenue to the states where goods and services are consumed, rather than where companies have their headquarters.

HURIWA however recalled that without adducing superior scientific facts and figures, the bills were rejected out rightly by the 19 northern governors and traditional rulers based on unscientific reasons. The governors, under the aegis of the Northern Governors' Forum, rejected the new derivation-based model for VAT distribution, insisting that the contents of the bills did not align with the interests of the North and other subnational entities. Similarly, the National Economic Council, headed by Vice-President Kashim Shettima, recommended the bills' withdrawal to allow for wider consultations and consensus building. Report says President Bola Ahmed Tinubu insisted that the National Assembly should be allowed to treat the bills. While the bills have not been presented for a second reading where the principles of the bills will be debated, some lawmakers have expressed divergent views. Senator Ali Ndume (APC, Borno South) had in a television interview opposed the bills and vowed to mobilize other lawmakers from the north against them.

Speaking recently Senator Ogoshi Onawo of Nasarawa South Senatorial District kicked against the bills, saying it was unfair for the government to continue imposing taxes on Nigerians who were battling economic hardship. HURIWA however condemns the ethnicization of the debate on the proposed tax reform bills especially by Northern political elites who center their opposition around mundane political and unscientific issues rather than confront the issue with facts, figures and science. "As for us in the organized human rights community in Nigeria, we sincerely hope that the debates should be healthy, robustly focused on evidence, benefits, merits and demerits. And whereby any aspect of the proposed tax reform bills would undermine the existence of the absolutely impoverished Nigerians, then those aspects can be tinkered with so the people aren't taxed to their untimely deaths. But opposing the tax reform bills based on regional interest and not on national interest, is absolutely uncalled for. We must emphasize things that unite us than often going back to our mundane political cleavage in pursuit of ethnic aggrandizement." The National Assembly is in a cross fire as all eyes are on them to do the need full.