

Federal Government of Nigeria reconstitutes Tax Appeal Tribunal



The Federal Government on 13 July 2018 reconstituted the Tax Appeal Tribunal after the tenure of the last Commissioners expired in June 2016.

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Introduction

The Tax Appeal Tribunal (“TAT” or “The Tribunal”) is an administrative body established by the Federal Inland Revenue Service Establishment Act to hear and resolve tax disputes arising

from all federal tax legislation. These include, the Companies Income Tax Act, Personal Income Tax Act, Petroleum Profits Tax Act, Value Added Tax Act, Capital Gains Tax Act, Stamp Duties Act, Tax and Levies (Approved List for Collection) Act, all regulations or rules issued in terms of these legislation and any other laws subsequently passed by the National Assembly.

The Tribunal is the first forum for aggrieved persons (taxpayers or tax authorities) to litigate before approaching the High Court.

The Tribunal operates in eight (8) zones across the federation, with a Tribunal in each of the six (6) geopolitical zones (Ibadan, Benin, Enugu, Kaduna, Jos and Bauchi) as well as Lagos and Abuja.

Each zone consists of five members – a Chairman who must be a legal practitioner and four Commissioners appointed by the Minister of Finance. The Commissioners hold office for a period of 3 years renewable once for another 3 years.

Reconstituting the Tribunal

The tenure of the last set of Commissioners expired in June 2016. Until the recent appointment of the new Commissioners, no cases were heard at the Tribunal however, the registries remained operational for taxpayers to file appeals pending the reconstitution of the Tribunal. Alternatively, taxpayers

filed cases at the Federal High Court.

The Federal Government has now appointed new Commissioners for all the zones of the Tribunal. Aggrieved taxpayers now have recourse to the Tribunals for quicker resolution of tax disputes.

Tribunal processes

The procedure at the Tribunal is not as formal as the Federal or State High courts. On the average appeals are also resolved faster given the number of Commissioners and simplified processes. Because the Commissioners are persons experienced in legal, tax advisory, tax administration and/or business, it is expected that cases are resolved on sound principles.

Takeaway

Reconstituting the Tribunal is a welcome development, as it will ensure that disputes that have been pending at the Tribunal can now be resolved. It is expected that the Commissioners would be objective regardless of their previous backgrounds.

To prevent a situation where the Tribunal would be in abeyance for a protracted period of time, the process of appointing and renewing the tenure of the commissioners should be made seamless as there should be a definite period for the Minister to appoint new Commissioners before or soon after the expiration of a tenure.

