



VAT/GST Fraud Investigation Programme

COUNTRY PRESENTATION

VAT AS ONE OF SOURCES OF REVENUE

- ▶ VAT (Value added Tax) is a product consumption oriented tax and it is increasingly becoming a major revenue earner for the County, though still very low compared to other countries. Nigeria's VAT rate is 7.5% with effect from March, 2021

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- ▶ VAT alone accounts for over 20% of the tax revenue generated in Nigeria between 2015 and 2020. However, its percentage to total GDP remains low (less than 1%).
 - ▶ VAT is spread across the transaction chain/supply chain until it gets to the ultimate consumer.



For the purpose of this presentation we shall be brief to identify key challenges

- ▶ Poor data
- ▶ Over dependence on natural resources as a major source of Government revenue
- ▶ Compromised Public sector/lack good understanding of VAT
- ▶ Public apathy/opposition towards VAT payment
- ▶ “Toutnization” of Tax collection/Political patronage

CONCLUSION

- ▶ The challenges are synonymous with the general challenges associated with a developing economy with over dependence on natural resources as literally a sole source of Government revenue . It is snail speed journey intertwined in the web of weak political, economic, and social structures, made worse by religious and sectional colourations.
- ▶ However, the journey is on course, and this conference/programme is a step in the right direction.

END

► NIGERIAN TEAM