

**“ COMPUTERISATION OF COLLECTION  
PROCEDURE FOR COMPANIES INCOME  
TAX IN NIGERIA ”  
(A CASE STUDY OF FEDERAL INLAND  
REVENUESERVICE MINNA AREA OFFICE)**

*BY*

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GRADUATE DIPLOMA IN COMPUTER SCIENCE**

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## **CERTIFICATION**

This to certify that this research work was carried out By **MR. DONGSON YAKI SANDA** in the Department of Mathematics / Computer Science, Federal University of Technology Minna. Niger–State. In partial fulfillment for the award of postgraduate Diploma In Computer Science.

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## **ABSTRACT**

The study seeks to introduce the application of computer in the day -- to - day collection processes of Federal Inland Revenue Service. The computer program designed for this project work is aimed at simplifying the collection processes of Federal Inland Revenue Service, through the use of computer. This is done by imputing the amount of tax assessed/raised, Amount of Tax Paid and Amount of Tax discharged, then the other items such as Overpayment, Outstanding, Fine and Arrears list are generated automatically.

# **TABLE OF CONTENTS**

<i>Title Page</i>	<i>I</i>
<i>Certificate</i>	<i>ii</i>
<i>Dedication</i>	<i>iii</i>
<i>Acknowledgment</i>	<i>iv</i>
<i>Abstract</i>	<i>v</i>
<i>Table of Contents</i>	<i>vi</i>
<b><u>CHAPTER ONE</u></b>	
1.0. Introduction:	1
1.1 Overview of the study	1
1.2 Statement of the problem	3
1.3 Objectives of the study	4
1.4 significance of the study	4
1.5 Method and procedure of data collection	4
1.6 Scope of the study	4
1.7 Limitation of the study	5
<b><u>CHAPTER TWO</u></b>	
2.0 Literature review:	6
2.1 Historical perspective of tax legislation in Nigeria	6
2.2 Definition of terminologist	9
2.3.0 Role of Federal Inland Revenue Service in tax collection	11
2.3.1 The Board	14
2.3.2 Function of the Board	14

# **DEDICATION**

I dedicate this work to God Almighty who through this divine intervention granted me the ability to accomplish this programme.

## ACKNOWLEDGEMENT

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2.3.3	The Technical Committee	15
2.3.4	Function of the Technical Committee	15
2.3.5	Minna Area Office	18
2.4.0	Problem of tax administration	20
2.4.1	High Level of Illiteracy	20
2.4.2	Non Establishment of Tax Tribunals	20
2.4.3	Lack of Proper Information	21
2.4.4	Updating of Tax Law	21

### **CHAPTER THREE**

3.0	Tax Collection Procedure	22
3.1.0	Tax computation	22
3.1.1	Allowable Expenses	23
3.1.2	Disallowable Expenses	23
3.1.3	Method of Computing Income Tax	24
3.2.0	Collection procedure	24
3.2.1	Penalty	25
3.2.2	Interest	25
3.2.3	Condition for Charging Interest	26
3.2.4	How to Calculate Penalty and Interest	26
3.3	Analysis of Revenue collection	27
3.4.0	Problems encountered on tax collection in Niger State	28
3.4.1	Lack of Productive Industries	28
3.4.2	Sharp Practices	28
3.4.3	Corruption in Tax Administration	28
3.4.4	Rendition of Improper Returns	29
3.4.5	Harassing of Tax Officials	29

3.4.6 Largeness of the Coverage Area	29
3.5 Future prospects	30

## **CHAPTER FOUR**

4.0 The Program	31
4.1 Definition of parameters	31
4.2 Flowchart	32
4.3 Program	33
4.4 Program testing and analysis	34

## **CHAPTER FIVE**

5.0 Program Implementation and Documentation	35
5.1 System conversion	35
5.2 Hardware requirements	36
5.3 Staff training	37
5.4 Maintenance	37
5.4.1 Documentation and its importance	38
5.4.2 Security	39
5.5 Recommendation and conclusion	39
Reference	40



- i. Companies Income Tax Act of 1961 as amended by the companies income Tax of 1979 (CITA 1979) establishing the Federal Inland Revenue Service.
- ii. The Income Tax Management Act of 1961, which regulates the imposition of personal income tax throughout the whole Federation of Nigeria and ensures avoidance of double taxation. The Income Tax Management Act came into full operation on the 1<sup>st</sup> of April 1961, which amended all other regional tax laws and brought them into conformity with the Federal laws.
- iii. The subsequent Finance (Miscellaneous Taxation provisions) Decree of 1987 as amended by decree of 1993 which empowered Federal Inland Revenue service as an administrative and operational arm of federal Board of Inland Revenue in compliance with the recommendations of the study group on vat reforms and administration in Nigeria to collect vat.

The federal Government granted Federal Inland Revenue the right of managing assessing, collecting and accounting for all taxes collected on companies Income Tax, withholding tax, value Added tax, stamp duties, pre-operational levies, personal income tax (for armed forces personnel, Police, Resident of Federal capital Territory, officers of the Nigeria foreign service) and the recently introduced 2% Education tax.

The philosophy of taxation is embedded in the reason for the existence of government. That is an individual acting in a society along cannot provide him self-certain essential goods and services in the community such as defence, health, electricity, etc. Government exists to provide these collective goods and services. In the pristine setting, the goods were commonly provide directly by selected groups of people who might not be remunerated monetarily. In modern time, on the other hand, government has to pay for the provision of these goods and services. Taxation is therefore “ the price of the social contract between the

governed and the government for the provision of these social amenities by government.”

Today, It is valued to say that apart from the provision of money to the government for the provision of social amenities to the public, taxation serve as a vital tool for fiscal policies. It is used for pursuing the realization of what has overwhelmingly been accepted as the objectives of fiscal policy. That is mobilization and allocation of resources from unproductive sector to desired productive sector of the economy; redistribution of income and wealth among the different groups in the social and stabilization of the effects of the market forces on prices, employment, balance of payment among other things.

Based on the above premise taxation is considered of high priority to every government.

## **1.2. STATEMENT OF THE PROBLEM**

Many people are ignorant of the existence and operations of Federal Inland Revenue Service as such the role the service plays in revitalizing the Nigerian economy is not well known to them. This research work is therefore aimed at exposing to the general public the existence and operations of Federal Inland Revenue service paying due attention to the collection procedure of companies income tax.

The work is also aimed at viewing how Federal Inland Revenue Service is able to meet its set objectives through emphasis on human resource development, staff motivation, dedication and loyalty, accountability and transparently, excellent human relations and effective communication.

### **1.3. OBJECTIVE OF THE STUDY.**

The main objective of this study is to appraise the tax collection procedure of Federal Inland Revenue service, the problems encountered in tax collection, the achievements so far, the impact of revenue collected on individual and government and to proffer solutions to the problems associated with tax collection by identifying new strategies for the enhancement of increased revenue generation through taxation.

### **1.4. SIGNIFICANCE OF THE STUDY.**

The significance of this study is that the outcome will serve a useful tool for collection officers, in Federal Inland Revenue Service for the imposition of penalties and interests on tax defaulters and the calculation of arrears lists of taxes not collected at the end of each assessment year.

This work will also be of immense benefit to taxpayers, financial analyst, Auditors and Company executives who pay some of the afore mentioned taxes.

### **1.5. METHOD AND PROCEDURE OF DATA COLLECTION.**

The method to be implored for data collection will be both primary and secondary method. Questionnaire would be administered for data collection where necessary.

Graphs, charts, and tables would also be used in the study of analytical purposes.

## **1.6. SCOPE OF THE STUDY.**

The study is intended to look into the activities of Federal Inland Revenue Service in Niger State therefore the work would be restricted to Niger State alone, which is the tax jurisdiction of Federal Inland Revenue service, Minna area office.

## **1.7. LIMITATION OF THE STUDY.**

There is an extent to which one can go in trying to achieve some set objectives due to some obstacles either within or outside the system. One of the limitations to the study is finance, which is as a result of the economic difficulties in the country.

The second is the largeness of the area of coverage. Niger State is so large that has twenty five (25) local government Areas, and these local government areas are scattered all over the State, to cover them funds are needed, but as stated above finance is a problem to this study hence the inability to cover all the local government areas.

The last is the bureaucratic nature of civil service where certain information's are placed strictly on confidential, which makes it difficult to obtain such information's for the success of the study. For example, Section Five (5) of Companies Income Tax Act of 1979 as amended put all information on tax matters as strictly confidential and can only be discussed with the taxpayer having the file or his authorized agent.

## **CHAPTER TWO**

### **2.0. LITERATURE REVIEW**

### **2.1. HISTORICAL PERSPECTIVES OF TAX LEGISLATION IN NIGERIA.**

The history of Nigeria tax law is essentially a discussion of its tax system. In discussing such a system, it would be unavoidable to make references to the English tax system. This reference is due largely to the historical antecedent of this country to the English system and the fact that English cases provide relevant examples expressed in vigorous and apt language of a process of thought not in appropriate for the tax authorities of this country to follow.

A country's tax system is essentially a derivative of the historical, economic structure and political economy of that country. This in the case of Nigeria an outline of the historical antecedent of the origin of formal taxation as we know it today is particularly relevant.

A system of direct taxation has been in existence in Nigeria before the advent of colonial rule particularly in the northern part of this country. In the southern part, although there was an indigenous system of taxation, it was not as organised and broad based as in the north.

It is perhaps necessary to emphasis here that during the pre-colonial era, taxation functioned more or less on an ethnic basis. Furthermore, taxes were not necessary paid in monetary terms. They were mostly paid in kind and obligatory personal services other wise known as tribute taxes. When money came into general use, this did not abrogate the obligatory personal services but only supplement them.

Upon the creation of the colony of Lagos in 1862, one of the first actions of the British authorities was to introduce in the territory the main body of English tax

law. It was therefore not surprising that income tax as we know it today was first introduced into Nigeria by British authority through Lord Lugard in 1904 in the north. He later made changes which culminated in the native Revenue ordinance of 1917. An amending ordinance that extended the provisions of the 1917 ordinance to southern part of Nigeria was passed in 1918. The first ordinance applied to Abeokuta in Ogun State and Benin in the present day Edo State and in 1928 it was extended to the eastern part of the country.

The Native Revenue ordinances of 1917, 1918 and 1928 were later incorporated in the Direct taxation Ordinance NO .4 of 1940, cap. 54, which repealed the Native Revenue ordinance, Cap. 74 in the 1923 edition and the Native Direct taxation (colony) ordinance NO.41 of 1937. The Direct taxation ordinance of 1940 could therefore be properly said to be the fore – runner of Nigeria tax legislation.

Under the above mentioned ordinances, administrative officers administered direct taxation without any form of uniformity by levying tax on incomes of Africans in the former regions while they taxed the income of both Africans and Europeans in the Federal territory of Lagos. These Europeans in the former regions were not subject to tax in the regions in which they were resident. A Landmark approach towards improving the tax system in Nigeria was made in 1957 when Sir Jeremy Raisman's Fiscal Commission was set up in the country to look at ways to harmonise the Nigeria tax system. The recommendation of this commission was embodied in the Nigeria (constitution) order in council 1960 and this form the basis of the income tax management Act (ITMA) of 1961. When the income tax management Act came into full operation on 1<sup>st</sup> April, 1961, all the regional tax laws which predated it were amended by the respective regional legislators to bring their provisions into conformity with the provisions of Income Tax Management Act (ITMA) of 1961. Such regional legislation were as follows:

- i. Northern Region: Personal income tax Law 1962 (PTL) which repealed the Direct ordinance Cap. 54 of 1940.
- ii. Eastern Region: The Finance Law (FL) which repealed the Finance law of 1956.
- iii. Western Regions: Income tax (Amendment tax law 1961) which repealed Income Tax Laws Cap. 48 of 1950.
- iv. Federal Territory: Personal income tax (Lagos) Act (PITA) of 1961.

As Nigeria become a republic in 1963, all the regions assume Jurisdiction over the Income Tax of persons resident in their regions while the federal government assumed Jurisdiction over taxes in respect of individual resident in the Federal territory of Lagos and companies income tax.

The Nigeria tax system as noted, comprises the constitutional and legal bases of the system, the various types of tax imposed, the tax bases, the tax rates and the administrative machinery. The major taxes in term of revenue economic and equity significance are enacted under Federal laws. These Laws are as follows:

- i. Petroleum profits tax Act Cap, 354 LFN 1990.
- ii. Personal income tax Decree (Decree 104 of 1993) which replaced
  - a. Income tax management Act Cap. 173 LFN 1990.
  - b. Income tax (Armed forces and other persons) (Special provision) Act Cap 174 LFN 1990
  - c. Personal income tax (Lagos) Act of 1961.
- iii. Companies Income Tax Act Cap 60 LFN 1990 (formally CITA 1979)
- iv. The industrial Development (Income tax relief) Act 1971
- v. Capital Gains tax Act 1967
- vi. The stamp Duties ordinance 1958
- vii. The value added Decree N0 102 (1993)
- viii. The education tax Decree 1993

- ix. The subsequent finance (miscellaneous taxation provisions) decree of 1987 as amended by decree of 1993 which created Federal Inland Revenue Service as an administrative and operational arm of the Federal Board of Inland Revenue in compliance with the recommendation of a study group on tax reforms and administration in Nigeria set up on 9<sup>th</sup> January 1991.

## **2.2. DEFINITION OF TERMINOLOGIST**

There is the need to define some terms used in taxation for the purpose of readers. These terms include:

- a. **Taxation:-** This is a compulsory Levy imposed by Government against the income, profit or wealth of the individual, partnership and corporate organisation residing within its territory.
- b. **LFN:-** Law of the Federation of Nigeria
- c. **Taxable person:-** Any individual or body of individual and corporate organisation having income chargeable to tax by the tax authorities.
- d. **Assessable Income:-** This is part of the earned and unearned income that are liable to tax after considering the various relief and allowances.
- e. **Total Income:-** It is the aggregate assessable income from all source for the year, after the deduction of losses carried forward and capital allowances granted.
- f. **Tax Liability:-** These are all those value percentage computation of profit of companies or individual that are due for payment as taxes.
- g. **Demand Note:-** This is a notice from revenue official to taxpayers informing them that their outstanding tax liabilities has be penalised and interest at commercial rate has been added to the total sum.
- h. **Assessment Notice:-** This is a statutory notification send to corporate taxpayer informing them of their tax liability. The notice shows the year of



assessment of which tax is payable and is addressed to the company stating that it contains an application for payment of the tax, the time upon which the notice is deemed to have been served, the time within which either the tax must be paid or object.

- i. Provisional Tax:** - This is a notice to the taxpayers at the beginning of an assessment year requesting them to come forward and pay in advance (before the submission of audited accounts) an amount equal to the tax paid in the immediate preceding year.
- j. Assessment Year:** - this is the year in which an assessment is raised against. Usually, it is always a 12 months calendar. In corporate tax, audited accounts for proceeding year are used for assessing companies in current years (for example audited accounts for the year ended 1990, it would be used for assessment in 1991 year of assessment).
- k. Deferred Payment:** - When a company arranges with Board of Federal Inland Revenue to defer the payment of its tax liability to a period that would be convenient to the company.
- l. Installment Payment:-** This is a situation when a taxpayer arranges with the Board of Federal Inland Revenue to pay its tax liability on installment basis (i.e. part by part). This concession is always given to companies with huge amount as tax to pay. This arrangement is out to assist these companies the risk of running into liquidation after the payment of the said tax at lumpsum.
- m. Discharge:-** this is a form issued by the assessing officer to the collection section to inform them of the conciliation of a particular assessment for one reason or the other.

- n. **Overpayment:** - This occurs when the tax actually paid is more than the amount raised as tax in a particular period. The positive difference between the two is called overpayment.

### **2.3.0. THE ROLE OF FEDERAL INLAND REVENUE SERVICE IN TAX COLLECTION.**

Federal Inland Revenue service (FIRS) is an administrative and operational arm of the Federal Board of Inland Revenue in compliance with the provision of decree of 1987 as amended in 1993 plays a major role in tax assessment, collection and accountability. The administrative headquarter of Federal Inland Revenue service is situated in Abuja.

For administrative conveniences the service has Six (6) Directorate and each is headed by a Director. They include: (i.) Director of assessment; (ii.) Director of collection; (iii.) Director of Vat; (iv.) Director of finance and supply; (v) Director of petroleum and pioneer and (vi.) Director of human resources management, planning, Research and statistics.

In order to achieve the best result in tax administration and revenue generation in the country, the service divided the country into eight (8) zonal offices and each zonal office is headed by a Deputy Director known as zonal co-ordinator. The eight zonal offices are as follows: North – west Zone with headquarter in Kaduna; Lagos zone with headquarter in Lagos; Western zone with Ibadan as headquarter; Eastern zone with Enugu as headquarter; Middle-Eastern zone with headquarter in Jos; North – Eastern zone with headquarter in Maiduguri; Central zone with Abuja as headquarter and South-Eastern zone with Port Harcourt as headquarter.

In the administrative arrangement of Federal Inland Revenue Service there are area offices (headed by Area tax controllers - ATC) and Local vat offices (headed by Local Vat officer - LVO) under the zonal offices spread all over the country.

The essence of this zoning is to allow for effective supervision and coordination in tax administration and revenue generation in the country. Secondly, the zoning system allows for large coverage in all nooks and corners of the country, which in turn widens the tax base of the country.

The Service has many tax inspectors trained in tax administration who are charged with the responsibilities of assessing, collecting and accounting for the taxes collected, examination of taxpayers audited accounts so as to check cases of tax evasion and avoidance and imposes penalties and interests on tax defaulters.

Table 2.1 show the eight zonal offices and the area offices attached

<b>ZONAL OFFICES</b>	<b>AREA OFFICES</b>
Lagos zone Lagos	Broadstreet, Apapa, Ikeja Ilupeju, Ebute - Metta, Mafoluku, Mosaic House, Petroleum Services
Eastern Zone Enugu	Enugu, Owerri, Awka, Umuahia
Southern - Eastern Zone Port Harcourt	Port Harcourt, Uyo, Asaba, Calabar
Western Zone	Ibadan, Abeokuta, Ilorin, Akure, Benin
North - Western Zone Kaduna	Kaduna, Kano, Sokoto, Katsina
Mid - Eastern Zone Jos	Jos, Bauchi, Makurdi
Central Zone Abuja	Gwagwalada, Minna, Abuja (Stap Duties) Abuja (Personal Income tax) Abuja (Withholding tax)
North - Eastern Zone Maiduguri	Maiduguri, Damature, Yola

Table 2.1 Zonal Offices and the area offices under them.

The administration of taxes by the Federal Inland Revenue Service is mainly carried out by the Board of Federal Inland Revenue and Technical committee as enshrined in section (1) (1) and section (1A) (1) respectively in Companies Income Tax Act of 1979 as amended.

### **3.1 THE BOARD.**

The Board of Federal Inland Revenue Service is made up of

- i. An executive chairman who shall be a person with the service experienced in taxation to be appointed by the president.
- ii. The directors and heads of departments of the service (FIRS)
- iii. The officer of the Federal Ministry of finance who shall be a director with responsibility for planning, Research and statistics matters.
- iv. A member of the board of the national Revenue mobilization allocation and fiscal commission.
- v. A member from the Nigeria national Petroleum Corporation not lower in rank than an executive Director.
- vi. A Director from national planning commission
- vii. A Director from the National Custom service
- viii. The registrar – General of the corporate affairs commission and.
- ix. Legal adviser to the service.

There shall be a secretary who is an ex – officio member of the Board. Any seven members of whom one shall be either the chairman of FIRS or one of the Directors in FIRS shall constitute a quorum for meeting.

### **2.3.2. FUNCTION OF THE BOARD.**

The Board which discharges its responsibilities through FIRS, (which is the operational Arm.) is responsible for assessment and collection of corporate taxes listed below:

- a. Companies Income Tax.
- b. Petroleum Profits Tax
- c. Collections of Stamp Duties

- d. Personal Income Tax of
  - i. External affairs officers
  - ii. Non - residents
  - iii. Armed forces and Police Personal.
- e. Companies pre - operational levy
- f. Capital gain tax
- g. Value added tax (Vat)
- h. The Board is also responsible for initiating amendment to tax law.
- i. Negotiate and concluding double taxation agreements.

The effort of the Board is further complimented by the technical committee.

### **3.3. THE TECHNICAL COMMITTEE**

The membership of the committee comprised of:

- a. The Chairman of FIRS who shall be its chairman.
- b. All Director and Heads of departments of FIRS.
- c. The legal adviser in FIRS.
- d. The Secretary to the Board.

In addition, the technical committee can co-opt from the service such staff as it may required for the discharge of its functions.

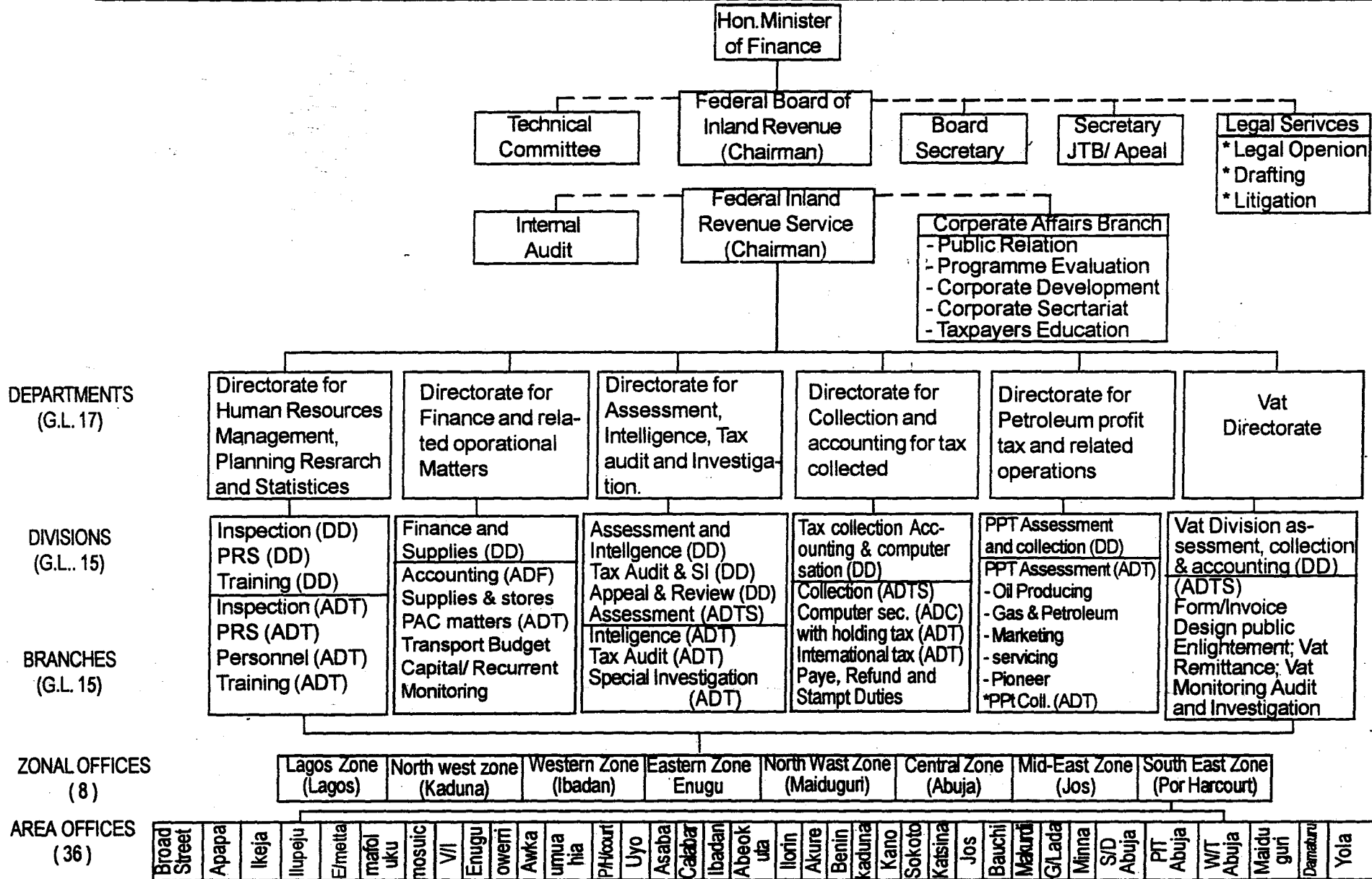
### **2.3.4. FUNCTION OF THE TECHNICAL BOARD**

- a. To consider all tax matters that required professional and technical expertise and make recommendation to Board.
- b. To advise the Board on all its power and duties.
- c. To attend to such other matters as may from time to time be referred to it by the board.

There is also the Joint tax Board which coordinates and links the state tax authorities with one another and Federal tax authority.

Below is an organogram of Federal Inland Revenue Board.

# ORGANISATIONAL CHART OF FEDERAL OF INLAND REVENUE & FEDERAL INLAND REVENUE SERVICE



DD = Deputy Director  
 ADT = Assistant Director of Taxes  
 PAC = Public Account Committee

VAT = Value Added Tax

SOURCE: Value Added Tax.  
 The Facts of a positive Tax in Nigeria  
 By J.K. Nalyeju

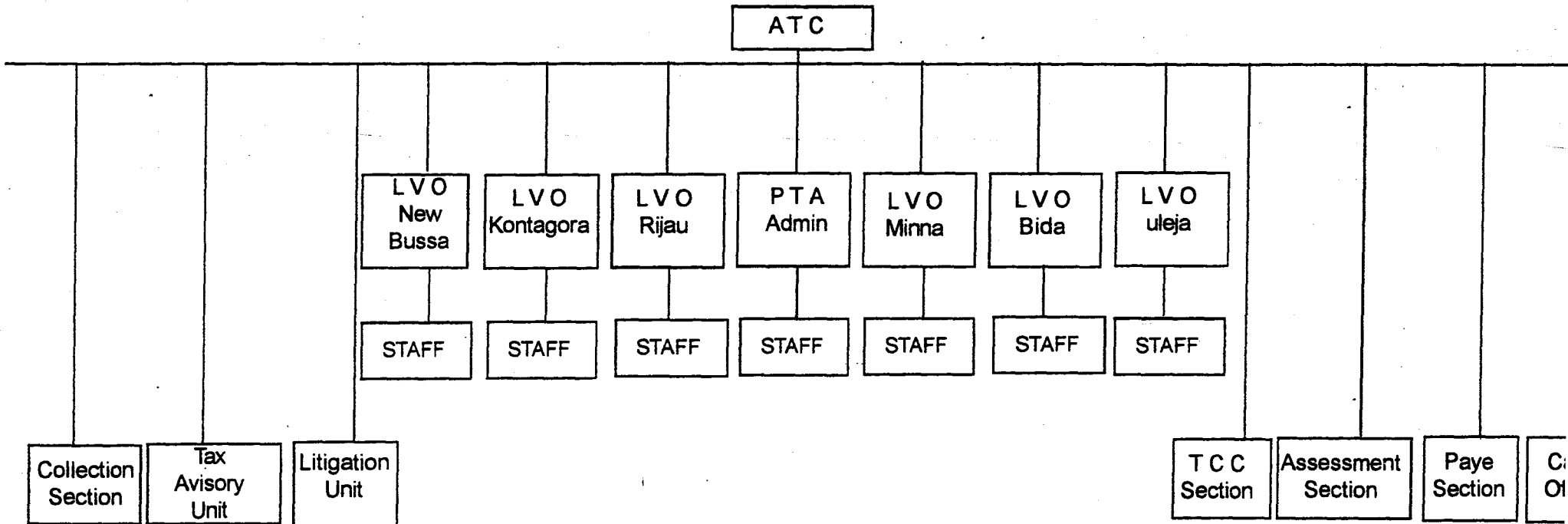


### **2.3.5. MINNA AREA OFFICE**

Viewing the organisational chart of the Federal Board of Inland Revenue, there are many area tax offices under the supervision of zonal offices. Minna area office is one of such offices, which is under the supervision of Central Zone co-ordination (Abuja). The area office is headed by an area tax controller (ATC). He is the officer responsible to ensure the full implementation of Federal tax law within Niger State. Under the Minna area tax controller are Six (6) Local vat officers who oversees the implementation of vat Decree 102 in their respective area of jurisdiction. The six Local vat offices are in Suleja, Minna, Bida, Rijau, New Bussa and Kontagora. The Local Vat offices are headed by Local Vat officers (LVOs). Under the area tax control and Local vat officers are host of inspectors trained in taxation for field work and other supportive staff who assist in the administration of the tax law for sound generation of revenue for the government.

Below is the organisational chart of Minna area tax office.

**ORGANISATIONAL CHART OF  
FEDERAL INLAND REVENUE SERVICE  
MINNA AREA OFFICE**



ATC = AREA TAX CONTROLER  
 LVO = LOCAL VAT OFFICER  
 PTA = PRICIPAL TAX ASSISTANT  
 TCC = TAX CLEARANCE CERTIFICATE  
 PAYE = PAY AS YOU EARN"

SOURCE: FIRS MINNA AREA OFFICE  
 YEARLY CHART

#### **2.4.0. PROBLEMS OF TAX ADMINISTRATION.**

In administering any law, one is bound to face so many problems, tax Law is not in exemption. This is due to the fact that no body want to pay tax as such the taxpayer will go at any length to see how much he /she can reduce or avoid the payment of tax.

Some of the problem encountered in administering tax Law include:

#### **2.4.1. HIGH LEVEL OF ILLITERACY.**

There is high level of illiteracy in the country, where many people cannot read or write. This makes it difficult for the understanding of tax law. This also makes the taxpayer not knowing his rights and obligations on tax matter.

#### **2.4.2. NON ESTABLISHMENT OF TAX TRIBUNALS TO PROSECUTE TAX DEFAULTERS:**

The inability of Government in setting up tax tribunals that will prosecute those taxpayers that willingly refuses to meet their tax obligations as and when due, compound the problems of tax administration in Nigeria.

Although there is this arrangement (or provisions in the tax law) to take any tax defaulter to court, but the proceedings in the court take longer time and at times taxpayers ignored court orders. On the other hand, these tribunals will assist in addressing taxpayer's complaints on revenue official molestation.

### **.4.3. LACK OF PROPER INFORMATION'S ON TAX EDUCATION.**

Taxpayers are supposed to be kept abreast on all information regarding tax matters so as to encourage their voluntary compliance to the tax law.

Taxpayer education is essential in tax administration because it help to bridge the gap between taxpayers and tax authorities. These information can be obtained through posters, Radio, Television, Workshops, Newspaper, pamphlets, News bulletins, tracts, stickers, magazines etc. but due to lack of sufficient funds these means of dissemination of information's are not made available and this affects tax administration.

### **2.4.4. UPDATING OF TAX LAW.**

The power to assess and collect taxes is derived from the tax law. Usually, on the first day of every fiscal year, the minister of finance explains in detail after the head of State Budget pronouncement, the fiscal policies for each year. Most of these fiscal policies, which are reviewed, are not immediately updated in the tax law. For instance, reviewing of capital allowance and some of the relief's granted. This type of act cause serious problem in tax administration.

## **CHAPTER THREE**

### **3.0. TAX COLLECTION PROCEDURE**

Collection procedure is the act of ensuring that taxes assessed are collected as and when due. This process involves the penalising of taxpayers that fails to pay their taxes at the stipulated time given to them by tax law of the Federal Republic of Nigeria.

The assessment section is charged with the responsibility of raising assessments, whereas the collection section pursues the collection of such assessments raised. Any assessment raised when is not collected and placed in to government treasury can never be termed as Revenue. The issue of tax collection is given a higher priority by revenue authorities and that is why collection section is termed as “ the back borne ” of any revenue office.

#### **3.1.0. TAX COMPUTATION.**

The computation of companies' income tax start with the submission of audited accounts. The net profit obtained from the audited account act as the starting point for the computation. Once the net profit is obtained, all disallowable expenses are added to the net profit and then we subtract all the allowable expenses to arrive at adjusted profit. From the adjusted profit we subtract losses carried forward and capital allowance granted to arrive at total profit where 30% is charged as tax.

In cases where accounts are not submitted by taxpayers the revenue official raises what is called “ estimated assessment” (B.O.J) in accordance with the provisions of section 47 (3) of companies income tax act of 1979, as amended.

### **3.1.1 ALLOWABLE EXPENSES.**

Section 20 of companies' income tax act of 1979 as amended placed the underlisted expenses as allowable, in as much as they are wholly, exclusively, necessarily and reasonably incurred for the profit of which they are expended for. They include:

- i. Any sum payable by way of interest on any money borrowed and employed as capital in acquiring the profit.
- ii. Rent and premium for the period the liability for which was incurred in respect of land or building occupied for purpose of earning the profits.
- iii. Any expenses incurred on repairs or reversal of premises plant, machinery, of fixtures employed in the trade or business.
- iv. Bad debts incurred in the course of the trade or Business proved to be bad during the period and also doubtful debts to the extent to which they are estimated to be bad during the relevant period.
- v. Any contribution to a pension, provident or other retirement benefits fund, society or scheme approved by Joint tax Board (JTB).
- vi. Any other expenses which are wholly, exclusively, necessarily and reasonably incurred for the purpose of the trade or business.

### **3.1.2. DISALLOWABLE EXPENSES**

Section 23 of the same act puts the underlisted expenses under disallowable. Once any of these expenses is seen in the profit and loss account of a company then it should be added back for the purpose of calculating tax. They include:

- i. Capital repairs or withdrawal or any expenditure of a capital nature.
- ii. Any sum recoverable under an insurance or contract or indemnity.

- iii. Taxes on income or profits levied in Nigeria or else where.
- iv. Any payment to a saving widows and or plans, pension, provident and other retirement benefits fund, society or scheme unless it is approved by Joint Tax Board (JTB).
- v. The depreciation of fixed assets.
- vi. Any dividends declared or appropriations from profits.

### 3.1.3. METHOD OF COMPUTING INCOME TAX

					N
Net Profit					*
Add: All disallowable expenses				*	
"    "    "    "				*	
"    "    "    "				*	* * *
					<hr style="width: 100%; border: 0.5px solid black;"/>
					* * * *
Less: All allowable expenses				*	
"    "    "    "				*	
"    "    "    "				*	( * * * )
					<hr style="width: 100%; border: 0.5px solid black;"/>
Adjusted Profit					* * *
Less: Losses carried forward				*	
Capital allowance granted				*	( * * )
					<hr style="width: 100%; border: 0.5px solid black;"/>
Total Profit					* *
Tax at 30%					*

### 3.2.0. COLLECTION PROCEDURE

The effort of tax authorities (Federal Inland Revenue Service) to organize themselves into an efficient tax assessing machinery would be useless and for no practical benefit to no one unless the taxes assessed are in fact collected and placed in government coffer. For this reason there included in companies income tax act (CITA) and personal Income tax act (PITA) sections designated not only to set out rights and obligations of tax authorities and taxpayers in the matters of collection itself but also the penalties and interests that must be imposed if the taxpayers fail to pay their taxes as and when due.

Collection procedure commence the moment an assessments have been raised in the assessment section and copies of the assessment notices sent to collection section for the pursuance of its payment. The taxpayer has within two (2) months from the date on the assessment notices to settle his tax liability, otherwise penalty and interest are imposed on the liability.

### **3.2.1. PENALTY.**

Advanced learner Dictionary defined penalty as “ punishment for failure to obey rules or keep an agreement. In taxation, penalty is a sanction by tax authorities on taxpayers for not meeting their tax obligations as and when due. The stipulated rate for penalty in the Nigeria tax Law is 10% of the tax payable.

It is good to note that penalty is not applicable where there is a concession for installmental payment or deferred payment of the tax.

### **3.2.2. INTEREST.**

Any tax due for payment but not paid is a debt owed to Government and constitute Government fund. Therefore as long as it remained unpaid, the debtor – taxpayer is deemed to be making use of such fund and must therefore pay interest



for such use. The interest is to compensate the Government for the use of the fund that legally belongs to it. It is also to prevent the creation of an unfair financial advantage for those who do not pay their taxes as and when due.

The interest paid is at commercial Banks Lending rate (i.e. 20%).

### 3.2.3. CONDITION FOR CHARGING INTEREST.

- i. Where penalty is payable interest is also paid
- ii. Where there is the Board's approved for deferred payment, only interest is payable within such approved period
- iii. Where installmental payment exceed the statutory approved period, interest is payable on the excess number of payment.

### 3.2.4. HOW TO CALCULATE PENALTY AND INTEREST.

**Example:** Company A, was assessed a tax of N100, 000 on 30<sup>th</sup> June 1998 for the assessment Year. The tax remains unpaid up till 31<sup>st</sup> December 2000 calculate the companies tax liability as at 4<sup>th</sup> of January 2001.

<b>Tax liability</b>		100,000
<b>Penalty:</b>	30/6/98 – 31/12/98 (6 months) $6/12 \times 100,000 \times 10\%$	5,000
<b>Interest:</b>	30/6/98 – 31/12/98 (6 months) $6/12 \times 100,000 \times 20\%$	10,000
<b>Penalty:</b>	1/1/99 – 31/12/99 (12 months) $100,000 \times 10\%$	10,000
<b>Interest:</b>	1/1/99 – 31/12/99 (12 months) $100,000 \times 20\%$	20,000
<b>Penalty:</b>	1/1/99 – 31/12/99 (12 months) $100,000 \times 10\%$	10,000
<b>Interest:</b>	1/1/99 – 31/12/99 (12 months) $100,000 \times 20\%$	<u>20,000</u>
		<b><u>N175, 000</u></b>

After calculating the above liability the demand note is served on the taxpayer and its payment is pursued vigorously.

### **3.3. ANALYSIS OF REVENUE COLLECTION.**

Fredrick stated that “ no government can exist without taxation ----- . This money must necessarily be levied on the people and the grand art consist of levying so as not to oppress the citizen. Based on the above, the Board of Federal Inland Revenue Service gives every area office a targeted figure of revenue to be collected at the end of each fiscal year, which Minna Area office is not in exemption.

Minna Area office is among the smallest offices in the country. The office started operations in 1994. The area office is not blessed with operational industries within its tax Jurisdiction which served as tax base, but has been performing well in terms of revenue collection.

The targeted and actual revenue collections for the office since inception are as follows:

<i>YEAR</i>	<i>TARGET</i>	<i>COLLECTION</i>	<i>VARIANCE</i>
1994	3,000,000.00	3,382,412.57	382,412.57
1995	10,000,000.00	7,585,435.16	(2,414,564.84)
1996	7,000,000.00	9,627,247.87	2,627,247.87
1997	10,000,000.00	13,037,289.85	3,037,289.85
1998	12,000,000.00	45,786,101.31	33,786,101.31
1999	50,000,000.00	99,556,212.26	44,556,212.26
2000	151,000,000.00	86,503,841.77	(64,496,158.23)

Source: FIRS Minna Area office month reconciliation 1994 - 2000

From the above table it shows that the area office has been generating its revenue over and above the targeted figures except on two occasions where the collections were below the target and this is as a result of the low economic activities of these periods.

### **3.4.0 PROBLEM ENCOUNTERED ON TAX COLLECTED IN NIGER STATE.**

#### **3.4.1 LACK OF PRODUCTIVE INDUSTRIES:**

Niger State is among the oldest State of the Federal Republic of Nigeria but lack productive industries operating within the State. Industries are good tax base of every tax authority. What exist in Niger are only imaginary industries registered for the sake of pursuing contracts and supplies. Given, the above circumstance, one will expect low collection in terms of revenue as compared with other area offices who are blessed with many operational Industries.

#### **3.4.2 SHARP PRACTICES:**

Some tax officials collude with taxpayers to defraud government revenue. This may be in the form of cheque conversion or aiding the taxpayer to declare lower profit in order to avoid the payment of huge tax. This in turn affect the revenue generation of the area office.

#### **3.4.3 CORRUPTION IN TAX ADMINISTRATION.**

Corrupt practices exist in tax system, which affect the revenue collection of the area office. Taxes meant for the government are diverted into personal use.

The causes of these corrupt practices include

- i. weak control in the tax system

- ii. Lack of good incentive to motivate the employees.
- iii. Lack of prompt payment of salaries and wages as and when due.
- iv. Corruption in the tax audit system.

#### **3.4.4. RENDITION OF IMPROPER RETURNS**

Returns of audited accounts are expected to be rendered to tax office by prospective taxpayers, but this is not done as expected even where the accounts are filled at time, they are not correctly prepared. This is as a result of lack of the use of qualified tax representatives and auditors within the area to assist in administering the tax system.

#### **3.4.5. HARASSING OF TAX OFFICIALS**

At times tax officials are hindered from carrying out their official engagement by people claimed to be holding positions or whom have once held any strategic office in the government. This problem is so pronounced within the tax jurisdiction of Minna area office. The overall effect of which is low collection.

#### **3.4.6. LARGENESS OF THE COVERAGE AREA**

Niger State is so large in that it has twenty five (25) Local Government Areas scattered all over the State and some of these local Government cannot be reached easily due to poor road network. As a result of short of fund, these Local Governments are not frequently monitored for tax purposes. Even those companies situated within these areas are not monitored as they are supposed to.

#### **3.5. FUTURE PROSPECT.**

Despite all the problems encountered within the area office, the area office has been able to forge ahead in terms of revenue collection. The office has always

been struggling to ensure that the targeted revenue given to her by the Head office is over collected.

With much emphasis placed on training and retraining of staff, motivation and incentive given to them and opening of new tax offices within the area office are all measures to boost revenue generation and to ensure that every angle of the state is covered in terms of taxation.

In view of that, it can be rightfully claim that, there is still hope of generating more revenue in future within the area office as against what is obtainable now.

## CHAPTER FOUR

### 4.0 THE PROGRAM

#### 4.1 DEFINITION OF PARAMETERS

The parameters to be use in this program include the followings.

- i. **Tax Raise or Tax Assessed:** - This is the amount of tax raised against any company for a particular year of assessment. Assessment notices are use to convey the tax liability to taxpayers.
- ii. **Amount Paid:-** This is any sum of money paid to offset any tax raised against a company or payment in advance before any assessment is raised.
- iii. **Discharge:-** This is an act of canceling any assessment wrongly raised. Once an assessment is discharged payment of such assessment seized.
- iv. **Year of Assessment:** - This is a twelve- (12) calendar months for which an assessment is raised against. Usually Government assessment years begin on 1st January and end by 31<sup>st</sup> December every year.
- v. **File Number:** - This is the identification number of each company registered with corporate Affairs Commission and has opened a tax file with Federal Inland Revenue Service.
- vi. **Director/Chairman:** - He is the chief Executives officer of the company.

Others parameters such as penalties, interest, overpayment, outstanding and arrears are to be generated automatically by the program once the above stated parameter (4.1 i - vi) are imputed.

### **4.3. PROGRAM**

**See the attached appendix**

## CHAPTER FIVE.

### 5.0 PROGRAM IMPLEMENTATION AND DOCUMENTATION.

#### 5.1 SYSTEM CONVERSION / CHANGE OVER PROCEDURE.

The change over from the old manual method of calculating penalties and interest as well as computing arrears list for companies, to the new system using the computer takes place when.

- i. The system has been proved to the satisfaction of the system analyst that other implementation activities have been completed.
- ii. User organizations are satisfied with the results of the system tests. The change over may then be achieved in a number of ways, some of which are direct, parallel running, pilot running and staged change over.
  - a. **Direct change over:** - This method is the complete replacement of the new system in one move. It should be noted that this method is a bold move, which should be under taken only when everyone concerned has confidence in the new system. This method is potentially the least expensive but most risky.
  - b. **Parallel Running:** - This means processing current data with both the old and new system to cross check the results. Its main attraction is that the old system is kept alive and operational until the new system has been proved for at least one system circle. It involves extra cost since the two systems are on use.
  - c. **Pilot running:** - This is similar in concept to parallel running but if is not descriptive as parallel operation. Here some selected areas are chosen to test the new system first, before generalizing it.
  - d. **Staged change over:** - This involves a series of limited size direct change over, the new system being introduced piece-by-piece. A complete part or



logical section is committed to the new system while the remaining parts or sections are processed by the old system. This method, reduces the risk inherent in a direct change over of the whole system.

## **5.2. HARDWARE REQUIREMENTS.**

The hardware for the new system implementation includes the followings.

1. Mother Boards/ main Board  
Type:- Pentium I board and Pentium II Board
2. Intel Processor  
Type:- Minimum of 233 MMx
3. Hard disk  
Type:- Seagate or Quantum, Minimum of 4.3GB
4. Memory  
Type:- 32MB, 64MB (Dimm)
5. CD – ROM Drive  
Type:- 50x, 52x
6. Floppy Disk Drive  
Type:- 3.5" (1.44MB)
7. Monitor (VDU)  
Type:- 14" & 15" SVGA
8. Standard board (101/102 Keys)  
Type:- British or American
9. Mouse  
Type:- Serial and PS/2
10. Speakers  
Type:- 120W, 240W, and 340Watts
11. AGP Video Card (PCI)

Type:- 8MB, 4Mb, 1MB ETC

12. 16 Bits PCI Sound Card
13. 56. 6KBPS Fax/ Modern Card

### **5.3 STAFF TRAINING**

The program developed is a very simple one that even computer phobia should be able to handled. As a result, the staffs who are to work with the program should be trained on how to use the program. While training the staff concerned it should be pointed out to them how to save, enter data and even print out the report. The staff should also be properly training on how to quit the program.

### **5.4.0. MAINTENANCE**

It is sometimes quite difficult to explain to people outside the computer business that one never be quite sure that a program is completely free from faults. There seems to be an idea current that because computers are mechanical devices they are therefore quite free from incidence of human error. This is just not true and programs are liable to correction at anytime during their working life, though naturally the incidence of error decreases with times. This act of correcting the process is referring to as program maintenance and it can add substantially to the cost of producing a program. Infact to reduce maintenance cost it is common practice for organizations producing programs for sale to issue them initially to only a small number of privileged users and not to consider general issue until the first maintenance phase is over. Of course no program will be issued at all until it has been extensively tested by the organization selling it.

#### **5.4.1 DOCUMENTATION AND ITS IMPORTANCE**

The proper documentation of programs is essential for several reasons. First, anyone using a program must know what it will and will not do, how to prepare data for it and how to interpret the output.

Second, because programs have been maintained, their structure and mode of operation must be meticulously recorded to make things as easy as possible for the maintenance programmer.

Third, a program may require to be modified in the future, to make it more useful or to provide it with additional facilities; so whoever updates it must have access to full information, even including problems that presented themselves or ideas that occurred to the original writer but which the writer did not have time to incorporate.

When two or more programmers co-operate to produce a target program or suite of programs, it is essential that proper documentation be provided from the outset in order to resolve disputes and ensure that everyone knows just what is expected of them.

Moreover, good documentation is invaluable in helping to resolve problem caused by holidays, sickness, or staffs turn over, as well as making it easier for a group leader to monitor and assess the work of the staff. Even when a program is written by one person who is also likely to be the program's only user, proper documentation can make it easier to remember details that were worked out some time ago, or to get down to work again after a short holiday or a period of attention to other affairs. Any one concerned with programming is advised to get into the habit of documenting his work properly, right from the start. It serves times in the long run.

## **5.4.2 SECURITY**

This has to do with the prevention from accessing the source code of a package from unauthorized users. This could be done by simply assessing a password, which is only known to the owner of the package, so anybody wanting to access it must go through the owner.

This program being a tax collection program desire tight security to prevent situation where unauthorized user would gained access of it and manipulate it in order to reduce their tax liabilities.

## **5.5. RECOMMENDATION AND CONCLUSION**

“ We seek to understand the world only because we want to transform it. Transformation rather than interpretation is the point for the world cannot be changed by merely changing over nations of it, but by theoretically criticizing what exist by effective action, material revolutionary practice which itself is the bases of knowledge”

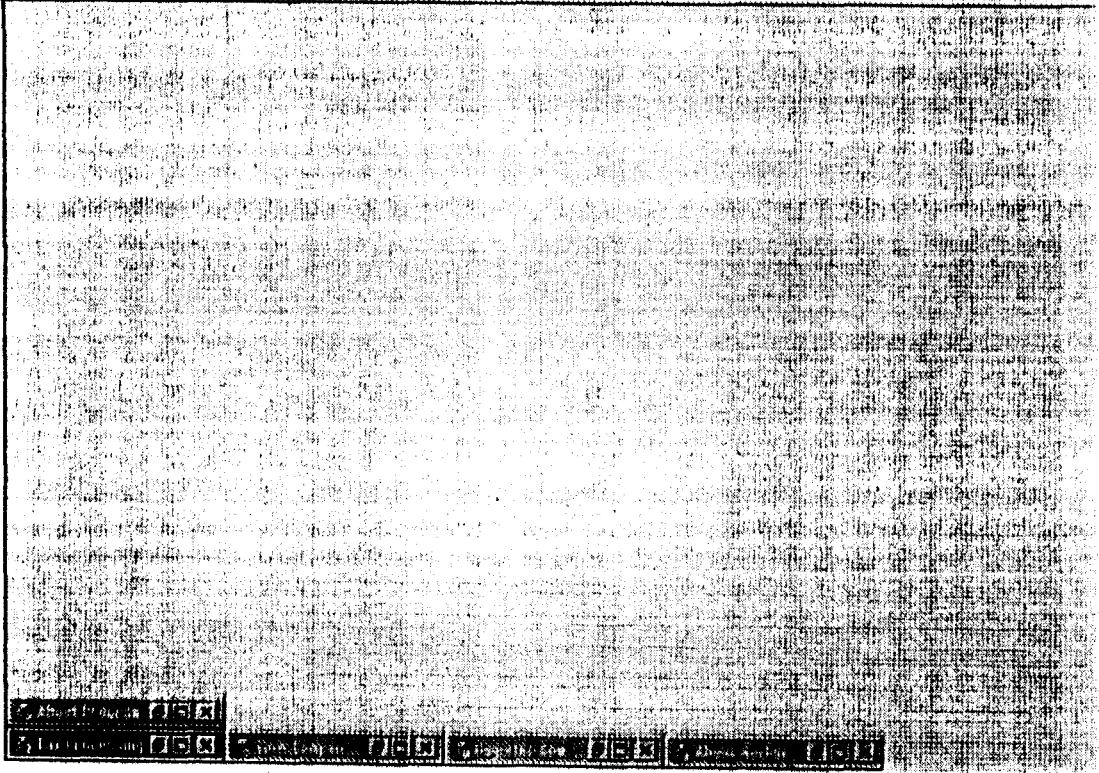
- Karl marx.

Given the above premise, it is therefore clear that the management of federal Inland revenue service need a transformation and this can only be possible when a bold step is taken to adopt the new system of calculating penalties and interest as well as arrears list which is time saving and cost effective compared to the old manual system in use now.

I therefore conclude this project work by recommending this package to the management of Federal Inland Revenue service for use.

# APPENDIX

## A PROGRAM ON COLLECTION PROCEDURE OF COMPANY INCOME TAX



About Author

The Author of the program is Mr. Daniel Yaku E, a staff of Federal Inland Revenue Service, Minna Area Office, Niger State.

This program is written in partial fulfillment for the award of Postgraduate Diploma in Computer Science, in the Department of Information Computer Science, Federal University of Technology, Minna, Niger State.

Objectives

The program is designed to help in the area of tax calculation, tax calculation, adding records, deleting records, viewing records and updating records. The program help in the business records updating the tax collection process.





```

//THE SOURCE CODE FOR THE APPLICATION
object MainForm: TForm
  Left = 195
  Top = 128
  Width = 435
  Height = 300
  Caption = 'COMPANIES//39' INCOME TAX'
  Font.Charset = DEFAULT_CHARSET
  Font.Color = clWindowText
  Font.Height = -11
  Font.Name = 'MS Sans Serif'
  Font.Style = []
  FormStyle = fsMDIForm
  Menu = MainMenu
  WindowState = wsMaximized
  OnShow = FormShow
  PixelsPerInch = 96
  TextHeight = 13
object MainMenu1: TForm
  Left = 24
  Top = 16
  object General1: TMenuItem
    Caption = 'General'
  object ArrangeForms1: TMenuItem
    Caption = 'Arrange Forms'
    OnClick = ArrangeForms1Click
  end
  object FileForms1: TMenuItem
    Caption = 'File Forms'
    OnClick = FileForms1Click
  end
  object NI: TMenuItem
    Caption = '-'
  end
  object Exit1: TMenuItem
    Caption = 'Exit'
    OnClick = Exit1Click
  end
end
object CompanyDetails1: TMenuItem
  Caption = 'Company Details'
  object RegisterCompany1: TMenuItem
    Caption = 'Register Company'
    OnClick = RegisterCompany1Click
  end
  object ViewCompanyDetails1: TMenuItem
    Caption = 'View Company Details'
    OnClick = ViewCompanyDetails1Click
  end
end
object CollectionProcedure1: TMenuItem
  Caption = 'Collection Procedure'
  object TaxProcessing1: TMenuItem
    Caption = 'Tax Processing'
    OnClick = TaxProcessing1Click
  end
end
object Report1: TMenuItem
  Caption = 'Report'
  object InterestReport1: TMenuItem
    Caption = 'Interest Report'
    Enabled = False
  end
  object PenaltyReport1: TMenuItem
    Caption = 'Penalty Report'
    Enabled = False
  end
end
object Amoo1: TMenuItem
  Caption = 'Amount Discharge Report'
  Enabled = False
end
object OverpaymentReport1: TMenuItem
  Caption = 'Overpayment Report'
  Enabled = False
end

```



```

end
object CollectionReport1: TMenuItem
  Caption = 'Collection Report'
  Enabled = False
end
object OutstandingReport1: TMenuItem
  Caption = 'Outstanding Report'
  Enabled = False
end
object ArrearsReport1: TMenuItem
  Caption = 'Arrears Report'
  Enabled = False
end
end
object Utility1: TMenuItem
  Caption = 'Utility'
  object BackupFiles1: TMenuItem
    Caption = 'Backup Files'
  end
  object RetrieveFiles1: TMenuItem
    Caption = 'Retrieve Files'
  end
end
end
object Help1: TMenuItem
  Caption = 'Help'
  object AboutProgram1: TMenuItem
    Caption = 'About Program'
    OnClick = AboutProgram1Click
  end
  object AboutAuthor1: TMenuItem
    Caption = 'About Author'
    OnClick = AboutAuthor1Click
  end
end
end
end
end

```

```

object AuthorForm: TAuthorForm
  Left = 200
  Top = 108
  Width = 404
  Height = 292
  Caption = 'About Author'
  Font.Charset = DEFAULT_CHARSET
  Font.Color = clWindowText
  Font.Height = -11
  Font.Name = 'MS Sans Serif'
  Font.Style = []
  FormStyle = fsMDIChild
  Position = poDefault
  Visible = True
  PixelsPerInch = 96
  TextHeight = 13
  object Label1: TLabel
    Left = 10
    Top = 8
    Width = 358
    Height = 57
    Caption =
      'The Author of the program is Mr. Dongson Yaki S., a staff of Fed'
      'eral Inland Revenue Service, Minna Area Office, Niger State.'
    Font.Charset = ANSI_CHARSET
    Font.Color = clBlack
    Font.Height = -16
    Font.Name = 'PixieFont'
    Font.Style = [fsBold, fsItalic]
    ParentFont = False
    WordWrap = True
  end
  object AuthorForm: TLabel
    Left = 10
    Top = 104
    Width = 364
    Height = 76
  end

```

```
Caption  
'This program is written in partial fulfilment for the award of Postgraduate Diploma in Computer Science, in the Department of Mathematics/Computer Science, Federal University of Technology, Minna, Niger State.'  
Font.Charset = ANSI_CHARSET  
Font.Color = clBlack  
Font.Height = -16  
Font.Name = 'PixieFont'  
Font.Style = [fsBold, fsItalic]  
ParentFont = False  
WordWrap = True  
end  
end
```

```
object ProgForm: TProgForm  
Left = 200  
Top = 108  
Width = 278  
Height = 206  
Caption = 'About Program'  
Font.Charset = DEFAULT_CHARSET  
Font.Color = clWindowText  
Font.Height = -11  
Font.Name = 'MS Sans Serif'  
Font.Style = []  
FormStyle = fsMDIChild  
Position = poDefault  
Visible = True  
PixelsPerInch = 96  
TextHeight = 13  
object Label1: TLabel
```

```
Left = 15  
Top = 0  
Width = 239  
Height = 133  
Caption  
'This program is designed to help in the area of tax collections, tax calculations, adding records, deleting records, viewing records and updating records. The program help in no measure toward the uplifting the tax collections process.'  
Font.Charset = ANSI_CHARSET  
Font.Color = clBlack  
Font.Height = -16  
Font.Name = 'PixieFont'  
Font.Style = [fsBold, fsItalic]  
ParentFont = False  
WordWrap = True  
end  
end
```

```
object RegForm: TRegForm  
Left = 192  
Top = 108  
Width = 459  
Height = 278  
VertScrollBar.Position = 45  
Caption = 'Register Company'  
Font.Charset = DEFAULT_CHARSET  
Font.Color = clWindowText  
Font.Height = -11  
Font.Name = 'MS Sans Serif'  
Font.Style = []  
FormStyle = fsMDIChild  
Position = poDefault  
Visible = True  
PixelsPerInch = 96  
TextHeight = 13  
object Label1: TLabel  
Left = 8  
Top = -11  
Width = 89  
Height = 13  
Caption = 'Name Of Company'
```

FocusControl = DBEdit1  
end  
object Label2: TLabel  
Left = 8  
Top = 37  
Width = 23  
Height = 13  
Caption = 'Date'  
FocusControl = DBEdit2  
end  
object Label3: TLabel  
Left = 8  
Top = 35  
Width = 38  
Height = 13  
Caption = 'Address'  
FocusControl = DBEdit3  
end  
object Label4: TLabel  
Left = 8  
Top = 83  
Width = 95  
Height = 13  
Caption = 'Year Of Assessment'  
FocusControl = DBEdit4  
end  
object Label5: TLabel  
Left = 112  
Top = 83  
Width = 93  
Height = 13  
Caption = 'Registration Number'  
FocusControl = DBEdit5  
end  
object Label6: TLabel  
Left = 8  
Top = 131  
Width = 75  
Height = 13  
Caption = 'Director#39's Name'  
FocusControl = DBEdit6  
end  
object Label7: TLabel  
Left = 208  
Top = 131  
Width = 44  
Height = 13  
Caption = 'Chairman'  
FocusControl = DBEdit7  
end  
object Label8: TLabel  
Left = 8  
Top = 179  
Width = 91  
Height = 13  
Caption = 'Telephone Number'  
FocusControl = DBEdit8  
end  
object Label9: TLabel  
Left = 128  
Top = 179  
Width = 69  
Height = 13  
Caption = 'E-mail Address'  
FocusControl = DBEdit9  
end  
object DBEdit1: TDBEdit  
Left = 8  
Top = 5  
Width = 304  
Height = 21  
DataField = 'Name Of Company'  
DataSource = DataSource1  
TabOrder = 0

```
end
object DBEdit2: TDBEdit
  Left = 40
  Top = 37
  Width = 64
  Height = 21
  DataField = 'Date'
  DataSource = DataSource1
  TabOrder = 1
end
object DBEdit3: TDBEdit
  Left = 8
  Top = 51
  Width = 304
  Height = 21
  DataField = 'Address'
  DataSource = DataSource1
  TabOrder = 2
end
object DBEdit4: TDBEdit
  Left = 8
  Top = 99
  Width = 64
  Height = 21
  DataField = 'Year Of Assessment'
  DataSource = DataSource1
  TabOrder = 3
end
object DBEdit5: TDBEdit
  Left = 112
  Top = 99
  Width = 64
  Height = 21
  DataField = 'Registration Number'
  DataSource = DataSource1
  TabOrder = 4
end
object DBEdit6: TDBEdit
  Left = 8
  Top = 147
  Width = 184
  Height = 21
  DataField = 'Director'#39's Name'
  DataSource = DataSource1
  TabOrder = 5
end
object DBEdit7: TDBEdit
  Left = 208
  Top = 147
  Width = 184
  Height = 21
  DataField = 'Chairman'
  DataSource = DataSource1
  TabOrder = 6
end
object DBEdit8: TDBEdit
  Left = 8
  Top = 195
  Width = 94
  Height = 21
  DataField = 'Telephone Number'
  DataSource = DataSource1
  TabOrder = 7
end
object DBEdit9: TDBEdit
  Left = 128
  Top = 195
  Width = 184
  Height = 21
  DataField = 'E-mail Address'
  DataSource = DataSource1
  TabOrder = 8
end
object DBNavigator1: TDBNavigator
```

Left 180  
Top 226  
Width 222  
Height 25  
DataSource: DataSources1  
VisibleButtons: [Add,Cancel,Delete,Update]  
TabOrder 9

end

Object Table1: TTable

Active True

DatabaseName 'Done on'

Fields:

Item

Name 'Name Of Company'

DataType BString

Precision 0

Required False

Size 50

end

Item

Name 'Date'

DataType BString

Precision 0

Required False

Size 10

end

Item

Name 'Address'

DataType BString

Precision 0

Required False

Size 50

end

Item

Name 'Year Of Agreement'

DataType BString

Precision 0

Required False

Size 10

end

Item

Name 'Registration Number'

DataType BString

Precision 0

Required False

Size 10

end

Item

Name 'Director/39% Name'

DataType BString

Precision 0

Required False

Size 30

end

Item

Name 'Chairman'

DataType BString

Precision 0

Required False

Size 30

end

Item

Name 'Telephone Number'

DataType BString

Precision 0

Required False

Size 15

end

Item

Name 'E-mail Address'

DataType BString

Precision 0 r

Required False

Size 30

```

    end
    Stored: True
    TableName: 'company.db'
    Left: 11
    Top: 11
    object Table1NameOfCompany: TStringField
      FieldName: 'Name Of Company'
      Size: 50
    end
    object Table1Date: TStringField
      FieldName: 'Date'
      Size: 10
    end
    end
    object Table1Address: TStringField
      FieldName: 'Address'
      Size: 50
    end
    end
    object Table1YearOfAssessment: TStringField
      FieldName: 'Year Of Assessment'
      Size: 10
    end
    end
    object Table1RegistrationNumber: TStringField
      FieldName: 'Registration Number'
      Size: 10
    end
    end
    object Table1DirectorsName: TStringField
      FieldName: 'Director#39;s Name'
      Size: 30
    end
    end
    object Table1Chairman: TStringField
      FieldName: 'Chairman'
      Size: 30
    end
    end
    object Table1TelephoneNumber: TStringField
      FieldName: 'Telephone Number'
      Size: 15
    end
    end
    object Table1EmailAddress: TStringField
      FieldName: 'E-mail Address'
      Size: 30
    end
    end
    end
    object DataSource1: TDataSource
      DataSet: Table1
      Left: 224
      Top: 124
    end
    end
end

```

```

object TaxForm: TForm
  Left: 192
  Top: 108
  Width: 544
  Height: 375
  Caption: 'Tax Processing'
  Font.Charset: DEFAULT_CHARSET
  Font.Color: clWindowText
  Font.Height: -11
  Font.Name: 'MS Sans Serif'
  Font.Style: []
  FormStyle: fsMDIChild
  Position: poDefault
  Visible: True
  PixelsPerInch: 96
  TextHeight: 13
  object Label1: TLabel
    Left: 8
    Top: 8
    Width: 23
    Height: 13
    Caption: 'Date'
    FocusControl: DPEdit1
  end
  object Label2: TLabel

```

```
Left = 8
Top = 48
Width = 86
Height = 13
Caption = 'Name of company'
FocusControl = DBEdit2
end
object Label3: TLabel
Left = 328
Top = 48
Width = 96
Height = 13
Caption = 'Registration Number'
FocusControl = DBEdit3
end
object Label4: TLabel
Left = 8
Top = 88
Width = 75
Height = 13
Caption = 'Director'#39's Name'
FocusControl = DBEdit4
end
object Label5: TLabel
Left = 216
Top = 88
Width = 44
Height = 13
Caption = 'Chairman'
FocusControl = DBEdit5
end
object Label6: TLabel
Left = 8
Top = 136
Width = 48
Height = 13
Caption = 'Tax Raise'
FocusControl = Edit6
end
object Label7: TLabel
Left = 112
Top = 136
Width = 72
Height = 13
Caption = 'Tax Raise Paid'
end
object Label8: TLabel
Left = 232
Top = 136
Width = 60
Height = 13
Caption = 'Amount Paid'
FocusControl = Edit8
end
object Label9: TLabel
Left = 344
Top = 136
Width = 81
Height = 13
Caption = 'Tax Discharged?'
end
object Label10: TLabel
Left = 8
Top = 184
Width = 93
Height = 13
Caption = 'Amount Discharged'
FocusControl = Edit10
end
object Label11: TLabel
Left = 152
Top = 184
Width = 85
Height = 13
```

5

```
    Caption = 'Payment Defered'
end
object DBEdit1: TDBEdit
  Left = 8
  Top = 24
  Width = 64
  Height = 21
  DataField = 'Date'
  DataSource = DataSource1
  TabOrder = 0
end
object DBEdit2: TDBEdit
  Left = 8
  Top = 64
  Width = 304
  Height = 21
  DataField = 'Name of company'
  DataSource = DataSource1
  TabOrder = 1
end
object DBEdit3: TDBEdit
  Left = 328
  Top = 64
  Width = 64
  Height = 21
  DataField = 'Registration Number'
  DataSource = DataSource1
  TabOrder = 2
end
object DBEdit4: TDBEdit
  Left = 8
  Top = 104
  Width = 184
  Height = 21
  DataField = 'Director/39's Name'
  DataSource = DataSource1
  TabOrder = 3
end
object DBEdit5: TDBEdit
  Left = 216
  Top = 104
  Width = 184
  Height = 21
  DataField = 'Chairman'
  DataSource = DataSource1
  TabOrder = 4
end
object Edit6: TDBEdit
  Left = 8
  Top = 152
  Width = 64
  Height = 21
  DataField = 'Tax Raise'
  DataSource = DataSource1
  TabOrder = 5
end
object Edit8: TDBEdit
  Left = 232
  Top = 152
  Width = 64
  Height = 21
  DataField = 'Amount Paid'
  DataSource = DataSource1
  TabOrder = 7
end
object Edit10: TDBEdit
  Left = 8
  Top = 200
  Width = 64
  Height = 21
  DataField = 'Amount Discharged'
  DataSource = DataSource1
  TabOrder = 9
end
end
```



```

object DBNavigator1: TDBNavigator
  Left = 136
  Top = 210
  Width = 240
  Height = 25
  DataSource = DataSource1
  TabOrder = 11
end
object ComboBox7: TDBCComboBox
  Left = 112
  Top = 152
  Width = 89
  Height = 21
  DataField = 'Tax Raise Paid'
  DataSource = DataSource1
  ItemHeight = 13
  Items.Strings = (
    'Yes'
    'No')
  TabOrder = 6
end
object ComboBox9: TDBCComboBox
  Left = 344
  Top = 152
  Width = 49
  Height = 21
  ItemHeight = 13
  Items.Strings = (
    'Yes'
    'No')
  TabOrder = 8
end
object ComboBox11: TDBCComboBox
  Left = 152
  Top = 200
  Width = 65
  Height = 21
  DataField = 'Payment Deferred'
  DataSource = DataSource1
  ItemHeight = 13
  TabOrder = 10
end
object Button1: TButton
  Left = 37
  Top = 240
  Width = 75
  Height = 25
  Caption = 'Process'
  TabOrder = 12
  OnClick = Button1Click
end
object Table1: TTable
  Active = True
  DatabaseName = 'Dongson'
  FieldDefs = (
    item
      Name = 'Date'
      DataType = ftString
      Precision = 0
      Required = False
      Size = 10
    end
    item
      Name = 'Name of company'
      DataType = ftString
      Precision = 0
      Required = False
      Size = 50
    end
    item
      Name = 'Registration Number'
      DataType = ftString
      Precision = 0
      Required = False

```

```

        Size = 10
    end
    item
        Name = 'Director/39's Name'
        DataType = BString
        Precision = 0
        Required = False
        Size = 30
    end
    item
        Name = 'Chairman'
        DataType = BString
        Precision = 0
        Required = False
        Size = 30
    end
    item
        Name = 'Tax Raise'
        DataType = RFloat
        Precision = 0
        Required = False
        Size = 0
    end
    item
        Name = 'Tax Raise Paid'
        DataType = BString
        Precision = 0
        Required = False
        Size = 5
    end
    item
        Name = 'Amount Paid'
        DataType = RCurrency
        Precision = 0
        Required = False
        Size = 0
    end
    item
        Name = 'Tax Discharged?'
        DataType = BString
        Precision = 0
        Required = False
        Size = 5
    end
    item
        Name = 'Amount Discharged'
        DataType = RCurrency
        Precision = 0
        Required = False
        Size = 0
    end
    item
        Name = 'Payment Deferred'
        DataType = BString
        Precision = 0
        Required = False
        Size = 5
    end
end
StoreDefs = True
TableName = 'tax.db'
Left = 254
Top = 160
object Table1Date: TStringField
    FieldName = 'Date'
    Size = 10
end
object Table1Nameofcompany: TStringField
    FieldName = 'Name of company'
    Size = 50
end
object Table1RegistrationNumber: TStringField
    FieldName = 'Registration Number'
    Size = 10
end
end

```

```
object Table1DirectorsName: TStringField
  FieldName = 'Director#39's Name'
  Size = 30
end
object Table1Chairman: TStringField
  FieldName = 'Chairman'
  Size = 30
end
object Table1TaxRaise: TFloatField
  FieldName = 'Tax Raise'
end
object Table1TaxRaisePaid: TStringField
  FieldName = 'Tax Raise Paid'
  Size = 5
end
object Table1AmountPaid: TCurrencyField
  FieldName = 'Amount Paid'
end
object Table1TaxDischarged: TStringField
  FieldName = 'Tax Discharged?'
  Size = 5
end
object Table1AmountDischarged: TCurrencyField
  FieldName = 'Amount Discharged'
end
object Table1PaymentDeferred: TStringField
  FieldName = 'Payment Deferred'
  Size = 5
end
end
object DataSource1: TDataSource
  DataSet = Table1
  Left = 264
  Top = 170
end
end
```



Bedaggi Rice processing LTD	5,405.72	-	-	1621.71	-	7,027.43
Lorwo press LTD	3,181.00	799.75	-	714.37	-	3,095.62
Shudong Co. LTD	8,000.00	7500.00	-	-	1,500.00	-
Imas & Sons LTD	6,008.35	-	-	1801.82	-	7808.29
Ima Investment LTD	10,000.00	800.00	-	1200.00	-	5,200.00
System Construction LTD	78,000.00	-	78,000.00	-	-	-
Hankuri Construction LTD	25,000.00	30,000.00	-	-	5,000.00	-
Peter Sangodare & Sons LTD	523.00	300.00	-	68.900	-	289.90
Hammedian Company LTD	13,756.00	-	-	4,128.50	-	17,881.50
Mediron Company LTD	36,000.00	-	30,000.00	1,800.00	-	7,800.00
Hard Tech. Nig LTD	5,405.75	3,405.72	3000.00	-	1,000.00	-
Innomery Trading Co. LTD	4,965.36	-	-	1,486.62	-	6,480.98
Samba Nig. LTD	-	10,000.00	-	-	10,000.00	-
Bachuka Enterp. LTD	6,000.00	-	6,000.00	-	-	-
Shesheri Investment LTD	50,000.00	35,000.00	-	45,000.00	-	19,500.00
Shunnamun Co. LTD	65,000.00	-	65,000.00	-	-	-
Riyeh Investment LTD	100,000.00	45,000.00	80,000.00	-	25,000.00	-
Janson Nig. LTD	66,000.00	-	-	15,000.00	-	65,000.00
Dog Construction Con LTD	-	35,000.00	-	-	35,000.00	-
Ngatai Garl Co. LTD	25,000.00	-	-	75,000.00	-	33,500.00
<b>Total</b>	<b>488,262.18</b>	<b>173,005.47</b>	<b>260,000.00</b>	<b>38,627.02</b>	<b>77,500.00</b>	<b>172,583.72</b>
<b>Arrears</b>						<b>171,583.73</b>