

Global Office **South Africa**: 16 Park Ave, Modderfontein, JohannesburgDOI Crossref [10.66694/siar.gjsslr2026009](https://doi.org/10.66694/siar.gjsslr2026009)**Due Process and Taxpayer Protection in Nigerian Tax Administration: Implications for Corporate and Commercial Transactions.****Chineze Hildagard Desmond-Ihekaire, Ph.D, FCARB.**Department of Public and Private Law, Faculty of Law, Federal University Otuoke, Bayelsa State, Nigeria. Email: mailme2ng@yahoo.com, desmond-ihekairech@fuotuo.ke.edu.ng**ABSTRACT**

Due process and taxpayer protection have become increasingly important within Nigerian tax administration following the introduction of the 2025 tax reforms. Some of the challenges that necessitated the reforms were to harmonize and modernize Nigeria's tax system including the multiplicity of taxes, arbitrary enforcement practices, weak institutional capacity and inadequate taxpayer protection. The methodological approach adopted was doctrinal legal research. The results showed that reforms improved taxpayer protection through harmonized procedures, digital tax systems, more dispute resolution options and the establishment of the Tax Ombud. However, the effective implementation of due process within Nigeria's tax administration continues to be hindered by corruption, aggressive tax enforcement, tax evasion, limited taxpayer awareness, poor implementation mechanisms and slow tax dispute resolution. The paper concluded that for a fair and efficient tax administration system in Nigeria, effective implementation, accountability and institutional strengthening are required. It was recommended that tax authorities should strengthen institutional capacity, ensure strict compliance with constitutional safeguards, intensify taxpayer education and promote transparent tax compliance practices in corporate and commercial transactions.

Keywords: Due Process, Taxpayer Protection, Tax Administration, Fair Hearing, Taxpayer Rights, Tax Enforcement.

1. INTRODUCTION

Taxation is a major source of Government revenue and so critical for economic stability, when managed efficiently, it enables governments to finance development initiatives and provide public services. Systemic inefficiencies, jurisdictional disputes between federal and state revenue authorities, and agency fragmentation have long hindered Nigeria's tax administration. Together, these problems have made it more difficult to comply with tax laws, increased revenue leaks, and resulted in duplication of effort, highlighting the need for thorough change.¹

In order to encourage economic diversification, lessen dependency on oil revenue, and guarantee fair tax distribution of income and resources, tax reforms are strategically important. The 2025 Tax Reform Acts, which combine unified legislation with new measures targeted at enhancing compliance, expanding the tax base, and establishing a more inclusive system, center on these

¹ E Muniru, 'Critical Analysis of Nigeria's VAT System in Nigeria' <<https://ssrn.com>> accessed 25 May 2026; H C Edeh, 'Assessing the Equity and Redistributive Effects of Taxation Reforms in Nigeria (ICTD/IDS Working Paper 2023) Institute of Development Studies, <<https://www.ictd.ac/publication/assessing-equity-redistributive-effects-taxation-nigeria>> accessed 25 May 2026.

goals.² These Acts were intended to improve administrative efficiency, lessen taxpayer burdens, and increase transparency by modernizing, harmonizing, and consolidating Nigeria's disjointed tax system into a single legislative framework.³

Despite these changes, issues with taxpayer protection and due process continue to be crucial to the credibility and efficiency of tax administration. When assessing, collecting, and enforcing taxes, tax authorities must adhere to constitutional and legislative procedures as part of due process. Conversely, taxpayer protection guarantees that taxpayers are not subjected to unfair assessments, overzealous enforcement efforts, or legal rights violations.

In contemporary corporate and economic dealings, the applicability of these ideas has grown in significance. Businesses in Nigeria participate in cross-border transactions, internet commerce, finance agreements, mergers, and acquisitions, all of which have substantial tax ramifications. Investor trust and business certainty may suffer when tax administration is opaque, unfair, and unaccountable. The purpose of the due process regulations is to prevent tax enforcement officials from mistreating taxpayers, by taking unfair measures against tax debtors or witch-hunting certain corporate bodies on account of their huge capital base.

2. CONCEPTUAL CLARIFICATION

2.1 Tax

Taxes are mandatory levies that individuals and businesses must pay to the government in order to generate funds for public expenditures. Taxes are typically imposed on income, property, goods and services, and other economic activities. The Nigerian government collects taxes in a number of ways, each of which serves a different purpose.⁴ Through taxes, a contract is made between the government and its people. This agreement encourages the people to look to the leaders for more governance and puts pressure on them to provide significant leadership and growth.⁵ Although, a citizen cannot sue a government to apply his tax in a certain way. That is the Supreme Court decision in *Adesanya V FRN*⁶.

Adesola defines tax as, 'a tax that a government must levy on its people in order to raise the funds required to run its affairs.'⁷ According to the aforementioned, taxes are essential to the society of any nation. They pay for public goods such as government administration. Everyone gains a great deal from these public goods whether or not they have paid their taxes. Ariwodola⁸ defined taxes as mandatory levies placed on citizens or their property by the government through its agents in order to accomplish certain objectives.

² D T Makar and others, 'New Tax Reforms 2025: You Earn, Spend, Buy, Sell and Pay—A Comprehensive Analysis' [2025] (2)(5) *IRASS Journal of Economics and Business Management*, 10-24; A T Aina, 'The Implications of Nigeria's Tax Reform Act 2025 for Female Entrepreneurs' <<https://ssrn.com>> accessed 25 May 2026.

³ PwC Nigeria, 'The Nigerian Tax Reform Acts: Top 20 Changes to Know and Top 6 Things to do' <<https://www.pwc.com/ng>> accessed 25 May 2026; Nigerian Economic Summit Group, 'A New Fiscal Framework: Key Provisions of Nigeria's 2025 Tax Reform Laws' <<https://www.nesgroup.org>> accessed 25 May 2026.

⁴ Cowrywise, 'Types of Taxes in Nigeria' <<https://cowrywise.com/blog/types-of-taxes-in-nigeria/#:~:text=Tax%20are%20compulsory%20levies%20that,service%2C%20and%20other%20economic%20activities>> accessed 8 December 2025.

⁵ D A Agbu and J O Onoja, 'Examination of the Legal Framework on Tax Avoidance and Evasion under the Personal Income Tax' [2023] (5)(3) *International Journal of Comparative Law and Legal Philosophy (IJOCLLEP)*, 137.

⁶ (1981) 2NCLR 358. However, a tax payer may challenge the legality of governmental action or unlawful expenditure of public funds. See *Fawehinmi V President FRN(2007)14NWLR (PT.1054)275@299*. See

⁷ M S Adesola, *Tax Law and Administration in Nigeria: An Introduction*, (Ile-Ife: Obafemi Owolowo University Press Limited 1998) 44.

⁸ J A Ariwodola, *Company Taxation in Nigeria Including Petroleum Profit Tax* (2nd edn, Lagos: JAA Nigeria Limited 2000).

Blacks Law Dictionary⁹ defines tax as a charge, usually monetary imposed by the government on person's entities, transactions or property to yield public revenue. Most broadly, the term embraces all government impositions on the person, property or privileges, occupations, and enjoyment of the people, and includes duties, imposts and excises.

2.2 Taxpayer

A taxpayer is a person or organization that is required to pay taxes to the government. Taxpayers are people or entities that are required to pay taxes to the government, including corporations and businesses. There are several types of taxes, such as property taxes, sales taxes, company taxes, income taxes, and more.¹⁰ Taxpayer payments are the primary source of funding for essential public services including health care, education, and transportation. These monetary donations ensure that communities have access to resources and infrastructure, which advances society's overall well-being.¹¹

2.3 Taxpayer Protection

The legal protections, rights, privileges, and remedies afforded to taxpayers against arbitrary, illegal, unfair, or disproportionate actions by tax authorities during the administration, assessment, collection, and enforcement of taxes are referred to as taxpayer protection. In order to guarantee justice, accountability, openness, and respect for the law in tax matters, it is a cornerstone of contemporary tax administration. The focus is on the taxpayer wherever and whenever carefully crafted phrases like "tax reforms" or "efficiency in tax administration" appear. The taxpayer, whether an individual, organization, or business entity, need protection due to his vulnerability.¹² Taxpayer protection guarantees that taxpayers are treated equitably throughout the taxation process and that tax officials use their authority within the legal bounds. It encompasses the following rights: the right to a fair hearing; the right to object to tax assessments; the right to financial information secrecy; the right to appeal against unlawful assessments; and protection from abusive enforcement tactics and double taxation.

2.4 Tax Administration

Tax administration is the means by which governments obtain the funds necessary for economic expansion and the provision of public services, it is essential to national development. Kiabel and Nwokah¹³ noted that the process by which the appropriate tax agency determines and collects taxes from businesses, and individuals in a manner that maintains objectivity and fairness while preventing tax evasion is known as tax administration. Ogbonna and Ebimobowei¹⁴ define tax administration as the range of practices used by the government to oversee and implement its various initiatives for the benefit of its people.

⁹ B A Garner, *The Black's Law Dictionary* (9th edn, Minesota: West Publishing Co. 2009 1594

¹⁰ PIE, 'What is a Taxpayer' <<https://www.pie.tax/tax-pible/what-is-a-taxpayer>> accessed 25 May 2026.

¹¹ *ibid.*

¹² K Lerkwagh and others, 'The Protection of the Rights of the Taxpayer: A Legal Conundrum in Nigeria' [2020] (6)(4) *International Journal of Law*, 42-48.

¹³ B D Kiabel and N G Nwokah, 'Boosting Revenue Generation by State Governments in Nigeria: The Tax Consultants' Option Revisited' [2011] (8)(4) *European Journal of Social Science*, 532-539.

¹⁴ G N Ogbonna and A Ebimobowei, 'Impact of Tax Reforms and Economic Growth of Nigeria: A Time Series Analysis' [2012] (4)(1-2) *Current Research Journal of Social Sciences*, 1-4.

2.5 Corporate Transactions

Major business operations involving modifications to a company's ownership, assets, structure, or financial strategy are collectively referred to as "corporate transactions." Mergers and acquisitions, joint ventures, spin-offs, initial public offerings (IPOs), debt restructuring, and bankruptcy are typical instances.¹⁵ Gaining a competitive edge, expanding market share or entering new markets, improving operational effectiveness, acquiring new technologies or intellectual property, optimizing capital structure, and reacting to regulatory changes are just a few of the many motivations for corporate transactions.¹⁶

2.6 Due Process

According to Black's Law Dictionary, tax administration is the administration of legal procedures in accordance with accepted norms and principles for the defence and upholding of private rights, such as notice and the right to a fair trial before a tribunal that has the authority to provide a decision.¹⁷ All judicial proceedings must be fair, and before the government takes action to deny someone their rights, they must be informed of the proceedings and given a chance to be heard. This is a basic constitutional provision. Additionally, the constitution guarantees that laws cannot be arbitrary or illogical. Individuals are shielded from the state's autocracy by due process, which makes the government answerable to the law of the land.¹⁸

3. EVOLUTION OF TAX ADMINISTRATION IN NIGERIA

The steady changes in political power, economic structure, and administrative capacity within the Nigerian state are reflected in the historical development of taxation in the country.¹⁹ Nigeria's tax administration system has historically been marked by overlapping functions among tax authorities, a variety of taxes, fragmented tax legislation, and administrative inefficiencies. The Companies Income Tax Act, Value Added Tax Act, Personal Income Tax Act, Capital Gains Tax Act and Customs and Excise Duties were among the statutes that controlled different taxes. These statutes regulate record-keeping, self-assessment, withholding taxes, penalties for evasion, and investigative powers.²⁰

Taxation evolved as a multi-layered system influenced by colonial fiscal engineering, post-independence federal reorganization, indigenous governing customs, and current reform efforts rather than as a straight institutional progression. The nature of the social compact between rulers and the governed, existing modes of production, administrative competency, and political legitimacy all had an impact on the structure of taxation throughout different historical periods. Therefore, Nigeria's fiscal architecture combines deeply ingrained structural flaws with inherited institutional strengths.²¹

¹⁵ D Brecher, 'Corporate Transactions: Best Practices for Successful Deals' <<https://scarincihollenbeck.com/law-firm-insights/corporate-transactions-success-tactics>> accessed 25 May 2026.

¹⁶ *ibid.*

¹⁷ B A Garner, *The Black's Law Dictionary* (9th edn, Minnesota: West Publishing Co. 2009) 1594.

¹⁸ C Agarwal, 'Due Process of Law and Natural Justice' <<https://www.manupatra.com/roundup/323/Articles/due%20process%20of%20law.pdf>> accessed 25 May 2026.

¹⁹ P E Akininyi and U J Simeon, 'The Historical Evolution of Taxation in Nigeria: Indigenous Institutions, Colonial Extraction, and Contemporary Reform' [2026] (12)(3) *Journal of Accounting and Financial Management*, 118-128.

²⁰ Wangonet, 'Revenue Administration and Taxation Reforms' <https://publicservice.wangonet.org/pdf/doc_010.pdf> accessed 25 May 2026.

²¹ Akininyi and Simeon (n 17).

Inconsistent enforcement procedures, a variety of taxes, inadequate taxpayer education, and protracted tax disputes were among the difficulties of the previous system. Businesses frequently voiced complaints about tax officials' harsh enforcement tactics and unjustified assessments.²²

The Nigeria Tax Act (NTA), the Nigeria Tax Administration Act (NTAA), the Nigeria Revenue Service (Establishment) Act (NRSA), and the Joint Revenue Board (Establishment) Act (JRBA) are the four main statutes that the Nigerian government introduced in 2025 to address these problems.²³ Through institutional restructuring and technology, these reforms sought to modernize tax administration, strengthen taxpayer rights, boost revenue generation, and harmonize tax laws.

Nigeria's tax structure is changing together with the country, according to the demands of the contemporary economy. To understand Nigeria's current situation and envisage its future, one must grasp the country's tax system from a historical perspective. As the nation continues on its road of economic growth and development, tax education and reform initiatives are crucial in determining the tax environment²⁴. Notably, while the NRSA and JRBA came into force on 26 June 2025 upon presidential assent, the NTA and NTAA take effect from 1 January 2026. Furthermore, the NRSA replaced the former Federal Inland Revenue Service (FIRS) with the Nigeria Revenue Service (NRS).

4. LEGAL FRAMEWORK GOVERNING DUE PROCESS IN NIGERIAN TAX ADMINISTRATION

The adequacy of voice is the main focus of the due process analysis for both legislation and rule-making as well as adjudications. A person has the right to an individualized hearing and the chance "to substantiate his claims with a quick argument and, if necessary, informal proof" when the government uses adjudication to take away their property.²⁵ The Federal Republic of Nigeria 1999 Constitution (as amended) provides the legal basis for due process in Nigerian tax administration. In all civil and administrative actions, including tax issues, Section 36 ensures the right to a fair hearing.²⁶ This constitutional protection guarantees that taxpayers cannot be subject to enforcement proceedings or tax responsibilities without following legal procedures. This principle was given judicial imprimatur in the case of **Emenite Limited v. Federal Inland Revenue Service**²⁷ where the Tribunal held that the requirement that a taxpayer must deposit 50% of the disputed tax before prosecuting an appeal is not mandatory under the FIRS (Establishment) Act. The Tribunal has discretion to order a security deposit only where the statutory conditions are satisfied. Any rule that makes such deposit an automatic condition precedent to an appeal cannot override the provisions of the Act. This decision strengthened taxpayer protection by ensuring that taxpayers are not denied access to the Tax Appeal Tribunal merely because they have not paid 50% of the disputed assessment.

²² E E Okoli, 'Multiplicity of Taxes in Nigeria: Issues, Problems and Solutions' [2019] (7)(2) *Nigerian Journal of Taxation*, 44.

²³ PwC, 'The Nigerian Tax Reform Acts' <<https://www.pwc.com/ng/en/assets/pdf/nigeria-tax-reform-insight-series-sectoral-analysis.pdf>> accessed 25 May 2026.

²⁴ Nigerian Tax Academy, 'The Evolution of Taxation in Nigeria: A Historical Perspective' <<https://nigeriataxacademy.com/blog/the-evolution-of-taxation-in-nigeria-a-historical-perspective>> accessed 25 May 2026.

²⁵ *Londoner v City and County of Denver*, 210 U.S. 376 (1908).

²⁶ Constitution of the Federal Republic of Nigeria 1999 (as amended) s 36.

²⁷ Tax Appeal Tribunal (Lagos Zone), Appeal No. TAT/LZ/CIT/014/2021 (2022)

In the same vein in the case of **FIRS v. Agromix Nig. Ltd**²⁸ The Court of Appeal emphasized that tax assessments must be based strictly on the powers granted by statute and that where there is ambiguity, tax laws are to be interpreted strictly against the taxing authority. The Court also underscored that FIRS cannot assess tax on a basis not authorized by the relevant tax legislation. The Nigeria Tax Administration Act 2025²⁹ creates additional procedural protections for tax assessment, protest, enforcement, and dispute settlement. For the administration of taxes by federal, state, and local governments, NTAA establishes a single legal and procedural framework. By standardizing registration, filing, assessment, audits, and enforcement, it seeks to eradicate irregularities in tax processes. By guaranteeing justice, due process, and access to remedies, the Act enhances taxpayer rights. To increase compliance and transparency, it requires the use of digital platforms, electronic tax records, and centralized data sharing across tax authorities. Additionally, it encourages cooperation between all revenue-collecting institutions and gives authorities the authority to fight fraud and tax evasion.³⁰ Before enforcement actions can be conducted, taxpayers are required by the Act to receive appropriate notices of assessment and reasonable chances to resist.⁶

The above principle also has statutory flavour under the NTAA 2025, which gives a taxpayer 30 days from the date of service of the assessment notice to file a written objection.³¹ Where a taxpayer fails to object within this prescribed period the assessment shall be final and conclusive.³² Furthermore, any tax charged by an assessment that is not the subject of an objection or appeal is payable within 30 days of service of the notice³³. It is also mandatory for the tax authority to respond to a valid objection within 90 days, otherwise the objection would be upheld in the taxpayer's favour³⁴. Beyond assessment and refund procedures, the 2025 reforms also embraced digital tax administration as a tool for enhancing due process. It is instructive to note that Section 71 of the NTAA 2025 mandates tax authorities to deploy technology for automating assessment, collection, accounting, and information gathering. This shift towards electronic filing, centralized taxpayer databases, and real-time compliance monitoring reduces opportunities for arbitrary discretion by tax officials, promotes transparency, and ensures that taxpayers are treated consistently. By embedding procedural fairness into the digital architecture of tax administration, the Act reinforces the principle that tax enforcement must be equitable, predictable, accountable, and subject to legal safeguards rather than unchecked official discretion.

The NTAA upholds taxpayers' entitlement to tax refunds. In order to make this easier, the Federation's or a State's Accountant General has the authority to deduct sums owed for refunds (based on the RTA's monthly schedules) prior to distribution and transfer to the specific refund accounts created for this purpose. According to Sections 55 and 56, the RTA may establish regulations and guidelines that are required to enable a taxpayer's reimbursement in the case that they have overpaid taxes.

The Nigeria Revenue Service (Establishment) Act 2025 empowers the Nigeria Revenue Service (NRS) to oversee and collect federal taxes while also mandating that the agency adhere to

²⁸ (2024) 87 TLRN 1 (CA).

²⁹ Nigeria Tax Administration Act 2025.

³⁰ Policy Vault, 'Tax Administration Act, 2025' <<https://policyvault.africa/policy/tax-administration-act-2025/>> accessed 25 May 2026.

³¹ NTAA 2025, s 41(2)(a).

³² NTAA 2025, s 57(5)

³³ NTAA 2025, s 49(2)

³⁴ NTAA 2025, s 41(6)

legislative and constitutional constraints.³⁵ Additionally, the reform legislation promotes electronic filing systems, real-time compliance monitoring, and digital tax administration. Additionally, the 2025 revisions aimed to incorporate these judicial inclinations into statute law. To avoid future disputes, the Nigeria Tax Act 2025, for example, now specifically defines a number of income categories that are excluded from personal income tax. In addition to pensions, these include legislative exemptions for anyone making less than ₦800,000 a year, a figure that was impacted by court decisions highlighting the "minimum subsistence" idea.³⁶ Furthermore, the Tax Appeal Tribunal remains a specific process for settling tax disputes between revenue officials and taxpayers. The tribunal offers a technical and reasonably accessible forum for settling disputes pertaining to taxation. Section 29 of the Joint Revenue Board of Nigeria (Establishment) Act, 2025 JRBA expands the TAT's jurisdiction beyond federal taxes to include disputes arising from the Nigeria Tax Act, 2025, Nigeria Tax Administration Act, 2025, or any other tax law passed by the National Assembly or a State's House of Assembly. Notably, the Tax Appeal Tribunal's (TAT) authority has been broadened to include tax disputes pertaining to laws passed by State Houses of Assembly, simplifying and standardizing the tax appeal procedures.³⁷ By ensuring that taxpayers have access to a recognized dispute resolution procedure within a specified date, this clause strengthens procedural fairness. Additionally, it encourages legal certainty, uniformity, and transparency in the handling of tax disputes throughout Nigeria, boosting taxpayer trust in the tax system and guaranteeing that tax authorities use their authority in conformity with due process standards.

4.1 Principles of Due Process in Nigerian Tax Administration

In the tax system, due process necessitates an administrative and potentially judicial assessment of whether any proposed collection action strikes a balance between the reasonable interest of the individual that any collection action be no more intrusive than necessary and the necessity of efficient tax collection.³⁸ Any government has the authority to impose taxes on its citizens. Even if the government must impose taxes, taxpayers' rights must be upheld while the Tax Authority collects taxes. The government should respect taxpayers' rights and use its authority within the bounds of the law. To rebuild and preserve taxpayers' trust in the way tax officials administer the tax code, a statutory recognition of their rights is essential.

Legality is one of the main tenets of due process in tax administration. Tax officials may only use the powers specifically granted to them by law. The courts have the ability to invalidate any assessment or enforcement action that is conducted outside of statutory authority. In the case of **Access Bank V Edo State Board of Internal Revenue**³⁹ the Edo State Board of Internal Revenue issued a demand notice to Access Bank for payment of ₦122 million withholding tax on interest that accrued to customers resident in Edo from 2007 - 2012. The bank disputed the assessment, however, paid the amount calculated by its tax consultant and was issued a receipt. Subsequently,

³⁵ Nigeria Revenue Service (Establishment) Act 2025 s 3.

³⁶ N E Djebah and others, 'Value Added Tax and Federalism in Nigeria: A Historical Overview, Activities, Challenges, and Prospects for a New Tax Regime' [2025] (2)(5) *IRASS Journal of Arts, Humanities and Social Sciences*, 33-38.

³⁷ AO2LAW, 'The Expansion of the Jurisdiction of the Tax Appeal Tribunal (TAT), Under the Joint Revenue Board of Nigeria (Establishment) Act, 2025' <<https://ao2law.com/the-expansion-of-the-jurisdiction-of-the-tax-appeal-tribunal-tat-under-the-joint-revenue-board-of-nigeria-establishment-act-2025/>> accessed 25 May 2026.

³⁸ L Book, 'The Collection Due Process Rights: A Misstep or Step in the Right Direction' <https://papers.ssrn.com/sol3/papers.cfm?abstract_id=647503> accessed 25 May 2026.

³⁹ (2018)LCN/11067(CA); 2018 JELR 39356, (2018) LPELR-44167(CA)

without the bank's notice Edo State tax board filed an Ex-parte order at the Edo State High Court seeking an order of distraint and it was granted. However, on appeal, it was a good opportunity for the Court of Appeal to restate this principle when it held that the order of distraint obtained Ex parte violated Access Bank's constitutional right to fair hearing. The Court of Appeal per Oseji, JCA emphasized that a party should not be condemned without being given a reasonable opportunity to present its case. The court further stated that the Bank ought to have been given an opportunity to present its side before such a drastic order was made. Section 24(f) of the Constitution of Federal Republic of Nigeria as amended mandates that citizens pay taxes, but this civic obligation is closely linked to tax laws created by legally established legislative bodies.⁴⁰ A fair hearing is a fundamental principle of our jurisprudence and so tax assessments must be disclosed to taxpayers, and they must have the chance to contest them in front of unbiased authorities.⁴¹ The Tribunal would then file the updated assessment as terms of settlement and enter it as a judgement on the appeal.⁴² Nigerian courts have consistently upheld the nullity of administrative judgments made in contravention of the standards of fair hearings. Thus in the case of *Chief G.O. Igbinedion CFR v Edo State Board of Internal Revenue*,⁴³ the court emphasized that the taxpayer's right to a fair hearing under Section 36(1) of the Federal Republic of Nigeria (CFRN) Constitution is violated when tax liabilities are resolved through ex parte proceedings. As a result, the ex parte order was revoked and the trial court's ruling was reversed. Similarly, in *Chief M.A. Okupe V Federal Board of Inland Revenue*⁴⁴ the Federal Board of Inland Revenue (FBIR) assessed Chief Okupe under the the income tax law, being dissatisfied he challenged the assessment on the ground that that it did not comply with the provisions of the tax law and challenged the basis upon which the assessment was made . When the matter went to the supreme court it held that taxation is strictly statutory; therefore no tax can be imposed or collected except as expressly founded on provisions of the law. Consequently, a taxpayer Can only be taxed according to clear words of the statute.

It goes without saying therefore that in Nigerian Tax Administration system a Tax authority cannot validly obtain an order of distraint against a taxpayer through an ex parte proceeding where the taxpayer is disputing the assessment and have not been given an opportunity to be heard on the said assessment. Such a procedure violates the constitutional rights of citizens as enshrined in Section 36(1) of the 1999 Constitution of FRN as amended.

In other to ensure due process and citizen protection in tax administration, the Federal High court sitting in Abuja judicial division in **Joseph Bodunrin Daudu SAN v. Federal Inland Revenue Service**⁴⁵ held that The Tax Appeal Tribunal exercises quasi-judicial powers and is therefore bound and must act in accordance with the constitutional requirements of fair hearing. A brief summary of the facts of this case is that the appellant, Joseph Bodunrin Daudu, SAN, a legal practitioner practicing law under the name and style of J.B. Daudu & Co., was assessed by Federal

⁴⁰ CFRN 1999, s 24.

⁴¹ Ikeyi Shittu and Co., 'Power of a Tax Authority to Issue a Revised Assessment During the Pendency of an Appeal at the TAT' <<https://isc.ng/publications/July-2019-Power-of-a-tax-authority-to-issue-a-revised-assessment-during-the-pendency-of-an-appeal-at-the-TAT.pdf>> accessed 25 May 2026.

⁴² *Lawson v Okoronkwo & ors* (2018) LPELR-46356(SC).

⁴³ (2017) LPELR-41619(CA)

⁴⁴ 1974) 1ALL NLR PT. 1 385.

⁴⁵ (2023) FHC/ABJ/TA/1/2021 decided on 19 September 2023.

Board of Inland Revenue for alleged tax liabilities relating to Personal Income Tax, Value Added Tax and Withholding Tax from 2010–2017.

FIRS issued him assessments and attachment notices claiming a total tax liability of approximately ₦1.225 billion. J.B.Daudu challenged the assessments before the Tax Appeal Tribunal (TAT). The TAT upheld substantial parts of the assessment and reduced the amount payable but still held him liable for VAT of about ₦176.6 million, and WHT of about ₦72 million, together with interest.

Dissatisfied, he appealed to the Federal High Court on several grounds among-st which are lack of valid assessment, breach of fair hearing, improper constitution of the TAT panel and lack of proof of taxable income by FIRS, and above all jurisdictional issues regarding personal income tax. This landmark decision established and restated many principles in taxation law including the fact that Personal income tax is generally chargeable and collectible by the authority of the state where the taxpayer resides. It also held that because, TAT determines civil rights and obligations, it must strictly observe the constitutional principles of fair hearing. Therefore, any substantial breach of tax law can render its proceedings invalid. Noteworthy is that Tax authorities must provide evidence establishing the existence and amount of taxable income or taxable transactions before imposing assessments. Mere assumptions are insufficient. Finally, for the purposes of personal income tax, taxation is tied to the taxpayer's place of residence under the Personal Income Tax Act.

Consequently, the law has been firmly established that a tax assessment cannot stand where the tax authority fails to prove the existence and quantum of taxable income and where the taxpayer's right to fair hearing has been compromised during tax adjudication proceedings.

Accountability and transparency are also crucial elements of due process.⁴⁶ It is expected of tax authorities to give concise justifications for assessments, fines, and enforcement actions. To forestall these issues, digital tax administration systems were implemented as part of the 2025 changes in an effort to decrease arbitrary discretion and increase transparency.

Equally important is proportionality. Account freezing, distraint, and business property sealing are examples of tax enforcement tactics that must be used sensibly and in compliance with the law. Commercial stability and taxpayer confidence may be jeopardized by harsh or excessive enforcement measures.⁴⁷

4.2 Taxpayer Protection under the 2025 Nigerian Tax Reforms

In Nigerian tax administration, the 2025 tax reforms greatly improved taxpayer protection. The standardization of tax practices between federal and state revenue authorities is one significant advancement. This minimizes the issue of multiple taxing and lowers ambiguity. By making the objection and appeal processes more transparent, the revisions also advance taxpayer rights.

⁴⁶ B A Agbeyangi, 'An Assessment of Transparency, Accountability and Due Process in Governance in Nigeria' <https://www.researchgate.net/publication/402108834_An_Assessment_of_Transparency_Accountability_and_Due_Process_in_Governance_in_Nigeria> accessed 25 May 2026.

⁴⁷ S Oyenitun, 'Tax Distraint Under the Nigerian Tax Administration Act 2025: Distraint Without Restraint?' <<https://www.mondaq.com/nigeria/tax-authorities/1649044/tax-distraint-under-the-nigerian-tax-administration-act-2025-distraint-without-restraint>> accessed 25 May 2026.

Before going to the Tax Appeal Tribunal or the courts, taxpayers who are unhappy with assessments may contest them through administrative review procedures.⁴⁸

Additionally, by implementing digital tax systems such as increasing the Taxpayer Identification Number, electronic notices, and centralized taxpayer databases, the reforms promote increased openness in tax administration. These developments lessen arbitrary decision-making and human intervention.⁴⁹ The strengthening of confidentiality safeguards pertaining to taxpayer information is another significant advance. Confidential commercial and financial records acquired via tax administration procedures cannot be inappropriately disclosed by tax authorities.⁵⁰

A major step toward increased openness, taxpayer protection, and public trust in the tax system has been taken with the creation of the Tax Ombud and the National Single Window Portal. In order to foster voluntary compliance and establish confidence, these mechanisms offer easily accessible channels for systemic reform, supervision, and redress.

In addition, the Ombud monitors systemic trends in tax administration and acts as an unbiased adjudicator in cases involving taxes, levies, regulatory fees, customs charges, and excise concerns. It also serves as a watchdog against inappropriate fiscal measures and is obligated to notify the National Assembly of such occurrences. The Ombud focuses on procedural justice and maintaining taxpayer service standards rather than interpreting tax legislation, making tax assessments, or figuring out tax liabilities.⁵¹

Additionally, the 2025 revisions are viewed as a vital tool for improving Nigeria's tax system's equality. By exempting incomes up to ₦800,000 annually, the Act's progressive personal income tax scheme protects low-income earners from paying taxes, while higher earners are subject to graduated taxation.⁵² This system guarantees a more equitable distribution of the tax burden among income classes and is in line with international best practices. Similarly, the NTA exempts 'small companies'—defined as companies with an annual gross turnover not exceeding ₦50 million and total fixed assets not exceeding ₦250 million—from Companies Income Tax (CIT), Capital Gains Tax (CGT), and the 4% Development Levy (see NTA 2025). This is intended to promote the expansion and formalization of micro and small enterprises.⁵³

5. IMPLICATIONS FOR CORPORATE AND COMMERCIAL TRANSACTIONS

Corporate and commercial transactions in Nigeria are greatly impacted with respect of due process and taxpayer protection. Before engaging in significant business operations, investors and companies need the tax system to be clear, predictable, and equitable. Due to the 2025 changes' tighter compliance requirements, tax due diligence has become more crucial in corporate transactions like mergers and acquisitions. Businesses that purchase other corporate bodies are victims of double taxation, however with digitization of taxes, this problem would be greatly minimized. Be that as it may, companies must carefully assess the risks associated with compliance and current tax obligations.

Legal strategy and tax planning are now inextricably linked. Businesses now need to think about how their compliance stances might be examined in light of a changing court interpretation of the

⁴⁸ Harlem, 'Nigeria's 2025 Tax Reforms: Implication for Businesses and Individuals' <<https://www.harlemsolicitors.com/2026/01/10/nigerias-2025-tax-reforms-implications-for-businesses-and-individuals/>> accessed 25 May 2026.

⁴⁹ *ibid.*

⁵⁰ Nigeria Revenue Service (Establishment) Act, 2025 s 32

⁵¹ Joint Revenue Board (Establishment) Act, 2025 s 43.

⁵² Udo Udoma & Belo-Osagie, 'Client brief on the Nigeria Tax Act 2025' <<https://www.uubo.org>> accessed 25 May 2026.

⁵³ Nigeria Tax Act 2025, ss 56(a), 202

Act. As a result, documentation, openness, and early legal involvement are being given more importance. Through the introduction of electronic invoicing, real-time reporting requirements, and improved compliance monitoring, the digitization of tax administration also has an impact on business transactions. Furthermore, the NTAA and NTA introduce a mandatory e-invoicing requirement. Under Section 23 of the NTAA and Section 158 of the NTA, all registered persons must issue electronic invoices through NRS -approved systems. The e-invoicing regime commenced for major taxpayers on 1 August 2025. Non-compliance triggers administrative penalties. This requirement imposes additional compliance costs on businesses but also enhances transparency and reduces the risk of arbitrary assessments.⁵⁴ Another advantage is that it reduces revenue leaks on part of Government and reduces collusion by company directors.

The reforms also have an impact on cross-border business transactions. Multinational firms doing business in Nigeria now have to abide by new restrictions around digital taxes, transfer pricing, and reporting. Additionally, the NTA introduces a Domestic Minimum Top-up Tax (DMTT) based on the OECD Pillar 2 framework. This applies to Nigerian companies with turnover exceeding ₦50 billion and members of multinational groups with global turnover of at least €750 million. Such entities must maintain a minimum effective tax rate of 15%. The top-up tax is administered, assessed, and collected by the Nigeria Revenue Service under the NTAA. Penalties for non-compliance under the NTAA apply where the minimum tax is not paid within the stipulated time.⁵⁵

Arbitrary tax enforcement may also interfere with contractual obligations and corporate operations. Financing agreements, supplier lines, and investor confidence may all be impacted by unlawful account freezing or business property sealing. However, companies are more likely to voluntarily comply with their duties when due process and taxpayer protections are successfully applied, which fosters economic growth and commercial stability.

6. CHALLENGES AFFECTING DUE PROCESS AND TAXPAYER PROTECTION IN NIGERIA

A crucial component of defending citizens' rights against invasive tax authorities and their tax collection practices is due process in the tax collection and enforcement process. Due process and taxpayer protection in Nigeria are still affected by a number of issues notwithstanding the improvements. We shall look at a few of the difficulties below.

Aggressive and Excessive Tax Enforcement

Aggressive tax enforcement is one enduring problem. Without sufficient consultation or explanation, some tax authorities still apply disproportionate assessments and enforcement actions. Tax boards most times issue estimated or best judgement assessments without adequate investigation of a tax payers actual income. They also neglect or fail to apply legal and statutory allowable deductions before arriving at final assessments. These unethical practices amongst some tax officials reduce public trust in the system.

⁵⁴ Nigeria Tax Administration Act 2025, s 23; Nigeria Tax Act 2025, s 158. See also Independent Nigeria, 'NRS Announces Phased Rollout Timeline For E-Invoicing, EFS Regime' (17 February 2026) <<https://independent.ng/nrs-announces-phased-rollout-timeline-for-e-invoicing-efs-regime>> accessed 29 May 2026

⁵⁵ Nigeria Tax Act 2025, s 57(2)(a)-(b).

Corruption and Abuse of Discretionary Powers

Taxpayer confidence is also damaged by corruption and the misuse of discretionary authority. Businesses may face uncertainty and higher compliance costs when tax agents take advantage of administrative loopholes or engage in selective enforcement. Most times tax officials have a bias against corporate bodies especially banks and oil servicing firms who they see as oppressors and such are averse to them when it comes to enforcement. Since it is reasonable to assume that public office holders embezzle and mismanage a portion of the public funds, some taxpayers strive to undermine government efforts to administer taxes in retaliation.⁵⁶ Due to the government's lack of accountability, some citizens and corporate bodies even harbour animosity toward tax officials. Nigeria's tax administration problems are also exacerbated by a lack of social infrastructure. It is believed that the growing level of infrastructural decadence encourages potential taxpayers to continue engaging in tax fraud because the government, which is supposed to justify tax payment by providing enough social infrastructure, has failed to do so.⁵⁷

Multiplicity of Taxes

Despite efforts to harmonise, tax complexity is still a problem. Companies that operate in several states may nevertheless be subject to overlapping levies and taxes from several authorities. Some corporate bodies are also coerced to either perform social corporate responsibility or compulsorily pay royalties to their host communities and to the Local Government Area Council where they operate. The variety of taxes between the federal, state, and local governments on the same taxable subjects in a three-tier fiscal framework is one of the fundamental challenges the Nigerian Revenue Service has in its attempts to implement new tax laws. This frequently results in redundant levies, overlapping tax requirements, and administrative uncertainty among taxpayers, all of which raise compliance costs and may discourage voluntary compliance.⁵⁸ This situation creates confusion and makes compliance difficult. Businesses may complain about being taxed by many agencies as a result of this circumstance, which may erode trust in new tax changes. These days, we witness market women being exploited by cruel tax inspectors in our local market places through a variety of taxes.

Tax Evasion and Avoidance

Due process and taxpayer protection in Nigeria are significantly impacted by tax evasion and aggressive tax avoidance tactics. Because tax evasion is so common, tax authorities are frequently forced to implement strict enforcement strategies in an effort to boost income.⁵⁹ However, these acts may occasionally lead to arbitrary evaluations, disproportionate fines, and enforcement actions that are not fully compliant with legal requirements. Similar to this, active tax evasion tactics regularly lead to conflicts between taxpayers and revenue officials by taking advantage of legal loopholes.⁶⁰ Taxpayer confidence in the fairness and integrity of the Nigerian tax system is

⁵⁶ C S Ola, *Income Tax Law and Practice in Nigeria* (Heinemann Educational Books 2001) 1.

⁵⁷ E Ojo, 'The Politics of Revenue Allocation and Resource Control in Nigeria: Implications for Federal Stability' (2010) 7(1) *Federal Governance*, 15.

⁵⁸ A Simeon and others, 'Issues and Challenges Inherent in the Nigerian Tax System' [2017] (5)(2) *International Journal of Business and Management Review*, 33–45.

⁵⁹ R Dibia, 'Analysis of the Determinants of Tax Policy Compliance in Nigeria' [2020] (10)(4) *Journal of Public Administration and Governance*, 45–60.

⁶⁰ O C Nwachukwu and C J Okongwu, 'An Expository Review of Checking Incidence of Tax Evasion and Tax Avoidance: Nigerian Experience' [2019] (5)(1) *Chukwuemeka Odumegwu Ojukwu University Law Journal* (COOULJ), 7.

impacted by these activities, which also increase administrative discretion, erode transparency, and generate ambiguity in business and commercial transactions.

Lack of Awareness on the Part of the Taxpayers

In order to improve tax collection and guarantee compliance, taxpayer awareness and education are essential. In Nigeria, the general public's understanding of tax obligations and the role that taxes play in the country's development is seriously lacking. Many Nigerians, especially those living in rural regions and working in the unorganized sector, either don't know they have to pay taxes or don't completely get why they should.⁶¹

The government's inadequate efforts to inform citizens about taxes are partially to blame for this ignorance. Although certain outreach initiatives have been carried out by the NRS (formerly FIRS) and other tax authorities, they have not been thorough or extensive enough to reach the entire community. Because of this, a large number of people are still ignorant about the tax system, which lowers tax revenue and compliance rates.⁶² Therefore, the practical efficacy of statutory protections is diminished by this lack of taxpayer knowledge of their obligations.

Furthermore, many taxpayers are in the informal sector and so do not know their rights regarding tax administration, particularly on right to object to assessments, seek administrative review, or appeal to tax Appeal tribunal and are afraid to go to court due to loss of confidence in the judiciary.

Inordinate Delay in Tax Dispute Resolutions

Despite the establishment of Tax Appeal Tribunals, tax disputes still suffer delays either due to procedural bottlenecks or case glut in matter that get to court and this discourages investment or pursuing one's rights. Most times witnesses die or relocate to other jurisdictions while some officials might have retired and subpoenas are need to make them appear in court. This scenario increases cost. If the cases get to the appellate courts they last for years and the real essence is usually lost in those proceedings. It is suggested that the use of alternative dispute resolution should be employed to fast-track resolution of tax disputes.

Corruption and Lack of Accountability

Instances abound where tax officers request tax payers to pay monies into their private accounts. A times basis of assessment are not made available to tax payers neither are they enlightened on penalties and interests charged them. Tax payers are not also enlightened on Penalty provisions only to be confronted with it when they want to pay. This and many more erode confidence in the tax system.

Limited Institutional Capacity

Public awareness, skilled workers, and technology infrastructure are necessary for the 2025 reforms to be implemented successfully. Inadequate digital infrastructure can impede effective administration in many places. The efficient application of tax laws, which mostly rely on the administrative and enforcement capabilities of tax authorities, is the cause of Nigeria's poor tax administration rather than a lack of tax laws. However, there are ongoing capacity issues with Nigeria's tax administration system. Eze and others,⁶³ cite inadequate training, a lack of qualified workers, and lax oversight as the main obstacles to successful tax reform and implementation.

⁶¹ J E Stephen, 'The Difficulties Nigeria Faces in Collecting Taxes' *The Guardian* (6 November 2024).

⁶² *ibid.*

⁶³ G P Eze and others, 'The Challenges and Imperative of Tax System Reform in Nigeria' [2016] (6)(3) *International Journal of Economics and Financial Issues*, 102–110.

Similarly, Olusegun and others,⁶⁴ claimed in their study that income creation depends on how well implementation methods are carried out, which is within the purview of tax administrators. Nigeria would eventually have a large number of laws that are only on paper if new legislation is constantly proposed without being effectively implemented. Weak enforcement leads to tax evasion and a drop in compliance, which can have an impact on the amount of money collected. Any new tax law that is enacted will be less successful if there are inefficiencies in its administration, such as inadequate agency coordination, weak audit systems, and delays in assessments.

Lack of Fair Hearing

Many tax authorities apply forceful and self help techniques including ex-parte distraint proceedings and freezing of accounts to achieve compliance without giving the prescribed notice to tax payers. This is violation of their constitutionally guaranteed rights. The case of **Access Bank PLC V Edo State Board of Inland Revenue** supra illustrates this scenario.

The imposition of the burdensome requirement of statutory deposits before appeals are heard is a breach of fundamental right to appeal as enshrined in our constitution. As small scale industries and citizens who are indigent are automatically barred from exercising their right of appeal. For instance **Order III Rule 6(a) of the Tax Appeal Tribunal (Procedure) Rules 2021** requires payment of 50% of the disputed tax before an appeal could be heard. Similarly, **Order V Rule 3 of the Federal High Court (FIRS) Practice Directions 2021** makes payment of half of the assessed amount before challenging an assessment a condition precedent while **Order V Rule 1 of the Federal High Court (Tax Appeals) Rules 2022** required deposit of the judgment sum before appealing a Tax Appeal Tribunal decision.

However, reprieve came from the decision of Justice James Omotosho of the Federal High Court sitting in Abuja judicial division in the case of **Joseph Bodunrin Daudu SAN V. Minister of Finance, Budget and National Planning & 2 Ors**⁶⁵ which declared these provisions unconstitutional, null and void because they infringed the constitutional right to fair hearing guaranteed by our groundnm, the constitution and access to the courts.

In a well considered judgement, Justice James Omotosho held that these provisions restricted the constitutional right of appeal and so violated the clear provisions of right to fair hearing under section 36 of the Constitution; were inconsistent with the judicial powers granted by the Constitution and improperly imposed financial barriers to accessing the courts. **See also Delta State Board of Internal Revenue V Ecobank**⁶⁶ where the this principle was restated.

Tax statutes must be strictly construed and tax authorities must act within statutory limits. That was the decision of the court in **FIRS V Agromix Nig.LTD**⁶⁷. The Court of appeal held that tax assessments must be based strictly on the powers granted by statute and that where there is an

⁶⁴ A Olusegun and others, 'Tax Revenue and its Effect on Government Expenditure in Nigeria' [2020] (10)(5) *International Journal of Economics and Financial Issues*, 120–128.

⁶⁵ Suit No. FHC/ABJ/CS/12/2022 delivered on 9 November 2023.

⁶⁶ TAT/SSZ/2020

⁶⁷ (2024)87 TLRN 1 (CA.)

ambiguity, tax laws must be interpreted strictly against taxing authority. See also **Cape Bandy V IRC**⁶⁸

Tax agencies play a crucial role in revenue generation and economic development albeit that there is need to ensure that due process is followed and that a taxpayer is not a slave to the taxing board. Thus the Court of Appeal held in **Saipem Contracting Nig Ltd V FIRS**⁶⁹ that tax authorities are bound by the provisions of the enabling law.

The six year limitation period under section 66 of the Companies Income Tax Act and Section 54 Personal Income Tax Act reflects the principle of certainty and taxpayer protection in tax administration. As such any assessment raised after the six year statutory limitation period is void and liable to be set aside unless the tax board can prove fraud, wilful default or neglect is established. This burden of proof is however on the tax board. That was the decision of the tribunal in *Emelike V Federal Board of Inland Revenue*⁷⁰ and *Federal Board of Inland Revenue Halliburton WA Ltd.*⁷¹

FINDINGS

The major finding in this work is that a taxpayer is not at the mercy of the tax authorities in tax administration either during assessment, collection or enforcement as tax Administration is deeply rooted in a robust interplay of constitutional and statutory safeguards coupled with judicial pronouncements which frowns upon arbitrary and oppressive tax enforcement. Nigerian courts are commendable in this respect by being vigilant and curbing excesses of tax official's ad board. By harmonizing tax legislation and establishing uniform processes for tax assessment, collection, enforcement, and dispute settlement, the 2025 Nigerian tax reforms have drastically changed the country's tax system. The long-standing issues of fragmented tax administration, overlapping revenue authority functions, and inefficiencies within the tax system were addressed by these reforms.

Furthermore, Section 36 of the Constitution of Federal Republic of Nigeria 1999 (as amended) ensures the right to a fair hearing in administrative and civil actions, including tax disputes, provides constitutional protection for due process in Nigerian tax administration. By giving taxpayers the chance to contest tax assessments and pursue remedies prior to enforcement operations. the Nigeria Tax Administration Act 2025 enhances this protection even more by giving a time line of 30 Days for objections which must be adhered to before commencement of any tax proceedings.

The Joint Revenue Board of Nigeria (Establishment) Act 2025, which expanded the Tax Appeal Tribunal's jurisdiction, improved procedural fairness in the Nigerian tax system and made specialized tax dispute resolution processes more accessible. This advancement encourages uniformity, openness, and legal clarity in the settlement of tax disputes between federal and state governments.

Digital tax administration systems, taxpayer refund procedures, confidentiality protections, electronic notices, centralized taxpayer databases, and the creation of the Tax Ombud are just a few of the improvements brought about by the 2025 reforms that have improved taxpayer

⁶⁸ (1921)1KB 64.

⁶⁹ 2019 5WLR PT.1664 78 (CA)

⁷⁰ Supra.

⁷¹ C2014) 17 TLRN 1.

protection. These steps are meant to increase accountability in the tax administration process and lessen arbitrary acts by tax officials.

Corporate and commercial transactions in Nigeria are significantly impacted by the observance of due process and taxpayer protection. Because of the more stringent compliance requirements brought about by the reforms, companies involved in mergers, acquisitions, financing agreements, and cross-border transactions must now pay more attention to tax compliance, paperwork, transparency, and tax due diligence.

Effective due process and taxpayer protection in Nigeria are still hampered by a number of issues notwithstanding the improvements. A fair and effective tax administration system is nevertheless hampered by aggressive tax enforcement tactics, corruption, tax officers abusing their discretionary powers, a variety of taxes, tax evasion and avoidance, low taxpayer knowledge, and limited institutional capacity.

The efficacy of the reforms is still being undermined by inadequate public education initiatives, inadequate technology infrastructure, poor coordination among tax agencies, and weak implementation mechanisms. These shortcomings lower taxpayer confidence, make compliance more difficult for companies, and could have a detrimental impact on Nigeria's commercial stability and voluntary tax compliance.

7. CONCLUSION

An efficient and fair tax administration system in Nigeria must include due process and taxpayer protection. Nigeria's institutional and legislative structure for taxation has greatly improved as a result of the 2025 tax changes. Through digital tax administration systems, these innovations have improved taxpayer rights, broadened dispute resolution procedures, strengthened procedural safeguards, and increased transparency.

The successful implementation of due process and taxpayer protection in Nigeria is nevertheless hampered by a number of issues, including aggressive tax enforcement, corruption, a variety of levies, insufficient institutional capacity, and low taxpayer awareness. Therefore, effective implementation, accountability among tax authorities, and ongoing institutional improvement are critical to the reforms' effectiveness. A tax system that upholds due process and provides sufficient protection for taxpayers will boost investor confidence, encourage voluntary compliance, and support long-term economic growth and national development.

8. RECOMMENDATIONS

The paper recommends the following:

- i. To guarantee that the 2025 tax reforms are implemented correctly, the government should improve the institutional and technological capabilities of tax authorities through sufficient training, automation, digital infrastructure, and efficient monitoring systems.
- ii. Constitutional and statutory provisions pertaining to fair hearing, transparency, and procedural fairness in tax assessment, collection, and enforcement procedures should be carefully adhered to by tax authorities.
- iii. To raise understanding of tax obligations, taxpayer rights, and the significance of taxes for national development, the Nigerian government should step up its taxpayer education and public enlightenment initiatives.
- iv. Effective oversight and accountability procedures should be implemented in order to prevent corruption, abuse of discretionary powers, and aggressive tax enforcement activities among tax officials.
- v. To reduce tax risks, prevent disputes with tax authorities, and foster commercial certainty in Nigeria's business environment, companies and corporate organization engaged in

mergers, acquisitions, financing agreements, and cross-border transactions should carry out appropriate tax due diligence and maintain transparent tax compliance practices.

- vi. Imposition of strict sanctions on corrupt tax officials and erring tax payers
- vii. Elimination of double taxation and harmonization of tax jurisdictions of the three tiers of government.
- viii. Improved funding of tax boards and training to motivate diligent staff.