

The Joint Revenue Board Establishment Act¹ (JREA), 2025



The Joint Revenue Board Establishment Act (JREA), 2025 seeks to establish a legal and institutional framework for the harmonisation and coordination of revenue administration in Nigeria. **Specifically, the Act provides for the establishment of:**

- i. **The Joint Revenue Board (the Board);**
- ii. **The Tax Appeal Tribunal (TAT); and**
- iii. **The Office of the Tax Ombud.**

The overarching objective is to ensure efficient and coordinated revenue administration across all levels of government, create a robust mechanism for dispute resolution, and safeguard taxpayer rights within the Nigerian tax system.

Key Provisions of the Act

a. **Establishment and Composition of the Board:**

The Board will serve as a coordinating body for revenue authorities at federal, state, and local levels, promoting cooperation and data sharing. It will consist of representatives from the Nigeria Revenue Service, States Internal Revenue Service, and other relevant bodies.

- b. Budgetary Estimates by the Board:** Under Section 16, the Board is mandated to prepare and submit estimates of its income and expenditure for the succeeding year to the National Assembly by 30th September annually. This promotes financial planning and ensures legislative oversight.

- c. Tax Exemptions:** As provided in Section 21, the Board is exempt from income taxes under any law in Nigeria. However, it remains obligated to deduct and remit taxes where required under applicable tax laws, such as Pay As You Earn (PAYE), Value Added Tax (VAT), and Withholding Tax (WHT).

d. **Jurisdiction of the Tax Appeal Tribunal:**

Section 29 expands the jurisdiction of the Tax Appeal Tribunal to cover disputes arising from both federal and state tax laws. This broadens the Tribunal's scope and aims to provide a consistent, centralised avenue for the adjudication of tax disputes across Nigeria.

- e. Funding of the Tribunal:** Section 30 provides that the Tribunal be funded through the Consolidated Revenue Fund (CRF) as appropriated by the National Assembly.

f. **Establishment and Funding of the Office of the Tax Ombud:**

Section 43 establishes the Office of the Tax Ombud, which is responsible for investigating and resolving complaints by taxpayers regarding the actions or inactions of tax authorities. The Office will be financed through the CRF, subject to appropriations made by the National Assembly. Funding sources credited to the Office include:

- Take-off grants provided by the federal government,
- Money appropriated by the National Assembly,
- Gifts of land, money, or other property, provided that the terms and conditions attached do not conflict with the objectives and functions of the Office of the Tax Ombud,

¹ The President has signed the bill into law. However, the relevant gazette is not yet publicly available. Therefore, the signed version may be different from the one commented on



- Any other income accruing to the Office, including proceeds from the disposal, lease, hire, or other transactions involving property vested in or acquired by the Office of the Tax Ombud.

These provisions will ensure that the Office has a diversified and legally compliant funding base to support its operations.

g. Limitation of Suits Against the Board: Section 54 provides that:

- Any lawsuit against the Board must be filed within six months of the Act or omission giving rise to the suit.
- A one-month written notice of intent to sue must be served before legal action can be initiated against the Board, the Executive Secretary, members, or staff.

These provisions are intended to prevent frivolous lawsuits and allow the Board time to address grievances administratively before litigation arises.

Potential Benefits of the Act

- Efficient Dispute Resolution:** The establishment of a broad-jurisdiction Tax Appeal Tribunal and an independent Ombud creates a responsive and fair dispute resolution ecosystem. This can significantly reduce delays and litigation costs for both taxpayers and the government.
- Harmonisation of Tax Administration:** Through the JREA, the Act promotes collaborative efforts between federal and state tax agencies, minimising duplication, reducing tax conflicts, and improving enforcement consistency.

- Promotion of Taxpayer Rights:** With the Office of the Tax Ombud in place, taxpayers will have a formal mechanism to report abuse, seek redress, and advocate for fair treatment, encouraging trust and cooperation in the tax system.
- Improved Tax Compliance:** A transparent, coordinated, and rights-focused system is more likely to promote voluntary compliance. When taxpayers feel heard and protected, they are more willing to meet their tax obligations.
- Reduction in Administrative Bottlenecks:** The JREA framework supports shared data infrastructure, joint audits, and uniform processes, thereby reducing bureaucracy and increasing efficiency in revenue collection.
- Potential for Increased Revenue:** Streamlining tax administration and improving compliance are critical steps toward expanding Nigeria's tax base and raising sustainable government revenue for public services.



Conclusion and Implementation Considerations

The Joint Revenue Board Establishment Act lays the foundation for a more integrated, transparent, and equitable tax system. **If implemented effectively, it could help:**

- i. Enhance inter-governmental collaboration;
- ii. Resolve tax-related disputes faster;
- iii. Protect taxpayer rights;
- iv. Improve voluntary compliance; and
- v. Strengthen public confidence in Nigeria's fiscal governance.

However, the success of the Act will depend on careful implementation, sustained funding, effective capacity building, and cooperation between federal and state tax authorities. Stakeholders' engagement, especially with subnational governments, will be critical to overcoming potential jurisdictional resistance and bureaucratic inertia.

Hopefully, the fact that the Act does not specify the percentages from the Federation Account or the CRF to be appropriated to TAT and the Office of the Ombud may not hinder the effective working of these bodies. The three bodies would have to justify their funding requirements to the National Assembly. We hope that budget defence will not be hampered by bureaucratic bottlenecks.

For further enquiries, please contact: _____

Adewale Ajayi

ng-fmtaxenquiries@ng.kpmg.com

home.kpmg/ng
home.kpmg/socialmedia



The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2025 KPMG Advisory Services, a partnership registered in Nigeria and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organisation.