



Tax Flash

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Rivers State Government Seeks Redress at Supreme Court over COA Decision

The Rivers State Government has approached the Supreme Court (SC) to dismiss the decision of the Court of Appeal (COA) delivered on Friday, 10 September 2021, which ordered all the parties to maintain *status quo* on the collection of Value Added Tax (VAT) pending the determination of the Federal Inland Revenue Service (FIRS)'s appeal against the Federal High Court (FHC)'s judgment in *Attorney General of Rivers State (AGRS) vs FIRS & Attorney General of the Federation*.

The AGRS submits that the:

- COA erred in law when it relied on the provisions of Section 6(6) of the 1999 Constitution and its inherent jurisdiction, to order all the parties to maintain *status quo* on the dispute.
- COA does not have the powers to restore the parties to *status quo* prior to the FHC's judgement.
- COA denied Rivers State fair hearing on the matter by relying only on an oral application made by FIRS for the stay-of-execution.

Consequently, the AGRS prayed the SC to set aside the decision of the COA on the maintenance of *status quo*, dismiss the oral application made by the FIRS and order the FIRS' appeal at the COA to be heard and determined by a new panel.

The filing of this suit at the SC demonstrates that the last may not have been heard of this matter pending the decision of the COA on the substantive appeal before it. Taxpayers are therefore encouraged to continue to keep abreast of the situation and engage their advisers in order to ensure that they are consistently on the right side of the compliance divide.

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