AN EMPIRICAL ANALYSIS OF TAX REFORM IN NIGERIA- 1980 TO 2004

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ABSTRACT

The study sought to evaluate the tax reforms carried out in Nigeria over time, paying particular attention to reforms that were undertaken from 1980 to 2004, to determine whether such reforms contributed to increased tax yield or productivity. Several earlier relevant works on tax reform were reviewed to provide a theoretical framework for the work. The specific and principal objective of the study was to investigate the factors that influence yield or productivity of the federal tax system in Nigeria, and how the yield or productivity could be improved. In order to accomplish the above objective, two models were established to determine the buoyancy and elasticity of the federal government taxes as well as the major components. The main hypothesis which was tested in this study was that the yield of the federal tax system as a whole, as well as its major components is neither buoyant nor income-elastic. This hypothesis was tested by determining the significance of the regression coefficients of relevant regression models that were estimated and by determining whether the relevant regression coefficients exceed unity. The buoyancy and elasticity of the federal tax system was estimated using secondary data collected from CBN Annual Report and Statement of Account (1983-1993), Word Bank Reports and Statistical Bulletins. The data for 2004 were extrapolations from the above stated data. With the aid of spreadsheet package: Microsoft Excel, two models were estimated on the adjusted data in logarithmic function. The coefficient of determination (R^2) was used to represent the percentage variation in the data that is explained by the model. The study concludes that the reform had some positive effects on the yield of the federal taxes. Although there was some improvement in the yield of the sampled taxes in the period 1994-2004 when compared to the 1980-1993 period, the yield was not good enough (that is they were below Unity) as to warrant total reliance on tax revenue yield. There is, therefore, the need for a planned reform of the Nigerian tax system. This would comprise both policy and administrative reforms. A specific contribution of this study was that the Modified Geometric Curve could be effectively used in the determination of buoyancy and income elasticity of the Nigerian tax system.

Key Words: Buoyancy, Elasticity, Tax Avoidance, Tax Base, Tax Evasion and Tax Impact.

INTRODUCTION

According to Aguolu (2001), taxation can be defined as the compulsory levy by government through various agencies on the income, capital, or consumption of its subjects. These levies are made on personal income such as salaries, business profits, interests, commissions, royalties or rent. It may also be levied on capital gains and petroleum profits.

By "Tax Reform" is meant a movement from one tax regime to another (Ahmad and Stern, 1983). This movement, in developing countries, according to Musgrave and Musgrave (1980), involves broad issues of economic policy as well as specific problems of tax structure and administration. In Nigeria, the situation seems to be the same.

The tax system in Nigeria had undergone a number of changes and individual tax adjustments in response to the need for more revenue tax yield for economic development. In spite of these efforts, taxation has failed to generate sufficient revenue to meet the needs of government. Although "Internal borrowing", mainly from the banking system, and "foreign loans and aid" can be used to finance public expenditure; yet, they are not sustainable in the medium and long terms. Furthermore, "foreign loans and aid" can be stopped or withdrawn if it did not satisfy the requisite political conditions. Apart from such conditions, foreign aid is often tied to imports from donor countries. In view of the above-enumerated problems associated with "internal borrowing", "foreign loans" and "foreign aid", the main platform for raising additional revenue seems to rest with taxation.

This study was necessitated by the fact that Nigeria's tax system has manifested several areas of defects, which have negatively impacted on tax revenue yields over the years. This view has been well elucidated by the works of various authors including those of Adedeji (1965), Philips (1971) and Idachaba (1975), Anyafo (1996), Anyanwu (1997) and Azuwuike (2004) each of who had thrown light into various aspects of tax system defects or loopholes in Nigeria. The most pronounced defects have been identified as multiple personal income taxes and tax revenue instability. Another important defect of Nigeria's tax system is the predominance of tax evasion possibilities. This is the case in a country where national planning data are based on estimates in the absence of accurate tax-payers records.

The major factor responsible for the revenue instability appears to be the over-dependence of Nigeria on PPT (Petroleum Profit Tax) over the years which has subjected the Nigerian economy to the whims and caprices of the externally influenced and determined oil prices. The other is the

dependence on indirect tax yields from import duties. The nation's tax system has over the years undergone a number of reforms and individual tax adjustments in response to the need for economic development. Regardless of these several efforts, taxation has failed to generate sufficient revenue to meet the need of the government.

This researcher has carried out an empirical analysis of tax reform in Nigeria from 1980 to 2004 to identify the major problems and weaknesses of the tax system as basis for making recommendation on how to improve the overall tax revenue yield.

The general objective of the study is to identify the major problems and weaknesses of the tax system as bases for making recommendations on how to improve the overall tax revenue yield. The principal objectives of the research are: (1) to determine the structure of various taxes in Nigeria, over the period 1980 to 2004, in terms of jurisdiction, rate, administration and right of revenue; (2) to investigate the factors which impacted on tax yield or productivity of the federal tax system in Nigeria, and how the yield or productivity can be improved; (3) to determine the buoyancy and income elasticity of the yield of the federal tax system as a whole, as well as its major components for the period 1980-2004; and (4) to evaluate the existing federal tax system in Nigeria with a view to identifying its major defects.

REVIEW OF RELATED LITERATURE

Tax Reform in Less Developed Countries (LDCs)

Tax reforms, like other aspects of public policy in less developed countries, including Nigeria, do not lend itself to generalization. According to Mazumdar (1983), markets tend to be more segregated and imperfect than in industrialized countries. Tax reforms in less developed countries (LDCs) involve some issues of economic policy as well as specific problems of tax administration (Musgrave, 1980). As Mazumdar (1983) further pointed out, in less developed countries mobility tends to be lower, dependence on foreign markets and political as well as administrative constraints are more powerful. According to Arrow and Kurz (1972), there are the central problems of revenue requirement and how to fit the revenue structure into development policy. Sharing the view with Musgrave & Musgrave (1980), Bowman and Sabot (1982) emphasized the problem of administrative practicability, while Chamley (1983) said that attention needed to be given to the composition of tax structure as well as the design of its major components.

The common denominator among the above views about tax reform in less developed countries is that

tax reform in LDCs involves issues of economic policy as well as specific problems of tax structure design and administration. Although these key problems are encountered in most situations, what needs to be done and what can be done depends on the geography, institutions, politics and developmental stage of the particular country under investigation (Newberry, 1972; Freebain, 1997).

Tax Structure/Yield and Development

The structure/yield of taxation and its relationship to the level of development has been extensively researched (Tanzi, 1983; Steinmo, 1995). Other contributors to the discussion were Henrichs (1966) and Musgrave & Musgrave (1980). The study of Anyanwu (1997) could also be cited.

They have approached the issue of tax structure and yield by addressing the question of how taxes are or should be composed. One of such approaches was that which divides typical tax structures and yield between early and a latter period, with special emphasis on the early period to the tax handle theme. The argument was that the basic determinant of tax structure/yield at the early period of development is the availability of feasible tax bases. At this early period of the economy's development, agriculture is typically predominant in the economy, and given the difficulty of taxing agriculture through, say, income tax, land taxes become an important element in tax structure in this period, other important revenue sources at this period were selected excises and the use of public enterprises. However, whatever income tax was collected was effectively limited to wage income of civil servants and employees of large firms. The determination of wage business income was difficult, and effective corporate taxation was limited to a few large firms, often foreign owned. The most effective tax handle for economies at this stage with a high foreign trade component was exports and imports (Musgrave & Musgrave, 1980).

At the later period of an economy's development, tax authorities were offered a much greater variety of tax handles or available bases of tax. However, the forms in which income was received or outlays were made was extra-ordinarily complex in a modern economy hence the problem of revenue collection tends to shift from the search for feasible tax bases to devising of forms of taxation yielding effective collection from a wide variety of tax bases available.

Apart from the economic factor of available tax bases, there are some non-economic factor (political and social), which cause changes in tax structure/yield. It was observed that the progressive income tax became a major instrument of those who held equity views in the late nineteenth and

early twentieth century, which led governments that favored it to attach increasing importance to income tax. Also, increasing centralization of government, according to Tanzi (1983), is a non-economic factor favoring the rising importance of the income tax in developed nations. Principally, due to the problem of identifying the geographic source of income, the income tax is suited to be a national, rather than a state or local tax.

Another approach – empirical – to the issue of tax structure and yield in developing economies is that which focuses on the relationship between separate taxes and three principal variables; two relating to the stage of development of the economy (per capita income and an index of monetization) and the third relating to degree of opine (ratio of net exports to GNP). Two important conclusions from these propositions are that:

(a) Tax revenue yield collected from the company income tax depends on the opine of the economy and is particularly related to the importance of oil and mineral industries as a proportion of total exports. These industries are politically easier to tax because foreigners usually pay such taxes, and are frequently very profitable;

(b) Sales taxes and stamp duties are closely related to the degree of monetization of an economy, as distinct from its level of per capita income. As these taxes are not self-assessed and so do not require literacy, they have been found to be important taxes in developing economies.

From the foregoing, therefore, we can infer that tax structure and yield at a given time and place is dependent on the set of available (administratively feasible) tax bases; the level of development reached, as indicated by such factors as the degree of monetization and per capita income; social and political factors as well as cultural styles of the taxing government, the degree of urbanization, and the prevailing political interest group and philosophies.

3.0 Methodology.

3.1 The Research Design.

This study is analytical in nature. It is specifically an experimental research that entails the systematic collection of a time series data on the subject through consulting libraries, government database and institutional research centers as well as use of questionnaires. Further the data were ordered and broken down into constituent parts using tables and charts. Finally, statistical calculations were performed with the primary and secondary data to provide answers to the questions initiating the research.

Inclusive in the time series data are the following items for the period of study (1980-2004):

i. Federal tax revenue,
ii. Total federal revenue,
iii. Recurrent federal government expenditure,
iv. Total federal government expenditure,
v. GDP at current market prices (Tanzi, 1983);
vi. Foreign and local borrowing.

The above listed data, according to Leuthold and N'Guessan (1986), were expected to be sufficient for estimating the buoyancy of the yield of the federal tax system as well as its major components. For the purpose of estimating the elasticity, the technique developed by Prest (1962) was used to obtain an adjusted total tax revenue series for the period under investigation (1980-2004).

METHODOLOGY

Sample Selection Technique

The population of this study was all the Federal Government Taxes of Nigeria. The sample for the study was obtained by stratified sampling technique.

Model for estimation of Tax Elasticity and Buoyancy.

The traditional way of estimating elasticity of a particular tax, k, is by using the following model (Prest, 1962) :

$$T_k = t_k Y^{\beta k} e_k \qquad (1)$$

which may be expressed in double log form as

$$\log T_k = \log t_k + \beta_k \log Y + \log e_k \qquad (2)$$

where T is revenue from tax k, t is a constant term, β_k is an estimate of elasticity of the k-th tax, Y is GDP and e_k is a stochastic disturbance term.

To estimate elasticity of tax to income where there have been discretionary changes in tax policy, the model must be modified to correct for such policy changes: e.g., changes in the tax base, tax rates, efficiency of tax administration, introduction of new taxes or abolition of some taxes etc.

The procedure entails adjusting historical tax revenue series to eliminate the effects on the tax revenue of all factors apart from GDP. One technique for doing so, developed by Prest (1962), involves cleaning data on discretionary revenue changes using official data on discretionary revenue. Cleaning is done by applying the following formula to the data to compute adjusted tax revenue (AT):

$$AT_{n-j} = T_{n-j} [(AT_{n-j} + 1)/(T_{n-j} + 1 - D_{n-j} + 1)] \qquad (3)$$

for j = 1,2,..........n-1,

where T is actual tax revenue, D is estimated discretionary tax revenue and the subscript denotes the year of the data.

Essentially, this technique estimates what the tax receipts would be in absence of discretionary changes. The validity of the technique is contingent on the assumption that discretionary changes are more or less progressive than the tax structure that they modified (Leuthold and N'Guessan, 1986; Prest, 1962). Having modified the tax revenue data, the model can be estimated on the adjusted data as:

$$\log AT_k = \log t_k + \beta_k \log Y + \log U_k \quad (4)$$

where-
AT is the adjusted revenue from tax, k, t_k is a constant, and β_k is an estimate of elasticity of the k-th tax

To estimate BUOYANCY, one needs to run the regression:

$$\log T_k = \log a_k + b_k \log Y + U_k \quad (5)$$

where-
T_k is the revenue from tax k,
Y is GDP and
U_k is a stochastic disturbance term

Ordinary least squares can be used to estimate the constant a_k and coefficient b_k. As the estimation model is in double log form, b_k is an estimate of tax buoyancy since it measures the percentage change in T_k for a one percentage change in Y (Leuthold and N'Guesan, 1986).

But since the data are generated by Eqn (5), we can solve for what the *disturbance term* U_k *is*:

$$U_k = \log t_k - \log a_k + \log U_k \text{---------------} (6)$$

What we have in Eqn (5), then, is a regression with a missing term ($\log t_k - \log a_k$).

From Theil's theorem (Chipeta, 1998) we know that b_k will end up being a biased estimate of β_k, with

$$E(b_k) = \beta_k + \delta_k \text{----------------------------} (7)$$

where
δ_k is the coefficient in a regression of log Y on log t and b_k is the ordinary least squares estimate of β_k. Y will normally be trending upward.

Therefore, the sign of β_k will depend on whether t has also been trending upward, or downward. As long as log t moves in only one general direction over the sample, we can say that buoyancy and elasticity have the standard interpretation: that buoyancy greater than elasticity implies that

discretionary changes improved revenue yield of the tax, and that buoyancy less than elasticity implies that they worsened the revenue yield.

Sometimes, however, buoyancy will come out very close to elasticity even though discretionary changes have been highly effective in altering tax yield upward or downward. In this case, $\delta_k = 0$. What this suggests is that the difference between buoyancy and elasticity is driven by the correlation between discretionary changes and income. Buoyancy equal or nearly equal to elasticity does not mean that discretionary changes are not important (Leuthold and N'Guessan, 1986).

FORMULATION AND TESTING OF HYPOTHESES.

The two hypotheses that were tested in this study were:
- A. H_o: The yield of the federal tax system as a whole, as well as its major components is not buoyant.
  - H_i: The yield of the federal tax system as a whole, as well as its major components is buoyant.
- B. H_o: The yield of the federal tax system as a whole, as well as its major components is not income elastic.
  - H_i: The yield of the federal tax system as a whole, as well as its major components is income elastic.

In this study, we chose 0.05 and 0.01 or 5% and 1% level of significance in designing our test of hypotheses. Our sample size was less than 30 and therefore small sample. To make approximate appropriation modification vis-a-vis the entire population (the entire federal government taxes), we applied the small sampling theory according to these various authors: Spiegel & Stephen (1999), Eboh (1998) and Osuala (1993).

In our analysis, according to Koutsoyiannis (2003:564), we used the "Student" t Distribution with (N-1) degree of freedom (N is equal to the sample size).

In line with the views of Mansfield (1972), Leuthold and N'gnessan (1986), these hypotheses were tested by determining the significance of the regression coefficients of relevant least square regression equations that were estimated and by determining whether the relevant coefficients exceed unity.

RESULTS AND INTERPRETATIONS.
In presenting the data, tables, graphs and charts were used for clarity. All the data collected in connection with each research objective were analyzed under such research objective.

From the analysis it could be said that :

A. The tax structure showed that the federal government had the monopoly of the jurisdiction, administration and right of revenue of the major federal taxes.

B. Allowing the federal government the juridical power to collect the greater percentage of taxes may cause a lot of delay and ineffectiveness in the collection of taxes because the federal government alone may not have enough manpower and logistics to grapple with such a heavy load.

C. These buoyancies (the regression coefficients) are respectively high when compared to the Unity value.

D. The tax derivation structure in Nigeria is skewed in favour of mineral (petroleum) and custom duties (import and export duties) and does not provide adequate taxation yields to the Government.

E. Also from the findings the following anomalies have been identified:

i. Low contribution of Tax Revenue to GDP.

ii. Wide gap between National Development needs and finding.

iii. Over dependence on Oil Revenue with its attendance risks such as –
   a   Volatile International Market.
   b   Elitist /Exclusive Sector.
   c   Dependence on Foreign Capital and Expertise.

iv. High level of Tax Evasion / Avoidance.

v. Systematic Corruption.

vi. Weak / Incapacitation Tax Administration.

CONCLUSION AND RECOMMENDATIONS

From the findings, it could be said that:

a. The federal government has the monopoly of administration and right of revenue of the major revenue yielding taxes and this may have resulted in what can be described as the inequitable provision of the basic facilities and infrastructures.

b. There was no uniform trend in the way the federal government arrived at the tax incentives. There was inconsistency in the tax structure and the tax rates were arbitrarily determined.

c. The tax derivation structure in Nigeria is skewed to in favour of mineral (petroleum) and custom duties (import and export duties) and does not provide adequate taxation yields to the Government. The consequence of this trend on Nigeria's economy is revenue instability because the two highest tax revenue–yielding sectors are externally influenced. This over dependence on oil revenue has its attendant risks among which are: Volatile International Market, Elitist/ Executive Sector, Dependence on foreign Capital and Expertise.

Suffice to note that external body fixes the oil money and that a country could be banned from exporting her oil due to political reasons.

d. The yields of these taxes are not good enough as to warrant total reliance on tax revenue yield. The low buoyancy of the taxes might be due to problems of compliance especially in the Company Income Tax (CIT). The other problems with these taxes might be tax evasion, tax exemptions, and corrupt tax administration and the presence of a second economy, which facilitate tax evasion.

e. The lower than Unity of tax to income elasticity of the federal tax system appears to be due to the generally low base to income elasticity of the Company Income Tax, Petroleum Profit Tax and Custom and Excise Duty, which are the major components of the federal tax revenue. They grow less rapidly than Gross Domestic Product (GDP) (Chipeta; 1998: 36). The income elasticity of the federal tax system can be increased by improving the growth of domestic manufactured goods (outputs), by expanding formal imports of dutiable goods and by improving the growth of wages.

f. This researcher is of the opinion that an effective tax collecting machinery presupposes, among other things, that proper and correct tax assessment has been affected. A major cause of incorrect assessment is tax evasion by companies that do not declare their correct income. Unless and until it has been minimized or eliminated, the tax administration will continue to leave much to be desired.

An understanding of the determinants of tax evasion is necessary for formulating and implementing an effective counter–evasion policy. The realization of this potential would require greater attention to the problem of tax evasion than hitherto (Phillips, 1973:18-24).

A. Following the conclusions from this study, this researcher recommends the reformation of the Nigerian tax system. This will comprise both the Policy and Administrative reforms.

Under the Policy Reforms:

i. The Federal Inland Revenue Service (FIRS) should be empowered with increased autonomy.

ii. There should be New Income Tax Table for improved equity (PITA Amendment Bill).

iii. Ambiguities in the VAT law should be removed (VAT Amendment Bill).

iv. The Tax Refund System should be improved (FIRS Bill).

v. There should be tidier but flexible provision for granting tax incentives to the industries, (especially the Petroleum Industries).

vi. A harmonized Tax Administrative Code should be developed.

vii. Revenue Courts should be developed.

viii. There should be a continuous review of Tax Laws (on an annual basis).

Under the Administrative Reforms-

i. The FIRS should clarify her Mission, Values, Goals and Structure.

ii. The systematic corruption of most of her staff should stop.

iii. The federal government should support her with requisite funding and operational autonomy.

This Venture would warrant their-

a. Speedy decision making

b. Right Selection/ Posting of Staff.

c. Right Development of Staff

d. Right Control of Staff.

To achieve the above recommendations, the FIRS should-

i. Provide Tax Payer Education and Services.

ii. Automate Collections / Tax Administration System.

iii. Build Capacity- Structure; Staffing; Focusing, among others.

iv. Strengthen Investigation / Enforcement.

In effect, the FIRS should operate a transparent and efficient tax system that optimizes tax revenue collection and voluntary compliance.

Her value should be Professionalism, Integrity and Efficiency.

B. Further Recommendations-

>Automating Tax Administration-

- Computer Skills / Change Management.

- Tax Administration Process.

- Tax Administration Software.

>Tax Payer Education.

>Staff Education and Communization.

>Effective Organization of the various functional areas.

>Enumeration of Tax Payers.

C. Above all, there should be Public/Private Sector Partnership

- Support for the Reforms

- Corporate Code of Ethics on Tax Compliance.

- Report Deviations from established code of Ethics.

- Pay Taxes full and on time.

These measures are expected to bring about a significant increase in government revenues over time while also encouraging companies to make the required new investments in capital projects leading to the creation of new jobs and an all round improvement in economic activity in the non–oil sector.

D. Nigeria should embark on a planned tax reform. Under this reform, the government should compile a national tax register for all corporate bodies and issue them with tax identification card. In moving on this path, Nigeria will be replicating the highly successful scheme in South Africa (Business Day, 2004:Vol.3 No.207) where a huge database exist for every tax payer and the tax payer's personal data is updated each time the taxpayer makes a decision that should affect his tax assessment and status.

In South Africa the tax authorities are also empowered to peep into bank accounts of taxpayer and when he buys a new car for instance, information about the worth of this new purchase is immediately fed into his slot in the national taxpayer database.

For government to build a healthy and wide ranging database, which then becomes a tool for tax administration, it will have to amend the banking law to allow the tax man to look into personal bank accounts of Nigerians and their firms so that their records of spending can be built into their tax file. It will be a challenge for government to replicate the South Africa electronic platform especially because of the absence of the relevant IT infrastructure in Nigeria and the huge investment in money and time required to acquire it. Nevertheless, it is a worthwhile venture.

E. The Federal Inland Revenue Service (FIRS), which is dominated by top government staff, should be recomposed to allow for a comptroller – general as head and with six members who are experienced in tax matters and drawn from each of the geopolitical zones in the country.

Other members of the FIRS will be the Managing Director of the NNPC, Governor of the CBN, Registrar General of the Corporate Affairs Commission and the Permanent Secretary of the Finance Ministry.

The government should provide the FIRS vehicles, office equipment and attractive financial remuneration.

It is expected that a strong FIRS will be able to deal with the pressures which will frequently come from senior government officials hoping to shield the corporate bodies where they have vested interest.

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Appendix 1 Table 1A: **Nigerian Major Taxes (1980- 2004)**

TYPES OF TAX
1. Import Duties.
2. Excise Duties.
3. Export Duties.
4. Mining Rents and Royalties.
5. Petroleum Profit Tax.
6. Company Income Tax.
7. Capital Gain Tax.
8. Personal Income Tax (other than those listed in 9).
9. Personal Income Tax (Armed Forces, External Affairs, Officers, Non Residents of Federal Capital Territory).
10. Licenses Fees on Television and Wireless Radio.
11. Stamp Duties.
12. Capital Transfer Tax.
13. Value Added Tax
14. Pools Betting and Other Betting Taxes.
15. Motor Vehicles and Drivers Licenses.
16. Entertainment Tax.
17. Land Registration and Survey Fees.
18. Property Taxes and Rating.
19. Market and Trading License and Fees.

SOURCE: *Constitution of the Federal Republic of Nigeria and other Legislations (1980-1999)*
Table 1A shows a list of all the major taxes in Nigeria for the period 1980-2004. These constitute the population for the study from where the sampled taxes were drawn.
The Samples are: Company Income Tax (CIT); Petroleum Profit Tax (PPT); Custom and Excise Duty (C&ED)
Value Added Tax (VAT)

YEAR	GDP	TTR	DT	IT	CIT	PPT	C&ED	VAT
				Sampled Taxes (₦'M)				
1980	50,848.60	10,974.60	9,161.10	1,813.50	579.20	8,564.30		
1981	50,749.10	9,362.80	6,827.30	2,535.50	483.00	6,325.80		
1982	51,792.30	8,090.70	5,608.00	2,482.70	734.00	4,846.40		
1983	56,745.20	6,316.10	4,330.90	1,985.20	561.50	3,746.90		
1984	63,076.20	7,179.00	5,581.00	1,616.00	787.20	4,810.30		
1985	71,620.50	9,982.30	7,798.80	2,183.50	1,004.30	6,719.60		
1986	72,792.70	8,227.80	5,880.90	2,346.90	1,102.50	4,811.10		
1987	110,184.60	17,317.90	13,766.10	3,541.80	1,235.30	12,504.00		
1988	145,183.10	23,600.90	14,090.50	5,672.00	1,550.80	6,814.40		
1989	222,539.10	31,975.70	26,160.20	5,815.50	1,914.30	10,598.10	5815.50	
1990	274,672.10	26,215.30	17,574.30	8,641.00	2,997.30	13,136.60	8640.90	
1991	320,432.90	18,325.20	6,868.30	11,456.90	3,827.90	10,053.60	11456.90	
1992	541,783.20	26,375.10	10,320.30	16,054.80	5,417.20	17,793.00	16054.80	
1993	693,623.40	30,667.00	15,180.60	15,486.40	9,554.40	59,207.60	15468.40	
1994	907,875.40	41,718.40	16,263.00	25,455.40	12,274.80	42,802.70	18294.60	7,260.80
1995	1,951,884.80	135,439.70	77,639.30	57,800.00	21,878.30	42,867.00	37364.00	20,761.00
1996	2,787,283.70	111,407.00	25,407.00	86,000.00	22,000	76,667.00	55000.00	31,000.00
1997	2,906,624.90	166,000.00	69,000.00	97,000.00	26,000.00	68,574.10	63000.00	34,000.00
1998	2,836,814.20	139,297.60	43,746.90	94,550.00	33,315.30	67,986.60	57683.00	36,867.70
1999	3,440,204.10	224,765.40	89,722.70	135,042.70	46,211.20	164,273.40	87,906.90	47,135.80
2000	4,866,280.00	314,483.90	154,490.70	159,993.20	51,147.40	525,072.90	101523.60	58,469.60
2001	5,526,204.90	523,970.10	261,655.10	262,315.00	68,660.00	639,234.00	170557.10	91,757.90
2002	6,398,907.70	500,986.30	210,977.10	290,009.20	89,104.00	392,207.20	181408.20	108,601.00
2003	6,255,470.00	493,300.00	177,800.00	338,800.00	114,771.10	683,484.90	195468.60	136,411.20
2004	7,943,000.00	603,700.00	206,300.00	436,500.00	151,400.00	590,500.00	266300.00	217,200.00

Source: CBN Annual report and Statement of Accounts(1980-2003 Issues), Economic and Financial Review.

Note:
    TTR => Total Tax Revenue
    DT => Direct tax
    IT => Indirect Tax
    Red => Extrapolated Data,
Black => Sourced Data