



The Federal Inland Revenue Service (FIRS): A Legacy of Transformation Under Zacch Adedeji

Introduction

The Federal Inland Revenue Service (FIRS) stands as a cornerstone in Nigeria's fiscal architecture, entrusted with the critical role of assessing, collecting, and accounting for taxes and other revenues accruing to the Federal Government. Established in 1943, FIRS has undergone significant transformations to meet the evolving economic landscape of the nation. Under the stewardship of Zacch Adedeji, appointed in September 2023, the agency has embarked on a journey of modernization, transparency, and inclusivity, reshaping Nigeria's tax administration for the betterment of its citizens.

Historical Evolution of FIRS

The origins of FIRS trace back to the Inland Revenue Department of British West Africa, which was responsible for tax administration in the region. In 1958, the Board of Inland Revenue was created, marking a significant step towards organized tax governance. The agency gained autonomy with the passage of the FIRS (Establishment) Act 13 of 2007, solidifying its role in Nigeria's fiscal management.

Zacch Adedeji: A Visionary Leader

Dr. Zacch Adedeji, born in 1978 in Ogbomoso, Oyo State, is a distinguished Nigerian accountant whose career trajectory reflects a commitment to excellence and public service. He holds a First-Class degree in Management & Accounting from Obafemi Awolowo University (OAU), Ile-Ife, and a Ph.D. in Accounting from the same institution.

*Zacch Adelabu Adedeji
Executive Chairman,
Federal Inland Revenue Service*



His professional journey includes roles at Procter & Gamble, Commissioner for Finance in Oyo State, and Executive Secretary of the National Sugar Development Council (NSDC). His appointment as the Executive Chairman of FIRS in September 2023 marked the beginning of a new era in Nigerian tax administration.

Strategic Reforms and Initiatives

• Digital Transformation: TaxPro Max:

One of Adedeji's hallmark initiatives is the digitalization of tax processes through the TaxPro Max platform. This system streamlines tax filing, enhances compliance monitoring, and facilitates the issuance of Tax Clearance Certificates (TCCs) within stipulated timelines. By automating manual processes, FIRS has reduced bottlenecks and improved service delivery to taxpayers.

• Voluntary Tax Compliance

Program:

Recognizing the challenges in tax compliance, FIRS under Adedeji introduced a Voluntary Tax Compliance Program. This initiative encourages taxpayers to regularize their tax obligations by offering incentives such as waivers on penalties and interest for outstanding liabilities. This approach aims to increase the tax net and foster a culture of voluntary compliance among Nigerians.

• Inclusive Tax Administration:

Capturing the Informal Sector:

Understanding the significance of the informal sector in Nigeria's economy, FIRS launched the Integrated Market Revenue Management System (IMRMS).

This digital platform targets market traders, aiming to bring them into the formal tax system. By partnering with the Market Traders Association of Nigeria (MATAN), FIRS seeks to enhance tax collection from this previously underrepresented sector.





- **Strengthening International Collaboration:**

In a bid to combat tax evasion and enhance transparency, FIRS under Adedeji has strengthened international partnerships. Notably, the agency signed a Memorandum of Understanding (MoU) with the United Kingdom's His Majesty's Revenue and Customs (HMRC) to facilitate information sharing and joint initiatives against cross-border tax evasion.

- **Advocacy and Public Engagement:**

Adedeji's administration has placed a strong emphasis on public engagement and advocacy. Through workshops and training sessions, FIRS has educated the media and the public on tax matters, fostering a better understanding of the tax system. These efforts aim to demystify tax processes and encourage active participation from all segments of society.

Impact on Nigerians

The reforms implemented by FIRS under Adedeji have had a profound impact on Nigerians:

- **Enhanced Service Delivery:** The digitalization of tax processes has led to quicker response times and reduced instances of corruption, making tax administration more efficient and transparent.

- **Increased Tax Revenue:** With the expansion of the tax base and improved compliance, Nigeria has witnessed a steady increase in tax revenue, providing the government with more resources to fund developmental projects.
- **Economic Empowerment:** By integrating the informal sector into the tax system, FIRS has provided small and medium-sized enterprises with access to government incentives and support, fostering economic growth at the grassroots level.
- **Public Awareness:** Through advocacy and public engagement, FIRS has cultivated a more informed citizenry, leading to greater trust in the tax system and a collective responsibility towards national development.

Conclusion

Under the leadership of Zacch Adedeji, the Federal Inland Revenue Service has undergone a remarkable transformation, aligning with global best practices and addressing the unique challenges of Nigeria's diverse economy.

His visionary leadership has not only enhanced the efficiency of tax administration but has also contributed to the broader goal of national development. As Nigeria continues on its path towards economic prosperity, the role of FIRS remains pivotal in ensuring sustainable revenue generation and equitable distribution of resources.

