

Restricted



**FEDERATION ACCOUNT ALLOCATION
COMMITTEE (FAAC)**

Date: 22nd March, 2023.

Federal Inland Revenue Service (FIRS)

The Accountant-General of the Federation,

The Accountants-General of the States,

Distinguished Ladies and Gentlemen.

The Report on Taxes Collected by FIRS for the Month of February, 2023 to the FAAC Meeting Holding on 22nd March, 2023.

1.0 INTRODUCTION

On behalf of the Executive Chairman of Federal Inland Revenue Service, I am delighted to present to the Federation Account Allocation Committee, details of the performances of the scheduled taxes of the Service for the month of February, 2023 as attached in Appendices I – IIIA, B & C, and summarized below:

Tax Type		Budget (Naira) ₦ b	Actual		Variance		Remark	
			January 2023 (PM) ₦ b	February 2023 (CM) ₦ b	Budget- (CM) ₦ b	(PM - CM) ₦ b		
PPT	(1)PPT	PSC/Service Contract	135.952	108.924	104.139	31.813	4.785	76.60
		JV PARTNER	36.712	67.458	43.633	(6.921)	23.825	118.852
		NNPC JV PPT	142.804	165.794	0.000	142.804	165.794	0
		MCA	24.606	0.000	0.000	24.606	0.000	0
		PPT Sub-Total	340.074	342.176	147.772	192.302	194.404	43.45

		Budget (Naira) ₦ b	January 2023 (PM) ₦ b	February 2023 (CM) ₦ b	Budget- (CM) ₦ b	(PM - CM) ₦ b	% Performance
	(2) NPDC	0.000	0.000	0.000	0.000	0.000	0
	(3) Other Companies.	55.098	3.097	0.604	54.494	2.493	1.10
	TOTAL PPT	395.172	345.273	148.376	246.796	196.897	37.55
CIT & Others		174.389	205.287	108.869	65.520	96.418	62.43
CIT on Oil and Gas Companies		27.678	0.915	0.761	26.917	0.154	2.75
NNPC JV CIT		7.306	3.188	0.000	7.306	3.188	0
TOTAL: CIT & Others, CIT on oil and gas companies and NNPC JV CIT		209.373	209.390	109.630	99.743	99.760	52.36
Value Added Tax		246.148	250.010	240.799	5.349	9.211	97.83
EMTL		11.419	13.799	12.130	(0.711)	1.669	106.23
TOTAL		862.112	818.472	510.935	351.177	307.537	59.27
*Total Amount available for distribution			649.490	510.935			

*Note: This report does not include February payment of PPT and Gas income from NNPCCL on the company's joint venture activities (NNPCL-JV)

1.0 PETROLEUM PROFIT TAX (PPT):

The PPT collection for the month of February, 2023 was ₦148.376 billion. This performance is lower than January 2023 collection of ₦345.273 billion by ₦196.897 billion representing 57.03% decrease. It is lower than the 2023 monthly target of ₦395.172 billion by ₦246.796 billion (i.e., 62.45% decrease). The reason for the decrease in the PPT collections when compared with previous month is due to decrease in receipt of PSC.

2.0**COMPANIES INCOME TAX & OTHERS (CIT, WHT, CGT & STD)**

The CIT & other taxes collection for February, 2023 amounted to **₱109.630billion**. When compared with the 2023 monthly target of **₱209.373 billion**, it shows a negative variance of **₱99.743 billion** or **47.64% shortfall**. This represents a performance level of **52.36%** to the target. It is lower than the previous month's collection of **₱209.390billion** by **₱99.760billion** or **47.64%**. The decrease in performance is as a result of decrease in CIT & other taxes payments received for the month.

3.0**VALUE ADDED TAX (VAT)**

The Total VAT collection for the month of February, 2023 amounted to **₱240.799billion**. When compared with the 2023 monthly target of **₱246.148billion** it translates into a performance level of **97.83%**. It is lower than the **₱250.010billion** collected last month by **₱9.211billion** or **3.68%**. The decrease in the collection for the month relative to the preceding month was due to decrease in the consumption of VAT-able goods.

4.0**ELECTRONIC MONEY TRANSFER LEVY (EMTL)**

The collection for February 2023 amounted to **₱12.130billion** and this is reported in our collection for the month.

5.0**TOTAL COLLECTED INTO FEDERATION AND VAT POOL ACCOUNTS**

The total amount collected for Federation, VAT and EMTL in February, 2023 is **₱510.935billion**. This performance is lower than the 2023 monthly target of **₱862.112 billion** by **₱351.177 billion** or **40.73%** and a performance level of **59.27%**. It is lower than the amount of **₱818.472billion** collected in January, 2023 by **₱307.537 billion** or **37.57%**.

When all the tax types above are compared to the total collection of **₱510.935 billion**; PPT collection of **₱148.376 billion** represents **29.04%**, CIT & other taxes collection of **₱109.630billion** represents **21.46%**, VAT collection of **₱240.799 billion** represents **47.13%** while EMTL collection of **₱12.130 billion** represents **2.37%**.

Note: The exchange rate used is the CBN mandated exchange rate of USD 433.2700, EURO 467.8344 and £533.1823.

Account Reconciliation

Account Reconciliation with CBN – Banking Services Department is ongoing in respect of revenue remittances.

Thank you,

Munir. A. Muhammed

Ag. Director, Revenue Accounting Dept.
Federal Inland Revenue Service

22nd March, 2023

APPENDIX I

FEDERAL INLAND REVENUE SERVICE (FIRS)

Collection Analysis for February, 2023

Actual Coll February 2022	Type of Taxes	Approved Budget for 2023	Monthly Average	Actual Coll. For February, 2023	Variance	**RP %	Cumulative Approved Budget Jan. - Feb. 2023	Cumulative Actual Collection Jan. - Feb. 2023	Variance	RP %
234,858,280,349.48	PPT (note 1)	4,742,058,482,380.39	395,171,540,198.37	148,375,828,300.44	-246,795,711,897.93	37.55	790,343,080,396.73	493,649,368,444.18	-296,693,711,952.55	62.46
90,938,645,954.37	Companies Income	2,512,474,625,309.67	209,372,885,442.47	109,629,463,542.43	-99,743,421,900.04	52.36	418,745,770,884.95	319,020,117,462.00	-99,725,653,422.94	76.18
325,796,926,303.85	Tax, etc.	7,254,533,107,690.06	604,544,425,640.84	258,005,291,842.87	-346,539,133,797.97	42.68	1,209,088,851,281.68	812,669,485,906.19	-396,419,365,375.49	67.21
	VAT on:									
139,512,098,052.95	- Non-Import	2,131,099,989,404.42	177,591,665,783.70	204,526,434,082.75	26,934,768,299.05	115.17	355,183,331,567.40	415,537,336,332.45	60,354,004,765.05	116.99
38,360,640,700.09	- Import	822,672,946,304.19	68,556,078,858.68	36,272,781,733.33	-32,283,297,125.35	52.91	137,112,157,717.37	75,271,479,416.21	-61,840,678,301.16	54.90
177,872,738,753.04	Sub-Total (B)	2,953,772,935,708.61	246,147,744,642.39	240,799,215,816.08	-5,348,528,826.30	97.83	492,295,489,284.77	490,808,815,748.66	-1,486,673,536.11	99.70
9,853,461,536.43	EMTL	137,032,655,344.00	11,419,387,945.33	12,130,035,304.85	710,647,359.52	106.22	22,838,775,890.67	25,928,946,497.60	3,090,170,606.93	113.53
513,523,126,593.32	Grand Total (A+B)	10,345,338,698,742.70	862,111,558,228.56	510,934,542,963.80	-351,177,015,264.76	59.27	1,724,223,116,457.11	1,329,407,248,152.45	-394,815,868,304.67	77.10

Note: This report does not include payment of PPT and Gas income from NNPC on the company's joint venture activities (NNPC-JV)

Prepared by
Name: Oketchukwu Nwankwo
Signature: 
Date: 20/03/2023

Checked by
Name: Iyen O. Eugene
Signature: 
Date: 20/03/2023

APPENDIX II

FEDERAL INLAND REVENUE SERVICE (FIRS)

Actual Collection as at February, 2023

	PPT (Foreign Receipt)	PPT (Local Receipt & NNPC JV)	Sub Total PPT	Companies Income Tax	Sub-Total (Federation Account)	Non-Import VAT	Import VAT	Sub-Total	EMTL	Grand Total
	a	b	c = a+b	d	e = c + d	f	g	h = f + g	i	J = e+h+i
January	179,479,885,951.27	165,793,654,192.47	345,273,540,143.74	209,390,653,919.57	554,664,194,063.32	211,010,902,249.70	38,998,697,682.88	250,009,599,932.58	13,798,911,192.75	818,472,705,188.65
February	148,375,828,300.44	0.00	148,375,828,300.44	109,629,463,542.43	258,005,291,842.87	204,526,434,082.75	36,272,781,733.33	240,799,215,816.08	12,130,035,304.85	510,934,542,963.80
March										
April										
May										
June										
July										
August										
September										
October										
November										
December										
Total	327,855,714,251.71	165,793,654,192.47	493,649,368,444.18	319,020,117,462.00	812,669,485,906.19	415,537,336,332.45	75,271,479,416.21	490,808,815,748.66	25,928,946,497.60	1,329,407,248,152.45

1. In January the sum N168,982,074,480 comprising of N165,793,654,192.47 (NNPC JV PPT) and N3,188,420,287.53 (NNPC JV Gas) collection was used as FIRS share of Federally funded project.
2. February report does not include payment of PPT and Gas income from NNPC, on the company's joint venture activities (NNPCL-JV)

Name: Okechukwu Nwankwo

Signature:.....

Date: 20/03/2023

Name: Iyen O. Eugene

Signature:.....

Date: 20/03/2023

Appendix IIIA

RECONCILIATION STATEMENT OF REVENUE COLLECTION AND TRANSFER TO VAT ACCOUNT
FOR THE MONTH OF FEBRUARY, 2023 (VAT)

	=N=	=N=
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Add: Balance b/f (Cash Book)

- 0.00

Collection for the month of February,, 2023

FIRS 204,526,434,082.75

NCS 36,272,781,733.33

Deduct: 240,799,215,816.08

Transfer to VAT Pool Account by CBN

FIRS 204,526,434,082.75

NCS 36,272,781,733.33

Balance as at 28th February, 2023

240,799,215,816.08
- 0.00

Prepared by

Name: Okechukwu Nwankwo

Signature:.....

Date:20/03/2023

Checked by

Name: Iyen O. Eugene

Signature:.....

Date:20/03/2023

Appendix IIIB

RECONCILIATION STATEMENT OF REVENUE COLLECTION AND TRANSFER TO FED ACCOUNT
FOR THE MONTH OF FEBRUARY, 2023 (Fed. Account)

	=N=	=N=
Balance b/f	-	0.00

Add: Collection for the month of February, 2023		
CIT	109,629,463,542.43	
PPT	148,375,828,300.44	

258,005,291,842.86

Deduct:

Transfer to Federation A/c by CBN:	
CIT	109,629,463,542.43
PPT	148,375,828,300.44

Balance as at 28th February, 2023

258,005,291,842.87
-
<u>0.00</u>

Prepared by

Name: Okechukwu Nwankwo

Signature:.....

Date: 20/03/2023

Checked by

Name: Iyen O. Eugene

Signature:.....

Date: 20/03/2023

Appendix III
RECONCILIATION STATEMENT OF REVENUE COLLECTION AND TRANSFER TO EMTL ACCOUNT
FOR THE MONTH OF FEBRUARY, 2023 (EMTL Account)

	Balance b/f	=N=
Add:		
Collection for the month of February, 2023		-
EMTL	12,130,035,304.85	12,130,035,304.85

Deduct:		
Transfer to Federation A/c by CBN:		12,130,035,304.85
EMTL	12,130,035,304.85	

Balance as at 28th February, 2023

12,130,035,304.85
-

Prepared by

Checked by

Name: Okechukwu Nwankwo

Name: Iyen O. Eugene

Signature:.....

Signature:.....

Date:20/03/2023

Date:20/03/2023