

THE CHARTERED INSTITUTE OF TAXATION OF NIGERIA

(Chartered by Act No. 76 of 1992)



PROFESSIONAL EXAMINATION SYLLABUS

PROFESSIONAL STAGE

FOUNDATION

PRINCIPLES OF TAXATION

AIM

To examine the candidate's knowledge and ability to apply tax laws and principles.

CONTENTS

1. TAXATION PRINCIPLES

- Tax as a creation of law
- Chargeability to tax, income chargeable
- Tests of trade
- Definition of employment
- Differences between employment and engagement on contract
- Revenue Income/Expenses, Capital Income/Expense
- Principles of residence and permanent establishment
- Measurement of income
- Income recognition and accounting
- Fiscal year

2. TAX ADMINISTRATION

- The constitutional powers
- The composition, rights, powers and functions of the various tax organs
- The Joint Tax Board
- Local Government Revenue Committee
- Joint State Revenue Committee
- Federal Inland Revenue Service
- State Board/Internal Revenue Service
- Body of Appeal Commissioners/Tax Appeal Tribunal
- Technical Committee of the Board (to include both Federal and State)
- The Judicial system

RECOMMENDED TEXTBOOKS

Ogundele E. Afe	-	Elements of Taxation
Oni, I. O.	-	Nigerian Companies Income Tax: Law & Practice
Ochei, B. B.	-	The Nigerian Taxman's Book
Ojo, Seyi	-	Elements of Nigerian Taxation (Sagibra Publications)
Federal Government of Nigeria	-	National Tax Policy
CITN	-	Tax Guide and Statutes
CITN	-	Tax Series

ACCOUNTING

AIM:

To examine the candidates' knowledge and understanding of principles, processes, concepts, conventions and regulatory framework employed in preparing financial statements.

CONTENTS:

1. NATURE OF ACCOUNTING:
 - Terminologies, concepts, conventions and purpose of accounting information
 - The role of accounting in the management of organizations.
 - Users of financial statements and their information requirements, objectives, adequacy and its usefulness.
2. ACCOUNTING PROCESSES:
 - Principles and practice of double entry book-keeping
 - Forms and contents of books of account
 - Books of prime entry
 - Sales and purchases ledgers and daybook
 - Cash book and petty cash book
 - General ledger.
3. TRIAL BALANCE:
 - Scope, uses and correction of errors
 - Use of suspense accounts
 - Preparation of Trial Balance from accounting records and lists of ledger balances
 - Book-keeping and maintenance of financial controls
 - Allocation of income and expenditure between capital and revenue.
4. ACCOUNTING TREATMENT OF ASSETS:
 - Fixed, current and intangible
 - Reasons and methods of depreciation and amortization
 - Provision for bad and doubtful debts
5. ACCOUNTS OF SOLE PROPRIETORSHIP:
 - Stocks and their valuation
 - Prepayments
 - Liabilities (including accruals)
 - Provisions and reserves
 - Distinction between capital and revenue items
 - Contingencies and post balance sheet date events
 - Control accounts
 - Bank reconciliation statements
6. ACCOUNTING FOR SPECIALIZED BUSINESSES AND TRANSACTIONS:
 - Hire purchase
 - Leasing account
 - Contract account
 - Solicitors' account
 - Insurance account
 - Underwriting account
 - Consignment account
 - Trustees account
 - Estate agents account
 - Royalties account

7. ACCOUNTS OF JOINT VENTURES AND PARTNERSHIP BUSINESSES:

- Principles of joint venture in accounting
- Preparation of joint venture account
- Formation of partnership – general principles, practice and law
- Accounting treatment of admission, retirement, removal and death of partners
- Revaluation of assets and goodwill on admission, retirement, removal or death of partners
- Preparation of final accounts
- Limited liability company accounts
- Preparation of simple final accounts and other financial statements of limited liability companies (excluding published accounts)
- Issue of shares and debentures
- Preparation of commencement period in financial statements, highlighting the treatment of pre & post incorporation items.

8. INTERPRETATION OF FINANCIAL STATEMENTS:

- Ratio analysis
- Cash flow statement
- Value added statement

9. REGULATORY FRAMEWORK:

- Detailed understanding of statements of accounting standards issued by the Nigerian Accounting Standard Board
- Detailed understanding of International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) issued by the International Accounting Standards Board
- Comparison of local & International standards

10. ELEMENTS OF COSTING:

- Classifications of Cost
- Cost Control and Valuation
- Cost Terminologies
- Cost Analysis and behavior
- Cost Determination
- Cost Apportionment
- Cost Valuation methods

RECOMMENDED TEXTBOOKS:

- Akeju J. B. - Financial Accounting (Volume I & II) – JBA Associates Limited Lagos.
- Anao A.R. - An Introduction to Financial Accounting, Longman.
- Igben R.O. - Financial Accounting made simple (Volume I & II) ROI Publishers Lagos.
- Soyode A. - Accounting (Graham Burn).
- Spicer & Pegler - Book-keeping & Accounts.
- Inanga E.L. - Principles of Accounting.
- Jennings, A. - Financial Accounting I & II (MCgraw Hill)
- Frank Wood - Business Accounting I & II (Financial Times, London)
- IASB – International Financial Reporting Standards.
- NASB – Statements of Accounting Standards
- Mainoma M.A. & Adebayo P.A. - Financial Reporting Standards: Comparative Synthesis

GENERAL PRINCIPLES OF LAW

AIM:

To examine candidates' knowledge and understanding of the general principles of Law with particular reference to the aspects of the Nigerian Legal system and principles regulating business transactions; Principles of the Separation of Powers between the three tiers of government with complimentary provisions in the Constitution of the Federation of Nigeria.

CONTENTS

1. Introduction to Revenue Law
2. Banking Law
3. Bankruptcy Law
4. Insurance Law
5. Labour Law
6. Law of Contract
7. Law of Agency
8. Sale of Goods
9. Hire Purchase, Leasing and Credit Sale
10. Partnership
11. Company Law
12. Introduction to Constitution

ECONOMICS:

AIMS:

To examine the candidate's knowledge and understanding of basic economic principles and the main features of Nigerian economic system

CONTENTS

PART1: MICROECONOMICS

1. NATURE AND MEANING OF ECONOMICS

- Fundamental concepts – Scarcity, choice, scale of preference and opportunity cost
- Economic models and Economic methods
- Microeconomics and macroeconomics
- Economic system- Central problems of an economy
- Production possibility curve and Resources allocation
- Types and resources allocation under different economic system (Free market economy, centrally controlled economy, mixed economy)

2. ECONOMIC SYSTEM

- Central problems of an economy
- Production possibility curve
- Types and resources allocation under different economic systems (Free market economy, command economy, mixed economy)

3. PRODUCTION AND COSTS

- Factors of production and their rewards
- Production functions
- The law of diminishing returns
- Isoquant and Isocost curves
- Pricing of factors of production
- Concepts of cost – Opportunity cost, sunk costs, explicit and implicit costs

- Total cost, fixed cost, variable cost, average cost and marginal cost
- Concept of revenue- Total, average and marginal
- Cost minimization and profit maximization.

4. PRICE SYSTEM

- Functions of price and price mechanism
- Demand and supply – Laws of demand and supply, their exceptions and determinants
- Types of demand and supply
- Equilibrium and disequilibrium in demand and supply
- Elasticity of demand and supply, types and their calculations
- Factors affecting elasticity of demand and supply
- Government Intervention through price control and its effects.

5. CONSUMER BEHAVIOUR

- The basis of consumer demand – Utility
- Utility analysis and indifference curve
- Total and marginal utility concepts
- The law of diminishing marginal utility
- Cardinal utility and ordinal utility and their assumptions, utility maximization
- Consumer surplus

6. THEORY OF FIRMS AND LOCATION OF INDUSTRY

- Concepts of firm, industry and market
- The goals of the firms
- Market structure, pricing and output decision under the following markets- Perfect competition, monopoly, monopolistic and oligopoly
- Profit maximization and cost maximization
- Price discrimination under monopoly
- Location of industry – Reasons, advantages and problems of industrialization in Nigeria
- Localization of industry – Industrial concentration- advantages and disadvantages
- Industrial promotion policy in Nigeria
- Privatization, commercialization, mergers, e-Commerce and firms' acquisition policy in Nigeria.

PART 2: MACROECONOMICS

1. NATIONAL INCOME ANALYSIS

- Definition of national income
- The circular flow of Income
- National income measurement – Gross National Product (GNP), Net National Product (NNP) e.t.c
- Methods of measuring national income
- Factors influencing the national income
- Uses and problems of national income accounting
- Two and three sector models of income determination
- Consumption and savings functions, marginal and average propensities to consume(MPS), determinants and multiplier analysis

- Concept of investment and investment function, determinants and the accelerator principle.

2. MONEY, BANKING AND OTHER FINANCIAL INSTITUTIONS

- Definition, types, feature and its functions
- Demand and supply of money
- Motives, determinants for demand and supply of money
- Central Bank, Commercial Banks, Merchant Banks, Microfinance Banks their roles and functions
- Other financial institutions – Insurance, Bureau –de-change e.t.c
- The Capital market – Nigerian Stock Exchange (NSE) and Security and Exchange Commission (SEC)
- Roles of money and capital market in economic development.

3. PUBLIC FINANCE

- Concept of public finance
- Pattern of government expenditure and sources of government revenue
- Theory of taxation – Categories and classification of taxation, objectives and functions
- National Budgets – types and its roles, sources of financing deficit budget
- Economics of the public debts
- Fiscal and monetary stabilization policies – meaning, targets and investments.

4. INFLATION AND UNEMPLOYMENT

- Inflation –
 - ✓ Definition
 - ✓ Types
 - ✓ Causes
 - ✓ Effects; and
 - ✓ control
- Unemployment –

- ✓ Definition
- ✓ Types
- ✓ Causes
- ✓ Consequences; and
- ✓ Remedies

5. GROWTH AND DEVELOPMENT

- Theories of economic growth and development
- Characteristics of developed and developing nations
- Problems of economic development in the third world countries
- Roles of government in economic growth and developmental processes in Nigeria
- Development planning

6. INTERNATIONAL TRADE AND FINANCE

- International trade-Definition and reasons for it, internal and international distinction
- Advantages/disadvantages of international trade
- Theory of comparative cost advantage
- Terms of trade, balance of trade and payments

- Free trade and trade restrictions- Argument for and against
- Balance of payment equilibrium and disequilibrium, causes and corrections
- Foreign exchange market and its functions
- Currency devaluation, depreciation and appreciation and their implications.

6. REGIONAL AND INTERNATIONAL ECONOMIC INTEGRATION

- Roles/functions and contributions of :
 - ✓ Economic Community of West African States (ECOWAS)
 - ✓ African Union (AU)
 - ✓ East African Community (EAC)
 - ✓ South African Development Community (SADC)
 - ✓ African Development Bank (ADB)
 - ✓ World Trade Organization (WTO)
 - ✓ Organization of Petroleum Exporting Countries (OPEC)

RECOMMENDED TEXTBOOKS

Adebayo, A. (1998) - Economics: A simplified Approach, Volumes 1 & 2, Lagos: African International Publishing limited 1998, 1999

Ajayi, S.I. & Ojo, O.O. (1981) - Money and Banking Analysis and Policy in Nigerian Context (George Urwin and Allen)

Divivedi, D.N. (1997) - Microeconomic Theory, Vikas Publishing House, New Delhi

Kontsoyianmis, A. Modern Microeconomics and Macroeconomic Theory

Nwankwo G.O. - Basic Economics for West African Students Paul Samuelson Economics

Jhingan M. - Advanced Economic Theory

- Lipsey G.L. & C. Harbury - First Principles of Economics (2nd ed)
- Gregory, M. - Principles of Microeconomics (South-Western College publication) (2008)
- Lipsey G.L. - Introduction to Macroeconomics (University of Toronto Press)

QUANTITATIVE TECHNIQUES SYLLABUS

AIM:

To examine candidates' knowledge of quantitative methods which provide scientific basis for decision making.

CONTENTS

PART 1:

1. STATISTICS

- Nature and range of statistics
 - ✓ Definition
 - ✓ Methods
 - ✓ Types
 - ✓ Classification; and
 - ✓ Presentation of data
- Measures of averages/central tendency: -
 - ✓ Mean (arithmetic, weighted, geometric and harmonic)
 - ✓ Median; and
 - ✓ Mode
- Measures of Partition: -
 - ✓ Quartiles
 - ✓ Deciles; and
 - ✓ Percentiles
- Measures of variation/spread/dispersion:-
 - ✓ Range
 - ✓ mean deviation
 - ✓ standard deviation
 - ✓ variance; and
 - ✓ coefficient of variations
- Probability theory: -
 - ✓ Concept and meaning, rules (addition and multiplication rules, conditional probability)
 - ✓ Expectation
- Sampling: -
 - ✓ Purpose of sampling
 - ✓ Methods of sampling (simple random sampling,

stratified, systematic, cluster and multistage)

- ✓ Advantages and disadvantages of each
- Measures of relationship: -
 - ✓ Linear correlation (meaning, purpose, coefficient, types and interpretation)
 - ✓ Linear regression (meaning, purpose, least square method and interpretation)
- Index numbers:-
 - ✓ Price
 - ✓ quantity and value indices
 - ✓ simple index numbers
- Time series analysis:-
 - ✓ Meaning, purpose
 - ✓ Basic components (trend, seasonal, cyclical, irregular)
 - ✓ Methods of estimating components and use of time series components for forecasting

2. BUSINESS MATHEMATICS

- Functions: -
 - Definition
 - Types (linear, quadratic, exponential, logarithmic) and their evaluation including graphical representation
- Functional equations (linear, simultaneous, quadratic) and their solutions including graphical methods

- Simple linear inequalities involving not more than two variables
 - Applications involving - cost, revenue, profit functions, break-even analysis
 - Determination of break-even point in quantity and value
3. MATHEMATICS OF FINANCE
- Sequence and series
 - ✓ concept
 - ✓ meaning; and
 - ✓ type
 - Simple and compound interests
4. MATRIX ALGEBRA
- Definition
 - ✓ Meaning
 - ✓ Types (identity, null, symmetric, triangular and square)
 - Operations (addition, subtraction, multiplication and conditions under which these are possible.).
5. SET THEORY
- Concept and definition
 - Types of sets (null, subset, finite, infinite, universal and equal sets)
 - Cardinality - number of elements in a set and number of all possible sub-sets in a set
 - Operations (union, intersection, difference and complement, Euler – Venn diagram using Euler Venn diagram in set theory
 - Applications of set theory to solving business related problems

6. CALCULUS
- PART 2: OPERATIONAL RESEARCH
1. LINEAR PROGRAMMING
- Concept and meaning
 - Basic assumption
 - Problem formulation
 - Methods of solution (graphical method only)
2. NETWORK ANALYSIS
- Concept and meaning
 - Network diagram - Activity-on—node network diagram
 - Activity on-arrow network diagram
 - Concept of the following terms, (float, slack, earliest time, latest time, e. t. c.
3. REPLACEMENT THEORY
- Meaning and purpose
 - Replacement decisions (items that wear gradually and items that fail suddenly)
4. INVENTORY CONTROL
- Meaning
 - Types/nature of inventory
 - Reason for holding stocks
 - Inventory management techniques
 - Stock cost (cost of holding, cost of obtaining, stock-out, cost of stock)
 - Types of control system (Reorder level system and periodic review system)
 - Advantages and disadvantages of each
5. GAMES THEORY
6. QUEUEING THEORY
7. TRANSPORTATION MODE

RECOMMENDED TEXTBOOKS:

Adamu, S.O and Johnson T.L.
Barry, R. and Star R.M. (1997)

- Statistics for Beginners, Evans, Nigeria
- Quantitative Analysis for Management,
New Jersey, Prentice- Hall Inc.

- Inanga, E.L. and Osanyimwense I., - Mathematics for Business, Onibonje Press.
- Lucey, T. (2002): - Quantitative Techniques 6th Edition, (LLST) Educational low- Priced Sponsored Texts.
- Oyesiku, O.K and Omitogun, O. (2004) - Basic Statistics for Social and Management Sciences, CESAP, OOU, Ago-Iwoye
- Soyibo, A. and Adekanye, F.I., - Linear Programming for Business and Finance, F & A Publishers Limited.
- Spiegel, M.R. - Statistics: Theory and Problems, McGraw Hill Books Inc., Newyork.
- Taha, H.A. (1997) - Operations Research - An Introduction, New Jersey; Prentice Hall Inc.
- Nasir: - Operational Research

REVENUE LAW

AIM:

To examine the structure of Nigerian Revenue Law with emphasis on Tax Laws.

CONTENTS:

1. DEFINITION, CLASSIFICATION AND SOURCES OF LAW

- Nigerian Legal System
- Sources of government revenue-Federation Account, Consolidated Revenue Fund
- Revenue Mobilisation, allocation and Fiscal Commission Act

2. GENERAL PRINCIPLES OF TAXATION

- Definition
- Objective and Functions
- Classification of Taxes
- Division of Taxing powers
- Interpretation of Taxing Statutes
- Tax Administration and Tax Payers' Rights
- Company Income Tax
- Federal Inland Revenue Service (FIRS)

- State Boards of Internal Revenue
- Local Government Revenue Committee
- Joint Tax Board (JTB)
- Tax Appeal Tribunal
- Companies Income Tax
- Petroleum Profit Tax Act
- Personal Income Tax
- Capital Gains Act
- Custom and Excise Management Act
- Stamp Duty Act
- Value Added Tax (VAT) Act
- Education Tax Act
- Technology Tax Act
- Traffic Acts
- Fiscal Responsibility Act
 - ✓ Land: Road and Rail
 - ✓ Air
 - ✓ Sea

RECOMMENDED TEXTBOOKS

- Ayua, I.A. - Nigerian Tax Law (Spectrum)
Abdulrazaq, M.T. - Nigerian Revenue Law (Malthouse)
Abiola Sanni - Revenue Law (CITN Tax Series)
Sulu, E.A. - Nigerian Tax Cases (ES Business Ltd)

Custom & Excise Management Act

Stamp Duty Act

Value Added Tax (VAT) Act

Education Tax Act

Technology Tax Act

Traffic Act

CITN Nigerian Tax Guide and Statutes

Company Income Tax Act

Personal Income Tax Act

Fiscal Responsibility Act

.....CITN Professional Syllabus

INCOME TAXATION

AIM

To examine the candidates' knowledge of the provisions of statutes and preparation of tax returns

1. TAX ADMINISTRATION

- The constitutional powers to impose tax
- The composition, rights, powers, and functions of the various tax organs
- The Joint Tax Board
- The Federal Inland Revenue Service
- The State Internal Revenue Service
- Joint State Revenue Committee
- Local Government Revenue Committee
- Joint State Revenue Committee
- The Tax Appeal Tribunal/Body of Appeal Commissioners
- Technical Committee of the Board (to include both Federal and State)
- The Judicial System

2. TAXATION PRINCIPLES

- Tax as a creation of law
- Chargeability to tax, income chargeable
- Definition of trade, business, profession and vocation. Tests of trade
- Definition of employment
- Difference between employment and engagement on contract
- Revenue income/revenue expenses. Capital income/capital expenses
- Principles of residence and permanent establishment
- Non-resident individuals deriving income from Nigeria
- Measurement of income
- Income recognition and accounting
- Fiscal year

3. TAXATION OF INCOME / PROFITS

- Taxable income, investment income and others
- Income exempted from tax
- Allowable expenses
- Qualifying capital expenditure
- Capital allowances
- Adjustment of income for tax purposes
- Loss relief
- Commencement rule, change of accounting date and cessation rule
- Processing of income tax clearance certificate
- Withholding taxes
- Value Added Tax
- Capital Gains Tax

4. COMPUTATION OF TAX LIABILITY OF INDIVIDUALS

- Earned income
- Unearned income
- Benefits-in-Kind
- Reliefs, charges and statutory deductions

5. INCOME TAX ASPECTS OF TRUSTEESHIP, ETC.

- Trusts
- Settlements
- Estates
- Partnerships
 - ✓ Existing partnership
 - ✓ Commencement of partnership
 - ✓ Dissolution of partnership
 - ✓ Admission of new partner(s)
 - ✓ Treatment of withholding taxes
- Tax assessment and collection
- Taxpayer Identification Number (TIN)
- E-payment

- Offences, penalties and tax enforcement
 - Objections/Appeals process
5. COMPANIES INCOME TAX
- Administration of companies income tax
 - Taxable income, investment income and others
 - Commencement rule, change of accounting date and cessation rule
 - Allowable expenses
 - Qualifying capital expenditure
 - Capital allowances
 - Non-taxable income
 - Adjustment of income for tax purposes
 - Loss relief
 - Processing of income tax clearance certificate
7. TAXATION OF COMPANIES IN SPECIAL CIRCUMSTANCES
- Insurance companies
 - Unit trusts
 - Mergers, acquisitions, takeovers and restructuring
 - Non-resident companies
 - Air transportation and shipping companies
- Industrial Development (Pioneer legislation)
 - Banks and other financial institutions
 - Agricultural businesses
 - Export/free trade zone business
8. EDUCATION TAX
- Persons chargeable
 - Determination, assessment and collection of education tax
 - Objection/Appeal process
 - Different treatments under Companies Income Tax Act and Petroleum Profits Tax Act
9. ADMINISTRATION AND COMPUTATION OF CAPITAL GAINS TAX
10. ADMINISTRATION AND COMPUTATION OF WITHHOLDING TAX
11. ADMINISTRATION AND COMPUTATION OF DEFERRED TAXATION
12. NATIONAL TECHNOLOGY DEVELOPMENT AGENCY ACT (Information Technology Levy)
13. TREATMENT OF TAXATION IN COMPANIES ACCOUNT

RECOMMENDED TEXTBOOKS

Ola, C. S. (Prof.)	-	Nigerian Income Tax in Practice (Macmillan)
Adesola, S. M.	-	Income Tax Law and Administration in Nigeria (O. A. U. Press)
Ogundele, Afe	-	Elements of Taxation
Ojo, Seyi	-	Elements of Nigerian Taxation (Sagibra Publications)
Fed. Inland Rev. Service	-	Information Circulars, etc.
CITN	-	Periodicals, Newsletters and Technical Releases
Abdulrazaq, M. T. (Prof)	-	Nigerian Tax Offences and Penalties (Batay Law Publications)
Soyode, L. & Kajola, S. O.	-	Taxation: Principles and Practice in Nigeria
Oni, I. O.	-	Nigerian Companies Income Tax: Law & Practice

- Ochei, B. B. - The Nigerian Taxman's Book
- Federal Government of Nigeria - National Tax Policy
- Abdulrazaq, M. T. - Taxation of Banking Business in Nigeria
- Soyode, L. & Kajola, S. O. - Taxation: Principles and Practice in Nigeria
- Ochei, B. B. - The Nigerian Taxman's Book

INDIRECT TAXATION

AIM:

To examine the candidates' knowledge and understanding of the structure of Indirect tax system and procedures regulating it in Nigeria

CONTENTS

PART 1: CUSTOMS & EXCISE

A. VALUATION

B. TARIFF CLASSIFICATIONS

C. PREFERENCES - IMPORT AND EXPORT

- Meaning
- Countries concerned
- Eligibility and rules of origin
- Free circulation
- Warehousing
- Documentation
- Re-exporting
- Transport rule

D. EXPORTS OUTSIDE THE ECOWAS

- Procedures
- Effects
- Community transit and simplified Procedures

E. LICENSES

- Licensing arrangements
- Regulators
- Notices to importers
- Requirements
- Official journal
- Restrictions on imports

F. TARIFF QUOTAS

- The System
- Regulators
- Special provisions
- Claims
- How to claim
- Customs checks
- Critical quotas
- Deferred claims

G. DUTY RELIEFS

- Permanent reliefs

- Temporary importation
- Type
- Requirements to be met
- Control
- Inward processing relief
 - ✓ Authorisation
 - ✓ Suspension
 - ✓ Drawback
 - ✓ Compensatory interest
 - ✓ Equivalence
 - ✓ Using warehouses or free zones
 - ✓ Aircraft
- End - use relief
 - ✓ Authorization
 - ✓ Imports
 - ✓ Records
 - ✓ Completion or transfers
 - ✓ Special procedures
- Outward processing relief
 - ✓ Authorization
 - ✓ Exporting goods
 - ✓ Importing goods
 - ✓ Information documents
- Returned goods relief
 - ✓ Introduction
 - ✓ Conditions for relief
 - ✓ Customs Duty
 - ✓ VAT

- ✓ Export procedures
- ✓ Re-importation

H. FREE ZONES

- Introduction
- Entering goods into a free zone
- Work carried out in the free zone
- Removal of goods from a free zone
- Payment of duty etc.
- Records required

PART 2: EXCISE DUTIES

- BETTING DUTIES
 - ✓ General betting duties
 - ✓ Registration and security
 - ✓ Records and accounts
 - ✓ Legal powers and penalties
 - ✓ Liability to duty
 - ✓ Notification and payment

- ✓ Records and accounts
- ✓ Other conditions
- ✓ Rate and calculation of duty
- ✓ Returns
- ✓ Customs & Excise powers
- ✓ Pool betting duty
- ✓ Who pays duty
- ✓ Definition
- ✓ Permits
- ✓ Paying duty
- ✓ Records and accounts
- ✓ Amusement machine licence duty
- ✓ Duty liability rates
- ✓ Licences
- ✓ Payments
- ✓ Transfers
- ✓ Customs & Excise powers

PART 3: NIGERIAN TAXATION STANDARD

RECOMMENDED TEXTS

- CITN - CITN Nigerian Tax Guide and Statutes Abdulrazaq, M.T.
Introduction to Nigerian Customs and Excise Duties (CITN)
 World Customs Organization, 2003, *Commercial Fraud Manual for Sr. Customs Officials*, Brussels
 World Customs Organization, 2003, *Risk Management Guide*, Brussels (www.wcoomd.org)
 World Customs Organization, 2003, *Integrity Development Guide: Self-Assessment and Evaluation*, Brussels, (www.wcoomd.org)
 World Customs Organization, *Integrity Resource Center*, (www.wcoomd.org)
 World Customs Organization, *Integrity Information Sharing Forum* (www.wcoomd.org)
 World Customs Organization, *Revised Arusha Declaration*, Brussels (www.wcoomd.org)
 World Customs Organization, *Model Code of Conduct*, Brussels (www.wcoomd.org)
 World Customs Organization, 2005, *Customs Capacity Building Diagnostic Framework*, Brussels, (www.wcoomd.org)
 World Trade Organization, 1994, *Agreement on the Implementation of Article VII of the General Agreement on Tariffs and Trade*, Geneva (www.wto.org)
 World Trade Organization, 1994, *Annex IC: Agreement on Trade Related Aspects of Intellectual Property Rights*, Geneva (www.wto.org)
 World Trade Organization, *Customs Valuation Agreement*, Geneva, (www.wto.org)

World Trade Organization, 1996, *Brief Guide to the Customs Valuation Agreement*, Brussels (www.wto.org)

World Trade Organization, *Capacity Building in Customs*, 2003, Council for Trade in Goods, G/C/W/467

World Trade Organization, *Agreement on Pre-shipment Inspection*, Geneva, (www.wto.org)

E-TRANSACTION AND TAXATION

AIM

To test candidates' understanding of the nature of e-commerce and its tax implications

CONTENTS

PART 1: e-COMMERCE

- Definition of e-commerce
- History of e-commerce
- Legal implications of e-commerce
- Legal issues and challenges of e-commerce
- Regulation of offshore e-commerce
 - ✓ Offshore e-commerce facilities
 - ✓ Offshore professional and financial services
 - ✓ Offshore e-commerce applications
- VAT and e-commerce
- Withholding tax and e-commerce payment
- Tax residence
- Double taxation treaties
- Income characterization
- Auditing of e-commerce taxation
 - ✓ Information bases
 - ✓ Website
 - ✓ Technology interface
 - ✓ Internet economy
- Complications of taxing e-commerce
 - ✓ Offline transactions
 - ✓ Online transactions
 - ✓ Encryption transactions
- Administration of tax technological challenges
- Challenges before tax authorities
- Judicial approach to taxation issues
 - ✓ Transaction test
 - ✓ Personal services principle
- Legislative approach
- Tax evasion and internet

PART 2: e-BUSINESS

- Definition of e-Business
- Impact of e-Business
- Tax implications of e-Business
- Integration of e-Business in companies

PART 3: INFORMATION SYSTEM

1. INTRODUCTION TO INFORMATION SYSTEM
 - What is an information system?
 - What are the roles in information system?
2. SYSTEM THEORY AND CONCEPTS
 - Definition of a system
 - Different levels in a system
 - Types of Systems
3. INFORMATION SYSTEMS CONCEPT
 - Data, Hardware, Software.
 - Factors affecting the value of information in organizations
4. INFORMATION PROCESSING CYCLE
 - Data input
 - Data Validation
 - Processing
 - Storage and retrieval
 - Output, Communication and Disposal
 - Uses of information systems in achieving organizational goals
5. TYPES OF INFORMATION SYSTEMS
 - Transaction Processing - types
 - Office Automation System – types
 - Management Information System
 - Executive Support System
6. INFORMATION SYSTEMS SOFTWARE AND HARDWARE
 - Operating Systems software
 - Applications Software
 - Enterprise Resource Package

RECOMMENDED TEXTBOOKS

1. Dayana M.K.E (Miss) - e-commerce And Taxation
2. OECD - Guidelines on taxation of e-commerce

STRATEGY, RISKS & ETHICS

AIM:

To examine candidate's knowledge and understanding of the basic concept of strategy, risk and ethics and how they influence business decisions

CONTENTS

1.

DEFINITION OF CONCEPTS

- | | | | |
|---|---------------------------|--|--|
| a. Strategy <ul style="list-style-type: none">• Change Management• Performance Management• Leadership• Succession & strategic planning | b. Operational management | c. Risk Management <ul style="list-style-type: none">• Monitoring and evaluation• SWOT analyses | d. Ethics <ul style="list-style-type: none">• Tax office Administration• Ethics & code of practice• Money laundering |
|---|---------------------------|--|--|

RECOMMENDED TEXTBOOKS

- Osaze B. E. - Strategic Management (University of Benin Press)
- Phillip Ricci - Can Ethics Be taught? A simulation tests traditional ethics pedagogy.
State University of New York at Geneseo
- CITN - Professional Rules and Practice Guidelines
- CITN - Code of Conduct

(more textbooks needed)

TAX AUDIT AND INVESTIGATION

AIM

To examine the candidates' knowledge and understanding of the framework of tax audit/investigation and the ability to plan and carry out a tax audit/investigation engagement

TAX

1. TAX AUDIT/INVESTIGATION PRINCIPLES

- Definition and nature of tax audit/investigation
- Rules and objectives of tax audit/investigation
- Difference between a tax audit and a tax investigation
- Reasons for tax audit and tax investigation
- Appointment of tax auditors
- Duties, rights and obligations of tax auditors
- Professional responsibilities

2. PLANNING TAX AUDIT AND INVESTIGATION

- Sources of taxpayers' financial and business information
- General consideration, nature of business, industry, business cycle and tax compliance history
- Audit/Investigation staffing and logistics
- Preparation of tax audit/investigation programmes
- Power of search and seizure under investigation

3. CONTROLLING AND RECORDING AN AUDIT/INVESTIGATION

- Review of accounting system
- Allocation and supervision of work
- Documentation of work done
- Management of working papers
- Evidence of proper review, conclusion and action steps

- Management of commencement and close-out meetings
- Preparation of audit report and investigation report
- Decision making after tax audit / investigation
- Conflicts resolution and settlement of tax controversies

4. INTERVIEW TECHNIQUES

- Preparation for interview
- Managing the interview process
- Documentation of minutes of meetings and interviews
- Human relation aspects of field interview

5. AUDIT EVIDENCE, TECHNIQUES AND PROCEDURES

- Nature of audit evidence
- Relevance and reliability of audit evidence
- Audit techniques, inspection, observation, enquiry
- Independent confirmation
- Computation and checks, sampling techniques
- Reliance on the work of other auditors, including statutory auditors

6. STATUTORY POWERS OF TAX AUDITORS

- Power to obtain information
- Power to enter premises
- Power to obtain third party confirmation from banks, etc

RECOMMENDED TEXTBOOKS

- | | | |
|----------------------------|---|--|
| Abdulrazaq, M. T. (Prof.) | - | Principles and Practice of Tax Planning and Management in Nigeria (Batay Law Publications) |
| Fasoto, Foluso | - | Nigerian Tax Companion (Hortosaf Associates Ltd) |
| Ojo, Seyi | - | Fundamental Principles of Nigerian Tax (Sagibra Tax Publications) |
| Arogundade, J. A. | - | Nigerian Income Tax and Its International Dimension (Spectrum Books Limited) |
| Soyode, L. & Kajola, S. O. | - | Taxation: Principles and Practice in Nigeria |
| Oni, I. O. | - | Nigerian Companies Income Tax: Law & Practice |

INTERNATIONAL TAXATION

AIM

To examine candidates' understanding of taxation from international and comparative viewpoints

CONTENTS

1. **INTERNATIONAL TAX POLICY**
 - International tax
 - Objectives of international tax rules
 - Taxation of inward investments
 - Taxation of outward investments
 - Non-resident withholding taxes
 - Controlled foreign companies
 - Active/Passive income distinction
 - Portfolio investment
 - Double Taxation
 - Source and residence tax jurisdiction
 - Juridical double taxation
 - Source and residence conflict
 - Methods of reliefs under juridical double taxation
 - Economic double taxation
 - Full integration of corporate profits and shareholders' income
 - Methods of elimination of economic double taxation in an international tax context
2. **DOUBLE TAX TREATY**
 - What is double tax treaty
 - Purpose of double tax treaty
 - Prevention of fiscal evasion
 - History of double tax treaty
 - Model of bilateral convention (OECD, UN)
3. **STRUCTURE OF DOUBLE TAX TREATIES**
 - General framework
 - Application articles
 - Distributive rules
4. **STAGES IN THE LIFE OF DOUBLE TAX TREATIES**
5. **RESIDENCE**
 - Active income
 - Passive income
 - Other income
 - Elimination of double taxation
 - Prevention of tax avoidance and fiscal evasion
 - Scheduler nature of distributive rules
 - Ordering rules
 - Procedural aspects of double tax treaties
 - Individual residence
 - Ordinary residence
 - Domicile
 - Residence of corporations
 - Tax Havens
 - Dual residency
6. **EFFECTS OF OFFSHORE JUDICIAL DECISIONS**
 - International judicial decisions
7. **FOREIGN TAX PAYERS AND THE NIGERIAN TAX SYSTEM**
 - Place of business
 - Allocation of expenses
 - Capitalization
 - Debt conversion
8. **NIGERIAN MODEL DOUBLE TAX TREATY**
 - Nigerian Tax Treaties and Reliefs
 - Typical clauses

- Treaty relief by credit
- Unilateral tax credit
- Reforms and planning

9. CONCEPT OF PERMANENT ESTABLISHMENT

- Application of domestic laws
- Business profits
- Meaning of permanent establishment
- Basic-rule permanent establishment
- Examples of permanent establishment
- Excluded activities
- Dependent and independent agents

9. THIN CAPITALISATION AND NIGERIAN TAXATION

10. THE CONCEPT OF TRANSFER PRICING AND NIGERIAN TAXATION

- Arms-length principles
- Transfer pricing methods
 - ✓ comparable uncontrolled price methods (CUP)
 - ✓ Resale price methods
 - ✓ cost plus method
- Difficulties in applying traditional method
- Transactional net-merging methods (TNMM)
- Profit sprint method
- Global formulary apportionment method

10. INTERNATIONAL TAX AVOIDANCE AND NIGERIAN TAXATION

- Tax evasion and avoidance
- Tax avoidance and tax planning
- General principles of domestic laws
- Tax savings
- Decided cases

RECOMMENDED TEXTBOOKS

- Arogundade, J. A. - Nigerian Income Tax and Its International Dimension (Spectrum Books Limited)
- Federal Govt. Press - National Tax Policy
- Prof. M.T. Abdulrazaq - Revenue Law (Malthouse)
- CITN - Principles of International Taxation
- CITN - Tax Incentives in a Globalised Economy
- CITN - Tax Guide and Statutes

(More recommended textbooks needed)

OIL & GAS TAXATION

AIM:

To examine the candidates' knowledge and understanding of oil and gas taxation

1. OIL & GAS INDUSTRY – CONCEPTUAL FRAMEWORK

- i. The business arrangement
- ii. All aspects of Petroleum Profits Tax, Cap P13 LFN 2004 in respect of upstream operations, as well as:
 - Definition of terms
 - ✓ Petroleum operation
 - ✓ Chargeable profits
 - ✓ Chargeable tax
 - ✓ Assessable profits
 - ✓ Assessable tax
 - ✓ Adjusted profits
 - ✓ Oil prospective license
 - ✓ Oil mining lease
 - ✓ Intangible profit
 - ✓ Intangible drilling cost
 - ✓ Associated and non associated gas
 - ✓ Accounting period
 - ✓ Non-productive rent
 - ✓ Royalties
 - The nature and classification of income
 - The nature and classification of costs
 - The concept and computation of posted prices
 - Computation of adjusted profit and imposition of costs
 - Allowable and non-allowable deductions
 - Assessable profit and loss
 - Computation of capital allowance
 - Tax offsets, petroleum investment allowance, computation of chargeable profit, chargeable tax and the concept of additional tax
 - Computation of assessable profits and payment of tax due

- Processing of income tax clearance certificate
- Offences and penalties
- Incentives available to companies engaged in the utilization of associated gas and objectives for the incentives

2. FISCAL REGIME

- Concept of Joint Venture Contract (JVC) and Production Sharing Contract (PSC) as they apply to petroleum operations; Memorandum of Understanding (MoU)
- Fiscal arrangements, rent, royalty, compensation

3. REGULATORY AGENCIES IN THE OIL AND GAS INDUSTRIES

- Agencies for control of petroleum upstream operations
- Impact of Organization of Petroleum Exporting Countries (OPEC)

4. COMPANY INCOME TAX

- Incentives available to companies engaged in the utilization of associated gas & objectives for the incentives
- Downstream operations – computation of companies income tax payable and payment procedure
- Agencies for control of downstream operation operations – (DPR, PPMC, PPPRA, NNPC, e.t.c.)

RECOMMENDED TEXTBOOKS

- | | | |
|---|---|--|
| Oremade, B.T.O. | - | Petroleum Profit Tax in Nigeria,
Evans Brothers |
| CITN Tax Series
Federal Government press | - | Petroleum Taxation
Petroleum Profit Tax Act – Law of the Federation of
Nigeria |
| Ani, A.A. | - | Companies Income Tax and Petroleum Profits Tax in
Nigeria, UPC |
| Uche, R.U. | - | Petroleum Accounting and Taxation in Nigeria, Alexander
Books Associates |
| Federal Government Press
Foluso Fasoto | - | National Tax Policy
Nigerian Tax Companion (Hortosaf Associates Ltd) |

SOLID MINERALS TAXATION

AIM

To test candidate's understands of solid minerals Industries and related tax legislation and concepts

CONTENTS

1. TAXATION OF MINERAL SECTOR
 - Definition of Mineral taxation
 - Evolution of mineral taxation
2. MINING ROYALTY INSTRUMENTS
 - Purpose of mineral royalties
 - Type of royalties and assessment methods
 - Comparison of royalties selected nations
 - Private party royalties
3. FISCAL REGIMES AND TYPES OF TAXES
 - Direct Tax Instruments
 - ✓ Corporate Income tax
 - ✓ Withholding tax
 - ✓ Resource rent tax
 - ✓ Progressive profit tax
 - Indirect Tax Instruments
 - ✓ Royalties
 - ✓ Import duties
 - ✓ Value Added Tax
 - Non-Tax Instruments
 - ✓ Fixed fees and bonus payments
 - ✓ Production sharing
 - ✓ State equity
4. THE CHOICE BETWEEN TAX AND NON-TAX INSTRUMENTS
5. IMPACT OF TAXES
 - Neutrality
 - Risks
6. KEY CHARACTERISTICS OF FISCAL MINERAL RELIEFS IN SELECTED DEVELOPING COUNTRIES
7. APPLICABLE PROVISIONS OF THE NIGERIAN MINERALS AND MINING ACT, 2007 (MORE DETAILS TO BE PROVIDED)
8. APPLICABLE PROVISIONS OF THE NIGERIAN INCOME TAX ACT, 2007 (MORE DETAILS TO BE PROVIDED)
9. TAX INCENTIVES, TAX CONCESSIONS AND TAX AVOIDANCE
10. PECULIARITIES OF THE INDUSTRY AND APPLICABLE TAX LEGISLATION
11. TRANSPARENCY, GOVERNANCE AND MANAGEMENT OF REVENUE STREAMS
 - The case of transparency
 - General Principles of Disclosure and Reporting
 - Key challenges in disclosure
 - The Extractive Industries Transparency Initiative Emerging Lessons
 - Emerging lesson

RECOMMENDED TEXTBOOKS

- Thomas Baungaard - A prima on Mineral taxation (IMP working papers)
- James M. Otto - Mining Taxation in Developing Countries (a study was prepared for UNCTAD)
- James Otto et al - Mining Royalties – A global study of their impact on investors, Government and Civil Society
- Robert Conrad, Malcolm Gillis & Glenn Jenkins - Taxation and the Development of the Mining Sector in Developing Countries (jenkins@econ.queensu.ca) (Queen's University, Kingston, On, Canada)
- Jaime Consiglieri, Joan Kuyek and Rodrigo Pizarro - Mining Royalties. Publish e d by the Mining

(more recommended textbooks needed)

TAX MANAGEMENT

AIM:

To test candidates knowledge and use of the tax laws in the application and solution to real time business tax problems.

1. STRATEGIC TAX PLANNING
 - Definition of tax planning
 - Tax planning and management strategies
 - Taxation and present value analysis
 - Basic principles of tax planning
 - Factors affecting tax planning
2. TAX STRATEGIES FOR NEW BUSINESS
 - Organizational forms for business entities, corporate formation, partnership formation, single proprietor formation
 - Basic tax consequences of entity choice
 - Sale or lease of property to controlled entities
 - Other strategies for transferring property to controlled entities
 - Employee compensation strategies:
 - ✓ Proprietor compensation, employee compensation, fringe benefits
 - ✓ Deferred compensation, equity based compensation, employee stock plans/option;
 - ✓ Partnership interest as payment for services
3. TAXATION AND BUSINESS OPERATING STRATEGIES
 - Profit Measurements and Reporting
 - The Entity's Accounting Year, Tax Accounting Methods
 - Differences (permanent and temporary) Between Book Profit and Taxable Profit
 - Accounting for Income Taxes: Deferred Tax Assets and Liabilities, Corporate Tax Payment Requirements
4. DISTRIBUTIONS TO BUSINESS OWNERS
 - Tax Incentive Provisions:
 - ✓ Tax Incentives and After-Tax Business Value, Criticisms of Tax Incentives; and
 - ✓ Restrictions on their Benefits
 - Corporate Distributions, Partnership Distributions, Sole
 - Proprietor Distributions
 - Anti-Avoidance Schemes
5. STRATEGIES FOR BUSINESS GROWTH AND EXPANSION
 - Multiple-Entity Business Structures
 - Business Reasons for Multiple Entity Structures
 - International Business Expansion
6. Taxation and Capital Marketing Activities
 - Disposition of Equity Interest in Business Entities
 - Sales and Exchanges of Corporate Stock, Stock Redemptions, Tax effects of Stock
 - Disposition on the Stock Market
 - Corporate Acquisitions, Mergers and Divisions
 - Overview of Corporate Acquisitions – Assets or Stock? Purchase of Targets Assets
 - Limitation on use of Target's Tax Attributes, Corporate Divisions – Spin-Offs
 - Split-Offs and Split-Ups
9. USE OF HOLDING COMPANIES
10. FINANCING ACTIVITIES
 - Choice between debt and equity

- Use of intra-group financing companies
 - Asset financing
11. DERIVATIVE INSTRUMENTS
- Definition of derivative
 - Main types, features, e.t.c.
 - Tax treatment of derivatives

- Derivatives and tax planning
12. Intellectual Property Management
- Creation of intellectual property
 - Management of intellectual property
 - Migration of intellectual property

PRACTICAL CASES STUDY

AIM

To examine the candidates' ability to analyze practical business cases with the aim of providing solution to critical tax issues.

- i. Candidates are required to advise on Taxation and Tax Management matters arising in a particular situation
- ii. Every question will require the consideration of the interaction of all aspects of this syllabus, especially as it relates to tax matters.