

**MEMORANDUM OF UNDERSTANDING ON
REVENUE COLLECTION SERVICE**

Between

KOGI STATE INTERNAL REVENUE SERVICE

And

**ALL THE TWENTY ONE (21) LOCAL
GOVERNMENT COUNCIL IN KOGI STATE**

DATED THIS 28TH DAY OF NOV., 2024

This MEMORANDUM OF UNDERSTANDING is made this
28TH day of NOV., 2024

BETWEEN

KOGI STATE INTERNAL REVENUE SERVICE, of No. 1 Beach/Marine Road, Lokoja, Kogi State (hereinafter referred to as 'KGIRS') which expression shall where the context so admit include its successor in title, privies, assigns and personal representatives of the first part,

AND

ALL LOCAL GOVERNMENT COUNCILS IN KOGI STATE who are signatories to this Agreement are hereinafter collectively referred to as the "CLIENT".

WHERE AS

- a. **KGIRS** is a creation of the Personal Income Tax Act, 2011 (as Amended) and domesticated as the Kogi State Revenue Administration and Other Matters Connected Therewith, Law, 2024, (as amended) as an Agency of the Kogi State Government responsible for the collection and improvement of the State revenue to an appreciable level.
- b. **The CLIENTS** are creation of the Constitution of the Federal Republic of Nigeria, 1999 as amended, vested with the power to assess and collect all revenues due to her under the Constitution of the Federal Republic of Nigeria being part of her Internally Generated Revenue.
- c. **The Clients** are empowered by relevant laws and upon her own volition to engage the Kogi State Government as a Consultant for the purpose of collecting Internally Generated Revenue lawfully due to the Clients for and on their behalf.

- e. **The Clients** have appraised the performance of the Kogi State Government and the various successes recorded by the State in improving the State IGR collection by more than a 100% in the last couple of years of its operations under the auspices of the KGIRS.
- f. **The Clients** are desirous of maximally harnessing and improving her IGR collections and also blocking all leakages in the collection of their IGR by taking advantage of the expertise, professionalism, technology (hardware and software) at the disposal of the Consultant, by engaging the KGIRS to act as her Consultant for the purpose of collecting her IGR.
- g. The Parties have held several consultations to identify their respective obligations, expectations and targets from a contractual relationship, and have agreed to enter into a formal contractual agreement.
- h. The parties hereto agree to enter into this Agreement to collaborate in monitoring and effectively drive the collection of Tenement rate for and on behalf of the Client.
- i. The parties have identified a revenue item (Tenement rate) that require technical competence and expertise of the Consultant to generate data and enhance revenue collection.
- j. In relation to this collection, the Consultant may be required to carry out the collection of the LGC's IGR by bringing on board other necessary parties, professionals and/or agents where specialised skills (Valuation of properties and cost of Technology Infrastructure and devices) are required at a cost which shall be mutually agreed and borne by both parties.

k. NOW THEREFORE, in pursuance of their common objective to substantially harness all the IGR accruing to the Client, the parties have agreed to reduce their voluntary endeavours and mutual partnership into writing to convey and ratify their respective obligations which will govern their relationship.

1.00 APPOINTMENT

The Clients hereby appoints KGIRS as her Sole Consultant with the mandate to improve and collect, for and on their behalf Internally Generated Revenue accruing to the Client by operation of the Law on **Tenement rate** only, subject to the terms and conditions herein contained.

2.0 OBLIGATIONS OF THE CLIENT:

- 2.01 The Clients shall put at the disposal of the Consultant such necessary information and data of tax payers, tax routes, list and location of parks, garages and all such appropriate economic activity areas from whom the clients have accessed lawful revenues as it relates to the revenue items contemplated herein.
- 2.02 The Clients shall use their best endeavours to provide a conducive working environment for the realization of the lofty mandate set for the Consultant in this Agreement.
- 2.03 The Clients covenant not to engage any Agents or their employee in the collection of any of the revenue items ceded to the Consultant under this Agreement except it is mutually permitted in writing by the parties.
- 2.04 The Clients shall provide office space at the Council's Secretariat or such other conducive area outside the Council, for the use of

the Consultant or her appointed representatives in the implementation of their mandate under this Agreement.

- 2.05 The LGCs revenue Staff shall upon request of the Consultant partner the latter in the drive for revenue collection of the Council with the aid of devices, where applicable.

3.0 OBLIGATIONS OF THE CONSULTANT:

The Consultant shall:

- 3.01 Undertake a massive and aggressive drive for the collection of all lawful revenues authorized and conferred by this agreement.
- 3.02 Maintain and keep proper record of all transactions carried out in the operation of this Agreement for the benefit of the Clients.
- 3.03 Identify and undertake back duty audit of tax payers including corporate bodies who have defaulted in remitting legitimate tax revenues/levies to the Council, and where liabilities are so established, take such legal and necessary steps to recover such liabilities to the coffers of the Council.
- 3.04 Work in conjunction with the Local Government council where necessary or on any assignment.
- 3.05 Submit monthly progress report of her revenue generation and collection to the Executive Chairman of the Council.
- 3.06 Diligently and professionally perform its duty in accordance with relevant taxation laws, and any other law in force during the pendency of this Agreement including the regulations and professional ethics of the Chartered Institute of Taxation of Nigeria (CITN) and other professional bodies.

4.00 MUTUAL COVENANTS OF THE PARTIES:

- 4.01 The Clients (each) and the Consultant shall open a joint account for the purpose of lodging all IGR collected by the Consultant

pursuant to this engagement, and both Parties (the Client and the Consultant) shall be signatories to the account. This account shall be a transit account (Non Chequing).

- 4.02 Further to paragraph 4.01 above, parties shall through a standing order to the bank, order that any revenue collection deposited into the remittance account of each of the LGCs by the Consultant, be swept bi-monthly (15th and 30th) into the LGA IGR and the State IGR account respectively, at ratio 70 : 30 in favour of the Client.
- 4.03 The Parties shall collaborate together to elevate professionalism, efficiency, productivity, transparency and integrity in the personnel of the Council in charge of revenue generation and activities, through periodic workshops and seminars. This will prepare the personnel of the Council for the full takeover of the Council's IGR collection at the appropriate time.
- 4.04 The Consultant shall be entitled to the payment of remuneration or consideration for services rendered to offset the cost of collection and operation of her mandate as provided under 5.00 of this agreement.
- 4.05 The Parties shall embark on a continuous tax education campaign for the citizens and tax payers to improve the awareness of tax payers on the necessity and advantages of paying taxes to the individual and the Community at large.
- 4.06 The Clients shall execute this agreement through authorized signatory/representative of each of the LGCs listed in the schedule to this agreement.

5.00 CONSIDERATION:

- 5.01 The Consultant shall be entitled to a payment per transaction for services rendered as cost of collection which is mutually agreed to

by the parties at 30% of total revenue collection by the Consultant, in each of the Local Government Council.

5.02 The modality of payment of the consideration above shall be through the split system at the point of the bi-monthly sweep into the respective accounts as provided for in clause 4.02 above.

6.00 CONFIDENTIALITY AND NON DISCLOSURE AGREEMENT

The parties including their personnel and agents covenant to manage the information provided from one to the other during the implementation of this Agreement with strict confidentiality and due diligence to forestall reckless misrepresentation and mischief.

7.00 DURATION

7.01 The contract shall be for a period of 2 (years) years and same is deemed to have commenced from the date of execution by parties thereto.

7.02 The contract may, upon expiration thereof be renewed on the same terms or such other conditions as may appear reasonable to the parties.

8.00 TERM OF TERMINATION

This contract may be terminated by either party upon a 90days notice of intention to terminate this contract. The said **90days** notice shall be in writing and shall at its expiration, a formal letter terminating the contract shall be served by the party invoking the termination on the other party provided that such termination shall not affect any rights or obligations accruing during and/or before the said termination of the contract.

9.0 BREACH OF THE TERMS OF THIS CONTRACT

9.01 In the event of a breach or default of terms provided herein, the defaulting party shall within **(7 days)** of receipt of a notice of

complaint in writing from the aggrieved party, take steps to remedy the breach or default.

9.02 Disputes arising from this Revenue Collection Service Agreement shall be resolved through negotiation and mutual agreement of the parties **AND** in accordance with all the relevant laws in force in relation to this Agreement.

10.00 INTERPRETATION:

In this Agreement and unless expressly stated, the following words shall carry the meaning appropriated to them;

EXECUTIVE CHAIRMAN: Unless otherwise stated in this Agreement means, the Chief Executive of the Client saddled with day to day administration of the council by whatever name so called.

DEFINATION OF TERMS

IGR: means; Internally Generated Revenue

KGIRS: means; Kogi State Internal Revenue Service

LGC: means; The Client -Local Government Council

STATE: means; Kogi State

IN WITNESS WHERE OF the parties have hereunder set their hands and seals and have executed this service Agreement in the manner below, the day and year first above written.

SIGNED, SEALED, AND DELIVERED

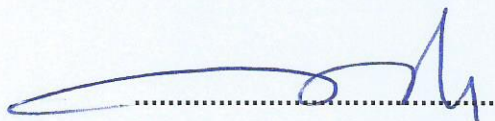
Was affixed to this Revenue Collection Service Agreement and duly executed by and in the presence of;



.....
CONSULTANT

(EXECUTIVE CHAIRMAN)

KGIRS




.....
(SECRETARY/LEGAL ADVISER)

KGIRS

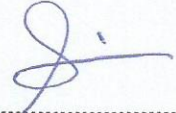
SIGNED, SEALED, AND DELIVERED

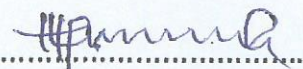
Was affixed to this Service Level Agreement and duly executed by and in the presence of;


1. 
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**DIRECTOR OF LOCAL GOVERNMENT
ADAVI LGC**

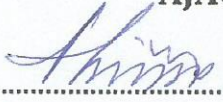

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TREASURER ADAVI LGC

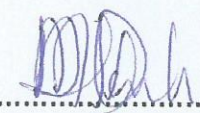
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ADAVI LGA CHAIRMAN

2. 
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**DIRECTOR OF LOCAL GOVERNMENT
AJAOKUTA LGC**


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TREASURER AJAOKUTLGC


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AJAOKUTA LGA CHAIRMAN

3. 
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**DIRECTOR OF LOCAL GOVERNMENT
ANKPA LGC**


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TREASURER ANKPA LGC

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ANKPA LGA CHAIRMAN

4. 
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**DIRECTOR OF LOCAL GOVERNMENT
BASSA LGC**

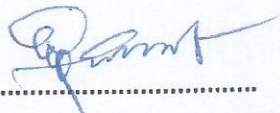

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TREASURER BASSA LGC


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BASSA LGA CHAIRMAN

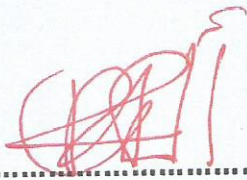
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**DIRECTOR OF LOCAL GOVERNMENT
DEKINA LGC**

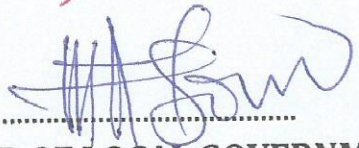

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TREASURER DEKINA LGC


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DEKINA LGA CHAIRMAN

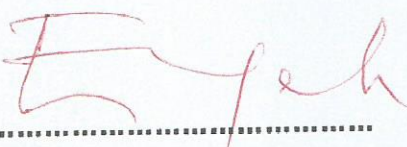
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**DIRECTOR OF LOCAL GOVERNMENT
IBAJI LGC**



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TREASURER IBAJI LGC

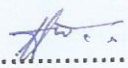

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IBAJI LGA CHAIRMAN

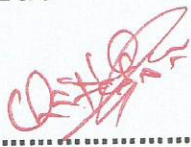
7. 
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**DIRECTOR OF LOCAL GOVERNMENT
IDAH LGC**



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TREASURER IDAH LGC


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IBAJI LGA CHAIRMAN

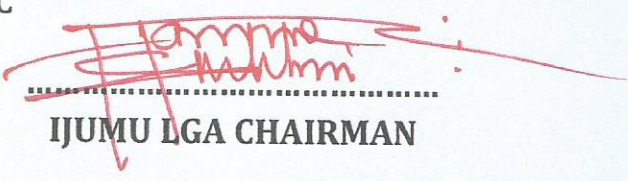
8. 
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**DIRECTOR OF LOCAL GOVERNMENT
IGALAMELA/ODOLU LGC**

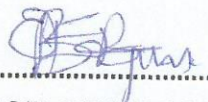

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**TREASURER
IGALAMELA/ODOLU LGC**


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IGALAMELA/ODOLU LGA CHAIRMAN

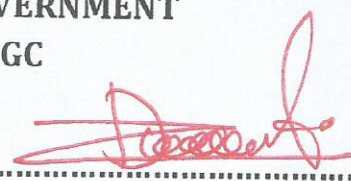
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**DIRECTOR OF LOCAL GOVERNMENT
IJUMU LGC**

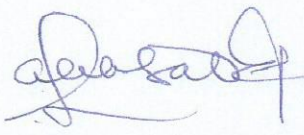

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TREASURER IJUMU LGC



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IJUMU LGA CHAIRMAN

10. 
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**DIRECTOR OF LOCAL GOVERNMENT
KABBA/BUNU LGC**

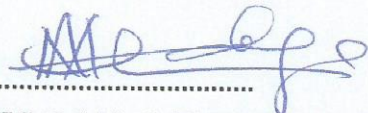
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**TREASURER
KABBA/BUNU LGC**



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KABBA/BUNU LGA CHAIRMAN


11. 
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**DIRECTOR OF LOCAL GOVERNMENT
KOGI LGC**



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TREASURER KOGI LGC



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KOGI LGA CHAIRMAN

12. 
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**DIRECTOR OF LOCAL GOVERNMENT
LOKOJA LGC**

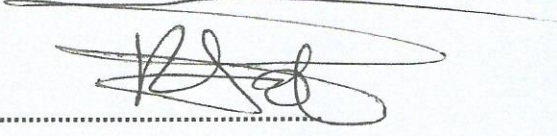

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TREASURER LOKOJA LGC



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LOKOJA LGA CHAIRMAN

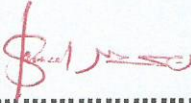
13. 
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**DIRECTOR OF LOCAL GOVERNMENT
MOPAMURO LGC**



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**TREASURER
MOPAMURO LGC**


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MOPAMURO LGA CHAIRMAN

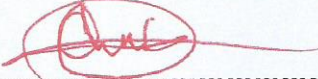
14. 
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**DIRECTOR OF LOCAL GOVERNMENT
OFU LGC**


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TREASURER OFU LGC

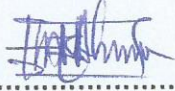

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OFU LGA CHAIRMAN

15. 
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**DIRECTOR OF LOCAL GOVERNMENT
OGORIMAGONGO LGC**


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**TREASURER
OGORIMAGONGO LGC**

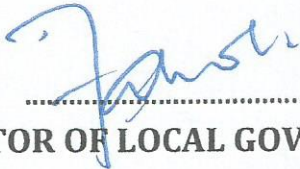

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OGORIMAGONGO LGA CHAIRMAN

16. 
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**DIRECTOR OF LOCAL GOVERNMENT
OKEHI LGC**


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TREASURER OKEHI LGC


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OKEHI LGA CHAIRMAN

17.



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**DIRECTOR OF LOCAL GOVERNMENT
OKENE LGC**



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TREASURER OKENE LGC

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OKENE LGA CHAIRMAN

18.

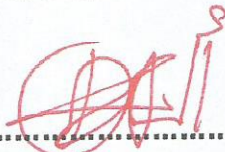



.....
**DIRECTOR OF LOCAL GOVERNMENT
OLAMABORO LGC**



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**TREASURER
OLAMABORO LGC**

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OLAMABORO LGA CHAIRMAN



Chairman Olamaboro LGC

19.

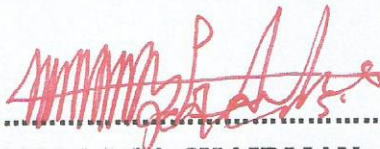


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**DIRECTOR OF LOCAL GOVERNMENT
OMALA LGC**

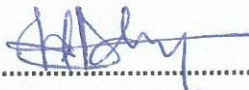


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TREASURER OMALA LGC

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OMALA LGA CHAIRMAN



20.

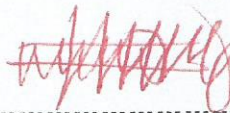


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**DIRECTOR OF LOCAL GOVERNMENT
YAGBA-EAST LGC**

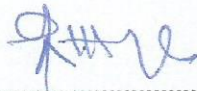


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**TREASURER
YAGBA-EAST LGC**

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YAGBA-EAST LGA CHAIRMAN



21.



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**DIRECTOR OF LOCAL GOVERNMENT)
YAGBA WEST LGC**

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**TREASURER
YAGBA WEST LGC**

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YAGBA-WEST LGA CHAIRMAN

