

MEMORANDUM OF UNDERSTANDING

BETWEEN

CHARTERED INSTITUTE OF TAXATION OF NIGERIA (CITN)

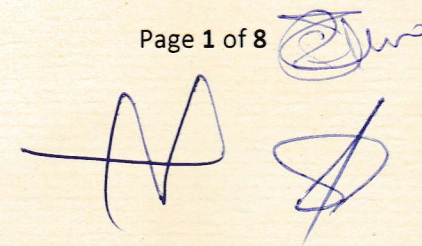
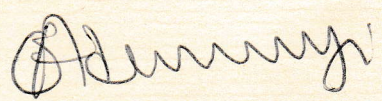
AND

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA (ICAN)

AND

ASSOCIATION OF NATIONAL ACCOUNTANTS OF NIGERIA (ANAN)

Dated the 31st day of May 2021



THIS MEMORANDUM OF UNDERSTANDING (this "**MoU**") is made the 31 day of May 2021 ("**Signing Date**")

BETWEEN

CHARTERED INSTITUTE OF TAXATION OF NIGERIA, a body established pursuant to the Chartered Institute of Taxation of Nigeria Act, Cap. C 10, LFN 2004, with its address at Plot 16 Otunba Jobi Fele Way, Agidingbi, Ikeja, Lagos, (hereinafter referred to as "**CITN**" which expression shall where the context so admits include its members, agents, successors-in-interest and assigns) of the first part

AND

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA, a body established under the Institute of Chartered Accountants Act, Cap. I 11, Laws of the Federation of Nigeria ("**LFN**") 2004, with its head office at Plot PC. 16, Idowu Taylor Street, Victoria Island, Lagos, (hereinafter referred to as "**ICAN**" which expression shall where the context so admits include its members, agents, successors-in-interest and assigns) of the second part

AND

ASSOCIATION OF NATIONAL ACCOUNTANTS OF NIGERIA, a body established pursuant to the Association of National Accountants of Nigeria Act, Cap. A 26, LFN 2004, with its address at ANAN House, Plot 559, Mabushi District, off Ahmadu Bello Way, Abuja, Federal Capital Territory, (hereinafter referred to as "**ANAN**" which expression shall where the context so admits include its members agents, successors-in-interest and assigns) of the third part.

CITN, **ICAN**, and **ANAN** are hereinafter collectively referred to as "the parties" and individually as "a party".

Whereas:

- A. CITN, by virtue of sections 1, 16 and 20 of the CITN Act, is charged with the regulation and control of the taxation profession in all its ramifications in Nigeria.

- B. ICAN by virtue of sections 1, 14 and 19 of the ICAN Act, is charged with the determination of the standard of knowledge for accountants and regulation of the accounting and auditing professions in Nigeria.
- C. ANAN by virtue of sections 1, 14 and 20 of the ANAN Act, is also charged with the determination of the standard of knowledge of accountants and regulation of the accounting profession in Nigeria.
- D. CITN is party to 2 (two) separate Memoranda of Understanding ("MoUs") relating to the practice of taxation in Nigeria, namely the MoU of 12th February 2015, signed between CITN and ICAN, and the MoU of 19th November 2018, signed between CITN and ANAN.
- E. Notwithstanding the CITN/ICAN MoU, ICAN and CITN, and some members of ICAN, have been engaged in litigation arising from certain matters that the original CITN/ICAN MoU addressed.
- F. In order to avoid any harmful effect of the escalation of the misunderstanding on tax compliance, the Federal Inland Revenue Service ("FIRS") has caused to be held, discussions between the parties to address and resolve the issues, and on the basis of those discussions, the parties have agreed to resolve their differences in accordance with the terms and conditions provided for in this MoU.
- G. The Council of each of the parties has agreed to the contents of this MoU on behalf of each body and its members.

NOW THEREFORE, in consideration of the foregoing premises, the parties agree as follows:

1. PRACTICE OF TAXATION

In accordance with the provisions of the CITN Act, membership of CITN shall be the requirement for tax practice in Nigeria.

2. USE OF THE BODIES' STAMPS AND SEALS

- 2.1 Members of ICAN and ANAN who have been issued a practicing licence by the respective bodies shall utilise the stamps and seals

granted by their respective bodies in signing audited financial statements, when hired for a fee.

- 2.2 CITN members who have been issued a practicing licence by CITN shall utilise the stamps and seals in signing tax computations to be utilised for filing tax returns, when hired for a fee.

3 DIRECT MEMBERSHIPS

- 3.1 CITN will grant ICAN and ANAN members direct membership of CITN, that is, without taking examinations, provided that this provision does not preclude the persons granted direct membership from complying with the rules and regulations affecting other members of CITN.

- 3.2 The 3 (three) bodies shall continue to cooperate to find areas of convergence for purpose of holding joint training and programs for their members, and generally standardising the requirements for qualification in their areas of convergence.

4 REQUIREMENT OF CITN PRACTICING LICENCE

In accordance with Clause 3 above but subject to Clause 5 below, all members of CITN including those that are also members of ICAN and ANAN that intend to practice taxation shall apply for and be granted the practicing licence of CITN upon the fulfillment of conditions set out by the Council of CITN.

5 FEE CONCESSIONS BASED ON RECIPROCITY

- 5.1 CITN shall grant its members that are also members of ICAN and ANAN, a 50% (fifty percent) discount on its –
(a) annual subscription dues; and
(b) fees for the annual practicing licence.
- 5.2 ICAN and ANAN shall grant to their members that are also members of CITN, the same accommodations granted by CITN further to 5.1 above.

- 5.3 Any member of a party that requires a waiver or discount from any other party herein shall, before enjoying such benefit, present a letter from the parent body certifying the member's financial status.

6 RATIFICATION

- 6.1 The Parties undertake to withdraw any litigation that they have initiated on matters relating to the subject of this MoU and shall cause any of their members that have initiated such litigation to withdraw such, whether the litigation is before the trial court or on appeal.
- 6.2 The party withdrawing a suit shall communicate the Notice of Discontinuance to all the parties and the Federal Inland Revenue Service and the Joint Tax Board.
- 6.3 The Parties undertake not to institute, and to cause their members not to institute, litigation on matters relating to the subject of this MoU after the Signing Date.
- 6.4 Any party who fails to comply with any of the provisions of this MoU, either directly or through its members, shall lose the benefits contained herein.

7. TIME FOR PERFORMANCE OF CONDITIONS

- 7.1 The parties shall perform their obligations under sub-clauses 6.1 and 6.2 above within 60 (sixty) days of the execution of this MoU.
- 7.2 The performance of the obligations in sub-clauses 6.1 and 6.2 above shall be conditions precedent to any of the parties and their members enjoying the effectiveness of this MoU.

8 EFFECT

Having ratified this MoU by ICAN and CITN, the MoU of 12th February, 2015 between ICAN and CITN shall cease to be operative.

9 TERM

This MoU will be in force for 5 (five) years from the Signing Date. The parties agree to review the MoU after the 5-year period. The contents of this MoU shall continue to subsist pending such review.

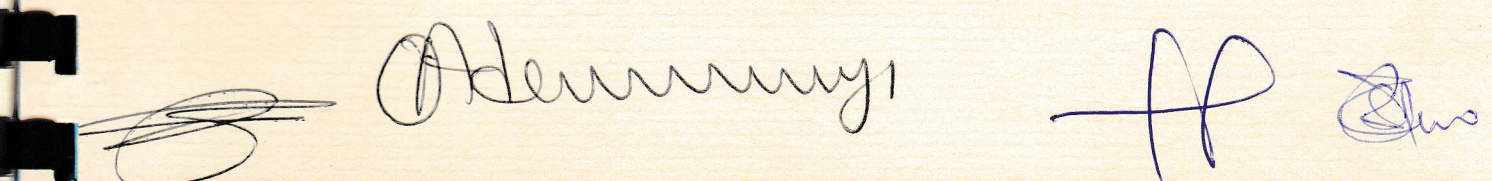
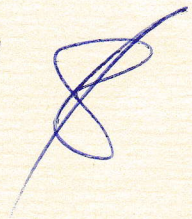
10 DISPUTE RESOLUTION

In the event of a dispute arising from any of the provisions of this MoU, the aggrieved party shall take steps to settle the matter amicably between the parties but where such effort fails, the aggrieved party shall seek for mediation at the Lagos Multi-Door Courthouse ("LMDC").

11 DEPOSITS

Original counterparts of this MoU shall be deposited at the Office of the Executive Chairman of the Federal Inland Revenue Service and that of the Executive Secretary of the Joint Tax Board immediately upon execution by the parties.

[Remainder of page intentionally left blank]

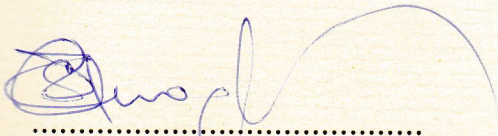


IN WITNESS WHEREOF the parties hereto have executed this MoU the day and year first above written.

THE COMMON SEAL of the within-named the **CHARTERED INSTITUTE OF TAXATION OF NIGERIA** is hereto affixed in the presence of:

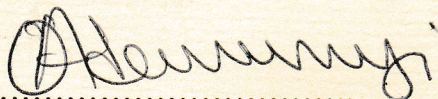


.....
Dame Gladys Olajumoke Simplice, FCTI
PRESIDENT

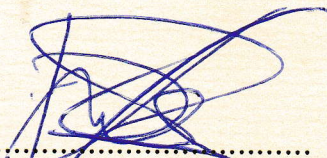


.....
Adefisayo Awogbade, FCTI
REGISTRAR

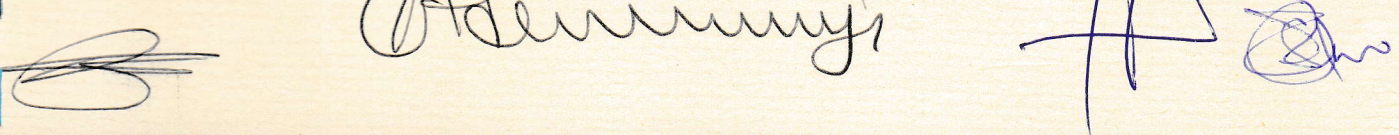
THE COMMON SEAL of the within-named the **INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA** is hereto affixed in the presence of:




.....
Dame Onome Joy ADEWUYI, FCA
PRESIDENT



.....
Prof. Ahmed Modu KUMSHE, FCA
REGISTRAR



THE COMMON SEAL of the within-named the **ASSOCIATION OF NATIONAL ACCOUNTANTS OF NIGERIA** is hereto affixed in the presence of:



.....
Prof. Benjamin Chuka Osisoma, FCNA
PRESIDENT



.....
Dr. Nuruddeen Abba Abdullahi, mni, FCNA
CHIEF EXECUTIVE OFFICER

THIS MOU was witnessed by the **Executive Chairman of Federal Inland Revenue Service & Chairman of the Joint Tax Board:**



.....
MR. MUHAMMAD NAMI
EXECUTIVE CHAIRMAN, FIRS & CHAIRMAN, JTB

