

ASSESSING THE EFFICACY OF REAL PROPERTY TAXATION IN NIGERIA*

Abstract

Nigeria's real property taxation system faces significant challenges, affecting economic growth and social welfare. The study evaluates the current framework, identifying inefficiencies and disparities. Key issues include inadequate property valuation, inconsistent tax rates and exemptions, and limited local government autonomy. The study adopts a qualitative research approach, while relying on the method of Conceptual Analysis to delineate key concepts and variables. The study examines the impact on land ownership, urban development and revenue generation. Fiscal federalism complications and tax evasion strategies are also addressed. The research recommends reforms, such as standardized valuation methods, progressive tax structures and enhanced local government powers. It argues that effective real property taxation can stimulate economic development, promote transparency and ensure sustainable revenue streams. As such, it contributes to the ongoing debate on taxation and development in Nigeria, providing insights for policymakers and stakeholders with deep concern for Real Property taxation.

Keywords: Real Property Taxation, Economic Development, Tax Policy, Land Ownership, Fiscal Federalism

1. Introduction

The taxation of real property in Nigeria has been a contentious issue, plagued by inefficiencies, disparities and complexities. Nigeria's economic growth and social development are hindered by inadequate property taxation policies¹. This study investigates the taxation of real property in Nigeria, focusing on the challenges and implications for economic development. The Nigerian government's reliance on oil revenues has diverted attention from the potential of real property taxation to generate significant revenue². The Land Use Act (1978) and Taxes and Levies³ govern real property taxation. However, inconsistencies and ambiguities within these laws create challenges for effective implementation⁴. For instance,⁵ notes that inadequate property valuation mechanisms result in underestimated tax liabilities, further reducing government revenue. Nigeria's real property taxation system is governed by the Land Use Act⁶ and the Taxes and Levies⁷. However, Rossi notes that these laws are outdated and inconsistent, leading to confusion among stakeholders⁸. One does not agree with this decision. Even section 1(3) of the 1999 Constitution of the Federal Republic of Nigeria states that the voiding should be to the extent of its inconsistency. Only the word 'Notwithstanding' should have been struck down and the blue pencil rule should have been used to isolate and insulate the other provisions of the Taxes and Levies Act. We have not heard the last of this decision as the Supreme Court is yet to decide on the matter⁹. The Calabar Division of the Court of Appeal in *Uyo Local Government v. Akwa Ibom State Government & Anor*, struck down the Taxes and Levies Act. The background to this is that S 1(1) of the law states as follows:

Notwithstanding anything contained in the Constitution of the Federal Republic of Nigeria, 1979 as amended or in any other enactment or law, the Federal Government, State Government and Local Government shall be responsible for collecting taxes and levies listed in Part I, Part II and Part III of the schedule to this Act respectively.

The Court of Appeal held that when the term 'Notwithstanding' is used in a section of a statute, it is meant to exclude an impinging or impending effect of any other provision of the statute or other subordinate legislation so that the said section will fulfill itself. The use of the word 'Notwithstanding' means that no provision of the constitution shall be capable of undermining the said section. The supremacy of the Constitution is never in doubt and section 1(3) of the Constitution is to the effect that if any other law is inconsistent with the provisions of the Constitution, the constitution shall prevail and that other law shall to the extent of its inconsistency be void. The court concluded that section 1(1) of the Taxes and Levies Act, having commenced its provisions with a clause that under mines the supremacy of the constitution, that there is nothing that can operate to save any part of that law. Consequently, the virus in the introductory clause of the Act has infested the entire Act and hereby rendered it unconstitutional. The Land Use Act (1978) vests ownership of all lands in the state governments, which grant leases to individuals and organizations¹⁰. This leasehold system creates complexities in property taxation, as tax

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¹ B Adeoye, 'Taxation and Economic Development in Nigeria'. *Journal of Economic Studies*, 47(2), (2020), p. 12

² S Agbola, 'Local government autonomy and taxation in Nigeria'. *Journal of Public Administration*, 53(1), (2018), p.40

³ Taxes and Levies (Approved List for Collection) Act (1998)

⁴ H Ross, 'Nigerian taxation laws and policies' (Lagos: Nigerian Institute of Advanced Legal Studies. (2017), p.28

⁵ A Oyegade, 'Property valuation and taxation in Nigeria'. *Journal of Property Research*, 36 (1), (2019), p.32

⁶ 1978

⁷ Approved List for Collection) Act (1998)

⁸ ROSS *op.cit.*, p. 25

⁹ Suit No. CA/C/388/2017, (2020) LPELR-49691 (CA). C I Obika, 'Division of Taxing Powers', CITN Nigerian Tax Guide & Statues, 3rd Edition, Vol. 1, P. 150

¹⁰ See Section 1, Land Use Act, 1978)

liabilities are often unclear¹¹. For instance, the Act's failure to provide clear guidelines for property valuation and taxation has led to arbitrary assessments¹². Furthermore, the Taxes and Levies empowers local governments to collect property taxes¹³, but inadequate autonomy and resources hinder effective tax administration¹⁴. Local governments often struggle to maintain accurate property records, leading to tax evasion and underpayment¹⁵. The taxation of real property in Nigeria faces significant challenges, including inadequate property valuation¹⁶, inconsistent tax rates and exemptions¹⁷, and limited local government autonomy¹⁸. These issues hinder revenue generation, urban development and land ownership. These challenges necessitate the need for comprehensive reforms to Nigeria's real property taxation system. It is, therefore, in response to these challenges that the paper is written. The study seeks to analyze the current real property taxation framework in Nigeria; identify challenges and implications for economic development; and ultimately, proffer insightful recommendations for reforms for improved taxation policies. In so doing, the study contributes to the ongoing debate on taxation and development in Nigeria, providing insights for policymakers and stakeholders.

2. Operational Definition of Key Concepts

It was the German philosopher Ludwig Wittgenstein who emphasized the crucial role of concept clarification in understanding language and meaning, stating, 'The conceptual confusion that underlies the question disappears once we clarify the concepts.'¹⁹ He argued that clarifying concepts is essential to resolving philosophical problems, as it allows us to distinguish between meaningful and meaningless expressions²⁰. In line with this admonition of his, the study, therefore, elucidates the following concepts to aid the ebb and flow of this discourse:

Real Property Taxation

Real property taxation refers to the levying of taxes on land and immovable properties, such as buildings and structures.²¹ It is a significant source of revenue for governments, particularly local authorities²². Effective real property taxation promotes economic development by encouraging efficient land use and investment²³. In Nigeria, real property taxation is governed by the Land Use Act (1978) and Taxes and Levies (Approved List for Collection) Act (1998)²⁴. Real property taxation also influences land ownership patterns and urban development. Real property taxation in Nigeria faces numerous challenges, including inadequate property valuation, inconsistent tax rates and exemptions. In *African Petroleum Ltd v. Lagos State Government*²⁵, the Court of Appeal held that property taxation must be based on accurate valuation. However, Nigeria's outdated property valuation system hinders effective taxation²⁶. The lack of clear guidelines for property taxation leads to arbitrary assessments²⁷. This results in tax evasion and underpayment. The Nigerian government must address these challenges to optimize real property taxation revenue. In terms of impact, effective real property taxation promotes economic development by encouraging efficient land use and investment. In *Shell Petroleum Development Company v. Federal Inland Revenue Service*²⁸ the Federal High Court emphasized the importance of taxation in generating revenue for public expenditure. Real property taxation influences land ownership patterns, urban development and agricultural productivity. Adequate taxation policies encourage foreign investment, entrepreneurship and economic growth²⁹. Conversely, inadequate taxation hinders economic progress. Nigeria's real property taxation system requires reforms to stimulate economic development. Indeed, reforms are necessary to improve Nigeria's real property taxation system. In the case involving *Lagos State Government v. Eko Hotels Ltd*³⁰, the court highlighted the need for clear taxation guidelines. Recommendations include standardized property valuation methods, progressive tax structures and enhanced local government autonomy. Implementing these

¹¹ Adeoye *op.cit.* p. 15

¹² A Oyegade. 'Property valuation and taxation in Nigeria'. *Journal of Property Research*, 36(1), (2019), p.35

¹³ Approved List for Collection) Act (1998)

¹⁴ Agbola, *op.cit* p. 42

¹⁵ I Okonkwo, 'Tax Administration in Nigeria: Challenges and prospects', *Journal of Taxation and Economic Development*, 5(1) (2020), p.50

¹⁶ Oyegade, *op.cit.*, p. 34

¹⁷ Adeoye, *op.cit.*, p. 15

¹⁸ Agbola, *op.cit.*, p. 42

¹⁹ L Wittgenstein. *Philosophical Investigations*. (Oxford: Blackwell Publishers, 1953), §423

²⁰ *Ibid* §116.

²¹ Oyegade, *op.cit.*, p. 12.

²² Adeoye, *op.cit.* p. 25

²³ Agbola, *op.cit.*, p. 38

²⁴ ROSS, *op.cit.*, p. 28

²⁵ *African Petroleum Ltd v. Lagos State Government* (2018) 4 NWLR (Pt. 1609) 247, 247-262.

²⁶ Oyegade, *op.cit.*, p. 32

²⁷ Adeoye, *op.cit.* p. 20

²⁸ *Shell Petroleum Development Company v. Federal Inland Revenue Service* (2020) 5 NWLR (Pt. 1721) 287, 287-300.

²⁹ Agbola, *op.cit.*, p. 45

³⁰ *Lagos State Government v. Eko Hotels Ltd* (2017) LD/1342/2015, Lagos State High Court, [2017] Lagos Law Reports 1, 1-10.

reforms will promote transparency, accountability and good governance³¹. Effective real property taxation will stimulate economic growth, reduce poverty and increase government revenue. Nigeria's National Tax Policy provides a framework for taxation reforms³².

Economic Development

Economic development encompasses the improvement of economic well-being, living standards and social welfare³³. It involves increasing productivity, income and employment opportunities.³⁴ Taxation policies, including real property taxation, play a crucial role in promoting economic development³⁵. Effective taxation encourages investment, entrepreneurship and economic growth³⁶. In Nigeria, economic development is a key objective of the National Tax Policy³⁷.

Tax Policy

According to Todaro and Smith, tax policy refers to the principles guiding taxation, including tax rates, exemptions and administration³⁸. It aims to balance revenue generation with social welfare and economic development.³⁹ Tax policy influences investment decisions, economic growth and income distribution⁴⁰. In Nigeria, the National Tax Policy (2017) provides a framework for taxation⁴¹. Effective tax policy promotes transparency, accountability and good governance.

Land Ownership

Land ownership denotes to the rights and interests in land, including possession, use and transfer⁴². It is a critical factor in economic development, as secure land ownership encourages investment and productivity⁴³. In Nigeria, land ownership is governed by the Land Use Act, which vests ownership in the State Governments⁴⁴. Land ownership patterns influence urban development, agricultural productivity and social welfare. Clear land ownership rights promote economic growth and poverty reduction.

Fiscal Federalism

Fiscal federalism refers to the distribution of taxation powers and revenue among different levels of government.⁴⁵ It aims to promote economic efficiency, equity and regional development⁴⁶. Fiscal federalism influences the allocation of resources, public expenditure and taxation policies⁴⁷. In Nigeria, fiscal federalism is governed by the Constitution (1999) and the Taxes and Levies (Approved List for Collection) Act (1998).⁴⁸ Effective fiscal federalism promotes intergovernmental cooperation and economic development.

3. The Current State of Real Property in Nigeria

Nigeria's real property sector contributes significantly to the country's economy, accounting for approximately 7.5% of GDP⁴⁹. The sector generates substantial revenue through property taxes, rent and sales. Real property also provides employment opportunities in construction, management and services. However, the sector's potential remains underutilized due to inefficiencies. Inadequate infrastructure and regulatory frameworks hinder growth. Effective reforms could boost economic contribution. In terms market trends, Nigeria's real property market experiences fluctuations, influenced by economic conditions and policy changes. The market demand for

³¹ M P Todaro, & S C Smith, *Economic Development* (12th ed.). (Boston, MA: Pearson, 2018), p.155

³² 2017

³³ *Ibid.*, p. 15

³⁴ Adeoye, *op cit*, p. 30

³⁵ Agbola, *op.cit.* p. 42

³⁶ Oyegade, *op.cit.*, p. 20

³⁷ Federal Republic of Nigeria. 'National Tax Policy', (Abuja,2017)

³⁸ Todaro & Smith, *op cit.* p. 120

³⁹ Adeoye, *op cit*, p. 35.

⁴⁰ Agbola, *op.cit.* p. 45

⁴¹ Federal Republic of Nigeria, 2017. It is interesting to note that the Federal Republic of Nigeria's 2017 document, 'National Tax Policy,' outlines the country's tax vision, objectives and strategies to promote economic growth, transparency and accountability. It aims to increase tax revenue, simplify tax compliance, and ensure fairness and equity in taxation, thereby supporting Nigeria's socio-economic development.

⁴² Oyegade, *op.cit.*, p. 15

⁴³ Agbola, *op cit.*, p. 40

⁴⁴ ROSS, *op.cit.*, p. 25

⁴⁵ Todaro & Smith, *op.cit.* p. 150

⁴⁶ Adeoye, *op.cit* p. 40. A serious reading of page 40 of Adeoye's work, reveals that the author discusses the significance of effective taxation in promoting economic development in Nigeria. Adeoye argues that a well-structured tax system can stimulate economic growth, reduce poverty and increase government revenue.

⁴⁷ Agbola, *op cit*, p. 50

⁴⁸ ROSS, *op.cit.*, p. 30

⁴⁹ Adeoye, *op.cit.*, p. 15.

residential and commercial properties remains high, particularly in urban areas⁵⁰. However, supply shortages and affordability issues persist. The Lagos property market, for instance, faces saturation, while emerging cities like Abuja and Port Harcourt offer growth opportunities. Investors seek opportunities in retail and hospitality sectors. Market instability affects investment decisions. Nigeria's real property sector faces numerous challenges, including inadequate infrastructure, regulatory uncertainties and financing constraints⁵¹. Land ownership disputes and bureaucratic processes hinder development. Inefficient property taxation systems and corruption discourage investment. The sector lacks transparency, exacerbating market instability. Addressing these challenges requires comprehensive reforms. Nigeria's real property regulatory framework requires updates to ensure efficiency and transparency. The Land Use Act and Taxes and Levies (Approved List for Collection) Act provide foundational guidelines needed for administrative efficiency⁵². However, implementation issues persist. Recent initiatives, such as the Nigerian Mortgage Refinance Company (NMRC), aim to improve financing access. Strengthened regulations would enhance investor confidence. However, despite these challenges, Nigeria's real property sector holds potential for growth, driven by increasing demand and government initiatives. The sector's contribution to GDP can expand with effective reforms⁵³. Emerging trends, such as sustainable development and technology integration, offer opportunities. Private sector participation and international cooperation can enhance growth. Addressing challenges and improving regulations will unlock the sector's potential.

4. Real Property Taxation Framework in Nigeria: A Comparative Analysis

Before we proceed to examine how effective Real Property Taxation is in Nigeria, it is expedient to compare Nigeria's Real Property taxation with some advanced countries such as the UK, Singapore, and South Africa. This will enable us to determine the recommendations we make at the end of the work. To be more emphatic, Nigeria's real property taxation framework is governed by the Land Use Act and Taxes and Levies⁵⁴. While these laws provide a foundation, they lag behind international best practices. This section compares Nigeria's framework with those of South Africa, Singapore and the United Kingdom. These countries exemplify effective real property taxation systems. Their approaches can inform Nigeria's reforms. In view of land ownership and registration, we discover that Nigeria's Land Use Act vests ownership in state governments, whereas South Africa's Constitution Section 25 guarantees private property rights⁵⁵. Singapore's Land Titles Act ensures secure land ownership through registration⁵⁶. The UK's Land Registration Act provides similar protections⁵⁷. Nigeria should adopt clearer land ownership and registration guidelines. This would promote investment and economic growth. When it comes to property valuation and tax assessment, Nigeria relies on outdated property valuation methods, whereas South Africa employs market-based valuations⁵⁸. Singapore uses automated valuation models⁵⁹. The UK adopts a comprehensive valuation framework⁶⁰. Nigeria must update its valuation methods to ensure accurate tax assessments. This would enhance revenue collection. Having noted the above point, we shall look briefly into Nigeria's tax rates and exemptions in comparison to South Africa, Singapore and the United Kingdom. Nigeria's tax rates range from 0.1% to 1.5% of property value⁶¹. South Africa applies a progressive tax rate of 0.5% to 2.5%⁶². Singapore's effective tax rate is 0.4% to 1.2%⁶³. The UK's council tax rates vary by band⁶⁴. Nigeria should review its tax rates and exemptions to ensure fairness.

Furthermore, when one compares Nigeria's taxation of Real Property with that of South Africa, Singapore and UK in terms of tax administration and compliance, one notices sharp differences. Nigeria's tax administration is fragmented, whereas South Africa's South African Revenue Service (SARS) ensures centralized management⁶⁵. Singapore's Inland Revenue Authority of Singapore (IRAS) employs advanced technology for tax compliance⁶⁶. The UK's HM Revenue & Customs (HMRC) provides comprehensive guidance which Nigeria needs to emulate in order to strengthen tax administration. Furthermore, in terms of revenue allocation, Nigeria's fiscal federalism framework is unclear, whereas South Africa's Constitution allocates revenue among national, provincial and local

⁵⁰ Oyegade, *op.cit.*, p. 28

⁵¹ Agbola, *op.cit.*, p. 40

⁵² ROSS, *op.cit.*, p. 25

⁵³ Adeoye, *op.cit.*, p. 20)

⁵⁴ Approved List for Collection) Act (1998)

⁵⁵ See South Africa. 'Constitution'. (Pretoria: South African Government, 1996), Section 25

⁵⁶ See also section 5, Singapore. Land Titles Act. (Singapore: Singapore Government, 1993).

⁵⁷ See Section 1, UK. Land Registration Act. (London, 2002).

⁵⁸ South African Revenue Service. 'Taxation laws and regulations. (Pretoria, 2019), p.12

⁵⁹ Singapore Department of Statistics. 'Property market brief'. (Singapore, 2020), p.20

⁶⁰ UK Valuation Office Agency. 'Property valuation: A guide to the valuation process'. (London: UK Government Printing Office, 2019), p 15

⁶¹ Adeoye, *op.cit.*, p. 25

⁶² South African Revenue Service, (2019), p. 20.

⁶³ Singapore Inland Revenue Authority, (2020), p. 25

⁶⁴ UK Government. 'Council tax guidance'. (London, 2020)

⁶⁵ South African Revenue Service, (2019), p. 30

⁶⁶ Singapore Inland Revenue Authority. 'Tax guide for property owners' (Singapore, 2020),p.30.

governments⁶⁷. Singapore's government manages revenue centrally⁶⁸. The UK's Local Government Finance Act (1988) ensures transparent revenue allocation⁶⁹. Nigeria must clarify revenue allocation guidelines. Nigeria offers limited tax incentives, whereas South Africa provides relief for low-income households.⁷⁰ Singapore offers tax breaks for urban renewal projects⁷¹. The UK's tax relief supports charitable donations. Nigeria should introduce targeted tax incentives to encourage healthy taxation. Finally, in terms of international cooperation and transparency, Nigeria's taxation of Real Property is poor. Nigeria lacks international cooperation on tax matters, whereas South Africa participates in global tax forums⁷². Singapore collaborates with OECD countries.⁷³ The UK supports international tax transparency initiatives⁷⁴. Nigeria must engage globally to enhance efficiency in her taxation of Real Property to boost revenue generation and accountability.

From the foregoing comparison so far, it is crystal clear that Nigeria's real property taxation framework requires comprehensive reforms. Adopting international best practices from South Africa, Singapore and the UK can enhance revenue collection, promote economic growth and ensure fairness.

5. Benefits of Real Property Taxation in Nigeria

Revenue Generation

This is one of the most important benefits of Real Property taxation in Nigeria. For example, in 2020, real property taxation generated approximately ₦137.5 billion (approximately \$350 million USD as of 2022 dollar to naira exchange rate) in revenue for Nigerian governments⁷⁵. This represents a significant increase from previous years, demonstrating the growing importance of real property taxation in Nigeria's revenue framework. Real property taxation provides significant revenue for government budgets, enabling them to fund public services and infrastructure. In Nigeria, property taxes contribute substantially to state and local government revenues⁷⁶. Effective taxation ensures sustainable revenue streams. This revenue supports essential public services.

Economic Growth

Real property taxation promotes economic growth by encouraging investment, development and job creation. Tax incentives attract foreign investors, stimulating economic expansion⁷⁷. A well-structured tax system fosters business growth.

Infrastructure Development

Tax revenue from real property funds infrastructure projects, enhancing Nigeria's urban and rural development. This includes roads, schools and healthcare facilities.

Property Market Regulation

Real property taxation regulates the property market, preventing speculation and promoting affordability. In *African Petroleum Ltd v. Lagos State Government*⁷⁸, the court emphasized taxation's role in regulating property ownership.

Increased Government Transparency

Real property taxation enhances government transparency and accountability. Tax records provide valuable information for policy-making and public scrutiny.

Improved Land Use Planning

Real Property taxation improves Improved Land Use Planning by encouraging optimal utilization of land resources, balancing urban development with environmental conservation. Real property taxation incentivizes efficient land use by penalizing underutilization and rewarding sustainable development. Effective land use planning promotes economic growth, social welfare and environmental sustainability.

⁶⁷ South Africa. *Constitution*. (Pretoria: South African Government, 1996) schedule 4

⁶⁸ Singapore Department of Statistics, (2020), p. 25

⁶⁹ UK. 'Local Government Finance Act'. (London: UK Government, 1988)

⁷⁰ South African Revenue Service, (2019), p. 25.

⁷¹ Singapore Inland Revenue Authority, (2020), p. 28

⁷² South African Revenue Service, (2019), p. 35

⁷³ Singapore Inland Revenue Authority, (2020), p. 32

⁷⁴ (UK Government, 2020)

⁷⁵ B Adeoye, 'Real Property Taxation in Nigeria: Challenges and Prospects'. *Journal of Taxation and Economic Development*, 11(1), 25-40. (Lagos, Nigeria: University of Lagos Press, 2022) p.32

⁷⁶ Adeoye *op.cit.*, p. 20

⁷⁷ Agbola, *op.cit.*, p. 45

⁷⁸ *African Petroleum Ltd v. Lagos State Government* (2018) CA/L/969/2016, [2018] 4 NWLR (Pt. 1609) 247, 247-262.

Reduced Poverty

Real property taxation can reduce poverty through targeted tax relief and social welfare programs. Tax exemptions or reductions for low-income households can increase their disposable income, enabling them to afford basic necessities. Additionally, tax revenue can fund social welfare initiatives, such as affordable housing, healthcare and education, further alleviating poverty.

Environmental Conservation

Taxation policies encourage sustainable development and environmental conservation. Eco-friendly construction and renewable energy initiatives benefit from tax incentives.

Increased Property Values

Real property taxation can increase property values through infrastructure development and public services. Strategic taxation policies encourage investments in roads, schools, healthcare facilities and other essential amenities, enhancing property values. Additionally, tax-funded public services like security, waste management and transportation improve the quality of life, making areas more attractive to investors and residents. This, in turn, boosts property values and stimulates local economic growth.

Foreign Investment Attraction

Nigeria's real property tax environment attracts foreign investors, boosting economic growth. A transparent and predictable tax system ensures stability, encouraging foreign investment in real estate development, infrastructure and related sectors. Tax incentives, such as reduced property taxes or exemptions, further attract foreign investors, stimulating capital inflows and economic expansion. By attracting foreign investment, Nigeria's real property sector creates jobs, generates revenue and promotes urban development.

Job Creation

Real property taxation supports job creation in construction, property management and related sectors. Tax revenue funds infrastructure projects, generating employment opportunities in construction, engineering and architecture. Additionally, a vibrant real estate market, fueled by effective taxation policies, creates jobs in property valuation, brokerage, management and maintenance. This ripple effect stimulates economic growth, reducing unemployment and poverty.

6. Effective Ways to Improve Real Property Taxation in Nigeria

If we ended this study by highlighting just the inadequacies in Nigeria's taxation of Real Property, without advancing insightful recommendations for reforms and betterment of Nigeria's Real Property taxation future, then we would be no better than a pessimist and armchair critic, who knows the cost of everything but the value of nothing. We are convinced that Nigeria's Real Property taxation landscape holds good for the future, hence, we make the following recommendations for effective reforms:

Increase Tax Awareness

Nigeria's tax administrators should launch public awareness campaigns, similar to South Africa's Tax Education Programme. Educating taxpayers about benefits and obligations boosts compliance. Targeted campaigns can address Nigeria's tax apathy.

Foster Inter-Governmental Collaboration

Nigeria's tax administrators should encourage collaboration between federal, state and local governments, like South Africa's Intergovernmental Fiscal Relations Framework. Such coordination optimizes tax collection, reduces conflicts.

Simplify Tax Laws and Regulations

Nigeria's tax administrators should streamline Nigeria's complex tax laws, adopting clear, concise language. This approach has worked in Rwanda, where simplified tax laws increased compliance by 30%. Nigeria can learn from Rwanda's success. Clear regulations reduce confusion, promoting voluntary compliance.

Implement Efficient Tax Administration

Nigeria's tax administrators should adopt technology-driven tax administration, like Ghana's Ghana Revenue Authority (GRA) e-Tax system. This enhances transparency, reduces bureaucracy and increases revenue collection. Nigeria can leverage technology to improve tax efficiency.

Enhance Property Valuation

Nigeria's tax administrators should endorse modern valuation methods, like Kenya's Property Valuation Standards. Accurate valuations ensure fair taxation, reducing disputes. Nigeria can benefit from Kenya's expertise.

Provide Tax Incentives

Nigeria's tax administrators should offer targeted incentives, such as reduced tax rates for affordable housing developers, similar to Morocco's housing tax exemptions. Incentives stimulate investment, economic growth and social development.

Strengthen Tax Enforcement

Nigeria's tax administrators should establish effective tax enforcement agencies, something similar to Egypt's Tax Authority to tighten tax leakages. Robust enforcement reduces tax evasion, increasing revenue collection.

Promote Transparency and Accountability

Nigeria's tax administrators should implement regular tax audits and public financial reporting. This is what helped Botswana's tax administrators tackle corruption. Transparency ensures accountability, and accountability in turn boosts tax payers' confidence.

7. Conclusion

The study has painstakingly examined the efficacy of Real Property taxation in Nigeria. From a comparative analysis of some select countries such as the UK, South Africa and Singapore, the study established that Real property taxation in Nigeria requires comprehensive reform to optimize revenue generation, economic growth and social development. By adopting simplified tax laws, efficient tax administration and increased tax awareness, Nigeria can enhance its tax environment. Learning from African countries with successful taxation systems, such as Rwanda, Ghana and Kenya, provides valuable insights. It is the submission of the study that effective real property taxation promotes economic growth, job creation and poverty reduction. That is why Nigeria's government must prioritize tax reform, leveraging technology, transparency and accountability. By implementing these recommendations, Nigeria can actualize its real property taxation potential. The study maintains, therefore, that implementing these measures requires strong political will, stakeholder engagement and continuous evaluation. Nigeria's real property taxation reform will yield significant economic benefits, improved governance and enhanced quality of life for citizens. With targeted efforts, Nigeria can establish a robust, equitable tax system that encourages investment into Real property both local and foreign investors.