

Churches, Government and Taxation in Nigeria

Hilary C. Achunike

&

Joe Ezechi

Department of Religion

University of Nigeria,

Nsukka

Abstract:

Taxation is a universal phenomenon. From ancient times, it has been the source of financial support to governments in the running of state affairs all over the world. The laws of the Federal Republic of Nigeria specify the payment of taxes of various forms and shades by all-income earners and entrepreneurs in the country either as individual or as corporate organization. Thus individuals, companies or institutions pay taxes to the various levels of government according to their incomes or assets. Today, unlike before, a hot debate arises on the national media whether religious bodies now emerging in their numbers are also subject to the government's tax policies. Religious bodies in general are considered as non income earning and this shows the rationale for their apparent immunity from tax payment in Nigeria. This paper concentrates on whether government should tax churches or not. Admittedly, the recent trend of the formal involvement of many church bodies, denominations or personalities in enterprises with business orientation - school management, industries, financial institutions, article shops etc, calls this seeming immunity to question. Noting the difficulty in defining what is meant by "business orientation" with regard to church enterprises, this paper sees the logic in taxing those church enterprise that are strictly commercial.

Locating the problem:

Taxes are considered a problem by everyone. Not surprisingly, taxation problems date back to earliest recorded history. For instance in Egypt, reckoned as the earliest known system of taxation, people evaded the cooking oil tax imposed by the "scribes" or tax collectors of the days of the Pharaohs (A History of Taxation, n.d). They resorted to leavings generated from other cooking processes as substitute for the

taxed oil. Therefore, Egyptian peasants were seized for non payment of taxes. Josephus (1987) the Jewish historian, also wrote about the effronteries of nations under Egyptian rule against the tax policies of Ptolemy. In those ancient days too, the Mediterranean peoples showed strong opposition to taxation by imperial Rome.

One can think about the Jewish hatred for the tax collectors (or publicans) themselves (Mtt. 9:9-13) or the revolts of the people of the British isles in the year 60 AD, against Roman taxation (Adams, 1993). Opposition to the tax system was also seen in England when the nobles of Aquitaine, France, rebelled against Edward, the Black Prince, in the 14th century AD following his oppressive tax policies. And in America, what is now known as the Whiskey Rebellion was settlers' riot against the discriminatory excise tax of Alexander Hamilton in 1794. In Nigeria, when people could not stage a strong and successful opposition against government, taxable adults still scamper away into the bushes at the sight of tax officers. Evasion, rejection or opposition, everything points basically to a general aversion of taxpayers towards taxation. People do not like being taxed, and because taxes often come as imposition, they are greeted with opposition. There is an unaccomplished need for tax education for Nigerians to begin to appreciate taxation as ethical.

However, the problem of taxation in Nigeria is not only associated with taxpayers, but with other forms of taxation. The real setback to the tax system was registered in the late 1970s when the country realized its oil deposit. With the discovery of crude oil, Nigeria government never again paid any serious attention to the old internal sources of revenue including taxation, agriculture, coal and cocoa industries. The tax officers were neglected and distressed, and for about two decades that sector decayed in the hands of corrupt officers and touts for whom already it would seem to have become a private business. But the heaviest blow by government and tax officers to this all-important sector was the unprofessional and unethical diversion of tax funds for sundry ends. Sometimes, the diversion was still in the interest of government like when tax funds are used to solve other needs of government than their proposed intentions, viz, procurement of public amenities. Whatever is the case, taxpayers do not see the effect of their contributions to government and that makes it harder to convince people to pay tax again. The current effort of the Yar' Adua government to reinstall a functional tax system in Nigeria must as a matter of urgency be supported by equal commitment for accountability to taxpayers.

A third important problem of taxation in Nigeria today is the current debate on the taxing of churches and of course religious bodies in general. The tax laws are very clear on this (PITD, 1993). But the picture of prosperity painted by some religious leaders in all three major religions in Nigeria – Christianity, Islam and the Traditional Religion - today makes it topical in the National Assembly and the National Media to ask why they should not pay tax like other income earners. The authors of this paper believe that when a church or religious body is engaged in profit making ventures, those business outfits of theirs should be taxed and not the church or religious body per se. When churches and other religious bodies go commercial they are believed to make a lot of money. People who think like that also seem to rate the Pastors, the Imams, and even some Traditional medicine men in Nigeria along with politicians, in terms of affluent living (cf. Comments on Adeboye, 2008). In that case, –taxing the churches|| would seem a regulatory measure to bring sanity to churches that are apparently drifting away from their basic religious calling. The authors however insist that church owned Micro-finance Banks, Universities, Printing presses, Factories etc. are taxable ventures. The churches themselves should not be taxed because the business outfits are different from the churches as institution.

The emergence of the (income) tax system:

From the earliest history of civilization, the contributions of the citizenry have always been necessary for the running of the state. Taxation is an organized system of extracting these contributions and has been employed even by the best democracies. Buhari in Okpe (1998: 1) defines it as "a compulsory contribution from individuals and from business organizations for the purpose of financing government expenditure". It is not always very easy to see the justice in making the people to pay a part of their hard earned income or profit- But in partial explanation to that, reference is also made to the social contract theory linked with Thomas Hobbes, in which case society is believed to emerge in the first place as the consequence of a peoples agreement to keep a union for their common good.

At a time in history when individual property rights did not exist, kings were sole owners of everything in their domain, including the bodies of their subjects. Thus for the support of government, the kings of ancient civilizations like Egypt, Palestine, Assyria and Babylonia simply forced their subjects to work for them. Trade by Barter was also in vogue in the ancient times, and farmers for example,

gave their crops in return for the piece of land leased to them. With the introduction of laws or tax regulations, farmers were required to turn over specific proportions of their crops to the State. In Egypt, they submitted a fifth of their annual harvests to the king as tax (cf. Gen. 47:24, 26). That translated to 20 percent of annual farm produce. The Pharaohs made biennial tour of their kingdom collecting tax revenues from them (Taxes in the ancient world, 2002) Josephus (1987) told in details the account of Joseph's round-the-country travels for tax collection among the colonies of Egypt, in his work, the Antiquities of the Jews. The only people exempted from the Pharaoh's tax were the priests for they were already living on allowances from the king (Gen. 47:22, 24,26).

Ancient kings also went to war and made their conquered enemies to pay tribute which became added income to government. Incessant wars made many kings levy their subjects in order to service the army, improve the armory, and provide security to the people. For instance the Athenians imposed the eisphora or tax on every one in order to pay for special wartime expenditures. However, they rescinded the tax at the end of the war and refunded tax payers of taxation, n.d). Taxation therefore, was generally an emergency policy. Even when it comes regular, it was a burden for slaves and non citizens.

In Rome also, by the 2nd century BC, citizens were equally exempted from poll tax after the Punic Wars, due to enormous foreign tribute at the disposal of government. Slaves and foreigners (Perigrini) were taxed. Later tax policies by the Caesars would involve everyone; example was the inheritance tax of Caesar Augustus.

Many Sovereigns in medieval Europe exempted church officials from taxation with particular exception of the British government. But in addition to taxing the clergy, the British government also evolved a progressive income tax system that extracted more from those who have more. The medieval church officials obviously had more in terms of properties. Britain became the originator of the income tax which till today is levied on peoples gross earnings or profits. That experiment was done during the war with Napoleon in the turn of the 18th century AD.

In Nigeria, the income tax policy emerged with British colonization. But it has become a local practice after Independence in which case individuals who perform employment duties in the country and those resident abroad but who are employers of the Nigerian government, are levied to fund the government: The Nigerian personal

income tax is based on a Pay-As-You-Earn system (PAYE) and the scale is graded from 5 percent minimum of taxable income to a maximum of 30 percent (Taxation of International Executives, 2008). This amount is withdrawn after due calculation by the government or employer before the worker or employee receives his salary/wages. Because of this arrangement of withdrawing income, taxation in Nigeria is only effective with civil servants. The majority of business men and income earners are apparently exempted from taxation. In fact, it is generally believed that those who make big money in this country are not taxed. Some people think that church officials are among the lucky group. But everything seems to be changing with the government of Yar'Adua.

The renewal of interest in taxation by the federal government, together with the seemingly sentimental assessment of churches today by the average Nigeria, has triggered off a debate in the National Assembly regarding the taxing of churches. That debate has already spilt over to the public forum of the media eliciting opinions from both sides of the divide. The debate can be analyzed to mean: (a) the taxing of income due to churches as institutions, and (b) the taxing of income due to church members (workers) as salaries and wages, and (c) the taxing of income accruing to church properties.

The legal basis for the income tax in Nigeria is found in the provisions of the Personal Income Tax Decree (PITD) enacted in 1993 and amended as Personal Income Tax Act 104, Cap 8 LFN 2004. By this document tax is officially imposed on every individual, community and families, and on the income arising or due to a trustee or estate (PITD 1993). Therefore, every human person in this country is liable to pay tax (either to Federal or State Government as the case may be) on the aggregate amount of his income whether derived from within or outside this country; the salaries, wages, fees, and allowances, and often gains or benefits given or granted to an employee are chargeable to tax (Taxes in Nigeria, 2008).

Taxation and regulation of churches:

Some people think that churches should pay tax especially now that they are making so much money from their congregations. (The other religious groups in the country like Islam are never insulated from this popular assessment). The flamboyant lifestyles of some religious leaders, which often tend to compare with what obtains among politicians and political leaders in Nigeria, seems to betray this fact.

Some now have private jets, ply the streets in limos and flashy cars; build cozy abodes on lands they acquired with little next to nothing as price. They dress in expensive suits and own the fattest accounts in Banks worldwide. But today more than before the Nigerian society seems to get increasingly enlightened and many people are realizing that church leaders are actually a rich class.

On the internet and the media people now give vent to their feelings. They think that church leaders have gone crazy, that churches are shifting and drifting away from their ordinary responsibility of religion and evangelization to the rather tangential issue of money making. As the saying goes, churches have become full business organizations and companies, engaging in various forms of profit-making businesses such as school proprietorship, banking and finance, transportation, trading, real estate management, etc.

Aideloje <http://www.vanguaedngr.com/content/view/21316/42> once commented that "churches in Nigeria are business entities in which the pastor is the chairman and his wife, the managing director. They have board of directors and also make profits weekly. No business is as successful in Nigeria as owning a church...." While there are those who think churches have right, like every other body, to use their money to make more money, others argue that churches should therefore pay taxes like every other organization engaged in the business of money making. Nsiegbe (2008) writing in Sunday vanguard argues that churches that have taken to business oriented ventures "have lost the privileged and special status of non-profit, non-business organization. As such, whatever tax laws that apply to all profit-oriented business and bodies need be extended to them as well". When churches were really non-profit organizations, they were regulated and modest. They were like the NGOs who depend on the goodwill of donors; therefore they were justifiably immune to the tax law.

Ikwueze (2008: interview) also admits that the present call for the taxing of churches did not arise in the past when churches were really non profit making organizations. According to the senior tax officer, income tax laws of the Federal Republic of Nigeria are made in view of income earners. Anybody that falls within that scope is automatically chargeable to tax. Interviews with many pastors and church leaders in Enugu tend to suggest a readiness of churches to accept taxation provided it is limited to income earning properties of the churches, like schools, hospitals, real estates and article shops. Such is the opinion of Obinwanne Chukwu, Arch Deacon of the Church of

Nigeria Anglican Communion. For him, taxation may be justified for church profit-oriented establishment like the schools, hospitals, banks, and printing press, but not for the church as an institution. To tax the church as an entity amounts to "Double Taxation". (Chukwu 2008: interview.)

People who think that taxing churches is necessary also see in it a veritable regulation to the unbridled proliferation of churches and the alleged chase for money and influence by some religious leaders. The churches appear to be dumping their ordinary calling and they need to be called to order. In a two-fold open recommendation to the Houses of Assembly of this country, Nsiegbe (2008) distinguished between "church" for Christ" and Church for profit". He believes that all profit yielding ventures run by churches should be fully registered as separate entities for the purpose of income tax assessment and payment, and churches that are not ready to do that should not be allowed to engage in such ventures.

Perhaps, the underlying feeling to that opinion is that huge money which these properties translate to the churches is enough attraction and serves also as the primary reason for the proliferation of churches and their bizarre attitudes in contemporary Nigeria. Other opinions pooled together by Atum (<http://www.nigeriansinamerica.com/vbulletin/showthread.php?=&pp=3582>) massively point to taxation as a checkmate to wealth accumulation even by church leaders. They think churches are rich enough to be taxed, even though they don't normally distinguish between churches as such and church workers or leaders. Emma Anizoba who is one of the exponents of 'tax by churches' clearly states his vote for government regulation of churches through taxation. In his reaction against pastor Adeboye, Anizoba (2008) notes: "any responsible government must have ... oversight over the activities and finances of both the profit and nonprofit organizations ... Government oversight in such regulation (would be) to restrain the zeal of undiscerning and untutored cult-priests. We need to regulate these cults, miscalled religions". However, there is a vacillation of views regarding who has the ordinary right to regulate the churches. While Anizoba, Nsiegbe and many others give it to the government, believing that tax authorities like Federal Inland Revenue Service (FIRS) should have access to churches' financial records, they need to say whether the NGOS like Red Cross, are accountable to their donors or to Uncle Sam. But there are other opinions like pastor Adeboye that think that the job of church regulation should fall to church bodies like CAN, PFN, etc because

"the government will not even know the criteria to look for".

Some dissenting voice:

Once in an address to journalists, Adeboye (2008), General Overseer of Redeemed Christian Church of God (RCCG) said that churches cannot pay tax. According to a report written by Sam Eyoboka of the Sunday Vanguard, Adeboye believes that to tax the church is to double tax the members. Because those who are giving to the church have already paid taxes, taxing what they have given to the church means you are taxing them twice on the same income. This opinion is logically sound especially where income from donations is not tax deductible. But the validity of the argument is surely put to the test when we recall that we pay VAT on goods purchased with taxed money, and we do not cry double taxation.

The argument of double taxation is restated differently by Amobi Onaga, an accountant of the RCCG Enugu. According to Amobi (2008: interview), to tax the church at both parish and central levels would mean taxing the same money twice. This is because many churches, in Nigeria operate a central administrative system whereby parishes or branches remit all monies to the centre. Government should therefore work out an appropriate scheme to avoid the injustice of double taxing churches.

Bishop Benson Jolomi of the Foundation Faith Church thinks it is an aberration to ask churches to pay tax. Such a pronouncement is mischievous and indefensible, he said, because churches in Nigeria have a social and welfarist disposition towards the society (Jolomi 2008). Rehabilitating addicts, and caring for the poor in the society, is what he means by social and welfarist disposition or project. Therefore he believes that churches should be encouraged to do more of such social functions than charged to pay tax. The strength of this opinion is brought out by the Canadian situation in which companies or institutions are permitted to deduce monies spent on charity and social welfare, like students' excursion programs, from their annual tax charges. If churches keep their annual record of fund spent on charity and the social welfare, it is possible that they actually spend so much to deserve no further taxing. But the question is: how many churches do charity or the so called social welfare, and how many keep record of such expenses?

Elder Oswald Ozougwu (2008: interview) also thinks that churches should not be taxed because many church denominations are so poor that they cannot even pay their ministers and workers

sufficiently. To tax such churches or their poorly paid workers, for him is to worsen the grip of poverty on them. In fact some junior workers of the Good Shepherd Anglican Cathedral Enugu, who chose to remain anonymous, have argued that they should be part of the minimum wage scheme in Nigeria before it would be justifiable to tax their monthly earnings. It is indeed a general knowledge that church workers are poorly remunerated compared to their counterparts of equal qualification in government ministries.

Tax practices in churches:

Taxation as compulsory individual contribution for the support of government is not altogether a new concept to the churches. From the history of the Jews, reckoned as the cradle of Christianity, we learn of some local tax policies, including the Temple tax of half shekel for the upkeep of the Temple. Jesus and Peter paid the Temple Tax, and as it were encouraged every other individual members of the church to do the same (Matt.17:24-27).

When the Christians became an autonomous religious community, they needed fund for sustenance but merely relied on the free declaration of assets for communal usage, by their members. But by the medieval period, the church could also impose taxes on its members, although tithing was a major source of church income by that time. Tithe was a compulsory payment of a tenth of one's harvest and livestock. In later days, it had to become purely a voluntary pious exercise that is almost extinct in many mainline churches.

The history of the Roman Catholic Church reveals that as far back as the medieval period, Bishops and the entire clergy made payments to the papacy at Rome. They themselves collected tax from people in the areas allotted to them as property by the Princes and nobles. That practice is seen today in the canonical provision for the imposition of moderate tax by the diocesan bishop on juridical persons within his territory (CIC, can. 1263). However, the laity or individual members of the Catholic Church still pay levies, fees and stipends to the church. Such levies in Nigeria include AMC, building levies, Peters pence etc. But they are not perceived as taxation.

In Roman Catholic Europe, ministers and the clergy pay tax to both government and church till today. Donatus Onuigbo (2009: interview) confirmed that in Germany 45 percent of the priest's salary is paid as tax to government in addition to 5 percent to the church. Not only the ministers or priests, the entire faithful, everyone in Germany pays religious tax to government provided such a one belongs to a

religious group as indicated in their national identity card. It does not matter if he really attends churches. It should be noted that there is an understanding between the church and German government. While the

German situation may be interesting to the current debate on the payment of tax by the church and religious groups in general, it is equally important to note that priests are in government pay roll. In Canada, where priests are not in government but church's pay roll, Fr. Gabriel Ude (2009, interview) confirmed that priests still pay tax to government like every other income earner. However, Canadian government refunds money to taxpayers whose incomes are below taxable amounts. Note that European and Canadian Churches operate in wealthy economies where taxation cannot induce poverty at any rate.

The Anglican Church does not have a clear practice of taxation in Nigeria apart from the Annual assessment that is an official statutory payable to the center (diocese) by all churches or parishes. This assessment is also practiced by the Methodist church. It is levied according to the financial strength of the local church or parish, though it is compulsory. But both Anglican and Methodist churches receive tithes from members. For them tithing is voluntary yet it is a sign of one's true membership to church.

In the Pentecostal churches, there are no taxes strictly speaking. The common source of fund is tithing and free will donations. More emphasis is however given to tithing by the Pentecostal Churches to make critics think that they have become a form of taxation.

But tithes are not taxes because of the absence of real coercion in its administration. The only authority which the Pentecostals appeal to is conscience. The Christian conscience makes the believer feel guilty for withholding his tithe (cf. Mal. 3:8 – 10).

The appeal to conscience is also obtainable among Muslims in relation to tithing. According to Alh. Muteeu Osuji, P.R.O, Enugu Islamic Community, the Koran recognizes tithing (Arabic, sadakat) only as charity to the poor. It may also be given to the head of the Islamic community for the maintenance of the poor. The sadakat therefore is not a tax. Real tax (Arabic, zakat) which is a compulsory payment of the rich to the poor (also known as 'poor due') was commanded both by the Prophet and by the Koran (2009, interview). Alhaji Osuji explained that in Nigeria, the in-house Islamic tax – zakat - seems to have been overtaken by the government tax policies. And Islam encourages the payment of government taxes by its faithful. For him, any good muslim worthy of that name should pay tax on the income he earns. Likewise, any religious enterprise oriented to income

earning, like the school run by the Islamic community in Enugu, should be taxed appropriately. As for the Islamic clergy, Osuji thinks that those of them on voluntary or non salaried engagements should not be susceptible to government taxing. He also knows that some Islamic clergy are leading affluent lives, and since their status may not forbid them from engaging in extra-religious enterprises, their wealth may have a genuine source. But they should pay tax to government. He however admits that undue affluence is contrary to the spirit of the clerical state whatever the religion.

General evaluation:

That religious leaders now have money in Nigeria even beyond the capacity of some natural taxpayers is a platitude that experience and logic jointly accentuate. It is also true that taxpayers' money is used to provide amenities for the sundry people of Nigeria including those that do not pay tax either by legal exemption or by unlawful avoidances and evasion. But it seems clear from the foregoing that the call for the taxing of churches is based a lot on sentiments. This is true for the debaters in the National Media no less than those at the National Assembly. Even many of those who oppose the proposal for taxing churches merely appeal to faith and piety. Sentimentalism in general is a disastrous footing for generalized policy on church taxing and regulation.

A serious argument on the taxing of churches can only come from the law. From a legal consideration, it has already been said that every income earner in Nigeria is chargeable to tax. In fact, the law makes a list of persons chargeable to tax by the state as we see in Okpe (1998), includes the following:

- a. Individual residents of a state.
- b. An indigenous community.
- c. Trustees of any trust or settlement.
- d. Body of individuals.
- e. Agents.
- f. Partnership
- g. Itinerant workers.
- h. Indigenous family.
- i. Nigerian employees in the Ministries except those in External Affairs and Foreign serves.
- j. Persons resident inside Nigeria but employees of companies registered in Nigeria.

To be added are those persons residing within the FCT and those employees of the Federal Government like the police, Nigeria Army and Navy etc. that list most obviously presumes the church in its community or corporate body and its members, lay or sacred.

But then, the same PIT document provides another list of income exempted from Nigeria tax, including that of the church. Hence, "the income of any ecclesiastical, charitable or educational institution of a public character in so far as such income is not derived from a trade or business carried on by such institution" is not chargeable to tax (PITD,^{3rd} Schedule no 12; sections 19.1 and 74) The importance of this provision is seen in its clarity as per the chargeable and the non-chargeable income of the churches.

- a) Non-chargeable church income would include offertories, donations, tithes, gifts, and all income accruing to the church as non-profit organization.
- b) Chargeable income includes all income derived from trade or business carried on by the church. Section 3 subsection 1 (a) of the document affirms this chargeable income when it specifies that "gain or profit from any trade, business, profession or vocation, for whatever period of time such trade, business, profession or vocation may have been carried on or exercised" are chargeable (PITD Schedule no 12 section 3 sub. 1a).

In simple terms, churches as corporate bodies or institutions cannot be charged to tax legally in Nigeria. But church properties that are profit oriented (trade or business) are chargeable to tax under the above tax law. That law surely presumes the exemption of church workers and ministers, in so far as they are perceived as non income earners.

In Nigeria, priests of Roman Catholic Church (accept those in government services), like the Islamic volunteer teachers cited by Osuji, normally earn no salaries or formal income; they live on unofficial and irregular income: gifts, donations, stipends, etc. Therefore they have no justice in paying tax. The fact that priests live on charity is likened to the reason why priests of ancient Egypt were exempt from tax under the Pharaohs. They were living on allowance from the Pharaohs (Gen. 47:22). However, when gifts, donations and stipend are manifestly big enough, as the lifestyle of some clergy tends to suggest, immunity from tax would appear to lack justice.

It should be added however, that priests who engage in healing ministries own some business outfits. Their businesses are often

situated around church premises. They span from banks to petrol stations, to transportation and water processing industries. These are taxable businesses. Other mainline (and some Pentecostal) churches in the country place their priests and pastors on self made salary schemes. And sometimes this is done in accord with normal government grading, as can be seen in the Presbyterian Church. But where the salaries or wages are below the national minimum wages scheme, taxation would intensify poverty.

The problem of taxing the churches will first of all be to know whom to tax and otherwise. This is complicated by the fact that many of those not on salaries live more affluently or make more money than those on salaries. It seems to save the trouble simply to place all the churches under the same blanket immunity as the government of Nigeria has wisely done since Independence. And this does not suggest the exemption of profit oriented religious outfits.

Conclusion:

Extracting taxes from religious institutions per se - churches, Islamic or traditional African groups - is certainly out of the question. The Law of the Federal Republic of Nigeria exempts them. They are also arguably not business enterprises, in spite of a number of avowed excesses. But even the taxing of their profit oriented ventures (schools, hospitals, real estates, etc) has a legal bottleneck.

Since the days of Independence and beyond, churches in Nigeria and religious bodies in general have been seen as non profit making and registered with the Corporate Affairs Commission as such. All the so-called profit-oriented ventures are up until now subsumed under their "nonprofit toga". It will surely take an appropriate legislative act to separate them. This perhaps is what the Bill in the National Assembly is pressing for.

But how do the embattled properties now become profit-making? Take the school and hospital as example. Right from the colonial era, churches in Nigeria have established schools and hospitals as special evangelical strategies. They succeeded in combating ignorance and disease to a large extent in our land. But although the services of those schools and hospitals were not free of charge, they never perceived by both the people and government of Nigeria as business or profit-making ventures. Wherefore they were immune from taxation ever since. Is it possible that churches today embark on schools and hospital proprietorship for purposes of wealth accumulation? In other words, they have become profit oriented

businesses?

Yet the problem is more complex than that. If government schools and hospitals do not pay tax as institutions (recall that the PITD exempts educational institutions of a public character from tax, 3rd Schedule no. 12), one may wonder the justice in taxing similar establishments when they are owned by religious or other private bodies. It should be borne in mind that by establishing schools, hospitals and real estate, these non-government groups are rendering powerful services to the Nigeria people, which government ought to render but never seem to do creditably. The efforts of these bodies have to a no negligible degree, attenuated community health, education and housing problems in the country. From this perspective, one may even think that government should actually encourage the churches and other religious or private institutions oriented to these services by giving subventions, instead of calling for their tax. This seems more amenable to universal standards of morality and justice.

The government may need some criteria to distinguish profit-making from non profit making schools and hospitals belonging to religious institutions like the churches, muslim bodies and other private groups. There is a strong logic in asking for the taxing of profit making establishments owned by religious groups in general – schools, hospitals, real estates, and so on - but on their net income, which is after deducting expenditure from gross income.

Reference:

A History of Taxation, [http://www .taxworld.org/History/taxHistory .htm](http://www.taxworld.org/History/taxHistory.htm) Accessed 8/ 1 /2009.

Adams, C. (1993) For Good and Evil: The Impact of Taxes on the Course of Civilization, (n.c) Madison Books.

Anizoba, E.K. (2008) Regulate Cults, miscalled Religions, <http://www.vanguaedngr.com/content/view/21316/42> accessed 8/1/09.

Atum, B. (2008) Why Should Churches Not Be taxed? [http://www.nigeriansihamerica.com/vbulletin/showthread. php? =3 5 82.8/1/2009](http://www.nigeriansihamerica.com/vbulletin/showthread.php?r=3582.8/1/2009). Code of Canon Law, CIC 1983, Can 1263.
Comments on Adeboye (2008) <http://www.vanguaedngr.com/content/view/21316/42 /accessed 11/9/2009>.

Jolomi, B. O. Why Churches Should Not Be Taxed,
<http://www.nigeriansinamerica.com/vbulletin/showthread.php?t=35828>/1/2009.

Josephus, The Antiquities of the Jews, Book 12, chA pars 4 and 5, in W. Whiston (1987) The Works of Josephus, Peabody, MA: Hendrickson Publishers.

Nsiegbe, L. (2008) Yes! Some Churches Should Pay Tax,
<http://allafrica.com/stories/200811241197.html>. Accessed on 9/1/2009.

Okpe, I. (1998) Personal Income Tax In Nigeria, Enugu: New Generation Books.

Pastor Adeboye, No, Church Can't Pay Tax,
<http://www.vanguaedngr.com/content/view/21316/42/8/1/2009>.

Personal Income Tax Decree (PITD) 1993, Act 104 Cap 8 (2004)

Taxes in Nigeria, Personal Income Tax,
<http://www.ngx.com/business/public/newsinfo.php?nid=208/01/2009>.

Taxation of International Executives (2008), Lagos: KPMG Professional Services.

Taxes in Nigeria (2008)
<http://www.ngx.com/business/public/newsinfo.php?nid=2>
Access on 8/1/2009.

Taxes in the Ancient World, University of Pennsylvania Almanac, Vol. 48, No. 28, April 2, 200. available on <http://www.upenn.edu/almanac/v48/n28/AncintTaxes.html>.

Udu Aideloje, Churches Must pay Tax,
<http://www.vanguaedngr.com/content/view/21316/42/9/1/2009> .

Why Should Churches Not Be Taxed? (2008) <http://www.nigeriansinamerica.com/vbulletin/showthread.php?t=35828>/1/2009.

Oral Interviews

Name	Town	Status	Age	Date
Amobi Onaga	Enugu	Clergy	40	15/1/2009
Chukwu Obinwanne	Ngwo	Clergy	55	16/1/2009
Gab Ude	Enugu	Cath. priest	45	6/1/09
Ikwueze John	Enugu	Civil Servant	55	2/12/2008
Onuigbo Donatus	Enugu	Catholic Priest	48	6/1/2009
Muteeu Osuji	Enugu	Mosque Overseer Overseer	73	4/11/09
Ozougwu Oswald	Ngwo Circuit	Clergy	60	16/1/2009