



THE NIGERIAN TAX REFORM ACTS 2025: IMPLICATIONS FOR TAXPAYERS, TAX PRACTITIONERS, AND THE NIGERIAN ECONOMY

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Abstract

The Nigeria Tax Act (NTA), the Nigeria Tax Administration Act (NTAA), the Nigeria Revenue Service (Establishment) Act (NRSA) and the Joint Revenue Board (Establishment) Act (JRBA) were finally signed into law by President Bola Ahmed Tinubu on 26 June 2025, and will take effect from 1st January 2026, thus representing the most comprehensive restructuring of Nigeria's fiscal architecture in decades. This paper does a doctrinal and conceptual analysis of the reform package and its impact on three constituencies namely, individual and corporate taxpayers, practitioners and the Nigerian economy. The paper finds the tax reforms increase the personal income tax exemption band; adopt a progressive tax rate system with a higher threshold for taxing high earners; abolish the corporate income tax on small companies, and implement zero-rating for essential goods instead of exemption from VAT. The reforms provide relief to welfare providers at the bottom of the income distribution, and put new demands on welfare providers at the top. The RNIO will provide opportunities for tax practitioners in a variety of ways, including the preeminence of transfer price, minimum effective tax rate, and dispute resolution issues before the new Tax Appeal Tribunal and Tax Ombudsman, and the burden of retraining in this new framework with multiple statutes merged into one. The reforms offer the economy a greater tax-to-GDP ratio, better fiscal federalism via a derivation-based VAT-sharing formula, and a more predictable investment climate, but these benefits depend on the institutional capacity, digital infrastructure and political will. The paper ends with recommendations for implementing gradually, educating taxpayers on the changes over time, and ongoing checks on the distributive and revenue impacts of the changes.

Keywords: Nigeria Tax Act 2025; Tax Reform; Tax Administration; Tax Compliance; Taxpayers; Tax Practitioners; Economic Growth.

Introduction

Taxation is at the heart of the fiscal system of any modern state, both as a key source of government income and as a tool of income redistribution and for influencing economic behaviour. The tax system in Nigeria, however, has always been a highly disjointed one, structured around a set of statutes, with multiple jurisdictions between the federal, state and local revenue authorities, and low levels of tax compliance and a large reliance on oil revenue that has resulted in tax finances being highly vulnerable to global price fluctuations. These weaknesses have hindered Nigeria's ability to increase the share of taxes in the economy, limiting the government's ability to invest in infrastructure, education,

and health and social protection to the level that matches its population and economic size.

The Federal Government set up the Presidential Fiscal Policy and Tax Reforms Committee in order to address these longstanding inadequacies in the process, which culminated in four tax reform bills sent to the National Assembly. The bills were deliberated in the House of Representatives and Senate before being passed into law by the two Houses and signed by President Bola Ahmed Tinubu on 26 June 2025 under the new labels The Nigeria Tax Reform Acts 2025 comprising of the Nigeria Tax Act (NTA), Nigeria Tax Administration Act (NTAA), Nigeria Revenue Service (Establishment) Act (NRSA) and the Joint Revenue Board (Establishment)

Act (JRBA) (PwC Nigeria, 2025; Andersen Nigeria, 2025). The Acts came into effect on 1 January 2026, meaning taxpayers, tax administrators and practitioners have a transition period to prepare for the new regime (EY Global, 2025).

The Tax Reform Acts of 2025 are more than a mere revision of existing legislation, they are the consolidation and repeal of more than a dozen existing laws covering the taxation of companies, personal income, petroleum profits, value-added tax, capital gains tax and stamp duties, all applicable to resident and non-resident taxpayers (EY Global, 2025). In addition to consolidation, the reforms also bring about substantive amendments including an increase in the tax exemption threshold, a more progressive tax rate regime for individuals, an expansion of the small company relief regime, introduction of a zero-rating regime for essential goods, an effective tax rate structure in line with global minimum tax principles, and a new institutional framework which centers on the Nigeria Revenue Service (NRS) as the successor to the Federal Inland Revenue Service (FIRS) in addition to a Joint Revenue Board to harmonise tax administration across the three tiers of government (Oriaifoh & Obaretin, 2025; Aluko & Oyeboode, 2025).

With such sweeping and recent changes, it is crucial that the reforms receive careful academic scrutiny to go beyond description of the new statutory provisions and form a hypothesis about the likely impact of the changes on the main institutional actors in the tax system. This paper therefore examines the impact of the 2025 Tax Reform Acts on three parties which are taxpayers (individual and corporate), tax practitioners (accountants, tax consultants and legal tax advisers,

mediators between the taxpayers and the state) and the Nigerian economy in general. The paper is structured as follows: Part 2 presents the theoretical framework, Part 3 gives an overview of the relevant empirical literature, Part 4 describes the methodology, Part 5 presents the four Acts, Part 6 discusses implications for taxpayers, Part 7 discusses implications for practitioners and Part 8 discusses implications for the economy respectively, and Part 9 outlines challenges in implementation, while Part 10 concludes with policy recommendations.

Theoretical Framework

The analysis is focused in a paper within three complementary strands of public finance theory. Firstly, the concept of the ability to pay, which dates back to the canons of taxation introduced by Adam Smith in 1776 – equity, certainty, convenience and economy – suggests that tax is to be levied on the basis of the taxpayer's capacity to pay, in general terms, based on income or wealth. This principle can be interpreted as a modern form of a personal income tax which is progressive and has higher exemptions for lower income earners and higher taxation rates for higher income earners, as implemented under the NTA.

Second, Musgrave's public finance theory explains that there are three fundamental roles of fiscal policy: allocation, distribution, and stabilisation (Musgrave & Musgrave, 1989). The assesement of tax reform in Nigeria can be made against the three functions: the allocative function is addressed by the incentives like the Economic Development Tax Incentive to promote investment in priority sectors; the distributive function is addressed by providing rent relief, exemptions to small companies and the zero rating of essential goods; the stabilisation

function is addressed by diversifying the non-oil revenue base, which flattens the sensitivity of the government finances to oil price fluctuations.

Third, the social-political (organic) theory of tax, which is closely related to Adolph Wagner, sees taxation not only as a tool for revenue but as a tool of social engineering which would be used by governments to correct societal problems and to promote certain behaviours of an economy. (Amusan & Ojemuyide, 2025) This lens can also help to make sense of provisions like the fossil-fuel surcharge, the exemption for renewable energy inputs, and the tax holiday for agribusiness, which will use the tax code to direct resource use towards national development priorities instead of just tax revenue. Combined, these theories offer a basis for gauging the quality of the 2025 reforms in terms of equity, efficiency and revenue adequacy.

Literature Review

Empirical studies on the link between tax revenue and economic growth in Nigeria have so far resulted in inconsistent findings which vary according to the tax components and period studied. Amusan and Ojemuyide (2025) analysed the data using cointegrating and regression analysis techniques, and observed a positive relationship between tax revenue and gross domestic product (GDP) from 2016 to 2023, and also found that the annual Finance Act had a significant positive effect on this relationship, suggesting that the periodical amendment of tax law does not only strengthen the relationship between tax revenue and GDP, it also has a significant positive moderating effect on this relationship. Moderating the relationship between tax growth and the rate of growth is a characteristic of the tax-growth relationship in

this study, as the more recent 2025 Tax Reform Acts are a far more complex legislative package than any individual Finance Act and the moderating impact of the 2025 Tax Reform Acts is likely to be even stronger, if implemented effectively.

In the first detailed scholarly study of the 2025 reforms, Oriaifoh and Obaretin (2025) assessed the structural and procedural changes implemented by each of the four Acts, and found that although the reforms have good prospects of boosting revenue, enhancing equity and improving business compliance, they will fail unless the gaps in infrastructure, institutional resistance, digital exclusion and unresolved constitutional tensions over the control of VAT by the federal government and the State government are addressed. Because they have been analysing the laws based on the text of them and the professional commentators on them, rather than on any data that comes from the implementation of the laws, their analysis necessarily draws conclusions that are forward-looking, and that is the same with the present paper, because the Acts have only begun to be implemented from January of 2026.

There is, of course, a separate, but related, literature on the design of individual reform elements. For example, the organisation for Economic Co-operation and Development (OECD) proposed global framework on the minimum tax rate for large corporate groups has been documented, as have the reduction of the tax-exempt threshold, zero-rating for essential goods, and the Federal Inland Revenue Service being replaced by the Nigeria Revenue Service (EY Global, 2025; Aluko & Oyeboade, 2025; Baker Tilly Nigeria, 2025). This study, however, is more at the early stages of developing what few studies to date have attempted to explain: the combined impact of the various provisions

on the three key stakeholders of the tax system – taxpayers, tax practitioners, and the economy – remains largely under-explored.

Methodology

The study uses qualitative research design, doctrinal and conceptual approach because the reforms under consideration started only on 1st January 2026 and there is lack of data available on reforms for quantitative evaluation. The analysis is based on three types of sources (i) official and professional commentary on the consolidated provisions of the Nigeria Tax Act, the Nigeria Tax Administration Act, the Nigeria Revenue Service (Establishment) Act and the Joint Revenue Board (Establishment) Act, (ii) publications by professional advisory and audit firms, think tanks and government related institutions on the Acts since their assent, and (iii) recent peer-reviewed and working-paper literature on the Nigerian taxation and tax reform. The material from these sources was thematically structured according to the three groups of constituencies to be analyzed (taxpayers, practitioners, economy) and analyzed from the perspective of the theory chosen for each of these groups (as described in Section 2). The analysis is of course anticipatory, and the conclusions drawn tentative, like those of other early stage doctrinal evaluations of the reforms (Oriaifoh & Obaretin, 2025), and will be nuanced as implementation data comes in.

Overview of the 2025 Tax Reform Acts The Nigeria Tax Act (NTA)

The NTA is the "nuts and bolts" of the reform package. It repeals and rationalises over a dozen tax laws into one unified tax code for companies income tax, personal income tax, capital gains tax, value added tax, petroleum tax and stamp duty (EY Global, 2025). Some of its most important features are the following: The exemption for small companies – defined

generally as companies with annual turnover not exceeding ₦100 million and total fixed asset of not exceeding ₦250 million – was a welcome change, albeit with the turnover limit having been lowered from the earlier ₦50 million limit as highlighted in the professional commentary issued shortly after assent (Aluko & Oyeboode, 2025; Mercans, 2025); it is interesting to note that the definition for small companies continues to evolve since the date of signature, as it was originally ₦50 million. Multinational companies that have consolidated turnover exceeding ₦20 billion or a corporate effective tax rate below 15 percent will be required to pay companies income at a minimum effective tax rate of 15 percent, consistent with the laws of the Organisation for Economic Co-operation and Development (OECD) pledges for minimum taxes internationally (EY Global, 2025).

For individuals, the NTA proposes a completely progressive personal income tax ranging from 0 to 25 per cent, and those whose annual earnings are not more than ₦800,000 are completely exempt from personal income tax, thus exempting the minimum wage earners from the tax net, (Mercans, 2025; Daily Trust, 2026). The existing Consolidated Relief Allowance under the Personal Income Tax Act is no longer available, and is replaced with a rent relief of 20 percent of annual rent paid (capped at EY Global's ₦500,000, 2025). A capital gains tax exemption applies to those who sell their principal private residence, with up to one acre of surrounding land, and receive it once. Capital gains tax is also realigned, with tax rates for companies increasing from a flat 10 percent to 30 percent which is the same rate as the corporate income tax rate, and tax rates for individuals increasing from a flat rate to the progressive band of personal income tax (Oriaifoh & Obaretin, 2025). The compensation received in case of personal injury or loss of

employment is increased from ₦10 million to ₦50 million, which is tax-exempt (Aluko & Oyeboode, 2025).

The NTA's proposal on consumption taxes involved changing the VAT treatment of essential goods and services from exemption to zero-rating, thereby allowing suppliers of such goods to recover input VAT, but consumers would still not be liable for VAT on the output, a welcome relief from an outdated system which effectively taxed suppliers of essential services through unrecoverable input tax (Oriaifoh & Obaretin, 2025). Otherwise, renewable energy equipment is also made VAT-exempt, encouraging green investment. There is a new development levy, which brings together a number of separate levies, such as the tertiary education tax levy and information technology levy, and applies to medium and large enterprises; a 5 percent surcharge is imposed on chargeable fossil fuel products, with exemptions for renewable energy, cooking gas, kerosene and compressed natural gas (EY Global, 2025). The repealed Industrial Development (Income Tax Relief) Act is replaced by the Economic Development Tax Incentive, which is a more targeted and performance-based incentive that is linked to capital investment in priority sectors as verified by the EY Global (2025).

Nigeria Tax Administration Act (NTAA)

The NTAA creates a common set of procedural and administrative guidelines governing all federally collected taxes instead of what was previously contained in a number of different statutes (Andersen Nigeria, 2025). It gives the Nigeria Revenue Service the authority to give pre-tax rulings on tax treatment of transactions which is expected to minimize disputes and provide more certainty. The Act requires the use of electronic fiscal devices and real-time e-invoicing for eligible businesses with a view to automating the process of transmitting data on transactions to the tax authorities (PwC Nigeria, 2025). It also includes a new and more

derivation sensitive formula for the distribution of VAT proceeds between the federal, state and local governments with a view to appeasing the inherent agitation of states like Lagos and Rivers over shares of VAT collected in their territories (Afriwise, 2025).

The Nigeria Revenue Service (Establishment) Act (NRSA)

The NRSA replaces the Federal Inland Revenue Service and creates the Nigeria Revenue Service (NRS), an autonomous legal corporate body that collects, assesses and enforces federally-collected taxes while giving guidance and education to taxpayers (Oriaifoh & Obaretin, 2025). The Act also broadens the mandate of the NRS to include partnership with State and local revenue authorities, including foreign tax authorities and a provision that allows the Accountant-General of the Federation to withhold unremitted revenues from the federal allocations of defaulting ministries, departments and agencies (EY Global, 2025).

The Joint Revenue Board (Establishment) Act (JRBA)

The JRBA sets up the Joint Revenue Board (JRB) which is a coordinating board designed to harmonise tax policy and administration across federal, state and local revenue bodies, minimise double levy and ensure a single taxpayer database (Afriwise, 2025). It also creates two dispute resolution bodies; an expanded Tax Appeal Tribunal and a new office of the Tax Ombudsman, both of which are designed to offer the taxpayers a non-litigious and accessible way to deal with their complaints and grievances (PwC Nigeria, 2025).

Implications for Taxpayers Individual Taxpayers

On average, the reforms are welfare-increasing for the individual tax-payer, especially for those with lower and middle

incomes. While the exemption of income not exceeding ₦800,000 puts minimum-wage earners and a significant number of informal and low income earners outside the tax net completely, the new exemption of rent up to ₦500,000 provides welcome relief to tenants in the urban centres where rent expense takes a significant bite out of disposable incomes (Daily Trust, 2026). Concurrently, the reforms impose more tax on high income earners as they now fall into the highest 25 percent marginal rate band, whereas under the old PITA regime, a flat rate of generally lower income tax was applicable, while capital gains tax is now imposed on the progressive bands, including for the first time, digital assets and virtual assets like cryptocurrency (Oriaifoh & Obaretin, 2025). But, for the high-net-worth person, filling the loophole from indirect share transfers and holding of offshore wealth will require a reassessment of structuring wealth and income strategies, especially in the context of capital gains tax.

Corporate Taxpayers including SMEs

The additional small-company exemption would be a significant benefit for small and medium businesses that would lose the companies income tax, capital gains tax and development levy. This relief may lead to a decrease in the cost of being in the formal sector and could incentivize informal operators to formalise and be placed in the formal tax net because the cost of their formalization is low, in view of the tax rate at the time of their turnover (Baker Tilly Nigeria, 2025). The situation is more complex for larger companies, where the standard 30 percent rate of companies tax applies, but in the case of VAT refunds, VAT will be refunded in the 5-year period, which is more predictable, and will be processed within 30 days, thus relieving the liquidity pressures of capital-intensive

companies that had previously faced delayed or denied VAT refund claims (Oriaifoh & Obaretin, 2025). MNE groups and large domestic groups above the ₦20 billion threshold will be subjected to new compliance requirement to prove, if needed, a minimum effective tax rate of 15 per cent that will call for more advanced tax provisioning and country by country capability.

Consumers

This change from the VAT exemption to zero-rating of goods should be neutral or price reducing for the consumer, as the supplier of such services will be able to claim back the input VAT paid, instead of including it in the price of the goods offered (Oriaifoh & Obaretin, 2025). However, if this benefit is to be passed through completely to consumers will depend on the competitive nature of the markets concerned and on the effectiveness of the monitoring of this by the Nigeria Revenue Service (NRS) to prevent suppliers from claiming input credits for the taxes paid and yet not adjusting the prices of the products at the downstream point.

Tax Practitioners' implications

The reforms affect accountants, tax consultants, and lawyers representing taxpayers as well as facilitating compliance with the revenue authorities. The reforms have a substantial professional impact on the accountants, tax consultants, and lawyers who represent taxpayers and help the revenue authorities reach an agreement that results in compliance. The merger of over a dozen separate statutes into the NTA will necessitate practitioners to go back to basics to learn how the provisions of the NTA are arranged and interconnected with each other because previously the relevant provisions in the NTA were dispersed across the Companies Income Tax Act, the Personal Income Tax Act, the Value

Added Tax Act, the Capital Gains Tax Act, and related legislation (Oragwu et al., 2025). While the retraining burden during this transition to the new “home” for the old provisions by the new periods of commencement (January 2026) cannot be underestimated, that of practitioners serving SMALL and MEDIUM-sized clients, who may not have in-house tax expertise, is already being faced by professional bodies and firms who are providing detailed guidance for practitioners to help map old provision to their new statutory home (KPMG Nigeria, as cited in Oriaifoh & Obaretin, 2025).

Meanwhile, the changes enable new lines in the advisory services. The newly introduced advance tax rulings by the NRS under the NTAA gives rise to a need for practitioners to be able to structure transactions in such a way that certainty is provided by the NRS before they are implemented as opposed to post implementation assessments. Under a minimum effective tax rate regime for large groups, practitioners dealing with multinational or large domestic clients will have to build up capability in the effective tax rate modelling and country-by-country reporting which are akin to the OECD's Pillar Two requirements. The five year VAT refund period has been extended and the processing time for VAT refunds tightened, which provides opportunity for practitioners to help clients claim previously written-off input VAT credits. Additionally, the new Tax Appeal Tribunal and the Office of the Tax Ombudsman under the JRBA add to the dispute-resolution arena by providing practitioners with other non-litigation avenues for resolving client grievances in a less adversarial environment (PwC Nigeria, 2025).

Under the new regime, practitioners have a significant gatekeeping and ethical responsibility as well. Since the small-company

exemption and other exemptions are appealing, the NTA had a concern that some advisers might be tempted to manipulate client affairs to qualify for exemption that wasn't intended for the client, hence it has empowered the Nigeria Revenue Service to disregard the exemption or recharacterise arrangements that may be deemed to be artificial and not in line with the spirit of the law (Oragwu et al., 2025). Practitioners will thus have to tread the fine line between legitimate tax planning for their clients and increased exposure to anti-avoidance measures in a more digital and data-integrated revenue administration. The increased usage of electronic fiscal devices and real-time reporting of transactions under the NTAA will require practitioners to integrate traditional tax knowledge with knowledge of digital compliance systems, thus making the competency in tax technology a key competency in the future, rather than a side competency.

The Implication for the Nigerian Economy

The central policy of the 2025 Tax Reform Acts is hence to boost Nigeria's historically low tax-to-GDP ratio through base broadening, digitalisation of tax collection and reduction in tax leakage, not through the increased rate of taxation on existing taxpayers. Empirical studies of the linkages between tax revenue and economic growth in Nigeria generally confirm the positive relationship between tax revenue and economic growth as well as a stronger relationship after legislative reform (in the studies cited above, the annual Finance Act) is incorporated as a moderating variable. If the trend continues, the proposed and much more far-reaching changes for 2025 may be assumed to further deepen the link between tax growth and economic growth, as long as they are implemented effectively.

Fiscal federalism and intergovernmental relations are other issues of relevance to the reforms. The NTAA's new VAT-sharing formula, which is more derivation-based, is meant to solve the longstanding grievance of commercially important states that they had been under-compensated in terms of VAT collected within their respective jurisdictions by the old formula; the Joint Revenue Board established under the JRBA, on the other hand, provides a forum for settling future disputes over revenue-sharing and administrative overlap between federal and state tax enforcement authorities, at least in theory (Afriwise, 2025). This will either eliminate or simply shift federal-state tax friction, depending on how it is applied in practice and its perceived fairness.

As the Pioneer Status Incentive is phased out and replaced by the Economic Development Tax Incentive, which is more targeted; and the 15 percent minimum effective tax rate for large corporate groups is instituted, Nigeria is making a positive move towards tax alignment with international standards in the OECD global minimum tax framework, which could enhance the nation's investment climate appeal to multinational investors increasingly demanding tax certainty and alignment with global standards (EY Global, 2025). The merger of more than a dozen laws into a more unified tax regime also helps to eliminate Nigeria-specific tax risk that had been claimed by investors due to tax interpretative uncertainty.

Such potential benefits, however, are offset by reasonable revenue considerations. The two tax exemptions of small companies from companies income tax and the low income groups from personal income tax will initially reduce the tax base of a country which is already collecting a relatively small share of GDP in taxes, and will only be revenue neutral

or revenue positive in the medium term if they manage to redirect previously informal economic activity into the formal taxable sector at an adequate rate to reduce the direct cost of the tax exemption (Oriaifoh & Obaretin, 2025). The net economic impacts of the reforms are therefore state-dependant, being fairly positive when they prove effective at increasing the formal-sector share of the economy and improving the ability to enforce it, and less positive or even economically costly in the short run, if they fail to accelerate the shift to the formal sector, given institutional and infrastructural constraints.

Challenges to Effective Implementation

There are a number of implementation issues that may limit the potential for benefits to be realised from the reforms. First, there is a concern about taxpayer awareness, as many of the tax payers, especially those in the informal sector, are not aware of the new personal income tax bands, zero-rating system for VAT, and the revised thresholds for the small company exemption; which exposes them to risk of unintentional non-compliance during the transition period (Oriaifoh & Obaretin 2025). Second, the NTAA's use of electronic fiscal devices and e-invoicing in real-time assumes a degree of digital infrastructure and connectivity which varies from place to place, especially in rural and semi-urban Nigeria, and which could have the effect of pushing some informal businesses further from the formal tax picture than bringing them closer. Third, the Federal Inland Revenue Service (FIRS) to Nigeria Revenue Service (NRS) transition entails institutional restructuring, retraining of employees and migration of systems, which may cause some disruption in the short-term. Fourth, the smooth implementation of the new derivation-based allocation formula could be hindered by unresolved constitutional and political issues with regards to the control of

VAT between the federal government and the States. Finally, the wide data sharing envisioned under the NTAA and JRBA such as a centralised database for taxpayers poses data governance and privacy questions that will require careful consideration by implementing strong cybersecurity and data protection measures to gain the trust of taxpayers in the new administration system.

Conclusion and Recommendations

The Tax Reform Acts of 2025 is the most comprehensive restructuring of Nigeria's tax laws in decades, that brings together a disjointed tax law into one umbrella law and substantive changes that are aimed at making the tax system more equitable, expand the tax base and modernise tax administration. The changes are generally progressive for taxpayers, providing welcome respite for individuals earning below the median income and small businesses, and increased taxes for those earning above the median level and large groups of corporations. The changes will require a huge investment in retraining for tax practitioners, but offer new possibilities for transaction structuring advice, compliance with the minimum effective tax rate, and dispute resolution. The reforms have real potential to improve Nigeria's tax to GDP ratio, improve fiscal federalism, and boost investor confidence in the economy, but only if they are able to address awareness gaps, infrastructural challenges, frictions during institutional transition, and intergovernmental conflicts.

The recommendations of the paper are, first, that the Nigeria Revenue Service and Joint Revenue Board continue a well-funded, multi-year taxpayer education campaign specifically geared towards informal sector operators and small businesses, to help reduce unintentional non-compliance in the transition. Second, the implementation of electronic fiscal devices and

e-invoicing requirements should be gradual and appropriate investment should be made in areas which do not have adequate infrastructure to support the process. Third, there is need to increase Continuing Professional Development (CPD) programmes for the practitioners by the various professional bodies such as the Institute of Chartered Accountants of Nigeria (ICAN) and the Chartered Institute of Taxation of Nigeria (CITN) so that they can adapt to the new unified law as well as gain capacity on the new advisory areas the reforms introduce. Fourth, the federal and state governments should use the Joint Revenue Board as a real mechanism to solve problems with VAT-sharing and jurisdiction issues, and not as a symbolic mechanism; this would otherwise create litigation and administrative fragmentation, which are the main obstacles to previous reform efforts. Lastly, as with the earlier literature on the reforms generally, the paper calls for empirical, data-based analysis of the distributive and revenue impacts of the reforms as soon as post-implementation data becomes available from 2026 onwards, to allow for policy adjustments based on data and analysis, and not just forecasts.

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