

IMPLICATIONS OF TREASURY SINGLE ACCOUNT (TSA) ON THE NIGERIAN BANKING INDUSTRY

Aliero H. M. and Bello A. A.

Department of Economics, Usmanu Danfodiyo University, Sokoto,

Corresponding Author's email: abdghanbel@yahoo.co.uk



Abstract

The objective of the Treasury Single Account (TSA) policy is to ensure that the Independent Revenue e-Collection Scheme is implemented which provides that the revenue collection exercise of government is inserted into one single account for actualization of cash management. The paper therefore examines the implication of Treasury Single Account (TSA) on the Banking Industry in Nigeria using content analysis. The paper concludes that full implementation of the TSA will drain liquidity of the deposit money banks thereby potentially putting some banks in a serious situation. The advantages of the TSA vis-avis its operation will negatively affect the Nigerian economy due to the inadequacy of funds to enhance the lending capacity of banks to the investing public as well as to staff layoff. The paper thus, recommends that for the overall implementation of TSA to be positive for the economy in general and also the tax system in particular, those in authority are expected to embrace transparency and accountability more than ever before in order to achieve financial autonomy and efficient use of financial resources.

Keywords: *TSA, Banking Industry, Content Analysis, e-Collection Scheme, Nigeria*