

Personal Income Tax

- Personal Income Tax is guided by the Personal Income Tax Act Cap P8 LFN 2004 (as amended)
- - The tax is imposed on income of Individuals, Corporate sole or body of individuals, Communities, Families and Trustees or Executors of any settlement
- - An individual is entitled to a Consolidated Relief Allowance of N200,000 or 1% of gross income whichever is higher plus 20% of gross income
- - The rate of the tax ranges from 7% to 24%, depending on the amount of chargeable income
- - Individuals are subject to minimum tax of 1% of gross income where the income is less than N300,000 per annum
- - The tax is administered by FCT/States Internal Revenue Service(IRS) in respect of their residents
- - The tax is also administered by FIRS on non-residents, members of the Armed Forces, Police, Officers of Nigerian Foreign Service
- - The due date for filing returns of the tax is 31st March of every year
- - The due date for remittance of PAYE is 10th day of every succeeding month
- - An employer shall file return of emoluments and tax deducted from the employees in the preceding year not later than 31st January of every year
- - A person who fails to file a return shall be liable on conviction to a fine of N5,000 and a further sum of N100 for every day during which the failure continues or imprisonment of six (6) months or both
- - Any employer who fails to file a return, shall be liable on conviction to a penalty of N500,000 for body corporate and N50,000 in the case of individual