

Tax Alert

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Countdown to the January 31 deadline for filing 2023 Employer's Pay-As-You-Earn tax returns

The deadline for the filing of Employer's Pay-As-You-Earn tax returns ("the Returns") for 2022 tax year is 31 January 2023. The Returns, which show each employee's emolument and taxes paid in the preceding year, are to be filed with the relevant State Board of Internal Revenue Service (SBIRS) where the employees were resident (and with the Federal Capital Territory Internal Revenue Service for employees that were resident in Abuja) in 2022.

Some of the relevant information/ documents required for the purpose of filing the Returns include:

1. Annual payroll of employees, showing the gross income earned and tax paid for each employee for 2022 tax year
2. Evidence of PAYE tax remittance to the relevant SBIRS (i.e. copies of the employees' PAYE tax receipts for the year)
3. Duly completed e-TCC application form (for fresh applicants only), signed by the employees with passport photographs affixed. The Company's stamp must be affixed to the bottom page of the forms. A separate schedule should be prepared for e-TCC renewals. This requirement may, however, differ depending on the SBIRS.
4. Acknowledged copies of expatriate quota and monthly expatriate immigration returns submitted to the Nigeria Immigration Service (if applicable)
5. Information on the nature of permits used by expatriates for their Nigerian employment in 2022 tax year (e.g., Temporary Work Permit or Combined Expatriate Residence Permit and Alien Card)
6. A copy of projected annual payroll for 2023, stamped and signed by an authorized personnel of the company
7. Evidence of payment of development levy for all employees for 2022 tax year
8. Business Premises Levy: evidence of payment of annual renewal levy (or registration fee for first time payment) for 2022 tax year
9. Current utility bill of the business (e.g. utility bill, Land Use Charge, etc.) This requirement may differ depending on the SBIRS.

Please visit the web portal of the relevant SBIRS that permit e-filing of annual returns to verify the required documents and make preparations for physical filing at SBIRS offices where e-filing is unavailable.

Failure by an employer to file the Returns within the statutory timeline attracts a fine of ₦500,000 and ₦50,000 for corporate entities and individuals, respectively, upon conviction. The real risk of penal consequences for default calls for urgent action by taxpayers.

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