



FEDERAL INLAND REVENUE SERVICE

No 15 Sokode Crescent, Wuse Zone 5, P.M.B 33, Garki Abuja, Nigeria.
www.firs.gov.ng

PUBLIC NOTICE

NATIONAL VALUE ADDED TAX (VAT) AND WITHHOLDING TAX (WHT) COMPLIANCE MONITORING EXERCISE

Pursuant to Sections 2, 8, 26 and 29 of the Federal Inland Revenue Service (Establishment) Act 2007 (as amended), notice is hereby given to all taxable persons or tax agents including Non-Governmental Organisations (NGOs), Ministries, Departments and Agencies (MDAs) of governments at the Federal, State and Local levels that:

1. The Federal Inland Revenue Service (FIRS) shall embark on a nationwide VAT and WHT Compliance monitoring exercise with effect from **July 1, 2022**.
2. As a result, teams of officers from the Service shall visit selected taxpayers, taxable persons (including companies, NGOs or MDAs) to review their VAT and WHT records.
3. The exercise shall cover 2016 to 2020 accounting years for taxable persons whose records have been audited by the Service up to 2015 accounting year. However, for taxpayers whose records have not been audited by the Service up to 2015, the exercise shall be extended to include the prior years that have not been tax audited.
4. All taxable persons or tax agents who have made deductions of VAT or WHT on behalf of the Service are required to immediately remit all such deductions to the FIRS within two weeks of this publication.
5. Taxable persons or tax agents who shall be visited for the VAT and WHT compliance monitoring exercise will be notified by the FIRS and the documents required for the exercise will be listed in the letter to selected entities.

For more enquiries, contact:
nationaltaxcompliance2021@firs.gov.ng.

Signed
Muhammad Nami
Executive Chairman
Federal Inland Revenue Service



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PUBLIC NOTICE

NON-REMITTANCE OF VALUE ADDED TAX (VAT) & WITHHOLDING TAX (WHT) DEDUCTIONS BY STATES AND LOCAL GOVERNMENTS

This is to notify all the States and Local Governments of the Federation and the general public that the Federal Inland Revenue Service (the Service) will commence the process of enforcement and recovery of unremitted tax deductions owed by some States and Local Governments in Nigeria.

2. The provisions of Sections 78(3), 79(3), 81 of the Companies Income Tax Act (CITA), and Sections 9(1), 13(1) of the Value Added Tax Act (VATA), mandate Ministries, Departments and Agencies of Government (MDAs), Parastatals and other establishments to deduct WHT and VAT while making payments to third parties and remit same to the Service. By the provisions of the relevant laws, States and Local Governments are statutorily mandated, as agents of collection, to deduct at source and remit to the Service, all taxes deducted, within twenty-one days.
3. However, it is regrettable to note that most of the States and Local Governments have failed in their responsibilities of remitting WHT and VAT deducted from payments made to contractors and service providers as required by law. The implication is the huge tax debts owed by the States and Local Governments.
4. All entreaties by the Service to ensure the remittance of the established unremitted tax deductions by the defaulting States and Local Governments have been unsuccessful as a result of lack of cooperation in adopting the e-payment platforms provided by the FIRS for a seamless deduction and remittance of these taxes.
5. Consequently, the Service has resolved to take the following steps to recover all unremitted tax deductions by the States and Local Governments:
 - i. Advise the Federal Government and the Honourable Minister of Finance, to henceforth decline approval of any request for (a) issuance of state bonds/other securities in the capital market; (b) request for external borrowing; and (c) approval for domestic loans from commercial banks/other financial institutions by any of the State and Local Governments with outstanding unremitted tax deductions;
 - ii. By publicly naming and shaming defaulting States and Local Governments with the amount of unremitted tax deductions; and
 - iii. Invoke the provisions of Section 24 of the Federal Inland Revenue Service (Establishment) Act 2007 as amended, which empowers the Accountant General of the Federation to deduct at source, from the monthly FAAC allocations, unremitted taxes due from any government agency and thereafter transfer such deductions to the Federation Account and notify the Service.
6. The Service admonishes all defaulting States and Local Governments to promptly remit all unremitted tax deductions within 30 days of this publication to avoid enforcement actions.

Signed
Muhammad Nami
Executive Chairman
Federal Inland Revenue Service