

# Nigeria

## VAT Standard rate

VAT standard rate in Nigeria a in 2023 is 7,5%, which applies to supplies of goods and import, with certain exemptions. Export in Nigeria is zero-rated.

## VAT registration threshold

There is no registration threshold in Nigeria. The businesses have to register for VAT purposes within 6 months from the start of their taxable activities in Nigeria.

## Deductible VAT

Businesses can reclaim input tax by deducting it from output tax if the goods were purchased or imported for resale. Resident businesses that provide taxable activities with non-residents must collect VAT and transfer to the tax office.

## Registration procedure

In order to register for VAT in Nigeria companies have to fill the registration form and provide all needed documents to the Federal Board of Inland Revenue. Non-resident businesses should use the address of the company they have a contract with for the supply of goods.

## VAT returns filing and payment date

Businesses are required to submit and pay VAT in Nigeria on monthly basis. The deadline is the 21th of the month following the reporting period.

## Penalties in Nigeria

Penalty for late registration – N10,000 (approx. EUR 12) for the first month, and N5,000 (approx. EUR 6) for the each following month.

Penalty for late filing – N5,000 (approx. EUR 6) for the each following month.

Penalty for failure to issue invoice – 50% of the cost of goods supplied.

Penalty for failure to collect tax – 150% of the not collected amount.

Penalty for fraud – double the amount due.

Penalty for evasion – N30,000 (approx. EUR 37) or double the amount due, or imprisonment.



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