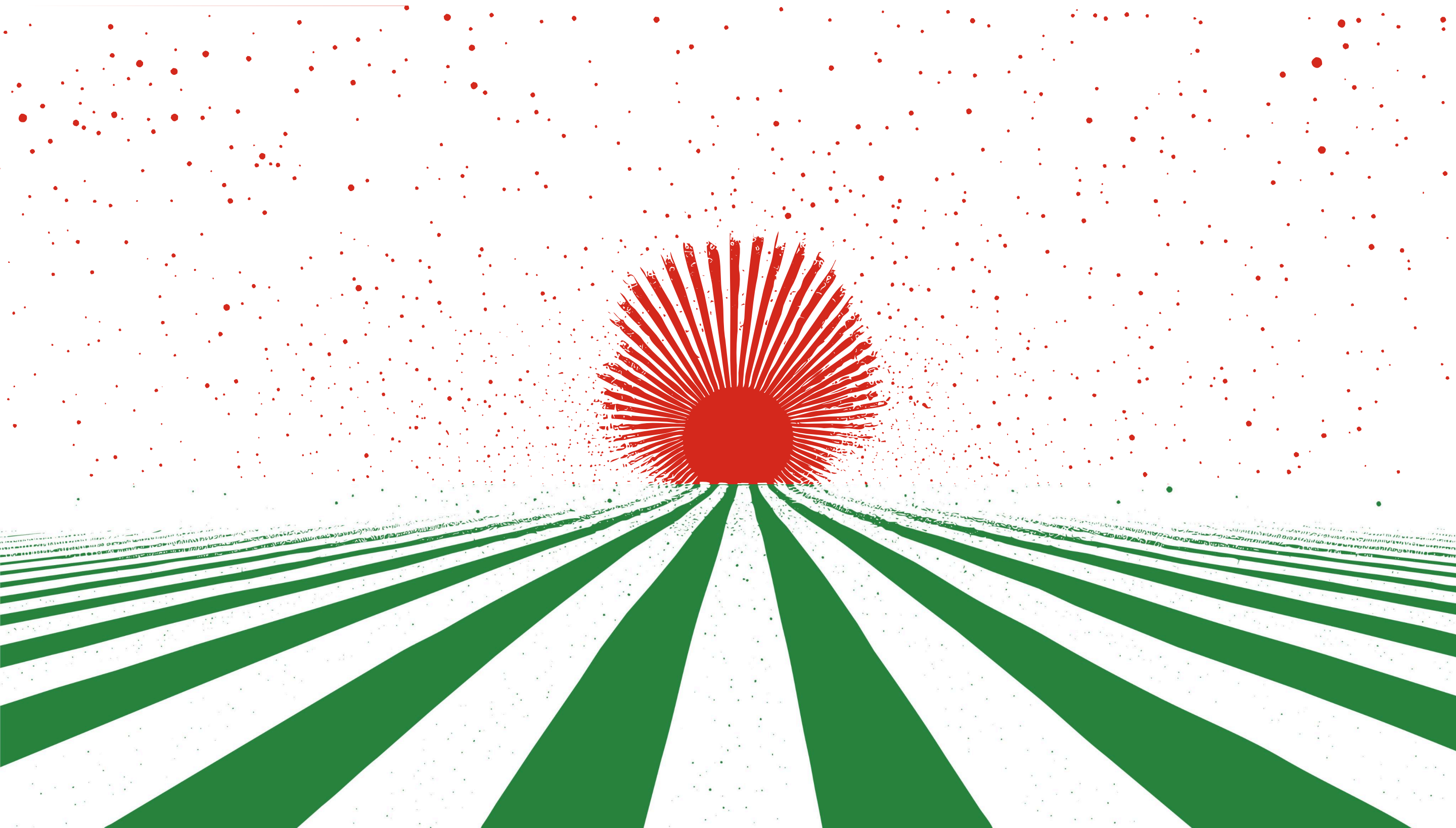


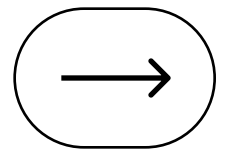
How does the

Nigeria Tax

Act 2025

Affects you

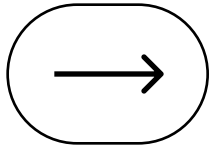




Great Update for Small Enterprises

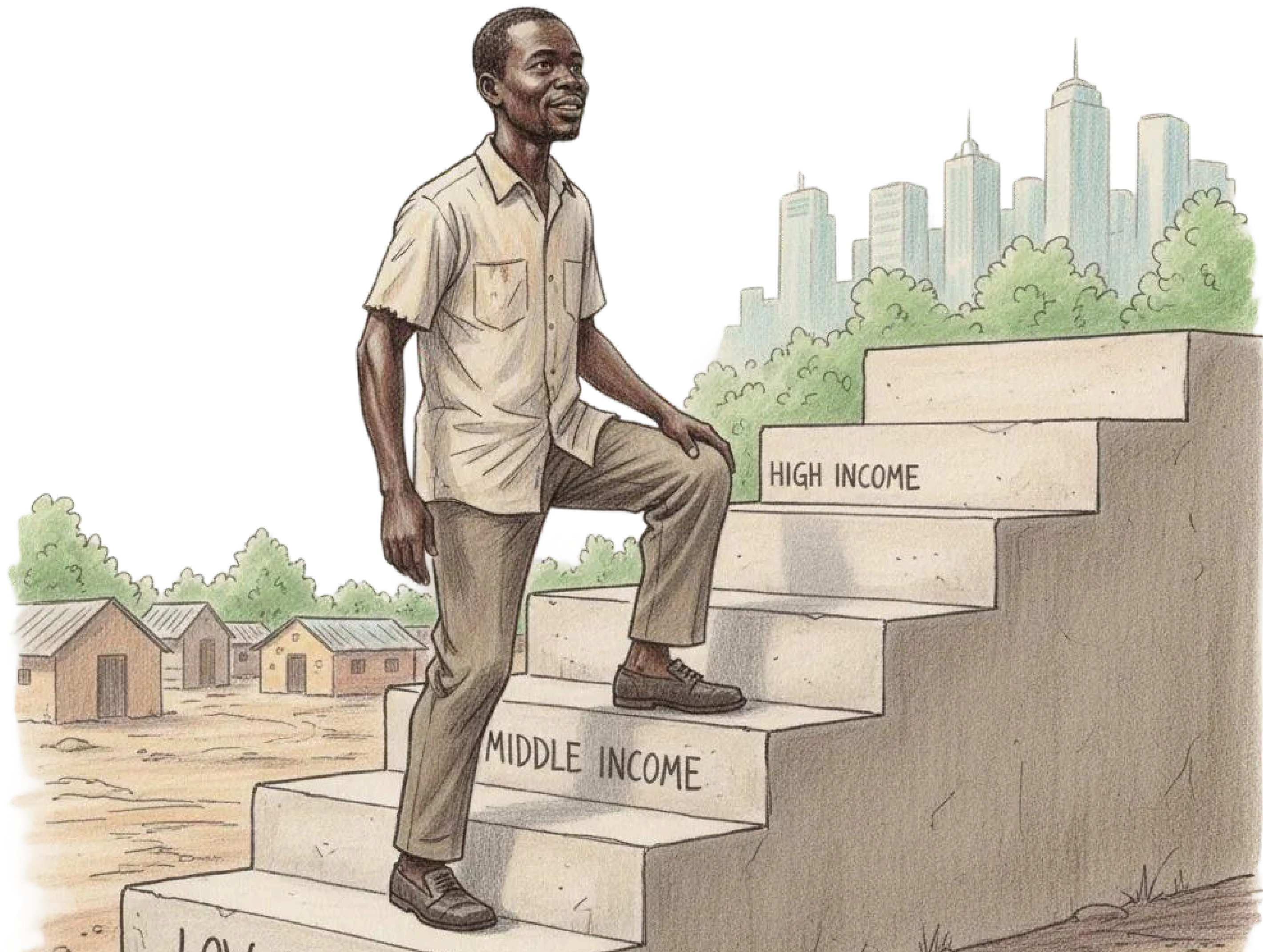
Businesses earning ₦100 million or less in annual turnover, with total assets not exceeding ₦250 million, are now fully exempt from paying taxes.

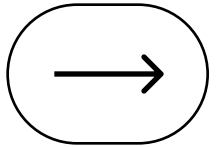




Simplified **Personal** **Income Tax** Structure

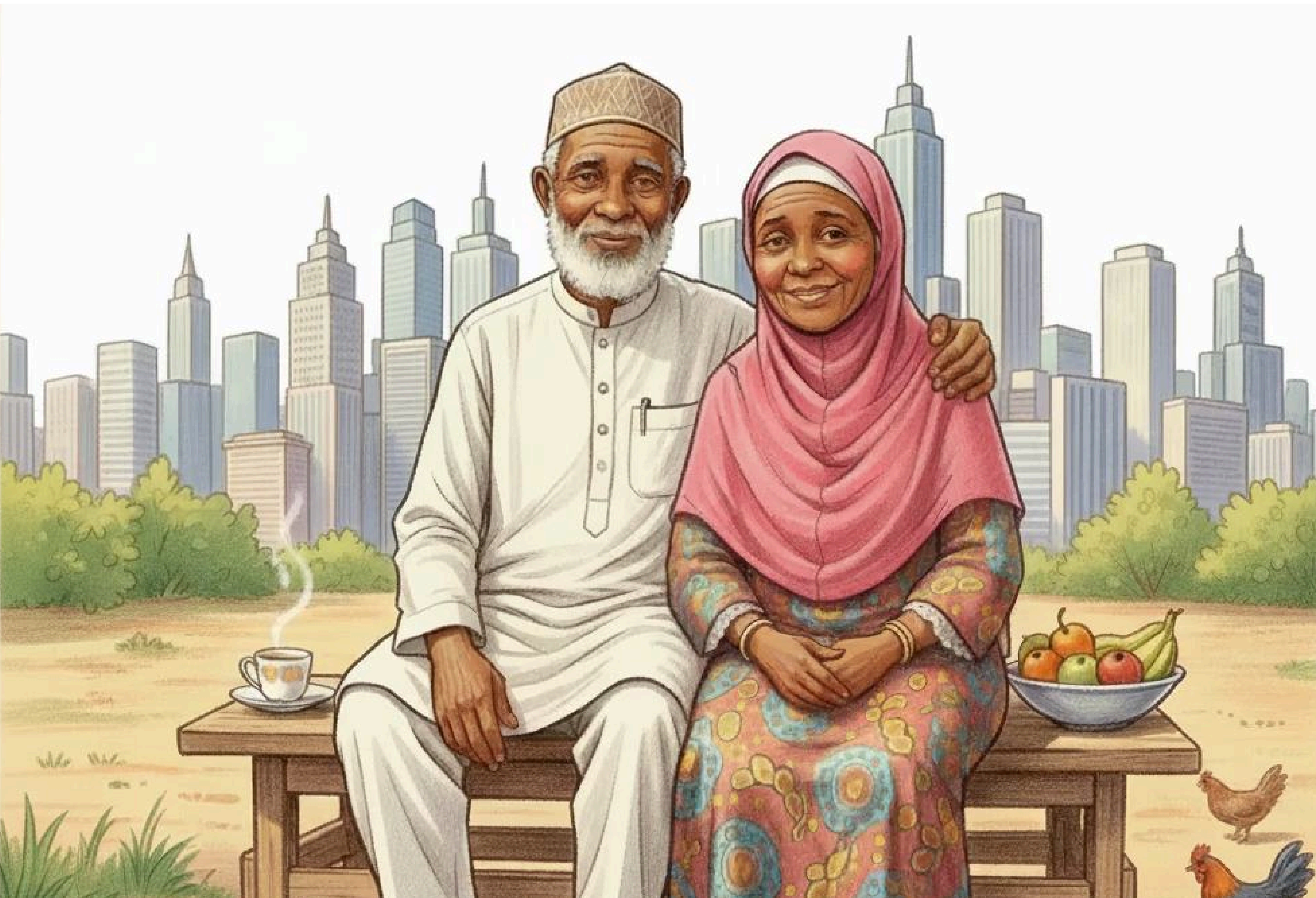
Minimum wage earners are tax-exempt, low-income earners pay reduced taxes, and higher-income earners are taxed at progressively higher rates.

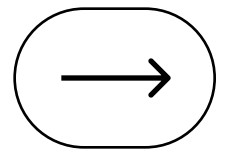




Will Pension Income Be **Taxed in 2026?**

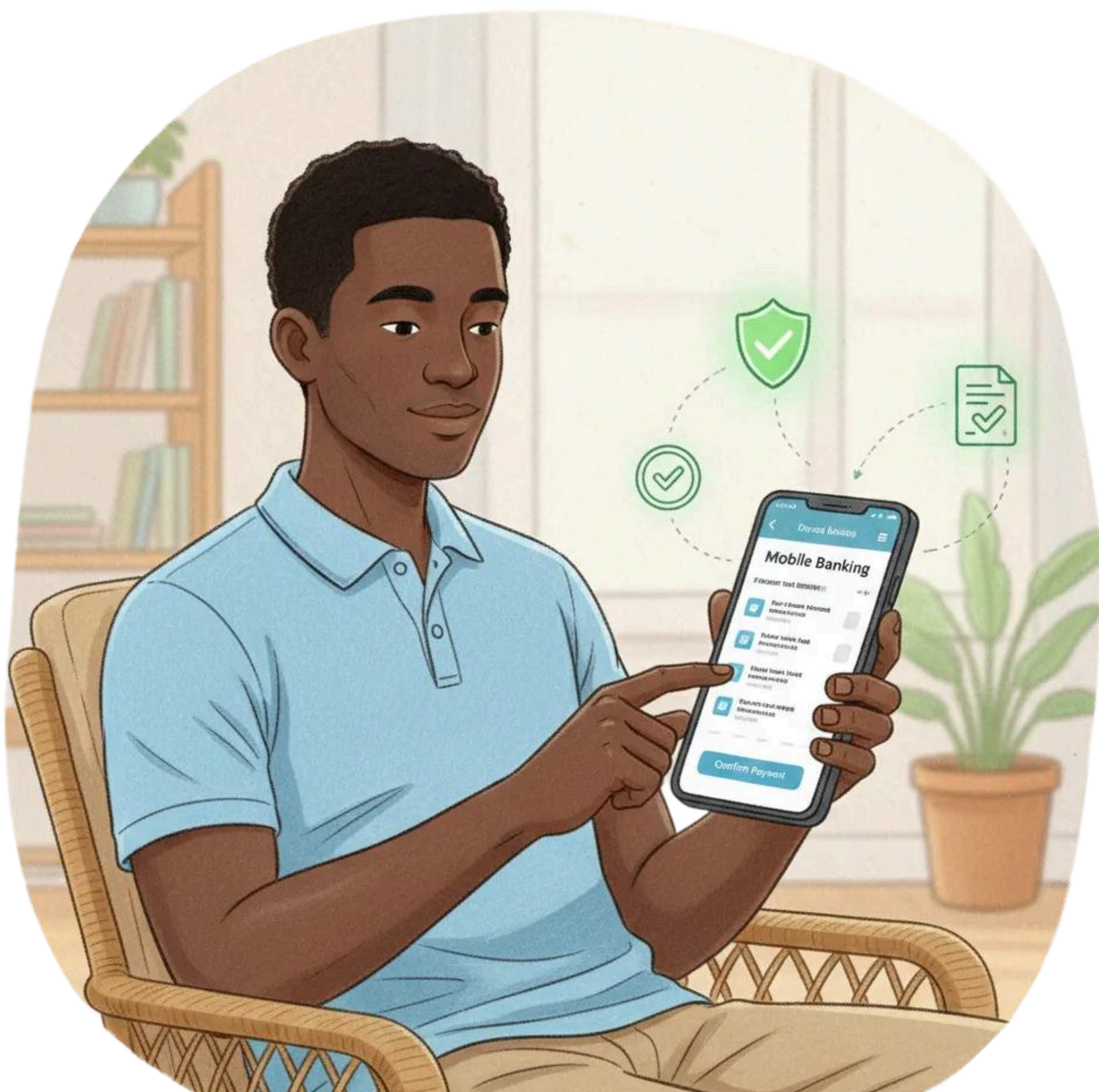
No. Pension funds, gratuities, and all other retirement benefits remain fully exempt from taxation. Pensioners are not affected provided they do not earn income that are taxable under the Acts.

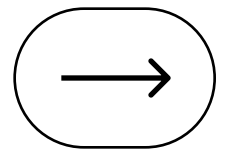




Will my **Bank Accounts** Now be Monitored?

Banks and financial institutions are now required to report certain transactions to the tax authority. Section 29 of NTAA.

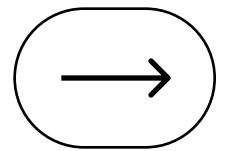




What's Changed in VAT?

The VAT rate remains at 7.5%, but it now applies to luxury items and digital products. Meanwhile, essential goods and services, including food, education, healthcare, rent, and public transportation, are either zero-rated or fully exempt from VAT.

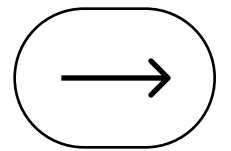




Will Deposits into my bank Account be **Taxed?**

No, mere deposits or transfers into your bank account are not automatically taxed. However, it is essential to note credit that constitutes an income into your bank account will be taxed. So, it will be good to have a clear narration for all banking transaction

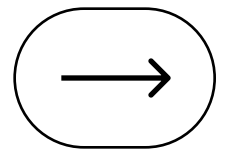




A Shift to Full Digital Compliance

VAT-registered businesses will be required to adopt electronic invoicing, beginning with large taxpayers and gradually rolling out to small and medium-sized enterprises (SMEs).





Support for MSMEs: The Tax Ombud Is Here

The Tax Ombud now serves as a safeguard for micro, small, and medium enterprises (MSMEs), escalating unresolved tax disputes to the National Assembly or State Houses of Assembly whenever tax agencies fail to take action.

