



FEDERAL INLAND REVENUE SERVICE
15 SOKODE CRESCENT, WUSE ZONE 5, P.M.B 33, GARKI, ABUJA, NIGERIA
www.firs.gov.ng

**PUBLIC NOTICE ON FILING OF TAX RETURNS BY NON-RESIDENT COMPANIES
UNDER THE COMPANIES INCOME TAX ACT, CAP C21 LFN 2004 (AS AMENDED)**

The Federal Inland Revenue Service (FIRS) has received a lot of inquiries from stakeholders on the directive that every non-resident company operating in Nigeria should file income tax returns in compliance with Section 55 of the Companies Income Tax Act (CITA) (Cap. C21 LFN 2004) as amended.

In order to provide clarity to taxpayers on the matter, the Federal Inland Revenue Service (FIRS) hereby states that:

1. All Nigerian companies and all non-resident companies that are carrying on business in Nigeria shall file income tax returns as prescribed by Section 55 of CITA;
2. The exercise of discretion by FIRS to assess and charge tax on any company on the basis of turnover under Section 30 of CITA does not amount to exemption of such company (including non-resident companies) from compliance with the filing requirements of CITA;
3. Compliance with filing requirements of CITA does not prevent the FIRS from exercising its discretion to assess a company to tax based on the company's turnover, where necessary, in accordance with Section 30 of CITA;
4. International tax conventions require that a tax authority shall treat a foreign entity (in this case, a non-resident company) in the same manner as a local company for the purposes of tax compliance;
5. One of the objectives of the Income Tax (Transfer Pricing) Regulations as stated in regulation 2(d) is to provide a level playing field for both multinational and independent companies doing business in Nigeria. Country by country reporting is an acceptable international best practice to address base erosion and profit shifting.

In view of the foregoing, every non-resident company that is carrying on business in Nigeria is, by this notice, required to prepare and submit to the FIRS, in respect of its operations in Nigeria, income tax returns containing the documents prescribed by S.55 of CITA.

All non-resident companies that had misconstrued acceptance of deemed profit returns by FIRS as replacement for filing income tax returns in compliance with Section 55 of CITA are by this notice directed to ensure that filing requirements as per Section 55 of CITA are complied with, as from the assessment year commencing 1st January 2015. All Nigerian companies and non-resident companies that have been complying with this provision should continue with compliance.

Signed
Kabir M. Mashi
Ag. Executive Chairman
Federal Inland Revenue Service