

TAX NEWSLETTER

OCTOBER 2023




PML welcomes you to October 2023 edition of our Tax Newsletter, and in this edition, we bring to you a summary of all the major tax events that occurred during the Month of September 2023. You can follow us on social media – Facebook, Instagram, LinkedIn, and Twitter. You can also reach us by mail on tax@pml.com.ng

Accounting for Deferred tax

Deferred tax arose because of the timing difference between the treatments of transactions by the accountants and the tax man. The accountants recognize transactions on an accrual basis while the tax man treats transactions on a cash basis. For example, the accountants recognize unrealized gains on investments as income while the tax man does not recognize it, this results in difference between the accounting profit and tax profit. The difference is a temporary difference and is expected to reverse in the future when the gains become realized.

Deferred tax arises because: Account profit (PBT) \neq Taxable profit.

It is the estimated future tax consequences of transactions and events in the financial statements of the CURRENT and PREVIOUS periods. It represents the future tax effect of the entity's current financial position. Deferred tax involves comparing the carrying amount (CA) of assets and liabilities with their tax bases (TB).



OCTOBER 2023 TAX DEADLINE

Set out below are the major deadlines in the month of October 2023, as it relates to the Nigerian Tax space:

CIT & TET Remittance and Filing

Companies whose financial year-end is April are to pay their Companies Income Tax (CIT) and Tertiary Education Tax (TET) to the Federal Inland Revenue Service (FIRS), and thereafter file their CIT, TET and Transfer Pricing (where applicable) returns with the FIRS, via the FIRS TaxPro Max portal, on or before Friday, 31 October 2023.

ECS Contribution Payment

Pay the Employees Contribution Scheme (ECS) contributions due on your employees' September 2023 emoluments to the Nigeria Social Insurance Trust Fund (NSITF), via any of its designated banks, on or before 30 October 2023.

PAYE Remittance

Remit all Pay-As-You-Earn (PAYE) deducted from employees September 2023 emoluments to the Internal Revenue Service (IRS) of the State(s) where the said employees are resident, via any of the designated banks, on or before Tuesday, 10 October 2023.

Pension Remittance

Remit all pension deducted (from employees' September 2023 emoluments) and contributed (by the employer) to the Pension Fund Custodian of the relevant employees. Remittance should be made within seven (7) business days of salary payment, i.e., companies that paid salaries on 30 September, 2023 are to remit pension on or before Sunday, 7 October 2023.

NHF Remittance

Remit the NHF deducted from employees' September 2023 emoluments to the Federal Mortgage Bank of Nigeria, via any of its designated banks, on or before Tuesday, 31 October 2023.

VAT Remittance and Filing

Companies who meet the required threshold are to remit all Value Added Tax collected in the month of September 2023 to the FIRS, via any of its designated banks, and file their September 2023 VAT returns with the FIRS, on or before Saturday 21 October 2023.

Withheld VAT Remittance and Filing

All appointed agents are required to file a separate return on VAT withheld in the month of October 2023 to FIRS, via any of its designated bank, and file their September 2023 withheld VAT returns with the FIRS, on or before Saturday 14 October 2023. with the currency of transaction, in line with Section 14(3) of the VAT Act.

WHT Remittance (FIRS)

Remit the WHT deducted from payments made to all corporate and foreign entities in September 2023, to the FIRS, via any of its designated banks, on or before Saturday 21 October 2023.

WHT Remittance (SIRS)

Remit the WHT deducted from payments made to all non-incorporated entities in September 2023, to the IRS of the State(s) where the said entities are resident, via any of the designated banks, on or before Tuesday 31 October 2023.



SERVICE OFFERINGS

- Companies Income Tax Management
- PAYE Returns Management
- Payroll Tax Management
- Personal Income Tax Management
- Micro Business Package
- Small and Medium Enterprises Business Package
- Tax Audits and Investigations Management
- Transfer Pricing Management
- Value Added Tax Management
- Withholding Tax Management (Payable)
- Withholding Tax Management (Receivables)

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