

REQUIREMENTS FOR FILING EMPLOYERS ANNUAL DECLARATION AND CERTIFICATE (FORM H1) AND INCOME TAX FORM FOR RETURN OF INCOME AND CLAIMS FOR ALLOWANCES AND RELIEF (FORM A) FOR YEAR 2018

This is to draw your attention to the provisions of Section 81(2) of the Personal Income Tax Act, Cap P8 Laws of the Federation of Nigeria (LFN) 2004, as amended, requiring every employer to file a return with the relevant tax authority of all emoluments paid to the employees (for the period between January to December), not later than 31st January of every year (i.e. 31st January, 2018) with respect to all employees in its employment in the preceding year.

This provision which is predicated upon Section 41 of the Personal Income Tax Act (PITA), is sine qua non to the processing of tax clearance cards for your company's employees for the year ending 31st December, 2017.

You may wish to be reminded that the submission of this return (Employers' Annual Returns, Form H1) is time bound (i.e. due on or before the 31st January, 2018) and as such, your company must be so guided. In the event of failure on the part of your company to adhere to the aforementioned requirements (for filing Form H1), the LIRS would be statutorily bound to invoke the provisions of Section 81(3) of the Personal Income Tax Act, Cap p8, LFN 2004, as amended, which prescribed a penalty of ₦500,000 for erring corporate bodies, and ₦50,000 for individuals, upon a conviction on that same offence.

Documents to be submitted include:

- i. Soft copy (saved on rewriteable CD as MS Excel) of Employers Annual Declaration and Certificate (Form H1) relating to Incomes and PAYE tax paid in the year ended 31st December, 2017.
- ii. Schedule of PAYE remittance made in 2017 and Revenue receipts evidencing same, also payments of Business Premises and Development Levy.
- iii. Projected Annual Payroll for 2018.

Duly completed e-TCC application forms for fresh applicants only, signed by the employee with passport photograph affixed can also be submitted. The company's stamp must be affixed on the bottom page of the forms. A separate schedule should be prepared for renewals different from the fresh application.

In addition to the above, all management and expatriate staff of your company (as applicable) would be required to complete the statutory Form A as prescribed by Section 41 of the Personal Income Tax Act. It shall be the duty of the company to ensure the accuracy of the information supplied in the Form A and the 2018 income/salary projection. Recall that the requirement of honesty in these disclosures is a constitutional obligation pursuant to Section 24(f) of the Constitution of the Federal Republic of Nigeria. Penalties for false declaration and related offences are prescribed in Section 94, 95 and 96 of PITA as amended.

In addition to the above, you are required to include the names, telephone numbers and e-mail addresses of your company's contact person(s) designated to carry out duties relating to your Personal Income Tax matters.

We anticipate you would be guided by the need for urgency and corporate responsibility. Please ensure compliance.