

FILING OF 2017 EMPLOYEES' ANNUAL RETURNS

Tax Alert

As 2018 year rolls in, Employers of labour (Corporate and Individuals) are hereby reminded of their statutory PAYE Tax obligation of filing their annual returns in respect of all emoluments paid their employees. The obligation to file falls due on the 31 January 2018.

Section 81(2) of the Personal Income Tax (Amendment) Act 2011 states that:

“Every employer shall be required to file a return with the relevant tax authority of all emoluments paid to its employees, not later than 31st January of every year in respect of all employees in its employment in the preceding year;”

The Act also stipulates a Penalty for non-compliance. Section 81(3) imposes a Penalty upon conviction of N500,000 in the case of a body corporate, and N50,000 in the case of an individual for any employer who fails to comply.

The Penalty so imposed is per entity (for Companies having more than one entity), regardless of the number of employees in each entity.

Employers of labour are therefore admonished to be fully compliant to this provision of the Act in order to avert the payment of unwarranted Penalties.

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