Acting Jointly

Nigeria Investment Guide
Framework for Investments
Acting Jointly

“Nigeria is considered as the leading economy in Africa. With the huge population and its fast growing middle class, there has been significant growth in Nigeria’s economy in the last decade, especially in telecoms, retail, real estate, manufacturing, financial services, agriculture and hospitality sectors. Owing to our own experience, we advise companies in all legal, accounting, tax as well as commercial matters, developing in turn a robust foundation for your local engagement. We strive to create a clear value added for our clients through all our services – be it audit, tax, financial advisory, business process outsourcing, legal advisory or resolving business management issues”

WFO Rödl & Partner

“Building a human tower is like building a business project. Together, step by step, person by person, level by level, to reach our common objective, one solid human tower in perfect harmony”

Castellers de Barcelona
Nigeria Investment Guide
Framework for Investments
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About us

As attorneys, tax advisers, management and IT consultants and auditors, we are present in 111 own locations in 51 countries. Worldwide, our clients trust our 4,700 colleagues.

The history of Rödl & Partner goes back to its foundation as a solo practice in 1977 in Nuremberg. Our aspiration to be on hand wherever our internationally-active clients are led to the establishment of our first, own offices, commencing with Central and Eastern Europe in 1989. Alongside market entry in Asia in 1994, the opening of offices in further strategic locations followed, in Western and Northern Europe in 1998, USA in 2000, South America in 2005 and Africa in 2008.

Our success has always been based on the success of our German clients: Rödl & Partner is always there where its clients see the potential for their business engagement. Rather than create an artificial network of franchises or affiliates, we have chosen to set up our own offices and rely on close, multidisciplinary and cross-border collaboration among our colleagues. As a result, Rödl & Partner stands for international expertise from a single source.

Our conviction is driven by our entrepreneurial spirit that we share with many, but especially German family-owned companies. They appreciate personal service and value an advisor they see eye to eye with.

Our ‘one face to the client’ approach sets us apart from the rest. Our clients have a designated contact person who ensures that the complete range of Rödl & Partner services is optimally employed to the client’s benefit. The ‘caretaker’ is always close at hand; they identify the client’s needs and points to be resolved. The ‘caretaker’ is naturally also the main contact person in critical situations.
We also stand out through our corporate philosophy and client care, which is based on mutual trust and long-term orientation. We rely on renowned specialists who think in an interdisciplinary manner, since the needs and projects of our clients cannot be separated into individual professional disciplines. Our one-stop-shop concept is based on a balance of expertise across the individual service lines, combining them seamlessly in multidisciplinary teams.

**What sets us apart**

Rödl & Partner is not a collection of accountants, auditors, attorneys, management and tax consultants working in parallel. We work together, closely interlinked across all service lines. We think from a market perspective, from a client’s perspective, where a project team possesses all the capabilities to be successful and to realise the client’s goals.

Our interdisciplinary approach is not unique, nor is our global reach or our particularly strong presence among family businesses. It is the combination that cannot be found anywhere else – a firm that is devoted to comprehensively supporting German businesses, wherever in the world they might be.
Our services in Nigeria

We are here for you

The Federal Republic of Nigeria is a leading location for investments and the largest economy in the African continent.

Foreign companies have traditionally enjoyed a strong presence there for years. It was mainly driven by the manufacturing, retail, real estate, industrial plant construction, engineering and construction industries. The Nigerian market is an important launch pad for foreign investments throughout Africa.

Nigeria is a pulsating powerhouse. As the most populous nation on the African continent, it dominates the region economically and culturally, spreading the fruits of its rapid development throughout Africa. Nigeria’s growth ranks in the top because it’s the world’s 10th largest producer of oil.

The firms now known as Rödl & Partner in Nigeria has been present in Nigeria since 2008. Our team of experienced local and European professionals offers a wide range of services from tax planning and optimisation of regional holding structures to legal advisory services and accounting for companies as well as not-for-profit organisations. Our clients benefit from our wealth of experience combined with the high standards and expert knowledge of an international organisation.

Thus Rödl & Partner has become one of the first German advisory and audit companies with a presence in Nigeria. The team of experienced Nigerian and German auditors, tax advisers and lawyers focuses on providing subsidiaries of foreign companies with the services of auditing annual financial statements, support during transactions as well as on-going tax, legal and administrative support to their engagements in Nigeria, ensuring continued support and services from a single source.

The list of our clients includes large multinationals as well as engineering and construction companies, retail and other companies in the fast moving consumer goods (FMCGs) sector, charity organisations, companies in the Oil, Gas & Power
sector, telecommunication and other technology solutions providers in Nigeria and other West African countries. We also support service providers active in all sectors.

Although we are a young and growing practice, our industry expertise, in-depth skills and “Big 4” experience allow us to provide high quality, value-added services with superior technical capabilities, ultimately resulting in an inspired growth in our clients’ operations.
Rödl & Partner in West Africa

Go further...

Our clients in the West African region benefit from our accounting, financial advisory, BPO services, company formation services, company secretarial services, immigration services and other business support services of our local and international experts, which are provided as comprehensive service packages in accordance with “one face to the client” approach – whether to prepare a market entry in the region or to expand the current market presence and business operations.

We know first-hand the requirements of this market to foreign investors. Therefore our in-depth knowledge of local specifics and business practices can be a major contribution to the sustainable success of our clients also in the long-term.

From our offices in Nigeria and Ghana, we direct and coordinate business operations of our clients in this region. In the other countries of this region, we rely on a network of experienced, highly skilled local partners with whom we have developed a longstanding cooperation history.

One-Stop Solutions Provider

From being just an accounting firm, we have evolved into a fully integrated one-stop resource Centre with the capability of advising growing companies and charities on all aspects of their business needs. We work with organizations within the commercial, governmental and non-governmental sectors and offer services across Audit, Tax, Advisory, BPO and Legal Advisory Services.
Our Services in Nigeria

The firms now known as Rödl & Partner in Nigeria has been present in Nigeria since 2008. Our team of experienced local and European professionals offers a wide range of services from tax planning and optimisation of regional holding structures to legal advisory services and accounting for companies and not-for-profit organisations. Our clients benefit from our wealth of experience combines with the high standards and expert knowledge of an international organisation.

Our services in Nigeria are linked up with our service lines across the world. From our offices in Lagos, Abuja and Port Harcourt, our professionals offer the following services:

Audit & Assurance

› Statutory Audits
› Compilation of Financial Information
› Review or Certification of Financial Information
› Forensic & Investigation Services
› Asset Verification Services
› Reporting Accountant Services

Tax & People Services

› Tax Advisory on business models and transactions
› Tax Health Checks
› Tax Audit Support
› Tax Compliance Services
› Transfer Pricing
› Staff Placement Services
› Contract Employee Services
› Executive Selection & Recruitment
› Payroll Processing Services
› Review of Compensation & Benefits Plans
› Learning & Development
Accounting Services

› Accounting System Implementation
› Accounts Clean-Up Services
› Financial Reporting Services
› SME Business Advisory
› Internal Audit Services
› Vendor Compliance Reviews
› Accounting Advisory Services
› Process Assurance & Optimisation

Advisory

› Business Plans & Feasibility Studies
› Corporate Strategy Advisory
› Deal Support Services
› M&A Services
› Recovery & Reorganisation
› Public Sector Infrastructure & PPP Advisory

Business Process Outsourcing

› Finance & Accounting BPO
› Customer Services & Marketing BPO
› Procurement BPO
› Invoice Processing Services
› Temporary (Short Term) Staffing Solutions
› Cash Management Services

Legal & Regulatory Advisory

› Formation of companies and other business structures
› Company Secretarial Services
› Regulatory Compliance & Advisory Services
› Employment contracts, contracts for senior executives & Work Relations
› Drajing and advisory on commercial agreements
› Whistleblower Ethics Hotline Services
Why Invest in Nigeria

Nigeria, a multi-ethnic, multicultural and multilingual society, strategically located with easy access to all of its neighbors, offers a cost competitive location for investors intending to set up offshore operations for regional markets. The Nigerian economy became the largest African economy following the 2013 GDP rebasing exercise.

Nigeria is a pulsating powerhouse: as the most populous nation on the African continent, it dominates the region economically and culturally, spreading the fruits of its rapid development throughout Africa. Nigeria’s growth ranks in the top five – not least because it’s the world’s 10th largest producer of oil. Lagos, Nigeria’s main city, is bursting at the seams: with burgeoning technology and telecommunications industry.

Nigeria’s political and economic stability with a well-developed legal system, prudent and pragmatic investor friendly business policies, cost-productive workforce, developed infrastructure comparable to that of any West African country and a host of other amenities make this country an enticing place for investors.

Nigeria is Africa’s foremost business destination. It operates a market economy dominated by crude oil exports with the revenue earnings from the sector accounting for over 90% of forex earnings and 65% of budgetary revenues. With its abundant resources most of which are yet to be exploited, its free market economy and unrestricted movement of investment capital, many multinational companies have been able to expand and diversify their operations in the country, reflecting their confidence in Nigeria as the place for their business ventures.
Nigeria has large deposits of iron ore, tin, columbite, coal, lead, zinc, bauxite, etc. There is also a huge service sector supporting the oil and gas value chain and significant market and population for goods and services. Industries showing significant growth opportunities include:

- Information and Communication Technology. 
- Consumer goods and the retail industry (including online shopping). 
- Hospitality & Real estate due to high population, urban migration, and a rising middle class. 
- Manufacturing, Food processing and Agriculture. 
- Financial Services. 
- Infrastructure (especially Power and Transportation). 

Inflation rate was 8.5 % as at first quarter of 2015; below the Central Bank of Nigeria (CBN) yearly estimate of 8.7 % and well within the federal government’s target of maintaining a single digit figure. The (CBN) sets the benchmark interest rate in the form of a Monetary Policy Rate (MPR) which was 13 % as at the end of June 2015.
Facts and figures

Nigeria today with a population of about 173 million people is the largest country in Africa and accounts for 47% of West Africa’s population. It is also the biggest oil exporter in Africa, with the largest natural gas reserves in the continent.

Nigeria, with an estimated nominal GDP of USD 569 billion, is Africa’s biggest economy. The economy has enjoyed sustained economic growth for a decade, with annual real GDP increasing by around 7%; it was 6.3% in 2014. This growth rate is higher than the West African sub-regional level and far higher than the sub-Saharan Africa level.
Facts about Nigeria

**Background**

British influence and control over what would become Nigeria and Africa’s most populous country grew through the 19th century. A series of constitutions after World War II granted Nigeria greater autonomy; independence came in 1960.

Following nearly 16 years of military rule, a new constitution was adopted in 1999, and a peaceful transition to civilian government was completed. The government continues to face the daunting task of reforming a petroleum-based economy, whose revenues have been squandered through corruption and mismanagement, and institutionalizing democracy. In addition, Nigeria continues to experience longstanding ethnic and religious tensions. Although both the 2003 and 2007 presidential elections were marred by significant irregularities and violence, Nigeria is currently experiencing its longest period of civilian rule since independence.

The general elections of April 2007 marked the first civilian-to-civilian transfer of power in the country’s history and the elections of 2011 were generally regarded as credible. In January 2014, Nigeria assumed a no permanent seat on the UN Security Council for the 2014-15 term.

**Location**

Western Africa, bordering the Gulf of Guinea, between Benin and Cameroon

**Government type**

Federal Republic

**Area**

923,768 sq. km
(slightly more than twice the size of California)
**Ethnic groups**  
Nigeria is composed of more than 250 ethnic groups; the most populous and politically influential are:

Hausa and the Fulani 29 %,  
Yoruba 21 %,  
Igbo 18 %

**Language**  
English (official), Hausa, Yoruba, Igbo, Fulani, over 500 additional indigenous languages

**Population**  
181,562,056 (July 2015 est.)

**GDP**  
Purchasing Power Parity: 1.049 trillion US-Dollar (2014 est.)  
Real Growth Rate: 6.3 % (2014 est.)  
Per Capita (PPP): 6,000 US-Dollar (2014 est.)

**Labour force by occupation**  
Agriculture: 70 %  
Industry: 10 %  
Services: 20 % (1999 est.)

**Unemployment rate**  
23.9 % (2011 est.)

**Industries**  
Crude oil  
Coal  
Tin  
Columbite  
Rubber products  
Wood  
Hides and Skins  
Textiles  
Cement and other construction materials  
Food products  
Footwear  
Chemicals  
Fertilizer  
Printing  
Ceramics  
Steel
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<th><strong>Inflation rate (consumer prices)</strong></th>
<th>8.1 % (2014 est.)</th>
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<td><strong>Exports</strong></td>
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| **Export commodities**              | Petroleum and Petroleum Products 95 %  
                                  | Cocoa  
                                  | Rubber  
                                  | Wood and Wood Products  
                                  | Rubber (2012 est.) |
| **Imports**                         | 52.79 billion US-Dollar (2014 est.) |
| **Import commodities**              | Chemicals  
                                  | Machinery  
                                  | Transport equipment  
                                  | Manufactured goods  
                                  | Food  
                                  | Live animals |

Business structures

Foreign investors wishing to set up their business in Nigeria can choose from a variety of business structures. A description of the key business structures is set out below. It should be noted that private limited companies are the most popular form of vehicle for doing business in Nigeria.

All companies, partnerships and sole proprietors intending to do business in Nigeria are required to register with the Corporate Affairs Commission of Nigeria (“CAC”) which is responsible for the administration of the Companies and Allied Matters Act (CAMA).

**Sole Proprietorship**

A sole proprietorship is a business wholly owned by a single owner using personal name as per identity card or trade name. The sole proprietor will be personally liable for all the debts and obligations of the business. The income generated by the business is the income of the sole proprietor. Therefore, the sole proprietor is taxed on an individual basis.

All sole proprietorships are expected to be registered with the CAC under Part B of CAMA (for Registration of Business Names), if the adopted business name is different from the name of the sole proprietor. For example, “John Smith” is not required to be registered, but “John Smith & Co.” requires registration. Generally, only Nigerian citizens or Permanent Residents of Nigeria can register as a sole proprietor.

**Partnership**

A partnership is defined as a relationship which subsists between persons carrying on a business in common with a view to profit. The Partnership Act will apply to all partnerships unless a formal agreement has been drawn up setting out the rights or obligations of the partners. A partnership cannot have more than 20 partners. The partnership does not have a separate legal existence. Partners are both jointly and severally liable for the debts and obligations of the partnership should its
assets be insufficient. The profits of the partnership are attributed to the partners who are taxed on an individual basis.

All partnership businesses are expected to be registered with the CAC under Part B of CAMA (for Registration of Business Names). The Partnership laws are not Federal laws in Nigeria. Hence, the partnership arrangement must be registered at the office of the Registrar of Partnerships in the State in which the partnership business will be domiciled (after the business name has been registered, if the adopted partnership business name is different from the names of the Partners).

**Limited Liability Partnership and Limited Partnership (LP)**

A limited liability partnership (" LLP") offers a business structure that combines the operational flexibility of a partnership with the limited liability features of a company.

An LLP is a body corporate that has a legal personality separate from that of its partners. It is capable of suing or being sued. The LLP can own property in its own name. Every LLP must have at least two partners. The partner in an LLP can be an individual or a body corporate.

The Limited Liability Partnerships Laws (available only in Lagos State) will apply to an LLP unless a formal agreement has been drawn up setting out the rights or obligations of the partners.

An obligation of the LLP, whether arising in contract, tort or otherwise, is solely the obligation of the LLP. A partner is not personally liable for an obligation of the LLP. A partner will be personally liable in tort for his wrongful act or omission but will not be personally liable for the wrongful act or omission of any other partner of the LLP.

In the past two years, the Lagos State Government has stopped registering new LLPs although the relevant law has not been amended. New applicants are being encouraged to consider registering as Limited Partnerships (LPs) in Lagos State. The difference is that, in LP, at least one of the partners must be named as a “General Partner”, who will have unlimited liability for the partnership business.
companies

The Corporate Affairs Commission Act provides for three types of companies, which could either be private or public. These companies are:

› A company limited by shares: This is where the liability of members are limited to the amount against their names in the Memorandum of Association of the Company
› A company limited by guarantee: This is for not-for-profit companies where the liability of members is limited to the amount guaranteed. There is no share capital.
› An unlimited company: The liability on members does not have any limit.

The common form of companies are those that are “limited by shares”. There are the private limited companies and the public limited companies (PLCs).

A private limited company (e.g. XYZ limited) is a legal entity separate and distinct from its members. A private limited company can sue or be sued and can own property in its own name. A private limited company must have less than 50 members. Its members have limited liability and are not personally liable for the debts and losses of the company. There must be a minimum of two directors. Further, a minimum of two shareholders are required. Although foreign shareholders (though, minimum of two shareholders is required) are allowed to hold all the shares in a Nigerian company, certain business areas are regulated through licences which may be subjected to certain equity requirements. However, there are requirements of minimum paid up share capital in order to apply for certain licenses, tenders or to conduct businesses in regulated business areas.

A public limited company (e.g. XYZ PLC) is a legal entity separate and distinct from its members. Public listed companies may be listed on the Nigerian Stock Exchange and are highly regulated by the Securities and Exchange Commission (SEC). Shares of this type of company are publicly traded. There are special requirements to be eligible to be registered (or upgraded to) as a public limited company. A public limited company can sue or be sued and can own property in its own name. Its members have limited liability and are not personally liable for the debts and losses of the company. There must be a minimum of two directors. Further, a minimum of two

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shareholders are required. Although foreign shareholders (though, minimum of two shareholders is required) are allowed to hold all the shares in a Nigerian company, certain business areas are regulated through licenses which may be subjected to certain equity requirements.

**Representative Office (RO)**

This is the structure put in place to enable the foreign company explore the viability of the business environment of the country. This form of structure does not engage in business transactions.

The RO has the benefit of allowing a foreign entity to assess the business environment in Nigeria before deciding to set up a permanent structure. The RO does not undertake any commercial activities and only represents its head office/principal to undertake designated functions.

The RO collects relevant information on investment and business opportunities to develop bilateral trade relations and promote the export of Nigerian goods and products and carry out research and development.

The RO’s operation is completely funded from sources outside Nigeria. The RO is not required to be incorporated under the CAMA. The setting up of a RO requires the approval by the CAC. Approval for the RO is usually for a period of two or three years and any extension of the period thereafter would be subjected to justifications submitted before the expiry of the approved period.

**Branch Office (BO)**

Branch office is not allowed under CAMA in Nigeria.

In countries where such are allowed (such as Ghana), the branch is considered an extension of the foreign company and not a separate legal entity. Therefore, the parent company of a branch office is liable for all the debts and liability of the branch office. A branch office is considered a non-resident entity because the
control and management of a branch office is vested with the parent company. Generally, a branch office will not be regarded as resident for tax purposes. The branch will not be eligible for any tax exemptions and incentives which are available to local companies. A branch office must appoint at least one agent who is ordinarily resident in Ghana.
Tax

Value Added Tax (VAT)

VAT is imposed on goods and services at every production and distribution stage in the supply chain including importation of goods and services. Only registered businesses for VAT purposes can charge and collect VAT.

Registration with the FIRS

By virtue of section 8 of Value Added Tax Act, a taxable person shall, within 6 months of the commencement of business register with the FIRS for the purpose of the tax. A taxable person who fails or refuses to register with the board within the specified time shall be liable to pay as penalty an amount of 10,000 Nigerian Naira for the first month in which the failure occurs and 5,000 Nigerian Naira for each subsequent month in which the failure continues.

Registration by non-resident companies

By virtue of section 10 of the Value Added Tax Act, a non resident company that carries on business in Nigeria shall register for the tax with the board, using the address of the person with whom it has a subsisting contract, as its address for purposes of correspondence relating to the tax. A non resident company shall include the tax in its invoice and the person to whom the goods or services are supplied in Nigeria shall remit the tax.

Input VAT, Output VAT and Input VAT Credit

Input VAT is charged on the purchase of goods and services used in the business activity. Output VAT on the other hand, is charged and collected on sales/supplies of goods and services. Output VAT must be remitted to the government. Input VAT Credit is a mechanism whereby businesses registered for VAT purpose can claim Input VAT.
**Standard rated, zero rated and exempt supplies**

Standard rated supplies are taxable supplies of goods and services which are subject to the standard rate of 5%. Zero rated supplies are taxable supplies which are subject to a zero rate that is not liable to VAT at the input or output stage. Exempt supplies are non-taxable supplies which are not subject to VAT at the output stage. However, the input VAT already paid by the business cannot be claimed as tax credit. In principle, VAT is imposed on all goods and services produced in the country including imports. However, certain basic food items and essential services are not subject to VAT.

**Tax Invoice**

A Tax Invoice is a special type of invoice that contains specified items of information. Tax invoices are required for claims on Input VAT. Failure to issue a tax invoice is an offence. It is also an offence to issue tax invoice without all required particulars.

**Companies Income Tax**

Every company, regardless of whether it is a local or foreign company is liable to pay tax on income accruing in, derived from, brought into or received in Nigeria. A non-resident company is also liable to pay tax on income accruing in or derived from Nigeria.

**Liability to tax by foreign companies**

By virtue of the provision of section 13 of the Companies Income Tax Act, the profits of a company, other than a Nigerian company from any trade or business shall be deemed to be derived from Nigeria –

a) If that company has a fixed base in Nigeria, to the extent that the profit is attributable to the fixed base.

b) If it does not have such a fixed base in Nigeria but habitually operates a trade or business through a person in Nigeria authorized to conduct on its behalf or on behalf of some other companies controlled by it or which have controlling interest in it; or habitually maintains a stock of goods or merchandise in Nigeria.
from which deliveries are regularly made by a person on behalf of the company, to
the extent that the profit is attributable to the business or trade or activities carried
on through that person;

c) If that trade or business or activities involves a single contract for surveys,
deliveries, installations or construction, the profit from the contract; and

d) Where the trade or business or activities is between the company and another
person controlled by it or which has a controlling interest in it and conditions are
made or imposed between the company and such person in their commercial
or financial relations which in the opinion of the board is deemed to be artificial
or fictitious, so much of the profit adjusted by the board to reflect arm’s length
transactions.

For the purpose of the foregoing, a fixed base shall not include facilities used solely
for the storage or display of goods or merchandise, or for collection of information.

Tax liabilities for such companies will be based on audited accounts similar to
Nigerian companies.

**Tax rate**

Every company is taxed at the rate of 30% of chargeable income.

**Tax deductions**

Generally, tax deductions are allowed for expenses that are incurred wholly,
reasonably, exclusively and necessarily in generating the company’s taxable income.

**Filing and disclosures**

Section 55 of Companies Income Tax Act requires newly incorporated companies
within 18 months from the date of incorporation or not less than 6 months after
the end of its accounting period, whichever is earlier, to register with Federal Inland
Revenue Service. The penalty for late filing is 25,000 Nigerian Naira in the first month
in which failure occurs and 5,000 Nigerian Naira for each subsequent month in which
the failure continues.
Section 12 of Companies Income Tax Act requires that any company entering into any agreement (oral or written) in respect of fees, dues and allowances (wherever paid) for services rendered shall forthwith make a full disclosure to the FIRS board in writing of the terms of such agreement.

**Tax incentives**
Nigeria offers a wide range of tax incentives for the promotion of investments in selected sectors of industry. These tax incentives take different forms such as exemption on income, extra allowances on capital expenditure, exemption from import duty, and so on. Where income is exempted, tax exempt dividends may be paid out of the exempted income. Subject to the qualifying criteria applicable to the type of incentives, the incentives applicable include Pioneer status and Investment tax credit.

**Certificate of Acceptance**
Companies are required to obtain a Certificate of Acceptance from the Inspectorate Division of the Federal Ministry of Industries for individual assets purchased within any accounting period with a value of 500,000 Nigerian Naira and above. The presentation of the Certificate of Acceptance is required in the event that the tax authorities challenge the capital allowances.

**Excess dividend tax**
When a company pays out dividend, this would be compared to its taxable profit for the period. Where the dividend is more than the taxable profit, the excess will be charged to tax at 30% as if the dividend is the taxable profits of the company.

**Capital allowances**
Capital allowances are claimable on qualifying capital expenditure in lieu of depreciation. Initial allowance is granted only in the first year of acquisition, the annual allowance is claimable yearly (at defined rates) over a specified period as stated by the Law. Investment allowance of 10% is granted in respect of capital expenditure on plant and equipment in the year of acquisition.
Agro companies and manufacturing companies are allowed to claim 100% capital allowances whereas other companies are restricted to claim a maximum of two-thirds of assessable profits (accounting profits after adjustment for tax purposes). Different rates apply for qualifying expenditures for both initial and annual capital allowances.

**Double Tax Agreement (DTA)**
Nigeria has ratified tax treaties with Belgium, Canada, China, Czech Republic, France, Netherlands, Pakistan, Philippines, Romania, Slovakia, South Africa and United Kingdom. Nigeria also has tax treaties with Kenya, Mauritius, Poland, South Korea, Spain and Sweden. However, these treaties have not been ratified by the Nigerian National Assembly.

Nigeria’s DTAs offer tax advantages to companies/individuals resident in a treaty country which include higher threshold to trigger a taxable presence in Nigeria and a lower withholding tax rate of 7.5% on dividends, royalties and interest payable to a resident in a treaty country as opposed to 10% for non-DTA-residents.

**Pioneer status**
Where the government is satisfied that any industry is not operating on a scale suitable to the economic requirement or there are no favourable prospects of further development, such industry will be declared a pioneer industry and any other product of the industry to be a pioneer product. Tax relief is granted upon application, from the date of the company’s production day and shall continue for 3 years in the first instance. The tax relief may be extended for a period of 2 years or 2 single periods of 1 year. If the company is established in a disadvantaged rural area the maximum period shall be 7 years.

At the meeting of the Federal Executive Council (FEC) of Nigeria on Wednesday 2 August 2017, the Federal Government added 27 new industries and products to the scheme, thus bringing the original list of 44 pioneer industries and products to 71.
Employee Related Taxes

The taxation of individuals is guided by the provisions of Personal Income Tax Act (PITA) 2011 (as amended). The Act requires an employer to deduct and remit its employees’ Income Tax under the Pay-As-You-Earn (PAYE) scheme and grants certain allowances and reliefs to individuals to reduce their tax payable. All individuals are liable to tax on income accrued in, brought into, derived from and received in Nigeria.

**Tax residency status**
Taxation of individuals in Nigeria depends on his residency status in a particular State in Nigeria. An individual will be considered a tax resident if he is a Nigerian, or a Nigerian permanent resident, or a foreigner who has stayed or worked in Nigeria above 183 days in a calendar year or 12 month period. Otherwise, the individual will be considered a non-resident for tax purposes.

**Tax rate**
Personal income tax rate is applied on a graduated scale on taxable annual income as set out below. There is a non taxable personal relief of 20% of income applicable to every individual in addition to some other non-taxable allowances.

<table>
<thead>
<tr>
<th>Income to be taxed</th>
<th>Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>First 300,000 Nigerian Naira</td>
<td>7 %</td>
</tr>
<tr>
<td>Next 300,000 Nigerian Naira</td>
<td>11 %</td>
</tr>
<tr>
<td>Next 500,000 Nigerian Naira</td>
<td>15 %</td>
</tr>
<tr>
<td>Next 500,000 Nigerian Naira</td>
<td>19 %</td>
</tr>
<tr>
<td>Next 1,600,000 Nigerian Naira</td>
<td>21 %</td>
</tr>
<tr>
<td>Above 3,200,000 Nigerian Naira</td>
<td>24 %</td>
</tr>
</tbody>
</table>

**Basis of Liability**
In the case of employment income, an individual is liable to tax in Nigeria if the employer is in Nigeria unless the employment duties are wholly performed and the
remuneration paid outside Nigeria. Tax is due if the duties of the employment are wholly or partly performed in Nigeria unless certain conditions are met.

**Tax Relief**
Tax reliefs and allowable deductions available to tax residents include:

- Consolidation relief allowance of 20% of income
- Pension relief
- National Housing Fund
- National Health Insurance Scheme
- Life Assurance Premium Relief
- Mortgage Interest Relief (on owner-occupied buildings)

**Additional Labour Costs to Companies**

Certain statutory deductions are borne by the employees alone. However, there are other statutory deductions which are borne in part or as a whole by the employer. The table below is a summary of those statutory deductions as borne by employees and employers:

<table>
<thead>
<tr>
<th>Statutory Remittance</th>
<th>Employee</th>
<th>Employer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pension</td>
<td>Minimum of 8% of monthly emoluments</td>
<td>Minimum of 10% of monthly emoluments</td>
</tr>
<tr>
<td>Group Life Assurance</td>
<td>N/A</td>
<td>Life policy of 3 times of employees’ annual total emoluments</td>
</tr>
<tr>
<td>National Housing Fund</td>
<td>2.5% of basic pay</td>
<td>N/A</td>
</tr>
<tr>
<td>National Health Insurance Scheme</td>
<td>5% of basic pay</td>
<td>10% of basic pay</td>
</tr>
<tr>
<td>Industrial Training Fund</td>
<td>N/A</td>
<td>1% of total annual payroll</td>
</tr>
<tr>
<td>National Social Insurance Trust Fund/Employee Compensation Fund</td>
<td></td>
<td>1% of total monthly payroll</td>
</tr>
</tbody>
</table>
Employee Related Taxes – Expatriate MaXers

Valuation of benefits
The taxation of expatriates’ monetized income is basically the same as the basis of taxing local employees in Nigeria.

However, certain benefits attributable to expatriates are valued differently and added to the monetized income for tax purposes. These benefits are referred to as benefits in kind:

The table below is a summary of those benefits in kind and the basis of valuation for tax purposes:

<table>
<thead>
<tr>
<th>S/N</th>
<th>Benefit in Kind</th>
<th>Tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Accommodation</td>
<td>Ratable value of the house</td>
</tr>
<tr>
<td>2</td>
<td>Motor vehicle</td>
<td>5 % of market value or tax written down value of the car</td>
</tr>
<tr>
<td>3</td>
<td>Servants, drivers, gardeners</td>
<td>Gross Emolument of the attached personnel</td>
</tr>
<tr>
<td>4</td>
<td>Utility bills</td>
<td>100 % of the amount paid</td>
</tr>
<tr>
<td>5</td>
<td>Furniture &amp; fittings</td>
<td>5 % of market value or tax written down value of the car</td>
</tr>
<tr>
<td>6</td>
<td>Plant &amp; equipment rented for the benefit of the employee</td>
<td>Rental cost of such plant and equipment</td>
</tr>
</tbody>
</table>

Based on practice, the tax authorities have assessed expatriate personnel for tax based on a “deemed income” approach in instances where the disclosed employee income is lower than their expectations.
Other taxes and levies: Other key types of taxes in Nigeria include:

- **Cabotage levy** - To encourage the development of indigenous players in domestic shipping, the Coastal and Inland Shipping (Cabotage) Act (“Cabotage Act”) was passed into law in 2003. Vessels are rated based on specific local content criteria which enhances their chances to execute contracts in Nigeria. Each vessel upon registration with the Nigerian Maritime Administration and Safety Agency (NIMASA) will be required to pay a surcharge of 2% of the contract sum on any contract performed by the vessels. This surcharge is payable by the vessel owner.

- **Nigerian Content Development (NCD) levy** - The Nigerian Oil and Gas Content Development and Monitoring Board (NCDMB) was established and vested with the responsibility to implement the provisions of the Nigerian Oil and Gas Industry Content Development Act 2010 (Local Content Act), make procedural guidelines and monitor compliance of operators within the oil industry. Companies increase their chances of obtaining contracts through high local content ratings. The Act imposes a levy of 1% of contract sum to be deducted at source from any contract awarded to any operator, contract, subcontractor, alliance partner or any other entity in any project, operation, activity or transaction in the upstream sector of the industry.

- **Nigerian Communications Commission (NCC) levy** - The Annual Operating Levy (AOL) regulations issued by the Nigerian Communications Commission provides that all network providers in the telecommunication industry must pay 2.5% of their annual income as operating levy and a 2% levy on electronic gadgets.

- **Withholding tax** - By virtue of section 81 of Companies Income Tax Act, income tax assessable on any company, whether or not an assessment has been made, shall be recoverable from any payments made by any person to such company. Withholding tax is an advance deduction of income tax at source and not a tax.

- **Import and excise duties** - Import duty is imposed ad valorem or at a fixed rate on a number of items.
- **Capital gains tax** - Capital gains tax is charged on gains arising from the disposal of fixed assets.

- **Stamp duty** - Stamp duty is a tax that is levied for the legal recognition on documents principally relating to immovable properties, stocks and shares.

**Other taxes and levies (contd.):** Other key types of taxes in Nigeria also include:

- **Luxury taxes** – These are special taxes on luxury items, including the following:

<table>
<thead>
<tr>
<th>S/N</th>
<th>Type of Luxury</th>
<th>Tax or Levy</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Private jets</td>
<td>Purchase of new private jets will be subject to a 10% import surcharge.</td>
</tr>
<tr>
<td>2</td>
<td>Yacht</td>
<td>Purchase of luxury yachts will be subject to a 39% import surcharge.</td>
</tr>
<tr>
<td>3</td>
<td>Luxury cars</td>
<td>Purchase of luxury cars will be subject to a 5% import surcharge.</td>
</tr>
<tr>
<td>4</td>
<td>Champagnes, wines and spirits</td>
<td>Purchase of champagnes, wines and spirits will be subject to a 3% luxury surcharge.</td>
</tr>
<tr>
<td>5</td>
<td>Mainsons</td>
<td>1% Mansion tax on residential properties within the Federal Capital Territory, Abuja. The tax is applicable to a property with a value of 300 million Nigerian Naira and above.</td>
</tr>
<tr>
<td>6</td>
<td>Airline tickets</td>
<td>There will be a surcharge on business and first class tickets on airlines. The rate has been determined at 15,000 Nigerian Naira per ticket on foreign travels.</td>
</tr>
</tbody>
</table>
Transfer Pricing (TP) MaXers

Background
The Income Tax (Transfer Pricing) regulations No. 1, 2012 was introduced to provide rules for taxation of intercompany transactions in Nigeria. The regulation covers transactions between connected persons, compliance obligations of the taxpayers and the need to prepare transfer pricing documentation.

Provisions are made for connected taxpayers to enter into Advance Pricing Agreements (APAs) either with the FIRS alone or jointly with the competent authority of the taxpayer’s country of residence if there is an applicable treaty providing for Mutual Agreement Procedure (MAP) with a minimum annual transaction value of 250 million Nigerian Naira (about 1.25 million US-Dollar). However, negotiation of an APA process with the FIRS has been put on hold for at least three years from the commencement of the rules to enable the FIRS build sufficient capacity.

Documentation requirements
Nigeria TP regulations specifically require taxpayers to maintain relevant documentation which will allow the FIRS to verify that the pricing of controlled transactions is consistent with the arm’s length principle. Such compliance documentation must be prepared taking into account the complexity and volume of transactions involved. Generally, under the Nigeria TP legislation, connected taxpayers are required to include in their documentation; a TP declaration form, disclosure form and a documentation report based on principles that are consistent with the OECD UN guidelines.

In principle a connected taxpayer must have a TP Documentation Report in place prior to the due date of filing the income tax return for the year in which the documented transactions occurred. This documentation must be provided to the FIRS upon request within 21 days.
The 1999 Constitution of the Federal Republic of Nigeria provides for “equal pay for equal work without discrimination on account of sex, or any other grounds whatsoever”.

The principal laws which regulate employment in Nigeria are contained in the Labour Act Cap L1 Laws of the Federation of Nigeria 2004 as amended. The Law provides that every employer must give to each of its employee; a written contract within 3 months of engagement sufficiently stating the particulars of the employer and the employee, the position and job description/functions, terms and conditions of the contract, confidentiality clauses, intellectual property rights, hours of work, remuneration, holiday and holiday pay, etc.

Other significant laws which influence employment practices are:

› Employees Compensation Act
› Trade Unions Act
› National Industrial Court Act
› National Industrial Court Rules

Employment relationship arises in Nigeria on the basis of a contract of employment between the employer and the employee.

The Labour Act at a glance
The Labour Act prescribes the minimum terms and conditions of employment for certain categories of employees and provides a process that employees may use to make claims for breach of contract. The Labour Act is applicable to foreign workers and local workers. However, there are certain provisions that may be applicable to certain categories of employees.
Who is covered?
The Labour Act covers any person or class of persons who has entered into a contract of service with an employer. There are also special provisions in the Labour Act for special classes of workers such as: Apprentices, employment of women, young persons, and domestic service. Forced labour is prohibited in Nigeria.

Working hours, overtime, rest days and periodicity of wages
Part 1 of the Labour Act provides for hours of work, overtime, rest days and periodicity of payment of wages.

An employee covered by the Labour Act:
› Is required to work for normal hours fixed by mutual agreement; or by collective bargaining within the organization/industry; or by an industrial wages board, in the absence of a machinery for collective bargaining
› Is entitled to overtime for hours which he works in excess of the normal hours
› Is entitled to 1 day of rest, not less than 24 consecutive hours, in every 7 day period
› Is entitled to wages at intervals not exceeding 1 month

Wages and Salaries
Wages become due and payable daily, weekly, monthly or at such other period as may be agreed upon. There is a mandated minimum wage of 18,000 Nigerian Naira (about 90 US-Dollar) per month and no worker in Nigeria should be paid less than this mandatory minimum.

Public holidays
All employees are entitled to fixed holidays and government declared public holidays.

Leaves
The Act requires employees for a continuous period of 12 months, to undertake holidays with full pay of at least 6 working days. This can be deferred by mutual consent of both parties but not beyond 24 months where the employee must take the holiday with full pay.
Other paid holidays and vacations include public holidays and maternity leave (which is normally fully-paid). Maternity leave is typically agreed by contract with employees as 3 months paid leave while paternity leave (though not common) is typically 2 to 5 days of paid leave.

A female employee nursing her child shall be allowed 30 minutes twice a day during working hours for that purpose, usually for a period not exceeding three months.
Other statutory requirements

Pension contribution

Employers that have 5 or more employees are required, under the Pension Reform Act 2014, to participate in a contributory pension scheme in favour of their employees. Employers with less than 5 employees may voluntarily elect to participate.

| Rate of contribution | 18% of monthly emolument\(^1\) (with a minimum contribution of 10% by the employer and up to 8% by the employee). The employer and/or the employee may make additional voluntary contribution. Expatriate employees may voluntarily participate.

The tax authorities seeks to limit the additional voluntary contributions made by an employee to one-third of the employee’s salary based on the provisions of Section 5 (clause 7) of the Labour Act. Also, payments made by the Pension Fund Administrators (PFA) on account of VCs that do not meet the conditions for withdrawal or appear to have been arranged purposely as a means of tax planning may be deemed as artificial transactions. Based on Section 17 of the Personal Income Tax Act, such may be disallowed for tax purposes thereby nullifying the exemptions previously claimed.

| Employers obligation | The employer is obliged to make monthly deductions at source from the employee’s emoluments and remit to the Pension Fund Custodian (PFC) specified by the employee’s Pension Fund Administrator (PFA) not later than 7 working days after the payment of the employee’s salary.

| Expatriates | Expatriate employees are not expressly exempted from pension contribution under the Act. However, the Guidelines on Cross Border Arrangements issued by the Pension Commission specifically states that it is not compulsory for expatriates to join the Nigerian pension scheme but such employees may join at their discretion and with the agreement of their employers. |
Penalty for non compliance

Failure by an employer to remit contributions within the stipulated time attracts a penalty of 2% of the total contribution outstanding.

Life insurance

The Pension Reform Act requires every employer to take out life insurance cover for its employees. The sum assured should be, at least, three times each employee’s annual remuneration. The insurance cost is to be borne solely by the employer.

Statute of limitation

The contribution is recoverable at any time within 6 years from the due date.

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**Industrial Training Fund (ITF) Contribution**

Applicable to employers with minimum of 5 employees\(^1\) or annual turnover of 50 million Nigerian Naira.

<table>
<thead>
<tr>
<th>Rate</th>
<th>1% of annual payroll(^1) cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employers Liablé</td>
<td>An Employer is liable,</td>
</tr>
<tr>
<td></td>
<td>a) If it has a staff strength of at least five (5) employees in its establishment;</td>
</tr>
<tr>
<td></td>
<td>b) If it has an annual business turnover of 50 million Nigerian Naira and above;</td>
</tr>
<tr>
<td></td>
<td>c) If it bids for or solicits contracts, businesses, goods and services from public and private establishments;</td>
</tr>
<tr>
<td></td>
<td>d) If it requires approval for expatriate quota; or</td>
</tr>
<tr>
<td></td>
<td>e) If it utilizes customs services for import and export.</td>
</tr>
</tbody>
</table>

\(^1\)Payroll is defined as the sum total of all basic pay allowances and other entitlements payable within and outside Nigeria to any employee in an establishment, public or private.
<table>
<thead>
<tr>
<th>Due date for payment</th>
<th>Not later than 1st April of the following year</th>
</tr>
</thead>
</table>
| Refund               | An employer could get up to 50% refund of contributions made if adequate (documented) training courses were provided to the employees\(^2\).  

5% of the unpaid amount to be added for each month or part of a month after the date on which payment should have been made. |
| Penalty for non compliance | Penalty of an employer to provide adequate training for its indigenous staff or to accept students for industrial attachment purposes or providing false returns or information is liable on conviction in the case of a body corporate to a fine of 500,000 Nigerian Naira for the first breach and 1,000,000 Nigerian Naira for each subsequent breach. In the case of the Chief Executive, Secretary or other principal officer of the company, such officer is liable to a fine of 50,000 Nigerian Naira or two years imprisonment for a first breach and three years imprisonment for without option of fine for subsequent breach. |
| Statute of limitation | The contribution is recoverable at any time within 6 years from the due date. |

\(^2\)Employees mean all persons whether or not they are Nigerians employed in any establishment in return for salary, wages or other consideration, and whether employed full-time or part-time and includes temporary employees who work for periods of not less than 30 days in a year.
Employee Compensation Scheme

Repeals the workmen’s compensation Act and provides compensation for employees[^3] for any death, injury, disease or disability arising from or in the course of employment.

<table>
<thead>
<tr>
<th>Scope</th>
<th>All employers, including individuals, are required to register with the Nigeria Social Insurance Trust Fund (NSITF) and contribute to the scheme.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions</td>
<td>Employers are required to make monthly contributions to the NSITF not later than the last day of the month.</td>
</tr>
<tr>
<td>Rate</td>
<td>1% of total monthly payroll or amount assessed by the NSITF. Where the claim cost in respect of an employer exceeds 105% of the ordinary assessment of that employer, the NSITF board may within 4 years levy a super assessment on the employer not exceeding 133% of the ordinary assessment for the year. Employers are required to file statements of actual earnings of their employees for the preceding year and budgeted earnings for the current year not later than 28 February of every year.</td>
</tr>
<tr>
<td>Returns</td>
<td>An employer who has just commenced a business, recommences or ceases to be an employer, is required to provide the statements within 30 days of commencement, recommencement or cessation as the case may be.</td>
</tr>
<tr>
<td>Penalty</td>
<td>Penalty and interest for default are to be charged at a rate to be determined by the NSITF Board.</td>
</tr>
</tbody>
</table>

[^3]: Employee - means a person employed by an employer under oral or written contract of employment whether continuous, part-time, temporary, apprenticeship or casual basis and includes a domestic servant who is not a member of the family of the employer.
National Housing Fund Contribution

NHF is a scheme created to facilitate the mobilization of fund for the purpose of building, purchasing and improvement of residential houses.

<table>
<thead>
<tr>
<th>Rate</th>
<th>2.5% of basic salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employers’ obligations</td>
<td>The employer is required to deduct the contribution from the salary of its employees and remit it to the Federal Mortgage Bank of Nigeria within one month of the deduction.</td>
</tr>
<tr>
<td>Penalty for non-compliance imprisonment</td>
<td>Penalty ranges from 5,000 Nigerian Naira to 50,000 Nigerian Naira and 5 years imprisonment for offences such as failure to make deductions, remit deductions, obstruction of the remittance of deductions etc.</td>
</tr>
</tbody>
</table>
Liability of Foreignness
– Expatriates and Immigration

The Immigration Act 2015 requires foreign investors to obtain Business Permit from the Federal Ministry of Internal Affairs (FMIA) before operating or doing business in Nigeria, albeit a company can commence business soon after incorporation. The Act also precludes any person other than a Nigerian citizen from accepting employment (not being employed by the Federal or State Government) without the consent in writing of the Minister of Interior.

For a non-resident individual coming into Nigeria to work, there are three main entry permits available:

› **Business visa:** This is issued mainly to enable foreign nationals to attend business meetings in Nigeria.

› **Visa on Arrival:** This is a class of short visa that is available to frequently travelled high net worth investors and intending visitors who may not be able to obtain visa at the Nigerian missions and embassies in their countries of residence due to the absence of a Nigerian mission in those countries or exigencies of urgent business travels.

› **Expatriate Quota (EQ):** Companies seeking to employ expatriates must first apply for and be granted an (EQ) by the FMIA. The expatriate quota application is required to be made for particular designations or job positions required by the company. Upon the grant of expatriate quota to a company, Work Permits, known as Combined Expatriate Residence Permit and Alien Card (CERPAC) could be applied for and issued to expatriate employees and officers of the company against the specific designations granted under the expatriate quota, by the Nigerian Immigration Service. The EQ scheme is designed to prevent the indiscriminate employment of expatriates where there are qualified and suitable Nigerians to fill such positions. Employees will be considered residents for tax purposes from the first day of the employment assignment. A company that has been issued an EQ may apply for its renewal when it expires at the discretion of the Ministry.
Temporary Work Permit (TWP): Also, the NIS could issue Temporary Work Permits (TWP) to expatriates engaged for a short period or on a temporary basis by a Nigerian company. This is issued to enable foreign nationals to gain entry into Nigeria for the purpose of executing short-term assignments. It is a single entry visa which is usually given for a period of 3 months. It can be extended once for another 3 months upon application.

Every non-Nigerian who enters Nigeria legally and who wishes to reside and/or work in Nigeria must make an application for a CERPAC which when issued is valid for 3 years and becomes renewable. Exempted persons (Diplomats, Government Officials, Niger-wives and Non Governmental Organizations) are to be issued CERPAC gratis.

Acceptance of Immigration Responsibility by an organization or individual includes, but is not limited to: accommodation/feeding, transportation, and if need be the cost of repatriation or deportation.

Accounting, audit and other requirements

Accounting Requirements

There is no requirement to use a specific chart of accounts for reporting purposes in Nigeria. There is also no requirement for the use of specific accounting systems or to host the server of accounting records in Nigeria. However, all companies must maintain books of accounts in Nigeria and produce their financial statements under the International Financial Reporting Standards (IFRS).

Investors should also consider the following provisions of the Companies and Allied Matters Act (CAMA):

» All companies shall keep sufficient accounting records.
» The accounting records shall contain a record of the assets and liabilities of the company.
The accounting records, kept in the registered office of the company or other places as the director may deem fit, must be open to inspection by the officers of the company. The accounting records shall be kept for a minimum period of 6 years from the date on which they were made. All companies must file audited financial statements annually with the tax authorities and the Corporate Affairs Commission (CAC). Group accounts are required of a company with at least one subsidiary. The directors of a company shall at their first meeting after incorporation of the company, determine to what date in each year that the financial statements shall be made up, and they shall give notice of the date to the CAC within 14 days of the determination.

Directors’ report and annual audit

A report by the director shall be prepared containing a fair view of the development of the business of the company and its subsidiaries during the year and of their position at the end of it, stating the amount (if any) which they recommend should be paid as dividend and the amount which they propose to carry to reserves. The report shall state the names of the persons who, at any time during the year, were directors of the company and the financial activities of the company and its subsidiaries in the course of the year and any significant change in those activities in that year.

The directors shall at a date not later than 18 months after incorporation of the company and subsequently at least once every year, lay before the company in general meeting copies of the financial statements made up to a date not exceeding nine months before the date of the meeting. This suggests that companies cannot have more than an 18-month account in their first accounting year.

Annual returns to the CAC

Additionally, in respect of each year, the directors shall submit with the annual returns to the CAC; a copy of the audited balance sheet, the profit or loss account and the notes on the statements which were laid before the general meeting.
Auditors’ requirement

The CAMA requires the shareholders to appoint auditors during the annual general meeting. Such auditor must possess a practicing certificate and be a member of the Institute of Chartered Accountants of Nigeria (ICAN) or the Association of National Accountants of Nigeria (ANAN). Nigerian auditors generally adopt International Standards on Auditing (ISA) as issued by the International Auditing and Assurance Standards Board complemented by local rules. The auditors must report to the shareholders of the company on the accounts and are required to express their opinion as to whether the accounts provide a true and fair view of the financial status of the company.

Price control and unfair competition

Nigeria has a Price Control Act which imposes price control on goods and services to maintain affordability of staple foods and goods, to prevent price gouging during shortages and to manage inflation. Historically, price controls have often been imposed as part of a larger income policy package, employing wage controls and other regulatory elements. Price control may be imposed on bicycles and spare parts, flour, matches, milk, motorcycles and spare parts, motor vehicles and spare parts, petroleum products, salt and sugar.

Frequently asked questions

1. What are the available business structures?
   › Company limited by shares
   › Unlimited company
   › Company limited by guarantee
   › Sole proprietorship
   › Representative office
2. What is a Nigerian company?
This is a company incorporated in Nigeria under the Corporate Affairs Commission Act (CAMA)

3. What type of company is a foreign company?
This is a company registered outside of Nigeria.

4. What type of companies are referred to as non resident companies?
Non-resident companies are foreign companies not resident in Nigeria. These are companies that has no base in Nigeria.

5. What is a representative office?
A representative office is an extension of a Parent company and not a separate entity itself.

A representative office of a foreign company in Nigeria is a company whose parent company is outside of Nigeria. The Company is situated in Nigeria mainly for the purpose of investment enquiry or advertisement.

6. What type of businesses or trade can each of the types of companies above do? And what are their limitations, if any?
Companies in Nigeria are permitted to do all types of trade except those prohibited by law under the NIPC Act and directive of the Federal Government.

7. Are there any other registrations that are required in Nigeria?
In Nigeria, the following registrations are required by foreign companies:

a) Registration with the NIPC
The Nigerian Investment Promotion Commission (“NIPC”) was established under the Nigerian Investment Promotion Commission Act, 1995, which provides that any enterprise in which there is foreign participation must be registered with the NIPC.

b) Approval for transfer of technology and other agreements
By virtue of the provisions of the national Office for Technology Acquisition and Promotion Act, 1992 any agreement under which a foreigner is to provide foreign
technology, management, or assistance, to a Nigerian company must be approved by the National Office for Technology Acquisition and Promotion (“NOTAP”).

c) Certificate of Capital Importation
Investors who wish to be able to remit dividends to non-resident shareholders or repatriate capital on disinvestments must ensure that they obtain a Certificate of Capital Importation from the Nigerian bank through which the payment is transferred into Nigeria. The same rule applies for loan (debt) capital importation.

d) Special Control Unit against Money Laundering (“SCUML”)
The statutory responsibility of SCUML is the supervision, monitoring and regulation of the Designated Non Financial Institutions (DNFI) as regards compliance to Nigeria’s Anti Money Laundering and Combating the Financing of Terrorism AML/CFT regime.

e) Other specific approvals depending on industry sector or product type
These includes the approvals, licenses or permits from such bodies such as the Central Bank of Nigeria (for banking and other financial services), securities and exchange commission (for investment related services), NAFDAC (food and drugs), Nigerian Communication Commission (telecom), and Nigerian broadcasting commission (broadcasting services).

8. How many shareholders are required? Can all shareholders be non-Nigerians?
The minimum number of shareholders required to form a company is two. Non-Nigerians are permitted to be shareholders in a company.

9. How many directors are required? Can all directors be non-Nigerians?
Minimum of two directors are needed in a company.

Non-Nigerians can be directors in the company. However, if any of the directors is designated as a “Managing Director”, the tax authorities might interpret that to mean that such a person is resident in Nigeria and might be liable to the Nigerian employee taxes.
10. What are the requirements for opening bank accounts? Can a foreign company or NRC open bank accounts in Nigeria?
The requirements for opening bank accounts include the following:

› Board resolution
› Particulars of signatories
› Bank forms

A foreign company, after due registration, can open an account in Nigeria.

11. What are the requirements for dividend or interest repatriation from Nigeria?
Investors who wish to be able to remit dividends to non-resident shareholders or repatriate capital on disinvestments must ensure that they obtain a Certificate of Capital Importation from the Nigerian bank through which the payment is transferred into Nigeria (at the point when the funds is being received in Nigeria).

12. Can a foreign company or NRC employ staff in Nigeria?
Generally, a foreign company/NRC cannot employ staffs in Nigeria, except for their own employees sent on business meetings, short assignments, etc. However, such employees must be subjected to tax if they spend up to 183 days cumulatively in any calendar year in Nigeria. However, the company may also consider appointing sub-contractors or sub-consultants or licensees to perform the necessary activities in Nigeria.

13. What are the requirements for getting expatriate quota in Nigeria?
› The Company must be registered in Nigeria
› Completed immigration form
› Memorandum and article of association of the Company
› CAC Certified or Registered Feasibility Report
› CAC 1.1
› The JV Agreement between the Nigerian and foreigners
› Company’s Current Tax Clearance Certificate
› Lease agreement or C of O for opening premises
› Evidence of imported machinery
14. Can a foreign company or NRC apply for such?
No, except a special waiver has been granted.

15. Are there any industries or sector that non Nigerians are specifically restricted from investing?
1. Production of arms, ammunition etc.
2. Production of and dealing in narcotic drugs and psychotropic substances.
3. Production of military and paramilitary wears and accoutrement including those of the Police, Customs, Immigration and Prison Services.
4. Any such other items that the Federal Executive Council may from time to time determine.

16. Is there any rule on shareholder voting rights?
Non-voting shares and shares with “weighted” voting rights have been prohibited in Nigeria. All shares, whether ordinary or preferential, issued by a company, must carry one vote in respect of each share.

17. What is the minimum share capital requirements and disclosure requirements at registration?
The minimum share capital required of a private company is 10,000 Nigerian Naira (about 50 Euro), and for a public company, it is 500,000 Nigerian Naira (about 2,500 Euro). However, for companies with foreign shareholding, the required minimum share capital for such applications is 10,000,000 Nigerian Naira (about 50,000 Euro) in order to be able to obtain a business permit and for expatriate quota application (one expatriate slot). Share capital of 20,000,000 Nigerian Naira (about 100,000 Euro) attracts four expatriate quota slots. There are higher thresholds for a higher number of expatriate quotas. In some regulated sectors such as insurance, banking, and aviation; the minimum share capital may be higher (e.g. 25 billion Nigerian Naira [about 125 million US-Dollar] for banks).
The memorandum of association of the company must state that the subscribers “shall take amongst them a total number of shares of a value of not less than 25 per cent of the authorized share capital and that each subscriber shall write opposite his name the number of shares that he takes”.

For business expediency, CAMA allows attorneys and accountants, to hold shares for promoters, provided the fact that such shares held on trust is disclosed in the memorandum and articles of association. A number of foreign investors in order to expedite the incorporation process, gives Powers of Attorney to local professionals to incorporate companies for them and to obtain the relevant statutory licenses and approvals for the establishment of enterprises in Nigeria.

18. Is there any rule on disclosures to be published in company correspondence and business premises?
Every company is obliged to disclose in its letterhead papers used in correspondence, the following particulars:

› Name of the company/enterprise
› Address
› Registration/incorporation number
› Names of directors and alternate directors (if any)

In addition, the law requires companies/enterprises to display their Certificates of Incorporation/Registration in conspicuous positions at their principal and branch offices. Non-disclosure attracts both criminal and civil consequences on the part of the company, its directors and other officers responsible for the non-disclosure.

19. Can a foreign company get exception or waiver from incorporation?
Yes, under certain conditions. Where exemption from local incorporation is desired, in accordance with section 56 of CAMA, a foreign company may send a written application to the president through the Secretary to the Government of the Federation (SGF) for exemption from incorporating a local subsidiary if such a foreign company belongs to one of the following:

“(a) foreign companies invited to Nigeria by or with the approval of the Federal
Government to execute any specified individual project; 
(b) foreign companies which are in Nigeria for the execution of specific individual loan projects on behalf of a donor country or international organisation; 
(c) foreign government-owned companies engaged solely in export promotion activities; and 
(d) engineering consultants and technical experts engaged on any individual specialist project under contract with any of the governments in the Federation or any of their agencies or with any other body or person, where such contract has been approved by the Federal Government.”

Such exempted companies are still required to submit annual reports to the CAC, in a form and manner to be prescribed for such purposes.

It must be noted, however, that exemptions from local incorporation are very rarely granted.

20. How long does an average incorporation process take?
Usually, the process could be between 3 weeks and 8 weeks from filling of all the requisite documents (after the name search and name reservation) to obtaining the certificate of incorporation. There is also a fast track procedure for company registrations within one week (though the advertised fast track service is meant to be delivered in one day) upon payment of an additional fee of 50,000 Nigerian Naira (about 250 Euro) or such sum as the CAC may from time to time stipulate.

21. What are the basic requirements for registering a company?
In registering a company, the following documents are to be submitted to the CAC:
1. Form CAC 1 – Availability check and reservation of name.
2. Memorandum and articles of association duly stamped by the commissioner for stamp duties, and duly subscribed to by at least two Nigerians or persons of foreign nationalities who have been granted business permits. However, in the absence of a business permit a foreign investor could authorise a Nigerian citizen or organisation by means of a Power of Attorney to subscribe on its behalf pending the grant of a Business Permit.
3. Copy of business permit if the subscribers are of foreign nationalities.
4. Duly completed Form CAC 1.1 – showing the address of the company, particulars
of company secretary, statement of authourised share capital, particulars of directors, and statutory declaration of compliance by an approved professional engaged in the formation of a company.

5. Receipt of payments for the CAC filing fees and stamp duties.

22. Can CAC deny approval for the application for incorporation and not register the memorandum and articles of association?
Yes, this can happen if, based on the memorandum and articles of association, the CAC is of the opinion that:

- They do not comply with the provisions of CAMA; or
- The business which the company is to carry on, or the objects for which it is formed, or any of them, are illegal; or
- Any of the subscribers to the memorandum and articles of association is incompetent or disqualified; or
- There is a non-compliance with the requirements of any other law relating to the registration and incorporation of companies; or
- The proposed name conflicts with or is likely to conflict with an existing trade mark or business name registered in Nigeria.

23. What is the Nigerian “local” content about?
The law on Nigerian content seeks to regulate the quantity of value added or created in the Nigerian economy, this it does though the promotion of the use of locally manufactured goods and Nigerian service companies in production operations, projects as well as engineering, especially in the oil and gas industry. The law expects that bidding for goods and services should give full and fair opportunity to Nigerian indigenous contractors and companies. The law also expects that a Nigerian company will not be disqualified on the basis of not being the lowest financial bidder, provided the bid does not exceed the lowest financial bid by 10 %.

Although the current law is mainly for companies operating in, or with direct linkages to the oil and gas sector, many companies in other sectors tend to adopt this strategy as part of their corporate social responsibility programs, especially as it appears that the law might soon be replicated to all other sectors in the future.
24. What is the process for registering with the NIPC?
The Nigerian Investment Promotion Commission (“NIPC”) was established under the Nigerian Investment Promotion Commission Act, 1995, which provides that any enterprise in which there is foreign participation must be registered with the NIPC. The NIPC Act permits foreigners to own up to 100% of any business enterprise with the exception of enterprises on the “negative list” of the Act. The negative list includes enterprises involved in the production of and dealing in arms, ammunition, narcotic drugs and psychotropic substances. The process for the NIPC registration is as follows:

› Application is made to the Nigerian Investment Promotion Commission
› Completed copies of the NIPC Form 1 (Original and 3 copies)
› Original copy of receipt of purchase of NIPC Form 1 (and three copies)
› A copy of Company’s Certificate of Incorporation (and three copies)
› Evidence that Company has a minimum share capital of =N=10million. (3 copies)
› Company’s allotment of shares and Particulars of Directors (3 copies)
› Details of the shareholding structure of Company (3 copies)
› Joint Venture, Shareholders’ or Partnership Agreement, where applicable (3 copies)

25. What is the process for obtaining “Certificate of Capital Importation”?
Investors who wish to be able to remit dividends, rent, royalties, interest and capital on foreign loans, and profits (net of taxes) to non-resident shareholders or repatriate capital on disinvestments must ensure that they obtain a Certificate of Capital Importation from the Nigerian bank through which the payment is transferred into Nigeria. Procedure for Obtaining Certificate of Capital importation (CCI) is as follows:

› The foreign shareholders will instruct their bank (“the remitting bank”) by telex to transfer the necessary funds either directly to the company’s bankers;
› The transfer must be accompanied by a telex stating that the money being remitted to the bank is for the account of the company and that the money represents the foreign investors’ capital contribution to the equity of company;
› Upon confirmation that the funds have been remitted to Nigeria, the company
is required to send a formal letter of application to the receiving bank to issue a CCI in respect of the equity contribution. The following documents must be submitted together with the letter of application:

» A board resolution of the company authorizing the foreign investment;
» A letter from the company stating the purpose for which the money has been remitted;
» A copy of the certificate of incorporation of the company;
» A copy of the swift message from the remitting bank.

If satisfied with the documentation the receiving bank will issue a CCI in respect of the funds. The receiving bank is required to notify the CBN within 24 hours in order to obtain a CCI.

26. What are the exchange control laws in Nigeria?
The Naira (N) is used for day to day transactions with exchange transactions regulated by the Foreign Exchange (Monitoring and Miscellaneous Provisions) Act 1995. Cross border transactions are allowed but with some level of restriction to protect the local currency, prevent funding of terrorism and to curb money laundering. Authorised dealers of foreign currencies need to notify the CBN of any cash transfer to or from a foreign country of any sum in excess of 10,000 US-Dollar. A tax clearance certificate is required to remit dividend and interest out of the country.

27. What is the process for obtaining “Business Permit”?
In order for an enterprise in which there is foreign participation to undertake any business in Nigeria, it must obtain a business permit from the Ministry of Internal Affairs. A business permit will only be granted in respect of companies having an authorized share capital of at least =$10,000,000.00 (approximately 35,000 US Dollar). One of the documents that a company applying for business permit is required to submit is a Certificate of Capital Importation to evidence the importation of the foreign investor’s capital/equity contribution into Nigeria. The procedure for obtaining Business Permit is as follows:

› Completed copies of the NIPC Form 1 (Original and 3 copies)
› Original copy of receipt of purchase of NIPC Form 1 (and three copies)
› A copy of the Company’s Certificate of Incorporation (and three copies)
Evidence that Company has a minimum share capital of \(N=10\) million. (3 copies)
Company’s allotment of shares and Particulars of Directors (3 copies)
Details of the shareholding structure of the company (3 copies)
Joint Venture, Shareholders’ or Partnership Agreement, where applicable (3 copies)

28. What are the top-5 business challenges for companies operating in Nigeria?
- Potential investors should understand the corruption risk involved in the Nigerian business environment and develop anti-bribery compliance process that involve local staff, expatriate staff and Nigerian business partners.
- Security still continues to be a concern, despite the improvements noticed after the March 2015 elections, due to the recurring violent crimes, kidnappings for ransom and terrorism.
- Companies operating in Nigeria also have to cope with the absence or poorly maintained power, road, rail system, water and port infrastructure. Companies usually have to provide their own power, access roads, water, office security, etc. – which results in higher costs of doing business and thus undermine local and international competitiveness.
- The recurring arbitrary policy changes and inconsistent regulatory system is also a challenge facing businesses in Nigeria.
- Finally, the slow judicial system negatively impacts the speed at which disputes are resolved between businesses or business partners in Nigeria.
### 1. Company formation

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<tr>
<td>1A</td>
<td>Availability and Reservation of Name at the Corporate Affairs Commission (CAC):</td>
<td>The process starts with the submission of „Form CAC 1: Availability Check and Reservation of Name“ in order to reserve a unique preferred company name at the Corporate Affairs (CAC).</td>
<td>5 working days for each set of search request</td>
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<td><strong>Proposed name:</strong> XYZ limited</td>
<td>We assist clients to complete and submit the requisite form for the search. The only information required at this stage are the proposed names of the company: We usually encourage the investor to provide a minimum of three names. For the submission, the details of the registered office address is necessary.</td>
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<td><strong>Alternative name 1:</strong> ABC limited</td>
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<td><strong>Alternative name 2:</strong> ABC-XYZ limited</td>
<td>The following statutory fees will apply:</td>
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<td>› Availability &amp; reservation of name: 500,00 Nigerian Naira</td>
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# 1. Company formation

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<tr>
<td>1B</td>
<td>Preparation of Incorporation document</td>
<td>Preparation of the required incorporation documents (Memorandum and articles of association) and completion of the statutory forms. We can assist to prepare the Memorandum and articles of association and complete the statutory forms.</td>
<td>10 working days</td>
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**Required information:**
- Objects of the company
- Share capital – We suggest a minimum of 10,000,000 Nigerian Naira to enable the company to apply for expatriate quota in the nearest future
- Names and addresses of shareholders (at least two)
- Names and addresses of directors (at least two)
## 1. Company formation

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| 1C  | Execution and submission of documents (including payment of necessary government fees) | After drafting the documents and forms, these will be sent to the parent company by courier for the seal of the parent company (majority shareholder) as well as the signatures of the directors (minimum of two; both directors may be foreign nationals). Once completed, the parent company will courier it back to our partner office in Nigeria for the completion of the registration.  

All documents needed for registration of the new company will be newly prepared. Only particulars of directors and shareholders are mandated to be notarised.  

The documents will be stamped at the Federal Inland Revenue Service (FIRS) after paying for the "stamp studies".  

The assigned advisor signs the declaration of compliance/Section E of Form CAC 1.1) before a Commissioner of Oaths. | 5 working days for each set of search request |
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<tr>
<td>1C</td>
<td>Execution and submission of documents (including payment of necessary government fees)</td>
<td>Submission of all the registration documents at the CAC, including the following:&lt;br&gt;› CAC1: Availability Check and Reservation of Name&lt;br&gt;› CAC1.1: Showing at the address of the company, Particulars of Company Secretary, Statement of Authorised Share Capital, Particulars of Directors, and statutory declaration of compliance by an approved professional engaged in the formation of a company&lt;br&gt;› Photocopy of the data page of the international passport of each director or subscriber&lt;br&gt;› Stamped Memorandum and Articles of Association</td>
<td>5 working days for each set of search request&lt;br&gt;The statutory fees on 10,000,000 Nigerian Naira share capital: Approx 250,000 Nigerian Naira. Subject to directors’ availability.</td>
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## 1. Company formation

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<tr>
<td>1D</td>
<td>Processing and collection of the Certificate of Incorporation and other Certified True Copies of necessary forms</td>
<td>The CAC will process the submitted documents and forms. The practise is that the CAC will stamp and acknowledge those forms for the benefit of the company’s file and records.</td>
<td>10 working days</td>
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<tr>
<td>1E</td>
<td>Procurement of a Company Seal (optional)</td>
<td>The Companies and Allied Matters Act (CAMA) requires every company to have a common seal.</td>
<td>1 day</td>
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# 2. Bank Account Opening and Statutory Registrations

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<tr>
<td>2A</td>
<td>Opening of bank Accounts</td>
<td>Bank Account Opening Form is completed for director’s signatures (including mandate cards). Special Resolution of the board of directors is prepared and signed by two directors. The original has to be submitted. Application pack is submitted at the desired bank (copies of incorporation documents will be required).</td>
<td>5 days (subject to availability of the directors for signatures)</td>
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<tr>
<td>2B</td>
<td>Registration with the Nigeria Investment Promotion Council (NIPC)</td>
<td>This registration is required for all foreign investments in Nigeria. It is required for expatriate quota application and for reparation of dividends (in addition to the Certificate of Capital Importation). Obtain the form (<strong>statutory fee:</strong> 25,00 Nigerian Naira) and submit the form on completion. Certificate of Registration is then subsequently issued.</td>
<td>10-15 working days</td>
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# 2. Bank Account Opening and Statutory Registrations

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<tr>
<td>2C</td>
<td>Processing of Certificate of Capital Importation</td>
<td>This is required at every instance when the parent company transfers any type of funding (equity or loans) to the Nigerian entity. It is required for repatriation. The beneficiary bank issues this certificate. See more details in FAQ-25.</td>
<td>Varies</td>
</tr>
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</table>
| 2D  | Registration with the Federal Inland Revenue Services (FIRS) | This is required for VAT and Company Income Tax purposes. Taxpayer Registration Form (triplicate) are completed and submitted after obtaining the necessary signatures from the directors, along with the following:  
› Completed FIRS questionnaire  
› Memorandum and articles of association (copy)  
› Certificate of incorporation (copy, though the original must be presented for sighting)  
› Directors’ names and addresses  
› Tax advisor’s names and addresses  
› Appointment letter as tax consultants (and corresponding Letter of acceptance) is required by FIRS to accept representation on behalf of the company | 2-3 weeks |
## 2. Bank Account Opening and Statutory Registrations

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| 2D  | Registration with the Federal Inland Revenue Services (FIRS) | › Date of business commencement  
› Names, addresses (including emails) and mobile numbers of key shareholders and the Chairman of the company  
› Other sources of income of the Chairman and the key shareholders of the company  
› Names and addresses of the principal officers of the company including the Chairman, MD, Legal Adviser, Accountant and Auditor | 2-3 weeks |

For the registration within the first 6 months of incorporation no government charges will be incurred. For registration after 6 months (and the company is yet to start business operations), a preoperational Levy of 20,000 Nigerian Naira has to be paid for first-year-requests after which a filing will be done to apply for the “Tax Clearance Certificate” (TCC). For each subsequent-year request, a fee of 25,000 Nigerian Naira is due, until the company files a notice of commencement of business as per amendment to section 29 of the Companies’ Income Tax Act No. 11 of 2007.

FIRS then issues “Tax Identification Number” (TIN).
2. Bank Account Opening and Statutory Registrations

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| 2E  | Registration with the States Inland Revenue Services (SIRS) | This is required for employee tax purposes for the deduction and remittance of PAYE based on the Personal Income Tax Act (2013). Forms are completed and submitted after getting necessary signatures. This must be done within 6 months of business commencement (as there are penalties). The required documents include:  
  › Appointment Letter as Tax Consultants is required by the IRS to accept representation on behalf of the Company  
  › Letter of Application for Registration  
  › Certificate of Incorporation (copy)  
  › List of staff and their annual salaries and other benefits  
  › Directors’ Tax Clearance Certificates  

Upon completion of registration, an Employer’s Identification Number will be issued.

This process is repeated in each State of the Federation where the company decides to have business presence. | 2-3 weeks |
## 2. Bank Account Opening and Statutory Registrations

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<td>2F</td>
<td>Registration with the National Office for Technology Acquisition &amp; Promotion (NOTAP)</td>
<td>If there is any technical services agreement or management services agreement or any other agreement that results in the local company having to pay royalties or license fees, NOTAP registration will be required. All necessary agreements, details of the licences, patents and trademarks will be required for submission.</td>
<td>2-3 weeks</td>
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### 2. Bank Account Opening and Statutory Registrations

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| 2G  | Business Premises Permit (for each office)         | This permit is required to use any property as a business premise. It is payable to the State Government. This process is repeated in each State of the Federation where the company decides to have a business presence.  
Forms are completed and submitted along with some evidence regarding the business premises (rent agreement, utility bills, etc.).  
The permit in an urban area is 10,000 Nigerian Naira in the first year of registration while the annual renewal is 5,000 Nigerian Naira. For the rural areas, the permit is 2,000 Nigerian Naira in the first year of registration while the annual renewal is 1,000 Nigerian Naira. | 1 day               |
| 2H  | Processing of Temporary Work Permits (TWP) and/or Expatriate Quota | Complete the necessary applications. Expatriate quota to be awarded depends on the level of foreign investments in the country.  
NIPC registration certificate is usually required along with the other company documents. | Varies              |
2. Bank Account Opening and Statutory Registrations

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<tr>
<td>2I</td>
<td>Fixed Asset Certification</td>
<td>This is required for all individual fixed assets (&gt;500,000 Nigerian Naira) so as to enable the company to claim tax benefits (capital allowances) on such assets. The details of the assets (purpose, invoices, etc.) are required for the certification. Applications are submitted to the relevant months government agency after which the field visit (at the company’s cost!) will enable the agency to confirm the validity of the claims.</td>
<td>1 week to 3 months</td>
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<tr>
<td>2J</td>
<td>Other permits and approvals</td>
<td>As necessary, this may include registrations or permits from the following agencies:</td>
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<td>› Nigerian Export Promotion Council (NEPC)</td>
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<td>› National Agency for Food and Drug Administration and Control NAFDAC</td>
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<td>› Registration with Special Control Unit Against Money Laundering (SCUML) of the Economic and Financial Crimes Commission (EFCC). This is applicable to “designated non-financial institutions”</td>
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<td>› Others</td>
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## How can we be of help?

### 2. Bank Account Opening and Statutory Registrations

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<tr>
<td>2K</td>
<td>Assistance with securing of office premises</td>
<td>We can assist, through property agents, to secure office space in locations where we have a presence in West Africa. We also provide temporary office work desks to our clients, at a charge (subject to availability).</td>
<td>Varies</td>
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<tr>
<td>2L</td>
<td>Executive Selection &amp; Recruitment</td>
<td>If needed, we can assist with the recruitment and headhunt for specific senior positions in the new company.</td>
<td>Varies</td>
</tr>
</tbody>
</table>
| 2M  | Other support services that maybe required | Provision of other support services:  
› Accounting services  
› Payroll management services (including management of employee related statutory obligations such as ITF, NHF, pension, medical insurance, life and accident insurance, etc.)  
› Tax Compliance Services  
› Tax Advisory Services  
› Others | Varies |
# How can we be of help?

## 3. Company Registration and Secretarial Services in Nigeria

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| 3A  | Company Secretarial Services | › Provision of a named Company Secretary  
› Documentation of change of Board of Directors and Company Secretary and filing same with notifications at the Corporate Affairs Commission (CAC)  
› Attending all general meetings of the Company, all meetings of the board of directors of the Company and committees (maximum of four meetings in a year is considered the normal routine service)  
› Maintaining the registers and other records required to be maintained by the Company under the Companies & Allied Matters Act (CAMA)  
› Rendering proper returns and giving notification to the Corporate Affairs Commission (CAC), Securities & Exchange Commission (SEC) and the Nigerian Stock Exchange (NSE) as required under the Act or any other law  
› Provision of expert advice on matters of corporate compliance  
› Processing of company name change with the CAC | Subject to directors’ availability |
How can we be of help?

3. Company Registration and Secretarial Services in Nigeria

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| 3A  | Company Secretarial Services   | › Assistance with the amendments of the Company’s memorandum and articles of association  
› Shares transfer and general restructuring of the company’s shareholding, if applicable  
› Processing of increase in authorized share capital, if applicable  
› Documentation for allotment and transfer of shares, if applicable | Subject to directors’ availability                                                     |

This publication is a general overview of the investment, regulatory and tax system in Nigeria. The material contained in this publication is not intended to provide comprehensive or complete advice on any specific matter. Every care has been taken to ensure that the information given is accurate. However, no reader should act, or refrain from acting, on the basis of the information contained in this publication without seeking appropriate professional advice. The publisher, auditors and editors expressly disclaim all and any liability to any person in respect of the consequences of any actions taken or not taken on the basis of the contents of this publication.
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“Each and every person counts“ – to the Castellers and to us.

Human towers symbolise in a unique way the Rödl & Partner corporate culture. They personify our philosophy of solidarity, balance, courage and team spirit. They stand for the growth that is based on own resources, the growth which has made Rödl & Partner the company we are today.

“Força, Equilibri, Valor i Seny” (strength, equilibrium, valour and common sense) is the Catalan motto of all Castellers, describing their fundamental values very accurately. It is to our liking and also reflects our mentality. Therefore Rödl & Partner embarked on a collaborative journey with the representatives of this long-standing tradition of human towers – Castellers de Barcelona – in May 2011. The association from Barcelona stands, among many other things, for this intangible cultural heritage.