

### PAYE tax, payroll and social security contributions in Nigeria

S/No.	Type of contribution	Frequency	Scope	Rate
1	Pension	Monthly	Every employer in the public and private sector that have 15 or more employees	Employer contribution - minimum of 10% Employee contribution - minimum of 8% of employee's monthly emolument
2	National Housing Fund (NHF)	Monthly	Employee in the public and private sector with monthly basic salary of NGN3,000 and above	2.5% of employees' monthly basic salary
3	National Health Insurance Scheme (NHIS)	Monthly	Every employer with at least ten employees	On monthly basic salary, Employer contribution - 10% Employee contribution - 5%
4	Industrial Training Fund (ITF)	Annually	Every employer with at least five employees or an annual turnover of ₦50 million	1% of annual payroll cost
5	Nigeria Social Insurance Trust Fund (NSITF)	Monthly	Every employer and employee in the public and private sector	1% of employees' monthly payroll
6	Pay-As-You-Earn (PAYE) tax	Monthly	Taxable persons include individuals, employees, sole proprietors, artisans, and partnerships	After deducting tax-free allowances, the tax rate progresses from 7% on taxable income of ₦300,000 and 24% for above ₦3,200,000 per annum. Minimum tax rate is 1% of gross income.



[info@bomesresourcesconsulting.com](mailto:info@bomesresourcesconsulting.com)

[www.bomesresourcesconsulting.com](http://www.bomesresourcesconsulting.com)

(C) 2019