FIRS releases new VAT forms for filing monthly returns

The Federal Inland Revenue Service (FIRS) has released three new forms for filing monthly Value Added Tax (VAT) returns. Two VAT Form 002 that applies to head office and branch office while the third Form 006 is for withholding VAT at source as below.

1. Headquarter Form 002 – Head office will provide the aggregate details of all branch remittances.
2. Branch office Form 002 – Branch office will report remittances to the Headquarters on the transactions for the branch.
3. Form 006 for self-charge and agents– By filing a Form 006, a taxpayer will act as an agent of FIRS. Form 006 will show the VAT withheld at Source or self-charge VAT not invoiced. A taxable person can also use the form to file one-off transactions that are not stock in trade or relating to expatriates.

Depending on the nature of the transaction, a taxable person may be an agent and taxpayer at the same time. In such an instance, the taxpayer will file Form 002 as well as Form 006. A taxpayer will include schedules of the input and output VAT as well as other adjustments to a submission.

Taxpayers may submit the completed form at the tax office or online; if the business registered for electronic filing. The due date for filing monthly VAT returns and remitting amount FIRS is the 21st day of the following month of transaction. Penalty for late filing remains NGN50,000 in the first month and NGN25,000 in the subsequent month(s) of default.

BRC Comments

Even though Nigeria does not have branch taxation, the separate tax Form 002 will give FIRS complete information on the VAT records of companies that operate in different locations. Taxpayers will complete Form 006 for VAT withheld at source or self-charged amount rather than Form 002. A copy of the three tax forms is available here.