



FEDERAL INLAND REVENUE SERVICE
15 SOKODE CRESCENT, WUSE ZONE 5, ABUJA, NIGERIA

www.firs.gov.ng

PUBLIC NOTICE ON APPLICATION OF WITHHOLDING TAX ON DIVIDENDS, INTEREST AND ROYALTIES PAID BY RESIDENTS OF NIGERIA AND BENEFICIALLY OWNED BY RESIDENTS OF TREATY PARTNERS OF NIGERIA UNDER THE DOUBLE TAXATION AGREEMENTS (DTAs) BETWEEN NIGERIA AND OTHER COUNTRIES.

The Federal Inland Revenue Service ("the Service"), wishes to notify the general public, particularly residents of countries with which Nigerian has Double Taxation Agreements (DTAs) and agents of deduction of withholding taxes (WHT), including Government departments, agencies and parastatals, statutory bodies, companies, institutions, other establishments approved for the operation of Pay-As-You-Earn (PAYE) system and all corporate bodies, that:

1. Nigeria has, since 1999, been unilaterally implementing a uniform withholding (WHT) rate of 7.5% on dividends, interest and royalties paid by residents of Nigeria and beneficially owned by residents of Nigeria's tax treaties partners. The 7.5% WHT rate is lower than the WHT rates in the relevant tax laws of Nigeria.
2. The unilateral application of the 7.5% rate was sequel to the policy statement of government, as contained in the Budget Statement of 1999.
3. The Honourable Minister of Finance, Budget and National Planning, has approved the discontinuation of the unilateral application of a uniform WHT rate of 7.5% on dividends, interest and royalties paid by residents of Nigeria and beneficially owned by residents of its treaty partners under the DTAs between Nigeria and other countries.
4. Accordingly, with effect from 1st July 2022, the rates specified in the tax laws shall apply, except where it exceeds the maximum rate specified in the tax treaty. In that instance, the maximum rate specified in the tax treaty shall apply.
5. Thus, in line with the provisions of the relevant Articles of the tax treaties, as well as the relevant provisions of the tax laws, the following WHT rates shall apply on dividends, interest and royalties paid by residents of Nigeria and beneficially owned by residents of tax treaty partners:

S/N	Country	Dividend		Interest	Royalties	
		Company with voting powers of 10% and above	All others		Payment to Companies	Payment to Individuals
1	Italy	10%	10%	10%	10%	5%

2	United Kingdom	10%	10%	10%	10%	5%
3	Belgium	10%	10%	10%	10%	5%
4	Pakistan	10%	10%	10%	10%	5%
5	Czech Republic	10%	10%	10%	10%	5%
6	Slovak Republic	10%	10%	10%	10%	5%
7	France	10%	10%	10%	10%	5%
8	Netherlands	10%	10%	10%	10%	5%
9	Romania	10%	10%	10%	10%	5%
10	Canada	10%	10%	10%	10%	5%
11	South Africa	7.5%	10%	7.5%	7.5%	5%
12	China	7.5%	7.5%	7.5%	7.5%	5%
13	Philippines	10%	10%	10%	10%	5%
14	Singapore	7.5%	7.5%	7.5%	7.5%	5%
15	Sweden	7.5%	10%	7.5%	7.5%	5%
16	Spain	7.5%	10%	7.5%	7.5%	5%

6. In granting tax treaty benefits to residents of countries with which Nigerian has DTAs, such residents and all agents of deduction of WHT, including Government departments, agencies and parastatals, statutory bodies, companies, institutions and other establishments approved for the operation of PAYE system are required to comply with the contents of this Public Notice, as well as the contents of FIRS updated Circular No 2022/15 on the Claim of Tax Treaties Benefits in Nigeria, published on 11th May 2022, particularly, paragraph 5 of the Circular, on the procedure for granting such benefits. The Circular may be downloaded from FIRS website <https://www.firs.gov.ng/TaxResources/TaxTreaties>.
7. By this Notice, any ruling, direction or approval that has previously been issued by the Service on the WHT rate applicable with respect to any of these tax treaties is hereby withdrawn with effect from 1st July 2022.

All enquiries on any aspect of this Notice should be directed to the office of:

The Executive Chairman or Director, Tax Policy & Advisory Department
Federal Inland Revenue Service, Revenue House Annex 4
Revenue House, No. 12 Sokode Crescent,
No. 15 Sokode Crescent, Wuse Zone 5, Abuja.
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Signed Muhammad Nami
Executive Chairman,
Federal Inland Revenue Service.