



Nigeria's Finance Bill 2022: Critical Changes You Need to Know

1. Gains on digital assets including cryptocurrency to be specifically chargeable to tax under the capital gains tax act at the rate of 10%.
2. Capital losses on chargeable assets (including shares) to be tax deductible against chargeable gains on the same class of asset. Currently, losses incurred on the disposal of any asset are not deductible for capital gains tax purposes.
3. Income derived by a company from gaming, gambling, betting, or lottery business to be taxable under the Companies Income Tax Act.
4. A company engaged in the commercial winning, capture, production and utilisation of gas will be entitled to a single 50% investment tax credit on its qualifying expenditure for that purpose.
5. Investment allowance of 10% applicable on qualifying expenditure incurred on plant and equipment is to be repealed. This will however not affect such assets acquired on or before 31 December 2022.
6. Persons appointed to deduct VAT at source on invoices received from their vendors are now to remit such VAT to the FIRS on or before the 14th day of the following month (currently 21st day of the following month).
7. An importer of goods purchased online, from a non-resident supplier who has been appointed by the FIRS to charge and collect VAT, is required to provide proof of such appointment and VAT charged on the invoice as a condition for clearing the goods without further VAT.
8. The Bill indicates a commencement date of 1st January 2022 (which is either an error or intentional retrospective application), or such other date as may be specified by the National Assembly or the President by assent or order.