

FLAGSHIP TAX PUBLICATION · ENHANCED EDITION

# Nigeria Tax Outlook & Planning Guide

2026 / 2027

The integrated flagship — Nigeria's tax landscape after the 2025 Tax Acts, the Nigeria Revenue Service regime, sector planning, dashboards, the Outliers Tax Health Check™ and the 30/90/180 implementation roadmap.

## INSIDE THIS EDITION

- 9 Parts + 2 Appendices · Before vs After comparison tables
- CIT · VAT · WHT · PAYE · CGT · TP · International taxation
- Sector cheat-sheets · SME planning · Worked scenarios
- Outliers Tax Framework™ · Dashboards & Board Metrics
- 30/90/180 Action Plan · 2026 Compliance Calendar

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# Contents

<b>Front matter</b>	Foreword · About this Edition · How to read this report
<b>PART I — Context</b>	1. Executive Summary · 2. Nigeria Tax Landscape
<b>PART II — What Changed in 2026</b>	3. Reform at a Glance (Before vs After) · 4. New Acts & the NRS · 5. Company Classification · 6. Development
<b>PART III — The Taxes in Detail</b>	7. CIT · 8. VAT · 9. WHT · 10. PAYE & Employment Taxes · 11. CGT · 12. Transfer Pricing · 13. Other
<b>PART IV — Sectors &amp; Segments</b>	14. Industry-Specific Tax Guides · 15. SME Tax Planning
<b>PART V — Tax Planning in Practice</b>	16. Worked Scenarios (SME · Manufacturing · Professional Services · MNE)
<b>PART VI — Risk, Governance &amp; Tax</b>	17. Tax Risk Management · 18. Outliers Tax Framework™ · 19. Dashboards & Board Metrics · 20. Other
<b>PART VII — Implementation</b>	21. The 30/90/180 Roadmap
<b>PART VIII — 2027 Tax Outlook</b>	22. What to plan for next
<b>PART IX — Growth</b>	23. Website Implementation Pack · 24. Commercialisation
<b>Appendix A</b>	2026 Tax Compliance Calendar
<b>Appendix B</b>	Executive Infographic

## PART I · CONTEXT

# 1. Executive Summary

The 2025/2026 fiscal cycle is the most consequential reset of Nigeria's tax architecture in a generation. Four Acts — the Nigeria Tax Act, the Tax Administration Act, the Nigeria Revenue Service Act and the Joint Revenue Board Act — collectively retire the FIRS regime and replace it with the Nigeria Revenue Service (NRS), introduce a 0% CIT band for small companies, a 4% Development Levy, a Minimum Effective Tax Rate floor for large taxpayers, a modernised PIT band structure, expanded VAT-able supplies and the absorption of Capital Gains into income tax for companies.

This Enhanced Edition integrates the original *Nigeria Tax Outlook & Planning Guide 2026/2027* with the *Tax Outlook Enhancement Pack* into a single reference. It is designed for boards, audit committees, CFOs, heads of tax, finance directors, owner-managers and tax advisors who need both the policy intelligence and the operating tools to execute against it.

## Five things every board should action this quarter

- Confirm your **Company Classification** under the 2025 Tax Act — Small (0% CIT), Medium or Large — and document the basis.
- Quantify the **Minimum Effective Tax Rate** impact if your group books an ETR below 15% in any jurisdiction.
- Run the **Outliers Tax Health Check™** across CIT, VAT, WHT, PAYE, CGT, TP and TCC; close any Red items inside 30 days.
- Refresh your **Tax Calendar** for NRS filings, the Development Levy and the new VAT remittance cadence.
- Brief the board with the **Tax Dashboard & Board Metrics** — Tax Health Index™, ETR, statutory remittance status, open audits and TCC validity.

## What this edition contains

Nine Parts cover context, the 2026 reforms, the taxes in detail, sector and segment planning, worked scenarios, risk and governance tools, the implementation roadmap, the 2027 outlook and the commercialisation pack. Appendix A is the 2026 Tax Compliance Calendar. Appendix B is the Executive Infographic. Each module cross-links to a standalone web tool — the Tax Health Check™, the Tax Readiness Score™, the Small Company Classification Calculator, the Tax Dashboard template, the 30/90/180 Action Plan and the Before vs After comparison.

## PART II · WHAT CHANGED IN 2026

### 3. Reform at a Glance — Before vs After

The table below summarises the position immediately before the 2026 reforms and the position effective for the 2026 year of assessment. A standalone **Before vs After Comparison** resource is also available as a downloadable PDF.

Area	Before (≤2025)	After (2026 onwards)
Tax authority	FIRS (Federal)	NRS — Nigeria Revenue Service
Small Company CIT	0% on turnover ≤ NGN 25m	0% on turnover ≤ NGN 100m + asset base ≤ NGN 250m
Medium Company CIT	20%	20% (transitional)
Large Company CIT	30%	30% + 15% Minimum Effective Tax Rate floor
Education / TET / IT / Police levies	Fragmented (≈ 5.75% combined)	Single 4% Development Levy
PIT bands	7 bands, top 24% > NGN 3.2m	Re-set bands; top 25% > NGN 50m (graduated below)
VAT rate	7.5%	7.5% (modernised base; e-invoicing phased in)
CGT (companies)	10% standalone	Absorbed into CIT — taxed as income
Filing & audit	TaxProMax	TaxProMax + NRS digital audit + State IRS data-sharing

Each row is unpacked in the relevant chapter — Company Classification (§5), the Development Levy (§6), the Minimum Effective Tax Rate (§7), the PIT reset (§8), VAT modernisation (§9) and CGT absorption (§10).

## PART III · THE TAXES IN DETAIL

## 11–17. The Taxes in Detail

### 11. Companies Income Tax (CIT)

Standard CIT remains at 30% for large companies and 20% transitional for medium. Small companies (turnover ≤ NGN 100m and fixed asset base ≤ NGN 250m) attract 0%. The Minimum Effective Tax Rate of 15% applies to large taxpayers and certain multinationals. Carried-forward losses retain a 4-year cap. Capital allowances unchanged at first-year + annual schedule.

### 12. Value Added Tax (VAT)

Standard rate 7.5%. The 2026 reforms broaden the VAT-able base (digital services, cross-border supplies of services to Nigerian consumers), formalise reverse-charge for non-resident suppliers, and phase in mandatory e-invoicing for large taxpayers. Input VAT continues to be recoverable only against output VAT — no refund mechanism.

### 13. Withholding Tax (WHT)

Revised WHT regulations narrow the WHT net (services to consumers, FMCG distribution removed) and clarify timing (remittance within 21 days of deduction). WHT credit notes are issued automatically via TaxProMax.

### 14. PAYE & Employment Taxes

PIT bands re-set. NHF (2.5%) and PenCom contributions unchanged. NSITF (1%) and ITF (1%) remain payable; compliance certificates are now procurement eligibility documents. The Development Levy replaces the fragmented education / IT / police levy stack.

### 15. Capital Gains Tax (CGT)

For companies, CGT is absorbed into income tax — capital gains are taxed at the company's prevailing CIT rate (0%, 20% or 30%). Individuals continue under a standalone 10% regime. Roll-over relief for qualifying business assets retained.

### 16. Transfer Pricing

Country-by-Country Reporting and Master / Local File obligations unchanged. Disclosure forms move to NRS. Documentation must be contemporaneous (prepared by the CIT filing deadline). Penalty regime tightened for non-compliance.

### 17. International Taxation

Treaty network unchanged; Multilateral Instrument (MLI) positions in force. Pillar Two interaction with the Minimum Effective Tax Rate is the principal new area requiring board attention for multinationals.

**PART IV · SECTORS & SEGMENTS**

## 18. Industry-Specific Tax Guides

Sector cheat-sheets are available as a standalone resource. The full chapter covers Manufacturing, Professional Services, Financial Services, Oil & Gas, ICT, Trade, Real Estate, NGOs and Agriculture — each with the sector-specific CIT, VAT, WHT, PAYE, Levy treatment and any sector regulatory tax (NITDA Levy, NCDMB, NIPC incentives).

## 19. SME Tax Planning

SMEs with turnover  $\leq$  NGN 100m and asset base  $\leq$  NGN 250m qualify as Small Companies — a 0% CIT exemption with administrative obligations only. Use the **Small Company Classification & PAYE Estimator** to confirm status and project PAYE under the new PIT bands.

## PART V · TAX PLANNING IN PRACTICE

## 20. Worked Scenarios

### Scenario A — SME (Trading, turnover NGN 80m)

Qualifies as Small Company. CIT = NGN 0. Development Levy not applicable below threshold. VAT registration mandatory above NGN 25m. PAYE under reset bands. Net tax bill reduces by ~ NGN 2.4m vs 2025 baseline.

### Scenario B — Manufacturing (turnover NGN 4.8bn, ETR 11.5%)

Large Company. Minimum Effective Tax Rate triggers top-up of  $(15\% - 11.5\%) \times$  taxable profit. Plan: re-assess capital allowance timing, review intercompany pricing, document book-tax differences contemporaneously.

### Scenario C — Professional Services Partnership (turnover NGN 650m)

Medium Company at 20% CIT. Development Levy 4% applies. WHT regime simplified — consumer-direct services exempt. PAYE under reset bands. Plan: revisit owner remuneration / dividend mix.

### Scenario D — Multinational (Nigeria subsidiary of EU parent)

Pillar Two GloBE rules interact with the Minimum Effective Tax Rate — model the higher of the two. TP documentation must be contemporaneous and filed via NRS portal.

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**PART VI · RISK, GOVERNANCE & TOOLS**

## 21. Tax Risk Management

Adopt a written tax risk policy approved by the board, with a quarterly Tax Health Index™ reported by the CFO to the audit committee.

## 22. The Outliers Tax Framework™

A five-layer model: Strategy → Structure → Systems → Stewardship → Scrutiny. The framework underpins the assessments, the dashboard and the action plan published in this edition.

## 23. Tax Dashboards & Board Metrics

The merged operational + board view tracks: Tax Health Index™ (RAG), Effective Tax Rate, statutory remittance status, open audit / queries, and TCC validity. See the standalone **Tax Dashboard & Board Metrics Template**.

## 24. The Outliers Tax Health Check™

A seven-question diagnostic covering CIT, VAT, WHT, PAYE, TP, TCC and audits — available as an interactive web tool at </assessments/tax-health-check>.

PART VII · IMPLEMENTATION

## 25. The 30 / 90 / 180 Roadmap

Block	Focus	Outputs
Day 0–30 · Stabilise	Close Red items from Health Check™. Reconcile filing compliance to cashbooks.	Compliance dashboards, gap log, TCC pipeline.
Day 31–90 · Remediate	Update tax policies for the 2025 Acts. Run classification & approval.	Board approved filing policy, ERP protocol, E-filing.
Day 91–180 · Optimise	Operationalise dashboards. Train finance team on NRS digital filing & take training.	Compliance dashboards, e-invoice readiness.

**PART VIII · 2027 TAX OUTLOOK****26. What to Plan for Next**

Expected developments for 2027: full e-invoicing mandate, NRS digital audit at scale, expansion of the Minimum Effective Tax Rate to medium companies, finalisation of digital services VAT collection by non-resident suppliers, and likely amendment to TP penalty regime.

**PART IX · GROWTH**

## 27. Website Implementation Pack

The companion website assets — assessments, calculators, dashboards, templates and the Board / CFO Action Plan — are published as standalone web resources, each cross-linked from the relevant chapter.

## 28. Commercialisation

Use this edition as the spine of a board-level tax intelligence service: quarterly tax briefings, Tax Health Check™ subscription, board reporting templates and audit-readiness clinics.

**APPENDIX A**

## 2026 Tax Compliance Calendar

A complete month-by-month list of every CIT, VAT, WHT, PAYE, PIT, Development Levy, NHF, NSITF, ITF and CAC obligation for the 2026 tax year is published as a standalone PDF and editable Excel template — **2026 Tax Compliance Calendar**.

## APPENDIX B

## Executive Infographic

A single-page board-ready visual summary of the 2026 reform package is published as a standalone PDF and PNG — **Nigeria Tax 2026 — Executive Infographic**.