

<b>Jurisdiction's name: Nigeria</b>	
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<b>Information on Residency for tax purposes</b>
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<b>Section I – Criteria for Individuals to be considered a tax resident</b>
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An individual is tax-resident in Nigeria throughout an assessment year if that individual:

- (i) is domiciled in Nigeria;
- (ii) (ii) sojourns in Nigeria for a period or periods, in all, amounting to an aggregate of 183 days or more in a 12-month period (inclusive of annual leave or temporary period of absence);
- (iii) (iii) has a permanent place available for his domestic use in any part of Nigeria;
- (iv) or (iv) serves as a diplomat or diplomatic agent of Nigeria in another country.

<b>Section II – Criteria for Entities to be considered a tax resident</b>
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A company is considered resident in Nigeria if such a company is registered or incorporated under the Companies and Allied Matters Act.

Resident Company and Liability to Tax: According to Section 13(1) of the Companies Income Tax Act (CITA) CAP. C21, LFN 2004 (as amended), the profits of a Nigerian company are liable to tax in Nigeria irrespective of where the profits have arisen and whether or not they have been brought into or received in Nigeria. As such, the failure of a Nigerian company to repatriate profits made from abroad does not prevent such profits from being taxed in Nigeria.

Tax Liability of Non-Resident Companies in Nigeria: Every company, resident or non-resident, is liable to companies income tax (CIT) in Nigeria where the profits accrue in or are derived from, brought into or received in Nigeria. Note: exemption from incorporation does not confer tax exemption on any company.

In accordance with the provisions of section 13(2) of CITA, a non-resident company is taxable in Nigeria if any of the following conditions is met:

- i) the non-resident company has a fixed base (i.e. a place of business) in Nigeria to the extent that the profit is attributable to the fixed base;
- ii) ii) the non-resident company habitually operates a trade or business through a person in Nigeria or maintains a stock of goods or merchandise in Nigeria from which deliveries are regularly made by a person on behalf of the company;
- iii) iii) the non-resident company does not have physical presence in Nigeria but derives income from Nigeria through digital activities to the extent that it has a “significant economic presence” in Nigeria;
- iv) iv) the trade or business or activities of the non-resident involves a single contract for surveys, deliveries, installations or construction; v) the trade or business of the non-

resident involves the remote provision of technical, management, consultancy or professional services to a Nigerian resident;

- v) vi) the trade or business or activities is between the company and a related party, which is considered not to be at arm's length.

**Section III – Entity types that are as a rule not considered tax residents**

NGOs

Diplomats

**Section IV – Contact point for further information**

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