



BAUCHI STATE INTERNAL REVENUE SERVICE

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22nd July, 2020

To:

Head, Directorate of Personal Income Tax

Head, Directorate of Audit & Investigation

Head, Directorate of Collection & Accounting

Board Secretary/Legal Adviser

All Area Revenue Officers

GUIDELINES FOR IMPLEMENTATION OF COVID-19 TAX RELIEFS/INCENTIVES

Further to the announcement made on July 02, 2020 outlining reliefs and incentives available under the Bauchi state covid-19 mitigation strategy, you are directed to implement the following:

RELIEF #1(a): *Extension of deadline for submission of Return of Income (Form A) by taxable individuals on direct assessment to July 31, 2020. (Section 41, Personal Income Tax Act)*

Guidelines

- i. Ensure that all Individual taxpayers that submit their Annual Declaration of Income (Form A) for 2019 Assessment Year between April 01,2020 and July 31, 2020 are **NOT** to be charged penalty for late filing.

- ii. Keep records of such late returns in a file and put a copy of the Form A in the relevant taxpayer file.
- iii. All forms A received after July 31, 2020 will attract penalty for late filing.
- iv. You are to identify and remind taxpayers of the deadline to enable them to comply and benefit from the extension given.

RELIEF #1(b): *Extension of deadline for filing of Annual Returns by all employers of labour operating in the state to July 31, 2020. (Section 81, Personal Income Tax Act)*

Guidelines:

- i. Ensure that all Annual Returns from employers of labour received between February 01, 2020 to July 31, 2020 **shall NOT** be charged penalty and interest for late filing as provided in section 81 of the Personal Income Tax Act (as amended).
- ii. Keep records of such returns in a file and put a copy in the taxpayer file.
- iii. Identify and report organizations (if any) that have already paid penalty for late filing of Annual Returns prior to this announcement for refunds.
- iv. Identify organizations that are yet to file their Annual Returns and send reminders to enable them to comply and take advantage of the extended deadline.
- v. All Annual Returns received after July 31, 2020 will attract penalty for late filing.

RELIEF #2: *Waiver of penalty and interest on late payment of Pay As You Earn (PAYE) deductions that fell due from January 2020 to July 2020 for employers of labour in the following economic sectors: Entertainment/ Hospitality (Hotels, Restaurants, etc.); Transportation (road transport operators etc.); and Education (private school operators etc.).*

Guidelines:

- i. Note that all late payments of Pay-As-You-Earn deductions for the months of January 2020 to July 2020 received from hotels, restaurants, food & beverages companies, event centres, tourism companies, travel agencies, road transport operators, airline companies, private school operators and all other educational institutions (public and private) **shall NOT** be charged interest and penalty for late payment.
- ii. Keep records of such late payments in a separate file and put evidence of PAYE payment in taxpayer file.
- iii. Late payments of Pay-As-You-Earn (PAYE) deductions for August 2020 and subsequent months will be subjected to late payment penalty and interest up to the date of payment.

RELIEF #3: *Imposition of presumptive tax on all informal sector businesses (traders, market women, small scale businesses) scheduled to commence in June 2020 now shifted to October 2020.*

Guidelines:

- i. Note that the implementation of presumptive tax regime on all informal sector businesses including but not limited to traders, artisans, market women and all other small-scale businesses has been suspended till October 2020.
- ii. Do **NOT** collect or threaten to collect taxes listed in the 5th Schedule of the Bauchi State Tax (Harmonization, Collection and Consolidation) Law, 2020 from now to September 30, 2020.

- iii. Begin the assessment and collection of presumptive tax regime on all informal sector businesses in the state from October 01, 2020.

RELIEF #4: *The imposition of consumption tax on hotels, restaurants and allied services scheduled to commence in June 2020 is now shifted to October 2020*

- i. Note that the imposition of consumption tax on hotels, restaurants and allied services in Bauchi state has been shifted to October 2020.
- ii. Do **NOT** collect or threaten to collect consumption tax provided in section 65 of Bauchi State Tax (Harmonization, Collection and Consolidation) Law, 2020 from now to September 30, 2020.
- iii. Start the collection of consumption tax on hotels, restaurants and allied services from October 2020.

RELIEF #5: *Waiver of penalty on late payment of ground rent for twelve months effective June 1, 2020*

Guidelines:

- i. All late payments of ground rent that occur from June 1, 2020 to May 31, 2021 shall **NOT** be charged penalty for late payment.
- ii. Keep record of such late payments in a register and put a copy of assessment showing clearly the discounted penalty in the customer file.
- iii. All late payments received from June 1, 2021 shall be charged penalty for late payment.
- iv. Issue a general reminder to the public to enable them to comply before expiry of the deadline to enable them benefit from the extension.

RELIEF #6: Waiver of penalty on late payment of Deed Registration approved from January 2020 to December 2020.

Guidelines:

- i. All late payments of Deed Registration that occur from January 2020 to December 31, 2020 shall **NOT** be charged penalty for late payment.
- ii. Keep record of such late payments in a register and put a copy of assessment and evidence of payment showing clearly the discounted penalty in the customer file.
- iii. All late payments of Deed Registration received from January 1, 2021 shall be charged penalty for late payment.
- iv. Issue a general reminder to the public to enable them to comply before expiry of the deadline to enable them benefit from the extension.

All affected staff are enjoined to ensure strict compliance with the above guidelines. For any enquiries contact the Head Personal Income Tax, Mr. Baitu Yahaha on 08030676280 for clarifications.



Muazu Usman FCIT, CNA, MNIN
Executive Chairman

Copy:

The Hon. Commissioner,
Ministry of Lands and Survey
Bauchi.

The Managing Partner,
Dreamlabs Nigeria Ltd
Bauchi.

Above for your information and necessary action, please.



Muazu Usman FCIT, CNA, MNIN
Executive Chairman