



Tax Alert

Issue 3.2 | March 2019



FIRS issues Public Notice on resumption of “freeze order” on taxpayers’ bank accounts

The Federal Inland Revenue Service (FIRS) has notified the general public of its intention to recommence imposition of liens on the bank accounts of delinquent taxpayers with effect from 15 March 2019. The notice targets taxpayers with a minimum annual turnover of ₦100 million who have failed to register for taxes, but have been collecting Value Added Tax and deducting Withholding Tax without remitting the taxes to the Government.

The Public Notice is a follow-up to the FIRS’ recent 30-day suspension on 15 February 2019 of its earlier directive to Nigerian banks freezing the accounts of taxpayers who have defaulted in fulfilling their obligations.

Given the plethora of issues attendant on the FIRS' initial directive to the banks, we expect the FIRS to focus its renewed drive on established cases of tax defaults. Equally, the FIRS should give room for effective resolution of objections by affected taxpayers to its notification before restricting access to funds equivalent to the amount of tax proven to have become due and payable. This is necessary to protect the banks from exposure to their customers and engender taxpayers' confidence in the tax system.

It is now up to errant taxpayers to regularize their tax positions to forestall the potential disruption of their businesses that lie on their bank accounts could occasion.

Please click the following links to access the FIRS' Public Notice and our earlier publications on the subject:

- [FIRS Public Notice](#)
- [KPMG newsletter on FIRS' appointment of banks for the recovery of alleged tax liabilities](#)
- [KPMG Tax Alert on FIRS' suspension of its freeze order](#)

For any enquiries on the above, please contact:

Wole Obayomi

ng-fmtaxenquiries@ng.kpmg.com

Contact Us

© 2019 KPMG Advisory Services, a partnership registered in Nigeria and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved.

The KPMG name and logo are registered trademarks or trademarks of KPMG International

kpmg.com/socialmedia



kpmg.com/app

