



Tax Alert- Issue No 2 / June 2020

FEDERAL INLAND REVENUE SERVICE (FIRS) RESUMES FIELD AUDIT, INVESTIGATION AND MONITORING

The FIRS in a bid to raise the needed revenue to assist government in the administration of the country, and in view, of the drastic effect of the COVID-19 in the economy has issued a Public Notice, which states that it will resume audit, investigations and monitoring exercises that it had suspended on April 6, 2020.

The exercise will be in two (2) phases. Under the first Phase, it will continue reconciliation of findings and liabilities arising as a result of the desk review, monitoring visits, tax audit and tax investigation. While, the second phase will deal with field visits in respect of the monitoring, tax audit and tax investigation which will resume from June 30, 2020.

The FIRS also commended taxpayers that have filed returns and paid their taxes either physically or electronically, notwithstanding, the COVID-19 scourge.

Comments

The FIRS was highly commended by industry players when it suspended the exercises, consequent upon, the obvious effects of COVID-19 on businesses in Nigeria. The rationale behind resuming the exercise at this point, while the effect of COVID-19 on businesses is far from being over, the same reason for which it suspended the exercises in the first place, is rather a curious one. Nonetheless, one of the advantages of the resumption of the exercises is that, their resumption will aid taxpayers in taking

advantage of the extended waiver of interest and penalty period, if they are able to reconcile timeously, their tax issues or disputes with FIRS.

The snag in resuming the audit, investigations and monitoring exercises etc, at this time, is that the companies are merely resuming their businesses after the lockdown of about two months, with more than half of its staff still working remotely, and these will certainly; affect the smooth running of the exercise.

FIRS on the other hand should either postpone the commencement of the field audit visits or adopt remote audit processes.

Dr Cyril Obika
obika@j-kgadzamallp.com



[Click](#) to download the FIRS Public Notice.

Disclaimer

The write-up is meant for general information purposes only. It is not a fully comprehensive work or legal advice on this area of law. In any event, if more clarifications, questions or our assistance is required, kindly, contact us at J-K Gadzama LLP, J-K Gadzama Court, Plot 1805, Damaturu Crescent by Kabo Way, P.O.Box 20304, Garki, Off Ahmadu Bello Way, Garki 2, Abuja, FCT. Tel: +234(0)96233600, E-mail: info@j-kgadzamallp.com, website: j-kgadzamallp.com.