



OYO STATE OF NIGERIA

OYO STATE INTERNAL REVENUE SERVICE

P.M.B. 5147, STATE SECRETARIAT, IBADAN

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Further correspondence on this matter should be addressed to the Chairman, Board of Internal Revenue, quoting

Our Ref. No:.....

REGULATORY PROCESSES OF PAY-AS-YOU-EARN (PAYE) IN OYO STATE INTERNAL REVENUE SERVICE

INTRODUCTION:

The legal framework that governs Pay -As- You -Earn (PAYE) Scheme is personal Income Tax Act Cap P8 LFN 2004, as amended.

The employers of labour whether large or small, are expected to enrol for the Pay-As-You- Earn (PAYE) Scheme at tax offices nearer to them within 6 months of commencement of business or within 6 months of commencement of this Act where the information of their staff with respect to their income, taxes deducted, allowances granted, etc as well as their bio data will be supplied. It is a criminal offence, under the extant tax laws, for the employers of labour to fail to register for PAYE Scheme.

STEP 1: PROCESS OF PAYE REGISTRATION:

The following are the processes of registering for PAYE scheme:

- i. The staff schedule must be submitted
- ii. The payroll of the staff must also be submitted to determine the rate payable by the employee
- iii. Forms will be distributed to the employees to fill where their bio data will be supplied.

STEP 2: PROCEDURES FOR ADMINISTERING PAYE SCHEME ARE:

The PAYE Government Office behind Oyo State Civil Service Commission shall be approached for registration for tax purposes in respect of the employees of a business entity.

- a. The employer of labour will register with the tax authority for PAYE on behalf of his/ her employees.
- b. The employer of labour will file with the tax authority on monthly basis the evidence of tax payment together with the staff schedule.
- c. The employer of labour is the unpaid agent of the tax authority for the purpose of PAYE and in the event of failure to deduct or properly account for the money so deducted; it shall be recoverable as debt due by the employer to the tax authority.

STEP 3: REMITTANCE OF PAYE DEDUCTION

In accordance with Paragraph 7 sub paragraph 1 of Operation of Pay As You Earn (PAYE) Regulations, remittance must be made not later than the ten days of the following month in order to prevent payment of interest and penalty for late remittance. A receipt must be collected by the employers for any remittance made.

STEP 4: PAYMENT OF TAXES:

After examining the documents submitted by the employer of labour especially the staff payroll, the amount of tax due on each employee will be determined.

Afterward, a payment code of 4010002 tagged (PAYE) will be given to make payment either at any of the designated Commercial banks while the electronic receipt will be issued within 48 hours or using OYIRS online payment platform <http://payment.oyostatebir.com>. Once the payment is made, it will reflect immediately on the REEMSONLINE, the platform designed by the State Government to monitor all the remittances. This overall process shall take effect within Two weeks or fourteen (14) days at maximum.

STEP 5: SUBMISSION OF END OF THE YEAR RETURNS:

In line with Section 81 Sub Section (2) of Personal Income Tax Act Cap P8 LFN 2004, as amended, employer of labour shall file a return with the relevant tax authority of all emoluments paid to its employees, not later than 31st January of every year in respect of all employees in its employment in the preceding year and failure to comply will attract a penalty of #500,000.

NOTICE OF UPCOMING CHANGES:

In case of any likely change(s) to any of these process, you shall be given (2) two weeks' notice.

GENERAL INFORMATION:

For further enquiries: Call Mr. Aderoju Wasiu or send mail to olowe2021@gmail.com



Executive Chairman