

Federal Government Removes Excise Duty For Telecoms Services

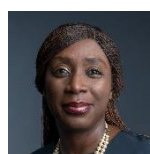
The first quarter of 2023 comes with relief for the telecoms sector as the Federal Government of Nigeria has confirmed its implementation of the exemption of the telecom sector from excise duty as stated in the Finance Act of 2020.

The implementation of the duty, if you recall, was opposed by the Minister of Communications and Digital Economy, Prof. Isa Ali Ibrahim Pantami in August 2022, following which the Nigerian President suspended its application and set up a Presidential Review Committee on Excise Duty in the Digital Economy Sector. Arguing for the implementation of the exemption, the Committee's key submission were as follows:

- "Operators in the telecoms sub-sector of the digital economy industry currently pay no fewer than 41 different categories of taxes, levies and charges;
- Telecoms has continued to be a major contributor to Nigerian economy in terms of Gross Domestic Product Contribution (GDP); and
- Despite increased cost, the telecom sector is the only sector where cost of service has been stable and in many cases continued to go down over the past few years and therefore, adding more burden will destroy the sector."

The removal of excise duty is clearly some respite for a sector burgeoned with multiple taxes, levies and charges. For more information click aluko-oyebode.com/contact-us or contact us at tmtpractice@aluko-oyebode.com

Contact Details



Sumbo Akintola
Partner

M +234 803 403 5122
E Sumbo.Akintola@aluko-oyebode.com



Emmanuel Ido
Associate

M +234 916 834 4310
E Emmanuel.Ido@aluko-oyebode.com