

# NEWSFLASH!

**President Muhammadu Buhari, GCFR has signed into law the Finance Act 2020 (“the Act”).**



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President Muhammadu Buhari, GCFR has signed into law the Finance Act 2020 (“the Act”). It would be recalled that the draft law was submitted to the National Assembly on 8th October 2019 for consideration, alongside the budget for 2020 fiscal year. The President highlighted the following as the major reasons for the introduction of the Bill:

- To reform Nigeria's tax laws to align with global best practices;
- To support Micro Small and Medium Enterprises in line with the government's ease of doing business reforms;
- To encourage investments in infrastructure and capital markets, and;
- To raise government revenues.

With the signing of the Bill into law, we expect an immediate implementation of the various amendments in the major tax laws, especially for Companies Income Tax Act whose amendments affects the 2020 year of assessment (2019 financial year). However, we expect that the Federal Inland Revenue Service (FIRS) will be issuing appropriate notification of transitional arrangements particularly with respect to the Value Added Tax (VAT) Act amendments, in view of the direct impact this may have on transactions already completed or at advanced stages of conclusion.

We shall notify you of further updates as the situation unfolds.