



Tax Guide (₦) – Effective Jan 2026

Annual Income (₦):

Annual Rent Paid (₦):

(Used to compute rent relief: lower of 20% of rent or ₦ 500,000)

Estimate Tax

2026 Nigeria Personal Income Tax Guide (Disclaimer & Assumptions)

Disclaimer

This calculator is provided **for informational and educational purposes only**.

It gives a **rough estimate** of potential tax obligations under Nigeria's **Personal Income Tax (Amendment) Act, 2025**, expected to take effect from **January 1, 2026**.

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Actual tax liabilities may differ depending on:

Individual circumstances

Employer payroll computations

Approved allowances, reliefs, or deductions

Implementation details from the **Federal Inland Revenue Service (FIRS)** or state tax authorities

Always consult a **qualified tax adviser** or the **FIRS** for official guidance before making financial decisions.

How the Calculator Works

This tool estimates your **annual personal income tax** based on your **gross annual income** and **annual rent paid** (for rent relief).

It applies the **progressive tax bands** announced under the 2025 reform.

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Here's how it works step-by-step:

a d v e r t i s e m e n t

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(₦).

nt (₦) — used to calculate rent

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Applies the **2026 tax bands** to the remaining taxable income.
Displays your **estimated tax** and **net income after tax**.

Tax Bands Used in This Calculator (Effective January 2026)

Taxable Income Range (₦) Tax Rate Notes

Up to ₦ 800,000	0%	Tax-free threshold
Next ₦ 2.2 million	15%	Middle-income band
Next ₦ 9 million	18%	Upper-middle income
Next ₦ 13 million	21%	Higher income bracket
Next ₦ 25 million	23%	Wealth bracket
Above ₦ 50 million	25%	Top income earners

Rent Relief (New Provision)

Taxpayers can deduct a **rent relief** from their taxable income, calculated as the **lower of**:

20% of annual rent paid, **or** ₦ 500,000

Example

If your **annual income** is ₦ 5,000,000 and you pay **₦ 1,200,000** yearly in rent:

Rent relief = ₦ 240,000 (20% of ₦ 1.2 m)

Taxable income = ₦ 4,760,000

Tax is then calculated progressively using the bands above.

Your net income is displayed after deducting estimated tax.

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Final Note

This calculator is designed to help individuals and b
quick sense of how the **2026 tax structure** may
or salary planning.

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