



VAT Compliance Checklist

Business Name:.....

TIN:.....

Date:.....

✓	VAT Registration
<input type="checkbox"/>	Determine your annual turnover to see if it exceeds N25 million Naira.
<input type="checkbox"/>	Register for VAT if your annual turnover exceeds the threshold or choose to register voluntarily if it's below.

✓	Charging VAT
<input type="checkbox"/>	Ensure that you charge the FIRS stipulated 7.5 percent VAT rate on all taxable goods and services
<input type="checkbox"/>	Avoid overcharging or undercharging VAT, which can lead to penalties, fines, or even criminal charges.

✓	VAT Record-Keeping
<input type="checkbox"/>	Keep invoices and receipts with accurate VAT information
<input type="checkbox"/>	Retain copies of VAT returns for at least six years
<input type="checkbox"/>	Record assets and liabilities related to your business
<input type="checkbox"/>	Ensure that bank statements align with your financial records.
<input type="checkbox"/>	Specify VAT amounts in your purchase records.
<input type="checkbox"/>	Maintain proof of VAT payments and receipts from FIRS.
<input type="checkbox"/>	Preserve records of international transactions and VAT-related documents.
<input type="checkbox"/>	Keep records of items that are VAT-exempt.
<input type="checkbox"/>	Consider using accounting software and digital tools for efficient record-keeping.
<input type="checkbox"/>	Retain copies of VAT invoices issued and received for a complete audit trail.
<input type="checkbox"/>	Maintain an organized VAT-related ledger.
<input type="checkbox"/>	Use a dedicated filing system to store your VAT records, making them easy to access for future reference.
<input type="checkbox"/>	Ensure that your invoices clearly state the VAT amount charged for transparency.
<input type="checkbox"/>	Be prepared for audits and compliance checks, and make sure all your records are in order.
<input type="checkbox"/>	Conduct regular self-audits to ensure that your VAT processes remain accurate and compliant

✓	VAT Returns
<input type="checkbox"/>	Submit VAT returns before or on the 21st day of the month following the transaction.

✓	Seek Professional Advice
<input type="checkbox"/>	If VAT regulations seem complex, consult accountants or tax consultants for guidance and compliance.

✓	Embracing VAT Automation
<input type="checkbox"/>	Explore automated VAT systems that collect and remit taxes directly.
<input type="checkbox"/>	Use browser plugins or user-friendly applications for efficiency.

✓	Avoiding Late VAT Payment
<input type="checkbox"/>	Establish a payment schedule with reminders.
<input type="checkbox"/>	Maintain accurate financial records.
<input type="checkbox"/>	Utilize online filing and payment systems.
<input type="checkbox"/>	Consider the services of a tax professional for compliance.
<input type="checkbox"/>	Automate VAT payments to reduce the risk of errors and ensure punctual remittances.

✓	VAT Compliance Culture
<input type="checkbox"/>	Instill a culture of VAT compliance within your organization, making it a core part of your business operations.
<input type="checkbox"/>	Consider adopting VAT compliance software to streamline your record-keeping and reporting processes.

<input type="checkbox"/>	If your business grows, consider hiring experts specializing in VAT for comprehensive compliance
<input type="checkbox"/>	Attend workshops or training sessions to enhance your understanding of VAT compliance.
<input type="checkbox"/>	Regularly review and improve your VAT compliance processes to stay efficient and cost-effective.

✓	VAT Education
<input type="checkbox"/>	Stay updated with the latest VAT regulations and changes.
<input type="checkbox"/>	Stay informed about any amendments to VAT regulations and adjust your processes accordingly.
<input type="checkbox"/>	Be aware of the penalties and fines imposed for VAT non-compliance to avoid financial setbacks.
<input type="checkbox"/>	Educate your customers about VAT, especially if they're not familiar with its implications.
<input type="checkbox"/>	Understand the process for claiming VAT refunds, especially if you've paid more VAT than you've charged.
<input type="checkbox"/>	Familiarize yourself with the list of goods and services exempted from VAT, which includes items like pharmaceuticals, agricultural equipment, basic food items, and more
<input type="checkbox"/>	

✓	VAT Analysis and Contingency Planning
<input type="checkbox"/>	Develop contingency plans for potential VAT issues, such as disputes or changes in VAT rates.
<input type="checkbox"/>	Analyze how VAT affects your pricing strategy and profit margins to maintain competitiveness.