



KWARA STATE INTERNAL REVENUE SERVICE GUIDELINES ON RENT RELIEF

MAY, 2026

KWARA STATE INTERNAL REVENUE SERVICE GUIDELINES ON RENT RELIEF

NO: KW-IRS/CIR/2026/01

PUBLICATION DATE: 1ST MAY, 2026

1.0. INTRODUCTION

In exercise of the powers conferred on the Kwara State Internal Revenue Service (KW-IRS) under the relevant provisions of the **Nigeria Tax Act, 2025 (NTA 2025)**, **Nigeria Tax Administration Act, 2025 (NTAA 2025)**, and all other enabling laws, KW-IRS hereby issues this Circular to guide the implementation and administration of Rent Relief for eligible taxpayers.

This Circular is intended to ensure uniformity, transparency, and compliance in the granting of rent-related tax relief within Kwara State.

2.0. SCOPE OF APPLICATION

This Guideline applies to:

1. All resident individuals taxable in Kwara **State with documented rent payments**; and
2. All taxpayers eligible under the Personal Income Tax framework who incur **qualifying** residential rental expenses.

3.0. LEGAL FRAMEWORK

This Guideline is issued pursuant to the provisions of the Nigeria Tax Act (2025), Nigeria Tax Administration Act (2025), **and other relevant enabling laws, to wit:**

1. **Section 30 (2) (a) (vi), NTA 2025:** Makes provision for the eligible deductions, among which is the **“Rent Relief”**. This subsection provides that *“Rent relief of 20% of annual rent paid is subject to a maximum of ₦500,000, whichever is lower, provided that the individual accurately*

declares the actual amount of rent paid and other relevant information as may be prescribed by the relevant tax authority'.

2. **Sections 13 and 34 of the Nigeria Tax Administration Act, 2025** mandate every taxable person to file a return of income with KW-IRS in each year of assessment without notice or demand, and the same shall be a self-assessment return.
3. **Section 14 (3) of the Nigeria Tax Administration Act, 2025**, provides that an employee shall file an annual return of income from all sources, including employment income.
4. **Section 4 of the Nigeria Tax Administration Act, 2025**, provides for every taxable person to register with the relevant tax authority and obtain a Taxpayer Identification ("Tax ID") for the purpose of compliance with tax obligations.
5. **Section 101 of the Nigeria Tax Administration Act, 2025** stipulates that a taxable person who fails or refuses to file a return or knowingly files incomplete or inaccurate returns to KW-IRS shall be liable to an administrative penalty of ₦100,000 for the first month in which the failure occurs and ₦50,000 for each subsequent month the failure continues.
6. **Section 119 of the Nigeria Tax Administration Act, 2025** stipulates that a person who obstructs, hinders, molests, or assaults a tax officer in the performance of his duties is liable to an administrative penalty or imprisonment or both.
7. **Section 124 (1) (a-b) of the Nigeria Tax Administration Act, 2025** stipulates that any individual who prepares, signs, or submits, or causes to be prepared, signed, or submitted to the tax authority or its officers any declaration, notice, certificate, or other tax-related document that is false shall be subject to an administrative penalty, imprisonment or both.
8. **Section 124 (2) (a-b) of the Nigeria Tax Administration Act, 2025** stipulates any person who provides a statement in response to a question

or inquiry from a tax officer where the law requires an answer, and that statement is false, will be liable to an administrative penalty, imprisonment or both.

9. **Section 125 of the Nigeria Tax Administration Act, 2025** stipulates that anyone who forges or falsifies a document required for tax-related business under this act or any other tax law; knowingly accepts, uses, or receives such falsified documents; alters an officially issued tax document; or forges any seal, signature, initials, or other official mark used by tax officers for verification, shall be liable to an administrative penalty, imprisonment or both.

4.0. ELIGIBILITY

The following persons shall be eligible under this Guideline

1. The taxpayer must be resident in Kwara State for the relevant year of assessment.
2. The taxpayer must derive income chargeable to tax under applicable personal income tax laws.
3. Taxpayers who pay rent for their primary residence during the relevant year and retain verifiable evidence of such payments, including duly executed tenancy agreements or leases, rent receipts or other reliable proof of payment.

5.0. NON-ELIGIBILITY

The following persons shall not be eligible under this Guideline

1. Taxpayers who are homeowners and landlords.
2. Taxpayers living in rent-free or employer-provided accommodation.
3. Taxpayers renting without a documented tenancy agreement.
4. Taxpayers paying rent for business premises, second homes, or investment properties.
5. Where rent is reimbursed by the employer.

6.0. CONDITIONS FOR CLAIMING RELIEF

Applicants must fulfill the following conditions before claiming rent relief:

1. File annual tax returns within the prescribed statutory period.
2. Make full and accurate disclosure of all income.
3. Possess a valid Tax Identification Number (Tax ID).
4. Support all claims with verifiable evidence.
5. All other conditions that KW-IRS may deem necessary before claiming rent relief.

7.0. DOCUMENTATION REQUIREMENTS

Applicants shall provide:

1. Valid Tenancy Agreement.
2. Evidence of Rent Payment (bank transfer, receipt, or electronic proof).
3. Details of Landlord (including name, address, Tax ID, and other relevant details as may be required by KW-IRS).
4. Duly completed Rent Relief Claim Form as prescribed by KW-IRS on the self-service portal.
5. Evidence of filing individual returns.
6. Any additional documents as may be required by KW-IRS.

8.0. BASIS OF RELIEF

1. Rent Relief shall be granted as a deductible allowance against taxable income.
2. KW-IRS reserves the right to adjust or disallow claims that are deemed to be above the approved threshold under the law.
3. KW-IRS also reserves the right to reject claims where the basis of rent relief is deemed false.

9.0. APPLICATION PROCEDURE

Eligible taxpayers shall:

1. Complete the prescribed Rent Relief Claim Form.

2. Attach all required supporting documentation.
3. Submit applications via the KW-IRS electronic tax platform (Self-service portal).

10.0. VERIFICATION AND COMPLIANCE

KW-IRS shall:

1. Conduct verification of all claims submitted.
2. Undertake desk reviews and field audits where necessary.
3. Reject or amend claims not supported by sufficient evidence.

11.0. OFFENCES AND PENALTIES

1. **Section 101 of the Nigeria Tax Administration Act, 2025** stipulates that a taxable person who fails or refuses to file a return or knowingly files incomplete or inaccurate returns to KW-IRS shall be liable to an administrative penalty of N100,000 for the first month in which the failure occurs and N50,000 for each subsequent month the failure continues.
2. **Section 119 of the Nigeria Tax Administration Act, 2025** stipulates that a person who obstructs, hinders, molests or assaults a tax officer or any other authorized person in the performance of his duties is liable to an administrative penalty of ₦1,000,000 and on conviction to a fine not exceeding ₦1,000,000 or imprisonment for a term not exceeding three years or both.
3. **Section 124 (1) (a-b) of the Nigeria Tax Administration Act, 2025** stipulates that any individual who prepares, signs, or submits, or causes to be prepared, signed, or submitted to the tax authority or its officers any declaration, notice, certificate, or other tax-related document that is false shall be subject to an administrative penalty of ₦1,000,000. In addition, they must pay any tax that was undercharged, not charged, or unpaid, as well as return any overpayment received. Upon conviction, the offender may face a fine of ₦1,000,000 or imprisonment for up to three years, or both, in addition to settling the outstanding tax obligations.

4. **Section 124 (2) (a-b) of the Nigeria Tax Administration Act, 2025** stipulates that any person who provides a statement in response to a question or inquiry from a tax officer where the law requires an answer, and that statement is false, will be liable to an administrative penalty, imprisonment, or both. Such a person is liable to an administrative penalty of ₦1,000,000, along with payment of any tax that was undercharged, not charged, or unpaid, plus repayment of any excess refund received. If convicted, the offender may be fined ₦1,000,000 or imprisoned for up to three years, or both, in addition to settling the outstanding tax obligations.

5. **Section 125 of the Nigeria Tax Administration Act, 2025** stipulates that any person who forges or falsifies a document required for tax-related business under this Act or any other tax law; knowingly accepts, uses, or receives such falsified documents; alters an officially issued tax document; or forges any seal, signature, initials, or other official mark used by officers for verification relating to tax, shall be liable to an administrative penalty of ₦1,000,000. Upon conviction, the offender may face imprisonment of up to three years, a fine of ₦1,000,000, or both.

12.0. AMENDMENT AND REVISION

KW-IRS reserves the right to amend, revise, withdraw, or replace this Guideline or any part thereof at any time to align with applicable tax legislation, regulations, and/or administrative directives as the need arises.

13.0. EFFECTIVE DATE

This Circular shall take effect from **1st May 2026** and shall apply to the **2026 Year of Assessment and subsequent years**, unless otherwise amended or withdrawn.

14.0. ENQUIRIES

All enquiries, clarification or further information on this Guideline should be directed to:

1. The Head Office through:

**The Executive Chairman,
Kwara State Internal Revenue Service,**

27, Ahmadu Bello Way, GRA, Ilorin.

2. All KW-IRS' offices of in all Local Government Areas across Kwara State.
3. KW-IRS' Helpline on 070069594477; WhatsApp on 08111899449; E-mail at helpdesk@kw-irs.com & correspondence@kw-irs.com; and website on www.kw-irs.com

15.0. DEFINITION OF TERMS

1. **Rent Relief** is a provision under the new tax laws that aims to alleviate the financial burden on taxpayers by allowing them to deduct a portion of their rent from their taxable income.
2. **Personal Income Tax** means income tax chargeable under Chapter Two of the Nigeria Tax Act, 2025.
3. **TAX ID** means *Tax Identification Number*.
4. **Tax authority** in this instance means KW-IRS.
5. **Taxable income/income chargeable** means *the portion of an income that is subject to tax after all deductions, reliefs and exemptions have been removed from the total income*.
6. **KW-IRS** means Kwara State Internal Revenue Service established under the Kwara State Revenue Administration Law, 2015 (as amended)
7. **The State** means Kwara State of Nigeria
8. **This Guideline** means the Guideline on Rent Relief.
9. **Year of Assessment** means the government tax year in any given year, being the 1st day of January to the 31st day of December of the same year.

16.0. APPROVAL AND SIGNATURE

This Guideline is hereby approved and issued by KW-IRS, effective the 1st day of May, 2026.

Signed this 1st day of May, 2026

SIGNED

Shade Omoniyi

The Executive Chairman

Kwara State Internal Revenue Service.