

NAME: OKPOLA UGBOLOCHI ST.JOHN

MATRIC NO: 17/SMS02/044

COURSE: ACC310

DATE: 5/5/2020

ANSWER TO Q2

MRS AMARACHI UBA

COMPUTATION OF PERSONAL INCOME TAX LIABILITY FOR 2012 YEAR OF ASSESSMENT

	₦	₦
EARNED INCOME		
Gratuity from Public Service 31/12/11		30,000,000
Salary from Septraco Limited 1/1/12		60,000,000
Benefit in kind:		
Toyota Prado (5% of N15,000,000)	750,000	
Accommodation	7,500,000	8,250,000
		<hr/>
Gross Emoluments		98,250,000
UNEARNED INCOME		
Gross Income		<hr/>
		98,250,000
 RELIEFS AND ALLOWANCES		
CRA (higher of N200,000 or 1% of Gross income plus 20% of Gross Income) (N982,500 plus N19,650,000)	20,632,500	
Life Assurance premium	6,000,000	
Pension Scheme (400,000* 12)	4,800,000	-31,432,500
Taxable Income		<hr/>
		66,817,500

Computation of Tax Liability

	₦
Applying Tax Table	
1st N300,000@ 7%	21,000
Next N300,000@ 11%	33,000
Next N500,000@ 15%	75,000
Next N500,000@ 19%	95,000
Next N1,600,000 @21%	336,000
Next N63,617,500@24%	15,268,200
Annual Tax Liability	<hr/>
	15,828,200