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 course code: ACC310
 Course: Taxation

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 ltd 1/1/12		60,000,000
Toyota Praid0 (5% of market value)	750,000	
Accommodation	7,500,000	8,250,000
Gross Emolument		98,250,000
Unearned Income		N/I
Gross Income		98,250,000

Reliefs and Allowances

CRA (Higher of 200,000 or 1% of gross income plus 20% of gross income)	20,632,500	
Life assurance Premium	6,000,000	
Pension scheme	4,800,000	31,432,500
Taxable income		66,817,500

Computation of Taxable liability

	₦
first 300,000 at 7%	21,000
next 300,000 at 11%	33,000
next 500,000 at 15%	75,000
next 500,000 at 19%	95,000
next 1,600,000 at 21%	336,000
next 63,617,500 at 24%	15,268,200
Annual taxable liability	15,828,200

