

NAME - FRENCH OVONOMO  
 MATRIC NUM - 17/SMS02/017  
 QUESTION NO 4

MR WILLI WILLI  
 Computation of Tax Liability for the year 2013

	N	N
Earned Income:		
Basic Salary [Cabin PLC] 5/12 of 32,000,000		₦ 13,333,333
Basic Salary [Zenith PLC] 7/12 of 48,000,000	₦ 28,000,000	
Transport Allowance; 7/12 of 2,000,000	₦ 1,166,667	
Utility Allowance; 7/12 of 800,000	₦ 466,667	
Housing Allowance; 7/12 of 12,000,000	₦ 7,000,000	
Meal Allowance; 7/12 of 500,000	₦ 291,667	
Leave Allowance; 7/12 of 4,800,000	₦ 2,800,000	
Clothing Allowance; 7/12 of 2,000,000	₦ 1,166,667	
Benefits in Kind;		
Official car [5% of 7500000]	₦ 375,000	₦ 41,266,668
Gross Income		₦ 54,600,001
Unearned Income		₦ 0

Reliefs and Allowances:		
Consolidated revenue fund;		
[638,083 + 20% of 63,808,333]	₦ 13,399,750	
Life Assurance	₦ 2,800,000	
National Housing Fund Contribution	₦ 4,900,000	
National Health Insurance Scheme	₦ 350,000	
National Pension Scheme	₦ 1,166,667	
		-₦ 22,616,417
Taxable Income		₦ 31,983,584

Applying the Tax Table:	N
First 300,000 @ 7%	₦ 21,000
Next 300,000 @ 11%	₦ 33,000
Next 500,000 @ 15%	₦ 75,000
Next 500,000 @ 19%	₦ 95,000
Next 1,600,000 @ 21%	₦ 336,000
The Last 28,783,584 @ 24%	₦ 6,908,060
	₦ 7,468,060