**GOODS AND SERVICES EXEMPTED FROM VAT and HOW TO FILE FOR VAT IN NIGERIA.**

Value Added Tax (VAT) is a tax levied on goods and services consumed. It is an indirect tax wherein the burden of the payment is borne by the final consumer of the goods and services. This tax was created by the VAT Act No. 102 of 1993 which became effective from January 1st 1994, and it kicked off with the rate of 5% and in February 1st 2020 the rate was changed to 7.5%. We will be discussing the exempted Goods and Services and how they are filed. There are a variety of reasons why the Federal Government exempts some goods and services from paying VAT. The Federal Inland Revenue Service (FIRS) is the Federal Government agency in responsibility of collecting Value Added Tax (VAT) in Nigeria.

 There are several goods and services that are VAT-exempted in Nigeria, this includes:-

BASIC FOOD ITEMS:-basic food is defined as any unprocessed staple food item, whether or not it is packaged.

EDUCATIONAL MATERIALS:- including Laboratory Equipment.

MACHINERIES:- whether or not electrically heated, for the treatment of materials by a process involving a change of temperature such as heating cooking, roasting, distilling, rectifying, sterlising, pasteurizing, steaming, drying, evaporating, vaporizing, condensing or cooling, other than machinery or plant of a kind used for domestic purposes, instantaneous storage water heaters and electrics.

BABY PRODUCTS:- Feeding bottles and related products for babies items.

COMMERCIAL VEHICLES AND SPARE PARTS:- commercial vehicles has been restricted to those vehicles designed for the transport of persons, while spare parts are also restricted to engines, gears, brakes and brakes linings.

AGRICULTURAL EQUIPMENT & PRODUCTS:- Insecticides, rodenticides, fungicides, herbicides, anti-sprouting products and plant growth regulator disinfectants and similar products. Alongside Mechanical appliances whether or not hand-operated.

BOOKS, NEWSPAPERS AND MAGAZINES:- Plans and drawings for architectural, engineering, industrial, commercial, topographical or similar purposes, being originals drawn by hand, hand written texts. Unused postage, revenue or similar stamps of current or new issue in the country to which they are destined; stamp impressed paper; cheque forms, bank notes, stock, share or bond certificates and similar document of title.

After knowing the goods and services exempted from filing a VAT, we will proceed to enlighten on how to file a VAT

The first step is going over business financial records for the duration you will remit tax. The second step is to visit the TaxProMax website, after that you go on to select your Taxes due, in the tax due you will be able to know the type of tax to pay. Therein, you select a payment method and generate a payment reference code that will enable you to pay.

 With all that has been aforementioned, you can tell if you are exempted from VAT or you are to file for VAT.

For more information on VAT or on how to file for VAT

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