



# EXPATRIATE EMPLOYMENT LEVY

The Federal Government of Nigeria, represented by the Federal Ministry of Interior, launched the Expatriate Employment Levy (EEL) for employers of expatriates in Nigeria on Tuesday, 27th of February 2024. This levy is to be administered by the Nigerian Immigration Service. A Handbook containing guidelines for the implementation of the EEL was also released and launched by President Bola Tinubu on the same day.

## KEY FACTS TO NOTE ABOUT THE EEL

### A. ELIGIBILITY

The EEL is imposed on:

- i. All employers who employ expatriate workers in Nigeria.
- ii. All private sector industries that utilize foreign workforce or rely on expatriate labour.
- iii. Businesses of varying sizes operating in Nigeria including multi-national corporations, small and medium-sized enterprises (SMEs) and other entities engaging expatriate talents.
- iv. Employers of temporary expatriate workers who have obtained temporary work permits to work in Nigeria for duration not less than 183 days within 1 fiscal year (Seasonal or short-term employment).
- v. Employers of temporary expatriate workers employed for cross-border assignment or secondment where the expatriate occupies a Quota position in the Company operating in Nigeria.

### B. FEES

- i. Employers of expatriates are required to pay 15,000 (USD) annually for Directors.
- ii. Employers of expatriates are required to pay 10,000 (USD) annually for other categories of expatriates.

### C. OBJECTIVES

The major objective of attaching a financial commitment to the employment of expatriates, is to encourage the employers to actively engage in training and mentorship programs to facilitate local talents thereby strengthening the domestic workforce over time.

### D. EXEMPTIONS

- i. All staff of diplomatic missions.
- ii. All government officials.
- iii. All international agencies accredited to Nigeria.
- iv. Where the duration of expatriate employees engaged in short-term employments is cumulatively less than 183 days in 1 fiscal year.

### E. REPORTING AND COMPLIANCE

- i. The Government will provide online platforms for employers to report expatriate employment details electronically.
- ii. Government Agencies responsible for EEL are saddled with conducting compliance audits as well as cross-checking reported information with data from other sources such as immigration records, Tax offices etc. to verify the accuracy of information reported.
- iii. Employers are required to comply with timely reporting/registration of expatriate employee's details within 30 days of Work/Residence Permits or Issuance or renewal of employment contracts with the expatriate.

## F. SANCTIONS

- i. Failure of corporate entities to file EEL or register expatriate employee or renew EEL within 30 days of issuance of Work/Residence Permits or Issuance or renewal of employment contracts with the expatriate shall attract a fine of NGN3,000,000 (Three Million Naira)
- ii. Falsification of information on EEL will also attract the penalty sum of NGN3,000,000 (Three Million Naira).

# Key Contacts



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