

TIN? Tax ID? What is the Fuss Anyway?



There has been plenty of chatter online lately:

“Is Tax ID compulsory under the new tax laws?”

“If I already have a TIN do I still need a Tax ID?”

“Why did the law suddenly switch the name?”

“Is this another round of government wahala?”

Relax, here is the gist, without the tax headache.

Who Really Needs a Tax ID?

Not everybody. The law says “taxable persons” must have it, that is:

- Individuals earning from trade, freelancing, contracts, or side hustles.
- Non-Resident Individuals that supply taxable goods or services to any person living in Nigeria
- Registered businesses and companies
- Basically, anyone whose activities attract tax.

If you do not earn taxable income, you are not the target... yet.



Tax ID = TIN (just rebranded)

Under the new Nigeria Tax Administration Act (2025), the term “Tax ID” replaces TIN (Tax Identification Number).

But it is not a brand-new number for most people. If you already have a TIN, congratulations, that is now your Tax ID.

Why the Name Change?

Nigeria’s old system may seem a bit messy to some: federal IDs, state IDs, CAC (Corporate Affairs Commission) numbers, NIN, BVN, etc. The new Tax ID aims to unify everything into one identifier. That way:

- Less paperwork
- Fewer duplicate numbers
- Easier tracking by tax authorities

So, do not see it as stress, see it as cleanup.





How NIN and CAC Link to Your Tax ID

- **For individuals** - your NIN (National Identification Number) is the anchor. When you apply for a Tax ID with a tax authority or at the point of opening a business/ income earning bank account, the system pulls your details (name, DOB, BVN, etc.) from NIMC (National Identity Management Commission), and generates your Tax ID automatically, linking it permanently to your NIN.
- **For businesses** - your CAC registration number is the anchor. When a company registers for a Tax ID, its RC number and directors' details are pulled from CAC and linked to that Tax ID.

Quick Extras You Should Know

- In practice though, some tax authorities have started upgrading their systems to become tax-reforms-ready. In such case, a new TIN may be generated automatically on their new platforms once you produce your NIN, even if you already had a TIN.
- If you are only just registering a new business with the CAC, your new TIN will be issued automatically alongside your new CAC number.
- If you should have applied for TIN but did not, the tax authority can step in and create one for you anyway (and they will notify you within 5 days).
- If you somehow end up with more than one Tax ID, just tell the tax authority. They will merge them into one so you do not get double wahala.



Do You Need a New Number?

No. The new Act provides that, if you already have a valid TIN, it becomes your Tax ID.

What you need to do is:

- Confirm it is active.
- Ensure it is linked to your NIN (individuals) or CAC records (businesses).
- Keep it handy, because banks, government agencies, and even contractors may start asking for it from 2026.

If you do not have a TIN, and you have a NIN or CAC number, once you register with the tax authority, the system will assign you a Tax ID automatically.

Heads Up from the Banks (and Others)

Banks will require Tax IDs from taxable persons to open or run accounts. And it is not just banks - your Tax ID must now show up everywhere: on tax returns, official letters and correspondences, contracts with government, and even documents for banks, insurance, or other financial services. Basically, if it is official, your Tax ID should be there.

So if you run a business, hustle on the side, or freelance, do not wait until you get blocked. Sort it out now.





What if Your Situation Changes?

Changed your business name? Moved to a new address? Got married or changed ownership?

The law says you must update your Tax ID records within 30 days.

Think of it like updating your WhatsApp bio — only this one is for tax peace of mind.



Pro Tips to Stay Ahead

- Already have a TIN? Confirm it is linked properly.
- Do not have one? Register — it is free through official tax offices.
- Do not pay touts — avoid scams.
- Keep your names and records consistent across NIN, CAC, and tax docs.

Bottom Line

TIN did not disappear; it just got a glow-up as “Tax ID.” If you already have one, you are fine. If you earn income and do not have TIN, register now. The aim is to make Nigeria’s tax system simpler and prevent people from having multiple tax IDs.



Can a Tax ID Be Suspended or Cancelled?

Yes, but only in specific cases:

- **Suspension** – if your business goes on a break, your Tax ID can be put on hold and reactivated later.
- **De-registration** – if you permanently shut down a business.
- **Cancellation** – if a person passes away or a company is fully dissolved.

Bottom line: your Tax ID is yours for life unless there is a big final change.

How VI-M Professional Solutions Can Help

We know tax talk can get confusing, but that is where we come in! At Vi-M, we help individuals, SMEs, and big businesses:

- Register for Tax ID/TIN smoothly.
- Stay compliant with the new tax laws - without penalties.
- Provide tax advisory, planning, and compliance support tailored to your business.

So, whether you are a freelancer, a growing startup, or an established company, Vi-M makes tax compliance simple, stress-free, and even (dare we say it?) enjoyable.

Ready to stay ahead? Let us handle the tax talk while you focus on growing your hustle!

