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Breaking Down Nigeria's N.R.S. Virtual Asset Tax Guidelines 1





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Nigeria Now Taxes Your Crypto. Here's What You Need to Know.

On 31 July 2026, the Nigeria Revenue Service (NRS) issued the Guidelines on the Taxation of Virtual Assets the first standardized framework for taxing virtual asset (VA) transactions in Nigeria following its inclusion of taxation of virtual asset in the Nigeria Tax Act 2025.

The Guidelines apply to everyone in the virtual asset space:

- Individual crypto traders and holders
- Virtual Asset Service Providers (VASPs)
- Peer-to-Peer (P2P) marketplace operators
- Businesses and companies dealing in virtual assets
- Tax consultants and financial institutions
- Anyone earning income, profits, or gains from virtual assets in Nigeria

What Counts as a Virtual Asset?





What Counts as a Virtual Asset?

Category	Agency
Cryptocurrencies & exchange tokens	Stablecoins & payment tokens
Stablecoins & payment tokens	USDT, USDC, DAI, PYUSD
Security & investment tokens	Tokenised Equity, Tokenised Bonds, Revenue-Sharing Tokens
Utility & governance tokens	Gaming Tokens, DAO Votes, Staking/Receipt Tokens
NFTs	Digital Art, Music NFTs, Collectibles, Property NFTs

What about the eNaira and CBDCs? The eNaira and other central bank digital currencies (CBDCs) are outside the scope of the virtual-asset tax framework and are treated as sovereign fiat currency. Hence, their use or transfer does not, by itself, trigger virtual-asset tax obligations. This treatment is distinct from crypto-assets, such as Bitcoin and USDT, which are subject to the applicable virtual-asset tax rules.



What Counts as a Taxable Event?

These actions can trigger tax:

Selling crypto for Naira	Mining Rewards, Staking Rewards, Defi Yield, Liquidity Rewards, and Protocol Rewards	Cross-border business payments: converting Naira to tokens for B2B cross-border settlement triggers stamp duty on the token acquired, though no income tax arises at the conversion stage
Swapping one token for another (TOKEN/TOKEN)	NFT sales — whether by the original creator or a reseller/investor	Airdrops with a realisable value at receipt
Receiving salary or professional fees in crypto	Using crypto to pay for goods or services	Receiving crypto as a gift: no tax on the donor at the point of gift, but the recipient will face a taxable gain when they eventually dispose of it



What is NOT a Taxable Event?

The following activities generally do not trigger tax, because no taxable disposal or realization of value occurs:

- **Simply holding:** a virtual asset (unrealized gains are not taxed)
- **Staking lock-up:** depositing VA into a staking or validation protocol for network participation
- **Minting an NFT:** tax only arises on the first sale or disposal of the NFT
- **Using crypto as loan collateral:** receiving loan funds against VA collateral is not taxable income
- **Transferring VA between your own wallets:** not a disposal, provided there is no change in beneficial ownership
- **Wrapping tokens (e.g. BTC to WBTC):** not a taxable disposal, provided you retain beneficial ownership and receive no other consideration.



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What is NOT a Taxable Event? Two important caveats:

- **The wallet transfer exemption does not apply to companies, partnerships, trusts, or other legal persons.** Only individuals benefit from this rule.
- **Wrapped tokens and DeFi receipt tokens become taxable the moment you sell them, swap them, use them as payment, or otherwise transfer beneficial ownership.** The non-taxable status only applies while you hold them.

The Dollar-Referenced Tax Method — How are Crypto Gains Calculated?

Nigeria uses a USD-referenced method to calculate gains on qualifying crypto disposals. This protects you from being taxed on Naira gains that are purely caused by exchange rate depreciation.





The 5-Step Computation:

1. Establish your dollar cost base: what you paid for the asset in USD (using the CBN/NAFEM rate at acquisition)
2. Determine your dollar disposal proceeds: what you received on sale, converted to USD (using the CBN/NAFEM rate at disposal)
3. Calculate your dollar gain or loss: disposal proceeds minus cost base
4. Convert the dollar gain to Naira: using the CBN/NAFEM rate on the disposal date (not the acquisition date)
5. The resulting Naira figure is your assessable gain: Naira depreciation during your holding period is excluded from taxable income

Two practical rules you must follow:

- **Cost base method:** FIFO (First In, First Out) is the default. Weighted Average Cost is accepted as an alternative, but only if you elect it consistently from the start of your VA activity and never switch. You cannot change methods retrospectively.
- **Approved price sources:** All prices must be sourced from an **NRS-approved aggregator**. The NRS will publish and update the list of approved aggregators on its website. Using an unapproved source could invalidate your computation.





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We are Not Done Yet.

Follow us for Part 2, where we cover: tax rates and key numbers broken down by asset category and transaction type, the serious obligations that VASPs and platform operators must meet, the penalties for non-compliance, and our practical action checklist for individuals, businesses, and platforms.

Part 2 drops next Tuesday. Save this edition, share it with someone in the crypto space, and stay tuned.

These Guidelines were issued on 31 July 2026 by the Nigeria Revenue Service. This content is for information purposes only and does not constitute legal or tax advice. For further guidance kindly reach out to us at tme@jee.africa, yeye.nwidaa@jee.africa, or Kodichi.anigbogu@jee.africa





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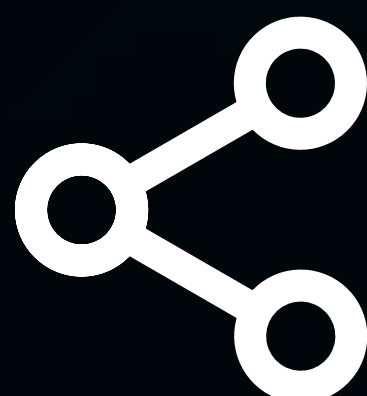


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