A BILL FOR A LAW TO REPEAL THE SOKOTO STATE REVENUE INTEGRATION AND CONSOLIDATION LAW, NO. 14 OF 2019 AND IN ITS PLACE ENACT **THE SOKOTO STATE REVENUE HARMONIZATION AND CONSOLIDATION LAW OF 2025**; PROVIDE FOR THE ASSESSMENT, COLLECTION OF, AND ACCOUNTING FOR REVENUE ACCRUING TO THE STATE AND LOCAL GOVERNMENTS; PROVIDE A UNIFORM PROCEDURE FOR A CONSISTENT AND EFFICIENT ADMINISTRATION OF TAX LAWS IN ORDER TO FACILITATE TAX COMPLIANCE BY TAXPAYERS AND OPTIMISE TAX REVENUE; ESTABLISH THE SOKOTO STATE INTERNAL REVENUE SERVICE AS AN AGENCY FOR TAX ADMINISTRATION IN THE STATE; PRESCRIBE THE POWERS AND FUNCTIONS OF THE SERVICE AND FOR OTHER MATTERS CONNECTED THERETO.

Preamble:

WHEREAS the necessity for coordination, consistency, efficiency and predictability in tax administration in Sokoto State by consolidating the various tax laws led to the passage of a harmonized legal framework on tax administration: **Sokoto State Revenue Integration and Consolidation Law, No. 14 of 2019**

WHEREAS recent reforms at the Federal level culminated in the passage of the **National Tax Act, 2025, Nigeria Tax Administration Act, 2025, Joint Revenue Board (Establishment) Act, 2025 and Nigeria Revenue Service (Establishment) Act, 2025,** to provide for the assessment, collection of, and accounting for revenue accruing to the Federation: Federal, States and Local Governments, prescribe the powers and functions of tax authorities; and for related matters with a view to providing a uniform procedure for a consistent and efficient administration of tax laws in order to facilitate tax compliance by taxpayers and optimize revenue;

AND WHEREAS the necessity for States of the Federation to align their laws to the new tax regime for efficient administration of tax laws in order to facilitate tax compliance by taxpayers and optimize revenue and achieve a harmonious working relationship between the National Revenue Service and State tax authorities;

NOW THEREFORE WE THE PEOPLE OF SOKOTO STATE, DO HEREBY ENACT AND GIVE TO OURSELVES the following Revenue Harmonization and Consolidation Law:

21st August, 2025.
Date of Commencement

BE IT ENACTED by the House of Assembly of Sokoto State as follows:

PART I

PRELIMINARY

1.	This Law may be cited as Sokoto State Revenue Harmonization and Consolidation Law, 2025.	Short Title
2.	This Law shall come into operation on the 21st day of August, 2025.	Commencement
3.	In this Law: "**Accounting Period**" means a period for which accounts have been made up; "**Advance Ruling**" means any ruling issued by the service in respect of any disputed or controversial tax matter to the tax payers in accordance with provision of this bill, or any other enactment, or any written opinion, or decision issued to a tax payer by the service on a transaction, proposed transaction, or any tax matter, with a view to providing direction, or clarification in accordance with the provision of this bill; "**Ad Valorem**" means the value of a transaction or property; "**Agency of Government**" includes a ministry, department, statutory body, public authority and any institution of the Federal, State and Local Government; "**Agreement**" means mutual understanding, arrangement, undertaking, or memorandum, between the service, a tax payer or any third party which may have tax implications; "**Agricultural Trade or Business**" means: (a) primary crop production comprising the production of raw and semi- processed crops of all kinds but excluding any intermediate or final processing of crops or any other associated manufactured or derivative crop product; (b) primary livestock production comprising the production of live animals and their direct produce such as live or raw meat, live or raw poultry, fresh eggs and milk of all kinds, but excluding any other associated manufactured or derivative livestock product; (c) primary forestry production comprising the production of timbers of various kinds such as firewood, charcoal, uncultivated materials gathered and other forestry products of all kinds, including seeds and saplings, but excluding the intermediate and final processing of timber and any other manufactured or derivative timber	Interpretation

product; and

(d) primary fishing production comprising the production of fish of all kinds, including ornamental fish, but excluding any intermediate or final processing of any other manufactured or derivative fish product.

"**Appraiser**" means any person who values or appraises any estate or real property, or any interest, whether in possession or not, in any estate or real property, for a fee;

"Assess" means to determine the amount of tax payable on income, value, revenue, proceeds of trade, real property or any other assets or transaction;

"**Assessable Income**" means assessable income determined under the provisions of Law;

"Assessable Profit" has the same meaning under the Nigeria Tax act

"**Assessed Property Value**" means the value assigned to a property to measure applicable taxes;

"**Authorized Officer**" means an officer who has been authorized by the Service to perform any function under this Law;

"**Bank**'' means a bank as defined under the Banks and Other Financial Institutions Act, Act No. 3, 2020;

"**Beneficial Owner**" means a person who has ownership, control, rights, indirect benefit or beneficial interest over shares or clients, or over income, goods, services or assets subject to tax, or on whose behalf a transaction is carried out;

"**Board**" means the Board of the Sokoto State Internal Revenue Service established under this Law;

"**Book**" includes any register, document or other records of information and any account or accounting record however compiled, recorded or stored, whether in written or printed form or micro-film, digital, magnetic or electronic form or otherwise;

"**Building**" means any structure permanently affixed to land for all or most of the useful life of that structure and shall include a house, garage, dwelling apartment, hospital and institutional building, factory, warehouse, theatre, cinema, store, mill building and similarly fixed structure affording protection and shelter, but excludes any fixtures or structures that can easily be removed from such land, such as radio and television masts, transmission lines, cell towers, vehicles, mobile homes, caravans and trailers;

"**Business**" includes any economic activity such as trade, commerce, manufacturing, service or any activity carried out for the purpose of earning income;

"**Calendar Year**" means a period of 12 months commencing from 1 January and ending 31 December;

"**Central Billing System**" means a platform implemented by the state for streamlining and standardizing billing process across ministries, departments and agencies (MDAs);

"**Chargeable Gains**" has the meaning given in section 33 of this Law;

"**Commencement Date**" means the date that an entity carries out its first transaction, which shall be the earlier of the date that the business or person:

(a) begins to market or first advertises its products or services for sale;

(b) obtains an operating license from a regulatory authority in Nigeria;

(c) first sale or purchase;

(d) execute its first trading contract after incorporation;

(e) issues or receives its first invoice;

(f) delivers or receives its first consignment of goods; or

(g) first renders services to its customers;

"**Commencement of business**" means the starting of operation of a business;

"**Commissioner**" means the commissioner charged with responsibility of finance in the State;

"**Company**" means a company as defined under the Companies and Allied Matters Act and includes any company formed, registered and incorporated under any law in Nigeria and is subject to taxation

"**Connected Persons**" includes in the case of:

(a) individuals, the individuals are married or are relatives;

(b) a trustee in relation to a settlement, the trustee and the settlor, or the spouse or a relative of the settlor;

(c) a partnership, a person is related to the person, or spouse or a close relative of the person with whom he is in partnership;

(d) other cases, two persons are connected where:

(i) one may reasonably be expected to act in accordance with the directions, requests, suggestions, or wishes of the other person;

(ii) both persons may reasonably be expected to act in accordance with the directions, requests, suggestions, or wishes of a third person; or

(iii) one person has the practical ability to control the business decisions of another person.

Provided that two persons are not connected solely by reason of the fact that one person is the employee or client of the other, or both persons are employees or clients of a third person;

"**Conveyance on sale**" means the transfer of interest in real property, being land and building, only;

"**Demand Notice**" means the notice issued by the service demanding payment of tax;

"**Digital Assets**" means digital representation of value that can be digitally exchanged, including crypto assets, utility tokens, security tokens, non-fungible tokens (NFT), such other similar digital representation or derivatives of any of the listed or similar assets and any other asset as may be defined by the relevant regulatory authority;

"**Disposal of Properties**" means land, whether developed or undeveloped;

"**Dispute**" means a disagreement on the interpretation of either the relevant facts or law or both, which arises pursuant to the issuance of an assessment, action or decision of either the Service or taxpayer;

"**Distrain**" means to seize a taxable person's property, goods, chattels, bonds or other securities in order to collect and recover unpaid tax in accordance with this Law;

"**Document**" includes any record of information evidencing a transaction, supporting accounts or schedules, accounting or inventory ledger, including reports, agreements, correspondences, memoranda, minutes of meeting or any such record however compiled, recorded or stored, whether written or printed or micro-film, digital, magnetic, electronic or optical form or otherwise, and all types of information stored in digital devices, computer or any other similar equipment;

"**Electronic or Digital Activities**" means the receipt, emission or transmission of signals, sounds, messages, images or data of any kind by cable, radio, electromagnetic systems or any other electronic or wireless apparatus in respect of any commerce, trade or activity, including electronic commerce, application store, high frequency trading, electronic data storage, online adverts, participative network platform, online gaming, cloud computing, online teaching services, digital content services, supply of user data, search engines or online payments;

"**Employee of the Service**" includes the Chairman or other members of staff and those employed to carry out specific functions and may include board members of a Service;

"**Employment**" includes any appointment or office, whether public or otherwise, for which remuneration is payable;

"**Entertainer, Sportsperson, or Competitor Fees**" includes payments in respect of appearance, performance, royalties, sponsorship, endorsement, advertising or related payments;

"**Entertainment**" includes any exhibition and performance in which admission of people is subject to payment by such persons but does not include the following:

(a) play on stage and performance which are carried out by government-approved educational institutions as part of learning;

(b) sport, game or other cultural performance sponsored by Government;

(c) entertainment sponsored by a charitable, educational, medical, scientific or cultural institution of a public character; and

(d) entertainment organized by a non-profit making, charitable, educational, medical, scientific or cultural society registered under the law where the entertainment is in furtherance of the objectives of the society.

"**Executor**" includes any person administering the estate of a deceased person;

"**Exported Service**'' means a service rendered to a non-resident person outside Nigeria by a taxable person regardless of where the service is rendered, provided that a service rendered to the Nigerian permanent establishment of a non-resident person shall not qualify as exported service;

"**Family Income**" refers to any income accruing to a family from all sources;

"**Financial Institutions**" includes depository institutions, custodial institutions, investment institutions and insurance companies;

"**Foreign Company**" means a non-resident company or any company other than a Nigerian company.

"**Goods**" means all forms of tangible properties, movable or immovable;

"**Government**" means the Federal, State, the Federal Capital Territory or Local Government Council and shall include, as the case may be, any agency of Government;

"**Governor**" means the Governor of Sokoto State;

"**Gross Income**" means total income of an individual in any particular year of assessment from all sources, ascertained under the provisions of this Law;

"**Gross Turnover**" means the gross inflow of economic benefits during the period arising in the course of the operating activities of an entity when those inflows result in increases in equity including sales of goods, supply of services, receipt of interest, rents, royalties or dividends other than increases relating to contributions from equity participants;

Ground Rent: means, the annual rent payable for any land granted to any person or entity throughout the state.

"**High Court**" means the High Court of Sokoto State;

"**Hire Purchase**" means a financial arrangement in which a person acquires immediate use of an asset by making regular instalment payments over a specified period and may gain ownership of the asset on the completion of the payments;

"**Income from Investing Activities**" includes dividend, interest, royalty and any other income of similar nature;

"**Income Tax**" means any tax chargeable under this Law, excluding the tax types mentioned in Part VIII and Part IX of this Law;

"**Individual**" includes a corporation sole and a body of individuals but does not include a company, partnership, community, family, trustee or executor or anybody of trustees, executors or legal arrangements;

"**Instrument**" includes any document relating to transactions consummated through conventional, electronic or other means;

"**Insurance**" includes assurance;

"**Invoice**" includes any document issued as evidence of supply of goods or services, or demand for payment for goods or services supplied;

"**Land**" means the earth's crust, or parceled plots;

"Land use charge" includes ground rent, infrastructure, maintenance charge/ development levy, tenement rate and property tax;

"**Manufacturer**" means any person who engages in the production of goods who manufactures for or on behalf of other persons;

"**MDA" include** ministry, department, statutory body, public authority, or any institution of the federal, state or local government;

"**Mortgage**" means a security by way of deposit of real property for the payment of any definite and certain sum of money advanced including any agreement accompanied with a deposit or pledging of title deeds for making a mortgage, or any other security of any land, estate, or property comprised in title deeds;

"**National Minimum Wage**" means the extant minimum wage prescribed by the National Minimum Wage (Amendment) Act 2024;

"**Nigeria**" means the Federal Republic of Nigeria, and when used in a geographical sense, includes the territorial waters and air space of the Federal Republic of Nigeria, and any area outside the territorial waters, including the continental shelf, which in accordance with international law has been or may be designated, under the law of the Federal Republic of Nigeria, as an area within which the right of the Federal Republic of Nigeria with respect to the seabed, its subsoil, its suprajacent waters and their natural resources may be exercised now and in the future;

"**Nigerian Company**" means a company:

(a) formed, registered or incorporated under any law in Nigeria;

(b) whose central place of management or control is Nigeria; or

(c) whose effective place of management or control is Nigeria;

"NIN": means National Identification Number

"**Notice of Assessment**": means a notice served on a taxable person stating his name and total chargeable income assessed by the Service.

"**Non-resident Individual**" means an individual that, in any year of assessment:

(a) is not domiciled in Nigeria;

(b) has no permanent place available for his domestic use in Nigeria;

(c) has no place of habitual abode in Nigeria;

(d) has no substantial economic and immediate family ties in Nigeria;

(e) sojourns in Nigeria for a period or periods amounting to an aggregate of less than 183 days in a 12-month period inclusive of annual leave or temporary period of absence; and

(f) is not serving as a diplomat or diplomatic agent of Nigeria in another country.

"**Non-Resident**" means non-resident person, individual or company, as the context requires;

"**Officer**" means any person employed in the Service to carry out the tax administration functions under this Law;

"**Official Gazette**" means the Official Gazette of the Sokoto State Government;

"**Official Market Rate**" means the current exchange market rate approved by the Central Bank of Nigeria;

"**Operating Lease**" means an arrangement involving the transfer of the right to use an asset by the lessor in return for rental payments from lessee over an obligatory period but the asset is not wholly amortized during the period;

"**Owner**" means in respect of any goods, aircraft, vessel, vehicle, plant or any other goods, a person, other than an officer acting officially or agent, who holds out himself to be the owner, or the person in possession of beneficial interest in, or having control of or power of disposition over the goods, aircraft, vessel, vehicle, plant or other goods;

"**Partnership**" means an association, or a body of two or more persons who have agreed to combine their rights, powers, property, labour or skill for the purpose of carrying on a trade or business and sharing the profit;

"**Person**" includes a company, partnership, community, family, individual, executor, trustee and legal arrangement;

"**Personal Representatives**" means the legal personal representatives of a deceased person;

"**Policy of Insurance**" means an instrument by which a contract of insurance is made or agreed to be made, or is evidenced, excluding cover notes, slips or other documents made in anticipation of the issue of an insurance policy, and documents embodying alterations of the terms or conditions of an insurance policy, and the expression;

"**Private Dwelling"** means any building or part of a building occupied as residential accommodation, including any garage, shed and other building used in connection therewith;

"**Professional Services**" means services provided by an individual or a firm having specialized knowledge, skills, and qualifications in specific fields, including consulting, planning, or support services, excluding artisans or vocational services;

"**Public Character**" with respect to any organization or institution means organization or institution:

(a) that is registered in accordance with relevant law in Nigeria; and

(b) does not distribute or share its profit in any manner to members or promoters;

"**Public Fund**" means any fund set up by any government or a governmental body in Nigeria to finance a specific service, project, or obligation of Government to the public;

"**Receipt**" includes a note, memorandum, writing or electronic inscription whereby money, a bill of exchange or promissory note for which money is acknowledged or expressed to have been received, deposited or paid, or whereby a debt or demand, or any part of a debt or demand is acknowledged to have been settled, satisfied or discharged, or which signifies or imports any such acknowledgement, and whether the same is or is not signed with the name of a person;

"**Registered Person**" means any person registered for the purpose of tax compliance under this Law or any other tax law;

"**Registration**" means action or process of registering or of being registered for tax purposes in accordance with this Law;

"**Related Parties**" has the same meaning as connected persons, and unconnected, non-related or unrelated party shall be construed accordingly;

"**Relative**" means brother, sister, ancestor or lineal descendant;

"**Remainder of Assessable Income**" means the total assessable income of an individual less the deductions under Section 41 of this Law;

"**Rent**" means payments of any kind, received or receivable, paid or payable, for the use of, or the right to use property or equipment of any kind, and shall include remuneration for the use, letting, hire or use in any other form of movable or immovable property;

"**Resident Individual**" means an individual that, in any year of assessment:

(a) is domiciled in Nigeria;

(b) has a permanent place available for his domestic use in Nigeria;

(c) has place of habitual abode in Nigeria;

(d) has substantial economic and immediate family ties in Nigeria;

(e) sojourns in Nigeria for a period or periods amounting to an aggregate of not less than 183 days in a 12-month period inclusive of annual leave or temporary period of absence; or

(f) serves as a diplomat or diplomatic agent of Nigeria in another country; (to be expunged)

"**Resident**" means a resident person, individual or company;

"**Secretary**" means the secretary to the board and legal adviser;

"**Service**'' means the Sokoto State Internal Revenue Service (SOIRS) established under this Law;

"**Services**" means:

(a) anything, other than goods, or services provided under a contract of employment; and

(b) includes any intangible or incorporeal (product, asset or property) over which a person has ownership or rights, or from which he derives benefits, and which can be transferred from one person to another;

"**Settlement**" means amicable resolution of dispute in accordance with the provisions of this Law;

"Single Central Revenue Account (SCRA)" means a system that integrate the central billing system, electronic tax system and payment gateway

	directly with only authorize account; "**Small Business**" means a business that earns gross turnover of ₦50,000,000 or less per annum with total fixed assets less than ₦250,000,000, provided that any business providing professional services shall not be classified as a small business; "**Special Purpose Tax Officer**" means specially designated tax officers for the purpose of tax investigation and enforcement who shall be appointed from time to time and shall have the powers of Police Officers; "**Stamp Duty**" means a duty levied on dutiable instruments under this Law or any other laws; "**State" means** Sokoto State of Nigeria "**Supplies**" means any transaction, whether it is the sale of goods or the performance of a service for a consideration; "**Supply of Goods**" means any transaction where the property in the goods is transferred or where the agreement expressly contemplates that this will happen and in particular includes the sale and delivery of taxable goods, the letting out of taxable goods on hire or leasing, and any disposal of taxable goods; "**Supply of Services**" means any service provided for a consideration; "**Tax Agent**" means any person acknowledged and duly certified by a professional body in Nigeria to represent the taxable person; "**Taxpayer Identification (Tax ID)**" is as provided for under Nigeria Tax Administration Act, 2025; "**Tax Return**" means a form or any other document filed with the Service that reports transactions, income, expenses and any other relevant information as may be prescribed by Service from time to time; "**Tax"** means any imposition, duty, levy, royalty or revenue accruing to government in full or in Part under this Law or any other law; "**Taxable Goods and Services**" are goods and services subject to tax under this Law; "**Taxable Person**" includes a company, individual or body of individuals, family, community, corporations sole, trustee, executor or any other legal arrangement, or any person who earns income, or carries out an economic activity, a person exploiting tangible or intangible property for the purpose of obtaining income therefrom by way of trade or business, or any person or agency of government acting in that capacity;	

	"**Taxable Supplies**'' means any transaction for sale of goods or the performances of a service, for a consideration; "**Tax Payer Information**" includes: (a) any information received or generated by the Service with respect to a taxpayer pursuant to its powers under this Law or any other tax law; and (b) written or electronic documents, returns, assessments, lists and copies of such lists relating to profits or items of profits of any person or to such matter which forms the basis of any agreement or arrangement with any country, government or Service. "**Trade or Business**" means any activity or venture from which income is generated, for whatever scale or period it is carried on, but does not include employment; **"Transaction at Arm's Length"** means a transaction on normal open market commercial terms; "**Vehicle**" includes for the purpose of this Act every description of conveyance for the transportation by land of human beings or goods; "**Virtual Assets** means a digital representation of value that can be digitally traded, transferred or used for payment or investment electronically; and "**Year of Assessment**" means government tax year being 1 January to 31 December of any year.	
	PART II **ESTABLISHMENT, FUNCTIONS AND POWERS OF THE SERVICE**	
4.	(1) There is hereby established the Sokoto State Internal Revenue Service (in this Law referred to as "the Service"). (2) The Service: (a) shall be a body corporate with perpetual succession and a Common Seal; (b) may sue or be sued in its corporate name; and (c) may acquire or hold any property, moveable or immoveable, for the purpose of carrying out any of its functions under this Law. (3) The Service shall be autonomous in the day-to-day running of its financial, technical, professional and administrative affairs.	Establishment of the Service
5.	(1) The object of the Service shall be to harmonize, sched, control and administer the various taxes, non-tax revenues and Laws specified in the First Schedule or other Laws made or to be made from time to time by the National Assembly, the Sokoto State House of Assembly or other regulations made pursuant to such Laws by the Government of the State and to	Object of the Service

	administer and account for all such taxes and non-tax revenues collected in the State.	
6.	(1) The service shall have the power to administer and enforce any law on taxation in the State and in carrying out provision of this law, all taxes, levies, fees, and rates collectable by Local Governments and all Ministries, Departments, and Agencies is delegated to the service. (2) The Service shall have the power to assess a taxable person in respect of each applicable tax item or sub-tax rate attributable to that person as prescribed in the First Schedule of this Law. (3) Any power conferred or any duty imposed upon the Service may be exercised or performed by it, by an officer authorized generally, or specifically, in that behalf. (4) Notwithstanding the provisions of subsection (2), the Service may, at any time and at its discretion, reverse or modify any decision of any officer, affecting any tax or taxable income, whether or not the discretion to make the decision was conferred on the officer by any provision of this Law or any other tax law or whether or not the officer was authorized by it to make the decision, and the reversal or modification of the decision shall have effect as if it were the original decision made in respect of the matter concerned. (5) The Service shall have such powers and duties as are conferred on it by this Law or by any other enactment.	Powers of the Service
7.	The Service shall: (a) assess individuals, estates, trusts and settlements, communities and families; (b) assess, collect, account and enforce payment of taxes and non-tax revenues as may be due to the State Government or any of its agencies; (c) collect, recover and remit to the designated account any tax under the provisions of this law; (d) carry out examinations and investigations with a view to enforcing compliance with the provisions of this law in collaboration with the relevant law enforcement agencies; (e) adopt measures to identify, trace, freeze, confiscate or seize the proceeds of tax fraud or evasion; (f) collaborate and facilitate rapid exchange of scientific and technical information with relevant national or international agencies or bodies on tax matters;	Functions of the Service

	(g) maintain database, statistics, records and reports on persons, organizations, proceeds, properties, documents or other item of assets relating to tax waivers, fraud or evasion; (h) undertake research and similar activities with a view to stimulating economic development and determining the extent and effects of tax fraud or evasion and make recommendations to the government on appropriate intervention and preventive measures; (i) collect and keep under review all policies of the State Government relating to taxation and revenue generation and undertake a systematic and progressive implementation of such policies; (j) issue taxpayer identification number to every person taxable in the State; (k) carry out and sustain public awareness and enlightenment campaigns on the benefit of tax compliance within the State; and (l) carry out such other activities as may be necessary or expedient for the purpose of achieving the objectives of the Service under this Law.	
	PART III **ESTABLISHMENT, POWERS AND FUNCTIONS OF THE GOVERNING BOARD**	
8.	(1) There is hereby established for the Service a Governing Board (in this Law referred to as "The Board") which shall have the power of general supervision of the Service as specified under this Law. (2) The Board shall consist of - (a) the Executive Chairman of the Service, who shall be the Chairman of the Board; (b) four Executive Directors of the Service, who shall be appointed by the Governor from among persons with relevant qualifications as provided in section 8(3), and shall be the heads of the following Directorates - (i) Executive Director, Revenue Operations;	Establishment of the Board Composition of the Board

(ii) Executive Director, Standards and Compliance;

(iii) Executive Director, Corporate Services; and

(iv) Executive Director Legal Services, who shall also serve as the Secretary to the Board.

Provided that the appointment of Executive Directors under this subsection shall ensure that -

(a) not less than one Executive Director is appointed from among the senior technical officers of the Service; and

(b) not less than one Executive Director is a woman.

(3) A person shall not be appointed as an Executive Director under subsection (2)(b) of this section unless such person -

(a) possesses a minimum of a first degree or equivalent qualification in taxation, accounting, economics, finance, law, public administration, management sciences, statistics, or any other relevant discipline;

(b) has not less than seven (7) years cognate experience and competence in taxation, revenue administration, finance, accounting, audit, legal practice, public administration, or corporate management in a public or private sector organisation;

(c) where appointed from within the Service, is not below the rank of Deputy Director or its equivalent cadre and has demonstrated professional competence and leadership capability; and

Qualification and Experience of Executive Directors

(d) possesses relevant professional certification, membership or affiliation with a recognised professional body, including the Chartered Institute of Taxation of Nigeria (CITN), Institute of Chartered Accountants of Nigeria (ICAN), Association of National Accountants of Nigeria (ANAN), Association of Chartered Certified Accountants (ACCA), Chartered Institute of Administration (CIA), Nigerian Bar Association (NBA), Nigerian Institute of Management (NIM), Chartered Institute of Personnel Management (CIPM), or any other relevant professional body recognised under Nigerian law.

(4) The Board shall also consist of -

(a) one representative, not below the rank of Director or its equivalent in the State Civil Service, from each of the following Ministries, Departments and Agencies responsible for -

(i) Planning and Budget;

(ii) Finance;

	(iii) Justice; (iv) Local Government Matters; (v) Commerce and Industry; and (vi) Land Matters/SoGIS; (b) three persons with relevant qualifications and expertise appointed by the Governor to represent the three Senatorial Districts of the State, provided that not less than one shall be a woman; (c) three persons representing relevant private sector interests as may be determined by the Governor, provided that not less than one shall be a woman; and (d) three Local Government Council Chairmen, one from each Senatorial District of the State, appointed by the Governor. (e) The Executive Chairman, the four Executive Directors and the Secretary/Legal Adviser to the Board shall constitute the executive management of the Service and shall be responsible for the administration and day-to-day operations of the Service. (f) Members of the Board other than the Executive Chairman, Executive Directors and the Secretary/Legal Adviser shall serve in a non-executive and part-time capacity.	Other Members of the Board
9.	(1) The Board shall: (a) provide general policy guidance and direction relating to the functions of the Service; (b) manage and superintend over policies of the Service on matters relating to the administration of the revenue assessment, collection and accounting system under this Law or any other law; (c) develop, review and or approve the strategic plans of the Service; (d) employ and determine the terms and conditions of service including disciplinary measures of the employees of the Service; (e) stipulate remuneration, allowances, benefits and pensions of staff and employees in consultation with the Governor;	Powers of the Board

(f) provide an amount of revenue collected, as may be approved by the State House of Assembly, which shall be retained by the Service to defray cost of collection and administration;

(g) make recommendations where appropriate to the Joint Revenue Board on tax policy, reform, legislation, treaties and tax exemption as may be required from time to time; and

(h) do such other things which in its opinion are necessary to ensure efficient performance of the functions of the Service under this Law.

(2) The Board may by notice in the Official Gazette or in writing, authorize any person to:

(a) perform or exercise on behalf of the Board any function, duty or power conferred on the Board; and

(b) receive any notice or other document to be given or delivered to or in consequence of this Law and any subsidiary legislation made pursuant to it.

(3) Any power conferred or duty imposed under any provision of this Law or other tax laws upon the Board may be exercised or performed by the Board or by an officer authorized generally or specifically in that behalf by the Board.

(4) The Board may reverse or modify any decision of any officer, affecting any tax or taxable income, where such decision is discovered to have been made in error, not in accordance with the law or where such decision has been reviewed pursuant to dispute resolution and the reversal or modification of the decision by the Board shall have effect as if it were the original decision made in respect of the matter concerned.

(5) An order, ruling or directive made or given by an approved committee of the Board pursuant to this section or any other tax law shall not be treated as an order, ruling or directive of the Board, until the order, ruling or directive has been ratified by the Board pursuant to the powers vested on the Board under this Law and other tax laws.

(6) Subject to the provisions of this Law, the Board may by order in the Gazette issue regulations relating generally to the conditions of service of the staff and in particular, such regulations may provide for:

(a) The appointment, promotion, termination, dismissal and disciplinary control of staff or employees of the

	Service and appeals by staff or employees against dismissal or other disciplinary measures; and (b) until such regulations are made, any instrument relating to conditions of Service in the Civil Service of the State shall be applicable with such modifications as may be necessary to the employees of the Service. (7) The staff regulations made under subsection (6) of this section shall not have effect until approved by the Governor and published in the Gazette. (8) The Service shall cause a notice of the staff regulations to be issued to all affected staff in such manner as the Service may determine. (9) In the absence of the Board, the management of the Service shall perform all the functions of the Board.	
10.	The Chairman and members of the Board shall hold office for a period of five years and may be re-appointed for a further term of five years and no more.	Tenure of the Board
11.	(1) Notwithstanding the provisions of Section 10 of this Law, a member of the Board shall cease to hold office as a member of the Board if he or she: (a) resigns their appointment as a member of the Board by notice, under his hand addressed to the Governor; (b) becomes of unsound mind; (c) becomes bankrupt or makes a compromise with his creditors; (d) is convicted of a felony or any offence involving dishonesty or corruption; (e) becomes incapable of carrying on the functions of his office arising from an infirmity in mind or body; (f) has been found, upon facts available to the Board, to have committed acts of gross misconduct in relation to his duties as a member of the Board and the Governor certifies his removal therefrom; (g) in the case of a person possessing a professional qualification, is disqualified by a competent authority; (h) in the case of a person who becomes a member by virtue of the office occupies, they cease to hold such office; or (i) dies.	Cessation of membership of the Board

	(2) If any member of the Board ceases to hold office under this Law, before the expiration of the term for which is appointed, another person shall be appointed to the Board in the place of such person, and the new member of the Board shall thereupon complete the remaining term.	
12.	The Secretary of the Board shall summon a meeting of the Board as directed by the Chairman whenever the business requires its attention or on the request of any member of the Board.	Meetings of the Board
13.	The validity of any proceedings of the Board shall not be affected by any vacancy in the membership of the Board or any defect in the appointment of a member.	Validity of proceedings
14.	The supplementary provisions set out in the Second schedule to this Law shall have effect with respect to the proceedings of the Board and other matters mentioned therein.	Proceedings of the Board
15.	The Chairman and members of the Board shall be paid such allowances and benefits as the Governor may approve from time to time.	Remuneration
16.	(1) There shall be an Executive Management Committee of the Board (in this Law referred to as the EMC Committee) which shall comprise of: (a) the Executive Chairman of the Board, as chairman; (b) The Executive Directors within the Service; and (c) Legal Adviser to the Service. (2) The EMC Committee shall: (a) consider all matters that require professional and technical expertise and make recommendations to the Board; (b) advise the Board on all its powers and duties specifically mentioned in section 9 of this Law; (c) have powers to co-opt additional staff from within the Service in the discharge of the duties; and (d) attend to such other matters as may, from time to time, be referred to it by the Board.	Establishment of Executive Management Committee Functions of EMC Committee
	PART IV **MANAGEMENT AND STAFF OF THE SERVICE**	
17.	(1) There shall be for the Service an Executive Chairman, who shall be appointed by the State Governor, subject to confirmation by the House of Assembly. (2) The Executive Chairman shall be:	Appointment of the Executive Chairman

	(a) the Chief Executive and Accounting Officer of the Service; (b) a person with at least ten (10) years' cognate experience in tax administration and a member of a relevant recognized professional body; and (c) responsible for the execution of the policy and the day-to-day administration of the affairs of the Service.	
18.	(1) There shall be a Legal Adviser/Secretary to the Service, who shall also serve as Secretary to the Board to be appointed by the Governor. (2) The Legal Adviser/Secretary shall be a Legal Practitioner of not less than ten years post-call experience. (3) The Secretary shall be responsible for: (a) Administration of the secretariat of the Service and the Board; (b) issue notices of meetings of the Board and EMC Committee of the Service; (c) keep the records of the proceedings of the Service and the Board; and (d) carry out such other duties as the Chairman or the Board may direct.	Appointment of Legal Adviser/Secretary of the service
19.	(1) The Service may from time-to-time recruit or appoint such staff as it may deem necessary for the purpose of discharging its functions. (2) The staff recruited or appointed under sub-section (1) of this section shall be upon such terms and conditions of service as obtained in the State Civil Service. (3) The Staff of the Service may be sourced from the State Civil Service by way of deployment or from any other institution or organization as a form of secondment or transfer. (4) The Service may where necessary, engage such other persons as ad-hoc staff on contract basis to carry out the activities of the Service. (5) The Board may appoint such other persons as it considers necessary as staff of the Service and may engage experts to render consultancy service to the Service, subject to extant Public Service Rules.	Staff of the Service

20.	The remuneration of staff and officers of the Service shall be determined by the Service after consultation with the State Civil Service Commission	Remuneration of Staff
21.	Employment in the Service shall be public service for the purpose of pension and accordingly, employees of the Service shall be entitled to pension, gratuity and other retirement benefits as are prescribed under the Pension law of the State.	Pension
	PART V **FINANCIAL PROVISIONS**	
22.	The Service shall establish and maintain such bank accounts to be applied towards the discharge of its functions which shall consist of and to which shall subject to the consent of the governor, be credited: (a) a percentage as recommended by the Board and approved by the State House of Assembly not less than ten percent (10%) of all month-on-month revenues collected by the Service in the preceding financial month, on split basis, which sum shall be deployed as administrative charges and cost of collection; (b) all other moneys which may from time to time, accrue to the Service from other services; (c) any subvention or other budgetary allocation from the State Government; and (d) all monies accruing to the Service by way of gifts, grants-in-aid, testamentary dispositions, returns on investments, endowments, contributions from any source.	Funds of the Service
23.	The Service may from time to time, apply the proceeds of the funds established under Section 22 of this Law to: (a) the cost of administration of the Service; (b) paying the emoluments, allowances of members of the Service or Board; paying its service providers; and for reimbursing members of the Service or Board or of any committee of the Service or Board for such expenses as may be expressly authorized by the Service or Board; and (c) such other functions under this Law as may be approved by the Service or Board.	Proceed of the Funds
24.	(1) The Service shall submit an estimate of its expenditure and income - for the next succeeding year for the purpose of inclusion into the State budget (2) The Service shall keep proper books of accounts in respect of each year and proper records in relation to those accounts and shall cause a comprehensive audit of all its accounts to be undertaken and completed within three months after the end of each financial year by auditors appointed from the list provided, and in accordance with guidelines supplied, by the	Annual Estimates and Accounts

	Auditor-General for the State.	
25.	The Service shall prepare and submit to the Governor, not later than four months after the end of each financial year, a report in such form as he may direct on the activities of the Service during the preceding year, and shall include in such report a copy of the duly executed audited accounts of the Service for the said financial year and the auditor's report on the said accounts.	Annual Report
26.	(1) The Service may accept any gift of land, monetary or other property on such terms and conditions, if any, as may be specified by the person or organization making the gift and agreed to by the Board. (2) The Service shall not accept any gift if the conditions attached by the person or organization offering the gift are inconsistent with any law in force or with the functions of the Service.	Powers to accept gifts
27.	(1) The Service may, subject to the approval of the board, from time to time borrow by overdraft or otherwise such sums as it may require for the performance of its functions under this Law. (2) Notwithstanding the provisions of subsection (1) of this section, the Service shall not borrow any sum in foreign currency, except with the consent and appropriation of the State House of Assembly, upon application made to it by the Governor on behalf of the Service.	Powers to borrow
28.	The Service may, subject to the provisions of this Law and the conditions of any trust created in respect of any property, invest part of its funds in any security or any other fund as may, from time to time, be approved by the Governor.	Investment
	PART VI **COMMITTEES OF THE SERVICE**	
29.	(1) There is established for each Local Government Council of the State the Local Government Council Revenue Committee (referred to in this Law as the "Revenue Committee"). (2) The Revenue Committee shall consist of: (a) a person experienced in tax matters, private sector or public service to be appointed by the Service from the Local Government Area as the Chairman; (b) three senior officers of the Local Government Council with responsibility for revenue and finance matters; (c) a member of the public not being a member of the Council who is experienced in revenue matters to be nominated by the Chairman-in-Council;	Establishment of the Local Government Council Revenue Committee

	(d) the Local Government Supervisor in charge of Revenue; and (e) Area Revenue Officer of the Service in the Local Government to serve as Secretary.	
30.	(1) The Revenue Committee shall carry out the assessment of all taxes, fines, rates, charges or other revenue under its jurisdiction. (2) The Revenue Committee shall attend to and present a report at the State Joint Revenue Committee quarterly in any year. (3) The Revenue Committee shall be autonomous of the Council Treasury and shall be responsible for the day-to-day administration of the Local Government Revenue or personnel which form its assessment team in liaison with the Service.	Functions of the Local Government Revenue Committee
31.	There is hereby established a State Joint Revenue Committee (in this Law referred to as the "SJRC") which shall comprise of: (a) the Executive Chairman of the Service as the Chairman; (b) the Chairman of each Revenue Committee established by this Law; (c) a representative of the following Ministries, Departments or Agencies of the State not below the rank of a Director responsible for: (i) Local Governments matters; (ii) Finance; (iii) Land Matters; (iv) Planning and Budget; (v) Health; (vi) Education; (vii) Business and commerce; (viii) Traffic Law Enforcement; (i) Urban Planning and Development Control;	Establishment and composition of a State Joint Revenue Committee

	(ii) representative of Revenue Mobilization, Allocation and Fiscal Commission; (d) Special Adviser to the Governor on Economic or Revenue Matters; and (e) the Secretary/Legal Adviser of the Service who shall be a member and also serve as the Secretary of the Committee.	
32.	The functions of the State Joint Revenue Committee shall be to: (a) harmonize tax administration within the State; (b) deal with revenue matters within the State and Local Government Councils; (c) enlighten members of the public generally on revenue matters; (d) consider relevant resolutions of the Joint Tax Board for implementation in the State; and (e) advise the Board and the Service or EMC Committee on revenue matters.	Functions of the State Joint Revenue Committee
	PART VII **TAXATION OF INCOMES, PROFITS, CHARGEABLE GAINS AND ASSETS**	
33.	(1) Income, profits or gains of a resident individual accruing in or derived from the State, including: (a) profits or gains from any trade, business, profession or vocation for whatever period of time such trade or business may have been carried on; (b) royalties, fees, rents or interests arising from a right granted for the use, exploitation or occupation of any property; (c) fees, dues, allowances, or any remuneration for services rendered; (d) discounts or rebates; (e) income, profits or gains from disposal of properties; (f) prizes, winnings, honoraria, grants, awards, laurels; (g) profits or gains from the disposal of property or fixed assets;	Income, profits or gains of resident individual chargeable to tax

	(h) profits or gains from transactions in digital or virtual assets; and (i) any other income, profit or gain not falling within the preceding categories. (2) Income, profits or gains of an individual, including: (a) salaries, wages, fees, allowances, compensations, bonuses, premiums, benefits or other perquisites allowed, given or granted by any person to any employee other than payment for expenses incurred in the performance of the duties of the employment, and from which it is not intended that the employee should make any profit or gain; and (b) any pension, annuity or any other similar income. (3) Income of a family recognized under any law or custom in Sokoto State as family income in which the several interests of individual members of the family cannot be separately determined, excluding income on inherited assets before distribution. (4) Income arising to a trustee of any settlement or trust, or estate or to an executor of any estate of a deceased person. (5) Any other income, profit or gain not falling within the preceding categories.	
34.	An individual may be charged to tax: (a) in the individual's name; (b) in the name of a family, trustee or estate; or (c) in the name of an administrator, or any attorney, agent or representative in Nigeria, in like manner and to like amount as such an individual would have been charged if no administrator, attorney, agent or representative had been appointed.	Chargeability to tax
35.	(1) An individual is said to be resident in Sokoto State, any year of assessment, if he: (a) is domiciled in Sokoto State; (b) has a permanent place available for his domestic use in Sokoto State;	Residential Individual

	(c) has place of habitual abode in Sokoto State; (d) has substantial economic and immediate family ties in Sokoto State; or (e) sojourns in Sokoto State for a period or periods amounting to an aggregate of not less than 183 days in a 12-month period inclusive of annual leave or temporary period of absence. (2) The income gains or profits of an individual who is a resident in Sokoto State are deemed to accrue in the State and are chargeable to tax in Sokoto State wherever they arise, and whether or not the income, profits or gains have been brought into or received in Sokoto State.	
36.	(1) Where an employer incurs an expense in the provision of any benefit or perquisite, other than the provision of living accommodation to which this section relates, the following provisions shall apply: (a) where any asset belonging to the employer is used wholly or partly in the making of such provisions, the employee is deemed to have earned annual benefit of an amount equal to 5% of the amount expended by the employer in acquiring the asset, but if that amount cannot be so ascertained, 5% of the market value of the asset at the time of the acquisition, as may be determined by the Service; (b) where any sum by way of rent or hire is payable by the employer in respect of any such asset, the employee is deemed to have earned annual benefit of an amount equal to the annual amount of the rent or hire payable by the employer on the asset; and (c) in any other case, the employee is deemed to have earned annual benefits equal to the annual amount expended by the employer in connection with the benefit thereon. (2) The amount of benefit under subsection (1)(a) shall be reduced by so much of any expense made by the employee in respect thereon. (3) The provisions of this section shall not apply to any expenses incurred by an employer: (a) in connection with the provision of meals in any canteen in which meals are provided for the staff generally or meal vouchers for employees;	Benefits-in-Kind

(b) in the provision of any uniform, overall or other protective clothing, work tools or work equipment; or

(c) in connection with change in place of residence of the employee by reason of a change of the employee's employment or place of exercising the employment.

(4) A reference in this subsection to expenses incurred in connection with any matter includes a reference to a proportion of any expenses incurred partly in connection with that matter.

(5) A reference in this section to anything provided for an employee shall, unless the reference is expressly to something provided for the employee, be construed as including a reference to anything provided for the spouse, family, servant, dependent or guest of that employee by the employer.

(6) Where premises in Nigeria are made available by an employer to the employee, the spouse or family, and the employee:

(a) pays no rent for the premises; or

(b) pays a rent less than the annual rental value of the premises, the employee shall be treated as being in receipt of additional emoluments equal to the annual rental value of the premises, subject to a maximum of 20% of annual gross income from the employment, excluding the rental value.

(7) In this section, "annual value of the premises" means:

(a) in relation to premises that are subject to a law governing assessment of local rates, the annual rental value of the premises as determined for the purposes of local rates under that law;

(b) in any other case, the annual rental value as determined by the Service; and

(c) a reference in this section to annual value shall include a reference, where applicable, to such proper proportion of the annual value in relation to:

(i) a period of occupation within a year;

(ii) the part of the premises occupied; or

(iii) both a period of occupation within a year and the part of the premises occupied, as may be determined by the Service.

37.	(1) The gains or profits of a partner from a partnership shall be the sum of: (a) any remuneration, interest on capital, cost of passages wholly or mainly undertaken for the purpose of leave or recreation, or any other perquisite or benefits-in-kind which is charged to the partnership accounts in respect of that partner; and (b) the partner's share in the profits of the partnership after the deduction of charges to which paragraph (a) applies in respect of all the partners: Provided that in arriving at the gains or profits of a partnership, private or domestic expense of a partner shall not be deducted. (2) Where the income computed under subsection (1)(b) results in a loss for the partnership, the partner's share of the loss shall be deducted from the gains or profits ascertained under the provisions of subsection (1)(a) and the partner shall be deemed to have incurred a loss in the trade or business of the partnership to the extent, if any, by which the deductible share of loss exceeds those gains or profits. (3) For the purpose of subsection (1), a partner's share of the partnership's profits or losses shall be determined in the proportion specified in the partnership agreement as if the entire profits or losses were distributed among the partners, and where there is no partnership agreement, the profits or loss of the partnership shall be distributed equally among the partners: Provided that any person, whether resident or non-resident, who shares in the profits of a Nigerian partnership shall file returns in his name and pay the applicable tax. (4) The gains, profits or losses of a partner for any period, ascertained under this section, shall be deemed to be the partner's income or loss from a trade, business, profession or vocation carried on during that period, and the provisions of section 35 of this Law shall not apply. (5) The determination of the profits or losses that is attributable to a partner from a partnership shall be made by the Service in relation to that partnership, and where any partner is taxable for a year of assessment in the territory of another State, the Service in relation to that partnership shall make available to that other tax authority, particulars of the determination of profits or losses. (6) The income of a partner from a partnership in Sokoto State shall be attributable to residency in Sokoto State.	Partnership of individuals

	(7) The partner, employee or agent in charge of the principal office or place of business of a partnership in Sokoto State shall, without notice or demand, register or cause to be registered with the Service, a certified copy of the partnership deed or, where no written deed is in existence, particulars of any written or oral agreement under which the partnership exists, and where any such particulars have been registered, a notice of any change in the agreement shall be registered with the Service within 30 days of the change. (8) Where the particulars of a partnership have been registered under the provisions of subsection (7), the computation of the gains or profits of a partner, may be made by the Service on the basis of those particulars as they apply at any relevant time. (9) Where the particulars of a partnership are not registered, in compliance with subsection (7), tax may be assessed and charged by the Service as though the whole gains or profits of such partnership accrued to any individual partner or were divisible between the partners, as may appear just and reasonable to the Service.	
38.	The income of an individual, a trustee or executor from a settlement, trust, or estate of a deceased person, made, created or administered in or outside Sokoto State, shall be ascertained in accordance with the provisions of the Nineth Schedule to this Law.	Settlements, trusts and estates
39.	Eligible deductions include payments made by the individual in a year of assessment in respect of: (i) the individual's contributions under the National Housing Fund; (ii) the individual's contributions under various accredited Contributory Health Insurance Schemes; (iii) the individual's contributions under the relevant Pension Laws; (iv) interest on loans for developing an owner-occupied residential house; (v) annual amount of any annuity or premium paid by the individual during the year preceding the year of assessment in respect of insurance on his life or the life of his spouse, or contract for a deferred annuity on his own life or the life of his spouse; and (vi) rent relief of 20% of annual rent paid, subject to a maximum of ₦500,000 (Five Hundred Thousand Naira), whichever is lower,	Eligible Deductions

	provided that the individual accurately declares the actual amount of rent paid and other relevant information as may be prescribed by the Service.	
40.	(1) For the purposes of ascertaining the profits or loss from any trade, business, profession or vocation under this Law, there shall be deducted all expenses for that period wholly and exclusively incurred in the production of the income, including: (a) any sum payable by way of interest on debt employed in generating the income of the trade, business, profession or vocation; (b) rent and premiums, incurred during that period, in respect of land or building occupied for the purposes of generating the income; (c) any outlay or expenses incurred in respect of: (i) salary, wages or other remuneration paid to employees; and (ii) cost to the company of any benefit or allowance provided to its employees. (d) any expense incurred for repair of premises, plant, machinery or fixtures employed in acquiring the income, or for the renewals, repair or alteration of any implement, utensil or articles so employed; (e) any amount of expenditure incurred for establishing, preserving or defending title to or rights over an asset; (f) any contribution to any staff pension, provident or other retirement benefits fund, society or scheme approved under the Pension Reform Act or any similar enactment in Nigeria; (g) any expense proven to the satisfaction of the Service to have been incurred, being damage to, or loss of stock or inventory of the trade, business, profession or vocation; (h) bad or doubtful debts incurred in the course of a trade or business, notwithstanding that the debts were due and payable before the commencement of the basis period, being: (i) debts becoming bad during the said basis period	Deductions Allowed

	other than bad debt incurred in respect of transaction with a related party; or (ii) doubtful debts estimated in accordance with generally acceptable accounting principles and to the extent that it is proven, to the satisfaction of the Service, that the debts in respect of which a deduction is claimed were incurred in the course of the company's business operations that produced the assessable profits. (i) any expense incurred by the trade, business, profession or vocation on research and development for the period; (j) any other expense incurred during any previous period for the purpose of such trade or business, or specifically for the period which the profits are being ascertained, provided that any expenditure incurred within six years prior to commencement of business which would have been deductible if incurred after commencement of business, shall be deemed to have been incurred on the first day of commencing the trade or business; and (k) any expense incurred by a person on assistive devices and disability related products including hearing aids, wheelchairs, and braille materials. (2) Notwithstanding the provision of subsection (1)(h), in determining bad or doubtful debts deductible: (a) appropriate reduction shall be made in respect of any amount that had been allowed for deduction in any previous period in respect of the same debt; and (b) all sums recovered on account of sums previously written off or allowed for deduction in respect of bad or doubtful debts shall be added to the profits of the trade, business, profession or vocation in the period of recovery. (3) Liability waived, released or recovered shall be included in the assessable profits or chargeable gains in accordance with section 109 of this Law. (4) Notwithstanding anything to the contrary contained in any law, an expense incurred in a currency other than the Naira may only be deducted to the extent of its Naira equivalent at the official exchange rate published by the Central Bank of Nigeria for the relevant date or period.	
41.	A deduction shall not be allowed for the purposes of ascertaining the profits or income from any trade, business, profession or vocation in respect of:	Deductions not Allowed

	(a) capital repaid or withdrawn from a trade, business, profession or vocation; (b) any expenditure of a capital nature; (c) domestic or private expense, or expenditure on assets not used for the purpose of trade, business, profession or vocation; (d) any sum recoverable under an insurance or contract of indemnity; (e) taxes on profit or incomes levied in Sokoto State or elsewhere; (f) any payment to a savings, widows and orphans, pension, provident or other retirement benefit fund, society or scheme not approved under the relevant Pension Laws or any similar enactment; (g) depreciation or impairment of any fixed asset, investment or an unrealized exchange difference on any item denominated in foreign currency; (h) any sum reserved out of profits subject to the provisions of section 40(1)(h) of this Law; (i) any expense incurred in deriving an income that is exempt from income tax; (j) any expense allowable as a deduction in determining chargeable gains under this Law; (k) penalty or fine imposed under any law; or (l) any tax or penalty borne on behalf of another person.	
42.	(1) Except as provided in this section, the profits of any trade, business, profession or vocation for each year of assessment (the assessable profits) shall be the profits of the accounting period immediately preceding the year of assessment from all sources. (2) Notwithstanding the provisions of subsection (1), the assessable profits of the first year of assessment for a new business, shall be the profits from the date in which such trade, business, profession or vocation commences in the State to the end of the first accounting period.	Basis for computing assessable profits for trade or business

43.	(1) Where a trade, business, profession or vocation permanently ceases to carry on operations in the State in an accounting period, the assessable profits for the relevant year of assessment shall be the amount of the profits from the beginning of the accounting period to the date of cessation and the tax shall be payable within six months from the date of cessation. (2) Where, after the date of cessation, the trade, business, profession or vocation, or its receivers or liquidators, receive or pay any sum which ought to have been included in or deducted from the profits of that trade or business if it had been received or paid prior to that date, such sum shall be deemed for the purposes of this Law to have been received or paid by the trade, business, profession or vocation on the last day before such cessation occurred and such sums shall be disclosed to the Service within one month of the receipt or payment. (3) Where the provisions of subsection (2) apply, any additional assessment or claim for reduction of assessment or repayment of tax shall be made as may be necessary to give effect to the provisions, provided that the provisions of this Law, relating to objections and appeals, shall apply to the additional assessment or claim of reduction of assessment or repayment of tax under this subsection. (4) In the case of a deceased individual, where the personal representative after death, receives or pays any sum which would have been included in or deducted from the gains or profits from the trade, business, profession or vocation carried on prior to death, that sum shall be deemed for all purposes of this Law to have been received or paid by the deceased, on the last day prior to the death.	Cessation of trade or business
44.	An individual carrying on a trade, business, profession or vocation, shall not be treated as having commenced or ceased to do so solely by reason of a change in the territory in which the individual is resident from one year to another, or by reason of becoming or ceasing to be a partner in a partnership if the nature of the trade carried on by that partnership is the same as that carried on before or after the individual became or ceased to be a partner.	Continuity of trades
45.	(1) With respect to income from an employment or pension, the assessable income of an individual shall be the amount of the income of the year of assessment. (2) For the purpose of subsection (1), income from an employment shall be deemed to arise from day to day except to the extent that it is derived from any bonus, commission or allowance payable on one occasion only or at intervals exceeding one month, and to that extent it shall be deemed to be income: (a) of the day on which it is paid; or (b) where it is paid after the cessation of the employment, of the last day of the employment including any terminal benefit	Basis for computing assessable income

	arising therefrom. (3) With respect to disposal of a chargeable asset, the assessable income of an individual shall be the amount of the chargeable gains accruing from assets disposed during the year immediately preceding the year of assessment, except for chargeable gains accruing from the disposal of chargeable assets used in the individual's trade, business, profession or vocation, which shall be those disposed during the year immediately preceding the year of assessment. (4) Notwithstanding the foregoing provisions of this section, the assessable income of a trustee, or of an executor of the estate of a deceased individual, or of a beneficiary of a trust or estate for any year of assessment shall be the income of that person for the year preceding that year of assessment as determined under the provisions of the Nineth Schedule to this Law.	
46.	(1) The total income of an individual for any year of assessment is the taxable income less total deduction. (2) For the purposes of subsection (1): (a) taxable income is the aggregate amount of: (i) assessable profits from trade, business, profession or vocation ascertained in accordance with this Law; (ii) employment income; (iii) income from investing activities; (iv) profits or income from any other source; and (v) chargeable gains from the disposal of chargeable assets. (b) total deduction is the sum of: (i) any loss ascertained in accordance with subsection (2); (ii) capital allowance in accordance with the provisions of the Third Schedule to this Law; (iii) income of the individual that is exempt from tax under this Law; and (iv) income of the individual on which the tax deducted at source under Section 132 of this Law	Total income of an individual

	is the final tax. (3) The loss to be deducted in arriving at the total income of an individual is: (a) the amount of a loss incurred by the individual during the year or preceding year of assessment in a trade, business, profession or vocation; and (b) the amount of loss incurred on the disposal of a chargeable asset, Provided that: (i) in no circumstances shall the aggregate loss deductions from income exceed the amount of that loss; (ii) the loss shall be deducted as far as possible from assessable profit of a trade, business, profession or vocation of the first year of assessment after that in which the loss was incurred, and in subsequent years until the loss is fully recouped; (iii) the loss incurred during any year of assessment shall be computed, in accordance with the basis period; and (iv) any loss incurred in any period from sales, disposal or any other transaction in digital or virtual assets shall only be deductible against the profit or gain from digital or virtual assets.	
47.	The chargeable income of an individual is the total income of that individual ascertained under the provisions of Section 46 of this Law, less eligible deductions described in Section 39 of this Law.	Ascertainment of chargeable income of individuals
48.	Deduction shall not be allowed under this Part to any person for a year of assessment, unless claimed in writing in such form as the Service may prescribe.	Deductions to be claimed
49.	(1) The Service may require a claimant to a deduction under Section 40(2)(a) of this Law to produce such documentary evidence as may be necessary in support of any claim and in the absence of such evidence, or where such evidence is inadequate, the Service may refuse to allow the deduction or such part of the amount claimed. (2) Notwithstanding any provision of this Part, where: (a) an individual fails to produce satisfactory documentary evidence in support of a claim under Section 40(2)(a) of	Proof of Claims

	this Law, any objection to an assessment or, to any rate at which tax is to be deducted, shall be accompanied by a copy of the available documentary evidence or a declaration that such required documentary evidence does not exist; and (b) an individual claims a deduction under this Law for a year of assessment, or produces evidence in support of a claim previously made but not admitted or not admitted in full by the Service, such repayment, set-off of tax or reduction in any assessment shall be made so as to give effect to any amount or additional amount of the deduction as appropriate.	
50.	(1) Gains accruing to any person in a year of assessment shall be chargeable to tax in accordance with the provisions of this Law. (2) Gains on which tax is to be assessed on any person shall be computed in accordance with the provisions of this Part.	Chargeable Gains
51.	(1) For the purpose of this Law, there is a disposal of property by a person where any sum is derived from a sale, lease, transfer, an assignment, a compulsory acquisition or any other disposition of assets, subject to any exemptions as may be provided in this Part. (2) Subsection (1) shall apply, notwithstanding that no property is acquired by the person paying the sum, and in particular where the sum is: (a) derived by way of compensation for any loss of office or employment. (b) received under a policy of insurance and the risk of any kind of injury or damage, or the loss or depreciation of properties. (c) received in return for forfeiture or surrender of a right, or for refraining from exercising a right; and (d) received as consideration for use or exploitation of any property. (3) In this Part: (a) references to a disposal of properties include, references to a part disposal of properties; and (b) there is a part disposal of properties where: (i) an interest or right in or over the properties is created for another person by the disposal; and	Disposal of Properties

	(ii) a part of the interest in the property which subsists before the disposal remains with the person making the disposal.	
52.	(1) Subject to the provisions of this Law, the acquisition and disposal of a property by a person shall be deemed to be for a consideration equal to the market value of the property where the person acquires the property: (a) otherwise, than by way of a bargain made at arm's length; (b) wholly or partly for a consideration that cannot be valued; (c) as trustee for creditors of the person making the disposal; or (d) upon devolution on death as a personal representative or legatee of a deceased. (2) Where a person disposes of a property by way of gift, other than property acquired or disposed by devolution on death, the person acquiring the property shall, as it relates to the interest taken by the person, be deemed to have acquired the property: (a) for a consideration equal to the amount for which the property was last disposed of by way of a bargain made at arm's length; or (b) where the amount last disposed of by way of bargain made at arm's length cannot be ascertained, for a consideration equal to the market value of the property on the date of that disposal. (3) Where a property is held by a person as a nominee or trustee for: (a) another person absolutely entitled; (b) an infant or a person with disability; or (c) two or more persons, the provisions of this Part shall apply as if the property were vested in, and the acts of the nominee or trustee in relation to the property were the acts of the person or persons referred to in this subsection. (4) Any acquisition of the property referred to in subsection (3) by the	Disposal of properties, provisions as to considerations

nominee or trustee or the disposal of the properties to the nominee or trustee shall be disregarded.

(5) The conveyance or transfer by way of security of a property or of an interest or right in or over it, or transfer of a subsisting interest or right by way of security in or over a property, including a re-transfer on redemption of the security, shall not be treated as involving any acquisition or disposal of the property.

(6) Any dealing with a property by a person who has a security interest in it or who has the benefit of a charge against it or an encumbrance against it in order to enforce or give effect to those rights shall be deemed to have been made by that person in his capacity as that person's nominee.

(7) A property shall be treated as having been acquired free of any interest or right by way of security subsisting at the time of any acquisition of it, and as being disposed of free of any such interest or right subsisting at the time of the disposal, and where a property is acquired subject to any such interest or right, the full amount of the liability thereby assumed by the person acquiring the property shall form part of the consideration for the acquisition and disposal in addition to any other consideration.

(8) Where a property is acquired by a creditor in satisfaction of his debt or part of it:

(a) the property shall not be treated as disposed of by the debtor or acquired by the creditor for a consideration greater than its market value at the time of the creditor's acquisition of it; and

(b) chargeable gain accruing to the creditor on disposal of the property shall not exceed the chargeable gain which would have accrued if he had acquired the property for a consideration equal to the amount of the debt or that part.

(9) In this section:

"legatee" includes any person taking under a testamentary disposition or on an intestacy or partial intestacy, whether he is taken as a beneficiary or trustee, and a gift made in contemplation or condition of death shall be treated as a testamentary disposition and not as a gift.

"personal representatives" means:

(a) the executor or the representative, or administrator for the time being of a deceased person under any law in force in the State; or

(b) persons who, under the law of another State, have

	functions corresponding to personal representatives as defined under paragraph (a).	
53.	(1) A person shall not be charged to tax under this Law in respect of gains on any acquisition and disposal of land by reference to a disposal to an authority exercising or having compulsory powers, if that person had not: (a) acquired the land at a time when he knew or might reasonably have known that it was likely to be acquired by the authority; or (b) taken any steps by advertisement or otherwise to dispose of the land or to make his willingness to dispose of it known to the authority or others. (2) In this section, "authority exercising or having compulsory powers" means, in relation to any disposal of land, an authority, a person or body of persons acquiring the land compulsorily under the Land Use Act or any other similar enactment or law of a country other than Nigeria, or who has or have been, or may be authorized to acquire it compulsorily for the purposes for which it is acquired, or for whom another authority, person or body of persons has or have been, or may be authorized to acquire it.	Compulsory acquisition of land
54.	Any property acquired or disposed of by a person chargeable to tax shall, be deemed to have been acquired or disposed of at the date at which there is an enforceable right to acquire or a binding duty to dispose of the property or any right or interest in it, and in particular, where: (a) any contract is to be performed subject to any condition, the date of acquisition or disposal of the property shall be the date the condition is satisfied; (b) consideration under the contract does not depend solely or mainly on the value of the property at the time the condition is satisfied, the acquisition or disposal shall be treated as if the contract had never been conditional, in which case the date of the acquisition or disposal of the property shall be the date of the contract; or (c) an option is conferred by virtue of any contract; the date of the acquisition or disposal of the property shall be the date when the option is exercised.	Date of acquisition of disposal
55.	The gains chargeable to tax shall, subject to other provisions of this Law, be computed as follows:	Computation of chargeable gains

	(a) in the case of a disposal of an asset used for a trade, business, profession or vocation, for which capital allowance has been made in accordance with the Third Schedule to this Law, only the residue of that asset shall be deducted from the disposal proceeds for the purposes of computing chargeable gains; and (b) where capital allowance has not been made in accordance with the Third Schedule to this Law, the chargeable gain shall be determined by deducting from the disposal proceeds, the amount or value of the consideration, in money or money's worth incurred, wholly and exclusively for the acquisition of the asset.	
56.	Any incidental cost incurred wholly and exclusively for the purpose of disposal of a chargeable asset is deductible from the disposal proceeds for the purposes of determining the chargeable gain.	Expenses incurred for disposal of chargeable assets
57.	(1) Where a part of an asset is disposed or where some property derived from an asset remains undisposed after a disposal of the asset: (a) the acquisition cost of the assets, together with any expenditure wholly and exclusively incurred for the purpose of enhancing the value of the asset; or (b) the residue, in the case of assets used for trade or business on which capital allowance have been made in accordance with the Third Schedule to this Law, shall be apportioned between the disposed part and the undisposed part. (2) Apportionment shall be made by reference to: (a) the amount or value of the consideration for the disposal on the one hand, referred to as "A"; and (b) the market value of the property which remains undisposed on the other hand referred to as "B". (3) The acquisition cost or residue of the disposed part shall be apportioned by applying the fraction A/(A+B), and the remainder shall be attributed to the part which remains undisposed. (4) Where a portion of interest or right in a chargeable asset is disposed, and some part of that asset or any description of property derived from the asset remains undisposed, the cost of acquisition in addition to any incidental cost of the acquisition, or residue of the asset, shall be apportioned based on the value of the sale compared to the market value of the undisposed portion.	Part Disposal

58.	(1) Where the consideration or part of a consideration, taken into account in the computation of chargeable gains under Section 50 of this Law, is payable by instalments over a period exceeding twelve months, beginning from the time when the disposal is made, the chargeable gain accruing on the disposal shall be regarded as accruing in proportionate parts in the period of assessment in which the disposal is made and in subsequent periods of assessments, until the last instalment is payable. (2) The proportionate parts to be recorded as accruing in the respective periods of assessment shall correspond to the proportions of the amounts of the instalments of consideration payable in those respective periods of assessment. (3) The time in the year or accounting period when any part of a chargeable gain is deemed to accrue under this section shall be the last day in that year of assessment, except in the case of cessation of a trade, business, profession or vocation, or death of the alienator, where such part shall be deemed to accrue on the date of cessation or death. (4) The provisions of subsection (1) shall not apply to any part of the consideration which has effectively passed to the person making the disposal by way of a loan made to that person by the other party to the transaction. (5) In the computation of chargeable gains under this section: (a) consideration for the disposal shall, in the first instance, be brought into account without: (i) any adjustment for postponement of the right to receive any part of it; and (ii) regard to a risk of any part of the consideration being irrecoverable, or to the right to receive any part of the consideration being contingent; and (b) where any part of the consideration so brought into account is subsequently shown to the satisfaction of the Service to be irrecoverable, such adjustment, whether by way of discharge, or repayment of tax or otherwise, shall be made as required.	Consideration due after time of disposal
59.	(1) Where an asset is lost or destroyed, and a capital sum received by way of compensation for the loss or destruction is applied within three years of receipt in acquiring another asset in its replacement, the owner shall, where the compensation received together with the residual or scrap value is: (a) greater than the cost of the asset acquired in replacement of the lost or destroyed asset, be deemed to make a chargeable gain; and	Assets lost or destroyed

	(b) lower than the cost of the asset acquired in its replacement, be deemed, for the purposes of the Third Schedule to this Law, to have acquired an additional asset for an amount equal to the cost of that new asset, less the compensation together with the residual or scrap value. (2) Except for the additional asset acquired under subsection (1)(b), allowance to be claimed on the new asset for the purposes of the Third Schedule to this Law shall be limited to the residue of the old asset, if any.	
60.	(1) Where a single bargain comprises two or more transactions whereby assets are disposed of those transactions shall be treated for the purposes of computing chargeable gains as a single disposal. (2) Where separate considerations are agreed or purported to be agreed for any two or more transactions comprised in one bargain, whether transactions whereby assets are disposed of or not, those considerations shall be treated as altogether constituting an entire consideration for the transactions and shall be apportionable between them. (3) Where an apportionment under this section results in less consideration being attributed to the chargeable asset than that agreed or purported to be agreed, in the bargain, the separate considerations shall be the consideration for which those assets are disposed of.	Bargains comprising two or more transactions
61.	(1) For the purposes of computing chargeable gains, unless the context otherwise requires, market value, in relation to any asset, means the price which the asset might reasonably be expected to fetch on a sale conducted at arm's length, or in the open market. (2) In estimating the market value of any asset in the case of a disposal, no reduction shall be taken into account for cash or bulk discount. (3) In determining the acquisition cost of any asset, where the actual consideration paid by the acquirer is less than the market value, the assets shall be deemed to have been acquired for the amount actually paid.	Valuation of market value
62.	For the purposes of this Part of the Law: (a) the situation of rights or interests, other than by way of security, in or over immovable property is in Sokoto State; (b) the situation of rights or interests, other than by way of security, in or over tangible movable property is in Sokoto State;	Location of assets

	(c) the situation of goodwill of a trade, business or professional asset is in Sokoto State; and (d) a judgement debt is situated in Sokoto State.	
63.	(1) Sums not exceeding N50,000,000 (Fifty Million Naira) obtained by way of compensation or damages for any wrong or injury suffered by an individual in his person or in his profession or vocation, including compensation for loss of office or employment, wrong or injury for libel, slander or enticement shall not be chargeable gains. (2) Where the sum exceeds N50,000,000, (Fifty Million Naira) only the excess amount shall constitute a chargeable gain. (3) For the purposes of subsection (1) and (2), any person who pays compensation for loss of office or employment to an individual is required, at the point of payment of such compensation, to deduct and remit the tax due under this section to the Service. (4) The tax so deducted shall be remitted within the time specified under the Pay-As-You-Earn or Deduction of Tax at Source Regulations issued pursuant to this Law.	Personal injury
64.	(1) The gains accruing to an individual are exempt from tax in respect of the disposal of, or an interest in: (a) a dwelling-house or part of such dwelling-house; and (b) land, other than land used for commercial purposes, immediately adjoining the dwelling house up to a maximum of one acre. (2) The exemption under this section shall be enjoyed once in the lifetime of an individual. (3) The consideration shall be apportioned where a person disposes of only a part of a dwelling-house or a house used partly as dwelling place and partly for carrying out a trade, business, profession or vocation.	Principal private residences
65.	(1) A gain accruing on a disposal of an asset which is tangible movable property being personal chattels of an individual shall not be a chargeable gain if the total amount or value of the consideration for the disposal does not, in a period of assessment, exceed N5,000,000 (Five Million Naira) or three times the annual national minimum wage, whichever is higher.	Personal chattels

	(2) Where two or more assets, whether or not forming part of a set of articles, are disposed by a person to the same person or to persons acting in concert or to connected persons, whether on the same or different occasions, the two or more transactions shall be treated as a single transaction disposing of a single asset, but with any apportionments, where necessary. (3) Where the disposal is part of a right or interest in, or over tangible movable property, subsection (1) shall apply in relation to the asset as a whole, taking the consideration as including the market value of what remains undisposed of, in addition to the actual consideration. (4) The provisions of this section shall apply to a gain accruing on a disposal of two or more assets, not necessarily forming part of a set of articles of any description, which are tangible movable properties in the same manner as they apply in relation to a gain accruing on a disposal of an asset, or two or more assets forming part of a set of articles. (5) This section shall not apply to a disposal of currency of any description	
66.	(1) A motor vehicle used solely for private or non-profit purposes shall not be an asset for the purposes of this Part. (2) The exemption under this section shall be limited to not more than two motor vehicles by an individual in any year of assessment.	Motor vehicles
67.	(1) Where a person disposes by way of a gift, an asset acquired by him by way of a gift or any other form of gift, not being an acquisition on a devolution on death, the gains accruing from the disposal shall not be chargeable gains. (2) For the purpose of this section, an asset is acquired or disposed of by way of gift where no consideration is paid or received for the acquisition or disposal.	Gifts
68.	(1) Any property held in trust for: (a) a religious or charitable institution of a public character; (b) any statutory or registered friendly society; (c) any co-operative society registered under the co-operative societies law of the State; or (d) any trade union registered under the Trade Unions Act; shall not be subject to the provisions of this Part, provided that the gain is not derived from the disposal of an asset acquired in connection with any trade or business carried on by the institution, society or trade union, and the gain is applied solely for the purpose of the institution, society or trade union.	Assets held in trust for charities

	(2) Where such property ceases to be subject of such trust: (a) the trustees shall be treated as if they had disposed of, and immediately re-acquired the property for a consideration equal to its market value, any gain on the disposal shall be treated as not accruing to the institution or society; and (b) any gain accruing directly or indirectly on that disposal shall be treated as having accrued to the trustees and shall be chargeable gains for the purposes of this Part.	
69.	The income tax payable on the chargeable income of an individual, other than an individual earning the Minimum Wage in line with the Minimum Wage Act, in respect of each year of assessment, shall be as specified in the Fourth Schedule to this Law.	Rates of tax for individuals
	PART VIII **PRESUMPTIVE TAX REGIME**	
70.	(1) This Part shall apply to the administration, assessment, collection and enforcement of presumptive tax in respect of taxable persons carrying on business within the State whose taxable income or chargeable gains cannot reasonably be determined in accordance with this Law owing to the absence of adequate accounting records or such other circumstances as may render the determination of actual taxable income impracticable. (2) The presumptive tax regime established under this Part shall be administered by the Service in accordance with this Law, the Nigeria Tax Act, the Nigeria Tax Administration Act, and any Regulations made thereunder relating to presumptive taxation. (3) A person who maintains adequate accounting records sufficient for the determination of actual taxable income shall not be assessed under the presumptive tax regime except as otherwise provided under this Law.	Application of the presumptive tax regime
71.	(1) Every person liable under this Part shall register with the Service in the prescribed manner. (2) Returns shall be filed and tax paid in such form, manner and within such period as may be prescribed by this Law or by Regulations or Guidelines issued pursuant thereto. (3) Every payment under this Part shall be made only through electronic or other approved payment channels designated by the Service. (4) No officer, employee, agent or consultant of the Service shall -	Presumptive Tax Registration, Returns & Payment

	(a) collect cash in respect of any tax payable under this Part; (b) establish or participate in any roadblock, checkpoint or similar enforcement arrangement for the purpose of collecting tax; or (c) demand or collect any amount otherwise than in accordance with this Law. (5) The Service shall issue such evidence of payment or exemption as may be prescribed.	
72.	(1) Subject to subsection (2), every taxable person to whom this Part applies shall be liable to presumptive income tax at the rate prescribed under the applicable Regulations made pursuant to the Nigeria Tax Act. (2) A taxable person whose actual or estimated annual turnover does not exceed the threshold prescribed under the applicable Regulations made pursuant to the Nigeria Tax Act shall be exempt from presumptive income tax. (3) Where the actual or estimated annual turnover of a taxable person exceeds the threshold prescribed under subsection (2), the taxable person shall be liable to presumptive income tax on the person's entire actual or estimated annual turnover at the rate prescribed under the applicable Regulations. (4) For the avoidance of doubt, the turnover threshold prescribed under subsection (2) - (a) constitutes an eligibility threshold for exemption only; (b) shall not be construed as a deductible allowance or exempt portion of turnover; and (c) shall not operate as a graduated or marginal tax band. (5) A taxable person who disposes of a chargeable asset in circumstances where the actual chargeable gain cannot reasonably be determined shall be liable to presumptive Capital Gains Tax at the rate prescribed under the applicable Regulations made pursuant to the Nigeria Tax Act and computed on the consideration received from the disposal of the asset. (6) Nothing contained in subsection (5) shall apply to any disposal exempt from Capital Gains Tax under this Law, the Nigeria Tax Act or any other applicable law.	Liability to Presumptive Tax
73.	(1) Where the Service is satisfied that the actual turnover of a taxable person cannot reasonably be ascertained, it may estimate the turnover of the taxable person using objective and verifiable information. (2) In estimating turnover under subsection (1), the Service may have regard to -	Determination of Turnover

	(a) the nature and type of business; (b) the location, size and observable scale of operations; (c) inventory, equipment, assets or business facilities; (d) electronic, banking or cash transaction volumes; (e) information obtained from suppliers, customers or other credible sources; (f) comparable businesses engaged in similar activities within the locality; and (g) any other relevant information reasonably available to the Service. (3) Where turnover is estimated from average daily sales or receipts, the annual turnover shall be annualised in accordance with the applicable Regulations. (4) Every estimate made under this section shall be fair, reasonable, evidence-based and capable of being justified by the Service.	
74.	(1) The Service shall administer the presumptive tax regime in a manner that promotes simplicity, certainty, transparency and voluntary compliance. (2) The Service may engage with taxable persons for the purpose of obtaining relevant information required to determine turnover and tax liability. (3) A taxable person shall be encouraged to maintain proper records of business transactions for the purpose of migrating to the normal tax assessment regime.	Administration of Presumptive Tax
75	A person aggrieved by any assessment, estimate or determination made under this Part may object and appeal in accordance with the provisions of **Part XV of this Law** relating to objections and appeals.	Objection and Appeal
76.	A taxable person who keeps up to date records and files a return within the specified period shall be granted a rebate of 1% of the tax payable.	Rebate for Prompt Filing of Presumptive Tax
77.	(1) A taxable person may elect to exit the presumptive tax regime and be assessed under the normal assessment provisions of this Law where the person maintains adequate accounting records and satisfies the requirements prescribed by the Service. (2) Where the Service is satisfied that a taxable person assessed under this Part maintains adequate records or otherwise no longer qualifies for presumptive assessment, the Service may require the taxpayer to be assessed under Sections 33 – 38 of this Law.	Exit Rules

	(3) A person who exits the presumptive tax regime shall thereafter be assessed in accordance with the relevant provisions of this Law relating to Direct Assessment, Self-Assessment or any other applicable assessment mechanism.	
78.	(1) A taxable person under sections 33 – 38 of this Law who fails or neglects to make payment of the tax due shall be liable to pay the sum and a penalty equal to 5% per annum. (2) A taxable person who refuses or fails to pay after any grace period given by the Service from the due date or makes a false declaration of brand shall commit an offence and may be prosecuted accordingly in a Magistrate Court and upon conviction, to imprisonment for a term not less than six (6) months, or a fine not less than ₦100,000 (One Hundred Thousand Naira) ₦500, 000, or to both such fine and imprisonment.	Sanctions and Penalties
79	(1) The Service may issue administrative Guidelines for the effective implementation of this Part. (2) Without prejudice to subsection (1), the Service shall administer this Part in accordance with any Regulations relating to presumptive taxation made pursuant to the Nigeria Tax Act, and where any provision of such Regulations prescribes - (a) the turnover threshold for exemption; (b) the applicable presumptive tax rate; (c) the presumptive Capital Gains Tax rate; (d) the categories of eligible taxpayers; (e) the method of estimating turnover or consideration; or (f) any other matter necessary for the administration of presumptive taxation, such provision shall apply for the purposes of this Law without the necessity of further amendment to this Part, to the extent that it is not inconsistent with this Law.	Regulations and Guidelines
	PART IX **PROMOTIONAL LOTTERIES, GAMING, CASINO, SPORT BETTING AND TOMBOLA TAX**	
80.	(1) Any person who desires or wishes to operate any promotional lottery, gaming, casino, sport betting or tombola facility, franchise or agency in the State shall upon payment of a non-refundable application fee of ₦500,000.00 (Five Hundred Thousand Naira) apply in writing for operating license which application shall contain information as the Service shall specify. (2) The provisions of Part XV of this Law shall not apply to this Part.	Application for License to operate Promotional Lottery

81.	Before a license is granted, the Service shall be satisfied that the Applicant: (a) or its employee have sufficient technical and appropriate expertise/knowledge or experience to engage in the business it is seeking the license to do; (b) has the needed financial as well as incidental resources to engage in the business it is seeking the license to do; (c) shows a committed intention to grow the business in the State; and (d) or its owners shows/produces evidence of the payment of tax for the past three (3) years immediately preceding the application.	Conditions to be satisfied before Issuance of License
82.	The Service may upon being satisfied that an Applicant is competent and has satisfied all the conditions for the issuance of a license, issue a license to enable it carry on the business of promotional lottery, gaming, casino, sport betting or tombola facility, franchise or agency in the State.	Issuance of License by the Service
83.	Every license shall be subjected to the payment of a License Fee as contained in the Schedule to this Law or as reviewed by the Service from time to time.	Payment of License Fee
84.	Every License shall be renewed annually upon evidence of good conduct by the Licensee and upon payment of 50% of the licensing fee as Annual License Renewal Fee or as reviewed by the Service from time to time.	Annual Renewal of License
85.	A 10% tax to be known as promotional lottery, gaming, casino, sport betting or tombola tax is hereby imposed on every stake money and winning amount which shall be promptly deducted and remitted monthly to the Service by every Licensee in the State.	Monthly Remittance by Licensee
86.	The promotional lottery, gaming, casino, sport betting or tombola tax may be reviewed by the Service from time to time after due consultations with major stakeholders.	Review of Tax by the Service
87.	Every Licensee shall keep books of account of all its transactions and dealings in the State and shall enter therein, true and accurate records of all moneys received by it and payments of winnings it made.	Licensee to keep books of account
88.	Every Licensee shall promptly make monthly returns within 21 days of the following month of all its transactions and dealings in the State to the Service in a format provided or requested by the Service.	Licensee to make monthly returns of all transactions
89.	Any person who carries on promotional lottery, gaming, casino, sport betting or tombola without making the necessary License Application and obtaining a License thereafter shall be guilty of an offence and shall be liable	Failure to obtain a License

	on conviction to a fine of not less than ₦5,000,000.00 (Five Million Naira) or imprisonment for a term of not less than 6 (Six) months or to both such fine and imprisonment.	
90.	(1) Pursuant to Section 136 of this Law, every operator/licensee shall ensure the accurate, consistent, and effective application of withholding tax on winnings as they apply to individuals who engage in lottery, gaming and betting activities in accordance with Twentieth Schedule to this Law. (2) Any Licensee or its principal officers who fails to deduct or deduct but fail to remit the tax imposed herein shall be guilty of an offence and shall be liable on conviction to a fine of not less than ₦2,000,000.00 (Two Million Naira) or imprisonment for a term of at least not less than 6 (six) months or to both such fine and imprisonment.	Failure to deduct or remit tax
91.	(1) Any Licensee or its principal officers who fail to promptly make monthly returns as required by this Law shall be guilty of an offence and shall be liable on conviction to a fine of not less than ₦2,000,000.00 (Two Million Naira) or imprisonment for a term of not less than 6 (Six) months or to both such fine and imprisonment. (2) Any licensee who fails to integrate its operation into the Service software shall be liable on conviction to a fine of not less than ₦50,000.00 (Fifty Thousand Naira) for each day of default or imprisonment for a term of not less than 6 (Six) months or to both such fine and imprisonment.	Failure to make monthly returns as required by law
92.	A licensee that is aggrieved by any provisions of this Part may file an objection to the Service stating clearly the grounds within 15 days of the date the grievance or remittance became due.	Administrative settlement
93.	(1) Where the licensee is not satisfied with the decision of the Service, the licensee may apply to the Tax Appeal Committee. (2) In this part: (a) "**gaming**" includes gambling, wagering, video poker, roulette, craps, bingo, slot or gaming machine, drawings or other games of chance conducted by any person taxable under this Part; and (b) "**lottery**" or "**lotteries**" includes any betting, game, scheme, arrangement, system, plan, promotional competition or device for the distribution of prizes by lot or chance, or as a result of the exercise of skill and chance or based on the outcome of real or virtual sporting events, or any other game, scheme, arrangement, system, plan, competition or device.	Appeal to the Tax Appeal Committee (Meaning of special terms)
	PART X **TAX TREATMENT OF DUTIABLE INSTRUMENTS**	

94.	There is imposed duties on instruments at the rates specified in the Tenth Schedule to this Law, subject to the exemptions contained in section 101 of this Law, being any instrument which is: (a) first executed in the State; or (b) executed outside the State and relates to any property situated or to any matter or thing done in the State.	Charge of duties
95.	Duties payable on any instrument under this Part shall be paid and denoted by any of the following means: (a) tax stamps; (b) a die; (c) electronic or digital tagging; (d) electronic receipt; (e) issuance of certificate; or (f) any other means as may be determined by the Service.	Manner of denoting duty
96.	(1) Every instrument executed in the State, chargeable with a duty as prescribed under this Part, shall be stamped not later than 30 days after its execution by the person required to pay the appropriate duty. (2) A person, being the transferee of interest in a real property, other than in a voluntary disposition during the lifetime of the transferor, or beneficiary of a service for which consideration was paid, or any other person taking the security in a transaction for which an instrument is executed, shall be responsible for paying the duty relating to the transaction.	Obligation to stamp
97.	(1) Any unstamped dutiable instrument shall not be admissible in evidence in any court, judicial or arbitration proceedings, and in satisfying any evidentiary requirements unless otherwise stated by this Law. (2) Notwithstanding the provisions of subsection (1), an unstamped instrument may be given in evidence in a criminal proceeding. (3) In this part: (a) "promissory note" includes any document or writing, except a bank note, containing a promise to pay any sum of money. (b) A note promising the payment of any sum of money out of any particular fund which may or may not be available, or upon any condition or contingency which may or may not be performed or happen, shall be deemed a promissory note for that sum of money	Admissible evidence

		(Promissory note)
98.	Every transfer of interest or rights in real property shall be subject to duty under this section as conveyance on sale.	Conveyance on sale
99.	Where there is an exchange of a real property for another, any consideration exceeding ₦1,000,000 (One Million Naira) or a sum equal to the annual national minimum wage, whichever is higher, shall be charged to duty with the same ad valorem duty as a conveyance on sale.	Provisions as to exchange
100.	An agreement for a lease, with respect to the letting of land or building, shall be subject to duty on grant of a lease or sublease, or the assignment of a lease, and shall be charged with the same duty as if it were an actual lease made for the term and consideration mentioned in the agreement, provided that lease agreements for which the annual value is less than ₦10,000,000 (Ten Million Naira) or 10 (Ten) times the annual minimum wage, whichever is higher, shall not be chargeable with any duty under this Part of the Law.	Leases
101.	Every appraisement or valuation carried out for the purpose of ascertaining the value of a real property is subject to duty, which shall be accounted for by the appraiser.	Appraisements
102.	The duplicate or counterpart of an instrument chargeable with duty shall not be deemed duly stamped, unless it is stamped as an original instrument or certified by the Service that the full duty on the original instrument has been paid.	Duplicates and counterparts
103.	Where an instrument contains or relates to more than one transaction or several distinct matters, each transaction or distinct matter shall be charged to duty separately.	Duty relating to one instrument covering multiple transactions
104.	(1) Where multiple instruments chargeable with *ad valorem* duties are executed for effecting the same transaction, only one of the instruments, as may be determined by the Service, shall be charged with the *ad valorem* duty. (2) Any other instrument referred to in subsection (1) shall be stamped as counterparts at flat rates prescribed in the Tenth Schedule to this Law.	Duty relating to multiple instruments covering same transaction
105.	Where an instrument chargeable with *ad valorem* duty consists of non-monetary consideration, the value shall be deemed as the market value of the consideration or part thereof.	Provisions on non-monetary consideration

106.	The following instruments shall be exempted from stamp duties under this Part of the Law: (a) any instrument on which the duty would be payable by the Federal Government or a State or any of its ministries, departments or agencies; or (a) any instrument executed by or on behalf of a co-operative society registered under any law.	Exemption from stamp duties
	PART XI **INCOME TAX EXEMPTION**	
107.	(1) There is exempt from tax under Part VII of this Law: (a) the profits accruing to, or gains from disposal of assets of any person being: (i) a statutory or registered friendly society, where the profits or gains are not derived from a trade or business carried on by such society; (ii) a co-operative society registered under any enactment or law relating to co-operative societies, not being profits or gains from any trade or business carried on by that society; (iii) engaged in educational, religious or charitable activities of a public character where the profits or gains are not derived from a trade or business carried on by such person; (iv) a trade union registered under the Trade Unions Act where the profits or gains are not derived from a trade or business carried on by such trade union; (v) a Federal, State or Local Government in Nigeria, their Ministries, Departments and Agencies and other public institutions, other than profits or gains derived from trade or business or any instrumentality established for the purpose of trade or business; and (vi) a government purchasing authority established by an enactment and empowered to acquire any commodity for export or redistribution. (b) pension, gratuity or any retirement benefits granted in accordance with the Pension Reform Legislation;	Income tax exemption

(c) wound and disability pensions granted to members of the armed forces or of any recognized national defence organization, or to a person injured as a result of enemy action;

(d) a sum received by way of death gratuities or as consolidated compensation for death or injuries;

(e) redundancy lump sum payment and other compensation of capital nature for loss of employment;

(f) income earned from bonds issued by a State or the Federal Government of Nigeria;

(g) emoluments of any person serving as other rank and other personnel serving in combat zones, hazardous areas or in designated operations, provided that where any other income accrues to the person, not being income by way of personal emoluments, that income shall be liable to tax;

(h) dividend received from investments in wholly export-oriented businesses;

(i) dividend, interest, rent or royalty derived from outside Nigeria and brought into Nigeria through approved channels;

(j) income of a person from an employment where such person earns gross income of national minimum wage or less from such employment; and

(k) wages and salaries of military officers.

(2) The following shall not constitute chargeable gains under Part VII of this Law:

(a) gains accruing to an individual from disposal of investment held as part of any national provident fund or other retirement benefits schemes established under the provisions of any relevant Act or enactment for employees in Nigeria;

(b) gains on the disposal of a decoration, awarded for valour or gallant conduct which a person acquires otherwise than for consideration in money or money's worth.

(3) An employer shall be entitled to an additional deduction of 50% in the relevant years of assessment in respect of costs incurred in any two

	calendar years from 2023 to 2025 on the following: (a) wage awards, salary increases, transportation allowance or transport subsidy granted to a low-income worker, which bring the gross monthly remuneration of the worker up to an amount not exceeding ₦100,000 (One Hundred Thousand Naira) Provided that any additional award or salary increase to an employee earning above ₦100,000 (One Hundred Thousand Naira) as monthly salary shall not qualify for the additional deduction under this subsection; and (b) salaries of any new employee constituting a net increase in the average number of new employees hired in 2023 and 2024 calendar years over and above the average net employment in the three preceding years, provided that such new employees are not involuntarily disengaged within a period of three years post-employment. (4) In this section: "**net employment**" means the total number of persons employed less the total number of persons disengaged during the calendar year, whether such disengagement is voluntary or not. "**other rank**" has the meaning assigned to it by the Armed Forces Pensions Act. "**personal emoluments**" means wages or salaries and includes allowances, benefits in kind, gratuities, superannuation or pension schemes and any other income derived solely by reason of employment as other rank.	
108.	(1) Where a Service is of the opinion that a disposition is not given effect to, or that a transaction which reduces or may reduce the amount of tax payable, is artificial or fictitious, it may disregard any such disposition or transaction, or direct that such adjustments be made with respect to liability to tax as it considers appropriate, to counteract the reduction of liability to tax and issue an assessment or additional assessment accordingly. (2) For the purpose of this section: (a) "**disposition**" includes any trust, grant, covenant, agreement or arrangement; and (b) a transaction between connected persons shall be deemed to be artificial or fictitious if, in the opinion of the Service, the transaction has not been made at arm's	Artificial transactions

	length.	
109.	(1) Where a deduction has been allowed under the provisions of this Law in respect of any liability or any expense incurred and the liability is waived or released or such expense is refunded in whole or in part, the amount of that liability or expense which is waived, released or refunded, shall be an income on the day of the waiver, release or refund. (2) Where any liability or expenditure of capital nature is waived, it shall constitute a chargeable gain for the purposes of Part VII of this Law.	Waivers or refund of liability or expenses
	PART XII **REGISTRATION FOR TAX ID AND CHANGES**	
110.	An individual may be charged to tax: (i) in the individual's name; (ii) in the name of a family, trustee or estate; or (iii) in the name of an administrator, or any attorney, agent or representative in the State, in like manner and to like amount as such an individual would have been charged if no administrator, attorney, agent or representative had been appointed.	Taxable person
111.	(1) A non-resident person that supplies taxable goods or services to any person in the State, or derives income from the State shall register for tax purposes and obtain a Tax ID from the State: Provided that a non-resident person who derives only passive income from investment in the State may not be required to register for tax but shall provide relevant information as may be prescribed by the Service. (2) The Service may issue guidelines for the purpose of giving effect to the provisions of this section.	Non-resident person
112.	(1) The Service shall, upon receiving a request, register and issue a Tax ID to every taxable person. (2) Where a Service refuses to register or issue a Tax ID upon request under subsection (1), the Service shall, within five working days of the decision, notify that person of the refusal with reasons. (3) A Service may, based on the information available to it, register and issue a Tax ID to a person who should apply for a Tax ID but failed to do so. (4) The Service shall promptly notify a person registered and issued with a Tax ID under subsection (3) of the registration and Tax ID.	Issuance of Tax ID

	(5) A taxable person having a valid Tax ID shall not apply for, or be issued with another Tax ID. (6) A person who discovers that a taxable person has multiple Tax IDs, shall promptly report to the Service for unification. (7) A Tax ID issued to one taxable person is not transferable or usable by another taxable person.	
113.	(1) A Tax ID shall be: (a) stated on a return, notice, correspondence or documents submitted, lodged or used for the purposes of tax compliance; (b) stated on a document prepared, produced, issued or submitted in respect of a transaction; and (c) a condition for entering into a contract with any state ministry, department or agency and local government. (2) A person engaged in banking, insurance, stock-broking or other financial services in the State shall ensure that every taxable person provides a Tax ID.	Use of Tax ID
114.	(1) Every taxable person shall, within 30 days of the occurrence of a change in its particulars, notify the Service of the change. (2) The change referred to in subsection (1) includes: (a) name, including trading name, location of business, telephone numbers or e-mail address and registered address; and (b) in the case of: (i) a trust, the full identity, address and other contact details of the trustees and beneficiaries of the trust, and (ii) a partnership, the full identity, address and other contact details of all the partners.	Notification of change in particulars

115.	(1) Where a taxable person temporarily ceases to carry on a trade or business in the State, the taxable person shall notify the Service of its intention to suspend its registration for tax purposes within 30 days of such temporary cessation of trade or business. (2) The Service shall classify the Tax ID as dormant and place it on suspension. (3) Where a taxable person permanently ceases to carry on a trade or business in the State, the taxable person shall notify the Service of its intention to deregister for tax purposes within 30 days of such cessation of trade or business. (4) Where a taxable person permanently ceases to carry on a trade or business, the Service shall deregister the Tax ID. (5) The Service shall deregister or cancel a Tax ID where it is satisfied that the: (a) taxable person is deceased or a government ministry, department or agency, is dissolved; and (b) person to whom the Tax ID was issued has another one. (2) A taxable person whose Tax ID has been suspended, shall, upon reapplication, be re-issued with the same Tax ID.	Suspension, deregistration and cancellation of Tax ID
	PART XIII **RETURNS**	
116.	(1) A return of income shall be filed, in the prescribed form or format, with the Service in each year of assessment and without notice or demand, by: (a) every taxable person whether or not liable to pay tax; and (b) non-resident persons liable to pay tax in Part XII of this Law. (2) The return required to be filed under this section shall contain: (a) a duly completed self-assessment form; (b) the amount of income from every source for the year preceding the year of assessment computed in accordance with the provisions of this Law or any regulation made under the Law; (c) personal relief and tax computation; (d) in the case of income earned from trade, business, profession or	Returns on income tax for individuals

	vocation, an audited financial statement or a statement of accounts attested to by the taxpayer; and (e) evidence of payment of the tax due.	
117.	(1) An employer shall file a return with the Service for all emoluments paid to its employees, not later than 31 January of each year in respect of all employees in its employment in the preceding year. (2) The returns shall disclose for each employee gross emoluments, including allowances and benefits-in-kind, total deductions, net emoluments and tax deducted. (3) Notwithstanding subsection (1), an employee shall file an annual return of income from all sources, including employment income.	Returns on income tax for PAYE
118.	Notwithstanding the provisions of Section 116 of this Law, the Service may issue guidelines for the filing of a simplified income tax return by low-income earners or persons operating in the informal sector.	Simplified income tax form
119.	(1) A resident of the State, engaged in services related to the exchange and custody of virtual assets shall, with or without a notice, in addition to the returns provided in Section 116 of this Law, submit to the Service, the information prescribed in subsection (2). (2) The returns shall contain: (a) a description of the virtual asset service (exchange, sale, or transfer of virtual assets) provided during the month; (b) the date of the transaction; (c) the type and value of the virtual assets involved; (d) the sales value of the virtual assets; (e) the name, address, telephone number, email address, national identification number, and Tax ID of the individual; (f) the name, address, telephone number and email address of any counterparty involved in the transaction; and (g) such other particulars as may be prescribed by the Service. (3) Notwithstanding subsections (1) and (2), the Service may at any time, with or without a notice, request the individual to submit further information in a prescribed form, on a specified date.	Returns for digital commerce

120.	Every person who has an obligation to deduct and remit tax under this Law or any other tax legislation shall render monthly returns to the appropriate Service, as specified in the regulation issued for that purpose.	Returns for deduction at source
121.	Without prejudice to Section 139 of this Law, every bank, insurance company, stock-broking firm, or any other financial institution, operating in the State, shall prepare, with or without demand by the Service, quarterly returns to the Service specifying the names and addresses of: (a) new individual customers; and (b) existing individual customers, all transactions where the cumulative transactions in a month amount to ₦25,000,000 (Twenty-Five Million Naira) or more.	Information to be delivered by bankers and others
122.	(1) Every person, excluding companies and taxpayers under the presumptive tax regime in Part VIII of this Law, shall, whether or not the person is liable to pay tax, maintain books or records of accounts. (2) The books or records of accounts shall contain sufficient information or data of all relevant transactions for the ascertainment of the person's tax liability. (3) The books and records required to be maintained under subsection (1) shall be in English language and shall, for the purpose of tax, be consistent with the format that may be prescribed by the Service. (4) Where the record is maintained in a language other than the English language, the person shall, on demand by the Service, produce at its own expense, a translation in English language which shall be certified by a sworn translator. (5) Any book or record required to be kept under this section shall be kept for a period not less than six (6) years after the year of assessment in which the income relates.	Books of account
123.	A return, statement or form furnished under this Law by or on behalf of any person shall for all purposes be deemed to have been furnished by that person or by the representative of the person, unless the contrary is proved, and any person signing such return, statement or form shall be deemed to be duly authorized and cognizant of all matters contained in the return, statement or form.	Return deemed to be furnished by an authorized person
	PART XIV TAX AGENTS	
124.	(1) may either represent himself or be represented by a tax agent accredited by the Service. For the purpose of compliance with this Law or any other law, a taxpayer	Accreditation of tax agents

	(2) The requirements for accreditation shall be set out by the Service from time to time. (3) No return shall be deemed as duly filed except filed by the taxpayer or an accredited tax agent on behalf of the taxpayer. (4) Tax returns shall be accompanied by a declaration or attestation: (a) in the case of a taxpayer, that the information supplied is true and complete; and (b) in the case of a tax agent, that he has exercised appropriate technical competence and applied the highest standard of ethics and professional conduct.	
S	**PART XV** **ASSESSMENT AND COMPLIANCE**	
125.	(1) Every taxable person shall, on or before the due date, submit a self-assessment tax return to the Service in accordance with the relevant provisions of this Law. (2) A taxable person who has submitted a self-assessment return in the prescribed form for a reporting period is deemed to have made an assessment of the amount of tax payable, including a negative or nil amount, for the reporting period to which the return relates. (3) A tax return in the approved form completed and submitted electronically by a taxable person is a self-assessment notwithstanding that: (a) the form contains pre-entered information supplied by the Service; and (b) an estimate of the tax payable is computed electronically as information is being entered into the form. (4) Where a taxable person has delivered/submitted a tax return, under subsection (1), the Service may: (a) accept the tax return without making an additional assessment; (b) accept the tax return and make additional assessment; or (c) reject the tax return and, to the best of its judgment,	Self-assessment of tax payable

determine the amount of the tax due from the taxable person and make an assessment accordingly.

(5) Where the taxable person fails to declare the true and correct amount of income or tax payable in its self-assessed tax returns, the taxable person is liable to pay any outstanding tax from the due date of the returns.

(6) The outstanding tax shall be subject to penalty and interest, in accordance with the provisions of this Law or other relevant tax law from the date the return becomes due.

(7) Where a taxable person has not delivered a tax return as provided under this Law, and the Service is of the opinion that such taxable person is liable to pay tax, it may, to the best of its judgment, determine the amount of the tax due from the taxable person and make an assessment accordingly.

(8) The assessment issued under subsection (7) shall not affect the imposition of any other liability specified in this Law or any other law, incurred by the taxable person by reason of its failure or neglect to deliver a return.

(9) The Service may prescribe the rules, guidelines and procedures for the issuance of administrative assessment under this section.

(10) The Service may make an assessment upon a taxable person for any year before the expiration of the time within which it is required to deliver a return or to give notice under the provisions of this Law, if the Service considers such assessment to be in jeopardy.

(11) Where the Service discovers or is of the opinion, at any time, that any taxable person liable to tax has not been assessed or has been assessed at an amount less than that which ought to have been charged, the Service may, within six years of the assessment, assess the taxable person at such amount or additional amount, as ought to have been charged.

(12) The six-year limitation period stipulated in subsection (11) shall not preclude the Service from continuing with a tax audit and for raising additional assessment where the tax audit commenced before the expiration of the six-year limit.

(13) The provisions of this Law as to the notice of assessment, appeal and other proceedings shall apply to such assessment or additional assessment and to the tax charged.

(14) Notwithstanding the time limit specified in subsection (11), where there is a deliberate misstatement by a taxable person in connection with any tax imposed under this Law or any other tax law, the Service may at any time, and as often as may be necessary, assess the taxable person to

	such amount or additional amount as may be necessary for the purpose of making good any loss of tax attributable to the deliberate misstatement. (15) All relevant facts shall be considered in the computation of the amount or additional amount of tax that should have been charged under subsection (11), even where such facts were not known when a prior assessment or additional assessment was made for the taxable person in the same year.	
126.	(1) Where a taxable person has not delivered a tax return as provided under this Law, and the Service is of the opinion that such taxable person is liable to pay tax, it may, to the best of its judgement, determine the amount of the tax due from the taxable person and make an assessment accordingly. (2) The assessment issued under subsection (1) shall not affect the imposition of any other liability specified in this Law or any other law, incurred by the taxable person by reason of his failure or neglect to deliver a return. (3) The Service may prescribe the rules, guidelines and procedures for the issuance of administrative assessment under this section. (4) The Service may make an assessment upon a taxable person for any year before the expiration of the time within which it is required to deliver a return or to give notice under the provisions of this Law, if the Service considers such assessment to be in jeopardy.	Administrative assessments
127.	(1) Where the Service discovers or is of the opinion, at any time, that any taxable person liable to tax has not been assessed or has been assessed at an amount less than that which ought to have been charged, the Service may, within six years of the assessment, assess the taxable person at such amount or additional amount, as ought to have been charged. (2) The six-year limitation period stipulated in subsection (1) shall not preclude the Service from continuing with a tax audit and for raising additional assessment where the tax audit commenced before the expiration of the six-year limit. (3) The provisions of this Law as to the notice of assessment, appeal and other proceedings shall apply to such assessment or additional assessment and to the tax charged. (4) Notwithstanding the time limit specified in subsection (1), where there is a deliberate misstatement by a taxable person in connection with any tax imposed under this Law, the Service may at any time, and as often as may be necessary, assess the taxable person to such amount or additional amount as may be necessary for the purpose of making good any loss of tax attributable to the deliberate misstatement. (5) All relevant facts shall be considered in the computation of the amount or additional amount of tax that should have been charged under	Additional assessments

	subsection (1), even where such facts were not known when a prior assessment or additional assessment was made for the taxable person in the same year.	
128.	Where a business produces either no assessable profit or an assessable profit which is less than expected from that business, or the true amount of the assessable profit cannot be readily ascertained, the Service may assess and charge that taxable person on such fair and reasonable percentage of the gross income from the trade or business as the Service may determine.	Deemed profit assessment or income assessment
129.	The Service shall cause to be served on, or sent by registered post, courier service or electronic means to each taxable person, or person in whose name a taxable person is chargeable, a notice of assessment in respect of any tax charged including the place at which payment should be made and setting out the rights of that person.	Service of Notice of Assessment
130.	(1) Where a taxable person disputes a tax assessment, the taxable person may, by a written notice of objection delivered in person, by courier service or via electronic means, apply to the Service for the revision and amendment of the assessment made on it. (2) An application under subsection (1) shall only be valid if it: (a) is delivered to the Service within 30 days from the date of service of the disputed notice of assessment; and (b) contains the grounds of objection to the assessment, that is the: (i) specific issues disputed or errors observed with their monetary values; (ii) amendment required to be made so as to resolve the dispute or correct the error; (iii) justification for the amendments; (iv) amount of assessable and total profits, income or value of transactions admitted by the taxable person for the relevant reporting period; and (v) amount of tax admitted by the taxable person or that no amount of tax is admitted as payable. (3) Notwithstanding the provisions of subsection (2), the Service may, for any satisfactory and good cause shown, extend the time for making the application referred to in subsection (1) to such reasonable time in the	Revision of assessment in case of objection

	particular circumstances. (4) Upon receipt of the notice of objection referred to in subsection (1), the Service may: (a) require the taxable person to furnish such particulars as it may deem necessary and to produce all books or other documents relating to the profits, income or transactions of the taxable person; and (b) summon any person to give evidence in respect of the assessment to appear for examination before an authorized officer of the Service or make a declaration on oath in respect of the assessment. (5) Where the taxable person and the Service agree as to the amount of tax to be assessed, the disputed assessment shall be amended and a revised notice of the tax payable shall be served on the taxable person. (6) The Service shall respond to the objection notice within 90 days, otherwise the objection of the taxpayer shall be upheld. (7) Where the Service considers the notice of objection submitted by the taxable person as invalid or where the taxable person and the Service do not agree as to the amount of tax to be assessed, the taxpayer may exercise the right of appeal. (8) Where a taxpayer is dissatisfied with the judgement of the Tax Appeal Tribunal, it may appeal to the Federal High Court, provided that it shall pay 20% of the disputed amount into an account designated by the High Court as security before the hearing of the appeal, and include the evidence of payment while filing the notice of the appeal. (9) A party dissatisfied with the decision of the Federal High Court may appeal to the Court of Appeal, while an appeal against the judgement of the Court of Appeal shall be to the Supreme Court.	
131.	(1) An assessment, notice, warrant or other proceeding purporting to be made in accordance with this Law shall not be invalidated for want of form or be affected by reason of a mistake, defect or omission, if the: (a) substance and effect of the assessment is in conformity with the provisions of this Law; and (b) individual assessed or intended to be assessed or affected is designated according to common intent and understanding. (2) An assessment shall not be invalidated or affected by reason of:	Errors and defects in assessment and notice

	(a) a mistake as to the: (i) name of a taxable person; (ii) the description of any profits; or (iii) amount of the tax charged; or (b) any variance between the assessment and the notice, if in cases of assessment, the notice: (i) is duly served on the person in whose name the assessment was to be made; and (ii) contains, in substance and effect, the particulars on which the assessment is made.	
132.	(1) Where: (a) no valid objection or appeal has been lodged within the time stipulated under this Law, against an assessment as regards the amount of the total income or profits assessed; (b) the amount of the total income or profits has been agreed to; (c) the amount of such total profits has been determined on objection or revised under the provision of Section 130(5) of this Law; or (d) the assessment as made, has been agreed to, revised or determined on appeal. such assessment shall be final and conclusive for all purposes of this Law as regards the amount of such total profits. (2) Where the full amount of tax in respect of any final and conclusive assessment is not paid within the period prescribed in this Law, the provisions relating to the recovery of tax and to any penalty under Sections 148 and 149 of this Law, shall apply to the collection and recovery. (3) The provision of subsection (2) shall be subject only to the set-off of the amount of any tax repayable under any claim, made under the relevant provisions of this Law which has been agreed to by the Service or determined on any appeal against a refusal to admit any such claim. (4) The provisions of Section 130 of this Law shall not prevent the Service from making any assessment or additional assessment for any year which does not involve re-opening any issue on the same facts, which has been determined for that year of assessment under Section 130(5) of this	Assessments to be final and conclusive

	Law by agreement or on appeal.	
133.	(1) The Service shall maintain assessment lists of taxable persons assessed to tax. (2) The assessment lists shall contain: (a) the names and addresses of the taxable persons assessed to tax; (b) the name and address of any person in whose name any such taxable person is chargeable; (c) the amount of the total profits of each person; (d) the amount of tax payable by the person; and (e) such other particulars as may be determined by the Service. (3) Where complete copies of all notices of assessment and all notices amending assessments are filed in the offices of the Service, they shall constitute the assessment lists for the purpose of this Law.	List of taxable persons
134.	(1) The Service shall exchange relevant information with the revenue authority of another State for ensuring compliance with the provisions of this Law. (2) Where the Service discovers non-compliance in the course of audit of any tax accruing to the revenue authority of another State, it shall refer such non-compliance to or invite that other State for a joint audit.	Exchange of information and tax audit
135.	(1) Without prejudice to any other provision of this Law, every person shall make payment of tax due on or before the due date of filing in one lump sum or in instalments, provided that the final instalment shall be paid on or before the due date of filing. (2) Tax charged by any assessment which is not or has not been the subject of an objection or appeal shall be payable, after the deduction of any amount to be set-off for the purposes of collection under any provision of this Law, or any amount deposited against the tax, at the place stated in the notice of assessment within 30 days of service of such notice upon the taxable person, provided that the Service, in its discretion, may extend the time within which payment is to be made. (3) Collection of tax in any case where notice of an objection or appeal has been given by the taxable person shall remain in abeyance until such objection or appeal is determined, provided that the taxable person shall pay the tax which is not the subject of an objection or appeal. (4) Upon the determination of an objection or appeal, the Service shall	Payment of tax

	serve the taxable person, a notice of the tax payable as so determined, and that tax shall be payable within 30 days of the date of service of such notice. (5) Any balance of tax unpaid as at the due date shall attract interest and penalties as provided in this Law. (6) Where the Service grants a taxable person an extension of the period for the payment of a tax and the person fails to make the payment within that period of extension, penalty and interest shall accrue from the due date of payment of the tax as if the extension was never granted. (7) Where there is no objection or appeal, the Service may proceed to enforce the recovery of the tax payable in accordance with the provisions of this Law.	
136.	(1) Where any payment is made to a person, the person making the payment shall, at the date when payment is made or otherwise settled, deduct the tax at the rate prescribed in Seventeenth Schedule of this Law or its amendment hereafter, relating to deduction of tax at source. (2) In the case of dividend, interest, rent, royalty, directors' fee and payment to entertainers and sportspersons, the tax, when paid over to the Service, shall be the final tax due from a non-resident recipient of the payment. (3) Dividend distributed by a Nigerian company and received by a person after deduction of the tax prescribed in this section and regulations relating to deduction of tax at source, shall be regarded as franked investment income of the person receiving the dividend and shall not be charged to further tax. (4) Where a franked investment income is redistributed and tax is to be accounted for on the gross amount of the distribution in accordance with regulations relating to deduction of tax at source, the company may set-off the amount deducted at source which it has itself suffered on the same income. (5) Interest on short term securities and corporate bonds earned by an individual after deduction of tax at source, shall not be charged to further tax. (6) Income tax chargeable on an employee whether or not the assessment has been made, shall be deducted from any emolument payable, or from any payment made on account of the emolument, by the employer to the employee. (7) In arriving at the amount of income tax to be deducted from any payment of or on account of the emolument to an employee, the employer shall ensure that the aggregate amount of all the deductions made during a year of assessment shall equal the income tax chargeable	Deduction at source

	on the employee in respect of its emoluments for that year. (8) For the purpose of giving effect to the provisions of this section, regulations relating to deduction of tax at source shall apply. (9) Due remittance and returns of every amount deducted at source shall be made to the Service in accordance with the Form provided in the Eighteenth Schedule to this Law. (10) For every sum deducted at source, a receipt in the Form provided in the Nineteenth Schedule to this Law, shall be issued by the payer to the beneficiary.	
137.	A person answerable for payment of tax on behalf of a taxable person: (a) may retain out of any money received on behalf of the taxable person so much as shall be sufficient to pay the tax; and (b) is indemnified against any person for all payments made.	Indemnification of manager or agent
138.	(1) There shall be refunded to taxpayers, after an audit by the Service, such overpayment or any excess of tax as is due. (2) The Service may make such rules and conditions necessary to facilitate the refund mentioned in subsection (1). (3) Any tax refund due shall be made within 90 days of the decision of the Service made pursuant to subsection (2), with the option of a set-off against any tax liability of the taxpayer. (4) For the purpose of tax refund, the Accountant-General of the State shall open a dedicated account for each tax-type into which shall be paid money for settling tax refunds. (5) For the purpose of subsection (4), the Service shall provide the Accountant-General of the State an estimate of the amount to be set aside for tax refunds. (6) The dedicated accounts created pursuant to subsection (4), shall, be administered by the Service and be funded from the respective accounts of Government into which revenue of each tax-type is remitted. (7) No claim for refund of tax under this section shall be allowed unless it is made in writing within six years after the end of the year of assessment to which it relates.	Tax refund
	PART XVI	

	ENFORCEMENT AND GENERAL PROVISIONS	
139.	(1) For the purpose of obtaining information in respect of the tax liability of a taxable person or for performing any function conferred on the Service by this Law, the Service may give notice or further notice to any taxable person to: (a) complete and deliver to the Service any return specified in such notice or further notice, whether or not the person is liable to pay tax, and whether or not a return had been previously filed under this Law for a year of assessment; (b) appear personally before an officer of the Service for examination with respect to a matter to which such notice or further notice relates; (c) produce or cause to be produced for examination, books, documents, records or information relating to any assets, at the place and time stated in the notice or further notice, which time may be from day-to-day, or for such period as the Service may deem necessary; (d) provide orally or in writing, any information specified in such notice or further notice; and (e) grant the Service access to records, data or information stored or residing in computers or other electronic devices, including magnetic media or cloud computing facilities maintained, operated, controlled or owned by the taxable person. (2) The time specified in the notice or further notice under subsection (1) shall not be less than seven days from the date of service. (3) Notwithstanding the provisions of this Law, the Service shall not be precluded from verifying by tax audit or investigation, any matter relating to a return or entry in a book, document, and accounts, including those stored on a computer, cloud computing facilities, in digital, magnetic, optical or electronic media as may be specified in any guideline by the Service. (4) A person may apply in writing to the Service for an extension of time within which to comply with the provisions of this section, and other relevant provisions of this Law, provided that the person: (a) makes the application before the expiration of the time stipulated in the notice or further notice; and	Call for returns, books, documents and information

	(b) shows good cause for inability to comply with this provision. (5) If the Service is satisfied with the cause shown in the application under subsection (4)(b), it shall, in writing, grant the extension of the time or limit the time as it may consider appropriate. (6) Any return or information delivered under this section shall be accompanied by a declaration or an attestation stating that the information supplied is true and correct.	
140.	(1) Notwithstanding anything to the contrary in any other enactment or law, an authorized officer of the Service shall at all reasonable times have free access to all land, buildings, places, books and documents, in the custody or under the control of a person, public officer, or institution, for the purpose of inspecting the books or documents including those stored or maintained in computers, servers, acting systems or on digital, magnetic, optical or electronic media, and any property, process or matter which the officer considers necessary or relevant for the purpose of collecting any tax under this Law. (2) Where the hard copies of any of the books or documents mentioned in subsection (1) are not immediately available because they are stored in a computer, servers, acting system or on digital, magnetic, optical or electronic media, the Service shall take immediate possession of such removable media and the related removable equipment or computer used to access the stored documents on the media in order to prevent the accidental or intentional destruction, removal or alteration of records and documents, especially where such may be needed as potential evidence in investigation or criminal proceedings. (3) Where the Service is able to obtain in place of taking physical possession of such equipment, computer or storage media under subsection (2), and the Service possesses the ability, equipment and computer software to make exact duplicate copies of all information stored on the computer hard drive and preserve all the information exactly as it is on the original computer, the Service shall make such copy and use it as digital evidence during investigation or criminal proceedings. (4) The occupier of a land, building or place that is entered or proposed to be entered by an authorized officer, shall: (a) provide the officer with all reasonable facilities and assistance for the effective exercise of powers under this section; and (b) answer questions relating to the exercise of the powers under this section orally, or if required by the authorized officer, in writing or by	Power to access lands, buildings, books and documents

	statutory declaration. (5) Notwithstanding subsection (1), the authorized officer shall not enter any private dwelling except with the consent of an occupier or pursuant to an authorization issued under subsection (6). (6) A judicial officer upon an application by an officer of the Service may authorize the officer by warrant to enter into any premises. (7) Every authorization issued under subsection (6) shall: (a) be in the form prescribed in the Eleventh Schedule to this Law; (b) be directed to a named officer of the Service; (c) be valid for a period of three months from the date of its issue or such lesser period as the judicial officer considers appropriate; (d) state its period of validity, or the date on which it expires; and (e) be renewable by the judicial officer on application. (8) An officer exercising the power of entry conferred by an authorization issued under subsection (6) shall produce the written authorization and evidence of identity: (a) on first entering the private dwelling; and (b) whenever subsequently reasonably required to do so.	
141.	(1) An officer of the Service authorized by the Executive Chairman, may remove books or documents or any item accessed under Section 140 of this Law to make copies. (2) Any copy of the books or documents removed shall be made, and the books or documents returned as soon as practicable. (3) A copy of a book or document or digital evidence certified by or on behalf of the Chairman of the Service is admissible in evidence in court as if it were the original. (4) The owner of a book or document or any item that is removed under this section is entitled to inspect and obtain a copy of the book or document at the expense of the owner, at the premises to which the book or document is moved to, at:	Power to remove books and documents

	(a) the time the book or document is moved to the premises; and (b) reasonable times subsequently. (5) A person shall bear any cost incurred for the purpose of removing any book, information, document or item under subsection (1). (6) Where an officer removes any book, documents or items he shall provide the owner with a written receipt containing the description of the books, documents or items removed and the location and time of removal.	
142.	(1) The Service may, without an order of the High Court and by notice in writing, appoint any person to be the agent of a taxable person where: (a) any tax has become due and payable, and the taxable person has refused or failed to pay; or (b) the agent appointed is in possession or is expected to be in possession of the money, funds or assets of the taxable person. (2) The agent appointed under subsection (1), shall be required to pay any tax payable by the taxable person from any money, funds or asset of the person which may be held by the agent of the person. (3) Where the agent referred to in subsection (2) defaults, all such enforcement and recovery actions, including the power to distrain the money, funds or asset of the person shall apply as if the agent so appointed were originally liable. (4) For the purpose of this section, the Service may require any person to give information as to money, funds or other assets which may be held for, or due to any person. (5) The provisions of this Law with respect to objections and appeals shall apply to any notice given under this section as if such notice were an assessment or demand notice.	Power of substitution
143.	(1) Where an assessment has become final and conclusive and a demand notice has been served on a person or an employer, or on the person or employer in whose name that person is chargeable and the payment of the tax is not made within the time specified by the demand notice, the Service may in the prescribed form for the purpose of enforcing payment of the tax due: (a) distrain that person or employer by their goods, chattels, bonds or other securities; or	Power to distrain

(b) distrain any land, premises, place or any asset in respect of which that person or employer is the owner and recover the amount of tax due by sale of anything so distrained.

(2) The authority to distrain under this section shall be in the form contained in the Twelfth Schedule to this Law and such authority shall be sufficient warrant and authority to levy by distrain the amount of any tax due.

(3) For the purpose of levying any distrain under this section, any officer duly authorized by the Service may execute any warrant of distrain, and if necessary, break open any building or place in the daytime for the purpose of levying such distrain, and the Service may call for police assistance and the police shall, when so required aid and assist in the execution of any warrant of distrain and in levying the distrain.

(4) Assets distrained by the Service under this section may, at the cost of that person or employer, be kept for 14 days and at the end of that time if the amount due in respect of the tax, cost and charges incidental to the distrain are not paid, they may, subject to subsection (7), be sold without an order of the High Court subject to subsection (8).

(5) Without prejudice to subsection (4), assets distrained by the Service under this section may at the cost of that person or employer, be kept for 14 days and at the end of that time if the amount due in respect of the tax, cost and charges incidental to the distrain are not paid, they may, subject to subsection (6), be sold, only with an order of the High Court subject to subsection (7).

(6) Where there is a sale in accordance with the provisions of subsection (4), a part of the proceeds of such sale shall, in the first instance, be used to pay the cost of keeping and all expenses incidental to the sale of the asset so distrained, the amount due in respect of the tax shall be paid.

(7) The balance of the proceeds, if any, shall be refunded to that person with or without a demand made within 90 days of the date of the sale.

(8) The provision of this section shall not be construed to authorize the sale of any immovable property without an order of a High Court or as prescribed by the rules of court.

(9) In exercise of the powers of distrain conferred by this section, the person to whom the authority is granted under subsection (3) may distrain all assets, goods, chattels and effects belonging to the debtor wherever the same may be found.

(10) This provision shall also apply in the case of recovery relating to tax

	evasion and proceeds of crime where the offender cannot be found.	
144.	(1) The Service may request the assistance of any of the law enforcement agencies in the discharge of its duties under this Law. (2) The law enforcement officers shall aid and assist an authorized officer in the execution of any warrant of distrain and the levying of distrain. (3) Any tax officer issued with a warrant by a judicial officer and accompanied by law enforcement officers, as may be determined by the Chairman of the Service shall: (a) enter any premises covered by such warrant and search for, seize and take possession of any book, document or other article used or suspected to have been used in the commission of an offence including the property or asset; (b) inspect, make copies of or take extracts including digital copies from any book, record, document or computer, regardless of the medium used for their storage or maintenance; (c) open, examine and search any article, container or receptacle; (d) open any door or window of a premises and enter or otherwise forcibly enter the premises and every part of the premises; or (e) remove by reasonable force any obstruction to such entry, search, seizure or removal. (4) For the purpose of subsection (3)(a) and (b), the taxpayer shall provide passwords, access codes and other relevant information required to access the books, records, documents or computers. (5) A person shall not be bodily searched under this section except by a person who is of the same gender as the person to be bodily searched.	Enforcement of powers
145.	(1) Notwithstanding the provision of any other law, the Service shall have the power to investigate or cause an investigation to be conducted to ascertain any violation of any tax law, whether or not such violation has been reported to the Service and shall also have the power to arrest any person suspected of committing such violations through relevant law enforcement agency. (2) The Service may employ **Special Purpose Tax Officers** for the purpose of subsection (1) to carry out investigation of any offence under this Law and may seek the assistance of any relevant law enforcement agency.	Tax investigation

	(3) Where an investigation under this section reveals the commission of any tax offence or an attempt to commit any offence, the Service shall undertake the prosecution of the offence. (4) Where a Service is satisfied that any property is a subject matter in a tax investigation under this Law, or evidence in relation to the commission of a tax offence, is under the custody, control or possession of any person, it may upon an order of a judicial officer, direct the person not to part with, deal in, or dispose of such property or any part of it pending the conclusion of the investigation. (5) A person shall not be liable to any legal proceedings on account of his compliance with an order of a judicial officer under subsection (4).	
146.	(1) Without prejudice to any other provision of this Law or any other relevant law, any tax due shall constitute a debt due to the Service. (2) Where the tax due is not paid within 30 days, the Service may issue demand notice for the payment of the tax plus the penalty and interest due. (3) Where the tax plus the penalty and interest is not paid on the date indicated in the notice, the Service may exercise any of the powers under this Law for the recovery of the amount due, including any legal action brought against the taxable person. (4) Where any tax has been: (a) under-assessed, the taxable person who should have paid the amount under-assessed, shall on demand by the Service, pay the amount under-assessed; or (b) erroneously repaid, the taxable person to whom the repayment has erroneously been made, shall on demand by the Service, pay the amount erroneously repaid. (5) The amount referred to in subsection (1) may be recovered by the Service as if it were tax to which a person to whom the amount was so under-assessed or erroneously repaid were liable. (6) The Service shall not make any demand after six (6) years from the date of under-assessment or erroneous repayment, unless the under-assessment or erroneous repayment was caused by the production of a document or the making of a statement which was found to be false.	Penalty and interest for non-payment of tax
147.	The Service may, for any good cause shown, remit the whole or any part of penalty or interest due under this Law, and make a monthly report to the Commissioner responsible for finance containing details of the taxpayers,	Remission of penalty

	circumstances and the amounts waived.	
148.	(1) Without prejudice to any other provision of this Law, any tax due shall constitute a debt due to the Service. (2) Where the tax due is not paid within 30 days, the Service may issue demand notice for the payment of the tax plus the penalty and interest due. (3) Where the tax plus the penalty and interest is not paid on the date indicated in the notice, the Service may exercise any of the powers under this Law for the recovery of the amount due, including any legal action brought against the taxable person. (4) Where any tax has been: (a) under-assessed, the taxable person who should have paid the amount under-assessed, shall on demand by the Service, pay the amount under-assessed; or (b) erroneously repaid, the taxable person to whom the repayment has erroneously been made, shall on demand by the Service, pay the amount erroneously repaid. (5) The amount referred to in subsection (1) may be recovered by the Service as if it were tax to which a person to whom the amount was so under-assessed or erroneously repaid were liable. (6) The Service shall not make any demand after six (6) years from the date of under-assessment or erroneous repayment, unless the underassessment or erroneous repayment was caused by the production of a document or the making of a statement which was found to be false.	Recovery of tax
149.	(1) The Service may assign outstanding tax debts, in whole or in part, to an accredited third party who shall assume responsibility for recovering the tax debts in accordance with the provisions of this Law or regulations issued by the Service. (2) The Service shall only assign outstanding tax debts to a third party where: (a) all legal steps for tax debt recovery under this Law have been exhausted, including notifications, payment demands, and enforcement actions; and (b) the debt to be recovered is deemed to be of significant value and has been outstanding for a period considered appropriate by the Service. (3) A taxpayer whose debt is assigned to a third party shall be notified in	Assignment of tax debts

	writing, of the details of the third party responsible for recovering the tax debt. (4) Notwithstanding the provisions of subsection (1), the Service may reverse the assignment of the tax debt at any time and resume responsibility for recovery where necessary. (5) For the purposes of this section: "**third party**" includes banks and other financial institutions, debt recovery practitioners or any other person accredited by the Service; and "**assign**" includes the transfer of the rights to recover a tax debt, including the sale or delegation of the authority to recover, manage and enforce the debt, in whole or in part.	
150.	(1) The Service may pay a reward to any person, not being a person employed or a person related to the person employed in the Service, in respect of any information which may be of assistance to it in the performance of its duties under this Law on such conditions and quantum of reward as may be determined by the Service. (2) The identity of the person who gave information to the Service shall be kept confidential and any person that discloses the identity of such person shall be dealt with in accordance with the provisions of Section 181 of this Law. (3) The Service may partner with a relevant agency to verify the information supplied and such verification shall not compromise the identity of the person referred to in subsection (1).	Power to pay reward
151.	Anything done or required to be done by the Service in pursuance to this Law shall be endorsed by the Chairman or any other authorized officer of the Service.	Endorsement
152.	(1) The Service may deploy technology to automate tax administration processes including tax assessment, collection, accounting and information gathering. (2) The Service may deploy any technology, including third party payment processing platform or computer application to collect or remit taxes due on the supply of digital services to any resident of the State whether or not such supply originates from within or outside the State, provided that nothing in this subsection shall be construed as empowering the Service to collect tax from a non-resident of the State.	Deployment of technology

153.	(1) Whenever the Service is of the opinion that tax assessed on profits or income of a person has been fully paid or that no tax is due on such profits or income, it shall issue a tax clearance certificate to the person within two weeks of the demand for such certificate by that person or, if not, give reasons for the denial. (2) Any ministry, department or agency of the State or any commercial bank with whom any person has any dealing with respect to any of the transactions mentioned in subsection (4), shall demand from such person a tax clearance certificate of three years immediately preceding the current year of assessment. (3) A tax clearance certificate shall disclose in respect of the last three years of assessment: (a) total profits or chargeable income; (b) tax payable; (c) tax paid; and (d) tax outstanding or alternatively a statement to the effect that no tax is due. (4) The provision of subsection (2) shall apply in relation to: (a) application for certificate of occupancy; (b) approval of building plans; (c) application for award of contract by government or its agencies; and (d) application for trade license. (5) Where a person is able to produce evidence that he suffered tax by deduction at source and that the assessment year to which the tax relates falls within the period covered by the tax clearance certificate, such a person may not be denied a tax clearance certificate: Provided that any balance of tax after credit has been given for the tax so deducted has been fully paid.	Tax clearance certificate
154.	(1) Without prejudice to any provision of this Law, advance ruling may be issued for the purpose of clarity, consistency and certainty regarding the interpretation and application of any tax law that does not constitute an amendment or replacement of the law. (2) The Service may:	Issuance of advance rulings

	(a) make an advance ruling on any provision of a tax law, administration, precedence and policies; and (b) issue an advance ruling upon application by a taxable person within 21 days of the receipt of the application or give reasons in writing for inability to issue such ruling. (3) An advance ruling may be issued in the prescribed form and manner and shall be signed by an authorized officer of the Service and may contain: (a) a statement on whether the ruling is applicable generally or limited to the taxpayer; (b)the name, Tax ID and postal address of the taxpayer; (c) the relevant statutory provisions or legal issues addressed in the ruling; (d)any assumptions made or conditions imposed by the Service in connection with the validity of the ruling; and (e) the period for which the ruling is valid. (4) An application for advance ruling shall be made in the prescribed form and manner by a person who is a party to any tax related issue or transaction, or by two or more parties to a tax related issue or transaction. (5) An application shall contain: (a) the name, Tax ID, postal address, email address and telephone number of the taxpayer; (b) a complete description of the tax issue or transaction in respect of which the ruling is sought, including its financial implications, if any; (c) a complete description of the impact that the issue or transaction may have on the tax liability of the taxpayer or any connected person in relation to the issue or transaction; (d) details of any ongoing audit, previous correspondence and decisions of the Service on the issue; (e) the relevant statutory provisions or legal basis relied on by the applicant; (f) the reasons why the taxpayer believes that the proposed ruling should be granted; and (g) a written statement on whether or not the matter is before	

	any tribunal or court of competent jurisdiction. (6) The Service may request additional information from an applicant. (7) Where necessary, the Service shall provide an applicant with a reasonable opportunity to make representations or provide clarifications. (8) An applicant may withdraw an application at any time before a ruling is issued.	
155.	The Service may reject an application for an advance ruling where it requires the rendering of an opinion, conclusion or determination regarding: (a) the application or interpretation of the laws of another State; (b) an issue already before a court or tribunal of competent jurisdiction; (c) the interpretation of the Constitution of the Federal Republic of Nigeria; (d) an issue that is academic, hypothetical, frivolous or vexatious; and (e) a ruling that will interfere substantially with an ongoing audit, investigation or other proceedings involving the applicant or persons connected to the applicant.	Rejection of application for advance rulings
156.	(1) The effect of the ruling is limited to the applicant and the transaction in relation to which the ruling is given. (2) The ruling is rendered on a set of facts before the Service and cannot be of general application. (3) An advance ruling is void where: (a) the issue or transaction as described in the ruling is materially different from the issue or transaction actually carried out; (b) there is fraud, misrepresentation or non-disclosure of a material fact; or (c) an assumption made or condition imposed by the Service is not satisfied or carried out by the taxpayer. (4) Notwithstanding any provision to the contrary contained in this Law, an advance ruling ceases to be effective where: (a) a provision of this Law that was the subject of the advance	Effect of advance rulings

	ruling is repealed or amended in a manner that materially affects the advance ruling in which case the advance ruling will cease to be effective from the date that the repeal or amendment is effective; or (b) a court overturns or modifies an interpretation of any provision of this Law on which the advance ruling is based, in such case, the advance ruling shall cease to be effective from the date of the judgement unless such decision is overturned.	
157.	(1) The Service may withdraw or modify an advance ruling at any time and retrospectively if the ruling was fraudulently obtained. (2) The Service shall specify the date the decision to withdraw or modify the advance ruling becomes effective.	Withdrawal or modification of advance rulings
158.	The Governor may, on the recommendation of the Commissioner responsible for finance, acting on the advice of the Service, remit wholly or in part, any tax payable to the State, which the Service has power to administer pursuant to Section 22 of this Law, if satisfied that it is just and equitable to do so.	Power of the Governor to remit taxes
159.	(1) The amount of the Value Added Tax revenue standing to the credit of the State and Local Government Councils with the State shall be distributed among them on the following basis: (a) Equality - 50%; (b) Population - 20%; and (c) Consumption - 30%. (2) All companies operating in the State shall render Value Added Tax returns of all the Value Added Tax transactions consummated or carried out in the State to the Service. (3) Any individual or companies including governmental bodies, professional bodies, trade associations, business enterprises and any other organization shall provide any information, data, documents demanded of them by the Service in a format as may be prescribed by the Service. (4) The Service shall have unfettered access to all Value Added Tax transactions and records consummated or carried out in the State by all companies operating in the State at any time it desires in writing to enable it verify either by audit or investigation of the Value Added Tax transactions in the State to enable it determine its 30% derivative.	Distribution of value added tax revenue

160.	(1) The Service, shall, not later than seven days after the end of each month, furnish the Accountant-General of the State with the schedules containing the summary of taxes collected, and tax refund claims. (2) Notwithstanding the provisions of any other law, the Accountant-General of the State shall, before the distribution of tax revenue, deduct an amount equal to the total tax refund claims compiled by the Service from the gross revenue realized from tax and remit same to the respective tax refund account opened under Section 138(4) of this Law. (3) The Service shall, not later than seven days after the end of each month, submit to the Accountant-General of the State, a reconciliation schedule of: (a) the amount received into the tax refund account. (b) the total tax refund claims paid; and (c) any amount standing to the credit of the tax refund account. (4) The Accountant-General of the State may use the amount standing to the credit of the tax refund account at the end of a month to reduce the amount required for tax refund claims in a subsequent month.	Transfer of tax revenue for refund
161.	Except as may be ordered by a court or tribunal of competent jurisdiction, the pendency of a legal proceedings shall not affect the performance of the duties or obligations of any taxable person under this Law.	Obligations during the pendency of legal proceedings
	PART XVII **ADMINISTRATIVE PENALTIES AND OFFENCES OF GENERAL APPLICATION**	
162.	(1) The Chief Judge of the State shall designate an appropriate Court in the State capital to hear revenue matters and shall also designate in other judicial divisions such similar courts for Local Government Area, which shall give priority to matters relating to the revenue of the State (in this Law referred to as 'Revenue Court'). (2) Any Revenue Court shall have monetary jurisdiction to adjudicate on all claims and try all charges emanating from this Law. (3) In entertaining a case of default, the Revenue Court shall have power to order the sealing off of premises, impounding, distrainment, seizure or confiscation of any moveable property from a defaulter for purposes of recovering a defaulted tax rate, levy, charge or fees.	Designation of Courts for Adjudication of Tax Matter

	(4) The Chief Judge shall make rules of practice and procedure regulating proceedings of Revenue Courts in the State.	
163.	(1) A taxable person who fails or refuses to register for tax under Section 112 of this Law, shall be liable to pay an administrative penalty of: (a) ₦50,000 (Fifty Thousand Naira) in the first month in which the failure occurs; and (b) ₦25,000 (Twenty-Five Thousand Naira) each subsequent month in which the failure continues. (2) A statutory body or company who awards a contract to an unregistered person, shall be liable to pay an administrative penalty of ₦5,000,000 (Five Million Naira).	Failure to register
164.	A taxable person who fails or refuses to file returns or knowingly files incomplete or inaccurate returns to the Service in accordance with the provisions of this Law, shall be liable to pay an administrative penalty of: (a) ₦100,000 (One Hundred Thousand Naira) in the first month in which the failure occurs; and (b) ₦50,000 (Fifty Thousand Naira) for each subsequent month in which the failure continues.	Failure to file returns
165.	A taxable person who: (a) fails to keep accounts, books and records of business transactions and income, to allow for the correct ascertainment of tax and filing of returns to the Service; or (b) upon request by the Service, fails to provide any record or book prescribed in this Law shall be liable to pay an administrative penalty of ₦10,000 (Ten Thousand Naira).	Failure to keep books
166.	A person who refuses to grant access to the Service to deploy technology after 30 days of receipt of the notice under this Law is liable to an administrative penalty of ₦1,000,000 (One Million Naira) for the first day of default and ₦10,000 (Ten Thousand Naira) for each subsequent day of default.	Failure to grant access for the deployment of technology
167.	A person who has an obligation to collect, deduct or withhold tax under this Law, and fails to collect, deduct or withhold the tax due is liable to an administrative penalty of 40% of the amount not deducted.	Failure to deduct tax

168.	(1) A person, that deducts, collects or withholds any tax under this Law, and fails to remit the amount deducted, collected or withheld by the 21st day of the month immediately succeeding the month in which the amount was deducted, collected or withheld, is liable to pay: (a) the amount deducted, collected or withheld but not remitted; (b) an administrative penalty of 10% per annum of the tax deducted, collected or withheld but not remitted; and (c) interest at the prevailing Central Bank of Nigeria monetary policy rate. (2) A person required to self-account under this Law and fails to self-account within the time prescribed by this Law, is liable to pay: (a) the tax not self-accounted for; (b) an administrative penalty of 10% per annum of the amount not self-accounted for; and (c) interest at the prevailing Central Bank of Nigeria monetary policy rate. (3) A person convicted of any of the offences under this section, shall be liable to a term of imprisonment not less than 3 (three) years, or a fine of not less than the principal amount due plus penalty of not more than 50% of the sum, or to both such imprisonment and fine.	Failure to remit tax deducted at source or self-account
169.	(1) A person who: (a) fails to comply with the requirements of a notice served under this Law; (b) fails to attend or provide answers to a notice, summons or process served under this Law; or (c) having attended, fails to answer any question lawfully put to him, is liable to an administrative penalty of ₦100,000 (One Hundred Thousand Naira) in the first day of default and ₦10,000(Ten Thousand Naira) for every subsequent day where the default continues. (2) A person who fails or refuses to supply information, documents, or records as demanded or requested for by an authorized officer relating to any tax issue under this Law within the time provided under this Law, is liable to an administrative penalty of ₦200,000 (Two Hundred Thousand Naira) in the first day of default and ₦10,000 (Ten Thousand Naira) for each subsequent day where the refusal continues. (3) A person who fails or refuses to comply with obligations to submit	Failure to attend to demands, requests or notices

	information relating to a legal arrangement or other obligations as may be prescribed by notice, rules, regulations, guidelines, or circulars issued by the Service, is liable to an administrative penalty of ₦1,000,000 (One Million Naira) for the first day of default, in addition to ₦10,000(Ten Thousand Naira) for each subsequent day in which the failure continues, or any other administrative penalty as may be specified in such notice, rules, regulations, guidelines, or circulars.	
170.	Any individuals engaged in online trading or digital commerce who fails to comply with the provisions of this Law shall be liable to an administrative penalty of ₦10,000,000 (Ten Million Naira) in the first month of default, plus ₦1,000,000 (One Million Naira) for every subsequent month that the default continues.	Penalty for non-compliance by individuals engaged in online trading or digital commerce
171.	A person that fails to stamp dutiable instruments in accordance with the relevant provisions of Part X of this Law is liable to pay 10% of the unpaid duty and interest at the prevailing Central Bank of Nigeria Monetary Policy Rate.	Failure to stamp
172.	A person that fails, neglects or omits to fully disclose all the facts and circumstances relating to dutiable instrument or underpays any duty is liable, in addition to the payment of the duty due: (a) to an administrative penalty of ₦100,000 (One Hundred Thousand Naira); or (b)on conviction to a fine of not less than ₦50,000 ((Fifty Thousand Naira) or for a term of imprisonment not less than 3 (three) years or to both such fine and imprisonment.	Failure to disclose facts in a dutiable instrument
173.	A taxable person who fails to notify the Service of any change of address within 30 days of such change, gives a wrong address or fails to comply with the requirement for notification of permanent cessation of trade or business under this Law shall be liable to an administrative penalty of: (a) ₦100,000 (One Hundred Thousand Naira) for the first month in which the failure occurs; and (b) ₦5,000 (Five Thousand Naira) for each subsequent month the failure continues.	Failure to notify change of address
174.	A person who: (a) removes or causes to be removed from a document any revenue stamp, with intent that the stamp may be reused; (b) affixes to any other document the revenue stamp which has been removed, for the purpose of evading the payment of duty; (c) sells or offers for sale, any revenue stamp so removed; or	Fraud in relation to stamps

	(d) forges a stamp or any implement for denoting stamp duties, is liable on conviction to imprisonment for a term not less than 3 (three) years or a fine not less than ₦2,000,000 (Two Million Naira) or to both such imprisonment and fine.	
175.	A person, whether or not appointed for the administration of this Law, or employed in connection with the assessment and collection of a tax who: (a) demands or accepts any gratification from a taxable person in the performance of his functions under this Law; (b) withholds for his own use or otherwise any portion of the amount of tax collected; (c) renders a false return, whether orally or in writing, of the amount of tax collected or received by him; (d) defrauds any person, embezzles money or otherwise uses his position to deal wrongfully with the Service; (e) steals or misuses the documents of the Service; or (f) compromises on the assessment or collection of any tax, commits an offence and is liable on conviction to a fine equivalent to 200% of the sum in question or imprisonment for a term not less than 3 (three) years or to both such fine and imprisonment or as maybe provided under any other applicable Law or Legislation.	Offences by authorized and unauthorized persons
176.	A person who attempts to induce, influence or entice an authorized officer in order to obtain any tax benefit in the course of duty commits an offence and is liable on conviction in the case of: (a) an individual, a penalty of not less than ₦500,000 (Five Hundred Thousand); and (b) a corporate employer, a penalty of not less than ₦2,000,000 (Two Million Naira) or imprisonment for a term not less than 3 (three) years or to both such penalty and imprisonment, in addition to paying the tax due.	Inducement of an unauthorized officer
177.	(1) A person who, in the commission of an offence under this Law, is armed with any offensive weapon is liable on conviction to imprisonment for a term not less than 5 (five) years or as maybe provided under any other applicable Law or Legislation. (2) A person who, while armed with an offensive weapon, causes injury to any officer or authorized officer of the Service in the performance of any function	Use of weapon

	or duty under this Law, is liable on conviction to imprisonment for a term not less than 10 (ten) years or as maybe provided under any other applicable Law or Legislation.	
178.	A person not being an authorized officer, who assumes the name, designation or impersonates the character of an authorized officer, for any purpose under this Law, is liable on conviction to a fine not less than ₦1,000,000 (One Million Naira) or to imprisonment for a term not less than 3 (three) years or to both such fine and imprisonment or as maybe provided under any other applicable Law or Legislation.	Impersonation of an authorized officer
179.	An officer of the Service or any other person who aids, abets, incites or induces the commission of any of the offences under this Law is liable on conviction to a fine of not less than ₦1,000,000 (One Million Naira) or imprisonment for a term not less than 3 (three) years or to both such fine and imprisonment or as maybe provided under any other applicable Law or Legislation.	Aiding and abetting commission of an offence
180.	A person who: (a) obstructs, hinders, molests or assaults any person or authorized officer in the performance of any function or the exercise of any power under this Law; (b) does anything which impedes or is intended to impede the carrying out of a search, seizure, removal or distrain; (c) rescues, damages or destroys anything liable to seizure, removal or distress; (d) does anything intended to prevent the procuring or giving of evidence as to whether or not anything is liable to seizure, removal or distrain; or (e) prevents the arrest of any person by an authorized person duly engaged or acting or rescues any person so arrested is: (i) liable to an administrative penalty of ₦1,000,000 (One Million Naira); and (ii) on conviction to a fine not less than ₦1,000,000 (One Million Naira) or imprisonment for a term not less than 3 (three) years or to both such fine and imprisonment or as maybe provided under any other applicable Law or Legislation.	Obstruction
181.	Except as provided under this Law, or any enabling agreement or arrangement on exchange of information or as otherwise authorized by the Commissioner responsible for matters relating to finance:	Unauthorized disclosure

	(a) a member or former member of the Board of the Service; (b) an employee or former employee of the Service; or (c) an agent or any person, who communicates or attempts to communicate taxpayer information or information considered confidential to any person other than to a person legally authorized to receive such information or misuses the information is liable on conviction to a fine not less than ₦1,000,000 (One Million Naira) or imprisonment for a term not less than 3 (three) years or to both such fine and imprisonment or as maybe provided under any other applicable Law or Legislation.	
182.	A person that receives a refund under Section 138 of this Law, through a false or fictitious claim, is in addition to the recovery of the amount so received, liable to a penalty of 50% of that amount, plus interest at the prevailing Central Bank of Nigeria Monetary Policy Rate.	False claim of tax refund
183.	(1) A person that makes or signs, or causes to be made or signed, delivers or causes to be delivered to the Service or any of its officers, any declaration, notice, certificate or other document being a document or statement produced or made for any purpose of tax, which is false, is liable: (a) to an administrative penalty of ₦1,000,000 (One Million Naira) in addition to the payment of the tax undercharged or not charged in consequence of the false declaration, plus payment of the amount of tax unpaid or over payment made in respect of any repayment; or (b) on conviction to a fine of not less than ₦1,000,000 (One Million Naira) or to imprisonment not less than 3 (three) years or to both such fine and imprisonment or as maybe provided under any other applicable Law or Legislation in addition to payment of the amount of tax unpaid or over payment made in respect of any repayment. (2) A person that makes any statement in answer to any question or enquiry put to him by an officer which he is required to answer by or under this Law, being a document or statement produced or made for any purpose of tax, which is false, is liable: (a) to an administrative penalty of ₦1,000,000 (One Million Naira) in addition to the payment of the tax undercharged or not charged in consequence of false declaration, plus payment of the amount of tax unpaid or over payment made in respect of any repayment; or (b) on conviction, to a fine of not less than ₦1,000,000 (One Million	False declaration

	Naira) or to imprisonment not less than 3 (three) years or to both such fine and imprisonment or as maybe provided under any other applicable Law or Legislation in addition to payment of the amount of tax unpaid or over payment made in respect of any repayment.	
184.	A person who: (a) counterfeits or falsifies any document which is required by or for the transaction of any business under this Law; (b) knowingly accepts, receives or uses any document so counterfeited or falsified; (c) alters any such document after it is officially issued; or (d) counterfeits any seal, signature, initial or other mark of, or used by, any officer for the verification relating to tax, is liable to an administrative penalty of ₦1,000,000 (One Million Naira) and on conviction, to imprisonment not less than 3 (three) years or fine of not less than ₦1,000,000 (One Million Naira) or to both such imprisonment and fine or as maybe provided under any other applicable Law or Legislation.	Counterfeiting documents
185.	Where an offence under this Law is committed by a body corporate, firm, trust, association of individuals or any other legal arrangement: (a) a director, manager, secretary or other similar officer of the body corporate; (b) a partner or officer of the firm; (c) Trustees, settlors, beneficiaries or any person involved in the management of the trust; (d) A person concerned in the management of the affairs of the association or legal arrangement; or (e) A person who acts or purports to act in any of the above capacities, is liable to be proceeded against and punished for the offence in like manner as if the person committed the offence, unless that person proves that the act or omission constituting the offence took place without the knowledge, consent or connivance of the person.	Offences by body corporate
186.	Any person who contravenes any provisions or commits an offence against this Law for which no specific penalty is provided, is liable: (a) to an administrative penalty of ₦1,000,000 (One Million	General penalty

	Naira); or (b)on conviction, to imprisonment for a term not less than 3 (three) years or to a fine of less than ₦500,000 (Five Hundred Thousand) or to both such imprisonment and fine or as maybe provided under any other applicable Law or Legislation.	
	PART XVIII **COLLABORATION, EXCHANGE OF PERSONNEL AND INFORMATION**	
187.	The Service may, with the consent of the Commissioner responsible for matters relating to finance, collaborate and facilitate exchange of information with the Nigeria Revenue Service or international agencies or bodies on tax matters.	Exchange of information with the NRS
188.	The Service may, with the consent of the Commissioner responsible for matters relating to finance, undertake exchange of personnel or other experts with the Nigeria Revenue Service and other complementary agencies for the purpose of comparative experience or capacity building.	Exchange of personnel with the Nigeria Revenue Service
189.	The Service shall collaborate with the Joint Revenue Board in any or some of the following areas: (1) Integration and maintenance of a database of Taxpayer Identification Numbers for every taxable person in the State; (2) Resolution of disputes with other States' revenue authorities on the issue of determination of residency; (3) Resolution of disputes with other States' revenue authorities; (4) Maintenance of a platform for revenue data collection, integration and exchange of information; (5) Harmonization of taxes, levies, rates, charges and other payments, between the State and its Local Government Councils in order to ensure uniformity in revenue administration across Nigeria; (6) Surveys, ascertainment and publication of relevant tax indices and statistics; (7) Facilitation and initiation of fiscal and tax policy reforms in Nigeria; (8) Reception, collation, and analysis of relevant periodic tax data collected by other tax authorities; and (9) Technical processes for the accreditation of tax agents in the State.	Collaboration with the Joint Revenue Board

<table>
<tr><td></td><td>PART XIX
PRIVATE SCHOOLS, HOTELS, RESTAURANTS AND ENTERTAINMENT TAX</td><td></td></tr>
<tr><td>190.</td><td>(1) A tax is imposed on any person (referred to in this Law as “the Consumer”) who:

(a) provides private educational services by way of primary and secondary schools; or

(b) pays for the use or possession or for the right to the use or possession of any hotel, hotel facility or events centre; or

(c) purchases consumable goods or services in any restaurant whether or not located within a hotel in the State.

(2) The amount to which this tax applies shall be:

(a) the total fees payable for private educational services in primary and secondary schools; and

(b) the total cost of facilities, consumable or personal services supplied to a consumer in, by or on behalf of the hotel, restaurant or events centre;</td><td>Imposition of Tax</td></tr>
<tr><td>191.</td><td>The rate of tax imposed by this Law shall be:

a. five percent (5%) of total fees payable per child per annum:

(i) seventy percent (70%) of the said five percent (5%) to be used for the development of public primary education; and

(ii) thirty percent (30%) of the amount as aforesaid to be used for the development of public secondary education.

b. five percent (5%) of the total bill issued to the consumer, excluding Value Added Tax in a hotel, restaurant or event centre.</td><td>Rate of Tax</td></tr>
<tr><td>192.</td><td>A person owning, managing or controlling any facility, business or supplying any goods or services chargeable under Section 190 of this Law (referred to in this Law as the “Collecting Agent”) shall collect for and on behalf of the State, the tax imposed by this Law based on the total amount charged or payable by the consumer in accordance with the provisions of Section 191 of this Law.</td><td>Collecting Agent</td></tr>
<tr><td>193.</td><td>(1) Any School, Hotel, Restaurant, Event Centre or other business affected by this Law shall, within thirty (30) days of the commencement of this Law or upon commencement of business, whichever is earlier, register with the Service for the purpose of this Law.

(2) Every Collecting Agent shall produce evidence of registration with the Service as a condition precedent to any contractual relationship with the State</td><td>Registration of Hotels etc</td></tr>
</table>

	Government or any of its Ministries, Departments, Parastatals or Local Government Authorities.	
194.	(1) Every Collecting Agent shall: (c) keep, maintain and preserve such records, books and accounts in respect of all transactions chargeable under Section 196 of this Law as the Service may prescribe and shall enter regular accounts of the tax collected from day to day; (d) subject to the provisions of subsection (3) of this section, pay to the designated account of the State Government, the tax collected during the preceding reporting period and at the same time, file with the Service, a report stating: (i) the total amount of payments made for all chargeable during the preceding reporting period; (ii) the amount of tax collected by the agent during the reporting period; and (iii) any other information required by the Service to be included in the report. (2) For the purpose of these provisions, each calendar month is a reporting period and the taxes imposed and collected under this Law are due and payable on or before the 20th day of each calendar month. (3) The tax collected shall be a debt due to the State and recoverable by the Service from the supplier of chargeable facilities, goods and services.	Report and Remittance
195.	An officer of the Service: (1) may enter without warrant, any premises on which he reasonably believes that a person is carrying on business in order to ascertain whether this Law is being complied with by the occupier of the premises or any other person. (2) shall at any reasonable time of the day be given access to all books and records of any hotel, restaurant or other establishment offering chargeable goods and services for the purpose of verifying facts necessary to determine the amount due and payable to the Government under this Law.	Access to Reports and Books
196.	Where a Collecting Agent fails to make a return or remittance as required by the provisions of this Law or where his returns are not substantiated by records, the Service may make an estimate of the total amount of tax due and may order him in writing to pay the estimated amount to the State Government within 21 days of the date of service of the order.	Payment of Estimated Amount

197.	All taxes that are not remitted to the designated account of the Government within the time allowed, shall in addition to other penalties prescribed by this Law, bear interest at the rate of five percent per annum above the prevailing Central Bank of Nigeria Monetary Policy Rate as determined at the time of actual remittance.	Interest on Remittance
198.	(1) If a Collecting Agent fails to file a report and remit taxes (the goods and services tax) collected within the time allowed by Section 194(2) of this Law, that Agent shall, in addition to interest payable under Section 197 of this Law, pay a penalty of ten percent of the amount of tax due. (2) Any Director, Manager, Officer, Agent or Employee of the Collecting Agent who fails to comply with the provisions of this Law, shall be guilty of an offence and liable on conviction to a sentence of not less than six months imprisonment or a fine of not less than Two Million Naira (₦2,000,000.00) or to both such fine and imprisonment.	Penalties
199.	(1) When a school, hotel, restaurant, event centre or other facility covered by this Law is sold or otherwise disposed of, the transferee shall withhold such amount of the purchase price or other consideration as is sufficient to offset all payments already due to the Government under the provisions of this Law, unless the transferor has first provided a receipt issued by the Service showing that the amount due at the date of transfer had been paid or that no amount was due. (2) A transferee of a chargeable facility who fails to comply with the provisions of subsection (1) of this section shall be liable to pay the amount due to the designated Government account and the provisions of Sections 197 and 198 of this Law shall apply as if he was operating the hotel business at the time the payments were due. (3) The transferee of a chargeable facility may request from the Service, a certificate stating that no tax is due or stating the amount of tax due from the facility at the date of transfer. (4) In the case of a request made under subsection (3) of this section, the Service shall issue the certificate within thirty (30) days of receiving the request or within thirty (30) days after the day on which the relevant record of the business are made available for audit, whichever is later, but in either event, the Service shall issue the certificate within sixty (60) days after the date of request. (5) In the absence of wilful concealment or fraud, the period of limitation during which the Service may assess tax against a transferor under this section is four (4) years from the date when the transferor dispose the chargeable facility or when a determination is made against the transferor, whichever event occurs later.	Tax Collection on Determination or Transfer of Business

	PART XX **RADIO AND TELEVISION TAX**	
200.	A tax is hereby imposed on ownership and usage of devices or equipment capable of receiving radio and television broadcast content in the State (in this Law called Radio and Television Tax).	Imposition of Radio and Television Tax
201.	The devices or equipment capable of receiving radio and television broadcast content include: (a) Satellite broadcast platform; (b) Telecommunication/Internet broadcast platform; (c) Digital Set box or similar device; and (d) Motor Vehicle/Tricycle with broadcast equipment;	Devices or Equipment capable of receiving radio and TV broadcast
202.	The rates for radio and television tax which are contained in the First Schedule hereto, may be reviewed by the Service from time to time through public notice, after due consultation with major stakeholders.	Rates of tax payable to be reviewed from time to time
203.	All operators or owners of: (i) Satellite broadcast, telecommunication and internet broadcast and digital set box platforms; (ii) motor vehicle/tricycle registration and licensing; shall deduct all radio and television taxes at the point of licensing, subscription or registration of their services by their customers and promptly remit same to the Service.	Operators or owners of broadcast platform to deduct tax and remit to the Service
204.	Any operator, owner or principal officer of a satellite broadcast, telecommunication/internet broadcast, vehicle/tricycle registration/licensing and digital set box platform who fails to deduct or deduct but fails to remit to the Service the tax imposed in Section 98 above shall be guilty of an offence and liable on conviction to a fine of not less than five hundred thousand Naira (₦500,000.00) or imprisonment for a term of not less than six (6) months or to both such fine and imprisonment.	Failure to deduct and remit tax
	PART XXI **COMMUNITY DEVELOPMENT LEVY**	
205.	(1) All residents and citizens of the State living in the State from the age of 18 years and above, shall pay an annual Development Levy of not less than Two Thousand Naira Only (₦2,000.00). (2) The amount of the Levy may be reviewed and determined annually by	Payment of Annual Development levy

	the Executive Chairman of the Service with the approval of the State Executive Council. (3) Payment of the Development Levy shall be due and payable on the 1st January of every year.	
206.	(1) The Service shall be responsible for the collection of the Levy either directly, or through any person(s) or agent(s) appointed by it to collect on its behalf. (2) All incorporated and unincorporated employers in the State shall be responsible for deducting and remitting the Levy on behalf of all their employees. (3) The traditional institution in the State shall work with the Service and the respective Local Government Councils, for the purpose of identifying persons who are liable for the payment of the Levy within their domain. (4) All District Heads and Ward Heads (Hakimai and Mai Anguwa) shall keep a list of people liable to pay the Levy within their jurisdiction and shall produce same for inspection upon demand from a staff or agent of the Service in the Local Government Council. (5) Records of persons liable to pay the Levy and all records of payments shall be consolidated from Ward levels to the District level and Emirates level.	Collection of levy
207.	(1) The Service shall be the sole collecting Authority of the Levy. (2) The Service may appoint any person as an agent for the purpose of administering this Law.	Service as the Sole Collecting Authority
208.	The levies collected shall be apportioned as follows: (a) The cost of assessment of 25% payable to the traditional institutions as follows: i. Chief/Emir - 5% ii. District Head (Hakimi) - 5% iii. Village Head (Dagaci) -5% iv. Ward Head (Mai Anguwa) - 10% (b) 5% of the levies collected shall be retained by the Service as cost of collection. (c)10% of the levies collected shall be retained by the State Government. (d) 60% of the levies collected shall be remitted to the originating Local Government Council for capital projects within the Local Government.	Distribution of Levies collected

209.	(1) There shall be established a Community Needs Assessment Committee for each Council (referred to in this Law as the "Committee"). (2) The Committee shall comprise of a: a. representative of the traditional leaders not below the rank of a District Head (Hakimi) as the Chairman; b. representative of the Local Government Council Chairman not below the rank of a Director; c. representative of the youth in the Local Government Area; d. representative of women in the Local Government Area; e. representative of Civil Society Organizations (CSOs) in the Local Government Area; f. representative of the physically challenged and people living with disability in the Local Government Area; and g. the Director of Works in the Local Government Council, who shall serve as the Secretary of the Committee. (3) The Committee shall in carrying out its mandate consult with any Ministry, Department or Agency as it relates to specific investment. (4) Members other than the Chairman shall be appointed by the Governor, upon recommendation by the Ministry.	Needs Assessment Committee
210.	(1) The levies collected shall only be invested by the Councils in the provision of social and physical infrastructure in the following areas: a) education; b) health; c) roads, dams and bridges; d) rural electrification; e) water supply; and f) any other capital project which the Committee shall consider expedient. (2) The levies may be used for specific identified emergency disaster relief projects/programmes subject to:	Investment of levies

	a) recommendation by The Sokoto State Emergency Management Agency (SEMA); and b) approval by the Local Government Council in consultation with the Legislative Council. (3) The levies shall not be used for any recurrent expenditure of the Councils.	
210.	Quarterly reports of collections of the Levy shall be rendered by the Service to the Joint Account Allocation Committee not later than 10 days of each succeeding month.	Quarterly reports of collection of levies
211.	(1) The Councils shall render a quarterly report of investment projects that have been approved, ongoing and completed by them to the Ministry not later than a month after the end of a quarter. (2) Annual report of projects and programmes shall be submitted to the Economic Planning Board for presentation to the State Executive Council.	Quarterly Reports of projects
212.	(1) Any person who fails to pay his levy for a given year under this Law commits an offence and shall be liable on conviction, to a fine equal to three times the amount which he is in default or not less than three (3) months imprisonment. (2) Where an incorporated or unincorporated organization fails to deduct and remit the Levy, every director, manager or other employee of the organization who is responsible for the default, also commits an offence and shall be liable on conviction to a fine of not less than N100,000.00 (One Hundred Thousand Naira) or not less than one (1) year imprisonment or to both such fine and imprisonment. (3) Any person or agent appointed for the collection of this Levy who: a) demands from anyone an amount more than the authorized assessed levy; b) fails to remit the Levy collected; c) withdraws for his own use or otherwise any portion of the Levy collected; d) renders a false return whether orally or in writing of the amount of the Levy collected and or received; or e) compromises on the collection of the Levy; Commits an offence and shall be liable, on conviction, to a fine equivalent to 500% of the sum in question and imprisonment for a term of not less than three (3) years in addition to payment of the diverted funds.	Penalties

	(4) Any person who aids or abets one or more persons for the purpose of contravening any of the provisions of this Law commits an offence and shall be liable, on conviction, to a fine of 400% of the sum in question and imprisonment for a term of not less than two (2) years. (5) Any person not being an authorized officer or assumes the name, designation or impersonates the character of an authorized officer or agent of the Service shall on conviction be liable to pay a fine of not less than Five Hundred Thousand Naira Only (₦500,000.00) or imprisonment for a term not less than three (3) years or to both such fine and imprisonment. (6) Any person who is authorized to re-invest in the collections made under this Law, but does anything contrary to the prescribed project meant for the collections, commits an offence and shall be liable on conviction to a fine of 800% of the sum in question or imprisonment for a term of not less than three (3) years or to both such fine and imprisonment.	
213.	(1) Audits of reinvestment projects under this Law may be carried out bi-annually by the Office of the Auditor General for Local Governments. (2) An annual independent audit report on investment projects shall be carried out by the Ministry.	Audits
214.	For the purpose of this Part: "**Ministry**" means the Ministry responsible for the matters relating to Local Government Administration in the State"	
	PART XXII **DISPUTE RESOLUTION OUTSIDE THE SERVICE**	
215.	(1) An aggrieved taxpayer may appeal to the Tax Appeal Tribunal, Northwest Zone, to adjudicate on tax disputes and controversies that may arise from the operations of this Law (excluding tax disputes arising from the provisions contained in Part VIII and Part IX of this Law. (2) The procedures for an aggrieved taxpayer to approach the Tax Appeal Tribunal are as contained in the Fourteenth Schedule to this Law.	Appeal to the Tax Appeal Tribunal
216.	(1) A taxpayer who may be aggrieved with an action or decision of the Service with respect to procedural, administrative, and operational matters of this Law (excluding matters relating to assessments, Part VIII and Part IX of this Law), may file a complaint to the Office of the Tax Ombud, Northwest Zonal Office. (2) The procedures for an aggrieved taxpayer to approach the Office of the Tax Ombud are as contained in the Fifteenth Schedule to this Law.	Complaint to the Office of the Tax Ombud

217.	(1) There may be established by notice in the Gazette a body of appeal members called the Tax Appeal Committee (in this Law referred to as the "Committee" or "TAC") whose proceedings are specified in the Sixteenth Schedule to this Law. (2) The Committee shall consist of a Chairman and such other members to be appointed by the Governor on part-time basis. (3) The members of the Committee shall: (e) be persons of repute and good standing in their professional careers or in society generally with such experience and knowledge in revenue and tax matters, accountancy, management or Law as deemed appropriate by the Governor; (f) not include any member of the Board; (g) may be appointed to sit in such zones of the State as the Governor may establish; (h) may hold office for a period of four years and may be reappointed for another term of four years no more; (i) may at any time resign his appointment by notice in writing addressed to the Governor; and (j) shall cease to be an Appeal Commissioner if the Governor determines that his office is vacant and notice of the vacancy is published. (4) Subject to any terms of reference given by the Governor, the Committee shall regulate its proceedings and shall submit its decisions on any matter brought before it to the Service for implementation. (6) The Service shall upon the receipt of the report of the Committee take such steps as shall be necessary for the implementation of the recommendation of the Committee. (6) The Service may appoint a person within the Service to be the Registrar of the Committee.	Establishment of the Tax Appeal Committee
218.	(1) A taxable person being aggrieved by an assessment made on him, pursuant to any of the provisions in Part VIII and Part IX of this Law, may appeal to the Committee within 30 days after the date of service of notice of the refusal of the Service to amend the assessment as desired. (2) The jurisdiction of the Committee and the procedures for an aggrieved taxpayer to appeal to the Tax Appeal Committee are as contained in the	Appeal to the Tax Appeal Committee

	Sixteenth Schedule to this Law.	
	PART XXIII **MISCELLANEOUS PROVISIONS**	
219.	(1) The Service may compound any offence under this Law by accepting a sum of money not exceeding the tax liability and maximum fine specified for the offence. (2) The Service shall issue an official receipt for any money received under subsection (1). (3) Any offence compounded under subsection (1) does not constitute conviction.	Power to compound offences
220.	(1) The Service shall have powers to employ its own legal officers who shall have powers to prosecute any of the offences under this Law, subject to the powers of the Attorney-General of the State, in any court of competent jurisdiction in the State. (2) Notwithstanding any administrative penalty or interest imposed under this Law, the Service shall have powers to prosecute any person for an offence specified under the relevant provisions of this Law.	Power to prosecute
221.	No suit shall be commenced against the Service before the expiration of a period of 30 days after written notice of intention to commence the suit shall have been served upon it by the intending plaintiff or his agent and the notice shall clearly and explicitly state: a. the cause of action; b. the particulars of claim; and c. the reliefs which he claims.	Pre-Action Notice
222.	No member or staff of the Service shall be sued in his personal capacity for any act done or omitted to be done in the lawful performance of his duties under this Law.	Indemnity
223.	(1) The fixing of the Seal of the Service shall be authenticated by the signature of the Executive Chairman or the Secretary/Legal Adviser or such other member authorized generally or specifically by the Board. (2) Any contract or instrument, which if made by a person not being a body corporate, would not be required to be made under seal, may be made or executed on behalf of the Service by the Executive Chairman or by any other person generally or specifically authorized by the Board. (3) Any document purporting to be a contract, instrument or other document signed or sealed on behalf of the Service shall be received in evidence, and unless the contrary is proved, be presumed, without further proof to have	Common Seal

	been so signed or sealed.	
224.	(1) Without prejudice to any provision of this Law, the Service and the taxable person may initiate to resolve any tax matters amicably at any stage of the dispute, subject to such terms and conditions as may be prescribed under this Law. (2) The Service may settle disputes in whole or in part, where: (a) such settlement will be in the interest of public revenue or public policy; (b) due consideration is given to the cost of litigation in comparison to the possible benefits; (c) a participant or a group of participants in a tax arrangement has accepted the position of the Service in the dispute, in which case the settlement may be negotiated in a manner required to adjust the tax arrangements or disposition; or (d) under a whistleblowing arrangement, the settlement will facilitate full disclosure of undisclosed tax planning or evasion schemes which may lead to significant recovery of tax revenue. (3) Settlement of dispute shall not be considered where: (a) the action by the taxable person concerned leading to the 'dispute' constitutes intentional tax evasion or fraud inimical to the government revenue; or (b) it is in the public interest to have judicial clarification of the issue, and the case will significantly promote taxpayer compliance with this Law. (4) The procedure for settlement of disputes shall be as follows: (a)a person participating in a settlement procedure shall disclose all relevant facts during the discussion phase of the process of settling a dispute and such facts disclosed only for the purpose of settlement shall be confidential. (b) a dispute settled in whole or in part shall be evidenced by an agreement in writing between the parties in the prescribed format as may be determined by the Service and must include details on: (i) how each particular issue is settled; (ii) relevant undertakings by the parties; (iii) treatment of the issue in future years;	Settlement of dispute within the Service

	(iv)withdrawal of objections and appeals; and (v) arrangements for payment; and (c) the agreement shall be signed by authorized officers of both parties. (5) Finality of settlement agreement is where the: (a) settlement agreement represents the final agreed position between the parties, and it is a full and final settlement of all or specified aspects of the dispute in question between the parties; and (b) the Service shall enforce collection of the settlement amount under the collection provisions of this Law as a debt due to the Service.	
225.	Without prejudice to the provisions of any other law concerning data privacy, data protection and unlawful disclosure of taxpayer information, taxpayers' information shall be confidential.	Information and documents to be confidential
226.	(1) A person on an official duty or being employed for the administration of this Law or otherwise, that has access to taxpayer information shall regard and deal with such information as secret and confidential. (2) A person who is in possession or control of, any document, information or tax return of any taxable person shall not communicate, expose or reveal such document, information or tax return to any third-party without authorization or in accordance with extant laws. (3) A person who administers this Law shall not be required to produce any return, document or assessment or to divulge or communicate any information that comes into his possession in the performance of his duties except as may be necessary in order to institute a prosecution, or in the course of a prosecution for any offence committed in relation to this Law.	Official secrecy and confidentiality
227.	(1) Notwithstanding the power conferred on any revenue authority for the enforcement of payment of revenue if payment has become due and a demand notice has, in accordance with the provisions of the relevant law, been served on the chargeable person or his agent, and payment is not made within the time limited by the demand notice, the Service or other relevant revenue authority may for the purpose of enforcing payment of the amount due, distrain: (a) upon the goods, chattels or other properties movable, the person liable to pay tile tax outstanding; and (b) upon all machinery, plant, tools, vehicles, and animals and effects in the possession, use or found on the premise or on the	Failure to Comply with Notices of Enforcement

	land of the person. (2) The authority to distrain under this section shall be in such form as the Service may direct and that authority shall be sufficient warrant to levy by distrain the amount of revenue due. (3) For the purpose of levying any distrain under this section, an officer duly authorized by the Chairman of the Service may apply by way of Motion Ex-Parte to a Judge of competent jurisdiction sitting in Chambers under oath for the issue of a warrant under this section. (4) A Judge of competent jurisdiction may upon an ex-parte application, authorize such officer referred to in subsection (3) of this section, in writing to execute any warrant of distrain and, if necessary, break open any building or place for the purpose of levying such distrain and he may call to his assistance any police officer, and it shall be the duty of such police officer when so required, to aid and assist in the execution of the warrant of distrain and in levying the distrain. (5) Things distrained under this section may, at the expense of the defaulter, be kept for 14 days and if at the end of this period the amount due in respect of the revenue, cost and charges of and incidental to the distrain are not paid, they may, subject to subsection (6) of this section be sold at any time. (6) Out of the proceeds of a sale under this section, the cost of charges of and incidental to the sale and keeping of the distrain and disposal thereunder, shall be paid, thereafter the revenue due and the balance (if any) shall be paid to the defaulter on demand being made by him or on his behalf within one year of the date of the sale or shall be forfeited. (7) Nothing in this section shall be construed as to authorize the sale of an immovable property without an order of a High Court, made upon application in such form as may be prescribed by the rules of court. (8) In exercise of the power of distrain conferred by this section, the person to whom the authority is granted under subsection (4) of this section may distrain upon all goods, chattels and effects belonging to the debtor wherever the same may be found in Nigeria.	
228.	(1) The Governor may issue directives of general or specific nature to the Board or the Service as may be deemed necessary for the proper implementation of this Law and the Board or Service, as the case may be, shall comply therewith provided the said directives do not conflict with any of the provisions of this Law. (2) The Governor shall not give any directive, order or instruction in respect of any particular person which would have the effect of requiring the Board to increase or decrease any assessment of tax made or to be made or any relief given or to be given or to defer the collection of any tax or judgment debt due, or which would have the effect of initiating, forbidding the initiation of, withdrawing or altering the normal course of any	Governor's directives

	proceeding whether civil or criminal relating either to the recovery of any tax or to any offence under this Law. (3) In any proceeding, whether civil or criminal under this Law administered by the Service, any act, matter or thing done by the Service or the Board in pursuance of this Law shall not be subject to challenge on the ground that such act, matter or thing was not proved to be in accordance with any directive given by the Governor.	
229.	The Accountant-General of the State shall, not later than 30days of receiving an executive approval of the Governor, deduct all unremitted revenue due from any Ministry, Department, Agency or Local Government from its budgetary allocation or such other money accruing to it, and shall, immediately, remit such deductions to the Service.	Power of Accountant-General to deduct at source
230.	(1) Subject to the provisions of this Law, there is imposed a land-based charge, to be called Land Use Charge which shall be payable on all real property situated in the State by the owner. (2) For the purpose of this Law, each Local Government Revenue Committee in conjunction with Sokoto Geographic Information Service (SOGIS) is required to assess and charge the Land Use Charge.	Land Use Charge
231.	Land Use Charge shall be payable in respect of any property that is not exempted under Section 235 of this Law.	Property Liable to Charge
232.	(1) The Director-General Sokoto Geographic Information Service on the approval of the Commissioner responsible for Land matter (if applicable) shall undertake or causes to be undertaken an assessment of chargeable properties by way of open market or point based valuation system in such areas of the State as he may designate by Order in the Gazette. (2) For the purpose of subsection (1), the Director-General Sokoto Geographic Information Service may appoint property identification officers, qualified assessors, valuers and other persons as he may consider necessary. (3) For the purpose of carrying out the identification or assessment of a property, the identification officers or assessors or their authorized assistants may use orthophoto, mobile mapper pictures, Sokoto State Geospatial Database and or visit the property on any day between the hours of 8.00 a.m. and 6.00 p.m.: (a) enter, inspect, survey and assess the property; (b) request documents or other information to be produced to the identification officer or assessor; (c) take photographs; and (d) make copies of documents necessary for the inspection.	Property Assessment

233.	The owner of the title to the property is liable to pay Land Use Charge in respect of any taxable property.	Persons Liable to Pay Charge
234.	The Land Use Charge payable for any property under this Law shall be as specified in the Schedule to this Law, and where no provision is made, the Sokoto Geographic Information Service (SOGIS) shall determine the appropriate rates payable.	Value for Annual Charge Rate
235.	(1) The following properties shall be exempted from payment of Land Use Charge: (a) a property owned and occupied by a religious body and used exclusively for public worship or religious education; (b) cemeteries and burial grounds; (c) a recognized and registered institution or educational institute certified by the Director-General Sokoto Geographic Information Service to be non-profit making; (d) property used as public library; (e) any property specifically exempted by the Governor by Order published in the Gazette; and (f) all palaces and official residences of the Sultan of Sokoto Emirs, and District Heads in the State. (2) The Director-General Sokoto Geographic Information Service may, by Order published in the Gazette grant full or partial relief for a property that is: (a) occupied by a non-profit making organization and used solely for community games, sports, athletics or recreation for the benefit of the general public; (b) used for a charitable or benevolent purpose for the benefit of the general public; and (c) owned by the State Government, Local Government and Federal Government, and used strictly for public and non-commercial purposes.	Exemption from Land Use Charge
236.	(1) An exempted property or part of an exempted property shall become liable for Land Use Charge if: (a) the use of the property changes to one that does not qualify for the exemption; or	Loss of Exemption

	(b) the occupier of the property changes to one who does not qualify for the exemption. (2) If the Land Use status of a property changes, a Land Use Charge imposed in respect of that property shall be pro-rated so that the Land Use Charge is payable only for that part of the year in which the property or part of it, is not exempted.	
237.	(1) The Sokoto Geographic Information Service (SOGIS) shall cause to be issued in each year of assessment a Land Use Charge Demand Notice with respect to every chargeable property that has been assessed in accordance with this Law. (2) Land Use Charge Demand Notice shall be delivered to the owner or occupier. (3) If there is no owner or occupier or agent available to take delivery, the Land Use Charge Demand Notice shall be pasted on the property and such pasting shall be deemed sufficient delivery of the notice. (4) The person liable to pay the amount of Land Use Charge on the demand notice shall within thirty (30) calendar days after the date of delivery of the Land Use Charge Demand Notice pay that amount at one of the designated banks specified in the Demand Notice. (5) Upon an application in writing made by the owner, the Director-General SOGIS Geographic Information Service may reduce the Land Use Charge by such discount as is specified in the demand notice, if the owner pays within fifteen (15) days of receiving the demand notice.	Land Use Charge Demand Notice
238.	(1) A taxable person liable to pay Land Use Charge may appeal to the Tax Appeal Committee. (2) An appeal shall not lie unless: (a) Notice is given in the prescribed manner to the Director-General SOGIS Geographic Information Service; (b) The prescribed fee is paid to the Assessment Appeal Tribunal; and (c) In the case of a person aggrieved with his property assessment: (i) 50% of the amount of the assessed Land Use Charge being disputed is deposited directly into the State Government Assessment Appeal Account which shall be maintained by the Commissioner responsible for matters relating to	Appeals to TAC and Conditions

	Finance at a designated Bank; and (ii) The appellant has produced to the Committee the receipt for the payment of the amount from the bank and such receipt has been confirmed by the Commissioner responsible for matters relating to Finance as valid.	
239.	(1) The Commissioner responsible for matters relating to Finance shall cause an account to be opened to be known as the Land Use Charge Collection Account, consisting of all Land Use Charge payments deposited in each designated bank in accordance with this Law. (2) At the beginning of each month, the Service shall furnish the Commissioners responsible for Finance and Local Government matters the total amount of Land Use Charge payments on deposit in the Account. (3) The Service shall, not later than ten (10) days after a meeting of State Joint Local Government Account Committee, pay to each Local Government Council in the State a share of the Land Use Charge collected and standing on deposit in the Land Use Charge Collection Account. (4) The share to be paid by the Service to each Local Government Council shall be such percentage of the Net Land Use Charge on deposit at the end of each month with 40% due to the State and 60% to the Local Government Areas or such other ratio approved by a resolution of the State House of Assembly.	Land Use Charge Collection Account
240.	(1) The Executive Chairman of the Service with the approval of the Commissioner responsible for Finance may by Order published in the Official Gazette, make regulations generally for carrying into effect the purpose of this Law. (2) The Land Use Charge may be reviewed after every five years or at any time that the Governor may direct. g) The powers vested in the Executive Chairman of the Service in sub-section (1) of this section shall include, the power to review revenue of MDA's rates, stipulate procedures, issue guidelines and make other necessary adjustments with regards to taxes, rates, fees, the determination, collection and remittance of taxes due under this Law with a view to meeting up with changing times and the contemporary needs of the State as they relate to the purpose of this Law.	Power to make Regulations Prescribing Procedure
241.	Without prejudice to the provision of section 6 of the Interpretation Act: (a) the tax administration provisions of the repealed Law shall be exercised by the Service in accordance with the provisions of this Law;	Savings provisions

	(b) any notice, guideline, rule, order, regulation, circular or other subsidiary legislations made or issued under any provision of the repealed Law, shall continue to be in force as if they had been made or issued by the Service except to the extent that it is inconsistent with the provisions of this Law; (c) any enforcement process or legal proceedings commenced or pending prior to the commencement of this Law, in connection with tax administration, contravention or non-compliance with the repealed Law, shall continue and be disposed of, as if it was commenced under this Law; (d) anything made or done, or having effect as if made or done, before the date of commencement of this Law under any provision of the repealed Law by the Service and having any continuing or resulting effect with respect to the tax administration and enforcement, shall be treated as if it was done or performed by the Service under this Law; and (e) The repeal of the aforementioned Law shall not affect the validity of any contract, transaction, appointment or action made or done in pursuance thereof.	
242.	The rights, interest, obligations, assets, liabilities and Staff of the Service before the commencement of this Law under any contract or instrument are hereby saved and vested in the Service	Transitional provisions
243.	The Sokoto State Revenue Integration and Consolidation Law, 2019 is hereby repealed.	Repeal

Dated this 21st day of August, 2025.

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Ahmed Aliyu Sokoto ***P.hD FCNA***
Executive Governor,
Sokoto State of Nigeria.