



# Kano State of Nigeria

# G a z e t t e

Published by Authority

No. 3 Kano - 8<sup>th</sup> June, 2017

Vol. 49

**C O N T E N T S**

K.S. Law No. 3 of 2017 - Kano State Revenue Administration  
(With Amendment) Law 2017,  
(1438 A.H.).

Printed and Published by the Government Printer, Government  
Printing

Press, Kano 0153/0717 /5000 - c  
**Present issue N1000 per copy.**

Assented to this 29<sup>th</sup> day of May, 2017 (1438 AH).

Dr. Abdullahi Umar Ganduje  
Governor,  
Kano State of Nigeria

**KANO STATE REVENUE ADMINISTRATION (WITH  
AMENDMENT)  
LAW 2017 (1438 A.H.)**

No. 3



2017

A Law to make provision for the administration and collection of revenue due to the government of Kano State and Local Government Councils in the State to establish the relevant administrative structures and for connected purposes thereto. Be It Enacted By The Kano State House of Assembly as follows:

1. This Law may be cited as the Kano State Citation and Revenue Administration (With Amendment) Law Commencement 2017 and shall come into force on 29<sup>th</sup> day of May, 2017 (3<sup>rd</sup> day of Ramadan, 1438 A.H).
2. In this Law, unless the context otherwise interpretation requires:-  
“Authorized Officer” means any person employed in the Internal Revenue or, for the time being, performing duties in relation to tax who has been specifically authorized by the Board or the Chairman to perform or carry out specific functions under this Law;

“Board” means the Kano State Board of Internal Revenue established under section 3 of the 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;

“Chairman” means the Chairman of the Service/Board appointed pursuant to section 4(a) of this Law;

“Commissioner” means the Commissioner charged with the responsibility for the matter relating to finance;

“Consultants” include accountants, legal practitioners or any other recognized professionals that have been certified by Chartered Institute of Taxation of Nigeria, the Institute of Chartered Accountants of Nigeria or other relevant professional bodies in Nigeria, as the case may be;

“Document” includes any record of information supporting accounts and accounting records, including reports or correspondence or memorandum or minutes of meetings, however compiled, recorded or stored, whether in written or printed form or micro-film, digital, magnetic, electronic or optical form or 'Otherwise and all types of information stored on-computers and any other similar equipment;

“Governor” means the Governor of Kano State; “Government” means the Government of Kano State and shall include Local Government Council;

"Member" means a member of the Board appointed under section 4 of this Law and includes the Chairman;

"Ministry" means the Ministry charged with responsibility for matters relating to finance;

"Officer" means any person employed in the Internal Revenue Service;

"Person" includes a company or body corporate and -any unincorporated body of persons;

"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; "Tax" includes any duty, levy or revenue accruable to the government in full or part under this law, or any other enactment or law;

"Taxable person" includes an individual or body of individuals, family, corporation sole, trustee or executor or a person who carries out in a place an economic activity, a person exploiting tangible or intangible property for the purpose of obtaining income there from by way of trade or business or person or agency of government acting in that capacity.

3.(1) There is established a Board to be known as the Kano State Board of Internal Revenue (referred to in this Law as "the Board") whose operational arm shall be known as the Kano State Internal Revenue Service (referred to in this Law as "the Internal Revenue Service").

Establishment of  
the Kano State  
Board of Internal  
Revenue.

- (2) . The Board,
- a) shall be a body corporate with perpetual succession and common seal;
  - b) may sue or be sued in its own name and
  - c) may acquire, hold and dispose of any property or interest in a property, movable or immovable for the purpose of carrying out its functions under this Law.
- (3) The object of the service is to assess, administer, collect and account for all taxes, levies, rates and other charges specified in Schedule 1 to this Law or other Laws made from time to time by the House of Assembly of Kano State or National Assembly and regulations made under those Laws.

Appointment  
and composition  
of members.

4. Members of the Board shall be appointed by the Governor and shall comprise of: -
- (a) The Chairman who shall be: -
    - i. appointed from a relevant and recognized professional body;
    - ii. a person knowledgeable and experienced in tax matters; and
    - iii. the executive head of the Internal Revenue Service.
  - (b) Four Directors who shall be Heads of the under listed Departments, shall respectively be appointed from persons with the relevant and Recognized professional knowledge and experience:

- i. Director Finance and Human Resources;
  - jj. Director Revenue Operation;
  - iii. Director Compliance; and
  - iv. Director Legal Services/Secretary to the Internal Revenue Service.
- (c) Two persons from the Internal Revenue Service who shall not be below the level of a Director.
- (d) The Attorney-General or his representative who shall be an officer not below the level Of a Director.
- (e) ^ The following Commissioners or their representatives who shall be an officer not below the level of a. Director in their respective ministries:
- i. Ministry of Lands and Physical Planning;
  - ii. Ministry of Budget and Economic Planning; and
  - iii. Ministry of Finance.
- (f) The Chief Executive Officer (CEO) of the Kano State Urban Planning and Development Authority (KNUPDA).
5. (1) Members of the Board shall hold office Tenure and for a period of five (5) years in the first instance but may remain in office after the expiration of their term pending the reconstitution of the Board.
- (2) The Chairman and members of the Board, excluding ex-officio members, shall be paid such emoluments, allowances and benefits as the Governor, may, from time to time determine.

Tenure and Remuneration of members
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Office of  
the  
Chairman.

6. The Chairman of the Board shall:
- a) be the Chief Executive and Accounting Officer of the Internal Revenue Service;
  - b) be responsible for the execution of the tax policies of government and the day-to-day administration of the Internal Revenue Service; and
  - c) hold office on such terms and conditions as may be specified in this Law and in his letter of appointment.

7. (1) The Chairman, as the Chief Executive and Accounting Officer of the Internal Revenue Service; shall:-

Accountability.

- a) Keep proper accounting records, in accordance with standard accounting practice and financial regulations of the State in respect of:
  - i) all revenue and expenditure of Internal Revenue Service;
  - ii) all its assets, liabilities and other financial transactions;
  - iii) all other revenues collected by the . internal Revenue Service, including income on investment
- b) Prepare an annual report, including financial statements, in accordance with generally accepted accounting principles and practice: and
- c) Ensure that the available accounting records of the Internal Revenue Service are adequate, in line with financial regulation and prepared by qualified personnel, who must be a member of a recognized professional body.

8. (1) The Secretary to the Board shall:-
- Issue notices of meeting of the Board;
  - Keep the records of the proceedings of the Board; and
  - Carry out such duties as the Chairman or the Board may from time to time, direct.
9. (1) The Secretary shall summon a meeting of the Board whenever business requiring its attention warrants same or on the request of .the Chairman or any three members.
- (2) Any five members of the Board, one of who shall be the Chairman or a Director, shall constitute a quorum.
- (3) A major decision of the members on any matter obtained by the Secretary in written correspondences shall be treated in all respects as though it where a decision of the Board in an actual meeting unless any member has requested the submission of the matter to such meeting.
10. Notwithstanding the provisions of section 4 of this Law, the Chairman or a member of the Board shall cease to hold office if.-
- he resigns his appointment as member of the Board by notice, under his hand, addressed to the Governor, or
  - he becomes of unsound mind: or
  - he becomes incapable of carrying out the functions of his office either arising from an infirmity of mind or body; or

Secretary  
to the  
Board.

Meeting of  
the Board.

Removal  
of  
Members



- d) he becomes bankrupt or makes a compromise with his creditors, or
- e) the Governor is satisfied that it is not in the interest of the Service or of the public for the person to continue in office and the Governor removes him from office; or
- f) he has been found guilty of a breach of the code of conduct or other serious misconduct in relation to his duties; or
- g) in the case of a person possessing a professional qualification, he is disqualified or suspended from practicing his profession in any part of the world by an order of a competent authority; or
- h) in any case of a person who becomes a member by virtue of the office he occupies, he cease to hold that office.

11. The Board shall be responsible for:

- a) providing general policy guidelines regarding the functions of the Internal Revenue Service and supervising the implementation of such policies;
- b) ensuring the effective and optimum collection of all revenue, including levies and penalties due to the State Government under the relevant federal and State Laws;
- c) doing all such things that may be deemed necessary., and expedient for the assessment and collection of revenue;

Function of  
the Board.

- d) accounting for all amounts so collected in a manner to be prescribed by the Governor;
- e) making recommendations, where appropriate, to the Joint Tax Board on tax policy, tax reforms, tax registration, tax treaties and exemptions as may be required from time to time;
- f) appointing, promoting, transferring and imposing discipline on employees of the Internal Revenue Service;
- g) making recommendations to the Governor regarding the terms and conditions of employment and the remuneration of staff of the Internal Revenue Service;
- h) controlling the management of the Internal Revenue, Service on matters of policy subject to the provisions of any regulations setting up the Internal Revenue Service; and
- i) doing such other things as are in the opinion of the Board necessary to ensure the efficient performance of the functions of the Internal Revenue Service under this Law.

<sup>1</sup>2. (1) The Board shall be autonomous in the Powers of the day-to-day running of the technical, professional Board. and administrative affairs of the Internal Revenue Service.

(2) The Board may appoint such other Persons to be employees of the Internal revenue Service in positions created by the oard and on such terms and conditions as shall 'aid down by the Board subject to the

provision of this law or any other enactment.

(3) The Board may, by notice in the Gazette of the State Government or in writing authorise any person within or outside Nigeria 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 or any subsidiary legislation made under it.

(4) Whenever the Board shall consider it necessary with respect to any revenue due to the State, the Board may acquire, hold and dispose of any property taken as security for or in satisfaction of the sum due or of any judgment debt due in respect of any revenue and . shall account for any property and the proceeds of sale thereof in a manner to be prescribed by the Governor.

(5) The Board may subject to such conditions as it may determine, appoint and employ practicing tax practitioners or chartered accountants as monitoring agents to collect information through tax audit and to monitor compliance with relevant tax laws except as it relates to income Tax Assessment to do any act required to be done by it in the execution of its functions, under this Law with the aim of achieving the Internally Generated Revenue target of the State Government.

(6) The Board may, subject to prevailing conditions, appoint and employ consultants, including tax consultants or accountants, and agents to transact any business or to do any act

required to be transacted or done in the execution of its functions or for carrying into effect the purpose of this Law.

13. (1) Subject to the provisions of this Law, the Board may make . staff 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 Internal Revenue Service; and

b) Appeals by Staff or employees against dismissal or other disciplinary measures, and until such regulations are made, any instrument relating to conditions of service in the public service of the State shall be applicable, with such modifications as may be necessary, to the employees of the Service.

(2) The staff regulations made under subsection (1) of this section shall not have effect until approved by the Governor, and when so approved they must be published in the State Gazette but the Internal Revenue Service shall cause a notice of the staff regulations to be issued to all affected staff in such manner as the Internal Revenue Service may, from time to time, determine.

(3) If the Board thinks it expedient that any vacancy in the Internal Revenue Service should be filled by a person holding office in the civil service of the State, it shall notify the Civil Service

Staff Regulations.
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(4) Commission to that effect and the Board may, by arrangement with the Commission, cause such vacancy to be filled by way of secondment or transfer.

(5) Employment in the Internal Revenue Service shall be subject to the provisions of the pension legislation for the time being force in Kano State and accordingly, officers and employees of the Service shall be entitled to pensions and other retirement benefits as are prescribed under the relevant law.

(6) The terms and conditions of service including remuneration, allowances, benefits and pensions of the employees of the Internal Revenue Service shall be determined by the Board, subject to the approval of the Governor.

Establishment  
of Technical  
Committee  
of the Board.

14. (1) There shall be a Technical Committee of the Board (referred to in this Law as “the Technical Committee”) which comprises:-

- (a) the chairman of the Board;
- (b) the Director of Compliance and Enforcement;
- (c) two Directors appointed to the Board from within the State Service;
- (d) the Attorney-General or his representative not below the level of a Director, and
- (e) the Director of Legal Service/Secretary of the Internal Revenue Service who is also the Secretary of the Technical Committee.

The Technical Committee shall:-

(a) Have power to co-opt additional staff ' from within the Internal Revenue

Service and persons from the private sector who are experienced in revenue matters as the Committee may consider necessary in the discharge of its duties;

(b) Consider all matters that require professional and technical expertise and make recommendations to the Board;

(c) Advise the Board on all its powers and duties specifically mentioned in sections 11 and 12 of this Law and

(d) Attend to such other matters as may, from time to time be referred to it by the Board.

15. The Board shall establish and maintain a fund which shall consist of and to which shall be credited:

(a) an amount not less than 5% and not more than 10% of all revenue collected by the Internal Revenue Service in the preceding year as may be appropriated by the State House of Assembly as administrative charges or cost of collection:

(b) all other moneys which may, from time to time, accrue to the Board for other services including the disposal, lease or hire of any other dealing with, any property vested in or acquired by the Board;

(c) all sums of money accruing to the Board or the Internal Revenue Service

(d) by way of grants-in-aid, the gifts, testamentary ..dispositions, .and endowments and contributions from any source whatsoever: and

(e) such monies as may from time to time be granted to the Board by the State Government or donor agencies provided such grants are not intended for purposes contrary to the objects and functions of the Board. .

**Expenditure of** The Board shall defray from the- fund the Board. established pursuant to section 15 of this Law all the amounts payable under or in pursuance of this Law being sums representing: <sup>1</sup>

(a) any allowance or other payments due to the Chairman and other members of the Board:

(b) reimbursements to members of the Board or any committees set up by the Board for such expenses as may be expressly authorized by the Board or-the Internal Revenue Service;

(c) all remunerations, allowances, or other costs of employment of the staff of the Internal Revenue Service;

(d) Pensions and other retirement benefits payable under or pursuant to this Law or any other enactment:

(e) cost of acquisition and upkeep of premises belonging to or occupied by the Internal Revenue Service and any other capital expenditure of the Internal - Revenue Service:

- (f) Investments maintenance of utilities, staff promotion training, research and similar activities,
- (g) All other costs that may be necessary for the day to day operations of the Internal Revenue Service: and
- (h) Any other payment for anything incidental to the foregoing provisions or in connection with or incidental to any other function of the Internal Revenue Service.

17. The Internal Revenue Service shall cause to be prepared, not later than the 30 day of September of each year, an estimate of its income and expenditure for the succeeding year.

18. The Internal Revenue Service shall cause proper accounts and records to be kept and such accounts shall, not later than six months after the end of each year, be audited by auditors, appointed by the Board from the list and in accordance with the guidelines supplied by the Auditor-General of Kano' State.-

19. (1) The Internal Revenue Service shall, not later than the 30<sup>th</sup> of June, each year, submit to the Auditor General of the State, a report of its activities during the immediate 'preceding year and shall include in such report the audited accounts of the Internal Revenue.

(2) The Auditor-General shall within- thirty (30) days of receipt of the report:-

- a) Preset a copy of the report to the Executive Council; and



Power to  
Accept  
Gifts.

b) Present a copy of the report to the State House of Assembly.

20. (1) The Internal Revenue Service may accept gifts of land, money or other property on such terms and conditions, if any, as may be specified by the person or organization making the gift.

(2) The Internal Revenue Service shall not accept any gift if the conditions attached to it are inconsistent with its functions.

21. The Internal Revenue Service may, with the approval of the State House of Assembly, borrow by way of loan, overdraft or otherwise from any source such sums as it may require for the performance of its function and meeting its obligations under this Law.

Power to  
Borrow.

22. (1) After proper auditing, the Internal Revenue Service shall refund to tax payers such overpayment of tax as is due.

(2) The Internal Revenue Service shall decide on who is eligible for refund subject to such rules and conditions as may be approved by the Board.

(3) The refund shall be made within ninety (90) days of the decision of the Internal Revenue Service made pursuant of subsection (2) of this section, with the option of setting off the amount due against future tax.

Refund  
to Tax  
Payer

23. The Internal Revenue Service shall have power to:-

- a) enforce payment of due taxes;
- b) in collaboration with the relevant ministries and agencies review the tax regime and promote the application of tax revenue to stimulate economic activities and development;
- c) in collaboration with the relevant law enforcement agencies carrying out the examination and investigation of all cases of tax fraud or evasion with a view to determining compliance with provisions of this or any other relevant enactment;
- d) make, from time to time, a determination of the extent of financial loss and such other losses by government arising from tax fraud or evasion and such other losses (or revenue forgone) arising from tax waivers and other related matters.
- e) adopt measures, to identify, trace, freeze, confiscate or seize the proceeds of tax fraud or evasion:
- f) adopt measures which include compliance, enforcement and regulatory actions as well as , introduction and maintenance of investigative and control techniques for the detection and prevention of non- compliance;
- i) collaborate and facilitate rapid exchange of scientific and technical information with relevant national or international agencies or bodies on tax matter; .
- j) undertake exchange of personnel or other experts with complementary agencies for

- l) the purpose of efficient, effective and correct tax administration and to prevent tax evasion or fraud:
- m) maintain database, statistics, records and reports on persons. organizations, proceeds, properties, documents or other items of assets, relating to tax waivers, fraud or evasion.
- n) undertake research and similar measures 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:.
- o) 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; .
- p) maintain a liaison with the office of the Attorney-General of the State, all government, security and law enforcement agencies and such other financial supervisory institutions in the enforcement and eradication of tax related offences;
- q) issue taxpayer identification number to every person taxable in Kano state
- r) from time to time specify the form of returns, claims, statements and notices necessary for the due administration of the power conferred on it by this Law or any other enactment.  
carry out and sustain public awareness

and enlightenment campaigns on the benefit of tax compliance within the State; and t) carry out such other activities as are necessary or expedient for the full discharge of all or any of the functions prescribed under this Law.

24. (1) There is established for each Local Establishment Government Area of the State a Committee to be known as the Local Government Revenue committee. Committee (referred to in this Law as the “Revenue Committee”.

(2) The Revenue Committee shall comprise of the following:-

(a) A person to be appointed by the Chairman of the Local Government Council, not being a political appointee or public officer from within the Local Government Council and who shall be versed in revenue matters shall be the Chairman;

(b) Three heads of departments of the Local Government Council namely Legal,  
Treasury and any other Department;

(c) A member of the public not being a member of the Council who is versed in revenue matters to be nominated by the Legislative Arm of the Council.

All appointments made pursuant to this Section shall be subject to the approval of the Legislative Arm of the Council.

25. (1) The Revenue Committee shall be Function of the responsible for the assessment and collection of taxes, fines, rates, charges or other revenue under its jurisdiction and shall account for all amounts so collected in a

manner to be prescribed by the Chairman of the Local Government, subject to the financial memorandum and guidelines on Local Government Administration.

(2) The Revenue Committee shall be autonomous of the Local Government Treasury and shall be responsible for the day-to-day administration of the Department or personnel, which forms its operational arm.

Establishment  
and  
composition of  
joint State  
Revenue  
Committee.

26. There is Established for Kano State a Joint State and Local Government Revenue Committee which shall comprise:-

The Chairman of the State Internal Revenue Service as the Chairman;

The Chairman of each Local Government Revenue Committee in the State;

The Chief Executive Officer (CEO) of the State Urban Planning and Development Authority;

A representative of the State Ministry responsible for:

Local Government affairs not below the level of Director;  
Lands and Physical Planning.

The Legal Adviser of the State Internal Revenue Service; and

The Secretary of the Committee, who shall be a staff of the State Internal Revenue Service.

27. The functions of the State and Local Government Joint Revenue Committee shall be:-

(a) Harmonize tax administration in the State;

(b) Deal with revenue matters of common concern to the State and Local Government Authorities;

Functions of  
Joint State and  
Local Govt.  
Revenue  
Committee.

- (c) Enlighten members of the public generally on State and Local Government Revenue matters;
- (d) Consider relevant resolutions of the Joint Tax Board for implementation in Kano state: and
- (e) Advise the Joint Tax Board and the State and Local Government on revenue matters.

28. (1) the Chief Judge shall establish Revenue Courts form among the Chief Magistrates for the purpose of enforcing the provisions of this Law.

(2) In entertaining a case of default, the Revenue Court shall have power to order the sealing-off of any premises, impounding, seizure or confiscation of any moveable and immoveable property from a defaulter for the purposes of recovering the unpaid taxes, rate or levy.

(3) A Local Government Council may employ the service of Law enforcement agencies for the purpose of enforcement under this Law

(4) Nothing in this Law shall be construed as prohibiting a Local Government Council from enforcing penalties stipulated for breach of its Bye Law or charging fees as may be approved by the State Joint Revenue Administration Committee for the use of Local Government Council Properties, public utilities established and maintained by the Local Government Council or services rendered by the local government council or its officials to particular persons.

Designation of Magistrate to Adjudicate on Revenue Matters.
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Definition  
of

Revenue  
Collector.

29. (1) For the purpose of this Law, "a revenue collector" means a duly authorized officer of the Internal Revenue Service or of a Local Government Revenue Committee;

(2) The production by a revenue collector of an identity card and certificate or warrant-

(a) Issued by and having printed thereon the office of the relevant revenue authority;

(b) . Setting out his full names, and stating that he is, authorized to exercise the functions of a Revenue Collector, shall be sufficient evidence that the Revenue Collector, is duly authorized for the purposes of this law.

Mode of  
payment.

30. Except as otherwise provided in any law, revenue due to any authority in Kano State shall be payable by cash, bank draft, electronic debit or credit card; or money transfer into any of the banks designated by the Board or the Chairman of the relevant Local Government Council entitled to receive such revenues.

Revision of  
Assessment.

31. (1) If any person disputes an assessment he may apply to the Board, by notice of objection in writing to review and to revise the assessment, and such application shall state precisely the grounds of objection to the assessment and shall be made within thirty days from the date of service of the notice of the assessment.

On receipt of a notice of objection, the Board may require the person giving that notice to furnish such particulars and to produce such books or other documents as the Board may deem necessary, and may summon any person

(2) Who may be able to give information which is material to the determination of the objection to attend for examination by an officer of the Internal Revenue Division on oath or otherwise.

(3) In the event of any person who has objected to an assessment agreeing with the Board as to the correct amount of the tax chargeable, the assessment shall be amended accordingly and notice of the tax chargeable shall be served upon such person.

Provided that, if an application for revision under the provisions of this section fails to agree with the Board on the amount of the tax chargeable, the Board shall give notice of refusal to amend the assessment as desired by such person and may revise the assessment to such amount as the Board may, according to the best of its judgment, determine and give notice of the revised assessment and of the tax payable together with notice of refusal to amend the revised assessment and wherever requisite, any reference in this law to an assessment or to an additional assessment shall be treated as a reference to an assessment or to an addition assessment as revised under the provisions of this proviso.

32. No assessment warrant, notice or other proceeding made in accordance with the Provisions of this Law or any other revenue law in force in the State shall be quashed or deemed to be void or voidable by want of form, mistake, defect or omission if the same in substance is in

Errors and  
Defects in  
Assessment  
and Notice.



Administra  
tion of Tax  
Laws.

33. (1) The Internal Revenue Service shall have power to administer any law on taxation in respect of which the State House of Assembly or the National may confer power on it.

(2) The Internal Revenue Service may, with the approval of the Governor by instrument published in the State Gazette, appoint any ministry, department or agency to collect revenue pursuant to its powers under subsection (1) of this section.

(3) Subject to the provision of this section the Internal Revenue Service shall administer charges and collect taxes and levies in respect of items listed in the schedules to this Law.

Call for  
Retains, Books,  
Documents and  
Information.

34. (1) For the purpose of obtaining full information in respect of the profits or income of any person, body corporate or organization, the Internal Revenue Service may give notice to that person, body corporate or organization requiring him or it within the time specified by the notice to>

(a) Complete and deliver to the Internal Revenue Service any return specified in such notice:

(b) Appear personally before an officer of the Internal Revenue Service for examination with respect to any matter relating to such profits or income.

(c) Produce or cause to be produced for examination, books, documents and any other information at the place and time stated in the notice, which may be from day-to-day for such period as the Internal Revenue Service may deem necessary or,

(d) Give orally or in writing any other information including a name and address specified in such notice.

(2) For the purpose of paragraphs (a) to (d) of subsection(1) of this section, the time specified by such notice shall not be less than seven (7) days from the date of service of such notice except that an officer of the Internal Revenue Service not below the rank of a Chief Inspector of Taxes or its equivalent may act in any of the cases stipulated in paragraphs (a) to (d) of subsection (1) of this section, without giving any of the required notices set out in this section.

(3) A person who contravenes the provisions of this section is, in respect of each offence, liable on conviction to a fine equivalent to 100 percent of his actual tax liability.

(4) The provision of this section or any other provision of this Law shall not be constructed as precluding the Internal Revenue Service from verifying by tax audit or investigating any matter relating to any returns or entries in any book, document or accounts, including those stored on a computer, or digital or magnetic or optical electronic media as may. from time to time be specified by the Internal Revenue Service.

(5) Any person may apply in writing to the Board for an extension of time within which to comply with the provisions of this section and section 31 of this Law. provided that the person:-

(a) Makes the application before the expiration of the time stipulated in the section for making the returns: and

(b) Shows good cause for his inability to comply with this provision

(6) If the Board is satisfied with the cause shown in the application under paragraph (b) of the above subsection, it may in writing grant the extension of the time or limit the time as it may consider appropriate.

35. (1) The Internal Revenue Service may give notice in writing to any person it considers necessary requiring such person to deliver within a reasonable time specified in such notice fuller or further returns in respect of any matter relating to the functions of the Internal Revenue Service under this Law.

(2) Where tax is not paid, when it falls due under any enactment by any person from whom it is due, whether or not the payment of that tax has been secured by a bond or otherwise, it shall be paid on demand made by the Internal Revenue Service either on that person personally or by delivering the demand in writing to his place of abode or business, and if it is not paid on demand, the person in default shall, in addition to the amount of tax due and payable, also be liable to a fine equal to the amount of tax due and payable.

36. (1) Without prejudice to section 34 of this law, every person engaged in banking shall prepare and deliver to the Internal Revenue Service, quarterly returns specifying:

- (a) in the case of an individual', all transactions involving the sum of one million Naira and above: or
  - (b) in the case of partnership or unincorporated business names, all transactions involving the sum of three million Naira and above; and
  - (c) the names and addresses of all customers of the bank connected with the transaction.
- (2) Subject to subsection (1) of this section, for the purpose of obtaining information relating to taxation, the internal Revenue service may give notice to any person including a person engaged in banking business in Nigeria to provide within the time stipulated in the notice, information including the name and address of any person specified in the notice:  
Provided that a person engaged in banking business in Nigeria, shall not be required to disclose any additional information about his customer or his bank under this section unless such additional disclosure is required by a notice signed by the Chairman of the Internal Revenue Service on the advice of the Technical Committee of the Board.
- (3) Any person who, having been engaged in banking in Nigeria, contravenes the provision of this section, commits an offence and shall, in respect of each contravention be liable on conviction to a fine of five hundred thousand Naira (N500,000.00) in the case of a body corporate, and in the case of an individual a fine

of fifty thousand Naira (N50,000.00) or imprisonment for a term of five years or to both such fine and imprisonment.

37. (1) The Board may issue tax clearance certificate to any person within two weeks of receipt of an application if:

- (a) The Board is of the opinion that
  - (i) taxes or levies assessed on a person or his income or property for the 3 years immediately preceding the current year of the assessment and collectible by the Board as the revenue of the State Government has been fully paid; or
  - (ii) no such tax or levy is due on the person or on his income or property; or
  - (iii) the person is not liable to tax for any of those 3 years.
- (b) the person is able to produce evidence that he paid withholding tax by deduction at source and that the assessment year to which the tax relates falls within the period covered by the tax clearance, and that he has fully paid any balance of the tax after credit has been given for the tax so deducted;
- (c) That payment of income tax for the current year shall not be made a condition for the issuance of the certificate unless the applicant is leaving the state finally.

The tax clearance certificate may be issued in paper form or stored in an electronic format on a machine-readable smart card (referred to as Electronic Tax Clearance Certificate) which holds tax information peculiar to that applicant and which shall be presented for checking by the holder whenever his tax compliance status is required.

(3) Where a person who has applied for a tax clearance certificate has discharged his own tax liability but has failed to remit withholding tax or pay as you earn deductions collected by him on behalf of the State Government, no tax clearance may be issued to that person.

(4) The Board may decline to issue tax clearance certificate but it shall within two weeks of receipt of the application given reason for the denial.

' (5) (a) A Ministry, Department, Agency or Official of the Kano State Government; or any Local Government Council Official, or any corporate body, statutory authority or person empowered in that regard by this or any other law shall demand tax clearance certificate for the three years immediately preceding the current year of assessment as precondition to transacting any business, including but not limited to the following:

- i -application for Governor's consent to real property transaction;
- ii- application for certificate of occupancy;
- iii- application for registration as a contractor;

iv. application for award of contracts by government its agencies and registered companies

v. application for approval of building plans;

vi. Application for any government license or permit;

vii. any application relating to the establishment or conduct of business,

viii. application for Kano State Government loan for housing, business or any other purposes

ix. registration for motor vehicle; .

x. Registration for distributorship:

xi. Confirmation of appointment by Government as Chairman or Member of any public board, institution, commission, company or to any other similar position made by the government.

xii. application for registration of a limited partnership.

xiii. application for allocation of market stalls;

xiv. appointment or election into public office;  
and

xv. Any other application or process for which tax clearance certificate is required under the provisions of this Law and Section 85 of the Personal Income Tax Act.

(b) Without prejudice to the provisions of the Stamp Duties Act and the Registration of Titles aw, appropriate Authority shall demand tax clearance documents of property transaction before accepting or registration as the case may be.

(c) The Chairman of the Board is empowered to prescribe by notice in the State Gazette other purposes for which Tax Clearance Certificate may be required.

(6) A Tax Clearance Certificate must contain the following information relating to each of the 3 years immediately preceding the current year of assessment.

- (a) chargeable income holder;
- (b) tax payable;
- (c) tax paid; and
- (d) tax outstanding.

And where no tax is due from the holder or on his income or property the certificate shall contain a statement to that effect.

(7) The Board shall be the sole authority to issue Tax Clearance Certificate under this Law, but it may exercise its powers by employing the services of any person or company, provided that;

- (a) the information which the Board requires the taxpayer to provide (the data) shall not be excessive in relation to the purposes for which the Tax Clearance Certificate is to be issue;
- (b) the Board shall request from the taxpayer all details that are necessary to keep the data accurate and up to date;
- (c) the Board shall make available to the taxpayer at a price to be determined at it discretion a smart card with taxpayer identity number, names, signature and photograph embossed on the front side;



(d) the card shall hold data in respect of particular taxpayer in a secured format that can be accessed for authentication: <sup>9</sup>

(e) the data shall be made accessible to third parties only

In a form which permits identification of the taxpayer and access to information on him for no longer than is necessary for the purpose of verifying his tax clearance status;

(f) the Board shall provide terminals free of charge to all persons of authorities empowered by this or any other legislation to demand tax clearance certificate from any person;

(g) the Board shall ensure that the taxpayer's data on the card are kept confidential to the same extent as their ordinary tax records:

(h) every person having any official duty or being employed in the administration of this Law shall regard and deal with all documents, returns, assessment or other information as secret and confidential; and

(i) the Board shall not be liable for damages or any loss incurred by the cardholder as a result of inaccuracies in data supplied by him.

(8) The card holder shall upon application, advised as to:

(a) confidentiality of the information supplied

(b) fees or charges for reissuing a lost card

(c) complaint handling procedure; and

(d) Procedure for review of personal

(e) The Chairman of the Board's power, from time to time, to make

other regulations as he may consider necessary for effective implementation of the Electronic Tax Clearance Certificate Scheme in the State,

(9) It shall be mandatory for all civil servants, private business individuals and employees of companies operating in the State to obtain tax clearance certificate annually. The service shall ensure compliance through necessary enforcement.

38. (i) An authorized officer of the Internal Revenue Service shall between the hours of 9:00am and 6:00pm have free access to all lands, buildings and places, and to all books and documents, whether in the custody or under the control of a public officer, institution or any other documents including those stored or maintained on computers, 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 any of the relevant enactment or laws or for the purpose of carrying out any other functions lawfully conferred on the Internal Revenue Service; or considered likely to provide any information otherwise required for the purpose of any of those enactments or any of those functions and may, without fee or reward, make any extract from or copies of any such books or documents.

Power to  
Access Lands,  
Buildings,  
Books and  
Documents

Where the hard copies of any of the books or documents mentioned in subsection (1) of this section are not immediately available because they are stored on a computer, or on digits, Magnetic, optical or electronic media,

(2) the Internal Revenue Service may take immediate possession of such removable media and the related removable equipment or computer used to access the stored documents on the aforementioned media in order to prevent the accidental or intentional destruction, removal or alternation of the records and document, especially where such is required as potential evidence in the investigation of criminal proceedings.

(3) Where the Internal Revenue Service is able to obtain, in place of taking physical possession of such/ equipment, computer or storage media under subsection (2) of this section and the Internal Revenue Services 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 Internal Revenue Service shall make such a copy and use it as digital evidence during such investigation or criminal proceedings.

(4) The occupier of a land or 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 effects exercise of powers conferred by this Law. and

(b) Answer questions relating to the effect'^ exercise of the powers, orally. Or if required by the officer, in writing <sup>or</sup> statutory declaration.

(5) Notwithstanding subsection (1) of this section, the authorized officer or a person, accompanying the officer, shall not enter any private dwelling except with the consent of an occupier or pursuant to an authorization issued under subsection (6) of this section.

(6) If the Chairman of the Internal Revenue Service, on written application is satisfied that the exercise by an authorized officer of his or her functions under this section requires physical access to a private dwelling, he may issue to the officer a written authorization to enter that private dwelling.

(7) Every authorization issued under subsection (6) of this section shall:

- (a) Be in the form prescribed by the Chairman,
- (b) Be directed to a named officer of the Internal Revenue Service; .
- (c) Be valid, for a period of 3 months from the date of its issue or such lesser period as the Chairman considers appropriate; and
- (d) Notwithstanding paragraphs (b) and (c) above, be renewable by the Chairman on application, . . . . .

(8) Every officer exercising the power of entry conferred by an authorization issued under subsection (6) - of this section shall produce the written authorization and evidence of identity:

- (a) On first entering the private dwelling; and
- (b) Subsequently when he is reasonably Squired to do so.





been served on the chargeable person or his agent, and payment is not made within the time limited by the demand notice, the Internal Revenue Service may for the purpose of enforcing payment of the amount due, distain: -

(a) Upon the goods, chattels or other movable or immovable properties of the person liable to pay the tax outstanding: and

(b) Upon all machinery, plant, tools, vehicles, animals and effects in the possession, use or found on the premises or on the land of the person.

(2) The authority on distrain under this section shall be in such form, as the relevant revenue authority may direct and that authority shall be sufficient warrant and authority to levy by distrain the amount of revenue due. For the avoidance of doubt, enforcing payment of outstanding tax or revenue through distrain may be with or without any court order, but shall be in the prescribed form contained in the Personal Income Tax Act, Laws of the Federation of Nigeria.

(3) For the purpose of levying any distrain, under this section, an officer duly authorized by the Chairman may apply to a Revenue judge of the state or a judge of the State High Court sitting in Chambers under oath for the issue of a warrant under this section.

A judge of the high Court sitting in Chambers may authorize such officer- referred to subsection (3) of this section,

(A) in writing to execute any warrant of distress and, if necessary, break open any building or place in the daytime for the purpose of levying such distress and he may call to his assistance any police officer and it shall be the duty of any police officer when so required to aid and assist in the execution of any warrant of distress and in levying the distress

(c) Things detained under this section may, at the expense of the defaulter, be kept for fourteen days and at the end of this period, the amount due in respect of the revenue and cost and charges of, and incidental to the distress are not paid, they may subject to subsection (6) of this section, be sold at any time.

(d) Out of the proceeds of a sale under this section, the cost of charges of and incidental to the sale and keeping of the distress and disposal there under, shall be paid thereafter the amount of revenue due, and the balance (if any) shall be payable 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 forfeit

(e) Nothing in this section shall be constructed as to authorize the sale of an immovable property without an order of a State Revenue Court or a state High Court, made upon application in such form as may be prescribed by the rules of court.

In exercise of the powers of distress conferred by this section, the person to whom the authority is granted under subsection (4) of this section may distress upon all goods



chattels and effects belonging to the debtor wherever the same may be found in Nigeria.

(f) (1) Notwithstanding the provisions of this law or any other relevant laws, any amount due by way of tax shall constitute a debt due to the State and may be recovered by a civil action, brought by the Board.

(4) Where any tax has been short levied or erroneously repaid, the person who should have paid the amount short levied or to whom the repayment has erroneously been made shall on demand by the proper officer, pay the amount short levied or erroneously repaid, as the case may be, and any such amount may be recovered as if it were to which a person to whom the amount was so short levied or erroneously repaid were liable.

(g) (1) The Internal Revenue Service shall take all necessary measures to assist any relevant law enforcement agency in the investigation of any offence under this law.

(2) The Internal Revenue Service shall have the power to investigate or cause investigation to be conducted to ascertain the violation of any tax law, whether or not such violation has been reported to the Internal Revenue Service.

(3) In conducting any investigation under subsection (2) of this section, the Internal Revenue Service may cause investigation to be conducted into the properties of any person if ^ appears to the Internal Revenue Service that the lifestyle of the person and extent of properties are not justified by his declared source of income.

(h) Where any investigation under this section reveals the commission of any offence or an attempt to commit any offence, the Internal Revenue Service shall submit its findings to the relevant law enforcement agency and the Attorney-General for purposes of further investigation or prosecution

(5) (1) The Internal Revenue Service may co-opt the assistance and co-operation of law enforcement agency in the discharge of its duties under this law.

(4) The law enforcement officer shall aid and assist an authorized officer in the execution of any warrant of distress and the levying of distress.

(6) Any tax officer armed with the warrant issued by a Judge of the Revenue Court or State High Court and accompanied by a number of law enforcement officers as shall be determined by the Chairman may:

(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;

(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) Search any person who is in or on such premises:

(d) Open, examine and search any a ice, container or receptacle;

- (i) Open any outer or inner door or window of any premises and enter same or otherwise forcibly enter the premises;
- (j) Remove by reasonable force any obstruction to such entry search, seizure or removal as he is empowered to effect, or
- (k) No person shall be bodily searched under this section except by a person of the same gender

Power to  
Pay  
Reward

47 (1) The Internal Revenue Service may, with the approval of the Board, reward any person, not employed in the Internal Revenue Service, in respect of any information that may be of assistance to the Internal Revenue Service in the performance of its duties under this law upon meeting such conditions as may be determined by the Board and the amount of such reward shall also be at the discretion of the Board.

(2) The identify of the person who gave information to the Internal Revenue Service shall be kept confidential and any current or former member of the Internal Revenue Service or Board that discloses the identity of such person shall be dealt with in accordance with the provisions of section 49 of this law with regard to confidential information.

Immunity  
from Action

48 An officer of the Internal Revenue Service or of any other tax authority in the State shall<sup>n0</sup> be liable in any civil action or proceeding for any act or omission done by him performance of his duties or exercise powers conferred upon him under this other law.

(l) (1) All information and documents supplied or produced in pursuance of any requirement of this law or any other legislation being implemented by the Internal Revenue Service shall be treated as confidential.

Information and Document to be Confidential.

(7) Except as otherwise provided under this law or as otherwise authorized by the Governor or Chairman, any member or former member of the Board or any employee or former employee of the Internal Revenue Service of the State Government who communicates or attempts to communicate any confidential information or the content of any such document to any person, commits an offence and shall be liable on conviction to a fine of two hundred thousand Naira (N200.000.00) or to imprisonment of three (3) years or both.

(50) The Governor may, by Notice in the State Gazette, establish a Body of Appeal Commissioners.

Establishment of Appeal Commissioners.

(51) (1) The Body of Appeal Commissioners shall consist of a Chairman and five other members, none of whom shall be a public officer.

Composition.

(2) An Appeal Commissioner: -

(5) shall be appointed by the Governor, by Notice in the State Gazette, from among persons appearing to him to have had experience and shown capacity in the management of a substantial trade or business or the exercise of a profession of law, accountancy or taxation in the State;

- (b) Subject to the provision of this section hold office for a of three years from the date of his appointment
- (c) may at any time resign his appointment by notice in writing addressed to the Governor accept that on the requests of the Governor he may continue to act as an Appeal Commissioner after the date of his resignation and sit at any further hearing in a case in which he has already sat before the date to hear an appeal, until a final decision has been given with respect to that appeal;
- (d) Shall cease to be an Appeal Commissioner if the Governor determines that his office be vacant and Notice of the determination being published in the State Gazette or on his acceptance of a political appointment.
- (3) The Governor shall designate a public officer to be the Secretary to the body of Appeal Commissioners (referred to in this Law as the Secretary) and the official address of the secretary shall be published in the State Gazette.
- (4) Subject to the provision of this Section, the Body of Appeal Commissioners shall remain in office until a new body is sworn-in.
- 52.** A taxable person being aggrieved by assessment to income tax made upon him having failed to agree with the Board in the manner provided in section 58(3) of the personal income Tax Act (Cap P8 LFN 2004). May appeal against the assessment upon giving notice as provided in section 53 of this law.

Appeal S.61  
PITA Cap  
P8 LFN  
2004.

Within thirty days after the date of service of notice of the refusal of the Board to amend the assessment as desired.

(53)(1) A notice of appeal to be given under the provisions of this Section shall be given in , writing to the Board and shall set out as follows:

Notice of Appeal
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- (a) the name and address of the appellant;
  - (b) the official number and the date of the relevant notice of assessment;
  - (c) the amount of the assessable, total or chargeable income and of the tax charged as shown by that notice and the year of assessment concerned;
  - (d) the precise grounds of appeal against the assessment;
  - (e) The address for service of any notice or other documents to be given to the appellant; and
  - (f) The date on which the appellant was served with the notice of refusal by the Board to amend the assessment as desired.
- (2) As soon as may be after receipt of notice of Appeal, the Secretary, shall have regard to the grounds of appeal therein disclosed and to any relevant provisions of this Law, deliver a copy to the Board and the appeal shall be listed by the Secretary for hearing accordingly.
- (3) A notice or other documents to be given to the Appeal Commissioner shall be addressed to the Secretary and be delivered at or sent by registered post to his official address.

S.62 (6) P I T A.  
Cap P8 LFN  
2004

Meetings and  
Decisions of  
Appeal  
Commissioners.

- (4) A taxpayer may discontinue an appeal by him under this section upon giving notice of the Secretary in writing any time before the hearing of the Appeal.
- (5) Notwithstanding that notice of appeal against an assessment has been given<sup>TM</sup> taxpayer under this section the Board may reverse<sup>3</sup> the assessment in agreement with the taxpayer and on notice of the agreement being given in writing by the Board to the Secretary at any time before the hearing, the appeal shall be treated as being discontinued.
- (6) On the discontinuance of an appeal under the provision of this section, the amount or revised amount of the assessment, as the case may be, shall be deemed to have been agreed between the tax authority and the taxpayer under the provisions of subsection (6) of section 62 of the Personal Income Tax Act
- (54) (1) The Appeal Commissioners shall, as often as may be necessary, meet to hear appeals in any town where an office of the Board is situated and, subject to the provisions of subsection (2) of this Section at any such meeting;
- (a) any three or more Appeal **Commissioners** may hear and decide an appeal; and
- (b) the Appeal Commissioner present shall elect one of them to be the chairman of the meeting. . a
- (2) An Appeal Commissioner who had direct or indirect financial interest in a taxpayer or being a relative of a person having such interest, and having knowledge thereof, shall

When any appeal by such taxpayer is pending before the Body of Appeal Commissioners, declare such interest to the other Appeal Commissioners and give notice to the Board in writing of such interest or relationship and he shall not sit at any meeting for the hearing of that Appeal.

(3) The provisions of subsection (2) of this section shall also apply where an Appeal Commissioner is a legal practitioner or an Accountant, and the taxpayer is or has been a client of that Appeal Commissioner

(4) The secretary shall give seven clear working days notice to the Board and to the applicant of the date and place fixed for the hearing of an appeal except in respect of an adjourned hearing for which the Appeal Commissioner have fixed a date of their hearing.

(5) All notices, precepts and documents, other than decisions of the Appeal Commissioners may be signed under the hand of the Secretary.

(6) All appeals before the Appeal Commissioners shall be held in camera.

(7) A taxpayer who appeals against an assessment shall be entitled to be represented at the hearing of the appeal, If the person intended by the taxpayer to be his representative in an appeal is unable for good cause to attend the hearing, the Appeal Commissioners may adjourn the hearing for such reasonable time as they think fit, or admit the appeal to be made by some other person or by way of written statement,



(8) The onus of proving that the assessment complained of is excessive shall be on the appellant.

(9) At the hearing of an appeal, if the representative of the Board proves to the satisfaction of the Appeal Commissioners or the court hearing the appeal in the first instance that:

(a) The appellant has, contrary to subsection (9) of section 63 of the Personal Income Tax Act, for the year of assessment concerned, failed to prepare and deliver to the Board the statement mentioned in that subsection; or

(b) The appeal is frivolous or vexatious or is an abuse of the appeal process; or

(c) it is expedient to require the appellant to pay an amount as security for processing the appeal, the Appeal Commissioners or, as the case may be, the court may adjourn the hearing of the appeal to any subsequent day and order the appellant to deposit with the Board before the day of the adjourned hearing an amount on account of the tax charged by the assessment under appeal, equal to the tax charged on the appellant for the preceding year of assessment under appeal, whichever is lesser

(10) If the appellant fails to comply with an order under subsection (9) of this section, the assessment against which he appealed shall be confirmed and the appellant shall have no further right to appeal whatsoever with respect to that assessment.

- (11)The Appeal Commissioner may confirm, reduce, increase or annul the assessment or make such order thereon as they see fit.
- (12)The decision of the Appeal Commissioners shall be recorded in writing by the Chairman and a certified copy of the decision shall be supplied to the appellant and the Board by the Secretary, on a request made within three months of the decision.
- (13)where on the hearing of an appeal:-
  - (1)no accounts, books or records relating to profit were produced by or on behalf of the appellant: or
  - (2)those accounts, books or records were so produced but the Appeal Commissioners rejected the same on the ground that it has been shown to . their satisfaction that they were incomplete or unsatisfactory; or
  - (3)the appellant or his representative, at the hearing of the appeal has neglected or refused to comply with a precept delivered or sent ot him by the Secretary to the Appeal Commissioners without showing reasonable excuse; or
  - (4)the appellant or a person employed,  
**whether confidentially or otherwise, by the applicant or his agent has refused to answer any question put to him by the Appeal Commissioners,**

(5) Without showing any reasonable cause, the Chairman of the body of Appeal Commissioners shall record particulars of the same in his written decision.

(14) the Governor may make rules prescribing the procedure to be followed in the conduct of appeal before the Appeal Commissioners.

**55.** (1) Notice of the amount of the tax chargeable under the assessment as determined

by the Appeal Commissioners shall be served by the Board on the taxpayer or on the person in whose name the taxpayer is chargeable.

(2) Where the tax chargeable on a taxpayer for a year of assessment in accordance with a decision of the Appeal Commissioner does not exceed twenty thousand Naira (N20,000.00) no further appeal by the taxpayer shall lie from that decision except with the consent of the Board.

(3) Notwithstanding that a further appeal is pending, tax shall be paid in accordance with the decision of the Appeal Commissioners, within one month of notification of the amount of the tax payable pursuant to subsection (1) of this section and Proceedings may be taken for its recovery in accordance with the provision of this law

**56.** (1) Subject to the provisions of Section 52 of this Law, a taxpayer who, having appealed against an assessment made on him to the Appeal Commissioners under the provisions of Section 53(1) of this Law is aggrieved by the decision of the Appeal Commissioners may appeal against the assessment and the decision to the High Court of the State upon giving notice in writing to the Board within thirty days after the date on which the decision was given.

Appeal  
Against  
Decision

(2) Where no body of Appeal of Commissioners has been appointed with jurisdiction to hear an appeal against an assessment made on a taxpayer, the taxpayer who is aggrieved by the assessment and has failed to agree with the Board in the manner provided on subsection (3) of Section 31 of this Law and Section 58(3) of the Personal Income Tax Act. may appeal against the assessment to the High Court of the State upon giving notice in writing to the Board within thirty days after the date of service of notice of the refusal by the Board to amend the assessment as desired.

S.65(2)  
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L.FN 2004

(3) If the Board is dissatisfied with a decision of the Appeal Commissioners, it may appeal against the decision to the High Court of the State upon giving notice in writing to the other party to the appeal within thirty days after the date on which decision was given.

(4) Seven clear working days notice of the date fixed for the hearing of the appeal shall, unless rules made hereunder otherwise provide, be given to all parties thereto.

(5) The provisions of subsection (7), (8) and (9) of Section 54 and that of subsection (1) of Section 53 of this Law shall apply to an appeal under this section with necessary modifications

(m) All appeals shall be heard in camera unless the judge shall, on the application of the taxpayer, otherwise direct.

(7) If on the hearing of an appeal from a decision of the Appeal Commissioners given under the provisions of Section 51 of this Law a certified copy of that decision is produced before the High Court and the decision contains a record by reference to-

(a) paragraph (a) of Sub-section (13) of Section 54 of this Law, the High Court shall dismiss the appeal: or

(b) paragraph (b) of subsection (13) of Section 54 of the Law; the High Court may dismiss the appeal on *prima facie evidence*, with respect to the accounts, books or records having been incomplete or unsatisfactory, as the Court may seem sufficient; or

(c) paragraph (c) or (d) of subsection(13) of Section 54 of this law, the High Court shall dismiss the appeal unless it considers that the cause of the neglect or refusal was reasonable

(d) Notwithstanding the provisions *section* 68 of the Personal Income Tax Act, if a particular case the judge, from information given at the hearing of the appeal, is of the opinion that the tax may not be recovered, ® may, on application being made by or on behalf of the Board, require the appellant to furnish within such time as may be specified,

S.65(8)  
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2004

Security for payment of the tax and ,if the security is not given within the time specified the tax assessed shall immediately become payable and *recoverable*

Assessment to be final and conclusive

- (10)The cost of the appeal shall be at the discretion of the Judge hearing the appeal and shall be a sum fixed by the Judge.
- (11)The Chief Judge of the State may make rules providing for the method of tendering evidence before a Judge on appeal, the conduct *of* the appeals and the procedure to be followed by a Judge.
- (12)An *appeal* against the decision of a Judge shall *lie to* the Court of Appeal and thereafter to the Supreme Court:-
  - (a) At the instance *of* the *taxpayer*, where the *decision of* the Judge is to the effect that the tax chargeable on the taxpayer for the relevant year of assessment exceeds fifty thousand *Naira* (N50,000.00).
  - (b) At the instance *of or with* the consent of the Board, in any other case provided that no cost shall be *awarded* against the *taxpayer in an appeal* instituted by the Board under *this* subsection unless the decision of the Judge is to the effect mentioned in paragraph (a) of this subsection.

57. (1) Where no valid objection or app has been lodged within the time limited by section 52 of this Law or where due notice has not been given of a further appeal against a the Appeal Commissioners or a judge as the Case may be, an assessment *made y* to under the provisions of subsection (6) of

Section 53 of this Law, and subsection (3) of Section 58 of the Act determined under the proviso to that subsection or on Appeal, as the case may be, shall be final and conclusive for all purposes of this Law as regards the amounts of the assessable, total or chargeable income and the tax charged thereby.

(2) If the full amount of the tax charged by a final and conclusive assessment is not within the appropriate period, prescribed by the provisions of this Law, the provisions thereof relating to the recovery of tax, and to any penalty under Section 38 of this Law, shall apply to the collection and recovery of the tax or penalty subject only to the set-off of the amount of any tax repayable under any claim made under a provision of this Law or of which has been agreed to by the Board or determined on an appeal against a refusal to admit that claim. *Provided that:*

- (a) *Where an assessment has become final and conclusive any tax overpaid, including any amount deposited with the Board on account of the tax charged by the assessment, shall be paid; and*
- (b) *Nothing in section 56 of the Personal Income Tax Act shall prevent the Board from making an assessment or additional assessment for any year, which does not involve reopening any issue, on the same facts, which has been determined for that year of assessment under subsection (3) of that section or an appeal.*

**58.** Any person obliged deduct any tax under this law or any other applicable law, fails to deduct or having deducted fails to pay to the internal Revenue Service within thirty days from the date the amount was deducted or the time the duty to deduct arose, shall be guilty of an offence and shall be liable to pay the tax withheld or not remitted in addition to a penalty of 10 per cent of the tax withheld or not remitted per annum and interest at the prevailing commercial rate.

Failure to  
deduct or  
remit tax

**59.** Unless otherwise provided on this Law or in Failure to Pay any other revenue law applicable in the State, Due Taxes, any person who fails to pay in full any tax, levy, <sup>Levies or Rates</sup> rate, charge or other revenue due to the State or a Local Government authority is guilty of an offence and shall be liable upon conviction to:

Failure to  
pay due  
taxes, levies  
or rates

- (a) a fine of 1 % of the total amount of revenue which was due and payable, for each day of default: and
- (b) Imprisonment for twelve months.

**60.** Any person who >

- (a) Obstructs, hinders, molest or assaults any person or authorized officer in the performance of any function or the exercise of any power under this Law; or
- (b) Does anything which impedes or is intended to impede the carrying out of any search, seizure, removal or distress,
- (c) Rescues, damages or destroys-Things so liable to seizure, removal or distress or does anything intended to prevent



(d) the procuring or giving of evidence <sup>as t</sup> whether or not anything is liable <sup>o</sup> seizure, removal or distress; or

(e) Prevent the arrest of any person by <sup>a</sup> person duly engaged or acting <sup>as</sup> aforesaid or rescues any person so arrested, commits an offence and shall be liable on conviction to a fine not exceeding two hundred thousand (N200,000.00) or imprisonment for a term not exceeding three years or both.

**61.** (1) Any person who: -

(a) Makes or signs, or causes to be made or signed, or delivers or causes to be delivered to the Internal Revenue Service or any officer of the Internal Revenue Service, any declaration, notice, certificate or other document whatsoever; or \*

(b) Makes any statement in answer to any question or enquiry put to him by an officer, which he is required to answer under this Law or any other enactment,

\ being a document or statement produced or made for any purpose of tax which is untrue in any material particular, commits an offence.

Whereas by reason o.<sup>r</sup> any such document or statement required to be produced under subsection (1) of this section the full amount of any tax payable is not paid or the overpayment is made in respect of any repayment of tax,

Untrue  
Declarations.

- (2), the amount of tax unpaid or the overpayment shall be recoverable as a debt due to the Internal Revenue Service.
- (3) Any person who commits an offence under this section shall be liable on conviction to a fine of two hundred thousand Naira (N200,000.00) and 100 per cent of the amount of tax unpaid or overpayment made in respect of any repayment or to imprisonment for a term of three (3) years or both.

**62. Any person Who:**

- (a) Counterfeits or falsifies any document which is required by or for the transaction of any business under this Law or any law being administered by the Board or the Internal Revenue Service; or
- (b) Knowingly accepts, receives or uses any document so counterfeited or falsified; or
- (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 of such a purpose relating to tax
- (e) Being an employee of the internal revenue Service, initiates, connives or participates in the commission of any of the offences in paragraphs (a) to (d) of this section commits an offence and shall be liable on conviction to a fine of five hundred thousand Naira (500,000.00) or to imprisonment for a term of three (3) years or both.

Counterfeiting Document etc
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**63.** Any person appointed for the administration of this Law or employed in connection with the assessment and collection of a tax who: -

- a) Demands from any company an amount in excess of the authorized assessment of the tax; or
- b) Withholds for his own use or otherwise any portion of the amount of tax collected, or
- c) Renders a false return whether orally or in writing of the amount of tax collected or received by him: or
- d) Defrauds any person, embezzles any money, or otherwise uses his position to deal wrongfully with the Internal Revenue Service; or
- e) Steals or misuses Service documents; or
- f) Compromises on the assessment or collection of any taxes, commits an offence and shall be liable on conviction to a fine equivalent to 200 per cent of the sum in question or to imprisonment for a term of three years or both.

- 64.**(1) Any person who, in commission of any offence under this Law is armed with any offensive weapon, commits an offence and shall be liable on conviction to imprisonment for a term of five years
- (2) Any person, who, while armed with an offensive weapon, causes injury to any officer or authorized officer of the Internal Revenue Service in the performance of his functions under this Law, commits an offence and shall be liable on conviction to imprisonment for a term of ten (10) years.

**65.** Any person who connives with 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 imprisonment for a term of one year.

**66. (1)** Any person who not being a Revenue Collector holds himself out as a Revenue Collector and attempt to collect or Connivance to Contravene any Provision of this Law. Impersonating a Revenue Collector. collects any revenue due to the State or a Local Government Council shall be guilty of an offence and be liable on conviction to a fine of two hundred and fifty thousand Naira (N250,000.00) or imprisonment for the three (3) years or both and any amount collected by him shall be forfeited to the State Government or relevant Local Government Authority.

(2) If for the purpose of obtaining admission to any building or other place or doing or procuring to be done any act which he would not be entitled to do or procure to be done of his own authority, or for any other unlawful purpose, any person, not being an authorized officer, assumes the name or designation or impersonates the character of an authorized officer, he shall, in addition to any other punishment to which he may be liable, be liable on conviction to <sup>a</sup> fine of one hundred thousand Naira (N100,000.00) or to imprisonment for a term of two (2) years.

**67.**(1) Any criminal proceedings for an offence under this Law, shall be instituted by or 2 the consent of the Attorney-General of Kano

(2) Notwithstanding that the Attorney- general is a member of the Board, he may appear for and represent the Board or Internal Revenue Service in his professional capacity in any proceedings in which the Board or Internal Revenue Service is a party.

**Provided that** the Legal Adviser shall not in such circumstances give evidence on behalf of the Board or Internal Revenue Service.

**68.**(1) The Internal Revenue Service may, with the approval of the Attorney-General compound any offence under this Law by accepting a sum of money not exceeding the maximum fine specified for the offence.

(2) the Internal Revenue Service shall issue a treasury receipt for any money received under subsection (1) of this section

**69.**(1) Any person who contravenes any provisions of this Law for which no specific penalty is provided, commits an offence and shall be liable on conviction to a fine of fifty thousand Naira (N50,000.00) or imprisonment for a term not exceeding two (2) years or both.

(2) Where an offence under this law is committed by a body corporate or firm or other association of individuals:

- (a) Every director, manager, secretary or other similar officer of the body corporate; or
- (b) Every partner of the firm, or
- (c) Every person concerned in the management of the association; or
- (d) Every person purporting to act in any capacity as aforesaid commits an offence and shall be liable to be proceeded against and punished for the offence in like manner as if he had himself committed the offence, unless he proves that the act or omission constituting the offence took place without his knowledge, consent or connivance.

**70.** (1) Every person having any official duty or being employed in the administration of this law shall regard and deal with all documents, information, returns of assessment list and copies of such list relating to the profits or items of profits of any individual or Company, as secret and confidential

(6) Every person having possession of or control over any document, information, returns of assessment list or copies of such list relating to income or profits or losses of any person, who at any time communicates or attempts to communicate such information or anything contained in such documents, returns, list of copies to any other person: -

(6) Other than a person to whom he is authorized by the Chairman to communicate it; or

(b) Otherwise than for the purpose of this law or of any other enactment, commits an offence under this law.

(3) No person appointed or employed under this law shall 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 excepts as may be necessary in order to institute a prosecution, or in the course of a prosecution for any offence committed in relation to any tax in Nigeria.

Where under any law in force in respect of any Double Taxation Treaty with any country, provision is made for the allowance of relief from income tax in respect of the payment of income tax in Nigeria, the obligation as to secrecy imposed by this section shall not prevent the disclosure to the authorized officers of the Government of that country of such facts as may be necessary to enable the proper relief to be given in cases where such is claimed from tax in Nigeria or from income tax in that country.

(3) Where an agreement or arrangement with any other country with respect to relief for double taxation of income or profits includes provisions for the exchange of information with that country for the purpose of implementing that relief or preventing avoidance of tax the obligation as to secrecy imposed by this section shall not prevent the disclosure of such information to the authorized officers of the Government of such country.

**71.**(1) The Board shall in the exercise of its powers and duties under this Law, be subject to the general directives of the Governor and such should be complied with in so far as it does not interfere with the day to day administration of the Internal Revenue Service.

**Provided that** the Governor shall not give any direction, 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 proceedings whether civil or criminal relating either to the recovery of any tax or to any offence under this or any other tax legislation.

(2) In any proceeding whether civil or criminal under this Law or any of the Laws administered by the Board, any act, matter or thing done by the Internal Revenue Service or the Board in pursuance of the said laws shall not be subject to challenge on the ground that such act, matter or thing was not or was not proved to be in accordance with any direction, given by the Governor.

Any power conferred and any duty imposed upon the Board may without prejudice to the provision of section 88(4) of the personal income Tax Act be exercised or performed by the board or by an officer authorized generally or specially in that behalf by the board



(2) Notwithstanding the provisions subsection (1) of this section, the Board may at any time and at its discretion, reverse or otherwise modify the 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 tax law or whether or not the officer was authorized by the Internal Revenue Service to make the decision, 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,

(3) An order, ruling or directive made or given by an approved committee of the Board pursuant to this section 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.

**73.** Anything done or required to be done by the Internal Revenue Service or the Board in pursuance of any of its powers or duties under this or any other law may be signed under the hand of the Chairman or an officer who has been authorized by the Board to so do.

**74.** (1) If any officer of the Internal Revenue Service whether still or not in its employment-

a) Is or was responsible for any improper payment of moneys from the fund of the Internal Revenue Service or for any payment of such money which is not duly documented;

(b) Is or was responsible for any deficiency in, or for the destruction of any moneys, securities, stores or other property of the Internal Revenue Service;

(c) Fails or has failed to keep proper accounts or records;

(d) Has failed to make any payment, or is responsible for any delay in the payment of moneys for the Internal Revenue Service to any person to whom such payment is due under any contract, agreement or arrangement entered into between that person and the Internal Revenue.

And if a satisfactory explanation is not furnished to the Internal Revenue Service within a period specified by the Board, with regard to the failure to collect, improper payment not duly documented, deficiency or destruction, or failure to keep proper accounts or records, or failure to make payment, or delay in making payment, the Internal Revenue Service may surcharge the said officer such sum as it deems fit.

(2) Any action taken under subsection (1) of this section shall be subject to the approval of the Board and when such approval is obtained, the Chairman shall notify the person surcharged under this section.

(3.) The Board may at any time withdraw any surcharge in respect of which a satisfactory explanation has been received from the person concerned or if it otherwise appears that no surcharge should have been made, the Board shall at once inform the Chairman of such withdrawal.

The amount of any surcharge imposed under; subsection (3) of this section and not withdrawn under subsection (3) of this section shall be a debt due to the internal Revenue service from the person against whom the surcharge imposed and may be sued for and recover in any court in any suit initiated by the internal recovered service for its recovery and may also be recovered by deduction from the salary or other emoluments of the person surcharged if the Board so directs.

(1) Subject to the provisions of this law, the provision of the Public Officers Protection Act shall apply in relation to any suit instituted against any member, officer or employee of the Internal Revenue Service.

2) No suit against the Chairman or a member of the Board or any employee of the Internal Revenue Service for any act done in pursuance or execution of this Law or any other law or enactment, or of any public duties or authority or in respect of any alleged neglect or default in the execution of this law or any other law or enactment, duties or authority, shall lie or be instituted in any court unless it is commenced:-

(n) Within three months after the act. neglect or default complained of; or

(o) In the case of a continuation of damage or injury, within six months - next after the ceasing thereof.

(3) No suit shall be commenced against the Chairman or a member of the Board or any other officer or employee of the Internal Revenue

(4) Service by the intending plaintiff or his agent,

(5) The notice referred to in subsection (3) of this section shall clearly and explicitly state.-

(a) The cause of action

(b) The particulars of the claim

(c) The name and place of abode of the intending plaintiff;  
and

(d) - The relief, which he claim.

**76.** A notice, 'summons or other document service of required or authorized to be serviced on the Documents. Internal Revenue Service under the provisions of this Law or any other law may be served by delivering it to the Chairman or by sending it by registered post addressed to the Chairman<sup>1</sup> at the principal office of the Internal Revenue Service.

**77.** (1) In any action or suit against the Internal Revenue Service, no execution or attachment of process in the nature thereof shall of the internal be issued against the Internal Revenue Service Revenue unless not less than three months notice of the intention to execute or attach has been given to the Internal Revenue Service.

(2) Any sum of money which by the judgment of any court has been awarded against the Internal Revenue Service shall, subject to any direction given by the court, where no notice of appeal against the judgment has been given, be paid from the fund of the Internal Revenue Service.

**78.** A member of the Board? the Chairman any officer or employee of the Internal Revenue Service shall be indemnified out of the assets f the Internal Revenue against any liability incurred by him in defending any proceeding whether civil or criminal, if the proceeding \\$ brought against him in his capacity as Chairman or member of the Board or officer or other employee of the Internal Revenue Service.

**79.** The Governor may give to the Chairman Governor, etc. such directives of a general nature or relating generally, to matters of policy with regards to. the exercise of \\s or his functions as, he may consider necessary and it shall be the duty of the Internal Revenue Service or the Chairman to comply with the directives or cause them .to be complied with.

**80.** The Board may, with the approval of the Governor, make regulations for carrying into effect the provisions of this law and for the due administration of its provisions and may in particular, make regulations:-

- (a) Prescribing the forms for returns and other information required under this law or any other law;
- (b) Prescribing the procedure- obtaining any information required under -this law or any other law; and
- (c) For any other incidental matters.

**81.**(1) There is imposed an Entertainment Levy  
- which shall be payable by users of viewing

centers, cinemas, film houses, photo studios, film production facilities, internal services, paid television and compact disc plates.

2) The rate of entertainment Levy imposed by this Law shall be as specified in schedule 2 to this Law.

**82.** The owner, manager or person controlling any of the businesses chargeable to agent, entertainment Tax under this Law (in this part referred to the “collecting Agent”) shall collect for and on behalf of the total amount charged or payable by the user in accordance with the provisions of this Law.

**83.**(1) All viewing center, cinemas, film houses, Registration of photo studios film production facilities, internet <sup>viewing</sup> services, paid television businesses and Houses! etc<sup>TM</sup> compact disc plate producers shall within thirty days of the commencement of this Law or on commencement of business whichever is earliest, register with the Service for the purpose of the Law.

(2) A collecting Agent shall produce evidence of registration with the' services as a condition precedent to any contractual relationship with the State Government or any of its ministries, Departments agencies or Local Government Council.

**84.** A Collecting Agent shall submit to the Service monthly returns comprising the sales records of the services rendered, the cashbook the customer ledger or records together w evidence of remittance of Entertainment levy for the month within twenty-one (21) succeeding month.

**85** An authorized officer of the Service:

(1) may enter without warrant, any premises he reasonably believes that a person carrying on business in order to ascertain whether the provisions of this Part is being complied with by the occupier of the premises or any other person; and

(2) shall at any reasonable time of the day be given access to all books and records of any viewing center, cinema, film house, photo studio, film production facility, internet service, paid television business or compact disc plates business rendering chargeable services for the purpose of verifying facts necessary to determine the amount due and payable to the Service under this Law.

86. (1) There is imposed an entertainment Levy which shall be payable by users of viewing centers, cinemas, film houses, photo studios, film production facilities, internet services, paid television and compact disc plates.

(2) The rate of entertainment Levy imposed by this Law shall be as specified in Schedule 2 to this Law.

87. The owner, manager or person controlling any of the businesses chargeable to entertainment Tax under this Law (in this Part referred to the “collecting Agent”) shall collect for and on behalf of the service, the Entertainment Tax imposed by this Law based on the total amount charged or payable by the user in accordance with the provisions of this Law.

88. (1) All viewing centers, cinemas, film, Photo studios film Production facilities, internet services- Paid television businesses and compact disc plate Producers shall within thirty Says of the commencement of this Law or on commencement of business, whichever is earliest, register with the Service for the purpose of the Law.

(2) A collecting Agent shall produce evidence of registration with the service as a condition precedent to any contractual relationship with the State Government or any of its ministries, Departments agencies or Local Government Councils.

**89.** A Collecting Agent shall submit to the Service monthly returns comprising the sales records of the services rendered, the cash book, the customer ledger or records together with the evidence of remittance of Entertainment Levy for the month within twenty-one days of the succeeding month.

**90.** An authorized 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 the provisions of this Part is being complied with by the occupier of the premises or any other person; and

(2) shall at any reasonable time of the day e 9|ven access to all books and records of any viewing center, cinema, film house, photo studio, film production facility, internet service, paid television business or compact disc plates business rendering chargeable services for the



purpose of verifying facts necessary to determine the amount due and payable to Z Service under this Law.

**91.** (1) Where a corporate body or 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 estimated assessment on the Collecting Agent and may order him in writing to pay the amount charged in the assessment to the Service within twenty-one (21) days of the date of service of the assessment.

(2) An objection to the assessment under subsection (1) of this section shall only be valid if the supporting documents, records or information as specified by the Service are provided within thirty days of the receipt of the demand notice, otherwise the assessment shall be final and conclusive.

(3) Where the monthly returns or information provided by the Collecting Agent are considered by the Service to be untrue, additional returns shall be requested for additional assessment to be made.

(4) Where the Collecting Agent fails to provide the additional returns under the provisions of subsection (3) of this section, the Service shall make an additional estimate assessment accordingly.

**92.** (1) If a Corporate Body or Collecting Agent fails to file a report and remit the Entertainment levy collected by him within the time allowed by this Law, the Collecting Agent shall, in addition to any other penalty provided under this Law, pay a penalty of one hundred per cent of the amount of Entertainment Tax due.

(2) Any director, manager, officer, agent or employee of the Collecting Agent who fails to comply with the provisions of this Law, commits an offence and liable on conviction to a fine of not less than one hundred thousand naira or imprisonment for a term of six months or to both such fine and imprisonment.

**93.**(1) There is imposed a Social Services and Economic Development Levy which shall be s<sup>o</sup>ervice' payable by all corporate bodies, including banks, and Economic hotels and insurance, telecommunications, Development manufacturing, oil and gas companies and <sup>Lev</sup>v- energy companies.

(2) The rate of Social Services and Economic Development Levy imposed by this Law shall be as specified in Schedule 2 to this Law.

**94.**A corporate body shall submit to the Service monthly. returns as may be prescribed by the Remittance Service together with the evidence of remittance of the Social Services and Economic Development Levy for the month within twenty- one days of the succeeding month.

**95.** An authorized officer of the Service –

- (a) may enter without warrant, any premises on which he reasonably believes that a body is carrying on business in ORDER TO ascertain whether the provisions of this D being complied with by the corporate body and
- (b) shall at any reasonable time of the given access to all books and records V\* corporate body for the purpose of verifying facts necessary to determine the amount due AND payable to the Service under this Law

**96.** (1) There is imposed a Consumption Tax which shall be payable by consumers of goods and services bought or rendered, as the case may be, in any hotel, restaurant, eatery, bakery, takeaway, suya spot, shopping mall, store, event center and other similar business.

(2) The amount to which the Consumption Tax applies shall be the total cost of facilities, consumables or personal services supplied to a consumer in, by or on behalf of the hotel, restaurant, eatery, bakery, takeaway, suya spot, shopping mall, store, event center and other similar business.

**97.** The rate of Consumption Tax imposed by this Law shall be charged on the consumable services or goods bought or purchased at rate specified in Schedule 2 to this Law.

**98.** The owner, manager or person controlling Colson any of the businesses or supplying any of the goods or services chargeable under this Law (in this law referred to the “Collecting Agent”) shall collect for and on behalf of the Service, the Consumption Tax imposed by this Law based on the total amount charged or payable by the consumer at the rate specified in Schedule 2 to this Law.

**99.** (1) Any hotel, restaurant, eatery, bakery, Motets takeaway, suya spot, shopping mall, store, event center or other similar business shall, within thirty days of the commencement of this Law or on commencement of business, whichever is earlier, register with the Service for the purpose of this Law.

(2) A Collecting Agent shall produce evidence of registration with the Service as a condition precedent to any contractual relationship with the State Government or any of its Ministries, Departments, agencies or Local Government Councils.

**100.** A Collecting Agent shall submit to the Service monthly returns comprising the sales records of the goods or services sold or rendered the cash book, the customer ledger or records together with the evidence of remittance of Consumption Tax for the month within twenty- one days of the succeeding month.

101 An authorized officer of the Service

(a) may enter without warrant, any premise on Which he reasonably believes that a person carrying on business in order to ascertain whether the provisions of this Part is being complied with by the occupier of the premises or any other person; Provided that where the Person carrying on the business or the occupier of the premises is a woman, only female officer o the service shall enter such premises.

(b) shall at any reasonable time of the day be given access to all books and records of any hotel restaurant, eatery, bakery, takeaway, suya spot shopping mall, store, event center and omer similar business offering chargeable goods and seSs for the purpose of verifying facts necessary to determine the amount due and payable to the Service under this Law.

(1) if a Collecting Agent fails to file a report and remit the Consumption Tax collected by him within the time allowed by this Law, the Collecting Agent shall, in addition to any other penalty provided with under this Law, pay a penalty of *one* hundred per cent of the amount of Consumer Tax due.

(2) Any director, manager, officer, agent or employee of the collecting agent who fails to comply with the provisions of this Law, commit an offence and liable on conviction to a *fine not less than one* hundred thousand naira or imprisonment for a term of six months or to both such fine and imprisonment.

**103-** (1) Where a hotel, restaurant, eatery, Consumption bakery, takeaway, suya spot, shopping mall, Tax Payable on store, event center or other business covered by Transfer of this Law is sold or otherwise disposed of, the Business, 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 any restaurant, eatery, bakery, takeaway, suya spot, shopping mall, store, event center and other similar business who fails to comply with the provisions of subsection (1) of this section is liable to pay the amount due to the designated Government account and the provisions of this Law shall apply

(3) The transferee of any restaurant, eatery, bakery, takeaway, suya spot, shopping mall, store, event center and other similar business may request from the Service, a certificate stating that no Consumption Tax is due or stating the amount of Consumption 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 days of receiving the request or within thirty days after the day on which the relevant records of the business are made available for audit, whichever is later, but in either case, the Service

shall issue the certificate within sixty DAYS the date of request.

- (5) In the absence of willful conceal fraud, the period of limitation during which the Service may assess Consumer Tax against transferor under this section is four years from the date when the transferor disposed of the restaurant, eatery, bakery, suya spot, shopping mall, store, event center and other similar business or when a determination is made against the transfer, whichever event occurs later.

**104.** The Service may, from time to time, by order published in the Gazette issue rules and regulations for the determination, collection, and remittance of Consumption Tax due and for the proper administration of the provisions of this law.

**105.** (1) The provisions of this Part apply to the category of taxable persons -

- (a) not covered under the Pay-As-You Earn or direct assessment provisions of this Law;
- (b) whose income for all practical purposes cannot be ascertained; or
- (c) Whose financial records of business undertaking are not kept in a manner to enable proper assessment of income tax payable to be

readily ascertainable.

(2) The taxable persons to which the provisions of subsection (1) of this section apply include persons operating micro, small medium scale businesses on whom a tax

“Presumptive Tax” shall be imposed by the cilice based on the level of activities of the taxable persons in the businesses or enterprises as provided in Part C of Schedule 1 to this Law.

**106.** For the purpose of the Presumptive Tax chargeable on the businesses or enterprises under this law, the Service shall make available to taxable persons, on an annual basis, the Presumptive Tax Registration Form and the Presumptive Tax Returns Form, respectively.

**107.** (1) The taxable persons shall file the returns made available by the Service on or before ninety days from the commencement of each year.

(2) Failure by a taxable person to file returns under this section constitutes a contravention of the provisions of this Law.

**108.** (1) The Presumptive Tax administered and payable by a taxable person under this law shall be in accordance with the classes of trade, business, vocation and profession set out in the Presumptive Tax Table contained in Schedule 3 to this Law.

(2) The Board may make recommendations to the Governor, as may be required, from time to time, for -

- (a) the review of the Presumptive Tax payable in respect of a trade or business; or the amendment of the list of trades or businesses, in the Presumptive Tax Table contained in Schedule 3 to this Law and any revision or amendment approved by the House of Assembly shall be published by the Service in the Gazette.



(3) The Service shall by order, publish in the Gazette prescribed the mode and procedure for the payment of the Presumptive tax by taxable persons under the part

(4) On payment of the Presumptive Tax Service shall issue a Tax Clearance certificate to the taxable person in accordance with the procedures set out in this Law.

**109.** The Service shall maintain Taxable Persons surveillance of the activities, businesses operations of taxable persons under this Part

(a) ensure compliance with the provisions of the Part;

(b) obtain timely and useful information on the nature level and volume of business bema undertaken;

(c) ascertain the appropriate category of business for a taxable person; and

(d) Provide necessary guidance and encourage the keeping of records of transactions of activities, businesses and operations.

**110.** A taxable person who is not satisfied with the class of business imposed or assessment made by the Service may file an objection with the Service within thirty days of the receipt of the assessment stating clearly the grounds on which the objection is based.

**111.** A taxable person who is dissatisfied with the decision of the Service in relation to the objection referred to the Service in this Law may appeal to the Tax Appeal within thirty days of decision of the Service.

**112.** A taxable person who keeps and maintains up-to-date records of transactions and files returns within the period specified under this part is entitled to a rebate of five percent of the Presumptive Tax payable.

**113.** (1) The Service shall take appropriate measures, including education and enlightenment programs to provide necessary guidance to taxable persons to keep records of transactions to facilitate migration from the payment of Presumptive Tax under this Part to the conventional Pay-As-You-Earn or direct assessment provided for in this Law.

(2) A taxable person under this part of the law may voluntarily choose to exit from being subject to the provisions of this Part and file requisite returns for assessment to be made under the relevant provisions of this Law.

(3) Where the Service discovers, based on available records or any other valid record or information that a taxable person ought to be assessed under any other Part of the Law, the Service shall ensure that the taxable person is assessed accordingly.

**114.** A taxable person to whom the provisions of this law apply, who fails or neglects to make payment of the Presumptive Tax assessed on him is liable to pay the sum of five per cent per annum in addition to the Presumptive Tax due and payable.

**115.** (1) Notwithstanding anything to the contrary in this Law, any director, employee, staff or

officer who immediately before the commencement of this Law held office in the State Board of Internal Revenue Service (including the State Internal Revenue Service) referred to in this Law as the former Board" existing immediately before the commencement of this Law and who has been made an offer of employment by the Internal Revenue Service shall be deemed to have been transferred to the Internal Revenue Service established under this Law on terms and conditions not less favourable than those obtaining immediately before the commencement of this Law and service or employment in the former Board shall be deemed to be service or employment in the former Board shall be deemed to be service or employment in the Internal Revenue Service established under this Law for purpose of pension.

(2) every director, employee, staff or officer transferred into the Internal Revenue Service by virtue of subsection (1) of this section shall notify the Internal Revenue Service established under this Law in writing sixty (60) days after the commencement of this Law or after the receives an offer of appointment from the new Board (whichever is later) of his acceptance and any director, employee, staff or officer who fails to notify the Internal Revenue Service shall be deemed to have rejected the offer.

(3) Any director, employee, staff or officer referred to in subsection (2) of this section is deemed to be an employer of the Internal Revenue Service established under this Law beginning on the day that this Law comes into

force end ending on the expiry of the period of grace under subsection (2) of this section or on the day of his written refusal and the Internal Revenue Service established under this Law is deemed to be his employer for all purposes during that period.

(2) An employee who is not transferred or who refuses the transfer or a job offer made by the Board established under this Law, as specified in subsection (1) of this section, shall be transferred to the Office of the Head of Civil Service of the State for redeployment in the Civil Service within the time specified in subsection (2) of this section.

**116.**(1) There shall be vested in the Board all Existing assets, funds, resources and other immovable <sup>ies an</sup> property, which immediately before the commencement of this Law were vested in the former Board existing immediately before the commencement of this Law.

(2) All rights, interests, obligations and liabilities of the former Board existing immediately before the commencement of this Law under any contract or instrument, whether in law or in equity apart from any contract or instrument, shall by virtue of this Law be assigned to and vested in the new Board.

(3) Any contract or instrument referred to in subsection (2) of this section shall be of the same force and effect as the Board or the Internal Revenue Service established under this Law and shall be enforceable as if, the Board established under this Law had been named therein or had been a party thereto.

- (2) The Board shall be subject to all obligations and liabilities to which the former Board existing immediately before the commencement of this Law, and all other persons shall as from the commencement of this Law have the same rights, powers and remedies against the Board as they had the former Board
  - (3) Any proceeding pending or existing immediately before the commencement of this Law against the former Board in respect of any rights, interests, obligations or liability of the former Board may be continued, or be commenced and the determination of a court of law, tribunal or other authority or person may be enforced by or against the Board of Internal Revenue.
  - (4) Any regulations, order, bye-laws or notices made or issued or deemed to be made or issued by or for the purposes of the former Board existing immediately before the commencement of the Law shall be deemed to.
- 117.** As from the commencement of this Law, the Chairman of the former Board shall be deemed to have been transferred to the Board established under this Law in the same capacity.
- 118.** (1) As from the commencement of this Law, any disciplinary proceeding pending or existing against any employee of the State Government who, has opted into the service of the former Board, shall be continued and completed by the Board established under this Law.
- (2) An appeal or grievance already filed, but which has not been finally disposed of on the coming into force of this Law shall be dealt with and disposed of in accordance with the Civil

Service Rules as if this Law had not come into force.

**119.** (1) The administration and control of all Transfer of rights, obligations and liabilities that were under the administration and control of the former '9a 'on' Board are hereby transferred to the Board established under this Law.

(2) The administration of any real property that were immediately before the coming into force of this Law under the administration, or administration responsibility of the former Board or sits agencies or bodies for the purposes of that former Board are hereby transferred to the Board established under this Law.

(3) All orders, rules, registrations decisions, directions, licenses, authorizations, certificates of consents, approvals, declarations, designations, permits, registrations, rates or other documents that are in force before the coming into force of this Law and that are made or issued by the Governor, Chairman, of the former Board or any person under their control shall continue in force as if they were made, or issued by the Governor, the Board established under this Law, the Chairman or an employee of the Internal Revenue as the case may be, until they expire or are repealed, replaced, reassembled or altered.

(4) Every reference to the Governor, former Board Chairman or any person under their control in a document issued in the name of the Governor, former Board, Chairman or employee of the former Board is to be read, unless the

context otherwise requires, as a reference to the Governor, Board, Chairman, or an employee of the Board established under this law, as the case may be.

(5) Every affidavit sworn to, or document duly certified by an officer of the former Internal Revenue Service before the day on which this section comes into force has the same probative value as if it were sworn to or certified by an employee of the Internal Revenue Service on or after that day.

**120.** (1) Notwithstanding the provisions of this Law, the relevant provisions of all laws to be administered by the Internal Revenue Service shall be read with such modifications as to bring them into conformity with the provisions of Personal Income Tax Act 2011. (2) If the provisions of any other state law for the charging and collection of revenue are inconsistent with the provisions of this law, the provisions of this Law shall prevail and the provisions of that other Law shall to the extent of its inconsistency be void.

**121.** (1) Section 2 of the Personal Income Tax Law Cap. P4, Laws of Kano State is amended by deleting the definition of the Board” and inserting the following new definition: - “The Board” means the Kano State Board of Internal Revenue Service set up under Section 1 of the Kano State Revenue Administration Law 2010 (1431 A.H.

## **TRANSITIONAL AND SAVING PROVISIONS**

### **122. (1) The Kano State Revenue Administration**

Law 2010 is hereby amended.

(2) All valid appointments of staff made by the Board before coming into force of this law shall be deemed to have been made pursuant to this law and the existing right of fresh staff if any, to pension and gratuities by virtue of this section be preserved.

## **SCHEDULE 1**

### **LIST OF TAXES, LEVIES, ETC. COLLECTABLE BY THE STATE GOVERNMENT PURSUANT TO THE TAXES AND LEVIES (APPROVED LIST FOR COLLECTION) ACT (AMENDMENT) ORDER, 2015.**

- (1) Personal Income Tax in respect of: -
  - a. Pay-As-You-Earn (PAYE); and
  - b. Direct taxation (self-assessment)
- (2) Withholding Tax (individuals only)
- (3) Capital Gains Tax (individuals only)
- (4) Stamp Duties on Instruments executed by individuals
- (5) Gaming fees and Taxes
- (6) Road Taxes,
- (7) Business Premises Registration Fee in respect of urban and rural areas in the State.
- (8) Development Levy (individuals only)
- (9) Naming of Street Registration Fees in the State Capital.
- (10) Right of Occupancy fees on Lands owned by the State Government in Urban Areas of the State.



- 11., Market Taxes and Levies where State finance is involved.
- 12., Property Tax
- 13., Hotel, Restaurant or Event Centers (Consumption Tax)
- 14., Entertainment tax
- 15., Environmental Impact Assessment (ecological) Fee or Levy
- 16., Milling, Sand dredging, Mining, and Quarrying Fee
- 17., Animal Trade Tax
- 18., Produce Sales Tax
- 19., Slaughter or Abattoir Fees, where State finance is involved;
- 20.**, Infrastructure Maintenance Charge or Levy
- 21.**, Fire Service Charge
- 22.**, Economic Development Levy
- 23., Social Services Contribution Levy
- 24., Signage and Mobile Advertisement, Jointly Collected by States and Local Governments.
- 25., Container Haulage Discharge Fee
- 26., Specialized Vehicle Parking Fees within the Metropolitan LGAs
- 27., Agricultural Products levy

**SCHEDULE 2**  
**APPLICABLE CHARGES. RATES. LEVIES**  
**FEES, ETC**

Except as provided under this Law or under any other revenue law, the following rates or fees shall be chargeable in respect of items listed in Schedule 1 to this law: -

**1. Business Premises Registration fee**

(a) For Urban areas as defined by the State, up to maximum of -

- i. N10,000 for registration; and
- ii. N5,000 per annum for renewal of registration.

(b) For Rural areas -

- i. N2,000 for registration; and
- ii. N1,000 for renewal of registration.

**2. DEVELOPMENT LEVY (INDIVIDUALS ONLY)**

All taxable individuals in the State shall pay an annual development levy of N500 only.

**3. SOCIAL SERVICES AND ECONOMIC LEVY**

This levy is payable monthly by all corporate or business organizations in the State including each branch of banks (N15,000), insurance companies (N5,000), telecommunication companies (N50,000), manufacturing companies (N5,000-N10,000), oil and gas companies (N10,000), electricity, electronics & energy companies (N20,000), small construction companies (N5,000). Big Construction Companies (N25,000.00).

**4. CONSUMPTION TAX**

A rate of 5% shall be imposed by the Service payable by consumers of goods and services bought or rendered in any hotel, restaurant or eatery, bakery or takeaway, suya spot, shopping mall, stores, event center or other similar business.

**5. ENTERTAINMENT TAX**

A rate of 5% shall be imposed by the Service on all users of the service or product of cinemas, viewing centers, internet service providers, CD plates producers, audio materials, photograph and other similar entertainment activities as may be determined by the Service from time to time.

**6. ENVIRONMENTAL IMPACT  
ASSESSMENT (ECOLOGICAL) FEE**

- (1) These fees are payable by Industries, factories, banks, telecommunication mast, aviation, energy providers and other similar business concern or establishments are chargeable to this Fee from N100,000 to N500.000 annually for environmental impact assessment (EIA) or audit depending on their sizes.
- (2) Right of way fees shall be paid for the permission of placement of all underground cables, telecommunication mast and similar structure shall be renewable annually at a fee <sup>as</sup> approved by the Assembly.

(3) Abattoirs, mechanic workshops, borehole drilling companies, clinics, private hospitals, and filling stations and petrochemical companies shall also be subjected to this Fee annually as follows

-

Private Schools (Urban - N10,000 and Rural N5,000).

Clinics and others Borehole Drilling companies - Pure Water companies - Semi Urban N15,000 and Rural N10,000).

Filling Stations - N20,000

Industrial Complexes -N50,000

Abattoirs (Big) - N50,000

Abattoirs (Medium) -N25,000

Abattoirs (Small - N15,000

The Service shall administer the fees chargeable under this head annually in conjunction with the Ministry of Environment and Kano Urban Planning and Development Authority.

## **7. FIRE SERVICE CHARGE:**

(1) All business premises, including markets, shopping malls or plazas, banks, manufacturing plants shall pay fire service charge based on the size of their premises.

(2) The Fire Service Charge is applicable in two distinct categories:

**A. Fixed Vetting of Building Plans *charge***

*For* industrial, commercial, residential buildings and *others*,  
the rates *are as* follows:

- (i) Industrial building plan approval  
N20,000
- (ii) *Commercial* building plan approval  
N15,000
- (iii) Residential  
N5.000
- (iv) *Office*  
N10,000
- (v) *Place of* Instruction (Schools etc)  
N10,000
- (vi) 2-5 High rise Storey  
N25,000
- (vii) 6-10 and above High rise Storey  
N30,000

**B. Issuance of Annual Fire Safety*****Assessment Certificate:***

- (i) *Industrial* building  
N10,000
- (ii) *Commercial* building  
N5.000
- (iii) *Five to*Ten Storey Building  
N15,000
- (iv) *Eleven* Storey Building and above  
N20.000
- (v) *Filling* Stations  
N15,000
- (vi) All Resorts including hotels, event centers, Soft  
Drinks Joint, cinemas, night club, private clinic  
&schools N5,000

## **8. MILLING, SAND DREDGING, MINING AND QUARRY FEE**

### **(1) Milling Fee -**

(a) For milling activities, including rice mill industries, oil mill, the Service shall prescribe such fees as considered appropriate in conjunction with Ministry of Commerce.

(b) Mining activities shall be quantified after payment of royalty and the residue shall be levied by the State Government.

### **(2) Quarry Fee -**

(a) Quarrying fees shall be introduced on all the quarrying sites where soil or sand and other materials are being excavated and levied as follows -

#### **(i) Quarrying Registration or Permit**

An amount ranging from N10,000 to N 100,000 per annum based on the size and level of activities shall be charged as fees;

#### **(iii) Sand Dredging charges-**

An amount ranging from N300-N1,000 per trip of sand depending on the size of the Vehicle and N300-N 1,000 per trip of gravels and other granular materials, being removed from the ground or land shall be charged by the Service, in collaboration with the Local Government Councils through Joint Revenue Committee of the State.

## **9. ROAD CONGESTION CHARGES -**

This daily charge relates to commercial and corporate vehicles on the roads in respect of which the following rates are applicable:

(i) Tricycles (N100), 'buses, taxis, minitrucks and canter- N 100 daily

Advance payments on a weekly and monthly basis shall be discounted as follows -

- (a) Weekly - N500 (7days)
- (b) Monthly - N2000 (28days)

(ii) *Saloon* corporate vehicles  
N100 daily

*Advance* payments on a weekly and monthly basis shall be discounted as follows -

- (a) Weekly - N500 (7 days)
- (b) Monthly- N2000 (28 days)

(iii) Medium size corporate vehicles: N100 *daily*

Advance payments on a weekly and monthly basis shall be discounted as follows -

- (a) Weekly - N500 (7 days)
- (b) monthly - N2000 (28 days)

(iv) Tankers are categorized into two classes and charged as follows:

- (a) Water tankers -N200 daily
- (b) Other tankers -N1000 daily *Advance* payments on a weekly and monthly *basis shall* be discounted follows -

**Water tankers**

-N1200 (7 days)

- N5000 (28 days)

(a) Weekly

(b) Monthly *Other* tankers

(a) Weekly

(b) *Monthly*

-N5000 (7 days) -N20000 (28 days)

(v) *Tippers* and other vehicles of similar size are *categorized* into three and charged as follows -

(a) Small *tipper* and other trucks (6 tyres) - N200 *daily*

(b) Medium tippers and other trucks (10, tyres) - N300 daily

(c) Big Tippers and other trucks (12 tyres and above) - N500 daily

Advance payments on a weekly and monthly basis shall be discounted as follows

**Small tippers and other trucks**

(a) weekly - N1000 (7 days)

(b) monthly - N5000 (28 days)

**Medium tippers and other trucks**

(a) weekly - N1,800 (7 days)

(b) monthly - " N7,500 (28 days)

**Big tippers and other trucks**

(a) Weekly - N3, 000 (7 days)

(b) Monthly - N12, 000 (28 days)

(vi) Trailers - N1000 daily

**Advance payments on a weekly and monthly basis shall be discounted as follows -**

(a) Weekly - N5000 (7 days)

(b) Monthly - N 20000 (28 days)

(vii) Luxurious buses - N1000 daily

**Advance payments on a weekly and monthly basis shall be discounted as follows -**

(a) Weekly - N5000 (7 days)

(b) Monthly - N20000 (28 days)

(viii) Defaulters of the law shall be fined N500 for each day of default upon persecution by KAROTA in a court of competent jurisdiction.

**9. ROAD WORTHINESS CERTIFICATE FEE**

(1) Road worthiness certificate fee shall be collected by the State in which the vehicle operates and administered by the Service in conjunction with appropriate agencies



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