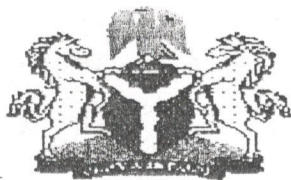


J. C. Okoji ✓



ABIA STATE OF NIGERIA

**ABIA STATE BOARD OF INTERNAL REVENUE
(AMENDMENT NO. 2) LAW, 2016**

LAW NO.2 OF 2016



ABIA STATE OF NIGERIA

ABIA STATE BOARD OF INTERNAL REVENUE (AMENDMENT NO.2) LAW of 2016

LAW NO. 2 OF 2016

GENERAL PROVISIONS

Long Title A Law to amend the Abia State Board of Internal Revenue Law No. 7 of 2008 and for other matters incidental thereto.

Enactment **BE IT ENACTED** by the Abia State House of Assembly as follows:

PART 1: PRELIMINARY

Citation and commencement 1. This Law may be cited as The Abia State Board of Internal Revenue (Amendment No. 2) Law, and shall come into force on the 19th day of January, 2015.

Interpretation 2. In this Law:
“Principal Law” means The Abia State Board of Internal Revenue Law No 7 of 2008.

“MDAs” means Government Ministries, Departments and Agencies.

PART II: AMENDMENT OF THE PRINCIPAL LAW

Further Amendment of Section 4 of the Principal Law

3. Section 4 of the Principal Law, is amended by:
(1) Deleting the provisions of subsection (1)(b) – (f) and replacing them with the following:

“(b) A Director or Head of Department to be appointed from each of the following MDAs:

- (i) Finance;
- (ii) Budget and Planning;
- (iii) Lands;
- (iv) Commerce; and
- (v) Transport.

(c) Two persons from the Internal Revenue Service not below the rank of a Director;

(d) The Legal Adviser to the Board, appointed from the State Ministry of Justice;

- (e) Three other persons who shall be members of relevant professional bodies, knowledgeable in tax matters to be nominated on their personal merit; and
- (f) The Secretary to the Internal Revenue Service who shall also be the Secretary of the Board”.

- (2) Inserting a new Subsection (3) to read as hereunder stated and renumbering the existing Subsections (3) and (4) in the Principal Law to read Subsections (4) and (5) respectively:
“The Chairman and other members of the Revenue Board shall be appointed by the Governor and shall hold office for a period of 3 (three) years and may be reappointed for another tenure by the Governor”

**Amendment
of Section 11
of the
Principal
Law**

- 4. Section 11 of the Principal Law, is amended by adding new Subsections (2) and (3) to read thus:
 - (2) “For purposes of achieving the functions of the Revenue Service under this Law:
 - (a) there shall not exist in Abia State, any other emblem, except the Consolidated Emblem issued by the Revenue Service, or the State Joint Revenue Committee; and
 - (b) All other person(s) are hereby prohibited from issuing emblems meant for revenue collection in the State”.
 - (3) “All persons who are officials of the Revenue Service or Local Government Revenue Committee, or a Revenue Agent duly appointed in accordance with the provisions of this Law, who interact with the general public for revenue administration, shall, mandatorily, wear identification badges with a clear inscription of their names and official capacity”.

**Amendment
of Section 33
of the
Principal
Law**

- 5. Section 33 of the Principal Law, is amended by:
 - (1) Recasting Subsection (2) to read thus:
“The Revenue Service may, with the approval of the Governor, and by an instrument published in the official State Gazette, appoint any Government Ministry, Department or Agency (MDA) to collect revenue pursuant to the powers of the Revenue Service under Subsection (1) of this Section”.

- (2) Inserting new Subsections (3) & (4) into the Section to read thus:
- “(3) it is hereby prohibited for a revenue collecting MDA to enter into an agreement with Revenue Agent(s), which empowers the Revenue Agent(s) to make an upfront bulk payment of money to the MDA (whether on an annual, quarterly, or monthly basis), and for the Revenue Agent(s) to subsequently collect taxes/levies from the taxable public in order to recoup their investment.
- (4) For purposes of this Section, the State Joint Revenue Committee shall evolve a unified system to be adopted by all Local Government Revenue Committees in engaging Revenue Agents, for the assessment or collection of revenue, especially where the Local Government Authority lacks personnel with appropriate knowledge or skill to optimally administer or collect its taxes and levies.

**Amendment
of Section 34
of the
Principal
Law**

6. Section 34 of the Principal Law is amended by inserting a new Section 34 to read as hereunder stated and renumbering the existing Section 34 and subsequent Sections in the Principal Law accordingly:

“**Prohibition of Cash payment** 34(1) There is also hereby prohibited in the State, the revenue system of *tax payment or collection by cash* adopted by Revenue collectors or Agents appointed or employed by the Revenue Service or MDAs.

- (2) Consequently the Revenue Service and the Joint State Revenue Committee shall develop and implement the use of an automated revenue system, whereby *Tax Assessment and Tax Clearance Certificates* are generated by automation, and all taxes and levies in the State paid into designated banks and e-receipts issued”.

**Amendment
of Section 40
of the
Principal
Law**

7. Section 40 of the Principal Law is amended by inserting a new Subsection (2) to read as hereunder stated and renumbering Subsection (2) in the Principal Law to Subsection (3):

(2) “Subject to the provisions of Section 42(3) of the Principal Law, road closure or road blocks, and use of crude means or thuggery, for purposes of revenue collection, is hereby prohibited, and no State or Local Government official or Agent or other persons authorized to collect taxes and levies shall do any, or all of the following:

- (a) Mount a road block or permit the blockage or closure of any road or street in any part of the State for revenue collection.

- (b) Use crude means, such as the use of armed security personnel, thugs, or persons armed with offensive and dangerous weapons and/or kangaroo courts, for revenue collection in any part of the State”.

**Amendment
of Part VI of
the Principal
Law**

8. Part VI of the Principal Law is amended by inserting a new Part VI containing Sections 46 – 49 as hereunder stated and renumbering the existing Parts VI and VII to read Parts VII and VIII as well as renumbering the existing Sections in the Principal Law accordingly:

“PART VI : HARMONIZATION OF TAXES AND LEVIES IN ABIA STATE

**Taxes and
Levies
Listed in the
First and
Second
Schedules**

46(1) From the commencement of this Law, no taxes or levies, shall be collected by the Revenue Service or by any MDA in the State, on behalf of the Revenue Board, or by any other person so authorized by the Revenue Service, either as a Consultant or Agent, except those taxes and levies listed in the First Schedule to this Law.

(2) No taxes or levies shall be collected by or on behalf of any Local Government Authority in the State, except those taxes and levies listed in the Second Schedule to this Law.

(3) Nothing in Subsection (2) shall be construed as prohibiting a Local Government Authority from enforcing penalties stipulated for the breach of its Bye-Laws or charge fees as may be approved by the State Joint Revenue Committee, for the use of Local Government Properties, or public utilities, established and maintained by the Local Government Authority, or for services rendered by the Local Government Authority or its officials, to particular individuals or organizations.

**Issuance
of
Demand
Notice**

47 (1) The State Internal Revenue Service shall issue a Demand Notice in respect of taxes and levies listed in the First Schedule to this Law, while the Local Government Revenue Committee shall issue Demand Notices in respect of taxes and levies listed in the Second Schedule to this Law.

- (2) The Revenue Service shall serve consolidated demand notice stating all that an individual or corporate body should pay for each current year.
- (3) The Revenue Service shall subject to the approval of the House of Assembly, from time to time, produce a categorized schedule of fees and levies payable in the State according to categories and professions as contained in the First Schedule to this Law.
- (4) Where an individual or corporate body is liable to two or more of the scheduled taxes or levies at the same time in any year of assessment, the Revenue relevant tax authority (Revenue Service or Local Government Revenue Committee) may issue and serve a single Demand Notice indicating the amount due on each of the taxes or levies.

Power to amend the First and Second Schedules

- 48 Subject to the power of the Abia State House of Assembly to make Laws for the State and Local Government areas, the Revenue Service may, upon the advice of the State Joint Revenue Committee, and by order published in the Gazette, amend the First or Second Schedules to this Law from time to time.

Harmonization of Taxes and Levies chargeable by Local Government Authorities

- 49 The State Joint Revenue Committee shall subject to the approval of the House of Assembly, carry out a periodic review of taxes and levies charged across the State and give such directives as may be necessary to ensure that any difference in amounts chargeable by Local Government Authorities in respect of any scheduled revenue window, is harmonized or minimized, as the case may be”.

Amendment of Section 48 of the Principal Law

9. Section 48 of the Principal Law is amended by adding a new Subsection (2) to read thus:
“Where the default to pay taxes and levies under Subsection (1) above has been committed by an incorporated or unincorporated organization, then, every Director, Manager, Secretary or the employee of the organization who is responsible for the default hereby also commits an offence and shall be liable on conviction, to a fine of ₦50,000.00 (Fifty Thousand Naira only) or 6 (six) months imprisonment or both.”

**Amendment
of Section 52
of the
Principal
Law**

10. Section 52 of the Principal Law is amended by:
- (1) Recasting the sentence in the first and second lines to read thus:
“Any person who is appointed for the due administration of this Law, or employed in connection with assessment and collection of taxes and levies who:”
 - (2) Inserting new paragraphs (f),(g),(h),(i),(j),(k) after paragraph (e) to read as hereunder stated and renumbering the existing paragraph (f) to read (l):
 - “(f) collects or attempts to collect any tax or levy not listed in the First and Second Schedules to this Law; or
 - (g) collects or attempts to collect cash from a tax payer; or
 - (h) enters into an agency agreement for upfront payment by the Agent, without permission to do so given by the Revenue Service or the State Joint Revenue Committee;
 - (i) prints an emblem for use in collecting taxes and levies, contrary to Section 11 of the Principal Law, or
 - (j) mounts a road block or causes a road or street to be closed for the purposes of collecting any tax or levy; or
 - (k) uses crude means such as use of armed security personnel, or persons armed with offensive or dangerous weapon or kangaroo courts for revenue collection in any part of the State; or”

**Section 60
of the
Principal
Law**

11. Section 60 of the Principal Law is amended by inserting a new Section 60 to read as hereunder stated and renumbering the existing Section 60 and the subsequent Sections in the Principal Law accordingly:

**Aiding and
Abetting of
Offender**

- 60 “Any person who aids or abets any person(s) for the purpose of contravening any of the provisions of this Law commits an offence and shall be liable on conviction, to a fine equivalent to 100% (One hundred percent) of the sum in question, or to imprisonment for a term of two years or both”.

FIRST SCHEDULE

SECTION 8

TAXES AND LEVIES TO BE COLLECTED BY THE STATE GOVERNMENT

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. Pools betting and lotteries, gaming and casino taxes
6. Road Taxes
7. Business Premises Registration fees in respect of urban and rural areas which includes registration fees and per annum renewals as fixed by the State.
8. Land Use Charge
9. Consumption Tax (Hotel, Restaurant and Event Centres)
10. Mining, Milling, Quarrying and Sand Excavation Fees (if applicable)
11. Animal Trade Tax
12. Slaughter or Abattoir fees, where State finances
13. Development Levy (individuals only)
14. Naming of Street Registration fees in the State Capital
15. Right of Occupancy fees on lands owned by the State Government
16. Market Taxes and levies where State finance is involved
17. Infrastructural Development Fund levies
18. Signages and Mobile Advertisement, jointly collected by States and Local Governments (to be administered by the State)
19. Sanitation/Environmental fees
20. Masts, Towers, Cables, and Pipes fees.

SECOND SCHEDULE

SECTION 8

LEVIES TO BE COLLECTED BY LOCAL GOVERNMENT

1. Shops and Kiosks rates
2. Approved Open Market Levy
3. Licensing fee for sale of liquor
4. Slaughter Slab license fee in abattoirs under Local Government Council
5. Marriage, Birth and Death registration fees
6. Street naming registration fee
7. Motor Park Levy, (including motor cycles and tricycles)
8. Parking fee on Local Government Streets or roads as may be approved by the State Government
9. Domestic animal license fee (excluding poultry farmers)
10. License fees for bicycles, trucks, canoes, wheel barrows and carts (other than a mechanically propelled truck)
11. Radio and Television license fee (excluding radio and television in motor vehicles, transmitters and other communication equipment)
12. Public convenience, sewage and refuse disposal fees
13. Cemetery and burial ground permits fees
14. Permit fee for private entertainment and merriment in public places (excluding roads and streets)
15. Wharf landing fees (where applicable)
16. Market Taxes and Levies excluding any market where State finance is involved
17. Religious Places establishment Permit Fees
18. Wrong Parking Charges
19. Right of Occupancy fees on lands in rural areas, excluding those collectible by Federal and State Government

SCHEDULE

FORM A

This printed impression has been carefully compared by me with the Bill which has been passed by the Abia State House of Assembly and found by me to be a true and correctly printed copy of the said Bill.

.....
JOHNPEDRO NNAMDI IROKANSI
Clerk of the House of Assembly
Abia State of Nigeria.

DATED this day of2016

FORM B

I ASSENT

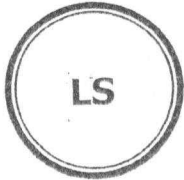


.....
OKEZIE IKPEAZU Ph.D
Governor
Abia State of Nigeria

DATED this day of2016

FORM C

I WITHHOLD MY ASSENT



.....
OKEZIE IKPEAZU Ph.D
Governor
Abia State of Nigeria

DATED this day of2016

A.

FORM D

This Bill to which the Governor has by a letter Reference No.dated
the day of, 2016 signified the Withholding of his Assent, has again
been passed by the Abia State House of Assembly by a two-third majority this day of
....., 2016.

.....
JOHNPEDRO NNAMDI IROKANSI
Clerk of the House of Assembly
Abia State of Nigeria

DATED at Umuahia this day of, 2016

FORM E

Assented to on the day of, 2016

OR

Passed by the Abia State House of Assembly by a two-third majority this day of
....., 2016

*This printed impression has been carefully compared by me with the Bill which has
been passed by the Abia State House of Assembly and found by me a true and correctly
printed copy of the Bill.*

.....
JOHNPEDRO NNAMDI IROKANSI
Clerk of the House of Assembly
Abia State of Nigeria

Dated day of, 2016

B.

SCHEDULE

FORM A

This printed impression has been carefully compared by me with the Bill which has been passed by the Abia State House of Assembly and found by me to be a true and correctly printed copy of the said Bill.



.....
JOHNPEDRO NNAMDI IROKANSI
Clerk of the House of Assembly
Abia State of Nigeria.

DATED this 21st day of Jan. 2016

FORM B

I ASSENT



.....
OKEZIE IKPEAZU Ph.D
Governor
Abia State of Nigeria

DATED this day of 2016

C.