

FINANCE BILL, 2019  
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**A BILL** [EXECUTIVE]

**FOR**

AN ACT TO MAKE FOR INCREMENTAL CHANGES TO NIGERIA TAX AND  
FISCAL LAWS AND FOR RELATED MATTERS

[ ] Commencement

ENACTED by the National Assembly of the Federal Republic of  
Nigeria as follows:

1 PART I - DIRECT TAXES

2 *Companies Income Tax*

3 1. Section 9 of the Companies Income Tax Act (CIT Act) is Charges of tax  
4 amended as follows:

5 (a) In subsection (1), by deleting "in respect" and inserting  
6 immediately after 'Nigeria' the words "that are not subject to tax under the  
7 Capital Gains Tax Act, Petroleum Profits Tax Act and Personal Income Tax  
8 Act. Such profits shall include, but shall not be limited to-"

9 (b) By inserting an expanded definition of interest and dividend in  
10 subsection 1 (c) of Section 9:

11 "for the purposes of this Act:  
12 interest shall include compensating payments received by a Borrower from  
13 its approved agent or a Lender in a Regulated Securities Lending  
14 Transaction provided that the underlying transaction giving rise to the  
15 compensating payment is a receipt of interest by a Lender on the collateral it  
16 received from its approved agent or a Borrower in a Regulated Securities  
17 Exchange Transaction.

18 Dividend shall include compensating payments received by a Lender from  
19 its approved agent or Borrower in a Regulated Securities Lending  
20 Transaction if the underlying transaction giving rise to the compensating  
21 payment is a receipt of dividends by a Borrower on any shares or securities  
22 received from its approved agent or a Lender in a Regulated Securities

1 Lending Transaction".

2 (c) By inserting a proviso to Section 9 (1)(g) as follows:

3 "for the purpose of this section, securities or shares shall not be deemed to be  
4 disposed of by a Lender, Borrower or approved agent or acquired by a  
5 Borrower, approved agent or Lender if such securities or shares are transferred  
6 from a Lender and subsequently returned by a Borrower in a Regulated  
7 Securities Lending Transaction".

Identification  
of a Company

8 2.-(1) Section 10 of the CIT Act is hereby amended by introducing a  
9 new subsection (2) as follows:

10 (2) Every person engaged in banking in Nigeria shall require all  
11 companies to provide their tax identification numbers as a precondition for  
12 opening a bank account or, in the case of an account already opened prior to the  
13 30 September 2019, the bank shall require such tax identification numbers to  
14 be provided by all companies as a precondition for the continued operation of  
15 their bank accounts.

Nigerian  
Companies

16 3. Section 13 of the CIT Act is hereby amended:

17 (a) By inserting in the opening paragraph of subsection (2), after the  
18 phrase "shall be deemed to be derived from" the words "or otherwise be taxable  
19 in, Nigeria";

20 (b) In subsection (2), by inserting a new paragraph (c) as follows, and  
21 renumbering the existing paragraphs (c) and (d) as paragraphs (d) and (e):

22 "(c) if it transmits, emits or receives signals, sounds, messages,  
23 images or data of any kind by cable, radio, electromagnetic systems or any  
24 other electronic or wireless apparatus to Nigeria in respect of any activity,  
25 including electronic commerce, application store, high frequency trading,  
26 electronic data storage, online adverts, participative network platform, online  
27 payments and so on, to the extent that the company has significant economic  
28 presence in Nigeria and profit can be attributable to such activity";

29 (c) By inserting a new paragraph (f) after paragraph (e) as follows:

30 "(f) If the trade or business comprises the furnishing of technical,

1 management, consultancy or professional services outside of Nigeria to a  
2 person resident in Nigeria, to the extent that the company has significant  
3 economic presence in Nigeria and profit can be attributable to such activity:

4           Provided that any withholding tax applicable under the Section 81  
5 of this Act shall be the final tax on the Income.

6           (d) By inserting a new subsection (4) as follows:

7           “(4) For the purpose of subsection (2)(c) and (j) of this Section, the  
8 Minister may by Order determine what constitutes the significant economic  
9 presence of a company other than a Nigerian company.”

10           4. Section 16 of the CIT Act is hereby amended as follows:

Insurance  
Companies

11           (a) inserting a new subparagraph (ii) under Section 16(5)(b) as  
12 follows:

13           “(ii) Investment income for the purpose of taxation of a life  
14 insurance company under this section means income derived from  
15 investment of shareholders' funds.”

16           (b) deleting the phrase “.. and, in all cases, the period of carrying  
17 forward of a loss shall be limited to four years of assessment” in Section  
18 16(7)

19           (c) substituting the existing paragraph (a) of Section 16(8) with a  
20 new paragraph (a), as follows-

21           “(a) reserve for unexpired risks, calculated on a time  
22 apportionment basis of the risks accepted in the year.”

23           (d) substituting the existing paragraph (b) of Section 16(8) with a  
24 new paragraph (b), as follows-

25           “(b) for outstanding claims and outgoings, on amount equal to the  
26 total estimated amount of all outstanding claims and outgoings, with a  
27 further amount representing 10 percent of the estimated figure for  
28 outstanding claims in respect of claims incurred but not reported at the end  
29 of the year under review, provided that any amount not utilised towards  
30 settlement of claims and outgoings shall be added to the total profits of the

1 following year.”

2 (e) in subsection (9)(c), by deleting the phrase:

3 “except that after allowing for all the outgoing and allowance under the Second  
4 Schedule to this Act as may be restricted under the provisions of this Act for any  
5 year of assessment, not less than an amount equal to 20 percent of the gross  
6 incomes shall be available as total profit of the company for tax purposes.”

Payment of  
dividend by a  
Nigerian Company

7 5. Section 19 of the CIT Act is hereby amended by inserting a new  
8 subsection (2) as follows:

9 “The provisions of subsection (1) of this section shall not apply to-

10 (a) Dividends paid out of the retained earnings of a company.  
11 Provided that the dividends are paid out of profits that have been subjected to  
12 tax under this Act, the Petroleum Profits Tax Act, or the Capital Gains Tax Act;

13 (b) Dividends paid out of profits that are exempted from income tax  
14 by any provision of this Act, the Industrial Development (Income Tax Relief)  
15 Act, the Petroleum Profits Tax Act, or the Capital Gains Tax Act or any other  
16 legislation;

17 (c) profits or income of a company that are regarded as franked  
18 investment income under this Act; and

19 (d) distributions made by a Real Estate Investment Company to its  
20 shareholders from rental income and dividend income received on behalf of  
21 those shareholders; whether such dividends are paid out of profits of the year in  
22 which the dividend is declared or out of profits of previous reporting periods.”

Nigerian dividend  
received by  
companies other  
than Nigerian  
companies  
Profits Exempted

23 6. Section 20 of the CIT Act is hereby amended by deleting the  
24 existing paragraphs (b) and (c).

25 7. Section 23(1) of the CIT Act is hereby amended by:

26 (a) Repealing subsection (n) and replacing it with the following new  
27 subsection (n) as follows:

28 “Nothing in this section shall be construed to exempt from deduction at source,  
29 the tax which a company making payments is to deduct under sections 78, 79 or  
30 80 of this Act, such that the provisions of sections 78, 79 and 80 of this Act shall

1 apply to a dividend, interest, rent or royalty paid by a company exempted  
2 from tax under subsection 1 (a) to (e), (h) to (l): (o), (q), (r) and (t) of this  
3 section;

4 (b) Repealing subsection (o) and replacing it with the following  
5 new subsection (o) as follows:

6 (i) "the profits of a small company in a relevant year of assessment:

7 Provided that such company shall, without prejudice to this  
8 exemption, comply with the tax registration and tax return filing stipulations  
9 of this Act and be subject to the provisions as regards time of filing, penalties  
10 for breach of statutory duties and all other provisions of this Act in all  
11 respects during the period during which its profits are below the tax paying  
12 threshold;

13 (ii) Dividends received from small companies in the  
14 manufacturing sector in the first five years of their operations.

15 (c) Introduction of a new sub-section (t) as follows:

16 "the dividend and rental income received by a Real Estate Investment  
17 Company on behalf of its shareholders provided that:

18 (i) A minimum of 75 % of dividend and rental income is  
19 distributed; and

20 (ii) Such distribution is made within 12 months of the end of the  
21 financial year in which the dividend or rental income was earned.

22 Nothing in this section shall be construed to exempt:

23 (i) Shareholders from tax on the dividend or rental income received  
24 from a Real Estate Investment Company;

25 (ii) a Real Estate Investment Company from tax on management  
26 fee, profits or any other income earned for and on its own account; and

27 (iii) a Real Estate Investment Company from tax Oil dividend and  
28 rental income that is not distributed after 12 months from the financial year  
29 end in which the dividend or rental income was earned.

30 (d) Substituting the existing paragraph (q) under subsection (1)

1 with the following new paragraph (q) as follows:

2 "the profits of any Nigerian company in respect of goods exported from  
3 Nigeria, provided that the proceeds of such exports are used for the purchase of  
4 raw materials, plant, equipment and spare parts:

5 Provided that tax shall accrue proportionately on the portion of such  
6 proceeds which are not utilized in the manner prescribed above.

7 (e) Introducing new paragraphs (u), (v) and (w) as follows:

8 (u) "the compensating payments, which qualify as dividends under  
9 section 9(1)(c) of this Act, received by a Lender from its approved agent or a  
10 Borrower in a Regulated Securities Lending Transaction. Such payments shall  
11 be deemed to be Franked Investment Income and shall not be subjected to  
12 further tax in the hands of the Lender.

13 (v) "the compensating payments, which qualify as dividends or  
14 interest under Section 9(1)(c) of this Act, received by an approve agent from a  
15 Borrower or Lender on behalf of a Lender or Borrower in a Regulated  
16 Securities Lending Transaction"

17 **8. Section 24 of the CIT Act is hereby amended:**

18 (a) Introducing in the opening paragraph of Section 24 after the word  
19 "in the production of those profits" the words "chargeable to tax";

20 (b) By re-enacting the existing paragraph (a) as:

21 (a) Subject to the provisions of the Seventh Schedule of this Act, any  
22 sum payable by way of interest on debt borrowed and employed as capital in  
23 acquiring the profits of a company;"

24 (c) by inserting as subsection (k) and (l) the following provisions:

25 "(k) dividends or mandatory distributions made by a Real Estate  
26 Investment Company duly approved by the Securities and Exchange  
27 Commission, to its shareholders";

28 "(l)compensating payments, which qualify as interest under section  
29 9(1)(c) of this Act, made by a Lender to its approved agent or a Borrower in a  
30 Regulated Securities Lending Transaction"

Deductions  
allowed



1                   9. Section 27(1) of the CIT Act is hereby amended by:

Deductions not  
allowed

2                   (a) deleting subsections (g), (h) and (i) and inserting a new  
3 subsection (g) as follows:

4                   "(g) any expense whatsoever incurred within or outside Nigeria  
5 involving related parties as defined under the Transfer Pricing Regulations,  
6 except to the extent that it is consistent with the Transfer Pricing  
7 Regulations".

8                   (b) Introducing new subsections (h), (i)(j) and (k) as follows:

9                   "(h) any expense incurred in deriving tax- exempt income, losses of  
10 a capital nature and any expense allowable as a deduction under the Capital  
11 Gains Tax Act for the purpose of determining chargeable gains";

12                   "(i) any compensating payment made by a Borrower, which  
13 qualifies as dividends under section 9(1)(c) of this Act, to its approved agent  
14 or to a Lender in a Regulated Securities Exchange Transaction";

15                   (j) any compensating payment made by an approved agent, which  
16 qualifies as interest or dividends under section 9(1)(c) of this Act, to a  
17 Borrower or Lender in a Regulated Securities Exchange Transaction";

18                   (k) any penalty prescribed by in an Act of the National Assembly  
19 for violation of any statute;

20                   (l) any taxes or penalties borne by a company on behalf of another  
21 person.

22                   10. Section 29 of the CIT Act is hereby amended as follows:

23                   (a) The existing subsection (1) is deleted and replaced with a new  
24 subsection (1) as follows:

Basis for  
computing  
assessable profits

25                   (1) Save as provided in this section, the profits of any company for  
26 each year of assessment from such source of its profits (hereinafter referred  
27 to as the assessable profits) shall be the profits of the accounting period  
28 immediately preceding the year of assessment from each such source.

29                   (b) Section 29(3) of the CIT Act is hereby deleted and replaced  
30 with a new subsection (3) as follows:

1           (3) The assessable profits of any company from any trade or business  
2           (or in the case of company other than a Nigerian company) for its first year of  
3           assessment and the two following years of assessment (which years are in this  
4           subsection respectively referred to as "the first year", "the second year" and the  
5           third year") shall be ascertained in accordance with the following provisions-

6           (a) for the first year, the assessable profits shall be the profits from the  
7           date in which it commenced to earn; on such trade or business in Nigeria to the  
8           end of its first accounting period;

9           (b) for the second year, the assessable profits shall be the profits from  
10          the first day after its first accounting period to the end of its second accounting  
11          period; and

12          (c) for the third year and for each subsequent year thereafter, the  
13          assessable profits shall be the profits from the day after the accounting period  
14          just ended.

15          (c) Section 29(4) is deleted and replaced with a new subsection (4) as  
16          follows:

17          (4) Where a company permanently ceases to earn) on a trade or  
18          business (or in the case of a company other than a Nigerian company,  
19          permanently ceases to carry on a trade or business in Nigeria) in an accounting  
20          period, its assessable profits therefrom shall be the amount of the profits from  
21          the beginning of the accounting period to the date of cessation and the tax  
22          thereof shall be payable within six months from the date of cessation.

23          (d) By amending the opening provisions of the existing subsection (9)  
24          as follows:

25          "Where a trade or business carried on by a company is sold or  
26          transferred to a Nigerian company for the purposes of better organisation of  
27          that trade or business or the transfer of its management to Nigeria, and any asset  
28          employed in such trade or business is sold or transferred, if the Board is  
29          satisfied that one company has control over the other or both are controlled by  
30          some other person or are members of a recognised group of companies and

1 have been 50 for a consecutive period of at least 365 days prior to the date of  
2 reorganization, the board may in its discretion direct that-

3 (e) By including a new proviso under after the concluding  
4 paragraph of subsection (9) as follows:

5 Provided also that if the acquiring company were to make a  
6 subsequent disposal of the assets thereby acquired within the succeeding  
7 365 days after the date of transaction, any concessions enjoyed under this  
8 subsection shall be rescinded and the companies shall be treated as if they  
9 did not qualify for the concessions stipulated in this subsection as at the date  
10 of initial reorganization."

11 11. Section 31(2)(a)(ii) of the CIT Act is hereby amended by  
12 deleting the phrase "but such deductions shall not be made against the profit  
13 of the company after the fourth year from the year of commencement of  
14 such business".

Total profits  
from all sources

15 12. Section 33 of the CIT Act is hereby amended by:

Payment of  
Minimum Tax

16 (a) Replacing the existing subsection (2) with the following new  
17 subsection (2):

18 "(2) For the purposes of subsection (1) of this section, the  
19 minimum tax to be levied and paid shall be 0.5% of turnover of the company.

20 (b) Deleting under subsection (3), the existing paragraph (b) and  
21 replacing with a new paragraph (b) as follows:

22 (b) a company that earns gross turnover of less than twenty five  
23 million naira in the relevant year of assessment.

24 13. Section 39 of the CIT Act is hereby amended by:

Gas utilization  
(Downstream  
Operations)

25 (a) Replacing existing paragraph (c) in subsection (1) with the  
26 following new paragraph (c);

27 "Capital allowances on qualifying expenditure incurred during the  
28 pioneer period, shall be made in each of the years during which the  
29 company, which is engaged in gas utilization (downstream operations), is in  
30 pioneer period, such that only tax written down value of the Qualifying

1 Capital Expenditure shall be carried forward to the post pioneer period, as  
2 follows, that is-

3 (i) an annual allowance of 90 percent with 10 percent retention, for  
4 investment in plant and machinery;"

5 (b) Deleting the existing paragraph (e) in subsection (1).

6 (c) By inserting new subsection (3) after the existing subsection (2)  
7 and renaming the existing subsection (3) as subsection (4). The new subsection  
8 (3) to read as follows:

9 "(3) This Section shall not apply with respect to-

10 (i) any company that has claimed or wishes to claim the incentives  
11 under the Industrial Development (Income Tax Relief) Act in respect of the  
12 same qualifying capital expenditure."

Rates of Tax

13 14. Section 40 of (he CIT Act is hereby repealed and replaced with a  
14 new Section 40 as follows:

15 "There shall be levied and paid for each year of assessment in respect  
16 of total profits of even) company, tax as follows. In the case of a-

17 (a) small company, tax as provided under Section 23(1)(0) of this Act;

18 (b) medium-sized company, tax at the rate of twenty kobo for every  
19 naira; and

20 (c) large company, tax at the rate of thirty kobo for every naira."

Replacement of  
obsolete plant  
and machinery  
Dividends and  
tax on interim  
dividends paid  
by Nigerian  
Companies  
Self Assessment  
of tax payable

21 15. Section 41 of the CIT Act is hereby repealed by this Act.

22 16. Section 43 of the CIT Act is hereby repealed by this Act

23 17. Section 53(1) of the CIT Act is hereby amended as follows:

24 (1) Even) company filing a return under section 55 of this Act or requested by  
25 notice of the Board to file a return under section 58 of this Act shall-

26 (a) in the return, compute the tax payable by the company for the year  
27 of assessment; and

28 (b) forward with the tax return, evidence of payment of the whole or,  
29 in the case of a company making installment payments, part of the tax due.

1           **18.** Section 55 of the CIT Act is hereby amended as follows:

2           (a) By amending paragraph (c) under subsection 1 as follows:

3           "(c) evidence of payment of the whole or, in the case of a company  
4 making installment payments, part of the tax due."

5           (b) By amending subsection 3 as follows:

6           “(3) Any company which fails to comply with the provisions of  
7 subsection (2) shall be liable to pay a penalty for late filing-

8           (a) N50,000 for the first month in which the failure occurs; and

9           (b) N25,000 for each subsequent month in which the failure  
10 continues.

11          **19.** Section 77 of the CIT Act is hereby amended as follows:

12          (a) By repealing the existing subsection (1) and renumbering  
13 subsections (2) to (8) as subsections (1) to (7);

14          (b) By deleting the existing provisions of Section 77(5) and  
15 replacing as follows:

16           (4) Every Company shall make payment of tax due on or before the  
17 due date of filing, in one lump sum or in installments. Provided that where  
18 the taxpayer pays in installments-

19           (a) The taxpayer shall first write, with evidence of payment of the  
20 first installment, and obtain the approval of the Service to pay in such  
21 number of installments as may be approved by the Service;

22           (b) The final installment must be paid on or before the due date of  
23 filing;

24           (c) By introducing new subsections after the existing subsection 5  
25 (now renumbered as 4) as follows:

26           (5) Where a company pays its tax 90 days before the due date as  
27 provided under Section 55 of this Act, such company shall be entitled to a  
28 bonus of-

29           (a) 2%, if such company is a medium-sized company; and

30           (b) 1% for any other company; on the amount of tax paid, which

Returns and  
Provisional  
Accounts

Time within tax  
is to be paid

1 shall be available as a credit against of its future taxes.

2 (6) Any balance of taxes unpaid as at the due date shall attract interest  
3 and penalties as provided in this Act or any other relevant law for failure to pay  
4 on the due date in accordance."

Deduction of  
tax on interest

5 20. Section 78 of the CIT Act is hereby amended by inserting a new  
6 subsection (6) as follows:

7 "the provisions contained in subsection (1) to (5) of this Section shall  
8 not apply to a Lender when making compensating payments, which qualify as  
9 interest under section 9(1)(c) of this Act, to an approved agent that is due to a  
10 Borrower in (1 Regulated Securities Lending Transaction;  
11 Nothing in this subsection, shall be construed as exempting the approved agent  
12 from the provision of subsection (1) to (5) when making the same payments to  
13 the Borrower or as exempting the Lender from deducting tax when making the  
14 payments directly to the Borrower"

Deduction of  
tax on dividend

15 21. Section 80 is hereby amended as follows:

16 (a) By inserting as subsection (5) the following provisions:

17 "(5) The provisions contained in subsection (1) to (5) of this Section  
18 shall not apply to:

19 "(a) a company or person making any distribution or dividend  
20 payment to a Real Estate Investment Company;

21 (b) a Borrower making compensating payments to its approved agent  
22 or to a Lender, provided that such payments qualify as dividends under section  
23 9(1)(c) of this Act;

24 (c) an approved agent making compensating payments received from  
25 a Borrower, which qualify as dividends under section 9(1)(c) of this Act, to a  
26 Lender.

27 Nothing in this section should be construed to exempt a Real Estate Investment  
28 Company from deducting tax at source from the dividend it distributes to its  
29 own shareholders"

1                   **22.** Section 81 of the CIT Act is hereby amended by introducing a     Deduction of  
2                   new paragraph (9) as follows:   tax of source

3                   (9) The provisions of this section shall not apply to compensating  
4                   payments made under a Registered Securities Lending Transaction”.

5                   **23.** Section 105(1) of the CIT Act is hereby amended as follows:   Interpretation

6                   (a) Deleting the definition of "Board" and defining the term  
7                   "Service" as follows:

8                   "Service" means the Federal Inland Revenue Service as defined in  
9                   the Federal Inland Revenue Service (Establishment) Act, 2007.

10                  (b) Replacing all references to "the Board" in the CIT Act with "the  
11                  Service”;

12                  (c) Providing a definition for the following terms:

13                  "Approved Agent" means any person approved by the Securities and  
14                  Exchange Commission to junction as an intermediary for the conduct of a  
15                  Regulated Securities Lending Transaction;

16                  "Bank" means an establishment authorized by the government to accept  
17                  deposits, pay interest, clear checks, make loans, act as an intermediary in  
18                  financial transactions, and provide other financial services to its customers  
19                  or any other such institution as defined under the Banking and Other  
20                  Financial Institutions Act;

21                  "Banking" means business conducted or services offered by a Bank;

22                  "Borrower" means an approved borrower in a Regulated Securities Lending  
23                  Transaction;

24                  "Compensating Payments" means any payments made in lieu of interest or  
25                  dividend pursuant to a Regulated Securities Lending Transaction;

26                  "Gross turnover" means the gross inflow of economic benefits (cash,  
27                  receivables, other assets) arising from the ordinary operating activities of a  
28                  company, including sales of goods, supply of service, receipt of interest,  
29                  rents, royalties or dividends;

1 "Large company" means any company which is not a small or medium-sized  
2 company;

3 "Lender" means an approved lender in a Regulated Securities Lending  
4 Transaction;

5 "Medium-sized company" means a company that earns gross turnover greater  
6 than N25,000,000 but less than N100,000,000;

7 "Real Estate Investment Company" means for the purpose of this Act, a  
8 Company duly approved by the Securities and Exchange Commission to  
9 operate as a Real Estate Investment Scheme in Nigeria;

10 "Recognised group of companies" means a group of companies as prescribed  
11 under the relevant accounting standard;

12 "Regulated Securities Lending transaction" means any securities lending  
13 transaction conducted pursuant to rules made by the Securities and Exchange  
14 Commission from time to time;

15 "Small company" means a company that earns gross turnover of #25,000,000  
16 or less;

Third Schedule  
(CIT)

17 **24.** The Third Schedule of the CIT on Tax exemption on certain  
18 interests' is hereby amended as:

19 (a) Updating the table of tax exemption on interest on foreign loans as  
20 follows:

| 21 | 22            | 23                      | 24        |
|----|---------------|-------------------------|-----------|
|    | Repayment     | Moratorium              | Tax       |
|    | Period        |                         | Exemption |
|    | including     |                         | allowed   |
|    | Moratorium    |                         |           |
| 26 | Above 7 years | Not less than 2 years   | 70%       |
| 27 | 5-7 years     | Not less than 18 months | 40%       |
| 28 | 2-4 years     | Not less than 12 months | 10%       |
| 29 | Below 2 years | Nil                     | Nil       |



1 (b) By introducing a new paragraph 2 an interpretation section as  
2 follows:

3 "For the purpose of this Schedule:

4 "Moratorium" means a period at the beginning of a loan term during which  
5 the borrower is not expected to make any principal or interest repayments.

6 Provided that where any principal or interest repayments are made during  
7 the period, the tax exemptions provided under this Schedule shall be  
8 adjusted by the Service in a proportionate manner.

9 "Repayment Period" means the agreed tenor of the loan facility Provided  
10 where the loan is repaid before expiration of this period, the tax exemptions  
11 provided under this Schedule shall be adjusted by the Service in a  
12 proportionate manner.

13 25. Introducing a new Schedule after the Sixth Schedule as  
14 follows:

Seventh Schedule  
Deductible interest

15 (1) Notwithstanding any provisions of this Act, where a Nigerian  
16 company, or a fixed base of a foreign company in Nigeria, incurs any  
17 expenditure by way of interest or of similar nature in respect of debt issued  
18 by a foreign connected person, the excess interest thereon shall be a  
19 disallowable deduction for the purpose of this Act:

20 (2) For the purposes of sub-section (1), the excess interest shall  
21 mean an amount of total interest paid or payable in excess of thirty per cent  
22 (30%) of earnings before interest, taxes, depreciation and amortization of  
23 the Nigerian company in that accounting period.

24 (3) Nothing contained in sub-section (1) shall apply to a Nigerian  
25 subsidiary of a foreign company which is engaged in the business of banking  
26 or insurance.

27 (4) Where for any assessment year, the interest expenditure is not  
28 wholly deducted against income, so much of the interest expenditure as has  
29 not been deducted, shall be carried forward to the following assessment year  
30 or assessment years, and it shall be allowed as a deduction against the

1 profits, if any, of any business carried on by it and assessable for that  
 2 assessment year to the extent permitted in accordance  
 3 with sub-section (2):

4 Provided that no interest expenditure shall be carried forward under  
 5 this sub-section for more than five (5) assessment years immediately  
 6 succeeding the assessment year for which the excess interest expenditure was  
 7 first computed.

8 (5) Any person who violates the provisions of this Section shall be  
 9 liable to a penalty at 10% and interest at the central bank of Nigeria monetary  
 10 policy rate plus a spread to be determined by the Minister on any adjustments  
 11 made try the Service relating to excess interest charged in any year.

12 (6) For the purposes of this section, the expressions-

13 (i) "connected persons shall mean;

14 (a) any person controlled by or under common control, ownership or  
 15 management; or

16 (b) any person who is not connected but receives an implicit or  
 17 explicit guarantee or deposit for the provision of corresponding or matching  
 18 debt; or

19 (c) any related party as described under the Nigerian Transfer Pricing  
 20 Regulations 2018.

21 (ii) "debt" means any loan, financial instrument, finance lease,  
 22 financial derivative, or any arrangement that gives rise to interest, discounts or  
 23 other finance charges that are deductible in the computation of income  
 24 chargeable under the head "Profits and gains of business or profession".

25 *Petroleum Profit Tax*

26 **26.** Section 60 of the Petroleum Profits Tax Act is hereby repealed.

27 *Personal Income Tax*

28 **27.** Sections 2 (2), 49(1), 86 (2)(a) & (8), 102(1), 104 (3) (c) (ii) and  
 29 108 (f)" of the Personal Income Tax Act, Cap. PS, Laws of the Federation of  
 30 Nigeria 2004 as amended. (in this Act referred to as "the PIT Act") are amended

Restriction on  
 effect of the  
 Personal Income  
 Tax Act and other  
 Acts

Persons to whom  
 tax is to be  
 imposed

1 by substituting the words "the Federal Board of inland Revenue" with " the  
2 Federal Inland Revenue Service" where they appear.

3 28. Section 20(1) of the PIT Act is amended by inserting a full stop  
4 alter the word "scheme" on the second line of paragraph g. and deleting the  
5 remainder of the paragraph and proviso.

Deductions  
allowed

6 29. Section 33 of the PIT Act is amended by deleting section 33(4),  
7 (5)&(6)

Personal relief  
and relief for  
children, dependent

8 30. Section 49 of the PIT Act is hereby amended by introducing a  
9 new subsection (1) and renumbering the existing subsection (1) to (4) as (2)  
10 to (5). The new subsection 1 shall read as follows:

Information to  
be delivered by  
bankers

11 (1) Every person engaged in banking shall require that a person  
12 intending to open a bank account for the purposes of its business operations  
13 must provide a tax identification number as a precondition for opening such  
14 bank account or continued operation of a bank account.

15 31. Section 58 of the PIT Act is amended by inserting immediately  
16 after the words "in writing" in line 2 with the words "delivered in person, by  
17 courier service or via electronic mail"

Revision in the  
case of an  
objection

18 32. Section 74 of the PIT Act is amended by replacing the words  
19 "section 69, 70, 71 or 72" with the words "sections 69, 70, 71, 72 or 73".

Penalty for failure  
to deduct tax

20 33. The Third Schedule to the PIT Act is amended by: Third Schedule

21 (a) deleting the following provisions:

22 (i) the phrase "under the authority of the Railway Loan  
23 (International Bank) Act from paragraph 6(1)(b);

24 (ii) the phrase "on or after 1st January 1990" from paragraph 7;

25 (iii) Paragraph 10, 15, 19, 20, and 24;

26 (iv) The proviso to Paragraph 18; and

27 34. Section 108(1) of the PIT Act is hereby amended as follows:

Interpretation  
(PIT)

28 (a) deleting the definition of "Board" and defining the term

29 "Service" as follows:

30 "Service" means the "Federal Inland Revenue Service as defined in the

1 Federal Inland Revenue Service (Establishment) Act, 2007"

2 (b) Replacing all references to "the Board" in the PIT Act with "the  
3 Service".

4 PART II - INDIRECT TAX

5 *Value Added Tax*

Taxable goods  
and services t.

6 35. Section 2 of the Value Added Tax Act, Cap VI, Laws of the  
7 Federation of Nigeria, 2004 (in this Bill referred to as the VAT Act") is hereby  
8 re-enacted as follows:

9 The tax shall be charged and payable on the supply of all goods and services in  
10 Nigeria other than those listed in the First Schedule to this Act.

11 For the purpose of this Act, goods and services shall be deemed to be supplied  
12 in Nigeria if:

13 (a) In respect of goods:

14 (i) the goods are physically present in Nigeria at the time of supply,  
15 imported into Nigeria for use by a person, assembled in Nigeria, or installed in  
16 Nigeria; or

17 (ii) the beneficial owner of the rights in or over the goods is a taxable  
18 person in Nigeria and the goods or right thereof is situated, registered or  
19 exercisable in Nigeria.

20 (b) In respect of services:

21 (i) the services are rendered in Nigeria by a person physically present  
22 in Nigeria at the time of service provision; or

23 (ii) the services are provided to a person in Nigeria, regardless of  
24 whether the services are rendered within or outside Nigeria.

Rate of tax

25 36. Section 4 is hereby amended by substituting "5 percent with "7.5  
26 percent".

Registration  
and deregistration  
requirements

27 37. Section 8 of the VAT Act is hereby amended as follows:

28 (1) A taxable person shall upon commencement of business register  
29 with the Service for the purpose of the tax.

30 (2) A taxable person who fails or refuses to register with the Service

1 within the time specified in subsection (1) of this section shall liable to pay  
2 as penalty an amount of-

3 (a) N50, 000 for the first month in which the failure occurs; and

4 (b) N25,000 for each subsequent month in which the failure  
5 continues.

6 (3) Where a taxable person permanently ceases to carry on a trade  
7 or business in Nigeria, the taxable person shall notify the Service of its  
8 intention to deregister for tax purposes within 90 days of such cessation of  
9 the trade or business."

10 38. Section 10 of the VAT Act is renamed "Non-resident companies  
11 to include the tax on its invoices" and re-enacted as follows:

Registration by  
non-resident  
companies

12 (a) A non-resident company shall include the tax on all its invoice for  
13 the supply of taxable services;

14 (b) the person to whom the services are supplied in Nigeria shall  
15 withhold and remit the tax directly to the Service in the currency of payment;  
16 and

17 (c) Where a person to whom taxable supplies is made in Nigeria is  
18 issued an invoice on which no tax is charged, such a person shall self-  
19 account for the tax payable and remit the output tax to the Service within the  
20 timeline prescribed under Section 15 of this Act.

21 39. Section 15 (1) is repealed and replaced with the following  
22 provisions:

Taxable person  
to render returns

23 (1) "A taxable person who in the course of a business has made  
24 taxable supplies or expects to make taxable supplies, the value of which,  
25 either singularly or cumulatively in any calendar year, is twenty-five million  
26 Naira (N25,000,000) or more; shall render to the Service, on or before the  
27 21st day of even) month in which this threshold is achieved and on or before  
28 the same day in successive months thereafter, a return of the input tax paid  
29 and output tax collected by him in the preceding month in such a manner as  
30 the Service may from time to time prescribe.

1 (2) In determining whether a person meets the threshold in (1)(b)  
2 above, the value of the following taxable supplies shall be excluded-

3 (a) a taxable supply of a capital asset of the person; and

4 (b) a taxable supply made solely as a consequence of the person  
5 selling the whole or a part of its business or permanently ceasing to carry  
6 business:

7 Provided that any person that does not fall within the threshold in  
8 Section 15(1) above shall be exempt from the provisions of Section 8(2)13A,  
9 29, 34 and 35 of this Act"

Revision of  
tax

10 40. Section 16 of the VAT Act is hereby amended as follows:

11 (1) A taxable person shall, on rendering a return under subsection (1)  
12 of section 15 of this Act-

13 (a) If the output tax collected exceeds the input tax paid, remit the  
14 excess to the Board;

15 (b) if the input tax paid exceeds the output tax collected, be entitled to  
16 utilize the excess tax as a credit against subsequent months:

17 Provided that the taxable person would be entitled to a refund from  
18 the Service, of excess tax not utilised as a credit, upon provision of such  
19 documents as the Service may, from time to time, require

Effect of non-  
remittance

20 41. Section 19 of the VAT Act is hereby amended as follows:

21 "(1) If a taxable person does not remit the tax within the time specified  
22 in section 15 of this Act, a sum equal to 10 per cent of the tax not remitted per  
23 annum and interest at the prevailing Central Bank of Nigeria minimum re-  
24 discount rate plus a spread to be determined by the minister, shall be added to  
25 the tax not remitted and the provisions of this Act relating to collection and  
26 recovery of unremitted tax, penalty and interest shall apply.

27 (2) The Service should notify the taxable person or his agent of the tax  
28 due together with the penalty and interest and if payment is not made within  
29 thirty days of such notification, the Board may proceed to enforce payment as  
30 provided in section 15 of this Act."

1 42: Part (Sections 21 to 24) of the VAT Act is hereby deleted.

State Added Tax  
Technical  
Committee  
Failure to notify  
of change of  
address

2 43: Section 28 of the VAT Act is renamed "Failure to notify of  
3 change of address or permanent cessation of trade or business" and hereby  
4 re-enacted as follows:

5 A taxable person who fails to notify the Service of any change of address  
6 within 30 days of such change, or who fails to comply with the requirement  
7 for notification of permanent cessation of trade or business under Section 8  
8 of this Act, is liable to pay =

9 (a) ₦50,000 for the first month in which the failure occurs; and

10 (b) ₦25,000 for each subsequent month in which the failure continues

11 44: Section 32 of the VAT Act is hereby repealed.

Failure to register

12 45: Section 35 of the VAT Act is hereby amended as follows:

Failure to submit  
returns

13 "(35) A taxable person who fails to submit returns to the Service, is  
14 liable to a fine of ₦50,000 in the month of default and ₦25,000 for every  
15 month in which the default continues."

16 46: The VAT Act is amended by inserting the following new  
17 Section 42 immediately after the existing Section 41 of the Act.

Business sold  
for transferred

18 "(42) Where a trade or business carried on by a company is sold or  
19 transferred to a Nigerian company for the purposes of better organisation of  
20 that trade or business or the transfer of its management to Nigeria, and any  
21 asset employed in such trade or business is sold or transferred, no tax shall  
22 apply under this Act to the sale or transfer of the aforementioned assets to the  
23 extent that one company has control over the other or both are controlled by  
24 some other person or are members of a recognised group of companies and  
25 have been so for a consecutive period of at least 365 days prior to the date of  
26 reorganization:

27 Provided also that if the acquiring company were to make a  
28 subsequent disposal of the assets thereby acquired within the succeeding  
29 365 days after the date of transaction, any concessions enjoyed under this  
30 subsection shall be rescinded and the companies shall be treated as if the did

1 days after the date of transaction, any concessions enjoyed under this  
 2 subsection shall be rescinded and the companies shall be treated as if they did  
 3 not qualify for the concessions stipulated in this subsection as at the date of  
 4 initial reorganization."

Personal Injury

5 **51.** Section 36(2) of the CGT Act is hereby amended as follows:

6 "(2) Sums obtained by way of compensation for loss shall not,  
 7 however be chargeable gains, except where the amount of such compensation  
 8 or damages exceeds N10,000,000."

Interpretation  
(CGT)

9 **52.** Section 46(1) of the CGT Act is hereby amended as follows:

10 (a) deleting the definition of "Board" and defining the term "Service"  
 11 as follows:

12 "Service" means the "Federal Inland Revenue Service as defined in  
 13 the Federal Inland Revenue Service (Establishment) Act, 2007"

14 (b) Replacing all references to "the Board" in the CGT Act with lithe  
 15 Service":

16 (c) Introducing a definition for "Recognised group of companies" as  
 17 follows:

18 "Recognised group of companies" means a group of companies as prescribed  
 19 under the relevant accounting standard"

20 **PART IV - STAMP DUTIES**

Interpretation  
(Stamp Duty)

21 **53.** Section 2 of the Stamp Duties Act is hereby amended by  
 22 replacing the interpretation of the words, "stamp", "stamped" and "Instrument"  
 23 as follows:

24 "stamp" means an impressed pattern or mark by means of an engraved or inked  
 25 block die as an adhesive stamp or an electronic stamp or an electronic  
 26 acknowledgment for denoting any duty or fee;

27 "stamped" with reference to instruments and material, applies to instruments  
 28 and material impressed with stamps by means of an engraved or inked block  
 29 die, adhesive stamps affixed thereto as well as to instruments and material



1 not qualify for the concessions stipulated in this subsection as at the  
2 date of initial reorganization.”

Interpretation  
(VAT)

3 47. Section 46 of the VAT Act is hereby amended as follows:

4 (2.) deleting the definition of "Board" and defining the term "Service"  
5 as follows:

6 “Service” means the "Federal Inland Revenue Service as defined in  
7 the Federal Inland Revenue Service (Establishment) Act, 2007”

8 (b) Replacing all references to "the Board" in the VAT Act with " the  
9 Service”;

10 (c) including the definition of "Goods" and "Services" as follows:

11 "Goods" means:

12 (a) "all forms of tangible properties that are movable at the point of  
13 supply, but does not include money or securities; and

14 (b) Any intangible product, asset or property over which a person has  
15 ownership or rights, or from which he derives benefits, and which can be  
16 transferred from one person to another excluding interest in land;

17 "Services" means anything other than goods, money or securities which is  
18 supplied excluding services provided under a contract of employment"

19 (d) Deleting the definition of "imported services”;

20 (e) substituting the current provision on "exported service" with the  
21 following provision:

22 "Exported service" means "a service rendered within or outside Nigeria by a  
23 person resident in Nigeria to a person resident outside Nigeria;

24 Provided, however, that a service provided to the fixed base or  
25 permanent establishment of a non-resident person shall not qualify as exported  
26 services".

27 (f) including the definition of "commencement of business" as  
28 follows:

29 "Business shall be deemed to commence in Nigeria on the date that an entity  
30 carries out its first transaction which shall be the earliest of the date it begins to

1 Banks and Mortgage Institutions' and replacing it with 'Services rendered by  
2 Micro finance Banks, People's Banks and Mortgage Institutions';

3 (c) Inserting immediately after item 4 under Part II of First  
4 Schedule to the VAT Act, a new item (5) as follows:

5 (5) Tuition relating to nursery primary, secondary and tertiary  
6 education.

### 7 *Customs and Excise Duties*

Goods liable to  
Excise Duty

8 49. Part III, Section 21 of the Customs and Excise Tariff Etc.  
9 (Consolidation) Act Cap C49, Laws of the Federation of Nigeria 2004 (in  
10 this Bill referred to as "the CET Act") is amended by substituting the words"  
11 Goods manufactured in Nigeria and specified in the Fifth Schedule to this  
12 Act shall be charged with duties of excise at the rates specified under the  
13 Dun) Column in the said Schedule" with "Goods imported and those  
14 manufactured in Nigeria and specified in the Fifth Schedule to this Act shall  
15 be charged with duties of excise at the rates specified under the Dun)  
16 Column in the said Schedule":

### 17 *PART III - CAPITAL GAINS TAX*

18 50. Section 32 of the CGT Act is hereby renamed "Business  
19 Reorganisation" and re-enacted as follows:

Exemption of  
tax on gains arising  
from take-overs

20 "Where a trade or business carried on by a company is sold or  
21 transferred to a Nigerian company for the purposes of better organisation of  
22 that trade or business or the transfer of its management to Nigeria, and any  
23 asset employed in such trade or business is sold or transferred, no tax shall  
24 apply under this Act to the sale or transfer of the aforementioned assets to the  
25 extent that one company has control over the other or both are controlled by  
26 some other person or are members of a recognised group of companies and  
27 have been so for a consecutive period of at least 365 days prior to the date of  
28 reorganization:

29 Provided also that if the acquiring company were to make a  
30 subsequent disposal of the assets thereby acquired within the succeeding 65

1 market or first advertises its products or services for sale, or the date it  
2 obtains an operating license from a regulatory authority in Nigeria, or the  
3 date of its first sale or purchase, or the date it executes its first trading  
4 contract after incorporation, or the date it issues or receives its first invoice,  
5 or the date it delivers or receives its first consignment of goods, or the date it  
6 first renders services to its customers."

7 (g) Including a definition for "basic food items" as follows:

8 "Basic Food Items" means agro and aqua based staple food described as:

9 Additives i.e. honey whether raw or semi-processed. Bread (white and  
10 Brown).

11 Cereals e.g. maize, rice, wheat, millet, barley, sorghum, oats, fonio, finer  
12 millet and others of the same kind, however supplied in such form as grain,  
13 flour, crop, bulk or retail. Raw or semi-processed.

14 Cooking oils e.g. vegetable oil, soya oil, palm oil, groundnut oil, shea butter,  
15 beniseed oil, olive oil, coconut oil and others of the same kind. Provided that  
16 they are of a type and grade suitable for culinary purposes and do not contain  
17 any substance such as perfume that will make them unsuitable for culinary  
18 use.

19 Culinary herbs e.g. cum }, thyme, onions, ginger, mint and others of the same  
20 kind, if raw and unprocessed for human consumption.

21 Fish of all kinds other than ornamental whether live, fresh, frozen, smoked  
22 or dried;

23 Flour and Starch e.g. corn flour, plantain flour, cassava flour, beans flour,  
24 wheat flour, rice flour, yam flour, garri and others of the same kind. Either  
25 bleached or unbleached, refined or unrefined provided that it is suitable for  
26 culinary purposes;

27 Fruits e.g. pineapples oranges, mangoes, guavas, grapes fruit, banana,  
28 pawpaw and others of the same kind, whether it is fresh or dried;

29 Live or raw Meat and Poultry e.g. beef, goat, lamb, pork, chicken, and others  
30 of the same kind, whether live, butchered, complete, in parts, fresh, frozen,

Certain forms of  
receipt not dutiable  
Schedule (Stamp  
Duties)

1 55: Section 90 of the Stamp Duties Act is hereby repealed.  
2 56: The Schedule to the Stamp Duties is hereby amended by:  
3 (a) Including under the category of exempt receipts, a new item as  
4 follows:  
5 "receipts given by any person in a Regulated Securities Lending Transaction  
6 carried out pursuant to regulation issued by the Securities and Exchange  
7 Commission"

8 (b) Including under the category of general exemption from stamp  
9 duty new items (14), (15), (16):  
10 "Shares, stocks or securities transferred by a Lender to its approved agent of a  
11 Borrower in furtherance of a Regulated Securities Lending Transaction";  
12 "Shares, stocks or securities returned to a Lender or its approved agent in a  
13 Borrower in pursuant to a Regulated Securities Lending Transaction";  
14 "Shares, stocks or securities returned to a Lender or its approved agent by a  
15 Borrower in pursuant to a Regulated Securities Lending Transaction";  
16 "all document relating to a Regulated Securities Lending Transaction carried  
17 out pursuant to regulations issued in) the Securities and Exchange  
18 Commission";

short title

19 57: This Bill may be cited as the Finance Bill, 2019.

#### 20 EXPLANATORY MEMORANDUM

21 This Bill is to among other things amend the following tax provisions and make  
22 them more responsive to the tax reform policies of the Federal Government and  
23 enhance its implementation and effectiveness:

24 (a) Companies Income Tax Act, Cap. C21, Laws of the Federation of  
25 Nigeria, 1994 (as amended to date);

26 The Bill seeks to amend the provision of the Companies Income Tax Act to,  
27 amongst to other things, curb Base Erosion and Profit Shifting (BEPS) as  
28 proposed by the Organisation for Economic Cooperation and Development  
29 (OECD), and thereby broaden the triggers for domestic taxation of income  
30 earned by non-resident companies in Nigeria through dependent agents and via

1       digitally tagged with electronic stamp or notional stamp on an electronic  
2       receipt;

3       "Instrument" includes even) written document including electronic  
4       documents.

5               **54.** Section 89 of the Stamp Duties Act is repealed and substituted     Provisions as to  
6       with a new Section 89 as follows-   duty upon receipt

7               (1) For the purpose of this Act, the expression "receipt" includes  
8       any note, memorandum, writing or electronic inscription whereby any  
9       money, or any bill of exchange or promissory note for monies is  
10       acknowledged or expressed to have been received or deposited or paid, or  
11       whereby any debt or demand, of any part of a debt or demand is  
12       acknowledged to have been settled, satisfied, or discharged, or which  
13       signifies or imports any such acknowledgement. and whether the same is or  
14       is not signed with the flame of any person.

15              (2) The duty upon a receipt may be denoted by an adhesive stamp  
16       which is to be cancelled by the person by whom the receipt is given before he  
17       delivers it out of his hands or by a digital tag with electronic stamp or any  
18       acknowledgement of dun) charged on an electronic transaction.

19              (3) Notwithstanding the provisions of the Stamp Duties Act,  
20       electronic receipt or electronic transfer for money deposited in any bank or  
21       with any banker, on any type of account, to be accounted for and expressed  
22       to be received of the person to whom the same is to be accounted for of  
23       amounts from Ten Thousand Naira (N10,000.00) upwards shall attract a  
24       singular and one-off dun) of the sum of Fifty Naira (N50.00); provided that  
25       monies paid into one's own account or transferred electronically between  
26       accounts of the same owner by the owner within the same bank shall not be  
27       chargeable to duty.

28              (4) Any duty paid pursuant to subsections (1) to (3) shall be applied  
29       as a credit against any duty applicable on an instrument denoted with and  
30       adhesive stamp.

- 1 eggs and others of the same kind;
- 2 Milk, whether fresh, liquid and powdered milk;
- 3 Nuts e.g. groundnut, walnut, cashew nut, hazelnut, kolanut, tigernuts, coconut
- 4 and others of the same kind, if raw and unprocessed for human consumption.
- 5 Also roasted, fried, boiled, salted or in their shells;
- 6 Pulses e.g. beans, lentils, peas, chickpeas, tamarind and others of the same
- 7 kind, if raw and unprocessed for human consumption. Also roasted, fried,
- 8 boiled, salted or in their shells;
- 9 Roots e.g. yam, cocoyam, sweet & Irish potatoes, water-yam, cassava and
- 10 others of the same kind, in raw and unprocessed form. Also, in form of flakes or
- 11 flour for human consumption;
- 12 Salt for culinary use only including fine salt and in retail packs but excluding
- 13 industrial salt;
- 14 Vegetables e.g. pepper, melons, lettuce, okro, cabbage, carrots and others of the
- 15 same kind, whether fresh, dried or ground;
- 16 Water i.e. natural water and table water i.e. spring water, rain water, pipe borne
- 17 water, well water and all-natural water of the same kind. All table water other
- 18 than sparkling or flavoured water.

19 (b) Including a definition for "Recognized group of companies" as  
20 follows:

21 Recognised group of companies means "a group of companies as prescribed  
22 under the relevant accounting standard"

23 (i) Including a definition for "taxable supplies" as follows:

24 "means any transaction for sale of goods or the performances of a service, for a  
25 consideration in money or money's worth;"

First Schedule  
(VAT)

26 48. The First Schedule of the VAT Act is hereby amended by:

27 (a) Inserting the following items under Part I of the First Schedule to  
28 the VAT Act:

29 "Locally manufactured sanitary towels, pads or tampons;"

30 (b) Repealing 'Services rendered by Community Banks, People's

1 online market platforms;

2 The Bill also seeks to address the taxation of industries, such as insurance,  
3 start-ups and the capital markets, evaluated by the Federal Government of  
4 Nigeria as critical to the growth and development of the Nigerian economy  
5 with a view to stimulating activities in those sectors and fostering overall  
6 economic growth;

7 (b) Value Added Tax Act, Cap VI, LFN 2007 (as amended):

8 In line with global best practice, this Bill proposes to improve the efficiency  
9 of the Nigerian VAT system taking into consideration recommendations  
10 from various stakeholder groups. In addition to simplifying the VAT  
11 landscape, the Bill also seeks to expand VAT coverage by addressing some  
12 critical issues, such as taxation of the digital economy, VAT registration  
13 thresholds and intangibles;

14 (c) Customs and Excise Tariff Etc. (Consolidation) Act, Cap C49,  
15 Laws of the Federation of Nigeria 2004:

16 In a bid to create a level playing field for local manufacturers, this bill wishes  
17 to subject certain imported goods to excise duties in similar manner as their  
18 locally manufactured counterparts;

19 (d) Personal Income Tax Cap P8, LFN 2007 (as amended):

20 The Bill also seeks to provide clarity and efficiency in the administration of  
21 individual income taxes in Nigeria;

22 (e) Capital Gains Tax Act Cap C1, LFN 2007:

23 The Bill also covers the taxation of business combination and seeks to  
24 prevent abuse of provisions of the Act on group restructuring

25 (f) Stamp Duties Act Cap 58, LFN 2007;

26 The Bill also seeks to increase revenue generation from duties on electronic  
27 stamps.

28 (g) Petroleum Profit Tax:

29 This Bill seeks to improve revenue by removing the tax exemption granted  
30 for dividends or income received from companies charged under Petroleum  
Profits Tax Act.

