

L.N. 158 of 1961

INCOME TAX MANAGEMENT ACT, 1961

(No. 21 OF 1961)

Income Tax Management Act (Northern Nigeria)
Deferment Order, 1961

Commencement : 1st April, 1961

In exercise of the powers conferred by subsections 2 and 3 of section 1 of the Income Tax Management Act, 1961, the Governor-General of the Federation acting in accordance with the advice of the Council of Ministers and with the consent of the Government of Northern Nigeria has made the following Order :—

1. This Order may be cited as the Income Tax Management Act (Northern Nigeria) Deferment Order, 1961, and shall be deemed to have come into operation on 1st day of April, 1961.

Citation and commencement.

2. Save as hereinafter provided, and save also to the extent that the Income Tax Management Act, 1961, provides for the regulation, determination and administration of any matter or question involving the rights and interests of more than one tax authority, the said Income Tax Management Act, 1961, shall not apply to Northern Nigeria for the year of assessment ending the 31st day of March, 1962.

Deferment of application in Northern Nigeria of the Income Tax Management Act, 1961.

3. The provisions of the Direct Taxation Ordinance and of the Income Tax Ordinance, as amended, shall continue to apply in Northern Nigeria subject to the following modifications to the Income Tax Ordinance—

Prescription of application in Northern Nigeria of Direct Taxation Ordinance and Income Tax Ordinance.

(a) The said Ordinance shall be administered by the Federal Board of Inland Revenue for and on behalf of the Government of Northern Nigeria. In this regard and for the purpose of administration of the Ordinance under this Order the Federal Board of Inland Revenue established under the provisions of section 3 of the Companies Income Tax Act, 1961, shall exercise all the appropriate and necessary powers and duties of the former Federal Board of Inland Revenue established under the Income Tax Ordinance.

(b) The definition of "persons" in section 2 of the Ordinance shall not include a company and companies shall not be subject to tax under the provisions of the said Ordinance and all provisions in the said Ordinance relating to the taxation of companies or exemption of companies from tax shall have no force or effect.

(c) Taxation under the Ordinance shall be based upon residence as determined in accordance with the provisions of subsection (2) of section 3 of the Income Tax Management Act, 1961, and persons resident in Northern Nigeria shall be the only persons who shall be subject to tax under the provisions of the said Income Tax Ordinance as administered under this Order.

(d) Wherever in the said Ordinance reference is made to "Nigeria", "the Federation of Nigeria", or "the Protectorate of Nigeria" the said reference shall where appropriate be read as if it were a reference to Northern Nigeria.

(e) Wherever in the said Ordinance reference is made to the "Minister" the said reference shall be read as if it were a reference to the Minister responsible for finance in the Government of Northern Nigeria.

(f) Wherever in the said Ordinance reference is made to the "Body of Appeal Commissioners" the said reference shall be read as if it were a reference to the Body of Appeal Commissioners established under the provisions of section 55 of the Companies Income Tax Act, 1961.

(g) Reference to the Federal Board of Inland Revenue in paragraph (f) of subsection (1) of section 10 of the said Ordinance shall be read as if it were a reference to the Joint Tax Board established under the provisions of section 27 of the Income Tax Management Act, 1961.

MADE at Lagos this 9th day of December, 1961.

ISA KOTO,
*Acting Deputy Secretary to the
Council of Ministers*

EXPLANATORY NOTE

At the request of the Government of Northern Nigeria this Order defers the application of the Income Tax Management Act, 1961, in Northern Nigeria for the year of assessment ending the 31st day of March, 1962, and prescribes that the provisions of the Direct Taxation Ordinance and of the Income Tax Ordinance (as modified by this Order) shall continue to apply in that Region during the said year of assessment. The modifications to the Income Tax Ordinance made by this Order are required to facilitate its administration by the present Federal Board of Inland Revenue and to prevent the double taxation of any income by more than one tax authority.

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