

NATIONAL RECONSTRUCTION AND DEVELOPMENT SAVINGS (AMENDMENT) DECREE 1972



Decree No. 50

[30th December 1972]

Commence-
ment.

THE FEDERAL MILITARY GOVERNMENT hereby decrees as follows :—

1. For section 12 of the National Reconstruction and Development Savings Decree 1967 there shall be substituted a new section as follows :

“Certificates and redemption.” 12.—(1) The Commissioner shall at the end of the year 1968 and of each succeeding year thereafter cause to be prepared in favour of each person entitled as a contributor under this Decree a certificate showing the total amount paid to which that person is entitled as well as the amount which that total will produce at the end of the year 1972 with simple interest at the rate specified in section 11 of this Decree.

Substitution
of new
section 12
of the
National
Reconstruc-
tion and
Develop-
ment Savings
Decree 1967.
1967 No. 52.

(2) The bank shall on 31st December 1972 or so soon thereafter as may be convenient pay to each contributor the total amount to which that contributor is entitled pursuant to subsection (1) above, in the following manner, that is to say—

(i) in the case of a contributor who is self-employed, payment shall be made to him directly ; and

(ii) in every other case, payment shall be made through the contributor's employer.”

2. This Decree may be cited as the National Reconstruction and Development Savings (Amendment) Decree 1972.

Citation.

MADE at Lagos this 30th day of December 1972.

GENERAL Y. GOWON,
Head of the Federal Military Government,
Commander-in-Chief of the Armed Forces,
Federal Republic of Nigeria

EXPLANATORY NOTE

*(This note does not form part of the above Decree but is
intended to explain its effect)*

The Decree advances the maturity date for certificates issued under the National Reconstruction and Development Savings Decree 1967 to 31st December 1972 and provides for the repayment of contributions.

**INCOME TAX (ARMED FORCES AND OTHER PERSONS)
(SPECIAL PROVISIONS) DECREE 1972**



Decree No. 51

[1st April 1972]

THE FEDERAL MILITARY GOVERNMENT hereby decrees as follows:—

Commence-
ment.

1.—(1) Subject to the provisions of this Decree, for the year of assessment commencing on 1st April 1972 and for each subsequent year of assessment, tax in respect of—

Members of
the armed
forces, etc.
to be
subject
to this
Decree
for tax
purposes.

(a) persons employed in the Nigerian Army, the Nigerian Navy or the Nigerian Air Force, other than in a civilian capacity,

(b) officers of the Nigerian Foreign Service,

(c) persons in receipt of Nigerian pensions where such pensions are payable overseas, and

(d) persons resident outside Nigeria who are shareholders of Nigerian companies,

shall be imposed in accordance with the provisions of this Decree.

(2) Accordingly, the Income Tax Management Act 1961 (hereinafter referred to as "the Principal Act") is amended as follows—

1961
No. 21.

(a) in section 2—

(i) in the definition of "relevant tax authority" there shall be inserted after paragraph (v) the following new paragraph—

"(vi) a person to whom the Income Tax (Armed Forces and Other Persons) (Special Provisions) Decree 1972 applies, the Federal Board of Inland Revenue;" ; and

(ii) in the definition of "tax", immediately after the word "territory" there shall be inserted the words "or the Income Tax (Armed Forces and Other Persons) (Special Provisions) Decree 1972;" ;

(b) in section 3—

(i) in subsection (1), immediately after the word "territory" there shall be inserted the words "or the Income Tax (Armed Forces and Other Persons) (Special Provisions) Decree 1972" ; and

(ii) in subsection (2), after the word "Act" there shall be inserted the words "or as provided by the Income Tax (Armed Forces and Other Persons) (Special Provisions) Decree 1972" ;

(c) in the First Schedule,

(i) in paragraph 2, after the word "individual" there shall be inserted the words "not being a person to whom the Income Tax (Armed Forces and Other Persons) (Special Provisions) Decree 1972 applies" ;

(ii) paragraph 3 (2) shall be deleted ;

(iii) in paragraph 4, for the words "resident in Lagos" there shall be substituted the words "a person to whom the Income Tax (Armed Forces and Other Persons) (Special Provisions) Decree 1972 applies" ;

(iv) in paragraph 5 (2), after the word "territory" where it first occurs in sub-paragraph (a) there shall be inserted the words "not being a Nigerian pension in respect of which the Income Tax (Armed Forces and Other Persons) (Special Provisions) Decree 1972 applies" ; and sub-paragraph (c) shall be deleted ;

(v) immediately after paragraph 5 (2) there shall be inserted a new sub-paragraph as follows :

"(3) An individual whose only source of earned income arising in Nigeria on the 1st day of April in a year of assessment was a Nigerian pension and who had no place of residence on that day shall, if the pension is payable by more than one Government or if there are two or more pensions arising in different territories to the individual on that day, be subject to the Income Tax (Armed Forces and Other Persons) (Special Provisions) Decree 1972."

Imposition
of tax.

2. Tax at the rate specified in Chapter III of the Schedule to this Decree is hereby imposed on the income of persons to whom this Decree relates and the provisions of the Schedule to this Decree shall apply for the purposes of the assessment and collection of the tax and all other matters therein mentioned.

Amendment
of the
Constitution
of the
Federation.

3. The Constitution of the Federation is hereby amended by the insertion after section 140 thereof of the following new section—

"Tax under the Income Tax (Armed Forces and Other Persons) (Special Provisions) Decree 1972. 140A.—(1) The Federation shall credit to the Distributable Pool Account a sum equal to the proceeds of the tax paid into the Consolidated Revenue Fund of the Federation by the Federal Board of Inland Revenue pursuant to the Income Tax (Armed Forces and Other Persons) (Special Provisions) Decree 1972. (2) For the purposes of this section the proceeds of the tax shall be the amount remaining after the deduction of ten per cent representing the cost of collection of the tax and after any refund or other repayments relating to those proceeds have been deducted or allowed for."

Special
provisions
in relation
to tax
collected by
Lagos State
Government.

4.—(1) The Lagos State Government shall pay into the Consolidated Revenue Fund of the Federation the proceeds of the tax collected for the years of assessment 1968 to 1969, 1969 to 1970, 1970 to 1971 and 1971 to 1972 under the Personal Income Tax (Lagos) Act 1961 in respect of—

(a) persons employed in the Nigerian Army, the Nigerian Navy or the Nigerian Air Force, other than in a civilian capacity,

(b) officers of the Nigerian Foreign Service, and

(c) persons in receipt of Nigerian pensions where such pensions are payable overseas.

(2) For the purposes of subsection (1) above the proceeds of the tax shall be the amount remaining after the deduction of ten per cent representing the cost of collection of the tax and after any refund or other repayments relating to those proceeds have been deducted or allowed for.

(3) All sums paid into the Consolidated Revenue Fund pursuant to this section shall be credited to the Distributable Pool Account.

5. In this Decree—

“Nigerian Foreign Service” means service in the public service of the Federation in respect of the offices in the Federal Ministry of External Affairs.

Interpretation.

6.—(1) This Decree may be cited as the Income Tax (Armed Forces and Other Persons) (Special Provisions) Decree 1972 and shall be read as one with the principal Act.

Citation, commencement, etc.

(2) This Decree shall be deemed to have come into operation on 1st April 1972.

SCHEDULE

CHAPTER I

PART I—PRELIMINARY

1.—(1) In this Schedule, unless the context otherwise requires—

“the Board” means the Federal Board of Inland Revenue established under the Companies Income Tax Act 1961 ;

“the Commissioner” means the Federal Commissioner for Finance ;

“the Joint Tax Board” means the Joint Tax Board established under the principal Act ;

“the principal Act” means the Income Tax Management Act 1961 ;

“tax” or “the tax” means tax imposed under this Schedule ;

“taxable person” means an individual chargeable with tax pursuant to this Decree.

Interpretation.
1961 No. 22.

1961 No. 21.

(2) Except so far as in this Decree provided or the context otherwise requires, section 2 of the principal Act shall apply for the interpretation of this Decree as it applies for the interpretation of that Act.

2. In this Schedule a reference to a numbered paragraph not otherwise identified is a reference to the paragraph so numbered in this Schedule.

Construction of certain references.

PART II—ADMINISTRATION AND SCRUTINY OF ASSESSMENTS

3.—(1) Save with respect to any duties which fall to be exercised by the Joint Tax Board under any express provision of the principal Act, the due administration of this Schedule and the tax shall be under the care and management of the Board which may do all such things as may be deemed necessary and expedient for the assessment and collection of the tax, and shall account for all amounts so collected in a manner to be prescribed by the Commissioner.

Powers and duties of the Board.

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

(3) The Board may sue and be sued in its official name.

(4) The Board may by notice in the *Gazette* or in writing authorise any person within or without Nigeria to perform or exercise, on behalf of the Board, any power or duty conferred on the Board under this Schedule or the principal Act other than the powers or duties specified in the Chapter II of this Schedule, or to receive any notice or other document to be given or delivered to, or served upon, the Board under or in consequence of this Schedule or the principal Act or any subsidiary legislation made thereunder.

(5) In the exercise of the powers and duties conferred upon it the Board shall be subject to the authority, direction and control of the Commissioner and any direction, order or instruction given by him after consultation with the Chairman of the Board shall be carried out by the Board.

(6) Every claim, objection, appeal, representation or the like made by any person under any provision of this Schedule or of any subsidiary legislation made thereunder shall be made in accordance with such Schedule and legislation.

(7) In any claim or matter or upon any objection or appeal under this or under any subsidiary legislation made thereunder, any act, matter or thing done by or with the authority of the Board, in pursuance of any provisions of this Schedule or subsidiary legislation made thereunder, 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, order or instruction given by the Commissioner.

Significa-
tion of
powers and
duties, etc.

4.—(1) Anything required to be done by the Board, in relation to the powers and duties specified in Chapter II of this Schedule may be signified under the hand of the Chairman or of the Secretary of the Board.

(2) Any authorisation given by the Board under or by virtue of this Schedule shall be signified under the hand of the Chairman of the Board unless such authority is notified in the *Gazette*.

(3) Subject to sub-paragraph (1) above, any notice or other document to be given under this Schedule or under any subsidiary legislation made thereunder, shall be valid if—

(a) it is signed by the Chairman of the Board or any person authorised by him; or

(b) such notice or document is printed and the official name of the Board is printed or stamped thereon.

(4) Every notice, authorisation or other document purporting to be a notice, authorisation or other document duly given and signified, notified or bearing the official name of the Board, in accordance with the provisions of this paragraph shall be deemed to be so given and signified, notified or otherwise without further proof, until the contrary is shown.

Power to
amend
Schedule.

5. The Commissioner may at any time by Order delete any of the powers or duties specified in Chapter II of this Schedule or include therein additional powers or duties or amend such Schedule or substitute a new Schedule therefor.

Official
secrecy.

6.—(1) Subject to the provisions of section 28 of the principal Act, every person having any official duty or being employed in the administration of this Schedule shall regard and deal with all documents, information, returns, assessment lists and copies of such lists relating to the income or personal circumstances of any taxable person as secret and confidential.

(2) Every person having possession of or control over any documents, information, returns or assessment lists or copies of such lists relating to the income or personal circumstances of any taxable person and who at any time communicates or attempts to communicate such information or anything therein contained to any person—

(a) other than a person to whom he is authorised by the Commissioner to communicate it; or

(b) otherwise than for the purposes of this Schedule, or the principal Act or any enactment in Nigeria imposing tax on income or profits; shall be guilty of an offence against this Schedule.

(3) Any proceedings for an offence against this paragraph may be taken by or in the name of the Board but not by any other person except with the consent of the Attorney-General of the Federation.

(4) No person appointed or employed in carrying out the provisions of this Schedule shall be required to produce in any court any return, document or assessment, or to divulge or communicate to any court any matter or thing coming under his notice in the performance of his duties under this Schedule except as may be necessary for the purpose of carrying into effect the provisions of this Schedule and the principal Act, or in order to institute a prosecution, or in the course of a prosecution for any offence committed in relation to any tax on income or profits in Nigeria.

(5) When under any law in force in a Commonwealth country provision is made for the allowance of relief from income tax in respect of tax imposed under this Schedule, the obligation as to secrecy imposed by this section shall not prevent the disclosure to authorised officers of the Government in that country of such facts as may be necessary to enable the proper relief to be given in cases where relief is claimed from the tax or from income tax in that country.

(6) For the purposes of this paragraph each member of the body of Appeal Commissioners, established under the provisions of the Companies Income Tax Act 1961, shall, with respect to any matter arising under this Schedule and coming to his notice in the course of his duties as such member, be deemed to be employed in the administration of this Schedule and to have possession of any return, statement, account or other document so coming to his notice.

1961 No. 22.

(7) Notwithstanding anything contained in this paragraph the Board may permit the Auditor-General of the Federation or any officer duly authorised in that behalf by him to have such access to any records or documents as may be necessary for the performance of his official duties, and for the purposes of this paragraph he shall be deemed to be a person employed in carrying out the provisions of this Schedule.

7. The Board may from time to time specify the form of returns, claims, statements and notices under this Schedule.

Forms.

8.—(1) Except where it is provided in this Schedule that service shall be effected either personally or by registered post the provisions of section 25 of the Interpretation Act 1964 shall apply to the service of a notice, if such notice is addressed in accordance with the provisions of sub-paragraph (3) below.

Service and signature of of notices.

1964 No. 1.

(2) Where a notice has been sent by registered post it shall be deemed to have been served on the day succeeding the day on which the addressee

of the registered letter containing the notice would have been informed in the ordinary course of events that such registered letter is awaiting him at a post office, if such letter and notice are addressed in accordance with the provisions of sub-paragraph (3) below: Provided that a notice shall not be deemed to have been served under this subsection if the addressee proves that no notification, informing him of the fact that a registered letter was awaiting him at a post office, was left at the address given in such registered letter.

(3) A notice to be served in accordance with sub-paragraph (1) or (2) shall be addressed to the last known business or private address of the person concerned.

(4) Any notice to be given, sent or posted under this Decree or the principal Act may be served by being left at the address determined under sub-paragraph (3) unless such address is a registered post office box number.

PART III—IMPOSITION OF TAX

Charge of
income tax.

9. Tax (hereinafter referred to as "income tax") shall, subject to the provisions of this Schedule, be payable for each year of assessment at the rate or rates specified in Chapter III of this Schedule upon the chargeable income ascertained in accordance with Part IV of Chapter I of this Schedule of any person to whom this Decree relates.

Power to
alter rate
of tax, etc.

10. The Commissioner may, with the prior approval of the Federal Executive Council, revoke or vary for any year of assessment any rate or rates of income tax or amount of income chargeable at any rate specified in Chapter III of this Schedule.

Relief from
tax payable.

11. Where under the provisions of Part VI of the principal Act relief is to be given to a taxable person in respect of Commonwealth income tax, or credit is to be allowed for any foreign tax, for any year of assessment, such relief or credit shall be given or allowed by deduction from the income tax payable by him for that year, and any references in this Schedule to income tax charged or chargeable upon a taxable person for any year shall be taken as referring to the remainder of the income tax payable by him for that year after all such relief or credit has been given or allowed.

PART IV—CHARGEABLE INCOME

Ascertain-
ment of
chargeable
income.

12. Where under the provisions of paragraph 9 income tax is payable for any year of assessment upon the chargeable income of a person, the amount of that chargeable income for that year shall be the amount of the total income of that person for that year, ascertained under the provisions of the principal Act, after the deductions allowed by this Part have been made.

Personal
relief.

13. In the case of every such person there shall be allowed a deduction of three hundred pounds.

Relief for
spouse,
children,
dependent
relatives
and life
assurance.

14. In the case of any person to whom paragraph (a), (b) or (c) of section 1 (1) of this Decree relates there shall be allowed—

(a) a deduction of one hundred pounds in the case of a married man who at any time during the year preceding the year of assessment had a wife living with or maintained by him, or a deduction of the amount of any alimony not exceeding one hundred pounds paid during the preceding year to a former spouse under an order of a court of competent jurisdiction in the case of a person whose marriage has been dissolved or a deduction of the amount of any payment during the preceding year not exceeding

one hundred pounds made in accordance with a deed of separation or an order of a court to a spouse from whom he was separated by such a deed or order :

Provided that the aggregate amount of any deduction allowed to any person for any year of assessment by virtue of this paragraph shall not exceed one hundred pounds ;

(b) a deduction of sixty pounds in respect of each unmarried child who was maintained by person during the year preceding the year of assessment and who, on the first day of that preceding year, had either not attained sixteen years of age, or was receiving full time instruction in a recognised educational establishment, or was under articles or indentures in a trade or profession :

Provided that—

(i) no deduction under this paragraph shall be allowed to any person in respect of more than four children, and, for the purposes of applying this restriction, a husband and his wife or wives not separated from him by deed or an order of any court shall be treated as one and the same person ;

(ii) where the cost of maintaining any child is shared between two or more persons, the Board may apportion the sum of sixty pounds as may seem to it to be equitable between such persons, and the deduction to be allowed under this paragraph to any person in respect of such child shall be his apportioned share of such sum ;

(c) a deduction of the costs incurred by the person during the year preceding the year of assessment in connection with the education of any child in respect of whom he is entitled to a deduction under the provisions of paragraph (b) for the same year of assessment :

Provided that—

(i) a deduction in respect of any child under this paragraph shall be the amount of the said costs payable directly to any recognised educational establishment less the sum of sixty pounds, or the amount of ninety pounds, whichever is the less ;

(ii) any deduction to be allowed under the foregoing provisions of this paragraph shall be reduced by the amount of any income of the child of the year preceding the year of assessment, not being income to which the child is entitled as a holder of any scholarship, bursary or other similar educational endowment ;

(iii) where costs in connection with the education of any child are incurred by two or more persons, including any person entitled to a deduction under the provisions of paragraph (b) in respect of that child, the Board shall determine the amount of the deduction which would have been given under this paragraph if such costs had been wholly incurred by such person and apportion that amount among those persons, and the deduction to be allowed to that person shall be his apportioned share of that amount ;

(d) a deduction of the costs incurred by the person during the year preceding the year of assessment in maintaining or assisting to maintain a close relative of the person or of the person's spouse who was either incapacitated by old age or infirmity from maintaining himself or is the widowed mother (whether so incapacitated or not) of the person or of the person's spouse :

Provided that—

(i) no deduction shall be allowed in respect of any relative whose income, whether arising, of the year preceding the year of assessment exceeded three hundred pounds ;

(ii) the aggregate of all deductions to be allowed to two or more persons for any year in respect of any one relative shall not exceed one hundred pounds, and, if the total of the costs incurred by them in respect of the same relative exceed that sum, then the amount of the deduction to be allowed to any such person shall be the same proportion of that sum as the costs so incurred by him bear to the total of the costs so incurred ;

(iii) the aggregate of all deductions to be made under this paragraph in ascertaining the chargeable income of any one person for any year shall not exceed one hundred pounds ;

(e) a deduction of the annual amount of any premium paid by the person during the year preceding the year of assessment to any insurance company in respect of insurance on his life or the life of his spouse, or of any contract for a deferred annuity on his own life or the life of his spouse :

Provided that—

(i) no such deduction shall be allowed for such insurance except in respect of premiums payable on policies securing a capital sum on death, whether in conjunction with any other benefit or not, and the amount of the deduction allowed shall not exceed ten *per centum* of that capital sum, exclusive of any additional benefit by way of bonus, profit or otherwise ;

(ii) the aggregate amount of the deductions allowed under the provisions of—

(a) this paragraph ;

(b) paragraph (e) of subsection (1) of section 17 of the principal Act ; and

(c) in the case of an employee, paragraph (f) of subsection (1) of section 17 of the principal Act,

shall not exceed one thousand pounds in the case of any person for any year of assessment ;

(iii) the aggregate amount of the deductions allowed to a person for a year of assessment under the provisions of this paragraph shall not exceed an amount equal to one-fifth part of the total income of that person for that year ; and

(iv) the restrictions specified in sub-paragraphs (ii) and (iii) of this proviso shall apply in the case of a husband and his wife or wives not separated from him by deed or an order of any court as though all such persons were one and the same person whose total income for any year of assessment was equal to the aggregate total income for that year of such husband and his wife or wives.

15. Unless the Board otherwise directs, no deduction under paragraph 14 shall be allowed to any person for a year of assessment unless claimed by him in writing in such form as the Board may prescribe.

16.—(1) The Board may require any claimant to a deduction under paragraph 14 to produce such documentary evidence as may be available in support of any claim and in the absence of any such evidence, or if such evidence is, in the opinion of the Board, inadequate the Board may refuse to allow such deduction or allow such part only of the amount claimed as the Board may decide.

Proof of
claims.

(2) Notwithstanding any provision of this Schedule—

(a) where a person has failed to produce documentary evidence in support of any claim to a deduction under paragraph 14, no objection to an assessment or to any rate at which tax is required to be deducted from his remuneration under the provisions of paragraph 42 shall be valid on the grounds that such deduction, or the full amount thereof, has not been allowed or taken into account by the Board; and

(b) where a person claims any deduction under paragraph 14 for a year of assessment, or produces evidence in support of any such claim previously made and not admitted or not admitted in full by the Board, within two years after the end of such year, such repayment or set-off of tax, or reduction in any assessment shall be made so as to give effect to any amount or additional amount of such deduction which the Board is satisfied should properly be allowed.

17.—(1) Any deduction to be allowed to a person for a year of assessment under the provisions of paragraph 14, other than paragraph (a) thereof, may be claimed by and allowed to that person or any spouse of that person not separated from him by deed or an order of any court on the first day of such year, or may be partly claimed by and allowed to each such spouse, but in no case shall the aggregate of such deductions allowed to any husband and his wife or wives exceed the amount which would be allowed if such persons were treated as one and the same person.

Husband
and wife.

(2) Where a deduction is claimed in respect of any one child under paragraph (b) or (c) of paragraph 14, or any one dependant under paragraph (d), or any one annual premium under paragraph (e), for the same year of assessment, by both a husband and wife and the aggregate amount of the deductions so claimed exceeds the amount to be allowed, then the Board shall apportion the amount to be allowed as it sees fit for deduction in ascertaining the separate chargeable income of each such husband or wife.

(3) Where pursuant to any direction of the Board a deduction is allowed under paragraph 14 to any husband or wife and such deduction has not been claimed, it shall be allowed to either such husband or wife, or be apportioned between them, as the Board in its absolute discretion may decide.

PART V—PERSONS CHARGEABLE AND RETURNS

18.—(1) A taxable person shall be chargeable to the tax—

Persons
chargeable.

(a) in his own name; or

(b) in the name of any receiver, trustee, guardian, curator or committee having the direction, control or management of any property or concern on his behalf, or in the name of any person treated as his agent under section 5 of the principal Act or declared to be his agent under section 29 (1) of that Act, in like manner and to the like amount as such taxable person would be chargeable.

(2) Any person in whose name a taxable person is chargeable to tax shall be answerable for all matters within his competence which are required to be done by virtue of this Schedule for the assessment of the income of such taxable person and payment of any tax charged thereon.

(3) Where two or more persons act in the capacity of trustees they may be charged jointly or severally with the tax with which they are chargeable in that capacity and shall be jointly and severally liable for payment of the same.

Returns.

19.—(1) For each year of assessment every taxable person, when required to do so by notice published, in April of that year of assessment or so soon thereafter as the Board may decide, in the Gazette and in three issues of two or more daily newspapers or by any notice in writing given by the Board in pursuance of this Decree, shall, within the period limited by such notice, and in the form of return containing such notice, prepare and deliver to the Board a true and correct statement in writing, containing—

(a) the amount of his income from each and every source, of such period or periods as are indicated in such form, computed in accordance with the provisions of this Schedule and the principal Act and any rules or regulations made thereunder; and

(b) such particulars as by such form of return may be required for the purposes of this Schedule and the principal Act or any rules or regulations made thereunder with respect to any such income, allowances, reliefs, deductions or otherwise as may be material for those purposes.

(2) Such form of return shall contain a declaration, which shall be signed by or on behalf of any taxable person to whom a notice has been given under sub-paragraph (1) above, that the return contains a true and correct statement of his income computed in accordance with the provisions of this Schedule and the principal Act, and any rules or regulations made thereunder, or that any particulars given in the return, in accordance with all other requirements of such notice, are true and complete.

(3) Every taxable person who has been required to prepare and deliver a statement under the foregoing provisions of this paragraph for any year shall do so whether or not any tax is chargeable upon him for that year.

20. The Board may give notice in writing to any person when and as often as it thinks necessary requiring him to deliver within a reasonable time limited by such notice fuller or further returns respecting any matter as to which a return is required or prescribed under this Schedule.

21.—(1) For the purpose of obtaining full information in respect of the income of any taxable person or of any relief, allowances or deductions to which such person may be entitled the Board may, subject to the provisions of subsection (3) of section 28 of the principal Act, give notice to any person requiring him within the time limited by such notice, to—

(a) complete and deliver to the Board any return specified in such notice;

(b) attend personally before an officer of the Federal Inland Revenue Department for examination with respect to any such matter;

(c) produce or cause to be produced for examination at the place and time stated in such notice, which time may be from day to day for such period as the Board may consider necessary, for the purpose of such examination any books, documents, accounts and returns which the Board may deem necessary; or

Board may
call for
further
returns.

Power to
call for
returns,
books,
documents
and infor-
mation.

(d) give orally or in writing any other information specified in such notice.

(2) For the purposes of sub-paragraphs (a), (b), or (d) of paragraph (1) above the time limited by such notice shall not be less than twenty-one days from the date of service of such notice, and for the purposes of paragraph (c) the time stated in such notice shall commence from a date not less than seven days from the date of such service.

22. A return, statement or form purporting to be furnished under this Schedule by or on behalf of any person shall for all purposes be deemed to have been furnished by that person or by his authority, as the case may be, unless the contrary is proved, and any person signing any such return, statement or form shall be deemed to be cognisant of all matters therein.

Returns to
be deemed
to be
furnished
with due
authority.

23.—(1) If a taxable person fails or refuses to keep books or accounts which, in the opinion of the Board, are adequate for the purposes of the tax, the Board may by notice in writing require such person to keep such records, books and accounts as the Board considers to be adequate in such form and in such language as may be specified in the said notice and, subject to the provisions of the next succeeding subsection, such person shall keep records, books and accounts as so directed.

Books of
account.

(2) Any direction of the Board made under this paragraph shall be subject to objection and appeal in like manner as an assessment save that any decision of the Appeal Commissioners thereon shall be final.

(3) On hearing such appeal the Appeal Commissioners may confirm or modify such direction.

PART VI—ASSESSMENTS

24.—(1) The Board shall proceed to assess every taxable person chargeable with income tax as soon as may be after the expiration of the time allowed to such person for the delivery of the return provided for in paragraph 19, or otherwise as it appears to the Board practicable so to do; and

Assessment
of income
tax.

(2) Where a taxable person has delivered a return the Board may—

(a) accept the return and make an assessment accordingly; or

(b) refuse to accept the return and, to the best of its judgment, determine the amount of the assessable, total or chargeable income of such person and make an assessment accordingly.

(3) Where a taxable person has not delivered a return within the time allowed and the Board is of opinion that tax is chargeable upon such person, the Board may, according to the best of its judgment, determine the amount of the assessable, total or chargeable income and make an assessment accordingly, but such assessment shall not affect any liability otherwise incurred by such person by reason of his failure or neglect to deliver a return.

(4) Nothing in this paragraph shall prevent the Board from making assessment upon a taxable person before the expiration of the time within which such person is required to deliver a return or give notice of his income under the provisions of paragraph 19, if any officer of the Federal Inland Revenue Department considers each assessment to be necessary for any reason of urgency.

(5) Notwithstanding the foregoing provisions of this paragraph, no assessment to income tax for a year of assessment shall be made by the Board upon an employee with respect to his emoluments or other income if that tax is recoverable by deduction under the provisions of paragraph 42 unless, within six years after the end of such year, he applies to the Board so to be assessed whether in connection with any claim to repayment of tax or otherwise, or the Board considers such assessment to be necessary or expedient so as to arrive at the correct amount of the income tax to be charged upon or to be payable by such employee for that year.

Additional
assess-
ments.

25.—(1) If the Board discovers or is of opinion at any time that any taxable person liable to income tax has not been assessed or has been assessed at a less amount than that which ought to have been charged, the Board may, within the year of assessment or within six years after the expiration thereof and as often as may be necessary, assess such taxable person at such amount or additional amount as ought to have been charged, and the provisions of this Schedule as to notice of assessment, appeal and other proceedings shall apply to such assessment or additional assessment and to the tax thereunder.

(2) For the purpose of computing under sub-paragraph (1) above the amount or the additional amount which ought to have been charged, all relevant facts consistent with proviso (b) to paragraph 35 (2) shall be taken into account even though not known when any previous assessment or additional assessment on the same taxable person for the same year was being made or could have been made :

Provided that where any form of fraud, wilful default or neglect has been committed by or on behalf of any taxable person in connection with any tax imposed under this Schedule, the Board may at any time and as often as may be necessary assess such taxable person at such amount or additional amount as may be necessary for the purpose of making good any loss of tax attributable to the fraud, wilful default or neglect.

Lists of
persons
assessed,
etc.

26.—(1) The Board shall as soon as possible prepare lists of taxable persons assessed to income tax under this Decree.

(2) Such lists, herein called the assessment lists, shall contain the names and addresses of the taxable person assessed to income tax, the name and address of any person in whose name any such taxable person is chargeable, the amount of the assessable, total or chargeable income on which, as the case may be, the tax is computed, the amount of the income tax charged, and such other particulars as may be prescribed by the Board.

(3) Where complete copies of all notices of assessment and of all notices amending assessments are filed in the offices of the Board they shall constitute the assessment lists for the purposes of this Decree.

(4) In the case of any employee from whom tax is recoverable by deduction from his emoluments under the provisions of paragraph 42, the Board may prescribe from time to time—

(a) the form in which a record of his assessable and chargeable income, and of the tax so recovered from him, shall be maintained in the offices of the Board ;

(b) the form in which his employer shall maintain a like record ; and

(c) the form in which his employer shall account to the Board for the tax so deducted;

and the employer shall produce any such record maintained by him for examination by the Board within twenty-one days of notice being given to that end by the Board, and allow any duly authorised officer of the Board access to such records and to any accounts or vouchers relating thereto in the premises of the employer at all reasonable times :

For the purposes of this sub-paragraph, a notice may be addressed in writing to the employer and served upon him, or be given in respect of any employer or class of employers by publication in the Gazette.

27. The Board shall cause to be served on or sent by registered post to each taxable person, or person in whose name a taxable person is chargeable, whose name appears in the assessment lists a notice stating the amount of any assessable, total or chargeable income, the tax charged, the place at which payment should be made, and setting out the rights of that person under the next following paragraph.

Service of
notice of
assessment.

28.—(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.

Revision
in case of
objection.

(2) 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 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 Federal Inland Revenue Department 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 applicant for revision under the provisions of this paragraph fails to agree with the Board 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 Schedule to an assessment or to an additional assessment shall be treated as a reference to an assessment or to an additional assessment as revised under the provisions of this proviso.

(4) If any employee from whom tax is recoverable by deduction from his emoluments under the provisions of paragraph 42 claims that inadequate relief under Part IV of this Schedule has been taken into account in determining the rate or rates at which such deductions have been or are to be made—

(a) any determination of the Board on such claim shall be conclusive with respect to such rate or rates for the year of assessment concerned ;
and

(b) if the employee is aggrieved by that determination he may apply to the Board to be assessed to income tax as soon as may be after his assessable income for that year can be finally ascertained, and any such assessment shall be subject to the provisions of this Schedule with respect to objections and appeals.

Errors and
defects in
assessment
and notice.

29.—(1) No assessment, warrant or other proceedings purporting to be made in accordance with the provisions of this Schedule or the principal Act shall be quashed, or deemed to be void or voidable, for want of form, or be affected by reason of a mistake, defect or omission therein, if the same is in substance and effect in conformity with or according to the intent and meaning of this Schedule or the principal Act or any enactment amending the same, and if the person assessed or intended to be assessed or affected thereby is designated therein according to common intent and understanding.

(2) An assessment shall not be impeached or affected—

(a) by reason of a mistake therein as to—

(i) the name of a taxable person or of a person in whose name a taxable person is chargeable ; or

(ii) the description of any income ; or

(iii) the amount of any income tax charged or shown to be payable ;

(b) by reason of any variance between the assessment and the notice thereof :

Provided that in cases of assessment the notice thereof shall be duly served upon the taxable person intended to be charged or the person in whose name such taxable person is chargeable and such notice shall contain, in substance and effect, the particulars on which the assessment is made.

PART VII—APPEALS

Time limit
for appeal.

30. Any taxable person being aggrieved by an assessment to income tax made upon him, and having failed to agree with the Board in the manner provided in paragraph 28 (3), may appeal against the assessment upon giving notice as hereinafter provided within thirty days after the date of service of notice of the refusal of the Board to amend the assessment as desired :

Provided that, notwithstanding the expiration of such period of thirty days, within a further period of sixty days a taxable person may apply for an extension of time within which to give notice of appeal against an assessment upon delivering to the Secretary to the Appeal Commissioners—

(i) the particulars of such assessment ; and

(ii) the reasons why notice of appeal against that assessment was not given within the proper time,

and the Secretary shall put such application before the next meeting of the Appeal Commissioners who may grant or reject the application as to them seems reasonable and their decision shall be communicated in writing to the applicant and to the Board by the Secretary, whereupon, if the application has been granted, the applicant shall have twenty-one days after the receipt of such communication within which to give notice of appeal as hereinafter provided.

31. A notice of appeal to be given under the provisions of the preceding paragraph shall be given in writing to the Board and shall set out—

Notice to be given to Board.

- (a) the name and address of the appellant ;
- (b) any 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 notices of other documents to be given to the appellant.

32. Except with respect to any ground of appeal which is reserved by any express provision of the principal Act for decision by a court or the Joint Tax Board, or any appeal depending wholly upon such grounds, all appeals under this Decree shall be heard in the first instance by the Appeal Commissioners established under the provisions of section 55 of the Companies Income Tax Act 1961, and all references in this Decree to Appeal Commissioners and to their Secretary shall be construed as references to the Appeal Commissioners and to their Secretary as so established or designated.

Appeal Commissioners.

1961 No. 22.

33. As soon as may be after receipt of a notice of appeal the Board, having regard to the grounds of appeal therein disclosed and to any relevant provision of the principal Act, shall deliver a copy thereof to the Secretary of the Appeal Commissioners or to the Registrar of the appropriate court or to the Secretary to the Joint Tax Board as, in the opinion of the Board, the circumstances require, and the appeal shall thereupon be listed by such Secretary or Registrar for hearing accordingly.

Board to deliver copy of notice to appropriate court, etc.

34. Subject to the foregoing provisions of this Part, the provisions of sections 56, 57, 58 and 59 of the Companies Income Tax Act 1961 and of any rules made or deemed to have been made thereunder shall, with any necessary modifications, apply to any appeal under this Schedule save that—

Appeal provisions of Companies Income Tax Act to apply with certain exceptions.

(a) there shall be substituted for the words "two hundred pounds" appearing in subsection (2) of the said section 58, the words "one hundred pounds";

(b) there shall be substituted for the words "five hundred pounds" appearing in subsection (11) of the said section 59, the words "two hundred pounds".

35.—(1) Where no valid objection or appeal has been lodged within the time limited by paragraph 28 or 30, or where due notice has not been given of any further appeal against a decision of the Appeal Commissioners or a judge, as the case may be, an assessment as made, or agreed to under the provisions of paragraph 28 (3), or determined under the proviso to that sub-paragraph or on appeal, as the case may be, shall be final and conclusive for all purposes of this Decree as regards the amount of the assessable, total or chargeable income and the tax charged thereby.

Assessments to be final and conclusive.

(2) If the full amount of the tax charged by any such final and conclusive assessment is not paid within the appropriate period or periods prescribed by this Schedule, the provisions thereof relating to the recovery of tax, and to any penalty under paragraph 37, shall apply to the collection

and recovery of such 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 Schedule or of the principal Act, which has been agreed to by the Board or determined on any appeal against a refusal to admit such 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 such assessment, shall be repaid ;

(b) nothing in paragraph 28 in this Part of this Schedule shall prevent the Board from making any 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 paragraph 28 (3) or otherwise or on appeal.

PART VIII—COLLECTION, RECOVERY AND REPAYMENT OF TAX

Payment of
income tax.

36.—(1) Income tax charged by any assessment which is not or has not been the subject of an objection or appeal shall be payable, after the deduction of any amount to be set-off for the purposes of collection, or any amount deposited against such tax, at the place stated in the notice of assessment within two months after service of such notice :

Provided that—

(a) if such period of two months expires before the twenty-first day of March within the year of assessment for which the income tax has been charged, and the aggregate of the tax to be deducted as aforesaid and of any income tax paid for that year within such period amounts to not less than one-half of the tax so charged, then payment of any balance of such tax may be made not later than that day ;

(b) the Board in its discretion may extend the time within which payment is to be made.

(2) Collection of income tax in any case where notice of an objection or an appeal has been given by or on behalf of the taxable person shall remain in abeyance until such objection or appeal is determined, save that the Board may enforce payment of that portion, if any, of the tax which is not in dispute.

(3) Upon the determination of an objection or appeal the Board shall serve notice upon the taxable person of the tax chargeable as so determined and that tax shall be payable within one month of the date of service of such notice :

Provided that, if such period ends before the twenty-first day of March within the year of assessment and the conditions specified in proviso (a) to sub-paragraph (1) above are otherwise satisfied with respect to the amount of the tax chargeable as so determined, then any balance of that tax to be paid may be paid not later than that day.

(4) Notwithstanding any of the foregoing provisions of this paragraph, if in any particular case the Board has reason to believe that any income tax charged by an assessment may not be recovered, by reason of the person charged leaving Nigeria or otherwise, the Board may give notice to that person requiring him, within the time limited by such notice, to pay the amount of such tax, or to give security to the satisfaction of the Board for

payment thereof, and if such payment is not made, or security so given, within that time, the full amount of such tax shall be recoverable forthwith; and for these purposes the Board may, if necessary assess any taxable person for any year of assessment at any time during the preceding year of assessment.

37.—(1) If any income tax charged by any assessment is not paid within the periods prescribed in paragraph 36, a sum equal to ten per centum of such tax shall be added thereto, and the provisions of this Schedule relating to the recovery and collection of tax shall apply to the recovery and collection of such sum.

Penalty for non-payment of income tax.

(2) The Board shall serve a demand note upon the taxable person or the persons in whose name such taxable person is chargeable and, if payment is not made within one month from the date of the service of such demand note, the Board may proceed to enforce payment as hereinafter provided.

(3) A penalty imposed under this paragraph shall not be deemed to be part of the tax paid for the purpose of claiming relief under any provision of this Schedule.

(4) Any person who without lawful justification or excuse, the proof whereof shall lie on such person, fails to pay the income tax within the period of one month prescribed in sub-paragraph (2), shall be guilty of an offence against this Schedule.

38.—(1) Without prejudice to any other power conferred on the Board for the enforcement of payment of tax due from any taxable person, where an assessment has become final and conclusive and a demand note has, in accordance with the provisions of this Part, been served upon the taxable person or upon the person in whose name the taxable person is chargeable, then, if payment of the tax is not made within the time limited by the demand note, the Board may, in the prescribed form, for the purpose of enforcing payment of the tax due—

Power to distrain for non-payment of tax.

(a) distrain the taxpayer by his goods or other chattels, bonds or other securities;

(b) distrain upon any land, premises, or place in respect of which the taxpayer is the owner,

and, subject to the following provisions of this paragraph, recover the amount of tax due by sale of any thing so distrained.

(2) The authority to distrain under this paragraph shall be in such form as the Board may direct, and such authority shall be sufficient warrant and authority to levy by distress the amount of tax due.

(3) For the purpose of levying any distress under this paragraph any officer authorised in writing by the Board may execute any warrant of distress, and if necessary break open any building or place in the day time for the purpose of levying such distress and he may call to his assistance any police officer and it shall be the duty of that police officer when so required to aid and assist in the execution of any warrant of distress and in levying the distress.

(4) Things distrained under this paragraph may, at the cost of the taxable person, be kept for fourteen days and at the end of that time if the amount due in respect of the tax and the cost and charges of and incidental to the distress are not paid, they may, subject to sub-paragraph (6) of this paragraph, be sold at any time thereafter.

(5) Out of the proceeds of any such sale there shall in the first place be paid the cost or charges of and incidental to the (sale and keeping of the) distress, and disposal thereunder and in the next place the amount due in respect of the tax; and the balance (if any) shall be payable to the taxable person upon demand being made by him or on his behalf within one year of the date of the sale.

(6) Nothing in this paragraph shall be construed so as to authorise the sale of any immovable property without an order of a High Court, made on application in such form as may be prescribed by rules of court.

Action for
income tax
by Board.

39.—(1) Income tax may be sued for and recovered in a court of competent jurisdiction in Lagos by the Board in its official name with full costs of action from the person charged therewith as a debt due to the Government of the Federation.

(2) For the purposes of this paragraph a court of competent jurisdiction shall include a magistrate's court, which court is hereby invested with the necessary jurisdiction, provided that the amount claimed in any action does not exceed the amount of the jurisdiction of the magistrate concerned with respect to actions for debt.

(3) In any action brought under sub-paragraph (1) above the production of a certificate signed by any person duly authorised by the Chairman of the Board giving the name and address of the defendant and the amount of the income tax due shall be sufficient evidence of the amount so due and sufficient authority for the court to give judgment for the said amount.

Remission
of
penalty.

40. The Board may, for any good cause shown, remit either before or after judgment the whole of any part of the penalty due under paragraph 37 (1).

Remission
of tax.

41. The Federal Executive Council may, on the recommendation of the Commissioner for Finance acting on the advice of the Board, remit wholly or in part, any tax payable under this Schedule if satisfied that it is just and equitable so to do.

P.A.Y.E.

42.—(1) Income tax chargeable upon any employee by any assessment whether or not such assessment has been made, shall, if the Board so direct be recoverable from any emoluments paid, or any payments made on account of such emoluments, by the employer to such employee.

(2) Any direction under sub-paragraph (1) above shall be in writing addressed to an employer or be published in the Gazette, and shall specify the emoluments of any employee or class of employees to which it refers and the amount or amounts of income tax to be deducted whether by reference to tax tables issued by the Board or otherwise.

(3) In arriving at the amount of income tax to be deducted from any payment of or on account of emoluments to an employee the Board shall secure so far as is possible that the aggregate amount of all such deductions made during any year of assessment shall equal the income tax chargeable upon him in respect of these emoluments for that year.

(4) Notwithstanding the provisions of sub-paragraph (3) above, in determining the amount of any deduction or deductions to be made in the case of any particular employee the Board may take into account any assessable income of that employee for the same year arising from any other source chargeable with income tax under this Schedule.

(5) Income tax recovered under the provisions of this paragraph by deduction from the emoluments of an employee shall be set-off for the purposes of collection against tax charged upon him by any assessment, but only to the extent that such deductions have been made on account of or by reference to any income charged by such assessment.

(6) The Commissioner may make regulations generally for the carrying out of the provisions of this paragraph.

43. Every employer required under any provision of this Schedule or the principal Act to make any deduction from emoluments or amounts on account of emoluments paid by him to any employee shall account to the Board in such manner as the Board may prescribe for the deductions so made.

Employer to be answerable for tax deducted.

44.—(1) If any taxable person who has paid income tax for any year of assessment alleges that any assessment made upon him for that year was excessive by reason of some error or mistake in any return, statement or account made by him or on his behalf for the purposes of such assessment, he may, at any time not later than six years after the end of the year of assessment within which the assessment was made, make an application in writing to the Board for relief.

Relief in respect of error or mistake.

(2) On receiving any such application the Board shall enquire into the matter and shall, subject to the provisions of this paragraph, give by way of repayment of tax such relief in respect of the error or mistake as appears to be reasonable and just :

Provided that no relief shall be given under this paragraph in respect of an error or mistake as to the basis on which the liability of the applicant ought to have been computed where the return, statement or account was in fact made on the basis or in accordance with the practice of the Board generally prevailing at the time when the return, statement or account was made.

(3) In determining any application under this paragraph the Board shall have regard to all the relevant circumstances of the case, and in particular shall consider whether the granting of relief would result in the exclusion from charge to tax of any part of the income of the applicant, and for this purpose the Board may take into consideration the liability to tax of the applicant and any assessments made upon him for other years.

(4) A determination of the Board under this section shall be final and conclusive.

45.—(1) Save as is otherwise in this Schedule and the principal Act expressly provided, no claim for repayment of tax shall be allowed unless it is made in writing within six years after the end of the year of assessment to which it relates.

Repayment of tax.

(2) The Board shall give a certificate of the amount of any tax to be repaid under any of the provisions of this Schedule or the principal Act, or under any order of a court of competent jurisdiction, and upon the receipt of the certificate the Accountant-General of the Federation shall cause repayment to be made in conformity therewith.

PART IX—OFFENCES AND PENALTIES

46.—(1) Any person guilty of an offence against this Schedule or any person who contravenes or fails to comply with any of the provisions of this Schedule or of any rule or regulation made thereunder for which no

Penalty for offences.

other penalty is specifically provided shall be liable on conviction to a fine of one hundred pounds and where such offence is the failure to furnish a return, statement or information or to keep records required, a further sum of twenty pounds for each and every day during which such failure continues, and in default of payment to imprisonment for six months, the liability to such further sum to commence from the day following the conviction, or from such day thereafter as the Court may order.

(2) Any person who—

(a) fails to comply with the requirements of a notice served on him under this Decree ; or

(b) without sufficient cause fails to attend in answer to a notice or summons served on him under this Decree or having attended fails to answer any question lawfully put to him,
shall be guilty of an offence against this Decree.

(3) Notwithstanding any of the provisions of the Criminal Procedure Act, a magistrate may dispense with the personal attendance of the defendant if he pleads guilty in writing or so pleads by a legal practitioner.

(4) In the case of failure by any person to comply with the requirements of any notice given by the Board under the provisions of paragraph 19 or 20 for the purposes of the income tax for any year of assessment to be charged upon such person, with respect to income from any source other than from an employment, the Board may, in lieu of the institution of proceedings against such person under the provisions of sub-paragraph (2) above, impose a penalty upon him of an amount equal to the income tax chargeable upon him for the preceding year of assessment :

Provided that :

(a) written notice of the penalty shall be served upon such person ;
and

(b) any amount of such penalty remaining unpaid thirty days after service of such notice may be sued for and recovered in a court of competent jurisdiction by the Board in its official name with full costs of action from the person liable thereto as a debt due to the Government of the Federation ; and

(c) a certificate signed by an officer of the Inland Revenue Department duly authorised by the Board setting out the name and address of such person, the date of service of the said notice, and the amount of the penalty remaining unpaid, shall be sufficient authority for the court to give judgment for that amount ; and

(d) the Board may remit the whole or any part of such penalty, whether before or after judgment, for any reason which appears to it to be adequate.

47.—(1) Every person who, without reasonable excuse—

(a) makes an incorrect return by omitting or understating any income liable to tax under this Schedule ; or

(b) gives any incorrect information in relation to any matter or thing affecting the liability to tax of any taxable person,

shall be guilty of an offence and shall be liable on conviction to a fine of one hundred pounds and double the amount of tax which has been undercharged in consequence of such incorrect return or information, or would have been so undercharged if the return or information had been accepted as correct.

(2) No person shall be liable to any penalty under this paragraph unless the complaint concerning such offence was made in the year of assessment in respect of or during which the offence was committed or within six years after the expiration thereof.

(3) The Board may compound any offence under this paragraph and may before judgment stay or compound any proceedings thereunder.

48.—(1) Any person who—

(a) for the purpose of obtaining any deduction, set-off, relief or overpayment in respect of tax for himself or any other person, or who in any return, account or particulars made or furnished with reference to tax, knowingly makes any false statement or false representation; or

False
statements
and
returns.

(b) aids, abets, assists, counsels, incites or induces any other person—

(i) to make or deliver any false return or statement under this Schedule;

(ii) to keep or prepare any false accounts or particulars concerning any income on which tax is payable under this Schedule; or

(iii) unlawfully to refuse or neglect to pay tax,
shall be guilty of an offence and shall be liable on conviction to a fine of five hundred pound or to imprisonment for five years, or to both such fine and imprisonment;

Provided that where an offence under this paragraph is committed by a person in relation to tax payable by, or repayable to, him for any year of assessment, for the amount of the fine as aforesaid there shall be substituted the amount of five hundred pounds or treble the tax chargeable upon such person for that year, whichever is the greater.

(2) The Board may compound any offence under this section and with the leave of the court may before judgment stay or compound any proceedings thereunder.

49. Any person who—

(a) being a person appointed for the due administration of this Schedule or employed in connection with the assessment or collection of the tax who—

(i) demands from any person an amount in excess of the authorised assessment of the tax; or

(ii) withholds for his own use or otherwise any portion of the amount of tax collected; or

(iii) renders a false return, whether orally or in writing, of the amounts of tax collected or received by him; or

(iv) defrauds any person, embezzles any money, or otherwise uses his position to deal wrongly with the Board; or

(b) not being authorised under this Schedule to do so, shall collect or attempt to collect the tax under this Schedule shall be guilty of an offence and be liable on conviction to a fine of three hundred pounds or to imprisonment for three years or both.

Penalties
for offences
by
authorised
and unauthorised
persons.

Tax to be payable not withstanding proceedings.

50. The institution of proceedings for, or the imposition of, a penalty, fine or term of imprisonment under this Schedule shall not relieve any person from liability to payment of any tax for which he is or may become liable.

Prosecution to be with sanction of Board.

51. No prosecution in respect of an offence under this Part may be commenced except at the instance of the Board.

Saving for criminal proceedings.

52. The provisions of this Schedule shall not affect any criminal proceedings under any other enactment.

Place of an offence.

53. Any offence under this Decree shall be deemed to occur in Lagos or at such other place as the Board may decide.

CHAPTER II

(Paragraphs 3 (4), (7))

POWERS OR DUTIES TO BE PERFORMED OR EXERCISED ONLY BY THE BOARD

1. In this Chapter any reference to powers and duties shall not include any part of any power or duty of the Board either to make enquiries or to carry out or give effect to any decision of the Board.

2. No power or duty of the Board specified or imported in the following provisions of Chapter I namely—

(a) paragraphs 7, 15, 44, 46 (4), 47 (3), 48 (2) and 51 ;

(b) the power of the Board to consider anything necessary under paragraph 3 (2) ;

(c) the powers of the Board to authorise under paragraph 3 (4) ;

(d) any power or duty of the Board under a provision of the Companies Income Tax Act, 1961, which applies with or without modification under any express provision of this Decree, to like extent that the exercise or performance of such power or duty is reserved to the Board under that first mentioned Decree ;

(e) the powers of the Board to prescribe under paragraphs 26 (4) and 43 of Chapter I of this Schedule ;

(f) the powers of the Board imported into paragraph 34 of Chapter I to decide upon any further appeal ;
shall be delegated to any other person.

CHAPTER III

INCOME TAX

(Paragraph 9)

<i>Income to be taxed</i>	<i>Rate of Tax</i>
For the first £500	2s in the £ .. 10%
For the next £500	3s in the £ .. 15%
For the next £1,000	4s in the £ .. 20%
For the next £1,500	5s in the £ .. 25%
For the next £1,500	6s in the £ .. 30%
For the next £2,000	7s in the £ .. 35%
For the next £3,000	8s in the £ .. 40%
For the next £5,000	9s in the £ .. 45%
For the next £5,000	10s in the £ .. 50%
Over £20,000	15s in the £ .. 75%

MADE at Lagos this 30th day of December 1972.

GENERAL Y. GOWON,
Head of the Federal Military Government,
Commander-in-Chief of the Armed Forces,
Federal Republic of Nigeria

EXPLANATORY NOTE

*(This note does not form part of the above Decree but is
intended to explain its purpose)*

The Decree provides for the imposition of tax on the income of Armed Forces personnel, public officers employed in the Nigerian Foreign Service and in respect of certain pensions and dividends payable Overseas. The tax is to be collected by the Federal Board of Inland Revenue and not by the tax authorities of the States where the officers are resident or deemed to be resident. The proceeds of the tax after deduction of the expenses of the Board are to be credited to the Distributable Pool Account for distribution to the States.