

**CHAPTER 57 - GAMING MACHINES (LICENSING AND TAXATION)**  
**AN EDICT TO RESTATE THE LAW CONTROLLING AND LICENSING THE USE OF**  
**GAMING MACHINES IN THE STATE**

[1 October 1987]

1. This Edict may be cited as the State Gaming Machines (Licensing and Taxation) Edict.
2. In this Edict, unless the context otherwise requires:-
  - "Commissioner" means the State Commissioner responsible for Information and Social Affairs;
  - "Director of Internal Revenue" means the Chief Executive of the Board of Internal Revenue charged with the administration of the Personal Tax Law;
  - "game of chance" includes:-
    - (a) a game of chance; or
    - (b) chance and skill combined,for winnings in money or money's worth whether any person playing the game is at the risk of losing any money or money's worth or not;
  - "gaming machine" means any machine which is constructed or adapted for playing a game of chance by means of a machine;
  - "Governor" means the Governor of the State;
  - "licence" means a licence issued in accordance with section 3;
  - "licensed proprietor" means any person to whom a licence is issued and includes any agent of such person;
  - "machine" includes any apparatus;
  - "State" means Gongola State of Nigeria;
  - "tax" means the gaming revenue tax imposed by this Edict.
- 3.—(1) The Commissioner may, upon application made in the prescribed form and upon payment of the prescribed fees, issue a licence to any person authorising that person to have a gaming machine in his possession or under his control.
  - (2) Licences shall be in such form and shall be subject to such conditions as may be prescribed and to such special conditions as the Commissioner may, in any particular case, impose.
  - (3) Without prejudice to the general effect of subsection (2), the following conditions shall be inserted in any licence issued under this section to a licensed proprietor:-
    - (a) that the licence shall be in respect of gaming machine only, full particulars of which shall be specified in the licence, and
    - (b) that the gaming machine shall not be removed from the premises specified in the licence without the prior written consent of the Commissioner; and
    - (c) that the licence shall not be assigned or transferred to any other person for use.
  - (4) The Commissioner may, upon application made to him in the prescribed form, renew any licence for such period as he may think fit and may at any time, in like manner, revoke any licence.
  - (5) The Commissioner may, upon application made in the prescribed form:-
    - (d) refuse to issue; or
    - (b) refuse to renew,any licence to any person to have a gaming machine in his possession or under his control.
- 4.—(1) Subject to subsection (2), no person shall have a gaming machine in his possession or under his control without a licence.
  - (2) Where on the commencement of this Edict:-
    - (a) the term of a licence granted under any written law has six months to run, the licensee shall

be deemed to have been granted a licence under this Edict and may continue to have the gaming machine in his possession or under his control for the unexpired portion of the term; or  
(b) the licence has less than six months to run, the licensee shall apply for a renewal of his licence under this Edict within one month from the commencement of this Edict.

(3) Where a licence:-

(d) is deemed to have been granted under paragraph (a) of subsection (2), the licensee shall apply for a renewal of the licence not less than one month before its expiry, and his failure to apply shall operate as a bar to any subsequent application by him; or

(b) has less than six months to run, the failure by the licensee to apply for a renewal of the licence under paragraph (b) of subsection (2) shall, without lawful excuse, operate as a revocation of the licence.

5. Every licensed proprietor shall exhibit and keep exhibited his licence in a conspicuous position on the premises specified in his licence.

6.—(1) Any Magistrate who is satisfied by information on oath that there is reasonable ground to suspect that a person:-

(a) has contravened or is contravening; or

(b) has failed or is failing to comply with, any of the provisions of, or regulations made under, this Edict, may issue a warrant authorising any police officer or any other person appointed by the Director of Internal Revenue, in this Edict referred to as "the Director", named in the warrant at any time to enter and search any premises reasonably suspected as having been or as being used for the purpose of, or in connection with, the contravention of, or failure to comply with any such provisions.

(2) A police officer or a person appointed by the Director and named in the warrant issued under subsection (1) shall make enquiries as are necessary and the person who:-

(a) has contravened or is contravening; or

(b) has failed or is failing to comply with, any of the provisions of, or regulations made under, this edict, shall produce for inspection by the police officer or the person named in the warrant any books of account, records, or other documents in his possession or under his control, or on the premises and shall answer any question put to him.

7. —(1) Every licensed proprietor shall pay tax to the Director on the gross revenue from each gaming machine at the rate specified in the Schedule.

(2) Every licensed proprietor shall make weekly payments of the total tax due for every week on the last working day of the week.

(3) Tax shall be recoverable from the licensed proprietor by the Director as a civil debt.

(4) In this section, "gross revenue" means the total of all sums collected by the licensed proprietor from the gaming machine.

8. —(1) The Governor may from time to time by order, reduce or increase the rate of the tax specified in the Schedule.

(2) An order made under subsection (1) shall be published in the State Gazette and shall have effect upon such publication or from such date, whether before or after such publication, as may be specified in the order.

9. Any licensed proprietor who has a gaming machine in his possession or under his control in compliance with:-

(a) the provisions of this Edict; and

(b) the conditions inserted in his licence, shall be freed and discharged from all penalties, suits,

prosecutions and liabilities to which by any enactment he would be liable but for this Edict as being concerned in an illegal lottery or as offending against Chapter XIV of the Penal Code as amended.

10.—(1) Any person who has a gaming machine in his possession or under his control without a licence in contravention of subsection (1) of section 4 commits an offence under this Edict and shall, on summary conviction, be liable to a fine not exceeding three thousand naira or to a term of imprisonment not exceeding three years or to both; and, in the case of a continuing offence, to an additional fine not exceeding five hundred naira in respect of each day on which the offence continues.

(2) Any person who:-

(a) fails to comply with any condition or special condition subject to which his licence has been issued under subsection (2) of section 3; or

(b) without lawful excuse refuses to admit a police officer or a person appointed by the Director into his premises or otherwise obstructs such police officer's or person's entry into his premises or otherwise obstructs such police officer or person in carrying out his functions under subsection (1) of section 6; or

(c) refuses or fails to produce for inspection any books of account, records of other documents in his possession or under his control that he is required to produce for the purpose of inspection or answer any question put to him under subsection (2) of section 6,

commits an offence under this Edict and shall, on summary conviction, be liable to a fine not exceeding five hundred naira or to a term of imprisonment not exceeding one year or to both; and, in the case of a continuing offence, to an additional fine not exceeding fifty naira in respect of each day on which the offence continues.

(3) Any person who refuses or fails to exhibit and keep exhibited his licence on his premises under section 5 commits an offence under this Edict and shall, on summary conviction, be liable to a fine not exceeding five hundred naira or to a term of imprisonment not exceeding six months or to both; and, in the case of a continuing offence, to an additional fine not exceeding fifty naira in respect of each day on which the offence continues.

(4) Any person who contravenes or refuses or fails to comply with any provision of this Edict in respect of which an offence has not been prescribed commits an offence under this Edict and shall, on summary conviction, be liable to a fine not exceeding two hundred naira or to a term of imprisonment not exceeding two months or to both; and, in the case of a continuing offence, to an additional fine not exceeding fifty naira in respect of each day on which the offence continues.

(5) Any article with which, or in connection with which, an offence is committed under subsections (1) to (4) shall be liable to be forfeited to the State Government and disposed of.

11.—(1) Where an offence under this Edict or under regulations made thereunder is committed by bodies of persons, then:-

(a) in the case of a body corporate, other than a partnership, every director or Secretary or similar officer of such body; and

(b) in the case of a partnership every partner of the partnership, commits an offence.

(2) No person commits an offence by virtue of subsection (1) if he proves to the satisfaction of the court:-

(a) that he did not consent to, or connive at, the commission of the offence; and

(b) that he did all in his power to prevent the commission of the offence having regard to all the circumstances.

12. The Governor may make regulations providing for any matter for which provision appears to him to be necessary for the purpose of giving effect to the provisions of this Edict and in particular without prejudice to the generality of the foregoing: -

- (a) regulating the issue and form of licences and prescribing fees to be paid therefor;
- (b) making provision for the inspection of premises on which any gaming machine is kept;
- (c) making provision for the purpose of preventing fraud on:-
  - (i) persons using gaming machines; or
  - (ii) the public at large,on the part of licensed proprietors, their agents and employ-ees or any other persons;
- (d) requiring licensed proprietors to keep such accounts and records in connection with operation of gaming machines;
- (e) prescribing offences and penalties for the breach of any regulation such penalties not to exceed a fine of N 200.00 or a term of imprisonment for one year or both; and
- (f) prescribing any thing which, by this Edict, is authorised or required to be prescribed.

#### SCHEDULE

Section7(1)

Rate of Gaming Revenue Tax.....25 per centum.