

# CHAPTER M5 - MOTOR VEHICLES (RE-SALE) TAX LAW

## ARRANGEMENT OF SECTIONS

### SECTION

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### SCHEDULE

#### *Schedule of Rates*

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## MOTOR VEHICLES (RE-SALE) TAX LAW

A Law to impose a tax on the sale of used vehicles.

[KWS No. 14 of 1984.]

[Date of commencement: 1<sup>st</sup> June, 1984]

### 1. Short title

This Law may be cited as the Motor Vehicles (Re-sale) Tax Law.

[No. 4 of 2006.]

## 2. Interpretation

In this Law, unless the context otherwise requires—

"**Authority**" means the Motor Licensing Authority of the State Ministry of Finance;

"**Board**" means the Board of Internal Revenue.

"**Governor**" means the Governor of the State;

"**motor vehicle**" shall have the same meaning as in the Road Traffic Law; and

[Cap. R5.]

"**State**" means the Kwara State of Nigeria;

## 3. Imposition of motor vehicle re-sale tax

(1) There shall be levied, collected and paid on any motor vehicle re-sold in the State by the vendor to a purchaser, a tax at the rate specified in the Schedule hereto.

(2) The tax imposed by subsection (1) of this section shall be payable by the vendor of the motor vehicle.

## 4. Prohibition of re-sale of motor vehicle

(1) No person shall re-sell a motor vehicle unless he has—

- (a) filed in a prescribed form, by the authority, an application for the re-sale of such motor vehicle;
- (b) lodged with the authority, a copy of the re-sale agreement;
- (c) paid the prescribed tax as stated in section 3 of this Law.

(2) The purchaser of a re-sold motor vehicle shall not take possession of the motor vehicle unless the authority has approved the transfer and registration of the motor vehicle in accordance with the provisions of this Law.

## **5. Taxes to form a State revenue**

All taxes collected under the provisions of this Law shall be credited to the general revenue of the State.

## **6. Central register**

(1) The authority shall maintain a central register of all motor vehicles resold under this Law.

(2) The register shall include—

- (a) particulars of identification of the motor vehicle;
- (b) date of first registration;
- (c) date of registration by the Authority;
- (d) name and address of the vendor;
- (e) name and address of the purchaser; and
- (f) re-sale price of the motor vehicle.

## **7. Exemption**

Notwithstanding anything contained in this Law, the Board may, in such cases as it thinks fit—

- (a) exempt any person or body from the payment of tax under this Law; and
- (b) extend time for payment of tax for such period or periods as it considers the circumstances warrant.

## 8. Offences and penalties

(1) Any person who re-sells a motor vehicle without paying the prescribed tax under this Law shall be guilty of an offence and liable on conviction to a fine of two thousand naira or imprisonment for a term of three months, and in addition, shall be liable to pay such re-sale tax.

(2) Any person who knowingly gives any false information to the authority shall be guilty of an offence and liable on conviction to a fine not exceeding four thousand naira or to a term of imprisonment not exceeding six months.

[No. 4 of 2006.]

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### SCHEDULE

[Section 3.]

[No. 4 of 2006.]

## MOTOR VEHICLE (RE-SALE) TAX LAW

### *Schedule of Rates*

<i>Motor Vehicle</i>	<i>Gross Weight</i>	<i>Tax</i>
Saloon cars including		<del>N</del>
k		
Motorcycles.....	1 Kg-1300 Kg .....	
250 00		
Saloon cars.....	1301 Kg-1473 Kg.....	
300 00		
Pick-up .....	1474 Kg-1982 Kg.....	
400 00		
	1983 Kg-2300 Kg and over.....	
	450 00	
Bus .....	2000 Kg-2439 Kg .....	

500 00			
	2440 Kg-3353 Kg .....		
	550 00		
	3354 Kg-5182 Kg.....		
	600 00		
	5183 Kg-5639Kg.....		
	650 00		
	5640 Kg-7112 Kg and over.....		
	750 00		
Lorry and Tipper.....	7000 Kg-8888 Kg.....		
800 00			
	8889 Kg-14272 Kg.....		
	1000 00		
	14273 Kg-17064 and		
	over.....1200 00		
Articulated.....	2400 Kg-33631 and		
over.....1800 00			

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## CHAPTER M5

### MOTOR VEHICLES (RE-SALE) TAX LAW

#### SUBSIDIARY LEGISLATION

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*No Subsidiary Legislation*

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