

# CHAPTER P11 - PROPERTY TAX LAW

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## SCHEDULE

### PROPERTY TAX LAW

A Law to impose a tax on property in the State with certain exemptions.

[KWS 19 of 1984, KWS 10 of 1986.]

[Date of commencement: 1st January, 1985]

#### 1. Short title

This Law may be cited as the Property Tax Law.

#### 2. Interpretation

In this Law, unless the Context otherwise requires—

"**Chairman**" means the Chairman of the Board;

"**Committee**" means the Local Government Revenue Committee established by Section 5;

"**Commissioner**" means the Commissioner charged with responsibility for Local Government and Rural Developments;

"**Financial year**" means the year commencing from 1st January and ending on the 31st December of the same calendar year;

"**Government**" means the Federal Government or a State Government and includes a Local Government;

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

"**owner**" means the person who holds title to a taxable property or is entitled to the rent and profit of a property;

"**Registrar**" means the Registrar of taxable property;

"State" means the Kwara State of Nigeria; and

"taxable property" means any building owned or acquired by way of purchase, pledge, gift, will, legacy and the like, except those exempted in section 4.

[KWS to of 1986.]

### 3. Imposition of property tax

(1) A Property tax (hereinafter referred to as "tax") is hereby imposed on all taxable property in the State.

(2) Property tax shall be payable by the person who owns a taxable property.

(3) The tax payable per annum in respect of a taxable property shall be as specified in the Schedule hereto.

[Schedule, KWS 10 of 1986.]

(4) The owner of every taxable property shall cause such property to be registered with the Property Registry not later than three months from the commencement of this Law upon the payment of a fee of five hundred naira.

### 4. Exceptions

Notwithstanding the provisions of section 3 of this Law, the following shall not be subject to tax—

(a) places of worship and the property purposely designed to maintain them;

(b) property of charitable organisations;

(c) property of statutory or registered voluntary organisations;

(d) property of co-operative societies;

(e) any office of trade union;

(f) property of Government and statutory corporations;

(g) residence and office of any diplomatic body; and

(h) the official residence of the reigning Traditional Ruler.

[KWS 10 of 1986.]

**5. Establishment of Central Property Registry**

(1) There shall be established by the Commissioner a Central Property Registry (hereinafter referred to as "the Registry") which shall be located in the Inspectorate Division of the Ministry of Local Government and Rural Development.

[KWS 10 of 1986.]

(2) The Registry shall exercise the functions relating to the compilation of information on matters relating to all taxable property in the State and such other functions as may be specified from time to time by the Commissioner on the advice of the Committee.

(3) The Registry shall consist of a Registrar of Property who shall be the Chief Inspector of Local Government and all other supporting staff as may be required for the purposes of the performance of its duties.

**5A. Establishment of Local Government Revenue Committee**

(1) There is hereby established for due administration of this Law a body to be known as the Local Government Revenue Committee (hereinafter referred to as "the Committee") which shall consist of—

(a) a Chairman, who shall be the Secretary to a Local Government to be rotated among the Local Governments every two years; and

(b) the Treasurer of each Local Government in the State.

[KWS 10 of 1986.]

(2) The Chairman and other members of the Committee shall be employees of the Local Government Service Commission.

(3) The Committee shall assess all taxable property while each Local Government shall within its jurisdiction collect and account for all taxes accruing or

derived under this enactment.

**6. Time for payment**

The amount of tax in respect of any taxable property shall become due and payable not later than thirty days after the commencement of each financial year.

**7. Extension of time of payment by instalments**

(1) The Board may, in such cases as it thinks fit—

(a) extend the time for payment of tax for such period or periods as it considers the circumstances warrant; or

(b) permit payment of tax to be made by instalments within such time as it considers the circumstances warrant.

(2) Where the Board permits payment of tax to be made by instalments, each instalment shall be due and payable on the date ascertained in accordance with the permission relating to that instalment, but, if an instalment is not paid on or before the date so ascertained, the whole of the tax outstanding shall become due and payable on that date.

**8. Recovery of tax**

(1) Any tax or additional tax shall, when it becomes due and payable, be deemed to be a debt due to the Local Government in whose are of authority the property is situated and payable to it in the manner and at the place as prescribed by the Committee.

[KWS 10 of 1986.]

(2) Any tax unpaid including additional tax, may be sued for and recovered in any court of competent jurisdiction by the Committee.

(3) The production of a document under the hand of the Registrar purporting to be a copy of a document issued or given by the Committee shall be conclusive evidence that the document was so issued or given.

(4) The production of a document under the hand of the Registrar purporting to

be a copy of or extract from a return or notice of demand shall be evidence of the matter set forth in the document so produced to the extent as the original return or notice would be if it were produced.

- (5) A certificate purporting to be signed by the Registrar—
  - (a) that any statement required to be lodged under section 9 has or has not been lodged at any date; or
  - (b) that any notice required by or under this Law has or has not been given at any date; or
  - (c) that any amount of levy or surcharge due under this Law has not been paid,

shall be sufficient evidence of that fact until the contrary is proved.

## **9. Returns**

(1) At the commencement of each financial year every owner of a property shall within the period specified in such notice of demand prepare and deliver to the Committee true and correct statement of the list of all his taxable property in the State.

(2) If the Committee considers that it would be unduly onerous for a company, partnership or individual to comply with subsection (1) of this section, it may, by notice in writing vary the periods in respect of which or the time within which that company, partnership or individual is required to deliver returns accordingly.

(3) The Committee shall proceed to assess every taxable property as soon as the list referred to in subsection (1) of this section is received by the Committee.

- (4) Where the owner of a taxable property delivers a return, the Board may—
  - (a) accept the return and make an assessment accordingly; or
  - (b) refuse to accept the return and proceed to determine the amount of property tax of such owner.

## **10. Further returns or information**

In addition to any return that is required by this Law, the Board may, by notice in writing, call upon any person to furnish to it, within a time specified in the notice, such return, or such further or fuller return as the Committee may require.

## **11. Presumption of authority to make returns**

A return purporting to be furnished 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.

## **12. Default of estimated assessment**

(1) Where the Committee finds in any case that a company, partnership or individual has failed to make a return of the assessment as required by section 9 of this Law, the Board may, to the best of its judgment, assess him to tax accordingly and the company, partnership or individual shall be liable to pay the tax so determined except in so far as he establishes an objection that the assessment is excessive.

(2) A company, partnership or individual who becomes liable to pay tax by virtue of an assessment made under the last preceding subsection shall also be liable to pay, by way of additional tax, twenty per cent of the amount payable but the Committee may, in any particular case, for reasons which it thinks sufficient remit the whole or part of the additional tax.

(3) The Committee shall immediately after an assessment is made under this section cause notice in writing of the assessment and of tax or additional tax to be given to the company, partnership or individual liable to pay the tax or additional tax.

(4) The amount of tax or additional tax specified in the notice shall be payable on or before the date specified in the notice together with any other amount that may be payable in accordance with any other provision of this Law.

(5) An omission to give such notice shall not invalidate the assessment and calculation made by the Board.

### **13. Offences**

(1) A person who—

(a) fails or neglects duly to furnish a return or information that he is required under this Law to furnish; or

(b) furnishes, in pursuance of this Law, a return or information that to his knowledge is false or misleading, shall be guilty of an offence and shall be liable on conviction to imprisonment for three months, or a fine of two thousand naira or to both such fine and imprisonment.

(2) Any person who knowingly takes or aids in the taking of any steps with a view to the fraudulent evasion of the payment of a tax, whether due from him or from any other person shall be guilty of an offence and shall be liable on conviction to a fine of four thousand naira or to imprisonment for a term of six months or to both such fine and imprisonment.

### **14. Withdrawal of assessment**

(1) The Committee may by notice served on the owner of a taxable property withdraw an assessment.

(2) The withdrawal of an assessment shall be without prejudice to the power of the Committee to serve a further assessment notice in respect of a demand to which that assessment relates.

### **15. Reliefs in cases of hardship**

In any case where it is shown to the satisfaction of the Committee that any person who has become liable to pay a property tax has suffered such loss or is in such circumstances that the exaction of the full amount of the tax would entail or has entailed serious hardship, the



Board may release the person wholly or in part from his liability to pay the tax and may take such steps as are necessary for that purpose.

**16. Attend to answer questions**

For the purpose of inquiring into, or ascertaining, the liability of a person under any of the provisions of this Law, the Committee may by notice in writing, require any person—

- (a) to furnish it with such information as the Board may require; and
- (b) to produce any books, documents and other papers in the custody or under the control of the person.

**17. Objection to amount of assessment**

(1) A company, partnership or individual who is dissatisfied with a decision made by the Committee under this Law, by which his liability to pay tax is affected or with any assessment or determination made by the Committee under this Law, may within thirty days after services of the notice of the decision, assessment or determination as the case may be, post to, or lodge with, the Board an objection in writing stating in detail the grounds on which he relies.

(2) The Committee shall consider the objection, and may either disallow it, or allow it, either wholly or in part.

(3) The Committee shall give to the objector written notice of its decision on the objection.

**18. Appeal to the Area Court**

(1) The company, partnership or individual assessed to pay an estimated amount of tax or a revised estimated amount of tax under the provisions of this Law and who fails to agree with the Committee in the manner provided by section 17 may appeal to the Area Court having jurisdiction in the area where property is located against the estimated or the revised estimated amount.

[KWS 10 of 1986.]

(2) No appeal shall be brought after the expiration of thirty days from the date of service of the notice of the refusal of the Board to amend an estimated amount as desired or to amend a revised estimated amount.

**19. General offences and penalties**

A company, partnership or individual who contravenes or fails to comply with any of the provisions of this Law, for which no other penalty is provided, shall be guilty of an offence and liable upon conviction—

- (a) in the case of the company or partnership, to a fine of twenty thousand naira; and
- (b) in the case of an individual, to a fine of four thousand naira or imprisonment for six months.

**20. Power of Commissioner to give direction**

In exercise of the functions and powers conferred upon the Committee by this Law, the Committee shall be subject to the authority, direction and control of the Commissioner, and any written direction, order or instruction given by the Commissioner shall be carried out by the Committee.

[KWS 10 of 1986.]

Provided that the Commissioner shall not give any direction, order or instruction in respect of any particular person or case which would have the effect of requiring the Committee to raise an additional tax or to increase or decrease any tax made or to be made or any penalty imposed or to be imposed upon or any relief given or to be given to or to defer the collection or property tax penalty or judgment debt due by such person or which would have the effect of altering the normal course of any proceedings whether civil or criminal relating either to the recovery of property tax penalty or to any offence relating to

property tax.

## 21. Regulations

The Committee may with the approval of the Governor make regulations for the purposes of

### SCHEDULE—continued

[Section 3(3)]

Type of Building	Zone A	Zone B	Zone C
	N	N	N
1 or 2 Bedroom Bungalow.....	1,500	1,000	500
3 or 4 Bedroom Bungalow.....	2,000	1,500	1,000
3 or 4 Bedroom Bungalow.....	2,500	2,000	1,500
Above 4 Bedroom Bungalow.....	1,000	500	300
Flats.....	2,500	1,500	1,000
Office Blocks per apartment.....	3,000	2,000	1,100
Supermarket.....			

### SCHEDULE- continued

<i>Type of Building</i>	<i>Zone A</i>	<i>Zone B</i>	<i>Zone C</i>
	N	N	N
Petrol Station.....	8,000	6,000	4,000
Bakery.....	8,000	6,000	4,000

Auto	10,000	6,000	4,000
Workshop.....	5,000	3,000	1,500
Restaurant.....			
Zone A—Ilorin Township			
Zone B—Local Government Headquarters other than Ilorin			
Zone C—Other areas of the State			