# <chapter>

# <title> CHAPTER D3 - DEVELOPMENT TAX LAW </title>

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DEVELOPMENT TAX LAW

A Law to impose an annual development tax with certain exceptions.

<lawnumber> [KWS 18 of 1984, No. 4 of 2006.] </lawnumber>

<lawdate> [Date of commencement: 1st August, 1984] </lawdate>

**<sections>**

**<section>**

**<heading> 1. Short title and commencement </heading>**

<body> This Law may be cited as the Development Tax Law, and shall be deemed to have come into force on the 1st day of August, 1984. </body> </section>

**<section>**

**<heading> 2. Interpretation </heading>**

<body> In this Law unless the context otherwise requires—

**"Commissioner"** means the State Commissioner charged with responsibility for Finance matters;

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

[No. 4 of 2006.]

**"taxable male adult"** means a male of sixteen years of age and above not exempted from development tax under section 4 of this Law; and

**"Treasury"** means a Treasury under the control of a Local Government of the State. </body> </section>

**<section>**

**<heading> 3. Imposition of development tax </heading>**

<body>(1) A development tax at the rate of five hundred naira per annum is hereby levied upon and shall be paid by every taxable male adult.

[No. 4 of 2006.]

(2) Such development tax shall become due and payable on or before the 1st day of August of each year. </body> </section>

<section>

**<heading> 4. Exemptions </heading>**

<body> The following are hereby exempted from development tax—

(a) *bona fide* students in full-time attendance at any school, college or training centre;

(b) indigent persons who by reason of bodily infirmity or disease are unable to earn more than the bare means of subsistence or persons who by reason of old age, infirmity, permanent or partial disablement cannot be reasonably called upon to pay;

(c) persons under sixteen years of age;

(d) any person who has received for that year of assessment a notice of assessment under subsection (1) of section 26 of the Personal Tax Law (hereinafter referred to as "that Law") or in respect of whom the Chairman of the Board of Internal Revenue has given notice of intention to assess under the provisions of Part II of that Law; and

[NN 1963, Cap. 94 (Federal).]

(e) any person from whose salary or pension in that year of assessment tax is deducted at the rate or rates specified in the First Schedule of that Law by a directed employer under the provisions of section 44 of that Law. </body> </section>

<section>

**<heading> 5. Collection of development tax </heading>**

<body> (1) Every local government shall be responsible for the collection of all development tax in the area over which it has jurisdiction and all sums so collected shall immediately be deposited in its treasury.

(2) The amount of development tax collected under subsection (1) above shall subsequently be disposed of in such manner as the Commissioner, subject to the approval of the Governor, may direct. </body> </section>

<section>

**<heading> 6. Deduction of tax from wages </heading>**

<body> (1) A local government may require any employer of labour within its area to deduct development tax at the rate approved from the wages of all persons or of any number or group of persons who are or shall at any time be in the employment of such employer but who do not pay tax under the Personal Tax Act.

[No. 4 of 2006.]

(2) Development tax so deducted shall be paid by the employer within twenty-one days of deductions to the treasury concerned, where it shall be disposed of in accordance with section 5 (2) above. </body> </section>

**<section>**

**<heading> 7. Remission by Governor </heading>**

<body> The Governor may direct the remission wholly or in part of the development tax paid by any person if he is satisfied that it is just and equitable so to do. </body> </section>

<section>

**<heading> 8. Recovery of development tax </heading>**

<body> Development tax may be sued for and recovered in a district court or an area court with full costs of suit from the person liable for such tax as a debt due to the local government concerned. </body> </section>

**<section>**

**<heading> 9. Failure to pay development tax </heading>**

<body> Any person who is liable for the payment of development tax under this Law and who without just cause or excuse fails or refuses to pay the same when due shall be guilty of an offence and liable on conviction to a fine of one thousand naira or to imprisonment for one month or to both such fine and imprisonment. </body> </section>

[No. 4 of 2006.]

**<section>**

**<heading> 10. Tax payable notwithstanding proceedings for penalty </heading>**

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

<section>

**<heading> 11. NO HEADING </heading>**

[No. 4 of 2006.]

</sections>

<cdata>

CHAPTER D3

**DEVELOPMENT TAX LAW </cdata>**

<subsidiarylegislation>

SUBSIDIARY LEGISLATION

*<cover>List of Subsidiary Legislation*

1. The Delegation of Powers (Public Finances) Notice.

</cover>

**<lawtitle> THE DELEGATION OF POWERS (PUBLIC FINANCES) NOTICE</lawtitle>**

<cover> ARRANGEMENT OF SECTIONS

SECTION

1. Short title and commencement.

2. Interpretation.

3. Delegation of powers.

4. Revocation of NN LN 38 of 1965.

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**THE DELEGATION OF POWERS (PUBLIC FINANCES) NOTICE**

<lawnumber> [KWS LN 18 of 1968.] </lawnumber>

**<lawdescription> In exercise of the powers conferred by paragraph (2) of rule 10 of the Second Schedule to the Public Finances (Control and Management) Law, the following notice is hereby given by the Governor of the Kwara State of Nigeria— </lawdescription>**

<lawdate> [Date of commencement: 1st April, 1968] </lawdate>

<sections>

<section>

**<heading> 1. Short title and commencement </heading>**

<body> This notice may be cited as the Delegation of Powers (Public Finances) Notice, 1968, and shall be deemed to have come into operation on the 1st day of April, 1968. </body> </section>

<section>

**<heading> 2. Interpretation </heading>**

<body> In this notice—

**"Commissioner"** means the commissioner charged with responsibility for financial matters in the Kwara State of Nigeria. </body> </section>

<section>

**<heading> 3. Delegation of powers </heading>**

<body> The Governor has been pleased to delegate to the Commissioner the powers conferred upon the Governor by rule 10 of the Second Schedule to the Public Finances (Control and Management) Law to the following extent and subject to the following conditions—

(a) to permit an increase in the estimated total cost of any project included in the Development Plan, by an amount not exceeding twenty per cent of the latest approved estimated total cost of the project or £5,000, whichever is the greater;

(b) to permit a decrease in the estimated total cost of any project included in the Development Plan by any amount;

(c) to permit the combination of any projects in the Development Plan which are so closely related as to be in effect different aspects of a single project, the division of one project into two or more projects or a reallocation of the estimated total costs of such related projects, provided that the aggregate estimated total cost of the project or projects is not increased by more than £5,000 or twenty per cent of the latest approved estimated total costs, whichever is the greater; and

(d) to permit the renaming of a project, provided that no change of substance is involved:

Provided that no change approved under these delegated powers shall be such as, in the opinion of the Commissioner, will significantly alter the principles or priorities in accordance with which the Development Plan has been drawn up. </body> </section>

<section>

**<heading> 4. Revocation of NN LN 38 of 1965 </heading>**

<body> The Delegation of Powers (Public Finances) Notice, 1965, is hereby revoked to the extent to which it applies to the Kwara State of Nigeria. </body> <section>

</sections>

</subsidiarylegislation>

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