

# A BILL

## FOR

AN ACT TO AMEND THE VALUE ADDED TAX ACT CAP VI LFN 2004 TO REVIEW UPWARDS THE FINES AND PENALTIES SPECIFIED FOR OFFENCES UNDER THE ACT AND FOR RELATED MATTERS

*Sponsored by Hon. Chike John Okafor*

[ ] Commencement

ENACTED by the National Assembly of the Federal Republic of Nigeria-

1           **1.** The Value Added Tax Act Cap VI LFN 2004 (in this Act referred  
2 to as "the Principal Act") is amended as set out in this Act. Amendment of  
CAP VI LFN,  
2004

3           **2.** Section 8 of the Principal Act is amended in subsection (2)-  
4           (a) paragraph (a) by substituting for the amount "N10,000", the Amendment of  
Section 8 of the  
Principal Act  
5 amount "N100,000; and

6           (b) paragraph (b) by substituting for the amount "N5,000", the  
7 amount "N50,000".

8           **3. Amendment of section 25 of the Principal Act** Amendment of  
Section 25 of the  
Principal Act  
9           Section 25 of the Principal Act is amended by substituting for the word  
10 "twice" in the last line, the word "half".

11           **4.** Section 26 of the Principal Act is amended by substituting for Amendment of  
Section 26 of the  
Principal Act  
12 the section, a new section 26 as follows -

13           "26. Evasion of tax

14           A person who-

15           (a) Produces, furnishes or sends for the purpose of this Act or  
16 otherwise makes use for that purpose of a document which is false in any  
17 material particular; or

18           (b) takes steps with a view to make evasion of the tax by him or any  
19 other person,

20           commits an offence and is liable on conviction to a fine of N100,000 or half

	1	the amount of the tax being evaded, whichever is greater or to imprisonment for
	2	a term of not less than three years.
Amendment of Section 27 of the Principal Act	3	<b>5.</b> Section 27 of the Principal Act is amended by substituting for the
	4	amount "N5, 000", the amount "N50, 000".
Amendment of Section 28 of the Principal Act	5	<b>6.</b> Section 28 of the Principal Act is amended by substituting for the
	6	amount "N5, 000" the amount "N50, 000".
Amendment of Section 30 of the Principal Act	7	<b>7.</b> Section 30 of the Principal Act is amended by substituting for the
	8	amount "N10, 000", the amount "N50, 000".
Amendment of Section 31 of the Principal Act	9	<b>8.</b> Section 31 of the Principal Act is amended by substituting for the
	10	amount "N10, 000, the amount "N100, 000".
Amendment of Section 32 of the Principal Act	11	<b>9.</b> Section 32 of the Principal Act is amended by substituting for the
	12	amount "N5, 000", the amount "N100, 000".
Amendment of Section 33 of the Principal Act	13	<b>10.</b> Section 33 of the principal Act is amended by substituting for the
	14	amount "N2, 000", the amount "N25, 000".
Amendment of Section 34 of the Principal Act	15	<b>11.</b> Section 34 of the Principal Act is amended by substituting for the
	16	amount "150%" and "5%", the amounts "200%" and "10%" respectively.
Amendment of Section 35 of the Principal Act	17	<b>12.</b> Section 35 of the Principal Act is amended by substituting for the
	18	amount "N5, 000", the amount "N50, 000".
Amendment of Section 36 of the Principal Act	19	<b>13.</b> Amendment of section 36 of the Principal Act
	20	Section 36 of the Principal Act is amended in-
	21	(a) subsection (1) by substituting for the amount "N50,000", the
	22	amount "N200,000"; and
	23	(b) subsection (2) by substituting for the amount "N10,000", the
	24	amount "N100,000".
Short title	25	<b>14.</b> This Act may be cited as the Value Added Tax (Amendment) Bill, 2015.

## EXPLANATORY MEMORANDUM

*(This memorandum does not form part of the above Act,  
but it is intended to explain its purport)*

This Bill seeks to amend the Value Added Tax Act (Cap VI LFN 2004, Laws of the Federation of Nigeria, 2004) to among other things, review upwards the fines and penalties stipulated for offences under the Act.