

MONITORING OF REVENUE ALLOCATION TO LOCAL GOVERNMENTS

ACT, 2005 (REPEAL AND RE-ENACTMENT) BILL, 2016

ARRANGEMENT OF CLAUSES

Clause:

1. Establishment of Joint Area Councils Account Allocation Committee for the FCT
2. Functions of the Joint Area Councils Allocation Committee
3. Limits on the power of the FCT for borrowing money
4. Limits of power to deduct or re-allocate any amount standing to the credit of FCT Area Councils Joint Account, etc.
5. Report by the Accountant General of the Federation
6. Report by the Auditor-General of the Federation
7. Repeal of the Monitoring of Revenue Allocation to Local Governments Act, 2005
8. Citation

A BILL

FOR

AN ACT TO REPEAL MONITORING OF REVENUE ALLOCATION TO LOCAL GOVERNMENTS ACT 2005 AND ENACT THE MONITORING OF REVENUE ALLOCATION TO AREA COUNCILS APPLICABLE TO THE FEDERAL CAPITAL TERRITORY ONLY AND FOR RELATED MATTERS

Sponsored by Hon. Dennis J. Agbo

[] Commencement

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

1 **1. There is hereby established a Federal Capital Territory Joint**
2 **Area Councils Account Allocation Committee, which shall comprise the**
3 **following members-**

Establishment of
Joint Area Councils
Account Allocation
Committee for
the FCT

4 (b) the Permanent Secretary of the Federal Capital Territory who
5 shall be the Chairman:

6 (b) a Commissioner of Revenue Mobilisation, Allocation and
7 Fiscal Commission, provided that the Commissioner is not from the Federal
8 Capital Territory;

9 (c) the Chairman of each Area Council in the Federal Capital
10 Territory:

11 (d) one representative of the Accountant-General of the
12 Federation;

13 (e) the Director in charge of finance; and

14 (f) a Director in the Federal Capital Territory to be appointed by
15 the Minister in charge of the Federal Capital Territory who shall be the
16 Secretary of the Committee.

17 **2. The functions of the Federal Capital Territory Joint Area**
18 **Councils Allocation Committee shall be to ensure that any allocation made**
19 **to the Area Councils in the Federal Capital Territory from the Federation**

Functions of the
Joint Area Councils
Allocation
Committee

1 Account and from the Federal Capital Territory are promptly paid into the
2 Federal Capital Territory Joint Area Councils Account and distributed to the
3 Area Councils in accordance with the provisions of any Act made in that behalf
4 by the National Assembly.

Limits on the
power of the FCT
for borrowing
money

5 **3. The power of the Federal Capital Territory for borrowing money**
6 **shall not extend to the money, funds or revenue allocated to Area Councils from**
7 **the Federation Account,**
8 **and from the Federal Capital Territory.**

Limits of power
to deduct or
re-allocate any
amount standing
to the credit of
FCT Area Councils
Joint Accounts, etc

9 **4. -(1) It shall be unlawful for any organ, authority or official of the**
10 **Federal Capital Territory, however described or constituted, to alter, deduct or**
11 **re-allocate funds standing to the credit of the Federal Capital Territory Joint**
12 **Area Councils Account:**
13 **Provided always that nothing in this subsection shall prevent the National**
14 **Assembly, from prescribing by law the terms and manner for distributing**
15 **money standing to the credit of the Joint the Area Councils Accounts in the**
16 **Federal Capital Territory.**

17 **(2) Any person who acts in contravention of the provisions of**
18 **subsection (1) of this section, commits an offence and is liable on conviction to**
19 **a fine twice the amount altered, deducted or re-allocated illegally, or**
20 **imprisonment for a term of five years, or to both such fine and imprisonment.**

Report by the
Accountant
General of the
Federation

21 **5. The Accountant-General of the Federation shall report to each**
22 **House of the National Assembly on a quarterly basis the payments made to the**
23 **Federal Capital Territory for the benefit of the Area Councils, and stating**
24 **whether or not the payments were correctly made under this Bill.**

Report by the
Auditor-General
of the Federation

25 **6. The Auditor-General for the Federation shall following the end of**
26 **each financial year report to each House of the National Assembly, stating how**
27 **the monies allocated for the benefit of the Area Councils in the Federal Capital**
28 **Territory were spent.**

Repeal

29 **7. The Monitoring of Revenue Allocation to Local Governments Act,**
30 **2005 is hereby repealed.**

1 **8. This Bill may be cited as the Monitoring of Revenue Allocation** Citation
2 to the Federal Capital Territory Area Councils Bill, 2016.

EXPLANATORY MEMORANDUM

This bill seeks to repeal the Monitoring of Revenue Allocation to Local Governments Act, 2005 and Re-enact the Monitoring of Revenue Allocation to Area Councils so as to apply to the Federal Capital Territory only.