

A BILL

FOR

AN ACT TO ESTABLISH A POLICE DEVELOPMENT TAX FUND FOR THE NIGERIAN POLICE FORCE SHALL MONITOR AND ENSURE COLLECTION OF TAX BY THE FEDERAL INLAND REVENUE SERVICE AND ENSURE TRANSFER OF SAME TO THE FUND IN ADDITION TO THE EXISTING FEDERAL ALLOCATION IN ORDER TO MAKE THE POLICE A FORCE THAT CAN ENSURE THE SAFETY OF LIVES AND PROPERTY THROUGHOUT THE FEDERATION AND FOR RELATED MATTERS

Sponsored by Senator Buhari Abdulfatai

[] Commencement

BE IT ENACTED by the National Assembly of the Federal Republic of Nigeria and by Authority of same as follows:

1 1.-(1) As from the commencement of this Act, there shall be
2 charged and payable an Annual Police Tax which shall be assessed,
3 collected and administered in accordance with the provision of this Act.

Imposition of
Police
Development
Tax Fund Cap. 60
LFN, Cap. 354
LFN

4 (2) The Tax, which shall be at the rate of 2 per cent, shall be charged
5 on the assessable profit of a company registered in Nigeria (in this Act
6 referred to as a "company")

7 (3) The assessable profit of a company shall be ascertained in the
8 manner specified in the Companies Income Tax Act or the Petroleum Profit
9 Tax Act.

10 2.-(1) The Federal Inland Revenue Service (in this Act referred to
11 as the "Board") shall assess and collect from a company the tax or petroleum
12 profit tax for an accounting period of the company also proceed to assess the
13 company for the tax imposed by this Act and accordingly:

Collection of the
Police
Development
Tax Fund

14 (a) shall when assessing a company for Companies Income Tax or
15 Petroleum Profit Tax for an accounting period of the Company, and also
16 proceed to assess the company for the tax due under this Act;

1 (b) the provision of the Act relating to the collection of Companies
2 Income Tax or Petroleum Profit Tax shall, subject to this Act, apply to the Tax
3 due under this Act.

4 (2) the tax imposed by this Act shall be due and payable within 60
5 days after the Board have served notice of the assessment on a company.

6 (3) The Board may, for the purpose of assessing and collecting the tax
7 imposed by this Act, devise such forms as it may deem necessary.

Establishment
of the Police
Development
Tax Fund

8 3.-(1) There is hereby established a fund to be known as the Police Tax
9 Fund (in this Act referred to is "The Fund") which shall be managed by the
10 Police Tax Board of Trustees, established under Section 4 of this Act.

11 (2) The Fund:

12 (a) shall be a body corporate with perpetual succession and a common
13 seal; and

14 (b) may sue and be sued in its corporate name.

15 (3) The Board shall pay the tax collected under this Act into the Fund
16 and shall, when doing so, submit to the Board of Trustees of the Fund, in such
17 form as the Board of Trustees shall approve, return showing:

18 (a) the name of the company making the payment;

19 (b) the amount collected for the development and funding of the
20 Nigerian Police Force;

21 (c) the assessable profit of the Company for the accounting period
22 and;

23 (d) such other information as may be required by the Board of
24 Trustees for the proper administration of the Tax.

Establishment of
Police Development
Tax Fund Board
of Trustees

25 4.-(1) There is hereby established for the management of the Fund, (in
26 this act referred to as the Board of Trustees) which shall consist of:

27 (a) a Chairman;

28 (b) eight other members;

29 (c) a representative each of the Federal Ministries of Finance and
30 Police Affairs who shall not be below the rank of a Permanent Secretary;

1 (d) the Executive Secretary who shall be the Secretary to the Board
2 of Trustee shall be a Police Officer who shall not be below the rank of an AIG
3 in the Nigerian Police Force.

4 (2) the membership of the Board of Trustees shall reflect the six
5 geo- political zones of the Federation. The members of the Board of Trustee
6 shall:

7 (a) be persons with considerable experience from both the public
8 and private sectors to represent the business, financial and Police sector;

9 (b) be appointed by the President and Commander-in-Chief of the
10 Armed Forces of the Federation on the recommendation of the Minister of
11 Police Affairs;

12 (c) other than the ex-officio members, each shall hold office for a
13 term of 4 years in the first instance and may be eligible for appointment for a
14 further term of 4 years and no more.

15 (3) the members of the Board of Trustees shall be determined by
16 the National Revenue Mobilization Allocation and Fiscal Commission.

17 (4) The Board of Trustee shall meet for the conduct of its business
18 at such times, places on such days, as the chairman may appoint not being
19 less than four times in a year.

20 (5) The Supplementary provision contained in the Schedule to this
21 Act shall have effect with respect to the proceedings of the Board and other
22 matters contained therein.

23 5.-(1) A member of the Board of Trustees shall cease to hold office
24 if:

Cessation of
Membership

25 (a) he becomes of unsound mind;

26 (b) he becomes bankrupt or makes a compromise with his
27 creditors;

28 (c) he is convicted of a felony or any offence involving dishonesty;

29 (d) he is guilty of serious misconduct in relation to his duties.

30 (2) A member of the Board of Trustees may be removed from office

1 term of three years; and

2 (b) for a second and subsequent offence, a fine of N200,000 or
3 imprisonments for a term of five years or both.

4 (2) The institution of proceedings or imposition of a penalty under
5 this Act shall not relieve a company from liability to pay to the Board a tax
6 which is or may become due under this Act.

Powers to make
regulations

7 **10. The Minister may with the approval of the National Executive
8 Council make regulations generally for the purpose of this Act and the due
9 administration.**

Appointment of
Executive
Secretary and
other staff of
the Fund

10 **11. There shall be for the Fund an Executive Secretary who shall:**

11 (a) be appointed by the President of the Federal Republic of Nigeria
12 on and the recommendation of the Minister;

13 (b) be a person with good knowledge in administration matters;

14 (c) be the Chief Executive and Accounting Officer of the Fund;

15 (d) have such qualifications and experience as are appropriate for a
16 person required to perform the functions of that office under this Act; and

17 (e) hold office for a period of 5 years in the first instance and may be
18 eligible for re-appointment for a further term of 5 years on conditions as to
19 emolument and conditions of service as may be specified in his letter of
20 appointment.

21 (2) The Executive Secretary shall subject to the general direction of
22 the Board of Trustees, be responsible:

23 (a) for the day to day administration of the Fund;

24 (b) for keeping the books and proper records of the proceedings of the
25 Board of Trustees;

26 (c) for:

27 (i) the administration of the secretariat of the Board of Trustees; and

28 (ii) the general direction and control of all other employees of the
29 fund.

30 (3) The Board of Trustees shall have power to:

1 (a) employ either directly or on transfer or secondment from any
2 Civil or Public Service in the Federation such number of employees as may
3 in the opinion of the Board of Trustees and the Executive Secretary be
4 required in the discharge of any of their functions under this Act; and

5 (b) pay to persons so employed such remuneration (including
6 allowances) as the Board of Trustees may, after consultation with
7 appropriate bodies determine.

8 12.-(1) Service in the Fund shall be approved service for the
9 purpose of the Contributory Pensions Act.

Service in the
Fund to be
Pensionable

10 (2) Employees of the Fund shall be entitled to pension, gratuities
11 and other retirement benefits as are enjoyed by persons holding equivalent
12 grades in the Civil Service of the Federation.

13 (3) Nothing in Subsection (1) or (2) of this section or in this Act
14 shall prevent the appointment of a person to any office on term which
15 preclude the grant of pension and gratuity in respect of that office.

16 (4) for the purposes of the application of the provisions of the
17 Pensions Act and power exercisable there-under by a Minister or other
18 authority of the government of the Federation other than the power to make
19 regulations under section thereof, is hereby vested in and shall be
20 exercisable by the Board of Trustees other than any other persons or
21 authority;

22 13.-(1) Subject to the provisions of this Act, the provisions of the
23 Public Officers Protection Act shall apply in relation to any suit instituted
24 against any officer or employee of the Fund.

"Limitation of
suits against the
Fund, etc. Cap.
379 LFN."

25 (2) notwithstanding anything contained in any other law or
26 enactment, no suit shall be against any member of the Board of Trustees, the
27 Executive Secretary, or any other officer or employee of the Fund for any act
28 done in pursuance, or execution of this Act, or any other law, or enactment,
29 or of any public duty, or authority or in respect of any alleged neglect, or
30 default in the execution of this Act, or such law, or enactment, duty or

1 authority, shall lie, or be instituted in any court unless:

2 (a) it is commenced within three months next after the Act, neglect or
3 default complained of; or

4 (b) in the case of a continuation of damage or injury, within six
5 months next after the ceasing thereof.

6 (3) No suit shall be commenced against a member of the Board of
7 Trustees, the Executive Secretary officer or employee of the Fund before the
8 expiration of a period of one month after written notice of intention to
9 commence the suit shall have been served upon the Fund by the intending
10 plaintiff or his agent.

11 (4) the notice referred to in Subsection (3) of this section shall clearly
12 and explicitly state the cause of action, the particulars of the claims, the name
13 and place of abode of the intending plaintiff and the relief which he claims.

Service of documents

14 14. A notice, summons, or other document required or authorized to
15 be served upon the Fund under the provisions of this Act, or any other law or
16 enactment may be served by delivering it to the Executive Secretary or by
17 sending it by registered post and addressed to the Executive secretary as the
18 Principal Officer of the Fund.

Restriction of execution against the property of the Fund

19 15.-(1) In any action or suit against the Fund, no execution or
20 attachment in the executive of process nature thereof shall be issued against the
21 Fund.

22 (2) Any sum of money which may be the judgment of any court and is
23 to be awarded against the Fund shall, subject to any direction given by court,
24 where notice of appeal of the said judgment has been given, be paid from the
25 general reserve of the Fund.

Indemnity of officers

26 16. A member of the Board of Trustees, the Executive Secretary,
27 officer or employee of the Fund shall be indemnified out of the assets of the
28 fund against any proceeding whether civil or criminal, in which judgment is
29 given in his favour, or in which he is acquitted, if any such proceedings is
30 brought against him in his capacity as a member of the Board of Trustees, the

1 Executive Secretary, officer or employee of the fund".

2 17.-(1) In this Act, unless the context otherwise requires:

Interpretation

3 "Act" means the Police Development Tax Act establishment by this Act;

4 "Board" means the Federal Board of Inland Revenue established under the
5 Income Tax Management Act;

6 "Board of Trustees" means the Police Tax Board of Trustees established
7 under Section 4 of this Act;

8 "Company" means a company registered in Nigeria;

9 "Fund" means the Fund established under Section 3 of this Act;

10 "Minister" means the Minister charged with responsibility for matters
11 relating to Police Affairs.

12 (2) Where no provision is made in this Act for a matter relating to
13 the assessment and collection of the tax imposed by this Act, the provisions
14 of the Act relating to the assessment and collection of companies income tax
15 or petroleum profit tax, as the case may be, shall apply mutatis mutandis to
16 that Matter.

17 "President" means the President of the Federal Republic of Nigeria.

18 18. This Act may be listed as the Police Development Tax Fund
19 Bill, 2015.

Citation

20 SCHEDULE SUPPLEMENTARY PROVISIONS RELATING TO THE
21 BOARD OF TRUSTEES

22 1.-(1) Subject to this Act and Section 27 of the Interpretation Act,
23 the Board of Trustees may make standing orders regulating its proceeding or
24 those of any of its Committees.

25 (2) The quorum of the Board of Trustees shall be five members and
26 the quorum of any Committee of the Board of Trustee shall be determined by
27 the Board of Trustees.

28 2.-(1) The Board of Trustee shall meet not less than four times in
29 each year and subject thereto, the Board of Trustees shall meet whenever it is
30 summoned by the Chairman; and if the Chairman is required to do so by

1 notice given to him by not less than three other members, he shall summon a
2 meeting of the Board of Trustees to be held within fourteen days from the day
3 date on which the notice is given.

4 (2) At any meeting of the Board of Trustees, the Chairman shall
5 preside but if he is absent, the members present at the meeting shall appoint one
6 of their member to preside at that meeting.

7 (3) Where the Board of Trustees desires to obtain the advice of any
8 person on a particular matter, the Board of Trustees may co-opt such a person
9 for a such a period as it thinks fit; but a person who is in attendance by virtue of
10 this sub- paragraph shall not be entitled to vote at any meeting of the Board of
11 Trustees and shall not count towards a quorum.

12 3.-(1) The Board of Trustees may appoint one or more Committees to
13 carry out, on behalf of the Board of Trustees, such of its functions as the Board
14 of Trustees may determine.

15 (2) A Committee appointed under this paragraph shall consist of such
16 number of persons (not necessarily members of the Board of Trustees) as may
17 be determined by the Board of Trustees and shall hold office on the Committee
18 in accordance with the terms of his appointment.

19 (3) A decision of a Committee of the Board of Trustees shall be of no
20 effect until it is confirmed by the Board of Trustees.

21 4.-(1) The fixing of the Seal of the fund shall be authenticated by the
22 signature of the Chairman, the executive secretary, or of any other person
23 authorized generally or specifically to act for that purpose by the Board of
24 Trustees.

25 (2) Any contract or instrument which, if made or executed by a person
26 not being a body corporate, would not be required to be under seal may be made
27 or executed on behalf of the Fund by the Chairman, Executive Secretary, or any
28 person generally or specially authorized to act for that purpose by the Board of
29 Trustees.

30 (3) Any document purporting to be a document duly executed under

1 the seal of the fund, shall receive in evidence and shall, unless and until the
2 contrary is proved, be presumed to be so executed.

3 5. The validity of any proceeding of the Board of Trustees, or of a
4 Committee Proceedings of the Board of Trustees Cap. 192 LFN.

5 *Committees*

6 *Miscellaneous*

7 Thereof shall not be adversely affected by any vacancy in the membership of
8 the Board of Trustees or Committee, or by any defect in the appointment of a
9 member of the Board of Trustees, or of a Committee, or by reason that a
10 person not entitled to do so took part in the proceedings of the Board of
11 Trustees or Committee.

12 Made at Abuja this day of.....2015.

EXPLANATORY MEMORANDUM

This Bill seeks to establish a Police Tax and Trust Fund to provide adequate funding for the Police in crime detection and prevention. This Bill also seeks to device new means by which the Police could receive extra funds in addition to the existing Federal Allocation in order to make the Police a force that can ensure the safety of lives and property throughout the Federation.