

A BILL

FOR

**AN ACT TO AMEND THE COMPANIES INCOME TAX ACT CAP C21 LFN 2010
AND FOR MATTERS CONNECTED THEREWITH**

Sponsored by Senator Emmanuel Andy Uba

[] Commencement

Be IT ENACTED by the National Assembly of the Federal
Republic of Nigeria as follows:

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|----|---|-------------------|
| 1 | 1. The Companies Income Tax Act (in this Act referred to as "the | Amendment of |
| 2 | principal Act") is amended as set out in this Act. | Cap. C21 LFN |
| 3 | 2. Section 34 of the principal Act is amended- | 2010 |
| 4 | (a) in sub-section (1) by- | Amendment of |
| 5 | (i) substituting for the figures "20" the figures "10"; and | Section 34 |
| 6 | (b) in subsection (2) by- | |
| 7 | (i) deleting "15%" in paragraph (d) and inserting "20%" instead; | |
| 8 | and | |
| 9 | 3. There shall be inserted immediately after section 34 of the | Insertion of |
| 10 | principal Act the following new section 34A, that is- | Section 34A |
| 11 | "(1) A new company going into business where infrastructures | Establishment of |
| 12 | such as electricity, water, or tarred road are not provided by the government | business where |
| 13 | shall be exempt from tax for the first ten years of its operation; | no infrastructure |
| 14 | (2) In this section, the tax-free period of a company shall start on | is provided |
| 15 | the day the company commences operation as certified by the relevant | |
| 16 | Ministry." | |
| 17 | 4. Section 36 of the principal Act is amended by substituting for | Amendment of |
| 18 | the word "three" the word "five". | Section 36 |
| 19 | 5. Section 39 of the principal Act is amended in subsection (1)(a) | Amendment of |
| 20 | by substituting for the word "three" the word "five". | Section 39 |

Amendment of
Section 40

- 1 6. Section 40 of the principal Act is amended:
2 (a) In sub-section (10) by:
3 (i) substituting for the figures "20" the figures "10" and
4 (ii) substituting for the words "as electricity, water, tarred road or
5 telephone" the words "as electricity, water or tarred road" and
6 (b) In subsection (2) by-
7 (i) deleting "15%" in paragraph (d) and inserting "20%" instead; and
8 (ii) deleting paragraph (e).

Short Title

- 9 7. This Act may be cited as the Companies Income Tax Act
10 (Amendment) Bill, 2015.

EXPLANATORY MEMORANDUM

This Bill seeks to amend the Companies Income Tax Act Cap C21 LFN 2010 to, among other things, make for tax incentives for economic growth and creation of employment opportunities.