

AVAILABLE INCENTIVES FOR INVESTORS AND MSMEs IN YOBE STATE

S/N	Incentive	Description of Incentive Benefits	Year Incentive Introduced	Name of the legal document / legal reference instrument	Incentive Duration or Mode	Sector	Federal level/ State Level	Implementing Agency or Competent Authority	Eligibility or Qualification criteria (description)	Awarding Agency or Authority in charge of allocation	No of entities that enjoyed incentive in 2022
1	Pioneer status incentive	i. Pioneer status incentive is a tax holiday which grants quantitative industries and products relief from payment of corporate income tax for an initial period of three (3) years, extendable for one or two additional years. ii. Exempted from paying tax on dividends paid by the pioneer company during the pioneer period to the deflation they are paid out of income exempted from tax (Section 17(3) Industrial Development (Income Tax Relief) Act IDITRA); and iii. the loss incurred during the tax relief period is also deemed to be incurred on the first day following the expiration of the tax relief period and can be carried forward to offset profits after the tax-exempt period.	1970	Company income tax Income Tax 1993	Initial period of 3 years extendable for one year or two additional years.	Individuals in all sectors	Federal & State	Nigeria Investment Promotion Commission, Federal Inland Revenue Service	To qualify, a joint venture company or a wholly foreign-owned	Nigeria Investment Promotion Commission, Federal Inland Revenue Service,	0
2	Value Added Tax Exemption on a select group of products	Outright exemption from VAT for any unprocessed staple food item, baby products, fertilizer, exports, medical and pharmaceutical products, plants and machinery, tractors and other agricultural equipments. FIRS will exempt such products from VAT.	1993	VALUE ADDED TAX ACT An Act to impose and charge Value Added Tax on certain goods and services and to provide for the administration of the tax and matters related thereto. [1993 No. 102.] [1st December, 1993]	Tax Exemption for a period of 1 year	Food production	Federal	Federal Ministry of Finance	Eligibility, i. the goods are physically present in Nigeria at the time of supply, imported into Nigeria, assembled in Nigeria or installed in Nigeria ii. the beneficial owner of the rights in or over the goods is a taxable person in Nigeria and the goods or right is situated.	Federal Inland Revenue Service	333
3	VAT exempted on the a select category of services	VAT Act exempts following services from VAT: Medical services; Services rendered by Microfinance Banks, People's Banks, and Mortgage Institutions; Plays and performances conducted by educational institutions as part of learning; All exported services; Tuition relating to the nursery, primary, secondary and tertiary education; Airline transportation tickets issued and sold by commercial airlines registered in Nigeria; Hire, rental or lease tractors, ploughs and other agricultural equipment for agricultural purposes.	1994	VALUE ADDED TAX ACT An Act to impose and charge Value Added Tax on certain goods and services and to provide for the administration of the tax and matters related thereto. [1993 No. 102.] [1st December, 1993] [Commencement.]	Tax Exemption with no time limit	Medical, Microfinance, Education, Export Services, Airline ticketing.	Federal	Federal Inland Revenue Service	i. If the service is rendered in Nigeria by a person physically present in Nigeria at the time of providing the service; ii. Irrespective of the jurisdiction of origin of the service, where the services is rendered to a person physically present in Nigeria at the time the service is rendered, or the service is consumed in Nigeria or whether or not the legal or contractual obligation to render such service rests on a person within or outside Nigeria; iii. The service is connected with existing immovable property (including the services of agents, experts, engineers, architects, valuers, etc.); where the property is located in Nigeria; iv. it can be inferred from information provided that the consumers usual place of residence is Nigeria;	Federal Inland Revenue Service	219
4	Exemption from minimum Corporate Tax	Section 33(3) a Company Income Tax Act (CITA), exempts the income of a company carrying on agricultural trade from payment of minimum tax	2007	Companies Income Tax Act 1961 and to make other provisions relating thereto. [No. 28 of 1979, No. 11 of 2007	Tax Exemption with no time limit	Agriculture	Federal	Federal Inland Revenue Service	All firms	Federal Ministry of Agriculture and Rural Development	83
5	Exemption from capital gain tax	Tax exemption tax on disposal of assets - 2% on Company Income Tax (CIT), 30%, Withholding Tax (WHT) 10%	1967	Nigeria Investment Promotion Commission ACT 1995. Capital gain tax Act 2004 (as amended)	ONE OFF	Both individual and Corporate body	Federal	FIRS	The organisation must own a business for at least 24 month before claiming the incentive and apply only to capital assets, bonds, stocks.	FIRS	13
6	ECOWAS Trade Liberalization Scheme	The ETLIS is an incentive designed by ECOWAS to provide for the abolition of custom duties levied on imports and exports of goods produced and moving among member states; and abolition of non tariff barriers among member states to facilitate free movement of goods and services across member states.	1979, extended to industrial products in 1990	ECOWAS Custom code Protocol A/P/1/1/03 31 January 2003. Regulation C/REG4/4/02 23RD April 2002, Supplementary Acts A/SA7/12/18	As long as the Custom Union exist.	Agricultural livestock and fishery, plant or mineral products-unprocessed. Artisanal handicrafts industrial goods. Hand made articles.	Federal	Nigerian Customs Service	The company must be a member country located and operating in any of the 15 ECOWAS community: At least 60% local content of products which must be above \$500, must originate from ECOWAS community and accompanied by a certificate of origin and on ECOWAS Export declaration form * At least 30% value addition for products such as unprocessed goods that have not undergone any industrial transformation; traditional Handicraft product; Industrial products; Goods must appear on the list of products annexed to the decision liberalizing trade in the products Others: Goods must be subjected to the import clearance procedure spelt out under Nigeria Import and Export Guidelines; Beneficiary of the skill must be residence within the	ECOWAS Commission	403
7	Export expansion grant scheme	Nigerian exporters can get between 5% to 15% of their annual export value, depending on exporters' product category.	2019	Export (Incentives and Miscellaneous Provisions) Act, No. 65 of 1992, Cap. E19, Laws of the Federation of Nigeria (LFN)	Perpetuity until amendment or repeal of enabling legislation	Across all sectors except OIL & GAS	Federal/state level	Nigeria Export Promotion Council, Yobe state Ministry of Commerce Industry and Tourism	Validity for EEG Application i. Qualifying export transaction must have the proceeds fully repatriated within 300 days, calculated from the date of export and as approved by the EEG Implementation Committee Incentives Rate ii. The scheme operates a 'Weighted Eligibility Criteria' which has four bands :15%,10%,7.5%, 5% to assess applications. iii. The Weighted Eligibility Criteria has four bands: 15%, 10%, 7.5%, and 5%	Nigeria Export Promotion Council, Central Bank Of Nigeria, Nigeria Customs Service	0