

| ENUGU STATE INVESTMENT INCENTIVES INVENTORY (FEDERAL AND STATE) | | | | | | | | | | |
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| SN | The name or title of the incentive measure | Description of Incentive Benefits | Year Incentive Introduced | The 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 (title) |
| 1 | Pioneer status incentive | Under IDITRA, companies engaged in industries/products approved as pioneer industries/products shall be (a) granted income tax relief for a period of three years, which can be extended for a period of one year and thereafter another one year, or for one period of two years (Section 10(2)(a)(b) IDITRA); (b) exempted from paying tax on dividends paid by the pioneer company during the pioneer period to the extent that they are paid out of income exempted from tax (Section 17(3) IDITRA); and (c) 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. | 2011 | Section 10 and 17 of the Supplement to Official Gazette No. 5, Vol. 51, 9th January, 1964—Part B. LN.2 of, 1964* ee 4 oo Lg INDUSTRIAL DEVELOPMENT (INCOME TAX RELIEF) ACT J (CAP. 87) Industrial Development (Income. TaxRelief) (Yeast) Order, 1964 | Tax Holiday for 3years | Industrial Development | Federal | Nigerian Investment Promotion Commission -Industrial Inspectorate Department, Federal Ministry of Industry, Trade and Investment - , Trade and Investment Federal Inland Revenue Service | i. applications must be made within the first year of operational activities. ii. applicant must be engaged in activities listed as pioneer industry or product. Kindly refer to the qualified list of industries and products on NIPC's website. iii. a non-current tangible asset of over one hundred million naira (N100 million) shall be deemed as satisfiable. iv. applicant must demonstrate the tangible impact its activity (project) will have on Nigeria's economic diversity and growth, industrial and sectoral development, employment, skills and technology transfer, export development and import substitution. v. applicant must provide evidence of all required legal and regulatory compliance documentation. vi. applicant must make full payment of fees promptly, when due. vii. during the pioneer period, a performance report must be submitted to NIPC annually for monitoring and evaluation purposes. Application guidelines available on NIPC website | - Nigerian Investment Promotion Commission - Industrial Inspectorate Department, Federal Ministry of Industry, Trade and Investment - Federal Inland Revenue Service |
| 2 | Rural investment allowance | Where a company incurs capital expenditure on the provision of facilities such as electricity, water or tarmad road for the purpose of a trade or business, such company shall enjoy an additional allowance under the Second Schedule of CITA at the appropriate rate as follows: No facilities at all 100% No water 30% No electricity 50% No tarmad road 15% | 2007 | Section 34 COMPANIES INCOME TAX ACT An Act to consolidate the provisions of the Companies Income Tax Act 1961 and to make other provisions relating thereto. [No. 28 of 1979, No. 11 of 2007.] [Date of commencement: 1st April, 1977] | Relief | N/A | Federal | Federal Inland Revenue Service | i. the company must be located at least 20 kilometres away from such facilities provided by the government; ii. cannot be enjoyed if already enjoyed provision of Section 32: Reconstruction investment allowance; iii. allowance can only be applied against the profit of the year in which such investment (facility) was completed. | Federal Inland Revenue Service |
| 3 | Gas utilization: Investment allowance | For companies in gas utilization (downstream operations), an additional investment allowance of 35% (which shall not reduce the value of the asset) is allowed, as an alternative to the initial tax-free period granted | 2007 | Section 34 COMPANIES INCOME TAX ACT An Act to consolidate the provisions of the Companies Income Tax Act 1961 and to make other provisions relating thereto. [No. 28 of 1979, No. 11 of 2007.] [Date of commencement: 1st April, 1977] | Exemption | Natural Gas | Federal | Federal Inland Revenue Service | A company which claims the incentive shall not also claim the tax-free dividend during the tax-free period | Federal Inland Revenue Service |
| 4 | Value Added Tax Exempt on Unprocessed Food items | Outright exemption from VAT for any unprocessed staple food item, whether or not it is packaged. This, to FIRS, means that for a food item to be exempted from VAT, it must be a staple food item, and it must be unprocessed. Staple food is food that can be easily stored, and eaten throughout the year by a dominant part of a population. They include carbohydrates, wheat, barley, rice, potatoes, tinned food, milk, and | 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] [Commencement.] | Tax Exemption with no time limit | Food production | Federal | Federal Inland Revenue Service | To be eligible, i. the goods are physically present in Nigeria at the time of supply, imported into Nigeria, assembled in Nigeria or installed in Nigeria, or 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, registered or exercisable in Nigeria | Federal Inland Revenue Service |
| 5 | Value Added Tax Exempt on all medical and pharmaceutical products. | Outright exemption from VAT for all medical and pharmaceutical products | 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] [Commencement.] | Tax Exemption with no time limit | Medical and Pharmaceutical | Federal | Federal Inland Revenue Service | To be eligible, i. the goods are physically present in Nigeria at the time of supply, imported into Nigeria, assembled in Nigeria or installed in Nigeria, or 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, registered or exercisable in Nigeria | Federal Inland Revenue Service |
| 6 | Value Added Tax Exempt on all Baby Products | Outright exemption from VAT for all Baby Products | 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] [Commencement.] | Tax Exemption with no time limit | Baby products | Federal | Federal Inland Revenue Service | To be eligible, i. the goods are physically present in Nigeria at the time of supply, imported into Nigeria, assembled in Nigeria or installed in Nigeria, or 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, registered or exercisable in Nigeria | Federal Inland Revenue Service |
| 7 | VAT exempted on the other goods | VAT Act list the following goods exempted from VAT; (a) Books and educational materials, (b) Fertilizer, locally produced agricultural and veterinary medicine, farming machinery and farming transportation equipment; (c) All exports; (d) Plants and machinery imported for use in Export Processing Zones; | 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] [Commencement.] | Tax Exemption with no time limit | N/A | Federal | Federal Inland Revenue Service | To be eligible, i. the goods are physically present in Nigeria at the time of supply, imported into Nigeria, assembled in Nigeria or installed in Nigeria, or 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, registered or exercisable in Nigeria | Federal Inland Revenue Service |
| 8 | VAT exempted on the specific services | VAT Act list the following services exempted from VAT:1. Medical services | 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] [Commencement.] | Tax Exemption with no time limit | N/A | Federal | Federal Inland Revenue Service | To be eligible, 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 | Federal Inland Revenue Service |
| 9 | Enhanced capital allowance (tax depreciation) regime | (a) 95% capital allowance is enjoyed in the year a qualifying expenditure is incurred pursuant to Paragraph 24 Table 1 & 2 Second Schedule of CITA (b) Companies engaged in wholly agricultural activities are entitled to unrestricted capital allowances pursuant to Paragraph 24 (7) CITA (c) Companies engaged in wholly agricultural activities are entitled to carry forward unutilized capital allowances | 2007 | COMPANIES INCOME TAX ACT An Act to consolidate the provisions of the Companies Income Tax Act 1961 and to make other provisions relating thereto. [No. 28 of 1979, No. 11 of 2007.] [Date of commencement: 1st April, 1977] | Year of qualifying expenditure | Agriculture | Federal | Federal Inland Revenue Service | All companies that incur qualifying capital expenditure on Agriculture | Federal Ministry of Agriculture and Rural Development |

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| 10 | Exemption from minimum Corporate Tax | Section 33(3) a CITA, exempts the income of a company carrying on agricultural trade from payment of minimum tax | 2007 | COMPANIES INCOME TAX ACT An Act to consolidate the provisions of the Companies Income Tax Act 1961 and to make other provisions relating thereto. [No. 28 of 1979, No. 11 of 2007.] [Date of commencement: 1st April, 1977] | Tax Exemption with no time limit | Agriculture | Federal | Federal Inland Revenue Service | Conditions, manner and procedure of exercising the right this exemption are regulated by the COMPANIES INCOME TAX ACT Section 33(3) and explained in Section 114(i) [Substituted by Finance Act, 2020 s. 6(b)(ii)] Explaining agricultural products to include (a) | Federal Ministry of Agriculture and Rural Development |
| 11 | Company Income Tax exemption for Solid Mineral mining | Section 36 Company Income Tax Act provides that a new company going into the mining of solid minerals shall be exempt from tax for the first three years of its operation. | 2004 | COMPANIES INCOME TAX ACT An Act to consolidate the provisions of the Companies Income Tax Act 1961 and to make other provisions relating thereto. [No. 28 of 1979, No. 11 of 2007.] [Date of commencement: 1st April, 1977] | Tax exemption for first 3years | Solid Minerals | Federal | Federal Inland Revenue Service | The law specifies in which cases investors are exempted | Federal Inland Revenue Service |
| | 95% accelerated capital allowance | Second Schedule CITA provides accelerated capital allowance at 95% of qualified capital expenditure on Mining in the first year of use of the asset. | | COMPANIES INCOME TAX ACT An Act to consolidate the provisions of the Companies Income Tax Act 1961 and to make other provisions relating thereto. [No. 28 of 1979, No. 11 of 2007.] [Date of commencement: 1st April, 1977] | First year of use of asset | Solid Minerals | Federal | Federal Inland Revenue Service | All companies that incur qualifying capital expenditure on mining | Federal Inland Revenue Service |
| 13 | 25% of income in convertible currencies exempted from tax | Section 37 CITA allows twenty five percent of incomes in convertible currencies derived from tourists by a hotel shall be exempt from tax.. | 2004 | COMPANIES INCOME TAX ACT An Act to consolidate the provisions of the Companies Income Tax Act 1961 and to make other provisions relating thereto. [No. 28 of 1979, No. 11 of 2007.] [Date of commencement: 1st April, 1977] | Tax Exemption with no time limit | Tourism/ Hospitality | Federal | Federal Inland Revenue Service | Conditions, manner and procedure of exercising the right this exemption are regulated by the COMPANIES INCOME TAX ACT states that such income is put in a reserved fund to be utilised within five years for the building expansion of new hotels, conference centres and new facilities for the purpose of tourism | Federal Ministry of Information and Culture (Nigerian Tourism Development Corporation) |
| 15 | Tax Holiday | Tax Holiday is granted to new Business/Investor | 2004 | Executive Approval on tax Holiday | i. One year Tax Holiday for Large investors (N100 Million and Above Investment) ii. Six Month Tax Holiday for Medium (N25 - N100 Million) and Small Investors with (Less than N25 Million Investment) | All Sectors | State | Enugu State Internal Revenue Services | i. One year Tax Holiday for Large Investors (N100 Million and Above Investment) ii. Six Month Tax Holiday for Medium (N25 - N100 Million) and Small Investors with (Less than N25 Million Investment) | ESIRS |
| 16 | waiver on Business Premises Registration | Waiver is granted on business Premises registration for new Businesses and existing businesses | 2004 | Registration of Business Premises Law, Cap. 134, Laws of Enugu State 2004 | 2 yrs from the initial year of commencement for new businesses and 1yr from payment of request for old | All Sectors | State | Enugu State Min Of Commerce & Industry | All new businesses/Investments and old businesses upon request and approval | State Ministry Of Commerce & Industry |
| 17 | Free Allocation of Land | Free land is allocated to a new business/Investment worth over 100million and above | 2004 | Executive Approval Pursuant to Enugu State Land Use Law, Cap 134 Laws Of Enugu state 2004 | at the commencement of the business | All Sectors | State | Governor's Office/Ministry of Land/State Land | Approval and allocation based on the accessed investment land requirement | State Ministry of Land/Land Allocation Committee/Governor's |
| 18 | Waiver on Annual Ground Rent | Waiver is granted on annual ground rent/Land Use Charges to new Investors at the beginning of the business | 2004 | Executive Approval pursuant to Enugu State Land Use Law, Cap 102, Laws of Enugu State 2004 and Land Use Charge Law (as Amended) Law No. 7, Laws of Enugu State 2016 | at the commencement of the business upon application and approval | All Sectors | State | ESIRS | All Companies and Businesses | ESIRS |
| 19 | Waiver on Processing Fee | Waiver on processing Fee of land title based on Large Manufacturing, Agro-Allied businesses and Renewable energy Infrastructure | 2004 | Executive Approval pursuant to Enugu State LIPRL Cap 100 and Enugu State Land Law Cap 102, Laws of Enugu State 2004 | One Off | All Sectors | State | Commissioner for Lands | Manufacturing, Agro- Allied businesses and Renewable energy Infrastructure | Ministry of Lands/ESIRS |
| 20 | Investment Guarantees | Investment Guarantees on transfers of capital, profit and dividends and Guarantees against Expropriation | 2016 | Sections 34 & 35 of Enugu State Investment Development Authority Law, No.5, 2016 | Permanent from inception of business | All sectors | State | Enugu State Investment Development Authority | All Private Sector Investment in Development Projects of Enterprises Established in partnership with ESIDA | ENSG-ESIDA |