

INVENTORY OF INVESTMENT INCENTIVES IN ADAMAWA STATE DECEMBER 2023

Legal reference: <https://commerce.adamawastate.gov.ng/>

S/No	Name of Incentive & Description	Duration	Eligibility	Sector	Agency Awarding	Implementing Agencies	Legal Reference Instrument	Year Introduced	Objective of the Incentive	No of entities qualified in 2023
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	Tax Holiday 3years	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	Industrial Dev.	Nigerian investment Promotion Commission	Industrial Inspectorate Department, Federal Ministry of Industry, Trade and Investment =Federal Inland Revenue Service	Section 10 and 17 of the Supplement to Official Gazette No. 5, Vol. 51, 9th January, 1964, Part B. LN.2 of, 1964 LG INDUSTRIAL DEVELOPMENT (INCOME TAX RELIEF) ACT J (CAP. 87) Industrial Development	1964	To encourage pioneer Industrial Development	10
2.	Rural investment allowance Where a company incurs capital expenditure on the provision of facilities such as electricity, water or tarred road for the purpose of a trade or business, such company	Relief	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:	All Sectors	Federal Inland Revenue Service	NIPC	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	1 Apr, 1977	To facilitate rural development	15
3.	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	Tax Exempti on with no time limit	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	Agriculture	Federal Inland Revenue Service	Federal Ministry Of Agriculture	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.	Dec,1993	To increase agricultural productivity	95,678
4.	Value Added Tax Exempt on all medical and pharmaceutical products. Outright exemption from VAT for all medical and pharmaceutical	Tax Exempti on with no time limit	To be eligible, i. the goods are physically present in Nigeria at the time of supply, imported into Nigeria, assembled in Nigeria or	Medical and Pharmaceutica l	Federal Inland Revenue Service	Federal Ministry of Health	VALUE ADDED TAX ACT An Act to impose and charge Value Added Tax on certain goods and services and to provide for the administration	Dec,1993	To ensure low cost health services	1698
5.	Value Added Tax Exempt on all Baby Products Outright exemption from VAT for all Baby Products	Tax Exempti on with no time limit	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	Baby products	Federal Inland Revenue Service	Federal Inland Revenue Service	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	Dec,1993	To reduce cost of baby products	10
6.	VAT exempted on 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	Tax Exempti on with no time limit	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	Education and Agriculture	Federal Inland Revenue Service	Federal Inland Revenue Service	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	Dec,1993	To reduce cost of eduaction and enhance agricultural Mechanization	5,268

7.	VAT exempted on the specific services VAT Act list the following services exempted from VAT; 1. Medical services; 2. Services rendered by Microfinance Banks, People's Banks, and Mortgage Institutions; 3. Plays and performances conducted by educational	Tax Exempti on with no time limit	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 at the	Medical,Education, Transportation and Agriculture	Federal Inland Revenue Service	Federal Inland Revenue Service	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]	Dec,1993	To support Agricultural services and mechanization, enhance Medical and export of services, education and air transportation	6046
8.	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	Year of qualifyin g expenditure	All companies that incur qualifying capital expenditure on Agriculture	Agriculture	Federal Inland Revenue Service	Federal Inland Revenue Service	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,	April, 1977	promoting agricultural investments	1765
9.	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	Tax Exempti on with no time limit	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 11(4)[Substituted by Finance Act, 2020 s. 6(b) (ii)] Explaining agricultural products to include (a) primary crop production comprising the production of raw crops of all kinds, but excluding any intermediate or final associated	Agriculture	Federal Inland Revenue	Federal Inland Revenue	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]	April, 1977	promoting agricultural investments	6510
10.	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	3 Years Tax exemption	The law specifies in which cases investors are exempted	Solid Mineral	Federal Inland Revenue Service	Federal Inland Revenue Service	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,	April, 1977	promoting investments in the minning industry	207
11.	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.	First year of use of asset	All companies that incur qualifying capital expenditure on mining	Solid Minerals	Federal Inland Revenue	Federal Inland Revenue	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,	April, 1977	promoting investments in the minning industry	0
12	25% of income in convertible currencies exempted from tax	Tax Exempti on with no time limit	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	Tourism/ Hospitality	Federal Inland Revenue Service	Federal Inland Revenue Service	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,	1st April, 1977	To encourage reinvestment of proceeds in the tourism and hospitality industry	0

13	Bonus for early filing of self-assessment return	Bonus, upon filing	All enterprises and individuals that file returns early and correctly	Entrepreneurs and MSME	State Board of Internal Revenue	State Board of Internal Revenue	Personal Income Tax Act PERSONAL INCOME TAX ACT An Act to impose income tax on individuals, communities and families and on executors and trustees, and to provide for the assessment and collection and administration	25th August, 1993	To encourage early compliance to regulatory requirements	2
*** POST INCENTIVE MONITORING After the first (3) three years, a Post Incentive Monitoring (PIM) will be undertaken by ADIPA to ensure intended benefits of the incentives are derived this is in addition to appointed Independent Consultants to conduct an Impact Assessment (IA) after the first										