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IMO STATE OF NIGERIA

LAW NO. 6 OF 2020

A LAW TO PROVIDE FOR THE CONSOLIDATION OF PROPERTY AND LAND BASED CHARGES AND ALSO TO MAKE PROVISIONS FOR THE LEVYING AND COLLECTION OF LAND USE CHARGE IN IMO STATE AND FOR RELATED MATTERS *Long Title*

BE IT ENACTED by the House of Assembly of Imo State of Nigeria as follows – *Enactment*

1. This Law may be cited as the Imo State Land Use Charge Law, 2020. *Citation*

2. In this Law, unless the context otherwise requires – *Interpretation*

“Annual Charge Rate” means the percentage of the assessed value of the Property over a period of twelve (12) months;

“Assessment Appeal Tribunal(s)” means the Assessment Appeal Tribunal(s) established under Section 18 of this Law;

“Building” includes any improvement or anything constructed, placed on, or over land but does not include a highway, road or a bridge that forms part of a highway or road;

“Charge” means an assessed amount on Property payable under this Law;

“Chargeable Person” means a person liable to pay Land Use Charge on a chargeable Property or the persons successors-in-title, assigns, legal representatives, executors or administrators;

“Chargeable Property” means any property in respect of which Land Use Charge is payable;

“Commercial Property” means any property that generates revenue;

“Commissioner” means Commissioner for Finance or such other member of the State Executive Council for the time being in charge of Finance ;

"Designated Bank" means a Financial institution licensed by the Central Bank of Nigeria to carry out banking activities as provided for under the provisions of this Law and listed as a bank that may collect on behalf of the Government any Land Use Charge payable under this Law;

"Exempted Property" means any Property of a class described under Section 13;

"Fair Market Value" means the total sum of current Land value and Building Development value;

"Financial Year" means a period of twelve (12) months beginning from the 1st of January and ending on the 31st of December;

"Governor" means the Governor of Imo State;

"High Court" means the High Court of Imo State;

"House of Assembly" means Imo State House of Assembly;

"Improvement to Property" includes a building, structure, fixture or fence erected on or affixed to land, or a movable structure that is designed to be occupied for residential or business purposes whether or not affixed to the Land;

"Land Use Charge" includes all Property and Land Based Rates and Charges payable under the Land Rates Law, Tenement Rates and all other Land charges as may now be computed on the basis of the Schedule to this Law;

"Local Government Areas" mean the twenty seven (27) Local Government Areas of Imo State and includes Owerri Municipal Area;

"Lodger" means a person who is given occupation of part of a house in return for rent where the premises remain under the control of the Owner. A lodger normally has a mere "licence" rather than a tenancy;

"L U C" means Land Use Charge;

"Occupier" in relation to a Property, shall include a person whether lawfully or unlawfully in actual occupation of the whole or part of

such Property and any person with a right to actual or beneficial occupation or mandated to occupy the land by a person with such right, whether solely or concurrently with other persons, although this does not mean it must be of pecuniary benefit but does not include a lodger;

"Owner" in relation to any Property shall include the person for the time being receiving the proceeds in connection with which the word is used, whether on the owner's account or as agent or trustee for any other person who would receive the sum if such Property were let to a tenant, and the holder of a Property directed from the State whether under lease, licence or otherwise and will include the estate of a deceased holder of a right of occupancy whether expressly granted by the Governor or otherwise, and shall include every assignee from a holder;

"Property" includes –

- (i) a building;
- (ii) any improvement on land;
- (iii) a parcel of land, whether or not reclaimed, or otherwise;
- (iv) a parcel of land and building or improvement; and
- (v) leasehold of up to ten(10) years;

"Pensioner" means a person who retires from a pensionable office in the State;

"State" means Imo State of Nigeria;

"Structure" include a building or any other thing erected or placed on land whether or not is affixed to the land; and

"Tenement Rate" means a tax charged on a rented property payable to a Local Government Area.

- 3.(1) Subject to the provisions of this Law, there is imposed, a Land based charge, which shall be payable on all real properties situate in the State.
- (2) For the purposes of this Law, each Local Government Area in the State shall be the Collecting Authority and it shall be the only body empowered to levy and collect Tenement Rates for its area of jurisdiction.

Land Use
Charge

- | | | |
|-------|--|---|
| 4. | For ease of operation, each collecting Authority may deed its rights to the State by way of a written Agreement as it relates to the assessment of privately owned houses or tenement for the purposes of levying and collection of such rates. | <i>Power to Delegate levying and collection of Tenement Rates</i> |
| 5. | Land Use Charge shall be payable in respect of any property that is not exempted under Section 13 of this Law. | <i>Property Liable to Charge</i> |
| | (1) The Commissioner shall undertake or cause to be undertaken, an assessment of chargeable properties in such areas of the State as the Commissioner may designate. | |
| | (2) For the purpose of subsection (1) of this section, the Commissioner may appoint such Property Identification Officers, Professional Valuers and other persons as may be considered necessary for the purpose of carrying into effect the provisions of this Law. | |
| | (3) For sensitization and ease of operation, the Commissioner may undertake a pilot programme as deemed necessary before the full effect of this Law. | |
| 6.(1) | The Commissioner shall undertake or cause to be undertaken, an assessment of chargeable properties in such areas of the State as the Commissioner may designate. | <i>Identification or Assessment of a Property</i> |
| | (2) For the purpose of subsection (1) of this section, the Commissioner may appoint such Property Identification Officers, Professional Valuers and other persons as may be considered necessary for the purpose of carrying into effect the provisions of this Law. | |
| | (3) For the purposes of sensitization and ease of operation, the Commissioner may undertake a pilot program of the Land Use Charge policy so soon after the commencement of this Law. | |
| 7.(1) | The Commissioner may appoint Consultants to carry out property assessments and levying of the Land Use Charge for the purpose of carrying into effect the provisions of this Law. | <i>Appointment of Consultants</i> |
| | (2) The number of Consultants to be appointed under subsection (1) of this Section shall be as considered necessary for the proper and effective operations of this Law. | |
| | (3) The Agreement entered into with the Consultant(s) so appointed shall be subject to the approval of the State Executive Council. | |

- 8.(1) All property Valuers and Consultants appointed in accordance with Sections 6 and 7 shall register with the department in-charge of valuation in the Imo State Ministry of Lands. *Registration of valuers and Consultants*
- (2) A Valuer so appointed, shall submit its evaluation report to the department in-charge of valuation in the Imo State Ministry of Lands.
- (3) All Valuers and Consultants shall have evidence of Tax Clearance Certificate from the Imo State Internal Revenue Service.
9. For the purpose of carrying out the identification assessment of a Property, a duly authorized officer may, on any day between the hours of 7:00 am and 5:00pm, excluding Saturdays, Sundays and Public Holidays to - *Power to Enter*
- (a) enter, inspect, survey and assess the Property;
 - (b) request for documents or other information to be produced;
 - (c) take photographs; and
 - (d) make copies of necessary documents.
- 10.(1) The liability to pay the Land Use Charge on a taxable property shall be on the owner of such property where - *Persons Liable to Pay Charge*
- (a) he is in occupation; or
 - (b) he has leased the property for a period of less than ten (10) years.
- (2) An Occupier of a taxable property shall be liable to pay the Land Use Charge if he has a lease of ten (10) years and above.
- 11.(1) As from the commencement of this Law the annual amount of the Land Use Charge payable on any Property shall be arrived at, by multiplying the Fair Market Value of the Property by the applicable Relief Rate and Annual Charge Rate using the prescribed formulae outlined below and more particularly described in the Schedule to this Law - *Value of Land Use Charge*
- (Land Value + Building Developments Value) x Relief Rate x Charge Rate.
- (2) The land value and building value rates constituting the Market Value of the Property shall be reviewed at least once every five (5) years on the basis of information available to professional valuers and consultants and may vary from area to area. Pending such periodic reviews, the Land value rates may be set to rise in line with the rate of inflation as may be determined by the Commissioner.

- (3) The Relief Rates shall be set by the Commissioner and may be subject to review and published in the State Official Gazette which may vary from person to person or area to area and may reflect one or more factors including but not limited to -
- status of the Owner (the age and retirement);
 - depreciation Rate of the Property;
 - whether or not the Owner is physically challenged;
 - the length of time for which an Owner has been resident in the Property in question; and
 - the speed and efficiency with which the Owner pays the Land Use Charge.
- (4) The value of the annual charge rate for the financial year in which the Law comes into force, and in each subsequent financial year shall be set by the Commissioner, subject to the approval of the State Executive Council and shall be published in the State Official Gazette and in one or more newspapers circulating within the State.
- (5) The Commissioner may make Regulations providing for self-billing and electronic payment of the Land Use Charge by Owners.
12. A person liable to pay Land Use Charge shall pay into any of the designated banks listed in the Land Use Charge Demand Notice. *Payment of Charge*
- 13.(1) The following categories of Properties shall be exempted from payment of Land Use Charge - *Properties Exempted from Payment of Land Use Charge*
- Property owned and occupied by a religious body and used exclusively as a place of worship or religious education;
 - Public cemeteries and burial grounds;
 - Property used as a registered educational institution certified by the Commissioner to be non-profit making;
 - Property used as public library or as a private library certified by the Commissioner to be non-profit making;
 - Any property specifically exempted by the Governor by notice published in the State Official Gazette; and
 - All palaces of recognized Ezes and Chiefs in the State: Provided that if any of the exempted property is leased out to private entities for revenue generation, it shall forfeit its exemption status as contemplated under the provisions of this Law.
 - Autonomous Community Halls as Certified by the Commissioner.

- (2) The Commissioner may, by notice published in the State Official Gazette grant partial relief for a –
- (a) property that is occupied by a non-profit making organization;
 - (b) used solely for community games, sports, athletics or recreation for the benefit of the general public; and
 - (c) Used for a charitable or benevolent purpose for the benefit of the general public and owned by non-profit making organization.
- 14.(1) An Exempted Property or part of an Exempted Property shall become liable for Land Use Charge if the – *Forfeiture of Exemption*
- (a) use of such Property changes to one that does not qualify for the exemption;
 - (b) owner of the Property changes the use of the property to one that does not qualify for the exemption;
 - (c) property of a religious body is registered in the name of an individual or corporate body unless it is registered in the corporate name of the religious body; or
- (2) Properties of an individual or corporate entity on lease to Schools or religious bodies shall not be part of the properties under exemption.
- (3) If the status of a property changes, a Land Use Charge imposed in respect of that Property shall be pro-rated so that the Land Use Charge is payable only for that part of the year in which the Property, or part of it is not exempted.
- (4) The Owner or a person liable to pay Land Use Charge of a property under the provisions of this Law shall notify the Commissioner in writing promptly upon the forfeiture of an exemption which the Owner has enjoyed.
- (5) Failure to make the notification indicated in subsection (4) above shall be an offence punishable with a fine of up to three (3) times the value of the Land Use Charge payable on such property if it was not exempted.
- 15.(1) The Commissioner shall cause to be issued in each Financial Year, a Land Use Charge Demand Notice with respect to every chargeable property that has been assessed in accordance with the provisions of this Law. *Land Use Charge Demand Notice*

- (2) The Land Use Charge Demand Notice may be delivered to the Owner or Occupier and can also be requested for by either the Owner, Occupier or Agent of the Property at any of the Land Use Charge offices or via an electronic platform
- (3) If there is no Owner or Occupier or Agent available to take delivery, the Land Use Charge Demand Notice shall be pasted on the Property and such pasting shall be deemed sufficient delivery of the Notice.
- (4) The person liable to pay the amount of Land Use Charge on the Demand Notice shall before March 30th following the year end, pay that amount at one of the designated banks specified in the Demand Notice.
- (3) Upon an application in writing made by the Owner, Occupier or authorized agent to the Commissioner, the Commissioner may reduce the Land Use Charge by such discount as is specified in the Demand Notice, if the payment is made within fifteen (15) days of receiving the Demand Notice, but not later than March 30th.
16. The Collecting Authority may give notice in writing appointing any person including any Occupier of a taxable Property to be an agent of the Owner and the person declared agent of the Owner for the purposes of this Law, may be required to pay the Land Use Charge which is or will be payable by the Owner from any money which may be held by the agent for or due to the Owner and in default of such payment the charges shall be recoverable from the agent. *Power to Appoint agent(s)*
17. A person liable to pay Land Use Charge on behalf of an Owner may retain out of any money coming into an account on behalf of or becoming due from the agent to the Owner as may be sufficient to pay the charge and shall be indemnified against any person for all payments made by the agent under this Law. *Indemnification of Agent*
- 18.(1) There is established in each of the three geo-political Zones of the State an Assessment Appeal Tribunal (hereinafter referred to as "the Appeal Tribunal"). *Establishment and composition of Assessment Appeal Tribunal*
- (2) Each Appeal Tribunal shall consist of -
(a) a Chairman who shall be a Legal Practitioner with not less than fifteen (15) years post call experience;

- (b) a representative of the Attorney-General who shall be the Secretary of the Appeal Tribunal;
 - (c) a registered Town Planner;
 - (d) a registered Land Surveyor;
 - (e) a registered Estate Valuer;
 - (f) a representative of the department in-charge of valuation in the Imo State Ministry of Lands;
 - (g) a person with cognate experience in accounting and taxation; and
 - (h) 2 persons from the private sector.
- (3) The Chairman and members of the Assessment Appeal Tribunal who shall be persons of integrity and good standing in the society shall be appointed by the Governor on the recommendation of the Commissioner
19. The quorum of the Appeal Tribunal shall be one-third of the members. *Quorum*
- 20.(1) The Chairman and other members of Appeal Tribunal shall hold office for three (3) years and may be re-appointed for another term of three years only. *Tenure of Office of Members*
- (2) An Appeal Tribunal shall meet as often as may be necessary, to hear appeals in any town within its designated Senatorial Zone.
21. The Appeal Tribunal may make standing orders to regulate its proceedings at any of its meetings. *Proceedings*
22. The Chairman and members of the Appeal Tribunal shall be paid such remuneration and allowances as the Governor may determine. *Remuneration and Allowances*
23. A member may – *Cessation of Office of Members*
- (a) be removed from office by the Governor for inability to discharge the functions of the Office whether arising from infirmity of mind or body or for any act of misconduct;
 - (b) resign membership by a notice in writing, addressed to the Governor and that member shall cease to be member from the date of acceptance of the resignation by the Governor; or
 - (c) be removed from Office by the Governor if it is in the interest of the public to do so.

24. The Appeal Tribunal may –
- (a) by summons, require the attendance of any person, examine and require answers to any question which it may deem fit to put concerning an appeal before it.
 - (b) require and enforce the production of all books and documents which it may consider necessary;
 - (c) administer oaths and affirmations;
 - (d) levy fine against an appellant if the members of the Tribunal consider that the appeal before it is of a frivolous nature and such fine shall not exceed 25% of payable charge;
 - (e) adopt Alternative Dispute Resolution mechanism in resolving disputes; and
 - (f) subject to the approval of the Governor, make rules for its practice and procedure;
 - (g) The decision of the Appeal Tribunal on any matter shall be given not later than forty five (45) days after the commencement of the proceedings of that matter.
25. (1) A person may appeal to the Appeal Tribunal if aggrieved by –
- (a) a decision that the Property which the person owns is a chargeable Property; or that the person is liable to pay Land Use Charge in respect of such property; or
 - (b) any calculation of an amount which the person is liable to pay as Land Use Charge, and the Tribunal shall make such decisions as it deems fit.
- (2) The time allowed for an appeal to the Appeal Tribunal shall be within thirty (30) days from the date of delivery of the Demand Notice.
- (3) The onus of proving that an assessment of a property is excessive shall lie on the Owner of the Property.
- (4) A person giving evidence before the Appeal Tribunal shall in respect of any evidence given by or any document the person is required to produce, be entitled to all the privileges to which a witness in a trial before a Magistrate Court is entitled: Provided that the Appeal Tribunal, being a fact-finding body, shall not be bound by the rules of evidence.
- (5) In respect of the compulsion of witnesses, the Appeal Tribunal shall have the same power as that of a Magistrate Court.
- (6) The Tribunal may confirm, reduce, increase or annul the assessed value.

*Powers of the
Assessment
Appeal Tribunal*

*Appeal against
Assessment*

- (7) An appeal against a decision of the Appeal Tribunal shall be made to the High Court of the State before the expiration of the 30th day after the day on which the Appeal Tribunal made the decision being appealed against.
- (8) The Tribunal is a fact-finding Tribunal and as such is not bound by the rules of evidence.
- 26.(1) In resolving disputes arising from the provisions of Section 24(e) of this Law, the parties shall submit to a confidential mediation in an effort to resolve such disputes. *Mediation Process*
- (2) Where the mediation does not resolve the dispute within forty-five(45) working days of the first session or when the mediator declares an impasse, the mediation shall be deemed inconclusive and parties shall be at liberty to resolve their dispute formally at the Appeal Tribunal or through any other Lawful means.
27. An Appeal shall not lie unless – *Conditions of Appeal*
- (a) notice is given in the prescribed manner to the Appeal Tribunal;
 - (b) the prescribed fee is paid to the Appeal Tribunal;
 - (c) in the case of a person aggrieved with the assessment of the persons Property:
 - (i) 50% of the amount of the assessed annual Land Use Charge being disputed is deposited directly into the State Land Use Charge Account; and
 - (ii) the appellant has produced to the Appeal Tribunal, the receipt for the payment of the amount from the bank and such receipt has been validated.
- 28.(1) The Commissioner shall establish and maintain a fund, to be known as the Land Use Charge Collection Fund, consisting of all Land Use Charge payment deposited in designated banks in accordance with the Law. *Land Use Charge Collection Fund*
- (2) At the beginning of each month, the Commissioner shall determine the total amount of Land Use Charge payments deposited in the designated banks.
- (3) The Commissioner shall, not later than Fifteen (15) days after the beginning of each month, pay to each Local Government Area in the State its share of the Land Use Charge Collection and Standing on deposit in the designated banks.
- (4) The share to be paid by the Commissioner to each Local Government Area shall be such percentage of the Net Land Use

- Charge on deposit at the end of each month on a ratio as agreed between the State and all the Local Government Areas.
- 29.(1) The Attorney-General of the State shall, on the recommendations of the Commissioner apply to a Court to - *Recovery of Land Use Charge*
- recover sums payable under this Law;
 - recover any Land Use Charge penalty incurred under this Law by a deceased person at any time before the persons death; and
 - attach a person's earning and/or person's goods where a Court has made a liability order against that person.
- (2) An officer from the Attorney-General's Office acting on the Attorney-General's behalf may sue in the name of the State to recover any sum payable under this Law from the Owner.
30. Any person who - *Offences and Penalties*
- refuses or neglects to comply with any provision of this Law when required to do so by the Property Identification Officer or an Assessor;
 - prevents, hinders, or obstructs any Property Identification officer or an Assessor in the course of Lawful duty; or
 - Removes, damages or destroys a Property identification plaque on any property or Building, commits an offence and shall be liable on summary conviction to a maximum fine of two hundred and fifty thousand Naira (N250,000.00) or to a maximum term of imprisonment for a period of three (3) months or both.
31. Any person who - *Penalty for Inciting a Person to Refuse to Pay Land Use Charge*
- Incites another person to refuse to pay any rate under this Law on or before the day on which is payable; or
 - Incites or assists any person to misrepresent, in any way, the persons chargeable property, commits an offence and shall on summary conviction be liable to a maximum fine or Two Hundred and Fifty thousand Naira only (250,000.00) or to a maximum term of imprisonment for a period of three (3) months of both.
- 32.(1) Where a person who has received a Land Use Charge Demand Notice fails to pay the amount before the March 30th or due date specified in the notice, the charge payable shall be increased by the following percentage - *Default in Payment of Land Use Charge*
- between April 1 to May 31 - 15%;
 - between June 1 to August 31 - 25%; and
 - After August 31st - 50%.

- (2) However, if payment is not made by October 1st, the Property on which the Land Use Charge is payable shall be liable to enforcement under the provisions of this Law by the State or its appointed agent until all outstanding taxes, penalties and administrative charges are paid.
- (3) The owner is however entitled at any time to apply to the Commissioner for release of the Property and other moneys accruing to the owner upon payment of the outstanding taxes, penalties and administrative charges;

Provided that where rights or liabilities have been created under the enforcement which may generate income to effect the payment of the outstanding taxes, penalties and administrative charges before repayment by the owner, the owner shall assume all such rights and/or liabilities.

- (4) whenever a Property comes under enforcement as provided for in subsection (2), such Property shall be advertised as being under enforcement in a local and at least one national newspapers.
- (5) subject to subsection (6) below, the rights of enforcement of the State for default in the payment of the Land Use Charge shall include rights to file and maintain a civil action against the Owner, Occupier or authorized agent to recover the accrued Land Use Charge or to obtain an order of court for distraint of the property or other consequential orders which the court may deem fit to make in the circumstances, for the purpose of the recovery of the Land Use Charge.
- (4) The powers of enforcement specified in subsection (5) above, shall
 - (a) not be exercised unless and until warning notices have been delivered to the owner and occupier, or posted on the Property, on at least three separate occasions each at least fifteen (15) days apart from the other, during the six (6) months immediately prior to the date of exercising the rights in subsection (5) above; and
 - (b) be exercised only to the extent reasonably necessary to recover accrued Land Use Charge.

- 33.(1) A person appointed in accordance with the provisions of Sections 6(2) and 7 of this Law who fails to remit Land Use Charge collected

*Failure to Remit
Land Use
Charge*

- commits an offence and shall be liable on conviction to refund the amount due and in addition, a sum equivalent to twenty-five percent (25%) of the amount and to a term of imprisonment of not less than thirty-six (36) months.
34. Where the Tribunal desires to obtain advice or information from any person on any matter, it may co-opt the person as a member but such person shall not be entitled to vote on any issue or count towards a quorum. *Power to Co-opt*
35. The Commissioner may make Regulations for the proper Implementation and enforcement of the provisions of this Law subject to the approval of the Governor. *Power to Make Regulations*
- 36.(1) Where a person is entitled to a Statutory Right of Occupancy, the Governor shall issue a Certificate under his hand in evidence of such Right of Occupancy. *Governor to Sign Certificate of Occupancy (Section 9 of the Land Use Act)*
- (2) As from the commencement of this Law, every holder of a Certificate of occupancy in the State shall ensure that the certificate is registered at the Ministry in-charge of Lands in the State for the purpose of re-certification.
37. On and from the date when Land Use Charge is levied on a Property in accordance with this Law, the provisions of all other land related levies and charges including tenement rates shall cease to apply to that property. *Application of other Laws*
- 38.(1) Nothing in this Law shall affect any previous corresponding order, rule, regulation, appointment, direction given, proceedings taken, instrument issued or thing done for the purpose of levying or collection of tenement rates and other related charges; but any such order, rule, regulation, appointment, direction, proceeding, instrument or thing if in force immediately before the commencement of this Law shall, on the commencement of this Law, continue in force, and so far as it is not in conflict and could have been made, given, taken, issued; as if done under this Law. *Savings*
- (2) Nothing in this Law shall be construed so as to prohibit the continuation of an inspection by Property Identification Officers or Professional Valuers and any other person legally appointed before the commencement of this Law except where the Commissioner is of the opinion that it will no longer be in the interest of the public to continue with such Officers and Valuers.

- (4) Where any offence, being an offence for the continuance of which a penalty was provided, has been committed prior to the commencement of this Law, proceedings may be taken under this Law in respect of the continuance of the offence after the commencement of this Law, in the same manner as if the offence had been committed under the corresponding provisions of this Law.

FIRST SCHEDULE

LAND USE CHARGE FORMULA

The following formula shall be used to determine the annual amount of the Land Use Charge payable under this Law:

$(\text{Fair Land Value} + \text{Fair Building Value}) \times \text{Relief Rate} \times \text{Charge Rate}$

Interpreted as,

$(\text{LUC} - (\text{LA} \times \text{LR}) + (\text{BA} \times \text{BR}) \times \text{RR} \times \text{CR})$

Where

LUC = annual amount of Land Use Charge in Naira

LA = the area of the land parcel in square metres.

LR = the average Market Value of a land parcel in the neighborhood, on a per square metre basis in Naira based on the fair market value of the Property as determined by professional valuers appointed by the Commissioner for that purpose.

BA = the total development floor area of building on the plot of land in square metres, or the total floor area of apartment unit in a building where the apartment has a separate ownership title.

BR = the average construction value of medium quality buildings and improvements in the neighborhood, on a per square metre basis in Naira based on the fair market value of the property as determined by professional valuers appointed by the Commissioner for the purpose.

DR = the Depreciation Rate for the buildings and improvements of land which accounts for the building, being of higher or lower value than the average buildings in the neighborhood and which also accounts for the degree of completion of construction of the building.

RR = the rate of relief from tax (if any) applicable to the Owner or Occupier in the circumstances shall be determined by the Commissioner and shall be published in the State Government Official Gazette and in one or more newspapers circulating within the State and reviewed by the Commissioner once every five years.

CR = The annual charge rate expressed as a percentage of the assessed Fair Market Value of the Property and which may, at the State Government's discretion, vary between (a) owner - occupied and other Property; (b) residential Property and commercial (revenue - generating) Property; (c) (physically-challenged persons; and (d) persons who have been resident at the same location for at least 12 years, minor, and retired Owners and Occupiers, on the one hand, and other Owners and Occupiers on the other hand.

$((\text{LA} \times \text{LV}) + (\text{BA} \times \text{BV} \times \text{DR}) \times \text{J} = \text{RR})$ = the assessed value of the property.

SECOND SCHEDULE
LAND USE CHARGE ANNUAL RELIEF RATE

S/N	Item	Annual Relief Rate	Remarks
1.	GENERAL RELIEF	40%	Applicable to all properties liable to pay Land Use Charge
2.	SPECIFIC RELIEFS: (Applicable to Property Owners and Leasee of 10 years and above).		
	i. Pensioner	100%	Owner Occupied – 60 years & above
	ii. Persons with disability	10%	Owner Occupied
	iii. Aged Persons	10%	Owner Occupied – 70 years & above
	iv. Age of Property	10%	25 years and above.
	v. Long occupation by Owners	5%	12 years and above.
	vi. Federal and other State Government Properties	20%	Non-Revenue Generating.
	vii. Partial Relief under the Land Use Charge Law	20%	Non-Profit Making.
2.(b)	The onus is on a person seeking a Specific Relief to provide relevant documents in proof thereof		
3.	Payment within 15 days of receipt of Demand Notice	15%	Timely payment Discount.
4.	Mode of Application for relief		All applications for relief must be made to the Commissioner for Finance for approval supported with relevant documents.
5.	Minimum Land Use Charge	₦3,000.00	No Property liable to Charge shall pay a sum less than ₦5,000.00 (Five Thousand Naira) irrespective of any relief granted.

THIRD SCHEDULE

LAND USE CHARGE ANNUAL RATE

1. Annual Charge Rate on Property.

The Annual Land Use Charge Rates to be applied to eligible Properties in Imo State shall be as follows -

A.	Owner-Occupied Residential Property	-	0.076% per annum of the Assessed Property Value.
B.	Owner-Occupied Pensioner's Property	-	Exempted from Land Use Charge
C.	Imo State Government Properties	-	Exempted from Land Use Charge
D.	Industrial Premises of Manufacturing Concerns	-	0.256% per annum of the Assessed Property Value;
E.	Residential Property (Owner and 3 rd Party	-	0.256% per annum of the Assessed Property Value;
F.	Residential Property (without owner in residence)	-	0.76% per annum of the Assessed Value;
G.	Commercial property (Used by occupier for Business Purposes)	-	0.76% of the Assessed Value;
H.	Vacant Properties and Open empty Land	-	0.076% per annum of the Assessed Value

LAND USE CHARGE (DEPRECIATION RATE)

2. Age of building as a determinant of Depreciation Rate

The Depreciation Rate shall be determined by the age or depreciation rate of a building and considered in the computation of Land Use Charge for the Property.

3. Calculation for Depreciation Rate


The depreciation rate for a building shall be calculated as follows:

Year of Building	Depreciation Rate
0 - 5	1%
6 - 10	0.9%
11 - 15	0.8%
16 - 20	0.7%
21 - 25	0.6%
26 - 30	0.5%
31 - 35	0.4%
36 - 40	0.3%
41 - 45	0.2%
46 - 50	0.1%

FOURTH SCHEDULE
RULES GOVERNING THE DISTRIBUTION OF THE
IMO STATE LAND USE CHARGE


1. The Collecting Banks shall provide the statement of accounts for all Land Use Charge payments to the Accountant-General of the State.
2. The Consultant(s) or any other designated person(s) or corporate body who has the responsibility of monitoring the incoming revenue of the State through the collecting banks, shall provide a report to the Accountant-General of the State.
3. The Accountant-General of the State shall calculate available funds in the various collection banks at the end of each month and shall notify the Commissioner for Finance on or before the fifth day of the following month of the total available funds.
4. The total funds available for disbursement shall be the total Land Use Charge less State collection cost and Bank Charges, which shall be the Net Land Use Charge.
5. The Accountant General shall confirm funds available in the Land Use Charge account and issue instructions for its disbursement in conformity with the first Schedule of this Law.
6. On the 25th day of every month, the collecting banks shall transfer the balance on the individual collecting bank's account as at close of business on that day into the State's Designated LUC Account. Thereafter the Accountant General shall conduct a reconciliation of the funds available for Disbursement and forward same to the Commissioner for a review.
7. After the reconciliation and review of the funds available for distribution and disbursement of collection costs to the State's collection agents, the Accountant-General shall transfer funds payable to each of the Local Governments according to their Proportionate Share Percentage.
8. Total Disbursements of Land Use Charge shall be calculated for each Local Government Area as follows –
 - (a) net Land Use Charge according to their Proportionate Share Percentage;
 - (b) if the budgeted Period Distribution plus any Accumulated Short falls from past distribution periods exceeds the available funds for distribution, then the available funds will be distributed to each Local Government according to their Proportionate Share Percentage.

This printed impression has been carefully compared by me with the Bill which has been passed by the House of Assembly and found by me to be a true and correct printed copy of the said Bill.


BARR. CHINELO ADAORA EMEGHARA
Clerk of the House of Assembly
Imo State of Nigeria

Assented to by me this 8th day of May, 2020




SEN. HOPE UZODINMA
Governor
Imo State of Nigeria

Assent withheld by me thisday of, 2020

SEN. HOPE UZODINMA
Governor
Imo State of Nigeria

Passed again by the Imo House of Assembly by two-thirds majority this
Day of, 2020.



RT. HON DR. CHIJI CHIMEZIE COLLINS
Speaker
Imo State House of Assembly