IMO STATE INVENTORY OF INVESTMENT AND BUSINESS INCENTIVES (ISIIBI)

FISCAL INCENTIVES

S/N	The Name or Title of Incentive Measure	Description of Incentive Benefits	Year Introduced	Legal Document/ Legal Reference Instrument	Duration/ Mode	Sector(s)	Federal or State Level	Implementation Agency	Eligibility Criteria	Awarding Agency	Number of Entities Receiving Incentives
1	Consolidated Relief Allowance (CRF)	A person is entitled to aCRA on his or her grossincome of N150,000, subject to a minimum of 1% of gross income whichever is higher plus 20% of gross income, before tax rates in the Sixth Schedule are applicable to compute tax liability	2011	Section 33(1) and Sixth Schedule of PITA 2004 (As amended in 2011)	Continuously, subject to future amendments	Individualsin all sectors	All states and FCT	**IMSIRS** for residents of Imo State; and **FIRS** for residents of FCT, personnel of Armed Forces, External Affairs Ministry, and non- resident individuals	All individuals earning income from employment, trade, business, profession or vocation by filing and claiming in their taxreturns as follows: - Within the month of Januaryfor employment income; and - Within the months of January to March for income from trade, business, profession or vocation	IMSIRS andFIRS	6,150

2	Bonus for early filing of self-assessment return	A taxable person who files a self-assessment return within 90 days asspecified for filing of the return shall, if there is no default in the payment arrangement, be granted a bonus of 1 % of the tax payable	1998	Section 45 of PITA 2004 (As amended)	Continuously, subject to future amendments	Individuals doing business inall sectors	All States and FCT	**IMSIRS** for residents of Platea State; and **FIRS** for residents of FCT, personnel of Armed Forces, External Affairs Ministry, and non- resident individuals	All individuals earning income from trade, business, professionor vocation by filing self- assessment tax returns: - Within 90 days income; and - Must not default in the payment arrangeme nt	IMSIRS andFIRS	0

3	Tax credit on income derived outside Nigeria	Notwithstanding the provisions of section 3(1) of this Act, wherea resident derives income from a source outside Nigeria and thepayment is brought into Nigeria through Government channels, he shall be allowed a tax credit against the tax payableby him, but the tax credit shall not exceed the proportion of his total tax for the year of assessment which that income derived from outside and brought into	2011	Section 11 of PITA 2004 (As amended in 2011)	Continuously, subject to future amendments	Individualsin all sectors	All states and FCT	**IMSIRS** for residents of Imo State; and **FIRS** for residents of FCT, personnel of Armed Forces, External Affairs Ministry, and non-resident individuals	i. A Nigerian resident must outside Nigeria derive income source. ii. The channel of repatriation of income into Nigeria must be an approved channel	IMSIRS andFIRS	0

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		Nigeria bears to his aggregate income chargeable to tax in Nigeria.									
4	Pension contribution by individuals in business or trade as allowable deduction.	A contribution to a pension, provident or other retirement benefits fund, society or scheme recognised under the Pension Reform Act is a deduction allowed for the purpose of ascertaining the income or loss of an individual for any period from any source chargeable with tax under this Act.	2021	Section 20(1)(g) of PITA 2004 (As amended by Section 26 of Finance Act 2020)	Continuously, subject to future amendments	Individuals doing business in all sectors	All States and FCT	**IMSIRS** for residents of Platea State; and **FIRS** for residents ofFCT, personnel of Armed Forces, External Affairs Ministry, and non-resident individuals	i. The contribution must be to a pension, provident or other retirement scheme recognised under the Pension Reform Act ii. The sources of income must be subjected to tax under this Act	IMSIRS and FIRS	604
5	Research expenses incurred by individuals in business or trade as allowable deduction.	Any expenses which are proved to the satisfaction of the relevant tax authority to have been incurred by the individual on research for the period including the amount of levy paid by him under the National Agency for Science and Engineering Infrastructure Act is an allowable deduction for the purpose of ascertaining the income or loss of an individual for any period from any source chargeable with tax under this Act	2011	Section 20(1)(i) of PITA 2004 (As amended in 2011)	Continuously, subject to future amendments	Individuals in all sectors	All states and FCT	**IMSIRS** for residents of Imo State; and **FIRS** for residents ofFCT, personnel of Armed Forces, External Affairs Ministry, and non-resident individuals	i. Expenses must be incurred by individual on research for the period. ii. Expenses incurred must beto the satisfaction of the relevant tax authority	IMSIRS andFIRS	0

6	Life Insurance premium as a relief to individual income	There shall be allowed a deduction of the annual amount of any premium paid by the individual during the year preceding the year of assessment to an insurance company in	2021	Section 33(3) of PITA 2004 (As amended by Section 29 of Finance Act 2020)	Continuously, subject to future amendments	Individuals doing business in all sectors	All States and FCT	**IMSIRS** for residents of Imo State; and **FIRS** for residents ofFCT, personnel of Armed Forces, External Affairs Ministry, and non-resident individuals	i. Premium on life insurance must be paid by individual during the year preceding the year of assessment ii. Insurance must be for the individual's life or that of his/her spouse	IMSIRS andFIRS	1256

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		respect of insurance on his life or the life of his spouse, or of a contract for deferred annuity on his own life or the life of his spouse.									
7	Presumptive income tax system for individuals in the informal sector	Notwithstanding any of the provisions of this Act, where for all practical purposes the income of the taxpayer cannot be ascertained or records are not kept in such a manner as would enable proper assessment of income, then such a taxpayer shall be assessed on such terms and conditions as would be prescribed by the Minister in regulations by order of gazette under a presumptive tax regime.	2011	Section 36(6) of PITA 2004 (As amended in 2011), and Section 46 and First Schedule (Paragraph 13) of Imo State Revenue (Consolidation) Law 2020.	Continuously, subject to future amendments	Individuals in the informal sector	All states and FCT	**IMSIRS** for residents of Imo State; and **FIRS** for residents of FCT, personnel of Armed Forces, External Affairs Ministry, and non- resident individuals	i. Where individual trade or business do not keep accounting records or profitcannot practically be ascertained. ii. Individuals should register tobe assessed under the presumptive tax regime. ii. Individuals shall register their type of businesses under micro-business, small-business or medium-business with presumptive tax band ranging from ₦2,500 to ₦100,000 (Imo State Revenue (Consolidation) Law2020).	IMSIRS and FIRS	1870

8	Tax exemption of individuals earning National Minimum Wage or less	Provided that minimum tax under this Section or as provided for under the Sixth Schedule to this Act shall not apply to a person in any year of assessment where such person earns the National Minimum Wage or less from an employment.	2021	Section 37 of PITA 2004 (As amended by Section 30 of Finance Act 2020)	Continuously, subject to future amendments	Employed Individuals in all sectors	All States and FCT	**IMSIRS** for residents of Platea State; and **FIRS** for residents ofFCT, personnel of Armed Forces, External Affairs Ministry, and non- resident individuals	i. Individuals must be in the employmen t of an organisation under PAYE Scheme ii. Individuals must earn National Minimum Wage (₦30,000 per month) or less.	IMSIRS and FIRS	0
9	Returns not to be filed where individual income is ₦30,000 or less	Notwithstanding that a tax authority requires a taxable person to file a return containing the amount of his income for each year of assessment, no return of income shall be filed by a person whose only	2011	Section 43 of PITA 2004 (As amended in 2011).	Continuously, subject to future amendments	Employed Individuals in all sectors	All states and FCT	**IMSIRS** for residents of Imo State; and **FIRS** for residents of FCT, personnel of Armed Forces, External Affairs Ministry, and non- resident individuals	i. Individual only source of income in any year of assessment is employment ii. Individual earns ₦30,000 orless	IMSIRS and FIRS	0

IMO STATE INVENTORY OF INVESTMENT AND BUSINESS INCENTIVES (ISIIBI)

FISCAL INCENTIVES

Company Income Tax Incentives

Companies Income Tax Incentives

S/N	The Name or Title of Incentive Measure	Description of Incentive Benefits	Year Introduced	Legal Document/ Legal Reference Instrument	Duration/ Mode	Sector(s)	Federal or State Level	ImplementationAgency	Eligibility Criteria	Awarding Agency	Number of Entities Receiving Incentives
1	Bonus for early payment of CIT	A company is entitled to bonus on the amount of tax paid (which shall be available as credit against its future taxes), if it pays its CIT 90 days before due date as follows: (a) 2% bonus for medium-sized company; and (b) 1% bonus for any other company	2020	Section 77(5) of CITA 2004 (As amended by Section 18(c) of Finance Act 2019 and Section 15 of Finance Act 2021)	Continuously, subject to future amendments	Companies in all sectors	Federal	FIRS	i. A company must file returnsand provisional accounts as required in Section 55 of CITA. ii. A company must pay its tax90 days before due date as follows: - 6 months after the company's financial year end for existing companies - For a new company: 18 months from the date of incorporation or 6 monthsafter the first financial year end; and 8 months for self-assessment companies	FIRS	1702

	IMO FREE TRADE ZONE, NGOR OKPALA	The Imo State Government, in order to take advantage of the potentials of a Free Trade Zone and change the industrial landscape of the State accepted to develop one in the State. It's benefit was to reduce the overdependence of the Nigeria Economy on Petroleum, the need to diversify the revenue base of the State economy, employment generation and the encouragement of export through local production.	2006	Framework Agreement between Imo State Government and Nigeria Export Processing Zones Authority (NEPZA) in 2006	25 years	Companies in all sectors	Federal & All States	IMO STATE GOVERNMENT through The MINISTRY OF LANDS and NIGERIA EXPORT PROCESSING ZONES AUTHORITY (NEPZA).	Investor should be willing to invest up to One Billion Dollars ($1Billion) for land compensation and buildings of road, electricity and sewage infrastructure, purchase of Plants and machinery and secure a license to reoperate a Free Trade Zone under the name Imo Free Trade Zone, from Nigeria Export Processing Zones Authority (NEPZA).	IMSIRS and FIRS	14
2	Simplicity in the form of accounts in the tax returns	Notwithstanding anything contained in Section 55 of CITA 2004 (As amended), the Service may by notice specify the form of the accounts to be included in a tax return, instead of audited accounts specified in subsection (1)(a), in respect of small and medium companies as defined under this Act.	2021	Section 55(9) of CITA 2004 (As amended by Section 16(c) of Finance Act 2020 and Section 12 of the Finance Act 2021)	Continuously, subject to future amendments	Companies in all sectors	Federal	FIRS	i. The company must be a small company or medium company as defined by Section 105 of CITA 2004 (As amended by S. 22(c) ofFinance Act 2019)	FIRS	0
3	Instalment payment of CIT	A company is entitled to instalment payment of CIT within 6 months	2020	Section 77(4) of CITA 2004 (As amended by Section 18(b) of Finance Act 2019)	Continuously, subject to future amendments	Companies in all sectors	Federal	FIRS	i. A company must file returns under self-assessment ii. A company must make a request for monthly instalment payment to FIRS.	FIRS	0

									The request shall be		

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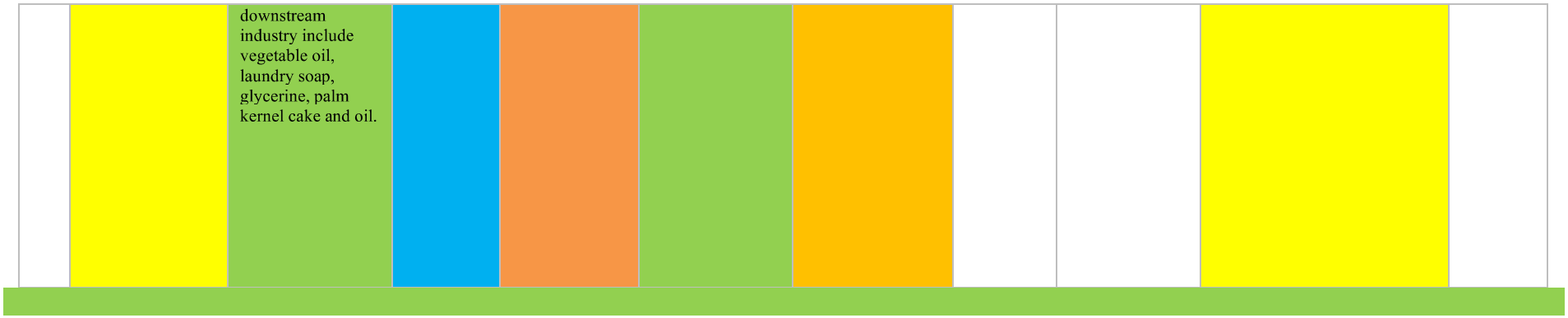
									accompanied with proof of payment of the first instalment into the bank iii. Monthly instalments should not exceed 6 months and shall expire after 30th of November within the year of assessment	
4	ADAPALM NIGERIA LIMITED	Tax exemption for the development and management of oil palm plantations, and their allied products, and mechanical processing of fresh fruit bunches at its mills complex at Ohaji Egbema. Presently, the company has 4,310 hectares of oil palm plantation planted between 1975 and 1978 while 20 hectares were planted in 1995. The products of the company are the Special Palm Oil (SPO) and Palm Kernel. In its expansion development programme, a downstream industry for further processing of special palm oil and palm kernel to increase the company's product line is planned. The products to be expected from the	2020	Section 23(1C)) of CITA 2004 (As amended by Section 9 of Finance Act 2019)	25 YEARS	Companies in all sectors	Imo State Government	IMO STATE GOVERNMENT through The MINISTRY OF AGRICULTURE AND NATURAL RESOURCES and	Investor should be willing to invest up to One Billion Dollars ($1Billion) for replanting of 500 hectares of overgrown palms, turn around maintenance of Ohaji Oil Palm Mill, provision of vehicles and tractors for maintenance of plantation and evacuation of fruits and completion of the second phase of the downstream industry to manufacture vegetable oil soap etc	IMO STATE INVESTMENT PROMOTION AGENCY


downstream industry include vegetable oil, laundry soap, glycerine, palm kernel cake and oil.