

## AKWA IBOM STATE INVESTMENT INCENTIVES INVENTORY

No.	The name or title of the incentive measure	Federal level / State Level	Description of Incentive Benefits	Eligibility or Qualification criteria (description)	Year Incentive Introduced	The name of the legal document / legal reference instrument	Incentive Duration	Sector	Implementing Agency * (this refers to agency administering any application process/approvals)	Awarding Agency or Authority in charge of allocation*
1.	Business Advisory and Promotions	State	Training and skills, networking opportunities, regulatory compliance, market research and strategic planning	New and existing businesses	2012	2012 Akwa Ibom Investment Corporation Law	Ongoing	All sectors	Akwa Ibom Investment Corporation	Akwa Ibom Investment Corporation
2.	Tax Holidays	Federal Level	Tax Holiday is granted to new Business/Investor	Pioneer status subject to satisfactory financial and operational performance	2021	Finance Act 2020	Initial year of Startup of Business for Medium and Small Investors for 4 years and extended for 2 additional years on satisfactory performance	All sectors	Federal Internal Revenue Services	Federal Internal Revenue Services
3.	Allocation of Land	State	Fast tracking the issuance of land titles to New Businesses with an investment of N200 Million and above	New Investors are eligible	2004	Akwa Ibom State Land Use Act	One-off	All Sectors	AKWAGIS	Ministry of Land and office of the Surveyor General
4.	Waiver on Annual Ground Rent	State	Waiver on annual ground rent to New Investors at initial stage	New Investor is eligible at the initial stage	2020	Akwa Ibom State-Land Use Act	One - Off	All Sectors	Office of the Executive Governor/ Ministry of Land and Office of the Surveyor General	Office of the Executive Governor/ Ministry of Land and Office of the Surveyor General
5.	Waiver on Processing Fee	State	Waiver on Processing Fee of land title based on Manufacturing, Agro-Allied and Infrastructure	All new Investment in Manufacturing, Agro-Allied and Infrastructure	2021	Akwa Ibom State-Land Use Act	One - Off	Manufacturing, Agro-Allied and Infrastructure	Akwa Ibom Geographic Information System (AKWAGIS)	Ministry of Lands and Office of the Surveyor General
6.	Tax exemption on proceeds re-invested	Federal Level	Gains accruing to unit holders in a trust in respect of disposal of securities, shall not be chargeable on tax provided the proceeds are re-invested	The proceed must be reinvested	2004	Section 33 CGTA	Financial Year	All sectors	Federal Inland Revenue Service	Nigerian Investment Promotion Commission

7.	Pioneer status incentive	Federal Level	The investment incentives available to industries in Nigeria as contained in the Industrial Development Income Tax Relief Act (IDITRA), which grants tax holidays to companies in the industries that meet the conditions for being designated "Pioneer Industries".	<p>The Criteria for granting Pioneer Status are:</p> <ol style="list-style-type: none"> <li>The goods and services are required in public interest;</li> <li>The industry must have favourable prospects of further development in Nigeria;</li> <li>The goods and services are in existence, but have not been developed to a state suitable for economic development;</li> <li>An applicant must make a new application in the first year of production/service and must apply for an extension not later than one month after the expiration of the initial tax relief period of three years or an extension of one year;</li> <li>An applicant must be engaged in an activity listed as a pioneer industry or pioneer product; and</li> </ol> <p>An applicant must provide evidence of all required legal and regulatory compliance documentation.</p>	2007	Industrial Development Income Tax Relief Act (IDITRA) 2007	3 years at initial and extension of 2 years on request	Manufacturing, Agro-Allied and Infrastructure	Federal Revenue Service Inland	Nigerian Investment Promotion Commission
8.	Rural Investment Allowance	Federal Level	In line with Section 34, Company Income Tax Act (CITA) provides 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 shall enjoy an additional allowance under the Second Schedule of CITA at the appropriate rate as follows: <ul style="list-style-type: none"> <li>No facilities at all 100%</li> <li>No water 30%</li> <li>No electricity 50%</li> <li>No tarred road 15%</li> </ul>	<ol style="list-style-type: none"> <li>The company must be located at least 20 kilometres away from such facilities provided by the government;</li> <li>Cannot be enjoyed if already enjoyed provision of Section 32: Reconstruction investment allowance;</li> <li>Allowance can only be applied against the profit of the year in which such investment (facility) was completed.</li> </ol>	2020	Section 34 CITA	Year of incurring Capital Expenditure	Manufacturing, Agro-Allied and Infrastructure	Federal Revenue Service Inland	Nigerian Investment Promotion Commission
9.	Exemption from paying tax by Small Business and 20% for medium companies	Federal Level	<ol style="list-style-type: none"> <li>Small Companies: Companies with less than N25 Million Turnover. Such Companies are exempted from paying tax, but they must keep filing returns.</li> <li>Medium Companies: Companies with Investment above N25 Million to N100 Million are paying tax at 20%.</li> </ol>	Must have annual turnover of less than N25 Million for Small Companies and above N25 Million to N100 Million for Medium Companies	2020	Finance Act 2020	When Annual Turn Over exceed N25 Million for Small Companies and Exceed	All sectors	Federal Revenue Service Inland	Nigerian Investment Promotion Commission

							N100 Million for Medium			
10.	Export Processing Zone/Free trade zones		<ul style="list-style-type: none"> <li>i. 3 years tax holiday</li> <li>ii. Repatriation of foreign capital in EPZ at anytime</li> <li>iii. Rent free land</li> <li>iv. No quotas on products from Nigeria exported to EU and USA.</li> <li>v. No import or export licence</li> <li>Unrestricted remittance of profit</li> </ul>	Filing of Income Tax and transfer pricing returns to FIRS	2015	NEPZA Act 1992	3 years	All sectors except oil and gas (upstream, midstream and upstream) industries	Federal Inland Revenue Service/	Free Zone Tax Authority