



EBONYI STATE GOVERNMENT OF NIGERIA

EBONYI STATE IMPROVED INVESTMENT PROMOTION ENVIRONMENT (INVESTMENT INCENTIVES INVENTORY)

SN	The name or title of the incentive	Description of Incentive Benefits	Year Incentive	The name of the legal document / legal reference instrument	Incentive Duration or Mode	Sector	Federal level / State Level	Implementing Agency or Competent	Eligibility or Qualification criteria (description)	Awarding Agency or Authority in charge of allocation
1	Zero Right of Way (ROW) charges	Every contractor with concession have right of way or easement in respect of any land and property near to bordering the project site or facility.	2019	Ebonyi State Investment Promotions, Investors' Protection, Concession and Regulatory Commission Law, 2019: Part VI, Section 43	Within the duration of the contract	Construction	State	Ebonyi State Ministry of Trade & Investment	Excerpt as Provided in the law, a non Nigerian may invest and participate in the operation of an enterprise in the State.	Ministry of Trade and Investment, Ebonyi State
2	Increase access to cheap funds by MSMEs in the State	Loan Disbursement to MSMEs in the State at a single digit (1% - 9%) interest rate	2020	Implementation Framework on Ebonyi State MSME support fund of 2020	Exemption with no time limit	Retail Services, Manufacturing /Production	State	Ebonyi State Ministry of Commerce & Industry	MSMEs involved in Agricultural Value Chain, Cottage Industry, Trading & Commerce, Artisans and Services	Ministry of Commerce & Industry
3	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 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 tarred 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]	Exemption with no time limit	All Sectors	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
4	Gas utilization: Investment allowance	For companies in gas utilization (downstream operations), an investment incentive of 100,000 (One Hundred Thousand Naira) is granted as part of the annual integrated revenue.	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] / Executive Order	Period of one year	Natural Gas	Federal / State	Federal Inland Revenue Service / Ebonyi State Internal 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 / Ebonyi State Internal Revenue Service
5	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 things that do not need to be refrigerated.	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
6	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
7	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

8	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; (e) Plants, machinery and equipment purchased for utilization in gas down-stream petroleum operations; and (f) Tractors, ploughs and agricultural equipment and implements purchased for agricultural purposes.	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	Agricultural Sector	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
9	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 institutions as part of learning; and 4. All exported services. 5. Tuition relating to the nursery, primary, secondary and tertiary education. 6. Airline transportation tickets issued and sold by commercial airlines registered in Nigeria. 7. Hire, rental or lease tractors, ploughs and other agricultural equipment for agricultural purposes.	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	Health, Finance, Education, Aviation and Agricultural Sectors	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 at the time the service is rendered, or the service is consumed in Nigeria or whether or not the legal or contractual obligation to render such service rests on a person within or outside Nigeria, or iii. The service is connected with existing immovable property (including the services of agents, experts, engineers, architects, valuers, etc.); where the property is located in Nigeria. iv. It can be inferred from information provided that the consumers usual place of residence is Nigeria,	Federal Inland Revenue Service
10	Exemption from paying tax by small businesses and 20% for medium companies	Small companies: Companies with less than 25m turnover such companies are exempted from paying tax but they must keep filing their returns. Medium Companies: Companies with investment above 25m to 100m are paying tax at 20%. This is to encourage investment in EBonyi State.	2020	Finance Act of 2020.	Exemption with no time limit	All Sectors	Federal/State	Federal Inland Revenue Service / Ebonyi State Internal Revenue Service	Must have annual turnover of less than 25m for small companies and above 25m for Medium Companies	Nigerian Investment Promotion Commission, Ebonyi State Ministry of Trade and Investment and Ebonyi State Internal Revenue Service
11	Domestic Preference on Public Procurement	Granting of margin of preference in the evaluation of tenders when comparing tenders from domestic bidders with those from foreign bidders or when comparing tenders from domestic suppliers offering goods manufactured locally with those offering goods manufactured abroad.	2020	Ebonyi State Law No: 016 of 2020 on Ebonyi State Public Procurement and Related Matters Section 40	Exemption with no time limit	All Sectors	State	Ministry of Finance and Economic Development and Governor's Office	The Domestic Bidder must be a Nigerian	Ministry of Finance and Economic Development and Governor's Office
12	Free Allocation of Lands to Private Investors	Free Land allocation to private investors for investment, development of infrastructure or services or utilities by Government through acquisition of land from private individuals, families, companies, local government areas, communities or villages	2019	Ebonyi State Law No: 002 of 2019 on Ebonyi State Investment Promotion, Investors Protection, Concession and regulatory Commission Law. Section 29, Sub-section 4	Exemption with no time limit	All Sectors	State	Ministry of Lands & Survey/ Ministry of Trade and Investment and Governor's Office	Private Investors	Ministry of Lands & Survey/ Ministry of Trade and Investment and Governor's Office