



CROSS RIVER STATE OF NIGERIA

LAW NO. 20 (2007)

A Law to make provisions for the Cross River State Tourism Development Levy and related matters.

Long title.

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Commencement.

BE IT ENACTED by the Cross River State House of Assembly as follows-

Enactment.

1. (1) Subject to the provisions of this Law, all persons making use of tourism and leisure services in the State shall pay a Tourism Development Levy, (in this Law referred to as the "Levy").

Establishment of the Tourism Development Levy.

(2) This Levy shall be used for the development and sustenance of tourism facilities and infrastructure in the State.

2. (1) From the commencement of this Law any person that utilizes the services of, or purchases products from, leisure and tourism enterprises in the State as specified in subsection (2) below, shall pay 5% of the gross value of services rendered or products purchased as Levy to the State Government.

Services to which this Law applies.

(2) The Enterprises to which this Levy applies shall include the following:

- (a) Hotels
- (b) Guest Houses
- (c) Lodges
- (d) Resorts and leisure parks
- (e) Tourism Camps
- (f) Travel Agents/Tour Operators

3. The enterprises listed in Section 2(2) above shall keep proper records of account in relation to all their transactions and make same available for inspection, on demand, by officials of the Board of Internal Revenue or such agents as may be authorized for that purpose.

Inspection of Records.

4. (1) It shall be the duty of the Cross River State Board of Internal Revenue, in this Law referred to as the "Board", to collect or appoint agents to collect the Levy, subject to the provisions of the Law.

Authority to collect the Levy.

(2) Unless otherwise prohibited by the Board, each enterprise to which this Law applies shall be an automatic agent of the Board for the collection of the Levy.

(3) The Board may, as it deems fit for the effective implementation of the Law, appoint some other person other than the proprietor of any particular enterprise, as agent for the collection of this Levy.

(4) All agents shall ensure that proceeds collected with regard to this Law are remitted to the designated bank account within seven days of collection.

5. For the efficient collection of the Levy and implementation of other provisions of this Law, the Board shall:

Modalities for collection and remittance of the Levy.

- (a) open and maintain a Tourism Development Levy account in the name of the State Government into which all sums due under this Law shall be paid. Expenditure from this account shall only be made upon the prior approval of the Governor;

- (b) keep proper records of the collection and remittance of the Levy by enterprises concerned or agents duly appointed by the Board for the collection of the Levy;
- (c) ensure that the enterprises, businesses or outfits remit all sums collected as Levy into the designated account within seven days from the date of collection;
- (d) direct the affected enterprises or businesses to reflect the Levy payable in their business receipts and financial records;
- (e) issue receipts and clearance certificates to appropriate enterprises, businesses or agents as evidence of collection and remittance of the Levy; and
- (f) regularly monitor the activities of the enterprises or agents to ensure strict compliance with the provisions of this Law.

Offences.

6. The following acts or omissions, by any enterprise to which this Law applies, or by a duly appointed agent, shall constitute offences with regard to this Law:

- (a) failure or refusal to collect the levy as specified under this Law;
- (b) failure to remit the sum collected as Levy or any part thereof to the designated account;
- (c) late remittance of Levy upon collection.
- (d) concealment or falsification of records with regards to the Levy or transactions to which this Law applies;
- (e) use of fake receipts with regard to transactions to which this Law applies;
- (f) collection of any sum as Levy above or below the appropriate sum calculated in accordance with the stipulations of the Law;
- (g) obstructing any official or agent duly appointed by the Board from carrying his lawful duties with regard to the enforcement of this Law; and
- (h) any other act or omission that constitutes a breach of the provisions of this Law.

Penalties.

7. (1) If any person contravenes the provisions of Section 6 of this Law, such a person shall be liable to the following penalties;

- (a) in the case of Subsections (a), (b) and (c) of Section 6, payment of an amount equal to the sum lost by government arising from the contravention of this Law, and a penalty of ten percent per day from the period this sum became due up to when the said sum is remitted to the designated bank account; and
- (b) in every other case, that is, Subsections (d – h), the offending person shall face criminal prosecution and shall be liable on conviction to a term of six months imprisonment or a fine equivalent to the sum lost by government arising from the

offence and in any case not less than one hundred thousand Naira (N100,000.00), or to both fine and imprisonment as the court may deem fit.

(2) Without prejudice to the provisions of subsection (1) (b) of this section, the Board shall have powers to publish in any of the National Newspapers the names of such offenders.

8 The Board shall, subject to the provisions of this Law, set out modalities for the efficient and effective implementation of this Law including the method of collection and remittance of the Levy and shall have power to make such regulations as it deems necessary in that regard. Power to make Regulations.

9. In this Law, unless the context otherwise requires: Interpretation.

"Board" means the Cross River State Board of Internal Revenue;

"Enterprises or Businesses" means enterprises providing tourism and leisure services as provided in this Law.

"Governor" means the Governor of Cross River State;

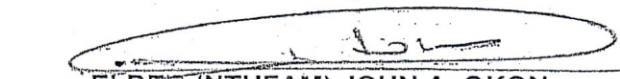
"Late remittance" means remittance after 7 working days.

"Levy" means the Tourism Development Levy; and

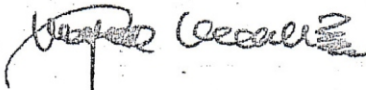
"State" means Cross River State.

10. This Law may be cited as the Cross River State Tourism Development Levy Law, 2007 and shall be deemed to have come into force on the ----- day of ----- 2007 Short Title/
Commencement

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


ELDER (NTUFAM) JOHN A. OKON
CLERK OF THE HOUSE

I assent


SENATOR LIYEL IMOKE
GOVERNOR
CROSS RIVER STATE

MADE at Calabar this 17th day of December 2007