

**EKITI STATE LAND USE CHARGE  
LAW.**

**NO. 3 OF 2013.**

**EKITI STATE OF NIGERIA**

# **EKITI STATE LAND USE CHARGE LAW.**

## Arrangement of Sections.

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Schedule 1

Schedule 2

**A LAW TO MAKE PROVISION FOR THE CONSOLIDATION OF ALL LAND  
BASED RATES AND CHARGES PAYABLE IN EKITI STATE UNDER THE  
LAND RATES LAW, THE NEIGHBOURHOOD IMPROVEMENT CHARGE LAW  
AND THE TENEMENT RATES LAW INTO A SINGLE CHARGE TO BE  
CALLED LAND USE CHARGE, TO MAKE PROVISION FOR THE LEVYING  
AND COLLECTION OF THE CHARGE AND FOR CONNECTED PURPOSES.**

**NO. 3 OF 2013.**

**EKITI STATE OF NIGERIA.**

**Commencement { }**

**ENACTED BY EKITI STATE HOUSE OF ASSEMBLY AS FOLLOWS:**

**Imposition of Land Use Charge.**

1. (1) Subject to the provisions of this Law, there is hereby imposed a land based charge to be called Land Use Charge which shall be payable on all real properties situated in Ekiti State.
- (2) For the purposes of this Law, each Local Government Council in the State is empowered to levy and collect Land Use Charge in its area of jurisdiction and remit same according to Section 20 of this Law.
- (3) Each collecting authority may delegate to a Central Collection Agency, by written agreement, its functions with respect to the assessment of privately-owned houses or tenements for the purpose of levying rates and collecting due charges as prescribed by this Law.

**Property liable to charge.**

2. Land Use Charge shall be payable in respect of any property which has been assessed for the purpose, except those that are exempted under Section 7 of this Law.

### **Property Assessment.**

3. (1) Where the assessment and collection of Land Use Charge has been delegated in accordance with Section 1(3) above, a Governor's appointee who is an Executive Council member shall undertake or cause to be undertaken an assessment of chargeable properties in such areas of the State as the Governor may direct.
- (2) For the purpose of subsection (1), the Governor's appointee may appoint such property identification officers, qualified assessors and other persons as he considers necessary.
- (3) For the purpose of carrying out the identification or assessment of a property, the identification officers or assessors or their authorized assistants may, on any day excluding Sundays between the hours of 7.00 a.m. and 5.00 p.m.-
  - (a) enter, inspect, survey and assess the property;
  - (b) request documents or other information to be produced to the identification officer or assessor;
  - (c) take photographs; and
  - (d) make copies of such documents as they consider necessary for the inspection.

### **Persons liable to pay Charge.**

4. The owner of an assessed property is liable to pay Land Use Charge in respect of the property.

### **Valuation and Assessment.**

5. (1) The formula to be used in determining the annual amount of the Land Use Charge payable for any property under this Law is as stipulated in the First Schedule to this Law.

- (2) The charge rates for the financial year in which this Law comes into force are as indicated in the Second Schedule hereto and it shall take effect upon the commencement of this Law.
- (3) The annual charge rates shall be set by a Governor's appointee at the commencement of each financial year, and shall be published in the State Government Official Gazette and in one or more newspapers circulating within the State.
- (4) The values of the Property Code Rate shall be set by the Governor's appointee on the date when this Law comes into force and shall, from time to time, be revised by him, subject to the approval of the State Executive Council.

#### **Payment of Charge.**

6. A person liable to pay Land Use Charge shall pay at any of the designated banks listed in the Land Use Charge Demand Notice.

#### **Exemption from Property Charge.**

7. (1) The following properties shall be exempted from payment of Land Use Charge -
  - (a) a property owned and occupied by a religious body and purposely built and approved exclusively for public worship or religious education;
  - (b) Public cemeteries and burial grounds;
  - (c) a recognized and registered institution of educational or vocational studies certified by a Governor's appointee who is an Executive Council member to be non-profit making;
  - (d) Public libraries;
  - (e) all official palaces of recognized Obas and Chiefs in the State; and

- (f) any property specifically exempted by the Governor of Ekiti State by notice published in the State Government Official Gazette;
- (2) The Governor's appointee in Section 3(1) may, by notice published in the State Government Official Gazette, grant partial relief for a property that is -
  - (a) occupied by a non-profit making organization and used solely for community games, sports, athletics or recreation for the benefit of the general public; or
  - (b) used for a charitable or benevolent purpose for the benefit of the general public.
- (3) A property exempted from Land Use Charge may be liable to tenement rate and other land charges or levies as stipulated in other applicable Laws of Ekiti State.

#### **Loss of Exemption.**

- 8. (1) An exempted property or part of an exempted property shall become liable to Land Use Charge if -
  - (a) the use of the property changes to one that does not qualify for the exemption, or
  - (b) the ownership or occupation of the property passes to anyone who does not qualify for the exemption.
- (2) If the Land Use Charge status of a property changes, Land Use charge imposed in respect of that property shall be pro-rated so that the Charge is payable only for that part of the year during which the property, or part of it is not exempted.

#### **Establishment and Composition of the Sharing Committee.**

- 9. There shall be established a Sharing Committee whose composition shall be as follows:-

- (a) The Commissioner for Finance who shall be the Chairman;
- (b) Four (4) members of the State Executive Council;
- (c) Three (3) representatives of Local Government Chairmen, one chosen from each Senatorial District in the State;
- (d) A Civil Servant not below the level of a Director from the Bureau of Lands, who shall act as the Secretary

### **Land Use Charge Demand Notice.**

- 10.(1) The Governor's appointee as in section 3(1) 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 this Law.
- (2) The Land Use Charge Demand Notice shall be delivered to the owner, occupier or agent in charge of an assessed property.
- (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 assessed 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 within thirty (30) calendar days after the date of delivery of the notice pay the amount indicated at one of the banks specified in the Demand Notice.
- (5) The Governor's appointee in section 3(1) may reduce the amount of Land Use Charge payable by such discount as is specified in the demand notice, if the owner pays within fifteen (15) days of receiving the demand notice.

### **Power to Appoint Agent.**

- 11. (1) The Collecting Authority may by notice in writing appoint any person including any occupier of chargeable property to be an agent of the owner for the purposes of this Law.



- (2) Any person appointed under sub-section 1 above may be required to pay the Land Use Charge which is or will be payable by the owner from any moneys which may be held by him for or due by or to become due by him to the owner whose agent he has been declared to be and in default of such payment the charges shall be recoverable from the agent.
- (3) For the purposes of this section, the Collecting Authority may require any person to give information as to any money, fund or other asset which may be held by him for, or of any money due by him to any person.
- (4) Where Land Use Charge Demand Notice has been served on any occupier or other person found on the assessed property who is not the owner thereof, such person is deemed to have been duly appointed as agent of the owner and to be liable to pay the Charge on behalf of the owner unless he supplies the Collecting Authority with the full names and current address of the owner within ten (10) days of receiving the demand notice.

#### **Indemnification of Agent.**

12. Every person liable under this Law for the payment of Land Use Charge on behalf of an owner may retain out of any money coming into his hands on behalf of or becoming due from him to the owner as may be sufficient to pay the charge, and shall be indemnified against any person for all payments made by him under this Law.

#### **Revision in the case of objection.**

13. (1) If a person disputes the valuation of his property and the assessed Land Use Charge as indicated on the Demand Notice served on him, such person may apply to the Collecting Authority by notice of objection in writing, to review and to revise the assessment, and the application shall state precisely the grounds of objection to the assessment and shall be made within ten (10) days from the date of service of the notice of assessment.

- (2) On receipt of the notice of objection, the Collecting Authority may require the person giving that notice to furnish such particulars and to produce such books or other documents as the Collecting Authority may deem necessary, and may summon any person who may be able to give information which is material to the determination of the objection to attend for examination by an officer of the Authority on oath or otherwise.
- (3) If a person who has objected to an assessment agrees with the relevant tax authority as to the valuation of his property or the amount of Land Use Charge payable, the agreed assessment shall be served on the person.

Provided that if an applicant for revision under the provision of this subsection fails to agree with the Collecting Authority, the Authority shall give notice of refusal to amend as desired by the applicant and may revise the valuation or assessment to such amount as the Authority may, according to the best of its judgment, determine and give notice of the revised valuation or assessment and of the Land Use Charge payable together with notice of refusal to amend the revised valuation or assessment.

#### **Errors and Defects in Assessment and Notice.**

14. No assessment, warrant, notice or other proceeding purporting to be made in accordance with the provisions of this Law shall be quashed, or deemed to be void or voidable for want of form, or be affected by reason of a mistake, defect, or omission therein, if the same is in substance and effect in conformity with or according to the intent and meaning of this Law and if the person assessed or intended to be assessed or affected thereby is designated therein to common intent and understanding.

#### **Assessment Appeal Tribunal.**

15. (1) The Governor shall establish an Assessment Appeal Tribunal which shall consist of not more than eleven members.
- (2) The Governor shall appoint one of the members of the Tribunal as its Chairman provided that the member to be appointed shall be a Legal

Practitioner of not less than ten years standing in the profession or a retired judicial officer.

- (3) A minimum of seven members including the Chairman shall constitute a quorum of panel of the Tribunal.
- (4) Members of the Tribunal shall 'hold office for such period as may be prescribed by the Governor and shall be paid such allowances as the Governor may, from time to time, determine.
- (5) In the absence of the Chairman, a member of the panel shall be nominated to preside over the meeting.

### **Power of Assessment Appeal Tribunal.**

16. The Assessment Appeal Tribunal may -
  - (a) by summons, require the attendance of any person, examine him 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 fines against appellants if the members of the Tribunal consider that the appeal before them is of a frivolous nature and such fine shall not exceed 25% of payable charge.

### **Appeal against Assessment.**

17. (1) A person may appeal to the Tribunal if such person is aggrieved by -
  - (a) a decision that his property is chargeable under this Law;
  - (b) the classification of his property;
  - (c) the valuation of his property; or

- (d) the calculation of the amount of Land Use Charge payable and the Tribunal shall make such decision as it deems fit having regard to the evidence before it.
- (2) The time allowed for an appeal to the Tribunal shall be ten (10) days after the date of delivery of the notice of refusal to amend under Section 13(3) of this Law.
- (3) The onus of proving an excessive assessment of a property shall lie on the owner.
- (4) A person giving evidence before the Tribunal shall, in respect of any evidence given by him or any document he is required to produce, be entitled to all the privileges to which a witness in a trial before a Magistrate Court is entitled.
- (5) In respect of the compulsion of witnesses, the Assessment Appeal Tribunal shall have the same power as that of a Magistrate Court
- (6) The Assessment Appeal Tribunal may confirm, reduce, increase or annul the assessed value.
- (7) An appeal from a decision of the Assessment Appeal Tribunal may be made to the High Court of Ekiti State.

#### **Conditions of Appeal.**

18. An appeal shall not lie to the Assessment Appeal Tribunal unless-
- (a) notice is given in the prescribed manner to the Governor's appointee in Section 3(1);
  - (b) the prescribed fee is paid to the Assessment Appeal Tribunal;
  - (c) in the case of a person aggrieved with his property assessment-
    - (i) 40% of the amount of the assessed Land Use Charge being disputed is deposited directly into the State Government Assessment Appeal Account which shall be maintained by a Governor's appointee who is an Executive Council member at a designated bank;

- (ii) the appellant has produced to the Tribunal the receipt for the payment of the amount from the bank and such receipt has been confirmed by a Governor's appointee who is an Executive Council member as valid.

**Assessment to be final and Conclusive.**

19. Where no valid objection or appeal has been lodged within the time stipulated by Section 17(2) of this Law or where due notice has not been given of a further appeal against a decision of the Appeal Tribunal or a Judge, as the case may be, an assessment as made or agreed to under the provisions of section 13 of this Law or determined under the provisions of that subsection or on appeal, as the case may be, shall be final and conclusive for all purposes of the Law as regards classification of the property, the amounts of the assessed value, the applicable rate and the Land Use Charge due and payable on the property.

**Land Use Charge Collection Fund.**

20. (1) The Commissioner for Finance shall establish and maintain a fund to be known as the Land Use Charge Collection Fund, consisting of all Land Use Charge payments deposited in all the designated banks in accordance with this Law.
- (2) At the beginning of each month, the Commissioner for Finance shall determine the total amount of Land Use Charge payments on deposit in the designated banks.
- (3) The Commissioner for Finance shall, not later than ten (10) days after the beginning of each month, pay to each Local Government Council in the State a share of the Land Use Charge Collection Fund.
- (4) The share to be paid by the Commissioner for Finance to each Local Government Council shall be such percentage of the Net Land Use Charge on deposit at the end of each month as agreed between the

State and all the participating Local Government Councils.

**Recovery of Charge Owning.**

21. The Governor's appointee in Section 3(1) may apply to a Court to -
- (a) recover sums payable under this Law;
  - (b) recover from the estate of a deceased person any Land Use Charge or penalty incurred under this Law by the deceased person prior to his death;
  - (c) attach a person's earnings and/or goods where a Court has made a liability order against that person.

**Non-Compliance with the Law, Obstruction of Officials and Damage to Property Identification Plaques.**

22. Any person who -
- (a) refuses or neglects to comply with any provision of this Law when required to do so by the Collecting Authority.
  - (b) prevents, hinders, or obstructs any property identification officer or an assessor in the course of his lawful duty; or
  - (c) removes from or 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 One Hundred Thousand Naira only (₦100,000.00) or to a term of imprisonment of three (3) months or both fine and imprisonment.

**Penalty for Misrepresentation.**

23. Any person who misrepresents or assists any other person to misrepresent in any way his or that other person's chargeable capacity or property value commits an offence and shall be liable on conviction to a maximum fine of

One Hundred Thousand Naira only (₦100,000.00) or to a term of imprisonment of three (3) months or both fine and imprisonment.

**Other Penalties.**

24. (1) Where a person who has received a Land Use Charge Demand Notice fails to pay the amount within the period specified in the notice, the charge payable shall be increased as follows:
- (a) between 45 calendar days and 75 calendar days - 15%
  - (b) between 75 calendar days and 105 calendar days - 25%
  - (c) between 105 calendar days and 135 calendar days - 40%
- (2) If payment is not made after 135 calendar days, the property on which the Land Use Charge is due shall be liable to receivership by the State or its appointed agent pending the recovery of all outstanding taxes, penalties and administrative charges on the order of a competent court of law.

Provided that

- (i) the receivership shall only be in respect of property on which Land Use Charge is outstanding and shall not affect other properties or business undertaking of the defaulter;
  - (ii) the owner is entitled at any time to apply to a Governor's appointee as in section 3(1) for a release of the property and other moneys accruing to him upon payment of the outstanding taxes, penalties and administrative charges; and
  - (iii) where rights and/or liabilities have been created under the receivership in order to generate income necessary to effect the payment of outstanding taxes, penalties and administrative charges, the owner shall assume all such rights and/or liabilities.
- (3) Whenever property comes under receivership as provided in subsection (2), such property shall be advertised as being under receivership in at least one national newspaper.

### **Regulations prescribing Procedure.**

25. Subject to the approval of the Ekiti State House of Assembly, a Governor's appointee in Section 3(1) may make regulations generally for carrying into effect the purposes of this Law.

### **Application of other Laws.**

26. On and from the date when Land Use Charge is levied on a property in accordance with this Law, the provisions of the Assessment Law, Land Rates Law, Neighbourhood Improvement Charge Law and Tenement Rates Law and any amendments made pursuant thereto shall cease to apply to that property.

### **Interpretations.**

27. In this Law -

**"Assessment Appeal Tribunal"** means the Assessment Appeal Tribunal established under Section 15 of this Law.

**"Building"** includes anything constructed or placed on, in, over or under land but does not include a highway or 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 his appointed successors-in-title, assigns, executors and administrators;

**"Commissioner for Finance"** means Commissioner for Finance, Ekiti State;

**"Collecting Authority"** means the Authority set up by a Governor's appointee who is an Executive Council member to assess, collect and administer Land Use Charge in accordance with the instrument of delegation executed pursuant to Section 1 (3) of this Law;



**"Designated Bank"** means a company carrying out banking activities as provided for under the Law and listed by a Governor's appointee who is an Executive Council member as a bank that may collect on behalf of the Government any Land Use Charge payable under this Law;

**"Executive Council"** means Executive Council, Ekiti State;

**"Exempted property"** means any property of a class described under Section 7 of this Law;

**"Financial year"** means any period of twelve (12) months beginning from January 1 and ending on the subsequent December 31;

**"Governor"** means the Governor of Ekiti State;

**"Governor's appointee"** means an Executive Council Member, Ekiti State;

**"Improvement to a property"** means a building, structure, fixture or fence erected on or affixed to land, or a moveable structure that is designed to be occupied for residential or business purposes whether or not affixed to the land;

**"Net Land Use Charge"** means the actual amount of Land Use Charge collected and deposited with respect to the properties in a Local Government Area, less the cost of collecting that charge and less fees payable to designated banks for the deposit or withdrawal of Land Use Charge payments.

**"Occupier"** in relation to a property, shall include not only the person in actual occupation of the whole or part of such property but any person in beneficial occupation, whether or not for pecuniary benefit and does not include a lodger;

**"Owner"** in relation to any property shall include the person for the time being receiving the rent or other benefit of the property, whether on his own 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 State grant whether under a lease, license or other arrangement;

**"Receiver"** means any person or company appointed by the High Court of Ekiti State to recover outstanding taxes, penalties and administrative charges on an assessed property under this Law and does not include a company receiver;

**"Real property"** includes -

- (i) a parcel of land;
- (ii) an improvement on the land;
- (iii) a parcel of land and improvement; or
- (iv) a wharf or pier.

**"State"** means Ekiti State Government;

**"Structure"** means a building or other thing erected or placed in, on, over or under land whether or not it is affixed to the land;

**Citation.**

28. This Law may be cited as the Ekiti State Land Use Charge Law, 2013

## **SCHEDULE 1**

### **(Section 5(1) )**

Formula for determining the annual amount of Land Use Charge payable under this Law:

$$\text{LUC} = \text{M} \times [(\text{LA} \times \text{LV}) + (\text{SA} \times \text{SV} \times \text{PCR})]$$

Where

LUC = annual amount of Land Use Charge in Naira.

M= The annual charge rate expressed as a percentage of the assessed value of the property and which may, at the State Government's discretion, vary between owner occupied residential property and commercial (revenue generating) property.

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

LV = the average value of a land parcel in the neighbourhood, per square metre in Naira.

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

SV = the average value of medium quality buildings in the neighbourhood, per square metre in Naira.

PCR = the Property Code Rate for the building and which accounts for the building being of higher or lower value than the average buildings in the neighbourhood and which also accounts for the degree of completion of construction of the building.

$(\text{LA} \times \text{LV}) + (\text{SA} \times \text{SV} \times \text{PCR})$  = the assessed value of the property.

## **SCHEDULE 2**

### **(Section 5(2))**

Charge Rates for the financial year commencing from year 2013.

Commercial Property                      0.375%

Residential Property (commercial)   0.125%

Industrial Premises of Manufacturing concerns                      0.125%

Owner Occupied Residential Property                                      0.037%

Owner Occupied Pensioner's Property                                      Exempted

Family Compounds    Exempted

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

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**MR. TOLA ESAN**  
*Ag. Clerk of the House of Assembly*

.....

**Rt. Hon. (Dr.) Adewale A. Omirin**  
*Speaker of the House*

**Governor's Assent**

**I hereby signify my assent to this Bill**

**DR. KAYODE FAYEMI**  
**Executive Governor of Ekiti State**

**MADE AT ADO EKITI THIS ..... DAY OF .....2013**