

LEAD DEBATE ON A BILL FOR AN ACT TO AMEND THE FINANCE ACT, 2020 (SB. 397)

Sponsor: Sen. Abdullahi, Yahaya Abubakar (*Kebbi North-Senate Leader*).

Mr. President, my highly respected colleagues permit me to lead the debates on this very important bill titled the Finance Bill, 2020.

The Bill was read for the First Time in this Hallowed Chamber on Wednesday, 11TH March, 2020.

This Bill seeks to amend the Finance Act, 2019 as recently passed by the National Assembly.

This Bill is to amongst other things, amend certain tax provisions of the Finance Act 2019 and other relevant tax statutes to make them more responsive to the tax reform policies of the Federal Government, to enhance their implementation and effectiveness.

The areas of the amendment Includes:

- i. To further amend the recent amendments to section 23 of the Companies Income tax Act pursuant to the section 9 of the Finance Act, 2019 to make certain clarifications regarding the newly introduced tax incentives for Agricultural production, which for administrative convenience may be better provided for under the Industrial Development (Income tax relief) Act.
- ii. To provide clarifications regarding the administrative effective date for the commencement of the increase in Value Added Tax from 5% to 7.5%.
- iii. This Bill also provide greater clarity regarding the definition of Basic Food Items exempted from Value Added Tax.
- iv. The Bill seeks to amend Sections 1 and 25 of the Industrial Development (Income tax relief) Act to make certain clarifications regarding the newly introduced tax incentives for Agricultural production.

Mr. President, Distinguished Colleagues, I believe that this Bill is tailored to meet the critical needs of this country at this point of our democratic

evolution and economic situation. All these are targeted at making Nigeria move to the next desired level of economic and social development.

I therefore urge you all my Distinguished Colleagues to support the Second Reading of this Bill and committal to the relevant Committee for detailed consideration.

Thank you.