

Federal Republic of Nigeria

Companies Income Tax Act

19. (1) There shall be exempt from the tax-

(c) the profits of any company engaged in ecclesiastical, charitable or educational activities of a public character in so far as such profits are not derived from a trade or business carried on by such company

(d) the profits of any company formed for the purpose of promoting sporting activities where such profits are wholly expendable for such purpose, subject to such conditions as the Board may prescribe;

(2) The National Council of Ministers may exempt by order

(a) any company or class of companies from all or any of the provisions of this Act; or

(b) from tax all or any profits of any company or class of companies from any source, on any ground which appears to it sufficient

21. (1) Subject to the provisions of this section and notwithstanding anything contained in section 20 of this Act, or the purpose of ascertaining the profits or loss of any company for any period from any source chargeable with tax under this Act, there shall be deducted the amount of any donation made for that period by that company to any fund, body or institution in Nigeria to which this section applies.

(2) Without prejudice to section 23 of this Act, it is hereby declared for the avoidance of doubt that the provisions of subsection (1) of this section shall have effect if, but only if, the donations are made out of the profits of the company, and are not expenditure of a capital nature.

(3) Except to such extent (if any) as the National Council of Ministers may by order in the *Federal Gazette* otherwise direct, any deduction to be allowed to any company, under subsection (1) of this section, for any year of assessment shall not exceed an amount which is equal to ten *per cent* of the total profits of that company for that year as ascertained before any deduction is made under this section.

(4) There shall be excluded from the sum allowable as a deduction under this section, any outgoings and expenses which are allowable as deductions under section 20 of this Act.

(5) This section shall apply to-

(a) the public funds;

(b) the statutory bodies and institutions;

(c) the ecclesiastical, charitable, benevolent, educational and scientific institutions, established in Nigeria, which are specified in the Fifth Schedule to this Act.

(6) The Minister may by order in the *Federal Gazette* amend the said Schedule in any manner whatsoever:

Provided that no fund, body or institution shall be added to that Schedule, in exercise of the powers conferred under the foregoing provisions of this subsection, unless the fund is a public fund established in Nigeria, or the body or institution is a statutory body or institution, or is a body or institution of a public character, established in Nigeria.

(7) In this section references to donations made by a company do not include references to any payments made by the company for valuable consideration.

84. (1) In this Act, unless the context otherwise requires- "Board" means the Federal Board of Inland Revenue referred to in section 1 of this Act;

(a) "Company " means any company or corporation (other than a corporation sole) established by or under any law in force in Nigeria or elsewhere;

FIFTH SCHEDULE
BONDS, BODIES AND INSTITUTIONS IN NIGERIA TO WHICH DONATIONS MAY
BE MADE UNDER SECTION 21 OF THIS ACT

1. The Boys Bridge of Nigeria.
2. The Boys Scouts of Nigeria.
3. The Christian Council of Nigeria.
4. The Cocoa Research Institute of Nigeria.
5. Any educational institution affiliated under any law with any university in Nigeria, or established under any law in Nigeria and any other educational institution recognized by any Government in Nigeria.
6. The Girl Guides of Nigeria.
7. Any hospital owned by the Government of the Federation or of a State or any University Teaching Hospital or any hospital which is carried on by a society or association otherwise than for the purpose of profits or gains to the individual members of that society or association.
8. The Institute of Medical Laboratory Technology.
9. The National Commission for Rehabilitation.
10. The National Library.
11. The Nigerian Council for Medical Research.
12. The National Science and Technology Development Agency.
13. The Nigerian Institute for International Affairs.
14. The Nigerian Institute for Oil Palm Research.
15. The Nigerian Institute for Trypanosomiasis Research.
16. The Nigerian Museum.
17. The Nigerian Red Cross.
18. A public fund established and maintained for providing money for the construction or maintenance of a public memorial relating to the civil war in Nigeria which ended on 15th January, 1970.
19. A public institution or public fund (including the Armed Forces Comfort Fund) established or maintained for the comfort, recreation or welfare of members of the Nigerian Army, Navy or Air Force.
20. A public fund established and maintained exclusively for providing money for the acquisition, construction, maintenance or equipment of a building used or to be used as a school or college by the Government of the Federation or a State or by a public authority or by a society or association which is carried on otherwise than for the purpose of profit or gain to the individual members of that society or association.
21. The National Youth Council of Nigeria.
22. National Sports Commission and its State Associations.
23. The Nigerian Society for the Deaf and Dumb.
24. The Society for the Blind.
25. The Nigerian National Advisory Council for the Blind.
26. Associations or Societies for the Blind in Nigeria.
27. Training Centres and Residential Schools for the Blind in Nigeria.
28. The National Braille Library of Nigeria.

29. The Nigerian Youth Trust.
30. Van Leer Nigerian Educational Trust.
31. Southern Africa Relief Fund.
32. Islamic Education Trust.
33. The Institute of Chartered Accountants of Nigeria Building Fund.
34. Any public fund established or approved by the Government of the Federation or established by any of the State Governments in aid of or for the relief of drought or any other national disaster in any part of the Federation.