

**A LAW TO PROVIDE FOR THE CONSOLIDATION OF
PROPERTY AND LAND BASED CHARGES AND MAKE PROVISIONS
FOR THE LEVYING AND COLLECTION OF LAND USE CHARGE IN
LAGOS STATE AND FOR CONNECTED PURPOSES.**



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A LAW TO PROVIDE FOR THE CONSOLIDATION OF PROPERTY AND LAND BASED CHARGES AND MAKE PROVISIONS FOR THE LEVYING AND COLLECTION OF LAND USE CHARGE IN LAGOS STATE AND FOR CONNECTED PURPOSES.

commencement (.....)

THE LAGOS STATE HOUSE OF ASSEMBLY enacts as follows:

1. In this Law -

Interpretation.

“Annual Charge Rate” means the percentage of the assessed value of the Property over a period of twelve (12) months;

“Assessment Appeal Tribunal(s)” means the Assessment Appeal Tribunal(s) established under Section 17 of this Law;

“Building” includes any improvement or anything constructed, placed on, or over land but does not include a highway, 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 the person’s successors-in-title, assigns, legal representatives, executors or administrators;

“Chargeable Property” means any Property in respect of which Land Use Charge is payable;

“Commercial Property” means any Property that generates revenue;

“Commissioner” means Commissioner for Finance or such other member of the State Executive Council for the time being in charge of Finance;

“Designated Bank” means a financial institution licenced by the Central Bank of Nigeria to carry out banking activities as provided

for under the provisions of this Law and listed as a bank that may collect on behalf of the Government any Land Use Charge payable under this Law;

“Exempted Property” means any Property of a class described under Section 12;

“Financial Year” means a period of twelve (12) months beginning from the 1st of January and ending on the 31st of December;

“Governor” means the Governor of Lagos State;

“High Court” means the High Court of Lagos State;

“House” means Lagos State House of Assembly;

“Improvement to Property” includes a building, structure, fixture or fence erected on or affixed to land, or a movable structure that is designed to be occupied for residential or business purposes whether or not affixed to the Land;

“Land Use Charge” includes all Property and Land Based Rates and Charges payable under the Land Rates Law, the Neighbourhood Improvement Charge Law and Tenement Rates as may now be computed on the basis of the Schedule to this Law;

“Local Government Area” includes Local Council Development Area;

“Lodger” means a person who is given occupation of part of a house in return for rent where the premises remain under the control of the Owner. A Lodger normally has a mere “licence” rather than a tenancy;

“Market Value” means the total sum of Land Value and Building Development;

“Occupier” in relation to a Property, shall include a person whether lawfully or unlawfully in actual occupation of the whole or part of such Property and any person with a right to actual or beneficial occupation or mandated to occupy the land by a person with such right, whether solely or concurrently with other persons, although this does not mean it must be of pecuniary benefit but does not include a lodger;

“Owner” in relation to any Property shall include the person for the time being receiving the proceeds in connection with which the word is used, whether on the owner’s 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 Property direct from the State whether under lease, licence or otherwise and

will include the estate of a deceased holder of a right of occupancy, whether expressly granted by the Governor or otherwise, and shall include every assignee from a holder;

“Property” includes –

- (i) a building;
- (ii) any improvement on land;
- (iii) a parcel of land, whether or not reclaimed, waterlogged or otherwise;
- (iv) a parcel of land and any building or improvement; a wharf or pier; and
- (v) leasehold of up to ten (10) years;

“Pensioner” means a person who retires from a pensionable office in the State;

“State” means Lagos State of Nigeria;

“Structure” includes a building or any other thing erected or placed on land whether or not it is affixed to the land; and

“Tenement Rate” means a tax charge on a rented property payable to a Local Government Area.

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| <p>2. (1) Subject to the provisions of this Law, there is imposed a land based charge, which shall be payable on all real properties situate in the State.</p> <p>(2) For the purpose of this Law, each Local Government Area in the State shall be the Collecting Authority and it shall be the only body empowered to levy and collect Tenement Rates for its area of jurisdiction.</p> | <p>Land Use Charge.</p> |
| <p>✓ 3. Each Collecting Authority may delegate to the State, by a written agreement, its functions with respect to the assessment of privately owned houses or tenement for the purpose of levying and collection of such rate as may be prescribed under this Law.</p> | <p>Power to Delegate levying and collection of Tenement Rates.</p> |
| <p>✓ 4. Land Use Charge shall be payable in respect of any property that is not exempted under Section 12 of this Law.</p> | <p>Property Liabte to Charge.</p> |
| <p>5. (1) The Commissioner shall undertake or cause to be undertaken an assessment of chargeable properties in such areas of the State as the Commissioner may designate.</p> <p>(2) For the purpose of subsection (1), the Commissioner may appoint such Property Identification Officers, Professional Valuers and other persons as may be considered necessary for the purpose of carrying into effect the provisions of this Law.</p> | <p>Identification or Assessment of a Property.</p> |

Appointment of Consultants.	6.	<p>(1) The Commissioner may appoint consultants to carry out property assessments and levying of the Land Use Charge for the purpose of carrying into effect the provisions of this Law.</p> <p>(2) The number of consultants to be appointed under subsection (1) of this Section shall not be less than six (6).</p> <p>(3) The Agreement entered into with the consultant(s) so appointed shall be subject to the ratification of the House.</p>
Registration of valuers and Consultants.	7.	<p>(1) All property valuers and consultants appointed in accordance with Sections 5 and 6 shall register with the Lagos State Valuation Office.</p> <p>(2) The valuer so appointed shall submit its evaluation report to the Lagos State Valuation Office.</p>
Power to enter	8.	<p>For the purpose of carrying out the identification assessment of a Property, a duly authorised officer may, on any day between the hours of 7:00 am and 5:00 pm -</p> <ul style="list-style-type: none"> (a) enter, inspect, survey and assess the Property; (b) request for documents or other information to be produced; (c) take photographs; and (d) make copies of necessary documents.
Persons Liable to Pay Charge.	9.	<p>(1) The owner of a property or occupier of a lease of less than ten (10) years is liable to pay Land Use Charge in respect of a taxable property.</p> <p>(2) The Occupier holding a lease of ten (10) years and above is liable to pay Land Use Charge in respect of any taxable Property.</p>
Value of Land Use Charge.	10.	<p>(1) As from the commencement of this law, the annual amount of the Land Use Charge payable on any Property shall be arrived at, by multiplying the Market Value of the Property by the applicable Relief Rate and Annual Charge Rate using the prescribed formulae outlined below and more particularly described in the Schedule to this Law-</p> <p>$(\text{Land Value} + \text{Building Developments Value}) \times \text{Relief Rate} \times \text{Charge Rate}.$</p> <p>(2) The land value and building value rates constituting the Market Value of the Property shall be reviewed at least once every five (5) years on the basis of information available to professional valuers and consultants and may vary from area to area. Pending such</p>

periodic reviews, the land value rates and building value rates may be set to rise in line with the rate of inflation as may be determined by the Commissioner.

(3) The Relief Rate shall be set by the Commissioner and may be subject to review and published in the State Official Gazette which may vary from person to person or area to area and may reflect one or more factors including but not limited to -

- (a) status of the Owner (the age and retirement);
- (b) depreciation Rate of the property;
- (c) whether or not the Owner is physically challenged;
- (d) the length of time for which an Owner has been resident in the Property in question; and
- (e) the speed and efficiency with which the Owner pays the Land Use Charge.

(4) The value of the annual charge rate for the financial year in which the Law comes into force, and in each subsequent financial year shall be set by the Commissioner, subject to the approval of the House and shall be published in the State Official Gazette and in one or more newspapers circulating within the State.

(5) The Commissioner may make regulations providing for self-billing and electronic payment of the Land Use Charge by Owners, subject to the Regulations Approval Law of the State.

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| 11. | A person liable to pay Land Use Charge shall pay into any of the designated banks listed in the Land Use Charge Demand Notice. | Payment of Charge. |
| 12. | <p>(1) The following categories of Properties shall be exempted from payment of Land Use Charge -</p> <ul style="list-style-type: none"> (a) Property owned and occupied by a religious body and used exclusively as a place of worship, or religious education; (b) Public cemeteries and burial grounds; (c) Property used as a registered educational institution certified by the Commissioner to be non-profit making; (d) Property used as public library or as a private library certified by the Commissioner to be non-profit making; (e) Any Property specifically exempted by the Executive Governor by notice published in the State Official Gazette; and (f) all palaces of recognised Obas and Chiefs in the State Provided that if any of the exempted property | Properties Exempted from Payment of Land Use Charge. |

is leased out to private entities for revenue generation, it shall forfeit its exemption status as contemplated under the provisions of this Law.

(2) The Commissioner may, by notice published in the State Official Gazette grant partial relief for a-

- (i) Property that is occupied by a non-profit making organisation;
- (ii) used solely for community games, sports, athletics or recreation for the benefit of the general public; and
- (iii) used for a charitable or benevolent purpose for the benefit of the general public and owned by non-profit making organisation.

Forfeiture of Exemption. 13.

(1) An Exempted Property or part of an Exempted Property shall become liable for Land Use Charge if the -

- (a) use of such Property changes to one that does not qualify for the exemption;
- (b) owner of the Property changes the use of the property to one that does not qualify for the exemption; or
- (c) property of a religious body is registered in the name of an individual or corporate body unless it is registered in the corporate name of the religious body.

(2) If the status of a property changes, a Land Use Charge imposed in respect of that Property shall be pro-rated so that the Land Use Charge is payable only for that part of the year in which the Property, or part of it is not exempted.

(3) The Owner or a person liable to pay Land Use Charge of a property under the provisions of this Law shall notify the Commissioner in writing promptly upon the forfeiture of an exemption which the Owner had enjoyed.

(4) Failure to make the notification indicated in subsection (3) above shall be an offence punishable with a fine of up to three (3) times the value of the exemption in issue.

Land Use Charge Demand Notice. 14.

(1) The Commissioner 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 the provisions of this Law.

(2) The Land Use Charge Demand Notice may be delivered to the Owner or Occupier and can also be requested for by either the

Owner, Occupier or authorised agent of the Property at any of the Land Use Charge offices or via electronic platform.

(3) If there is no Owner or Occupier or Agent available to take delivery, the Land Use Charge Demand Notice shall be posted on the Property and such posting 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 Land Use Charge Demand Notice pay that amount at one of the designated banks specified in the Demand Notice.

(5) Upon an application in writing made by the Owner, Occupier or authorised agent to the Commissioner, the Commissioner may reduce the Land Use Charge by such discount as is specified in the Demand Notice, if the payment is made within fifteen (15) days of receiving the Demand Notice.

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| 15. | The Collecting Authority may by notice in writing appoint any person including any Occupier of a taxable Property to be an agent of the Owner and the person declared agent of the Owner for the purposes of this Law, may be required to pay the Land Use Charge which is or will be payable by the Owner from any money which may be held by the agent for or due to the Owner and in default of such payment the charges shall be recoverable from the agent. | Power to Appoint Agent(s). |
| 16. | A person liable to pay Land Use Charge on behalf of an Owner may retain out of any money coming into an account on behalf of or becoming due from the agent to the Owner as may be sufficient to pay the charge, and shall be indemnified against any person for all payments made by the agent under this Law. | Indemnification of Agent. |
| 17. | <p>(1) There is established in each Division of the State an Assessment Appeal Tribunal.</p> <p>(2) Each Tribunal shall consist of -</p> <ul style="list-style-type: none"> (i) a Chairman who shall be a Legal Practitioner of not less than fifteen (15) years post call experience; (ii) a representative of the Attorney- General; (iii) a registered town planner; (iv) a registered land surveyor; (v) a registered Estate valuer; (vi) a representative of the Lagos State Valuation Office; (vii) a person with cognate experience in accounting and taxation; and (viii) 2 persons from the private sector. | Establishment and Composition of Assessment Appeal Tribunal. |

		(3) The Chairman and members of the Tribunal who shall be persons of integrity and good standing in the society shall be appointed by the Governor on the recommendation of the Commissioner.
Quorum.	18.	The quorum of the Tribunal shall be two-third majority of the members.
Tenure of Office of Members.	19.	The Chairman and other members of the Tribunal shall hold office for three (3) years and may be re-appointed for another term of three (3) years only.
Proceedings.	20.	The Tribunal may make standing orders to regulate its proceedings at any of its meetings.
Remuneration and Allowances.	21.	The Chairman and members of the Tribunal shall be paid such remuneration and allowances as the Governor may determine.
Cessation of Office of Members.	22.	A member may- (a) be removed from office by the Governor for inability to discharge the functions of the office whether arising from infirmity of mind or body or for any act of misconduct; (b) resign membership by a notice in writing, addressed to the Governor and that member shall cease to be a member from the date of acceptance of the resignation by the Governor; or (c) be removed from Office by the Governor if it is in the interest of the public to do so.
Powers of the Assessment Appeal Tribunal.	23.	The Tribunal may- (a) by summons, require the attendance of any person, examine 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 fine against an appellant if the members of the Tribunal consider that the appeal before it is of a frivolous nature and such fine shall not exceed 25% of payable charge; (e) adopt Alternative Dispute Resolution mechanism in resolving disputes; and (f) subject to the approval of the State House of Assembly, make rules for its practice and procedure.
Appeal against Assessment.	24.	(1) A person may appeal to the Tribunal if aggrieved by - (a) a decision that the Property which the person owns is a

(b) chargeable Property; or that the person is liable to pay Land Use Charge in respect of such Property; or any calculation of an amount which the person is liable to pay as Land Use Charge, and the Tribunal shall make such decision as it deems fit.

(2) The time allowed for an appeal to the Tribunal shall be thirty (30) days after the date of delivery of the Demand Notice.

(3) The onus of proving that an assessment of a Property is excessive shall lie on the Owner of the Property.

(4) A person giving evidence before the Tribunal shall, in respect of any evidence given by or any document the person 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 Tribunal shall have the same powers as that of a Magistrate Court.

(6) The Tribunal may confirm, reduce, increase or annul the assessed value.

(7) An appeal against a decision of the Tribunal shall be made to the High Court of the State.

25. (1) In resolving disputes arising from the provisions of Section 23(e) of this Law, the parties shall submit to a confidential mediation in an effort to resolve such disputes.

Mediation Process.

(2) Where the mediation does not resolve the dispute within forty-five (45) working days of the first session or when the mediator declares an impasse, the mediation shall be deemed inconclusive and parties shall be at liberty to resolve their dispute formally at the Tribunal or through any other lawful means.

26. An Appeal shall not lie unless –

- (a) notice is given in the prescribed manner to the Tribunal;
- (b) the prescribed fee is paid to the Tribunal;
- (c) in the case of a person aggrieved with the assessment of the person's Property:
 - (i) 25% of the amount of the assessed annual Land Use Charge being disputed is deposited directly into the State Land Use Charge Account; and
 - (ii) the appellant has produced to the Tribunal the receipt for the payment of the amount from the bank and such receipt has been validated.

Conditions of Appeal.

- Land Use Charge Collection Fund. 27. (1) The Commissioner 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 designated banks in accordance with this Law.
- (2) At the beginning of each month, the Commissioner shall determine the total amount of Land Use Charge payments deposited in the designated banks.
- (3) The Commissioner shall, not later than Ten (10) days after the beginning of each month, pay to each Local Government Area in the State its share of the Land Use Charge Collection and standing on deposit in the designated banks.
- (4) The share to be paid by the Commissioner to each Local Government Area 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 Local Government Areas.
- Recovery of Land Use Charge. 28. (1) The Attorney-General of the State shall, on the recommendations of the Commissioner apply to a Court to-
- (a) recover sums payable under this Law;
- (b) recover any Land Use Charge or penalty incurred under this Law by a deceased person at any time before the person's death; and
- (c) attach a person's earnings, and/or person's goods where a Court has made a liability order against that person.
- (2) An officer from the Attorney-General's Office acting on the Attorney-General's behalf may sue in the name of the State to recover any sum payable under this Law from the Owner.
- Offences and Penalties. 29. Any person who -
- (a) refuses or neglects to comply with any provision of this Law when required to do so by the Property Identification Officer or an Assessor;
- (b) prevents, hinders, or obstructs any Property Identification Officer or an Assessor in the course of lawful duty; or
- (c) removes, 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 Two Hundred and Fifty Thousand Naira only (N250,000.00) or to a maximum term of imprisonment for a period of three (3) months or both.
- Penalty for Inciting a Person to Refuse to Pay Land Use Charge. 30. Any person who -
- (a) incites another person to refuse to pay any rate under this Law on or before the day on which it is payable; or

- (b) incites or assists any person to misrepresent in any way the person's chargeable property, commits an offence and shall on summary conviction be liable to a maximum fine of Two Hundred and Fifty Thousand Naira only (N250,000.00) or to a maximum term of imprisonment for a period of three (3) months or both.

31. (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 by the following percentage –
- (a) between forty-five (45) calendar days and seventy-five (75) calendar days– 25%;
 - (b) between seventy-five (75) calendar days and one hundred and five (105) calendar days– 50%; and
 - (c) between one hundred and five (105) calendar days and one hundred and thirty five (135) calendar days – 100%.

Default in
Payment of
Land Use
Charge.

- (2) If payment is not made after one hundred and thirty five (135) calendar days, the Property on which the Land Use Charge is payable shall be liable to enforcement under the provisions of this Law by the State or its appointed agent until all outstanding taxes, penalties and administrative charges are paid.

- (3) The owner is however entitled at any time to apply to the Commissioner for a release of the Property and other moneys accruing to the owner upon payment of the outstanding taxes, penalties and administrative charges;

Provided that where rights or liabilities have been created under the enforcement which may generate income to effect the payment of the outstanding taxes, penalties and administrative charges before repayment by the owner, the owner shall assume all such rights and/or liabilities.

- (4) Whenever a Property comes under enforcement as provided for in subsection (2), such Property shall be advertised as being under enforcement in at least two national newspapers.

- (5) Subject to subsection (6) below, the rights of enforcement of the State for default in the payment of the Land Use Charge shall include rights to file and maintain a civil action against the Owner, Occupier or authorised agent to recover the accrued Land Use Charge or to obtain an order of court for distraint of the property or other consequential orders which the court may deem fit to make in the circumstances, for the purpose of the recovery of the Land Use Charge.

- (6) The powers of enforcement indicated in subsection (5) above, shall -
- (a) not be exercised unless and until warning notices have been delivered to the owner and occupier, or posted on the Property, on at least three separate occasions each at least forty-five (45) days apart from the other, during the six (6) months immediately prior to the date of exercising the rights in subsection (5) above; and
 - (b) be exercised only to the extent reasonably necessary to recover accrued Land Use Charge.
- Failure to Remit Land Use Charge. 32. (1) A person appointed in accordance with the provisions of Sections 5(2) and 6 of this Law who fails to remit Land Use Charge collected commits an offence and shall be liable to refund the amount due and in addition, a sum equivalent to twenty-five percent (25%) of the amount.
- (2) The defaulter in subsection (1) of this Section, may further be liable to imprisonment for a term of six (6) months.
- Power to Co-opt. 33. Where the Tribunal desires to obtain advice or information from any person on any matter, it may co-opt the person as a member and such person shall not be entitled to vote on any issue or count towards a quorum.
- Power to Make Regulations. 34. The Commissioner may make regulations for the proper implementation and enforcement of the provisions of this Law, subject to the provisions of the Regulations Approval Law.
- Application of other Laws. 35. On and from the date when Land Use Charge is levied on a Property in accordance with this Law, the provisions of the Land Rates Law, Neighbourhood Improvement Charge Law and any amendments made pursuant to them and Tenement Rates charged shall cease to apply to that Property.
- Repeal and Savings. 36. (1) The Land Use Charge Law Ch. L79, Land Rates Law Ch. L76, the Neighbourhood Improvement Charge Law Ch. N3 2015 are repealed.
- (2) Nothing in this Law shall affect any order, rule, regulation, appointment, direction given, proceeding taken, instrument issued or thing done under the repealed enactment; but any such order, rule, regulation, appointment, direction, proceeding, instrument or thing if in force immediately before the commencement of this Law shall, on the commencement of this Law, continue in



force, and so far as it could have been made, given, taken, issued or done under this Law shall have effect as if so made, given, taken, issued or done.

(3) Nothing in this Law shall be construed so as to prohibit the continuation of an inspection by Property Identification Officers or Professional Valuers and any other person appointed under the repealed enactment, before the commencement of this Law.

(4) Funds and accounts constituted under this Law shall be deemed to be in continuation of the corresponding funds and accounts constituted under the enactments repealed.

(5) Where any offence, being an offence for the continuance of which a penalty was provided, has been committed under any of the repealed enactments, proceedings may be taken under this Law in respect of the continuance of the offence after the commencement of this Law, in the same manner as if the offence had been committed under the corresponding provisions of this Law.

(6) Where under the repealed enactments, a time is fixed for the doing of an act or the performance of a duty and such time had expired, as from the commencement of this Law such time shall be deemed to have been extended for seven (7) days.

Citation and
Commencement.

37. This Law may be cited as the Land Use Charge Law 2018 and shall come into force on theday of 2018.

SCHEDULE

LAND USE CHARGE FORMULA

The following formula shall be used to determine the annual amount of the Land Use Charge payable under this Law:

$$(\text{Land Value} + \text{Building Developments Value}) \times \text{Relief Rate} \times \text{Charge Rate}$$

Interpreted as,

$$\text{LUC} = [(\text{LA} \times \text{LR}) + (\text{BA} \times \text{BR} \times \text{DR})] \times \text{RR} \times \text{CR}$$

Where

LUC = annual amount of Land Use Charge in Naira

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

LR = the average Market Value of a land parcel in the neighbourhood, on a per square metre basis in Naira based on the market value of the Property as determined by professional valuers appointed by the Commissioner for that purpose.

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

BR = the average construction value of medium quality buildings and improvements in the neighbourhood, on a per square metre basis in Naira based on the market value of the property as determined by professional valuers appointed by the Commissioner for that purpose.

DR = the Depreciation Rate for the buildings and improvements of land 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.

RR = the rate of relief from tax (if any) applicable to the Owner Occupier in the circumstances shall be determined by the Commissioner and shall be published in the State Government Official Gazette and in one or more newspapers circulating within the State and reviewed by the Commissioner once every five years.

CR = The annual charge rate expressed as a percentage of the assessed Market Value of the Property and which may, at the State Government's discretion, vary between (a) owner - occupied and other Property; (b) residential Property and commercial (revenue - generating) Property; (c) physically-challenged persons; and

(d) persons who have been resident at the same location for at least 12 years, minor, and retired Owners and Occupiers, on the one hand, and other Owners and Occupiers on the other.

$[(LA \times LV) + (BA \times BV \times DR) \times RR] =$ the assessed value of the Property.

LAND USE CHARGE ANNUAL RELIEF RATE

SN	ITEM	ANNUAL RELIEF RATE	REMARKS
1	GENERAL RELIEF	40%	Applicable to all properties liable to pay Land Use Charge
2	SPECIFIC RELIEFS: (Applicable to Property Owners and Leasee of 10 years and above.)		
	I. Pensioner	100%	Owner Occupied - 60 years & above
	II. Persons with disability	10%	Owner occupied
	III. Aged Persons	10%	Owner Occupied - 70 years & above
	IV. Age of Property	10%	25 years and above.
	V. Long occupation by Owners	5%	12 years and above
	VI. Federal and other State Government Properties	20%	None Revenue Generating.
	VII. Partial Relief under the Land Use Charge Law	20%	None Profit Making.
2b.	The onus is on a person seeking a Specific Relief to provide relevant documents in proof thereof		
3.	Payment within 15 days of receipt of Demand Notice	15%	Timely payment Discount.
4.	Mode of Application for relief	All applications for relief must be made to the Commissioner for Finance for approval supported with relevant documents.	
5.	Minimum Land Use Charge	₦5,000.00	No Property liable to Charge shall pay a sum less than ₦5,000.00 {Five Thousand Naira} irrespective of any relief granted.

LAND USE CHARGE ANNUAL RATE1. **Annual Charge Rate on Property.**

The Annual Land Use Charge Rates to be applied to eligible Properties in Lagos State shall be as follows:

A.	Owner-Occupied Residential Property	-	0.076% per annum of the Assessed Property Value.
B.	Owner-Occupied Pensioner's Property	-	Exempted from Land Use Charge
C.	Lagos State Government Properties	-	Exempted from Land Use Charge
D.	Industrial Premises of Manufacturing Concerns	-	0.256% per annum of the Assessed Property Value;
E.	Residential Property (Owner and 3rd Party)	-	0.256% per annum of the Assessed Property Value;
F.	Residential Property (without owner in residence)	-	0.76% per annum of the Assessed Value;
G.	Commercial property- (Used by occupier for Business Purposes)	-	0.76% of the Assessed Value;
H.	Vacant Properties and Open empty Land	-	0.076% per annum of the Assessed Value.

LAND USE CHARGE (DEPRECIATION RATE)**2. Age of building as a determinant of Depreciation Rate**

The Depreciation Rate shall be determined by the age or depreciation rate of a building and considered in the computation of Land Use Charge for the property.

3. Calculation for Depreciation Rate

The depreciation rate for a building shall be calculated as follows:

Year of Building	Depreciation Rate
0 - 5	1%
6 - 10	0.9%
11 - 15	0.8%
16 - 20	0.7%
21 - 25	0.6%
26 - 30	0.5%
31 - 35	0.4%
36 - 40	0.3%
41 - 45	0.2%
46 - 50	0.1%

**RULES GOVERNING THE DISTRIBUTION OF THE LAGOS STATE
LAND USE CHARGE**

1. The Collecting Banks shall provide the statement of accounts for all Land Use Charge payments to the Accountant-General of the State.
2. Alpha Beta or any other designated person(s) or corporate body who has the responsibility of monitoring the incoming revenue of the State through the collecting banks, shall provide a report to the Accountant-General of the State.
3. The Accountant-General of the State shall calculate available funds in the various collection banks at the end of each month and shall notify the Commissioner for Finance by the first day of the following month of the total available funds.
4. The total funds available for disbursement shall be the total Land Use Charge less State collection cost and Bank Charges, which shall be the Net Land Use Charge.
5. The Accountant General shall confirm funds available in the Land Use Charge account and issue instructions for its disbursement in conformity with Schedule A of this Law.
6. On the 25th day of every month, the collecting banks shall transfer the balance on the individual collecting bank's account as at close of business on that day into the State's Designated Account. Thereafter the Accountant General shall conduct a reconciliation of the funds available for Disbursement.
7. After the reconciliation of the funds available for distribution and disbursement of collection costs to the State's collection agents, the Accountant-General shall transfer funds payable to each of the Local Governments and Local Council Development Areas according to their Proportionate Share Percentage.
8. Total Disbursements of Land Use Charge shall be calculated for each Local Government Area and Local Council Development Areas as follows:
 - i. Net Land Use Charge according to their Proportionate Share Percentage;
 - ii. If the budgeted Period Distribution plus any Accumulated Short falls from past distribution periods exceeds the available funds for distribution, then the available funds will be distributed to each Local Government/Local Council Development Areas according to their Proportionate Share Percentage.

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

.....
MR. AZEEZ. A. SANNI

Clerk of the House of Assembly

Assented to by me, thisday of20.....

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MR. AKINWUNMI AMBODE

Governor of Lagos State

Assent withheld by me, thisday of20.....

.....
MR. AKINWUNMI AMBODE

Governor of Lagos State

Passed again by the Lagos State House of Assembly by two-thirds majority,

thisday of20.....

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RT. HON. MUDASHIRU A. OBASA

Speaker of the House of Assembly