

**IN THE TAX APPEAL TRIBUNAL
IN THE NORTH - EAST ZONE
HOLDEN AT BAUCHI**

ON 6TH DAY OF JULY, 2011.

BEFORE:	HON. SULEMAN AUDU	-	CHAIRMAN
	HON. HALIMA SA'ADIYYA MOHAMMED	-	MEMBER
	HON. CHIEF NGOZI AMALIRI	-	MEMBER
	HON. CHIEF SUNDAY IDAM ISU	-	MEMBER
	HON. ALH. ALIYU ABBAS BELLO	-	MEMBER

APP.NO.: TAT/NEZ/001/2011

BETWEEN:

**FEDERAL INLAND REVENUE SERVICE.....APPELLANT
AND
KATALLA GUEST INN LTDRESPONDENT**

APPEARANCE:

1. A.A Alhashim Esq
With Amuta Salome for the Appellant (FIRS)
2. P. M. KADIRI (MRS.) for the Respondent.

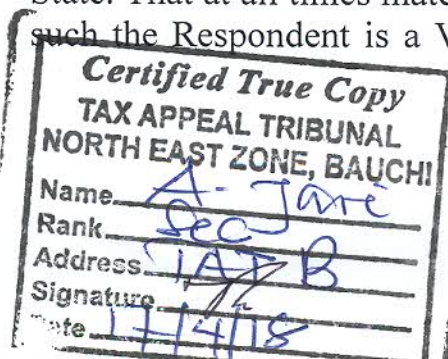
JUDGEMENT

The Appellant herein filed a Notice of Appeal in the Registry of this Tribunal dated 30th March, 2011. The said notice was accompanied with particulars as well as a witness statement on oath.

In the said Notice the Appellant averred that it is a statutory body established by Federal Inland Revenue Service (Establishment) Act, 2007.

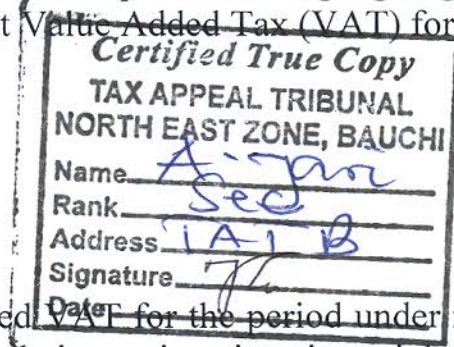
In line with its statutory powers the Appellant said it conducts routine Value Added Tax assessment and accounts for all taxes collected to the Government of the Federation. The Appellant also monitors all companies that deal in VATable goods and services, ensuring that such companies render monthly returns as required by law.

The Appellant further avers that the Respondent is a registered company under the Companies and Allied Matter Act, with its office at Fadaman Mada, Bauchi, in Bauchi State. That at all times material the Respondent carries on the Business of hotelier and as such the Respondent is a VAT collector and liable to render to the Appellant true and



accurate monthly returns. That the Respondent being a going concern failed, neglected or refused to file returns and remit Value Added Tax (VAT) for the periods of: -

- i. 2008;
- ii. 11 months in 2009; and
- iii. January to June, 2010.



That the total sum of unremitted VAT for the period under review is Eight hundred and ten thousand, seven hundred and ninety-six naira, sixty-eight kobo (N810, 796.68K).

That the Respondent continued to so fail, neglect or refuse filing of such returns and remit Value Added Tax for the relevant periods despite several demands as borne out in the Appellant's letters of correspondence dated 16/07/09, 09/09/09, 27/10/09, 07/07/10, 30/08/10 and 12/11/10. They are marked as Exhibits 'A', 'A¹', 'A²', 'A³' and 'A⁴' respectively. The Respondent also filed Assessment notices which are Exhibited as Exhibit 'B' 'B1' 'B2' and 'B3' respectively.

Finally, the Appellant also attached a witness statement on Oath in support of his contentions.

The Respondent on the other has not objected to the Appellant's claim nor did he file any reply to this appeal.

When the appeal came up for hearing the Assistant Secretary of the Tribunal reported that the parties are both represented by counsel and they intend to settle this matter out of court and that they are expected to report agreement reached between them.

The Secretary further said that the parties have filed in the Tribunal the Terms of Settlement.

The Appellant as well confirmed that during the last adjournment they were mandated to go for out of court settlement and that he is happy to announce to the Tribunal that the Respondent has come out with the Terms of Settlement.

The Respondent on his part said they met in the Appellant's office and that minutes of their meeting have been filed in the Tribunal i.e. the resolutions made at the meeting which were signed on 6th July, 2011. The parties resolved to settle this matter amicably out of court and have jointly agreed on monthly installment payment of Appellants claim as follows:

1. That the 1st installment of N200, 000.00 shall be paid on or before the end of June, 2011 i.e. 30/6/2011;
2. That the 2nd installment of N100, 000.00 shall be paid on or before 31/7/2011;
3. That the 3rd installment of N100, 000.00 shall be paid on or before 31/8/2011;
4. That the 4th installment of N100, 000.00 shall be paid on or before 31/9/2011;

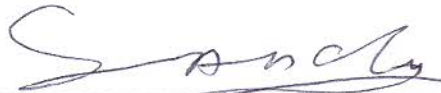
5. That the 5th installment of ₦100, 000.00 shall be paid on or before 31/10/2011;
6. That the balance shall be paid in November 2011.

The Appellant said they are not objecting to the mode of payment proposed by the Respondent, adding that all they are interested in is to recover their claim of Eight Hundred and ten thousand, seven hundred and ninety six Naira sixty eight Kobo (N810,796.68).

Considering the submissions of both learned counsel for the parties and bearing in mind that all courts should encourage amicable settlement, the Tribunal hereby enter judgment for the Appellant in the sum claimed which the Respondent admitted. We indorse the Terms of Settlement as agreed upon by the parties as the judgment of this Tribunal. Payment to commence accordingly until the balance is liquidated.

RIGHT OF APPEAL

Any party dissatisfied with the decision of the Tribunal may appeal against the decision on a point of law to the Federal High Court upon giving notice in writing to the Secretary within 30 days from the date of this decision.



HON. SULEMAN AUDU
CHAIRMAN

