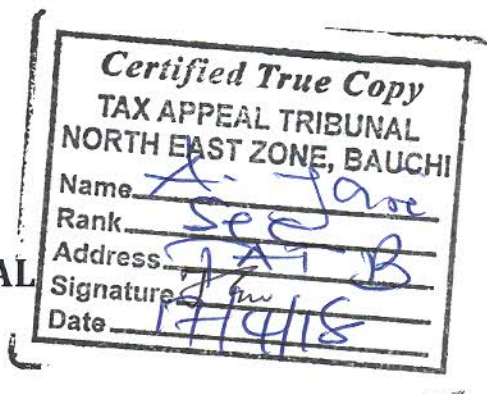


**IN THE TAX APPEAL TRIBUNAL
IN THE NORTH EAST ZONE
HOLDEN AT BAUCHI**



THIS 18TH DAY OF NOVEMBER, 2014.

BEFORE:

**SULEMAN AUDU
HALIMA S. MOHAMMED
NGOZI AMALIRI
SUNDAY IDAM ISU
ALIYU ABBAS BELLO**

**CHAIRMAN
HON. MEMBER
HON. MEMBER
HON. MEMBER
HON. MEMBER**

APP NO: TAT/NEZ/010/2013

BETWEEN

FEDERAL INLAND REVENUE SERVICE..... APPELLANT

AND

LAREMA HOTEL AND SUITES LIMITED..... RESPONDENT

JUDGEMENT

The Appellant commenced this action by a Notice of Appeal dated the 28th day of November, 2013. The Appellant being dissatisfied with the Respondent's action wherein the Respondent refused, failed or neglected to remit Value Added Tax (VAT) for the periods of January 2006 - December 2012. Appellant claimed that the Respondent failed to remit the sum of **N2,446,548.33** (Two Million Four Hundred and Forty-Six Thousand, Five Hundred and Forty Eight Naira Thirty Three Kobo) only as VAT due despite several letters of demand made by the

Appellant. The Appellant's counsel sought the following reliefs from the Tribunal:

1. An order of the Tribunal compelling the Respondent to pay to the Appellant **N2,446,548.33** (Two Million Four Hundred and Forty-Six Thousand, five Hundred and Forty Eight Naira Thirty Three Kobo) as Tax due from Respondent to the Appellant for the periods of January 2006-December 2012.
2. Any other order(s) as the Tribunal may deem fit to make in the circumstances of this case.

The Appellant filed alongside the notice of appeal a 14 paragraph witness statement on oath deposed to by Abubakar Musa a staff of Federal Inland Revenue Service, Integrated Tax Office, Bauchi. Flowing from the ground of Appellant's ground of appeal, Appellant's counsel contended that by virtue of the nature of Respondent's business it has become a taxable person liable to remit true and accurate returns of Value Added Tax (VAT) to the Appellant. Appellant's counsel argued that consequent upon the above, Appellant raised and assessed the Respondent, based on Tax Audit Exercise and in accordance with the law for the aforementioned periods.

There is no proof that the Respondent filed any process.

Certified True Copy
TAX APPEAL TRIBUNAL
NORTH EAST ZONE, BAUCHI 2
Name A. Jan
Rank Asst. Commr
Address 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100
Signature [Signature]
17/4/18

However, the parties resolved to settle the matter amicably out of court. There is no doubt that the amicable process has a chequered history, the procedure adopted by both parties were fraught with irregularities which was later cured by the Respondent commencement of compliance.

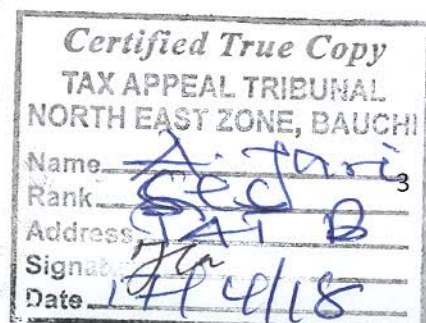
It is the view of the Tribunal that since the following criteria were considered and agreed among the parties, it would amount to mere dissipation of energy going into further analysis of the matter.

Parties must reach a consensus ad idem as far as the agreement is concerned

Their consent must be free and voluntary

The terms of the settlement must be filed in court

In **VULCAN GASES LTD. Vs OKUNOLA (1993) 2 NWLR 139 @156 PARAS. B-C** the court held that a consent Judgment presupposes out of court settlement reached by the parties and the terms of the said settlements or agreement are furnished to the court and form the basis of the court Judgment in the suit. The terms of such settlement mutually agreed by the parties and embodied in the record of the court constitute what is called consent Judgment. It binds the parties thereto as any other lawful Judgment of a court of competent Jurisdiction.



In this appeal the Tribunal merely acts as a conduit pipe by entering Judgment on the terms agreed upon by the parties, this is a Judgment with the consent of the parties regardless of whether or not the word Judgment was employed.

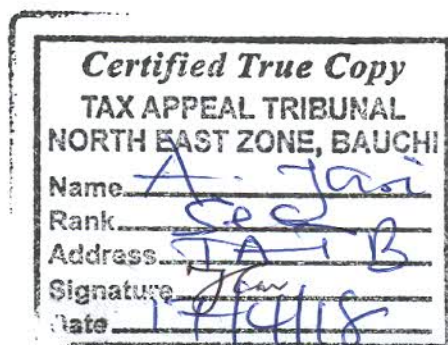
By the said terms of settlement the parties jointly agreed as follows:

That the Respondent will pay the Appellant N250,000 (Two Hundred and Fifty Thousand Naira) on 17th February, 2014 and N230,140 (Two Hundred and Thirty Thousand One Hundred and Forty Naira) no later than the 30th day of each month with effect from March-May, 2014 until the liability is paid in full.

Consequently, the Respondent **LAREMA HOTEL AND SUITS LIMITED** is hereby ordered to pay to the Appellant the balance of **N230,140** (Two Hundred and Thirty thousand One Hundred and Forty Naira) in installments from March-May, 2014 as Tax due from Respondent to the Appellant.

The terms of settlement reached between the Appellant and the Respondent is hereby adopted as the Judgment of the Tribunal.

This is the Judgment of the Tribunal.



Dated this 18th of December, 2014


.....

RIGHT OF APPEAL

Any party dissatisfied with a decision of the Tribunal may appeal against such 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 on which such decision was given.

