

**IN THE TAX APPEAL TRIBUNAL**

**NORTH CENTRAL ZONE**

**SITTING AT JOS**

**ON WEDNESDAY, 22<sup>nd</sup> JULY 2015**

**BEFORE THEIR HONOURS**

**HON. ABRAHAM N. YISA**

**HON. HASHIYA BEN UMAR (MRS)**

**HON. JOSEPH O. IHEKWEREME**

**CHAIRMAN**

**COMMISSIONER**

**COMMISSIONER**

**APPEAL NO: TAT/NCZ/001/2015**

**BETWEEN**

**FEDERAL INLAND REVENUE**

**SERVICE.....APPELLANT**

**AND**

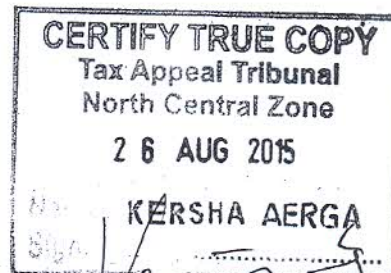
**ILAHATOR HOTEL.....RESPONDENT**

**JUDGEMENT**

By a Notice of Appeal dated the 19<sup>th</sup> day of May 2015, the Appellant, Federal Inland Revenue Service sought the following reliefs against the Respondent, Ilahator Hotel Limited, under item 3 of the Notice of Appeal, I quote:-

“WHEREOF, the Appellant claims against the Respondent as follows:

- a. The sum of = N = 855,497.00 (Eight Hundred and Fifty Five Thousand, Four Hundred and Ninety Seven Thousand Naira) only as the sum of the Value Added Tax for the period of 2012 to 2013 years of assessment.



- b. Penalty on the Unremitted Value Added Tax in the sum of = N = 85,547.00 (Eighty Five Thousand, Five Hundred and Forty Seven Naira) only for the period of 2012 to 2013 years of assessment.
- c. Interest on the unremitted Value Added Tax = N = 179,654.00 (One Hundred and Seventy Nine Thousand, Six Hundred and Fifty Four Naira) only at the rate of 21% per annum from 2012 to 2013 till the total debt is completely liquidated”.

Upon commencement of this matter, Parties had severally requested for, and were granted time to explore possibilities for an out of Tribunal settlement.

When this matter came up today, Counsel to the Appellant, T. Igba Esq informed the Tribunal that in furtherance of the process of settlement, the Respondents were conceding the sum of Eight Hundred and Fifty Five Thousand, Four Hundred and Ninety Seven Naira [N855, 497.00] only and prayed the Tribunal to enter judgment in that sum. Counsel further prayed the Tribunal to use its unfettered discretion to waive the penalty and interest claimed by the Appellants. Finally Counsel requested the Tribunal to stipulate the time frame within which the judgement debt should be liquidated.

Counsel to the Respondent, Nasir Ahmed Esq agreed with the Appellants on the sum stated and conceded as principal. On the issue of penalty and interest for which the Respondents prayed for waiver by the Tribunal, Counsel objected because according to him, the Respondents had not shown any commitment to make the Tribunal exercise its discretion to that effect. He further submitted that the Respondents were not up to date with their taxes and had not filed their tax returns and should be made to do so.

Since the parties have agreed on the principal sum, the Tribunal enters judgment in favour of the Appellant for the sum of Eight Hundred and Fifty Five Thousand, Four Hundred and Ninety Seven Naira [N855, 497.00] only.

The Tribunal uses its discretion to reduce the penalty and interest to fifty percent of what is claimed i.e N42, 774.00.



Both the principal sum as well as penalty and interest awarded to be paid on or before 30<sup>th</sup> October 2015. These are the orders of the Tribunal.

Representation

- Nasir Ahmed Esq, with Usman Shamaki for the Appellant.
- T. Igba Esq for the Respondent.

**DATED AT JOS, THIS 22<sup>nd</sup> DAY OF JULY 2015**



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**Hon. Abraham N. Yisa**  
**Chairman**

