



SENATE OF THE FEDERAL REPUBLIC OF NIGERIA

VOTES AND PROCEEDINGS

Thursday, 1st December, 2005

1. The Senate met at 10: 15 a. m. The Senate President read Prayers.
2. **Votes and Proceedings:**
The Senate President announced that he had examined the Votes and Proceedings of Wednesday, 30th November, 2005 and approved same.

By unanimous consent, the Votes and Proceedings were adopted.

3. **Announcement:**
The Senate President announced that he had received a letter from Senator Felix O. Ibru which he read as follows:



Senator Felix Ovuodoroye Ibru
FEDERAL REPUBLIC OF NIGERIA

28th November, 2005

*His Excellency
Senator Ken Nnamani
President,
Senate of the Federal Republic of Nigeria
National Assembly Complex
Abuja.*

Dear Senate President,

CELEBRATION OF 70TH BIRTHDAY

On Wednesday the 7th of December, 2005 I shall, by the grace of God, attain the age of 70 years.

I am pleased to inform the Senate President and all Distinguished Senators that in celebration of the occasion, there will be a family Thanksgiving Holy Communion Service on the 7th of December, 2005 at the College Chapel of my Alma Mater Igbobi College Yaba, Lagos.

Distinguished colleagues, my family and I would be delighted to host you at a DINNER RECEPTION on Friday, 9th December, 2005 in the Banquet Hall of Sheraton, Lagos Hotel and Towers at 6 .00 p.m. Invitation cards would be circulated before the end of today's sitting.

I look forward to the pleasure of your esteemed company.

Warm regards.

(Signed)

Senator (Olorogun) Felix O. Ibru

4. Presentation of Bill:

Regulation of Production, Marketing and Consumption of Tobacco and Tobacco Products Bill 2005 (**SB. 267**) — *Read the First Time.*

5. Motion:

Compliance with Rule 53 (9) of the Standing Rules of the Senate:

Motion made and Question Proposed: That whereas Rule 53 (9) of the Standing Rules of the Senate states that a Senator desiring to speak shall rise in his place and if called upon shall address his observation to the President of the Senate or the Chairman;

However for reasons of convenience and associated exigencies, the practice since the last Senate, has been such that Senators address the Chair while on their seats;

WHEREAS wide consultations lately made among Senators on the matter revealed a need to reverse the practice and a consensus was reached to that effect;

WHEREAS by so doing, Senators would be seen not only to be complying with the Standing Rules of the Senate, but also exhibiting standard Parliamentary practice all over the world;

WHEREAS rising to address the chair is not only a mark of respect but also consistent with legislative reverence and decorum;

WHEREAS it has been established that the microphone attached to each Senator's seat is sensitive enough to pick up the voice of even the tallest Senator when he stands up to address the Chair/President;

Be it resolved:

That Senators wishing to speak should indicate by show of hands and if recognised by the President of the Senate or the Chairman rise to make his/her address (*Senator Olomnnimbe Mamora*).

Debate:

Amendments Proposed:

- (i)** *Leave out* all the words of the prayer *and insert* the words of Senate Rule 53(9) as follows:
"A Senator desiring to speak shall rise in his place and if called upon shall address his observations to the President or the Chairman"
- (it)** That the Senate do adhere to Senate Rule 53(10), that "if two or more Senators rise at the same time the President of the Senate or Chairman shall call on the Senator who first catches his eye".
- (iii)** *Insert a new prayer as follows:*
"At the entry of the Presiding Officer, all Senators, Officials, Members of the Press and those in the gallery shall stand still until the Presiding Officer has taken his seat" (*Senator Jonathan S. Zwingina*).

Question that the Amendments be made put and agreed to.

Debate concluded.

Prayer (i):

Question: A Senator desiring to speak shall rise in his place and if called upon shall address his observations to the President or the Chairman — *Agreed to.*

Pmyer(ii):

Question: That the Senate do adhere to Senate Rule 53(10), that "if two or more Senators rise at the same time the President of the Senate or Chairman shall call on the Senator who first catches his eye". — *Agreed to.*

Prayer (iii):

Question: At the entry of the Presiding Officer, all Senators, Officials, Members of the Press and those in the gallery shall stand still until the Presiding Officer has taken his seat — *Agreed to.*

Resolved.

- (i) A Senator desiring to speak shall rise in his place and if called upon shall address his observations to the President or the Chairman.
- (ii) That the Senate do adhere to the Senate Rule 53(10), that "if two or more Senators rise at the same time the President of the Senate or Chairman shall call on the Senator who first catches his eye".
- (iii) At the entry of the Presiding Officer, all Senators, Officials, Members of the Press and those in the gallery shall stand still until the Presiding Officer has taken his seat (S. Res/034/05).

6. Joint Session of the National Assembly:

Motion made and Question Proposed: That the Senate do sit with the House of Representatives in a Joint Session on Tuesday, 6th December, 2005 by 11.00 am, to receive an address by Mr. President, Commander-in-Chief of the Armed Forces of the Federal Republic of Nigeria on the 2006 Appropriation Bill (*Deputy Senate Majority Leader*).

Question put and agreed to.

Resolved:

That the Senate do sit with the House of Representatives in a Joint Session on Tuesday, 6th December, 2005 by 11.00 am, to receive an address by Mr. President, Commander-in-Chief of the Armed Forces of the Federal Republic of Nigeria on the 2006 Appropriation Bill (S. Res/035/05).

7. Confirmation of Appointment:

Motion made and Question Proposed: That the Senate do consider and refer to the appropriate Committee the request by Mr. President, Commander-in-Chief for the confirmation of appointment of Dr. Bashir Gwandu (Kebbi State) as a Commissioner in the Nigerian Communications Commission (NCC) (*Deputy Senate Majority Leader*).

Question put and agreed to.

Request accordingly referred to the Committee on Communications to report within two weeks.

8. Nigeria Deposit Insurance Corporation Act (Amendment) Bill 2005 (SB. 166):**Approval of Clean Copy and Third Reading:**

Motion made and Question Proposed: That the Senate do rescind its decision on and delete Clause 40(7) in the Nigeria Deposit Insurance Corporation Bill 2005 as passed by the Senate on Thursday, 24th November 2005 and replace it with a new Clause 40(7) as follows:

"Where in any action challenging the revocation of the licence of an insured institution or a petition for winding up the affairs of an insured institution or the appointment of NDIC as liquidator, an application for an interim or interlocutory injunction is brought against the corporation seeking to restrain the corporation from paying depositors of a failed or failing institution, the trial Court shall refer such application to the Court of Appeal for determination, provided that such a referral to the Court of Appeal shall not operate as a stay of proceedings at the trial **Court** (**Senator Udoma Udo Udoma**).

Debate:

Question put and agreed to.

Motion made and Question Proposed: That the Bill be now read the Third Time (*Deputy Senate Majority Leader*).

Question put and agreed to.

Bill accordingly read the Third Time and Passed.

9. Committee on Federal Capital Territory:

Report on the FCT Board of Internal Revenue (Establishment) Bill 2005 (SB. 10): Motion made and Question Proposed: That the Senate do receive and consider the Report of the Committee on Federal Capital Territory on the FCT Board of Internal Revenue (Establishment) Bill 2005 (*Senator Hayatu B. Gwarzo*).

Question put and agreed to.

Report presented and Laid.

Motion made and Question Proposed: That the Senate do accept the Report of the Committee on FCT on the FCT Board of Internal Revenue (Establishment) Bill 2005 and resolve into the Committee of the Whole to consider it (*Deputy Senate Majority Leader*).

Question put and agreed to.

(SENATE IN THE COMMITTEE OF THE WHOLE)

A BILL FOR AN ACT FOR THE ESTABLISHMENT OF THE FEDERAL CAPITAL TERRITORY BOARD OF INTERNAL REVENUE AND FOR MATTERS CONNECTED THEREWITH

PART 1 — ESTABLISHMENT, ETC. OF THE FEDERAL CAPITAL TERRITORY BOARD OF INTERNAL REVENUE

Clause 1: Establishment of the Federal Capital Territory Board of Internal Revenue:

- (1) There is hereby established for the Federal Capital Territory, Abuja (in this Act referred to as "the Territory") a Board to be known as the Federal Capital Territory Board of Internal Revenue (in this Act to as "the Board").
- (2) The Board -
 - (a) shall be a body corporate with perpetual succession and a common seal ; and
 - (b) may sue and be sued in its corporate name.

Committee's Recommendation:

That the provision in Clause 1 be retained (*Senator Hayatu B. Gwarzo*) — *Agreed to.*

Question that Clause 1 stand part of the Bill put and agreed to.

Clause 2:

Members of the Board:

- (1) The Board shall consist of -
 - (a) a chairman.

Committee's Recommendation:

Leave out the provision in sub-clause 2(1)(a) and *insert* a new sub-clause 2(1)(a) as follows:

"(a) The Executive Chairman, being a person qualified and experienced in taxation"(*Senator Hayatu B. Gwarzo*).

Amendment Proposed:

Leave out all the words after "qualified" in line 1 and *insert* the words "and a Member of the Institute of Taxation" instead thereof (*Senator John K. Brambaifa*).

Question that the amendment be made put and agreed to.

- (b) the Director of Finance of the Ministry of Federal Capital Territory ;

Committee's Recommendation:

Leave out the provision in sub-clause 2(1)(b) and *insert* a new sub-clause 2(1)(b) as follows:

" (b) the Heads of Department of the Board" (*Senator Hayatu B. Gwarzo*) — *Agreed to.*

(c) the Director of Internal Revenue of the Ministry of Federal Capital Territory;

Committee's Recommendation:

Leave out the provision in sub-clause 2(l)(c) and *insert* a new sub-clause 2(l)(c) as follows:

"(c) the Director of Finance and Accounts, Federal Capital Territory;" (*Senator Hayatu B. Gwarzo*) — *Agreed to.*

(d) one representative each from the following Department of the Ministry of Federal Capital Territory, that is -

Committee's Recommendation:

Leave out the provision in sub-clause 2(l)(d) and *insert* a new sub-clause 2(l)(d) as follows:

" (d) the Legal Adviser to the Internal Revenue Board;" (*Senator Hayatu B. Gwarzo*) — *Agreed to.*

(i) the Department of Legal Services ;

(ii) the Department of Lands, Planning and surveys ; and

(iii) the Department of Local Government;

(e) one person who shall be member of the private sector to represent public interest ; and

Committee's Recommendation:

Leave out the provision in sub-clause 2(l)(e) and *insert* a new sub-clause 2(l)(e) as follows:

"(e) any six other persons appointed on their merits; one from each geo-political zone and" (*Senator Hayatu B. Gwarzo*) — *Agreed to.*

(f) the Secretary to the Board ;

Committee's Recommendation:

Immediately after the word "Board" in sub-clause 2(l){f} *insert* the following words "(who shall be an ex-officio member)" (*Senator Hayatu B. Gwarzo*) — *Agreed to.*

(2) The Chairman and other members of the Board shall be appointed by the Minister on the recommendation of the Director.

Committee's Recommendation:

Leave out all the words after "Minister" in line 1 and *insert* the words "subject to confirmation by the Senate" instead thereof (*Senator Hayatu B. Gwarzo*).

Amendment Proposed:

Leave out the word "Minister" in line 1 and *insert* the word "President" instead thereof (*Senator Mohammed Abba Aji*).

Question that the amendment be made put and agreed to.

Another Amendment Proposed:

Leave out the words "subject to confirmation by the Senate" (*Senator Bassey Ewa-Henshaw*).

Question that the amendment be made put and agreed to.

- (3) The supplementary provision set out in the First Schedule to this Act shall have effect with respect to the proceedings of the board and the other matters mentioned therein

Question that Clause 2 as amended stand part of the Bill put and agreed to.

Clause 3:

Tenure of Office etc:

The Chairman and other members of the Board, other than ex-officio members shall each hold office -

First Schedule.

- (a) for a term of four years in the first instance and may be re-appointed for one further terms of four years and no more ; and
- (b) on such terms and conditions as may be specified in his letter of appointment.

Committee's Recommendation:

That the provision in Clause 3 be retained (*Senator Hayatu B. Gwarzo*) — *Agreed to.*

Question that Clause 3 stand part of the Bill put and agreed to.

Clause 4:

Cessation of Membership:

- (1) Notwithstanding the provisions of the section 3 of this Act a person shall cease to hold office as a member of the Board if -
- (a) he becomes bankrupt ; or
- (b) he is convicted of a felony or any offence involving dishonesty or fraud; or
- (c) he becomes of unsound mind, or incapable of carrying out his duties; or
- (d) he is guilty of a serious misconduct in relation to his duties ; or
- (e) in the case of a person possessed of professional qualifications, he is disqualified or suspended from practicing his profession in any part of the world by an order of competent authority made in respect of that member ; or
- (f) he resigns his appointment by a letter addressed to the Minister.

Committee's Recommendation:

Immediately after the word "letter" in line 1 *insert* the words "duly signed by him and" (*Senator Hayatu B. Gwarzo*) — *Agreed to.*

- (2) If a member of the Board ceases to hold office for any reason whatsoever, before the expiration of the term for which he is appointed, another person representing the same interest as that member shall be appointed to the Board for the unexpired term.
- (3) A member of the Board may be removed by the Minister, on the recommendation of the Director, if he is satisfied that it is not in the interest of the Board or in the interest of the public that the member continues in office.

Committee's Recommendation:

Leave out the word "Director" in line 2 and *insert* the word "Board" instead thereof (*Senator Hayatu B. Gwarzo*)

Amendment Proposed:

Leave out the word "Minister" in line 1 and *insert* "President" instead thereof (*Senator Bassey Ewa-Henshaw*).

Question that the amendment be made put and agreed to.

Another Amendment Proposed:

Leave out the word "Director" in line 2 and **insert** the word "Minister" instead thereof {*Senator Mohammed Abba Aji*).

Question that the amendment be made put and agreed to. Question that

Clause 4 as amended stand part of the Bill put and agreed to.

Clause 5:**Emolument, etc. of Members:**

The Chairman and members of the Board shall be paid such emoluments, allowances and benefits as the Minister may from time to time, direct.

Committee's Recommendation:

Leave out all the words after "as" in line 2 and **insert** " in the approved condition of service of the Board" (*Senator Hayatu B. Gwarzo*) — *Agreed to.*

Question that Clause 5 as recommended stand part of the Bill put and agreed to.

Clause 6:**PART II — FUNCTIONS AND POWERS OF THE BOARD****Functions of the Board:**

(1) The Board shall-

- (a) subject to this Act, assess, collect and account for all such things as may be deemed necessary or expedient for the assessment and collection of taxes;

Committee's Recommendation:

Leave out the provision in sub-clause 6(1)(a) and **insert** a new sub-clause 6(1)(a) as follows:

The Board shall be responsible for:

- "(1) (a) ensuring the effectiveness and optimum collection of all taxes and penalties due to the FCT under relevant Laws;" (*Senator Hayatu B. Gwarzo*) — *Agreed to.*
- (b) develop, from time to time, proposals for expansion and increase of the internal revenue of the Territory;

Committee's Recommendation:

Leave out the provision in sub-clause 6(1)(b) and **insert** a new sub-clause 6(1)(b) as follows:

- " (b) **the** recovery of all FCT revenues and debts particularly the following,
 - (i) all charges, fees, rates, levies, taxes and other forms of revenue charged by Land Administration and Resettlement, Survey and Mapping, Economic Development, Transport, Abuja Environmental Protection Board, FCT Water Board and Urban and Regional Planning; and
 - (b) all loan repayment from small scale industries loans scheme, small scale agricultural loans; Graduate agricultural loans and all lending loans of FCT," (*Senator Hayatu B. Gwarzo*) — *Agreed to.*
- (c) control and supervise all collection of various revenues accruing to the Territory ; and

Committee's Recommendation:

Leave out the provision in sub-clause 6(1)(c) and **insert** a new sub-clause 6(1)(c) as follows:

- " (c) doing all such things as may be deemed necessary and expedient for the assessment and collection of taxes and shall account for all amounts so collected in a manner to be prescribed;" (*Senator Hayatu B. Gwarzo*) — *Agreed to.*

(d) carry out such activities as are necessary or expedient for the efficient performance of its function under this Act.

Committee's Recommendation:

Leave out the provision in sub-clause 6(l)(d) and **insert a new** sub-clause 6(l)(d) as follows:

" (d) making recommendations, where appropriate to the Joint Tax Board on tax policy, tax reforms, tax legislation, tax treaties and exemption as may be required from time to time;" (Senator Hayatu B. Gwarzo) — Agreed to.

Committee's Recommendation: Insert new
sub-clauses 6(l)(e) and (f) as follows:

" (e) generally controlling the management of the Board on matters of policy, subject to the provisions of **this** Act; and"

"(7) appointing, promoting, transferring and imposing discipline on employees of the Board" (Senator Hayatu B. Gwarzo) — Agreed to.

Question that Clause 6 as recommended stand part of the Bill put and agreed to.

Clause 7:

Powers of the Board:

The Board shall have powers to -

- (a) acquire, hold or dispose of any property movable or immovable ;
- (b) pay remuneration, allowances, expenses and any other benefit to members and employees of the Board;
- (c) collect all revenues of the Territory from any person or body corporate and pay into the treasury of the Territory; and
- (d) do anything which in its opinion is calculated to facilitate the performance **of** its functions under this Act.

Committee's Recommendation:

Leave out the words "do anything which in its opinion is calculated" in subclause 7(d) and **insert** "do any such things necessary or expedient" (Senator Hayatu B. Gwarzo) — Agreed to.

Question that Clause 7 as recommended stand part of the Bill put and agreed to.

PART III — STAFF OF THE BOARD

Clause 8:

Secretary and Other Staff of the Board:

- (1) There shall be for the Board, a Secretary who shall-(a)
be appointed by the Minister;

Committee's Recommendation:

Leave out the word "Minister" and **insert** the words "Board from amongst the staff of the Board;" instead thereof (Senator Hayatu B. Gwarzo) — Agreed to.

- (b) be the chief executive and accounting officer of the Board ;

Committee's Recommendation:

Leave out the provisions in sub-clauses 8(l)(b) (c) (d) and (e) and **insert** a new sub-clause 8(l)(b) as follows:

" (b) the Secretary shall summon the meeting of the FCT Board whenever the business requiring its attention warrants, or upon any request of all the members on any matter obtained by him in written correspondence." (Senator Hayatu B. Gwarzo) — Agreed to.

- (2) The Secretary shall hold office:
- (a) for a term of five (5) years in the instance and may be re-appointed for a further term of 5 years and no more; and
 - (b) on such terms and conditions as may be specified in his letter of appointment.

Committee's Recommendation:

Leave out the provision in subclauses 8(2)(a) and (b) and insert a new subclauses 8(2)(a) and (b) as follows:

- "2 The Secretary shall hold office -
- (a) for a term of 5 years in the first instance and may be re-appointed for a further term of 5 years and no more ; and
 - (b) on such terms and conditions as may be specified in his letter of appointment (*Senator Hayatu B. Gwarzo*) — *Agreed to.*
- (3) The Board shall have power to appoint either directly or on secondment from any public service of the Federation or of the State or the territory or Area Council or otherwise however such member or of staff and other employees as it may, from time to time, deems it necessary to assist the Board in the discharge of any of its functions under this Act.
- (4) Nothing in subsection (3) of this section shall preclude the Board from appointing persons from outside Public Service of the federation or of the State or of the area Council whenever it deems it necessary for the proper and efficient performance of its functions under this Act.
- (5) The terms and conditions of service (including remuneration, allowances, benefits and pensions) of staff and employees of the Board shall be as determined by the Board after consultation with the Federal Civil Service Commission.

Question that Clause 8 as amended stand part of the Bill put and agreed to.

Clause 9:

Pensions Cap. 346 LFN:

- (1) It is hereby declared that service in the Board shall be approved service for the purpose of the Pension Act, and accordingly, staff and employees of the Board shall be entitled to pensions, gratuities and other retirement benefits as prescribed under the Pensions Act or as may be prescribed under any enactment applicable in the Territory.
- (2) Without prejudice to the provisions of subsection (1") of this section", nothing in this Act shall prevent the appointment of a person to any office on terms which prelude the grant of a pension, gratuity or other retirement benefits in respect of that office
- (3) For the purpose of the application of the provisions of the Pensions Act, any power exercisable by a Minister or other authority of the Federal Government, other than the power to make regulations, under section 23 thereof, is hereby vested in and shall be exercisable by the Board or any other Board or authority established under any enactment for the purposes of pensions in the Territory.

Committee's Recommendation:

That the provision in Clause 9 be retained (*Senator Hayatu B. Gwarzo*) — *Agreed to.*

Question that Clause 9 stand part of the Bill put and agreed to.

Clause 10:

Staff Regulations:

- (1) The Board may, subject to the provisions of this Act, make staff regulations relating generally to the conditions of service of the officers and employees of the Board and without prejudice to the generality of the foregoing, such regulations may provide for -

- (a) the appointments, promotions, termination, dismissal of staff and employees of the Board ; and
- (b) appeals by such staff and employees against dismissal or other disciplinary measures, and until such regulations are made, any instrument relating to the conditions of service in the Public Service of the Federation shall be applicable, with such modifications as may be necessary, to the staff and employees of the Board.

(2) Staff regulations made under subsection (1) of this section, shall not have effect until approved by the Minister, and when so approved they need not be published in the Federal Gazette but the Board shall cause them to be brought to the notice of all affected persons in such manner as it may, from time to time, determine.

Committee's Recommendation:

That the provision in Clause 10 be retained (*Senator Hayatu B. Gwarzo*) — *Agreed to.*

Question that Clause 10 stand part of the Bill put and agreed to.

Chairman to report Bill.

(SENATE IN PLENARY)

The Deputy Senate President reported that the Senate in the Committee of the Whole considered the Report of the Committee on Federal Capital Territory on the FCT Board of Internal Revenue (Establishment, etc) Bill 2005 and approved as follows:-

Clause 1	—	As recommended
Clause 2	—	As amended
Clause 3	—	As recommended
Clause 4	—	As amended
Clause 5	—	As recommended
Clause 6	—	As recommended
Clause 7	—	As recommended
Clause 8	—	As amended
Clause 9	—	As recommended
Clause 10	—	As recommended

Further consideration of the Report stood down till the next legislative day.

Question:

That the Senate do adopt the Report of the Committee of the Whole —*resolved in the Affirmative.*

11. **Committee on Employment, Labour and Productivity:**

Report on the Institute of Registered Safety Professionals of Nigeria (IRSPON) Bill 2005 (SB. 39)

Motion made and Question Proposed: That the Senate do receive and consider the Report of the Committee on Employment, Labour and Productivity on the Institute of Registered Safety Professionals of Nigeria (IRSPON) Bill 2005 (*Senator Bassey Ewa-Henshaw*).

Question put and agreed to. Report presented and Laid. Consideration of

the Report deferred till the next legislative day.

12. Adjournment:

Motion made and Question Proposed: That the Senate do adjourn till Tuesday, 6th December, 2005 at **10.00** a.m. (*Deputy Senate Majority Leader*).

Adjourned accordingly at 12.55 p. m.

Ken Nnamani
President of the Senate