

FISCAL INCENTIVES UNDER THE GENERAL INVESTMENT SCHEME

Exemption on projects capital goods

- Zero import duty on capital goods
- Zero import duty on raw materials

Capital allowance

- Agriculture 100%
- Mining 20% (5 years first)
- Hotels 50%
- Fish farming 50%
- Tourist services 50%

Tax relief on deemed capital goods

- Import duty exempted by 75%

Manufacturing on pharmaceuticals textile and leather products

- Reduced Corporate Tax to 20% for the first 5 consecutive years

Depreciation allowance

- 37.5% - 5% depending on the class of the depreciable

Assembly of motor vehicles, tractors, fishing boats, or out boat engine

Reduced Corporate Tax to 10% for the First 5 consecutive years

EPZ AND SEZ INVESTMENT SCHEMES – CONDITIONS AND INCENTIVES

S/No.	EPZ	SEZ Enterprises
CONDITIONS		
1.	Must export at least 80% of annual production. Can access a maximum of 20% local market subject to payment of exempted VAT and import duty. as per respective tariff lines.	Access to 100% local market subject to paying relevant taxes e.g. VAT, Import duty, etc
2.	Must export a minimum of US\$500,000 worth of goods for a foreign company and US\$100,000 for a local company	Must have a minimum capital of US\$500,000 for a foreign company and US\$100,000 for a local company
3.	Must be a processing or manufacturing plant for value addition	All sectors allowed including service industry

FISCAL INCENTIVES		
1.	Exemption from payment of corporate tax for the initial period of ten (10) years	Exemption from payment of corporate tax for an initial period of ten (10) years (Income Tax Act Cap.332, R.E 2019, Section 10, 2 nd Schedule (1)(o)) (Removed in the Finance Act 2025)
2.	Exemption from payment of all levies imposed by Local Government Authorities (LGAs) for products produced in the EPZ for the initial period of ten (10) years	Exemption from payment of all taxes and levies imposed by local government authorities for products produced in EPZ for initial period of 10 years (Local Government Finance Act Cap. 290, R.E 2019, Section 67A)
3.	Exemption from VAT on goods and services directly related to production within the zone including utilities and wharfage charges (No time limit)	Exemption from VAT on goods and services directly related to production within the zone (VAT Act R.E 2014, Section 95(2)(c) but denied due to law misinterpretation).
4.	Exemption from import duty on goods directly related to production in the zone (construction, machines, equipment, furniture, fixtures, certain vehicles as indicated in the EPZ Act) (No time limit)	Exemption from import duty on goods directly related to production in the zone NOT GRANTED) (waiting for review of the EAC – CMA)
5.	Exemption from payment of withholding tax on dividends and interest for initial period of ten (10) years (Removed from the finance Act 2018, Section 29(a))	Exemption from payment of withholding tax on dividends and interest for the first ten years (Removed in the finance Act 2018) Section 29(a)
NON-FISCAL INCENTIVES		
1.	Access to export credit guarantee scheme	Access to export credit guarantee scheme
2.	Exemption from Pre-shipment Verification of Conformity (PVoC)	Exemption from Pre-shipment Verification of Conformity (PVoC)
3.	On-site customs inspection of goods in the EPZ	On-site customs inspection of goods in the SEZ (As per new EAC-SEZ regulation).
4.	Provisions of business visa at the point of entry to key technical, management and training staff for a maximum of two months.	Provisions of business visa at the point of entry to key technical, management and training staff for a maximum of two months.
5.	Entitlement to an initial immigrant quota of up to five persons during the start-up period	Entitlement to an initial immigrant quota of up to five persons during the start-up period