



## LOAN ACT

### ARRANGEMENT OF SECTIONS

1. Short title.
2. Interpretation.
3. Authority to raise loan.
4. Application of loan.
5. Repeal.

### LOAN ACT

An Act to authorise the raising outside Nigeria of a loan or loans not exceeding eighty million naira for purposes in connection with the Economic Programmes and Development Programmes of the Government of the Federation and of other governments in Nigeria and with certain statutory corporations, and to repeal the Loans Act, 1954.

*[12th May, 1960]*

[Commencement. ]

#### **1. Short title**

This Act may be cited as the Loans Act.

#### **2. Interpretation**

In this Act-

**"Federal statutory corporation"** means a statutory corporation incorporated directly by a law enacted by the National Assembly or having effect as if it had been so enacted;

**"Minister"** means the Minister for the time being charged with responsibility for matters relating to finance.

### **3. Authority to raise loan**

- (1) The Minister is hereby authorised to raise a loan or loans outside Nigeria not exceeding in the aggregate the sum of eighty million naira and such further sum or sums as may be necessary to defray expenses in connection with the raising thereof.
- (2) Such loan or loans shall be raised in any manner provided by-
  - (a) the General Loan and Stock Act; or
  - (b) the Government Promissory Notes Act
- (3) References in any of the Acts referred to in subsection (2) of this section to the general revenue and assets of the Colony shall, for the purposes of this Act, be construed as references to the general revenue and assets of the Federation.

### **4. Application of loan**

The sums raised under the provisions of this Act, shall, save in respect of the amount or amounts necessary to defray the expenses in connection with the raising thereof, be appropriated and applied in respect of the following purposes-

- (a) for the Economic Programme of the Government of the Federation as set out in Sessional Paper No. 2 of 1956 and approved by resolution of the House of Representatives on the 15th March 1956, as such may be amended from time to time;
- (b) for lending, in accordance with such terms and conditions as may be approved by the Minister, to the Government of any State, if a Law has been enacted by the House of Assembly of that State-
  - (i) empowering the Government of that State to borrow money from the Government of the Federation;
  - (ii) charging any such loan on the revenues of that State;

- (iii) providing that the purposes to which any such loan may be applied shall be limited to meeting in whole or in part capital expenditure comprising part of a development programme approved by the House of Assembly of that State;
- (c) lending to any Federal statutory corporation, which is empowered under the provisions of any law enacted by the National Assembly or having effect as if it had been so enacted to borrow money.

## **5. Repeal**

The Loans Act, 1954, is repealed.

[No. 19 of 1954.]

LOAN ACT

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