**LOAN ACT**

ARRANGEMENT OF SECTIONS

SECTION

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  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.**

[1960 No. 7.]

*[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 ex-  
ceeding 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

[Cap. G2.]

*(b)*the Government Promissory Notes Act

[Cap. G4.]

(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 com-  
                              prising 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  
       **SUBSIDIARY LEGISLATION**

*No Subsidiary Legislation*