

Judgment Alert:

Court of Appeal nullifies Akwa Ibom State Maritime Sector (Regulation) Law, 2017 and Maritime Transport Vessels and Equipment Fees and Charges Regulation, 2017

Strickland Services Limited v. Akwa Ibom State Internal Revenue Service & Anor.

March 31, 2026

Introduction

In a landmark decision delivered on February 25, 2026, the Court of Appeal in *Strickland Services Limited v. Akwa Ibom State Internal Revenue Service & Anor*¹ nullified the **Akwa Ibom State Maritime Sector (Regulation) Law 2017** (“the Law”) and the **Maritime Transport Vessels and Equipment Fees and Charges Regulation, 2017** (“the Regulation”) on constitutional grounds.

The Court of Appeal, set aside the judgment of the Federal High Court, emphatically reaffirming the exclusive legislative competence of the National Assembly over maritime matters, including shipping and navigation on inland and coastal waterways. The decision reinforces the constitutional limits on the legislative powers of state legislatures over maritime matters.

Summary of Facts

The Appellant, Strickland Services Limited, operated two fast intervention support vessels in the coastline off Akwa Ibom State. By a notice dated August 26, 2021, the 1st Respondent, the Akwa Ibom State Internal Revenue Service, acting on provisions of the Law and the Regulation demanded the sum of **US\$240,000.00** as cumulative marine vessel levies for the years 2020 and 2021.

Following the Appellant’s refusal to comply, the 1st Respondent instituted a 3-count charge before the Akwa Ibom State Revenue Court for the alleged non-payment of the marine vessel levies.



Following the institution of the charge, the Appellant challenged the constitutional validity of the Law and the Regulation at the Federal High Court and sought, among other reliefs, declarations that:

1. The Law and the Regulations were unconstitutional, null, and void for encroaching on matters within the Exclusive Legislative List;² and
2. The Federal High Court possesses exclusive jurisdiction over maritime and admiralty matters.

The Federal High Court, however, dismissed the Appellant’s claims, holding that the Law and the Regulation were valid and within the legislative competence of the Akwa Ibom State House of Assembly.

The Appellant appealed to the Court of Appeal.

¹Appeal No. CA/C/54/2024.

²Part I of the 2nd Schedule of the Constitution of the Federal Republic of Nigeria, 1999.

Key Issues Before the Court of Appeal

The appeal raised two constitutional questions:

- I. Whether the Law and the Regulation were valid in light of the exclusive powers of the National Assembly to regulate maritime matters and in view of the several federal enactments regulating maritime matters; and
- II. Whether the Akwa Ibom State Revenue Court had jurisdiction to entertain criminal proceedings relating to maritime matters.

Decision

In a well-considered judgment, the Court of Appeal held that:

- I. Maritime matters falls within the Exclusive Legislative List, and are therefore within the exclusive legislative competence of the National Assembly;
- II. The Law and the Regulation encroached on maritime matters, an area constitutionally reserved solely for the National Assembly and over which there has already been ample legislation made by the National Assembly;
- III. The attempt by the Akwa Ibom State Internal Revenue Service to impose levies under the Law and the Regulation amounted, in effect, to an unconstitutional extension of its taxing powers into a federally regulated domain; and
- IV. The Akwa Ibom State Revenue Court lacked jurisdiction to entertain a criminal charge bordering on maritime matters, as such matters fall within the exclusive jurisdiction of the Federal High Court.³

Why This Matters

This judgment is a significant affirmation of:

- I. The constitutional separation of legislative powers between the Federal and State Governments.
- II. The limits of State authority in imposing taxes, levies, and regulatory charges on matters within the Exclusive Legislative List.
- III. The binding effect of the recent Supreme Court decision in **NIWA & Ors v. LAWSWA & Ors (2024) LPELR-62198 (SC)**.

The decision has far-reaching implications for operators in the maritime, oil & gas, and logistics sectors, particularly regarding the overlap between state regulatory regimes and maritime matters constitutionally reserved to the Federal Government.



Our Role

We acted as counsel to the Appellant, and advanced arguments that led to this outcome.

Commentary

This judgment underscores the constitutional demarcation between federal and state legislative powers and is likely to influence future disputes involving state-imposed levies or regulatory measures affecting maritime operations.

The Court of Appeal brought more analytical clarity to the case of **Attorney General, Federation v. Attorney General, Abia State & 35 Ors**⁴ affirming that the derivative revenue interests of littoral States under the Allocation of Revenue (Abolition of Dichotomy) Act 2004 does not extend the legislative competence of a State House of Assembly to enact laws and/or impose taxes or levies in respect of maritime matters.

The importance of the decision lies not merely in its treatment of those specific questions, but in its wider contribution to the jurisprudence of constitutional federalism and to a clearer understanding of the legal relationship between the Federation and its constituent States.

For further information, please contact our team.

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³Section 7(2) of the Federal High Court Act.
⁴(2002) 6 NWLR (Pt. 763) 264.

CONTACT PERSONS



Chinedum Umeche, FCI Arb

Partner

E: cumeche@banwo-ighodalo.com



Temitope Oyeyemi

Senior Associate

E: ttoyeyemi@banwo-ighodalo.com



Ambrose Onyemakonor

Associate

E: aonyemakonor@banwo-ighodalo.com