

REVENUE WATCH

Revenue Watch is a monthly publication of the Communication, Media & Public Affairs Section of the Liberia Revenue Authority

TAX DUE DATES

PERSONAL INCOME TAX

Withholdings on wages and salaries; Due on or before the 10th day of the following month. Covers: Employers

CONTRACT SERVICES

Withholding on Services Rendered - Due on or before the 10th day of the following month. Covers: Contractors

GOODS AND SERVICES TAX

(7%-15%) - Due on or before the 21st day of the following month. Covers: Restaurants, Hotels, Car Rentals, Telecommunications communication companies and Manufacturers

EXCISE TAX: Due on or before the 21st day of the following month. Covers: Producers and sellers of alcoholic and non-alcoholic beverages.

PRESUMPTIVE TAX (4%) Due on or before 15 days after each quarter (i.e., 1st quarter payment is due April 15th) Covers: Small business whose gross annual sales are \$L\$ 200,000 - L\$3,000,000

BUSINESS INCOME TAX

(2%). Covers: All medium and large taxpayers with gross sales above L\$3,000,000

Advance Payment on BUSINESS INCOME TAX (2%) Covers: All medium and large taxpayers with gross sales above L\$3,000,000

REAL ESTATE TAX Due between January 1st and July 1st. Covers: All land and Real Property owners

INCOME TAX RETURN (Filing and Payment) Due on or before March 31st of each calendar year



LRA Concludes 12 Days Taxpayers Community Outreach

The Liberia Revenue Authority (LRA), along several partners, in April concluded a 12-day outreach on intensifying tax awareness and education. The outreach was organized in Monrovia and its environs, including parts of Lower Margibi County.

The 12-day event which ended on April 25 was conducted in 12 selected communities covering key topics: registering and paying real property taxes, obtaining tax identification numbers, registering small businesses as well as the processes of registering and paying taxes through mobile money platforms.

Sponsored by USAID/RG3 Project, it was implemented by the LRA Taxpayers Service Division and Communications Section in collaboration with Lonestar Cell/MTN, Orange and the Liberia Business Registry (LBR).

During the outreach, staff of the LRA, LBR and the two GSM Companies registered new businesses, helped taxpayers to acquired Tax Identification Numbers, provided information on properties registration, and how to enroll as a taxpayer on the Lonestar Cell/MTN and Orange mobile money platforms. Taxpayers were educated on how to pay their taxes from the comforts of their homes and businesses, without going to the LRA, by using the mobile money platforms.

The team visited several communities including St Paul Bridge, Caldwell, Duala Market, Waterside / Central Monrovia, Old-road/Airfield, Duport Road, ELWA / Rehab, Red Light, Coca-Cola Factory, Gardnerville / Barnesville Road, Fendell and Marshall / Boys Town. During the exercise, at least 100 new taxpayers, businesses and mobile wallet users got registered.

LRA Assistant Commissioner for Taxpayer Service Division Winifred J. Valentine-Nah said the Road Show is part of many efforts undertaken by the LRA to reach out to the public to enhance tax awareness and compliance towards achieving the Authority's Domestic Resource Mobilization strategy.

Valentine-Nah said taxpayers need more simplified information on how to pay their taxes to help the country's development process; therefore, the outreach event is intended to attract as many people as possible to get the needed information.

"We invite people of all classes in these earmarked communities to come out and learn everything they need to know about paying taxes and how to become a good taxpayer to contribute to the development of their country," she noted.



Stakeholders Call For DRM Strategy Implementation

Stakeholders are calling for total support and backing of the Liberia Revenue Authority (LRA) full implementation of the country's first-ever comprehensive Domestic Resource Mobilization (DRM) Strategy.

The stakeholders, representing local and international development partners, NGOs, civil society and the business community, described the strategy as being attractive and inclusive in boosting revenue collection in Liberia.

The call was made during a two-day stakeholders' engagement on the dissemination of key messages in the country's DRM Strategy held late April in Gbarnga, Bong County, with about 50 participants gathered from across the country attending.

They opted for an inclusive and appropriate use of revenue collected for the development of the country, which would in return attract tax compliance and spur revenue growth to boost national development. When collected taxes are used to impact the lives of the people through the provision of basic social services, they would be moved to become more tax compliance, the stakeholders said.

DRM refers to the generation of revenue locally and their allocation to economically and socially productive investments including basic social services such as roads, electricity, quality health and education. It is potentially the biggest source of long-term financing for sustainable development and it is the life blood of all state governance such as the provision of public goods and services. President George Weah last year endorsed the 5-year strategy.

Besides providing the opportunity for participants to clearly understand Liberia's DRM Strategy and suggest ways forward for implementation, the UNDP-sponsored engagement presented strategies options and areas of interventions to stakeholders.

The exercise made stakeholders to clearly understand how the DRM Strategy is critical in financing the government's Pro-Poor Agenda for Prosperity and Development (PAPD) and creating sustainable livelihoods in Liberia.

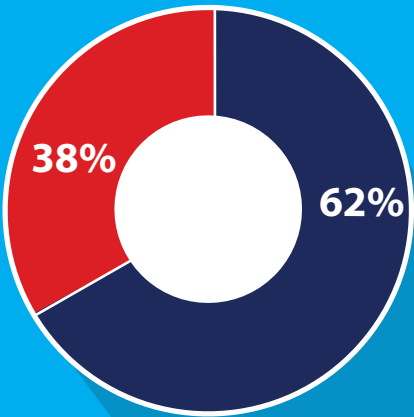
Speaking at the event, UNDP Economic Specialist and National Economist Stanley Kamara underscored the importance of the DRM Strategy for Liberia's development and pledged the UN agency's continuing support to realizing the aspirations of the strategy.

REVENUE

PERFORMANCE

MONTHLY UPDATE

JANUARY
REVENUE OUTTURN



■ Domestic Tax Department
■ Customs Department

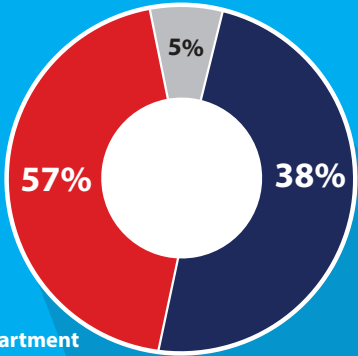
The gross total revenue collection for January, 2019 was US\$ 26.137 million and LRD 1.834 billion. The consolidated value at the average exchange rate of 158.46 LRD/1USD was US\$ 37.729 million. Against a target of US\$ 36.770 million collection slightly exceeded by US\$0.959 million, an equivalent of three percent. When collection is assessed on year on year basis, collection declined by nine percent, (i.e. from US\$ 40.353 million to US\$ 37.729 million). However, the collection for the month increased by US\$6.738 million or an equivalent of 22 percent above

December 2018 collection.

The currency composition showed that 69 percent of the total revenue was collected in United States Dollars whilst the remaining 31 percent was collected in Liberia Dollars for the month.

There was no external resource intake for the period under review.

YTD-DOMESTIC
REVENUE PERFORMANCE



■ External Resource
■ Domestic Tax Department
■ Customs Department

YTD Total Revenue

Year To-Date as January 31, 2018 total gross revenue collection consolidated at the average exchange rate of LRD 155.47 to 1USD is US\$271.269 million. When total revenue collection is compared on a year-on year basis, FY18/19 actuals increased by US\$22.753 million, representing nine percent above FY 17/18. Year to date collection in total revenue collection shows that approximately 48 percent of the approved revenue target of 570.148 million actualized while domestically 51 percent of the approved target of US\$506.195 has been achieved. When collection is assessed on month-on month basis for the first half of the fiscal year, the month of October was the lead contributor.

He applauded the LRA in leading efforts to finalize the document. Kamara disclosed that Liberia is among the very few countries in Africa to have promptly embarked the DRM process immediately after the Addis Ababa Action Agenda.

He said the UNDP's support to the DRM Strategy began since 2016 during the LRA nationwide regional dialogues which culminated into the National Revenue Symposium in Monrovia in June 2017 that gave birth to the Strategy.

He told participants that the implementation of the DRM Strategy is also geared towards meeting targets of the UN Sustainable Development Goals or SDGs which has 17 separate goals that affect every aspect of society. Mr. Kamara said unlike the Millennium Development Goals (MDGs) which was heavily donor dependent, the SDGs is dependent on domestic revenue generation. This is where, he noted, the DRM Strategy comes in.

The Strategy, he said, has the potential to raise increased revenue for the development of Liberia and urged Government and all stakeholders to do all that are required to make the DRM Strategy becomes a success — to ensure that Liberia becomes a less dependent country.

Making remarks on behalf of the LRA Commissioner General Thomas Doe Nah, the Assistant Commissioner for Policy Molley Kiazolu underscored the importance of the DRM and how it is tied to the PAPD.

Participants, in their recommendations, among others, called for a total political will on the part the government to boost the implementation of the document. Stakeholders feared that in the absence of political will and donor support in strengthening the LRA to implement the DRM Strategy, it would be another document left to dust on the shelf.

The participants also called for heavy investments in agricultural production (production of crops by county or region) and social services including roads, electricity, opening the tourism sector. These, they believe will open the economy, increase local industrial activities, thereby providing more employment opportunities. With these, the participants believe revenue intake would increase.

The pro-poor agenda is an ambitious strategy that seeks to better the lives of Liberians, he said, adding that to achieve this agenda, there must be capital to do so. "That's how the DRM Strategy is tied to the Pro-Poor Agenda.

LRA Manager for External Relations and Partnership, Wellington Jah, applauded the participants for showing up and actively participating in the dialogue. He noted that their recommendations would be compiled and presented at a major forum in Monrovia as part of carving an implementation plan for the country's DRM Strategy.

REVENUE WATCH



LRA Named Among TOP 5 FOI Compliant Public Entities

The Liberia Revenue Authority (LRA) was in April named as one of the five most compliant public entities in the implementation of the Country's Freedom of Information (FOI) Law.

In its Annual Compliance Progress Report Card, the Independent Information Commission (IIC) named the LRA and four other government ministries and agencies as the Most Compliant out of 66 public institutions assessed.

"Out of 66 Public Bodies assessed; 5 are in full compliance, 7 are in non-compliance, and 54 are in partial compliance," an LRA Press Release issued Thursday quotes the IIC report.

The four other institutions that are fully compliant include the Ministry of Finance and Development Planning, Ministry of Foreign Affairs, Ministry of Commerce and Industry and the Independent National Commission on Human Right.

The FOI Law mandates that each public or private entity covered by the Act should have a Public Information Officer (PIO), a functional website, a proactive and current report on the entity and a review body for the Internal Review process and Current Annual Report published online (2017/18)—all of which have been met by the LRA.

In line with Chapter 2, Section 2.1 of the FOI Law, the LRA has established, maintained, and regularly updated a widely accessible and user-friendly publication scheme that provides detailed information regarding its core function, nature of its activities and operations, and information it possesses.

This fulfils the principle of proactive disclosure, which the ICC used in grading public entities' compliance.

On Saturday (April 13), at the invitation of the IIC, the Communications, Media and

Public Affairs Manager of the LRA D. Kaihenneh Sengbeh (also LRA PIO) appeared on ELBC FOI Radio program to, among others, discuss the mandate of the LRA, the role of the PIO, Status of FOI Compliance, documents or records subject to proactive disclosure and the available means through which the public can access information from the Authority.

He said the LRA remains committed in complying with the FOI Law as it believes in transparency and accountability, while collecting the lawful revenues for the country's development.

Mr Sengbeh called on fellow PIOs at public institutions to work in the best interest of the country by informing themselves and be willing to provide information that the public needs. Sengbeh said when the people are adequately informed, they will shun speculation and falsehood, and use the information provided to make better decisions.

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The REVENUE WATCH is a monthly publication of the Communication, Media and Public Affairs Section of the Liberia Revenue Authority

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