

# 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 Renters, 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

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

**Advance Payment on CORPORATE 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 property owners

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

• **CORPORATE INCOME TAX**  
• **PERSONAL INCOME TAX**

Covers: All businesses and persons earning income from Liberia



## CG Tamba Presses Staff to Strengthen Trade Facilitation At Freeport of Monrovia

The Liberia Revenue Authority (LRA) Commissioner General Elfrieda Stewart Tamba early September toured strategic segments of the Freeport of Monrovia, held talks with key stakeholders and called for better services to enhance trade facilitation.

"Today's visit is to inspect LRA and partner's offices to see where we need improvement. This is also intended to improve relationship between our partners in the areas of the trade facilitation," Commissioner General Tamba stated Saturday (Sept 9) during her tour.

The Commissioner General (CG) and delegation including Deputy Commissioner General for Administrative Affairs Oliver N. Rogers, II, Customs Commissioner Saa Saamoi, Assistant Commissioner for Transformation and Modernization Robert Kamei and the Manager for Ports Operations Edwin F. Kendema, held talks with officials of the Freeport Customs Business Office, APM Terminal and the inspectorate group BIVAC.

The CG, among others, indicated that in a bid to provide better services to taxpayers, the facilities and processes through which these services are provided must be improved.

In a discussion with officials and staff at the Freeport Customs Business Office, CG Tamba

asserted that security and safety procedures remain a challenge, but noted that despite these hurdles, examiners at the Port were working to provide quality services intended to improve the inspection of containers going in and out of the Port.

At the AMP Terminal, the CG pressed officials to actualize provisions within the MoU via which AMP Terminal is to construct One-Stop-Shop Center, install CCTV Cameras at the two main entries and exits of the Port, and to improve trade facilitation. Enhanced security measures against smuggling of containers out of the Port and the conduct of a forensic audit were other issues discussed as part of the MoU.

APM Terminal Manager Director Adjei George meanwhile assured CG Tamba that all provisions stated in the MoU will be fully implemented. Mr. George said in keeping with the agreement, they will ensure CCTV cameras are mounted and proper lighting installed to prohibit criminal activities within the Port.

Meanwhile, CG Tamba and team visited offices of BIVAC and also inspected the Destination Inspection (DI) Site. After touring the DI Site, CG Tamba suggested to the management of BIVAC to improve the facilities. The DI Site is where containers coming into the country via sea are inspected before they are released to their

importers.

The CG recommended that the current site be expanded for space purposes, improvement on the release time of containers leaving the Port and installation of lighting systems. CG Tamba called for the modernization and improvement of the facilities to meet acceptable international standards.

Officials of BIVAC agreed with the Commissioner General that the current facility needs improvement and expansion to ensure adequate security and safety measures.

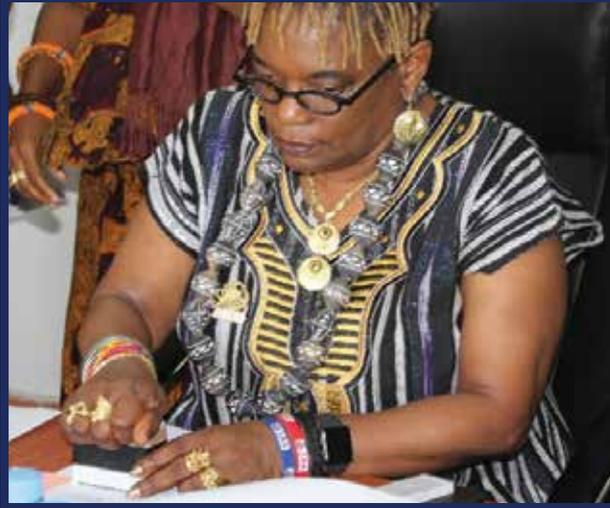
Officials of BIVAC agreed to work with LRA to ensure that trade facilities are improve.

Representative of BIVAC present at the DI site included Henry Bernard and LRA Senior Examiner Pauline Sonnah.

As part of ongoing efforts to modernize the LRA and revenue collection in the country, CG Tamba has made it a top priority to visit key facilities that contribute significantly to revenue collection.

According to CG Tamba, in other to be on par with other Revenue Authorities in the sub region and Africa at large, the LRA must instill standards and international best practices as part of the LRA modernization efforts, thereby improving trade facilitation and growth in revenue collection.

## LRA signs Partnership Agreement for Mobile Money Tax Payment



The Liberia Revenue Authority (LRA) has signed a partnership agreement with LoneStar Cell MTN, Orange Liberia and the United Bank of Africa (UBA) for the introduction of the payment of tax using mobile money, for the first time ever in Liberia.

The official payment of tax using mobile money is expected to begin in November this year.

The partnership code name "Proof of Concept Agreement (PCA) for Mobile Payments", was signed on Thursday September 7, 2017 in Monrovia and will pave the way for tax payment by means of mobile money services.

Under the pilot arrangement, the two GSM companies will design accessible payment platforms to facilitate tax payment using mobile money.

The agreement will cover all tax and non-tax fee collections including Cooperate Income Tax, Personal Income Tax, Excise Tax as well as birth and marriage certificates payments. The first phase of the project will incorporate small tax payments which is expected to be extended to other segments of tax payment.

Commissioner General Elfrieda Stewart Tamba, who signed for the LRA, described the partnership agreement as a "major milestone" under the LRA's modernization and transformation agenda.

She reaffirmed the commitment of the LRA in transforming tax administration in Liberia through the application of aggressive and sustainable technologies aimed at ensuring easy means to attain voluntary tax compliance and enhance the facilitation of domestic revenue mobilization.

CG Tamba, among others, lauded telecom partners and the UBA for endorsing the partnership including USAID RG3 project for their continuous support to the LRA. Speaking during the signing ceremony, LoneStar Cell MTN Deputy Chief Executive Officer Louis Roberts, Orange Chief Executive Officer Mamadou Coulibaly and UBA's Managing Director Olalekan Balogun respectively pledged their commitments to fully implement the agreement.

They expressed their willingness in supporting the LRA to achieve its tax payment transformation programs.

For his part, USAID-Liberia Director for Democracy and Governance Jeremy Meadows praised the collaboration between the LRA and the private sector which he noted is a vital step in achieving government-private partnership.

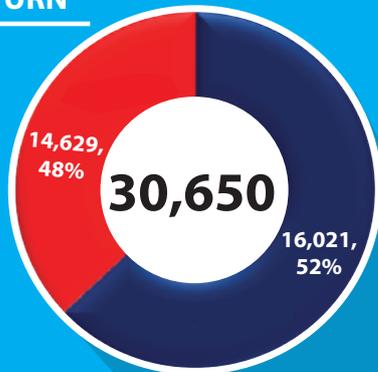
## LRA Intensifies Taxpayer Advocate Education



# REVENUE PERFORMANCE

MONTHLY UPDATE

## SEPTEMBER REVENUE OUTTURN

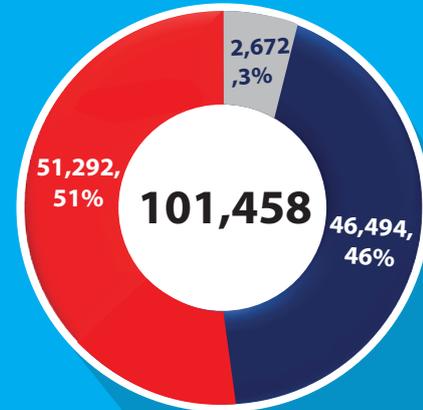


■ Domestic Tax Department ■ Customs Department

The gross revenue collections for the month of September 2017 were US\$ 13.273M and LRD 2.021Bn. The consolidated value at the average exchange rate of 116.4LRD/1USD was US\$30.650M. This amount registered a surplus of US\$ 924K or 3% against a target of US\$ 29.726M. When compared to same period of last Fiscal year, a decline

of -8% was registered. Domestic Tax Department accounted for US\$ 9.843M and LRD 557.204M, consolidated value US\$ 14.629M, representing 48% of the total collection. Customs department accounted for US\$ 3.430M and LRD 1.464Bn, consolidated value US\$ 16.021M, representing 52% of the total collection.

## YTD-DOMESTIC REVENUE PERFORMANCE



■ Domestic Tax Department ■ Customs Department ■ External Resources

The year to date gross revenue collections (July- September 2017) were US\$ 54.298M and LRD 6.933Bn. The consolidated value at the average transaction exchange rate of 114.42LRD /1USD was US\$114.995M. However of the total collection US\$ 11.344 and LRD 359.304m were obligations for last fiscal year 16/17 but actualized in this fiscal year. The current collections year to date were US\$ 42.953M and LRD 6.574Bn. The consolidated value is US\$ 100.458M, against target of US\$ 101.113m there is US\$ 655K or -1% deficit registered. When compared to the same period of last fiscal period, a growth of 1% was

registered. Domestic Tax Department accounted for US\$ 29.211M and LRD 1.973Bn. When consolidated at the average transaction exchange rate, US\$ 46.494M was realized, representing 46% of the total collection. Customs department accounted for US\$ 11.070M and LRD 4.601Bn. When consolidated at the average transaction exchange rate, US\$ 51.292M was realized, representing 51% of the total collection. External resources realized for the period was US\$ 2.672M or 3% of the total collections to date. This amount represent grants of US\$ 2.67M received from USAID Fixed Assets Reimbursement Agreement

The Taxpayer Advocate Office of the Liberia Revenue Authority (LRA) is continuing on a massive awareness campaign aimed at educating taxpayers about their various rights and responsibilities.

The campaign which started in August seeks to provide information about procedures in accessing LRA services.

The interactive awareness campaign targets several taxpayers including members of the Liberia Chambers of Commerce, the Liberia Business Association including LRA tax service windows in Monrovia among others.

Speaking in September, Acting Taxpayer Advocate Minnie Paegar Kallon said the TAS was established to provide avenue for taxpayers to get assistance and get problems

resolved with the LRA.

"The Taxpayer Advocate Service office is a bridge between the taxpayers and the LRA, which serves as the voice of the taxpayers", she indicated.

Madam Pargar-Kallon informed taxpayers at the program to channel all relevant tax related concerns and issues to the TAS in order to get prompt redress. She said to qualify for the assistance, a taxpayer has to experience delays in their tax processes lasting more than thirty days, or have not received a response or resolution to the problem by the date that was promised by the LRA.

Madam Pargar-Kallon disclosed that forms have been designed to track the concerns of taxpayers about related tax issues.

She said the Taxpayer Advocate Service office is also working along with the Taxpayer Services Division to carry out

more tax education and awareness.

For their part, some taxpayers present at the awareness program complained about the delay in processing of Tax Clearance and other tax related issues.

They however commended the LRA for setting up the Tax Advocate Service and instituting new measures to address their concerns and improve taxpayer services.

Key issues highlighted during the awareness engagements included services offer by the Real Estate Tax Division, The Protest and Objection Unit of the Customs Division and the Domestic Tax Division.

The (LRA) in collaboration with USAID Revenue Generation for Governance and Growth in July launched a Taxpayer Advocate Service program at the LRA.

The introduction of service is part of the standard and modernization efforts of the LRA to improve tax related matters.



# REVENUE WATCH



## LRA Completes Training For Auditors And TAX PROFESSIONALS

The Liberia Revenue Authority (LRA) in late September completed a three day exchange of information and capacity building training for its auditors and tax professionals.

The LRA conducted the training under the African initiative on tax transparency of the OECD Global Forum exchange of Information. The training covered, among others methods, processes and procedures of initiating Exchange of information request in audits.

The training enhances the knowledge of tax auditors in the exchange of information and strengthen their capacities protecting domestic revenue.

Addressing the opening session of the training on Tuesday September 20, 2017, LRA Commissioner General Elfrieda Stewart Tamba said the seminar was vital in combating tax fraud.

CG Tamba indicated that as tax evasion schemes become more complex and sophisticated, it is essential for tax authorities to work together to deter, detect and disrupt these activities.

She named new technologies as a means through which more tax evasion activities can easily cross national borders and make money disappear at the speed of light. CG Tamba said the financial impact of tax evasion is vast, and the effects are enormous which cost weighs on the ordinary people.

“The issue of combating illicit flows of capital, money laundering and other harmful tax practice is gaining political traction and I am very excited today to see the OECD here to assist in the building of our auditors’ capacities for the protection of our domestic revenue”, the LRA Commissioner General stated.

She said it was quite fitting that the Seminar was being held in Liberia, given the increasing threats of tax evasion, avoidance as well as other illicit activities that pose a serious conundrum to developing countries’ abilities to mobilize domestic resources to finance their development agenda.

“We are pleased that the OECD accepted our invitation to build and strengthen the capacity of our auditors in the architect of information exchange for tax purpose for unearthing potential illicit tax activities with the underpin of eroding the tax base” CG Tamba indicated.

The LRA Commissioner General said the starting point for an effective global strategy to tackling tax crime is in the sharing of information and skills to ensure that tax administrators, and auditors among others in all countries have access to the latest techniques to detect and deter tax evasion effectively.

She described the training as an extraordinary opportunity for the LRA to build its strength in fighting tax crime that will ensure that national revenue are protected for the socio-economic good of the Government and people of Liberia.

Also speaking, Ms. Monica Bhatia, Head of the Global Forum on Transparency and Exchange of Information for Tax Purposes described the seminar as a vital connection between the domestic tax investigation and information exchange.

She said the training is also part of efforts in setting up tax systems in enhancing domestic revenue in accordance with the MDGs.

Ms. Bhatia further spoke of the need to ensure effective cooperation with all stakeholders in promoting tax transparency which she said is vital to revenue collection.

### EDITORIAL TEAM

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

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