

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 Introduces Mandatory Vehicles Entry Points

Smuggling continues to affect revenue generation, and the LRA is turning all stones to curtail the unwholesome act. Dozens of vehicles are seen in used cars garages, many of which have no tax payment records.

In a bid to address the smuggling of vehicles and collect the required taxes, LRA has introduced mandatory routes for all vehicles entering Liberia through land borders.

The new mandate issued by the LRA states that all vehicles imported from Ivory Coast will pass through the Toe Town Customs Border Post and Loguata Customs Border Post respectively Grand Gedeh and Nimba Counties.

Vehicle entering Liberia from the Republic of Sierra Leone, will enter via Bo Waterside Customs Border Post in Grand Cape Mount County, while vehicles imported from the Republic of Guinea will come in through the Ganta Border Post in Nimba County.

The LRA states that the land borders introduced must be used at all times and failure to follow the directive of the LRA, any vehicles imported into Liberia by other means will be deemed smuggled and subject to monetary sanction and seizure.

Meanwhile, the regulation states that, motor vehicles registered in any ECOWAS country purposely for the international transport of goods and passengers may use any official customs border crossing point provided that said vehicle carries passengers and/or commercial goods at the time it crosses the border into Liberia. Such goods must be declared at the initial entry point and due clearance given by customs before moving further into the customs territory of Liberia.

Liberia Revenue Act of 2013 indicate that all individuals and companies importing vehicles into Liberia through land borders use only designated entries instructed by the LRA.

LRA Communication Manager on Committee to form African Tax Media Network

A network, African Tax Media Network (ATMeN), comprising 150 tax reporters and tax communicators in Africa has been established to champion the African tax conversation with the aim of enhancing domestic resource mobilization and development on the continent.

ATMeN was established as an outcome of the African Tax Administrative Forum (ATAF) 2nd Media Engagement and Training held in Kigali, Rwanda from March 6-8. About 70 participants from 22 countries including Liberia, attended the event. ATAF was established by African revenue authorities in 2009, in order to improve the performance of tax administrations in Africa.

During the media engagement, participants unanimously endorsed Liberia Revenue Authority (LRA) Communications, Media and Public Affairs Manager, D. Kaihenneh Sengbeh, as a member of an 11-person committee who will finalize the formation of the network for endorsement by heads of revenue authorities in Africa during the 10th Anniversary celebration of ATAF in November 2019.

ATMeN seeks to establish a strong collaboration between tax reporters and revenue administrations to enhance tax education and awareness in supporting domestic resource mobilization among others.

The formation of the network buttresses efforts led by ATAF to initiate concrete steps in developing a smooth relationship between the media and various tax administrations on the African continent.

Through this network, participants committed to sharing experiences, developing story ideas, promoting access to information at multiple levels and identifying opportunities for capacity development.

The three-day (March 6-8) event among other things, heightened the critical role of the media in unpacking the benefits of tax on citizens, advocacy, taxing the digital economy, the role of citizens in development, including simplification of tax information to the public.

It brought together about 70 selected media practitioners and tax communicators from across Africa and was held under the theme,



Manager Sengbeh speaking at the media engagement in Kigali, Rwanda

"Journeying with ATAF on the Next 10 Years: The Journey Towards Increased Domestic Resource Revolution in Africa".

Speaking at the close of the event, the Director of Tax Program at ATAF Mary Baine urged media practitioners to remain committed in



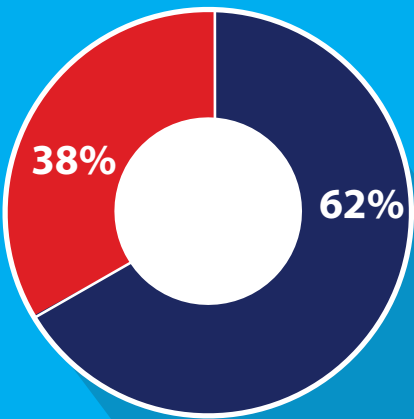
Partial view of participants at the ATAF media engagement and Training in Kigali, Rwanda

R E V E N U E

PERFORMANCE

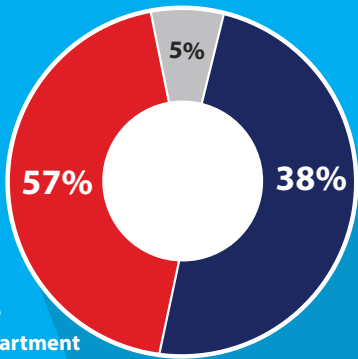
MONTHLY UPDATE

MARCH REVENUE OUTTURN



■ Domestic Tax Department
■ Customs Department

YTD-DOMESTIC REVENUE PERFORMANCE



■ External Resource
■ 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 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.

highlighting tax matters as a means of ensuring that the public is adequately informed and educated on the underlining issues of taxation.

For his part, Rwanda Revenue Authority (RRA) Commissioner of Domestic Taxes, Aimable Kayigi Habiyaambere, noted that the role of the media is fundamental in taxation and as such the media should not be left behind in the process of tax information and education.

Five delegates from Liberia including three Liberian journalists from FrontPage Africa, Daily Observer Newspaper and the Liberia News Agency and two tax communications personnel from the LRA represented Liberia. The first ATAF media engagement and training was held in March 2018, in Johannesburg, South Africa.



Team Liberia at the ATAF media engagement

REVENUE WATCH



LRA CONDUCTS TAX CLINIC FOR WATER MANUFACTURERS

As part of ongoing tax awareness and education, the Liberia Revenue Authority (LRA) concluded the training of 30 members of the Liberia Water Producers Association (LWPA) in March.

The aim of the tax clinic was meant to promote collaborative relationship between the Authority and water producers. During the training, water producers were enlightened about the importance of tax payment.

Making remarks at the start of the event, Assistant Commissioner for Taxpayers Services Madam Winifred Valentine –Nah lauded members of the association for being part of the exercise. Madam Nah encouraged members of the Water Producers Association to fully comply with standard operating procedures by meeting their respective tax obligations. She said, the LRA will continue to train, educate and impart the lives of taxpayers through its interactive platforms.

Giving an overview of the program, the Manager for Small Tax at the Liberia Revenue Authority, Thomas Jallah, called on the Water Manufacturers to properly channel their challenges through the

requisite authority for proper redress. He called on those water producers engaged in defrauding government to desist or risk been closed.

Manager Jallah outlined the lack of registration, high level of noncompliance and under reporting as some of the key challenges facing the authority. He meanwhile called for collective efforts between the LRA and Members of the Association.

For her part, the President of the Liberia Water Producers Association, Madam Yvonne Boyd, said her entity is not happy with the business environment. Boyd wants LRA to create an enabling environment under which water companies can fully operate and compete on the quality of production without hindrance. "We want a level playing field between the LRA and water producers" she added. She however thanked the LRA for the initiative and pledged her organization's full cooperation in meeting their respective tax obligations.

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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