

REVENUE WATCH

Revenue Watch is a monthly publication of the Communications, 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

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 property owners

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

BUILDING A CUSTOMER-FRIENDLY LRA



CG Nah Addresses large Taxpayers



A Taxpayer makes a point as others look on

The new Commissioner General of the Liberia Revenue Authority, Thomas Doe Nah, in late September held his first engagement with scores of business stakeholders, mainly from the large taxpayer category, aimed at building what he calls "mutual partnership" to enhance revenue collection.

Large taxpayers are businesses or corporations that have annual turnover of L\$30m and above. The Commissioner General said his engagement with the large taxpayers in Monrovia was about engendering a "new way" of transacting with the business sector in a people-centered manner to boost tax compliance.

The CG told his audience that the approach of meeting and engaging them in discussions was fundamental to creating a more customer-friendly economic environment for revenue collection.

"We intend to reshape our customer relations, but will remain firm on the implementation of the revenue laws," CG Nah stated Friday, September 21, 2018 during the engagement held at the Liberia Chamber of Commerce on Capitol Hill.

CG Nah urged taxpayers to find the appropriate means of settling tax obligations and related issues and avoid bypassing procedures in a dishonest way which he described as very unfair and unacceptable.

"If you have problems, let us know so we can discuss them; but, don't try to do the wrong things because if we catch you, we will not compromise," CG Nah strongly asserted.

"I am keen on working with other state actors to develop a comprehensive triangular approach of providing a more suitable way to improve our business climate and enhance revenue collection," he told his audience.

Encouraging taxpayers to make use of the modernized and integrated technologies put in place by the LRA to enhance tax payments, CG Nah further urged taxpayers to report issues that affect tax payment to the LRA so as to drive a way forward in formulating requisite measures and policies to address them.

"Feedback is the key to the transformation of everything, so we will need you to give us feedback that will help us institute essential measures," CG Nah noted.

Speaking earlier, the first Vice President of the Liberia Chamber of Commerce, Assad A. Barber, lauded the LRA Commissioner General for initiating the engagement, describing it as a welcoming undertaking. He called on the LRA to do more consultations with the business community and taxpayers before the introduction of reforms and enforcement of new measures.

The acquaintance gathering was intended to discuss relevant means of enhancing tax payment and improve relationship with the business community.

Key topics including real estate property tax payment, customs obligations and procedures, e-Filing were also discussed.

LRA TAKES TAX EDUCATION TO THE CHURCHES



LRA Asst. Commissioner for Real Estate Isaac B. Stevens addressing worshippers



Photos above and below showing partial views of worshippers



The Liberia Revenue Authority (LRA), through its Real Estate Tax Division, is extending its tax awareness to churches to encourage worshippers to be tax compliant by meeting their tax obligations to the state.

The campaign commenced on Sunday, September 16, 2018 at the Dominion Christian Fellowship Church located on the Tubman Boulevard in Congo Town, where more than one thousand worshippers were in attendance.

In an effort to increase domestic resource mobilization and boost the revenue collection across the country, the LRA is embarked on series of awareness and tax clinics intended to take the Authority to the people and encourage them to become tax compliant.

Making a presentation at the Dominion Christian Fellowship Church, LRA Assistant Commissioner for Real Estate Tax Division Isaac Beyan Stevens described tax payment

as a national duty and obligation by all residents of the country.

Commissioner Stevens said the development of any country requires the full cooperation of citizens, especially through the payment of their tax obligations, noting that tax payment is everybody's business.

"The taxes you pay," he told the congregation, "help the government to build roads, bridges and improve the living standards of Liberians by providing basic social services."

The presentation covered, Real Estate Property Tax, the kinds of real estate properties and associated taxes as well as the procedures and due dates of paying these taxes.

AC Stevens called on churches to encourage their respective members to be tax compliant by paying their fair share of taxes to help develop Liberia.

He thanked the Bishop and members of the Dominion Church for the opportunity to allow the LRA provide tax education to its congregation.

Meanwhile, the Resident Bishop of the Dominion Christian Fellowship Church, George W. Washington, urged members of the congregation to take advantage of the tax awareness provided by the LRA and pay their taxes.

Bishop Washington wants members of the church owning properties to fully cooperate with the LRA in meeting their obligations to the state.

He said it's about time that true believers live an exemplary life that others can follow.

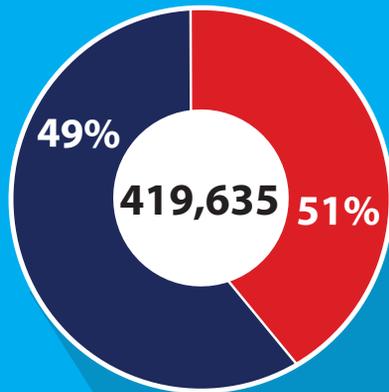
He thanked the LRA family for extending tax education at the level of the church.

R E V E N U E

P E R F O R M A N C E

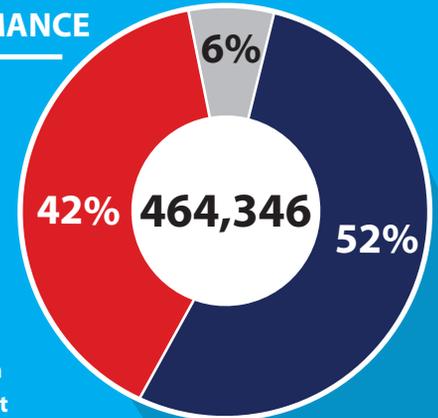
MONTHLY UPDATE

SEPTEMBER REVENUE OUTTURN



- Domestic Tax Department
- Customs Department

TOTAL REVENUE PERFORMANCE



- FY 2016/2017 Obligation
- Domestic Tax Department
- Customs Department

The gross total revenue collection for September, 2018 was US\$ 29.649 million and LRD 1.333 billion. The consolidated value at the average exchange rate of 154 LRD/1USD was US\$ 38.303 million. Against a target of US\$ 37.375M collection exceeded by US\$928 thousand, an equivalent of two percent. When collection is assessed on year on year basis, collection increased by 23 percent, (i.e. from US\$ 31.22 million to US\$ 38.30 million).

The over performance for the period is driven by the realization of a grant received from European Union during the period. Domestically compared to previous period collection remained constant.

The currency composition showed that 77 percent of the total revenue was collected in United States

Dollars whilst the remaining 23 percent was collected in Liberia Dollars for the month.

Domestic Revenue
Domestic revenue accounted for 80 percent of the total revenue collected for the month. Domestic tax department is the lead contributor to domestic revenue collection accounting for US\$15.73 million, an equivalent of 51 percent, while the department of customs accounted for US\$14.95 million an equivalent of the remaining 49 percent. Domestic revenue exceeded its monthly revenue target by US\$ 303 thousand, an equivalent of one percent. When domestic revenue is assessed on year on year basis, collection decline by US\$ 552 thousand, an equivalent of two percent.

Year To-Date as September 31, 2018 total gross revenue collection consolidated at the average exchange rate of LRD 153.3 to 1USD is US\$113.02 million. When total revenue collection is compared on a year-on year basis, FY18/19 actuals fell by US\$ 2.63 million, representing 2 percent decline. Year to date collection represent approximately 20 percent of the approved revenue target of 570.14 million actualized.

WATAF Congratulates LRA New Commissioner General

The West Africa Tax Administration Forum (WATAF) in August extended words of congratulations to Commissioner General Thomas Doe Nah.

WATAF, in a twittered message of August 20, said it was looking forward to attaining new heights in its collaboration with the new LRA administration under the leadership of CG Nah.

The organization at the same time thanked outgoing Commissioner General Elfrieda Stewart Tamba for the sterling performance during her tenure.

CG Nah, a graduate of the John F. Kennedy School of Government at Harvard University, was in August appointed by President George Weah to head the Authority, replacing Madam Tamba who led the Authority from 2014 to 2018 as its first ever CG.

Mr. Doe-Nah, last worked with the Liberia office of the Carter Center, International nongovernmental organization and led its efforts to advance accountability, transparency, and the right of access to information (ATI) in Liberia.

He is also a co-founder of the Center for Transparency and Accountability in Liberia (CENTAL), and served as its executive director for several years highlighting the fight against corruption and advocating for systems that promote accountability.

Mr. Doe-Nah comes to the job with an affluence of knowledge, having diligently worked in the Economic and Commercial Section of the United States Embassy in Monrovia.

REVENUE WATCH

Enforcing Compliance From Within

CG Nah Mandates Employees To Settle Real Property Tax Obligations



Commissioner General of the Liberia Revenue Authority Thomas Doe Nah

The Commissioner General of the Liberia Revenue Authority (LRA) Thomas Doe Nah in late September ordered all officials and staff of the Authority to comply with their property tax requirements on or before November 30, 2018.

The Commissioner General urged employees who are owners of real property (ies) to declare said properties with the LRA and pay the required taxes.

Section 25 (4) of the Liberia Revenue Authority Act of 2013 provides that: "Board Members, Officials and Staff of the Authority are required to be tax compliant at all times."

The Commissioner General, in a September 21 memo, called on all employees who are renting or leasing properties from third parties to withhold the applicable rent income tax and remit same to the LRA, while those renting or leasing

properties are required deduct the required rent income tax from rentals received from their tenants and remit same to the LRA.

The CG said pursuant to the LRA application of Executive Order 89, all penalties and interest on tax liabilities will be waived through October 23, 2018. Employees and staff are to submit treasury receipts to the Assistant Commissioner for Human Resource as proof of payment.

CG Nah also requested employees occupying or residing in non-rental properties to ensure that said properties are registered and fully tax compliant.

The CG wants all Board Members, Officials and Staff of the LRA to fully comply with the requirement of the law in the discharge of their duties as revenue collectors.

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