



# NEWS RELEASE

LRA/PR-29/17-18

## False Declaration Undermines Government's Pro Poor Agenda

### *LRA Alarms, Sets Record Straight*



*Commissioner Saamoi displaying some falsely declared goods including a coat suit and backpacks during the press conference*

(Monrovia, April 20, 2018): Liberia Revenue Authority (LRA) is concerned over increasing acts of under and false declarations by importers, especially through the Freeport of Monrovia, which have the propensity to undermine the Liberian Government's Pro Poor Agenda.

The LRA recently cautioned importers of goods and owners of cargos to fairly declare every items loaded in containers entering the country, as it

remains resolute in the collection of every lawful penny due the Government in line with the Liberia Revenue Code.

Addressing a regular Ministry of Information press briefing on Thursday April 19, 2018, in Monrovia, LRA Commissioner of Customs Saa Saamoi said some importers are engaged in the fraudulent acts of under declarations and false declarations at the detriment of the country.

Displaying some falsely declared goods including coat suits and backpacks during the press conference, Commissioner Saamoi disclosed that importers were declaring untruthful values of their imports in a bid to avoid paying the actual taxes due the government and people of Liberia.

For example, the Commissioner explained that some importers would declare 1,000 pieces of items on which they are billed to pay their tax, but when verified, the number of items declared at 1000 increases to 2,500 items.



# NEWS RELEASE

LRA/PR-29/17-18

Commissioner Saamoi said such acts were dishonest and seriously undermine the government development agenda and domestic resource mobilization efforts.

Contrary to claims by some importers that the LRA is exploiting them via double taxations and inspection, the Customs Commissioner clarified that the Authority is not and has never been involved in such act, but was rather ensuring that lawful taxes due government are collected.



*A partial view of some undeclared goods at the Freeport of Monrovia*

He clarified that the LRA has since put in place several reform measures including a Paperless Declaration and a simplified declaration modules, among others, to make the importation and assessment of goods through the ports easier and accessible.

Saamoi said the new system is a digital platform (Paperless Declaration) that is accessible from any part of the world through internet connectivity.

On the issue of hiking fees at the Freeport, Commissioner Saamoi said the LRA through its accurate customs tracking measures has discovered several under cleared items coming through the Freeport of Monrovia, and correcting these unacceptable acts have been vilified by importers and characterized by misinformation to seek public sympathy.

“Imaging some of the business people who are making these accusations are bringing goods that have a higher value, but will chose to understate the value and amount so as to pay less taxes and defraud government of its required revenue,” Commissioner Saa Saamoi explained.

The Customs Chief said despite complaints of high tax rate in the country, Liberia’s tax rate is instead lower than other countries’ in the region.

Specifically, he disclosed that Liberia’s import tariff stands at the lowest in the sub region which makes importation to Liberia much cheaper than other surrounding countries.

“For example, the Value Added Tax (VAT) rate on vehicle importation in Liberia is 10 percent while in neighboring Ivory Coast and Guinea it is 20 percent, for Ghana 17 percent and Sierra Leone stands at 15-percent,” he said.



# NEWS RELEASE

LRA/PR-29/17-18

He said the total calculation on the VAT on vehicle importation in Liberia is at 20 percent which indicates that Liberia has the lowest charges as compared to other countries in the sub region whose charges is at 40 percent or more on vehicle importation.

Commissioner Saamoi said the LRA is not in the business of creating hardship for importers, but is interested in making the customs process transparent and in a way that government will collect the requisite revenues to support government's Pro Poor Agenda.

He said all Liberians, including the business community, must contribute their fair share of supporting the Agenda by paying their taxes through truthful declarations.

The Customs Commissioner then reaffirmed the commitment of the LRA to ensuring a lawful and transparent environment in facilitating trade in Liberia.