

Summary
RLJ HOTEL AND RESORT Protest
Protests and Objections Unit
August 8, 2016

On December 7, 2015, the Real Estate Tax Division (RETD) served *RLJ Hotels and Resort (RLJ)* an assessment bill in the amount of US\$ 487,591.86 (Four Hundred Eighty Seven Thousand Five Hundred Ninety One 86/100) for the periods 2014 to 2015 (marked herein as “Exhibit 1 in Bulk”). RETD based its assessment on the net book value of the historical cost of US\$ 17,369,357.08.

The bill was challenged and after some period of exchange of communications between the taxpayer and LRA, ENAG Con (ENAG) on behalf of RLJ, protested the assessment on grounds that it was calculated on net book value of the historical cost of the buildings rather than the appraised values as prescribed by Administrative Regulation No.7.2006-1/MOF/R/17SEPTEMBER 2009¹.

From the review of the facts and applicable laws, the Hearing Panel² concluded that RLJ’s property was not covered by the categories of properties enumerated in the Administrative Regulation No. 7-2000-1/MOF/R/17 SEPTEMBER 2009³, and that the correct assessed value or market value of the RLJ resort was US\$19,835,533.00. The Panel also concluded that the additional real property tax RLJ owed the Government of Liberia was US\$2,894,354.03

¹Administrative Regulation No.7.2000-1/MOF/R/17 September 2009 outlines appraisal methods and criteria to be used by assessors. Categories of properties covered in the above regulation are apartment buildings (one or two storey office buildings, 1or 2 storey or duplex), commercial buildings (multi-storey office buildings and commercial buildings (multi-storey office building with with store and dwelling facilities).

²Hearing Panel of the Protests and Objections Unit of the Liberia Revenue Authority is composed of three members: Manager of the unit, Special Counsel/Consultant, and Protest Officer. The hearing was held with representatives from both the Large Tax Department, RLJ and ENAG, Con. being present.