



DEPARTMENT OF CUSTOMS

FAQ – CUSTOMS GOODS CLEARANCE

	QUESTION	ANSWER	COMMENT
1.	How long does it take to clear goods at a Customs port, and what do I need to do to clear my goods faster?	It takes minimum five hours and maximum five days to clear goods at Customs, provided the importer is compliant with the Customs laws, and all necessary documentation is completed in time by the broker/agent. For more information on customs procedures, please refer to Customs clearance procedures at www.lra.gov.lr .	<p>In order to clear your goods within the five hour – five day timeframe, the importer should:</p> <ol style="list-style-type: none"> a. Obtain the CRF (whether DI or PSI) from BIVAC at least 5 days prior to the arrival of the goods. b. Make a goods declaration immediately after the cargo manifest is registered with Customs by the shipping agency. c. Pay your taxes and terminal handling charges immediately after receiving a duty and tax assessment notice from Customs. d. Obtain a delivery order from the shipping agency immediately after the cargo is discharged in the cargo terminal. e. Make sure to have a delivery truck available in time for immediate loading of cargo by the terminal operator.
2.	Can I ship my goods to Liberia without pre-	Unless otherwise expressly exempt, all importers are required to do pre-shipment inspection before shipping goods to Liberia. the Government,	The penalties for not pre-inspecting goods prior to shipment to Liberia are:

	shipment inspection (PSI)?	through Administrative Regulation No. 12. 14263 – 2/MOF/R/BCE/14 October 2013, requires penalties for failure to have goods pre-inspected.	<ul style="list-style-type: none"> a. 10% of CIF value for first and second offense b. 20% of CIF value for third and fourth offense c. 30% of CIF value for all subsequent offenses by the same importer d. 150% for tobacco & tobacco products, alcoholic beverages and spirits irrespective of the number of offenses.
3.	What taxes and fees do I need to pay to clear my goods from a Customs port?	The Schedule I (Custom tariff) of the Revenue Code of Liberia 2000 as amended requires the payment of import duties, Goods & Service Tax (GST), Excise Tax on excisable goods only, and ECOWAS Trade Levy (ETL) applicable only to goods originating from outside of ECOWAS. Customs User Fee (CUF) and other fees or surcharges may be applicable where specified in regulation.	The tax base for calculating Customs duties and taxes is the CIF (Cost, Insurance & Freight). Apart from the GST that is a uniform rate at 10% for all good types, the duty and excise rates depend on the HS classification of the good in the Customs tariff. For more information, the Revenue Code and its schedules, including the Customs tariff, may be found at www.lra.gov.lr .
4.	How do I pay my import duties and taxes?	Once the duty and tax assessment notice is issued the importer or his agent by Customs, a manager's check should be obtained from a Commercial Bank and deposited at a Central Bank collection window. Payment for goods imported through the Freeport can be made only at the Central Bank collection window at the Freeport of Monrovia Customs Business Office. Payment for all other ports can be made at other Central Bank collection windows or through GoL transitory accounts with commercial banks.	Payment of duties and taxes less than or up to US\$250 do not require manager's check and may be paid in cash to the Customs cashier, a transitory account with a commercial bank or a Central Bank collection window. This option does not apply to the Freeport of Monrovia.
5.	When and where do I pay my import duties and taxes?	Customs duties and taxes are required immediately after receiving a duty and tax assessment notice from Customs.	Duties and taxes paid to any other account other than the Government of Liberia General Revenue Account or official transitory accounts are

		Taxes are paid to only one Government account which is the General Revenue Account existing with the Central Bank of Liberia.	fraudulent transactions that should be reported immediately to Customs.
6.	What factors may cause an importer to incur storage at Customs ports?	<p>Under normal circumstances, all importers should be able to complete Customs clearance of goods within a timeframe 5 hours to five days. However, any of the following reasons may cause a consignment to enter into storage:</p> <ol style="list-style-type: none"> a. The importer or his/her broker may be devising means to evade taxes, which could cause delays, especially when uncovered by Customs. b. The importer's agent may be seeking to extort extra money from the client/importer for unjustified fees which end up in the agent/broker's pocket. c. The importer may not have sufficient money to pay the duties and taxes on time. d. The importer's overseas agent may not have paid the freight to the shipping agency in keeping with contract between the overseas agent and an importer. In this circumstance the shipping agency in Liberia will not issue the importer a delivery order. e. The consignment may be a groupage shipment for several importers and a party to the shipment may not have his/her share of duties & taxes readily pay. f. The importer may not have submitted the required documents in time or the documents submitted may be inadequate to make a tax assessment. 	Anything relating to tax evasion and fraud, whether on the part of an importer, customs broker or a Customs officer should be immediately reported to Customs for immediate action.

		<p>g. The agent hired by the importer may be incompetent which could lead to serious delays in goods clearance as every step in the process may be an error that has to be corrected before proceeding to the next step.</p> <p>h. Money given to the agent by the importer to pay duties, taxes and fees may be diverted by the agent/broker to personal use or to settle duty and tax obligations of other clients.</p>	
7.	Do I need a Customs broker to clear my goods?	<p>Customs brokers provide a service that makes goods clearance easier for importers. However, individuals are allowed, within the provisions of Section 1500 (a) of the Revenue Code of 2000 as amended, to clear their own goods. Notwithstanding, such individuals are not allowed to clear goods for other importers unless they are licensed by Customs to do so.</p>	Individuals are encouraged to undergo training on goods clearance in order to be able to clear their own goods using their own tax identification numbers (TINs).
8.	If I am unsatisfied with a Customs decision at a Customs port, do I have a remedy?	Certainly any importer can appeal a Customs decision in writing to the Commissioner of Customs. Please refer to the Appeals Procedures at www.lra.gov.lr .	
9.	What methods does Customs use to calculate duties & taxes?	The current valuation method is based on the normal price (BDV) in accordance with Section 1705 of the Revenue Code of Liberia 2000 as amended. The tax base is the sum of the cost of goods purchased overseas, the insurance covering the shipment of such goods and the freight cost to transport the goods to Liberia (CIF). The duty and	The cost of goods purchased includes the price paid for the goods and all other costs leading to the point shipment from the port of export.

		<p>tax on a good is the CIF multiplied by the applicable duty and tax rates.</p> <p>For more information, please refer to Practice Note No. 1 – 2016 at www.lra.gov.lr.</p>	
10.	How can I verify that my customs broker/agent has given me the correct bill?	<p>All bills pertaining customs declarations made by importers or their agents are stored electronically at automated Customs ports or manually at Customs ports not automated. The importer may request LRA Customs to retrieve the declaration and payment record.</p>	<p>Importers should be aware that there are criminals falsifying revenue instruments. All suspicions should therefore be reported to the LRA Customs for verification.</p>
11.	Do I have to pay charges to any other individuals or agencies at the port?	<p>Apart from import duties and taxes paid to the LRA Customs, the importer may also be required to pay cargo handling fee to terminal operators, delivery order fee to shipping agencies, transport fee to private truckers, and the clearing service fee agreed with the customs broker.</p> <p>However, terminal handling fees apply only to Seaports, and airports. There are no terminal handling fees at all land borders at the moment.</p> <p>For more information on fees, please visit www.lra.gov.lr</p>	<p>Any other fee not mentioned on the list fees should be reported to the LRA Customs immediately when demanded by a customs broker/agent.</p>
12.	Who are the stakeholders in the Customs clearance process	<p>The stakeholders in the Customs clearance process are terminal operators such as APM Terminal and GLS, shipping agencies, Customs brokers and LRA Customs.</p>	
13.	Where do I make a complaint if I feel offended by representative (s) of any of the stakeholders?	<p>Each stakeholder agency should have a client service unit to where agency-specific complaints are referred. In the case of the LRA, complaints may be referred to the Taxpayer Advocacy Office and queries may be referred to the Taxpayer Services Office. For more information on the offices of the Taxpayer Service and the Taxpayer Advocate, please visit www.lra.gov.lr.</p>	

14.	Why does Customs impose penalties?	<p>Customs impose penalties for the following reasons:</p> <ul style="list-style-type: none"> a. Untrue declaration of goods (Section 1608 of the Revenue Code of Liberia 2000 as amended) b. Violation of administrative regulatory requirements such as the requirement to undergo pre-shipment inspection before importing goods to Liberia. c. Improper record keeping (Section 55 of the Revenue Code of Liberia 2000 as amended) d. Breach of warehousing procedure (Section 14185 (f) of the Revenue Code of Liberia 2000 as amended) 	
15.	Where do I get information on Customs procedures and the laws enforced by Customs?	All customs procedures are available on LRA website at www.lra.gov.lr	
16.	Can I import arms and ammunitions?	Individuals and businesses are not allowed to import arms, ammunition and form of explosives unless duly authorized by the competent Government authorities and under Customs control.	
17.	If my vehicle which is being used to smuggle goods or restricted or prohibited goods such as arms & ammunition is caught with the goods, is the vehicle liable for seizure together with the goods?	In reference to Section 1602 of the Revenue Code of Liberia 2000 as amended, such vehicle is subject to seizure provided it is established that the owner of said vehicle is privy to the illegal act.	

18.	If I am only visiting Liberia with my vehicle, am I supposed to pay duties and taxes on the vehicle?	A vehicle temporarily entering the Customs territory of Liberia from another customs territory may not be subject to import duties and taxes. However, a guarantee of 150% of the tax that would have been paid, has to be deposited with Customs at the Customs border point of entry.	The guarantee is returned to the importer of the vehicle immediately the vehicle departs the Customs territory of Liberia.
19.	Am I entitled to duty free on my personal effects?	Every passenger entering the Customs territory of Liberia is entitled to exemption on his/her personal effects as passenger luggage provided that the personal effects are in reasonable quantity and accepted by the Customs officer.	Reference may be made to the Second Schedule of the Revenue Code of Liberia 2000 as amended.
20.	How does Customs treat risk?	Goods are profiled to determine the level of risk using selectivity colors. If the risk level is Green, the goods are released by Customs without documentary or physical inspection; if the risk level is Blue, the goods are released without physical inspection but subject to Post Clearance Audit; if the risk level is Yellow, the goods are subject to documentary scrutiny by the Customs Compliance Officer but without physical inspection; and if the risk level is Red, the goods are subject to both documentary scrutiny and physical inspection by Customs. For more information, please refer to the Customs Compliant Trader Program at www.lra.gov.lr	
22.	Do other agencies participate in goods inspection?	Other border agencies do participate in goods inspection but only for targeted consignments of specific interest relating to the statutory function a border agency.	Customs is the lead border agency for cargo control. However, if other border agencies express interest to inspect goods, such goods are jointly inspected with Customs.
	How can I determine the Customs value and taxes	The valuation of used vehicles is very complex as used vehicles are often not traded in standard markets. In order to value used vehicles fairly and transparently, Liberia Customs uses the Kelly Blue Book as an online valuation guide. Three	Customs does not consider the physical condition such as salvage or the negotiated value for used vehicles because most used vehicles are traded through private party transactions. The KBB helps Customs create a level playing field for trade in

23.	on my used vehicle I am importing to Liberia?	parameters are used to determine the value: the make, e.g., Toyota 4Runner; the model, e.g., 2017; and the mileage, e.g., 40,000miles. For more information on used vehicle valuation, check our used vehicle valuation guide at www.lra.gov.lr	used vehicles. Vehicles of the same make, model and mileage are valued and taxed the same irrespective of who the importer is. The use of KBB helps remove the opportunity for manipulation and unfair treatment between different importers. If an importer claims to have paid very low cost price at the point of purchase, it is still to their advantage that their cost remains lower than other competitors because Customs only increases the tax base for the purpose of calculating duties and taxes.																		
24.	Is it true that import duties and taxes in Liberia are higher than other countries in the region?	This is certainly not the case. Import duties and taxes in the neighboring countries and almost the rest of ECOWAS member states are higher than import duties and taxes in Liberia. ECOWAS member countries have adopted a common external tariff (the ECOWAS CET) which provides for uniform duty rates on imported goods across all ECOWAS countries. Liberia is currently implementing the ECOWAS CET. The reason why Liberia has not fully aligned its duty rates to the ECOWAS CET is because the average duty rates currently applied by other ECOWAS countries are higher than the duty rates currently applied in Liberia	A comparative example is the import duty and tax rates on used or new vehicles: <table border="1" data-bbox="1276 699 1780 987"> <thead> <tr> <th>COUNTRY</th> <th>I/DUTY</th> <th>GST/VAT</th> </tr> </thead> <tbody> <tr> <td>Guinea</td> <td>20%</td> <td>20%</td> </tr> <tr> <td>Ivory Coast</td> <td>20%</td> <td>20%</td> </tr> <tr> <td>Sierra Leone</td> <td>20%</td> <td>15%</td> </tr> <tr> <td>Ghana</td> <td>20%</td> <td>17%</td> </tr> <tr> <td>Liberia</td> <td>17%</td> <td>10%</td> </tr> </tbody> </table>	COUNTRY	I/DUTY	GST/VAT	Guinea	20%	20%	Ivory Coast	20%	20%	Sierra Leone	20%	15%	Ghana	20%	17%	Liberia	17%	10%
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25.	Does it mean that the ECOWAS CET is not good for Liberia?	The ECOWAS CET is very good for Liberia. The CET is simple and it provides for uniform rates for imported goods in all 15 ECOWAS member countries. The CET is a regional approach to productivity, job creation and income for ECOWAS citizens. The reason for placing high duty rates on certain goods is to protect local manufacturers producing the same goods in ECOWAS member countries.	It is important to note that goods imported under the ECOWAS Protocol must be accompanied by a certificate of origin issued by the customs administration of the ECOWAS country of export.																		

	<p>The complementary instrument to the CET is the ECOWAS Trade Liberalization Scheme (ETLS) which provides for free circulation of goods produced in ECOWAS member countries to any other ECOWAS member country without payment of import duties. This protocol supports the pro-poor policy of the Government of Liberia by allowing the goods certificated as originating from any ECOWAS member state to be imported to Liberia without import duties.</p>	
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