

# 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 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

## LRA HITS ANOTHER MILESTONE IN REVENUE ADMINISTRATION



The Liberia Revenue Authority with support from USAID RG3 Project, in June hit another milestone in transforming and modernizing the country's revenue administration with the soft launch of the second phase of electronic filing (e-filing) platform for tax filing and payment.

The overall purpose of the e-filing application is to provide convenience in filing and paying their taxes that would reduce cost of compliance and improve tax administration efficiency.

The first phase of the platform was launched March this year only for the filing of annual corporate income taxes.

Following Friday, June 29's launch, the electronic platform will now support the filing and payment of domestic tax categories including annual business income tax, quarterly turnover tax, goods and services tax, excise tax, property tax as well as all withholding taxes.

The initiative is part of huge efforts by the LRA and partners to transform the revenue administration in Liberia through the utilization of effective information communication technology tools.

Speaking at the occasion, Commissioner General Elfrieda Stewart Tamba described the soft launch of the system as a 'milestone' which is tied to Goals 2 and 4 of the LRA 5-year Corporate Strategic Plan.

"Our aim is to facilitate voluntary tax compliance

and one key way to do that, is through automation," she said.

CG Tamba urged all taxpayers to take advantage of the new electronic tool which will make them more efficient in the conduct their filing processes and at the same time increase their compliance level.

The Commissioner General urged taxpayers to be fully compliant so as to contribute their fair share to the development of Mama Liberia through taxes, noting that there is no way any nation can be built in the absence of tax contributions by citizens and residents.

USAID Revenue Generation for Governance and Growth Project (RG3) Acting Chief of Party John Yates said the soft launch of the e-filing tax payment platform is a vital reform mechanism intended to enhance tax collection in Liberia.

According to Mr. Yates, the platform was designed to support the ability of the taxpayers to easily file their returns and comply with the law.

LRA Commissioner for Domestic Tax Department Darlington Taley disclosed that the electronic payment system will greatly accelerate compliance and make tax payment accurate, easier and convenient.

The official launch of the e-filing platform is expected to take place at the celebration of this year's Taxpayer Appreciation Day scheduled for July 27th.

# ABIDING BY THE LAW

## *LRA licenses first batch of Customs Brokers*

It was quite a celebratory atmosphere in the room – somewhat like a graduation day. Of course, it was. Each of them walked on to the stage smiling, as their colleagues clapped and cheered them up, calling their teasing names.

As they received their certificates, they returned to their respective seats with the biggest of smiles. So it was on Friday, June 29, 2018 when the LRA certificated and licensed 25 customs brokers as provided by law.

Customs brokers are private individuals, partnerships or associations licensed to assist importers and exporters in meeting requirements governing imports and exports. They act as professional agents for an importer or exporter, prepare and submit all documents for clearing goods through customs.

The Licensing of the first batch of 25 Customs Brokers was done in keeping with Section 6.0 A (iii) of the Customs Brokers Revenue Administrative Regulation which mandates the LRA to administer Customs Brokers Competency Licensing Examination as a standard for practicing custom brokerage.

The Office of Professional Responsibility administered the broker's examination test to at least 50 individuals after drilling them through a period of training at no cost to participants. The 25 who were licensed successfully passed the test.



Both the LRA and the licensed customs brokers were cheerful for the milestone achievement. It was the first time the LRA was licensing customs brokers since its establishment in 2013.

Presenting Certificates of License to the brokers on June 30 at the LRA Headquarters, former Commissioner General Elfrieda Stewart Tamba described the event as a milestone achievement.

Madam Tamba encouraged customs brokers who had successfully gone through the requirements of the LRA customs examination to consider the profession as a noble career.

She emphasized the need for collaboration between customs brokers and the LRA as both parties are serving the interest of the taxpayers.

Madam Tamba indicated that modernizing and transforming Liberia's revenue administration remains quite vital, and this cannot be achieved without the partnership of customs brokers.

Assistant Commissioner of Customs for Technical Operations, William L. Buku congratulated the licensed customs brokers, and cautioned that those pursuing career in the field of customs

brokerage should see it as a noble profession that should be taken seriously.

Assistant Commissioner Buku encouraged the newly licensed custom brokers to establish themselves into businesses and be trustworthy at all times. He warned them against the practice of dishonesty while rendering services to their clients as well as the LRA.

Meanwhile, speaking on behalf of his fellow customs brokers, Kansualism Berk Kansuah, thanked the Management of the LRA for providing them the training.

Mr. Kansuah said the newly licensed brokers will not work in isolation if they are to succeed in their individual businesses. He said they will unite themselves and work together in the best interest of the country.



## Finance Minister Tours LRA

*Assures President's Support To Strengthen Revenue Collection*

The Minister of Finance and Development Planning Samuel Tweah on Friday (June 15, 2018) visited the headquarters of the Liberia Revenue Authority (LRA) and assured officials and employees of the Authority of President George M. Weah's full commitment in supporting the collection of lawful revenue to fund the government's Pro Poor Agenda.

Former Commissioner General Elfrieda Stewart Tamba welcomed and briefed the Minister of developments at the LRA, enumerating key achievements, challenges and

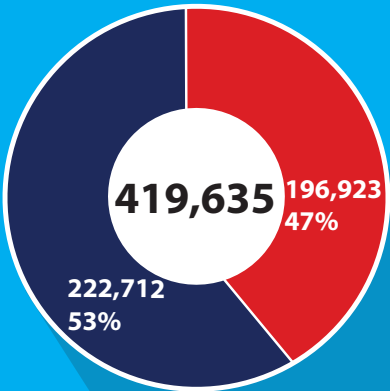


REVENUE

# PERFORMANCE

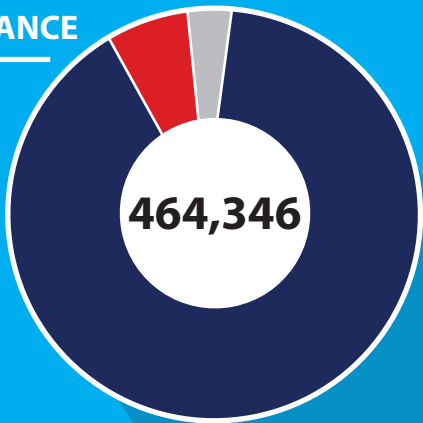
MONTHLY UPDATE

## JUNE REVENUE OUTTURN



- Domestic Tax Department
- Customs Department

## TOTAL REVENUE PERFORMANCE



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

### Domestic Revenue

Domestic Revenue accounted for the 91 percent of the total revenue collected in the year. Domestic revenue for the year slumped by 6 percent against recast budget. Compared to previous year collection slumped by 9 percent. Domestic Tax Department accounted for US\$ 222.905M or 53 percent and the department of Customs accounted for 196.923M or 47 percent of the domestic revenue respectively.

### External Resources

External resources intake for the year slumped by 66.9 percent against a recast budget of US\$ 91,240M. During the period an obligation from European Union in the tune of US\$ 11.3M grants for FY1617 was actualized.

The gross revenue collections for the fiscal year ended June 30, 2018 were US\$ 324,198 M and LRD 17,103Bn. The consolidated value at the average exchange rate of 114.2LRD/1USD was US\$464,346M. Of the total amount collected for the year US\$ 14.538M were an obligation from FY 16/17. These obligations actualized included US\$ 11.345M grants from European Union and US\$ 3.193M from LPRC road maintenance fees. Actual FY 17/18 Collection of US\$ 449.808M slumped by 16 percent against recast budget of US\$ 536.323M. When compared to previous Fiscal year collection slumped by 14 percent.

prospects of the government’s revenue collecting machinery.

The CG along, with her two deputies, later led Minister Tweah on a guided tour of the LRA headquarters during which time the Minister entered every office and interacted with the employees, thanking them for their services to Mama Liberia.

‘I just stopped by to say thank you and that the President appreciates the work you do here every day for the country,’ the Minister noted as he thanked employees and extended hand shakes to employees

in their respective offices and work posts.

Minister Tweah said President Weah ‘stands behind the LRA Management and its employees to do more in collecting the lawful revenue needed to develop the country.

The Minister expressed delight over the LRA Real Estate Community Partnership Project and indicated that the Government will commit resources to support the initiative which both encourages tax payment and provides employment opportunities, especially for

young people. ‘We will put some money behind this project,’ he assuted.

Minister Tweah, while visiting the Real Estate Tax Division, underscored the need for citizens or property owners to pay their real property taxes, saying ‘everyone must pay their taxes.’

In his final message, the Minister urged employees to keep working harder as that is the only way revenue can be collected for the government to succeed in meeting its development agenda.

# REVENUE WATCH

## LRA, Lonestar Cell MTN & Partners Launch Mobile Tax Payment Service



The Liberia Revenue Authority in collaboration with MTN Liberia, the United Bank for Africa (UBA) and the USAID-Liberia /RG3 Project officially launched the Mobile Tax Payment Service via Lone Star Cell MTN in June.

The service enables easy payments of taxes and fees and reduces the burden on taxpayers who often cover long distances and stand in long queues to pay taxes.

The payment platform covers tax payment including Business Income Tax (2%, & 4%), Corporate Income Tax, Personal Income Tax, Excise Tax, GST, Withholding, Real Estate Tax, as well as non-tax fees including Birth, Marriage, Travel Clearance, Fire Safety, and Business Registration Renewal Certificates.

Speaking at the official launch of the service on Friday, June 8, 2018 at the headquarters of the LRA in Paynesville, former Commissioner General Elfrieda Stewart Tamba said the introduction of the service signifies the attainment of a major deliverable of the Authority, consistent with goals 2 & 4 of the LRA's 5-year Corporate Strategic Plan.

Goals 2 and 4 respectively border on

"maximizing voluntary compliance" and "transforming revenue administration by utilizing effective Information Communication Technology."

The CG emphasized that "the use of mobile money is a needed technology in tax administration," and described the inauguration of mobile tax payment service in Liberia as a "big boost to maximizing voluntary compliance" in enhancing revenue collection.

For his part, USAID-Liberia /RG3 Project Chief of Party Alexander Kitain praised the LRA for initiating innovative means of tax payment by expanding its payment system.

He hailed the level of progress made thus far by the Authority to improve the tax administration system in Liberia. The RG3 Project is playing a significant role in the LRA transformation and modernization drive.

Deputy Minister for Fiscal Affairs at the Ministry of Finance and Development Planning Samora Wolokollie pledged the Ministry's commitment in supporting the work of the LRA and commended the LRA and partners for making tax payment easier for the taxpayers.

"Today, tax payment is easier than it was yesterday and we think by tomorrow, it should be much easier than it is today," Minister Wolokollie stressed.

Lonestar Cell MTN Deputy CEO, Laureine Guilao, who spoke on behalf the company, said the Company was very excited to officially launch the Mobile Tax Payment Service, and called on subscribers of the company to be tax compliant.

She said the company is continuously working towards taking everyone on board a new digital world. "So, this is a major step in that direction," Ms. Guilao said.

The United Bank for Africa (UBA) Managing Director, Olalekan Balogun, said it was a great opportunity for the bank to be selected to partner in the mobile tax payment initiative. The platform, he indicated, will enhance compliance as it will reduce stress and challenges people face in paying their taxes.

President George M. Weah, in April, launched the first Mobile Tax Payment Service via Orange Liberia and challenged Liberians to use the platform for tax payment, after he became the first taxpayer to use the service.

### EDITORIAL TEAM

The REVENUE WATCH is a monthly publication of the Communication, Media and Public Affairs Section of the Liberia Revenue Authority

ELWA Junction, Paynesville City, Liberia;  
www.lra.gov.lr

Elfrieda Stewart Tamba

D. Kaihenneh Sengbeh

Victor Kummeh Seah

Jerry Laynumah Siakor

Tyrence Walter Moore, Jr.

Manager, CMPA /Excutive Editor

Senior Officer, CMPA/ Editor

Public & Social Media Affairs Officer/Staff Writer

Communication Officer/Graphic Designer

kaihenneh.sengbeh@lra.gov.lr

victor.seah@lra.gov.lr

jerry.siakor@lra.gov.lr

tyrence.moore@lra.gov.lr

Phone: +231-0886586531/0777586531