



# REPUBLIC OF LIBERIA MINISTRY OF FINANCE

## ADMINISTRATIVE REGULATION

NO. 1.55-1/MOF/R/28 December 2010

TO : ALL TAXPAYERS

SUBJECT : Minimum Standards for Documentation in the Books and Records of Small Taxpayers, Legal and Natural Persons Engaged in Business

DATE : December 28, 2010

### 1.0 GENERAL RULES

Section 55 sub-section (a-c) of the Revenue Code of Liberia, Act 2000 specifies the minimum records to be kept by every person with a tax obligation, whether for payment of tax or withholding of tax. The said records must be maintained in Liberia in the English Language for five (5) years after the end of the tax period to which they refer. The Law further requires that such books, records or other appropriate records of transactions of business carried out shall be sufficiently adequate to substantiate the tax due in accordance with the person's method of accounting. The records, information or books specified below must be kept readily available for scrutiny, inspection and audit by the Ministry of Finance.

It is the responsibility of all taxpayers to maintain orderly and complete recording systems that facilitate ease of verification.

### 2.0 AMENDED REGULATION

Regulation No. 1.55-1 MOF/R/26 October 2001 is hereby amended and replaced with immediate effect upon signature of this Regulation.

### 3.0 PUBLIC NOTICE

In addition to the minimum record requirement, taxpayers must maintain the following records, information or books: - or described below.

### 4.0 SMALL TAXPAYERS' RECORDS

Small taxpayers will specifically be required to keep the following records:-



1. Amount of cash on hand and in a bank(s) including copies of bank statements both local and foreign.
2. Amount owed by the business along with a listing of all persons and businesses owed.
3. Amount owed to the business along with a listing of all persons and businesses who are indebted to the business including yourself.
4. Amount of cash and other assets invested in the business.
5. Listing of all fixed assets.
6. Daily sales register, ledger or copy book showing amount of each item sold either by cash or credit. The Ministry of Finance will provide the minimum format.
7. Purchase invoices both local and foreign including customs documentation relating to imports.
8. Listing of inventory, i.e. the goods in the store the day the taxpayer counts the goods.
9. All tax payments including real estate, business registration and licenses required.
10. Records showing the persons who are entitled to share in the profits including share certificates and register if applicable.

#### 5.0 PENAL PROVISION

Any failures, omission or negligence to comply with this regulation shall lead to imposition of penalty as provided by section 55(e) of the Revenue Code of Liberia.

This regulation shall take immediate effect upon signature.

Signed: \_\_\_\_\_



Elfrieda S. Tamba

DEPUTY MINISTER FOR REVENUE

Signed: \_\_\_\_\_



Augustine Kpehe Ngafuan

MINISTER OF FINANCE