



LIBERIA REVENUE AUTHORITY REVENUE ADMINISTRATIVE REGULATION

REGULATION NO. : No. 03.1021-1-10/LRA/DTD/26-02-2019

SUBJECT : OTHER TAXABLE SERVICES IN THE SECTORS OF AIR TRAVEL, VEHICLE RENTAL, COMMUNICATIONS, AUTOMOTIVE REPAIR SERVICES, PROFESSIONAL SERVICES AND PORT-RELATED SERVICES

DATE : February 26, 2019

1.0 PREAMBLE

WHEREAS, Part VII Transitional Provisions of the Liberia Revenue Authority (LRA) Act of 2013, Section 38(1), Repeals and consequential Amendments transferred the administrative and operational powers and duties the code assigns to the Minister or Deputy Minister to the Commissioner General.

WHEREAS, Section 21(1)(a)&(b) of the Liberia Revenue Authority Act of 2013 provides that the commissioner General shall be responsible for the administration and supervision of the code, the direction and the day-to-day management and administration of the authority, for the supervision of the execution of officers, managerial staff, and other employees of the authority as well as other matters of the Authority. The commissioner General shall also:

- a. Ensure the effective and fair interpretation, application and implementation of the Code.
- b. Ensure the proper and diligent implementation of this Act.

WHEREAS, the general authorization provision of Section 8(1) of the LRA Act of 2013 states that, "the authority is authorized to discharge its functions under this act and has the power to take necessary action to accomplish those functions in the manner and using the methods permitted under the code and other laws".

WHEREAS, a primary function of the LRA pursuant to section 7(1) of the LRA Act of 2013 is to transparently, equitably and fairly administer collection of national revenues and to ensure the deposit of all amounts assessed and collected into the Consolidated Fund.

NOW THEREFORE, in accordance with law, the LRA herewith sets forth the following administrative rules and procedures for the collection of taxable services under sections 1021 and 1022 of the Code.

2.0 LEGAL BASIS

This Regulation is pursuant to sections 1021(c) & 1022(a)(10) of the Liberia Revenue Code. Section 1021 (c) states that, “The services tax on a supply of taxable services is to be accounted for to the Minister (Now Commissioner General) by the registered services provider making the supply.”

Also, Section 1022(a)(10) states that “ The term “taxable services” means any supply (other than an exempt supply) in connection with the carrying on of a business by a person of— (10) other services (specified in regulations) in the sectors of air travel, vehicle rental, communications, automotive repair services, professional services (excepting medical services), and port-related services”.

3.0 PURPOSE

The purpose of this Administrative Regulation is to specify and apply service tax to other services in the sectors of air travel, vehicle rental, communications, automotive repair services, professional services and port-related services excluding medical services.

Also, this regulation is to ensure that registered service providers or persons making the supply of taxable services are accountable to the Commissioner General for the payment of service tax.

4.0 PROCEDURE

All registered service providers or persons making supply of taxable services are to account to the Commissioner General for payment of services tax. The Registered service provider or the person

providing the service(s) shall withhold and remit services tax at the rate of ten (10) percent, and file a services tax return for each tax period within 21 days in the succeeding month.

The following are identified taxable services in the sectors of air travel, vehicle rental, communications, automotive repair services, professional services and port-related services:

1. Port related Services

- a. Stevedoring
- b. Trucking services
- c. Vehicle loading and offloading
- d. container services
- e. Other related port services

2. Courier Services

3. Air Travel

- a. Transportation of goods by air
- b. Baggage services
- c. Other related services

4. Vehicle rental services

5. Automobile Repairs & Services

6. Professional Services

- a. Accounting, Taxation, Auditing and Management Services
- b. Financial Services
 - i. outbound remittance of funds
 - ii. insurance
 - iii. loans
- c. Legal Services
- d. Architectural Services
- e. Engineering and Technical Services
- f. Surveyor Services
- g. Environmental Impact Services
- h. Other related professional services



4.1 PENAL PROVISION

All registered service providers or persons providing taxable services failing to adhere to this regulation will be penalized in line with section 52(a)(1) of the Liberia Revenue Code of 2000 as amended, which states that “A taxpayer is required to pay the correct tax liability on or before the payment due date. If a taxpayer does not pay by that date (determined with regard to any granted extension of time to make payment) the amount shown as tax liability on the taxpayer’s return, a penalty is imposed. If the delay in payment is for not more than a month, the penalty is 5 percent of the amount of tax shown. For each additional month (or partial month) if the delay continues, an additional 5-percent penalty is imposed on the balance, which is sum of— (A) the tax shown, plus (B) previously imposed Section 52(a) penalty”.

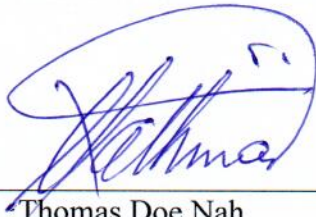
5.0 PUBLIC NOTICE

The Government of Liberia, through the Liberia Revenue Authority, hereby announces that upon entering into force of this regulation, the above listed Services in Section 4.0 of this Regulation are taxable services. Hence, they shall be treated in accordance with Chapter 10 Sub Chapter (B) of the Liberia Revenue Code.

6.0 EFFECTIVE DATE

This regulation shall take effect as of **July 18, 2019**.

Signed: _____



Thomas Doe Nah
Commissioner General/CEO