

# REVENUE WATCH

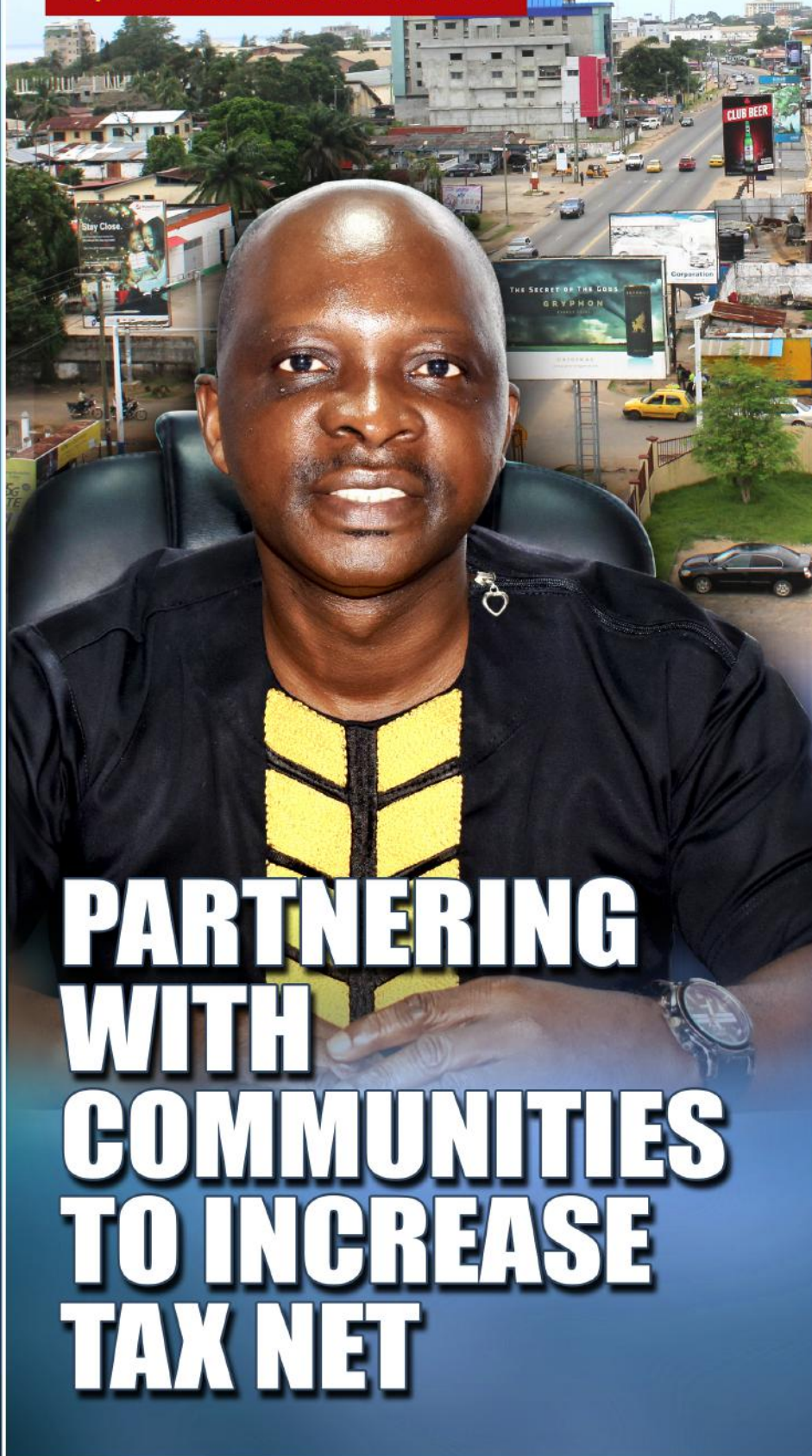


2<sup>nd</sup> Edition / July-September 2017

Revenue Review is a Quarterly publication of the Liberia Revenue Authority

Volume 1, Issue 2

**LRA CAPTURES OVER 43,134  
REAL ESTATE PROPERTIES -  
14,149 CURRENTLY IN TAX NET**



**PARTNERING  
WITH  
COMMUNITIES  
TO INCREASE  
TAX NET**

## COMMERCIAL PROPERTY



## RESIDENTIAL PROPERTY



## VACANT PROPERTY



# Our Core Values



## Our Vision

To professionally, fairly, transparently and effectively collect lawful revenues, and to facilitate legitimate trade and social protection for the people of Liberia.

## Our Mission

To be a professional revenue administration adhering to international standards and to serve as a model for revenue collection and service delivery.





## Message from the Commissioner General

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**Elfrieda Stewart Tamba**  
Commissioner General/CEO  
Liberia Revenue Authority (LRA)

The second edition of the Revenue Watch is here, and we are glad to have you holding and reading it. This is just why we published it! The Revenue Watch, a quarterly publication by our Communications, Media and Public Affairs Section, is one of our many channels of communication and ways of reaching our valued taxpayers and the general public, inclusive of local and foreign partners and international audience.

At the LRA, we strive to remain proactive in the provision and dissemination of timely and professionally packaged information that help sensitize our people in order to positively impact revenue collection in the country.

Being a proactive information provider as required under the Freedom of Information Act, we believe that this quarterly magazine effectively reinforces our numerous and regular information disclosures and awareness on

our website, other social media pages and on television and radio programs across the Country. We continue to publish and broadcast all tax information including due dates, payment procedures, hold tax clinics, stakeholder engagements and other outreach.

This edition of the Revenue Watch is packed with key happenings within and efforts of the LRA over the last three months covering July to September 2017. Highlight includes our Q1 Thank you Message to Taxpayers and our Top Ten Taxpayers.

I am hopeful that this piece of literature will provide excellent reading for you, as we remain obliged and engaged to improving voluntary compliance in order to ensure higher levels of tax compliance for the development of Mama Liberia.

*Enjoy your reading!*

**TRANSFORMING REVENUE ADMINISTRATION IN  
MAMA LIBERIA FOR THE NATIONAL GOOD**

# REVENUE WATCH

MAGAZINE

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## Letter From The Chief Editor



**D. Kaihenned Sengbeh**  
*Manager of Communication  
Media & Public Affairs*

I am exceedingly pleased to welcome you to the second quarterly edition of the Revenue Watch. Like the first publication (April-June), collecting information to piece up stories and articles in this edition hasn't been easy.

However, our doggedness and commitment to meeting out target served as strong impetus to get us here — to have this splendid work in your hands.

This edition covers activities of the First Quarter of Fiscal Year 2017/2018, spanning from July 1 to September 30, 2017.

The edition comprises at least 20 stories and articles that highlight key activities of the LRA for the period under review. These articles and stories are further categorized into News, Fighting Corruption, Going Global, Capacity Building, and Partnership & Engagements. Also in the edition are articles written by managers, a special interview, as well as key tax due dates, and locations of LRA Tax and Customs Business offices across the country. Whether

you choose to read from the first to the last page or in segments, you will definitely find interesting information that will enhance your knowledge about the work we do at the LRA.

Producing this quarterly accumulated the cooperation of many individuals — Managers and Commissioners who provided us the requested information for writing and editing — especially my dedicated members of the editorial team of the Communications, Media and Public Affairs Section.

Commissioner General Elfrieda Stewart Tamba never ceased pressing for updates and progress on the magazine, and making her professional and relevant inputs. The CG's persistent queries and demand for meeting the publication deadline was quite a great stimulus in getting this work done.

Now, we glad you have it in your hands. We hope that the information contained in this publication will help to enhance tax compliance and boost revenue generation. Read it. Enjoy it. Thank you.

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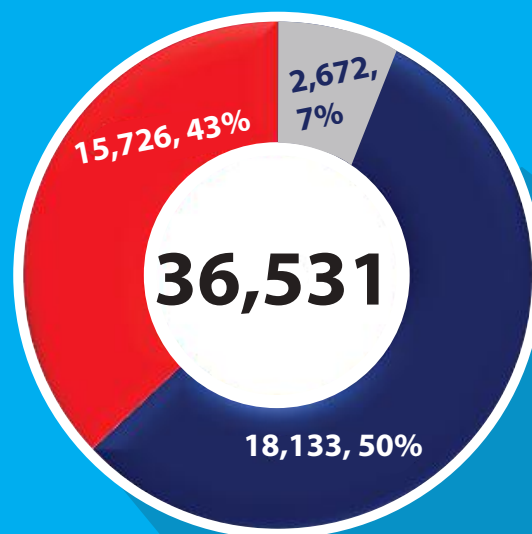
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# REVENUE PERFORMANCE

MONTHLY UPDATE

## JULY REVENUE OUTTURN



■ Domestic Tax Department

■ Customs Department

■ External Resources

The Gross Revenue Collections: The gross revenue collections in July 2017 were US\$ 17.308m and LRD 2.164bn. The consolidated value at the average rate of LD 112.62 to 1USD is US\$ 36.531M, accomplished 90.8% indicating a deficit of -9.2% or US\$ 3.697m against target of US\$ 40.228m. The daily collection for the month averaged US\$ 1.461m.

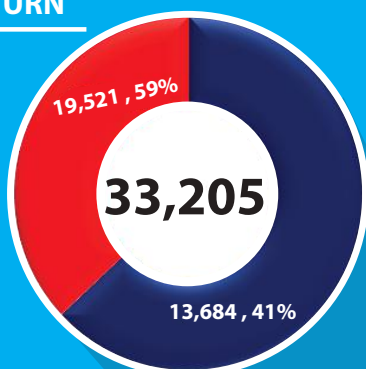
For the period under review, Domestic Tax Department account for US\$ 18.133m or 50% of the total, Customs Department account for US\$ 15.726M or 43% of the total

collection and external resource intake account for 2.672m or 7% of the collections

### Currency Split

For the month of July 2017 the collections show that of the total revenue generated, 52.6% was generated in Liberian Dollars while 43.4% was generated in United State Dollars. 76.7% of Customs Department collections was in Liberian dollars, while 40% of Domestic Tax Department collections was in Liberian Dollars.

## AUGUST REVENUE OUTTURN

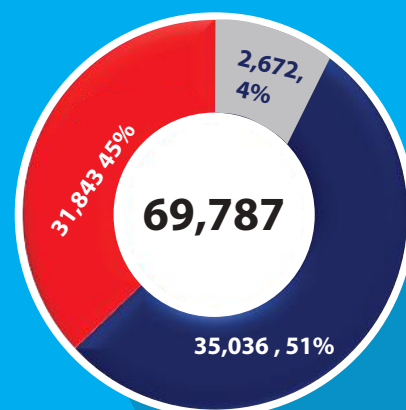


■ Domestic Tax Department

■ Customs Department

The gross revenue collections for the month of August 2017 were US\$ 12,259M and LRD 2,393Bn. The consolidated value at the average exchange rate of 114.2LRD/1USD was US\$33.205M. This amount represented a deficit of US\$ 694K or 2% against a target of US\$ 33.899M. When compared to same period of last Fiscal year, a growth of 6.6% was registered. Domestic Tax Department accounted for US\$ 8.310M and LRD 613.962M, consolidated value US\$ 13.684M, representing 42% of the total collection. Customs department accounted for US\$ 3.948M and LRD 1.779Bn, consolidated value US\$ 19.521M, representing 58% of the total collection.

## YTD-DOMESTIC REVENUE PERFORMANCE



■ Domestic Tax Department

■ Customs Department

■ External Resources

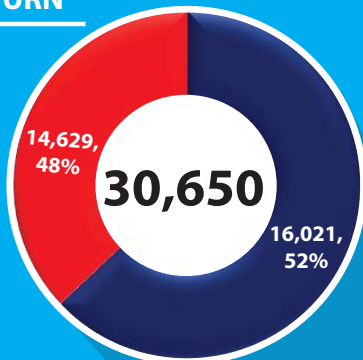
The year to date gross revenue collections (July- August 2017) were US\$ 41.004M and LRD 4.912Bn. The consolidated value at the average transaction exchange rate of 113.4LRD /1USD was US\$84.325M. However of the total collection US\$ 11.344 and LRD 359.304m were obligations for last fiscal year 16/17 but actualized in this fiscal year. The current collections year to date were US\$ 29.659M and LRD 4.552Bn. The consolidated value is US\$ 69.787M, against target there is US\$1.599M or -2.2% deficit registered. When compared to the same period of last fiscal period, a growth of 5.4% was registered.

Domestic Tax Department accounted for US\$ 19.3M and LRD 1.415Bn. When consolidated at the average transaction exchange rate, US\$ 31.843M was realized, representing 45% of the total collection. Customs department accounted for US\$ 7.64M and LRD 3.14Bn. When consolidated at the average transaction exchange rate, US\$ 35.3M was realized, representing 51% of the total collection. External resources realized for the period was US\$ 2.672M or 4% of the total collections to date. This amount included grants of US\$ 2.67M received from USAID Fixed Assets Reimbursement Agreement.

# REVENUE PERFORMANCE

MONTHLY UPDATE

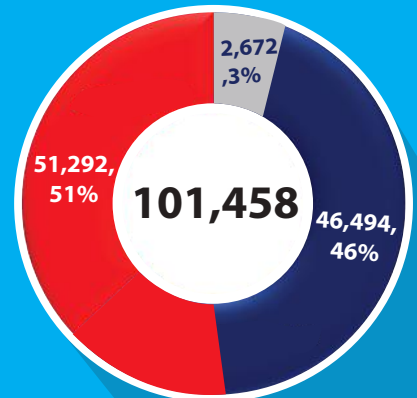
## SEPTEMBER REVENUE OUTTURN



■ Domestic Tax Department ■ Customs Department

The gross revenue collections for the month of September 2017 were US\$ 13.273M and LRD 2.021Bn. The consolidated value at the average exchange rate of 116.4LRD/1USD was US\$30.650M. This amount registered a surplus of US\$ 924K or 3% against a target of US\$ 29.726M. When compared to same period of last Fiscal year, a decline of -8% was registered. Domestic Tax Department accounted for US\$ 9.843M and LRD 557.204M, consolidated value US\$ 14.629M, representing 48% of the total collection. Customs department accounted for US\$ 3.430M and LRD 1.464Bn, consolidated value US\$ 16.021M, representing 52% of the total collection.

## YTD-DOMESTIC REVENUE PERFORMANCE



■ Domestic Tax Department ■ Customs Department ■ External Resources

The year to date gross revenue collections (July- September 2017) were US\$ 54.298M and LRD 6.933Bn. The consolidated value at the average transaction exchange rate of 114.42LRD /1USD was US\$114.995M. However of the total collection US\$ 11.344 and LRD 359.304m were obligations for last fiscal year 16/17 but actualized in this fiscal year. The current collections year to date were US\$ 42.953M and LRD 6.574Bn. The consolidated value is US\$ 100.458M, against target of US\$ 101.113m there is US\$ 655K or -1% deficit registered. When compared to the same period of last fiscal period, a growth of 1% was registered. Domestic

Tax Department accounted for US\$ 29.211M and LRD 1.973Bn. When consolidated at the average transaction exchange rate, US\$ 46.494M was realized, representing 46% of the total collection. Customs department accounted for US\$ 11.070M and LRD 4.601Bn. When consolidated at the average transaction exchange rate, US\$ 51.292M was realized, representing 51% of the total collection. External resources realized for the period was US\$ 2.672M or 3% of the total collections to date. This amount represent grants of US\$ 2.67M received from USAID Fixed Assets Reimbursement Agreement



## LRA Launches CONSUMER RAFFLE DRAW



**Sellers must give  
Buyers their Receipts  
for all GST transactions.**

**Buyers must ask for their  
Receipts when they buy  
any Goods and Services.**

**Ask for all your GST Receipts  
today and participate in LRA  
Consumer Raffle Draw and  
win cash.**



**DO NOT LET SELLERS GET AWAY WITH YOUR TAXES**



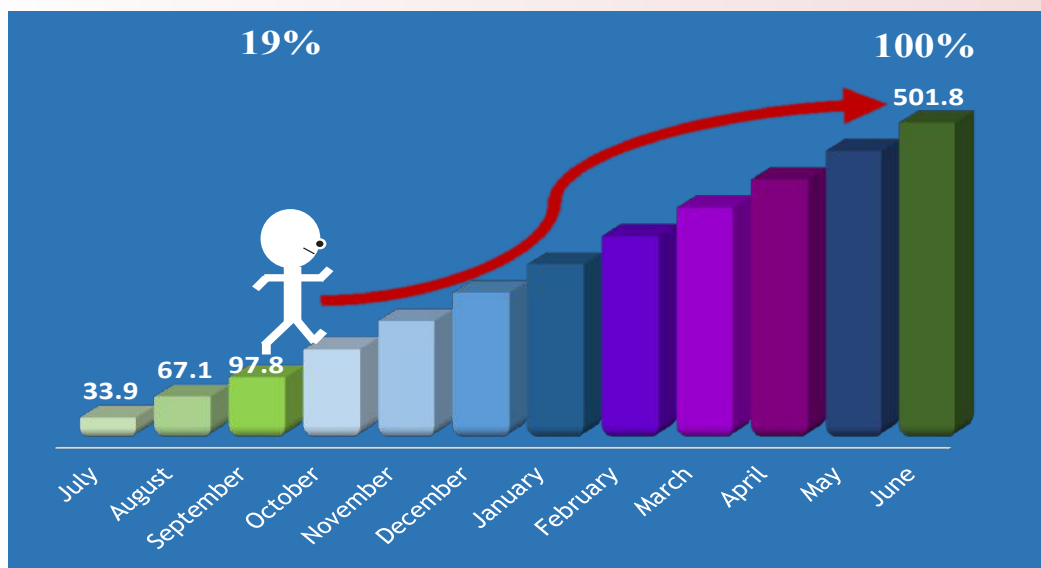
# Thank You

## MESSAGE TO OUR TAXPAYING PARTNERS

The Liberian Revenue Authority extends thanks and appreciation to all taxpayers who paid their fair share of taxes due during the first quarter of fiscal year 2017/18. The tax payments you contribute to the revenue pot enable Government to meet its basic responsibilities to the people of Liberia.

For Q1, July to September 2017, taxpayers contributed a total of US\$40,281,338.56 and L\$6,574,179,574.43 in domestic revenues. This amount equates to US\$97,785,918.79 when converted at the Q1 average CBL exchange rate of L\$114.32 – the average rate at which taxpayers paid their taxes in Liberian Dollars and exceeds by US\$1.05M the agreed quarterly target. Chart 1 shows the collection that together as partners we achieved as at September 30th and the major collection task ahead.

Chart 1: Domestic Revenue Year-to-Date Outlook (Millions of US\$)

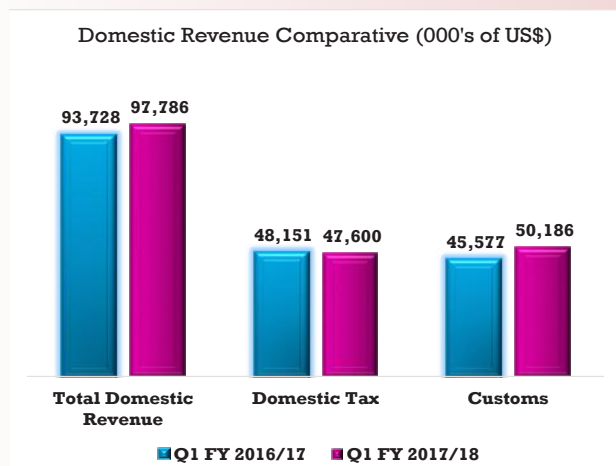


Domestic Revenue is expected to contribute 89% or US\$ 501.7M of the national budget when compared to the annual target of US\$563.5M. The total collection for Q1 was US\$100.5m of which domestic revenue contributed US\$97.8m or 97.3%. It is important that we acknowledge all contributors to the pot. Together, we attained the adjusted amount of US\$96.7m as agreed with the MFDP to be collected. Customs collected US\$50.2 or 51.3% and Domestic Tax collected US\$47.6m or 48.7%.

When compared to the same period last fiscal year, Customs surpassed last fiscal year's actual of US\$ 45.6m by US\$4.5m or 10% and Domestic Tax fell short of last year's actual of US\$48.2m by just US\$551.4k or 1%. The decline in Domestic Tax is mainly on account of Withholding taxes from the Government of Liberia, which declined by US\$1.9m or 44% from US\$4.3m in Q1 last fiscal year, to US\$2.4m in Q1 this fiscal year. Overall, Domestic Revenue exceeded Q1 actual for last fiscal year by 4.1m or 4.3%.

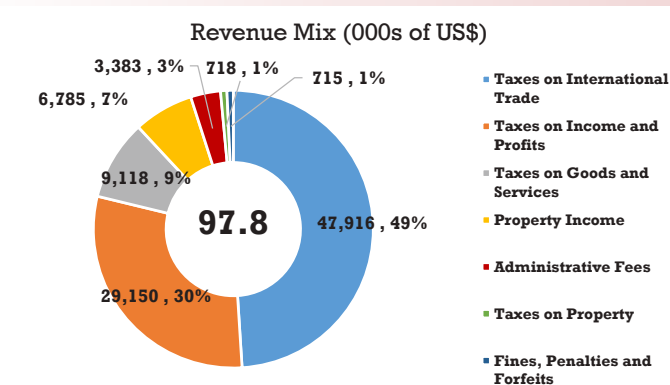


Chart 2: Domestic Revenue Comparative Performance (000's of US\$)



The chart below shows the revenue collection mix for the first quarter along with the contributions of the major tax heads.

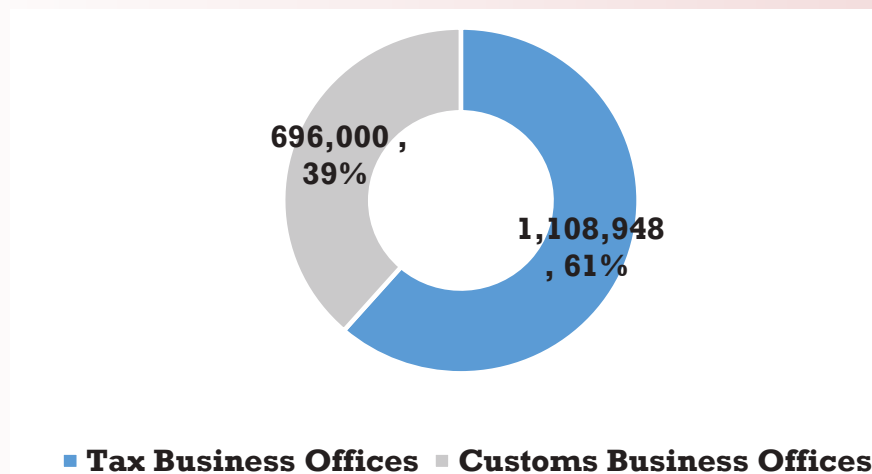
Chart 3: Domestic Revenue Collection Mix (000's of US\$)



### Revenue Collections by Counties

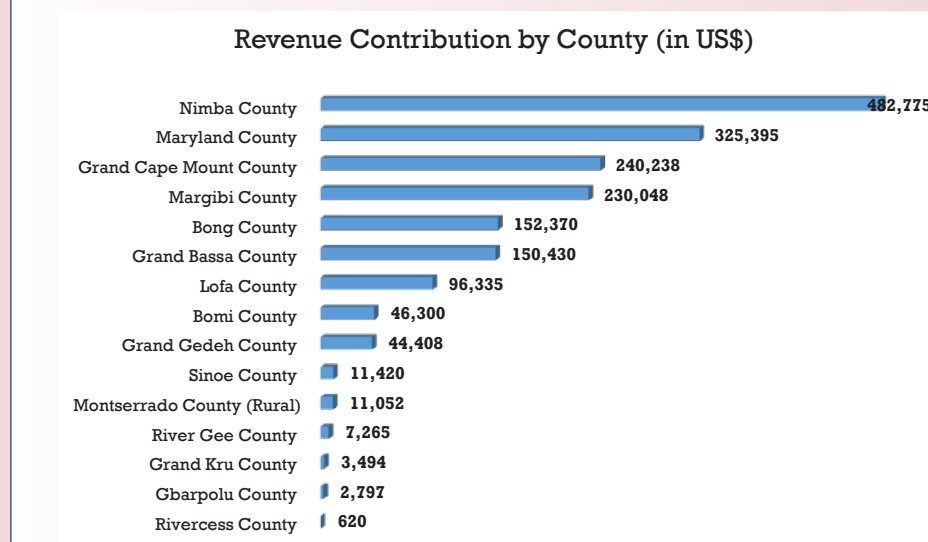
During the quarter under review, the LRA collected a total of US\$1.8m from its rural Tax and Customs Business Offices.

Chart 4: Revenue Collections by Tax and Customs Business Offices



Rural Tax Business Offices contributed a total of US\$1.1m or 61% of the revenues from the counties, while Rural Customs Business Offices contributed US\$696k from rural ports. Chart 4 presents the rural revenue distribution by Tax and Customs Business Offices, while Chart 5 shows the revenue generated from the counties.

Chart 5: Revenue Generated per County








	Tax	Customs	Total	Share
Nimba County	104,776	378,00	482,776	27%
Maryland County	288,395	37,000	325,395	18%
Grand Cape Mount County	101,238	139,000	240,238	13%
Margibi County	230,049	-	230,049	13%
Bong County	112,370	40,000	152,370	8%
Grand Bassa County	150,430	-	150,430	8%
Lofa County	14,336	82,000	96,336	5%
Bomi County	46,300	-	46,300	3%
Grand Gedeh County	24,408	20,000	44,408	2%
Sinoe County	11,420	-	11,420	1%
Montserrado County	11,052	-	11,052	1%
River Gee County	7,265	-	7,265	0%
Grand Kru County	3,494	-	3,494	0%
Gbarpolu County	2,797	-	2,797	0%
Rivercess County	620	-	620	0%
<b>Total</b>	<b>1,108,950</b>	<b>696,000</b>	<b>1,804,950</b>	<b>100%</b>

### Administrative Fees

Total administrative fees collected by Ministries, Agencies and Commissions (MAC's) for the first quarter was US\$3.4m against a first quarter projection of US\$4.7m. MAC's fell short of their projection by US\$1.4m or 29%. Table 2 shows the projection, actual and variance for each MAC for the first quarter. Although the first quarter actual falls short of projection, it is US\$168k or 5% higher than the first quarter actual for FY 2016/17.

	FY 2017/18 Approved Forecast	Quarter 1 Forecast	Quarter 1 Actual	Var (+/-)	Var (%)
Sector Ministries and Agencies	23,900	4,764	3,383	(1,381)	↓29%
Liberia Immigration Services	4,017	1,150	959	(191)	↓17%
Ministry of Labor	4,600	1,116	952	(164)	↓15%
Ministry of Foreign Affairs	3,010	802	627	(175)	↓22%
LBR - Re-registration fee	1,618	388	312	(76)	↓20%
Ministry of Public Works	647	197	118	(79)	↓40%
Ministry of Agriculture	141	104	67	(37)	↓36%
Center for National Documents, Record	488	63	57	(6)	↓10%
Ministry of Health	194	77	54	(23)	↓30%
Ministry of Internal Affairs	198	64	41	(23)	↓36%
Ministry of Lands, Mines and Energy	161	81	31	(50)	↓61%
Ministry of Transport	289	145	29	(116)	↓80%
Other Ministries and Agencies	278	279	22	(257)	↓92%
Ministry of Post and Telecom	240	173	21	(152)	↓88%
Forestry Development Authority	116	2	21	18	↑90%
Ministry of Education	77	8	18	10	↑30%
Ministry of Commerce and Industries	29	13	15	2	↑12%
Ministry of Justice	441	30	13	(16)	↓55%
National Fire Services	178	14	11	(3)	↓22%



Liberia National Police	35	10	6	(4)  39%
Ministry of Information	154	27	5	(22)  82%
Industrial Property Office	93	10	3	(7)  72%
Temple of Justice	62	11	1	(10)  94%
Liberia Copyright Office	51	0	0	(0)  70%
Ministry of Youth and Sports	11	-	-	-
National Identification Registry	611	-	-	-
Environmental Protection Agency	1,950	-	-	-
Ministry of Transport	500	-	-	-
Ministry of Gender	150	-	-	-
Ministry of Transport	250	-	-	-
National Identification Registry	611	-	-	-
Environmental Protection Agency	1,950	-	-	-
Liberia Electricity Corporation	750	-	-	-

with their tax obligations to please begin to voluntarily comply as a national civil duty so together as partners we can build Mama Liberia. Only by paying our lawful taxes will we build our motherland sustainably.

On behalf of all Liberians and the Government for this Q1 the LRA says a big THANK YOU. Together, we have a balance of US\$404.3m to contribute in order to meet the annual target and which the LRA has to collect from the required contributors under the law.

As has been noted, the original domestic revenue target for quarter 1, as estimated by the Ministry of Finance and LRA was US\$101.46m. However, the collection target was subject to a risk adjustments of US\$4.73m on account of the LPRC Road Fee and Maritime Revenue, which reduced the target to US\$96.7m. See the table below.

DOMESTIC REVENUES	Q1 Forecast
Approved Forecast	101,463
Add: Total Adjustments	(4,728)
O/W Road Fund	(4,028)
O/W Maritime Revenue	(699)
Adjusted Forecast	96,735

#### LPRC Road Fund

The collection of the road fee by the LRA has since been delayed by the Supreme Court ruling after a writ of prohibition was filed by SRIMEX, a local petroleum importer. As a result of the court action, collection of the road fee underperformed by 74%. Only US\$1.4m or 26% of the US\$5.4m projected for the quarter was realized. The remaining US\$4.03m or 74% was risked. It can be recalled that during the hearings of FY 2017/18

budget, the Legislature mandated the LRA to take over the collection of the road fee. Barely one month into the LRA enforcement of collection of the fee, the Court ruled that all parties revert to status quo ante. That is, the LPRC should continue the collection of the fifty cents per gallon as it existed before the authority to collect was given to LRA.

Currently, importers SRIMEX and CONEX are collecting the 50 cents storage fee which is in the pump price and are not remitting the Road Fund component of 25 cents to the LPRC. This poses a serious threat to the attainment of revenue target for the fiscal year. The total amount budgeted on account of the Road Fund was US\$35.5m, and it was informed by the fact that the LRA was going to administer the collection.

#### Maritime Revenue

Maritime revenue was projected based on the schedule of monthly payment submitted by Maritime. The forecast was adjusted when Maritime revised their promised remittance. Maritime promised to pay US\$1.4m for the quarter but revised to US\$726k. They actually paid US\$310k with a promise to pay an additional US\$416k. This informed the risking of US\$699k from the Maritime target. Only the US\$310k was realized from Maritime for the quarter.

# BUILDING MAMA LIBERIA TOGETHER WITH TAXES

# TOP 10

## TAXPAYERS & IMPORTERS for Quarter 1 of 2017/2018 (July-September)



### TOP IMPORTERS

NO. TAXPAYER

1	TOTAL LIBERIA INC.
2	FRESH FROZEN FOOD, INC.
3	PETRO TRADE INC.
4	A - Z CORPORATION
5	AMINATA & SONS, INC.
6	MONROVIA OIL TRADING CORP.
7	WEST OIL INVESTMENT (LIB) INC.
8	FOUANI BROTHERS CORPORATION
9	NP (LIBERIA) LIMITED
10	CHAITOU BROTHERS INC.



### TOP TAXPAYERS

NO. TAXPAYER

1	TOTAL LIBERIA INC.
2	ORANGE LIBERIA
3	ARCELOR MITTAL LIB. LTD
4	MONROVIA BREWERIES INC.
5	LONE STAR COMMUNICA CORP.
6	FROZEN FOOD LIBERIA INC.
7	BEA MOUNTAIN MINING CORP.
8	A - Z CORPORATION
9	M N G GOLD LIBERIA INC.
10	PETRO TRADE INC.





# Highlighting LRA and RG3 Blooming Partnership

**B**uttredding the effort of the Liberia Revenue Authority (LRA), the USAID-sponsored Revenue Generation for Governance and Growth (RG3) activity has been a significant partner for developing efficient and effective tax policy and administration systems designed to stimulate economic growth for the Liberian people.

LRA and RG3 are working closely to introduce new systems that enhance revenue collections and resource mobilization. RG3 supports to the LRA is intended to enhance the Authority's ability to effectively, efficiently and transparently implement tax policies and carry out its revenue collection mandate.

RG3's vision is to support the Government of Liberia, private sector and civil society to strengthen consultation, education and engagement on taxes and their benefits with an aim to build a tax compliance culture, increase voluntary compliance, and foster greater trust between taxpayers and the government.

These areas require a better understanding in areas such as the spending of tax revenue on provision of public goods and services.

Since the partnership began in 2016, a number of major achievements have been made, including the introduction of the Taxpayer Advocacy Office to address taxpayers' concerns and reduce the scope of corruption.

Working together, LRA and RG3 have made significant progress addressing the shortcomings, reaching a consensus on establishing a Medium Taxpayer Offices outside of Monrovia, launching of Real Property Tax Pilot, among others.

The partnership has increased payment compliance; developed and launched a Data Processing Center improving the transparency of tax revenues; introduced direct tax payments through commercial banks; launched Mobile Tax Payments providing simple, more accessible payment options for tax payers; and improved audit capacity with training on risk-based audit and accounting to increase trust, build a tax compliance culture, and foster greater government accountability.

Besides, the LRA-RG3 partnership has led to the development of the Excise Tax Section of the Revenue Code which has been submitted to the legislature, developed a VAT policy framework; and conducted a Taxpayer Perception Survey to better understand and address taxpayer needs.

RG3 is planning to further support a range of automation initiatives, including e-filing to help reduce the physical interaction between taxpayers and tax officers by facilitating automated forms for the processing of returns. LRA and RG3 remain committed to improving the tax administration system, strengthening LRA's capacity to better support the Liberian people.

# Partnering With Communities To Increase Tax Net

*LRA Documents Over 43,000 Real Estate Properties*



Commercial Property

In March 2017, the Liberia Revenue Authority (LRA) was setting a new stage when she launched the Community Partnership Project of the Real Estate Tax Division, to expand the tax net of the Domestic Tax Division. Eight months afterwards, the community partnership project has gained momentum, registering more than 43,000 real properties in Montserrado County.

The project, a pilot, seeks to broaden the real property tax base through a robust tax payers' awareness, education and outreach including stakeholders' engagement campaigns. It is currently being implemented in the 17- electoral districts in Montserrado County including seven cities, one borough and 21 townships.

To implement the project, the LRA recruited and trained a total of 330 community residents (known as Foot Soldiers) who are creating real property tax awareness, collecting raw data and registering properties in the LRA database –a Kobo Collect Platform.

“At present, 43,134 properties have been loaded to the Kobo Collect Platform,” disclosed Scholastica Nyenkan-Nimley, Manager for the Real Estate Block Mapping Project.

The main aim of the project is to increase the tax net of the Real Estate Tax Division which has over the years contributed just 1% to the National Budget, she said.

Currently there are 14,149 Real Estate properties in the Tax Net, with 8,911 Real Estate Taxpayers.

The next stage of the community partnership project is to determine which of these 43,134 properties captured are among the Tax Net. Those not captured in the tax net will thereafter be included to increase the total Real Estate Tax Net.

Over the past years, approximately 95% of property tax implementation has been heavily concentrated in Montserrado County, especially Monrovia and its environs, the Assistant Commissioner for Real Estate Tax Division (RETD) Isaac Beyan Stevens noted. When successful in Montserrado, the Real Estate project will be extended to other parts of the country.

Mr. Stevens said given the property tax revenue collection trend of approximately (US\$3.6m in 2012/13; US\$4.1m in 2013/14; US\$4.4m in 2014/15; US\$6m in 2015/16 and US\$5.8m in 2016/17), the Division strongly believes that expanding Real Estate Tax Collection to other counties will yield significant returns in terms of substantial expansion of the tax base and subsequent improvement in revenue collection.





Residential Property

**“Such increment in revenue will offer opportunities for government to be more responsive to the welfare and needs of the citizens, which in return will foment voluntary compliance,”** he says.

Under the project, the Foot Soldiers are providing property owners and community residents an understanding of Real Property Tax and sensitizing them about the importance of paying their taxes.

They are also collecting data to include names and telephone numbers of property owners, issuing forms for Tax Identification Numbers (TIN), logging property IDs, taking GPS coordinates, snapping photos of payment receipt and bill, among others, for uploading to the Kobo Collect Platform.

The outcome of the project, Manager Nimley said, will witness a growth in revenue, increase in compliance and widening of the Real Estate Tax net by having about 100,000 properties registered. The project also seeks to collate Real Estate data from the Kobo Collect Platform with those in the Standard Integrated Government Tax Administration System.

Vacant Property





# Major Modernization Milestone

## LRA Signs Agreement for Mobile Money Tax Payment



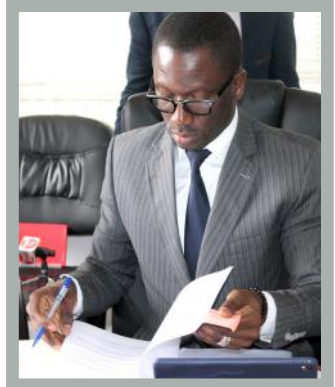
**Elfrieda Stewart Tamba**  
LRA Commissioner General



**Olaekan Balogun**  
Managing Director - UBA



**Louis Roberts**  
Deputy C.E.O. - MTN



**Mamadou Coulibaly**  
C.E.O. - Orange



When a week-long training for customs authorities in Anglophone-speaking West African states opened in Monrovia on Monday, November 9, 2015, the Commissioner General of the Liberia Revenue Authority (LRA) Elfrieda Stewart Tamba pledged to raise the country's tax regime to an improved modern standards.

Two years later, the LRA is making great efforts and remarkable progress with modernization initiatives intended to make tax payment friendlier, enhance compliance and destabilize fraud and corruption in the revenue system.

With a division of transformation and modernization created only a year ago, the LRA has initiated several measures including direct bank transfer and other online initiatives in catching up with modern Revenue Collection trends.

Meanwhile, on September 7, 2017 the LRA made a giant leap towards its modernization strides when it signed a partnership agreement with LoneStar Cell MTN, Orange Liberia and the United Bank for Africa (UBA) for the introduction of the payment of taxes using mobile money, for the first time ever in Liberia.

The official payment of tax using mobile money is expected to begin before the close of 2017.

The Proof of Concept Agreement (PCA) for Mobile Payments will pave the way for taxpayers to make their

tax payment by means of mobile money services. Under the pilot arrangement, the two GSM companies are to designing accessible payment platforms to facilitate tax payment using mobile money services.

The agreement covers all tax and non-tax collections including Cooperate Income Tax, Personal Income Tax, Excise Tax, Goods and Service Tax as well as fees for various licenses and certificates, and will eventually cover import duty.

The first phase of the project covers small tax payments and will generally benefit small tax payers, thereby facilitating their compliance. The second phase covers larger payments. Commissioner General Elfrieda Stewart Tamba described the partnership as a "major milestone" under LRA's Transformation and Modernization Agenda. "Today, we are happy to sign a Proof of Payment Pilot Agreement with Orange and LoneStar to introduce tax payment, i.e. the first P to G (Private to Government) payments in Liberia," CG Tamba said.

She reaffirmed the commitment of the LRA in transforming tax administration in Liberia through the application of aggressive and sustainable technologies.

CG Tamba, among others, lauded the telecom partners and the UBA for the partnership and also commended the taxpayers of the United States for their support to the LRA through the USAID Revenue Generation for Governance and Growth (RG3) Project.



► Speaking at the signing ceremony, LoneStar Cell MTN Deputy Chief Executive Officer Louis Roberts, Orange Chief Executive Officer Mamadou Coulibaly and UBA's Managing Director Olalekan Balogun respectively pledged their commitments to fully implement the agreement.

They expressed their willingness in supporting the LRA to achieve its tax payment transformation programs.

Representative of USAID-Liberia Democracy and Governance Office, Mr. Jeremy Meadows, praised agency's commitment to LRA and the RG3 Project, which supports LRA in its various

tax and revenue implementation mechanisms.

The Director noted that the collaboration provided a vital step towards achieving the much-needed government-private partnership. "The RG3 Project while intended to mobilize domestic resources, is also intended to reinforce the social contract trying to increase the ways in which Liberians are connected to their government. They way that Liberians own their government, invest in their government, and contribute to their government. This is going to be one of the most significant ways to broaden that capacity and enhance that language."

## LRA to Install Modern Baggage Scanning Machines At RIA



Customs Officers of the Liberia Revenue Authority (LRA) assigned at the Roberts International Airport (RIA) were trained in August to fully operate two electronic baggage scanners donated to the LRA by the United Nations Development Program (UNDP).

The equipment were donated to facilitate clearance of arriving passengers at the country's only international airport. The five-day training exercise held in August was also sponsored by the UNDP.

The modern electronic scanning machines are expected to be ready for use by travelers entering the country in September. Speaking during the commencement of the training which took place at the RIA in Margibi County, LRA's Commissioner

for General Services Andrew W. Satiah described the initiative as a "great step forward" for the LRA in enhancing customs operations.

The Commissioner also expressed the LRA's gratitude to the UNDP for the numerous support given the LRA since its inception in 2014.

He urged the trainees to focus on the training to enable them to properly operate and manage the LRA electronic scanning machines.

For her part, UNDP's Project Manager Rose Karimi Muchiri said the training is being done in line with international standards.

# LRA APPRECIATES LOYAL TAXPAYERS

The Liberia Revenue Authority (LRA) on Saturday, July 1, 2017 held an elaborate program to honor and certificate 33 companies, local businesses, institutions and individuals for being tax compliant and major contributors to the country's revenue envelope.

The event was the first-ever Taxpayer Appreciation Day in the country under the regime of the LRA, which commenced operations on July 1, 2014.

The event was intended to recognize and appreciate taxpayers based on two underlining considerations: tax contribution and tax compliance.

The 33 awardees received awards under the two core business areas of Domestic Tax and Customs.

The awardees also received a one year tax clearance certificates as

complementary prizes in addition to impressive plaque-certificates. Speaking at the program, Vice President Joseph Nyumah Boakai called on Liberians, businesses and institutions to foster the idea and a mindset of paying taxes with the aim to promote development and encourage a sense of civic responsibility. He praised the awardees for leading the process of tax compliance and encouraged others to follow suit.

LRA Commissioner General Elfrieda Stewart Tamba thanked the awardees for their contributions to domestic resource mobilization which has helped in initiating vital projects and programs in enhancing national development. CG Tamba stressed that the collection of lawful revenue provides the Government of Liberia an advantage to undertake and implement developmental projects for the betterment of the country and its citizens.

The Taxpayer Appreciation Day was held under the theme: "Creating A Culture of Voluntary Tax Compliance" and was held in collaboration with USAID RG3 Project and the Ministry of Finance and Development Planning (MFDP). Here is the full listing of the Awardees and awards:

## Large Tax Category/ Highest Contributors

1. *Lonestar Communications Corporation - Gold*
2. *Orange Telecommunication Inc. - Silver*
3. *Monrovia Breweries Inc - Bronze*

## Medium tax- most compliant taxpayer

1. *Family Health International*
2. *Catholic Archdiocese Of Monrovia*
3. *Sharks Incorporated*

## Tax Business Office - Highest Contributors/County

1. *Foya Borma Hospital - Lofa*
2. *Jupiter Business Center - Lofa*
3. *Liberia Airport Authority - Margibi*
4. *Mary's Meals - Bomi*
5. *Golden Inn Guest House - Gbarpolu*
6. *Construction & Mining Contractors (CMC Inc.) - Grand Cape Mount*

## Most compliant taxpayer

1. *Eco Bank Liberia Limited*

## Petty Traders-Most Compliant

1. *Marian Weedor*

## SMALL TAX-Most Compliant

1. *Atlantic Liberia Limited*
2. *Arrow Alliance Group Corporation*
3. *Field Service Liberia Inc*

7. *El Baraka Business Center - River Gee*
8. *Jungle Water Group of Companies - Nimba*
9. *Passion Hotel - Bong*
10. *Stop & Shop Bus. Center - Maryland*
11. *Marche Froozen Center - Grand Gedeh*
12. *H. Nasser Supermarket - Grand Bassa*
13. *Toe Medicine Store - Sinoe*
14. *Enimech Business Center - Grand Kru*



### Real Estate Division- Highest Contributions

1. Mr. Kortie, David Ernest - Residential
2. National Social Security & Welfare Corporation - Commercial
3. Adeline Morris - Industrial
4. Mrs. Cooper, Elsie N. - Vacant Land

### Sector Ministry – Highest Contributors

1. Ministry of Transport

### Customs- Highest Value Importers

1. Total Liberia Inc.
2. Fresh Frozen Food, Inc.

### Most Complaint Customs Broker

1. Lemus Cargo





# SHARING WITH THE NEEDY

*LRA Identifies With Less Fortunate Groups*



It was only a few days to Independence Day (July 26th) when they saw a red LRA pickup truck horn honking and entering their compounds. Surprised? Yes, several of them were. In few minutes, they would see young men dressed in red LRA T-Shirts (with inscription “Collecting Lawful Revenue for Liberia”) offloading assorted food and non-food items. Each of the parcels and cartoons also had the inscription: “LRA: Your Revenue Authority”. As these items were off loaded, the recipients became more jubilant, expecting assumptions Independent Day

That’s how it was when LRA Commissioner General Elfrieda Stewart Tamba donated food items and other essential household materials to the Antoinette Tubman Cheshire Home in Sinkor and the Old Folks Home at the upper end of Ashmun Street in central Monrovia.

According to CG Tamba, the donations was in line with the Authority’s Corporate Social Responsibility program, to identify with the less fortunate and underprivileged groups in Liberia.

Items donated included bags of rice, gallons of oil, cartoons of luncheon meat, chicken and sardines, washing and bath soaps, as well as bed sheets, among others.

“When we collect more revenues, the people of Liberia, including YOU, will benefit more. We will be able to do more of this to help you,” CG Tamba noted.

Receiving the donated items, beneficiaries of the two centers praised the Liberia Revenue Authority for coming to their aid, indicating that the donation will help in easing some of the difficulties they are facing.







# LRA LAUNCHES CSRP

## SIGNS MOU WITH SCHOOL FOR THE BLIND

**T**hey were escorted up to the podium to do a selection. Little did many persons in the packed ball room of the City Hall of Monrovia know that the Voices of Angels singing group would thrill the audience.

As they stroked the strings of their electric guitars, the pleasant sound therefrom, blended with their melodious voices, reverberated in the rectangular hall, evoking huge applauses from the audience of taxpayers, the business community and an impressive presence of the diplomatic community. Yes, It was the voices of angels adding flavor to the event.

That was how things were on July 1, 2017, when the Liberia Revenue Authority (LRA) signed a corporate social responsibility pact with the School for the Blind. In its work, the LRA is striving to be inclusive as much as possible in the collection of lawful revenues for the people of Liberia. Quite aware that tax matters are everybody's business, the LRA is exploring every possible means to ensure an inclusive tax regime.

It was in a bid to realize this that the LRA on July 1<sup>st</sup> launched a Corporate Social Responsibility Program (CSRP) with the aim of providing assistance to vulnerable groups, communities and institutions in Liberia. The CSRP seeks to place a prime focus on directly collaborating with and contributing to the

betterment of the more vulnerable communities throughout the country.

Officially launching the program on July 1, during the LRA Taxpayers Appreciation Day in Monrovia, Commissioner General Elfrieda Stewart Tamba said the CSRP was in fulfillment of the LRA's legislated mission and a vital way of taking the LRA to the people in a different dimension.

CG Tamba said the endeavor was part of efforts to cement relationship with the vulnerable population in tapping their talents and skills in creating tax awareness.

It was during the launch of the CSRP that the LRA signed an MoU with the Liberia School for the Blind in Montserrado County as part of launching the implementation of the CSRP.

Under the MoU, the LRA will empower and work with the visually impaired, through the Liberia School of the Blind, to engage into tax awareness and education, while at the same time providing employment opportunities for them.

"The LRA is committed to promoting the good communication skills of the group so as to create a space for them to showcase their God-given talents," CG Tamba said. The MoU will last for the period of one year.

# Voicing For Taxpayers From Within

Taxpayer Advocate Office Expands Awareness



Acting Taxpayer Advocate Minnie Paegar Kallon



Business representatives at the Taxpayers Advocate awareness

**I**t sounds strange, but it's no fantasy. It's real! The Liberia Revenue Authority (LRA), aiming to be a professionally model revenue administration in the region, has established an office that will serve as a voice for taxpayers in the country.

With many LRA staff describing the Taxpayer Advocate Service (TAS) as a voice of the taxpayers from within, others believe it will give taxpayers confidence and help to improve tax compliance, while at the same time positively branding the imager of the LRA.

In early September, members of the public began to hear about the TAS, when the LRA commenced public awareness on the services the new unit provides taxpayers. The TAS embarked on a massive awareness campaign aimed at educating taxpayers about their various rights and responsibilities.

The interactive awareness campaign in September targeted several taxpayers including members of the Liberia Chambers of Commerce, the Liberia Business Association including LRA tax service windows in Monrovia among others.

Speaking during one of the campaigns at the Chamber of Commerce, Acting Taxpayer Advocate Minnie Paegar Kallon said the TAS was established to provide avenue for taxpayers to get assistance and get problems resolved with the LRA.

"The Taxpayer Advocate Service office is a bridge between the taxpayers and the LRA which serves as the voice of the taxpayers," she indicated.

Madam Pargar-Kallon informed taxpayers at the program to channel all relevant tax related concerns and issues to the TAS in order to get prompt redress.

She said to qualify for the assistance, taxpayers have to experience delays in services and processes, lasting more

than thirty days, or have not received a response or resolution to the problem by the date that was promised by the LRA. Madam Pargar-Kallon disclosed that forms have been designed to track the concerns of taxpayers about related tax issues.

She said the Taxpayer Advocate Service office is also working along with the Taxpayer Services Division to carry out more tax education and awareness.

Some taxpayers present at the awareness program complained about the delays in processing of Tax Clearance and other tax related documents.

They also commended the LRA for setting up the TAS and instituting new measures to address their concerns and improve taxpayer services.

Key issues highlighted during the awareness engagements included services offered by the Real Estate Tax Division, The Protest and Objection Unit of the Customs Division and the Domestic Tax Division. The campaign which continues, seeks to provide information about procedures in accessing LRA services.

The LRA in collaboration with USAID Revenue Generation for Governance and Growth in July launched the TAS program at the LRA.

The introduction of the service is part of the standard and modernization efforts of the LRA to improve tax administration in the country.







LRA Senior Management takes Oath



Cross Section of LRA Employees taking the Oath



Cross Section of LRA Employees taking the Oath

# Committing To Duty

## LRA Officials, Staff Take Oath Of Affirmation

Commissioner General Elfrieda Stewart Tamba on Friday, July 28, led top officials and hundreds of employees and staff of the Liberia Revenue Authority (LRA) to take an oath of affirmation that totally binds them to a high standard of professionalism, integrity, accountability and transparency during their time of employment and service with the tax-collecting body.

The Commissioner General and her two principal deputies for Administration and Technical Affairs, along with other top Commissioners took the oath administered by Chief Counsel Max T. Duncan as the employees watched the scene, before they themselves also took the same oath.

Commissioner General Tamba said the oath of affirmation will be administered to every staff and employees of the LRA on duties across the country, who could not form part of the July 28th event. The oath was administered during the 4th quarter staff meeting of 2016/2017 Fiscal Year held at the Paynesville City Hall.

The oath of affirmation, among others, prohibits officials and employees from venturing into active politics, corruption, dishonesty and other demeaning activities that have the propensity to undermine the collection of lawful revenues for the people of Liberia. Violators of the oath face penalties ranging from resignation, dismissal or legal prosecution.

Oath-taking is a basic requirement stipulated in the authority's human resource handbook for employees, and every employees

must sign before they commence work with the Authority. LRA's Commissioner General Tamba encouraged officials and employees of the authority to professionally, fairly and transparently execute their respective mandates and responsibilities in ensuring the effective administering and collection of lawful revenues for Liberia.

"We have all taken the LRA oath today, and it is a commitment that we must stand for at all times," CG Tamba said.

Going forward, CG Tamba said every new employee of the LRA will not only sign but will also take the oath before resuming duties.



CG Tamba Speaks at LRA General Staff Meeting

# Striving to Enhance Trade Facilitation

CG Tamba and Team Tour Freeport of Monrovia



CG Tamba and Team tour the Freeport of Monrovia

**L**iberia Revenue Authority (LRA) Commissioner General Elfrieda Stewart Tamba early September toured strategic segments of the Freeport of Monrovia, held talks with key stakeholders and called for better services to enhance trade facilitation.

“Today’s visit is to inspect LRA and partner’s offices to see where we need improvement. This is also intended to improve relationship between our partners in the areas of the trade facilitation,” Commissioner General Tamba stated Saturday (Sept 9) during her tour.

The Commissioner General (CG) and delegation including Deputy Commissioner General for Administrative Affairs Oliver N. Rogers, II, Customs Commissioner Saa Saamoi, Assistant Commissioner for Transformation and Modernization Robert Kamei and the Manager for Ports Operations Edwin F. Kendema held talks with officials of the Freeport Customs Business Office, APM Terminal and the inspectorate group BIVAC.

The CG, among others, indicated that in a bid to provide better services to taxpayers, the facilities and processes through which these services are provided must be improved.

In a discussion with officials and staff at the Freeport Customs Business Office, CG Tamba asserted that security and safety procedures remain a challenge, but noted that despite these hurdles, examiners at the Port were working to provide quality services intended to improve the inspection of containers going in and out of the Port.

At the AMP Terminal, the CG pressed officials to actualize provisions within the MOU via which AMP Terminal is to construct a One-Stop-Shop Center, install CCTV Cameras at the two main entries and exits of the Port, and to improve trade facilitation. Enhanced security measures against smuggling of containers out of the Port and the conduct of a forensic audit were other issues discussed as part of the MOU that should

be important. APM Terminal Manager Director Adjei George meanwhile assured CG Tamba that all provisions stated in the MOU will be fully implemented. Mr. George said in keeping with the agreement, they will ensure CCTV cameras are mounted and proper lighting installed to prohibit criminal activities within the Port.

Meanwhile, CG Tamba and team visited offices of BIVAC and also inspected the Destination Inspection (DI) Site. After touring the DI Site, CG Tamba suggested to the management of BIVAC to improve the facilities. The DI Site is where containers coming into the country via sea are inspected before they are released to their importers.

The CG recommended that the current site be expanded for space purposes, improvement on the release time of containers leaving the Port and installation of lighting system. CG Tamba called for the modernization and improvement of the facilities to meet acceptable international standards.

Officials of BIVAC agreed with the Commissioner General that the current facility needs improvement and expansion to ensure adequate security and safety measures.

Officials of BIVAC agreed to work with LRA to ensure that trade facilities are improved.

Representatives of BIVAC present at the DI site included Henry Bernard and LRA Senior Examiner Pauline Sonnah.

As part of ongoing efforts to modernize the LRA and revenue collection in the country, CG Tamba has made it a top priority to visit key facilities that contribute significantly to revenue collection.

According to CG Tamba, in order to be on par with other Revenue Authorities in the sub region and Africa at large, the LRA must instill standards and international best practices as part of the LRA modernization efforts, thereby improving trade facilitation and growth in revenue collection.



# SERVICE WINDOW

*We Are Striving  
To Better Our  
Services*



## MOBILE MONEY TAX PAYMENT MODE



- 1 ENTER TAX IDENTIFICATION NUMBER
- 2 INDICATE TAX PERIOD
- 3 SELECT TAX TYPE
- 4 SELECT CURRENCY
- 5 INDICATE AMOUNT
- 6 CONFIRM PAYMENT TRANSACTION



## TAXPAYER ADVOCATE SERVICE

YOUR **VOICE**  
AT THE LRA

**WE ARE HERE TO SERVE YOU**



# LRA PROBES PANAMA PAPERS

On May 9, 2016, the International Consortium of Investigative Journalists released a searchable database (The Panama Papers) which uncovered the secrecy of over 300,000 entities allegedly created in 21 different jurisdictions for the purpose of illicit financial gains.

This leak is the largest ever release of information about offshore companies and the people behind them. This includes, when available, the names of the real owners of those opaque structures. Liberia was mentioned as one of the many jurisdictions in which these illicit financial transactions occurred.

The LRA investigation team has made significant strides to uncover the revenue related links to the global leak.

The investigation team has over the period narrowed the search to companies linked to Liberia within the report. The team has worked and conducted a thorough search through LRA Tax Administration System to determine if the companies listed in the leak were registered in Liberian tax system.

The investigation team is collaborating with the Financial Intelligence Unit (FIU) to “follow the money” and establish links between the Liberian actors and the major multinationals in foreign jurisdictions.

Further information is being requested by the investigation team from foreign jurisdictions of residence of the foreign companies connected to Liberian companies linked in the Panama Papers through the Tax Information Exchange Agreement (TIEA).

So far, some of the local companies/individuals were found in the LRA's tax system and full investigation is continuing. The investigation has identified three individuals and one business establishment.

## Fearlessly Fighting Fraud

NGO In Falsified Tax Clearance Certificate Scam

**F**raud and criminal syndicates continue to rob the country of legitimate revenues. Operators and owners of businesses are either devising means to evade taxes including the production of fake revenue instruments.

As part of efforts to arrest this situation, the Liberia Revenue Authority (LRA) in July uncovered the production of a fraudulent Tax Clearance Certificate (TCC) in the possession of a charity NGO called BESTWA Inc.

An investigation by the LRA Professional Ethics Division (PED) uncovered that BESTWA Inc., an organization based in the USA, operates in Grand Bassa County, where it provides medical aid to the needy.

The forged tax clearance certificate was discovered among the NGO's application to the LRA Commissioner General Elfrieda Stewart Tamba, seeking duty free privilege to import medical supplies.

The original tax clearance certificate of the NGO which was issued October 4, 2016 by the LRA and valid for the period of 90 days was fraudulently altered by the broker of BESTWA Inc., McPherson T. Siaway.

LRA investigation revealed that McPherson dubiously altered the original certificate and created a new tax clearance certificate dated 4th October 2017 with a 120-day validity period.

The NGO's was in violation of the Liberia Revenue Code and also Section 3.4(b) of the Tax Clearance Certificate Administration Regulations, which requires business entities to pay a fine of US\$1,000. The LRA is working with the Ministry of Justice to institute legal actions against BESTWA Inc. and its broker, for criminally producing and presenting a fake tax clearance certificate for the purpose of obtaining duty free privilege.



Smuggled Vehicles at the Freeport of Monrovia

# Uncovering The Smuggling Tricks

## *LRA Seizes More Undeclared Cars*

The month of August, like previous months, did not pass without the act of smuggling being uncovered by diligent Customs inspectors and anti-smuggling agents of the Liberia Revenue Authority (LRA).

During the period, the LRA confiscated four vehicles and a motorbike trafficked into the country in two 40ft per-shipment inspection (PSI) containers belonging to two separate consignees. The containers were shipped from Pennsylvania, Philadelphia, United States of America.

The four vehicles, a motor bike along with other goods, were discovered on containers marked “MRKU2010634” and “MSKU 86465423” with tampered seal.

The container marked “MRKU2010634” was imported by Mohammed Kommeh (Tax Identification Number 50063500), and was shipped from the United States by Nana Ali.

On this container, Customs officials at the Freeport of Monrovia discovered two undeclared vehicles (Toyota Tacoma – 2000 and Chevrolet Equinox – 2004) and a 1981 Suzuki motorbike.

On the second container marked “MSKU 86465423”, which consignee was Ibrihima Brown, a Hyundai Genesis, 2012 and a Toyota Highlander, 2001 were discovered undeclared and confiscated. The vehicle identification number (VIN) submitted by the importer differed from the ones discovered on the container.

The two containers were being cleared by Vedar & Sons Clearing and Forwarding Inc. of Paynesville city, with Mr. Edison Brown as Customs Broker.

An LRA investigation discovered that Ibrahim Brown and Edison Brown are brothers to Sheik K. Brown. Sheik K. Brown is co-defendant in the ongoing case of the 7 stolen vehicles which occurred October 2016.

The Containers were inspected at the Freeport of Monrovia’s Destination Inspection (DI) Site, after an LRA Customs Examiner Moses Ndoleh observed that the BIVAC Seal on one of the Containers had been broken and rejoined with glue.

While conducting the routine seal inspection upon the arrival of one of the containers at the Exit Gate, Customs Officer Ndoleh, who had just been assigned at the NPA Exit Gate solely to inspect BIVAC seal, observed that the seal on the container had been tampered with.

The Container was immediately redirected to the DI Site which is within the confines of the Freeport for 100% inspection.

The discoveries were among series of schemes discovered at the Freeport in the Customs Clearance Process through various revenue protection measures such as heightened due diligence, decisive disciplinary actions and whistle-blowing initiatives undertaken by the LRA.

Commissioner General Tamba said there are many loopholes in the revenue system of the Country and it requires enormous and concerted efforts to mitigate them to ensure that more lawful revenues are collected for the wellbeing of the Country.

The CG says all perpetrators, including the exporter, were to be pursued.

CG Tamba also called on persons exporting to Liberia from the United States and who are in the habit of tampering with the BIVAC seal to desist from tampering with the BIVAC seal and the stuffing containers with items after BIVAC has inspected the shipment.

She indicated that the data shows that exports from the United States to Liberia by certain nationalities and from certain States carry a higher revenue risk.



# Making Global Impact

## *CG Tamba Sits On UN Committee of Tax Experts*



Elfrieda Stewart Tamba  
LRA Commissioner General

**F**or the next four years, LRA Commissioner General Elfrieda Stewart Tamba will be among 24 other tax experts around the world to advise the United Nations on emerging tax matters.

UN Secretary General António Guterres in August appointed CG Tamba to the United Nations Committee of Experts on International Cooperation in Tax Matters.

Commissioner General Tamba will work along with 24 other members on the committee for a tenure of four years.

The Committee of Experts on International Cooperation in Tax Matters comprises 25 members nominated by their Governments but acting in their personal capacity. CG Tamba and her fellow members were selected from a pool of 60 nominations received by the UN.

The Committee of Experts on International Cooperation in Tax Matters is a subsidiary body of the Economic and Social Council responsible to:

1. Keep under review and update as necessary the United Nations Model Double Taxation Convention between Developed and Developing Countries and the Manual for the Negotiation of Bilateral Tax Treaties between Developed and Developing Countries;
2. Provide a framework for dialogue with a view to enhancing and promoting international tax cooperation among national tax authorities;

3. Consider how new and emerging issues could affect international cooperation in tax matters and develop assessments, commentaries and appropriate recommendations;

4. Make recommendations on capacity-building and the provision of technical assistance to developing countries and countries with economies in transition;

5. Give special attention to developing countries and countries with economies in transition in dealing with all the above issues.

Appointed members are selected from a fields of tax policy and tax administration representing different tax systems. Liberia's advocacy on tax matters at the international levels, through the hard work of CG Tamba and team continues to yield high recognition.

The LRA family sees the appointment of their Commissioner General as a significant achievement that could help the revenue collection and modernization of the Authority.

CG Tamba has meanwhile expressed thanks to Secretary General Guterres for her appointment to the international service, noting that she will diligently work along with her colleagues to meet the goals for which they have been called to serve.

Other members of the committee are form



# ATAF Applauds Appointment Of LRA CG, 5 Other Africans On UN Tax Committee



**Mr William Babatunde Fowler**  
*ATAF President*



**Elfrieda Stewart Tamba**  
*LRA Commissioner General*

The African Tax Administration Forum (ATAF) in late August applauded the selection of six African tax experts including Liberia Revenue Authority Commissioner General (LRA) Elfrieda Stewart Tamba, to serve on a 25-member United Nations Committee of Experts on International Cooperation in Tax Matters.

The six Africans appointed by the UN Secretary General include: Elfrieda Stewart Tamba (Liberia); Margaret Moonga Chikuba (Zambia); William Babatunde Fowler (Nigeria); Eric Nil Yarboi Mensah (Ghana), George Omondi Obell (Kenya); and Abdoulfatah Moussa Arreh (Djibouti).

ATAF, in a statement said, “important to highlight, is that amongst those committee members from Liberia, Kenya, Ghana, Zambia (all members of ATAF) and Djibouti, is the Commissioner-General of the Federal Inland Revenue Service of Nigeria, William Babatunde Fowler, the current Chairperson of ATAF’s governing body, the Council. A key illustration of leading by example!

“ATAF believes that the experience and knowledge these experts will bring to the Committee’s work will not only greatly benefit the UN but also their own countries and Africa as a whole, as it will ensure that the UN’s work reflects both

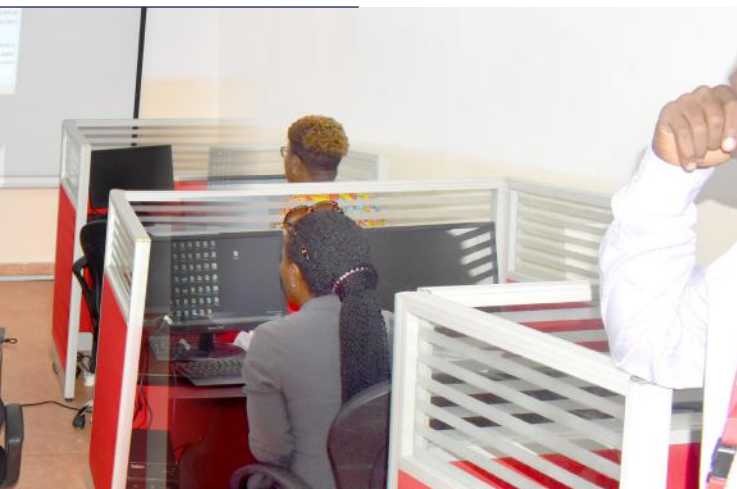
the opportunities and challenges faced by African countries in improving domestic resource mobilization (DRM),” a statement published on ATAF’s website noted.

The statement noted that ATAF celebrates the elevation of its members and other Africans selected to this important committee.

As an international platform and network, ATAF, through its Cross Border Taxation Technical Committee, has been influencing the G20/OECD’s global standard setting work for several years and looks forward to supporting the new members in their work on the Committee, stating “Together we can participate in setting policy to effectively curb IFFs. We can only wish them every success!”

The UN Committee of Experts on International Cooperation in Tax Matters is key in setting global tax standards. It is responsible for updating important UN international tax documents that form the basis of many countries’ tax laws and guide tax treaty negotiations.

A subsidiary body of the UN Economic and Social Council (ECOSOC), this UN Committee of Experts includes individuals from India, Japan, China, Brazil, Singapore, and Russia, six Africans nations and three from EU countries



Segmented views of LRA Employees taking computer lessons

## HR DIVISION LAUNCHES COMPUTER SKILLS TRAINING PROGRAM FOR EMPLOYEES

The Liberia Revenue Authority (LRA), through its Training and Capacity Development Unit of the Human Resources Division in mid-October launched a Basic Computer Skills Training Program aimed at enhancing the computer skills of its employees.

The training which started on October 16, 2017, is targeting every employee of the LRA—totaling over 800. The training covers all Microsoft Office Suit applications including Microsoft Word, Microsoft Excel, PowerPoint, etc.

LRA Assistant Commissioner for Human Resources, Chupee Howe, expressed delight for the starting of the training program, hoping that it will achieve its objective.

AC Howe believes that in order to achieve the institution's overall Corporate Business Strategic Plan, it is cardinal for every single employee of the institution to have an idea and basic knowledge and skills in computer, including typing skills.

The training is structured into beginner, intermediate and advanced courses.

According to the Human Resources Manager for Training & Capacity Development, Nagbe Nyenswah, the various departments of the Authority are grouped into cohort of four weeks in order to have a manageable class.

He said the current cohort which includes employees from Transport, Facility, PED, Modernization, and Protocol will be concluding their classes in Microsoft Word for the next cohort to begin.

The training is conducted by Mr. Hilary Mitchel, who is well skilled and has years of experience in teaching Microsoft Office Suits.

Hilary said he's impressed with the turnout and participation of the current cohort and urges the next cohort to take advantage of the program with similar enthusiasm.

The classes run from 4pm to 5pm daily to give the participants the opportunity to carry out their normal office activities from 9am so that the classes don't interfere.







# Training Auditors To Detect, Deter & Disrupt Revenue Fraud

*CG Tamba Calls for Concerted Efforts*

**A**t the opening ceremonies to mark the training of 60 auditors and tax practitioners in Monrovia in September, Liberia Revenue Authority (LRA) Commissioner General Elfrieda Stewart Tamba sounded an admonition to tax authorities to unite in clamping down on unwholesome practices in the revenue systems.

CG Tamba particularly stressed the need for tax authorities in the region to work together to detect, deter and disrupt fraud and other objectionable practices that undermine revenue collection.

The three-day exchange of information and capacity building training, held under the theme: 'Effective EOI: An Auditor's Perspective', brought together auditors and tax practitioners from the LRA and the Ministry of Finance and Development Planning.

Conducted under the African Initiative on Tax Transparency of the Organization for Economic Co-operation and Development (OECD) Global Forum, the training focused on Exchange of Information, methods, processes and procedures of initiating exchange of information request in audits.

The training was intended to enhance the knowledge of tax auditors on the exchange of information and strengthen their capacities in protecting domestic revenue.

CG Tamba call was contained in her opening address, when she intoned that the seminar was vital in combating tax fraud.

As tax evasion activities become more complex and sophisticated, the

Country's chief Tax Collector said it was essential for tax authorities to work together to "Deter, Detect and Disrupt" these activities.

She named new technologies as means through which more tax evasion activities can easily cross national borders and make money disappear at the speed of light.

CG Tamba said the financial impact of tax evasion is vast, and the effects are enormous which cost weighs on the ordinary people.

"The issue of combating illicit flows of capital, money laundering and other harmful tax practice is gaining political traction and I am very excited today to see the OECD is here to assist in the building of our auditors' capacities for the protection of our domestic revenue," the LRA Commissioner General stated.

She said it was quite fitting that the seminar was being held in Liberia, given the increasing threats of tax evasion, avoidance as well as other illicit activities that pose a serious conundrum to developing countries' abilities to mobilize domestic resources to finance their development agenda.

"We are pleased that the OECD accepted our invitation to build and strengthen the capacity of our auditors in the architect of information exchange for tax purpose for unearthing potential illicit tax activities with the underpin of eroding the tax base," CG Tamba indicated.

The responsibilities of tax administrators in addressing threats of tax evasion through the formulation of strategies

for tackling the emerging risks are vital in improving the global effort against tax evasion, the LRA CEO noted

The starting point for an effective global strategy to tackling tax crime, the CG intimated, is in the sharing of information and skills to ensure that tax administrators, and auditors among others in all countries have access to the latest techniques to detect and deter tax evasion effectively.

She described the training as an extraordinary opportunity for the LRA to build its strength in fighting tax crime that will ensure national revenue are protected for the socio-economic good of the Government and people of Liberia.

CG Tamba said the commitment of the LRA in working to combat tax crime, tackle bribery and corruption; promote integrity in doing business, and address illicit trade in all its forms with the aim to support the global development agenda cannot be over emphasized.

Ms. Monica Bhatia, Head of the Global Forum on Transparency and Exchange of Information for Tax Purposes, described the seminar as a vital connection between the domestic tax investigation and information exchange.

She said the training is also part of efforts in setting up tax systems in enhancing domestic revenue in accordance with the MDGs.

Ms. Bhatia further spoke of the need to ensure effective cooperation with all stakeholders in promoting tax transparency which she said is vital to revenue collection.



# LRA HOSTS ATAF CAPACITY BUILDING FORUM IN MONROVIA

The premium put on training and capacity building by LRA Commissioner General who happens to be Chair of the West African Tax Administrative Forum (WATAF) Elfrieda Stewart Tamba was made manifest on this year's Independence Day – July 26.

While people were celebrating Liberia's 170th Independence Day, CG Tamba and the LRA were busy hosting representatives of 26 African countries to kick off a Capacity Building Workshop for the 3rd Edition of the African Tax Administration Forum (ATAF) Tax Outlook Publication.

The July 26-28 capacity building workshop, held at the Boulevard Palace

Hotel in Sinkor, highlighted means of improving cross-country comparison and benchmarking comparable data on tax policies and tax administration and related legislations.

The gathering sought to provide analysis of tax data trends and identify good practices and understanding of the Tax Outlook Publication data collection processes.

Addressing the opening session, Commissioner General Tamba described the workshop as a critical milestone of the African journey in providing high quality and reliable statistical data on tax administration covering the continent.

CG Tamba praised ATAF for

spearheading such initiative which she noted will further enhance the collection and compilation of accurate tax data in Africa.

For her part, the Director of Research of ATAF Dr. Nara Monkam, indicated that the training was aimed at enhancing revenue administration in the region through knowledge and experience sharing and comparison analysis. She noted that the event was also a mean of preparing for the third African Outlook Publication which highlights factual and evidence-based statistics on all tax related matters on the African continent.





# Head of Global Forum Meets Liberia's VP Joseph Boakai



CG Tamba, Ms. Bhatia, VP Boakai, and other officials of the LRA, Law Reform Commission and Ministry of Finance

The head of the Global Forum on Transparency and Exchange of Information for Tax Purposes, Ms. Monica Bhatia, in September visited Liberia and held talks with Vice President Joseph Nyumah Boakai, Liberia Revenue Authority Commissioner General Elfrieda Stewart Tamba and other government officials.

The Global Forum on Transparency and Exchange of Information for Tax Purposes is a multilateral framework for tax transparency and information sharing, within which over 140 jurisdictions participate on an equal footing.

The Forum monitors and peer reviews the implementation of international standard of exchange of information on request (EOIR) and automatic exchange of information. The EOIR provides for international exchange on request of foreseeably relevant information for the administration or enforcement of the domestic tax laws of a requesting party. All Global Forum members have agreed to have their implementation of the EOIR standard be assessed by peer review. On day two of her visit, Ms. Bhatia met and held talks with Vice President Boakai, during which they discussed the importance of Liberia passing the second peer review in 2018 of the

Exchange of Information in order to avoid sanctions.

Ms. Bhatia informed VP Boakai that her visit also centered on Liberia's Roadmap in preparing for the Second Round of the Peer Review which pave the way for the implementation of standards for the Exchange of Tax Information on Request, Tax Transparency, Promoting Tax Cooperation, and the Automatic Exchange of Information.

According to Ms Bhatia, if Liberia does not deal with the beneficial ownership, bearer shares and share nominees in its shipping industry, the Country risk to be declared non-compliant and subsequently blacklisted by the Organization for Economic Co-operation and Development (OECD) and other international partners.

VP Boakai welcomed the initiative and applauded the efforts of the LRA, through Commissioner General Tamba, in preparing Liberia for the second peer review process.

VP Boakai noted that the Liberian Government is interested in the work of the Global Forum, highlighting the importance of passing the necessary legislations to facilitate the Automatic Exchange of Information for tax purposes and the need to phase

out bearer shares in the country's shipping regime.

He said once Liberia facilitates good tax administration, there will be benefits from foreign direct investments as well as its ability to access loan facility and donor support.

While in Liberia Ms. Bhatia also held talks with Liberia's Justice Minister Fredrick Cherue, president of the Liberia Bankers Association John Davis, and Deputy Central Bank of Liberia Governor for Economic Policy, Dr. Mounir Siaplay.



Com. Darlington Talery, Ms. Bhatia and CG Tamba



# PEER LEARNING

## LRA Signs Knowledge-Sharing MOU with RRA

The Liberia Revenue Authority (LRA) is just three years old, while its Rwandan counterpart is 20. Forging a partnership between the two was one of the greatest achievements in August 2017. It was in Kagali and the date was August 24th when the LRA and the RRA signed a Memorandum of Understanding (MOU) to facilitate cooperation in sharing knowledge for improving tax administration.

LRA Commissioner General Elfrieda Stewart Tamba and RRA Commissioner General Richard Tusabe signed the MOU in the Rwandan capital.

The MOU was signed when CG Tamba led a knowledge-sharing mission to the RRA to learn from their counterparts who were established about 20 years ago and are now a point of reference for certain good achievements. The LRA was established 3 years ago one of the newest on the continent.

The MOU will guide the two revenue authorities in various areas of cooperation, notably in technical capacity building in areas where the RRA has comparative advantages.

Making remarks during the occasion, CG Tamba said the LRA wants to knowledge-share with the RRA to further strengthen its capacity and to learn from the RRA on the implementation of its reforms, successes and challenges.



RRA Commissioner General Richard Tusabe & LRA Commissioner General Elfrieda Stewart Tamba during the signing ceremony in Kagali

Rwanda has been achieving successes in the “Doing Business” assessment and has successfully been able to change behavior and to revolutionize tax administration with the use of automation.

The CG said that revenue authorities have a major task to achieve as they are expected to be able to raise 70 to 80% of the revenue needed to finance the development of their respective countries by 2063, as embodied in Agenda 2063 which is the African Union vision for Africa.

Also speaking at the event, RRA Commissioner General Richard Tusabe said Rwanda and Liberia will be able to establish mechanisms through which they can share information on business that operates or come to both countries for successful but legitimate business on investments done not only in the region but on the entire continent.

Tusabe said it will also be vital in the fight against tax fraud in international business operation.

“Partnering with Liberia will enable us share experiences because we have similar challenges that we can sit, discuss and join hands to find sustainable solutions to increase tax revenues in the future,” he said.





(1) Mohammed M. Kiawhen (2) Catherine N. Genekpein (3) Gregory W. Natt  
a long with other participants of the Workshop

# SHARING AND GAINING EXPERIENCES

## LRA Staff Attend IMF Regional Stakeholder's Engagement Workshop in Cape Verde

A delegation of three staff from the Customs Department of the Liberia Revenue Authority (LRA) in early September represented the Authority at the 1st Regional Stakeholder's Engagement Workshop, sponsored by the IMF/AFRITAC West 2 program in Praia, Cape Verde.

AFRITAC West 2 is a regional arm of the IMF in the English speaking West African region and amongst other things spearheads many technical assistance programs of the IMF in the region.

The workshop was intended for participating countries to share experiences and exchanges on how to engage stakeholders in enhancing revenue collection in their respective countries.

The LRA delegation comprised Mr. Mohammed M. Kiawhen, Supervisor for Pre-shipment Inspection Unit; Ms Catherine N. Genekpein, Officer for Pre-shipment Inspection Unit, and Mr. Gregory W. Natt, Customs Modernization Officer.

At the engagement, the Liberian delegation shared the LRA's experience of stakeholder's engagement, emphasizing gains made by the Authority in reaching

out to its stakeholders, bringing together a broad spectrum of the business community to discuss progress and challenges on wide range of issues that especially highlights trade facilitation in Liberia.

The Workshop targeted an audience of senior customs administrators that are responsible for stakeholder's engagements and processes and systems which are applied within various countries' administrations.

Also aimed at building the capacity of participating Customs Administrations in the region, the workshop pulled participants from Ghana, Cape Verde, Nigeria, Gambia, Sierra Leone and Liberia.

They were drilled through identification and engagement of key stakeholders, as well as participating in interactive discussions which covered international best practices, regional interactions and country experiences in various topics: Stakeholders Analysis, Methods of Engagement, consultative meetings.

Discussions were also held on the establishment of national committees on Trade Facilitation as detailed in the WTO Trade Facilitation Agreement.



# The Importance of Post Clearance Audit In Trade facilitation: The Case of LRA

By: L. Daniel Jaiblai, Manager PCA Unit

In modern international Trade, deadlines are tight. Import and export companies need to get their goods to their customers as quickly as possible. So is also the demand from the international community on Revenue Administrations/Governments to improve trade “cost of doing business”.

Customs is no exception to all these demands which is why an efficient & effective way of managing Customs control is very important for the economic well-being of any country. However, it is important to note that for modern Customs Administrations, this priority must be balanced with the apparently competing priority of revenue assurance and the protection of society from harmful imports or exports.

The World Customs Administration, in an effort to adequately address the needs of both Revenue Administrations/Governments and the trading community, introduced the following types of controls and how they can be used to facilitate trade while protecting or assuring revenue collection in an efficient and effective manner:

1. Border/transaction-based controls; and
2. Post-clearance/Audit-based controls.

## **Post clearance/Audit-based controls definition & Scope**

Post Clearance audit (PCA) or audit-based controls are defined by the Revised Kyoto Convention as the measures by which the Customs satisfy themselves as to the accuracy and authenticity of declarations through the examination of the relevant books, records, business systems and commercial data held by persons concerned. Post-clearance audit is a critical

control methodology for Customs and other border regulatory authorities as it enables them to apply a multi-layered risk-based control approach by moving from a strictly transaction-based control environment to a stronger audit-based administration. With an audit-based control approach, the trader takes responsibility for ensuring the highest level of compliance. Thus better use of the limited resources to gain better revenue assurance by Revenue Authorities.

The transferring of revenue assurance controls away from the border to trader's premises has proven to be the most effective way to reconcile these priorities. The trader can continue their business whilst the Customs Authorities can still review the transactions (post) to identify any revenue infraction through Post-clearance/audit-based controls. Like most Revenue Administrations, the Liberia Revenue Authority (LRA) has fully implemented this system which has proven to be very efficient and effective for both the Business Community and the Revenue Administration.

## **Transaction-based Controls definition and scope**

Transaction-based controls are those controls applied to each individual shipment (on a risk basis) at the time of importation or crossing the border, such as physical examination, verification of value, origin and classification of goods, sampling, verification of certificates, licenses and permits, etc. The LRA comprehensive Compliance Program has effectively used this approach along with Audit-based controls as a means of promoting trade facilitation in adherence to the Trade Facilitation Agreement (TFA) to

which Liberia is a signatory.

## **Legal instrument for the establishment of Post Clearance Audit**

According to the World Trade Organization (WTO) Trade Facilitation Agreement, Article 7 Section 5.1 states “With a view to expediting the release of goods, each member shall adopt or maintain post-clearance audit to ensure compliance with Customs and other related laws and regulations”.

The Post Clearance Audit Unit of the Customs Department of the LRA has been engaged in series of compliance related activities gear towards improving the overall voluntary compliance level of Tax Payers and users of the Customs Ports in an effort to meet revenue targets. Primary amongst these activities are the following:

- 1 Review of tax payer's importations to ascertain the correctness of classification, origin, and declared values of goods imported or exported respectively. PCA also ascertains whether or not the correct procedures were applied during Customs clearance in keeping with the dictates of the Customs Revenue Code of Liberia, Act of 2000 as amended;
- 2 Ascertain whether the client's internal systems related to Customs import and export activities are effective and efficient to provide accurate and reliable data that comply with Customs Legislations, administrative regulations and customs procedures;
- 3 Ascertain whether Customs records reconcile with the receiving and accounting records in order to determine whether imported/exported goods are completely and accurately reported and accounted for to Customs;



# QUICK FACTS

► 4 Identify areas of potential weakness for which appropriate recommendations are made for Management attention and consideration where necessary;

5 Provide client assistance in Customs related issues; and

6 Forward results of the post clearance Audits to Senior Management and Risk Management Unit for the purposes of updating the risk register and selectivity criteria accordingly.

The conduct of the above activities have yielded the following:

1. Recovery of potential lost revenue in fines, duties and taxes (see table of revenue collected according to Fiscal Periods:

FISCAL PERIOD	USD	LRD
2014/2015	1,055,670.54	21,762,750.83
2015/2016	1,287,954.70	25,715,315.22
2016/2017	270,156.58	24,802,094.36

NB: The above collection may not represent the actual picture of the total collection made on behalf of PCA especially in instances where the appropriate classification was not taken into consideration.

2. Increase in the voluntary compliance level of the 20% major contributors to Total Trade data;
3. Improvement in the internal controls of the major contributors of Total Trade data;
4. Reduction in the risk of potential revenue loss; and
5. Improved Trade Facilitation at the frontier.

The Post Clearance Audit Unit intends to continue providing awareness, technical assistance on Customs related matters to tax payers, implementing the comprehensive compliance program, applying the law on violators, and rewarding compliant tax payers through the Compliant Tax Payers Program. It is hoped that the implementation of these efforts will improve the level of voluntary compliance of Tax payers and reduce potential risk to revenue.

*In its first year of operations, LRA collected a record amount of revenue (US\$124.3M) at Freeport.*

*In an effort to engender an inclusive and accessible revenue system, LRA is collaborating with the Liberia School for the Blind to convert the Liberia Revenue Code into Braille.*

*Since January 2016, LRA has distributed 2000 gallons of fuel to health facilities and hospitals in eight counties, free of charge*

*The LRA was established through an Act of the National Legislature in 2013 and began operations on July 1, 2014.*

*In the same year, LRA also collected a record amount of real estate taxes (US\$4.4M).*

*In its first year of operations (Fiscal Year 2014- 2015), LRA exceeded its forecast target for domestic revenue by US\$19.9 million or 4.6%.*

# SEVEN QUESTIONS

With Assistant Commissioner for Real Estate Tax Division



**ISAAC BEYAN STEVENS**

The Domestic Tax Department (DTD) is charged with domestic tax administration and has the basic objective to increase and coordinate control over all categories of taxpayers, and to improve taxpayers' compliance, thereby increasing revenue. The Department has six divisions including: Large Tax, Medium Tax, Small Tax, Rural Tax, Real Estate, and Sector Ministry. The Real Estate Tax Division (RETD), our focus in this interview, is inarguably an integral component of the overall tax legislation of the Republic of Liberia. Real property tax regulations, fully enforced, is said to have a very huge revenue potential for Liberia. Currently, though, real property taxes account for a minute portion of the national revenue envelope due to so many challenges encumbering its efficient and effective administration. In this interview, the Assistant Commissioner for RETD, Mr. Isaac Beyan Stevens, took up time to respond to seven questions from Editor D. Kaihenneh Sengbeh on his role, challenges and prospect of real estate tax collection in Liberia. Though he is new in the position, you will realize that Steven has a fair understanding of the division and to where he wants to lead it.

**D. Kaihenneh Sengbeh (DKS):**

**Tell us about your work as Asst. Commissioner for Real Estate Tax Division?**

**Isaac B. Stevens (IBS):**

As Commissioner of Real Estate Tax Division within the Domestic Tax Department of the LRA, my mandate is to ensure full compliance on property tax. This is ensured through, valuation/appraisal/assessment, enforcement, collection, and accounting of real property taxes on land and improvements of all classifications (residential, commercial, and industrial) consistent with the Liberia Revenue Code (LRC) and other related laws and regulations. I am also charged with the responsibility of providing public awareness and education on real property taxes with aim to increasing the tax net through various public and community engagements. We aim to attain administrative efficiency and effectiveness in real property tax administration at every stage of the LRA real estate strategic plan implementation process to facilitate and encourage voluntary compliance.

**DKS: How important is Your Division to Revenue Collection in Liberia**

**IBS:** The Real Estate Tax Division is an integral component of the overall tax legislation of the Republic of Liberia. Real property tax is one of six (6) kinds of taxes in effect in Liberia administered by the LRA. Currently, real property taxes account

for a minute portion of the national revenue envelope due to so many challenges encumbering its efficient and effective administration.

As a result of the limited scope of our property tax administration and implementation strategies, property tax collection have contributed a minute amount to the total revenue envelope. Over the past years, approximately 95% of our property tax implementation has been heavily concentrated in Montserrado County, especially Monrovia and its environs. Given the property tax revenue collection trend (3,602,000.00 in 2012/13; 4,124,000.00 in 2013/14; 4,358,985.88 in 2014/15; 6,043,841.18 in 2015/16 and 5,753,199.38 in 2016/17), the Division strongly believes that expanding its operations in other counties will yield significant returns in terms of substantial expansion of the tax base and subsequent improvement in revenue collection. Such increment in revenue will offer opportunities for government to be more responsive to the welfare and needs of the citizens, which in return will foment voluntary compliance.

The future of real property taxation in Liberia holds great potential and amazing promises and possibilities in strengthening and contributing enormously to national revenue

**DKS: How Are You Helping The LRA To Meet Its Annual Target**

**IBS:** As a Division we have maintained a concentrated focus on planning and carrying out robust and impactful real property tax awareness and education campaigns to encourage voluntary compliance through our media engagements, Community Partnership programs, and Faith Based Community/Religious Organizations Partnership Initiatives. We have also been conducting comprehensive data collection training for assessors and enforcers, performing desk reviews, valuation of properties, raising bills and enforcing compliance consistent with law, and collecting and accounting for all real property revenue due the government of Liberia.

Our campaigns, directed at helping LRA meet its annual revenue target is designed to assist and support our tax payers in paying their taxes according to law and through initiatives that align with our mission, vision, and core-values.



**DKS: Tell Us Your Success Story**

**IBS:** I think it's too early to be talking about my success story and if there was a success story to be told it would be ours as a team and not mine alone. I like to think that as a division we are working hard at reviewing, updating, and enhancing our processes, procedures, and policies to increase our tax base, maximize voluntary compliance, and ensure that property tax contributes significant amount to the national budget. I know with absolute certainty that the future of Real property tax collection in Liberia holds enormous potential. What we need is adequate investment in the sector to ensure the employment of innovative technology, adequately trained and qualified staff, and active, effective, and impactful outreach initiatives and awareness promotion activities aimed at creating partnership between our office and the people (tax payers) we serve.

**DKS: What Are The Major Challenges And How Are You Working To Address Them?**

**IBS:** Currently, real property taxes are a minor source of revenue for the National Government due to so many limiting factors or challenges. We like to provide a brief summary of the major challenges and introduce some reform measures needed to mitigate the challenges.

- 1 Relatively low re-estate tax rate
- 2 Outdated real property values
- 3 Political intervention in real property tax administration
- 4 Limited use of information technologies in the appraisal process
- 5 Lack of uniform property valuation systems and methodologies (effective zoning laws and regulations)

Notwithstanding, we believe that with concrete and realistic real property tax reform including consideration for local administration, the future of the sector holds great potential in strengthening and contributing enormously to national revenue.

Some of the reform efforts must be directed at:

1 *The creation of a Valuation Database and Information System, and Electronic Field Appraisal and Assessment Technology*

2 *The creation of an electronic or computerized administrative and record*

*management systems to back-up and manage all assessments or valuation records presently in manual form and to generate computer-based reports: tax declarations, assessment rolls, notices, and etc.*

3 *Increase the tax net through massive public awareness and community engagement throughout the country*

4 *Depoliticizing property valuation, yea property tax administration*

5 *Use of single valuation base for all real property taxes (mass appraisal)*

6 *Aim to:*

1. *Raise the quality of public and private sector valuations;*
2. *Provide consistency and understanding between providers and users of Valuations;*
3. *Promote transparency and reliability of valuations;*
4. *Reduce financial risk for users of valuation.*

7 *Strengthened monitoring and coordination of efforts of the LRA with other government ministries and agencies*

8 *Conduct comprehensive real estate tax compliance study to support MFDP/LRA fiscal policy setting, to help determine the level of tax compliance and the potential revenue and tax impact of re-evaluation to the LRA and to the property owners, and recommend reform measures to improve the taxpayers' compliance and improve collections*

9 *Development and adoption of Mass Appraisal Guide Book consistent with our operating context that details the step-by-step procedures in achieving market-based values through mass appraisal, provides background guide on valuation of special purpose properties, and provide framework for the introduction of a basic course on mass appraisal training to capacitate assessors/valuers/appraisers*

10 *Transfer real property tax administration/collection to local governments or municipalities with revenue sharing agreement with national government*

As have been highlighted above, there are huge challenges in real property tax administration in Liberia and reform is critically needed. We credit our various real property tax community engagement awareness promotions and educational initiatives, a supportive administration, and a committed staff for what little gain or reform initiatives we have been able to achieve. Challenges are not overcome in one brilliant moment/fashion but by continuing and we intend

to continue in the path of reform.

**DKS: What Is Your Message To The Tax Paying Community And Those Who Are Not Tax Compliant?**

**IBS:** Gratitude, I believe is the healthiest of all human emotions and a great motivator in the attainment of all worthwhile human endeavors. Therefore, we like to begin by extending our profound thanks and appreciation to our general tax paying public, but specifically to all real property tax payers for remaining loyal and patriotic to our country by paying your "fair share of taxes". For honoring this obligation with a sense of sincerity, honesty, an integrity you deserve our greatest admiration and respect. For those who are not in compliance with their tax obligations for whatever reason, we encourage and implore you to voluntarily pay your taxes and thereby contribute in the building of a prosperous Mama-Liberia. In keeping with Section 2004 of the Liberia Revenue Code 2000 (LRC) as amended 2011, all real property owners are required to register your property (ies) with the Government of Liberia within 30 days upon acquiring ownership and to ensure payment of all real property taxes. The LRA will not hesitate in issuing and enforcing a default determination bill to any real property owner who fails/refuses to have his/her property registered and payment made. In all of this we like to emphasize that we remain committed to enhancing existing mutually benefiting partnerships and creating new ones between our office and the people (tax payers) we serve.

**DKS: What are your final words?**

**IBS:** We applaud our compliant tax payers and appeal to and encourage the non-compliant ones within the borders of Liberia to voluntarily register and pay their real property taxes as per law and as a national, civic, and religious obligation/responsibility. You owe it to the nation to pay your "fair share of taxes." THE LRA WILL NOT HESITATE TO ENFORCE THE LAW IN COLLECTING THE LAWFUL REVENUE DUE THE PEOPLE OF LIBERIA. "A GOOD TAX PAYER IS A NATION BUILDER"

**DKS: Thanks A Million For The Valuable Time Off Your Very Busy Schedule**

**IBS:** Thanks equally for the time and engagement. It's always a pleasure.



## Combating Base Erosion & Profit Shifting: *The Case of Liberia*

By: Ebenezer Mewon Nyah, MBA, MA - Manager: Policy, Research & Strategic Planning

It is no doubt that domestic resource mobilization is the key in achieving the post 2015 sustainable development goals. Its significance was loudly emphasized in the outcome of the 2015 Financing for Development Conference hosted in Addis Ababa, where world leaders met to affirm their political commitment in addressing the challenge of financing and creating an enabling environment at all levels for sustainable development in the spirit of global partnership and solidarity.

To this end, Sub Saharan Africa, a hub of global poverty amidst enormous wealth, have begun taking giant steps toward efficiently utilizing her domestic resource mobilization potential. One important step taken was the constitution of a High Level Panel on Illicit Financial flows (IFFs) from Africa by the 4th Joint African Union Commission/United Nations Economic Commission for Africa, in 2011. This decision was taken from the backdrop of a reasonable conclusion that many African nations were not going to meet the Millennium Development Goals during the target period ending 2015.

After years of work, the High Level Panel under the Chairmanship of veteran politician Tharbo Mbeki arrived at some startling revelations in their report published 2015. Key among these was the finding that Africa losses in IFFs jumped from approximately US\$20bn in 2001 to US\$60bn in 2010. In fact, IFFs from Africa was estimated at an annual average of at least US\$50bn, to which tax fraud, trade misinvoicing and other harmful tax practices greatly contribute. What is more astonishing

is the fact that these amounts far exceed the official development assistance that Africa receives in loans and grants. It is no doubt that Liberia too suffers greatly from these losses, which remains a key driver behind the country's failure to turn her economic growth into tangible human developments. As a matter of fact, the country's domestic resource mobilization need has become of increasing importance, given the rapid decline of external development assistance from US\$201.2M in FY 2014/2015 to US\$62.0M in FY 2016/2017. Hence, LRA thru its visionary leadership is taking necessary steps to keep at float with the changing waves of global tax administration. One area where she has exerted efforts is toward the combatting of Base Erosion and Profit Shifting (BEPS). BEPS refers to tax avoidance strategies that exploit gaps and mismatches in tax rules to artificially shift profits to low or no-tax locations (OECD, n.d).

In this regard, LRA through her partners have begun strengthening Liberia's international tax policies and administrative measures to secure the tax base. For instance, in November 2017, an office was established in the Domestic Tax Department to handle the Exchange of Tax Information with different tax jurisdictions. This office, when fully functional, will ensure Liberia mitigate the risk of tax evasion by providing and accessing the platform through which financial information can be exchanged for non-resident multinational corporations (who are big players within our tax jurisdiction) with the tax authorities

of their country of residence. This means Liberia can get their worldwide financial information from their country of residence, which can further strengthen audit findings and enhance their yields. This development couldn't have been more important than a time when the world is on the move to implement country by country reporting for multinationals with consolidated revenue of at least €750M, a minimum standard under the BEPS project implementation.

In addition, Liberia Model Double Tax Agreement has been revised to conform with the African Tax Administration Forum (ATAF) model, in which policy measures are strengthened to mitigate the risk of circumventing the basis for permanent establishment (the concept which provides the nexus for taxing non-residents doing business within your jurisdiction). This model also ensures that taxes are paid where economic value is created – in this case Liberia. Hence, the loopholes embedded in the only Double Tax Agreement that Liberia has with Germany (which entry into force dates as far back as 1975) is corrected for future tax treaties.

The LRA has also finalized the drafting of a transfer pricing policy practice note to ensure that the control prices set between related parties (that is multinationals and their subsidiaries) reflects the market realities. This will further combat the issue of trade misinvoicing, as well as other harmful tax practices which erodes the tax base.

From the domestic policy perspective, several proposals are before the Ministry of Finance and Development Planning to ensure the mitigation of policy gaps within the Liberia Revenue Code of 2011 as amended. Among these is the proposal seeking authority to automatically access banking information, which reduces the risk of financial secrecy. In addition, one of the proposals seek to secure withholding payments by ensuring they are remitted to the LRA by the withholding agent whenever payments are declared other than when they are actually made as the current policy requires. These are geared toward securing the tax base and reducing the risk of harmful tax practices, which directly facilitate IFFs. To these ends, much credit is owed to the farsightedness of the LRA's senior management who is leaving no stone unturned in ensuring that she collects the fair share of taxes due the people of Liberia. This further affirms that Liberia is on the right trajectory in ending the IFFs, which significantly undermines development. Of course these could not be achieved without the high level of internal and external collaboration, although much more is still needed.



# Building Effective Partnership and Institutional Development

*A Peek Into The Role of The LRA's External Affairs & Partnership Section*



No man is an island! So, too, is no institution, including the Liberia Revenue Authority (LRA). In the modern world of ours, work and business processes cut across organizational boundaries, thereby inducing organizations of similar ideologies and functionalities to collaborate in achieving their respective goals.

More than ever before, institutions need to share information, cooperate and deliver results with external partners from other companies, locations, cultures and time zones. When organizations work with external partners across organizational boundaries, they engage people from different organizations with different cultures, commercial interests and perspectives, and update their skills to meet their reasons for existing.

The LRA, becoming functional about three years ago, is no exception in building partnerships and external relationships with other revenue authorities and related bodies in the discharge of its duties. To professionally manage and sustain these relationships is the External Affairs and Partnership Unit established in the Policy Statistics and Strategic Planning Division.

The Unit was created to foster partnership in order to strengthen revenue mobilization, particularly capacity for domestic resources mobilization. The Unit's role has been to increase bilateral and multilateral partnerships to strengthen institutional capacity, promote operational efficiency and other partnership externally in the promotion of cooperation and collaboration for achieving objective 17.1 of the Sustainable Development Goals.

Managed by Mr. Wellington Jah, the Unit has been strategically involved with developing effective partnership, supporting strategic planning and working on policy development. The Unit's Manager currently serves as correspondence and liaison with the African Tax Administration Forum (ATAF), the West African Tax Administration Forum (WATAF) and the Addis Tax Initiative (ATI). In this role, Mr. Jah has facilitated number of capacity and institutional building initiatives on behalf of the organization and continue to support the role of Madam Elfrieda Stewart Tamba, Chairperson of WATAF and Council Member of ATAF and the ATI.

The External Affairs and Partnership Unit has also coordinated number of knowledge sharing missions on behalf of the institution and facilitated Memorandum of Understanding with the Federal Inland Revenue Service, (FIRS) Nigeria; the Zimbabwe Revenue Authority (ZIMRA) and the Rwanda Revenue Authority. He coordinated several partnerships including with the Uganda Revenue Authority, the Tanzanian Revenue Authority and the Tanzania Institute of Tax Administration. The Unit also brokered several bilateral partnerships on behalf of the LRA including with the UNDP which saw the donation of large baggage scanners which have been installed and commissioned at the country's only international airport, Roberts International Airport. Added to that feat is

the engineering of an OSIWA's US\$498,000 grant intended to foster domestic resource mobilization.

The External Affairs and Partnership Unit has further

linked the LRA with Her Majesty's Customs and Revenue (HMRC), UK, Sweden, China and Netherlands International Bureau of Fiscal Documentation (IBFD). The partnership with the IBFD has witnessed over 16 LRA staff being trained in the Netherlands in areas of international taxation and Global VAT administration.

Mr. Jah also facilitated partnership with the Tax Inspectors Without Borders (TIWB) and this has seen the commissioning of specialized audit in the natural resources sector. He also brokered partnership with the AfDB and drafted several policy briefs for World Bank and the IMF.

In addition to his strong partnership role in the institution, Mr. Jah, as Manager for the External Affairs and Partnership Unit has led major policy initiatives including the policy proposal for revenue reform which was later driven by Manager of Statistics and the Ministry of Finance and Development Planning. He led the coordination of LRA's first ever Taxpayer Appreciation Day celebration with support from the UNDP and also conceptualized the drafting of a National Domestic Resources Mobilization Strategy (DRM) within the framework of the Sustainable Development Goal and Agenda 2063.

Though yet to be fully established, the role of the External Affairs and Partnership Unit has already yielded significant dividend under the stewardship of Mr. Jah and other members of the Policy Statistics and Strategic Planning Division.

## CUSTOMS BUSINESS OFFICES AND LOCATIONS

### **Bo Waterside Customs Business Office**

Bo Town  
Tewor District  
Grand Cape Mount County  
Monrovia, Liberia  
0888572572/0770572572

### **Freeport Customs Business Office**

Freeport of Monrovia  
Bushrod Island  
Montserrado County  
Monrovia, Liberia  
0888572572/0770572572

### **Liberia Petroleum Refining Company Customs Business Office**

Liberia Petroleum Refining  
Company  
Bushrod Island  
Montserrado County  
Monrovia, Liberia  
0888572572/0770572572

### **Parcel Post Customs Business Office**

Ministry of Post &  
Telecommunication  
Carey & McDonald Streets  
Montserrado County  
Monrovia, Liberia  
0888572572/0770572572

### **Ministry of Lands, Mines & Energy Customs Business**

Capitol Hill  
Montserrado County  
Monrovia, Liberia  
0888572572/0770572572

### **James Spriggs Payne Customs Business Office**

Sinkor/AirField  
Montserrado County  
Monrovia, Liberia  
0888572572/0770572572

### **Roberts International Airport Customs Business Office**

Harbel  
Margibi County  
Monrovia, Liberia  
0888572572/0770572572

### **Buchanan Customs Business Office**

Buchanan City  
Grand Bassa County  
Monrovia, Liberia  
0888572572/0770572572

### **Greenville Customs Business Office**

Greenville City  
Sinoe County  
Monrovia, Liberia  
0888572572/0770572572

### **Harper Customs Business Office**

Harper City  
Mary Land County  
Monrovia, Liberia  
0888572572/0770572572

### **Toe Town Customs Business Office**

B'hai Town  
Gbazon District  
Grand Gedeh County  
Monrovia, Liberia  
West Africa  
0888572572/0770572572

### **Butuo Customs Business Office**

Butuo Town  
Buyah District  
Nimba County  
0888572572/0770572572

### **Loguatu Customs Business Office**

Loguatu Town  
Gbelaygeh District  
Nimba County  
Monrovia, Liberia  
0888572572/0770572572

### **Ganta Customs Business Office**

Ganta City  
Bain Garr District  
Nimba County  
Monrovia, Liberia  
0888572572/0770572572

### **Jorwah Customs Business Office**

Jorwah Town  
Panta District  
Bong County  
Monrovia, Liberia  
0888572572/0770572572

### **Yealla Customs Business Office**

Yealla Town  
Zorzor District  
Lofa County  
Monrovia, Liberia  
0888572572/0770572572

### **Mendicorma Customs Business Office**

Mendicorma Town  
Foya District  
Lofa County  
Monrovia, Liberia  
0888572572/0770572572

## RURAL TAX BUSINESS OFFICES

### **Buchanan Tax Business Office**

Buchanan City  
Tubmanburg & Roberts  
Street  
Grand Bassa County  
0888572572/0770572572

### **Gbarnga Tax Business Office**

Gbarnga City  
Bai T. Moore Boulevard,  
Adjacent Dominion Church  
Bong County  
0888572572/0770572572

### **Ganta Buchanan Tax Business Office**

Ganta Main Street, Opp.  
Pearson School  
Nimba County  
0888572572/0770572572

### **Sanniquellie Buchanan Tax Business Office**

Sanniquellie City  
Circuit Court Building  
Nimba County  
0888572572/0770572572

### **Tappita Tax Business Office**

Tappita City  
Tappita Main Street  
Nimba County  
0888572572/0770572572

### **Zwedru Tax Business Office**

Zwedru City  
Zwedru County Center  
Grand Gedeh County  
0888572572/0770572572

### **Toe Tax Business Office**

Toe Town  
Grand Gedeh County  
0888572572/0770572572

### **Webboo Tax Business Office**

Fish Town  
River Gee County  
0888572572/0770572572

### **Harper Tax Business Office**

Green & Mechlin Street,  
Harper  
Harper City  
Maryland County  
0888572572/0770572572

### **Pleebo Tax Business Office**

Pleebo City Hall  
Maryland County  
0888572572/0770572572

### **Grand Kru Tax Business Office**

Barclayville City  
Administrative Building,  
Grand Kru County  
0888572572/0770572572

### **Greenville Tax Business Office**

Johnstone St. Adjacent the  
Prison Compound  
Greenville City  
Sinoe County  
0888572572/0770572572

### **Cestos Tax Business Office**

Former UNMIL Base,  
Cestos City  
Rivercess County  
0888572572/0770572572



**Kakata Tax Business Office**

Administrative Compound  
Kakata City  
Margibi County  
088572572/0770572572

**Mashall Tax Business Office**

Smell-No Taste Community,  
Unification City  
Margibi County  
088572572/0770572572

**Bensonville Tax Business Office**

Gardnersville Town Hall,  
Bensonville  
Montserrado County  
088572572/0770572572

**Robertsports Tax Business Office**

Robertsport City Grass –  
Field Road  
Cape Mount County  
088572572/0770572572

**Bo-Water Side Tax Business Office**

Bo-Water Side  
Grand Cape Mount County  
088572572/0770572572

**Via Town #3, Tax Business Office**

Tubmanburg City  
Bomi County  
088572572/0770572572

**Bopolu Tax Business Office**

Gbarpolu County Service  
Center  
Bopolu City  
Gbarpolu County  
088572572/0770572572

**Voinjama Tax Business Office**

Adjacent Monrovia Parking,  
Zorzor  
Voinjama City  
Lofa County  
088572572/0770572572

**Bazzie Quarter Tax Business Office**

Kolahun Parking, Voinjama  
Kolahun City  
Lofa County  
088572572/0770572572

**New Foya Road, Tax Business Office**

AG Quarter Foya  
Foya City  
Lofa County  
088572572/0770572572

**Foya Highway Tax Business Office**

Opposite Kolahun Market,  
Kolahun City  
Lofa County  
088572572/0770572572

## URBAN SERVICE CENTERS

**Temple of Justice Service Center**

Capitol Bypass  
Capitol Hill  
Monrovia  
Monteressado County  
088572572/0770572572

**Ministry of Transport Service Center**

Carey & Warrant Street  
Central Monrovia, Liberia  
088572572/0770572572

**Ministry of Commerce & Industry Service Center**

Ashmun Street  
Central Monrovia  
088572572/0770572572

**National Elections Commission Service Center**

9th Street Sinkor  
Monrovia, Liberia  
088572572/0770572572

**Liberia Business Association Service Center**

AB Tolbert Road  
Paynesville City  
Montserrado County  
088572572/0770572572

**Robert International Airport Service Center**

Robert International Airport  
Margibi County, Liberia  
088572572/0770572572

**Ministry of Finance & Development Planning Service Center**

Ministry of Finance &  
Development Planning  
Broad & Mechlin Street  
Monrovia, Liberia  
088572572/0770572572

**Ministry of Foreign Affairs Service Center**

Ministry of Foreign Affairs  
Capitol Bye Pass  
Capitol Hill

Monrovia, Liberia  
088572572/0770572572

**Freeport of Monrovia Service Center**

Freeport of Monrovia  
Bushrod Island  
Monrovia, Liberia  
088572572/0770572572

**Liberia Business Registry Service Center**

Nelson Street, Front Street  
Monrovia, Liberia  
088572572/0770572572

**Ministry of Labor Service Center**

Ministry of Labor UN Drive  
Monrovia, Liberia  
088572572/0770572572

**Land, Mines & Energy Service Center**

Ministry of Lands, Mines and  
Energy  
Bassa Community  
Capitol Hill  
088572572/0770572572

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Taxpayer  
Is  
A Nation  
Builder**

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# LOOKING INTO LRA'S 5-YEAR CORPORATE STRATEGIC PLAN

## How Far Are We One Year Later?

By D. Kaihenneh Sengbeh

Coming into being through an act of the National Legislature in September 2013, the Liberia Revenue Authority (LRA) officially commenced operations on July 1, 2014.

The LRA replaced the Department of Revenue under the erstwhile Ministry of Finance, which included both the Bureau of Internal Revenue and the Bureau of Customs and Excise, as defined in Chapter 21 of the Executive Law of 1972.

The LRA was established as a semi-autonomous organ of the Executive Branch of the Government of Liberia.

Following two successful years of existence with annualized plans, Commissioner General Elfrieda Stewart Tamba and the Executive Management of the LRA saw it fit to introduce a five-year Corporate Strategic Plan (CSP), commencing with the 2016/2017 fiscal year. The CSP which serves as a roadmap for the LRA up to the 2020/2021 fiscal year has 13 objectives and 65 outcomes.

In her introductory comments on the Plan, Commissioner General Tamba said: "In furtherance of the needed transformation, I am pleased to endorse the first Five-Year Corporate Strategic Plan of the LRA."

The CG believes that critical success factor for any newly established organization is to document a clear vision and mission and to establish a solid strategic planning system that maps the route for attaining the desired sustainable transformation.

"Accordingly, this plan," she said, "marshals the envisaged transformation and modernization agenda for the LRA over the next five years."

The implementation CSP requires the committed involvement of staff, management, the Board, and our external stakeholders including sector ministries and the international donor community who have strongly supported our efforts to establish this institution.

CG Tamba maintains that: "during our embryonic 12 months, we continue the process of stabilizing the institutional framework of the LRA, while concomitantly focusing on the attainment of our core mandate of collecting the lawful revenues due to the people of Liberia. We have successfully reached and exceeded the

approved revenue target for FY2014/2015 by US\$20 million, thereby providing additional unplanned resources to Government. It is noteworthy that this performance was achieved despite the Ebola epidemic."

The LRA has identified 4 Key Strategic Goals on which to focus during the 5-year period covered by the Plan. Expressed in equal order of priority and importance, they are:

**Goal 1:** Administer Revenue Legislation in an effective, fair and transparent manner.

**Goal 2:** Maximize voluntary compliance.

**Goal 3:** Build an effective institution at all levels through excellence in leadership, accountability, technical and real infrastructural capacities.

**Goal 4:** Transform revenue administration by utilizing effective Information and Communication Technology (ICT).

Giving performance update of the first year of implementation (2016/17) of the CSP, the Strategic Planning Unit of the Policy, Statistics and Strategic Planning Division (PSSPD) reported that some progress were made.

Under Goal 1 of the CSP, Objective 1 focuses on generally attaining the revenue targets. The Policy Unit reported that total revenue collected was US\$523,872 against a projection of US\$ 600,202, accounting for a deficit of 76.3M or 13%. The tax base was expanded by 9,556 new taxpayers, bringing 67,000 taxpayers to the tax roll in as at FY16/17.

Besides, the LRA domestic tax risk-based audit procedure was updated, and a total of 52 Large Tax while 65 were completed in the-MSMTD. Also counted as achievement was 4 Regional Consultative meetings held across the country and climaxed by a National Symposium in Monrovia to enhance Domestic Resource Mobilization.

Under Objective 1.2 of Goal 1 (increase effectiveness in the administration of tax and customs operations), among others, Custom brokers and tax practitioners licensing and administrative regulation were reviewed and approved, and series of awareness were conducted. The use of risk-management tools in ASYCUDA was maximized by 80%.

Under Goal 2, Objective 2.1 (Enhance

taxpayer knowledge of tax laws, their rights and obligations through effective outreach and accessible information), the Taxpayers Education Strategy was developed, approved and operationalized, with hundreds of informational materials printed and distributed to taxpayers. The Taxpayers Bill of Rights was also published. Additionally, 6 Service centers were equipped and functional with informational material.

As for Objective 2.3 which focuses on attaining a high level of client confidence and trust through prompt, courteous, fair, and professional treatment, an integrity management strategy was drafted. A total of 64 professional ethics related cases were reported, with 61 investigated, of which 41 were sustained, which resulted into 17 dismissals and 4 suspensions.

Objective 3.2 of the Plan seeks to improve technical capacity, accountability, and productivity at the LRA. To achieve this, the HR Training Plan was initiated. A total of 477 staff were trained in various disciplines including Tax Administration Diagnostic Assessment Tool Leadership, Cargo Examination, Middle leadership, Automatic Exchange of Information, Taxation Statistical System, Internal Audits, Standard Integrated Government Tax System and Automated System for Customs Data.

Still under Objective 3.2, a total of 48 audits (including 12 core, 24 issue-oriented and 12 surprised ad hoc) were conducted across the LRA including 3 reviews of LRA operational system.

According to the Policy Team in the implementation of year one of the CSP, there were several challenges, many of them directly beyond the LRA's control.

Prominent among them were cut in LRA's budget as approved by the National Legislature (that is, the approved budget of US\$18,747,242 was a 38% cut of what was approved by the Board of Directors, delay in payments to vendors for services rendered the LRA, inadequate funding for repair and maintenance as well as training and staffing and training challenges.

The Policy Unit believes that given those challenges, LRA performed fairly in year one implementation of the 5-year CSP.



# 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 enters, 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 the 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

## Advance Payment on CORPORATE INCOME TAX

(2%) Covers: All Medium Taxpayers (annual income between L\$ 3,000,000 - L\$ 30,000,000) and Large Taxpayers with gross annual sales above L\$30,000,000

## REAL ESTATE TAX

Due between January 1st and June 30th. Covers: All land and real property owner

## INCOME TAX RETURN

(Filing and Payment) Due on or before the March 31st of each calendar year

- CORPORATE INCOME TAX
- PERSONAL INCOME TAX

Covers: All businesses and persons earning income from Liberia



# BUILDING MAMA LIBERIA TOGETHER WITH TAXES

