



DISCIPLINARY GUIDE

TO MANAGING THE SANCTIONING REGIME FOR VIOLATION OF
PROFESSIONAL CONDUCT BY TAX PRACTITIONERS, CUSTOMS
BROKERS AND BROKERAGE FIRMS

A guide to administering Tax Practitioners,
Customs Brokers and Brokerage Firms discipline,
consistently, fairly, equitably, and transparently

Table of Contents

INTRODUCTION	3
PURPOSE	3
SCOPE OF APPLICATION	3
GUIDING PRINCIPLES	3
TYPES OF DISCIPLINARY ACTIONS	4
NON-EGREGIOUS VIOLATIONS	4
EGREGIOUS VIOLATION	5
Category of Disciplinary Action	6

A high standard of tax practitioner, broker, and brokerage and practitioner firm performance is critical to the efficiency of the Liberia Revenue Authority (LRA) and the accomplishment of its mission. Accordingly, the fundamental goal of the oversight of brokers by the LRA is to promote compliance through counseling and education, and to encourage a high standard of professionalism and integrity in customs brokerage practice in Liberia

2.0 PURPOSE

The purposes of the Guide are:

- To ensure integrity and accountability in the Tax Practitioner and Customs Brokerage professions and practices;
- To support efficient and effective tax administration by ensuring that all Tax Practitioners Customs Brokers, Brokerage and Tax Practitioner Firms practicing in Liberia adhere to professional standards and follow the rules, regulations, and laws;
- To help encourage Tax Practitioners, Customs Brokers, Brokerage and Tax Practitioners Firms to maintain satisfactory standards of professional conduct and practice;
- To support constructive and mutually beneficial professional relationship between the LRA Tax Practitioners and Customs Brokers;
- To ensure that the LRA, Tax Practitioners, Customs Brokers, Brokerage and Practitioners Firms share a common understanding of what constitutes professional misconduct and what the associated disciplinary actions are for these transgressions, thereby promoting acceptable conduct;
- To prevent the LRA from taking arbitrary and capricious disciplinary actions against any Tax Practitioner, Customs Broker and Firm; and
- To provide the LRA, Tax Practitioners and Customs Brokers with a fast and easy point of reference for applying disciplinary action with hope of correcting professional misconduct on the part of any Customs Broker, Tax Practitioner, Brokerage and Practitioner Firms.

3.0 SCOPE OF APPLICATION

This Disciplinary Guide is applicable to all Tax Practitioners, Customs Brokers, including individuals and brokerage and practitioners firms and businesses licensed and regulated by the LRA.

4.0 GUIDING PRINCIPLES

The below listed principles shall guide the Procedures in this Disciplinary Guide and should be followed by the LRA Office of professional Responsibility Section (OPRS)

- Disciplinary action taken by the LRA against a Customs Broker, Tax Practitioner, Brokerage and Tax Practitioner Firms found in violation of the rules, regulations and laws governing customs brokerage and tax practitioner practice in Liberia are intended to correct or punish;
- Disciplinary action or the imposition of sanction against a Customs Brokers, Tax Practitioner, Brokerage and Practitioner Firms is an administrative action by the LRA which must be applied in a prompt, fair, consistent, and equitable manner consistent with due process of law; and
- Egregious violations that rise to the level of a crime shall be referred to the Ministry of Justice for prosecution while all other violations shall be administratively sanctioned.

5.0 TYPES OF DISCIPLINARY ACTIONS

LRA response to a broker violation of professional misconduct depends upon whether the violation is egregious or not.

5.1 Violations that are not egregious

In the case of a violation that is not egregious, LRA will first work with the practitioner, brokers and/or firms to bring them into compliance through education. This first approach is an attempt to improve their performance. A penalty should only be assessed or imposed after this non punitive approach fails to produce satisfactory corrective action. They must be clearly and thoroughly informed in person and in writing of any unacceptable conduct and given a reasonable opportunity for remediation.

Example of Non-Egregious Violations:

- The broker has a maximum of two repetitive rejections for the same classification issues within the ASCUYDA system
- Minor clerical mistakes in the declaration process

The steps that should be followed when a violation is deemed to be non-egregious or egregious are depicted in the matrixes below.

Steps to be taken in addressing Violations that are not egregious

CATEGORY 1: Violations that are <u>not</u> Egregious					
Description of Offence	Step 1	Step 2	Step 3	Step 4	Step 5
Violation that is <u>not</u> Egregious	Violation is communicated to the broker, practitioner and firm and he or she is advised to take corrective action. They may also be summoned to appear before LRA concerning the issue(s) giving rise to this first offense.	If the violator fails to correct the violation, a warning letter is issued reminding them of their failure to take corrective action and that penal action could result from this and subsequent violation.	A penal action is initiated	Additional penal action is taken and the violator is warned that he/or she faces the possibility of their license being suspended or revoked.	An action to suspend or revoke the violator license is initiated.

5.2 Egregious Violations

An egregious violation is an act or omission which shows irresponsibility beyond not more than two repetitive clerical mistakes or a genuine oversight. An egregious violation shall result in the immediate imposition of a penalty or, where appropriate, lead to suspension or revocation of the violator's license even if they have no previous violation.

Example of egregious Violations:

1. The misuse of clients' funds (i.e., failure to pay Customs monies given to broker by the client for customs duties, taxes, and fees;
2. Conducting customs and tax practitioner businesses without a valid license;
3. Making a false or misleading statement or omitting a material fact, which was required to be made or included in any application for license;
4. Having a criminal conviction subsequent to applying for a license;
5. Counseling, commending, inducing, procuring or knowingly aiding and abetting violations by another of any law, rules, or regulations enforced by the LRA or giving, soliciting, procuring or assisting in the filing of any claim, statement, information, testimony, document, affidavit or other papers with the LRA that is known by broker to be false or misleading;
6. Knowingly employing or continuing to employ any person who has been convicted of a criminal offense within five years of conviction (meaning within five years before or after conviction);
7. Acting with the intent to defraud, knowingly deceive, mislead or threaten any client, prospective client or employees of the LRA in the course of conducting Customs Brokerage and Tax practitioner business; and
8. The Failure of a licensed Customs Brokerage Firm or Business, be it a partnership, corporation or association, to have at least two of its partners, officers, or members validly licensed (or in the case of a sole proprietorship, failure of the proprietor to be validly licensed) for any continuous period of 90 days.
9. Authorizing or permitting the use of a Firm's ASYCUDA access to any individual or individuals whether he/she is a licensed customs brokers outside the employment of the Firm

The following may also be considered egregious violations depending on the facts and circumstances surrounding the violations.

- 9.1 Providing or omitting entry information that could result in avoidance of inspection or entry review by LRA or another agency thereby affecting the admissibility decision regarding the entered item.

9.2 Providing or omitting entry information that would result in avoidance of anti-dumping, smuggling or countervailing duties or would result in significant loss of revenue.

9.3 Failure to identify merchandise that is subject to quantitative restrictions or government license or permits.

9.4 Failing to respond to LRA request for information, telephone calls, request for meeting or any other reasonable attempts to confer about LRA customs business.

9.5 False declaration and under declaration into the ASYCUDA or any customs related document resulting in loss of Government of Liberia (GoL) revenue or with the intent to defraud the GoL of lawful revenue

CATEGORIES OF DISCIPLINARY OFFENCES

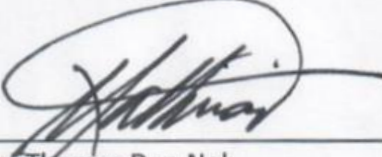
In addition to those listed above, violations of any of the professional duties and obligations and specific violations listed in the Customs Brokers Licensing and Administrative Regulation under Section 15 and 16 are considered egregious.

Steps to be taken in addressing Violations that are Egregious.


CATEGORY 1: Egregious Violation			
Description of Offence	Step 1	Step 2	Step 3
Egregious Violation	Alleged violator is invited by either email, telephone, writing or any other means of communication to the LRA for investigation and due process hearing.	Investigation is conducted by OPRS with support from other relevant department, Units of LRA and due process hearing is held if deemed necessary. Recommendation for LRA action is forwarded to the Deputy Commissioner General for Technical Affairs (DCGTA) for approval.	Possible Sanctions
			A combination of the following sanctions may be applied in no particular order: <ol style="list-style-type: none"> Written Warning Suspension of license for any indefinite period of time Revocation of license Disbarment revocation of right to practice before the LRA or Closure of ASUCUDA access Monetary penalty imposed in accordance with applicable laws and regulations.

EFFECTIVE DATE:

This Disciplinary Guide shall become effective immediately as of the date of signature by the Commissioner General and approved by the Board of Directors of the Liberia Revenue Authority.

Signed: 
Hon. Thomas Doe Nah
COMMISSIONER GENERAL/CEO
LIBERIA REVENUE AUTHORITY

DATE: 10/5/2021

Approved: 
Cllr. F. Musah Dean, Jr.
CHAIRMAN, BOARD OF DIRECTORS
LIBERIA REVENUE AUTHORITY

DATE: 10/7/2021