EXTRAORDINARY

The Government of the Republic of Liberia announces that the Liberia Revenue Authority (LRA), pursuant to its mandate consistent with Part III of the Liberia Revenue Code has issued its Regulation No.1.55/1007/LRA/DT/13-08-21 herein under:

REGULATION CONCERNING THE INCOME TAX ELECTRONIC FISCAL DEVICES

BY ORDER OF THE PRESIDENT

DEWEH E. GRAY (Cllr.)
ACTING MINISTER OF FOREIGN AFFAIRS

MINISTRY OF FOREIGN AFFAIRS
MONROVIA, LIBERIA

REPUBLIC OF LIBERIA

REVENUE ADMINISTRATION REGULATION
PURSUANT TO PART III OF THE LIBERIA REVENUE CODE

REGULATION NO.

I.55/1007/LRA/DT/13-08-21

SUJECT:

The Income Tax (Electronic Fiscal Devices) Regulations

DATE:

08-13-2021

Table of Contents

Preamble:

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

WHEREAS, Section 8(1) of the Liberia Revenue Authority Act of 2013 states, "The Authority is authorized to discharge its functions under this Act and has the power to take actions necessary to accomplish those functions in the manner and using the methods permitted under the Code and other laws".

WHEREAS, Section 21(1)(a) & (b) of the Liberia Revenue Authority Act of 2013 states that the Commissioner-General shall be responsible for the administration and supervision of the Code, the direction and the day-to-day administrative management of the Authority, for the supervision of the execution of officers, managerial staff, and other employees of the Authority as well as other matters of the Authority.

The Commissioner-General shall also:

a. Ensure the effective and fair interpretation, application and implementation of the Code.

b. Ensure the proper and diligent implementation of this Act.

Now therefore, in accordance with law, the LRA herewith sets forth the following administrative rules and compliance procedures for all categories of business transactions relating to goods or services involving users whereby each user shall use an Electronic Fiscal Device suitable to the category, operation and type of his business transaction consistent with sections 55 (a)(4) & (a)(4)(c) of the Code.

These Regulations shall be cited as the Income Tax (Electronic Fiscal Devices) Regulations, 2021. These Regulations shall apply to all users doing business in Liberia.

(i). Legal Basis:

1. This regulation is pursuant to sections 55 (a)(4)(c) of the Liberia Revenue Code as Amended.
2. Sections 55 (a)(4) (c) Electronic Records. Regulations may permit or require that taxpayers with the capacity to do so keep records in electronic form and process transactions using at minimum electronic equipment such as a cash register.

(ii). Purpose:

1. The purpose of this Administrative Regulation is to provide rules and compliance procedures for use of Electronic Fiscal Devices by all categories of business transactions in relations to goods or services.

(iii). Definition of Terms

1. "Approved Electronic Fiscal Device" means Electronic Fiscal Device which has passed through certification and licensing procedures as established by the Liberia Revenue Authority;

2. "Approved manufacturer" means an appointed producer of electronic fiscal devices; in these Regulations unless the context requires otherwise

3. "Authorized Supplier" means an appointed supplier of electronic fiscal devices in these Regulations unless the context requires otherwise.

4. "Code" means the Liberia Revenue Code as Amended.

5. "Commissioner" means the Commissioner General or the person designated to act in his stead.

6. "Daily gross takings" means all payments received for goods or services supplied for each day;

7. "Electronic Fiscal Device" means a machine designed for use in business for efficient management controls in areas of sales analysis and stock control system which conforms with the requirements specified in these Regulations and duly registered under regulation 5 of these Regulations including Electronic Tax Register, Electronic Fiscal Printer and Electronic Signature Device;

8. "Electronic Fiscal Journal" means a device that stores sales transaction details and allows easier searching for fiscal data inside it in a read-only mode;

9. "Electronic Signature Device" means a record-signing device used in conjunction with the personal computer system that is running the accounting software that issue letter headed pre-printed fiscal documents;

10. "Fiscal Documents" means a fiscal sales receipts or fiscal invoice, fiscal daily sales and fiscal periodical summary reports;

11. "Electronic Fiscal Devices Management System (EFDMS)" means computer software of the system which is used to receive all transactions including Z-reports from all Electronic Fiscal Devices connected to it and generate various required reports;

12. "Fiscal receipt" means a fiscal document printed by Electronic Fiscal Device for the customer for the supply of goods or services supplied to him bearing the contents as specified by the

Commissioner under Second Schedule to these Regulations and whose record is stored in the memory;

13. GPRS "general packet radio service" has the meaning as described by the general Information and Communication Technology discipline;

14. "GSM" means Global System for Mobile Communication as used in general Information and Communication Technology discipline;

15. "HS codes" Means HS Codes (or HTS Codes), also known as the Harmonized Commodity Description and Coding System, or simply the Harmonized System, are a standardized international system to classify globally traded products.

16. "ISIC" Means a classification structure of economic activities (industries) based on a set of internationally agreed concepts, definitions, principles and classification rules. ISIC is used to classify statistical units, such as establishments or enterprises, according to the economic activity in which they mainly engage;

17. "ISO" means International Organization for Standards;

18. "Liberia Revenue Authority (LRA)" is the principal collector of taxes and the administrator of the Liberia Revenue Code as Amended;

19. "SIM Card" means a hardware assigned to each user's Electronic Fiscal Device that enables it to communicate with the system in a global system for mobile network;

20. "System" means the Integrated Tax Administration System of the Liberia Revenue Authority.

21. "Taxable Services" shall have the meaning as defined in the Code.

22. "User" means a user of Electronic Fiscal Device as specified in these regulations.

23. "Z" has the meaning as an ordinary meaning of the word "summary"; a report generated at end of day by the fiscal devices.

24. "Z" report" means a summary sales report printout generated by an electronic fiscal device on daily, monthly, or annually basis.

1.0 Electronic Fiscal Device Management System

1.1 Introduction

1. User under these Regulations shall use Electronic Fiscal Device Management System established by the Commissioner General that transmits, receives, stores and monitors fiscal information relating to sales transactions done by users in the course of their daily business.

2. The Electronic Fiscal Devices management system shall be:

   i. electronically connected to all users of Electronic Fiscal Devices registered under regulation 3.1 (v)(vi); and

   ii. managed, controlled, and administered by the Commissioner.

3. The Electronic Fiscal Device system shall have the following technical features-

   i. The technical specifications set out in Schedule 'A' of these Regulations;

   ii. Relevant hardware and software capable of receiving, analyzing, manipulating, disseminating and storing all information generated by registered Electronic Fiscal Devices throughout LRA;

   iii. Storage capacity of keeping information for a period of more than seven (7) years;

   iv. Security measures for its hardware and software and ensure that fiscal receipt and or fiscal invoices issued by the system through users' Electronic Fiscal Devices cannot be printed unless the flow of command is through the system to control the printing and ensure that the signature on the fiscal receipts or fiscal invoices is that designed by the Commissioner.

   v. Signature on the fiscal receipt or fiscal invoice indicating that the sale transaction and its corresponding taxes have been officially captured.

1.2 Taxpayer Identification Number (TIN):

Consistent with Section 53(a) of the Code, all categories of taxpayers are required to obtain "Taxpayer Identification Number (TIN) which MUST at all times be included on the following documents:

i. Invoices/Receipts;
ii. Debit / Credit Notes;
iii. Purchase / Sales Books;
iv. All correspondence/communication/letter to the LRA including all its Business Offices;
v. All customs and excise documents;
vi. Any commercial loan document from a bank/financial institution including the loan application form;
vii. GST certificate
viii. And any other document which the LRA may, from time to time, require

2.0   OBLIGATIONS

2.1 Obligations of Users

1. Tax payers defined in these Regulations shall acquire and use Electronic Fiscal Devices in their daily business transactions.

2. Person, mentioned under regulation 3.1(1), shall not conduct or operate any business undertaking within Liberia without using an Electronic Fiscal Device.

3. Without prejudice to this sub regulation (4), the person mentioned under regulation 3.1 (1) shall be obliged to purchase a complete set of Electronic Fiscal Device from an approved supplier.

4. Every user shall connect his Electronic Fiscal Devices to the system and ensure that all their business transactions are electronically transmitted into the system through their Electronic Fiscal Devices.

5. Every user shall issue fiscal receipt or invoice generated by his Electronic Fiscal Device to acknowledge payment.

6. Any user with an accounting software, may be allowed to continue issuing fiscal invoice provided that the said invoice shall bear an electronic signature with a QR code.

7. The users shall, in acquiring, keeping, handling and using Electronic Fiscal Devices, strictly exercise due diligence and duty of care as prescribed by the approved manufacturer's Electronic Fiscal Devices operational manuals to avoid any misuse or abuse of the devices.

8. Every user using electronic signature device shall, for purposes of business continuity and efficient availability of data daily back up data on his personal computer which the electronic signature device is connected and store the backed-up data in a secure place on a daily basis.

9. Where a user's Electronic Fiscal Device fails to operate for any reasons, the user thereof shall within a period of 24 hours from the time of device failure, report the incidence in writing or electronically to the authorized supplier and the Commissioner.

10. Every user of Electronic Fiscal Device shall affix a poster on the walls of the business premises in a conspecious position, provided by the Commissioner, printed in bold capital figures bearing the words to be announced by the Commissioner.-

11. The user shall abide by all prescriptions indicated on the poster which shall be subject to verification by duly authorized officers of the Liberia Revenue Authority at any time.

12. Both the tax payer and buyers shall provide the receipts for verification when requested. The receipt can be validated using digits on the receipt or a QR code that will be on the receipt. device when the is spoilt

13. Every user connected to the system shall make sure that he is provided a link to a portal, USSD application or Mobile application that will be used to keep a log of all the activities that will be done on the device.

14. The user shall, in case of an Electronic Fiscal Device failure that cannot be remedied without breaking the seal:

    a) immediately cease the use of the machine and record the time of the failure in the EFDM system;

    b) call and record the failure of the Electronic Fiscal Device, description of the failure, the time of the failure, and the exact time of notification to the supplier and the Commissioner in the system. This can be done via USSD, Mobile application or a taxpayer portal provided.;

c) every record entered in the system shall have a listing of the name and identity card, number of the person responsible for entering the records and record entry date and time;

d) notwithstanding the provisions of this regulation, the portal, USSD application or Mobile application shall contain the following information:

    i. findings of inspections made by the supplier or his approved technicians with regard to the proper keeping of the inspection records, the general condition of the machine and its seal and the periods of machine breakdowns;

    ii. Where the machine is found to be defective, explanation for the unreported defect and copy of such explanation; and

    iii. Notification of machine failure, the time of removal and attachment of the seal, the time the machine is put to use after repair, description of the defect, the period for which the machine was not in use, as well as other relevant information about the machine.

15. A user shall not transfer in any form the Electronic Fiscal Device to any other person for any use and that the Electronic Fiscal Device shall only be used by the user.

16. A user shall make sure that the Electronic Fiscal Device is placed at a place which is accessible and easily seen by customers at his place of work.

17. A user of the EFD or Register shall

    i. Ensure availability of the EFD or Register at the point of sale

    ii. Facilitate the inspection of the EFD or Register by an authorized officer

    iii. Ensure the EFD or Register is regularly serviced to ensure the device's proper functioning at all times

    iv. Comply with other obligations as may be specified by the Commissioner General.

18. Where a user of the EFD or Register shall notify the Commissioner General in writing, within 30 days prior to his/her/its intention to discontinue the use of the EFD due to

    i. Closure of business; or

    iii. Any other reason.

19. Where a notification has been made above, the Commissioner General may, by notice in writing and within thirty days, retire the EFD or Register.

20. Where a user mistakenly enters an erroneous data or information into his Electronic Fiscal Device, he should proceed to print the erroneous information and keep the record thereof for further reconciliation and rectification with the Commissioner.

21. Subject to sub regulation (20), the user shall enter the correct data and information into his Electronic Fiscal Device and issue a correct fiscal receipt.

22. A user shall report errors referred to under sub regulation (20) at the time of filing a return of income for the year of income by submitting to the commissioner a written statement of correction errors recording each sales error made during the year for reconciliation.

23. Every user shall ensure that all records entered into his Electronic Fiscal Device are safely kept and secured by the authorized security measures recommended by the Commissioner.

24. The user shall not temper with the records kept in his Electronic Fiscal Device and shall ensure that the records in the Electronic Fiscal Device are retained therein for a period of seven years.

2.2 Temporary use of manual receipt or invoice

1. The user may temporarily be allowed to use an alternative means of transacting business by using manual receipt or invoice where the following circumstances exists: -
    a. the Electronic Fiscal Device is undergoing inspection;
    b. the Electronic Fiscal Device has been seized for investigations purposes;
    c. the Electronic Fiscal Device is undergoing maintenance; and
    d. the user has reported to the commissioner that the device has failed to operate for any reason acceptable to the commissioner.

2. Where the Electronic Fiscal Device is restored or replaced, the user is required to key in the Electronic Fiscal Device, all the information contained in the manually issued receipts and invoices at the start of operation of an Electronic Fiscal Device.

3.0 Electronic Fiscal Device

3.1 Registration of Users

1. The following persons shall be obliged to register to the Commissioner as users-
    a. any person who is obliged to use Electronic Fiscal Device under the Code.

b. any other person who may be appointed by the Commissioner to be an eligible person for registration as user by a notice published in an administrative regulation by the Government of Liberia.

2. A registered user shall be issued with an identification number to be prescribed by the Commissioner General.

3. The user shall, in order to qualify for registration, submit the following to the Commissioner General-

   a. fiscal receipt or fiscal invoice obtained from the approved supplier at the time of purchasing an Electronic Fiscal Device;
   b. delivery note from the approved supplier;
   c. job card or installation sheet from the approved supplier;
   d. first Z-report; and
   e. any other requirement as may be prescribed by the Commissioner.

3.2 Licensing of Electronic Fiscal Device and Certification of Supplier

1. Any Electronic Fiscal Device to be used by a user and connected to the system shall be licensed with the Commissioner General

2. The license prescribed by the Commissioner General shall be inscribed or permanently marked at a conspicuous place of the Electronic Fiscal Device.

3. Any supply of Electronic Fiscal Device to a user shall be made by a supplier duly certified by the Commissioner.

4. The Commissioner shall sign a contract which shall bind the supplier to supply Electronic Fiscal Devices as may be approved by the Commissioner in the contract and in accordance with these Regulations.

5. Detailed specifications of the Electronic Fiscal Device is documented in Schedule A of these regulations.

3.3 EFD Usage

1. A user of an Electronic Fiscal Device or Register shall use the Device or Register in accordance with these Regulations and ensure that –

   a) Each sale is recorded with the use of the Device or Register
   b) An invoice is generated in respect of each sale
   c) Each invoice generated in respect of each sale shall contain a fiscal logo and specification created by the Commissioner General.

d) The user of the Device or Register shall –

    i. Transmit or deliver the invoice generated with respect to a purchase to the purchaser; and

    ii. Transmit or deliver the invoice details to the Commissioner General.

2. The EFD or Register shall be exclusively used by the registered user of the Device or Register

3. Electronic Fiscal Devices shall be used in all categories of business transactions relating to goods or services involving users whereby each user shall use an Electronic Fiscal Device suitable to the category, operation and type of his business transactions.

4. A user shall always enter into his Electronic Fiscal Device all required information relating to his business transactions and issue fiscal receipts or invoices to his customers;

5. Where user's customers for any reasons are not present during and or after the period of sale or purchase transactions, the user shall proceed to enter into his Electronic Fiscal Device all required information pertaining to the transactions made and keep any generated fiscal receipts thereof.

6. Each generated fiscal receipt shall bear a fiscal logo.

3.4 EFD Availability

1. The user of the EFD or Register shall ensure continuity of operations of the register if there is an interruption of power supply

2. Where a user of the EFD or Register cannot use the device for any reason, the user shall

   a) Notify the Commissioner General in writing within twenty-four hours of the user's inability to use the device; and

   b) Record sales using manual receipt or invoice

3. Once the user of the EFD or Register is able to resume the use of the EFD or Register, the user shall enter into the register the sales recorded in paragraph 2 (b).

3.5 EFD Operations

1. The Electronic Fiscal Devices supplied to users by the approved supplier shall be capable of performing the following electronic operations:

   a) receiving, manipulating, transmitting to the system, storing, and printing information as entered to it by the user;

   b) record sales and issue fiscal receipts in form and manner prescribed under the Schedule 3 of these Regulations;

   c) keep memory as a read only fiscal memory and capable of storing data for at least seven years;

   d) cannot reverse entered sales data or any other information including dates;

   e) create an in-built reconnection reports of fiscal memory;

   f) use wide enough paper rolls that can capture all important details of users' business transactions;

   g) cannot delete any information or data that entered into the Electronic Fiscal Device;

   h) Send an alarm to alert operators in case of memory disconnections

   i) receiving and displaying alert messages from operations resulted from any malpractice, error, or any inconsistent action noticed in the system;

   j) allow Commissioner and his officers to view, read, and print all on going daily business transactions performed by users;

   k) create an in-built link device that connects the user or trader with the system;

   l) provides security features for both hardware and software.

m) capable of being used for instant recording of sales via electronic journal, instant issuance of fiscal receipts, instant storage of tax information.

n) capable of issuing Z sales reports; and

o) the Electronic Fiscal Device shall be capable of recording any errors that occur in the course of users' transactions.

3.6 Transmission of invoice data and security

1. The EFD or Register shall be capable of –

a) Transmitting to the EFDMS management system the tax invoice data and the end of day summary of the respective day's data in the manner specified by the Commissioner General

b) Printing or providing stored data

c) Maintaining the integrity of the data

d) Securing authentication for authorized users;

e) Capturing the log of all activities; and

f) Assigning unique identifier to each invoice

4.0 Investigation

1. Commissioner General may conduct investigation on any user where he has reasons to believe that the conduct of the user in using Electronic Fiscal Device is contrary to any of the provisions of the Code and these Regulations.

2. Where the Commissioner General in the course of investigating the user, discovers that any provision of the Act or these Regulations has been infringed he may notify in writing the user the extent of the infringement committed and the consequences thereof.

3. Where the user receives the notice referred to under sub regulation (2) of this regulation, he may within a period of seven days either deny the allegation contained in the notice in writing or request in writing the Commissioner General to compound any of the detected offences committed in accordance with the provisions of Sections 55 (d-g) and 92 & 93 of the Code.

4. Where the user denies all the allegations contained in the notice mentioned in sub regulation (ii) of this regulation, the Commissioner General may proceed to institute criminal proceedings against the user.

5.0 Periodic Maintenance

1. The Commissioner General shall set periodic technical maintenance time frame of users' Electronic Fiscal Devices by way of issuing notice through the system and in a notice issued to the public through a newspaper with a wide national circulation.

2. Every user shall ensure that his Electronic Fiscal Device undergoes periodic technical maintenance service within the time frame prescribed by the Commissioner General.

3. The technical maintenance service mentioned in sub regulation (2) shall be performed by a qualified approved supplier's technician who holds the order of approval to provide such maintenance service of the Electronic Fiscal Device model.

4. Exceptional maintenance service of the Electronic Fiscal Device shall not be conducted unless the respective user issues a notice of request to the approved supplier and a copy served on the Commissioner General, specifying user's physical address and the nature of the request.

5. The supplier shall, once an approved technician has been appointed, immediately notify the Commissioner General in writing, of the name, qualification and the authorization of the said technician and the Commissioner General shall enter the name of that approved technician in his register.

6. The expenses for periodic maintenance of the Electronic Fiscal Devices shall be covered by each user of the serviced device;

7. Where the Commissioner General has reasons to believe that any approved technician is not capable of performing any of the duties required under these Regulations, he may prohibit such technician from conducting any maintenance of the Electronic Fiscal Devices or activities relating to the administration of these Regulations and thereby strike out the name from the Register.

6.0 General Provisions

1. The Commissioner General may for any good reason revoke or deregister any identification number issued under sub regulation (2) of regulation 3.1 of these Regulations.

2. Where the Commissioner General revokes or deregisters an identification number under this regulation, the person affected shall immediately thereafter cease to use the device on which the identification number had been issued.

3. In case a user has been deregistered under these Regulations, the Electronic Fiscal Device will be disconnected with the system, however the user may be permitted to use the device after the device has been reconfigured by the Commissioner General.

4. Any person aggrieved by any act, omission or decision made by the Commissioner General in the course of administering these Regulations may appeal to the Board of Tax Appeals as prescribed in Sections 59 and 60 of the Code.

5. Every purchaser shall demand and retain the fiscal receipt or invoice in his possession and shall upon a request made by the Commissioner General or any officer authorized by the Commissioner General, produce the said receipt to the Commissioner General or such authorized officer.

6. Every person having demanded a fiscal receipt or fiscal invoice upon obtaining goods or services and is denied the said receipt or invoice, shall immediately report to the Commissioner General through the quickest means of such incidence.

7. Every purchaser shall demand and retain the fiscal receipt or invoice in his possession and shall upon a request made by the Commissioner or any officer authorized by the Commissioner, produce the said receipt to the Commissioner or such authorized officer.

7.0 Offences and Penalty:

7.1 Civil Penalty.

1. All persons (Legal/natural) who fail to abide by the procedures mentioned in this Regulation shall be subject to penalties in line with section Sections 55 (d-g) and 92 & 93 of the Liberia Revenue Code of 2000 as Amended.

2. If a person subject to tax obtains more than one TIN, that person is liable to pay a fine of LD, 1,000 per additional TIN obtained.

7.2 Criminal Penalty.

1. In concert with Section 90 (a) of the Code, a taxpayer who willfully evades or attempts to evade the payment of taxes imposed under the Liberia Revenue Code commits a felony. Upon conviction, in addition to any other sanctions that may be provided by law, the person is subject to a fine of not more than LR$200,000; imprisonment for not more than 5 years; or both.

2. In consonance with Section 92 of the Code, any person who is required by Law to acquire or use electronic fiscal device but contravenes the provisions of regulations 2 and 3 commits an offence and is liable, upon conviction, to a fine of not more than Liberian Dollars 25,000, or to imprisonment for a term not exceeding 30 days, or both.

3. Any person who deliberately tampers with or causes Electronic Fiscal Device not to work properly, commits an offence and upon conviction is liable to a fine of Liberian Dollars 25,000, or to imprisonment for a term not exceeding 30 days or both.

4. Any person who fails to demand and retain a fiscal receipt or fiscal invoice or fails to report a denial of issuance of the receipt or invoice as required by regulation this these regulations commit an offence and upon conviction is liable to the fines and other penal actions described in these regulations.

8.0 Transitional Arrangements

1. The users who have not acquired the electronic fiscal devises shall, despite the coming in the force of these regulations, continue to use manual receipt until such period as the Commissioner may direct in an official government announcement.

9.0 Public Notice:

1. The Government of Liberia, through the Liberia Revenue Authority (LRA), hereby announces procedures for registration, use of Electronic Fiscal Device, issuance of invoice(s), receipts, debits and credit notes, by all categories of taxpayers.

2. Upon entering into force of this Regulation, all persons whether Legal or Natural making business transactions relating to goods or services are advised to please adhere to the administrative rules, requirements and procedures promulgated herein

This Revenue Administrative Regulation shall take effect as of _Aug. 13_ 2021.

Signed: _____

Thomas Doe Nah

Commissioner General/Chief Executive Officer

Schedule A: Technical Specifications for Electronic Fiscal Device

Part I – General Technical Requirements

1. An electronic fiscal device shall have the following general technical requirements:
   a) Language support – all information technologies must provide support for English.
   b) Dates – all information technologies must properly display, calculate, and transmit date data;
   c) Electrical power – all active equipment must have in-built power adapter or external power adapter to operate on: voltage range and frequency range of AC 220v, 50Hz – 60Hz. All active equipment must include power plugs to be able to connect to the power network in Liberia;
   d) Environmental – unless otherwise specified, all equipment must operate in environments of temperature, humidity, and dust conditions of, 0 to + 50 degrees centigrade, 20-80 percent relative humidity, and 0-40 grams per cubic meter of dust; and
   e) Safety –
      i. Unless otherwise specified, all equipment must operate at noise levels no greater than 65 decibels; and
      ii. All electronic equipment that emit electromagnetic energy must be certified as meeting emission standard; US FCC class B or EN 55022 and EN 50082-1, or the equivalent.

PART II – HARDWARE SPECIFICATIONS

Physical Features

2. An electronic fiscal device shall have the following physical features –
   a) To have a fiscal memory in-built that cannot be erased by mechanical, chemical or electromagnetic interference;
   b) To have a screw with a sealable top that can be sealed with lead or wax and sealed with a unique seal issued to the supplier. The machine should not be opened unless the seal is broken, and screw removed;
   c) To have a port preferred USB, RS232 or ETHERNET ports that can facilitate connection to the computer;
   d) To have display screen showing the inputs and output of the electronic fiscal device to user and customer at the same time;
   e) To have display screen capable of taking up to 11 digits plus 2 decimal places;
   f) To have back up battery which can go for at least forty-eight hours without external power supply or can use external battery in areas without electricity;
   g) To have integrated real time clock;
   h) To have capability of storing Electronic Journal with volume at least 4 GB;
   i) To be able to communicate with server of Liberia Revenue Authority over the GSM network;
   j) To be able to encrypt data in order to protect security of data while transmitting to the server and
   k) To have a capability to calculate electronic signature for each receipt and invoice which can be used to verify authenticity and integrity of data

l) To print electronic signature in machine-readable format (QR code) for the issued receipts and invoices.

m) Be able to securely store secret keys used during encryption and signature calculation

Electronic Journal Capabilities

3. An electronic fiscal device shall have the following electronic journal capabilities:

   a) Shall have multi-media card, SD card or MicroSD card electronic fiscal journal that records all the transactions and other information that are printed on the electronic fiscal device;

   b) The first electronic journal shall activate the start of fiscalization and hence begin recording the Sales data and produce fiscal receipts and invoices without which a machine cannot function;

   c) The activated electronic fiscal device shall send a message to the system for registration to enable it to send the daily summary sales reports. The message shall contain at least a serial number of the fiscal device, date and time of activation, and fiscal memory number of the electronic fiscal device;

   d) The electronic journal data should neither be deleted nor re-used;

   e) The electronic fiscal journal cannot be reused when it is full;

   f) The electronic fiscal devices should record the data as from the date when the electronic journal was last updated and keep a record of all previous changes; and

   g) The electronic fiscal journal can be moved to an external carrier to allow viewing of the transaction's details stored. The data inside electronic fiscal journal is automatically managed in a read-only memory.

Fiscal Memory Capabilities

4. An electronic fiscal device (EFD) shall have a fiscal memory capable of recording the following data:

   a) The data and time of commencing and ceasing the daily operations;

   b) The EFDs identification number. This is a unique number that identifies the user and the EFD itself;

   c) The tax rates assigned to the description of goods and services;

   d) The value of the sales without the tax, the value of the sales exempted from tax divided into categories of individual tax rates, total amount of the tax and the total amount of the sales including tax;

   e) A minimum of 2, 400 daily summary sales reports;

   f) The fiscal memory must be mounted on the inner housing of the EFD or any other internal fixed part of the EFD construction in a way that it can't be removed from the housing of the EFD without evidence.

   g) The fiscal memory must store the date and time of change of the GST/VAT rates. The fiscal memory will provide a capacity to store a minimum of 20 VAT rate changes.

   h) When the fiscal memory gets full, the EFD must prohibit sales and the EFD must provide a feature to read the contents of the fiscal memory and the electronic journal.

i) The fiscal memory must store the number of operative memory (RAM) resets and the date and time of the occurrence. The maximum allowed number of resets is 100. When the EFD reaches 100 resets, the EFD must prohibit sales, but the EFD must provide a feature to read the contents of the fiscal memory and the electronic journal. In order to continue using the EFD, its fiscal memory must be changed with a new one, the same applies for the SD card – it has to be changed together with installing the new fiscal memory.

j) The fiscal memory will be activated only after fiscalization.

Printing Capabilities

5. An electronic fiscal device shall have the following printing capabilities:
   a) Print the daily, monthly and annual reports;
   b) Print the sales records from its memory as per standard time units (day, month, year);
   c) Automatic self-generation of daily summary reports every twenty-four hours;
   d) Print on every receipt the words "LRA" with a non-standard font;
   e) Print data recorded in the memory and by commands given through the keyboard;
   f) Printing the unique license number of the electronic fiscal device on each issued fiscal receipt;
   g) Use of fiscal thermal paper in order to allow inspectors to identify genuine fiscal receipts
   h) Reprint a fiscal receipt or any other document in case of disconnection or paper jam;
   i) Ability to easily replace paper rolls;
   j) Equipped with sharp paper cutters; and
   k) Use English language.
   l) The electronic fiscal device should be able to print a 2D barcode containing encrypted receipt/invoice data.
   m) Allows Invoices or Receipt to be emailed and/or printed to the customer

Security And Reliability

6. An electronic fiscal device shall have the following security and reliability:
   a) Has a password that will:
      i.   be uniquely used by a user and the facility to change password; and
      ii. with a minimum length of four digits;
   b) Must be kept free from computer virus attack;
   c) Has internal authentic data management;
   d) Has intrinsic protection against unauthorized actions;
   e) Has application upgrades that run independently without confronting security functions;
   f) Can automatically save configured data and records on permanent memory;
   g) Has rechargeable internal batteries;
   h) Can print summary sales report before any configuration change;
   i) Cannot allow update of stored data or reverse of transactions; and

j) Has a unique serial number from the manufacturer allocated for Liberia, signifying that it can only be used in Liberia. The registration number consists of the following alphanumeric symbols: - XX is the identification of the manufacturer; it consists of capital letters only; - YYY is the model number; it consists of digits only; - NNNNNN is a progressive serial number of the EFD and the fiscal memory; the first number starts from 000001; The registration number of the EFD and the fiscal memory will be unique and cannot be used twice.

k) The electronic fiscal devices communication with the EFD management software servers must be encrypted using a built-in Digital Fiscal Signature Module (Crypto Module with Digital Fiscal Signature Crypto card). RSA or similar standard encryption method should be used.

l) The electronic fiscal device must block its operation in the following occasions: - Failure of the printing mechanism by any reason;

    i. Disconnection of the operator or customer display;
    ii. Disconnection of the fiscal memory;
    iii. The fiscal memory is full;
    iv. The connection with the GPRS, 3G, 4G terminal is terminated;
    v. The connection with the Digital Fiscal Signature Crypto Module is terminated;
    vi. The Digital Fiscal Signature Crypto Card is missing, or its validity has expired;
    vii. The electronic fiscal device fails to send its summary sales report for 72 hours;
    viii. The electronic fiscal device must block the receipts issuance in sales mode if the summary sales report is not generated for 72 hours.

Digital Fiscal Signature Crypto Module

7. The Digital Fiscal Signature Crypto module should comply with the following:
   a) It can be internally connected or externally connected through USB.
   b) Before the fiscal receipt or reports are printed, the crypto card encrypts the information and generates a unique 2D barcode, which contains contents from the fiscal receipt and Z report.
   c) The Digital Fiscal Signature Crypto module sends the financial data to the LRA server through the GPRS, 3G, 4G terminal in a pre-set time interval at least once per day.
   d) If the connection between the EFD and the crypto module is terminated, the EFD will stop working and display an error message.
   e) If the Digital Fiscal Signature Crypto Card or its crypto keys are not renewed every 12 months, the EFD will block its operation.
   f) The EFD will print on the bottom of the Z daily report an alarm message alerting the operator for the necessary renewal of the Digital Fiscal Signature Crypto Card at least 45 days before this time comes.
   g) The Digital Fiscal Signature Crypto Card must store the turnover by months.

h) The Digital Fiscal Signature Crypto Card must comply with the SPC-CA standard for encryption. A certificate for compliance to the SPC-CA standard should be provided.

Connectivity

8. An electronic fiscal device shall have the following connectivity:
   a) An internal GPRS, 3G, 4G modem that allows transmission of data upon every daily closure to the Liberia Revenue Authority over GSM Network using a sim card issued by approved GSM network provided by the Liberia Revenue Authority and encrypted with the Digital Fiscal Signature Crypto Card;
   b) All summary data should be transmitted to and confirmation received from the system. The EFD should be capable of re-transmitting the summary report in case a network failure occurs; and
   c) Shall allow status queries to be made using the GPRS, 3G, 4G modem from the Commissioner General and be able to transmit requested information on transactions and statistics upon request. A detailed exhaustive description of the protocol must be provided and secured with unique encrypted codes.
   d) All data for each and every issued receipt or invoice should be available and can be sent to the Liberia Revenue Authority in case of request from the server.

Programming Capabilities

9. An electronic fiscal device shall have the following programming capabilities:
   a) Programming of taxes with only twenty changes and ten changes for headers. The changes must be recorded on electronic fiscal memory;
   b) Configuration in the electronic fiscal device via its keyboard and through a standard personal computer;
   c) Programming of at least six different tax codes;
   d) A date format for all printed documents to be in the form of DD-MM-YYYY: HH:MM:SS
   e) Should not erase the programmed and recorded data when the internal battery of the machine becomes weak or discharged completely;
   f) Allow direct printing of all recorded data on both fiscal memory and electronic journal from the electronic fiscal device keyboard or viewing and printing from a standard personal computer by connecting the device using a personal computer interface such as USB, RS232 or Ethernet; and
   g) Should not reverse the electronic fiscal device dates and time less than last summary report date (Z report).

Devices Complaince

10. An electronic fiscal device shall have the following device compliance:
    a) Approved by internationally recognized bodies; and evidence must be provided to the Liberia Revenue Authority for the accreditation of such bodies prior to approving the use of electronic fiscal devices in Liberia.

b) Certified as relevant device for performance of work intended. A certificate with full annexes of all tests performed on the electronic fiscal device and results thereon must be submitted to the Commissioner General for approval; and

c) Supplied with its manual, software accessories and all necessary documentations.

PART III – FISCAL MANAGEMENT SOFTWARE

11. A fiscal management software is intended to run on the system that shall be used to receive all summary reports from all electronic fiscal devices and generate various required reports. The software shall have the following minimum features:

a) Operating system platform requirement –
   i.   Must be able to run in either Linux or Windows platform; and
   ii. Must be a web-based application to enable the Liberia Revenue Authority access central server remotely;

b) Database requirement: must be able to connect on the oracle database; The database server must be Oracle 12c enterprise edition or recent edition.

c) Interface requirement: must be able to interface with the system running on the above-mentioned platforms and database and Integration with LRA core systems using Web Services technology over SSL encrypted HTTP protocol;

d) Security requirement: must have user management console and authenticate tax officers on login;

e) Operational requirements –
   i.   Have capability for validation of fiscal receipts or invoices
   ii.   Have capability to receive, verify, store and present detailed data for each receipt and invoice
   iii. Have capability to create secret keys, unique for each device, used for encryption of data and calculation of electronic signatures
   iv.   Have capability to register information about taxpayers who use Electronic Fiscal Devices and detailed information about each points of sale where Electronic Fiscal Device will be installed
   v.   Each electronic fiscal device must be registered against a single taxpayer TIN.
   vi.   Online update of the parameters of the electronic fiscal devices. - Remote activation and deactivation of electronic fiscal device if required so that they are no longer able to operate.
   vii. Remote request on uploading detailed data from electronic fiscal device to LRA server.
   viii. Sending messages, status requests, change of GST/VAT rates, enabling GST/VAT rates on electronic fiscal devices, disabling VAT rates on electronic fiscal devices etc. commands.
   ix.   EFDMS should collect information from Z reports, X reports and fiscal receipts by each electronic fiscal device, with the following capabilities:
         o Receive Z reports every day from each EFD on a scheduled (for every electronic fiscal device) time.

- o Receive X reports from electronic fiscal device on a regular basis if requested by LRA.
- o Receive fiscal receipt details from electronic fiscal device if requested by LRA

x. Verification of all received Data using Digital Fiscal Signature. The Digital Fiscal Signature should be based on asymmetric encryption using Public Key Infrastructure (PKI).

xi. Verification of Data received to contain all required data of a fiscal receipt i.e. Receipt Number, Date of transaction, Transaction Total, GST/VAT Amount etc.

xii. Management of sending messages to single, multiple, grouped or all electronic fiscal devices.

xiii. Sales transaction reports by taxpayer or electronic fiscal device, able to provide a detailed list of transactions of specific taxpayer or electronic fiscal device.

xiv. The system should be able to generate at least the following reports:

- o Listings of devices by taxpayer, manufacturers and suppliers of electronic fiscal device.
- o Summary reports based on group of fiscal devices by Commissionerate, TIN etc.
- o Capability to provide report summary view & filter the reports on set of parameters & to export data in MS Excel, MS Word or PDF format.
- o Actionable operational reports i.e. non-compliant devices, taxpayers, others o Reports to assist the revenue authority in risk profiling of taxpayers.

xv. Different server access rights can be granted to different LRA official's levels in order to have access to various reports (defined roles of users of EFDMS).

xvi. The authorization code and encrypted 2D barcode printed on every fiscal receipt guarantees that the data from the current fiscal receipt is received on the LRA server and no manipulations are done with the electronic fiscal devices. The LRA server makes a cross check between all codes sent and the summary sales reports sent at the end of the day and any difference in the values is immediately reported to LRA. A widely used compression method is used in the system allowing large amount of data to be transferred over the GPRS, 3G, 4G network.

xvii. The Digital Fiscal Signature Crypto Card should be able to store the turnover by months in parallel to the fiscal memory. The financial data is stored in: Digital Fiscal Signature Crypto Card, Fiscal Memory, Electronic Journal and LRA server.

f) Operational Reports:

The fiscal software must allow the Liberia Revenue Authority to produce the user-defined reports described as follow:

i. Daily Gross Sales: The daily report contains the following information for any given trader:
   i. Serial number of the transaction, address of the taxpayer;
   ii. User identification number of the electronic fiscal device;
   iii. Taxpayer identification number (TIN) of the customer and gross sales amount;
   iv. Discounts (if any);
   v. Net value – number of transactions between every two hours;
   vi. Value added tax/ GST rate;
   vii. Value added tax/ GST amount; and
   viii. Total gross sales and cumulative totals by distinguishing between taxable exempt and zero-rated.

The system must allow a user to filter the daily report according to taxable, exempt, zero rated sales or any required label.

ii. Weekly Gross Sales – The weekly gross sales shall contain daily gross sales (summary daily transaction records) with weekly sub totals.
iii. Monthly Gross Sales – monthly gross sales shall contain daily gross sales (summary daily transaction records) with monthly sub totals.
iv. Annual Gross Sales – the annual gross sales shall contain daily gross sales (summary daily transaction records) with monthly sub totals.
v. Number of EFD interruptions – the electronic fiscal devices interruption report shall contain the following information:
   i. Serial numbers of electronic fiscal devices interventions;
   ii. Number of interventions;
   iii. Licensee number of the machine intervened;
   iv. Number of electronic journal replacement;
   v. Date and time;
   vi. Receipts/invoices in which errors occurred

The system should allow a user to filter report according to taxable, exempt, zero rate sales or any required label.

vi. Daily, Monthly and annual comparable report by sector – number of receipts/invoices issued: sales made in terms of taxable, zero rated and exempt supplies.
vii. Daily, Monthly and Annual Comparable Report by address– number of receipts/invoices issued; and sales made in terms of taxable, zero rated and exempt supplies;
viii. Daily, Monthly and Annual Comparable Report by turnover– number of receipts/invoices issued – sales made in terms of taxable, zero rate and exempt supplies;

The comparable report by sector and address must distinguish between taxable, exempt and zero-rated supplies, and contains the following information:

    i.   Date/period selected for comparison;
    ii.   Number of receipts/invoices issued;
    iii.   Sales made; and
    iv.   Total and cumulative totals

Schedule B: Issuance of Fiscal Receipts/Invoices

1. **Fiscal Receipts/Invoice** shall contain the following particulars:

    a) The name and address of the user of the registered device

    b) Taxpayer Identification Number (TIN) of the user of the registered device

    c) name and address of the purchaser

    d) TIN of the purchaser (optional)

    e) The identification number of the Electronic Fiscal Device (not applicable for where invoice with electronic signature)

    f) The name, quantity, unit price and item description

    g) Discounts, mark ups, changes, corrections

    h) The date and time of issue of the receipt

    i) The total amount payable

    j) Daily ascending serial number for a legal fiscal receipt.

    k) The fiscal logo or Electronic Signature beneath after the end of business transaction.

    l) Electronic Signature beneath after the end of business transaction.

2. **Credit Note Issuance**

Credit Note shall contain the following particulars:

    a) The words **"credit note"** in a prominent place;

    b) The name, address, and taxpayer identification number (**TIN**) of the taxpayer making the supply;

    c) The individualized serial number and the date on which the credit not is issued;

    d) A brief description of the circumstances giving rise to the issuing of the credit note, including information sufficient to identify the taxable supply to which the credit note to identify the taxable supply to which the credit note relates; and

e) The consideration for the supply shown on the invoice for the supply, the correct amount of the consideration, the difference between these two amounts, and the amount of goods tax that relates to the difference.

f) The unique register identifier

g) The quick response (QR) code

h) Any other requirement as may be specified by the Commissioner General

3. Debit Note Issuance

Debit Note shall contain the following particulars:

a) The words **"debit note"** in a prominent place;

b) The name, address, and taxpayer identification number of the taxpayer making the supply;

c) The individualized serial number and date on which the debit note is issued;

d) A brief description of circumstances giving rise to the issuing of the debit note, including information sufficient to identify the taxable supply to which the debit note relates; and

e) The consideration of the supply shown on the invoice for the supply, the correct amount of the consideration, the difference between these two amounts, and the amount of goods tax that relates to the difference".

f) The unique register identifier

g) The quick response (QR) code

h) Any other requirement as may be specified by the Commissioner General