



LRA
LIBERIA REVENUE AUTHORITY

LIBERIA REVENUE AUTHORITY

Annual Report

FISCAL YEAR 2020 - 2021

Foreword

by Chairman of the Board



Cllr. Frank Musah Dean, Jr.
Justice Minister and Attorney General
Board Chairman

With profound gratitude and appreciation we are pleased to present, on behalf of the Board of Directors (BoD) of the Liberia Revenue Authority (LRA), the Fiscal Year 2020/21 Annual Report. The Board continues to be proficient in carrying out its function of providing general governance and strategic direction for the management and organization of the LRA, as provided for in the Legislative Act of 2013.

Reflecting on the fiscal year 2020-2021, the LRA's execution of the herculean tasks in administering revenue collection was commendable, despite the advent of the second wave of the Corona Virus Disease. The achievements highlighted in this Annual Report, in the midst of this challenge and many others, demonstrates the growth, strength and efficacy of Liberia's revenue collecting arm.

However, with these achievements, coming at a time when regional revenue authorities are experiencing shocks in their abilities to maximize their respective revenues, due to the pandemic, we hope that our central government and development partners can increase their support, so that more revenue can be generated to contribute to the successful implementation of the Government of Liberia Pro-poor Agenda for Prosperity and Development.

Going forward, our primary strategy is to review progress made in the implementation of the Corporate Strategic Plan (FY 2016/17-FY2020/21) which climaxed at the end of this reporting period, as we envisage the development and implementation of the next strategic road map. Finally, we express our thanks and appreciation to the management and staff of LRA as well as our invaluable taxpayers for the conclusion of yet another successful tax year.

Cllr. Frank Musah Dean, Jr.
Chairman of the Board

Message

from the Commissioner General



Hon. Thomas Doe Nah

Commissioner General
Liberia Revenue Authority

In our quest to fairly and effectively collect lawful revenue and facilitate legitimate trade for the people of Liberia, Fiscal Year 2020/21 concluded the end of our Five Years Corporate Strategic Plan (FY2016/17-2020/21). We are pleased to have made meaningful gains in the year under review amid the Covid-19 pandemic that had its toll on the country. Irrespective of the Covid disruption, the LRA remained steadfast and exceeded the revenue budget approved by the 54th Liberian National Legislature. The overperformance allowed the Government access to much-needed resources to fund development initiatives at the national and sub-national levels.

Summing up this over-performance for the Fiscal Year under review, the Legislature initially approved a budget of US\$570.1 million. It then revised it to US\$594.4 million, but US\$695.1 million was actualized and represented a 17 percent increase above the recast budget. The collection also showed a 28 percent growth when compared to the Fiscal Year 2019/20 actual collection of US\$543.8 million. With domestic revenue budgeted at US\$428.1, and after that supplemented by US\$9 million, the LRA collected US\$529.7, which represented a surge of 21 percent. The external resources were initially projected at US\$132 million and later modified to US\$133.5 in the recast budget. Actual external resource collection was US\$138 million, an increase of 3.7% above the revised projection.

During the period under review, the LRA kept its focus on the Domestic Resource Mobilization strategy. Digitalization and taxpayers' education remained vital elements in the

quest to enhance taxpayers' compliance. The inauguration of the excise Stamp, electronic fiscal devices, an integrated tax administration system, and other interventions set the foundation for improved and sustained growth in revenue in the coming years.

As we commence the transition of the national budget to a calendar year, and with expected stability in the treatment of Covid, we expect a better performance in 2022. We have therefore embraced the goal of "moving our revenue to billions in the near term."

Our performance and efforts to stabilize revenue collection would not have been possible without the support of His Excellency the President George Manneh Weah. The incomparable coordination and support of the Minister of Finance Hon. Samuel D. Tweah, Jr. and his team helped the LRA. Our taxpayers were receptive and immensely supportive, and we are grateful. The professional and hardworking staff of LRA remain integral to Liberia's transformation. We are blessed to have a great team. I am also thankful to all partners for their technical and financial support provided over the period.

Signed: 
Mr. Thomas Doe Nah
Commissioner General

Attestation

On Financials

Fiscal Year 2020/21



Aaron B. Kollie



Darlingston Talery



Saa Saamoi

Budget and Finance

The International Public Sector Accounting Standards (IPSAS-Cash Basis) set the basis for the financial information provided there in. The financials on pages 96 – 102 do not contain material misstatements, are an adequate representation of the underlying economic and financial reality reported and complete in all material aspects.

Attested to this 31ST day
of December 2021 A.D.

By 
Mr. Aaron B. Kollie
Deputy Commissioner General
Administrative Affairs

Domestic Tax Department

Section 7(2) (g) of the LRA's Act provides that the data on pages 46 – 71 of this report contain no material misstatements; that revenue collection is a faithful representation of the underlying tax returns of the system; and that the data is truthful, accurate and complete in all material aspects.

Attested to this 31ST day of

December 2021 A.D.

By 
Mr. Darlingston Talery
Commissioner
Domestic Tax Department

Customs Department

The data on revenue collection is presented in accordance with the Section 7(2) (g) of the LRA's Act and shows that the data on pages 72 – 94 of this report contain no material misstatements, data on revenue collection is a faithful representation of the underlying tax returns of the system and the data is truthful, accurate and complete in all material aspects.

Attested to this 31ST day of December 2021 A.D.

By 
Mr. Saa Saamoi
Commissioner
Customs Department

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About Us

Establishment

- Semi-autonomous organ of the Executive Branch of the Government of Liberia.
- Operationalized July 1, 2014 through an act ratified by the National Legislature in September 2013.
- Formerly Department of Revenue under the former Ministry of Finance, which included the Bureau of Internal Revenue and the Bureau of Customs and Excise, as defined in Chapter 21 of the Executive Law of 1972.
- Mandated to “administer and enforce revenue laws in accordance to the Liberia Revenue Code (and other related laws under which it is assigned responsibility) for the purpose of assessing, collecting, auditing, and accounting for all national revenues and to facilitate legitimate international trade and customs border management-enforcement.

Roles & Responsibilities

- Enforce Revenue laws in accordance with the Revenue Code for the purpose of assessing, collecting, auditing and accounting for all national revenues
- Facilitate legitimate international trade and customs border management enforcement.
- Minimize tax administration and compliance costs.
- Provide better services to taxpayers
- Promote efficient and fair collection of revenue.
- Ensure greater transparency and integrity of revenue administration.
- Maintain and publish tax and trade statistics, among others.

Acronyms

A-CIP	Anti-Corruption and Integrity Promotion
ASYCUDA	Automated System for Customs Data
BOTA	Board of Tax Appeal
BSC	Balance Scorecard
CG	Commissioner General
CIF	Cost, Insurance & Freight
CMPA	Communication, Media and Public Affairs
CSP	Corporate Strategic Plan
DCGAA	Deputy Commissioner General for Adm. Affairs
DCGTA	Deputy Commissioner General for Tech. Affairs
DRM	Domestic Resource Mobilization Strategy
DTD	Domestic Tax Department
EFD	Electronic Fiscal Device
EOI	Exchange of Information
ERMCD	Enterprise Risk management and Compliance Div.
ERMIF	Enterprise Risk Management Integrated Framework
FID	Fiscal Investigation Division
FY	Fiscal Year
GNFPD	Government Not-For-Profit Division
HRD	Human Resource Division
HS	Harmonized System
IAD	Internal Audit Division
IPFMRP	Integrated Public Financial Management Reform Program
ISO	International Organization for Standard
ISORA	International Survey on Revenue Administration
ITAS	Integrated Tax Administration System
LICPA	Liberia Institute of Certified Public Accountants
LITP	Liberia Institute of Tax Practitioners
LNP	Liberia National Police
LRA	Liberia Revenue Authority
MFDP	Ministry of Finance and Development Planning
ncen	National Customs Enforcement Network
NORAD	Norwegian Agency for Development Cooperation
OSIWA	Open Society Initiative for West Africa
PED	Professional Ethics Division
PSSPD	Policy, Statistics and Strategic Planning Division
RG3	Revenue Generation for Governance and Growth
SIDA	Swedish International Development Agency
SIGTAS	Standard Integrated Government Tax Administration System
SMS	Security Management Section
SRS	Software Requirement Specification
TAS	Tax Administration System
TATS	Tax Arrears Transaction System
TMD	Transformation and Modernization Division
TPSD	Taxpayer Service Division

Executive Summary

The Liberia Revenue Authority (LRA) began its operations on July 1, 2014 and continues to be a great driving force in supporting the government development programs through the collection of lawful revenue. Its establishment was initiated by an act of national legislature as a semi-autonomous agency replacing the then Department of Revenue at the Ministry of Finance.

Additionally, this year marks the end of the implementation of a five-year Corporate Strategic Plan which lasted from FY2016/17- 2020/21. The Corporate Strategy Plan sought to achieve the following goals: Build and effective institution at all levels through excellence in leadership, accountability, technical and real infrastructure capacities; transform revenue administration by utilizing effective information and communication technology; maximize voluntary compliance and Administer Revenue Legislation in and effective, fair and transparent manner.

A favorable revenue outturn during the first half precipitated a review of an approved FY 2020/21 budget target. The national budget target was revised upward from US\$570.1 million to US\$594.4 million. In spite of the impact of the ravaging Covid-19 global pandemic, total revenue performance recorded an all-time peak of US\$695.1 million, surpassing a revised forecast of US\$594.4 million by 17 percent. This overall collection can be disaggregated as: Domestic Revenue, US\$529.7 million; External Resource, US\$138.1 million; and revenue in transit of US\$11.9 million.

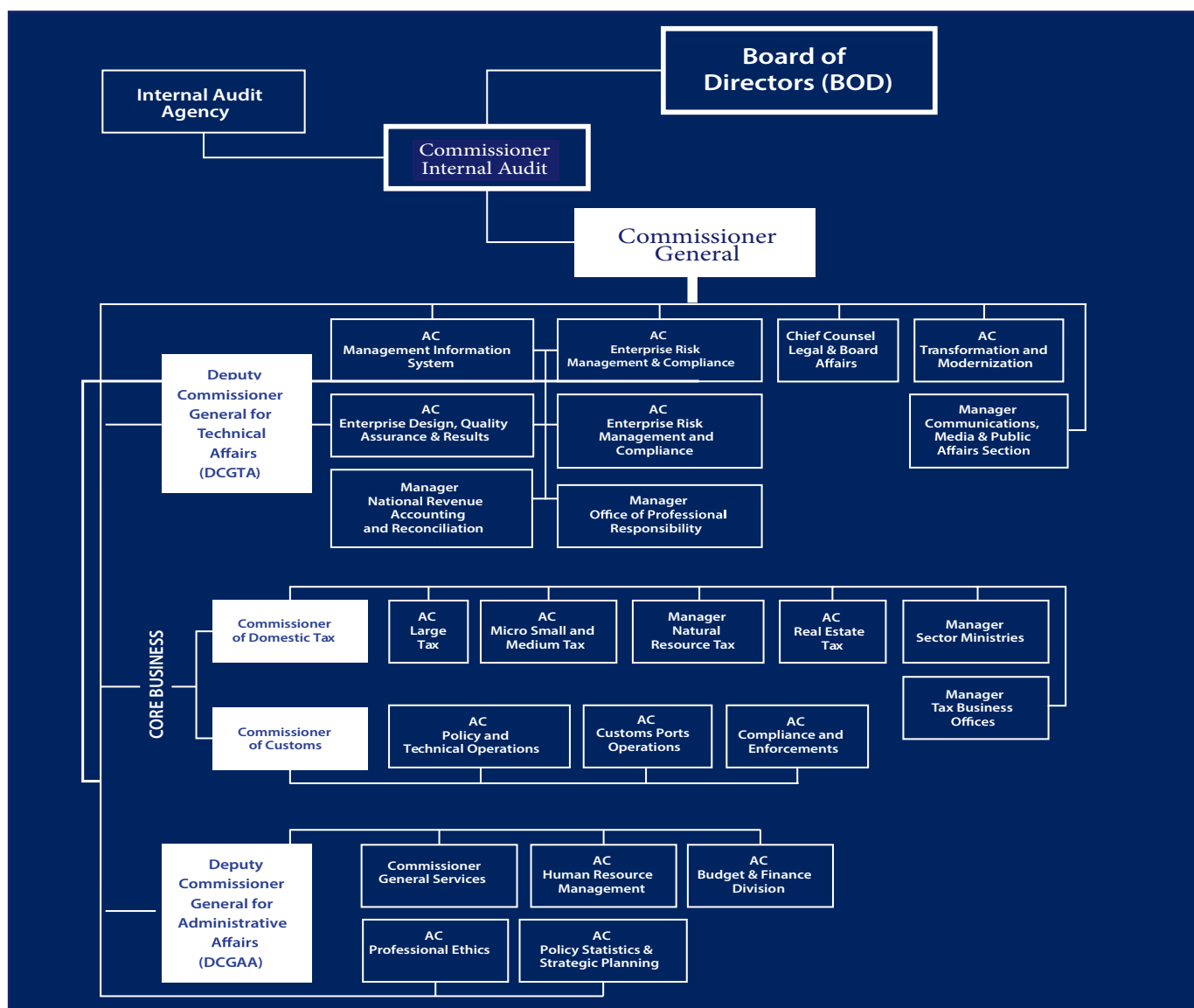
Domestic Revenue recorded an all-time high with a yield of US\$529.7 million, exceeding a revised budget of US\$437.1 million by 21 percent. The performance is driven mainly by Taxes on International Trade with a yield of US\$195 million, Taxes on Income and Profit accounting for US\$176.1 million, Property Income with an actual of US\$83.5 million and

Taxes on Goods and Services at US\$50.2 million; thus accounting for 15, 36, 16 and 22 percent overperformance respectively against their revised forecast. Meanwhile, actual External Resources amounted to US\$138.1 million or 3 percent above its recast target.

Digitization is crucial to improving an efficient tax administration and increasing voluntary compliance, which in turn, will increase revenue growth. The LRA made significant strides towards modernization of its Information & Technology infrastructure which aimed at improving its payment channels. Key ICT initiatives undertaken for the period among others include the launch of the implementation of Integrated Tax Administrative System, implementation of Electronic Fiscal Device, the Online Customs Tariff Portal, amongst others.

The LRA envisions meaningful progress as it continues to prioritize domestic resource mobilization. Though the Corona virus pandemic continues to adversely affect the global economy, the authority remains firmly focused in executing its duties and responsibilities and extensively engaged with its external stakeholders as it contributes to the growth and development of Liberia in the years ahead.

Organizational Structure



The Executive leadership of the LRA is comprised of five positions:

the Commissioner General (CG), the Deputy Commissioner General for Technical Affairs (DCGTA), the Deputy Commissioner General for Administrative Affairs (DCGAA), the Commissioner of the Domestic Tax Department and the Commissioner of the Customs Department.

The CG who heads the executive management team of the LRA is also the CEO and Secretary to the Board of Directors but retains a functionally accountable to the Minister of Finance and Development Planning (MFDP). The Board, which is the governing body of the LRA is appointed by the President.

The Deputy Commissioner General for Technical Affairs (DCGTA) is responsible for operational risk management, MIS and service delivery. The Deputy Commissioner General for Administrative Affairs (DCGAA) leads the LRA in the areas of corporate affairs and administration and covers HRD, GSD and Budget & Finance.

The two other positions in the Executive Management are the Commissioner of Customs and the Commissioner of Domestic Tax.

The functional departments and agencies within the LRA include:

The Internal Audit Department is headed by a Commissioner who reports administratively to the Commissioner General of the LRA and functionally to the BOD and the Internal Audit Agency (IAA) of the Government.

In addition, there are four other functional areas, which all fall directly under the CG's office:

Professional Ethics Division (PED), Policy, Statistics & Strategic Planning Division (PSSPD), Legal and Board Affairs Department (LBA), Communication, Media & Public Affairs (CMPA), Fiscal Investigation Division (FID), Transformation & Modernization Division (TMD)

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.

Strategic Snapshot

INTEGRITY

Act ethically and with integrity.

Deal with people and issues openly, directly, respectfully, fairly transparently, equitably, and consistent with law.

Take actions that are consistent with words (talk the talk and walk the talk).

COMMITMENT

Strive to collect legitimate revenues.

Ensure the principle of fairness in the tax system.

Execute sound revenue policies, fair and balanced enforcement for revenue growth thereby facilitating national development priorities.

Facilitate legitimate trade and commerce within our borders thus helping to ensure social protection and economic growth and development.

SERVICE

Demonstrate passion for professionally, fairly and transparently meeting needs of taxpayers and other stakeholders.

Take active responsibility for the quality of service we provide.

Assume a positive "can achieve" attitude.

Hold self and others accountable for results.

TEAMWORK

Take ownership of team goals, promote team work, be accountable for own part in the process and openly give and receive coaching and feedback.

Set high performance expectations and a mindset for excellence and results.

Be innovative in identifying new opportunities and approaches for our customers and ourselves.

Embrace position change and be personally willing to undertake other responsibilities.

STRATEGY MAP

It has been three years since the Balanced Scorecard (BSC) Methodology was introduced with significant progress being made relative to the 17 Strategic Objectives enshrined in the LRA Strategic Map, as FY 2020/21 concludes the five years Corporate Strategic Plan (CSP).

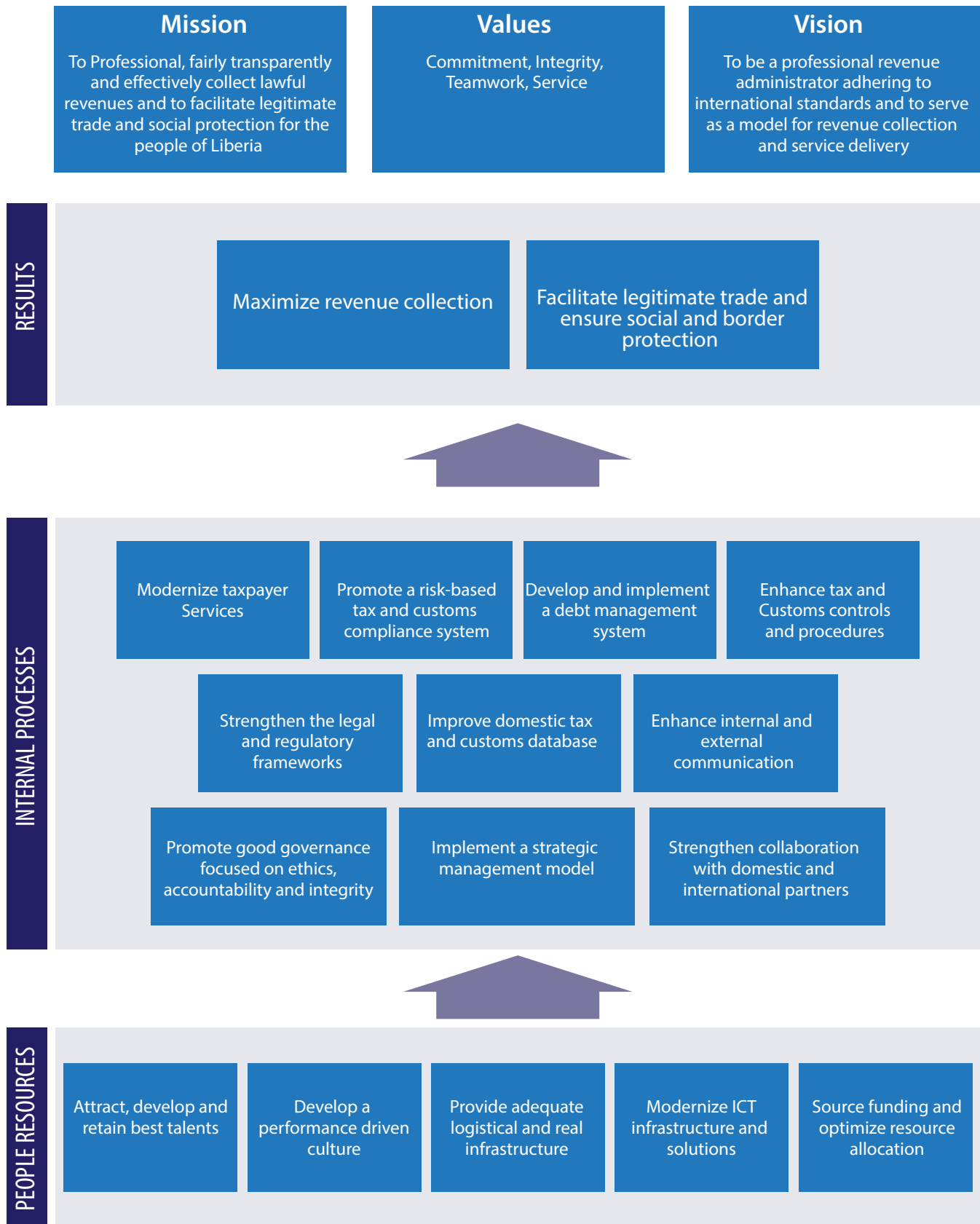
A summary of achievements from the three perspectives of this scorecard shows an improvement in revenue collection with a positive variance in trends of our overall performance. Our effective collaboration with counterparts has resulted to an effective border protection.

Our internal processes remain strengthened, by securing meaningful technical assistance from our external partners. The LRA communication arm has become more active in partnering with the various media outlets in propagating our policies. Taxpayer service has become more professional in providing taxpayers with the right and needed information. Our project management initiatives saw the information system being customized for the rolling out of the ITAS project, the procurement of electronic fiscal Devices, development of the Online Tariff Portal, etc.

The LRA continues to recruit and retain best talents, as reflected in a high-performance rating of staff. The Budget implement was effectively utilized. Management information technology was also bolstered with the continuous deployment of e-payment platforms.



LRA Strategy Map 2018-2021



TRANSFORMATION INITIATIVES

The Transformation and Modernization Division (TMD) manages at the enterprise level key strategic initiatives of the authority. These activities set the portfolio of the reform agenda through resourceH coordination, project management & results-oriented monitoring and evaluation for all existing and future reform projects.

Key Highlights from TMD

During the Fiscal year 2020/21 the Transformation and Modernization Division implemented various projects and activities aimed at modernizing processes and achieving the goals and strategic objectives of the Liberia Revenue Authority.

Reclassify and Document Projects within the Inventory

Every year the division, along with senior management, review the projects inventory to determine which projects are the priority for the year. During the first quarter of fiscal year 2020/21 the division reviewed the inventory with senior management and based on the institution's strategic focus and the availability of funding, the implementation will focus on, but not limited to the following projects, most of which are continuing from the previous fiscal year. These projects which are also highlighted in the DRM implementation include the following:

- Rollout of ASYCUDA to Custom Business Offices
- Electronic Fiscal Devices
- Transition from Pre-shipment to Destination Inspection Regime
- Procurement of New ITAS
- Excise Stamp

DOMESTIC RESOURCE MOBILIZATION IMPLEMENTATION

The Transformation and Modernization Division coordinated the development of the work plan for implementation year two in concert with the Policy, Statistics and Strategic Planning Division and other line ministries and agencies relevant to the DRMS implementation. The workplan was approved by the DRM steering committee.

Governance Framework

Progress report for implementation year one of the DRMS was completed and shared with all relevant stakeholders. The report captured the status of each planned activity for the year.

Additionally, the following were achieved under the DRM governance framework:

- The team began consultative engagements with the National Fisheries and Aqua-Cultural Authorities (NAFAA) for the establishment of the fishery sector technical working group.
- Additional financing was

sourced and obtained from the PFMIRISP for the procurement of the new ITAS, training and change management, and equipping a modern training center for the LRA.

Tourism Sector

In concert with the Ministry of Information, Culture and Tourism (MICAT), a Tourism Act was developed which has been rectified by the 54th national legislature. Under this new Act, the National Tourism Authority will be setup as an autonomous agency, divorced from MICAT. A tourism masterplan and a national tourism policy were also developed and validated by all the relevant stakeholders.

Tax Policy

TMD team in collaboration with the policy, statistics and strategic planning division, coordinated the drafting of twenty-two (22) customs regulations as part of defining ambiguous provisions within the Modernized Custom Code of 2018. The team also consolidated the Liberia Revenue Code and is ready for publication. The consolidated LRC has been published and printed into handbill.

A group of consultants was hired to conduct a tax gap analysis. The report of the analysis has been completed

and shared with the LRA for validation. The report provides a methodology for conducting future tax gap analysis.

There is also an audit of the companies within the agriculture sector in Liberia. Five of these reports are in the draft stage while two are in planning stage.

Capacity Building

With support from the African Development Bank (AfDB), one staff from the domestic tax department was sponsored to obtain a master degree in natural resource management. The bank also sponsored the enrolment of fifty-nine (59) LRA staff into the Chartered Accountancy Examination Program.

TMD, as part the capacity building effort, developed a strategy for developing and setting up a tax academy with requisite infrastructure that will serve as a means for training staff in international taxation, the Liberia Revenue Code and other comprehensive induction training packages. The strategy was approved and the LRA has gotten the commitment of various donor agencies for the setup of the academy.

Excise Reform

Building on the excise law, the excise stamp contract was awarded to a security printer. Implementation of the excise stamp contract is ongoing. The sample of the stamps have been approved by the LRA, the system requirement specification document was reviewed and signed. On the basis of the system requirement specification the digital stamp management system has been developed and tested with the LRA MISD team and the excise implementation core team. Consultative engagements and nationwide awareness on the excise stamp were completed. The pilot phase of the project will be launched on October 1, 2021.

Rollout ASYCUDA to Custom Business Offices

Contract has been signed with UNCTAD for the customization and rollout of ASYCUDA to the customs business offices. The contract is to be implemented in two phases: onsite and offsite. The plan is that the simplified declaration which will enable LRA to carry out the roll-out should be done off-site due to COVID 19. The system has been customized and ASYCUDA will be rolled out in the first quarter of the special budget year 2021.

Procurement of New ITAS

The bidding process for the procurement and implementation of the new ITAS has been completed and a 'no objection' has been obtained for the continuation of the process. The Contract was signed on 8th March, 2021 with the preferred vendor ArabSoft – Farsight JV and implementation is ongoing. The project was launch formally on June 18, 2021 after which the business process review and gap analysis of phase 1 was commenced. The business process review and gap analysis stage ended with the sign-off of the Software Requirement Specification (SRS) Document by the LRA in August, 2021.

Review and update existing project documents

The documentations for the selected priority project were reviewed to ensure the business case for those projects are still valid. Founding sources for the projects were also reviewed.

- The SIGTAS stabilization project is funded under the Public Financial Management Reforms for Institutional Strengthening Project (PFMRISP II) grant.
- The ASYCUDA rollout project to Customs Business Office is funded under the Public Financial Management

Reforms for Institutional Strengthening Project (PFMRISP II) grant.

- The electronic fiscal device procurement process is a concession (Build, Operate and Transfer).

Procurement of Electronic Fiscal Devices

The Transformation and Modernization Division, along with the National Investment Commission has completed the procurement process for the selection of bidder to supply and operate the Electronic Fiscal Device Project. The contract has been awarded and implementation of the project is ongoing. The system has been set up and taxpayers' engagement is ongoing. Training of LRA staff has been completed. User Acceptance Testing is planned to be completed in 2nd week of September, 2021. Enrolment of taxpayers will begin in 3rd week of September, 2021. The pilot phase will be launched on October 1, 2021.

The EFD will be installed at businesses of selected large taxpayers to include supermarkets and restaurants and will help with strengthening transparency in the filing and payment of Goods and Service Taxes (GST).

Data Integrity

Accurate taxpayer information is a key for the Liberia Revenue Authority, especially in anticipation for the Integrated Tax Administration System (ITAS) which will replace the legacy system (SIGTAS). The data cleansing project commenced in 2018 with the aim of ensuring cleaned, accurate, and proper taxpayer information in the tax system to aid the transitioning of data migration. The following were accomplished under this project as detailed under the Domestic Tax Division: Taxpayer Management, Compliance Clustering Project, Tax Account Management, Penalty and Interest Waiver, innovation & ICT, E-filing, Electronic payments and Compliance clustering project.



Strategic Partnership

Partial view of our strategic partners:

USAID	Support to increase domestic revenue generation to enhance development
OSIWA	Strengthening Revenue Authority capacity to facilitate domestic resource mobilization; conducted a low-level forensic audit
UNDP	Institutional capacity building to enhance development effectiveness
OECD	Provide technical support to Domestic Tax (Exchange of Information EOI)
ODI	Provide technical support on the implementation of the DRM Strategy
IPFMRP	Revenue Mobilization and Administration
AFDB	Enhance efficiency in the implementation of customs procedures
WB	Support the connection of Liberia to SIGMAT under the Trade Facilitation West Africa (TFWA) Project
GIZ-AU	Construction of Inspection facility & Customs offices at the border
NORAD	To address corruption and improve public confidence in customs for improved coordination and trade facilitation, WCO Anti-Corruption and Integrity Promotion (A-CIP) Program for Customs
WCO	Embarked on the conduct of the first national Time Release Study to enhance trade facilitation / Customs Security Program
IMF	Strengthen Tax Authority in the granting and processing of exemptions
SIDA	Development of property cadaster
IFC	Drafting Regulation for the Modernized Customs Code
ATAF	Promote and facilitate mutual cooperation among African Tax Administrations and other relevant stakeholders with the aim of improving efficiency of tax legislation and administration.
WATAF	Enhance the cooperation and actively promote improvement tax administration through better service delivery, taxpayer education, effective use of automated systems, countering tax evasion and aggressive tax planning and strengthening audit and human resource management capability.

PESTEL Analysis

Political

The Liberian Government, under the leadership of President George M. Weah continues to implement its Pro-Poor Agenda for Prosperity and Development (PAPD) despite challenges, especially those brought by the Covid-19 pandemic. The next Presidential and Legislative Elections are to be held in October 2023.

The Senatorial Special Elections held in December 2020 may have provided a glimpse of how competitive the 2023 elections may be. A fragmenting opposition coalition could contribute towards the strengthening of the ruling coalition. However, a recent national referendum to reduce the tenure of the President and members of the Parliament didn't get the required votes. A dual citizenship clause for diaspora-based Liberians was also defeated (World Bank report).

In addition, the period under review marks extension of President Weah's State of Emergency (SOE) by additional 30 days, in consultation with the National Legislature intended to afford the government the opportunity to re-examine its COVID-19 response strategy.

The government reported 1,800 cases and 83 deaths to the World Health Organization by the year's end (Freedom House Report, 2021). Despite all these, the overall political climate remained conducive through the course of the fiscal year.

Economical

In 2020, the uncertainty in the global economy adversely affected investment and business confidence largely on account of the COVID-19, trade tension between the USA and China as well as post-Brexit developments within the Euro zone. However, the estimated contraction in global growth was revised downward to 3.5 percent in 2020, partly reflecting the easing of lockdown measures as well as activities in emerging and developing economies, especially China. Inflation in advanced economies was subdued at 0.7 percent but was estimated to moderate to 5.0 percent in emerging and developing economies, mainly driven by fall in prices of crude oil and other commodities.

The outlook is generally positive for all regions in 2021 with growths projected at 4.3 percent in advanced economies; 6.3 percent in emerging and developing economies, and 3.2 percent in sub-Saharan Africa largely on expectation of containment of the pandemic and other recovery-supported policies. At end-2021, inflation in advanced economies is projected at 1.3 percent, while in emerging markets and developing economies, it is projected at 4.2 percent.

On the domestic side, the Liberian economy was estimated to further contract by 3.0 percent from a contraction of 2.5 percent recorded in 2019. The downturn of the domestic economy was on account of uncertainty from COVID-19 and worsening of activity in the tertiary sector. End-of-year inflation in the domestic economy moderated to 13.1 percent, induced by the stability of the Liberian Dollar, favorable international oil prices and monetary policy stance. The outlook appears positive in 2021 with growth of the Liberian economy projected at 3.2 percent premised on activities in the manufacturing and services subsectors, while inflation is projected to revert to single digit on expectation of sustaining the monetary policy reform. (CBL)

Social

The Liberian Government, in an effort to transform the lives of her struggling citizens since the Weah-led administration, have entered into different financing and developmental agreements with her national and international development partners. Prominent among them is the signing of two new operations with the World Bank to increase access to sustainable, reliable and affordable energy, and boost economic recovery by providing employment opportunities and business skills training to vulnerable Liberians.

Poverty remains widespread in Liberia and is now on the rise. An estimated 44% of Liberians were living with less than \$2 a day in 2016 and is now projected to reach 52% in 2021. (World Bank Report, 2021)

It is hoped that conscientious decision will be made in the utilization of the lawful national revenue collected as the government executes its pro-poor policy agenda with focus on poverty reduction, job creation and infrastructure development.

Technical

Management Information System leads the technological operations, network administration, and systems, program/software development and acquisition efforts in ever modernized and vibrant entity/organization. Additionally, this technical arm seeks to provide technological solutions for the Authority's lines of business, software development, Finance & Human resources management, and all other enterprise-wide activities inclusive of security and business continuity planning.

Prioritizing transformation and modernization make technology in every revenue authority central to the corporate governance and operations.

The implementation of the Integrated Tax Administration System (ITAS) remains a major undertaking for the authority. This system is crucial to the Government's strive to gather sustainable domestic resources for inclusive growth financing and poverty reduction as mandated by the DRMS.

Given the complexity of the project and the need to manage risk, a vital procurement process is key in the acquisition and sustainability of such system.

Environmental

This Environmental and Social Management Framework (ESMF) has been prepared to support the Government of the Republic of Liberia (GoL) to implement its Reduced Emissions from Deforestation and Forest Degradation (REDD+) Strategy.

An ESMF provides guidance on meeting World Bank (WB) Operational Policy (OP) requirements and Liberian legal requirements related to environmental and social (E&S) performance when a project consists of a program (here, the REDD+ Strategy) and/or series of sub-projects (here, interventions that implement the strategy) and the impact cannot determine until these sub-project details have been further identified and defined.

Some priorities areas under the framework include: reduction in dependency on shifting cultivation, livelihoods diversity, increased in land security, reduced emission and sequestered carbon, conservation of natural habits, among others.

As the protection of the environment remains central in the existence of climate change, committing to the implementation of such framework requires frame efforts.

Legal

Legal reform is cardinal for an efficient tax system as it lays the basis for amendments and necessary changes that would in turn enhance revenue generation.

One of the pressing aspects to be considered in this direction includes abolishing the grant of exemptions for Concession Agreements in order to recoil revenue forgone.

Waivers are vulnerable to abuse and agency officials can cause problems in the tax collection systems and on the other side hamper the determination of tax liabilities. There's a need for representation of the tax authority at the negotiation table in the area of tax incentives.

It is also important to review relevant tax provisions and negotiations of Concession Agreements and take the necessary actions thereof.

Another issue includes the review of all major Audit Cases to be resolved prior to taxpayer objection. The absence of special category of tax kind may wrongly apportioned lesser amount than anticipated.

There's also a need for tax lawyers to participate in high dollar value audits to properly maximize the legitimate needed revenue.

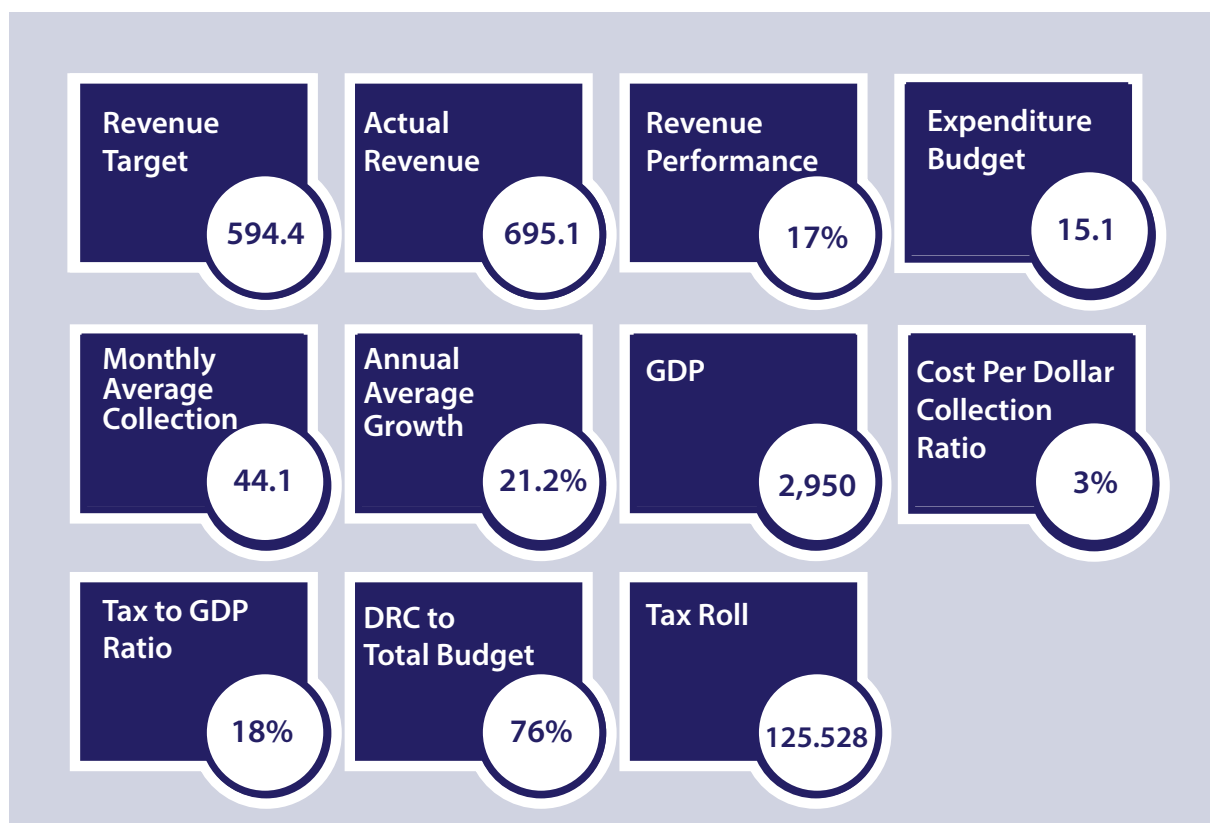
Economic Indicators

Year	2014	2015	2016	2017
Nominal GDP	2,012	2,035	2,101	2,210
Real GDP	1,654	1,654	1,628	1,738
Real GDP growth	0.7%	0.0%	2.6%	2.5%
GVA* in Agriculture, Forestry and Fishing	258	256	737	741
GVA* in Mining and Quarrying	285	272	84	741
GVA in Secondary Sector (Industry)	588	609	90	873
GVA Tertiary Sector (Service)	1,026	1,149	1,168	1,041
Annual Average Exchange Rate US\$/L\$	US\$/L\$84.5	US\$/L\$88.5	US\$/L\$88.5	US\$/L\$112.6
Inflation Rate	9.9%	7.8%	8.8%	12.4%

Year	2018	2019	2020
Nominal GDP	3,264	3,071	2,950
Real GDP	2,642	2,418	2,718
Real GDP growth	1.2%	1.4%	-2.9%
GVA* in Agriculture, Forestry and Fishing	588	569	778
GVA* in Mining and Quarrying	588	633	608
GVA in Secondary Sector (Industry)	457	429	443
GVA Tertiary Sector (Service)	1,632	1,501	1,443
Annual Average Exchange Rate US\$/L\$	US\$/L\$144.8	US\$/L\$186.4	US\$/L\$190.8
Inflation Rate	23.4%	27.3%	17.4%

Source: World Development Indicator – World Bank

LRA at a Glance



	FY 19/20	FY 20/21
Total National Budget (Recast)	518.9	594.4
Actual Revenue Outturn	543.9	695.1
Revenue Performance	5%	17%
Monthly Average	36.3	44.1
Domestic Revenue Target	395.5	437.1
Domestic Revenue Actual	435.7	529.7
Annual Revenue Growth	10.2%	21.2%
GDP	3071	2950
Tax to GDP Ratio	14%	18%
Domestic Resource Contribution to Total Budget	80%	76%
Tax Roll	113,289	125,528
Expenditure Budget	11.8	15.1
Cost Per Dollar Collected Ratio	3%	3%

Corporate Governance

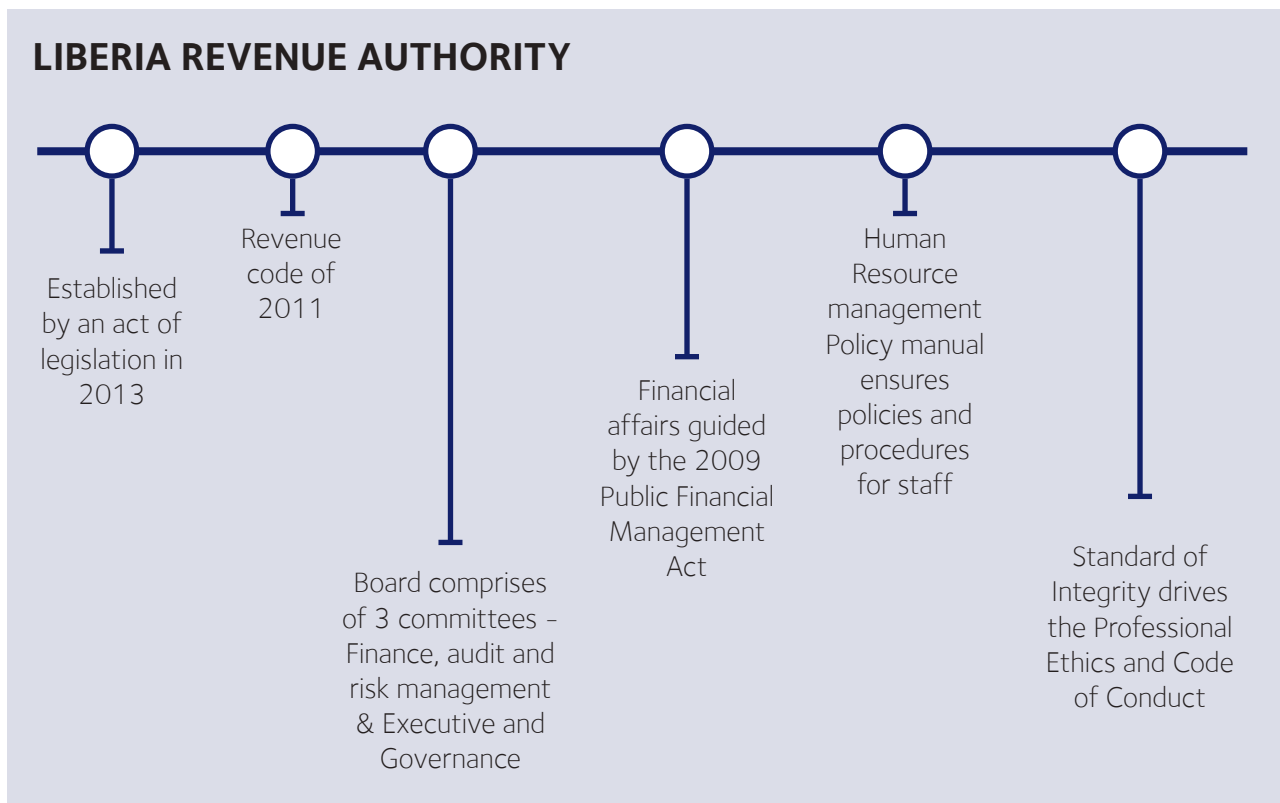
The LRA was established as a corporate semi-autonomous entity. Its corporate governance structure descends from a Board of Directors, an executive management team, senior managers and other supervisory levels.

The Board's Mandate

The Board of Directors is mandated to ensure that LRA fully complies with the Liberia Revenue Code in collecting lawful revenues and facilitating legitimate trade and social protection. It also drives standard corporate best practices, strategic directions for the management and organization of the authority. The Board also provides quality assurances, guarantees planning, streamlines administrative policies and ensures prudent expenditure.

The composition of the board counts the Minister of Finance and Development Planning, the Minister of Justice, the Minister of Commerce, the Commissioner General and three other members from the non – governmental sector, including the Board Chair.

The LRA corporate governance structure is built on the following legal pillars:



LEGAL AND BOARD AFFAIRS

The Legal and Board Affairs Department plays a vital role in protecting the fiscal health of the Republic by defending court challenges to various tax assessments. The Department has the core responsibility of representing the Republic of Liberia, in collaboration with the Ministry of Justice (MOJ), in all criminal and non-criminal tax and revenue related cases.

In FY 2020/21, the Department built upon previous successful efforts to curb tax evasion and other civil tax issues in support of the Authority's efforts to expand the revenue base and facilitate the collection of lawful revenue.

During the period under review, the Department rendered the following services in Litigation, Protest and Objection, Debt Management, Regulations, Taxpayer Advocacy,

among others. Of the total cases gathered, Protest & Appeal against audit assessment and refund from Customs duties represented twenty-three (23) of which twenty-one (21) are outstanding and six (6) BOTA related which have not been attended due to its board not being fully reconstituted; four of these cases were transcribed. The remaining cases include Civil, Criminal and Retirees cases recording a sum of six (6) cases which are pending. The Taxpayer Advocacy Unit which ensures the fair treatment of taxpayers needs to be resuscitated and revamp, as this unit has been inactive over time. The number of outstanding, closed or completed, won and lost cases can also be viewed as illustrated below.

Legal Cases

33	Outstanding Cases
4	No. Of Cases closed and Completed
2	No. Of cases won
2	No. Cases lost

Policies and Regulations

The Policies and Regulations Division is the arm of the Department principally charged with drafting of policies and regulations; reviewing and recommending amendments to existing statutes; advising the Commissioner General on regulatory and tax issues; among other things. The Division, during the period under review, along with other departments within LRA drafted Forty-Two (42) Regulations.

Board & Management Affairs

The Board and Management Affairs Division handles all Board related matters; provides legal guidance to the Board to ensure that compliance obligations under relevant laws are met; counsels the Authority on transactional matters such as, leases and contracts among other. During FY2019/20, two (2) statutory meetings of the Board were held. This division also drafted and concluded One Hundred two (102) contracts as approved.

Debt Management/Debt Collection Unit:

During the period under review,

1. The Debt management Division Requested the Technical support of USAID RG3 to review and establish the LRA Debt Management framework and help in the development of a system to track all tax debt within the Authority.
2. Proposed the creation of a Tax Arrears monitoring system – the Tax Arrears Transaction System (TATS) – that will be launched in the next few weeks for testing.
3. RG3 assigned Mr. Jose Lopez as the technical assistant to the Debt management Division, the Enforcement/Arrear manual was reviewed and submitted to the Domestic tax Department, the debt write of policy was also reviewed and finalized for publication.
4. Tax arrears and transactional system (TATS) was developed for the tracking all tax debts within the Authority.
5. Debt management division also legitimized the claims for a tax arrears in the amount of US\$326,470.22 to the International Insurance Company, INC. that was almost written off due to the taxpayer closure of business through the Central Bank of Liberia public announcement.

POLICY, STATISTICS AND STRATEGIC PLANNING

Overview

The Division of Policy, Statistics and Strategic Planning (PSSPD) is one of the Commissioner General's direct reporting arms of the Liberia Revenue Authority (LRA). It is responsible for advising the LRA senior management on policy matters regarding revenue administration, legal policy instruments, government's fiscal policies and economic programs.

Other functions of the division include:

1. Coordinating LRA Strategic management
2. Managing domestic tax and international trade data for analysis of revenue forecast and interpretation for daily, weekly, monthly and other periodic outturns.
3. Conducting studies and research for assisting senior management with medium- and long-term planning:
4. Coordinating LRA's relationships with donors and development partners and advise the Commissioner General and other senior managers accordingly: and
5. Collaborating with responsible parties at other government ministries and agencies and other national and international institutions to develop the macroeconomic framework for the preparation of the national revenue budget.

The division underwent the following major achievements during the fiscal year under review:

Policy & Strategic Planning Unit

1. Produced and Published LRA FY 2020/21 Annual Business Plan
2. Produced and Published LRA FY 2019/20 Annual Report
3. Drafted forty-one (41) Customs regulations covering fifty-one (51) provisions of the Modernized Customs Code of 2018. Of these regulations, twenty-one (21) are published while the remaining twenty (20) have been forwarded for stakeholders' inputs

The Statistics Unit

1. Created an account for Excise tax collection and petroleum products and a new chart of account to incorporate payments from the Commission on Higher Education; also updated the Chart of Account for the Liberia Land Authority to incorporate payments
2. Completed and submitted the Draft supplementary budget covering July 1–December 31st 2021
3. Strategic Partnership Unit
4. Updated Donor Matrix to include the Swedish Tax Authority as a new partner
5. Participated in ATAF–GIZ forum on transparency and illicit financial flow, PCT–ATAF Africa MTRS workshop and 5th high level Tax policy dialogue

HUMAN RESOURCE MANAGEMENT

The Office of the Deputy Commissioner General for Administrative Affairs heads the Department of Administrative Affairs which has two divisions and a department. The Human Resources Management Division is one of the divisions under the department of Administrative Affairs. The key functions of the Human Resources Management Division include acting at the service of strategy and contributing to the performance of the entire workforce of the Liberia Revenue Authority.

The division is comprised of four (4) units; (1). Compensation, Welfare, Records and Compliance Unit, (2). Capacity Development and Training Unit, (3). Recruitment Unit and (4). Performance Management Unit, each of which is headed by a manager. Amongst the several responsibilities of the division, the key ones of each unit include the responsibilities of hiring and onboarding of professionals as the need emerges, coordinating the planning and evaluating the work performances of every staff through the performance management system, the processing of salary, cash and material benefits, staff health and welfare administration and employees records and policy compliance supervision, and the identification of capacity gaps of staff and the designing and implementing of periodic training and capacity development plans for every staff of the Authority.

Summary of Achievements

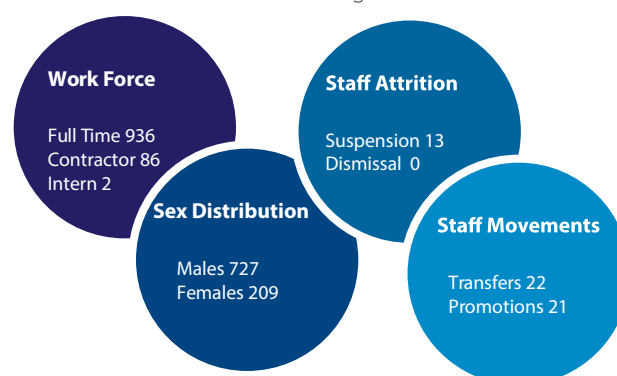
1. Development of the HR Platform Sentrifugo with MISD
2. Staff identification
3. Development of the E-Learning Platform
4. Development of Training course outline and competency bases teaching materials for core areas
5. Reintroduction of the Group Medical Insurance

Staff Complement Statistics

The analysis for the fiscal year under view showed a total of 1,024 staff in the employment of the Liberia Revenue Authority. Of this total, 936 or 91.4 percent are full time employees as compared to 890 in the previous fiscal year, 86 or 8.4 percent are contractors, while 2 or 0.19 percent are interns. The departmental analysis shows that a total of 410 employees were in the Domestic Tax department while 250 were employed in the Customs department. A total of 231 staff were assigned in Business Offices with 144 and 87 in CBOs and TBOs respectively; Montserrado County accounted for the highest number of staff. The balance represents the back offices which provide support to the core businesses (Domestic tax and Customs departments).

The total staff complement of male to female is 802 to 222. The male to female ratio of full-time employees is 725 or 77.5 percent to 211 or 22.5 percent. This report also highlights the females to male's ratio by position. The statistics revealed that there are more males in senior management positions than females. There are 2 females to 18 males out of the 20 staff who are serving as Assistant Commissioners, 15 females to 48 males amongst the 63 staff in Manager position and of the total of 51 staff in supervisory roles, there are 5 females to 46 males Supervisors.

By position, there are more staff who are at the junior officer level than any other position within the authority. There are 580 staff who are junior officers, 125 staff at the officer level, and 89 staff who are serving as senior officers.



OUTLOOK OF INDIVIDUAL UNITS

Recruitment

The Recruitment team reported that over the fiscal year 2020/21 there were 71 new recruits for full time employment posts. There recruitments cut across the entire authority and departments but over 60 percent of the recruitments went to the Customs department. There were 12 staff recruited as contractors and another 2 recruits as interns. Amongst the contractors, there are 8 males and 4 females. The interns consist of 1 male and 1 female. Over the period, 21 staff were promoted across the authority which included 3 females and 18 males. There were also transfers of staff from one department of the authority to another. A total of 22 transfers were done and of the 22, the Customs department had 10 staff who were transferred followed by Domestic Tax with 9 staff.



Capacity Development and Training

The Training Team Conducted a total of 23 training sessions during the fiscal year 2020/2021 and the total staff participating in those trainings were 252 which include 104 males and 148 females. The trainings conducted were of two categories and there were 20 local training and 3 foreign trainings. The foreign trainings were basically training conducted online by foreign training institutions. According to the report, the attendance at all training included 103 customs staff, 107 staff from the Domestic Tax and 42 staff from the Back Support offices. Over the fiscal year, staff benefited from some specialized trainings like Supervision skills, Leadership skills, Domestic Resources Mobilization Strategy, Talent Management and

Staff Retention, Basic communication Skills, Supply Chain, Public Financial Management, Internal Audit & Controls and Human Resources Management. The team conducted the institutional Professional certification programs which include the Certified Accountancy (CA) program benefiting 57 staff across the authority and the General Professional Certification which is expected to assist 40 staff of the authority acquire professional certification in 13 competency based job function areas like Taxations, Audit, Transfer Pricing, Risk Management, Human Resources Management, Change Management, Financial Management, Management Accounting, Financial Modelling and Revenue Administration

Performance Management:

Department	% Compliance	% Non-Compliance
CG Office	62%	38%
Admin Affairs	63%	37%
Technical Affairs	86%	14%
Domestic Tax	58%	42%
Customs	70%	30%
Total	65%	35%

The Performance Management team reported that compliance with the time line for submission of performance evaluation was partially impressive also as it was for the last fiscal year. The team's report showed that the level of compliance improved over the fiscal year as several divisions and sections met the more than 100% mark in the completion of their performance evaluation for the year. Of the total staff, there were 609 full compliance rate and 331 non-compliance rate. In percentage terms, full compliance is 65 percent with 35% for non-compliance.

Compensation, Welfare, Compliance, Records:

1. The LRA Health facility: Throughout the fiscal year, staff were not about to benefit from the regular services at the facility as a result of the COVID 19 virus pandemic. However, in the middle of the fiscal year, an insurance scheme was purchased by the authority from the Mutual Benefits Assurance company which lasted for three quarters of the fiscal year 2020/21. Staff were enrolled along with three dependents to seek medical service at several health facilities across the country. That insurance service contract with the authority ended June 30 2021.
2. The LRA Staff Credit Scheme: This scheme has been a major area of opportunity for staff to benefit from credits as a means of boosting their small income to purchase what their salary cannot buy at once. The LPA Scheme was designed to help staff of the LRA to receive services or items from vendors to handle their immediate needs and aspirations and pay the cost later and conveniently through minimum salary deduction over the period of six months. The scheme covers four institutions who were contracted to provide building materials, electronics and house furniture to staff. The report shows that over the fiscal year a total of 217 staff benefited just in the last two quarters of the fiscal year.

INTERNAL AUDIT

The Internal Audit Department (IAD) is charged with the responsibility to evaluate and recommend improvements to the adequacy and effectiveness of governance, risk management and compliance with control policies and procedures throughout the LRA. It conducts independent and objective evaluation and examination of the activities, processes and procedures of the LRA operating units and provides consulting services aimed at assisting the Authority achieve its objectives. Internal Audit and Internal Auditors comply with the Institute of Internal Auditors Standards, Code of Ethics and Guidance and the Internal Audit Manual as well as the Professional Code of Ethics of the Authority. Internal Auditors also comply with other national and international codes and practices where applicable in fulfilling responsibility to conduct independent and objective evaluation and examination of business units, activities, processes and procedures.

Key achievements

No.	IAD Activity / Engagements	Planned Details and/or description of engagement
1	One risk assessment	Conducted entity-wide risk assessment to prepare IA's risk-based annual plan.
2	One annual risk-based business plan	Prepared one annual risk-based plan for FY 2020/21 to focus IA's audits and reviews on key risk areas.
3	Fourteen Staff performance plans	Prepared performance plans to cascade implementation of the IA's annual risk-based plan.
4	Four IA's quarterly activity reports	Prepared and submitted four IA's quarterly activity reports to CG Office.
5	Four EDQARD Monitoring reports	Prepared and submitted four quarterly reports to EDQARD.
6	One annual IA's activity report	Prepared one annual activity report to highlight achievements and challenges of IA.
7	Eight comprehensive audits	Performed comprehensive audits of Paynesville TBO, Small Tax Division (STD) Enforcement Section, RIA CBO, STD Audit Section, Freeport CBO, Duala TBO, LPRC CBO, Procurement Section, Fifteen (15) Rural TBOs and Nine (9) Rural CBOs.
8	Three issued-oriented audits	Performed issued-oriented audits of direct Transfer, NaFAA and LRA's Mobile Money platform.
9	One AD hoc audit / review	Conducted one Ad hoc or surprise audit of Budget & Finance cash & near cash handover process.
10	One limited audit	Commenced one limited audit of CAS.
11	Six quarterly reviews	Completed quarterly review engagements of quarterly financial statements, quarterly procurement reports, etc.
12	Two staff performance evaluation reports	Prepared two semi staff performance evaluations and submitted same to HR.
13	Seven follow-up reviews	Conducted follow-up reviews to ascertain the level of implementation of agreed prior audit recommendations.

FISCAL INVESTIGATION

The Fiscal Investigations Division (FID) primary task is geared toward enhancing taxpayer voluntary compliance by detection and proactive investigations of tax evasion as well as responsible enforcement that maintains confidence in the integrity of Liberia's tax system by a dedicated and professional workforce. The division has three units namely Investigations, Intelligence and International Cooperation/Exchange of Information. Attached to the division is a team of lawyers from the Legal and Board Affairs Department with the responsibility of providing legal guidance and aid in the prosecution of cases resulting from tax crime investigations.

NATIONAL REVENUE ACCOUNTING AND REPORTING

Key Achievements

1. Conducted daily/monthly bank reconciliation of CBL and CBs for the period;
2. Verified, analyzed and reconciled cash revenue and revenue instruments (Treasury Receipts from Collection Windows) for the period;
3. Completed two fiscal year collection reconciliation of twenty-one (21) Domestic Tax Business Offices for the period;
4. Completed two fiscal year collection reconciliation of twelve (12) Customs Business Offices for the period;
5. Issued rural receipts to twenty One tax business offices and twelve customs business offices
6. Conduct four (4) awareness meeting with Commercial Banks
7. Email thirty-six (36) sweeping notice to the Commercial Banks
8. Conduct four (4) joint reconciliation meetings (LRA, MFDP, and CBL)
9. Completed tripartite reconciliation for FY 2020/2021 and awaiting signatures at leadership level;
10. Tripartite reconciliation for FY 2019/2020 completed and signed at technical level, pending signatures at leadership level;

ENTERPRISE DESIGN, QUALITY ASSURANCE AND RESULTS

The Enterprise Design, Quality Assurance & Results Division (EDQARD) is an independent division of the LRA. The Division develops standard operating procedures for operating units across the LRA. It also assesses, monitors and evaluates the quarterly activities of all sections and Divisions in the authority. The division is headed by an Assistant Commissioner who is assisted by Two (2) principle Managers. The Division has 2 Sections: Enterprise Design and Results Section (EDRS) and Quality Assurance Section (QAS). Each Section is headed by a Manager. The Division reports to the Deputy Commissioner General for Technical Affairs (DCGTA) who reports to the Commissioner General (CG).

EDRS for FY 2020–2021, planned to develop twenty (25) new SOPs and reengineer five (5) SOP in collaboration with Department/Division/Section.

1. Six (6) of these SOPs were approved with five (5) uploaded on the intranet. Those approved include, SOP for receiving instrument and acquiring plates, re-ordering of bulk fuel to run LRA generator, payment using the LRA website and POS, processing and issuance of Tax Clearance Certificate on the website, registration and maintenance of individual and business enterprise on the LRA's System and User Right Assignment, Suspension and Closure/Deactivation in SIGTAS and ASYCUDA for External User
2. The QAS for FY 2020–2021 planned to review and report Five Hundred and Seventy Six (576) audit case files. Some activities conducted include:
3. Audit case files reviewed, Quality Assurance process conducted, implementation of SOPs inspected, etc.

ETHICS AND INTEGRITY

The Professional Ethics Division (PED) was established by the Authority to investigate all allegations of employee misconduct. In order to ensure the integrity of all employees of LRA and to maintain the public trust, each allegation must be carefully examined. If a formal investigation is required, the investigation must be thorough, unbiased and reported in a timely and objective manner. The authority of LRA to regulate the conduct of its employees is contained in the LRA Professional Ethics & Code of Conduct, the Human Resource Management Policy (HRMP) and other related regulations and statutory laws of the Republic of Liberia.

During the period under review, the PED initiated a total of 26 cases of employee alleged misconduct investigations. Of the total number of registered cases, 24 investigations were completed, while 4 is still pending investigation.

Disposition of cases was submitted to management for further administrative decision making. Accordingly, management actions were meted against the affected employees, ranging from suspensions, warnings, and clearances issued to staff not couplable for misconduct.

PROFESSIONAL RESPONSIBILITY

The mission of this Section (OPRS) within the organizational structure of the Liberia Revenue Authority (LRA) is to effectively interpret and apply the standards of practice (promulgated by law, rules, and regulations) for tax professionals and customs brokers in a fair, transparent, accountable, and equitable manner. Its strategic goal is to support effective and efficient tax administration by ensuring that all tax practitioners and customs brokers providing services to clients of both the Domestic tax and Customs Departments and practicing before the LRA adhere to professional standards and follow the law, rules, and regulation.



Key achievements

Summary of Achieved Activities against planned activities

1. During the period under review, the Tax Practitioner Training Manual was finally produced.
2. Training modules uploaded on LRA website for individual self-training.
3. Because of the new decision to cancel the training of tax practitioners, no license was issued to New Tax Practitioners. The decision has slowed down the licensing process.
4. 11 licenses issued to Tax Practitioners under the Grandfather Clause Program during the period under review.
5. The testing of Customs Brokers is a continuous process. During the period under review over 35 applicants were tested
6. Issued licenses to 635 customs brokers which represents 127% of the total target.
7. As a means of widening public knowledge and creating awareness of the functions of the Office of Professional Responsibility Section within Liberia Revenue Authority, 6 different radio talk shows were held
8. Collaboration and coordination with other key stakeholders are imperative to achieving the mandate of the Office of Professional Responsibility Section. During the period under review, 4 planning meeting were held with the Liberia Institute of Tax Practitioner (LITP) on the Draft LITP Act to be finalized with the Law Reform Commission. Additionally, the leadership of the West African Union of Tax Institute visited Liberia as guest of the LITP. 4 meetings were held with key stakeholders including the LRA and the senior officials of the Ministry of Finance and Development Planning.
9. In the same vein of collaboration and coordination, 4 mutually benefitting engagement meetings were held with the National Customs Brokers Association of Liberia. As a result of these meetings, a Memorandum of Understanding was development to be signed between the LRA and NCBAL.
10. Successfully uploaded the test questions for Tax Practitioners on LRA website

GENERAL SERVICES

The General Services Department operates as the fulcrum responsible for supporting and buttressing the purpose of the existence of the entire Authority. The Department is headed by a Commissioner and it falls under the umbrella of Administrative Affairs with the able leadership of the Deputy Commissioner General for Administrative Affairs. GSD is charged with the responsibility to provide the requisite support to all Departments, Divisions, Sections and Units within the Liberia Revenue Authority. The General Services Department comprises of three Sections namely: Logistics, Procurement and Security Management Sections.

Transport Section

The Transport Section during the period under review successfully achieved the following:

- Serviced and repaired of 4 vehicles including those in general pool.
- Transport Unit stepped up its support to both tax units and group clustering for enhanced tax profiling and collection
- Supported two regional audit exercises ongoing.
- Transport currently supports the ongoing Cluster exercises of the Commissioner General.

Additionally, the Transport Unit received and successfully supported 113 requests from a total of thirteen (13) units for the use of Utility vehicles. Amongst these Units. The Facility Management made a total of 19 requests and utilized 79 hrs.; Protocol made 13 request and 48 hrs.; Taxpayer Services made 6 request that covered 19 hrs.; while Budget and Finance made 10 requests and utilized 70 hours.; Registration and Return Processing placed 4 requests and utilized 13 hrs. In effect, Budget and Finance Division, and facility management made the highest number of requests followed by the various Sections in the General Services Department.

Procurement Section

- Procurement of assorted goods and various services for the training of Customs Officers (Class III) at the Liberia National Police Training Academy has been approved and pending implementation.
- Renovation works Procured materials to carry work for all designated Business Offices including the Marshall TBO and RIA resting rooms and bathrooms.
- Construction of Cubicles for LRA Service Window at the Ministerial Complex (Phase I) has been

completed, phase II has been approved and implementation on-going.

Assets Management Unit

- The Assets Management Unit continued to input assets information collected on a Spreadsheet and the assignment of assets to staff members and the repair of assets is at a slow pace due to the closure of most activities relative to the presence of the Coronavirus.
- The HardCat System application software has been currently loaded with over Six Thousand (6,000) assets of different kinds used by the Liberia Revenue Authority still remained inaccessible.
- Also, during the period under review, the upgrading of Furniture by repairing in house still remains suspended due to budgetary constraints.
- The Unit repaired IT equipment at the headquarters and offices away from the HQ.

Stores Management Unit

During the fiscal period 2020–2021, the Stores Management Unit maintained a more user friendly strategy aiming at reaching out to Business Units to enhance the swiftness of our delivery services to all Business units. The unit also ensured that all incoming approved request have a maximum turnaround period of less than one day.

The unit also continued to ensure that all incoming approved request have a maximum turnaround period of one day in order to be served subject to the availability of Supplies. Stores Management Unit would like to make it clear that we are continuously using the Stock Card to capture the movement (In & Out) of goods with current running balances.

Security Management Section

The Security Management Section (SMS) was able to coordinate, direct, and work alongside the SOGUSS Security Guard Service in executing the Security functions of the LRA in a proactive, professional and efficient manner. The SMS was able to monitor and enforce access control procedures; conduct inventory along with SOGUSS Security guard at the LRA HQ, and its Sub-Officers where Guardsman are deployed.

During the fiscal year, SMS monitored the operations of SOGUSS daily to ensure that guards reported to work on time and to ensure that LRA's properties were safeguarded and intact. All three (3) shifts of eighty (80) guards in

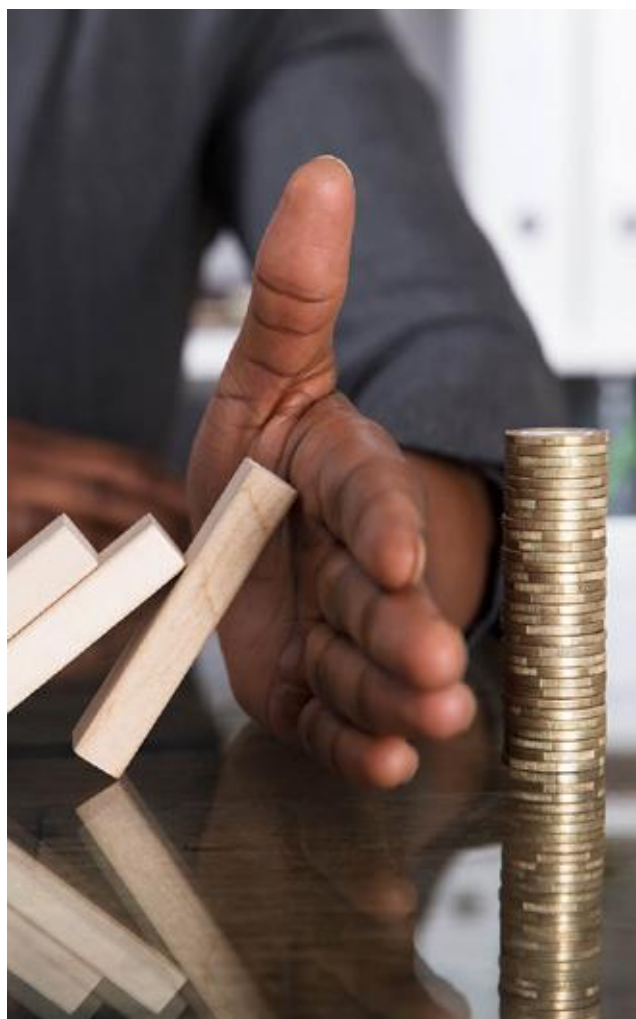
total, were properly supervised and accounted for at Headquarters, RIA CBO, Freeport CBO, Paynesville TBO, JSP CBO, and Duala TBO.

Facility Management Unit

This unit is responsible to conduct all civil works/tasks in managing the facilities of the LRA in all urban and rural locations. These include task at Tax & Customs Business offices. Some of the regular work carried out in keeping with the functions of this unit include, modifications, construction, renovation, daily janitorial services, water supplies, sanitation, servicing, among others.

ENTERPRISE RISK MANAGEMENT

The Enterprise Risk Management & Compliance Division (ERMCD) was established in conformity with the risk framework of the community Committee of Sponsoring Organization of the Tread way Commission (COSO) as well as the International Organization for Standardization (ISO) Enterprise Risk Management Integrated Framework (ERMIF). Its goal is to provide reasonable assurance to the LRA Management team and the Board of Directors and comprehensively identified all risk and proactively managed in an efficient and effective manner to protect national revenue and LRA image.



Key achievements

In its effort to strengthen risk awareness across the LRA, the Enterprise Risk Management and Compliance Division (ERMCD) provided risk management training to 44 staff in four business units

Developed and administered Pre- and Post, risk awareness survey was, to gauge employees' knowledge on risk management before and after their training

Issued quarterly risk awareness messages on IT security risks and measures to mitigate the identified risks

Conducted surprise cash count was done on the General Pool, CG office, Domestic Tax and Custom petty cash managed by LRA and one hundred twenty-six (126) physical verification exercises of goods/services

Queried risk ICT procurement, Freeport data center, E-business application, HQ data center, Data center maintenance, Network failure and System downtime risk related issues related issues

Overall Revenue Performance

Revenue Performance

Total revenue collected during the 2020/21 fiscal year was US\$695.1 million against a revised revenue forecast (recast budget) of US\$594.4 million. Revenue reported in the Tax Administration System (TAS) is US\$683.3 million; the remaining US\$11.9 million was in transit to the system as at the time of reporting. The transit revenue is made up of US\$10 million in the consolidated cash brought forward from FY 2019/20, and US\$1.9 million in revenues from the Forestry Development Authority (FDA).

Gross Revenue Collection Summary

	Actual FY 2020/21
Grand Total Revenue	695,142,546
Revenue in Tax Administration System	683,276,368
Revenue in Transit	11,866,178
Consolidated Cash Brought Forward (FY 2019/20)	10,000,000
Forestry Revenues – FDA	1,866,178

Actual revenues collected during the fiscal year includes US\$529.7 million in domestic revenues, and US\$138.1 million in external resources. When compared to the previous fiscal year (FY2019/20), domestic revenues grew by US\$94 million or 14 percent. The Domestic Tax Department contributed US\$331.7 million or 63 percent of domestic revenues, while the Customs Department contributed the remaining US\$198.0 or 37 percent.

Tax Kinds	Approved Budget	Revised Budget	Actual	Var.+/-	% Var.+/-
Total Revenue ('000 US\$)	570,110	594,411	695,142	100,731	17%
Revenue in TAS*			683,276		
Revenue in Transit**			11,866		
Domestic Revenue	428,110	437,111	529,691	92,580	21%
Domestic Tax Department	257,268	266,269	331,680	65,412	25%
Customs Department	170,842	170,842	198,011	27,169	16%
Tax Revenues	347,091	350,091	430,506	80,415	23%
Taxes on Income & Profits	126,743	129,743	176,102	46,359	36%
O/W Personal Income Tax (PIT)	103,507	106,507	141,729	35,222	33%
O/W Corporate Income Tax (CIT)	22,317	22,317	33,123	10,806	48%
O/W Other Income Taxes	918	918	1,250	332	36%
Taxes on Property	5,239	5,239	5,664	425	8%
Taxes on Goods & Services	41,133	41,133	50,155	9,023	22%
O/W Maritime Revenue	10,500	10,500	7,974	(2,526)	-24%
Taxes on International Trade	169,242	169,242	195,024	25,782	15%

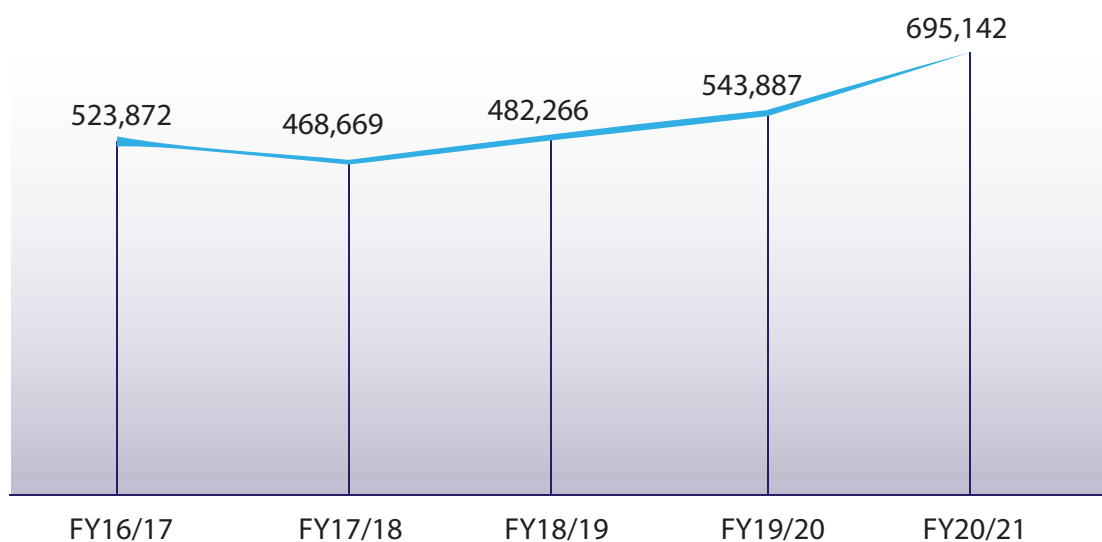
Other Taxes (SDCs)	4,734	4,734	3,560	(1,174)	-25%
Non-Tax Revenues	81,020	87,020	99,185	12,165	14%
Property Income	66,091	72,091	83,460	11,369	16%
O/W Road Maintenance Fund	26,700	26,700	25,302	(1,398)	-5%
Administrative Fees	14,155	14,155	15,188	1,033	7%
Fines, Penalties & Forfeits	488	488	526	38	8%
Miscellaneous & Unidentified	286	286	11	(275)	0%
EXTERNAL RESOURCES	132,000	133,500	138,052	4,552	3%
CARRY FORWARD	10,000	23,800	15,859	(7,941)	0%

*Tax Administration System

**Revenues that have been confirmed and validated but had not been posted to the TAS as at the time of reporting

Source: LRA Tax Administration System

Total Revenue Performance Trend ('000 US\$)



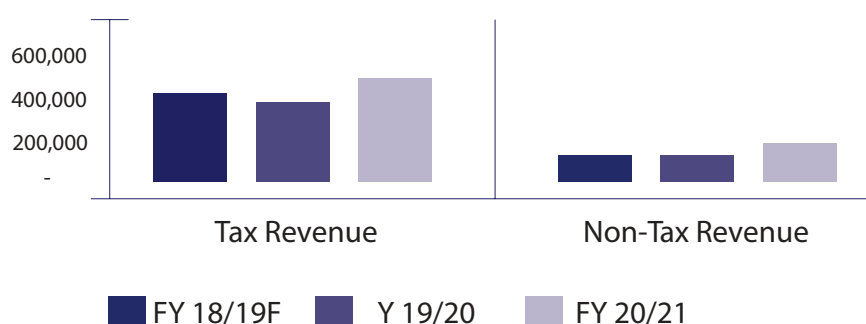
The above figure displays a trend in actual revenue performance from the period FY 2016/17 to present. The initial hike registered in FY2016/17 is due to a surge in external resources. The decline recorded between FY2017/18 and FY2018/19 can be largely explained by a steady dip in external resource receipts. Upswings in subsequent years were generally a result of progress made in Domestic Resource Mobilization.

TAX AND NON-TAX REVENUE

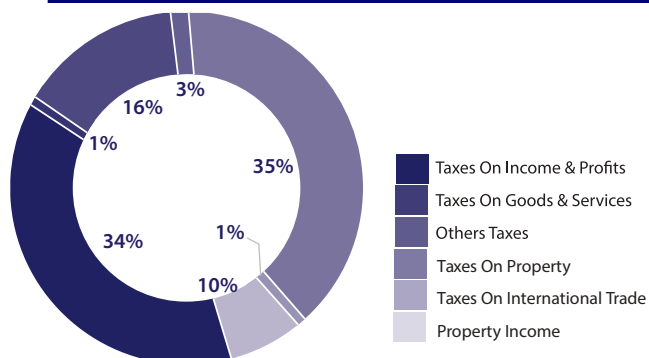
Actual domestic revenue collection for the fiscal year under review was US\$529.7 million. Tax revenues contributed US\$430.5 million or 81 percent while non-tax revenues accounted for the remaining US\$99.2 million or 19 percent of domestic revenues. Both tax and non-tax revenues exceeded their recast budgets by US\$80.4 million and US\$12.2 million respectively. Taxes on income and profits, GST and international trade were the major drivers of tax revenues; while non-tax revenue was propelled by property on income and administrative fees.

Tax Kind	Approved Budget	Revised Budget	Actual	Var.+/-	% Var.+/-
Domestic Revenue	28,110	437,110	529,691	92,580	21%
Tax Revenues	347,091	350,091	430,506	80,415	23%
Taxes on Income & Profits	126,743	129,743	176,102	46,359	36%
O/W Personal Income Tax (PIT)	103,507	106,507	141,729	35,222	33%
O/W Corporate Income Tax (CIT)	22,317	22,317	33,123	10,806	48%
O/W Other Income Taxes	918	918	1,250	332	36%
Taxes on Property	5,239	5,239	5,664	425	8%
Taxes on Goods & Services	41,133	41,133	50,155	9,023	22%
O/W Maritime Revenue	10,500	10,500	7,974	(2,526)	-24%
Taxes on International Trade	169,242	169,242	195,024	25,782	15%
Other Taxes (SDCs)	4,734	4,734	3,560	(1,174)	-25%
Non-Tax Revenues	81,020	87,020	99,185	12,165	14%
Property Income	66,091	72,091	83,460	11,369	16%
O/W Road Maintenance Fund	26,700	26,700	25,302	(1,398)	-5%
Administrative Fees	14,155	14,155	15,188	1,033	7%
Fines, Penalties & Forfeits	488	488	526	38	8%
Miscellaneous & Unidentified	286	286	11	(275)	-96%

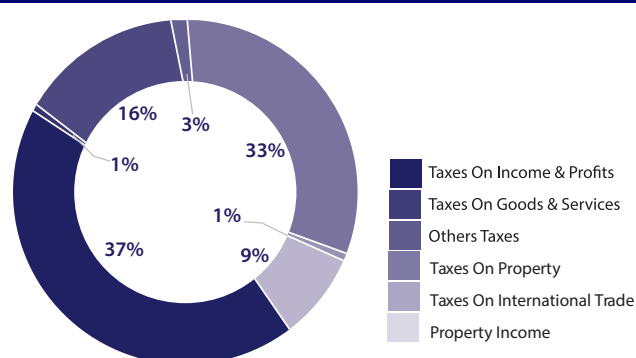
Source: LRA Tax Administration System



FY 19/20 Major tax kinds contribution



FY 20/21 major tax kinds contribution



Source: LRA Tax Administration System

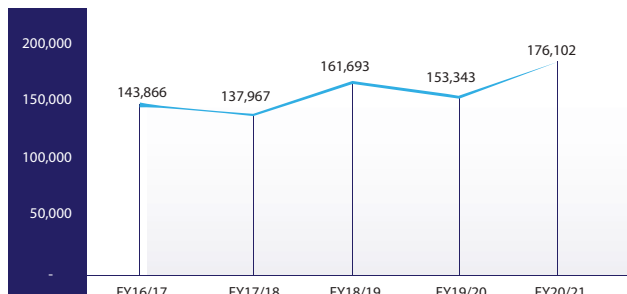
TAXES ON INCOME & PROFIT

The actual collection on Taxes on Income and profit for the period amounted to US\$176.10 million, up by 36 percent against a recast budget of US\$129.7 million, representing a 15 percent increase in comparison to FY2019/20. Under this category, Personal Income Taxes recorded the highest outturn in the tune of US\$141.3 million, with a variance of 33 percent against its recast target. The high performance is mainly on account of withholding taxes on resident and taxes on non-resident. Meanwhile, Corporate Income Tax produced an outturn of US\$33.1 million, a 48 percent positive variance above a revised budget of US\$22.3 million. Actual collection on Presumptive taxes amounted to U\$1.3 million, accounting for a 36 percent overperformance against the revised target of US\$918 thousand.

Tax Kind	Approved Budget	Revised Budget	Actual	Var.+/-	% Var.+/-
TAXES ON INCME & PROFITS	126,743	129,743	176,102	46,359	36%
PERSONAL INCOME TAX (PIT)	103,507	106,507	141,729	35,222	33%
Taxes on Residents	123,863	129,	743 168,	176	38,434
PIT Section 200A (Residents)	281	281	332	51	18%
Withholding Taxes (Residents)	100,346	103,346	133,471	30,125	29%
Taxes on Non-Residents	2,880	2,880	7,926	5,046	175%
CORPORATE INCOME TAX (CIT)	22,317	22,317	33,123	10,806	48%
OTHER INCOME TAXES	918	918	1,250	332	36%
Presumptive Section 200c (Small Tax)	918	918	1,250	332	36%
GSM Annual Gross Margin Tax	-	-	-	-	0%

Source: LRA Tax Administration System

Taxes on income & profit



The figure above depicts a five-year performance trend on Taxes on Income and Profit. FY2017/18 produced the lowest collection on Taxes on Income and Profit during the interval, an amount of US\$137.9 million down by 4 percent compared to the previous year. This was partly due to the political transition and a slowdown in general economic

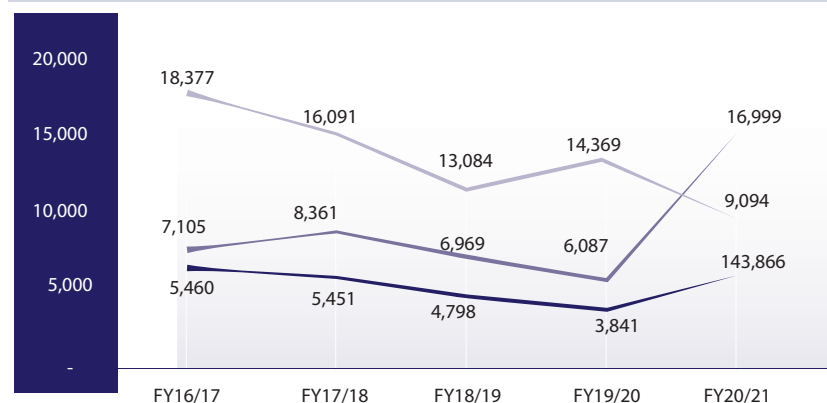
activities. Actual Collection in FY2018/19 yielded US\$161.7 million, an increase of 17 percent in comparison to the previous fiscal period. Meanwhile, FY2020/21 recorded the highest collection amounting to US\$176.1 million.

TAXES ON GOODS AND SERVICES

Actual collection of Taxes on Goods and services for the period, was US\$50.2 million, up by 22 percent in comparison to the recast budget of US\$41.1 million. Collection on Goods and Services Tax (excluding motor vehicle) contributed a significant share of US\$26.1 million which is 61 percent more when compared to the recast budget. Additionally, Motor Vehicle Taxes also performed above target with an actual collection of US\$8.5 million, an over performance of 14 percent against recast budget. Maritime revenue fell below target by US\$2.5 million or 24 percent against its actual collection.

Tax Kind	Approved Budget	Revised Budget	Actual	Var.+/-	% Var.+/-
Total Goods & Service Tax	41,133	41,133	50,155	9,022	22%
GST Excluding Motor Vehicle	16,242	16,242	26,093	9,851	61%
Domestic Excise	5,123	5,123	5,564	441	9%
Motor Vehicle Taxes	7,440	7,440	8,453	1,013	14%
Use of Goods & Permission to use Goods	1,827	1,827	2,063	236	13%
Maritime	10,500	10,500	2,063	(2,526)	-24%
Other Taxes on Goods & Services	1	1	8	7	999%

Domestic GST (Goods, Service & Excise Taxes)



Source: LRA Tax Administration System

TAXES ON INTERNATIONAL TRADE

During the fiscal year under review, the Customs Department's actual revenue collected stood at US\$198 million against the approved budget of US\$170.8 million, representing a 16 percent overperformance. Disaggregating customs revenue collection by tax kind shows that Customs & other import duties accounted for US\$194.5 million, indicating a 15 percent overperformance

against the approved budget of US\$168.6 million. On the other hand, Withholding on ECOWAS trade levy and Log & wood products export fees outperformed their respective approved budgets by 45 percent and 96 percent, respectively. Actual collection on Rental of Bonded Warehouse dipped by 57 percent against the recast budget.

Tax Kind	Approved Budget	Revised Budget	Actual	Var.+/-	% Var.+/-
Customs Department	#REF!	170,842	198,011	27,169	16%
Customs & Other Import Duties	168,667	168,667	194,482	25,815	15%
o/w ECOWAS Trade Levy	3328	3,328	4,821	1,493	45%
Fees & Other Levies on Exports	576	576	543	(33)	-6%
Log and Wood Products Export Fees	1,501	1,501	2,944	1,443	96%
Rental Of Bonded Warehouses	99	99	42	(57)	-57%

Source: LRA Tax Administration System



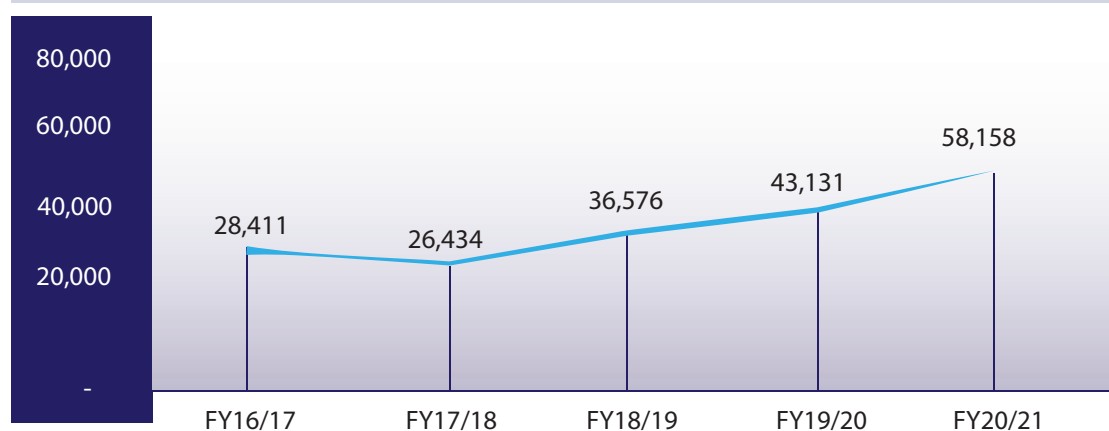
PROPERTY INCOME

Property income collection of US\$83.5 million exceeded the revised forecast by US\$ 11.4 million or 16 percent and also accounted for 84 percent of the total non-tax revenue collected for the period under review. Mineral mining and road maintenance fees were the major drivers, accounting for 45 percent and 30 percent respectively.

When compared to the previous fiscal period, property income collection heaped by US\$ 13.4 million or 19 percent.

Tax Kind	Approved Budget	Revised Budget	Actual	Var.+/-	% Var.+/-
PROPERTY INCOME (EXCL.ROAD MAINTENANCE FUND)	39,391	45,391	58,158	12,767	28%
Interest Income		-	-	-	0%
Dividend	7,850	7,850	3,504	(4,346)	-55%
Forestry	3,788	3,788	6,522	2,734	72%
Agriculture	310	310	178	(132)	-43%
Mineral Mining	18,166	24,166	37,765	13,599	56%
Petroleum Mining	-	-	-	-	0%
Intangible Non-Produced Assets	9,006	9,006	9,970	964	11%
Rent & Rate- Other Non-Produced Assets	-	-	0	0	0%
Other	271	271	219	(52)	-19%

Property Income ('000 UU\$)



Source: LRA Tax Administration System

ADMINISTRATIVE FEES

For Administrative fees, the total revenue collected amounted to US\$15.2 million against a revised budget of US\$14.2 million. The actual revenue collected reflects an increase of 1 million or 7 percent. This positive variance was mainly due to the robust enforcement carried out by the sector Ministries and Agencies despite the outbreak of the Coronavirus disease pandemic and the over-performance from the following ministries and agencies. Major contributors include, the Ministry of Labor and the Liberia Immigration Service which contributed US\$4.1 million or 27.1 percent and US\$3.8 million or 25.1 percent respectively. These were followed by the Ministry of Foreign Affairs, collecting US\$3.4 million accounting for 22.5 percent and the Liberia Business Registry, US\$1.7 million or 11.2 Percent.

Tax Kind	Approved Budget	Revised Budget	Actual	Var.+/-	% Var.+/-
Sector Ministries & Agency Fees	14,155	14,155	15,188	1,033	7%
Labor Ministry	3,500	3,500	4,136	636	18%
Liberia Immigration Services	3,900	3,900	3,804		0%
Foreign Affairs (Mfa)	2,864	2,864	3,405	541	19%
Liberian Business Registry (Lbr)	1,944	1,944	1,757	(186)	-10%
Public Works (Mpw)	600	600	385	(215)	-36%
Center For National Documents And Records (Cnd)	169	169	328	159	94%
Education Ministry (Moe)]	81	81	235	154	190%
Liberia Land Authority (Lla)	103	103	180	77	75%
Lands, Mines And Energy (Lme)	108	108	145	36	33%
Transport Ministry (Mot)	109	109	118	9	8%
Internal Affairs (Mia)	105	105	108	3	3%
Health And Social Welfare (Moh)	119	119	90	(29)	-25%
National Fire Service (Nfs)	41	41	77	35	86%
Agriculture (Moa)	49	49	61	12	24%
Gender, Children And Social Protection (Mgcsp)	42	42	56	14	34%
Post And Telecommunications (Mpt)	149	149	56	(93)	-63%
Justice Ministry (Moj)	33	33	53	19	58%
Information Ministry (Moi)	19	19	38	19	102%
Industrial Property Office (Ipo)	21	21	35	14	64%
Commerce And Industry (Mci)	37	37	26	(11)	-30%
Environmental Protection Agency (Epa)	49	49	26	(23)	-48%
Other Ministries And Agencies (Oma)	35	35	21	(13)	-38%
Temple Of Justice (Toj)	61	61	16	(45)	-74%
Liberia National Police (Lnp)	6	6	14	8	124%
Youth And Sports (Mys)	9	9	10	2	22%
National Commission On Higher Education (Che)		9	9	0%	
Liberia Copyright Office (Lco)	0	0	0	(0)	-35%
Forestry Development Authority (Fda)	-	-	-	-	0%
National Identification Registry (Nir)	-	-	-	-	0%
LIBERIA ELECTRICITY CORPORATION (LEC)					

Source: LRA Tax Administration System

Service to Stakeholders

TAXPAYER SERVICES

The division is one of the four (4) divisions that report to the Deputy Commissioner General for Operations and Technical Affairs. It is headed by an Assistant Commissioner and has two sections – Taxpayers Inquiries, Information and Education and Banks Service Delivery and Monitoring.

Key achievements

1. Conducted 61 tax education outreach programs which focused on LRA Compliance Clustering System in Districts 2, 4, 5 and 12 in Montserrado, general compliance in collaboration with Voluntary Hub Liberia, vehicle registration in collaboration with Ministry of Transport, World Custom Day in Buchanan and Excise Tax Stamp in collaboration with Domestic Tax.
2. Conducted eleven customer service trainings, three of which were conducted for newly recruited staffs, two for TPSD and RRP staffs in collaboration with RG3, one Training of Trainers training and six trainings for Tax and Customs Business Offices
3. Conducted one survey in collaboration with RG3 to ascertain taxpayer satisfaction level with LRA services provided.
4. Acquired through partnership Toll Free Post-pay service for LRA Call Center with RG3 and all log to generate calls from the directory. LRA Call Phone Directory updated, Call Center Strategy executed and Outbound calls now available.
5. Conducted sixteen (16) tax clinics for newly registered businesses, Liberia Business Association Members, organizations and agencies which focused on general compliance, customs duties, withholdings on income, rent, etc.
6. Distributed to taxpayers through LRA concierge desks, service windows and road shows Sixty Thousand Three Hundred (60,300) pieces of tax and customs forms and information flyers and brochures were printed
7. Conducted eighty-three (83) radio talk shows highlighting every aspect of LRA functions, encouraging general compliance, reminding taxpayers of due dates, etc.
8. Conducted five (5) compliance checks of the MOU with all commercial banks and held three quarterly review meeting on all Transitory Accounts held at Commercial Banks for Tax of collections purposes.
9. Conducted assessment on compliance at fourteen (14) service windows and all LRA Billboards in and around Monrovia, signage at HQ and service centers and made recommendation for rebranding and replacement where necessary. All signage in LRA Headquarter were assessed and the damaged ones were replaced.
10. Addressed ninety percent (90percent) of all inquiries, complaints and recommendation from taxpayers via the concierge desks, emails and call center
11. Developed an FAQ platform and uploaded to LRA Intranet for testing and onward uploading to LRA website; developed and turned over to HRMD for implementation Operational Manual in conjunction with the Training Manual and produced LRA Training Curriculum in collaboration with RG3.

COMMUNICATION, MEDIA & PUBLIC AFFAIRS

The CMPA Section is responsible to disseminate factual, clear and accurate information about the LRA and its existence to the public through media and other engagements and as well as working with other units, divisions and sections through outreach activities.



Key achievements

The following were key achievements made by the Communications, Media and Public Affairs section of the LRA:

1. The section worked along with RG3 consultants, William Cleary and team, in developing a robust communications strategy and a Communications, Media and Public Affairs plan for the next five years. A proposal of new logo designs and several designs for different graphic materials were included in the package.
2. Enhanced internal communication by updating bulletin boards and producing short educative video messages about LRA activities
3. Built a strong media partnership including an active and ever-ready emergency media response team.
4. The CMPA Section facilitated 215 media publications including
 - 28 press releases
 - 45 Public Service Announcements and Revenue Notices
 - 15 Exchange Rate Notices
 - 17 Procurement Notices
 - 110 tax info on social media
5. Signed and implemented 28 Advertising contracts with 14 major radio stations to enhance dissemination of tax messages through talk shows, dramas and jingles
6. The CMPA produced 12 tax education videos—highlighting the importance of paying taxes and processes and procedures of payment
7. Responded to over 45 media and public inquiries including two Freedom of Information Requests
8. Established professional relationship with at least 35 radio stations across the country, thereby creating more media space for LRA activities; Increased broadcast media coverage to 85percent of radio stations in Montserrado County
9. Facilitated more than 84 radio talk shows and Call-Ins on various issues (tax awareness, customs and enforcement) in Monrovia and the rural counties
10. The CMPA strengthened internal communication processes for staff to be able to clearly articulate the LRA activities with the public. By this, the CMPA regularly updated all the major bulletins boards with up-to-date information to include:
 - General Information/Announcements
 - Internal Memos
 - Employees sign-up to social media
 - Newsletters
11. Facilitated mass media coverage/publicity on 10 major events, LRA Taxpayers
12. Appreciation Day, International Customs Day, Customs Training Launch and Signing
13. Ceremony for ITAS
14. Established an effective media monitoring mechanism for both print, broadcast and social media. This level of effective media monitoring and reports have enabled the LRA, through the CMPA Section, to effectively and promptly respond to misinformation and erroneous media reports.
15. Branded and produced 48 documents/information including:
 - Tax information
 - Annual reports
 - Visual materials
 - Award certificates
 - Due dates
16. Completed 75 social media post, providing information, education and other updates on Facebook, LinkedIn, You tube, Twitter and LRA Website.

System Management

MANAGEMENT INFORMATION SYSTEM

The Management Information Systems (MIS) Division is one of the technical support divisions of the Liberia Revenue Authority. The MIS Division leads IT back-office operations, network administration, and systems, program/software development and acquisition efforts. Additionally, MIS is responsible to provide expertise in the selection and operating technological solutions for the Authority's lines of business such as Customs and Domestic Tax administration, software development, Finance & Human resources management, and all other enterprise-wide activities such as security and business continuity planning.

The increasing use of technology by the LRA has made the MIS central to the corporate governance and operations of the LRA.

Key achievements

In line with its stated goals and objectives and robust approach to the LRA IT enhancement, the MIS overall activities can be centered around the below categories:

Promote ICT Governance

Manage ICT Solutions & Tools

Improve ICT Infrastructure

Integrated Tax Administration System

The implementation of the Integrated Tax Administration System (ITAS) is a major undertaking of the LRA and the GoL at large. The ITAS Project is crucial to the Government's strive to gather sustainable domestic resource for inclusive growth financing and poverty reduction as mandated by the DRMS. The project seeks to achieve two main objectives: (1) improve taxpayers' compliance and (2) increase domestic revenue. The project when completed will avail a self-service platform to taxpayers with value-added functionalities such as online registration, online filing, online payment and minimum data entry (due to multiple integrations with other systems).

The ITAS Project is being implemented with funding (US\$5,332,228) from the International Development Association (IDA), European Union, and the Government of Sweden, through the overall Public Financial Management Reforms and Institutional Strengthening Project (PFMRISP). The project will be implemented over a period of 5 years – 3 years of implementation services and 2 years of post-implementation warranty support.

Electronic Fiscal Device (EFD) Implementation

The project involves the setup of an Electronic Fiscal Device Management System and deployment of fiscal devices to record sales of taxpayers engaged in manufacturing and trading of goods and services.

The LRA contracted Tracom Services Ltd to implement the Electronic Fiscal Device System on a Build, Own, Operate and Transfer arrangement.

So far, the system has been set up and taxpayers' engagement is ongoing. Training of LRA staff (Train the Trainer) by the solution provider has been completed and training for wider group of users to is expected to begin soon. User Acceptance Testing of the EFD Management System has been completed. The system is being piloted to selected taxpayers.

Online Customs Tariff Portal

The LRA online Customs Tariff Portal allows access to an updated customs tariff data via an easy-to-use tool that provides customs tariff codes, classification notes, and customs duties. The portal also allows user to estimate customs duties, excise, ECOWAS levy, and goods and services tax based on country of origin and other parameters (e.g., vehicles will calculate overage). Currently, the application is completed and is available on the LRA website for public access.

Other Digital Initiatives projects undertaken or implemented during the period under review include development of the following:

1. Tax Clearance Certificate application platform - offers taxpayers the convenience to request and obtain tax clearance certificate online
2. Online Verification Portal - validation of Taxpayer Identification Number (TIN), Payment Receipts, Tax Type & TCC Certificate
3. Online Payment Platform - allows individuals and organizations to pay taxes, custom duties and fees (including MOT related fees) online using electronic payment cards (VISA, MasterCard, AMEX),
4. Duty Free Application - allow individuals, companies and organizations to conveniently submit requests for duty free privilege online for which enrollment is ongoing
5. LRA mobile application - an android application that facilitates the registration of individual taxpayers and real property, with release 2 test ongoing
6. Online Receipt Generator - platform that enables taxpayers to generate receipts online for payments made to the LRA; phase 2 is pending
7. LRA Reconciliation Tool -desktop client application that reconciles payments in TAS with bank statements; Phase 2 to begin after phase 1 go-live
8. Web-based TAS - version of the existing desktop TAS. It enables tax officers and bank tellers to process taxes and fees related transactions online using the internet; rollout to TBOs pending
9. Simplified Declaration - a module on ASYCUDA with simplified workflow to allow a single tax officer to process declaration and payment end-to-end
10. Mobile Money Expansion - expand the number of taxes and fees that are payable by mobile money; configuration is ongoing
11. Bank Payment Integration - a backend integration (API) that exchange data between Ecobank's banking applications and LRA systems in real time.
12. Find Customs Broker - a web application that enables public to identify and complain/applaud custom brokers; testing pending
13. SMS Client - An application that enables LRA to send bulk SMS to taxpayers
14. LRA - LME Integration - a backend integration (API) that exchange data between Ministry of Mines and Energy and LRA systems in real time.
15. Online Vehicle Registration and Driving Licensing Application - a web-based application for renewal of vehicle registration and driver license by vehicle owners and drivers. The application is interfaced with the LRA online payment to enable payment through electronic payment cards.
16. Customs Port Automation Project - to allow the integration of ASYCUDA to all port operators systems to allow for a unified ecosystem



Monitoring Compliance

CORE BUSINESS

Domestic Tax Overview

The Domestic Tax Department (DTD) is one of the core public service departments of the LRA, charged with the responsibility to exercise control over all categories of taxpayers. The Department has a primary responsibility of collecting national domestic revenues, thus applying the revenue laws of the Republic of Liberia. To discharge its function, DTD is comprised of four divisions, seven direct reporting sections, and one unit. These include, Large Tax Division, Medium Tax Division, Real Estate Tax Division, Government and Non-for-profit Division, Small Micro Tax Section, Tax Business Offices, and the Natural Resource Tax Section. Other reporting sections and units are the International Tax Section, the Reform and Modernization Section, Registration and Returns Processing, Business Policy Section, and the Tax Compliance Risk Management Section.

Functions

While the main objective of the Department is the collection of legitimate domestic revenue, its strategic objectives are fixed on: increasing the number of taxpayers and enhancing compliance; quality service delivery; sound and robust enforcement mechanism; and the conduct of appropriate tax audits.

The core functions of the Domestic Tax Department are:

1. Control of Taxpayers' Return
2. Services (Enterprising)
3. Audit
4. Collection and enforcement

Below are the accomplishments of the Department in line with the aforementioned core functions.

Control of Taxpayers' Return

The Assessment, Analysis, and Accounting (AAA) sections' primary function is to control and validate the lodgement of taxpayers' returns regularly. During the last reporting period, the Department further strengthened the management of taxpayers' return/profile of the AAA Sections. This was done by creating and implementing the Desk Review/Audit program, redesigning the Sections' business processes, and increasing the level of monitoring and validation of returns being lodged. This approach is to adequately control and validate taxpayers' lodgement by economic sectors,

including manufacturing, merchandising, natural resources, inter alia. It also serves to pursue taxpayers' reports and declaration by tax types as per sectors that will inform authorities of the level of compliance, performance, and needed interventions where and if applicable. Additionally, the mechanism was employed to ensure that returns being lodged are adequate, complete, and correct.

To date, the Department has embarked on its plan to mitigate the risk associated with incorrect and incomplete tax roll. This plan aims to capture taxpayers' complete information, thus verifying current information in the Standard Integrated Government Tax Administration System (SIGTAS) and updating information where required. DTD has also embarked on the expansion of the tax base by capturing new businesses, while providing education and enforcement to ensure full compliance.

Services

Taxpayers' service delivery is cardinal to the compliance assurance program of the Department. Delivering effective and efficient services to taxpayers enable them to know their rights and responsibilities. During the year in retrospect, the Department liaised with the Taxpayer Service Division in the conduct of series of engagements with Tax Practitioners to ensure that their clients are compliant with the law. Participating stakeholders during these engagements included the mining, agriculture, and forestry sectors, the Liberia Institute of Tax Practitioners, the Liberia National Tailor Union, the Petty Traders Association, as well as Ministries, Agencies, and Commissions of Government.

Audit

The primary objective of the Department's Audit Program is to promote voluntary tax compliance. A well-managed audit program plays a pivotal role in ensuring compliance. An effective audit program will have significantly broader impacts than just raising revenue directly from audit activities. In addition to the taxpayer audit function's primary role, as stated above, auditors are often required to carry out intensive tax education and awareness as a preventive and corrective measure. The strategy is to improve taxpayers' compliance and mitigate the level of enterprise and industrial risks.

In the Fiscal Year 2020/21, the Department conducted 303 audits through its audit program for the Large Tax Division and the Small Tax division, of which 107 audits

were assigned to the Large Tax Audit Section. Large Tax completion rate of the audit was 75 percent (76 completed audits), which yield US\$1.6 million and L\$4.5 million. The Medium Tax Section was assigned 196 planned audits during the period and had a completion rate of 64 percent (125 completed audits), which yield US\$148.3 thousand and L\$ 1.2 million.

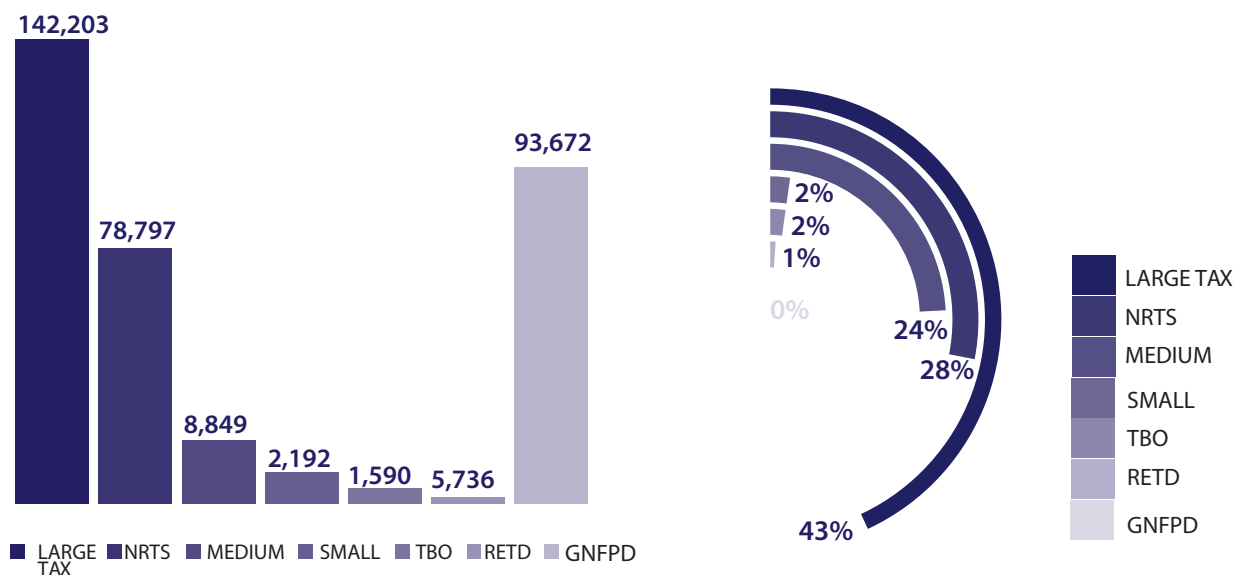
Collection and Enforcement

The Department's tax debt management program, structured into teams, economic sectors and tax debt collection, is being executed per zones. That is, enforcement officers are deployed in Monrovia and its environs based on the administrative demarcations of the city. During FY2020/21, the Department ensured compliance through

robust enforcement, collaboration, information dissemination between sections, divisions, and departments, and assessing and collaborating with other government agencies and line ministries.

As a result of this exercise, the Enforcement team, Debt collectors and AAA collected a consolidated amount of US\$3.2 million (of which US\$3.2 million and L\$1.6 thousand) for the period under review. The total collection from the audits for the period when consolidated was US\$24.9 million, which accounts for 7 percent of the DTD revenue intake.

Collection by Divisions and Sections



Source: Tax Administration System

FISCAL YEAR 2020/2021 PROJECTION AGAINST ACTUAL

Divisions	FY 20/21 Projection	FY 20/21 Actual US\$	FY 20/21 Actual LRD	FY 20/21 Actual CONS.	Variance	% Achieved
Large Tax	117,973	71,024,217	12,693,856,170	142,203	24,231	121%
NRTS	56,223	78,764,885	5,767,606	78,797	22,574	140%
Medium	11,754	7,652,094	215,588,821	8,849	-2,905	75%
Small	2,494	1,722,061	85,047,000	2,192	-301	88%
TBO	1,353	806,019	139,696,649	1,590	236	117%
RETD	5,239	4,605,942	202,569,649	5,736	497	109%
GNFPD	71,233	74,127,929	3,485,984,991	93,672	22,438	131%
Totals	266,269	238,703,147	16,828,510,885	333,039	66,770	125%

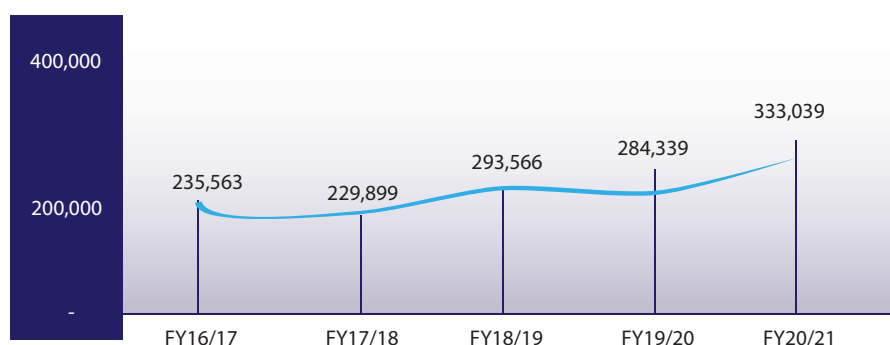
Source: Tas Administration System

Collection by Divisions and Sections

FY 2020/2021 OUTLOOK

MAJOR TAX KIND	TARGET	ACTUAL COLLECTIONS US\$	ACTUAL COLLECTIONS LRD	CONS.	VARIANCE	% TOTAL
Income & Profit	129,742	124,715,665	9,202,765,953	176,238	46,495	36%
Property Taxes	5,239	4,535,177	202,283,757	5,664	425	8%
Goods & Services	41,133	30,461,042	3,745,352,555	51,385	10,252	25%
Other Taxes	4,734	3,560,000	-	3,560	-1,174	-25%
Property Income	70,492	60,464,365	3,544,224,486	80,469	9,977	14%
Administrative Fees	14,160	14,524,072	117,346,650	15,187	1,028	7%
Penalties and Interest	488	435,105	16,085,311	526	37	8%
Miscellaneous	281	7,722	452,172	10	-271	-96%
	266,269	238,703,147	16,828,510,885	333,039	66,770	25%

Source: Tas Administration System



DOMESTIC TAX DIVISIONAL COLLECTION, COMPLIANCE & ENFORCEMENT INTERVENTION

LARGE TAX DIVISION

The Large Taxpayers' Division is one of the three divisions within the Domestic Tax Department and manages the compliance of taxpayers whose annual turnover is L\$30 million and above or those in the Banking, Finance, Insurance and Telecommunication sectors. It is a Public Service Division charged with the domestic administration of all large taxpayers. The Division is made of three core sections, including, AAA, Audit, and Collection and Enforcement.

As per SIGTAS Registry, there are six hundred-eighty-three (683) Active Taxpayers, with Sixteen (16) Sectors for the period under review. The sector percentages to

the Active roll includes, 18 percent Public Administration, 34 percent Wholesale and Retail representing the largest sector, 10 percent Finance & Insurance Sector; 4 percent Administrative and Support Service Activities Sector; 4 percent Transportation and Storage Sector; 12 percent Construction Sector; 7 percent Manufacturing Sector; 2.3 percent Accommodation and Food Service Activities Sector; 3.2 percent information and Communication Sector and 3.2 percent Professional, Scientific and Technical Activities Sector; with other sectors jointly making the balance 2.3 percent. The analysis of the tax roll did not account for the Natural Resource Tax Section (NRTS) taxpayers.

AAA Activities

The chart below shows that AAA served seven hundred thirty (730) bills for delinquent taxpayers in the amount of US\$2.7 million in assessment during the fiscal period under review, which includes penalty and interest charges.

#	# Of Bills	Tax Kind	Tax Amount	Penalty + Interest	Total Tax Due
1	730	CIT/W/H & GST	2,559,735	139,877	2,699,612

Delinquent Assessment by AAA for the Fiscal period

Revenue Collection

The Large Taxpayers' Division was charged with the responsibility to collect a total of US\$117,972,604 and the table below shows the projections against the actual collections during the period under review as per the individual tax kind.

Large Tax Projection against actual Collection

LARGE TAX DIVISION FISCAL YEAR 2020/2021 OUTLOOK

MAJOR TAX KIND	YTD TARGET	ACTUAL COLLECTIONS US\$	ACTUAL COLLECTIONS LRD	YTD CONS.	VARIANCE	% TOTAL
Income & Profit	44,587	33,277,108	5,592,291,126	64,566	19,978	45%
Goods & Services	29,298	18,730,460	3,557,845,362	38,620	9,322	32%
Other Taxes	-	-	-	-	-	-
Property Income	43,593	18,772,447	3,543,116,631	38,770	-4,823	-11%
Penalties and Interest	215	243,787	585,110	247	32	15%
Miscellaneous	278	416	17,942	1	-277	-100%
	117,973	71,024,217	12,693,856,170	142,203	24,232	21%

Source: Tax Administration System

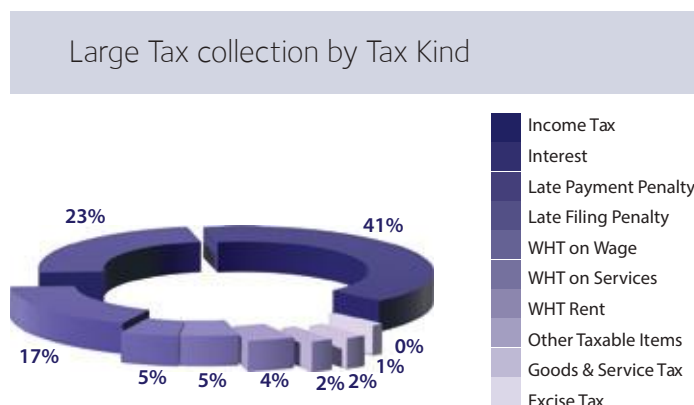
Audit Activities

As a result of cases audited during the period, the following assessments were raised:

	Num(s)	Amended Num(s)			
Audit Cases Brought Forward	50	50			
Audit Cases Added in 2019/2020	48	56			
Total Cases to be Performed	98	106			
	Num(s)	Assessment	Rates	Total Amount	
MONTH		USD	LRD	USD	
July, 2020	2	134,784		1	134,784
August, 2020	14	256,043	1,058,678	170	262,271
September, 2020	3	136,987		1	136,987
October, 2020	4	87,115		1	87,115
November, 2020	2	80,628		1	80,628
December, 2020	2	47,906		1	47,906
January, 2021	3	-335,332		1	-335,332
February, 2021	7	1,598,723		1	1,598,723
March, 2021	11	737,358		1	737,358
April, 2021	10	8,243,363	20,343,452	170	8,363,031
May, 2021	5	400,680		1	400,680
June, 2021	11	564,168		1	564,168
Total Audits To Date	74	11,952,423	21,402,130		12,078,319
Total Outstanding	24	32			
Total % of Completion	76%	70%			

Seventy-four (74) audit cases were completed and served out of the total planned cases of 106. Total revenue generated from the tax audits completed and served was US\$12.1 million, which can be broken down into US\$11.9 million and L\$21.4 million. The amounts reported as assessed tax revenue are inclusive of penalties and interest computed to deter taxpayers for non-compliance.

During the period under review, the following sources accounted for audit assessment raised in terms of tax kinds:



Source: Tax Administration System

Income Tax (CIT/advanced CIT) contributed 41 percent of the total audit assessment. Most of the taxpayers were also penalized for not withholding taxes and remitting same to the Government of Liberia. The Interest levied on taxes not paid constitutes 23 percent, while late payment penalty is 17 percent of the overall revenue assessed for the period.

E-Filing

To ensure the timely payments and filings of due and payable taxes, the Domestic Tax Department launched the e-Filing platform with a rollout plan. The Large Tax Division was used as a pilot project. There has been a steady continual growth in the number of taxpayers enrolled on the platform. There was a total of 44 e-filing enrollees during the period. As at June 30th 2021, out of the enrolled numbers, large tax division had a total number of three hundred thirty-two (332) e-filers registered.

Medium Tax Division

The Medium Tax Division (MTD) is the arm of the Department responsible for ensuring taxpayers' compliance in the medium category. The main criteria used to categorize taxpayers is the gross annual turnover, and as such, medium taxpayers are taxpayers with a gross annual turnover of more than L\$3 million and up to L\$30 million.

Revenue Collection

Collection for FY2020/21 is US\$ 8.8 million. Current collection trend when compared to last fiscal FY2019/20 period shows a decline of US\$10.1 million or 53.1 percent. Collection against projection however shows underperformance of US\$2.9 million. The total projection for the Division was US\$11.6 million.

Medium Tax Collection against Actuals

FISCAL YEAR 20/21 MEDIUM PROJECTION AGAINST ACTUAL

MAJOR TAX KIND	YTD TARGET	ACTUAL COLLECTIONS US\$	ACTUAL COLLECTIONS LRD	YTD CONS.	VARIANCE	% TOTAL
Income & Profit	9,246	6,920,597	199,472,675	8,029	-1,217	-13%
Goods & Services	2,428	712,353	15,538,147	797	-1,630	-67%
Property Income	-	-	-	-	0	-
Penalties and Interest	81	19,144	578,000	23	-58	-72%
Miscellaneous	-	-	-	-	0	-
TOTAL	11,754	7,652,094	215,588,821	8,849	-2,905	-25%

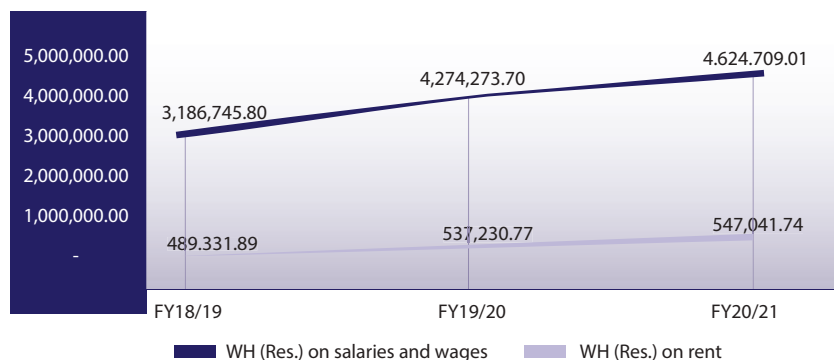
Source: Tax Administration System

Summary by Tax Kind

Collection against performance shows that all the major tax kinds are underperforming. However, based on comparative analysis from past periods, we see that the only tax kind that underperformed is Withholding on Payment for Service Rendered (both resident and non-resident).

Withholding on Wages & Salary Performance Trend

Withholding on Wages & Salaries and Withholding on Rent



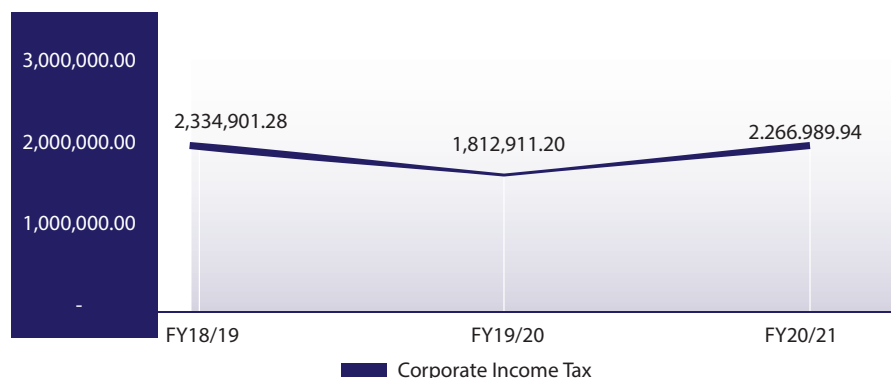
Source: Tax Administration System

Performance for Withholding on Wages and Salaries continues to see growth from US\$3.2 million in FY2018/19 to US\$4.6 million in FY2020/21. Withholding on Rent also sees a continuous, but a comparative slight growth from US\$489 thousand in FY2018/19 to US\$547 thousand in FY2020/21.

Trend in Collection: Corporate Income Tax

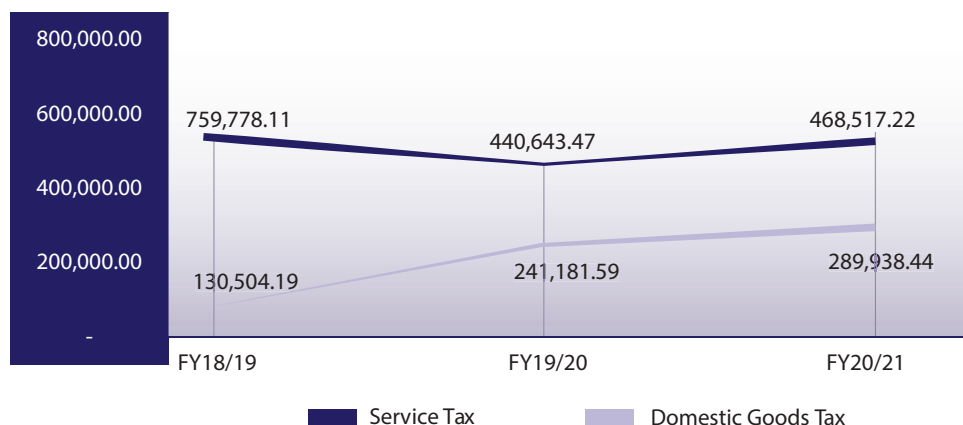
Corporate Income Tax

Collection on corporate income tax (CIT) for FY2020/21 show a rebound from US\$1.8 million in FY2019/20 to US\$2.3 million in FY2020/21 despite the closure of some major businesses following the first wave of the COVID 19 pandemic.



Trend in Collection: Goods and Services Tax

Goods and Services Tax

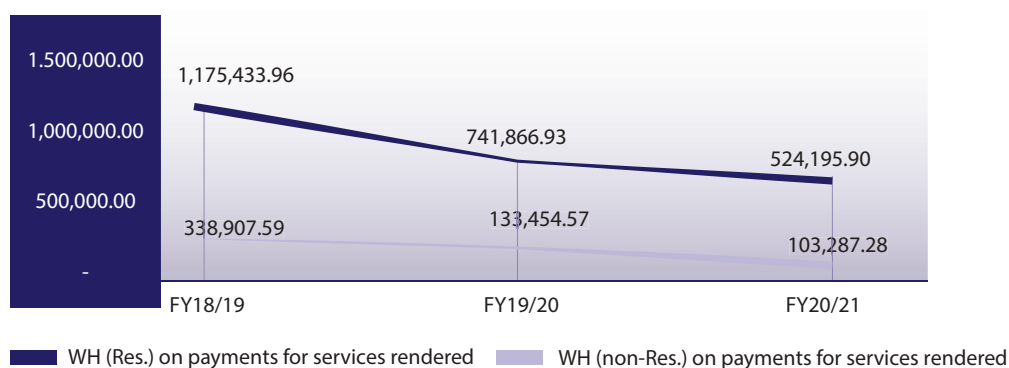


Source: TAS as at July 15, 2021 (unreconciled)

Collection for goods and services tax is shown in the figure below. Though both tax kinds show growth from the last fiscal year, collection from service tax has not still yet reached its FY2018/19 potential or surpassed it.

Trend in Collection: Withholding on Payment for Service Rendered

Withholding on Payment for Service Rendered



Withholding on Payment for Service Rendered (both resident and non-resident) continues to show a decline since FY2018/19.

Source: TAS as at July 15, 2021 (unreconciled)

Division Activities

At the beginning of the fiscal year, there was a significant change in the coverage of the Medium Tax Division. Over 5,000 taxpayers constituting the previous top two highest sectors (Wholesale and retail trade sector and Professional, scientific, and technical services sector), Human health and social work and Education sectors, have been transferred to the Government and Not-for-Profit Division. The two sectors contribute to over 50 percent of the total collection for medium tax category, excluding the natural resource sector.

With the remaining sectors currently being handled by the Medium Tax Division, the most prospective growth sector is the Wholesale and retail trade. The Division has focused on data mining from the ASYCUDA system and has the following:

1. Gross discrepancy was noted in calculated CIF value versus declared sales based on advanced quarterly CIT. The AAA generated additional assessments for those under-declared sales amounting to US\$49.1 thousand.
2. 245 medium taxpayers (based on the level of importation in ASYCUDA) wrongly categorized as small taxpayers were transferred appropriately. More than 75 percent of these taxpayers were not declaring or paying any taxes on income.

The Domestic Tax Department commenced the second phase of the implementation of the Compliance Clustering System (CCS) of which the Medium Tax Division plays a pivotal role.

E-filing became mandatory for medium taxpayers in the fiscal year. The process of registration of medium taxpayers to the electronic filing (e-Filing) platform also commenced.

AAA Activities

The Division submitted a list of 3,724 taxpayers for suspension and so far, 1,343 taxpayers have been suspended with the rest pending further investigation.

The Medium Tax Division, the GNFPD, RG3, Taxpayer Services Division, Domestic Tax Modernization, and Communications Section began the implementation of the roll out of medium taxpayers to the e-filing platform. Training was conducted for tax practitioners to aid in the registration of taxpayers they represent. The AAA team conducted registration of taxpayers on the platform through field visits in quarter 2 of the fiscal year. A total of 383 taxpayers were captured during this field exercise. A total of 885 medium taxpayers were registered with 576 medium taxpayers actively filing returns via the e-Filing platform as at the end of the fiscal year.

Desk review was conducted and a total of 3,261 assessments were raised for the year and forwarded to Enforcement Section for delivery. The assessments amounted to total amount due of US\$1.0 million of which total tax due is US\$756.8 thousand and total penal charges US\$279.5 thousand.

Special emphasis was placed on the use of available third-party data in ASYCUDA, and an analysis template was developed to aid the Compliance Officers in their review of the Wholesale and Retail sector. From the review of cost based on CIF value declared to Customs versus sales declarations made in SIGTAS, the following additional assessments were raised as shown in the table below.

Audit Cases Selection Summary

Period	No. Of TP	Amount Assessed	Payment Made
October	15	19,567	4,630
November	7	3,504	4,004
December	7	2,400	2,400
January	3	2,985	5,910
February	2	2,400	400
March	12	11,625	9,700
April	6	5,270	5,270
May	3	1300	1300
June	-	-	-
Total	55	49,050	33,614

Tax Clearance:

The total number of tax clearance approved for the fiscal year 2020/21 was 1,502. During the same period, a total of 43 request were outstanding as at the end of the reporting period.

Audit Activities

The total number of taxpayers selected for audit planned to be conducted for the fiscal year was 196 audits. Below is a breakdown of cases selected for audit:

Audit cases roller forward (2020/2021)	99
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Audit cases added from Risk Section	97
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Total cases to selected for auditm(2020-2021)	196
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Audit Cases Selection Summary

Below is the breakdown of the planned audit engagements by additional category. The total number of taxpayers selected for audit outside Montserrado was 27. The cases selected included cases for other counties other than Montserrado – Grand Bassa, Margibi, Nimba and Bong.

Cases selected per other categories

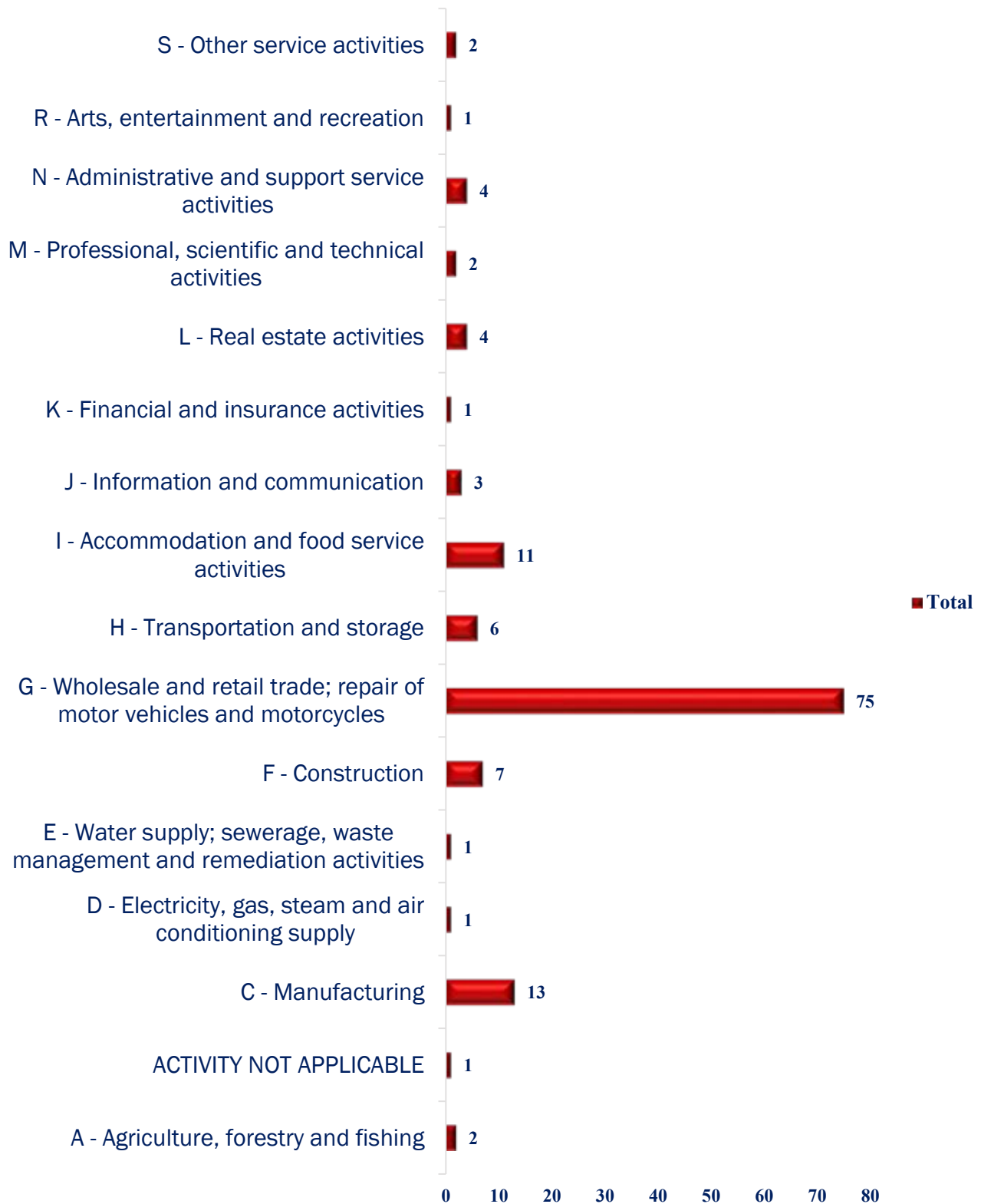
Item	Total
Rural/Outstation	27
Urban	165
Issues	4
Total B/F	196

The cases selected included cases for other counties other than Montserrado – Grand Bassa, Margibi, Nimba, and Bong.

As at the end of the fiscal year, there were one hundred thirty-four (134) audit cases published, forty-three (43) cases not started and nineteen (19) audits ongoing at various levels of fieldwork.

Audit cases completed by sector

Total Cases Completed



Losses Overturned

Of the taxpayers selected for audit, 56 taxpayers declared loss amounting to US\$6.5 million and L\$39.5 million. Findings per audit overturned the loss by US\$7.5 million and L\$77.8 million. Total assessment raised for these taxpayers amounted to US\$341.1 thousand and L\$9.3 million.

Enforcement Section

Debt Portfolio: Total unreconciled debt stands at US\$12.5 million. Total bills raised for the fiscal year amounted to US\$2.3 million of which US\$0.8 million was collected on the bills. See table below.

Collection on bills				
Items	# of Taxpayers	LD	Amount USD	Aggregation (USD)
Overdue Tax B/F	3,470	54,927,942	10,799,842	11,078,069
Add: Current Amount	503	26,860,459	2,116,743	2,269,075
Less: Amount Collected From B/F	25	3,482,575	39,845	57,379
Less: Amount Collected from Current	314	13,612,567	669,404	745,360
Balance Carried Forward	3,702	64,693,260	12,207,336	12,536,212

Source: Tax Administration System

Small & Micro Tax Division

The Small & Micro Tax Section (SMTS) is one of the core Sections of the Domestic Tax Department, responsible for taxpayers in the categories of Small and Micro businesses. The Section comprises of four sub-sections which include: Analysis, Assessment and Accounting (AAA Section), Audit Section, Enforcement Section and Micro Unit. The Section also comprises of five urban Tax Business Offices (Urban TBOs).

The Small & Micro Tax Section facilitates tax collection through the analysis, assessment and accounting of taxpayers' record, improvement of declarations and payments, compliance and enforcement mechanisms and petty traders' program. The tax roll analysis to date indicates that SMTS currently manages eighty-two thousand (82,000) registered taxpayers, excluding petty traders

who are also managed by the Section. Due to the lack of proper inventory on petty traders, it is a cumbersome task in managing them. On the overall in terms of collection, the Section collects less than large and medium taxpayers but the Section has a very huge number of Small & Micro businesses to handle especially dealing with informality and petty-traders.

During FY2020/21, SMTS collected US\$2.2 million against a projection of US\$2.5 million, indicating that the Section did not meet target by US\$301 thousand or 12 percent. The SMTS performance for the period under review was largely skewed towards tax revenue which accounted for about 99 percent of the entire amount collected. Taxes on Income and profit was a major contributor. Compliance check and desk review of tax payers' declarations greatly improve the collection on withholding taxes, especially withholding on rent.

FISCAL YEAR 20/21 SMALL TAX PROJECTION AGAINST ACTUAL

MAJOR TAX KIND	TARGET	ACTUAL COLLECTIONS US\$	ACTUAL COLLECTIONS LRD	CONS.	VARIANCE	% TOTAL LRD
Income & Profit	2,282	1,627,405	83,681,424	2,090	-193	-8%
Goods & Services	184	80,058	797,074	85	-100	-54%
Property Income	-	-	-	-	0	-
Penalties and Interest	27	14,559	568,501	18	-9	-33%
Miscellaneous	-	40	-	0	0	-
	2,494	1,722,061	85,047,000	2,192	-301	-12%

Source: Tax Administration System

Revenue Collection

During FY2020/21, the average monthly collection for SMTS was US\$222 thousand. Collection peaked in April mainly on account of PIT for residents 200(a) and Presumptive (small Tax) 4 percent which contributed US\$229 thousand or 55.4 percent. Taxes on Income and Profit was the key performing tax kind for the period under review, accounting for 95.0 percent of SMTS total collection. Key drivers include; withholding taxes on wages and salaries, withholding taxes on rent and presumptive (small tax) 4 percent which contributed 30 percent, 26 percent and 24 percent respectively.

AAA Activities

Based on the tax clearance report portal, three thousand seventy (3,070) tax clearances were issued. The tax roll of eighty-two thousand Small Tax payers is being monitored by ten (10) compliance Officers who usually work in a team of three (A, B & C). Due to the huge tax roll, staff to taxpayer ratio continuously remains high which makes it difficult for a compliance officer to fully monitor the assigned taxpayers on a monthly basis. During the Fiscal year under review, collection was realized from 289 taxpayers, accounting for US\$156.7 thousand or 12 percent of bills received (arrear and current). The current debt stock stands at US\$1.2 million.

Enforcement Activities

The enforcement section implemented the Community Compliance Clustering System (CCS) geared towards identifying noncompliant taxpayers and grouping them into clusters for effective monitoring. In order to enhance revenue collection, the section also embarked on intelligence gathering. With this strategy, enforcement officers were sent in the field to identify owners of commercial properties with the aim of bringing to book property owners who under declared their rental incomes. This exercise hugely contributed to the hike in the rental income collection during the period under review. Additionally, a vigorous collection and enforcement exercise was conducted successfully on bills delivered. Through this exercise, the section was able to collect payments on about 85 percent of audit bills delivered. Estimated assessment bills emanating from AAA section was conducted with proper care and accountability. 90 percent of bills received were delivered with great improvement in compliance and accountability. AAA and Audit bills were vigorously served and joint-enforcement exercises with the Urban Tax Business Offices were key in what was referred to as "smart enforcement strategy". The outcome of which was reflected in the TBOs collections. Camp Johnson Road joint enforcement exercise alone raised US\$7.9 thousand and L\$138.9 thousand with a consolidated amount of US\$8.8 thousand.

As part of efforts to improve on compliance and enforcement, the enforcement section introduced what is term in small taxpayers' handling as the "Block Management System (BMS)" mapping exercise which in this case divided

Montserrado County into five (5) Tax Districts and created Tax Blocks. This system is intended to effectively execute smart enforcement considering the manpower and logistical constraints faced by the Micro & Small Tax Section. The diagram below depicts Central Monrovia version of the BMS matrix.

Enforcement Compliance Management

The total bills raised during FY2020/21 accounted for US\$509.4 thousand and L\$30.3 million. Collection realized for the period was US\$228.2 thousand and L\$22.5 million. The corresponding debt stock for Small & Micro Tax Section (SMTS) stands at US\$1.8 million and L\$13.5 million. Bills emanating from AAA comprised of Block Management System (BMS) and Community Compliance Clustering System (CCS).

MICRO UNIT

As a strategy in dealing with the informal sector and petty traders, the Micro Unit through its stakeholders' engagement and petty traders' compliance program was instrumental in conducting a number of tax dialogues/clinics in order to foster tax compliance through registration, filing,

payment and reporting. The Unit liaised with the Business Policy Unit of Domestic Tax Department in the drafting of an MoU. Additional payments were also realized from other taxpayers (associations, unions, producers, vendors, etc.).

Urban Tax Business Offices

The Urban TBO demarcation Plan which widened the scope of TBOs operations was developed and approved. This exercise was preceded by the TBO joined enforcement – which was an enforcement strategy intended to beef up the capacity of Urban TBOs in their collection exercise. This exercise increased collection from Urban Tax Business Offices. The division intends to replicate this exercise in other Tax District during the next fiscal year.

Additionally, SMTS also worked on the establishment of the Central Monrovia Tax Business Office which is currently undergoing construction. The establishment of this TBO will help address the hurdles and improve the slow pace of collection of the micro and small businesses in that commercial hub.

During the period under review, the Urban Tax Business offices contributed US\$410.3 thousand against a projection of US\$392 thousand, thus exceeding projection by US\$18.3 thousand or 5 percent.

Urban Tax Business Offices Month-on-Month Performance ('000 US\$)

TBO	DUALA			RED LIGHT			BENSONVILLE			FREE PORT		
MONTH	PROJ.	ACTUAL	VAR. +/-	PROJ.	ACTUAL	VAR. +/-	PROJ.	ACTUAL	VAR. +/-	PROJ.	ACTUAL	VAR. +/-
JULY	8	8.06	0.06	10.00	7.82	-2.18	6.00	3.87	-2.13	8.00	6.46	-1.54
AUGUST	8	6.38	-1.62	10.00	11.05	1.05	6.00	3.68	-2.32	8.00	8.47	0.47
SEPTEMBER	10	6.28	-3.72	12.00	9.16	-2.84	8.00	4.09	-3.91	7.00	7.53	0.53
OCTOBER	10	10.53	0.53	12.00	14.33	2.33	8.00	4.44	-3.56	7.00	8.22	1.22
NOVEMBER	10	8.87	-1.13	12.00	12.60	0.60	8.00	5.66	-2.34	7.00	8.14	1.14
DECEMBER	8	4.18	-3.82	10.00	7.87	-2.13	6.00	3.43	-2.57	7.00	8.41	1.41
JANUARY	8	8.92	0.92	10.00	8.69	-1.31	6.00	4.10	-1.90	7.00	8.67	1.67
FEBRUARY	8	12.91	4.91	10.00	11.53	1.53	6.00	6.11	0.11	7.00	9.89	2.89
MARCH	8	12.74	4.74	10.00	9.78	-0.22	6.00	4.90	-1.10	7.00	8.08	1.08
APRIL	8	14.76	6.76	10.00	20.66	10.66	6.00	6.18	0.18	7.00	7.02	0.02
MAY	8	13.68	5.68	10.00	14.53	4.53	6.00	7.56	1.56	7.00	7.58	0.58
JUNE	8	10.46	2.46	10.00	9.44	-0.56	6.00	4.49	-1.51	7.00	8.09	1.09
TOTAL	102.00	117.77	15.77	126.00	137.45	11.45	78.00	58.51	-19.49	86.00	96.55	10.55

Source: Tax Administration System

Natural Resource Tax Section

The Natural Resource Tax Section (NRTS) is a specialized tax section within the Domestic Tax Department responsible for administering taxation in the natural resources sector of Liberia. The section is responsible for Audit and Analysis, Assessment, and Accounting functions in the Mining, Petroleum, Agriculture, and Forestry sectors. As of September 30, 2020, the section managed a total tax roll (inclusive of active and inactive taxpayers) of five thousand seven hundred and eighty-three (5,783) taxpayers (excluding Petroleum taxpayers due to the sector inactiveness). The tax roll includes 3,750 taxpayers in the Mining sector (inclusive of Class C Miners) with 1,953 active taxpayers, 1,597 in the Agriculture sector with 109 active taxpayers, and 436 in the Forestry with 88 active

taxpayers. Although the section consists of approximately five thousand seven hundred and eighty-three (5,783) taxpayers, only two thousand one hundred and fifty (2,150) taxpayers were active by the end of FY2020/21. The data cleansing project and process are ongoing to identify non-existence taxpayers, wrongly classified, etc., to ensure the tax roll reflects correction information of taxpayers' database.

Sector Performance

The NRTS target for FY2020/21 was US\$56.2 million against which US\$78.8 million was collected registering an over-performance/surplus of US\$22.6 million as shown below:

Sector Collections

Sector	Target (A)	Actual Collection (B)	Variance (B – A)	%
Total	56,222,775	78,797,110	22,574,335	154%
Mining	41,136,467	64,736,496	23,600,029	173%
Agriculture	11,814,788	9,525,820	-2,288,968	89%
Forestry	3,271,520	4,534,794	1,263,273	153%

Source: Tax Administration System

Tax Kind Collections

NRTS YTD OUTLOOK

MAJOR TAX KIND	YTD TARGET	ACTUAL COLLECTIONS US\$	ACTUAL COLLECTIONS LRD	CONS.	VARIANCE	% TOTAL
Income & Profit	24,105	32,329,077	4,834,852	32,356	8,251	34%
Goods & Services	587	1,284,696	80,000	1,285	698	119%
Other Taxes	4,734	3,560,000	-	3,560	-1,174	-25%
Property Income	26,762	41,582,546	852,723	41,587	14,826	55%
Penalties and Interest	36	8,567	30	9	-27	-76%
	56,223	78,764,885	5,767,606	78,797	22,574	40%

Source: Tax Administration System

The surplus in performance for FY2020/21 is mainly attributable to the collection of advanced taxes paid, royalties from the mining sector, WHT on wages and salaries from both the mining & agriculture sectors, and stumpage and area fees from the forestry sector respectively. Moreover, the various tax audits payments received, arrears installment payments, and desk reviews and compliance methods put in place have contributed to increase collections for various tax types across the sectors, registering an over performance. As a result, the Mining and Forestry sectors contributed hugely to the surplus experience by the Section in the FY 2020/21.

Agriculture sector

underperformance resulted from separate agreements GOL has with the concessionaires, allowing companies to either offset taxes against the government's liabilities or place them in a transitory account not processed by LRA. In contrast, the Road Construction/Rehabilitation project agreement with GVL enables the company to remit all taxes in a transitory account through which reimbursement will be done for all costs incurred during the construction/rehabilitation period.

Petroleum sector

Activities in this sector ceased in FY2018/19 due to the expiration of their Petroleum Sharing Contract (PSC) with the government without discovering commercial quantities, thus turning over the blocks to the government. As a result, for the FY2020/21, there were no projections and payments made from the sector. However, with the launching of the initial Bid rounds by the Liberia Petroleum Regulatory Authority (LPRA) and the discovery of commercial quantity in Ivory Coast, we are optimistic that the sector activities will commence and revenue generation will improve the section's overall performance in the future.

Forestry sector

This sector overperformed due to stumpage and area fees payment mainly from Contract holders of Community Forest. The Section has observed that Forest Management Contract holders have CFMAs causing companies to stop FMCs activities and focus on CFMAs activities with reduced tax obligations. While the FMCs are grossly underperforming, the CFMAs have increased activities leading to the over performance of the sector. Due to their community-based activities, these companies claimed to have limited operations that would lead to high tax-related payments. Although fees payments are increasing in the sector, taxes payments have reduced considerably due to the low compliance of the sector players. The low compliance results from minimum cooperation from the Forestry Development Authority, consistent request for installment, and Executive

Orders 89 and 96 used by most companies to pay taxes late with Penalty & Interest waived partially or wholly. However, NRTS continues to raise bills consistently.

Face Vetting of returns:

NRTS commenced implementing the Department's mandate requiring all companies operating in the NR sector (especially large and medium taxpayers) to file returns using the E-filings platform. The response has improved for FY 2020/21 using TCC to enforce such mandates. Based on the returns filed via the E-filing platform, the AAA team conducts face vetting of the taxpayers' monthly withholding tax returns for wages and salaries, resident, and non-resident services to detect and deter inaccurate reporting. The face vetting, which includes verification of exchange rates used by companies, number of employees on the payroll, causes of changes in month-on-month payment, has improved compliance for WHT's payments on services and wages and salaries. The strategy has improved compliance and helps deter inaccurate reporting and increase revenue collections for these tax lines to hedge against the non-performing tax types.

Audits Activities

Audit activities in the section are gradually improving, but the slow pace of the NRTS staff recruitment process is hindering the section's progress as more Auditors are needed to carry out the audit function of the section. In addition, a small audit team is inadequate to conduct efficient and effective audits, which is hindering the audits' progress as scheduled in the Audit plans. Below are the audit activities are undertaken by the section during the period under review:

- The section completed additional risk analysis and assessment for audit cases identified by Compliance Risk Management Unit (CRMU) per the SOP and audit manual. The section completed further risk assessment in the first and second quarters, including other pre-audit analyses required by the business plan and SOP. Based on the additional risk assessment and pre-audit analysis, the team ranked cases by priority based on the limited audit strength and prepared audit plans for cases assigned.
- Completed seven (7) comprehensive audits and commenced an additional seven (7) audits in the Agriculture Sector with Status letters issue for four. Audit activities in the section were slow due to the minimum number of auditors to conduct audits and consistent delays by the taxpayers in submitting documents for Audits. Audits completed last fiscal year and desk review cases are outstanding with the legal department under litigation or closure action. The section continues to follow up with the Legal

Department regarding the audits in the sectors.

- Completed and issued the audit report of one of three transfer pricing audits in the mining sector. The outstanding cases were brought into this fiscal year 2020/21 for completion but were not completed. Additionally, six (6) TP audits continued in the Agriculture sector. Some have significant progress, while others are in their initial stages of planning and fieldwork.

TAX BUSINESS SECTION

The Rural Tax Business Section, administers taxes on micro, small and medium enterprises within Rural Liberia. It operates nineteen (19) Tax Business Offices; The Eastern Region comprises of Eleven (11) Tax Business Offices and the Western Region have eight (8) Tax Business Offices.

For the fiscal period under review, the TBO collected a total of US\$4.2 million which reflects a positive variance of US\$2.8 million or 209 percent, when compared with its target of US\$1.4 million. See table below for detail.

TBO Collection for FY2020/21

FISCAL YEAR 20/21 TBO PROJECTION AGAINST ACTUAL

MAJOR TAX KIND	YTD TARGET	ACTUAL COLLECTIONS US\$	ACTUAL COLLECTIONS LRD	YTD CONS.	VARIANCE	% TOTAL
Income & Profit	956	700,839	93,561,746	1,228	272	28%
Goods & Services	398	104,688	45,759,773	359	-39	-10%
Property Income	-	156	17,313	0	0	-
Penalties and Interest	-	185	34,804	0	0	-
Miscellaneous	-	150	323,014	2	2	-
Collection in TAS	1,353	806,019	139,696,649	1,590	236	17%
Other Collections	-	3,377,400	-	2,594	-	
Totl TBO Collection	1,353	4,183,419	139,696,649	4,183	2,830	209%

Source: Tax Administration System

TBO Collection per Eastern & Western Region

Eastern Region TBOs Collection

TBOs	PROJ	ACTUAL	VARIANCE
Buchanan	292,052	908,360	616,309
Harper	310,731	1,358,015	1,047,284
Zwedru	57,846	121,910	64,064
Webbo	16,386	46,562	30,176
Greenville	32,544	39,797	7,254
Tappita	15,336	21,968	6,633
Grand Kru	10,864	25,145	14,282
Ganta	142,272	409,429	267,157
Sanniquellie	61,199	184,380	123,181
Gbarnga	122,441	274,832	152,391
Rivercess	6,977	14,318	7,341
TOTAL	1,068,647	3,404,717	2,336,070

Western Region TBOs Collection

TBOs	PROJ	ACTUAL	VARIANCE
Marshall	107,005	258,849	151,843
Bomi	22,395	32,715	10,320
Cape Mount	58,568	139,348	80,780
Kakata	128,541	283,259	154,718
Kolahun/Foya	17,205	21,978	4,773
Bopolu/Gbarma	9,540	15,521	5,981
Voinjama/Zorzor	16,576	27,033	10,457
TOTAL	359,831	778,702	418,872

Government Not-For-Profit-Division (GNFPD)

The Government & Not-For-Profit- Division, formerly sector ministry section, is one of the four divisions within the Domestic Tax Department. It is a Public Service Division charged with domestic administration of all Ministries, Agencies of Government and Public Corporations. The Division currently performs two core functions, the Analysis, Assessment and Accounting (AAA), and Collection and Enforcement. The Division is charged with the following four key functions:

- Over sighting Responsibility to ensure that all ministries, agencies of government, commissions and non-governmental organizations comply with the Revenue Code of Liberia, associated regulations, other tax laws, and developed and established Standard Operating Procedures (SOPs) and Memorandums of Understanding (MOUs);
- Proactively securing all tax and non-tax fees by:
- Liaise with all government ministries, agencies and commissions and NGOs
- Recommends legislative and Operational changes to the Commissioner of Domestic Tax Department

The Division includes Analysis, Assessment and Accounting

and Enforcement Sections. The Division is headed by an Assistant Commissioner who reports directly to the Commissioner of Domestic Tax Department.

For the period under review, the division monitored and collaborated with eight thousand and nine hundred ninety-five (8,995) taxpayers within the four sectors as mentioned above.

The functions of the Division include Returns Control (validation) and Collection & Enforcement.

The fiscal period ended with a total of 9,963 taxpayers within the four (4) major sectors and other sectors across other divisions. During the fiscal period, there were a total of 1,304 new registrants, 403 taxpayers re-segmented from other divisions to GNFPD while 192 taxpayers were also re-segmented from GNFPD to other Tax Divisions.

GNFPD Activities:

During the Fiscal Period, the Government & Not-For-Profit-Division (GNFPD) had a total projection of US\$71.2 million. The division, through engagement with Ministries, Agencies of Government, schools via the District Educational Officers (DEOs), NGOs and Joint Enforcements, collected a total amount of US\$93.4 million with a positive variance of US\$22.2 million or 31percent.

GNFPD Projection against Actual

Description	FY 2021 Projection & Actual				
	FY 2021	Actual Collection			Variance
	Projection	US\$	LRD	CONS.	US\$
GoL/CSA	45,973	42,871,337	2,942,788,375	59,391	13,418
Withholdings GoL 2% & 4% (Res)	2,305	678,600	42,819,656	914	-1,391
Withholdings Services Render (Res)	1,300	902,890	64,981,893	1,264	-36
Withholdings Services Render (Non-Res)	1,811	25,821	-	26	-1,785
WH (Res.) on rent	-	102,294	17,365,240	200	200
Wages & Salaries	37,200	27,910,564	2,000,611,677	39,059	1,859
Others	3,357	13,251,167	817,009,909	17,928	14,571
Goods & Services	8,447	9,547,323	126,335,426	10,244	1,796
ANNUAL VEHICLE REGISTRATION STICKER	3,812	1,917,920	29,587,818	2,072	-1,740
Business registration fees	1,007	384,627	26,408,286	533	-474
DRIVER LICENSE	1,099	1,624,005	13,831,447	1,700	601
VEHICLE LICENSE PLATES	2,152	5,052,074	45,227,833	5,307	3,155
MOTORBIKE LICENSE PLATES	363	546,562	10,966,283	607	245
Others	15	22,137	313,759	24	9
Ministries & Agencies	14,160	14,509,133	111,981,788	15,141	982
BIN	3,900	3,739,705	9,759,908	3,794	-106
MFA	2,865	3,404,171	70,293	3,405	540
MOL	3,500	4,121,797	2,377,103	4,135	635
LBR	1,944	1,471,185	51,080,874	1,758	-186
CND	256	480,979	2,265,003	494	237
Others	1,695	1,291,297	46,428,606	1,556	-138
NGO's & Schools	2,405	6,825,289	282,870,139	8,396	5,990
Wages & Salaries	1,761	1,565,056	58,535,614	1,861	100
WH (Res.) on rent	104	305,390	3,103,366	321	217
WH (non-Res.) on rent	120	305,390	3,204,566	322	202
WH (Res.) on payments for serv. rendered	240	1,336,661	13,774,116	1,410	1,170
Others	181	3,312,792	204,252,477	4,482	4,301
Others Taxes	249	193,915	13,381,882	269	20
Total Collections	71,233	73,946,998	3,477,357,610	93,440	22,207

Source: Tax Administration System

During the fiscal period, Civil Service Agency (CSA) wages withholding and GOL 1 percent, 2 percent and 4 percent remittances contributed a total amount of US\$59,391,000.00 representing 64 percent of the total collections, while Ministries, Agencies and Commissions of Government (MACs) contributed a total amount of US\$25,385,000 or 27 percent of the total collection with

Ministry of Transport making the highest contribution to the MACs basket. The amount of US\$8,396,000 was contributed to the basket by NGOs and Schools from the Human Health and Education sections while an amount of US\$269K was raised from administrative penalties and other fees. See table below for details.

GNFPD Sector Projection against Actual

Sector	Description	Projections	Actual Collections	Variance	% Contribution to Collections
		USD	USD	USD	
Public Sector	CSA Wages and GoL 1%, 2% & 4%	45,973,000	59,391,000	13,418,000	64%
MACs	Tax & Non-Tax Revenues (Fees)	22,607,000	25,385,000	2,778,000	27%
Human Health & Education	Wages Withholding	2,405,000	8,396,000	5,991,000	9%
Others Activities Service	Fines and Other Fees	249,000	269,000	20,000	0%
Totl		71,234,000	93,441,000	22,207,000	31%

Source: Tax Administration System

Real Estate Tax Division

The Real Estate Tax Division (RETD) is responsible for the recovery, assessment, valuation, enforcement, collection, and accounting of taxes on land and buildings and to enforce the Revenue Code, regulations, and related laws regarding real estate in Liberia.

RETD is one of four divisions under the Domestic Tax Department and is specifically responsible to enforce, educate, regulate, and administer the affairs of real property tax within the Republic of Liberia. The Division has a total of

sixty five (65) staff including the Assistant Commissioner for Real Estate Tax and is comprised of three Sections.

Revenue Generation

The total revenue collected from immovable properties for FY2020/21 amounted to US\$5.7 million, while penalties and interests amounted to US\$73 thousand totalling collection to US\$5.7 million against a revenue projection of US\$5.2 million indicating an overperformance by 9 percent.

Revenue collection for the fiscal year

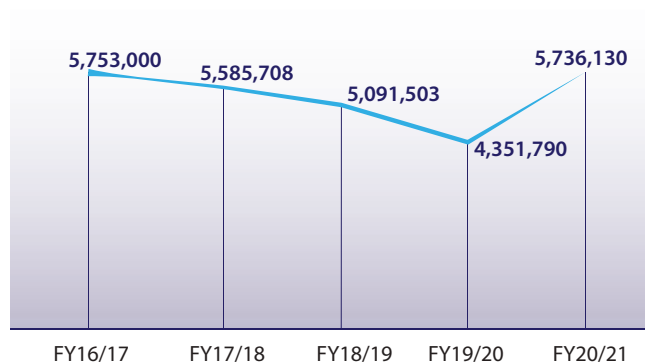
Fiscal Year 20/21 RETD Projection Against Actual

MAJOR TAX KIND	YTD TARGET	ACTUAL COLLECTIONS US\$	ACTUAL COLLECTIONS LRD	MTD CONS.	VARIANCE	% TOTAL
Property Taxes	5,239	4,535,177	202,283,757	5,664	425	8%
Penalties and Interest	42	70,765	285,892	72	30	71%
	5,282	4,605,942	202,569,649	5,736	455	9%

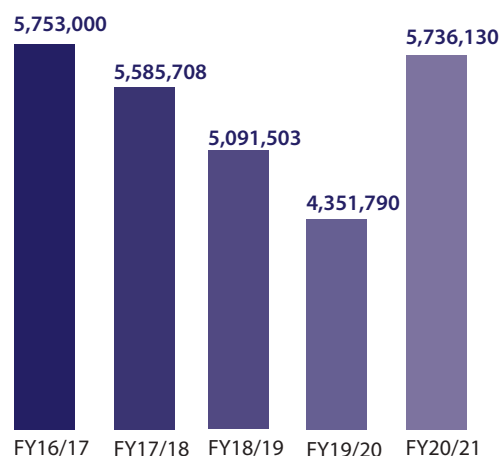
Source: Tax Administration System

Revenue collection for the fiscal year

Revenue Trend FY15-16-FY20-21



Revenue Trend FY15-16-FY20-21



The Real Estate Tax Division database has increased from 24,679 as at July, 2020 to 28,454 as at June, 2021. The excess of 3,775 represents 15 percent expansion in the database for the reviewed period due to capturing and registering of new properties.

Other Accomplishments

- The Real Estate Tax Division (RETD) in collaboration with the Medium Tax Division and Small and Micro Sections started the Compliance Clustering System (CCS) exercise in September, 2020 to map 17 Electoral Districts in Montserrado County and Districts 1 & 2 in Margibi County. The CCS exercise was designed to verify taxpayers' payments, capture new properties and report on district activities.
- In collaboration with the Ministry of Justice in January, 2021 began the Vacant Land and Abandoned Properties exercise through an awareness and subsequent placing of sign boards and posters on vacant lands and abandoned properties. The exercise was designed to ensure that all owners of real properties such as vacant lands and abandoned properties are in compliance with tax obligations/payments or risk seizure of losing ownership through appropriate legal actions.
- Conducted a fourteen (14) day enforcement exercise in Nimba County and a six (6) day enforcement exercise in Bong County between March and April for Phase 1. For Phase 2, the Division conducted additional seven (7) days enforcement exercise in Bong County in May, 2021. The enforcement exercises were intended to capture new properties, verify existing properties and conduct payment verification and re-assessment.
- Consummated a Local Government Partnership of Real Property Tax Administration Pilot Project in Margibi County. The Real Estate Tax Division (RETD) commenced partnership meeting with the Ministry of Internal Affairs and the Margibi County Authority including the County Superintendent and other County officials on the Local Government partnership of Real Property Tax Administration Pilot project to be implemented in the County. One of the factors that has caused delay in implementation of the pilot project has been funding and the decision to open a special revenue account for the sole purpose of revenue generated to be deposited into said account for revenue sharing.
- Collaborative Partnership include workings with the Telecommunication, Banking and Petroleum Sectors, National Housing Authority (NHA), National Port Authority, National Association of Trial Judges of Liberia, Liberia Marketing Association (LMA), Liberia Electricity Corporation (LEC) and Liberia Water & Sewer Corporation (LWSC).
- Others are the revision of the Legal Framework for Real Property Taxation in Liberia, Real Property Data Capturing by Liberia Institute for Statistics and Geo-information Services (LISGIS) during the National Census and the Central Monrovia Exercise.

REGISTRATION AND RETURNS PROCESSING

This section covers Registration and Returns Processing work during the fiscal year 2020/2021 as against planned activities. It shows summary and detailed information about the section's planned activities and gives an insight as to what plans were executed during said period. It further explains the level of activities achieved, constraints that were encountered during the period under review and how they could be addressed to enhance the Section's performance in subsequent periods.

Registration and Returns Processing Section had 12 planned activities which were all derived from LRA's Business Plan. Of these activities, 11 were successfully achieved. Registration Drive was not achieved due to the lack of logistics.

Summary of Achieved Activities

During the year, Registration and Returns Processing Section achieved 75.5 percent of total activities. The total number of seven (7) planned activities is still ongoing as they are rolling targets.

New Registration

Registration Unit registered 12,079 out of its target (16,800) for the period under review. Of the newly registered taxpayers, 2,802 were Individuals, 889 Trusts and 8,388 for Enterprises. See table below for details.

New Registration

New Registration

Target	Actual			Variance
	Individual	Trust	Enterprises	
16,800	2,802	889	8,388	-4,721

Direct Transfer Filers

During the fiscal year, 10,851 transfers were made through several commercial banks valued at L\$6.1 billion and US\$167.3 million of this amount, the total of 11,577 transactions were made in SIGTAS up to the reporting period valued at L\$5.8 billion and US\$165.6 million which included the mobile money payment of L\$1.8 billion and US\$181.2 thousand. Transactions for the period are still being posted specifically for Forestry Development Authority which has an in-transit number of US\$1.8 million.

Bank Transfer

Direct Banks Transfer	# of Transfer	Actual collection		
		LRD	USD	CONS
Commercial Banks	10,851	6,098,261,977	167,344,528	202,824
SIGTA	11,557	5,775,671,783	165,607,493	199,210
Outstanding Banks Transfer	-706	322,590,194	1,737,035	3,614

Processing of returns

A total of 91,006 transactions were received and processed in SIGTAS. Of this number, 67,341 transactions were processed and paid. In addition to transactions done in SIGTAS, 107,293 transactions were done in TAS front end while were done in TAS backend, with an overall reversal of 3,309. The total amount of transactions processed in both SIGTAS and TAS is 198,299 putting the error at 1.66 percent.

Transactions processed in SIGTAS and TAS

System Description	# of Transaction	Transaction paid	Reversal	Error
TAS	107,293	0	3,309	0%
SIGTAS	91,006	67,341	0	2%
Total Transaction	198,299	67,341	3,309	2%

Rural Transactions processing

During the fiscal year, 10 out of 11 CBOs reports for each month, were received and captured in TAS with 11,176 transactions valued at L\$4.9 million and US\$2.9 million.

In addition, 45,726 transactions from 21 TBOs for each month were received, processed and paid completely. This amounted to L\$215.7 million and US\$1.2 million.

Rural Transactions					
Rural Business Office	Rural transactions	Actual Collection			
		LRD	USD	LRD	
CBOS	11,176	4,877,967	2,869,397	-	-
TBOS	45,726	215,733,196	194,735	1,021	-20

Rural Transactions Processing

Hard copies of annual returns: 98 pieces of Annual Tax Returns were received during the fiscal year 2020/21. Corporation-72, Partnership-1 and Individual-25. Of this number, 7 taxpayers file gain which amounted to US\$4.7 thousand.

E – Filing

During the year, we received 16,305 returns through the e-filing platform. 1,855 –business income tax, 82–excise tax, 1,052 goods and service tax, 12,071 withholding tax, Transfer Pricing 70, and 1,175 annual returns were filed.

E-Filing	
E/Filing Platform	
Tax Kinds	Number of Returns
Income Tax	1,855
Excise Tax	82
Goods & Service Tax	1,052
Withholding Tax	12,071
Transfer Pricing	70
Annual return filed	1,175
Total	16,305

New Registration

Management of Tax Roll Registry

Business Category	No.	Addition	Current
Corporation	19,008	3,004	22,012
Partnership	485	25	510
Sole Proprietorship	27,649	3,746	31,395
NGO	8,183	1,613	9,796
Religious Organization	-	-	-
Trust	5,622	889	6,511
Individual (employees/landlords/petty traders)	66,787	2,802	69,589
Total	127,734	12,079	139,813

Source: Tax Roll Registry

INTERNATIONAL TAX SECTION

The International Tax Section (ITS) is a specialized tax section within the domestic tax department responsible for administering International tax issues obtaining within Liberia and the world at large.

The section is responsible for Transfer Pricing Audits of taxpayers in line with the Transfer Pricing (TP) Regulations, the Exchange of information (EOI) resulting in Exchange of information on Request (EOIR) and Automatic Exchange of information (AEOI), Double Taxation Agreements (DTAs), Tax Information Exchange Agreements (TIEAs) and the Multilateral Convention on Mutual Administrative Assistance in Tax Matters. The section became effective in August , 2020 to carry out the above mandate.

Currently, the section consists of a Manager, three Transfer Pricing Auditors and a supervisor for Exchange of Information. This report summarizes the activities undertaken by the International Tax Section (ITS) during the 11 months in the Annual Fiscal Period of FY 2020/21 beginning from August, 2020 to June 30, 2021.

Excel File for TP Returns Filed Information

As per the TP regulations of 2016, every taxpayers carrying out related party (as defined in Section 208 of the LRC) transactions are required to file Transfer Pricing Returns for each period beginning Fiscal Year 2017 and going forward. The TP Regulation & Practice note states the information required to be filed on the TP Returns as was prepared by the LRA. Fortunately, the Transfer Pricing Returns were uploaded on the LRA e-filing platform where taxpayers could file such easily as compared to submitting hard copies of fillings.

Expected Filer

After reviewing the Transfer Pricing Returns filed, the ITS embarked on analysis of filers to that of expected filers. As a result of this, the ITS embarked on selected taxpayers from each Section – NRTS, LTD & MTD so as to select taxpayers known to have related party transactions to be able to create the expected filers listing/Rolls for filling of Transfer Pricing Returns. Would-be expected filers of Transfer Pricing Returns were identified, thus creating the expected TP filers listing/Roll to be able to remind taxpayers who are to do so before the filing due date passes.

Ratification of the Multilateral Convention

The Multilateral convention is required to be ractified so as to enable Liberia form part of the Global forum in requesting and receiving information automatically regarding citizens of Liberia as well as taxpayers who transact in other jurisdiction who are member of the Global Forum. The ITS through the office of the Commissioner for Domestic Tax submitted said agreement to the National Legislature for ractification into Law. This document was ractified in July, 2021.

Stakeholders Collaboration

The ITS collaborated and liaised with regulatory Ministries and agencies to establish good relations and held talks regarding Exchange of information (both domestically and internationally). The ITS also intends to work with relevant stakeholders to domesticate the OECD-AEOI common reporting standards for use by financial institutions.

EOI Unit Activities

The EOI Unit processed and concluded EOI request from the German Tax authority, concluded recommendations from the Information Security Management Assessment team and produced report with the needed draft policy document which has been forwarded to the OECD Global Forum for review, and conducted several Tax clinics in helping tax practitioners/consultants and taxpayers in submitting the required information as required by the Transfer Pricing Regulations of 2016.

Audits Activities:

- Audit activities in the section for the reviewed period were very low due to the formation of the office. More trainings were conducted to help develop the skills and knowledge of TP Auditors to adequately assist NRTS, LTD & MTD in assessing taxpayers of each section. Furthermore, ITS established the TP Tax Roll and Excel Workbook.

DATA CLEANSING

Accurate taxpayer information is a key for the Liberia Revenue Authority, especially in anticipation for the Integrated Tax Administration System (ITAS) which will replace the legacy system (SIGTAS). The data cleansing project commenced in 2018 with the aim of ensuring cleaned, accurate, and proper taxpayer information in the tax system to aid the transitioning of data migration. The following were accomplished under this project:

Taxpayer Management

The Taxpayer management is a major component the taxpayer compliance program. The current tax roll continues to increase and with an expectation of a corresponding increase in revenue. However, to ensure that the increase in tax roll corresponds with increase in revenue, the tax administration must understand the behavior and composition of all taxpayers on its tax roll. Taxpayers' management gives a broader scope on taxpayers which develops into strategies for compliance and expansion in revenue generation. The current tax roll has a composition of individual and enterprise who are categorized as large, medium and small depending on the level of capital investment or annual gross turnover. If a taxpayer turnover increases for consecutive periods, that taxpayer is recommended for instant promotion to a division where its turnover threshold is acceptable. Effective taxpayers' management gives a clearer picture of the tax roll that helps the institution develop all strategies that are needed to ensure full compliance and all policies necessary to increase domestic revenue mobilization. During the fiscal year, the section was able to categorize all the 120,355 active taxpayers as follow:

Taxpayer Management

Tax Division	Active Taxpayers
Government & Non-for-Profit-Division	9,234
Large Tax	1,352
Medium Tax	9,346
Real Estate Tax Division	8,522
Small Tax	87,267
Taxpayer Service Center	4,634

A total of One Thousand Nine Hundred Thirty-Four (1,934) inactive taxpayers who were already suspended had their suspension period extended by one year. Taxpayers are re-segmented to their appropriate divisions if the right sector or business activity is determined. During the fiscal period, One Hundred Eighty-Nine (189) taxpayers were re-segmented based on the new segmentation rule.

Tax Account Management

Tax account management enables the tax administration to categorically measure the filing ratio per period. It is against this ratio that revenues are forecasted, and compliance strategy are determined. A taxpayer tax account is opened based on the sector and or business activity. During the fiscal year, we identified tax accounts either inadvertently opened or by limitation of Registration Officers at the front desk or because of error. A portion of work, though not significantly immense, was completed to mitigate this existing issues particularly for large taxpayers with concentration on Good and Services Tax Account. The team also completed extraction and review of tax accounts as shown in the table below:

Extraction and Review of Tax Accounts

No.	Key Issues	Details/ Actions Taken
1	Extraction and analysis of GST Data in SIGTAS	An analysis on GST tax accounts balances have been completed. Also completed was a refresher training for LTD staff on accounts opening, closure, and transfer of account balances.
2	Review of GNFPD taxpayers' tax accounts	4005 taxpayers' tax accounts was reviewed. Initial findings revealed that surplus accounts and inappropriate accounts wrongly opened for taxpayers in the sector. Inappropriate tax accounts with zero balances to be closed once the review is completed.
3	Treatment for tax accounts issues in SIGTAS	Developed a detailed procedure for the treatment of all conditions related to tax accounts. Prominent tax accounts issues include the following:
		USD VS LRD ACCOUNTS
		CIT VS PIT
		Goods and Services Tax (GST)
		Approval granted by the commissioner for domestic taxes on the proposed treatment procedure.

Penalty and Interest Waiver

Debt in the Tax Administration System was overstated but a legal instrument (Executive Order 89) waiving Penalty and Interest as specified by the Order was instituted within SIGTAS. Below is a summary of Penalties and Interests analyzed to be waived.

Penalties and Interests analyzed to be waived

Division	Penalties	Interest	Total
Government and Non-For Profit	-713	-851	-1,564
Large Tax	-7,800,102	-3,558,241	-11,358,343
Medium Tax	-4,914,639	-1,765,062	-6,679,701
Real Estate	-3,334,898	-5,067,777	-8,402,675
Small Tax	-2,866,709	-924,325	-3,791,034
Taxpayer Services	-3,432	-1,058	-4,490
Grand Total	-18,920,493	-11,317,315	-30,237,808

Innovation and ICT

The section successfully monitored the performances of e-service applications developed by LRA MISD and developing partners to ease the burden of transacting with the tax administration. The progressive performance of those platforms has made them to be a reliable source of taxpayer data. Some of the major achievement under our e-services are as follows:

E-Filing

The E-filing application is one of our innovative technological platforms that was developed to enable taxpayers file their returns without any physical interaction with any of our offices. Over the reporting period there were enhancement made on the E-filing application to include schedule for Beneficial Ownership, capability to upload Financial Statement and amongst others. During the fiscal period, over a thousand Taxpayers were enrolled onto the E-filing platform. Significant portion of the taxpayers enrolled are managed by the Government and Non-for-Profit Division which instituted a rigorous strive that contributed to the increased number of taxpayers enrolled. There were trainings conducted for Medium Tax and Government Not-for-Profit Divisions on the effective utilization and processes to download and install the application. We also provided backup support and reset passwords for taxpayers who inadvertently lost their password.



Electronic Payments

E-payment platforms are readily available to enable taxpayers reduce the cost of complying with their tax payment obligations. The tax administration introduced several platforms ranging from mobile money to other online platforms for tax payment. The Online VISA Card Payment with United Bank for Africa was also introduced.

Mobile Money – the sweeping from the Telecommunications Company Accounts to the Government of Liberia Transitory Account and after the General Revenue Account was becoming a serious impediment to payment reconciliation. However, the section managed to resolve the issue with the support of senior management. The implementation of the second phase of mobile money targeting seventeen

ministries and agencies also began during the fiscal year. Field engagement to ascertain the readiness and system capabilities of those MACs were conducted and list of fees and non-taxes were forwarded to the telecommunication companies for upgrade to their platforms.

Other Engagements/Involvement with Partners

The section collaborated with others sections and divisions through provision of support services. There were trainings conducted for Large Tax Division AAA staff particularly on tax account management. Normally, data cleansing activities are heavily linked with the divisions where the taxpayer management is concern. The Team worked with the International Monetary Fund (IMF) on the completion of the International Survey on Revenue Administration (ISORA), and the RG3 Projects to implement the taxpayers' perception survey.

Business Planning and Management

We completed the collation of the Department's Business Plan and submitted the results to Policy Division. Guidance was provided for divisions and sections in the department during the preparation of the Business Plan.

Individual Performance Planning and Management

Staff performance and management is an essential component of achieving the organization's objectives. We provided oversight functions that guided the preparation of staff performance plan for divisions and sections within the department. As a section, we submitted our performance for the fiscal year.

Compliance Clustering Project

The Compliance Clustering Project is one of the activities coordinated by the reform office. The project is aim at expanding the tax net by capturing additional properties and businesses that are not registered but are potential taxpayers. There were series of challenges with the process flow but procedural guides were developed to lead the efforts of all stakeholders. During the fiscal period. The total number of taxpayers or potential taxpayers visited amounted to 1,884 (as at of which 1,126 were registered representing 59.8 percent and 758 taxpayers were not registered representing 40.2 percent). Of the number of unregistered taxpayers, 336 were taxpayers in the business category (3 in medium tax category and 333 in small tax category) and 422 taxpayers in the real estate category. The total of 532 real properties was captured of which 511 were unregistered representing more than 96percent.

Customs Overview

The Department of Customs is one of two core businesses of the Liberia Revenue Authority. It consists of three Divisions with a broader mandate to administer and enforce all Customs laws of the Revenue Code of Liberia and other laws relevant to the collection of border taxes, the facilitation of legitimate trade and enforcement of border security.

This report covers the activities of the Department of Customs for FY2020/21, and is organized in two broad sections; revenue and trade performance, and divisional activities over the fiscal year. The revenue and trade section outlines the performance of tax and non-tax revenue for the reporting period while the component on divisional activities details the performance of various divisions and core units within Customs.

The Customs budget approved by the National Legislature for FY2020/21 was US\$170.8 million. The actual revenue collected by the department for the fiscal year was US\$198.2 million. This amount was US\$27.4 million, or 16 percent, above the budgeted amount. When compared to last fiscal year (2019/20), the increased in the performance of Customs revenue is due to the 33 percent increase in taxable imports.

Revenue Performance

The total revenue collected by the Department of Customs during the fiscal year was US\$198.2 million against the approved budget of US\$170.8 million; thereby resulting in a 16 percent over performance. This over performance was largely on account of a 33 percent aggregate increase in taxable trade. The table below shows the revenue as at the end of the FY2020/21, illustrating the budget versus actual while the subsequent table shows a budget versus actual comparative analysis of FY2019/20 and FY2020/21 respectively.

Revenue Contribution by Major Tax kind (Thousands of US Dollars)

DESCRIPTION	AS AT JUNE 30TH (FY20/21)			
	BUD	ACT	VAR+/-	ACH
Total Customs	170,842.08	198,227.08	27,385.00	16%
International Trade	169,242.41	195,023.38	25,780.97	15%
Urban Ports	165,753.62	191,323.96	25,570.34	15%
Freeport	115,498.21	142,312.78	26,814.57	23%
RIA	2,181.80	1,785.08	(396.72)	-18%
Parcel Post	8.68	17.30	8.62	99%
LPRC	45,932.00	44,996.56	(935.44)	-2%
BIVAC	2,132.92	2,212.24	79.32	4%
Rural Ports	3,488.80	3,699.42	210.62	6%
Loguatu	429.12	432.94	3.82	1%
Ganta	1,292.99	1,403.69	110.71	9%
Buchanan	47.71	166.09	118.38	248%
Greenville	35.59	1.81	(33.78)	-95%
Toe Town	60.96	69.25	8.29	14%
Harper	608.49	609.24	0.75	0%
Yeala	256.86	226.87	(29.99)	-12%
Jorwah	25.99	25.16	(0.83)	-3%
Butuo	2.78	3.29	0.51	18%
Mendicorma	30.55	30.64	0.09	0%
Bo Waterside	697.77	730.44	32.67	5%
Non-Tax Revenue	1,599.67	3,203.70	1,604.03	100%
Forestry (FMCs)	1,501.00	3,161.70	1,660.70	111%
Bonded Warehouses	98.67	42.01	(56.66)	-57%

Source: Tax Administration System

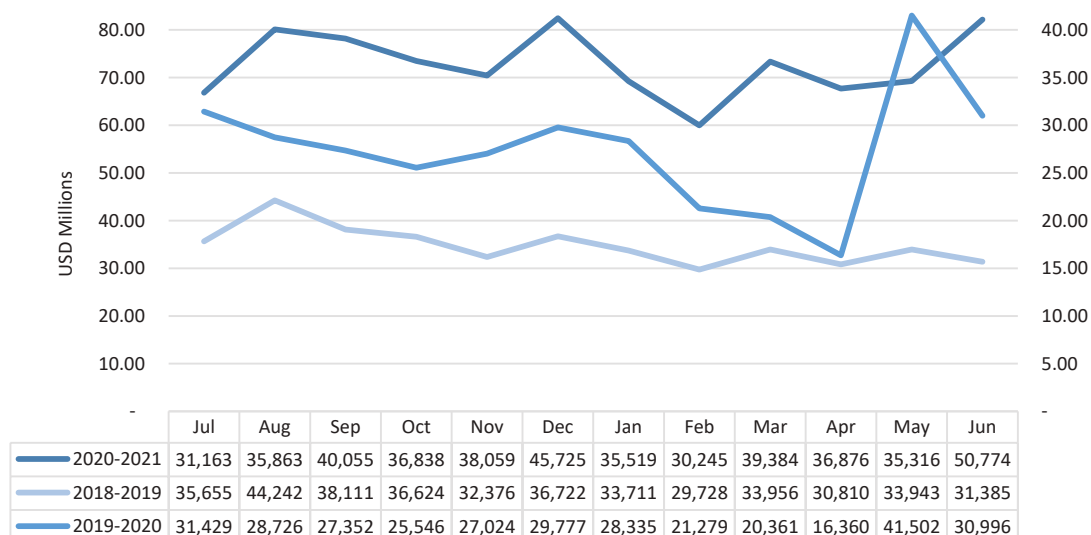
Comparative Revenue Contribution by Major Tax kind (Thousands of US Dollars)

DESCRIPTION	AS AT JUNE 30th FY19-20				AS AT JUNE 30TH FY2020/21			
	BUD	ACT	VAR.+/-	%(+/-)	BUD	ACT	VAR.+/-	%(+/-)
Total Customs	154,631	150,213	(4,418)	-3%	170,842	198,227	27,385.00	16%
International Trade	153,681	147,606	(6,075)	-4%	169,242	195,023	25,780.97	15%
Import Duties, O/W:	76,570	73,085	(3,485)	-5%	71,240	94,221	22,980.94	32%
Imp. On Goods Other Than Rice And Petro	48,585	43,503	(5,082)	-10%	42,181	60,628	18,447.28	44%
Import Duties on Petroleum Products	14,061	16,504	2,443	17%	16,098	17,460	1,361.58	8%
Other Import Duties	9,908	9,694	(213)	-2%	9,633	11,312	1,678.84	17%
Charges on Imports, O/W:	70,668	66,121	(4,547)	-6%	65,216	96,375	31,159.85	48%
GST on Imported Goods (Exc. Petro)	50,598	43,757	(6,841)	-14%	42,314	59,606	17,291.83	41%
GST on Imported Petroleum	12,303	14,554	2,251	18%	15,152	15,798	645.52	4%
Excise, O/W:	5,952	7,718	1,765	30%	32,211	3,885	(28,325.96)	-88%
Excise Tax on Other Imported Goods N.E.C.	863	78	(785)	-91%	80	133.49	53.49	67%
Excise Tax on Alcoholic Beverages (Imp.)	1,404	402	(1,002)	-71%	405	166.06	(238.94)	-59%
Excise Tax on Tobacco and Tobacco	812	933	120	15%	860	765.88	(94.12)	-11%
Excise Tax on Non-Alcoholic Beverages	1,359	2,945	1,586	117%	2,508	2,524.41	16.69	1%
Fees on Exports, O/W:	447	679	233	52%	576	541.85	33.87)	-6%
Other Exports	295	421	126	43%	356	503.52	147.77	42%
Cocoa And Coffee	139	248	108	78%	208	23.57	(184.90)	-89%
Other Non- Tax Revenue	949	2,607	1,658	175%	1,600	3,203.70	1,604.03	100%
Forestry (FMCs)	915	2,572	1,658	181%	1,501	3,161.70	1,660.70	111%
Bonded Warehouses	34	35	-	3%	99	42.01	(56.66)	-57%

Source: Tax Administration System

Monthly Revenue Trend

Figure 1 FY19/20 Monthly Revenue Trend (Thousands of US Dollars)



Customs Revenue Trend FY2020/21 (Millions of United States Dollars)

CUSTOMS DIVISIONAL COLLECTION, COMPLIANCE & ENFORCEMENT INTERVENTION

TECHNICAL OPERATIONS DIVISION

DUTY FREE

Exemption from duties and related taxes are granted by the Government of Liberia, as provided for in Section 9 (Exempt Persons) and Section 16 (Special Investment Incentives) of the Liberia Revenue Code (LRC) to concession companies; educational, medical, and other institutions; Non-

Governmental Organizations (NGOs), Government of Liberia (GoL) Projects and Ministries, Agencies and Commissions (MACs); and organizations as well as individuals with diplomatic privileges. Exemptions are also granted through Executive Orders and concession agreements. The ECOWAS Trade Liberalization Scheme (ETLS) has introduced another layer of tax expenditure in the framework of a free trade area (FTA).

The total tax waived on imports increased by an aggregate 56 percent from US\$103.5 million in FY2019/20 to US\$161.8 million in FY2020/21. General Goods for the period accounted for 96 percent while Petroleum and ETLS waiver accounted for 3 percent and 1 percent respectively. See table below for details.

Summary of Duty Waived in FY 2019/20 and FY2020/21

Description	Waived FY 19/20	Waived FY 20/21	Change	FY Share
General Goods	96,731	155,453	61%	96%
Petroleum	4,333	5,050	17%	3%
ETLS Waivers	2,414	1,284	-47%	1%
Total	103,477	161,787	56%	100%

Source: Duty Free Section

GENERAL GOODS

Duties and tax exemptions on account of Executive Order approved by the MFDP constituted 29.3 percent of aggregate tax expenditure in FY 2020/21 while 29.0 percent and 22.5 percent of tax expenditure is attributed to Investment Incentives and Concessions, respectively. GoL Projects accounted for 7.4 percent of tax expenditure. Table B1 in Appendix B presents listing of duty and tax-exempt beneficiaries.

ETLS WAIVERS

Duty exemption as a result of the ETLS for the fiscal period was US\$1.3 million. This constitutes a 47 percent decline when compare to the previous fiscal year. This decline was on account of the Corona Virus Pandemic. With respect to intra-regional trade, Ghana become the highest exporter to Liberia under ETLS over Cote d'Ivoire. Table B2 in Appendix B presents country details.

EXEMPTION ON PETROLEUM PRODUCTS

In the petroleum category, exemptions on account of concessions and Investment Incentives accounted for the highest shares with 40 percent and 23 percent, respectively. These were followed by exemptions on account of National Legislature and GoL Projects with 12 and 10 percent, respectively. Table B3 in Appendix B provides the duty waived on petroleum products by sector.

TRADE FACILITATION & TARIFF MANAGEMENT

The Trade Facilitation & Tariff Management Section received 73 appeal cases for FY 2020/21. The number of cases received this fiscal year increased by 62 percent when compared to the appeal cases received in FY2019/21. See table below for detailed comparative analysis of FY2019/20 and FY2020/21.

Appeal Cases Comparative Analysis

Case Description	FY 19/20	FY 20/21	% Change
Classification	14	3	-79%
Valuation	29	61	110%
Tax refund	2	9	350%
Total	45	73	62%

BONDED & TRANSSHIPMENT

Bonded, Transit and Transshipment Section recorded a total collection of US\$1.01 million for FY2020/21. This amount represents total duties and taxes paid on bonded goods, transshipment and warehouses quarterly fees, while the amount of US\$1.99 million was waived during the period under consideration. The duties and tax collected for the period under consideration increased by 46 percent while the total duty exempted also increased by 51 percent respectively when compared to FY2019/20. See tables below for detailed comparative analysis of FY2019/20 and FY2020/21 and quantity and value of goods bonded during the period respectively.

Appeal Cases Comparative Analysis

Description	FY19/20	FY20/21	% Change
Duty Paid	709,884.66	1,038,583.27	46%
2.5% Transshipment fees paid	86,806.46	12,889.93	-85%
Quarterly Bonded warehouse fees paid	32,250.00	40,500.00	26%
Others/Luxury Tax/misc. bills	535.03	0	-100%
Total Collection	829,476.15	1,091,973.20	32%
Total Duty Waived	1,322,332.62	1,990,217.21	51%

Goods Bonded

Description/Type	Quantity	CIF Value
Vehicles	533	13,211,184.22
Motorcycles	70	173,941.78
Yellow Equipment/Tractor	216	334,397.52
Total	819	13,719,523.52

COMPLIANCE AND ENFORCEMENT

This session covers activities of the Customs Compliance and Enforcement Division for the period under review which is an abridgement of the annual performance reports of four units, viz: Customs Risk and Intelligence, Anti-Smuggling and Investigations, Post Clearance Audit and the Collection and Enforcement Units.

POST CLEARANCE AUDIT

The unit undertook two hundred eighty-three (283) activities which constitute a 26 percent increase from FY2019/20 amounting to US\$2.7 million. Accordingly, two hundred seventy-one (271) bills were raised amounting to US\$1.7 million in duties and taxes and US\$776.8 thousand and L\$3 million also in penalties and fines, whilst twelve (12) assessments were done for auction activities amounting to US\$171.6 thousand. See below table for details.

PCA Core Activities FY 2021

BILL RAISED

ACTIVITY TYPE	S/N	USD	PENALTY (LRD)	PENALTY USD
Desk Rev. Audit (PCA)	10	72,822.88	-	63,651.38
Comprehensive Audit	82	883,573.20	3,000,000.00	-
Issue Rev (IAD,RMU,OTH.)	2	63,989.08	-	629.08
Auction2	12	171,558.44	-	-
PCA & ASIU Int.	177	738,459.41	-	712,570.60
TOTAL	283	1,930,403.01	3,000,000.00	776,851.06

SOURCE: PCA bill Tracker

A comparative analysis of the Unit's performance for FY2020/21 with the past fiscal periods revealed increase in revenue bills raised for comprehensive audit and auction activities despite the COVID-19 pandemic. Refer to table below for details.

Table: Comparative Analysis of Revenue Bills raised

	FY18/19	FY18/19	FY20/21
	'000	'000	'000
CORE ACTIVITIES			
Pca Desk Review	256.45	109.9	136.47
Pca Comprehensive Audit	331.80	298.7	901.22
Issue Review (Other Units)	125.83	343.4	64.62
Auction	229.23	78.5	171.56
Asiu & Pca Intervention	71.65	433.6	1,451.03
Total	1,014.97	1,264.3	2,724.90

Source: PCA Bill Tracker NB: Liberian Dollar converted at the rate of US\$1=L\$171

COLLECTION AND ENFORCEMENT UNITS

The below table depicts the activities of the Collection and Enforcement Unit for the period under consideration. The Collection and Enforcement Section collected a total of US\$1.1 million for the reporting period. Outstanding part payment amounted to US\$730.2 thousand. The Debt Turnover Ratio (DTR) is 84 percent. The DTR calculation is

based on unprotested bills and not the total bills issued by the Collection and Enforcement Section. Protested bills are still undergoing legal considerations with the protest and appeals team in the Legal Department. It is important to note that protested bills, are excluded in the determination of the DTR, as the conclusion, these bills are not within the scope of the section, hence, their performance issue are not attributable to them.

Collection and Enforcement

DESCRIPTION	PCA	ASIU	Total
Total Adjusted Bills Raised			2,735,378.08
Bill Paid	549,665.02	517,150.35	1,066,815.37
Balance On Part payment	23,251.71	706,990.44	730,242.15
No Payment	27,847.81	427,829.83	455,677.64
Location Unseen	79047.94	-	79,047.94
Protested Bill	403,594.98	-	403,594.98
Total Receivable Excluding Protested Bill			1,264,967.73
DTR			84%

The below table also depicts the comparative trend of FY2019/20 & FY2020/21 of the Collection and Enforcement Unit. As indicated in the table, the United States Dollars DTR fell from 87.4 percent in FY2019/20 to 84.3 percent in FY2020/21. The Liberian dollars for the period under consideration was converted to United States Dollars.

Enforcement FY 2018/19 & 2019/20 Comparative Trend

Desc.	(In USD)			(In LD)		
	FY19/20	FY20/21	% Change	FY19/20	FY20/21	% Change
Receivable Excluding Protested Bills	564,835.00	1,264,967.73	124%	5,987,500	0.00	-100%
Amount Paid	493,844.00	1,066,815.37	116%	5,037,500	0.00	-100%
Outstanding	125,123.00	198,152.36	58%	1,862,500	0.00	-100%
DTR	87.40%	84.34%	-4%	84.10%	0.00	-100%

ANTI-SMUGGLING AND INVESTIGATION UNIT (ASIU)

The ASIU Section is divided into two core teams – Operations and Investigations.

OPERATIONS: INTERCEPTION ACTIVITIES

The below Table reflects the interceptions made in Monrovia from land border; that is, vehicles that have already passed through the rural collectorates. These interceptions are very important because of the lack of ASIU presence at those border crossings and in some cases,

the lack of communication from assigned Customs personnel to ASIU HQ, to facilitate examinations that were partially conducted at these ports, when they entered Monrovia. Importantly, there has been instances, whereby communication is transmitted to ASIU HQ and even vehicles escorted to Monrovia for ASIU to assist with the examinations. This is particularly through Loguatu and Ganta

Collectorates.

Moreover, many of these interceptions done by ASIU, are hindered by interferences from other Joint Security entities individuals, particularly, Major Crimes Division

of the Liberia National Police (LNP) and, as well as the National Security Agency. It is important to underscore that these numbers, are exclusive of remaining land border crossings, whose activities aren't captured, neither is visibility known, in part due

to their absorbency. Alarming, most land border vehicles do not enter Monrovia. Rather, goods onboard these vehicles are discharged in cities and/ or villages along major highways without proper accountability and /or the presence of ASIU.

Land Border Interceptions –Goods- FY2020/2021

No.	Port of Entry	No. of Interception	Dollar Value: USD
1	Yeala \Kpassagissi, Lofa	11	\$20, 716.72
2	Yekepa, Nimba	1	1,560.58
3	Bo Waterside, Cape Mount	21	42, 797.70
4	Loguatu, Nimba	3	3,713.02
6	Ganta, Nimba	5	9,848.51
	Total	40	78, 636.53

It is safe to state that Bo-Waterside in particular is not thoroughly conducting examination, despite having a fixed examination structure. The additional revenue recovered by ASIU, from the re-examination of interdicted vehicles from Bo-Waterside, accounts for a little over 50 percent of the combined land border interceptions. A second highlight is placed on Yeala\Kpassagissi, which also shows a slight increase in recovered revenue, as a direct result of ASIU intervention. And unlike Bo-Waterside, Yeala\Kpassagissi, do not have an examination facility. The issue of lack of thorough inspection can be attributed to many factors: complacency by assigned officers, familiarity with cross-border traders and collusion to compromise revenue. But key among these indicators, is the lack of appropriate Inspection Facilities at some of these entry points to effectively carryout Customs examination. And of greater concern, some of these vehicles could also be evading ASIU drag net in Monrovia, due largely in part to other security sectors interferences, logistics and staffing levels-increasing the likelihood to capture lost revenue.

Unlike land border vehicles interceptions, Duty Free, Destination and Pre-Shipment Interceptions are associated with issues involving improper classification and valuation, shipment exit procedures at ports of entry and notification to ASIU on businesses and individual status in ASYCUDA –some ASIU Agents lacking the understanding and expertise in interpreting the documents associated with certain shipments.

Notably, ASIU presence at these inspections has

resulted into significant gains-revenue recovered-despite staffing level, constrains with logistics and limited training.

Special Operations

Assurances in compliance with businesses that imports high-valued phones, smuggled vehicles interdiction within Monrovia and used cars dealerships (verification of Flag Receipts) issued at Land Borders. Our previous year intervention results into capturing numerous flag receipts issued by Land Border Collectorates on imported vehicles that weren't reflected in the general revenue account. The consequences of these fraudulent activities by Customs personnel, resulted into our Senior Management imposing administrative sanctions on those individuals involved. Moreover, based upon the severity of the offense, some individuals were transferred to Liberia Anti-Corruption Commission (LACC) for prosecution, while others were made to reconstitute the amounts in variance.

Interceptions –Freeport & Buchanan

No.	Port Of Entry	No. Of Interceptions	Initial Payment	Additional Revenue Recovered
1	Freeport	114	\$499, 324.58	\$984, 776.13
2	Buchanan	N\A	N\A	N\A
3	TOTAL	114	499, 324. 58	984. 776.13

FY 20/21 Cumulative Intervention

Smuggled Vehicles				
No.	Port of Entry	No. of Smuggled Vehicle	No. of Seizures	USD Value
1	Jorwah, Bong County	8	8	\$23,418.19
2	Yealla\Kpassagissi, Lofa	1	1	3,306.18
3	Mendicoma, Lofa	1	1	4,125.32
TOTAL		10	10	30, 849.69

FY 20/21 Cumulative Intervention			
NO.	PORT OF ENTRY	No. of Interceptions	Additional Revenue Recovered
1	Freeport	114	\$984, 776.13
2	Land Border (GOODS)	45	105, 421.92
3	Buchanan	N/A	N/A
4	Smuggled Vehicles	10	30, 852. 46
5	GRAND TOTAL	169	1, 121, 050.51

Fiscal Years Comparisons of Interceptions & Revenue Implications				
No	Period	Activities	LD	USD
1.	FY 19 /20	108	\$8, 200, 000.00	\$384, 764.12
2.	FY 20 /21	169	N/A	\$1, 121, 050.51

A comparative analysis of the FY2019\20 and FY2020\21, in terms of ASIU Interventions underscores a moderate increase in interceptions during FY2020\21, as compared to FY2020\21. This increase can be attributed to the following: additional staffing levels by administration, attendance to focused -targeted examinations and an increase in the interdiction of Land Border vehicles.

However, the revenue implications derived during FY2020/21, highlight a significant appreciation as compared to FY2019/20. Interestingly, this drastic increase can be attributed to the vigilant pursuit by our agents in combing Monrovia and its environs of high valued shipments that left the port without examination, fraudulent goods declared through Customs under dubious HS Codes and increase in the interdiction of smuggled vehicles.

Investigations

Anti-Smuggling and Investigation Unit (ASIU), carried out forty-two (42) specialized investigations as directed by the Commissioner of Customs, Assistant Commissioners/Ports and Policy & Technical Affairs, to ascertain the validity of imports.

Our investigations sustained against these businesses / individuals that under declared, smuggled, and the illegal importation of banned chemicals- defrauding GOL of lawful revenue. And while it was established through our investigations, to have identified culpability on the part of some of these businesses / individuals, we still have opened investigations for which we haven't concluded our findings for senior management's decision. This Report considers physical investigation, intelligence dissemination as well as other activities. The Investigation Team was divided into Physical investigation and Desk Intel Audit.

The team recorded thirty-four (34) cases ranging from illegal importation of contraband and prohibited goods/items, under-declaration, undervaluation, smuggling, falsifying of Customs clearing documents and abuse of duty-free privileges. Sixteen (16) out of the thirty-six (34) Cases were fully investigated, completed and reports submitted to Senior Customs management, while eighteen (18) cases are pending completion. Our Investigation Team received One Hundred Ninety-Six (196) Alerts from Customs Risk Management Unit (CRM) along with Thirty-Six (36) Information from Customs Informants, Senior Management and other sources relating to Rural CBO's totaling Two Hundred Thirty-Two Alerts and Information. These were all disseminated to ASIU Operation Team. One Hundred Nine (109) 'HITS' were made out of the Two hundred Thirty-Two (232) Alerts/Information shared to ASIU Operation Team.

And of these Alerts\Information shared and feedbacks gathered, an estimated revenue recovered from these HITS amounted to US\$759.4 thousand. An additional amount of US\$387.4 thousand was also retrieved as direct revenue impact from physical investigations.

As a way of expeditiously executing our duty, the ASIU Investigation Team was involved with physical investigations and cross examinations of suspected person (s): Customs Internal Staff and External Parties: Individuals, Organizations, Entities and Brokerage Firms. The team work was complemented through the receiving and dissemination of risk alerts and other sources in real time, that which resulted into the confiscation of contraband, goods and items. Equally important, the Investigation Team, utilized

ASYCUDA- verification of Exited Containers and Cargoes- from the Freeport in close consultation with CRM.

DESK INTELLIGENCE INVESTIGATION

The team recorded two hundred thirty-two (232) Alerts from CRM and other sources (Customs Informants) ranging from suspected low occupancy rate, high risk commodity, first time importer, documents inconsistency, under-declaration, undervaluation, understating of quantity and high-risk brokerage firms. The Alerts/Information received were disseminated to ASIU Operation Team (Intel Signal at Exit Gate, Static at DI and Roaming).

PHYSICAL INVESTIGATION

The team recorded thirty-four (34) Cases ranging from illegal importation of contraband and prohibited goods/ items, under-declaration, undervaluation, smuggling, falsifying of Customs Clearing Documents and abuse of Duty-Free privilege that were investigated and warrant further investigation. Sixteen (16) out of the thirty-six (36) Cases were fully investigated, completed and submitted to the relevant authorities for decision-making. Additionally, the team roll-over seven (7) cases that were pending completion from quarter four of FY2019/20. However, two (2) out of the roll-over Cases were investigated, completed and report submitted in FY2020\21.

COLLABORATIONS

FY2020/21 became unprecedented in terms of the increase in the number of investigations conducted by ASIU. These investigations also had both national and international implications.

INTERNATIONAL INVESTIGATION

Our Investigations recorded and subsequently reported to the WCO CEN platform five (5) interventions and seizures made by Liberia Customs Administration. The team on behalf of Liberia Customs administration also received from the WCOSP under the framework of West and Central Africa region Security Program equipment (Testing Kits and Metal detectors) value at euro 52,641. Training plan for the usage and deployment of these kits for operations is being developed and full execution is scheduled to take place the 2nd Quarter of FY2021\22. In the spirit of mutual assistance and 'Customs -to- Customs 'Cooperation and under the supervision of the Assistant Commissioner for Compliance & Enforcement, the department turned over forty (40) cartons, one (1) bag along with two hundred twenty-nine (229) gross of assorted contraband cigarettes to our counterpart -Guinea Customs- under the

framework of the Nairobi Convention, Customs to Customs Cooperation. Our Investigation Team also collaborated with the Offices of the Commissioner of Customs and Assistant Commissioner for Compliance & Enforcement, and successfully completed the agreement between the WCO and Liberia Customs Administration for the securing of nCEN for Liberia.

Moreover, Six (6) boxes of ammunition (single barrel rounds) and Eleven (11) large boxes of assorted pharmaceutical products seized by Customs were respectively turnover to the Joint Security (Liberia National Police and National Security Agency), Liberia Small Arms Commission (LiNCSA) and Liberia Medical Health and Pharmaceutical Regulatory Administration (LMHPRA)-fostering of inter-agencies coordination and jurisdictional custody.

NATIONAL INVESTIGATION

Our National Efforts, yielded, for the first of its kind –a legacy established- induction and training of Customs personnel in Basic Law Enforcement. This milestone became successful under the leadership of the Manager ASIU, the Offices of the Commissioner of Customs and Assistant Commissioner for Compliance & Enforcement ,an MoU was signed between the Liberia National Police (LNP) which led to the training and successful graduation of thirty-three (33) Customs Officials and Officers in Basic Police Science.

And in an effort to strengthen our enforcement and compliance regime, our investigation team, expanded its work to Bo-Waterside (Grand Cape Mount County) CBO for 3- working days- enforcing Customs clearing processes at the BO CBO. The team monitored the

declarations, assessment and physical examination on two (2) trucks, two (2) buses and one (1) van. The examination discovered excess and undeclared goods/items. The amount of US\$11.6 thousand was collected as a result of the team's intervention.

INTERNAL INVESTIGATIONS

FY2020/21 unfolded in an unprecedented manner, with the identification of (6) ASIU personnel who (a Manager, Supervisor and four Agents) participated in the Examination/ Exiting of consignments from the port, submitted to ASIU Investigation. These individuals made written communication to ASIU Investigation team, in furtherance of its inquiries- outcome of ASIU Investigation findings, formed the basis of Human Resources (HR) notification for their immediate disengagement from ASIU activities.

Additionally, (3) Investigations were forwarded to the Professional Ethics Division (PED) regarding the deportment of a supervisor/Field Operations and (2) Field Operations Agents, as to their involvements into the false declaration/examination of shipments with 'Castro beer', Baby Oku Alcoholic Beverages and the clandestine exiting of (2) 40' Containers from the Freeport. PED conducted its inquiries and established that the Supervisor/Field Operations and (2) Field Operations Agents conducts were sustained, thus sanctioning it to the Commissioner General of LRA for administrative action.

GOL AGENCIES

Anti-Smuggling and Investigation Unit coordinated activities with local security sector entities of the GOL: Liberian National Police (LNP), National Security Agency (NSA), Financial Intelligence Unit (FIU), Liberia Immigration Services (LIS), Drug Enforcement Agency (DEA), Ministry of Defense (MOD), Ministry of Justice (MOJ), Ministry of Land, Mines & Energy (MLME), Ministry of Transport (MOT), Ministry of Commerce & Industries (MOCI) and the Environmental Protection Agency (EPA). And our collaborative efforts also extended to the Guinean Customs-Risk and Intelligence Directorate, in the monitoring, sharing and collection of data on the movement of goods across our borders. These collaborations, have now heightened relations between these institutions-information sharing-confidence building capacity, essentially aimed at solving crimes.

INTEGRATED BORDER MANAGEMENT ENGAGEMENT MEETINGS

A synergy has been created whereby quarterly meetings are held with border agencies in an effort to increase cooperation on information and intelligence sharing. This effort has led to our first quarter meeting with participants from the listed border agencies in attendance at LRA. A network of such allows greater support to Customs, especially when it comes to interdiction of goods at the border and who takes custody, based upon prescribed Constitutional authority.

Customs Risk and Intelligence

For the period under consideration (FY2020/21), Customs Risk Management and Intelligence Unit team conducted the following activities by the use of the Customs Automated System to select declarations made under different Customs regimes and procedures in a way that measures and evaluates the Customs Department controls.

1. Comprehensive System's reviews of Inspections Acts by Examiners to obtain Inspection Reports;
2. Revision of CAU and Post Clearance Audit Reports to obtain insights of additional assessments from Customs offenses/infractions;
3. Data analysis and sharing of intelligence alerts and look outs;
4. Revisions of Indicators for outcomes of examinations discrepancies

FREEPORT CBO SELECTIVITY ANALYSIS

The table below shows the selection of all declaration at the Freeport CBO for FY2020/21 in various customs regimes and procedures. Import for home consumption (IM4 & PSI4) accounts for 96 percent of all declarations made to Customs through the Freeport Customs Business Office (CBO). The distribution of lanes selection at the CBO is also seen below. The Lane Selection which is Red, Yellow, Green or Blue is a measure of customs interventions and extent thereof.

Freeport CBO Selectivity Analysis for FY 20/21

Type	No. of Dcls	RED	YELLOW	BLUE	Ets. CIF	Ets. Fees
COM 1	1	0	1	0	3,075.00	
COM 4	142	26	96	20	14,731,045.22	870,466.41
COM 6	1		1		408,625.00	
EX 1	309	3	290	16	122,133,100.12	365,420.61
EX 3	133	2	119	12	8,920,783.58	6,805.63
IM 4	7898	1357	4511	2030	343,811,568.64	31,961,617.88
IM 5	29		25	4	418,312.00	
IM 7	22		17	5	2,422,886.50	
IM 8	209	23	145	41	8,703,901.41	166,489.22
PSI 4	17392	7578	6152	3662	749,783,366.48	112,180,037.30
PSI 7	119	92	25	2	9,800,649.73	
SRC 4	13	1		12	1,407,740.43	28,154.94
SRI 4	58	10	11	37	6,690,089.23	202,976.76
Total	26,318	9,093	11,383	5,842	1,269,235,143.34	145,781,968.75

RIA CBO Selectivity Analysis for FY 20/21

Description	RED	YELLOW	BLUE	Total Dec.
No. of Declaration/Lane	9093	11,383	5,842	26,318
Percentage	35%	43%	22%	100%

RIA CBO Selectivity Analysis for FY 20/21

Type	No. of Declaration	RED	YELLOW	BLUE	CIF	Duties
COM 1						
COM 4	28	1	23	4	187,206.31	4,303.54
EX 1	2		1	1	1,200.00	
EX 3	24	2	13	9	1,015,897.42	800.00
IM 4	3155	428	1701	1026	73,697,599.02	1,437,566.06
IM 8		2	11	2	83,033.09 8	877.87
PSI 4		41	127	81	2,120,230.72	359,915.89
SDI4	543	206	278	59	728,592.45	189,701.84
SRC4	2			2	8,608.51	1,477.36
SRI 4	422	12	44	366	17,508,256.07	33,084.21 0
Total	4,419	691	2198	1530	95,350,623.59	2,027,726.77

RIA CBO Lane Distribution for FY20/2021

Description	RED	YELLOW	GREEN	BLUE	Total Dec.
No. of Declaration/Lane	691	2198		1530	4,419
Percentage	16%	49%		35%	100%

ALERTS AND LOOKOUTS ANNUAL HIT RATE

Alerts communicated by the Intelligence Unit to the Anti-Smuggling & Investigative Section, Assessment and Examination Sections are based on system's analysis and observed inconsistencies in relevant documentation for commodities declared to Customs, previous Profiles on Importers, Declarants, Country of Origin and feedback from ASIS/Examination Section. During the period under review, two hundred eighty-four (284) alerts were sent through the Customs Department Operation WhatsApp Chatroom

for intervention by the relevant Sections (Anti-Smuggling & Investigative Section, Examination and Post Clearance Audit). Out of the total alerts mentioned above, there were forty-seven (47) Hits, sixty-three (63) pending/hanging for examination reports and one hundred seventy-six (176) were examined and reported with no hit.

Effort to get the additional assessments for all the infractions was not possible because additional assessment report from the Central Assessment Unit (CAU) was not available holistically.

Summary table for all alerts sent during April & May for FY2020/21

Total Alerts	No discrepancy/ infraction	Transit	Alerts with HITS	Additional Duties	Pending	Total HIT rate
284	176		47		63	17%

PORT OPERATIONS

The Division of Port Operations provides supervision of Customs Business Offices (CBOs) responsible for the collection of border taxes. The primary focus of this division is revenue collection which encompasses the uniform application of procedures and relevant laws. These support the collection of lawful revenue and the facilitation of legitimate trade.

The total revenue collected by the CBOs during the fiscal year was US\$198.2 million against a budget of US\$170.8 million; thereby resulting in US\$27.4 million, or 16 percent, overperformance on aggregate. The increased in trade has been the key factor underpinning the 16 percent growth in Customs revenue.

The Urban Customs Business Offices contributed 96.5 percent to the total revenue collected during the period with the Freeport CBO accounting for 72 percent. Following the Freeport CBO was the Liberia Petroleum Refining Company (LPRC) CBO with 23 percent. The Rural CBOs, comprising 11 border offices, contributed just 2 percent for the fiscal year. As always worth indicating, bad road network continues to impede intra-regional and cross-border trade, while the absence of automation increases the potential for fraud at land borders. The table below disaggregates the revenue collected from each CBO during the period and their variances, while the table which follows shows year-on-year change in total revenue collected. The below figure also shows the trend of revenue collection for the last four fiscal periods. The details of revenue monthly actual and budget for FY2020/21 are illustrated in Appendix A, Tables A1 and A2.

Revenue by Customs Business Offices

DESCRIPTION	AS AT JUNE 30TH (FY20/21)			
	BUD	ACT	VAR+/-	ACH
Total Customs	170,842.08	198,227.08	27,385.00	16%
International Trade	169,242.41	195,023.38	25,780.97	15%
Urban Ports	165,753.62	191,323.96	25,570.34	15%
Freeport	115,498.21	142,312.78	26,814.57	23%
RIA	2,181.80	1,785.08	(396.72)	-18%
Parcel Post	8.68	17.30	8.62	99%
LPRC	45,932.00	44,996.56	(935.44)	-2%
BIVAC	2,132.92	2,212.24	79.32	4%
Rural Ports	3,488.80	3,699.42	210.62	6%
Loguatu	429.12	432.94	3.82	1%
Ganta	1,292.99	1,403.69	110.71	9%
Buchanan	47.71	166.09	118.38	248%
Greenville	35.59	1.81	(33.78)	-95%
Toe Town	60.96	69.25	8.29	14%
Harper	608.49	609.24	0.75	0%
Yeala	256.86	226.87	(29.99)	-12%
Jorwah	25.99	25.16	(0.83)	-3%
Butuo	2.78	3.29	0.51	18%
Mendicorma	30.55	30.64	0.09	0%
Bo Waterside	697.77	730.44	32.67	5%
Non-Tax Revenue	1,599.67	3,203.70	1,604.03	100%
Forestry (FMCs)	1,501.00	3,161.70	1,660.70	111%
Bonded Warehouses	98.67	42.01	(56.66)	-57%

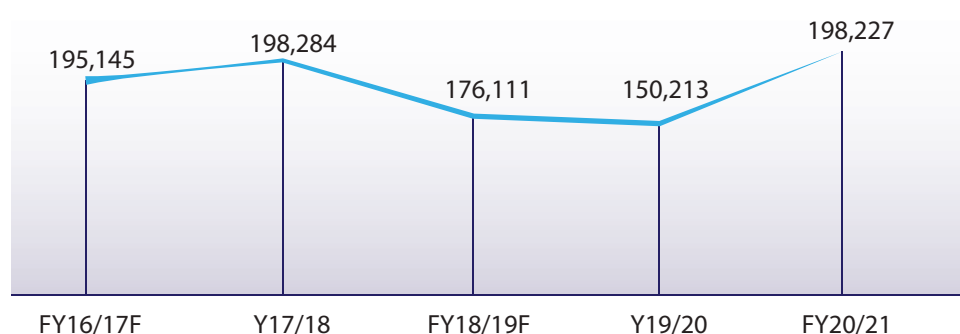
Source: Tax Administration System

CBO Revenue change trend FY16-17 to 20-21

DESCRIPTION	FY 16-17	CHANGE	FY 17-18	CHANGE	FY 18-19	CHANGE	FY 19-20	CHANGE	FY 20-21
TOTAL CUSTOMS	195,145	2%	198,284	-11%	176,111	-15%	150,213	32%	198,227
INTERNATIONAL TRADE	184,405	2%	188,461	-8%	173,702	-15%	147,606	32%	195,023
URBAN PORTS	181,685	2%	185,202	-8%	171,182	-16%	144,569	32%	191,324
Freeport	140,771	3%	145,217	-8%	132,915	-17%	110,175	29%	142,313
RIA	2,766	23%	3,409	-5%	3,229	-51%	1,567	14%	1,785
JSP	-	0%	11	-82%	2	0%	-	0%	-
Parcel Post	11	100%	22	-64%	8	-17%	7	162%	17
MLM&E	-	0%	-	0%	-	0%	-	0%	-
LPRC	36,326	-6%	34,236	-4%	33,019	-5%	31,204	44%	44,997
BIVAC	1,810	27%	2,307	-13%	2,009	-20%	1,616	37%	2,212
RURAL PORTS	2,721	20%	3,260	-23%	2,520	21%	3,037	22%	3,699
Loguatu	487	66%	810	-50%	409	-27%	299	45%	433
Ganta	544	16%	632	15%	727	90%	1,378	2%	1,404
Buchanan	125	192%	365	-68%	116	24%	143	16%	166
Greenville	380	-53%	177	-19%	144	0%	-	0%	2
Toe Town	168	-45%	92	-66%	31	7%	33	108%	69
Harper	233	6%	246	9%	267	136%	629	-3%	609
Yealla	240	2%	244	-30%	170	-56%	75	203%	227
Jorwah	223	-30%	157	-15%	134	-93%	10	165%	25
Butuo	2	0%	2	0%	2	-10%	2	83%	3
Mendicorma	126	-17%	105	-42%	61	-62%	23	34%	31
Bo-Waterside	193	122%	429	7%	459	-3%	445	64%	730
Non-Tax	10,740	-9%	9,814	-75%	2,408	8%	2,607	23%	3,204
Log and Wood	2,897	-65%	1,015	133%	2,365	9%	2,573	23%	3,162
Royalties	7,804	12%	8,757	0%	-	0%	-	0%	-
Bonded Warehouse	39	10%	43	0%	43	-20%	35	22%	42

Source: TAS Database

Customs Revenue Trend (Millions of United States Dollars)





Trade Facilitation

IMPORTS

The information in this section comprises data captured in the Customs Automated System (ASYCUDA) and is detailed according to the Customs procedure regimes. Total imports, including bonded drawdown for FY2020/21 were valued at US\$1.52 billion. Direct imports constituted 90 percent of the total imports while imports under the suspense regime accounted for 10 percent. About 59 percent of the total imports for the fiscal year were pre-inspected in countries of export before shipment. The below table provides summary details.

Total Imports According to Customs Procedures (Thousands of US Dollars)					
Indicator	CPC Description	FY 19/20	FY 20/21	%	Share FY2020/21 (%)
		CIF	CIF		Percentage
Direct Import		1,033,465	1,375,349	33%	90%
	Pre-shipment Inspection Outside ECOWAS (PSI)	637,511	807,208	27%	53%
	Imports for Direct Home Consumption	629,267	796,972	27%	52%
	Imports for Bonded Warehouse	8,244	10,237	24%	1%
	Other home consumption procedure	-	0	#DIV/0!	0%
	Destination Inspection outside of ECOWAS (IM)	221,089	407,000	84%	27%
	Imports for Direct Home Consumption	215,385	397,701	85%	26%
	Transit & Transshipment	5,161	6,302	22%	0%
	Imports for Bonded Warehouse	105	2,578	2355%	0%
	Temporary Imports	438	418	-4%	0%
	Destination Inspection within ECOWAS (COM)	166,656	135,718	-19%	9%
	Imports for Direct Home Consumption	11,816	14,874	26%	1%
	Imports for Bonded Warehouse	154,839	120,436	-22%	8%
	Re-importation	-	409	#DIV/0!	0%
	Special Release Outside of ECOWAS (SRI)	7,811	23,478	201%	2%
	Imports for Direct Home Consumption	7,811	23,460	200%	2%
	Other home consumption procedure	-	17	#DIV/0!	0%
	Simplified Declaration Outside the ECOWAS (SDI)	397	528	33%	0%
	Imports for Direct Home Consumption	397	528	33%	0%
	Special Release Within ECOWAS (SRC)	2	1,418	70786%	0%
	Imports for Direct Home Consumption	2	1,418	70786%	0%
Drawdown		155,590	148,744	-4%	10%
	Destination Inspection within ECOWAS (COM)	146,887	136,191	-7%	9%
	Imports for Direct Home Consumption	146,887	136,191	-7%	9%
	Destination Inspection outside of ECOWAS (IM)	8,703	12,524	44%	1%
	Home consumption following Warehousing	8,703	5,569	-36%	0%
	Home consumption following Industrial Warehousing	-	6,955	#DIV/0!	0%
	Direct import under drawback procedure	-	0	#DIV/0!	0%
	Pre-shipment Inspection outside of ECOWAS (IM)		29	#DIV/0!	0%
	import under drawback procedure	0	29	#DIV/0!	0.00188%
Total		1,189,055	1,524,093	28%	100%

Source: ASYCUDA

The table below disaggregates imports into commercial and non-commercial imports under both permanent and suspense regimes for the comparative periods of FY2019/20 and FY2020/21. Taxable imports experienced a trend from US\$329 million in FY2019/20 to US\$456 million in FY2020/21. In the same vein, nontaxable imports increased by 30 percent from US\$705 million in FY2019/20 to US\$920 million in FY2020/21. These increases are attributable to the demand for foreign goods after the Corona Virus Pandemic.

Total Imports into Permanent and Bonded Regimes (Thousands of US Dollars)

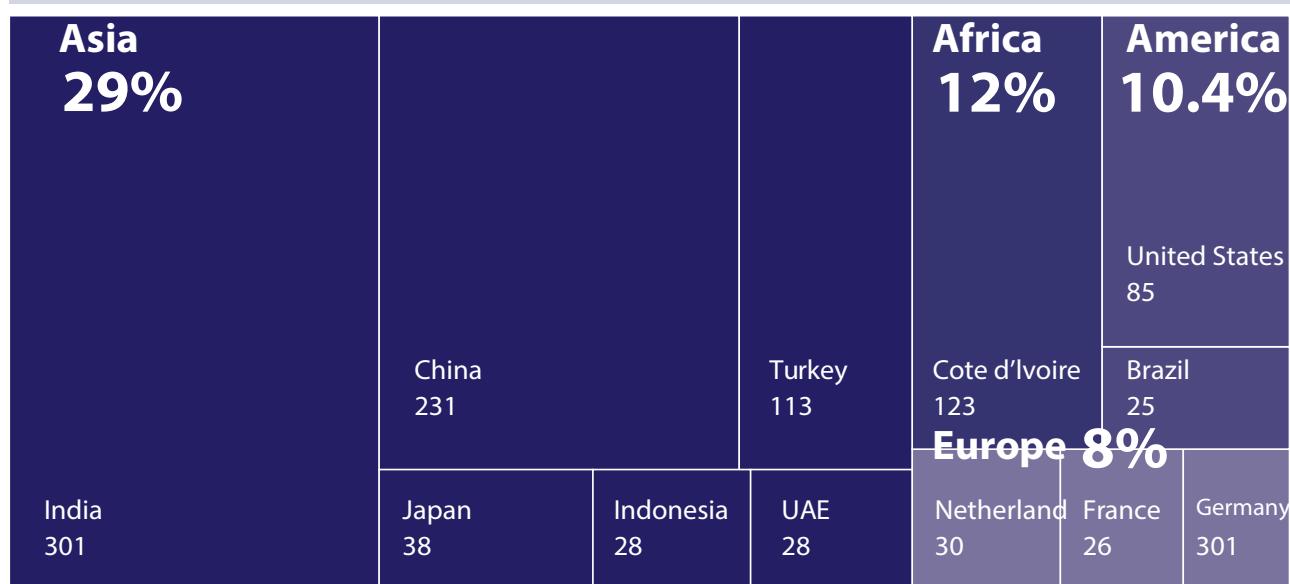
Description	FY 19/20	FY 20/21	% Δ
Direct Import	1,033,465	1,375,378	33%
Non-Com	704,775	919,557	30%
Com	328,691	455,821	39%
Bonded Draw Down	155,590	148,715	-4%
Com	149,483	140,020	-6%
Non-Com	6,106	8,695	42%
Total	1,189,055	1,524,093	28%

Source: ASYCUDA

The figure below summarizes the total imports for the fiscal year according to regions of importation. More than half of the import for the reporting period originated from Asia, with India and China accounting for the bulk of the Asian imports. African import predominantly originated from the ECOWAS region, accounting for almost 12 percent of the total imports. Cote d'Ivoire led the imports originating from

Africa as the result of the huge importation of petroleum products. Americas led by the United States, accounted for about 10.4 percent of the total import. The Europe, which was led by the Netherlands and France, accounted for 8 percent.

Total Imports from Regions and Top Ten Countries (Thousands of US Dollars)



Source: ASYCUDA

In the figure below, each country of the world is colored according to the value of exports to Liberia during FY2020/21. The top countries are India, China, Côte d'Ivoire, and the United States. In Latin America, Brazil stands out as Liberia's largest trading partner. Intra-regional trade

remains relatively low apart from trade with Cote d'Ivoire, which is an outlier as the value of the trade is largely on account of petroleum products.

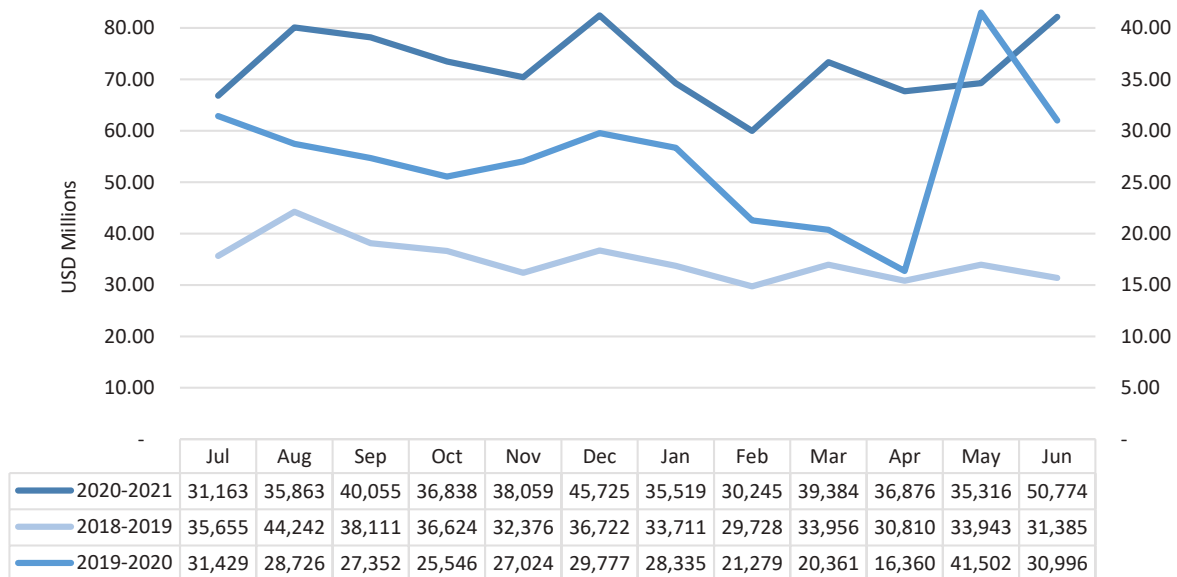
Map of Imports by Country-FY2020/21



Source: ASYCUDA

The commercial imports for FY2018/19 and FY2019/20 were lower than in the previous year for the first three quarters of the fiscal year. The figure below illustrates this. The general trend last fiscal year was a decline, but imports saw a strong rebound in May and June. FY2020/21 depicts an increase trend above FY2018/19 and FY2019/20.

Map of Imports by Country-FY2020/21

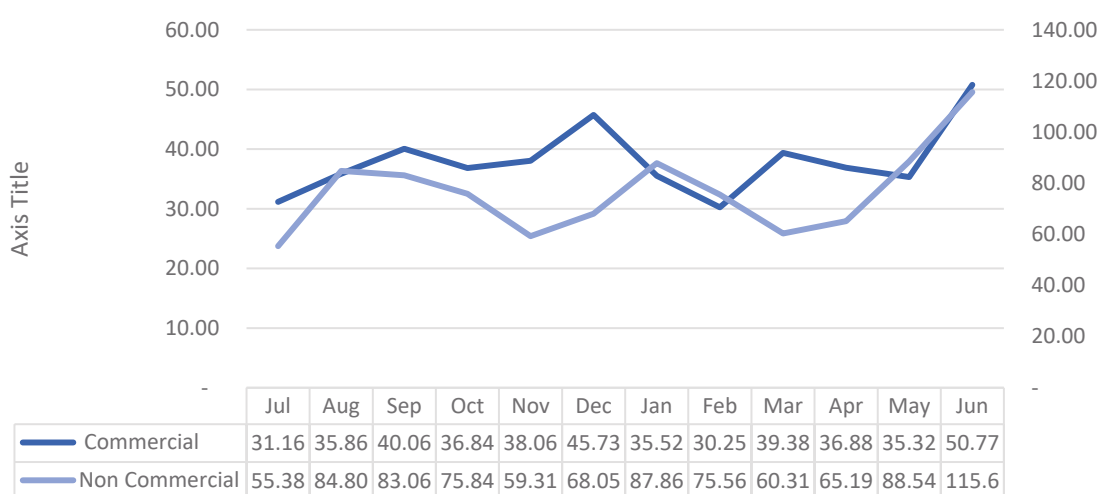


Source: ASYCUDA

The figure below shows the trends of commercial and non-commercial trade. As mentioned above, the commercial imports were on a downward and upward trend before rebounding in March and June. The non-commercial imports value was very volatile. The trend of the non-commercial imports also depicted a downward and upward movement

during the period under consideration. The first jump was in August, followed by January and June respectively. The imports that explains these jumps are mainly our most frequent and essential commodities (rice petroleum and vehicles), which account for about 50 percent in CIF value during these months.

Import Trend Comparative Analysis—Commercial & Non-commercial FY2020/21



Source: ASYCUDA

Principal Imports According to Commodities

This section summarizes the principal imports for the fiscal period according to commodity sections and chapters (HS descriptions). Importation for home consumption was valued at US\$1.38 billion, of which commercial imports constituted 33 percent, while non-commercial imports accounted for 67 percent. The taxable component of the import value

in FY2020/21 increased by 39 percent compared to the previous year while the non-taxable component increased by 30 percent. The top 10 commodity groups, which accounted for 89 percent of the total importation. See the below tables for details.

Commercial Imports FY2019/20 and FY2020/21

Section	HS Commodity Description	FY 2019- /20	FY 2020/21	Change	FY 19/20 Share
I (1-5)	Live Animals; Animal Products	64,932	78,121	20%	17%
IV (16-24)	Prepared Foodstuffs; Beverage & Tobacco	62,234	70,810	14%	16%
XVI (84-85)	Machinery, Mechanical Appliances & Parts	41,062	54,547	33%	12%
XVII (86-89)	Vehicles, Aircraft, Vessels & Associated Transport Equip	27,656	63,760	131%	14%
VI (28-38)	Products Of The Chemical Or Allied Industries	23,447	35,424	51%	8%
XI (50-63)	Textiles And Textile Articles	22,013	32,428	47%	7%
XV (72-83)	Base Metals And Articles Of Base Metal	18,964	22,396	18%	5%
V (25-27)	Mineral Products	11,924	15,755	32%	3%
XIII (68-70)	Articles Of Stone, Plaster, Cement, Asbestos, Mica	7,267	14,584	101%	3%
XX (94-96)	Miscellaneous Manufactured Articles	8,865	12,567	42%	3%
II (6-14)	Vegetable Products	9,136	12,172	33%	3%
Major Com Import		297,500	412,564	39%	91%
Other Com		31,191	43,257	39%	9%
Total Com Import		328,691	455,821	39%	100%

Source: ASYCUDA

Table: Non-Commercial Imports FY2019/20 and FY2020/21

Section	HS Commodity Description	FY 2019- /20	FY 2020/21	Change	FY 20/21 Share
II (6-14)	Vegetable Products	150,087	213,257	42%	23%
V (25-27)	Mineral Products	174,528	156,281	-10%	17%
XVI (84-85)	Machinery, Mechanical Appliances & Electrical Equip	109,295	176,727	62%	19%
VI (28-38)	Products Of The Chemical Or Allied Industries	57,783	79,654	38%	9%
XV (72-83)	Base Metals And Articles Of Base Metal	46,013	63,173	37%	7%
XVII (86-89)	Vehicles, Aircraft, Vessels And Associated	39,939	67,040	68%	7%
VII (39-40)	Plastics And Articles	33,838	44,049	30%	5%
III (15)	Animal Or Vegetable Fats	24,699	28,156	14%	3%
Major Non Com Import		636,182.86	828,337.12	30%	90%
Other Non Com		68,591.78	91,219.62	33%	10%
Total Non Com Import		704,774.64	919,556.74	30%	100%

Source: ASYCUDA

Number of imports declarations

As displayed in the figure below, the number of import declarations (in ASYCUDA) varied throughout FY2020/21 and peaked in the month of December with 2,434 customs declarations. The monthly average was 1,957 customs declarations, a 16 percent decline from last year. The lowest number of customs declarations in ASYCUDA during the fiscal year under review was 1,415 in the month of July.

Number of declarations by month FY2020/21



EXPORTS

As described in the below table, total exports for the fiscal year were valued at US\$128.5 millions, of which permanent exports accounted for US\$119.5 millions, or 93 percent, while re-exports accounted for US\$8.9 millions, or 7 percent. Overall, comparative total exports increased by 23 percent with block rubber, cocoa beans, and crude palm oil as the main commodities exported.

Exports into Permanent and Re-exportation
(Thousands of US Dollars)- FY2020/21

Description	FY19-20	FY20-21	Change
Permanent Exports	100,107	119,560	19%
Re-Exports	4,425	8,923	102%
Total Export	104,533	128,482	23%

Source: ASYCUDA

Exports According to Principal HS Commodities

This section summarizes the FOB values for the principal exports for the reporting period according to the HS sections and chapters. Gold and iron ore are not captured in ASYCUDA at the moment, but the remaining main exports – plastic and rubber articles and animal or vegetable Fats and Oils – accounted for US\$104M, or 81 percent of exports in ASYCUDA, while other commodity groupings accounted for the rest as summarized in the below table.

Table: Non-Commercial Imports FY2019/20 and FY2020/21

Section	HS Commodity Description	FY19-20 FOB	FY 20/21 FOB	Change
VII (39-40)	Plastic and rubber articles	74,749.73	94,459.97	26%
III (15)	Animal or Vegetable Fats and Oils	7,017.53	9,696.03	38%
IV (16-24)	Prepared Foodstuffs; Beverages; Tobacco	8,986.60	5,164.54	-43%
VI (28-38)	Chemical products	4,963.47	4,265.07	-14%
IX (44-46)	Wood and articles of wood	2,559.69	5,044.75	97%
XVI (84-85)	Machinery, mechanical and electrical appliances	1,515.65	3,021.77	99%
XV (72-83)	Base metals	1,012.12	2,968.61	193%
Major Exports		100,804.79	124,620.74	24%
Other Exports		3,791.84	3,861.46	2%
Total Exports		104,596.63	128,482.21	23%

Source: ASYCUDA

Exports According to major destinations

The figure below summarizes Liberia's principal export destinations for the fiscal year according to regions and principal countries of destination. Nearly half of the exports were destined for the Americas, with majority of the exports landing in the United States of America. Europe was the next highest export destination for Liberian goods; accounting for

30 percent. Belgium and the Netherlands received bulk of the Liberian exports to Europe. Trade within the African continent remain dramatically low. Africa, predominantly the ECOWAS region received a meagre 8 percent of the total exports from Liberia. While Liberia received nearly 30 percent of its annual imports from Asia, only 14 percent of Liberia's exports landed in Asia for the fiscal year under review.

Exports According to Principal Regions and Countries of Destination (Thousands of US Dollars)

America 48% United States 59,647	Europe 30% Belgium 30,900 Netherlands 4,008	Asia 14% Ecowas 8% Senegal 8,135
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Source: ASYCUDA

Key Challenges

Some key challenges include:

- Covid-19 pandemic
- The need for tax lawyers to participate in high dollar value audits to properly maximize legitimate needed revenue;
- Given the poor integrity of the data in SIGTAS, the effective monitoring of taxpayers remains a challenge. Issues ranging from inadequate taxpayer registration information, multiple accounts for one tax kind, system unable to capture non-tax due filing, etc., are impediments to capturing adequate filing and payment information;
- Inadequate manpower continues to impede efforts to expand the tax base for increase revenue collection across rural Liberia;
- Unconducive environment (dilapidated offices) continues to weaken effective rural revenue administration;
- Time taken by Registration and Return Processing to process payments made by taxes is undermining the drive for taxpayers to use the electronic platforms. Due to delay in processing some of the payments made in real statutory time, taxpayers are charged penalties that they should not be charged for.
- Wrong tax account posting by registration and return processing understating some accounts while overstating others
- Presence of aged vehicles with over 87 percent fleet over six years
- Unapproved HR Policies (eg. Performance Guide, Training Strategy etc)
- Lack of adequate space to store voluminous supplies for stores management
- Lack of specification in procurement may cause purchase Orders not to reflect what the end user's really need or delay the entire process
- Lack of approved Standard Operating Procedures (SOPs)
- Delay by Central Bank of Liberia in posting bank statements, thereby leading to untimely verification of deposits
- Amongst others

Financial Statements

REPORT AND FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

The Financial Statements, unaudited, have been prepared in accordance with the provisions of the Public Financial Management Act of 2009 and in compliance with the Cash Basis International Public Sector Accounting Standards (Cash IPSAS), as adopted by the Government of Liberia.

In accordance with the provisions of the Public Financial Management (PFM) Act of 2009, I am responsible for the control of and accounting for public funds received, held, and expended for and on behalf of the Liberia Revenue Authority (LRA).

Under the provisions of the same Act, I am required to prepare quarterly and annual unaudited final accounts of the LRA to be submitted to the Minister of Finance and Development Planning, for the periods to which they relate. However, I have delegated the preparation of the unaudited final accounts to the Assistant Commissioner for Budget and Finance for my transmittal to the Minister, as provided in the attendant Regulations of the Public Financial Management Act of 2009. Accordingly, I am pleased to submit the required public accounts of the LRA in compliance with the PFM Act and its attendant Regulations. I have provided, and will continue to provide, all the information and explanations as may be required in connection with the financial statements presented herein.

In preparing these Financial Statements, the most appropriate accounting policies have been consistently applied and supported by reasonable and prudent judgment and estimates. To the best of my knowledge and belief, these Financial Statements agree with the books of accounts, which have been properly kept.

I accept responsibility for the integrity of these financial statements, the financial information they contain and their compliance with the provisions of the Public Financial Management (PFM) Act of 2009.



Mr. Thomas Doe Nah
Commissioner General
Liberia Revenue Authority (LRA)

December 31, 2021

Date

MANAGEMENT DISCUSSION AND ANALYSIS ON THE FINANCIAL STATEMENTS

Introduction

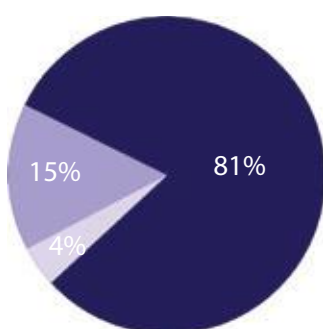
This Report provides commentary and analysis of the cash receipts and payments (as well as financial performance) of the Liberia Revenue Authority (LRA) for the fiscal year ended June 30, 2021 and of its financial position as at that date. The Liberia Revenue Authority (LRA) is a semi-autonomous Government agency established under an Act of the National Legislature in September 2013 to replace the Department of Revenue of the Ministry of Finance (including the Bureau of Internal Revenue and the Bureau of Customs and Excise) as defined in Chapter 21 of the Executive

Law of 1972 for the purpose of assessing and collecting national revenues as specified in the Revenue Code of Liberia or related laws; administering, accounting, auditing and enforcing revenue collection laws and regulations; and educating taxpayers to facilitate tax and customs compliance.

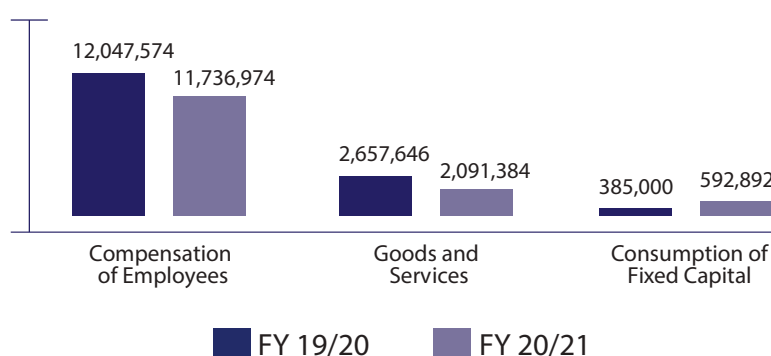
The Annual Approved Budget

In the 2020–2021 Fiscal Year, US\$13,897,320 was initially appropriated but later got augmented by US\$523,930 for compensation. This brought the LRA's final budget for the year to US\$14,421,250 with Employee Compensation amounting to US\$11,736,974 while Goods and Services amounted to US\$ 2,091,384 and Capital Expenditure amounted to US\$592,892. The chart below shows the percentage composition per category:

2020–2021 Budget By Categories



Year-By-Year Budget Comparison By Categories

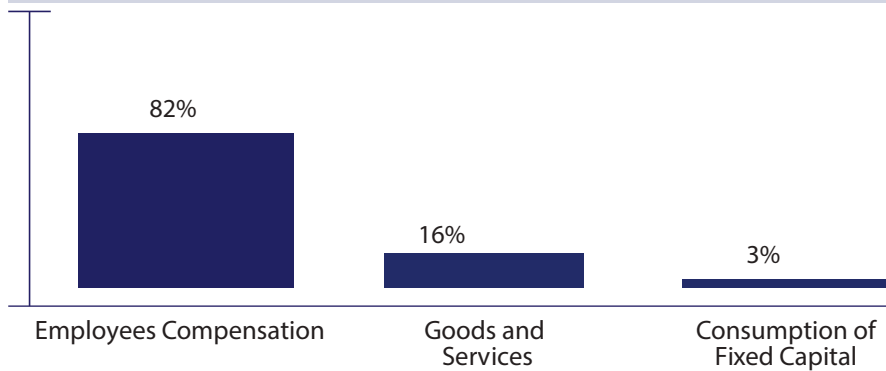


Financial Performance

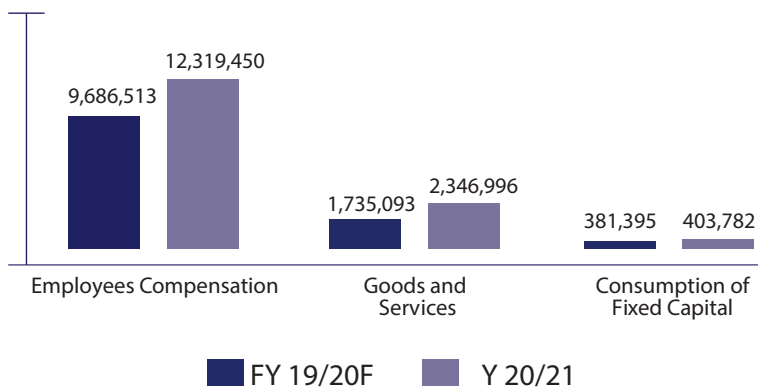
For the fiscal year ending June 30, 2021, the LRA received the sum of US\$15,352,722 from the Government of Liberia to cover payroll and operational costs for the fiscal year. The difference between the amount received and the final budget stated is due to the fact that funding for employees compensation for the month of June in the 2019-2020 fiscal year was received and spent in the month of July in the 2020-2021 fiscal year in the amount of US\$931,472.

Total expenditure for FY2020/21 was US\$15,070,228 which is broken down by expenditure categories as follow: Compensation of Employees – US\$12,319,450; Goods & Services – US\$2,346,996; Consumption of Fixed Capital – US\$403,782. Please see the chart below for pictorial presentation and percentage composition of total expenditure for fiscal year:

2020-2021 Budget By Categories



Year-By-Year Expenditure Comparison



Conclusion

At the close of the fiscal year, total unsettled obligations stood at US\$4,533,689. Of this amount, NASSCORP Employer's Contribution accounted for US\$4,037,641 or 88.39 percent. The FY2020-21 Commitments accounted for US\$530,272.48 or 11.61 percent.

Cash balances as at June 30, 2021 were USD Ecobank balance of US \$ 300,298, OSIWA project balance of US\$1,933 and LRD Ecobank balance of L\$66,427,668 or US\$344,114 equivalent at the closing rate of L\$171.31 to US\$1.00 after taking into account an exchange loss of 43,649. The balance for Petty Cash at the end of the fiscal year was US\$ 6,995. This translates into a total ending cash balance of US\$653,340.

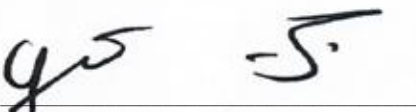
These Financial Statements should be read in conjunction with all the underlying notes and supplementary disclosures for better understanding and interpretation.



Mr. Ord-siejepo Jlateh
Assistant Commissioner for Budget & Finance

December 31, 2021

Date



Mr. Aaron B. Kollie
Deputy Commissioner General Administrative Affairs

December 31, 2021

Date

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies

These are the specific principles, bases, conventions, rules and practices adopted by the Government of the Republic of Liberia in preparing and presenting the financial statements. The principal accounting policies adopted in the preparation of the financial statements therein are set out below.

Basis of preparation

These financial statements have been prepared in accordance with the requirements of the Public Financial Management Act, 2009 and comply with the Cash Basis International Public Sector Accounting Standard (Cash Basis IPSAS): Financial Reporting under the Cash Basis of Accounting. The measurement basis applied is the historical cost basis, except where otherwise stated in the accounting policies below. The accounting policies adopted have been consistently used throughout.

Reporting Entity

The Liberia Revenue Authority (LRA) is a semi-autonomous agency of government established by an Act of Legislature in September 2013 and became effective July 1, 2014.

The primary objective of the LRA is to administer and enforce the Revenue Code of Liberia for the purpose of assessing, collecting, auditing and accounting for all national revenues and to facilitate legitimate international trade and customs. Achieving the LRA objective requires significant engagement, interaction and follow-ups with taxpayers, revenue generating ministries and agencies, and other key stakeholders.

Payments by Other Government Entities

During the reporting period, there was no payment by other government entities.

Reporting Currency and Translation of Foreign Currencies

Functional and Reporting Currency

The functional currencies are the Liberian Dollar and the United States Dollar and the United States Dollar is the reporting currency. Items included in the

financial statements are measured in the currency of the primary economic environment in which the entity operates.

- *b. Translation of Transactions in Foreign Currency*

Foreign currency transactions and transactions in Liberian Dollar are translated, as they occur, into United States Dollar using the exchange rates circulated by the Ministry of Finance and Development Planning at which funds were received for each month. Closing monetary balances are translated into the reporting currency using the closing rates.

The year-end (June 30, 2021) exchange rate for the Liberian Dollar was L\$171.31 to US\$ 1.

2. Authorized Allocations Received

During the FY2020/21 fiscal year, the LRA received a total of US\$ 15,352,722 from the Government of Liberia through the four-percent arrangement involving the Central Bank of Liberia and the Ministry of Finance and Development Planning. The receipt in the immediate prior fiscal year was to US\$ 11,258,230 received in last fiscal year.

3. Other Receipts

There was no other receipt of cash from a source other than the Government of Liberia in the 2020/21 fiscal year unlike the last fiscal that saw other receipt from LRA Provident Fund re-imbursement in the amount of US\$795.

4. External Assistance

There was no external assistance in the 2020-2021 fiscal year unlike the last fiscal year in which an OSIWA assistance came in the amount of US\$15,958 as support to the LRA's real estate project.

5. Compensation of Employees

Employee-related payments during the 2020/21 fiscal year totaled US\$12,319,450 as compared to US\$ 9,686,513 in the previous fiscal year as detailed below:

Description	FY 20/21	FY 19/20
	US\$	US\$
Basic Salary-Civil Service	11,854,906	9,030,548
Professional Services	464,544	642,210
Overtime		1,006
Residential Rental Allowance		8,325
LRA Provident Fund		1,674
Incapacity, Death Benefits & Funeral Expense		2,750
Total	12,319,450	9,686,513

6. Goods and Services

Payments for Goods and Services amounted to US\$2,346,996 in the fiscal year as compared to

US\$2,042,662 in prior year as shown below:

Description	FY 20/21	FY 19/20
	US\$	US\$
Travel (Domestic & Foreign)	110,833	160,720
Utilities	94,872	109,437
Rental & Lease	226,059	55,691
Repair & Maintenance	398,668	114,896
Operational Expenses	1,516,564	1,601,918
Total	2,346,996	2,042,662

Please note that Operational Expenses include key operational lines such as fuel and lubricants, security guard services, trainings, insurance and others.

7. Consumption of Fixed Capital

Payments for Fixed Capital amounted to US\$ 403,782 in the fiscal year as compared to US\$ 381,395 in prior year as shown below:

Description	FY 20/21	FY 19/20
	US\$	US\$
Transport Equipment	8,922	0
Machinery & Other Equipment	62,291	31,446
Furniture & Fixture	25,741	14,126
ICT Infrastructure	235,564	297,200
Software & Licenses	10,830	10,333
Other Fixed Assets	60,434	28,290
Total	403,782	381,395

8. Cash Balance at the End of the Fiscal Year

Cash balance at the end of the 2020/21 fiscal year was US\$653,340 as compared to US\$

370,846 at the end of the previous fiscal year as detailed below:

Description	FY 20/21	FY 19/20
	US\$	US\$
Ecobank-USD	300,298	47,322
OSIWA	1,933	29,959
Ecobank-LRD	344,114	292,412
Petty Cash Balance	6,995	1,153
Total	653,340	370,846

9. Explanation of Significant Variances (Statement of Budget and Actual Comparison)

In FY2020-2021, actual receipt from the Government of Liberia exceeded final budget by 6% largely due to the impact of the Government's four-percent arrangement with the LRA. Actual payment for employees' compensation exceeded final budget by 5 percent mainly due to the payment of June 2020 payroll in July 2020. Also, actual payment for Goods and Services exceeded final budget by 12 percent. Payment for Fixed Capital fell below final budget by 32 percent due to delayed procurement. Cumulatively, total payment for the fiscal year exceeded final budget by 5 percent.

10. Cumulative Liabilities/Obligations

Outstanding financial obligations amounted to US\$ 4,567,914 at the end of the 2020-2021 fiscal year as broken down below:

Descriptions	Cumulative Obligations	Percentage
	US\$	
NASSCORP-Employer's Contributions	4,037,641	88.39%
FY 2020-2021 Commitments	530,272	11.61%
Total	4,567,914	100%

11. Payments by Third Parties

There was no known and verified payment by external third party on behalf of the LRA in FY 2020-2021.

12. Contingent Liabilities

At the end of the fiscal year, there was no known contingent liability.

13. Authorization Date

Mr Thomas Doe Nah, Commissioner General of the Liberia Revenue Authority (LRA), authorized this financial report for release on August 20, 2021.

APPENDIX

APPENDIX A: CUSTOMS DETAILED MONTHLY ACTUAL AND BUDGET ANALYSIS

Table A1: Customs Forecast Monthly Revenue FY20/21

Descriptions	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Total	11,976	13,528	12,891	14,196	14,876	14,353	15,301	13,982	15,126	13,933	15,232	15,448	170,842
Intern Trade	11,732	13,348	12,822	14,014	14,775	14,306	15,247	13,866	14,748	13,865	15,077	15,442	169,242
Urban	11,501	13,079	12,601	13,613	14,534	14,137	14,835	13,677	14,330	13,699	14,666	15,082	165,754
Freeports	8,504	10,071	9,489	10,439	10,021	9,673	9,956	8,907	9,382	9,033	9,631	10,393	115,498
RIA	120	165	264	248	151	176	178	180	155	186	167	192	2,182
JSP	-	-	-	-	-	-	-	-	-	-	-	-	-
Parcel Post	1	1	1	1	1	1	0	0	2	1	1	0	9
MLM&E	-	-	-	-	-	-	-	-	-	-	-	-	-
LPRC	2,728	2,718	2,676	2,816	4,222	4,137	4,432	4,461	4,380	4,310	4,673	4,379	45,932
BIVAC	149	124	172	109	139	150	268	129	411	169	195	118	2,133
Rural	231	270	221	402	242	168	412	188	419	166	411	359	3,489
Loguatu	31	18	22	23	41	57	30	23	61	31	57	37	429
Ganta	73	102	101	171	119	4	203	70	146	52	171	79	1,293
Buchanan	0	10	13	3	6	2	5	2	2	2	1	0	48
Greenville	0	5	5	5	5	2	5	2	2	2	1	2	36
Toe Town	7	1	1	1	1	15	1	1	3	2	5	23	61
Harper	51	70	19	106	6	7	48	18	99	19	57	109	608
Yealla	19	11	27	24	11	23	30	24	34	7	26	20	257
Jorwah	6	3	2	5	1	0	2	1	1	2	2	2	26
Butuo	0	0	0	0	0	0	0	0	0	0	1	0	3
Mendicorma	3	2	1	1	1	2	2	4	3	3	3	6	31
Bo-Waterside	40	47	31	62	51	57	86	43	67	46	86	82	698
Non-Tax	244	179	69	182	101	47	54	116	378	68	155	6	1,600
Log and wood	227	175	58	160	99	47	31	114	376	64	150	-	1,501
Rental of bonded	17	4	11	21	2	-	24	2	2	4	4	6	99

Table A2: Customs Monthly Actual FY20/21

Descriptions	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Total	13,882	15,418	14,578	16,275	13,724	19,261	16,134	15,830	18,033	18,954	16,752	19,387	198,227
Intern Trade	13,863	15,275	14,433	16,094	13,188	18,971	15,640	15,628	17,920	18,635	16,295	19,081	195,023
Urban Ports	13,658	15,072	14,197	15,840	12,908	18,736	15,610	15,371	17,332	18,288	15,914	18,399	191,324
Freeport	11,110	12,145	11,467	12,944	9,646	14,104	10,777	10,420	12,202	13,020	10,803	13,674	142,313
RIA	90	133	105	121	85	105	129	225	215	192	221	165	1,785
JSP	-	-	-	-	-	-	-	-	-	-	-	-	-
Parcel Post	-	1	2	1	3	1	-	3	4	-	1	1	17
MLM&E	-	-	-	-	-	-	-	-	-	-	-	-	-
LPRC	2,230	2,624	2,436	2,613	3,047	4,329	4,538	4,540	4,744	4,886	4,685	4,324	44,997
BIVAC	228	168	187	160	127	197	166	183	166	190	205	235	2,212
Rural	206	203	236	254	280	236	30	257	588	347	381	682	3,699
Loguatu	67	41	25	22	29	28	10	41	23	20	51	76	433
Ganta	35	37	65	118	77	0	-	-	420	226	7	419	1,404
Buchanan	-	0	28	2	0	135	-	-	-	-	1	-	166
Greenville	-	-	-	1	-	0	-	0	-	-	-	0	2
Toe Town	3	1	-	1	1	1	-	3	9	6	41	5	69
Harper	19	28	44	20	103	19	20	112	29	22	145	49	609
Yeala	72	36	18	8	2	31	-	24	22	-	9	5	227
Jorwah	1	2	3	-	3	3	-	4	3	0	5	-	25
Butuo	-	0	0	0	-	0	-	0	1	0	1	1	3
Mendicorma	2	2	2	2	1	1	-	2	4	6	2	6	31
Bo Waterside	7	56	52	80	63	18	-	70	77	66	119	122	730
Non-Tax	19	143	145	180	535	289	494	202	113	319	457	307	3,204
Log and wood	13	136	141	174	534	289	492	196	111	319	453	304	3,162
Rental of bonded	5	7	4	6	2	1	2	6	2	-	5	3	42

APPENDIX B: DUTY WAIVER

Table A2: Customs Monthly Actual FY20/21

Description	CIF Value	Duty Payable	Duty Waived	Share
Total	791,637.07	9,498.06	155,452.99	100%
Executive Order	208,056.01	46.83	45,608.95	29.3%
Investment Incentive	230,762.85	4,541.19	45,068.85	29.0%
Concession	203,449.08	4,340.02	34,986.27	22.5%
Gol Project	60,465.03	257.95	11,444.09	7.4%
Macs	36,229	15	7,819	5.0%
Diplomatic Mission	28,310.48	1.46	5,584.66	3.6%
INGOs	14,410.63	90.91	2,773.69	1.8%
Member Of National Legislature	2,886.64	22.20	848.62	0.5%
Tax Refund	1,770.97	110.25	327.15	0.2%
LNGOS	1,793.29	8.75	268.25	0.2%
Liberian Returnee	734.57	16.68	234.86	0.2%
Educational Institution	799.34	5.41	149.00	0.1%
Religious Institution	733.68	16.35	135.30	0.1%
Medical Institution	759.90	4.86	88.03	0.1%
Duty Free Stores	85.58	1.71	53.23	0.0%
Special Exemption	273.78	18.74	32.15	0.0%
Emergency Supplies	116.04	-	31.08	0.0%

Source: Duty Free Section

Table B2: Summary of Waiver from ETL Scheme FY20/21

Country of Origin	CIF Value	Duty Waived	Share
Ghana	1,700	439.96	34%
Cote D'Ivoire	1,524	345.61	27%
Guinea Bissau	2,720	272.03	21%
Nigeria	495	127.99	10%
Senegal	789	82.31	6%
Sierra Leone	100	15.02	1%
Guinea	15	1.57	0%
Total	7,343	1,284	100%

Source: Trade & Tariff

Source: Trade & Tariff

Table B2: Summary of Waiver from ETL Scheme FY20/21

Category	Qty of AGO	Qty of PMS	Duty Waived	Share
Total	15,852	910	5,050	100%
Concession	9,176	2	1,996	40%
Investment Incentive	2,922	-	1,143	23%
National Legislature	498	899	604	12%
Government Project	1,301	-	520	10%
Diplomatic Mission	974	9	394	8%
Executive Order	914	-	365	7%
Ingo's	66	-	26	1%
Bunkering/Sst	3	-	1	0%

Source: Duty Free Section

