



LIBERIA REVENUE AUTHORITY

ANNUAL REPORT

JAN - DEC 2022



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ANNUAL REPORT

Foreword by Chairman of the Board



Cllr. Frank Musah Dean, Jr.

Justice Minister and Attorney General
Board Chairman

On behalf of the Board of Directors of the Liberia Revenue Authority (LRA), I am delighted to introduce the LRA Calendar Year (CY) 2022 Annual Report. This report encapsulates our collective efforts in ensuring that lawful revenue is collected efficiently and effectively, contributing to the economic growth and development of our nation.

The Board of Directors has played a pivotal role in steering the course of the LRA during the past years. Our strategic guidance has been essential in maintaining a robust and fair tax system, allowing for the responsible collection of revenue in accordance with our relevant laws and regulations.

One of our significant accomplishments in 2022 was the effective execution of the LRA Corporate Interim Plan, a comprehensive document that outlined the strategies, goals, and objectives to optimize domestic resource mobilization. Through diligent teamwork, we have successfully achieved some of the key milestones outlined in this plan, further demonstrating our commitment to enhancing Liberia's fiscal stability.

I extend my heartfelt appreciation to the dedicated and hardworking staff, our esteemed stakeholders, including taxpayers, businesses, and partners. The unwavering commitment to your responsibilities, even in the face of challenges, has been instrumental in driving revenue generation and ensuring compliance with our tax laws.

As we move toward the next fiscal year, the Board remains steadfast in its commitment to promoting the highest standards of integrity, efficiency, and service within the Liberia Revenue Authority.

With our collective efforts, we will continue to build a strong and vibrant Liberia, where lawful revenue collection serves as a cornerstone of our economy.

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

Message from the Commissioner General



Thomas Doe Nah

Commissioner General
Liberia Revenue Authority

Revenue performance for 2022 was not without a challenge. While on the path of post Covid-19 recovery, we began to experience shocks in collection due to the Russian-Ukraine war, thereby causing a strain in performance for the period under review. However, we made significant strides in implementing the LRA Interim Plan and provided the necessary support towards the Government's Pro-poor Agenda for Prosperity and Development.

In this light, we implemented various initiatives, including the effective rollout of the Liberia Integrated Tax Administration System (LITAS), introduction and enforcement of the excise stamp program, efficient management of electronic fiscal devices and extensive taxpayer education programs. Additionally, we strengthened service delivery, and conducted numerous audits and enforcement exercises.

For CY 2022, total revenue was projected at US\$786.6 million which was revised at US\$811.6 million. Actual collection accounted for US\$752.4 million which was slightly below revised projection by US\$59.1 million, representing a 7 percent variance. However, the collection also demonstrated a 9 percent growth when compared to the CY2021 actual collection of US\$692.5 million.

We are fully committed to addressing the revenue gap and ensuring a more robust performance in the coming years. To this end, we are taking a multifaceted approach, including further enhancing compliance measures, streamlining administrative processes, and expanding our taxpayer outreach programs.

We would like to express our gratitude to our valuable taxpayers and the dedicated staff of the LRA for their tireless efforts. The LRA remains fully committed to achieving its mission and vision of collecting lawful revenue and with such continued support, we are confident that we will achieve our goals.

A handwritten signature in black ink, appearing to read 'Hathomas', enclosed within a thin, hand-drawn oval border.

Commissioner General
Liberia Revenue Authority

Attestation On Financials

ATTESTATION ON FINANCIALS

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 page 58 - 60 do not contain material misstatements, are an adequate representation of the underlying economic and financial reality reported and complete in all material aspects.

Attested on this 30th day of June, 2023 A.D.

By 

Mr. Samuel G. Bennett Jr.
Deputy Commissioner General
Administrativ Affairs

Domestic Tax Department



Section 7(2) (g) of the LRA's Act provides that the data on page 30 - 40 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 on this 30th day of June 2023 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 page 44 - 54 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 on this 30th day of June, 2023 A.D.

By 

Mr. Saa Saamoi
Commissioner
Customs Department

Contents

FOREWORD BY CHAIRMAN OF THE BOARD	3
MESSAGE FROM THE COMMISSIONER GENERAL	4
ATTESTATION ON FINANCIALS	5
ATTESTATION ON FINANCIALS	5
ABOUT US	8
ESTABLISHMENT	8
ROLES & RESPONSIBILITIES.....	8
ACRONYMS	9
EXECUTIVE	10
SUMMARY	10
ORGANIZATIONAL	11
STRUCTURE	11
STRATEGIC SNAPSHOT	13
STRATEGY MAP	14
STRATEGIC INDICES.....	15
TRANSFORMATION INITIATIVES	16
STRATEGIC PARTNERSHIP	17
PESTEL ANALYSIS	18
ECONOMIC OUTLOOK	19
LRA AT A GLANCE	20
OVERALL REVENUE PERFORMANCE	21
REVENUE PERFORMANCE.....	21
TAX AND NON-TAX REVENUE	22
CORPORATE GOVERNANCE	23
LIBERIA REVENUE AUTHORITY	23
LEGAL AND BOARD AFFAIRS.....	23
POLICY, STATISTICS AND STRATEGIC PLANNING	24
HUMAN RESOURCE MANAGEMENT	25

INTERNAL AUDIT	25
FISCAL INVESTIGATION.....	26
THE NATIONAL REVENUE ACCOUNTING AND REPORTING SECTION	26
ENTERPRISE DESIGN, QUALITY ASSURANCE AND RESULTS	26
ETHICS AND INTEGRITY.....	27
PROFESSIONAL RESPONSIBILITY	27
GENERAL SERVICES.....	28
ENTERPRISE RISK MANAGEMENT	28
TAXPAYER SERVICES.....	29
COMMUNICATION, MEDIA & PUBLIC AFFAIRS	29
SERVICE TO STAKEHOLDERS	29
SYSTEM MANAGEMENT	30
MANAGEMENT INFORMATION SYSTEM	30
MONITORING COMPLIANCE	30
CORE BUSINESS	30
DOMESTIC TAX OVERVIEW.....	30
DIVISIONAL ACHIEVEMENTS	31
LARGE TAX DIVISION	31
MEDIUM TAX DIVISION.....	34
SMALL AND MICRO TAX.....	35
NATURAL RESOURCE TAX	36
BUSINESS POLICY	37
TAX EXPENDITURE UNIT	38
TAX BUSINESS SECTION.....	38
GOVERNMENT NON-FOR-PROFIT-DIVISION (GNFPD)	40
REAL ESTATE	40
CUSTOMS OVERVIEW	44
TRADE	44
DIVISIONAL ACTIVITIES.....	49
ANTI-SMUGGLING AND INVESTIGATION UNIT (ASIU)	54
FINANCIAL STATEMENTS	58

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
CTP	Compliance Trader Program
CY	Calendar Year
DCGAA	Deputy Commissioner General for Adm. Affairs
DCGTA	Deputy Commissioner General for Tech. Affairs
DI	Destination Inspection
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
HRD	Human Resource Division
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
NORAD	Norwegian Agency for Development Cooperation
OSIWA	Open Society Initiative for West Africa
PED	Professional Ethics Division
PSSPD	Policy, Stats. And Strategic Planning Division
SBY	Special Budget Year
SIDA	Swedish International Development Agency
TAS	Tax Administration System
TATS	Tax Arrears and Transactional System
TATS	Tax Arrears Transaction System
TMD	Transformation and Modernization Division
TPSD	Taxpayer Service Division

Executive Summary



This Annual Report provides a comprehensive and detailed overview of the Liberia Revenue Authority's performance during the 2022 Calendar Year. The LRA, as a semi-autonomous agency, plays a crucial role in the collection of lawful revenue to support the development of Liberia. This report outlines the key achievements of the LRA, highlighting its contributions to revenue collection and the institution's overall progress. This report begins with strategic reviews, outlining the institution's overarching goals and objectives. Transformation initiatives undertaken by the LRA to modernize and streamline operations are discussed, along with the partnerships forged with other organizations to strengthen revenue collection and administration. Additionally, this report includes an analysis of the external environment, considering factors such as economic indicators, market conditions, and regulatory changes that may impact revenue collection. It helps to provide a contextual understanding of the LRA's performance within the broader economic landscape of Liberia.

The Calendar Year 2022 began with the LRA being charged with the responsibility of initially collecting US\$786.5 million, based on revenue forecasts conducted by the Ministry of Finance and Development Planning in collaboration with

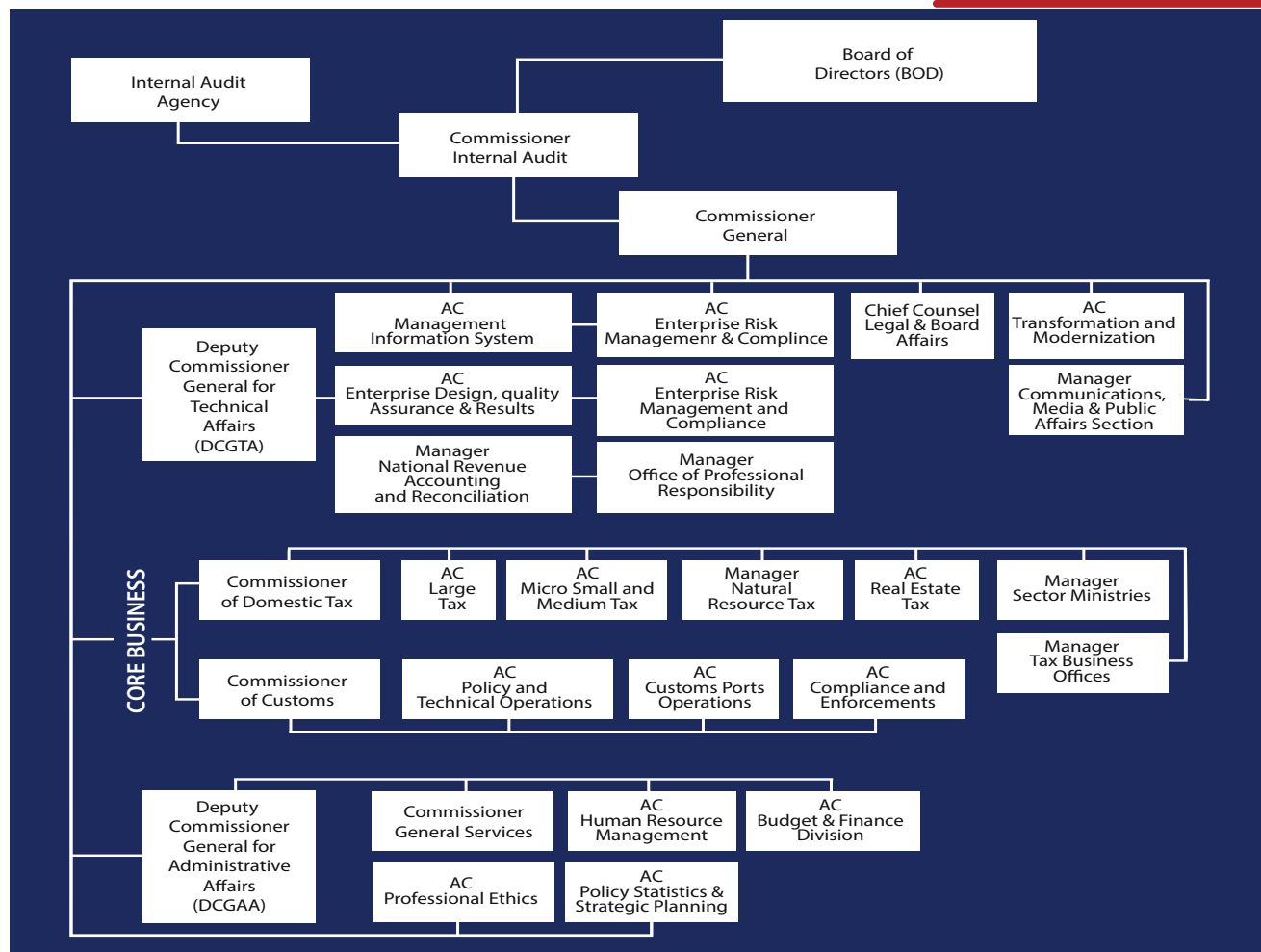
the LRA Policy Division and the International Monetary Fund (IMF). Following the mid-year review, a supplemental budget of US\$25.00 million was added which revised the budget to US\$811.5 million. During the year under review, the LRA faced a revenue deficit, as the actual collection for the year amounted to US\$752.4 million, falling short of the revised budget by US\$59.1 million or 7 percent. However, LRA's performance in CY2022 surpassed that of the previous year (2021) by US\$59.8 million or 9 percent. This improvement indicates positive growth and a concerted effort to enhancing revenue generation.

Corporate governance is a vital aspect of the LRA's operations, and the report highlights the measures taken to ensure transparency, accountability, and ethical conduct within the LRA. Efforts to enhance service quality, customer satisfaction, and taxpayer compliance are emphasized, reflecting the LRA's commitment to delivering efficient and effective public services. The report also examines revenue performance in detail, evaluating various revenue streams, tax types, and sectors that contribute to the overall collection. It analyzes the factors influencing revenue generation, identifies challenges faced, and presents strategies for improvement. System management, including the use of technology and digital solutions, is a critical component of the LRA's operations. The report explores the LRA's efforts to leverage technology for efficient tax administration, data management, and information exchange. Compliance measures and initiatives to combat tax evasion and fraud are also discussed, underscoring the LRA's commitment to maintaining a fair and equitable tax system.

Furthermore, trade facilitation initiatives aimed at promoting smooth and efficient cross-border trade are outlined while ensuring compliance with customs regulations and revenue collection requirements. These efforts contribute to fostering a favorable business environment and encouraging economic growth. Domestic resource mobilization is a key priority for the LRA, and the report highlights the LRA's strategies to effectively mobilize domestic resources, including tax policy reforms, taxpayer education and outreach, and improved enforcement measures.

To ensure transparency and accountability, the report includes financial statements, providing a comprehensive overview of the LRA's financial position, revenue sources, expenditures, and cash flows. These financial statements adhere to international accounting standards, allowing stakeholders to assess the LRA's financial performance and stewardship.

Organizational Structure



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

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 (DTD) and the Commissioner of the Customs Department (CD).

The CG who heads the executive management team of the LRA is also the CEO and Secretary to the Board of Directors but retains functional accountability 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 at the Executive Management level are the Commissioner of Customs, responsible for the collection of border taxes, facilitation of legitimate trade and enforcement of border security and the Commissioner of Domestic Tax who leads in enhancing domestic revenue collection, ensure voluntary compliance and to enforce the collection of tax debt.

The functional departments and agencies within the LRA include:

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

In addition, there are four other functional areas, which 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 be a model in revenue administration, promoting tax compliance and service delivery while leveraging advanced technologies.

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

Mission

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

Values

Commitment, Integrity, Teamwork, Service

Vision

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

RESULTS

Maximize revenue collection

Facilitate legitimate trade and ensure social and border protection

INTERNAL PROCESSES

Modernize taxpayer Services

Promote a risk-based tax and customs compliance system

Develop and implement a debt management system

Enhance tax and Customs controls and procedures

Strengthen the legal and regulatory frameworks

Improve domestic tax and customs database

Enhance internal and external communication

Promote good governance focused on ethics, accountability and integrity

Implement a strategic management model

Strengthen collaboration with domestic and international partners

PEOPLE RESOURCES

Attract, develop and retain best talents

Develop a performance driven culture

Provide adequate logistical and real infrastructure

Modernize ICT infrastructure and solutions

Source funding and optimize resource allocation

STRATEGIC INDICES

1.1>	Revenue Collection Performance	<15.1>	Real Infrastructure Conformity index
<2.1>	Average Clearing time	<16.1>	ICT Index (ICT)
<2.2>	Customs Clearance Rate	<17.1>	Budget execution ratio
<3.1>	Taxpayer Services Index (TSI)	<17.2>	Cost of Collection Optimization
<4.1>	Compliance rate on reporting, filing and payment	<8.2>	Tax Database Integrity Index(TDII)
<4.2>	Audit Capacity and Coverage Index	<9.1>	Communication Performance Index (CPI)
<4.3>	Audit Recovery Efficiency Rate	<10.1>	Internal Audit Interventions
<4.4>	Audit Plan Adherence	<10.2>	Ethics and Integrity Dissemination Index
<4.5>	Enhanced efficiency of Audit Program	<10.3>	Enterprise Risk Management Maturity Index
<5.1>	Approved Debt Management tools	<11.1>	Strategic Management Model Index (SMMI)
<5.2>	Integrated tax debt stock consolidation	<112.1>	Partnership and Collaboration Index (PCI)
<6.1>	(Tax and Customs controls and procedures index Quality control efficiency rate	<13.1>	Human Resources Management Index (HRMI)
<7.1>	Number of legislative and regulatory proposals for closure of loopholes.	<13.2>	Employee Satisfaction Rate
<7.2>	% reduction on time it takes to resolve tax disputes	<14.1>	Performance Target Rate
<8.1>	Active Taxpayer population growth	<14.2>	Performance Management compliance level
<8.2>	Tax Database Integrity Index(TDII)	<15.1>	Real Infrastructure Conformity index
<9.1>	Communication Performance Index (CPI)	<16.1>	ICT Index (ICT)
<10.1>	Internal Audit Interventions	<17.1>	Budget execution ratio
<10.2>	Ethics and Integrity Dissemination Index	<17.2>	Cost of Collection Optimization
<10.3>	Enterprise Risk Management Maturity Index		
<11.1>	Strategic Management Model Index (SMMI)		
<112.1>	Partnership and Collaboration Index (PCI)		
<13.1>	Human Resources Management Index (HRMI)		
<13.2>	Employee Satisfaction Rate		
<14.1>	Performance Target Rate		
<14.2>	Performance Management compliance level		

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 resource coordination, project management & results-oriented monitoring and evaluation for all existing and future reform projects. The year under review marked climax of the five (5) year Domestic Resource Mobilization Strategy (DRMS), 2018-2022.

Key Projects Reform

Some initiatives coordinated during the reviewed period included:

1. Ensured all tobacco importers were enrolled to purchase excise tax stamp for cigarettes and enhanced verification and assurance of products to be stamped and affixed with the Excise Stamp
2. Expanded mobile money payment for government taxes and Fees
3. Planned and participated in Super User Training, including Phases I and II User Acceptance Testing
4. Managed the deployment of more than one hundred electronic fiscal devices comprising of all three categories (fiscal printer, electronic transaction registry and electronic signature device).



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 active 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.
SWEDISH TAX AGENCY	Focuses on modernization of taxpayer service, Development of competent human resource and compliance risk management

PESTEL ANALYSIS

Political, Economic, Social, Technological, Environmental and Legal Analysis 2022/2023

1 Political

Firm preparation to enable a peaceful electoral environment is key for a reliable political process and national security

3 Social

Corruption remains a major source of reduced public trust

Increased cost of living as a result of the ripple effects from global crisis

2 Economic

GDP growth fell to 4.8% in 2022 from 5.0% in 2021

Inflation eased from 7.9% in 2021 to 7.6% in 2022

The fiscal deficit widened to an estimated 4.8% of GDP in 2022 from 2.4% in 2021

Average Exchange rate appreciated 4.6% against the US dollar, from L\$166.15 in 2021 to L\$152.93 in 2022

4 Technological

Major efforts are still needed in the areas of Cyber security and e-Governance (automation of business processes).

5 Environment

Liberia continues to face high climate change risk.

Thus, experiencing vulnerability to climate variability

6 Legal

Legal cases subject to extensive delays and procedural and other errors remain key

Investors continuous questions of the fairness and reliability of judicial decisions

Adjudication of cases under dual common and customary laws continues to results in conflicting decision

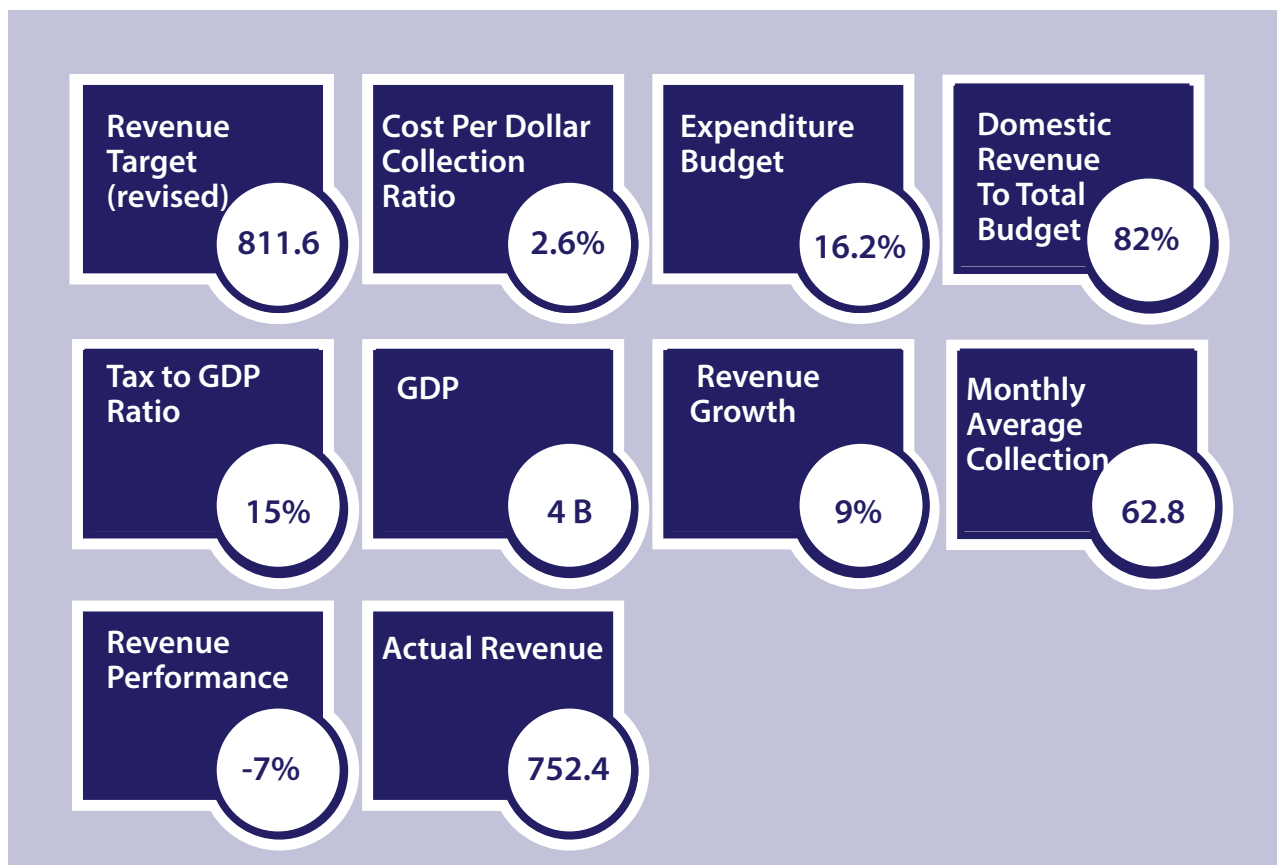
Economic Outlook

Sectors	2021	2022
Real GDP (current US\$)	3.51	4
GDP, PPP (constant 2017 int's \$)	7.39	7.75
Real Growth (annual %)	5	4.8
Agriculture & Fisheries % Contr.	1.2	0.4
Forestry % contr.	0.1	0.1
Mining & Panning % contr.	2.6	2.4
Manufacturing / real GDP % contr.	0.3	0.1
Services % contr.	0.8	1.8
Average Headline Inflation %	7.9	7.6
Average Exchange Rate US\$/L\$	166.15	152.93

Source: World Bank Development Indicators/CBL



LRA at a Glance



Calendar Year 2022

Total National Budget (Approved)	811.6
Actual Revenue Outturn	752.4
Revenue Performance	-7%
Monthly Average (Domestic Revenue)	62.8
Domestic Revenue Target	651.5
Domestic Revenue Actual	614.9
Annual Revenue Growth	9%
GDP (Nominal) in billions	4.0
Tax to GDP Ratio	15%
Domestic Resource Contribution on Total Budget	82%
Expenditure Budget (Internal)	16.2
Cost Per Dollar Collected Ratio	2.6%

Source: Special Budget revenue outturn

Overall Revenue Performance

REVENUE PERFORMANCE

The CY2022 budget was approved at US\$786.5 million. During the course of implementation, a supplemental budget of US\$25 million was injected which revised the budget upwards to US\$811.5 million. Actual revenue performance for CY2022 was US\$752.4 million which fell short of the revised budget by US\$ 59.16 million or 7 percent. Domestic revenue accounted for US\$614.9 million or 82 percent of the total collection. The core departments of Domestic Tax and Customs contributed 67 percent and 33 percent of domestic revenue respectively. External resources for the reporting period also fell short of target by US\$22.4 million or 14 percent.

Tax Kind	Approved Budget	Revised Budget	Actual	Var.+/-	% Var.+/-
Total Revenue (Incl. Financing Gap)	786,587	811,587	752,422	(59,165)	-7%
Total Revenue (Excl. Financing Gap)	786,587	811,587	752,422	(59,165)	-7%
Domestic Revenue	641,587	651,587	614,904	(36,683)	-6%
Domestic Tax Department	411,626	421,626	409,857	(11,770)	-3%
Customs Department	229,961	229,961	205,047	(24,914)	-11%
Tax Revenues	492,193	497,193	494,730	(2,464)	0%
Taxes on Income & Profits	199,803	199,804	212,474	12,670	6%
<i>O/W Personal Income Tax (PIT)</i>	<i>119,657</i>	<i>155,411</i>	<i>158,139</i>	<i>2,728</i>	<i>2%</i>
<i>O/W Corporate Income Tax (CIT)</i>	<i>43,068</i>	<i>43,068</i>	<i>52,700</i>	<i>9,632</i>	<i>22%</i>
<i>O/W Other Income Taxes</i>	<i>37,078</i>	<i>1,324</i>	<i>1,635</i>	<i>311</i>	<i>23%</i>
Taxes on Property	5,900	5,900	4,546	(1,354)	-23%
Taxes on Goods & Services	55,987	55,987	66,071	10,084	18%
<i>O/W Maritime Revenue</i>	<i>11,000</i>	<i>11,000</i>	<i>10,057</i>	<i>(943)</i>	<i>-9%</i>
Taxes on International Trade	227,092	227,092	203,306	(23,786)	-10%
Other Taxes (SDCs)	3,410	8,410	8,333	(77)	-1%
Non-Tax Revenues	149,394	154,393	120,174	(34,220)	-22%
Property Income	129,677	134,677	101,237	(33,440)	-25%
<i>O/W Road Maintenance Fund</i>	<i>26,300</i>	<i>26,300</i>	<i>23,697</i>	<i>(2,603)</i>	<i>-10%</i>
Administrative Fees	19,216	19,216	18,500	(716)	-4%
Fines, Penalties & Forfeits	495	495	433	(62)	-13%
Miscellaneous & Unidentified	6	5	4	2)	0%
External Resources	145,000	160,000	137,518	(22,482)	-14%
FINANCING GAP	-	-	-	-	0%

Source: TAS/Statistics Unit

TAX AND NON-TAX REVENUE

Tax revenue which accounted for approximately 80 percent of domestic revenue collection slightly dipped against the revised target by US\$2.46 million or 0.5 percent. Taxes on Income and Profit and Taxes on goods and services were the key performing tax kinds, exceeding their respective revised targets by US\$12.67 million or 6 percent and US\$10.08 million or 18 percent. Contrarily, Taxes on International Trade registered a dip of US\$23.78 million against the revised target mainly underpinned by customs and other import duties and petroleum excise. Real property taxes also underperformed by US\$ 1.35 million or 23 percent. Taxes on

goods and services was one of the key performing tax kind, exceeding target by US\$10.08 million of 18 percent mainly driven by service tax.

Meanwhile, Non-tax revenue accounted for the underperformance in domestic revenue. On the aggregate, it fell below projection by US\$34.22 million or 22 percent. The key tax kinds contributing to this underperformance are property income which accounts for US\$33.44 million or 98 percent, of which iron ore royalties alone contributing US\$ 21.06 million or 63 percent.

Tax Kind	Approved Budget	Revised Budget	Actual	Var.+/-	% Var.+/-
Domestic Revenue	641,587	651,587	614,904	(36,683)	-6%
Tax Revenues	492,193	497,193	494,730	(2,464)	0%
Taxes on Income & Profits	199,803	199,804	212,474	12,670	6%
<i>O/W Personal Income Tax (PIT)</i>	119,657	155,411	158,139	2,728	2%
<i>O/W Corporate Income Tax (CIT)</i>	43,068	43,068	52,700	9,632	22%
<i>O/W Other Income Taxes</i>	37,078	1,324	1,635	311	23%
Taxes on Property	5,900	5,900	4,546	(1,354)	-23%
Taxes on Goods & Services	55,987	55,987	66,071	10,084	18%
<i>O/W Maritime Revenue</i>	11,000	11,000	10,057	(943)	-9%
Taxes on International Trade	227,092	227,092	203,306	(23,786)	-10%
Other Taxes (SDCs)	3,410	8,410	8,333	(77)	-1%
Non-Tax Revenues	149,394	154,393	120,174	(34,220)	-22%
Property Income	129,677	134,677	101,237	(33,440)	-25%
<i>O/W Road Maintenance Fund</i>	26,300	26,300	23,697	(2,603)	-10%
Administrative Fees	19,216	19,216	18,500	(716)	-4%
Fines, Penalties & Forfeits	495	495	433	(62)	-13%
Miscellaneous & Unidentified	6	5	4	(2)	-29%

Source: TAS/Statistics Unit

Corporate Governance

The LRA was established as a corporate semi-autonomous entity. Its corporate governance structure descends from a Board of Directors to 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 facilitates legitimate trade and social protection. It also drives 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 includes: 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:

LIBERIA REVENUE AUTHORITY

Established by an act of legislation in 2013	Revenue code of 2011	Board comprises of 3 committees – Finance, audit and risk management & Executive and Governance	Financial affairs guided by the 2009 Public Financial Management Act	Human Resource management Policy manual ensures policies and procedures for staff	Standard of Integrity drives the Professional Ethics and Code of Conduct
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LEGAL AND BOARD AFFAIRS

The Legal Department plays a central role in the administration of the Revenue tax laws. The department provides guidance on legal interpretation, represents the LRA in tax litigation cases, and provides other legal supports to the LRA in collecting lawful revenues and serving taxpayers properly. In furtherance, the department writes opinions for management actions, drafts regulations, rulings from protest and reforms request filed, develop and implement a debt management system to maximize domestic resources through its tax debt recovery process, publish legal guidance and work closely with the Ministry of Justice to handle all tax cases at the appropriate courts and other cases involving tax crimes and violations.

Key Achievements

- Adjudicated thirteen (13) tax cases with a total associated amount of US\$525.8 thousand
- Adjudicated two (2) NRTU cases with the associated amount of US\$4.6 million
- Finalized Debt Write Off Policy, completed Debt Framework awaiting EMT Approval and Developed Debt Management Strategy
- Received and conducted hearings on seven (7) protest cases with opinion provided
- Received and conducted two (2) reforms cases hearings with opinion provided
- Completed sixty-three (63) contracts/MOUs
- Reactivated Taxpayer Advocate Unit

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.

Key Achievements

Policy and Strategic Planning Unit

- Produced and published LRA Semi-Annual / Special Budget Year (July – December 2021) report
- Coordinated the drafting of more than twenty (20) Customs Regulations of the Modernized Customs Code of 2018
- Developed concept on the review and prioritization for next phase of DRM five (5) Years Strategy
- Produced exchange rate notices for update of revenue transaction rates in TAS and ASYCUDA Systems
- Conducted a strategic management annual review in collaboration with CSP Steering Committee
- Published the LRA 2022 Interim Plan
- Developed, introduced and circulated the 2022 Work Plan template to all divisions, sections, and units
- Produced three (3) quarterly PSSPD performance evaluation reports

Key Achievements

Statistics and Forecasting Unit

- Updated the revenue chart of accounts with new tax lines and revenue sources
- Conducted first-half review of the special budget, produced year end estimates and identified possible risks
- Produced 2022 draft revenue forecast
- Produced 2022 periodic revenue reports to include one hundred sixty-six (166) daily flash reports and tax exemption and trade analysis reports
- Collected, produced and validated data for African Tax Outlook (ATO)
- publication for 2022

Key Achievements

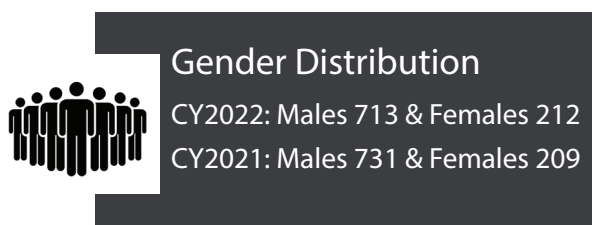
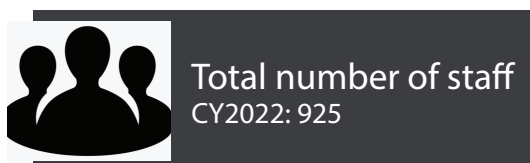
Strategic Partnership

- Reviewed and updated the donor matrix in consultation with DTD, Customs & TMD
- Coordinated the IMF Fiscal Affairs mission to Liberia for the assessment
- of the implementation of the DRM Strategy
- Attended 3 international fora on tax matters to South Africa, Zambia and Nigeria
- Continued to maintain our bilateral and multilateral engagements through regular communication.
- Provided support to the DRM Steering committee working group

HUMAN RESOURCE MANAGEMENT

The Human Resources Management Division is one of the divisions under the department of Administrative Affairs. It is responsible for staffing including recruitment, training and development, performance appraisals, benefits administration (pay and benefits) and the reward system, personnel well-being and discipline within the LRA.

Staff Demographics



Capacity Building

- Conducted Business Intelligence (BI) Online Training for data analysis using the EFD platform.
- Conducted five (5) Trainings for Ministries and Agencies on LRA Mobile Money payment confirmation process
- Conducted four (4) trainings on LRA Electronic Fiscal Device (EFD), E-services and the Excise Stamp and Tax Regimes

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.

Key Achievements

IA Activity	Planned	Achievement
Risk assessments	1	1
Annual risk-based business plan	1	1
Staff performance plans	14	14
Staff performance evaluations	28	28
IAD's quarterly activity reports	4	4
IAD's quarterly report for EDQARD	4	4
IAD's annual activity reports	1	1
Comprehensive audit engagements	6	5
Issued-oriented audit engagements	1	1
Surprise-ad hoc audit engagements		1
Limited scope audit engagements	1	1
Quarterly review engagements	11	10
Follow-up reviews	3	3
Limited Scope review	1	1
Continuous Audit	4	4

FISCAL INVESTIGATION

The Fiscal Investigations Division (FID) provides quality and timely tax intelligence, audit support, investigation and enforcement specialized capabilities that foster optimum revenue collection within the LRA.

Key Achievements

- Received six (6) new reports of suspected tax evasion with one (1) case brought forward from the previous year
- Investigated and referred to DTD four (4) cases for special assessments
- Investigated and assessed four (4) cases with two (2) resulting to a total bill of US\$96.68 thousand

THE NATIONAL REVENUE ACCOUNTING AND REPORTING SECTION

The National Revenue Accounting and Reporting Section is one of the offices under the Deputy Commissioner General for Technical Affairs. It is responsible for conducting daily/monthly bank reconciliation of the Central Bank of Liberia (CBL) and Commercial Banks (CBs) for the period.



ENTERPRISE DESIGN, QUALITY ASSURANCE AND RESULTS

The Enterprise Design, Quality Assurance & Results Division (EDQARD) is one of the divisions under Technical Affairs. 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.

Key Achievements

- During the period under consideration, the Enterprise Design & Results Section completed four (4) monitoring and evaluation reports with twenty-four (24) Standard Operating Procedures developed. Additionally, total files reviewed from audit cases received by the Quality Assurance section were eighty-four (84).

ETHICS AND INTEGRITY

The Professional Ethics Division (PED) was established by the Authority to investigate all allegations of employees' 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.

Key Achievements

- During the period under review, eight (8) complaints (cases) were registered. Amongst the eight (8) cases registered, six (6) were successfully investigated
- Completed investigation of five (5) background checks
- Effectuated Assets Declaration of forty-five (45) staff

PROFESSIONAL RESPONSIBILITY

The mission of the Office of Professional Responsibility Section (OPRS) 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

- Trained two hundred and eighty (280) tax practitioners and issued twenty-eight (28) licenses in collaboration with relevant Departments
- Investigated three (3) cases of professional misconduct
- Issued four hundred and twenty (420) licenses to Customs Brokers
- Held two (2) engagement meetings with Tax Practitioners



GENERAL SERVICES

The General Services Department (GSD) is charged with the responsibility to provide the requisite support to all departments, divisions, sections and units within the Liberia Revenue Authority in managing facilities, supplies, internal transportation, security and resource conservation, maintenance and procurement related services

Key Achievements

- Installed new signage at the LPRC Customs Business Office for visibility and direction
- Commissioned a brand new 500 KVA – C 15 Caterpillar generator to enhance power supply
- Conducted Civil works to relevant and functional business offices with the sole purpose of boosting the revenue collection of the LRA
- Ensured that the facilities of LRA are kept in good working condition for staff business and operations
- Provided support to five (5) departments on nineteen (19) outstations travel to almost all parts of the country to conduct various exercises and revenue operations
- Received and successfully supported one thousand seven hundred forty-eight (1,748) requests from a total of thirteen (13) units for the use of Utility vehicles
- Developed and successfully conducted training for eighty-three (83) external security personnel
- Conducted an annual fire and emergency evacuation awareness drill with over 80 percent of LRA staff in attendance
- Conducted six (6) security related investigations
- Ensure PPCC approval of Addendum Procurement Plan for the Supply and Delivery of Excise Stamps
- Processed an average six hundred eighty (680) out of seven hundred forty-five (745) procurement requisitions
- Developed purchase order tracking system with an average issuance rate of fifty (50) purchase orders per month constituting a 90 percent success rate
- Issued a total number of five hundred fifty-five (555) Purchase Orders

ENTERPRISE RISK MANAGEMENT

The Enterprise Risk Management & Compliance Division (ERMCD) was established in conformity with the risk framework of the Committee of Sponsoring Organization (CoSO) of the Tread Way Commission 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 identify all risks and proactively manage in an efficient and effective manner to protect national revenue and LRA's image.

Key Achievements

- Implemented payroll field physical verification
- Communicated to all staff Quarterly ERM risk awareness
- Produced report on petty cash spot check reviews
- Produced one (1) annual report per each section (MIS risks and Institutional compliance), and one (1) consolidated ERMCD report produced

Service to Stakeholders

TAXPAYER SERVICES

The division is one of the four (4) divisions that reports 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

- Conducted fifteen (15) tax education outreach programs in six counties, focused on providing informative tax awareness and education to taxpayers to facilitate and support general voluntary tax compliance
- Conducted six (6) customer service training for frontline staffs
- Conducted customer (taxpayer) focus group survey was in collaboration with the Swedish team and report issued accordingly
- Acquired call log to generate calls from the directory and updated call center phone Directory and confirmation of extension in progress
- Conducted four (4) trainings for selected group of staffs on awareness promotion and education on LRA Electronic Fiscal Device (EFD), E-services and the Excise Stamp and Tax Regimes
- Conducted eight (8) tax clinics intended to provide valuable insights into Liberia's tax system unique to different forms of businesses and their respective tax obligations, and methods, processes, and procedures to voluntary compliance
- Printed and distributed to taxpayers through LRA concierge desks, service windows seventy-eight thousand (78,000) pieces of tax and customs forms and information flyers and brochures
- Conducted thirty-eight (38) radio talk shows, including rural community radio shows on general tax compliance, real estate tax awareness and education, excise stamp education and awareness, electronic fiscal device awareness and education, tax practitioner licensing awareness and the Taxpayer Appreciation Day
- Conducted ten (10) service assessment visits to TBOs and CBOs
- Resolved two hundred ninety-three (203) out of three hundred three (303) inquiries received via concierge desks, call center, emails, and social media thus amounting to 99.6 percent inquiry resolution rate compared to planned initiative of 90 .

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

- During the period under review, the section facilitated at least 500 media and public engagement activities. These include:
- Issued twenty-six (26) press releases
 - Issued twenty (20) plus public service announcements and revenue notices
 - Issued ten (10) procurement notices
 - Facilitated on one hundred seventy-eight (178) talk show
 - Produced fifteen (15) educational and informational video content
 - Effectuated two hundred (200) plus social media post
 - Responded to fifty-two (52) FOI and other tax inquiries

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.

Monitoring Compliance

CORE BUSINESS

DOMESTIC TAX OVERVIEW

The Domestic Tax Department is one of the core departments of the Liberia Revenue Authority. Some of the core functions of the Department are to collect domestic revenue, enhance voluntary compliance and enforce the collection of tax debt. The Department collected US\$409.8 million against its revised projection of US\$421.6 million indicating a decline of 2.7 percent for the reporting period. Although the department revenue fell short of the revised

budget, actual performance exceeded the previous year by 13 percent.

When the performance is disaggregated by divisions, Large Tax Division and NRTS contributed US\$163.3 million and US\$117.3 million, respectively. TBOs accounted for the lowest US\$1.3 million. See table below for details.

CY2022 Projection against actual collection / per division (000')							
Divisions	Actual Target	Collection US\$ to Date	Collection LRD to Date	Consolidation to Date	Variance	% Achieved	% Variance
Large Tax	178,997	84,690,890	11,933,838,256	163,395	-15,601	91%	-9%
NRTS	131,390	117,331,545	9,721,608	117,395	-13,994	89%	-11%
GNFPD	86,930	90,584,793	2,868,668,852	109,412	22,482	126%	26%
Medium	12,919	9,031,845	329,189,170	11,205	-1,714	87%	-13%
RETD	5,927	3,727,512	132,368,486	4,599	-1,328	78%	-22%
Small	3,972	1,874,273	89,673,749	2,465	-1,506	62%	-38%
TBO	1,493	658,332	111,626,788	1,394	-99	93%	-7%
Totals	421,626	307,899,191	15,475,086,910	409,866	-11,760	97%	-3%

Source: Domestic Tax Dept.

Similarly, when the performance is disaggregated by major tax kinds, Taxes on Income and Profit and Goods and Service tax representing Tax revenue accounted for US\$212.4 million and US\$66.0 million respectively, whereas Property Income and Administrative Fees, representing Non-tax revenue, contributed US\$99.5 million and US\$18.5 million respectively. See table below for details.

CY2022 Projection against actual collection / per tax kind (000')						
MAJOR TAX KIND	2022 TARGET	ACTUAL COLLECTIONS US\$	ACTUAL COLLECTIONS LRD	MTD CONS.	VARIANCE	% TOTAL
Income & Profit	199,803	153,361,299	8,966,002,422	212,474	12,671	106%
Property Taxes	5,900	3,680,855	131,408,398	4,546	-1,354	77%
Goods & Services	55,987	45,114,861	3,180,456,599	66,071	10,084	118%
Other Taxes	8,410	8,313,016	3,027,526	8,333	-77	99%
Property Income	131,809	79,172,776	3,090,872,026	99,506	-32,302	75%
Administrative Fees	19,216	17,908,653	89,809,967	18,500	-716	96%
Penalties and Interest	495	345,381	13,256,316	433	-63	87%
Miscellaneous	6	2,351	253,655	4	-2	71%
TOTAL	421,626	307,899,191	15,475,086,910	409,866	-11,760	97%

Source: Domestic Tax Dept.

DIVISIONAL ACHIEVEMENTS

LARGE TAX DIVISION

The Large Taxpayers' Division is one of the four divisions within the Domestic Tax Department and manages the compliance of taxpayers whose annual turnover is L\$50 million and above and 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 out of three core sections, including Assessment, Analysis and Accounting (AAA), Audit, Collection and Enforcement. Currently, as per SIGTAS Registry, there are three hundred sixty- two

(362) registered large taxpayers, out of which, two hundred eighty-two (282) are active taxpayers, and eighty (80) new/inactive. The table below provides performance of the division by tax kinds.

For the reporting period, Large Tax Division fell short against its target by US\$15.6 million or 9 percent. Property Income mainly on account of State Owned Enterprises (SOEs) and Taxes on Income and Profit were the main contributors of this underperformance. However, Goods & Services Tax slightly exceeded its target by US\$456 thousand or 1 percent.

Large Tax Division CY 2022 Outturn						
MAJOR TAX KIND	TARGET	ACTUAL US\$	ACTUAL L\$	CONS.	VARIANCE	% VAR. +/-
Income & Profit	92,242	44,785,411	6,465,258,090	87,457	-4,785	-5%
Goods & Services	42,207	26,965,229	2,377,625,007	42,664	456	1%
Other Taxes	20.26	21,100	14,000	21	0.93	5%
Property Income	44,226	12,877,800	3,089,859,111	33,205	-11,022	-25%
Penalties and Interest	243	41,350	1,082,048	48	-194	-80%
Miscellaneous	57	-	-	-	-57	-100%
TOTAL	178,997	84,690,890	11,933,838,256	163,395	-15,601	-9%

Source: Domestic Tax Dept.

Tax Clearance

During the period under review, a total number of one hundred sixty-five (165) tax clearances were issued to compliant taxpayers, and newly registered taxpayers to start operations.

LTD AAA

During the reporting period, the Assessment, Analysis and Accounting raised a total number of 631 bills accounting for US\$13.0 million inclusive of penalty US\$430.4 thousand and interest of US\$338.7 thousand. See table below for details.

CY2022 Delinquent Assessments sent to enforcement					
Tax Type	# of Bills	Principal Tax	Interet	Penalty	Total Tax
Wh on Salaries/Wages	387	3,287,516	79,946	133,945	3,501,407
CIT 2%	134	3,178,282	29,576	70,433	3,278,291
Goods Tax	11	1,511,967	216,319	196,076	1,924,361
WH on Rent	4	3,521	220	608	4,349
WH on Services Rendered- RESD	4	3,111	62	175	3,348
Service Tax	82	1,652,821	12,394	28,314	1,693,529
WH on Gammig Winning	1	105,000	-	-	105,000
WH on Services Rendered- Non-RESD	1	3,529	136	582	4,247
WH on Interest	6	6,090	80	345	6,516
WH Acquisition	1	2,553,797	-	-	2,553,797
Grand Total	631	12,305,636	338,732	430,479	13,074,846

Source: Domestic Tax Dept.

LTD Audit

At the beginning of the quarter, thirty-six (36) cases were brought forward from the fiscal year 2021 as audit cases ending inventory. A compliance review of taxpayers' activities for the fiscal period 2021 by the Compliance Risk Division, led to the selection of thirty-five (35) additional taxpayers for the period, making the total audit inventory for the Calendar Year 2022 to seventy-one (71).

During the year, a total of seven-one audit cases were available and a total number of thirty-nine (39)

were completed and served the respective taxpayers through the office of the Large Tax Legal Collections and Enforcement Section. The completed audit cases were both comprehensive and issue-oriented yielding a total audit assessment of US\$31.6 million. The principal tax amount of US\$15.8 million of the total audit assessment and US\$15.7 million represents Penalty & Interest charges of the total audit assessments for the period. At the end of the year, there were thirty-two (32) audits outstanding.

LTD Audit Cases				
	Num(s)	Assessment		Total US\$
		US\$	L\$	
Total Audits To Date	39	26,957,437	734,240,901	31,604,531
Audit Cases				# of Cases
Audit cases brought forward				36
Cases added in 2022				35
Total cases to be audited	71			

Source: Domestic Tax Dept.

Losses Overturned

During the period under review, most taxpayers reported losses on the annual tax returns filed. However, the audit revealed that some of those losses were not factual and as such were overturned.

The table below reflects total losses overturned year to date in the amount of US\$42.0 million for the period, with September reporting the highest losses overturned as a result of the audit activities.

LTD Losses Overturned				
Loss Overturned			Rate	Total
Description	Num(s)	USD		USD
Accounting Loss Per Tax Return	10	61,644,629	1	61,644,629
Accounting Loss Per Tax Audit	10	42,065,395	1	42,065,395
Total Loss Overturned				42,065,395
Total Outstanding				19,579,234

Source: Domestic Tax Dept.

LTD Enforcement

During the period under review, a total of six hundred thirty (630) estimated assessments from LTD-AAA were delivered to taxpayers for payment. However, few of those assessments were derived from peculiar circumstances. They include withholding on acquisition US\$2.55 million, withholding on game-winning US\$105 thousand, and an outstanding balance from 2021 annual filing amounting to US\$1.23 million.

Total Collection for the period

	AAA (US\$)	Audit (US\$)	Grand Total (US\$)
Grand Total	5,875,320	4,676,617	10,551,936

Protested Audit Cases – LTD-AAA

	Principal Tax	P&I	Total Tax	Paid	Outstanding
Total	10,437,160	12,961,813	23,398,973	494	23,398,479

Summary of audit collection, waiver, & protest – LTD-AAA

Total Tax Expected from Audit	30,026,041
Total P&I Waived	-1,310,451
Total Principal Tax Paid	-3,961,187
Total Penalty and Interest Paid	-106,539
Total Amount Protested	-23,398,479
Outstanding Total Tax to be Collected (Including P&I)	1,249,385

Source: Domestic Tax Dept.

MEDIUM TAX DIVISION

The Medium Tax Division (MTD) is the arm of the Department responsible for ensuring taxpayers' compliance in the medium tax 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\$3,000,000 and up to L\$50,000,000. The Division currently consists of three sections: Accounting, Assessment & Analysis Section, Audit Section, and Enforcement Section.

Collection statistics

Collection for the Calendar Year 2022 was US\$11.2 million. This amount recorded an underperformance of US\$1.7 million against the projection of US\$12.9 million. The major tax kind contributing to this dip was mainly Goods and Service Tax. See table for details.

MEDIUM TAX DIVISION CALENDER YEAR 2022 OUTTURN

MAJOR TAX KIND	TARGET	ACTUAL COLLECTIONS US\$	ACTUAL COLLECTIONS L\$	MTD CONS.	VARIANCE	% TOTAL
Income & Profit	8,345	7,915,155	258,610,470	9,624	1,279	115%
Goods & Services	4,462	1,042,697	69,529,159	1,500	-2,962	34%
Other Taxes	-	29,111	566,500	33	33	-
Penalties and Interest	111	44,882	483,041	48	-63	43%
TOTAL	12,919	9,031,845	329,189,170	11,205	-1,714	87%

Source: Domestic Tax Dept.

MTD AAA

For most part of the year, the tax roll has been over 11,000. With the data cleansing project completed in late 2022, the expected active taxpayer roll has been reduced to about 4,000.

During the period under review, Medium Tax AAA conducted desk reviews which constituted comparison of Customs declarations vs sales data. 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. This task also included review of GST declarations focusing on the Accommodation and food services sector and the Arts and entertainment sector.

MTD Audit

The total number of taxpayers selected for audit planned to be conducted for the reviewed year was 156 audits. Below is a breakdown of cases selected for audit:

Audit Cases Selection Summary

Audit cases rolled forward from (Jul-Dec (2021))	30
Audit cases added from Risk Section	126
Total cases to selected for audit Jan-Dec (2022)	156

Cases selected per other categories

Item	Grand Total
Rural/Outstation	1
Urban	29
Issues	0
Total	30

Source: Domestic Tax Dept.

Losses Overturn

Of the 133 audits completed, 63 taxpayers declared loss amounting to L\$18.97 million and US\$4.82 million. Findings per audit overturned the loss by L\$27.56 million and US\$1.88 million. Total assessment raised for these taxpayers amounted to US\$531.37 thousand and L\$2.22 million.

MTD Enforcement

Total reconciled debt stands at US\$14.80 million. Total bills raised for the reviewed year amounted to US\$3.03 million of which US\$1.2 million or 40 percent was collected. See table below for details.

Collection on bills				
Item	# of Taxpayers	LD	USD	Agg. (USD)
Over Due Tax B/F	3,791	67,776,908	12,638,317	17,156,777
Add: Current Amount	527	11,535,477	2,960,142	3,030,947
Less: Amount Collected From B/F	25	1,080,047	34,554	41,184
Less: Amount Collected From Current	146	17,627,252	1,128,962	1,237,158
Balance Carried Forward	4,187	60,605,087	14,434,943	14,806,936

SMALL AND MICRO TAX

The Small & Micro Tax Section (SMTS) 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 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.

Collection Statistics

During CY2022, SMTS collected US\$2.4 million against a projection of US\$ 3.9 million, indicating an underperformance by US\$1.5 million or 38 percent. For the period under consideration, Taxes on Income and Profit constituted approximately 99 percent of Small Tax Division projection for the reviewed period.

SMALL TAX DIVISION CALENDER YEAR 2022 OUTTURN						
MAJOR TAX KIND	TARGET	ACTUAL US\$	ACTUAL L\$	MTD CONS.	VARIANCE	% TOTAL
Income & Profit	3,938	1,749,511	81,364,399	2,286	-1,652	58%
Goods & Services	0	85,779	5,466,933	122	122	-
Penalties and Interest	33	23,313	987,016	30	-3	91%
Miscellaneous	0	15,670	1,855,401	28	28	-
TOTAL	3,972	1,874,273	89,673,749	2,465	-1,506	62%

SMTA AAA

During the reviewed period, the AAA Compliance Officers of the Small Tax Section as usual engaged themselves in ensuring and exercising more effort as a routine in the monitoring of the taxpayers for the purpose of compliance. The Section was given the total target of US\$3.97 thousand and of this amount; the division was able to collect the total amount of US\$3.2 million.

SMTA Enforcement

The total bills raised during CY2022 accounted for US\$172.5 thousand and L\$81.5 million. Collection realized for the period was US\$89.2 thousand and L\$ 28.3 million. The corresponding debt stock for Small & Micro Tax Section (SMTS) stands at US\$ 743.8 thousand and L\$ 75.6 million.

SMT AAA Bills

Line Items	No. of Taxpayers	Amt L\$	Amt US\$
B/F Jan - Dec 2021	1933	-	1146522
Jan - Dec 2022 Bill(s)	-	-	-
Collection	368	-	220368
C/F Jan 2023	1565	-	926154

Source: TAS

SMT Audit Bills

Line Items	No. of Taxpayers	LD\$	USD\$
B/F Jan - Dec 2023	3	22500216	660535
Jan - Dec 2022 BILL(S)	363	81551213	172573
Collection	352	28361569	89255
Waiver	-	-	-
C/F Jan 2023	14	75689860	743853

Source: Domestic Tax Dept.

NATURAL RESOURCE TAX

The Natural Resources Tax Section (NRTS) is a specialized tax Section within the Domestic Tax Department 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.

Sector Performance

The NRTS target for the CY2022 was US\$121.3 million against which US\$117.3 million was collected registering an underperformance of US\$3.9 million as shown below. When disaggregated by sector, the Mining Sector contributed approximately US\$98.8 million, which is approximately 84 percent of the targeted amount for the Section and approximately 84 percent of the overall collection for the Section.

Sector	Target	Actual US\$	Variance
Mining	107,356	98,821	-8,535
Agriculture	10,473	15,365	4,892
Forestry	3,561	3,210	-351
TOTAL	121,390	117,395	-3,995

Source: TAS

When analyzing per tax kind, Property Income, despite its underperformance against target, contributed the most in the amount of US\$66.1 million or 56 percent of the total NRTS collection, followed by Taxes on Income and Profit with US\$42.0 million.

Collection Per Tax Kind**NRTS CALENDER YEAR 2022 OUTTURN TAXES ON INCOME PROFITS**

MAJOR TAX KIND	TARGET	ACTUAL US\$	ACTUAL L\$	MTD CONS.	VARIANCE	% TOTAL
Income & Profit	34,283	41,973,560	9,615,453	42,037	7,754	123%
Goods & Services	937	937,552	6,900	938	0	100%
Other Taxes	3,677	8,232,485	-	8,232	4,556	224%
Property Income	82,444	66,155,530	84,880	66,156	-16,288	80%
Penalties and Interest	49	32,418	14,375	33	-16	66%
TOTAL	121,390	117,331,545	9,721,608	117,395	-3,994	97%

Source: TAS

NRTS Audits

For CY2022, NRTS planned to finalize all audits at their concluding stages and brought forward from FY20/21. However, only one was completed, with a few draft reports served to taxpayers based on the audit cases planned for completion. In addition, other audit fieldworks were ongoing before the year ended.

Audits completed in previous fiscal years and desk review cases are under litigation or closure action at the legal department. The Section continues to follow up with the Legal Department regarding the sector audits.

Out of the six (6) comprehensive audits in the agriculture sector, the Section completed two (2) audits in the reporting period.

BUSINESS POLICY

The Business Policy and Research Section (BPRS) is a Subsection of the Domestic Tax Department responsible for tax operational policy and research. Its primary functions include the drafting of administrative regulations, private and public rulings, MOUs between the LRA and other entities on collaboration to foster revenue collection efforts.

During the course of Fiscal Year-2022, the Section initiated several activities intended to support DTD's operational offices in their respective compliance programs. Below is a list of activities initiated.

Activity	Purpose	Status
MoU-LRA vs. MoL	EOI on the identification of aliens with expired work permits	Pending
MoU-LRA vs. MOE	EOI on all private schools operating with expired permits	Pending
MoU-LRA vs. MCC	MCC's support toward the LRA in its municipal jurisdiction	Pending
MoU-LRA vs. LMA	LMA's support toward the LRA on inclusion of the LMA's membership into the tax stream	Pending
Debt write-off Policy (draft)	Debt write-off procedures regarding writing-off bad tax debts	Pending
PR-LRC-I-25-02-2022-3	Public Ruling outlining measures for noncooperation in relation to request for tax information	Pending
N0.02.219-II/LRA/17-05-2022	List of activities on which Medical Tax Credit can be claimed	Pending
N0.02.55-1/LRA/DTD/30-05-	Administrative Regulation outlining minimum standards for documents, 2022 books and records for persons performing business activities	Pending
Enforcement Manual (Vol. #001)	Completed collation of the Department's Enforcement Manual that is pending circulation to staff to enhance collection	Pending
TBO-Project Proposal	Instrument to seek support from DPs for construction of TBOs and staff quarters in four (4) counties	Completed
Presumptive 4% Automation	To alleviate human-to-human interaction regarding the 4% processes at Steps-ASYCUDA the Freeport of Monrovia and R.I.A. collectorate	Pending

TAX EXPENDITURE UNIT

The Tax Expenditure report for the first three quarters of 2022 was developed primarily to estimate the Government of Liberia's tax expenditure on the major tax kinds and establish the revenue foregone in the process. As mandatory, this report was prepared in accordance with the provisions in the Liberia Revenue Code Section (16) as Amended, and also considered various concessions.

The total tax expenditure for the highlighted quarters of 2022 was US\$9.85, representing 4.0 percent of the total tax revenue collected for the reporting period. Tax expenditure to GDP ratio is roughly 0.3 percent for the same reporting period. The tax expenditure recorded emanated mostly from Concessions contributing 93 percent and Investment Incentives by 7 percent. Tax Expenditures from Concessions contributed approximately US\$9.15 million.

Tax Expenditures on Goods Taxes contributed the most share of the entire amount, approximately US\$4.68 million representing 48 percent. Investment Incentives contributed US\$697.54 thousand representing 7 percent. Tax Expenditures on Good Taxes under Investment Incentives contributed US\$34.49 thousand representing 77 percent of the total amount emanating from investment Incentive. Service Tax under Investment Incentives contributed the remaining 22 percent to the total amount of Tax Expenditures under Investment Incentives at US\$163.0 thousand.

Tax Expenditure per category

Tax Expenditure Categories	Total Tax Expenditure	# of Taxpayers
Concession	9,153,476	30
Investment Incentive	697,546	95
Grand Total	9,851,022	125

Source: Domestic Tax Dept.

Concession contributed bulk of tax expenditure for the period, constituting 93 percent of the total estimated forgone revenue for the DTD. The Manufacturing and Mining Sectors under the Concession category both contributed 45 percent and 41 percent respectively, making the two sectors the first and second highest contributors for the period. In addition, Investment Incentive contributed approximately 7 percent of the overall tax expenditure for the period of which, Manufacturing, Telecommunication, and Tourism contributed 75 percent, 23 percent and 1 percent of the total tax expenditure for the category.

Tax expenditure contribution per sector

Sectors	Tax Expenditure (US\$)	% Total Expenditure
Concession	9,153,476	93%
Agriculture	1,258,230	14%
Manufacturing	4,161,142	45%
Mining	3,734,104	41%
Investment Incentive	697,546	7%
Manufacturing	526,063	75%
Telecommunication	163,049	23%
Tourism	8,434	1%
Grand Total	9,851,022	100%

Source: E-Filing Portal

TAX BUSINESS SECTION

Tax Business Office (TBO) is responsible for small and micro tax administration in and around the fourteen (14) sub-political divisions, with eighteen (18) Tax Business Offices strategically located in these counties.

For the period under review, TBO embarked on effective collection of targeted revenue of US\$1.4 million for which US\$2.3 million was collected recording an over performance of US\$868 thousand.

TBO Collection						
TBO CALENDER YEAR 2022 OUTTURN TAXES ON INCOME PROFITS						
MAJOR TAX KIND	TARGET	ACTUAL US\$	ACTUAL L\$	MTD CONS.	VARIANCE	% TOTAL
Income & Profit	1,242	539,749	76,275,895	1,043	-200	84%
Goods & Services	246	110,816	34,198,904	336	90	137%
Miscellaneous	-	7,767	1,151,989	15	15	-
	1,488	658,332	111,626,788	1,394	-94	94%
TBO Efforts	-	218,314	29,808,712	962	0	-
Total	1,488	876,646	141,435,501	2,356	868	158%

Source: TAS

TBO Collection per Eastern and Western Region			
Eastern Region TBOs Collection			
TBOs	Proj	Actual	Variance
Buchanan	215,132	282,327	67,195
Harper	203,699	205,740	2,040
Zwedru	92,912	119,200	26,288
Webbo	18,602	23,156	4,554
Greenville	24,285	38,501	14,217
Tappita	17,552	16,654	-898
Grand Kru	15,064	26,719	11,655
Ganta	164,382	226,847	62,465
Sanniquellie	104,545	124,203	19,658
Gbarnga	144,619	202,202	57,583
Rivercess	11,770	15,494	3,724
Total	1,012,563	1,281,045	268,482

Western Region TBOs Collection			
TBOs	Proj	Actual	Variance
Marshall	161,881	270,232	108,351
Bomi	23,489	32,824	9,335
Cape Mount	45,900	39,607	-6,294
Kakata	200,634	260,856	60,221
Kolahun/Foya	19,351	27,321	7,970
Bopolu/Gbarma	14,689	16,805	2,116
Voinjama/Zorzor	25,424	42,228	16,804
Total	491,370	689,873	198,503

Source: Domestic Tax Dept.

GOVERNMENT NON-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 and is charged to ensure accurate compliance with tax and non-tax/fees generated by various Ministries/Agencies & Commissions, the Non-profit Organizations (NGOs); the Education Sector which includes all schools and the Other Activities Service Sector. It is a Public Service Division charged with domestic administration of all Ministries, Agencies of Government and Public Corporations.

During the reviewed period, there were a total of 1,453 new registrants. The tax roll grew by one thousand four hundred & fifty-three (1,453) or 12 percent with total taxpayers at 12,230.

During CY2022, the Division had a total projection of US\$87.1 million for which US\$109.4 million was collected, indicating a positive variance of US\$22.2 million.

GNFPD contribution to the Department's actual collection constitutes approximately 25 percent of the overall collection reported in the TAS. Of that amount, Taxes on Income & Profit contributed approximately 67 percent (US\$67.0 million); of the total outturn from Taxes on Income & Profit, Wages & Salaries from the GoL constituted approximately 64 percent (US\$43 million). Goods & Services contributed approximately 14 percent (US\$13.6 million) of the Division's annual collection; Administrative Fees contributed 19 percent of the Division's overall collection from the reporting period.

Sectors Contribution

GNFPD CALENDER YEAR 2022 OUTTURN TAXES ON INCOME PROFITS

MAJOR TAX KIND	TARGET	ACTUAL US\$	ACTUAL L\$	MTD CONS.	VARIANCE
Income & Profit	60,027	56,397,797	2,074,864,980	70,027	10,000
Goods & Services	8,134	15,972,788	693,629,696	20,511	12,377
Property Income	137	135,905	19,700	136	-1
Administrative Fees	18,699	17,908,653	89,809,967	18,500	-199
Penalties and Interest	154.33	154,885	9,729,749	219	65
Miscellaneous	-	14,766	614,760	19	19
Total	87,151	90,584,793	2,868,668,852	109,412	22,261

Source: TAS

REAL ESTATE

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.

Collection Statistics

The total revenue collected from immovable properties amounted to US\$4.5 million, while penalties and interests amounted to US\$53 thousand totaling collection to US\$4.5 million against a revenue projection of US\$5.9 million indicating an underperformance by 23 percent.

Revenue Collection

RETD CALENDER YEAR 2022 OUTTURN TAXES ON INCOME PROFITS

MAJOR TAX KIND	TARGET	ACTUAL US\$	ACTUAL L\$	MTD CONS.	VARIANCE	% TOTAL
Property Taxes	5,900	3,680,855	131,408,398	4,546	-1,354	77%
Business or commercial use	4,618	2,734,107	103,052,713	3,413	-1,205	74%
Industrial use	177	97,882	6,591,397	141	-36	80%
Residential use	388	302,464	5,138,772	336	-52	87%
Other	718	546,402	16,625,515	656	-62	91%
Penalties and Interest	59	46,657	960,088	53	-6	89%
Admin.Penalties on Property taxes	33	25,395	510,765	29	-5	86%
Admin.Interest on Property taxes	26	21,262	449,323	24	-2	94%
Total	5,959	3,727,512	132,368,486	4,599	-1,361	77%

Source: TAS

Accounts and Records

The Accounts and Records Section and other windows in and outside the LRA headquarters assessed, printed, and delivered 19,619 bills as per classification. Of the total bills, 10,089 current bills and 846 delinquent bills were printed and delivered to the Enforcement Section. Also, the section conducted compliance check of 3,471, 430 and 317 for head office taxpayers, other windows and direct deposits respectively; and analyzed and reconciled 15 taxpayer properties.

During the period, 3,184 properties were captured and registered in SIGTAS through walk-in taxpayers comprising of 1,494 new residential properties, 657-commercial properties, 571-city/town lot, 271-acre or above, 151-undeveloped farmland-rural, 20-developed farmland-rural, 9-undeveloped farmland-urban, 5-developed farmland-urban, 4-commercial building on public land, and 2-industrial properties

Valuation

The Valuation Section conducted audit/review of fourteen (14) commercial properties in Montserrado Counties with cumulative value of US\$3.38 million.

The section conducted verification of one hundred eighty-three (183) properties in Montserrado and Margibi Counties with cumulative value of US\$12.5 million comprising of fifty (50) commercial properties with cumulative value of US\$3.2 million in Montserrado and Margibi Counties,

seventy-one (71) residential properties with value of US\$8.3 million in Montserrado and Margibi Counties, and sixty-two (62) vacant land properties with value of US\$1.0 million in Montserrado and Margibi Counties.

The Valuation Section also conducted valuation of thirty-nine (39) properties in Montserrado, Margibi and Bomi Counties with cumulative value of US\$5.9 million comprising of twenty-five (25) commercial properties with cumulative value of US\$4.4 million in Montserrado, Margibi and Bomi Counties, thirteen (13) residential properties with cumulative value of US\$1.4 million in Montserrado and Margibi Counties, and one (1) industrial property with value of US\$36.8 thousand in Bomi County.

Enforcement

The Enforcement Section conducted property tax payment receipt verification on 4,033 commercial, residential and vacant land properties and determined 3,530 tax payments. Of the 4,033 properties, 2,844 were commercial properties, 957 were residential properties and 232 were vacant land.

The section had no brought forward of delinquent and current bills from the previous year except for 693 current bills provided by Accounts and Records Section in January 2022 with location problems. There were 10,935 current and delinquent bills received from the Accounts & Records

Section consisting 10,089 current bills and 846 delinquent bills.

Other Accomplishments

1. For the year under review, the Real Estate Tax Division discovered, captured and registered in SIGTAS through its regular follow ups and the walk-in of taxpayers, 3,184 properties of which 1,494 represent new residential properties, 657-commercial properties, 571-city/town lot, 271-acre or above, 151-undeveloped farmland-rural, 20-developed farmland-rural, 9- undeveloped farmland-urban, 5-developed farmland-urban, 4-commercial building on public land, and 2-industrial properties.
2. Raised from appraisal US\$228.2 thousand on the part of telecommunication parcels of towels sites
3. Worked collaboratively with the National Housing Authority to ascertain further information for owners of housing units to be in compliance of their Real Property Tax
4. The Local Government Real Property Tax Administration Pilot Project being implemented in Margibi County through the Real Estate Tax Division (RETD) has successfully completed its 1st phase of the exercise. To date, 12,574 properties have been captured. Those properties consist of 12,160 newly captured and 414 existing properties in the tax net.
5. Commenced discussion for the implementation of the Local Government Real Property Tax Administration Pilot Project in Grand Bassa County in close collaboration with the County Superintendent of Grand Bassa County, the Ministry of Internal Affairs, and the Ministry of Finance & Development Planning.

REGISTRATION AND RETURNS PROCESSING

During the year, Registration and Returns Processing Section achieved 88.2 percent of total activities. The total number of seven (7) planned activities is still ongoing as they are rolling targets.

The Registration Unit recorded 14,811 out of its target (16,800) per annum. Of this actual (14,811), Individual accounted for 4,400 while Trust & Enterprises recorded 1,208 and 9,203 respectively. Dummy tin Update was 360 Online with Individual Registration at zero.

New Registration				
Target	Actual			
	Individual	Trust	Enterprises	Variance
16,800	4,400	1,208	9,203	1,989

Source: TAS

Direct Bank Transfer

During the reviewed year, 10,831 transfers were made through several commercial banks valued at L\$7.29 billion and US\$220.7 million. Of this amount, the total of 8,212 transactions were made in SIGTAS up to reporting period valuing at L\$3.9 billion and US\$115.3 million which included the mobile money payment of L\$1.15 billion and US\$104.68 thousand. L\$1.92 billion and US\$4.6 million were posted directly into TAS and ASYCUDA. There was a discrepancy (L\$9.4 million) between what was on the mobile money platform and what was on the bank statement.

Bank Transfer			
Actual			
Direct Bank Transfer	# of Transfer	LR\$	US\$
Commercial Banks	10,831	7,294,257,307	220,799,994.64
SIGTAS	8,212	3,920,393,194	115,342,247
Outstanding Bank Transfer	2,609	11,214,650,501	336,142,241

Source: Processed in SIGTAS & TAS

During the reviewed period, 87,702 transactions were received and processed in SIGTAS. Of this number, 64,864 transactions were paid. In addition to transactions done in SIGTAS, 142,162 transactions were done in TAS with an overall reversal of 2,285. The total amount of transactions processed in both SIGTAS and TAS is 229,864 putting the error at 0.99 percent.

Transactions processed in SIGTAS & TAS			
System Description	# of Transaction	Transaction paid	Reversal
TAS	142,162	0	2,285
SIGTAS	87,702	64,864	0
Outstanding Bank	229,864	64,864	2,285

Source: Processed in SIGTAS & TAS

During the period, 47,577 transactions of 21 TBOs from Rural Tax office were received, processed, and paid completely. This amounted to L\$184.1 million and US\$1.47 million. In addition, 11 out of 12 CBOs report with a total of 16,972 Transactions amounted to L\$22.6 million and USD4.76 million were received, processed, and paid.

Through the e/filing platform 18,703 returns were received through the 2454 -business income tax (quarterly), 64-excise tax, 966 goods and service tax, 14,128 withholding tax, Transfer Pricing 65 and 1,026 annual returns were filed.

Rural Transaction					
Rural Business Office	Rural transactions	Actual Collection			
		L\$	US\$	L\$	
CBOs	11,176	4,877,967	2,869,397		-
TBOs	45,726	215,733,196	194,735	1,021	-20

Source: Domestic Tax Dept.

During the period, 98 pieces of Annual hard copied Tax Returns were received; Corporation-72, Partnership-1 and Individual-25. Of this number, 7 taxpayers file gain which amounted to US\$4.7 thousand.

In terms of the e-filing platform, 16,305 returns were received. 1,855 - business income tax (Quarterly), 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 Return
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

Source: e-filing platform

CUSTOMS OVERVIEW

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 the Calendar Year and is organized in two broad sections; revenue and trade performance and divisional activities. 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.

TRADE

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 CY2022 were valued at US\$1.920 billion. Direct imports constituted 92 percent of the total imports while imports under the suspense regime accounted for 8 percent. About 62 percent of the total imports from outside of the Community for the Calendar year were processed and inspected under the Destination regime, while 23 percent of the imports from within the community were processed and inspected under the destination regime respectively. The table below provides summary details.

Total Imports According to Customs Procedures (Thousands of US Dollars)

CPC	2021	2022	% Change	Share
Direct Imports	1,559,895.54	1,771,762.35	14%	92%
Destination Inspection outside of ECOWAS (IM)	637,920.86	1,186,738.82	86%	62%
Pre-shipment Inspection Outside ECOWAS (PSI)	702,185.92	70,702.33	-90%	4%
Destination Inspection within ECOWAS (COM)	184,571.13	444,129.21	141%	23%
Special Release Outside of ECOWAS (SRI)	32,932.28	65,550.32	99%	3%
Special Release Within ECOWAS (SRC)	2,061.66	4,438.30	115%	0%
Simplified Declaration Outside the ECOWAS (SDI)	172.92	70.58	-59%	0%
Special Release Within ECOWAS (SRC)	50.7566	132.80	162%	0%
Draw Down	140,851.54	148,890.53	6%	8%
Destination Inspection within ECOWAS (COM)	127398.265	122,402.17	-4%	6%
Destination Inspection outside of ECOWAS (IM)	13,453.28	26,488.36	97%	1%
Total	1,700,747.08	1,920,652.88	13%	100%

Source: ASYCUDA

The table below disaggregates imports into commercial and non-commercial imports under both normal and suspense regimes for the comparative periods of 2021 and 2022. Taxable imports experienced a 2 percent fall from 28 percent

in 2021 to 26 percent in 2022, while nontaxable import increased by 3 percent from 64 percent in 2021 to 67 percent in 2022 respectively.

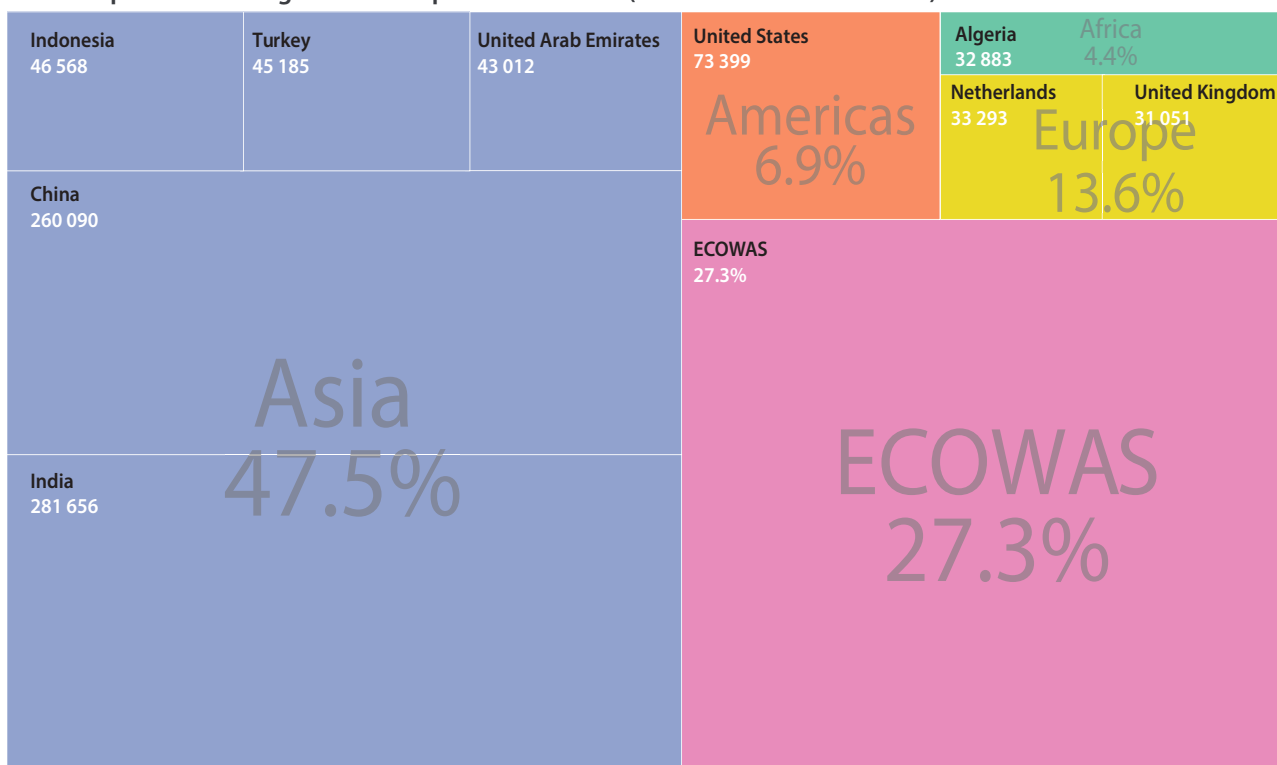
Total Imports into Permanent and Bonded Regimes (Thousands of US Dollars)					
Description	2021	2021 Share	2022	2022 Share	Diff in share
Normal Import	1,559,896	92%	1,771,762	92%	1%
Commercial	471,131	28%	493,002	26%	-2%
Non-Commercial	1,088,764	64%	1,278,760	67%	3%
Bonded Draw Down	140,852	8%	148,891	8%	-1%
Commercial	131,236	8%	130,921	7%	-1%
Non-Commercial	9,615	1%	17,969	1%	0%
Total	1,700,747	100%	1,920,653	100%	0%

Source: ASYCUDA

The figure below summarizes the total imports for the calendar year according to regions of importation. About 48 percent of the imports for the reporting period originated from Asia, with India and China accounting for the bulk of the Asian imports. African imports, predominantly originating from the ECOWAS region, accounted for over 27 percent of the

total imports. Cote d'Ivoire led the imports originating from Africa as the result of the huge importation of petroleum products. Europe, which was led by the Netherlands and France, accounted for 13.6 percent, while the Americas led by the United States, accounted for about 7 percent of the total import.

Total Imports from Regions and Top Ten Countries (thousands of US Dollars)—FY 2022



Source: ASYCUDA

Principal Imports According to Commodities

This section summarizes the principal imports for the calendar year according to commodity sections and chapters (HS descriptions). Total taxable imports increased by 5 percent from US\$471.13 million in 2021 to US\$493 million in 2022. The 5 percent increase was as result of increases in the Importation of commodities under sections IV and XVI of the 2019 ECOWAS CET. The top 6 commodity groups, led by "Live Animals & Animal Products" constituted 73 percent of the total commercial imports while the rest of the commodity groups constituted 27 percent.

Non-taxable import on the other hand experienced a 17 percent growth from US\$1.088 billion in 2021 to US\$1.278 billion in 2022. This growth is attributable to a more than 100 percent increase in the importation of commodities under the "Mineral Products" category in Section V of the CET. Six commodity groups, led by "Prepared Foodstuffs/ Beverage & Tobacco" constituted 81 percent of the total non-commercial imports, while the rest of the commodity groups constituted 19 percent. See tables for details.

Commercial Imports 2021 and 2022

Section	HS Commodity Description	CY 2021	CY 2022	Change	Share
I (1-5)	Live Animals; Animal Products	88,558	82,095	-7%	19%
IV (16-24)	Prepared Foodstuffs; Beverage & Tobacco	75,515	83,375	10%	16%
XVII (86-89)	Vehicles, Aircraft, Vessels & Associated transport Equip	64,895	68,336	5%	14%
XVI (84-85)	Machinery, Mechanical Appliances & Parts	54,989	73,733	34%	12%
VI (28-38)	Products Of the Chemical or Allied Industries	32,566	31,846	-2%	7%
XI (50-63)	Textiles And Textile Articles	29,314	28,404	-3%	6%
Major Com Import		345,836	367,789	6%	73%
Other Com Import		125,295	125,213	0%	27%
Total Com Import		471,131	493,002	5%	100%

Source: ASYCUDA

Non-Commercial Imports 2021 and 2022

Section	HS Commodity Description	CY 2021	CY 2022	Change	Share
II (6-14)	Vegetable Products	234,038	228,732	-2%	21%
V (25-27)	Mineral Products	225,739	515,877	129%	21%
XVI (84-85)	Machinery, Mechanical Appliances & Parts	162,731	124,350	-24%	15%
VI (28-38)	Products of the Chemical or Allied Industries	101,207	63,392	-37%	9%
XVII (86-89)	Vehicles, Aircraft, Vessels & Associated transport Equip	83,804	83,968	0%	8%
XV (72-83)	Base Metals and Articles Of Base Metal	75,484	76,428	1%	7%
Major Non-Com Import		883,002	1,092,747	24%	81%
Other Non-Com Import		205,762	186,013	-10%	19%
Total Non-Com Import		1,088,764	1,278,760	17%	100%

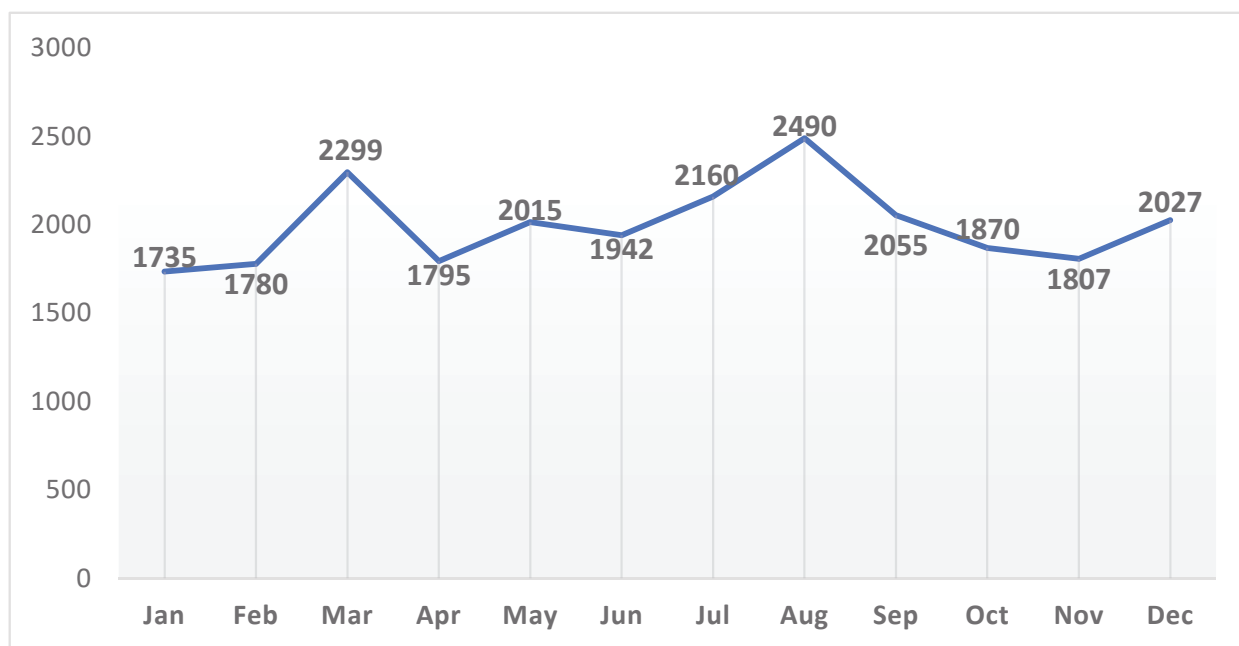
Source: ASYCUDA

Number of imports declarations

As displayed in the below figure, the number of import declarations (in ASYCUDA) varied throughout 2022 and peaked in the month of August with 2,490 customs declarations. The monthly average was 1,998 customs

declarations, a 16 percent decline from last year. The lowest number of customs declarations in ASYCUDA during the fiscal year under review was 1,735 in the month of January.

Number of declarations by month FY 2022



Exports

As disaggregated in the table below, total exports for the fiscal year were valued at US\$202.88 million, of which permanent exports accounted for US\$198.61 million, or 98 percent, while temporary and re-exports jointly accounted for less than 3 percent. On the overall, total exports increased by 18 percent from US\$171.67 thousand in 2021 to US\$202.89 thousand in 2022. Increase in the production and exportation of Block rubber, cocoa beans, and crude palm oil is chiefly responsible for the 18 percent growth in exports.

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

Row Labels	2021	2022	% Change	Share
Permanent Exports (EX1)	162,180.92	198,611.52	22%	98%
Temporary export (EX2)	-	475.00	-	0%
Re Exports (EX3)	9,488.17	3,802.20	-60%	2%
Grand Total	171,669.09	202,888.72	18%	100%

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. Though the export of gold and iron ore are not recorded in ASYCUDA at the moment, the export of commodities falling under sections III (animal/Vegetable

fats oils), IV (mineral water, beverages/spirits), V (mineral products other than gold, diamond & iron ore), and IX (Wood & articles of wood) experienced significant upward growth, leading to the 18 percent growth in total export. The table below is a summary of this detail.

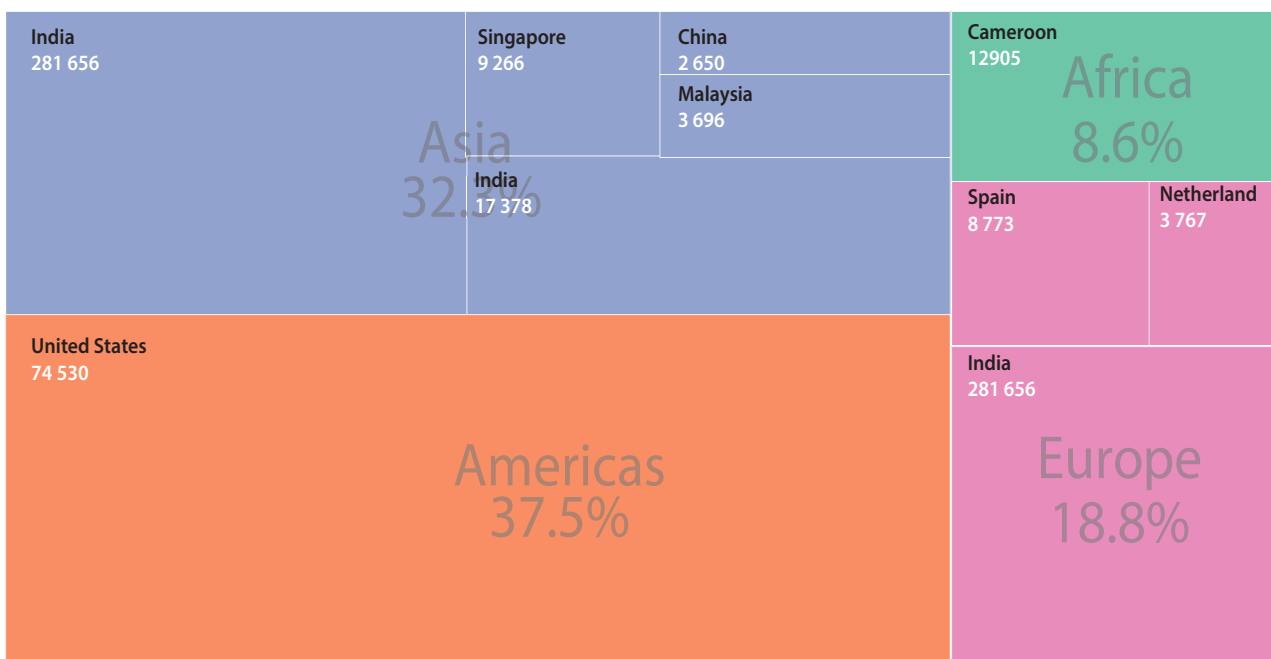
Exports into Principal Commodities by HS Sections & Chapter (Thousands of US Dollars)

HS Section	HS Description	2021	2022	Change
VII (39-40)	Plastics/Rubbers	119,948	112,776	-6%
IX (44-46)	Wood and articles of wood	4,494	36,751	718%
III (15)	Animal or Vegetable Fats and Oils	23,595	26,077	11%
V (25-27)	Mineral Products	4,673	11,534	147%
IV (16-24)	Cocoa and Cocoa Preparation	6,852	5,571	-19%
IV (16-24)	Mineral Water, Beverages, Spirits and Vinegar	3	2,765	90549%
Major Exports		159566	195473	0.23
Other exports		12104	7415	-0.39
Grand Total		171,669	202,889	18%

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. The Americas received about 38 percent of the exports with majority landing in the United States. Asia was the next highest export destination for Liberian goods; accounting for approximately 32 percent. India and Singapore received bulk of the Liberian exports to Asia. Europe received roughly 19 percent of the exports, while Africa received less than 9 percent.

Exports According to Principal Regions and Countries of Destination (thousands of US dollars)

DIVISIONAL ACTIVITIES

Technical Operations Division

Customs 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 to concession companies; educational, medical, and other institutions; non-governmental organizations, Government of Liberia Projects and ministries, agencies and commissions; 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 added another layer of tax expenditure in the framework of a Free Trade Area (FTA).

The total tax waived on imports experienced a marginal decline of 1 percent from US\$183.58 million in FY 2021 to US\$182.62 million in CY2022. General Goods for the period accounted for 96 percent while Petroleum and ETLS waiver accounted for 4 percent and 1 percent respectively. See table below for details.

Summary of duty waived (In thousands of US dollars) -

Description	FY2021	FY2022	Change	Share
General Goods	175,862	173,948	-1%	96%
Petroleum	6,594	6,736	2%	4%
ETLS Waivers	1,119	1,939	73%	1%
Total	183,576	182,624	-1%	100%

Source: Duty Free Section

General Goods

Duties exemptions on account of Concession constituted 34 percent of aggregate tax expenditure in 2022, while 28 and 23 percent of tax expenditure is attributed to Investment Incentives and Executive Orders respectively. The table below summarizes the tax expenditure on general goods by broad categories.



General Goods Waiver by Recipient Category in FY 2021 and FY 2022 (Thousands of US Dollars)				
Description	2021	2022	Change	Share
Investment Incentives	51,834.82	66,307.44	28%	34%
Concessions	47,156.87	51,680.20	10%	28%
Executive orders	47,297.92	32,392.28	-32%	23%
MACs	8,774.65	7,779.10	-11%	5%
GoL Project	9,848.90	6,127.51	-38%	5%
Diplomatic Mission	5,344.60	3,183.48	-40%	2%
INGOs	3,380.48	3,211.14	-5%	2%
Member of the National Legislature	857.93	1,194.91	39%	1%
Tax Refund	265.48	1,185.76	347%	0%
LNGOs	276.47	160.76	-42%	0%
Special Exemption	271.06	124.39	-54%	0%
Religious Institutions	103.27	251.96	144%	0%
Liberian Returnee	228.98	123.58	-46%	0%
Educational Institutions	68.92	57.51	-17%	0%
Medical Institutions	55.73	53.05	-5%	0%
Duty-Free Stores	89.83	7.26	-92%	0%
Embassies and Diplomatic Missions	-	93.91	-	0%
Member of Supreme Court Bench	6.52	14.10	116%	0%
Grand Total	175,862.00	173,948.00	-1%	100%

Source: Duty Free Section

ECOWAS Trade Liberalization Scheme

ETLS is a trade instrument aimed at encouraging duty free trade among ECOWAS Member States. Duty exemption as a result of the ETLS for the fiscal period was US\$1.94 million. This constitutes a 73 percent increase when compared to the

previous fiscal year. This growth is attributable to upgrade of the ETLS Portal whereby all the processes relative to originating commodities have been automated. With respect to intra-regional trade, Ghana surpasses Cote D'ivoire to become the highest exporter to Liberia under ETLS. The below table presents the details.

Summary of Waiver from ETL Scheme FY2022				
Description	2021	2022	%	Share
	(in US 000)	(in US 000)	Change	
Ghana	496.1	620.52	25%	32%
Cote d'ivoire	87.64	534.33	510%	28%
Guinea Bissau	141.74	377.47	166%	19%
Nigeria	141.9	130.17	-8%	7%
Senegal	102.93	74.89	-27%	4%
Sierra Leone	15.02	92.63	517%	5%
Guinea	0	91.65	0%	5%
Gambia	75.49	0	0%	0%
Ghana	58.65	10.28	-82%	1%
Senegal	0	7.55	0%	0%
Grand Total	1,119.47	1,939.49	73%	100%

Source: Trade & Tariff

Exemption on Petroleum Products

In the petroleum category, exemptions on account of concessions and Investment Incentives accounted for the highest shares with 52 percent and 15 percent, respectively. These were followed by exemptions on account of the

National Legislature and GoL Projects with 10 and 9 percent, respectively. The table below summarizes the duty waived on petroleum products by sector.

Petroleum Duty Waiver by Recipient Category (Thousands of US Dollars)				
Description	2021 (In US\$ 000)	2022 In US\$ 000	Change %	Share
Concession	3,179.35	3,748.96	18%	52%
Investment Incentive	1,097.70	899.30	-18%	15%
National Legislature	829.40	517.75	-38%	10%
Government Project	601.40	639.80	6%	9%
Executive Order	404.00	548.80	36%	7%
Diplomatic Mission	450.65	351.69	-22%	6%
INGO'S	31.20	29.40	-6%	0%
Grand Total	6,593.70	6,735.70	2%	100%

Source: Duty Free Section

Trade Facilitation & Tariff Management

Trade Facilitation and Tariff Management Section received 179 appeal cases for the fiscal year 2022. The number of cases received this fiscal year increased by 88.42 percent when compared to the appeal cases received in the year 2021. See table below for detailed comparative analysis of 2021 and 2022.

Appeal Cases Comparative Analysis			
Case Description	2021	2022	% Change
Classification	1	0	-100%
Valuation	80	168	110%
Tax Refund	14	11	-21%
Total	95	179	88%

Bonded & Transshipment

Bonded, Transit and Transshipment Section recorded a total collection of US\$1.45 million for 2022. This amount represents total duties and taxes paid on bonded goods, transshipment and warehouses quarterly fees, while the amount of US\$5.54 million was waived during the period under consideration. The duties and taxes collected for the

period under consideration increased by 7 percent while the total duty exempted also increased by 98 percent respectively when compared to 2021. See table below for detailed comparative analysis of 2021 and 2022 and the table below detailed the quantity and value of goods bonded during the period.

Bonded and Trans-shipment Comparative Analysis			
Description	2021	2022	% Change
Duty paid	1,454,417.40	1,553,266.76	7%
2.5% transshipment fees paid	7,033.02	2,320.98	-67%
Quarterly Bonded warehouse fees paid	45,750.00	41,250.00	-10%
Others/Luxury tax/Misc. bills	100.00	3,102.15	3002%
Total collection	1,507,300.72	1,458,265.98	-3%
Total Duty Waived	2,804,408.53	5,542,878.78	98%

Goods Bonded						
Description Type	QTY 2021	QTY 2022	% Change	CIF Value 2021	CIF Value 2022	% Change
Vehicles	717	950	32%	18668172.4	21467804.7	15%
Motorcycles	89	510	473%	232278.1	1076088.41	363%
Yellow Equipment/ Tractor	222	34	-85%	735521.52	1463167.98	99%
Petroleum Bitumen	1700	9238	443%	1020000	6501949.03	537%
Whisky / Liquid	0	7200	-	0	26080	-
Total	2728	17932	557%	20675972.02	30535090.12	48%

Compliance and Enforcement

This report covers the activities of the Customs Compliance and Enforcement Division which comprises of Customs Risk and Intelligence, Anti-Smuggling and Investigations, Post Clearance Audit and the Collection and Enforcement Units.

Post Clearance Audit

This section is organized into two broad sections; compliance activities undertaken for the period and revenue implications noted.

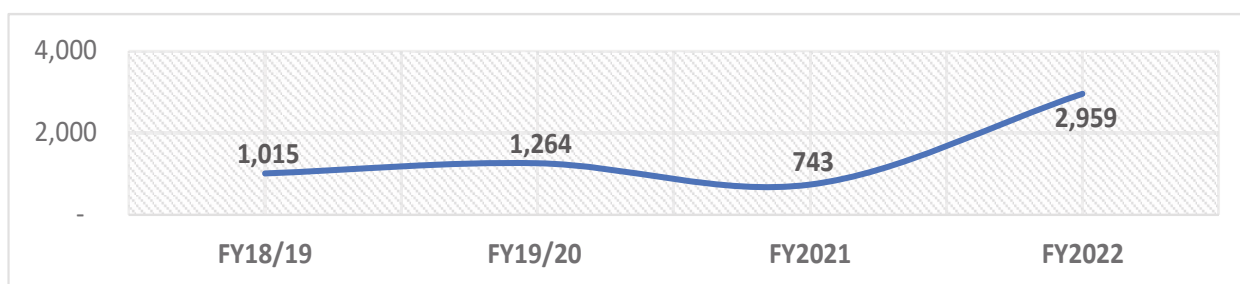
During the period, the unit undertook one hundred sixty-eight (168) activities, amounting to US\$2.9 million plus L\$2.0 million as Customs Duties, Taxes, penalties & fines respectively. The major activities along with the individual revenue implications are detailed in the below table:

PCA Core Activities 2022				
ACTIVITY TYPE	S/N	US\$	Penalty L\$	Penalty US\$
Desk Rev. Audit (PCA)	18	128,627.59	-	72,217.30
Comprehensive Audit	68	871,555.40	2,000,000.00	-
Issue Rev.(IAD,RMU,OTH.)	3	651,959.04	-	21,829.91
Auction	4	63,467.47	8,450.00	-
PCA & ASIU Int.	75	598,928.40	-	535,718.40
TOTAL	168	2,314,537.90	2,008,450.00	629,765.61

Source: PCA bill Tracker

A comparative analysis of the Unit's performance for 2022 with the past fiscal periods revealed an increase in revenue bills raised for the past fiscal periods respectively. It is important to note that comprehensive audit and auction activities were impacted positively after the COVID-19 pandemic restrictions were relaxed.

Revenue Bill Trend FY18/19- CY2022



Collection and Enforcement Unit

The table below depicts the activities of the Collection and Enforcement Unit for the period under consideration. The Unit collected a total of US\$657.7 thousand against total bills of US\$2.8 million raised for the period. The Debt Turn Over Ratio (DTR) is 49 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 2022

DESCRIPTION	PCA	ASIU	TOTAL
Total Bills Raised	2,280,649.99	535,678.74	2,816,328.73
Bill Paid	512,192.53	145,552.36	657,744.89
Outstanding Part Payment	86,354.08	180,808.97	267,163.05
No Payment	208,448.04	209,317.41	417,765.45
Protested	1,473,655.34	-	1,473,655.34
DTR			49%

The table below also depicts the comparative trend of 2021 & 2022 of the Collection and Enforcement Analysis. The results show that the amount paid in 2022 fell by 38 percent when compared to 2021 while the outstanding payment for the reporting period increased by 35 percent. The DTR fell from 84.34 percent in 2021 to 49 percent in 2022.

Enforcement 2021 and 2022 Comparative Trend

Description	2021	2022	% Change
Receivable Excluding Protested Bills	1,264,967.73	1,342,673.39	6%
Amount Paid	1,066,815.37	657,744.89	-38%
Outstanding	198,152.36	267,163.05	35%
DTR	84.34%	48.99%	-42%

ANTI-SMUGGLING AND INVESTIGATION UNIT (ASIU)



During the period under review, the ASIU direct intervention of expected lost revenue recovered amounted to US\$1.1 million, while the indirect revenue recovered amounted to US\$157.1 thousand.

Physical Investigation

The team recorded sixty-one (61) cases ranging from illegal importation of contraband and prohibited goods/ items to under-declaration, undervaluation, understating of invoices and Clean Report of Findings (CRFs), smuggling, and falsifying customs clearing documents. Twenty-five (25) of the sixty-one (61) cases were thoroughly investigated and completed, while thirty-six (36) are pending completion. Revenue raised from the completed investigations amounted to US\$112.2 thousand.

Desk Intel Audit

The team received one hundred fifty-eight (158) alerts from Customs Risk Management, Customs Assessment Unit, Post Clearance Audit, and other sources from Customs informants and senior management, related to both Urban and Rural CBOs. These alerts and information were disseminated to the ASIU Operation Team. The Static team at the DI site made twenty-seven (27) hits along with the assigned Customs Examiners, while the Roaming team made seventy-seven (77) hits.

National and International activities

During the period under review, the ASIU Investigation Team participated in two joint Customs enforcement operations code-named CRIPHARM VII and GTEN Doubleton, organized by the WCO-WAC under the Regional Intelligence Liaison Office (RILO) for the West & Central Africa region. CRIPHARM VII targets and dismantles the criminal network of the illegal flow of counterfeit pharmaceuticals, medical equipment, and other contraband. At the same time, GTEN Doubleton targeted the illicit flow of Timber and endangered spices. As a result, Liberia reported ten (10) cases ranging from unlawful importation of contraband cigarettes, COVID-19 related materials, O-zone depleting substances, counterfeit currency, and illicit drug (Cocaine) using a close user group WCO (CENcomm and CEN Platforms).

At the national level, the unit initiated the training of fifty-eight (58) Customs officials and officers in Basic Police Science at the Liberia National Police Training Academy (LNPTA), under the framework of the Liberia Customs Security Program (CSP). The Unit also conducted an assessment tour of eight (8) counties including, Grand Bassa, Rivercess, Sinoe, Grand Kru, Maryland, River Gee, Grand Gedeh and Nimba. The assessment identified potential borders and crossing points used to import taxable goods and items and the need to create additional Sub-Customs Business Offices (CBOs) to enhance the collection of Customs revenue.

Customs Risk and Intelligence

During the reporting period, the Risk Management and Intelligence Unit designated inspection places (either importers' warehouses or Port Facility) for all declarations under Regime 4 based on risk analysis conducted and information/intelligence received on shipment. It is important to note that only Freeport CBO is highlighted in the ASYCUDA selectivity report.

Freeport CBO Selectivity Analysis

The table below shows selection of all declarations at the Freeport CBO with various customs regimes and procedures. The Lane Selection which is Red, Yellow and Blue is a measure of customs interventions and extent thereof.

Freeport Selectivity Analysis CY2022						
Type	No. of Dcls	RED	YELLOW	BLUE	Ets. CIF	Ets. Fees
COM2	1		1		475,000.00	
COM 4	68	2	60	2	2,022,578.83	222,973.41
COM6	1		1		2,370.00	
COM7	1		1		51,967.83	
EX 1	434		301	127	191,600,252.23	248,290.03
EX 3	70		50	20	3,013,881.23	2,400.00
IM 4	21,133	1420	14492	5,221	1,090,011,555.60	140,482,958.09
IM 5	50		45	5	612,751.00	
IM7	187	2	156	29	27,193,084.84	
IM 8	229		188	41	15,440,131.43	1,535.95
PSI 4	1,340	564	510	266	58,788,368.83	8,877,048.37
PSI7	17	14	3		1,635,057.44	
SRC4	43	1	4	38	5,783,253.03	41,897.93
SRI 4	506	6	11	489	151,506,921.28	1,161,049.01
Total	24,079	2023	15822	6,238	1,548,137,073.57	151,038,147.79

Lane Distribution for the FY 2022				
Description	RED	YELLOW	BLUE	Total Dec.
No. of Declaration/Lane	2,023	15,822	6,238	24,079
Percentage	8%	66%	26%	100%

Lookout & Alerts

During the period under review, one hundred fifty-nine (159) alerts were forwarded to ASIU for full intrusive examinations and/or investigations. Out of the total alerts mentioned above, three (3) were cancelled, twenty-seven (27) Hits (constituting 17 percent of the total alerts, forty-four (44) pending for examination reports and eighty-five

(85) examined and reported with no hit. Partial Additional assessments (recovered revenues) for declarations with discrepancies (Hits) is one hundred twenty-eight thousand two hundred thirty-five United State Dollars (US\$128,235.00). The table below summarizes all alerts covering Jan.1 –December 31 FY2022.

Hits Summary					
Total Alerts	Alerts with No HITS	Alerts with Hits	Alerted Pending (Hanging with Examination reports)	Additional Assessment (Recovered Revenue)	Total HIT rate
156	85	27	44	US\$128,235.95	17%

Port Operations

The Division of Port Operations provides supervision over 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\$204.67 million against a budget of US\$229.96 million; thereby resulting in US\$25.6 million, or 11 percent, underperformance on aggregate. The decrease in commercial trade has been the key factor underpinning the 11 percent decline in Customs revenue.

The Urban CBOs contributed 97 percent to the total revenue collected during the period with the Freeport CBO accounting for 71 percent. Following the Freeport CBO was the Liberia Petroleum Refining Company (LPRC) CBO with 24 percent. The Rural CBOs, comprising 11 border offices, contributed just 3 percent for the reporting period. As always worth indicating, bad road network continues to impede intra-regional and cross-border trade. The table below disaggregates the revenue collected from each CBO during the period and their variances.

DESCRIPTION	As at Dec 31, 2022			
	BUD	ACT	VAR+/-	ACH
Total Customs	229,961	204,679	-25,281	89%
International Trade	227,092	202,939	-24,154	89%
Urban Ports	222,438	196,687	-25,751	88%
Freeport	161,782	144,786	-16,996	89%
RIA	2,363	2,138	-225	90%
JSP	-	-	-	-
Parcel Post	19	7	-12	36%
MLM&E	-	-	-	-
LPRC	56,455	49,753	-6,701	88%
BIVAC	1,818	2	-1,816	0%
Rural Ports	4,655	6,252	1,597	134%
Loguatu	531	865	334	163%
Ganta	2,318	1,831	-487	79%
Yekepa	93	69	-24	74%
Buchanan	28	1,525	1,497	5464%
Greenville	14	118	104	859%
Toe Town	45	26	-19	58%
Harper	544	539	-5	99%
Yeala	70	62	-8	88%
Jorwah	30	23	-7	75%
Butuo	3	8	4	221%
Mendicorma	24	13	-11	54%
Bo Waterside	955	1,174	219	123%
Non-Tax Revenue	2,868	1,741	-1,127	61%
Forestry (FMCs)	2,827	1,704	-1,123	60%
Bonded Warehouses	41	37	-4	89%

Source: Tax Administration System

Key Challenges

Some key challenges include:

- Delay in timely reporting of revenue numbers due to the processing of direct transfer numbers/payments from commercial banks
- Low tax-to-auditors ratio thereby constraining the level of audit efficiency
- Lack of adequate vehicles to timely deploy enforcement officers on the field greatly impedes collection efforts
- Qualified penalties and interest charges under various TAPIS and executive orders on waivers of P&I are still in the accounts receivable of taxpayers due to lack of policy on the write-out of penalty and interest charges. This gives the wrong impression on the divisions' debt portfolio.
- Slow pace of case resolutions of protested assessments by the Legal Department for the timely collection of revenue
- Effective monitoring of taxpayers remains a challenge. Issues ranging from adequate taxpayer registration information, multiple accounts for one tax kind, system unable to capture non-tax due filing, etc., is an impediment to capturing adequate filing and payment information
- Supply of adequate logistics remains a key impediment to effective implementation of planned activities.
- The entire audit process by Internal Auditors from planning to follow-up review is conducted manually
- Inadequate manpower continues to impede efforts to expand the tax base for increase revenue collection across rural Liberia
- Lack of approved Standard Operating Procedures (SOPs)
- Among others

Financial Statements

REPORT AND FINANCIALS FOR CALENDAR YEAR 2022 (JANUARY 1 – DECEMBER 31, 2022)

STATEMENT OF RESPONSIBILITIES

The Financial Statement for the reporting period have been prepared in accordance with the provisions of the Amendment and Restatement of the Public Financial Management (PFM) Act of 2009 and its attendant Regulations, and in compliance with Cash Basis International Public Accounting Standards (Cash-IPSAS of 2017) adopted by the Government of Liberia.

In accordance with the provisions of the Amendment and Restatement of the 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.

Under the provisions of the same Act, I am required to prepare unaudited Final Account of the Liberia Revenue Authority to be submitted to the Minister of Finance and Development Planning, two months after the end of the financial year to which it relates. However, I have delegated the preparation of the unaudited Final Account to the Comptroller 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 Liberia Revenue Authority 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 therein.

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 Amendment and Restatement of the Public Financial Management (PFM) Act of 2009.



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

Introduction

This Report provides commentary and analysis of the cash receipts and payments (as well as financial performance) of the Liberia Revenue Authority for the financial year ended 31st December 2022 and of its financial position as at that date.

The FY2022 Approved Budget

At the onset of the fiscal period FY2022, the National Legislature appropriated a total of US\$16.0 million for the Liberia Revenue Authority. In the FY 2022 final budget, US\$11.7 million was appropriated for Wages, Salaries and Other Employee Benefits while US\$4.0 million was appropriated for Goods and Services and US\$253.7 thousand was appropriated for Capital Expenditure. During the period under review, there was no supplemental budget.

Summary

The budget for the 2022 fiscal year was US\$16.022 million. A total receipt against the budget was US\$16.038 million, in excess of budget by US\$16.092 thousand due to exchange rate issues. Other receipts in the year amounted to US\$588.5 thousand. Total payment for the year amounted to US\$16.2 million and included employees' compensation of US\$11.7 million; goods and services of US\$4.0 million; and capital expenses of US\$508.7 thousand. Therefore, final total cash balance for FY2022 was US\$556.4 thousand.

Authorized Appropriation/Allocations

During the 2022 fiscal year, the Liberia Revenue Authority received the total amount of US\$16.0 million from the central Government of Liberia through the four-percent arrangement with the Central Bank of Liberia.

Other Receipts

Cash receipts from source other than the Government of Liberia's national budget amounted to US\$588.5 thousand in the 2022 fiscal year.

Project Flows

There was no project running up to the end of the year.

Outstanding Commitments

Total outstanding commitments at the end of the 2022 fiscal year were US\$ 300.6 thousand as detailed below:

Contingent Liabilities and Long-Term Commitments

There was no immediate contingent liability at the end of the year; however, unpaid employer's contributions of NASSCORP stood at US\$5,206, 829 at December 31, 2022.

Conclusion

The Financial Statements for the financial year ended 31st December 2022 should be read in conjunction with the underlying notes and supplementary disclosures for better understanding and interpretation.



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