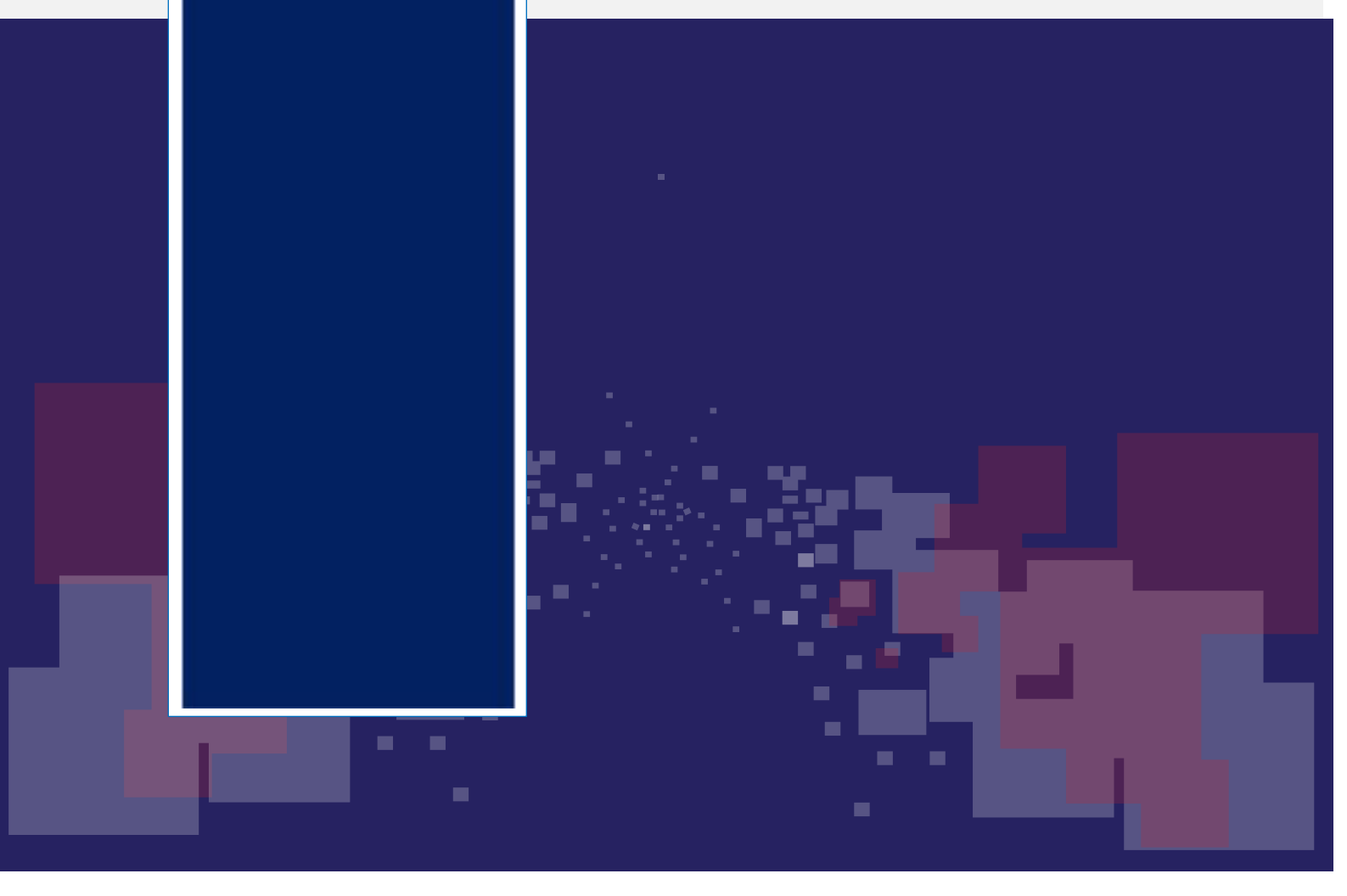




LRA
LIBERIA REVENUE AUTHORITY

LRA 2023 Annual Report

Year
(Jan -Dec 2023)



Message from the Commissioner General



Hon. James Dorbor Jallah

Commissioner General

Liberia Revenue Authority

It is with a profound sense of duty and appreciation that I present the Annual Report of the Liberia Revenue Authority (LRA) for the Fiscal Year 2023. This period has been marked by perseverance and resilience in the face of both national and global economic challenges. Despite these adversities, we have steadfastly pursued our mission to enhance revenue collection and support Liberia's national development.

The LRA, fully cognizant of the uncertainties triggered by the 2023 electoral process, navigated the landscape with a collection of US\$715.9 million, thereby falling short of the revised budget by US\$55.8 million. However, amid this shortfall, I am pleased to report that our domestic revenue collection stood resilient at US\$611.9 million, exceeding collections from all preceding years, except for fiscal year 2022. This achievement is noteworthy and underscores the effectiveness of our revenue mobilization initiatives.

Our efforts in FY 2023 were not just about overcoming immediate challenges but also about expanding the scope for sustained improvement in revenue collection. Key transformational activities included digitizing core and administrative functions, expansion of the Liberia Integrated Tax Administration (LITAS) project, which has been instrumental in modernizing our tax administration processes, among others. Additionally, we initiated development of our Corporate

Plan and Domestic Resource Mobilization Strategy (2024-2028), which will provide a strategic framework for enhancing revenue collection for the coming years.

We also expanded our partnerships with international donors, which has been critical in supporting our capacity-building initiatives and modernization efforts. Furthermore, our increased focus on taxpayer awareness has helped foster a more compliant and informed taxpayer base, which is essential for sustainable revenue growth.

Despite the underperformance in meeting our target during the year, the significant progress made highlights our unwavering dedication to improving Liberia's fiscal health. We remain committed to implementing more innovative measures to further enhance revenue performance. Our ultimate goal is to move to billions in revenue generation for Liberia, and we are confident that this milestone can be achieved.

As we look ahead, I want to express my sincere gratitude to all our stakeholders and dedicated staff for their invaluable contributions. Your support and hard work are crucial as we continue our journey towards fiscal resilience and national prosperity. Together, we can build a stronger and better Liberia.

Commissioner General

Liberia Revenue Authority

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 as indicated therein 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, 2024 A.D.

Samuel G. Bennett Jr.

Deputy Commissioner General/Administrative Affairs

Domestic Tax Department

Section 7(2) (g) of the LRA's Act provides that the data as indicated herein 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 2024 A.D.

Margaret P. Krote

Act. 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 as indicated therein 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, 2024 A.D.

Saa Saamoi

Commissioner/Customs Department

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About Us

Establishment

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

Roles and 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
CONS	Consolidated
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
GoL	Government of Liberia
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
PFMRIS	Public Financial Management Reform for Institutional Strengthening
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

The 2023 Annual Report of the Liberia Revenue Authority (LRA) presents a comprehensive overview of the institution's performance throughout the calendar year. As a semi-autonomous agency, the LRA plays a vital role in collecting lawful revenue to support Liberia's development. This report details the LRA's key achievements and progress in revenue collection and is inclusive of financials, strategic planning and partnership activities, transformational initiatives, analysis on the internal and external environments, economic outlook, corporate governance as well as Domestic Tax and Customs core business initiatives.

The FY 2023 budget was approved at US\$782.9 million. Domestic revenue accounted for US\$672.9 million or 86 percent, while external resources accounted for US\$ 110 million or 14 percent. During the mid-year review, the budget was revised downward to US\$771.7 million or 1.4 percent. Actual collection stood at US\$715.9 million, registering an underperformance of US\$55.7 million or 7 percent. Domestic revenue contributed US\$611.9 million, of which the core departments of Domestic Tax and Customs accounted for 61 percent and 39 percent respectively. Domestic revenue continues to show steady growth with the current performance exceeding the last five years average by US\$67.3 million or 12.4 percent.

The reporting period also considered the contribution of corporate governance aimed at promoting accountability, fairness, transparency and responsibility in compliance with ethical standards. Strengthening the legal, policy and fiscal frameworks is key, while enhancing strategic communications, professionalism, quality assurance and transformational initiatives provide a weight to this process. The efforts made in improving information technology and data analytics drive the move in managing reliable data for strategic decision-making. Our financials provides summary for the utilization of allocated funds in the most cost efficient and optimal way, with enterprise and compliance risk management effectuating administrative and core functional roles.

The economic outlook presented in this report for the period 2023 was shaped by external factors, including global economic growth, commodity prices, and international aid and investment flows. Improved conditions in key trading partners and commodity markets bolstered Liberia's export sector and overall economic performance. The natural resources sector, particularly iron ore and gold mining, emerged as major economic drivers. The government's efforts to attract foreign investment and streamline regulatory processes facilitated sectorial expansion.

The aforementioned summary thus provides an overview of the reviewed period's performance, highlighting key efforts in mobilizing resources, revenue collection, strategic planning and transformation initiatives, among others. It denotes the diversified approaches deployed in strengthening our national resource mobilization initiatives.

Strategic Snapshot

OUR CORE VALUES



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.

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).

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.

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.

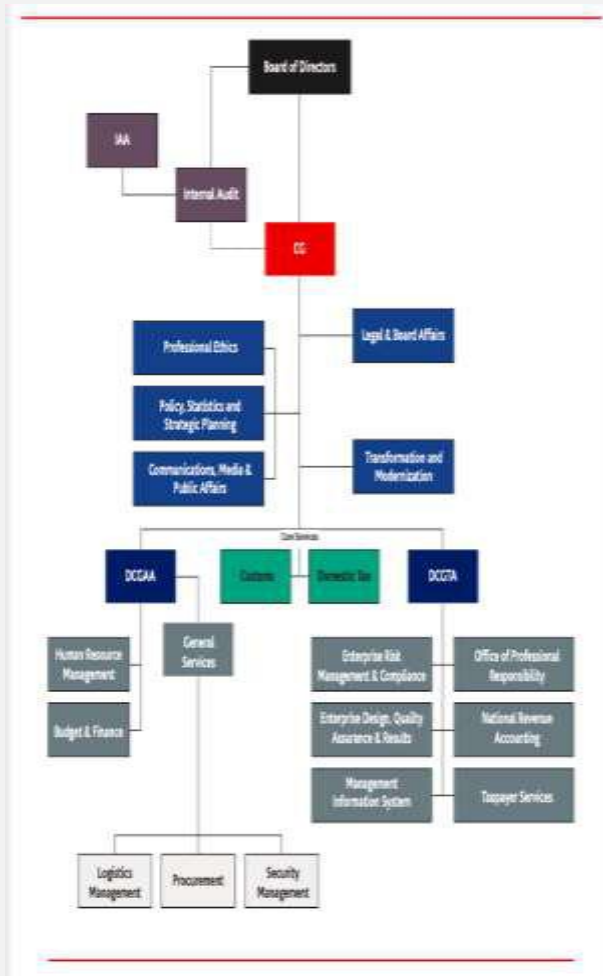
MISSION

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

VISION

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

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.

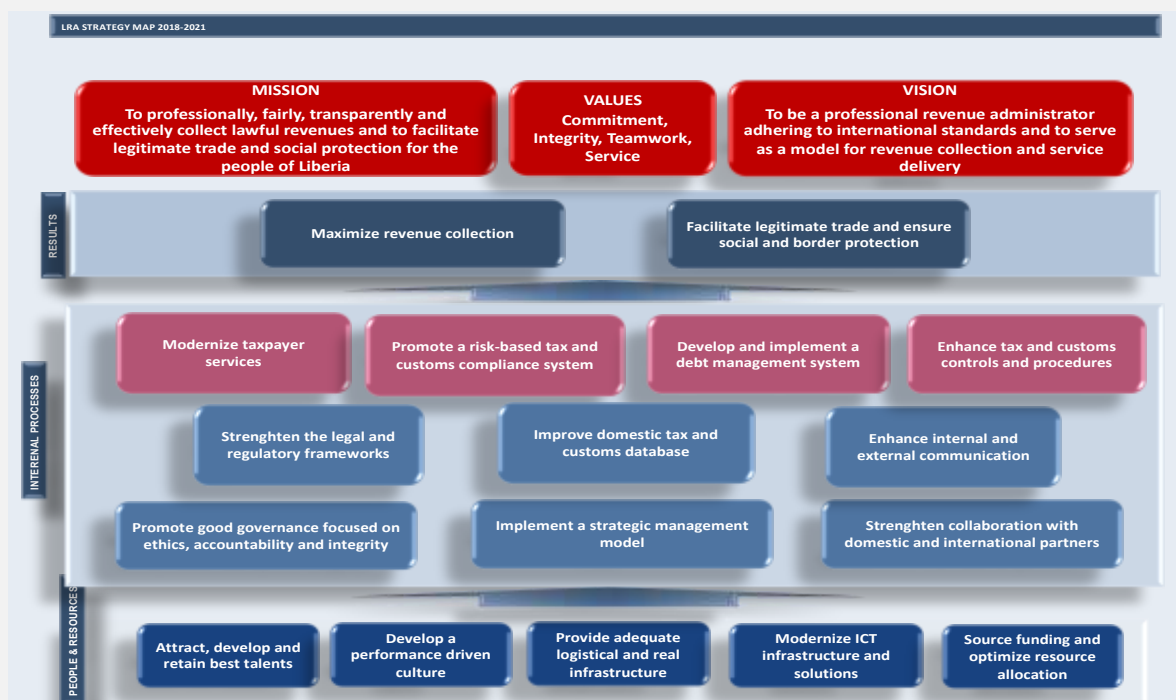
The functional departments and agencies within the LRA include:

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)

Strategy Map



Strategic Indices

- <1.1>Revenue Collection Performance
- <2.1> Average Clearing time
- <2.2> Customs Clearance Rate
- <3.1>Taxpayer Services Index (TSI)
- <4.1>Compliance rate on reporting, filing and payment
- <4.2>Audit Capacity and Coverage Index
- <4.3> Audit Recovery Efficiency Rate
- <4.4> Audit Plan Adherence
- <4.5> Enhanced efficiency of Audit Program
- <5.1>Approved Debt Management tools
- <5.2>Integrated tax debt stock consolidation
- <6.1>(Tax and Customs controls and procedures index
- Quality control efficiency rate
- <7.1>Number of legislative and regulatory proposals for closure of loopholes.
- <7.2>% reduction on time it
- <8.2>Tax Database Integrity Index(TDII)
- <9.1>Communication Performance Index (CPI)
- <10.1>Internal Audit Interventions
- <10.2>Ethics and Integrity Dissemination Index
- <10.3>Enterprise Risk Management Maturity Index
- <11.1>Strategic Management Model Index (SMMI)
- <12.1>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
- <15.1> Real Infrastructure Conformity index
- <16.1>ICT Index (ICT)
- <17.1>Budget execution ratio
- <17.2> Cost of Collection Optimization

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 commenced development of the new five (5) year Domestic Resource Mobilization Strategy (DRMS), 2024-2029.

Key Projects Reform

PFMRIS Projects

- i. Equipment for LRA Data Center procured and commissioned;
- ii. Business process review and requirements refinement completed for Phase I modules;
- iii. System Requirement Specification (SRS) completed for Phase II modules;
- iv. Customization of the LITAS modules under Phase I completed.
- v. Preparation of a Training and Change Management Strategy and Action Plan;
- vi. Review and revision of the Revenue Chart of Accounts, consistent with GFS 2014;
- vii. Cycle one and cycle two of the LITAS User Acceptance Testing (UAT) for phase I modules completed with a passed mark of 100 percent;
- viii. Delivery of Hardware and software for LITAS is at a completion of 100 percent;
- ix. Installation of Hardware and Software is at approximately 100 percent;
- x. Internal and External End users training completed;

ASYCUDA Rollout

- i. Procured Equipment and completed training for rollout;
- ii. The LRA completed audit of the 5 CBOs as part of post implementation activities to ascertain usage of the system and benefits attained.
- xi. Pilot for Phase I completed February 28, 2023. The Pilot Included all active large taxpayers and 74 medium taxpayers. As part of the Pilot, the system was rolled out to Buchanan TBO
- xii. The system is now being rolled out to all active medium taxpayers and taxpayers in the Government and Not-for-Profit category.
- xiii. The LRA has integrated LITAS with the National Identification Registry (NIR) system for verification of national IDs and GT Bank for real-time exchange of payment information. Integration with Ecobank, UBA, Central Bank of Liberia, Lonestar Cell-MTN and Orange Liberia are work in progress.
- xiv. Procurement for LITAS end users' computers completed.

Modernize Taxpayer Services

- Conducted focal group study for tax and non-taxpayer’s compliance survey
- Developed proposal for the establishment of a one-stop-shop at LRA HQ to meet taxpayers’ need, in fostering voluntary compliance – pending management’s approval.
- Communications team trained on plain messaging (for internal and external stakeholders), and branding.
- Assessment of one-stop-shop facility done, pending approval to begin the project

Strategic Partnership

Partial view of our strategic partners:

USAID / LEAD	• 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

- *The year under review marks transition towards a new political journey in Liberia; climaxed by the 2023 presidential and legislative elections. This period is key in determining a new path for effective implementation of a more comprehensive and interconnected development strategy for Liberia.*

Economic

- Liberia's economy expanded by 4.7 during the reviewed period
- Annual inflation rose to 10.1% from 7.6% in 2022.
- The fiscal deficit remained high, estimated at 5.5% of GDP in 2023, 0.1 percentage points lower than in 2022
- Average exchange rate stood at 174.96

Social

- *The gov't needs to stimulate positive behavioral changes that will enhance tax compliance and raise public trust*

Technological

- *There still exists limited application of evolving technologies (AI, cyber security, e-governance, data analytics, etc.) in tax admin given their potential impact on revenue generation*

Environment

- *Environmental initiatives need to be considered to foster development of sustainable technologies for green taxation*

Legal

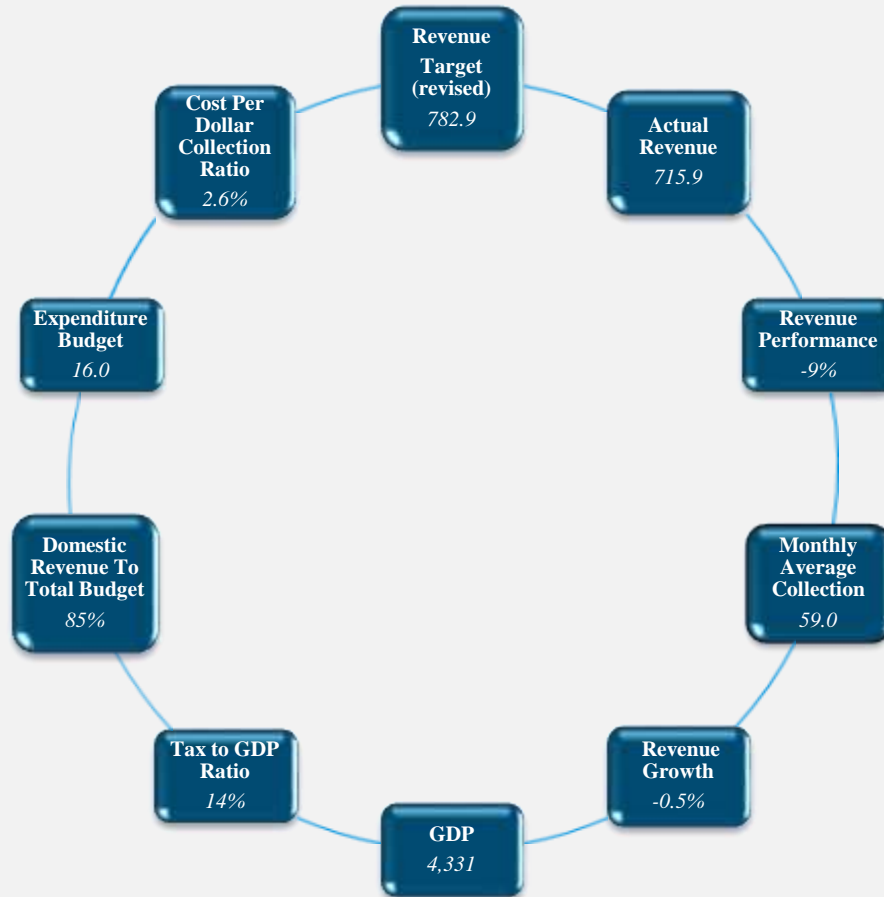
- Legal cases subject to extensive delays and procedural and other errors remain key
- Adjudication of cases under dual common and customary laws continues to result in conflicting decision

Economic Outlook

Year	2022	2023
RGDP (US\$)	3.35	3.51
RGDP growth rate	4.7	4.90
Agriculture & Fishery	1.03	1.08
Forestry	0.3	0.32
Mining and Panning	0.51	0.53
Manufacturing	0.20	0.21
Services	1.31	1.31
NGDP (% change)	8.30	3.10
Annual Average Exchange Rate US\$/L\$	US\$/L\$152.9	US\$/L\$175.0
Inflation (domestic)	7.6%	10.1%
Inflation (global)	8.7%	6.8%

Source: World Bank Development Indicators/CBL

LRA at a Glance



Indicators	FY2022	FY2023
Approved National Budget	811.6	782.9
Actual Revenue Outturn	752.4	715.9
Revenue Performance	-7%	-9%
Monthly Average	62.8	59.0
Domestic Revenue Target	651.5	672.9
Domestic Revenue Actual	614.9	611.9
Annual Revenue Growth	6.3%	-0.5%
GDP (Nominal) / 2023*	4,000	4,331
Tax to GDP Ratio	15%	14%
Domestic Resource Contribution to Total Budget	82%	85%
Expenditure Budget	16.2	16.0
Cost Per Dollar Collected Ratio	2.6%	2.6%

Overall Revenue Performance

The FY 2023 budget was approved at US\$782.9 million. Domestic revenue accounted for US\$672.9 million or 86 percent, while external resources accounted for US\$ 110 million or 14 percent. During the mid-year review, the budget was revised downward to US\$771.7 million or 1.4 percent. Actual collection stood at US\$715.9 million, registering an underperformance of US\$55.7 million or 7 percent. Domestic revenue contributed US\$611.9 million, of which the core departments of Domestic Tax and Customs accounted for 61 percent and 39 percent respectively. Domestic revenue continues to show steady growth with the current performance exceeding the last five years average by US\$67.3 million or 12.4 percent.

Tax revenue for FY 2023 accounted for 86 percent of domestic revenue, an increment of 6 percentage point from the previous fiscal year. Tax revenue for the current fiscal year also exceeded the last five years average by US\$75.3 million or 16.7 percent. The key contributing tax lines to this performance include: taxes on income and profit which exceeded the previous fiscal period by US\$7.8 million or 4 percent, taxes on goods and services which exceeded the previous fiscal period by US\$20.3 million or 31 percent and international trade taxes which registered a decline of US\$15.3 million or 8 percent when compared to the previous fiscal period. The decline in international trade taxes was mainly on account of uncertainties caused by the 2023 General Elections.

Non-tax revenue contributed 14 percent to domestic revenue performance but fell short of target by US\$27.1 million or 24 percent. When compared to the last fiscal year, collection declined by US\$34.6 million or 29 percent. Non-tax revenue underperformance was mainly due to GSM cellular mobile networks, road maintenance fees collection and non-remittance of dividends from State-owned Enterprises (SOEs). The combined effect of which resulted in a dip of 50.4 percent against target.

External resources accounted for 15 percent of total revenue but fell below target by US\$6.0 million or 5 percent.

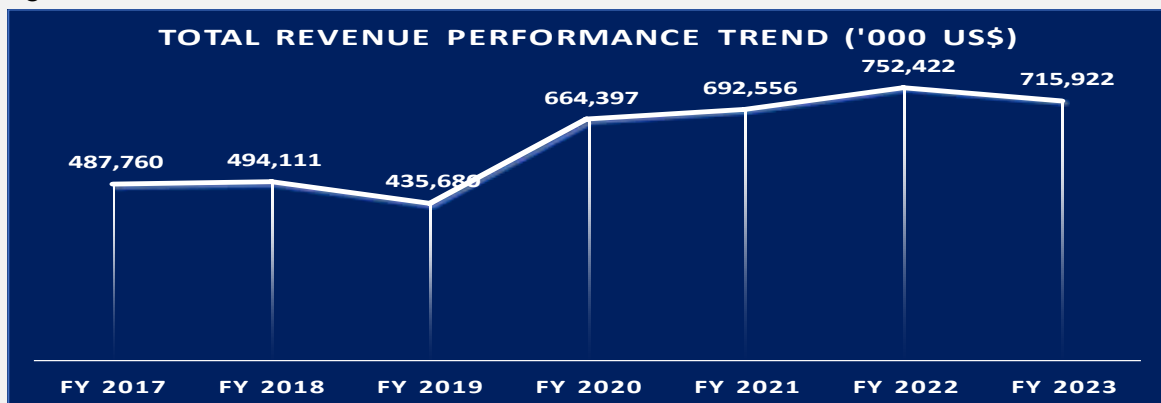
When compared to the previous fiscal period, both total revenue and domestic revenue declined by US\$36.5 million or 4.9 percent and US\$2.9 million or 0.5 percent respectively.

Table1: Overall Revenue Performance

Tax Kind	Approved Budget	Revised Budget	Actual	Var.+/-	% Var.+/-
Total Revenue (Incl. Financing Gap)	782,943	771,700	715,922	(55,778)	-7%
Total Revenue (Excl. Financing Gap)	782,943	771,700	715,922	(55,778)	-7%
Domestic Revenue	672,943	661,700	611,957	(49,743)	-8%
Domestic Tax Department	435,493	428,684	422,940	(5,744)	-1%
Customs Department	237,450	233,016	189,017	(43,999)	-19%
Tax Revenues	553,613	549,179	526,618	(22,562)	-4%
Taxes on Income & Profits	241,978	241,978	220,350	(21,629)	-9%
O/W Personal Income Tax (PIT)	133,965	133,965	125,680	(8,284)	-6%
O/W Corporate Income Tax (CIT)	59,683	59,683	52,190	(7,493)	-13%
O/W Other Income Taxes	48,330	48,330	42,479	(5,851)	-12%
Taxes on Property	5,169	5,169	4,784	(384)	-7%
Taxes on Goods & Services	64,402	64,402	86,331	21,929	34%
O/W Maritime Revenue	12,000	12,000	9,750	(2,250)	-19%
Taxes on International Trade	235,964	231,530	187,969	(43,561)	-19%
Other Taxes (SDCs)	6,100	6,100	27,184	21,084	346%
Non-Tax Revenues	119,330	112,520	85,339	(27,181)	-24%
Property Income	97,346	90,536	64,486	(26,049)	-29%
O/W Road Maintenance Fund	27,824	27,824	18,852	(8,973)	-32%
Administrative Fees	21,637	21,637	20,199	(1,438)	-7%
Fines, Penalties & Forfeits	341	341	649	308	90%
Miscellaneous & Unidentified	6	6	4	(1)	0%
External Resources	110,000	110,000	103,965	(6,035)	-5%
FINANCING GAP	-	-	-	-	0%

Source: TAS

Figure 1: Total Revenue Trend



Source: TAS

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



CG DIRECT REPORT

POLICY, STATISTICS AND STRATEGIC PLANNING DIVISION

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 Calendar Year 2022 Annual report
- Coordinated preliminary Validation of about 30 customs regulations
- Collaborated with Consultants in the development of LRA's Domestic Resource Mobilization Strategy 2024-2028
- Produced exchange rate notices for update of revenue transaction rates in TAS and ASYCUDA Systems
- Conducted a review of the interim Plan implementation 2022
- Drafted the LRA next 5-years Corporate Plan (2024-2028)
- Produced the BSC methodology to measure the 5-years Corporate Plan
- Coordinated the development of 2023 Annual Work Plan across the LRA

Statistics and Forecasting Unit

- Mapping of old chart of accounts with the new IMF GSF 2014 Charts of Accounts
- Updated the revenue Chart of Accounts with new tax lines and revenue sources

- Conducted first half review of the 2023 budget, and produced year-end estimates and identified possible risks
- Collaborated with the Ministry of Finance Tax Policy Unit on development of the 2024 National Budget
- Provided technical support during the 2024 Legislative Budget Hearings
- Collected, produced and validated data for African Tax Outlook (ATO) publication
- Produced periodic revenue reports

Strategic Partnership

- Reviewed and update donor matrix to include new donors
- Coordinated one donor mission to LRA IMF fiscal affairs department mission to assess the implementation of DRM strategy.
- Maintained Bilateral and Multinational Partnership through regular interaction with revenue administrations (National Revenue Service of Sierra Leone on Tax Gap Analysis Training and the Gambia Revenue Authority on post clearance audit)
- Attended Two international fora on tax matters: African Tax Administration Forum (ATAF) 13th Country Correspondence Conference in Mauritius and West African Tax Administration Forum (WATAF) 19th General Assembly and 5th High Level Policy Dialogue in Praia, Cabo Verde

LEGAL AND BOARD AFFAIRS

The Legal Department plays a central role in the administration of the Revenue tax laws. The Department provides guidance on the correct legal interpretation of the tax laws, represent the LRA in litigation, and provide all other legal support the LRA needs to carry out its mission of serving taxpayers. The Department is also involved in the drafting of opinions, regulations, rulings, manages debt portfolios by maximizing domestic resources through its tax debt collection, publish legal guidance, handles cases at the Tax and other Courts and works closely with the Ministry of Justice on tax litigations; provides specific legal advices and determinations to taxpayers and to various LRA offices both before and after assessments are made.

Key Achievements

Litigation Unit

During the reviewed period, the unit, in collaboration with the Ministry of Justice embarked upon the recovery of revenue as mandated. A total of ten (10) cases were projected, amounting to a total collection of US\$215.3 thousand.

Taxpayer Advocate Service Unit

- Publicized Taxpayer Advocate Service within LRA headquarters through various scheduled workshops and meetings with managers, supervisors and staff.
- Amended the Standard Operating Procedure (SOP) of the Taxpayer Advocate Service Unit (TASU) to suit present reality.
- Conducted physical awareness which included TBO's and CBO Staff.
- Concluded awareness engagement with Stakeholders
- Produced and distributed 1000 fact sheets to taxpayers
- Electronically distributed "Taxpayers' Bill of Rights" to taxpayers
- Electronically distributed workshop materials/power point presentation slides of Custom, Natural Resources, Protest & Objection, Taxpayer Service Division, etc. to taxpayers (Liberia Business Association, National Rice Federation of Liberia)

Legal and Board Affairs

For the year under review, the Board Affairs did not take into account Board activities as the Board is still yet to be constituted. However, the Unit was able to assist with other functions as under;

The unit also processed along with relevant divisions one hundred (100) old/renewal employment contracts, forty-two (42) new employment contracts, twelve (12) procurement contracts and 2 lease agreements.

Other achieved activities include:

- Developed, with technical support from Policy Division, the Legal Department's Business Plan for the fiscal year 2023
- Prepared Legal's Quarterly Monitoring and Evaluation Report
- Worked with the Swedish SIDA Team on framework document for the implementation of Leadership Guiding Principles

Debt Management Unit

The LRA introduced tax debt management as a central coordinating unit of all tax arrears within the institution in August of 2017. An efficient & effective Tax Debt management system is a cardinal aspect of most successful tax administrations. The Tax Debt Management has evolved from just a name of a structure, to a Division with a Framework, terms of reference, write-off policies, system to enhance arrears collections, and tax Gaps analysis.

Protest and Objection Unit

During the period under review, the unit conducted hearing and resolving protest cases involving assessment from Withholding, GST, Rental Income and Professional services. Of the ten (10) cases received, three (3) cases were completed, constituting Six (6) outstanding cases and one (1) case pending before BOTA. Cases under these categories included, request for administrative review of valuation processes, protest on arbitrary increment of value on C9495, refund, audit Assessment and excess payment refund.

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

Table 2: Internal Audit Activities

No.	Engagements	Details and/or description of engagements
1	One (1) Risk Assessment	Conducted entity-wide risk assessment to inform the preparation of IA's risk-based annual plan.
2	One (1) Annual Risk-Based Business Plan	Prepared one annual risk-based plan for FY 2023 to focus IA's audits and reviews on key risk areas.
3	Four (4) IA's Quarterly Activity Reports	Prepared and submitted four IA's

4	Four (4) EQARD Monitoring Reports	Prepared and submitted four quarterly reports toEQARD.
5	One (1) Annual IA's Activity Report	Prepared one annual activity report to highlight achievements and challenges of IA.
6	Two (2) Comprehensive Audits	Performed comprehensive audits of 2 Rural TBOsand 2 Rural CBOs. Prepared and published consolidated reports for the rural CBOs and TBOs.
7	Three (3) Issued-Oriented Audits	Three issued-oriented audits fieldwork for Large Tax Divisions AAA and Enforcement Sections as well as Customs Collection and Enforcement Section being concluded.
8	Two (2) Issue Oriented Review	Completed two issue oriented review of LVD/FDAquarterly expenditure refund report and source documents.
9	Three Compliance Audits	Completed two compliance audits of CAU and Freeport 4% tax office. Compliance audit of Bonded and Transshipment Section being finalized.
10	One Compliance Review	One compliance review of Freeport DI Site beingfinalized.
11	Ten (10) Quarterly Limited Scope Reviews	Completed FY 2022 quarterly limited scope review of direct transfer transactions. ConductedFY 2023 limited scope review of revenue return processes back office posting, procurement and stores section.
12	Continuous Information System Audit	Quarterly continuous audits were conducted andexception reports and inquiries provided to process owners and management.

Source: Internal Audit Division

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

Investigations

During 2023 reporting period, the FID received nine (9) cases of suspected illicit trading, tax evasion, including money laundering and illegal transfers of funds. Of the nine (9) cases received for the period, two (2) were investigated and referred to DTD for special assessments; while six (6) are being investigated. From the two (2) cases investigated and assessed, one (1) resulted to a total bill of US\$10 thousand and was paid in full; while the other is still with the DTD. In addition, US\$67.7 thousand was paid of total outstanding bill of \$161.1 thousand from the past period.

Collaborations

The following collaborations were achieved:

1. Applied for the OECD/UNDP Tax Inspectors Without Borders for Criminal Investigation Program and got approved. The first phase of conducting a tax crime self-assessment for Liberia is ongoing. The TIWB-CI program is a collaborative initiative led by the Organization for Economic Co-operation and Development (OECD) and the United Nations Development Program (UNDP).
2. Engaged the World Bank for a National Risk Assessment (NRA) on Tax Crimes, that includes NRA Module & Training
3. Strengthened domestic inter-agency co-operation with relevant Law Enforcement Agencies (LEAs) and competent authorities, including international partners to ensure effective tax investigations, including Money Laundering

Tax Investigation Handbook

1. Reviewed the developed tax investigation handbook (taxpayer's edition) for a final review by the relevant stakeholders. The handbook is expected to be approved and published soon.

Online Whistleblower Platform

2. An online reporting platform is about to be launched to assist tax compliance, and data sourcing on tax violations/evasion across the country. The platform was developed by the Fiscal Investigations Division (FID), in collaboration with MIS, Communications, and other stakeholders.

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, the PED initiated a total of 20 cases of employees' alleged misconduct investigations. Of the total number of registered cases, 15 were completed, while 5 is pending investigation. Disposition of cases were submitted to senior management for further administrative decision making. Accordingly, Senior Management actions were meted against affected employees' suspensions, warnings and clearances issued to staff not culpable for misconduct. Of the total cases received, 11 were sustained, 4 not sustained and 5 pending.

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

Throughout the reporting period, the CMPA Section actively fostered strong relations with the Liberian media, engaging in professional interactions to disseminate information promptly and transparently. In addition, the Section facilitated various talk shows, special interviews, and independent media coverage of LRA activities. These initiatives aimed to help the media and, by extension, the Liberian public, comprehend

the functioning of the LRA and the responsibilities of the tax-paying public to ensure compliance.

In accounting for key achievements, the section facilitated about 450 plus media and public engagement activities. The breakdown of key activities is shown in the table below:

Table 3: CMPA Activities

NO.	Activities	Frequency
1	Press releases	25
2	Public service announcements / Revenue Notices	26
3	Talk show appearances	140
4	Educational video contents shared	23
5	Social media posts	210
6	FOI request responses	5
7	General media queries and	27
8	Jingles	3

Source: CMPA Division

TECHNICAL AFFAIRS

MANAGEMENT INFORMATION DIVISION

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

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

Key Achievements

In line with our stated goals and objectives and our robust approach to the LRA IT enhancement, the MIS overall performance can be measured by the following categories:

Promote ICT
Governance

Manage ICT Solutions
and Tools

Improve ICT
Infrastructure

The LRA has taken concrete steps toward achieving its information and technology (ICT) modernization goals. A number of infrastructures strengthening, and digitalization projects have been implemented (with some ongoing) with the aim of improving voluntary compliance by reducing compliance cost of taxpayers.

Below are the highlights of the major infrastructure and digitalization initiatives carried out during the reporting year.

- Commenced process for the integration of LITAS with three (3) commercial banks for real time exchange of transactional and payment data
- Began phase 2 of the LITAS project in the second half of the reviewed period and deliver the following functionalities: compliance risk management, audit, protest and appeals, refund, tax analysis and forecasting, document management, business intelligence and integration.
- Procured equipment and completed training for ASYCUDA rollout;
- Completed for phase I modules, cycles one and two of the ITAS User Acceptance Testing (UAT)

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), the Tread Way Commission, the International Organization for Standardization (ISO), and the 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

- Involved in providing assurance and feedback on the renovation and expansion of LRA's center.
- Conducted risk assessment on IT general controls
- Ensured compliance and transparency in the process of abandoned cars auction conducted data by the Customs department at the Freeport of Monrovia, Yeala and Mendicorma CBOs, respectively.
- Communicated to all staff Quarterly ERM risk awareness messages
- Verified and certified the delivery of goods procured and delivered to the LRA.

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-three (23) Standard Operating Procedures developed and completed. Additionally, total files reviewed from audit cases received by the Quality Assurance section were ninety-six (96), with four (4) Spot-checks completed.

OFFICE OF 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

- Administered Competency Examination to 61 Tax Practitioners and 16 Customs Brokers
- Issued professional licenses to 35 new Tax Practitioners and 20 new Customs Brokers
- Renewed licenses to 54 Tax Practitioners and 305 Customs Brokers
- Continued work with MISD team to automate the licenses on various tax platforms
- Continued work with ASYCUDA functional team to review and verify all users' accounts and take necessary administrative measures.
- Received and investigated one alleged professional misconduct by a Customs Broker
- Trained and licensed 7 Customs Brokers at Ganta Border and 5 at the Loguatom Borders
- Held 1 and 3 engagement meetings with Tax Practitioners and Customs Brokers respectively

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.

Key Achievements

- During the year under review, the Section was able to adequately respond to all requests received from TBOs and CBOs for rural revenue receipts, thus enhancing the work of TBOs and CBOs to meet the needs of taxpayers;
- Rural revenue receipts utilized by Domestic Tax and Customs Business Offices were also fully reconciled;
- Successfully completed and published annual tripartite reconciliation report signed off on by authorities of the CBL, MFDP and LRA;
- Generated and published daily, month-to-date and year-to-date revenue collection reports for the fiscal year.

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 Achievement

Conducted Tax Education Outreach

TPSD conducted 20 tax education outreach programs. These outreaches focused on LRA General Compliance, Excise Tax and Stamp, rollout of LITAS, Personal Income Tax (PIT) Business Income Tax (BIT), and Real Estate tax payment in partnership with Grand Bassa County. These tax outreaches covered Montserrado, Margibi, Grand Bassa, Sinoe, Grand Kru, Maryland, River Gee and Grand Bassa Counties.

Developed and Implement Customer Service Program

Conducted seven (7) customer service trainings to frontline staffs in the TBOs and CBOs, Sinoe, Grand Kru, Maryland, River Gee, Grand Gedeh, and Margibi Counties.

Conducted Taxpayer Satisfaction Survey

Survey is suspended to allow two (2) years interval. The last focus group survey was conducted 2022. Henceforth, the next survey is scheduled for 2024.

Upgraded call center

Reactivated LRA Orange Number postpaid calls. Call log to generate calls from the directory acquired. LRA Call Phone Directory updated and confirmation of extension in progress. Call Center Strategy is being executed. Outbound and inbound calls are currently available and in use. An up graded, modernized, and LITAS Intergraded call center design was completed during the year under review and is expected to be completed this year.

Introduced New Tax and Customs Application to External and Internal Taxpayers

Five (5) trainings conducted for newly registered businesses and selected group of taxpayers, namely, Private Security Sector, Human Resource Professionals of Liberia and the Business Climate Dialogue.

Conducted Tax Clinics for Businesses

Conducted eleven (12) tax clinics: one (1) tax clinic each for Cuttington University Accounting Students Association, Stella Maris Polytechnic University, University of Liberia Faculty and Staff Association, JH NGO, Business Climate Dialogue, Liberia Human Resource Professionals, Gateway Vocational Training Institute, Letters to Strangers, Ministry of Health, Club Montserrado, Liberia Real Estate Dealers and Domfah Academy and Professional Institute. In addition, TPSD collaborated with other sections or divisions within LRA in conducting tax information session.

Expanded the Availability of Tax and Customs Forms and Information Materials

One hundred two thousand (102,000) pieces of tax and customs forms and information flyers and brochures were printed and distributed to taxpayers through LRA concierge desks and service windows.

Promote Radio Talk Shows

Conducted sixty one (61) radio talk shows (including rural community radio shows) on general tax compliance, real estate tax awareness and education, excise stamp education and awareness, electronic device awareness and education, and LITAS.

Compliance Check on MOU With Commercial Banks

Reconciled all transitory accounts for the fiscal period. Meeting with all commercial banks and soliciting of signature from commercial banks are ongoing.

Conduct Assessment at Service Windows, Tax and Customs Business Offices

Conducted Seven (7) assessment visits to service windows in Margibi, Sinoe, Grand Kru, Maryland, River Gee and Grand Gedeh Counties.

Manage Tax Payers Inquiries

Resolved one hundred twenty (120) out of one hundred forty-five (145) inquiries received via concierge desks, call center, emails, and social media thus amounting to 82.7 percent inquiry resolution rate compared to planned initiative of 90 percent.

ADMINISTRATIVE AFFAIRS

HUMAN RESOURCE MANAGEMENT

The Human Resource 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.

Key Achievements

General Activities Achieved

- Contract awarded and module developed for automation of Payroll and Record Keeping processes; payrolls for the last two quarters were uploaded into the system

Some professional and ICT Training

Completed training in the following professional areas:

- Certified two staff in Information Systems Security Professional, 4 staff as Senior Professional in HR International (SPHRi), Data Centre Management Professional Certification for one staff, contract management and supplier relationships for two staff, SoClass for 8 staff and 2 staff as Change Practitioners
- Completed ISO 31000 Lead Risk Manager training for one staff
- Conducted training in Risk Management and Compliance for four staff, Oracle Database for four staff, Revenue Audit and Enforcement for twenty staff, Cisco Enterprise Network Core Technologies for four staff, ITIL4 Foundation for 14 staff, Red Hat Linux system administration for four staff
- Obtained advance diploma in International Taxation for three staff and
- Completed training in Certified Risk and Information Systems Control for 1 (one) staff and trained key users responsible to carrying out Users Acceptance testing under the LITAS project implementation

ICDP Swedish Tax Agency Project

- Taxpayer Services team visited Sweden and was trained to operate one-stop-shop solutions
- Communications team trained on plain messaging (for internal and external stakeholders), and branding.
- Eight HR tools/administrative procedures revised, pending approval.
- Developed and approved Guiding Principles for Leadership Development at LRA.
- Team benchmarked Nigeria's Federal Inland Revenue Services' Training School, to begin developing LRA's leadership training programs in partnership with Federal Inland Revenue Service.
- HR's Business partners identified, trained, and deployed to various business units in LRA and module developed for leadership training, currently being piloted.

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

- Conducted upgrades at LRA Head Quarters, Freeport Customs Business office, Gbarnga TBO, the Liberia Business Registry, Old BIVAC office at CBO Freeport, Harper Maryland CBO and TBO, and reconstructed damaged wall at DI site warehouse, Freeport DI sites office
- Reconstructed damaged DI site warehouse wall
- The Fixed Assets Management Unit received and coded one hundred and eighty-five items (185) newly procured Assets. These Assets included 77 furniture, 2 fixture and 6 motorbikes
- Launched a disposable assets verification exercise which verified 46 aged vehicles in a deplorable condition and 18 aged vehicles that are road worthy with high maintenance cost.
- Assessed over 60 batches of documents from the Ministry of Finance and Development Planning- LRA Archive, the Freeport of Monrovia and the LRA Archive Center

- Recorded 34 of 57 operational vehicles in the LRA fleet which is in excellent operating condition.
- Serviced 44 vehicles, supported 23 outstanding deployed 7 vehicles to Customs Business Offices
- The Security Management Section intercepted two boxes of contraband containing arms and ammunition during inspection of a forty-footed container in the DI Site which was turned over to the Arms commission in the presence of joint security
- Intercepted a huge quantity of assorted drugs (cannabis) from a forty-footed container during a physical examination in the DI Site which were subsequently turned over to the Liberia Drug Enforcement Agency in the presence of the Freeport Joint Security representatives and in collaboration with the NPA and the national joint security, seized eleven (11) cartons of illicit drugs including raw cocaine
- Turned over sixty-five, five-gallon containers of chemical to the Environmental Protection Agency at the DI Site for untrue declaration
- Extended Contract for provision of Janitorial, security guard and vehicle & bike Insurance Services and drafted for signature all Sole Source contracts
- Bid evaluation report was concluded, approved by the Procurement Committee and notification of award and regret notices submitted

Monitoring Compliance

Core Business

DOMESTIC TAX OVERVIEW

The Domestic Tax Department, a core arm of the Liberia Revenue Authority, is tasked with the meticulous collection of "Lawful Revenue" with utmost professionalism and integrity. Among its primary objectives are augmenting domestic revenue collections to facilitate human and economic development, fostering public trust in revenue administration to bolster voluntary compliance, and rigorously enforcing tax debt collection.

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

Despite concerted efforts to enhance revenue compliance across Liberia's economic landscape, the Department recorded 12.5 million or 3 percent deficit in actual revenue collection compared to its approved projection of \$435.4 million for Fiscal Year 2023. Notably, this projection marked a 3 percent increase from the preceding fiscal year's 2022 projection. However, there was a 3 percent increase in actual collection for FY 2023 compared to FY 2022.

The initial FY 2023 budget, as indicated in the table below, stood at approximately US\$430.4 million. However, over the course of the period, the budget was revised upward by US\$5.0 million by the National Legislature. Within the augmented amount, US\$1.0 million was allocated specifically focusing on Maritime Revenue, leading to a total tax revenue of US\$317.6 million. The remaining US\$4.0 million was allocated to Non-Tax Revenue. Of this, US\$1.0 million was directed to the National Road Fund, another US\$1.0 million to the National Public Health Institute of Liberia (MPHIL), US\$1.0 million to the Ministry of Labour, and the remaining US\$1.0 million to Forestry.

Table 5: Domestic Tax Projection

	Approved Budget	Supplemental Budget	Revised Budget
TOTAL RESOURCES ENVELOPE	430,493	5,000	435,493
DOMESTIC REVENUE	430,493	5,000	435,493
Domestic Tax Department	430,493	5,000	435,493
Customs Department	-	-	-
Revenue in Transit	-	-	-
EXTERNAL RESOURCES	-	-	-
CASH BROUGHT FORWARD	-	-	-
Domestic Tax Department	430,493	5,000	435,493
TAX REVENUE	316,649	1,000	317,649
Income & Profit	241,978	-	241,978
Property Taxes	5,169	-	5,169
Goods & Services	63,402	1,000	64,402
Other Taxes	6,100	-	6,100
NON-TAX REVENUE	113,844	4,000	117,844
Property Income	93,860	2,000	95,860
Administrative Fees	19,637	2,000	21,637
Penalties and Interest	341	-	341
Miscellaneous	6	-	6

Source: CY 2023 Budget book & Revised Projection

The department's performance illustrates its actual outturn, encompassing both divisional collections and collections pertaining to various tax categories falling within the Department's purview.

Upon juxtaposing the collection between FY 2022 and 2023, the period under review witnessed a commendable growth of 3 percent. This surge primarily stemmed from tax revenue, which grew to 14 percent when compared to the

corresponding period in the previous year. Notable growth figures were observed in Taxes on Income & Profit, Corporate Income Tax (CIT), and Goods Tax. Conversely, non-tax revenue witnessed mixed trends, with Property Tax experiencing a decline of -57 percent while Administrative Fees saw a modest increase of 8 percent.

Table 6: Domestic Tax Actual collection

Domestic Tax Revenue Trend	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	CY 2022	CY 2023
Domestic Resource Envelope	265,563	229,899	293,566	284,339	333,039	409,866	422,940
Domestic Tax Department	265,563	229,899	293,566	284,339	333,039	409,866	422,940
Brought Forward	-	-	-	-	-	-	-
Domestic Tax Department	265,563	229,899	293,566	284,339	333,039	409,866	422,940
Tax Revenue	199,875	190,388	215,091	203,789	236,846	291,423	338,649
Income & Profit	143,366	136,882	161,818	152,558	176,237	212,474	220,350
Property Taxes	5,108	5,465	5,002	4,336	5,664	4,546	4,784
Goods & Services	48,236	46,334	41,809	43,485	51,385	66,071	86,331
Others Taxes	3,165	1,706	6,462	3,410	3,560	8,333	27,184
Non-Tax Revenue	65,688	39,511	78,475	80,550	96,193	118,442	84,291
Property Income	45,636	21,303	59,896	67,135	80,469	99,506	63,438
Administrative Fees	15,935	16,912	15,801	12,726	15,187	18,500	20,194
Penalties & Interest	3,102	1,108	2,552	275	526	433	649
Miscellaneous	1,015	189	225	414	11	3	9
Domestic Tax Divisions	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	CY 2022	CY 2023
Large Tax Division	139,062	133,954	177,934	132,020	142,203	163,395	168,024
NRITS	38,537	41,667	60,083	68,818	78,797	117,395	116,808
Medium Tax Division	53,853	19,281	21,074	18,859	8,849	11,205	11,556
Small Tax Division	-	5,760	6,013	4,619	2,192	2,465	2,952
Tax Business Office (TBO)	2,307	-	-	1,331	1,590	1,394	1,219
Real Estate Tax Division (RETD)	5,311	5,586	5,092	4,352	5,736	4,599	4,846
GNFPD	26,493	23,651	23,372	54,340	93,672	109,412	117,535
Total	265,563	229,899	293,566	284,339	333,039	409,866	422,940

Source: TAS

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 LRD 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: Analysis, Assessment and Accounting (AAA), Audit, and Collection and Enforcement. Currently, there are three hundred sixty-two registered large taxpayers, out of which, two hundred eighty-two are active taxpayers, and eighty new/inactive. The analysis of the tax system has informed the decision of the division to highlight sixty-two taxpayers for enforcement action.

LTD AAA Review

For the FY 2023, the Division of Large Tax did not meet projected target by US\$59 million, this is hugely due to the projection for withholding on wages and salary particularly on account of State Owned Enterprises, (SOEs), withholding on service rendered (taxpayers have elected to file the information instead of withholding and remitting, PIT on resident, dividend from shares and cellular mobile network.

For the reviewed period, except for taxes on Goods & Services, all of the other tax kinds for the Division did not perform. Taxes on Income & Profit did not reach the targeted amount by some 30 percent (US\$39.4 million). Property Income, which target was approximately 21 percent of the Division’s overall projection had a total collection which constituted 10 percent of the Division’s target for the period. In terms of collection, the Division’s overall collection for Property Income Taxes was equivalent to approximately 14 percent of the overall Division’s collection, which when compared to actual collection for the fiscal year 2022 collection from Property Income Taxes for the Division has decreased by 40 percent (US\$9.5 million).

Table 7: LTD Collection

LARGE TAXES FISCAL YEAR 2023 OUTLOOK						
MAJOR TAX KIND	FISCAL YEAR 2023 TARGET	ACTUAL COLLECTIONS US\$	ACTUAL COLLECTIONS LRD	MTD CONS.	VARIANCE	% TOTAL
Income & Profit	130,438	42,493,146	8,240,565,968	90,944	-39,494	70%
Goods & Services	48,117	23,017,904	5,129,107,204	53,002	4,885	110%
Other Taxes	-	244,410	510,290	248	247.64	-
Property Income	48,385	3,818,229	3,381,088,644	23,642	-24,742	49%
Penalties and Interest	177	170,630	3,067,763	189	12	107%
Miscellaneous	6	-	-	-	-6	0%
TOTAL	227,122	69,744,319	16,754,339,869	168,024	-59,098	74%

Source: TAS

Filers and Non-Filers

In order to facilitate punctual tax payments and submissions, the Domestic Tax Department initiated the deployment of the LITAS platform, implementing a phased rollout strategy. Commencing October 1, 2022, the Large Tax Division served as the inaugural phase for the integration of all Large Taxpayers (LTDs), with a stipulated deadline for enrollment. Subsequently, a consistent rise has been observed in the utilization of the platform by taxpayers for the submission of their periodic returns. The following delineation provides a breakdown of the total number of filers recorded each month throughout the specified period.

Table 8: LTD Filers

Period	Filers	Bills Raise (Non-Filers)
January	240.00	5.00
February	210.00	30.00
March	229.00	11.00
April	207.00	74.00
May	192.00	89.00
June	231.00	68.00
July	250.00	10.00
August	245	15
September	160.00	50.00
October	170.00	40.00
November	200	30.00
December	210	30.00

Source: LTD Monthly Filers

Exempt Taxpayers

The tax roster of the Large Tax Division encompasses taxpayers benefiting from tax exemptions pursuant to their investment accords with the Government of Liberia. The exemptions granted and the corresponding count of beneficiaries for the specified period are delineated as follows:

Table 9: Exempt Taxpayers

Tax Kind Expenditure	NO. of Taxpayers	Sector
Corporate Income Tax	3	Construction
Corporate Income Tax	1	Accommodation & Hotels
Goods & Services Tax	8	Manufacturing

Source: Large Tax

LTD Audit Review

At the onset of the quarter, thirty-two audit cases were carried forward from the previous fiscal year, 2022, as part of the audit inventory. Following a compliance review conducted by the Compliance Risk Division for taxpayers' activities in the fiscal period 2023, an additional thirty-four taxpayers were selected for audit, bringing the total audit inventory for fiscal year 2023 to sixty-six cases.

Throughout the year, a total of sixty-six audit cases were available, of which forty-three were completed and served to the respective taxpayers via the Large Tax Legal Collections and Enforcement Section. These completed audit cases were both comprehensive and issue-oriented, resulting in a total audit assessment of US\$5.1 million. Within this assessment, US\$3.0 million constituted the principal tax amount, while US\$2.1 million represented penalty and interest charges.

Table 10: LTD Audit Cases and Assessment

	# of Cases				
Audit cases brought forward	32				
Cases added in 2023	34				
Total cases to be audited	66				
Total Cases Served	42				
Cases Carried Forward	22				
Months	Assessment			Rate	Cons'
	Num(s)	USD	LRD		USD
Total Audit to Date	42	4,462,236.39	98,691,808.71		5,060,368.56

Source: LTD

Losses Overturned

Throughout the reviewed period, many taxpayers disclosed losses on their annual tax returns. However, upon audit examination, it was determined that some of these reported losses were not substantiated and were consequently overturned.

The table below illustrates the total amount of losses overturned year to date, totaling US\$23.1 million for the fiscal year. Notably, September recorded the highest amount of losses overturned, attributed to intensified audit activities during that month.

Table 11: Loses Overturned

Description	Loss Overturned		Rates	CONS' USD
	Num(s)	USD		
Accounting Loss Per Tax Return	23.00	28,982,109.04	1	28,982,109.04
Accounting Loss Per Tax Audit	23.00	23,171,850.88	1	23,171,850.88
Total Loss Overturned				23,171,850.88
Total Ooustanding				-5,810,258.16

Table 2: Internal Audit Activities

Audit/compliance Risk Identified

During the period under reviewed, the audit section identified a lot of risks that hindered the revenue collection process. Some of these risks include incorrect reporting (under-reporting of Income, over-reporting of expenses/cost of production, under-reporting of taxes due and inadequate or lack of supporting documentation), late filing and payment of taxes (annual corporate tax returns and monthly withholding which were lately filed and paid) for which penalties were levied due to taxpayers' late filing and payment of taxes and non-withholding of taxes (withholding agents not withholding on payments to residents and withholding agents not withholding payments to non-residents).

Summary of audit achievements

- Overturned audit loss of US\$23.1 million
- Raised an audit assessment of US\$5.06 million
- Developed an operational plan to audit execution
- Conducted in-house training for staff capacity building
- Utilized a sector-based organization chart for 2023

- Updated the audit file structure to reflect additional areas
- Prepared 12 monthly reports covering the monthly activities of the audit section

LTD Enforcement Review

Delinquent Assessment

During the fiscal year 2023, a total of 504 estimated assessments, amounting to US\$8.6 million, were issued to taxpayers by the LTD AAA section for settlement. Among these assessments, a taxpayer in the telecommunication sector received the highest amount, totaling US\$3.4 million, covering various tax categories. With the exception of the aforementioned taxpayer, which has outstanding tax obligations for the year 2023, all other assessed taxpayers have settled outstanding tax liabilities for which assessments were issued. Comprehensive payment details are provided in the accompanying tables.

Table 12: Delinquent Assessment

Details	# of bills raised	LRD	Amount	
			USD	CONS' (USD)
Overdue Tax B/F	2026	-	22,504,085.98	22,504,085.98
Tax B/F	2,026.00		20,521,237.08	20,521,237
P&I B/F			1,982,848.90	1,982,849
ADD: New Bills Raised	504.00	190,967,540.14	7,444,044.06	8,601,423
Tax raised	504.00	190,967,540.14	7,236,669.59	8,394,049
P&I raised			207,374.47	210,038
Total Receivables	2,525.00	190,967,540.14	29,948,130.04	31,105,509
Less: Total Collection	362.00	190,967,540.14	6,477,913.24	7,635,292
Amount Collected From B/F	45		2146779.02	2,144,106
Amount Collected from Current	317.00	190,967,540.14	4,331,134.22	5,485,940
Overpayments	0.00		-	-
Less: Amount Waived	0		-	-
Large Tax Total C/F	2,168.00		23,470,216.80	23,470,216.80

Source: LTD Enforcement Section

As delineated in the table below, the enforcement section successfully recouped a total tax debt of US\$10.2 million from delinquent taxpayers through stringent enforcement measures, including business closures. Notably, AAA assessments accounted for US\$7.6 million, marking a 23 percent increase from the previous year, while audit assessments yielded US\$2.5 million, reflecting a significant 45 percent decrease compared to the previous year.

Table 13: Delinquent Assessment

Months	AAA	Audit	Total
Grand Total	7,635,292	2,568,521	10,203,814

Source: LTD AAA

LTD Debt Stock

The following matrix presents a comprehensive overview of the existing debt stock within the Large Tax Division (LTD) in the total amount of US\$23.4 million. Notably, State Owned Enterprises (SOEs) constitute a substantial portion of US\$16.78 million in outstanding arrears. Therefore, urgent decision-making by senior management is imperative to implement debt write-off policies aimed at reducing both collectible and uncollectible amounts effectively.

Table 14: Breakdown of arrears by taxpayers' status

Description of Debt	Amount
SOEs Debt	16,776,525.34
Part Payment Uncollectible	2,174,535.54
Debt For Write Off	103,706.01
Under Protest:	592,312.50
Tax	447,909.91
P&I	144,402.59
Actual Still Due:	3,823,138.41
Tax	3479761.91
P&I	343,376.50
Total	23,470,218

Source: LTD Enforcement

Excise tax stamp enforcement activities

The Excise stamp enforcement team conducted a total of one hundred twenty-one visits throughout the duration of 2023. Alongside the issuance of warning notices to non-compliant taxpayers, penalties amounting to L\$300 thousand were imposed on two taxpayers.

Table 15: Penalties imposed

Amount levied	Date of Payment	Amount Paid
150000	45,107	150000
150000	45,161	150000
300,000.00		300,000.00

Source: LTD Enforcement

MEDIUM TAX

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 million and up to L\$50 million.

Collection Statistics

The table below reports revenue collection from the Medium Tax Division for fiscal year 2023. The total amount collected by the division was US\$11.4 against the division's target of US\$14.3. The total amount fell below target by US\$2.8 million largely on account of taxes on Goods and Services. Though this underperformance was seen from Goods and Service, Taxes on Income and Profit contributed the highest accounting for US\$9.59 million or 83 percent of the total collection.

Analysis of collection performance reveals that all tax categories exhibited underperformance during the period. Notably, Withholding on Wages and Salaries demonstrated a downward trend, declining from US\$7.06 million in FY 2022 to US\$4.9 million in FY 2023. Similarly, Withholding on Rent experienced a consistent decrease, albeit with a relatively minor reduction, dropping from US\$680 thousand in FY 2022 to US\$559 thousand in FY 2023.

Table 16: MTD collection per tax kinds

MEDIUM TAXES FISCAL YEAR 2023 OUTLOOK						
MAJOR TAX KIND	FISCAL YEAR 2023 TARGET	ACTUAL COLLECTIONS US\$	ACTUAL COLLECTIONS LRD	MTD CONS.	VARIANCE	% TOTAL
Income & Profit	9,090	7,947,986	284,581,840	9,599	508	106%
Goods & Services	5,172	1,189,477	90,376,115	1,710	-3,462	33%
Other Taxes	-	-	-	-	0	-
Penalties and Interest	67	166,090	3,116,238	184	116	273%
TOTAL	14,330	9,303,553	378,074,193	11,492	-2,837	80%

Source: MTD

MTD AAA Review

The complete tax roll has been transitioned to the Liberia Integrated Tax Administration System (LITAS). Medium taxpayers are mandated to utilize LITAS for both filing returns and remitting taxes. Prior to LITAS migration, 3,704 taxpayers were identified as active, while 7,137 were categorized as inactive. Of

these, 5,176 taxpayers have already been suspended within LITAS, with the remaining 1,961 pending suspension based on the provided list. As at the end of the reporting period, the medium category comprises 7,963 active taxpayers (including the 1,961 identified as inactive) and 5,176 inactive taxpayers.

MTD Audit Review

The aggregate count of taxpayers earmarked for audit scheduled to be executed within the fiscal year, as of the conclusion of the initial semester, amounted to 174 audits. Presented below is a detailed breakdown of the audit cases selected.

As at the end of the fiscal year, one hundred twenty-six (126) audit cases were published indicating 72 percent completion, fourteen (14) cases had not been started indicating 8 percent while thirty-four (34) audits were ongoing at various levels of planning and fieldwork indicating 20 percent work in progress.

Table 17: Audit cases selection summary

Audit cases rolled forward from FY2022	23
Audit cases added from risk selection	151
Total cases selected for audit - FY2023	174

Source: MTD Audit

Losses Overturned

Out of the 126 audits concluded, 57 taxpayers reported losses totaling US\$5.4 million and L\$2.4 million. Audit findings resulted in the reversal of these losses by US\$8.15 million and L\$7.30 million. The aggregate assessment issued to these taxpayers amounted to US\$239.7 thousand and L\$981.7 thousand.

Table 18: MTD Loses overdue

Explanation:	# of Taxpayers	Amount		
		LD	USD	CONS. (USD)
Overdue Tax B/F	-	36,822,213	4,173,299	4,463,694
Add: Current Amount	-	6,441,739	1,521,107	1,558,326
Less: Amount Collected From B/F	-	-	-	-
Less: Amount Collected from Current	-	3,173,870	202,705	221,043
Balance Carried Forward		40,090,082.10	5,164,694.94	5,414,880.91

Source: MTD

SMALL & MICRO TAX

Collection Statistics

The Small & Micro Tax Division (SMTD) 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 SMTD 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.

Table 19: Small Tax Projection Against Actual

SMALL TAX FISCAL YEAR 2023 OUTTURN							
MAJOR TAX KIND	FISCAL YEAR 2023 TARGET	ACTUAL COLLECTIONS US\$	ACTUAL COLLECTIONS LRD	MTD CONS.	VARIANCE	% TOTAL	
Income & Profit	5,596	1,903,177	134,549,773	2,692	-2,904	48%	
Goods & Services	-	49,659	1,273,145	57	57.14	-	
Penalties and Interest	33	82,553	7,142,875	124	90	371%	
Miscellaneous	-	48,200	4,992,700	78	78	-	
TOTAL	5,630	2,083,590	147,958,492	2,952	-2,678	52%	

Source: SMTD

The Division collected less than large and medium taxpayers but has a very huge number of Small & Micro businesses to handle especially dealing with informality and petty-traders. During FY 2023, SMTD collected US\$2.9 million against a projection of US\$5.6 million, indicating an underperformance against target by US\$ 2.6 million or 48 percent.

During the reviewed period, Taxes on Income and Profit once again dominated the revenue projection for the Small Tax Division, accounting for approximately 99 percent of the division's projection for CY 2023. Against an estimated projection of US\$5.5 million, the collection from Taxes on Income and Profit amounted to approximately US\$2.6 million, representing 52 percent of the division projection or 99 percent of the overall collection.

SMT AAA Review

During the fiscal year 2023, a total of five thousand three hundred thirty-one (5,331) tax clearance requests were made with four thousand eight hundred sixty four (4,864) requests processed during the same period.

Table 20: Update of AAA Bills

ITEM	# OF TAX PAYER	LRD	USD
OVERDUE TAX B/F (FY 2023)	1,565	-	926,154
TAX B/F	1,565	-	648,626
P&I B/F	-	-	277,528
ADD NEW BILLS RAISED	175	-	189,600
TAX RAISED	175	-	161,473
P&I RAISED	-	-	28,127
TOTAL RECEIVABLE	1,740	-	1,115,754
LESS: TOTAL COLLECTION	328	-	214,028
COLLECTION FROM B/F	314	-	205,638
COLLECTION FROM CURRENT	14	-	8,390
OVER PAYMENT	-	-	-
LESS: AMOUNT WAIVED	-	-	-
TOTAL C/F	1,412	-	901,726

Source: SMT AAA

SMT Audit Review

For the period spanning from January 1 to December 31, 2023, a total of three hundred and ninety (390) audit cases, including both carry-forward and newly added cases, were recorded. Within the fiscal year 2023 (January to December), three hundred and thirty-five (335) audit cases were concluded, resulting in a carry-forward total of Fifty-Five (55) audit cases.

Table 21: Audit Section Cases

PERIOD	TOTAL CASE(S)	TOTAL TAX YEARS	AUDIT COMPLETED	TOTAL IN PROCESS
January - December	390	-	335	55
Comprehensive (385) & (0) Issue Audits(s)	-	-	-	0
Total cases to be audited	390	-	-	55
TOTAL	390	-	335	55

Source: SMT Audit

Table 22: Audit Assessment

PERIOD	# of Audit Conducted	Assessment in (LRD)	Assessment in (USD)	Status
January – December 2023	335	57467479.65	165,414	
TOTAL	335	57,467,480	165,414	Published

Source: SMT

Table 23: Audit Bills Details Update

ITEM	# OF TAX PAYER	LRD	USD
OVERDUE TAX B/F	14	75,689,860	743,853
TAX B/F	-	42,810,960	541,122
P&I B/F	-	32,878,900	202,731
ADD NEW BILLS RAISED	401	68,513,022	203,458
TAX RAISED	-	52,299,151	155,189
P&I RAISED	-	16,213,872	48,269
TOTAL RECEIVABLE	415	144,202,883	947,312
LESS: TOTAL COLLECTION	399	39,429,482	65,835
COLLECTION FROM B/F	299	31,388,935	42,151
COLLECTION FROM CURRENT	100	8,040,547	23,684
OVER PAYMENT	-	-	-
LESS: AMOUNT WAIVED	-	-	-
TOTAL C/F	16	104,773,401	881,477

Source: SMT

SMT Enforcement Review

The Small Tax Enforcement Section of the Liberian Revenue Authority (LRA) functions to ensure taxpayer compliance with tax payment and filing obligations. It primarily supports small tax compliant taxpayers in meeting their obligations under the tax law, while also addressing non-compliance among those who challenge the law. When taxpayers fail to fulfill their fiscal responsibilities promptly, the Enforcement Section is empowered to take authorized actions under the Revenue Code to enforce compliance

Table 24: AAA Bills

LINE ITEM	NUMBER OF TAXPAYER	AMOUNT	
		LD	US\$
B/F DECEMBER 2022	1,565		926,154
JANUARY - DECEMBER 2023 BILL(S)	175		189,600
COLLECTION	328		214,028
C/F JANUARY 2024	1,412		901,726

Source: TAS

Table 25: SMT: Audit Bills

LINE ITEM	NUMBER OF TAXPAYER	AMOUNT	
		LD	USD
B/F AUGUST 2023	14	75689860	743,853
SEPTEMBER 2023 BILL(S)	401	68513022	203,458
COLLECTION	399	39429482	65,835
WAIVER			
C/F OCTOBER 2023	16	104773401	881,477

Source: TAS

Enforcement Compliance Management

During the fiscal year spanning January to December 2023, the aggregate value of bills generated amounted to US\$393.1 thousand and L\$68.1 million. Total collections recorded for the same period were US\$279.8 thousand and L\$39.4 million. Concurrently, the outstanding debt balance for the Small & Micro Tax Section (SMTS) amounted to US\$1.70 million and L\$ 104.7 million. For a comprehensive breakdown, refer to the table provided below.

Table 26: Updated AAA Bills

ITEM	# OF TAXPAYER	LRD	USD
OVERDUE TAX B/F (DEC. 2023)	1,565		926,154
TAX B/F			
P&I B/F			
ADD NEW BILLS RAISED	175		189,600
TAX RAISED			
P&I RAISED			
TOTAL RECEIVABLE	1,740		1,115,754
LESS: TOTAL COLLECTION	328		214,028
COLLECTION FROM B/F	314		205,638
COLLECTION FROM CURRENT	14	-	8,390
OVER PAYMENT		-	-
LESS: AMOUNT WAIVED	-	-	-
TOTAL C/F	1,412	-	901,726

Source: Small Tax Division

Table 27: Updated Audit Bills

ITEM	# OF TAX PAYER	LRD	USD
OVERDUE TAX B/F	14	75,689,860	743,853
TAX B/F		42,810,960	541,122
P&I B/F	-	32,878,900	202,731
ADD NEW BILLS RAISED	401	68,513,022	203,458
TAX RAISED		52,299,151	155,189
P&I RAISED		162,313,872	48,269
TOTAL RECEIVABLE	415	144,202,883	947,312
LESS: TOTAL COLLECTION	399	39,429,482	65,835
COLLECTION FROM B/F	299	31,388,935	42,151
COLLECTION FROM CURRENT			
OVER PAYMENT			
LESS: AMOUNT WAIVED			
TOTAL C/F	16	104,773,401	881,477

Source: TAS

Table 28: Updates on AAA & Audit Consolidated bills

ITEM	# OF TAXPAYER	LRD	USD
OVERDUE TAX B/F	1,579	75,689,860	1,670,007
ADD NEW BILLS RAISED	576	68,513,022	393,058
LESS: COLLECTION FROM B/F	613	31,388,935	247,789
LESS: COLLECTION FROM CURRENT	114		
LESS: AMOUNT WAIVED			
TOTAL C/F	1,579	75,689,860	1,670,007

Source: TAS

NATURAL RESOURCE TAX

The Natural Resource Tax Section (NRTS) operates as a specialized unit within the Domestic Tax Department, focusing on the taxation management of Liberia's natural resources sector. It oversees Audit and Analysis, Assessment, and Accounting functions across the Mining, Petroleum, Agriculture, and Forestry sectors. By the conclusion of FY 2023, the NRTS administered a total tax roll of 8,231 taxpayers within the Liberia Integrated Tax Administration System (LITAS), representing an increase of 587 taxpayers compared to the previous fiscal year.

Performance per Tax Kind

The NRTS target for the FY 2023 was US\$97.2 million against which US\$116.8 million was collected, registering an under-performance of US\$19.5 million.

The below table shows collection per tax kind for NRTS with Taxes on Income and Profit contributing the most at US\$46.6 million followed by US\$39.7 from Property Income. The category of other taxes accounted for US\$26.8 while Goods and Services contributed US\$3.8 million.

Table 291: NRTS Collection for the FY 2023

NRTS FISCAL YEAR 2023 OUTTURN							
MAJOR TAX KIND	FISCAL YEAR 2023	TARGET	ACTUAL COLLECTIONS US\$	ACTUAL COLLECTIONS LRD	MTD CONS.	VARIANCE	% TOTAL
Income & Profit	42,324		46,491,100	17,894,325	46,594	4,269	110%
Goods & Services	1,315		3,795,042	17,050	3,795	2,480	289%
Other Taxes	6,100		26,750,040	27,875	26,750	20,650	439%
Property Income	47,472		39,650,207	1,584,831	39,659	-7,814	84%
Penalties and Interest	31		9,448	146,465	10	-21	33%
TOTAL	97,242		116,695,837	19,670,546	116,808	19,566	120%

Source: TAS

Sector Performance

The sectorial table below shows that the Mining Sector is the highest contributing sector in the Natural Resources Sector of Liberia. Against a total annual target of US\$121.3 million, the Mining Sector contributed approximately US\$96.4 million, which is approximately 80 percent of the targeted amount for the Section and approximately 84 percent of the overall collection for the Section.

Table 30: NRTS Sector Collections

Sector	Target (A)	Actual Collection (B)	Variance (B- A)	%
Total	121,390	114,632	-6,757.74	-6%
Mining	107,356	96,495	-10,860.76	-10%
Agriculture	10,473	15,003	4,529.41	43%
Forestry	3,561	3,134	-426.39	-12%

Source: TAS

NRTS Audit Review

For the period under review, NRTS received 47 cases carried over from previous periods. Among these, nine cases were in the planning stage, twenty-four were in the fieldwork phase, two had not yet commenced and twelve cases were successfully completed. The completed cases resulted in an assessment totaling US\$5.2 million inclusive of US\$1.3 million, US \$1.9 million and US\$911.2 thousand for taxes, penalties, and interest respectively. Of this assessment, US\$1.1 million in tax payments were made, with associated penalties and interest being waived.

TAX BUSINESS OFFICE

The Tax Business Office (TBO) is responsible for small and micro tax administration in and around the fourteen (14) sub-political divisions. There are eighteen (18) Tax Business Offices strategically located in these counties. For the period under review, TBO embarked on achieving a target of US\$1.9 million as per the approved budget. Of the amount collected, US\$1.4 million was seen in the TAS, whilst US\$550 thousand was collected from the rural TBO. The US\$550 thousand was not reported in the TAS due to the fact that the rural TBOs lack access which makes it difficult to capture these transactions into TAS.

In addition to its standard duties, the Tax Business Office (TBO) functions as an external collection entity for other divisions and sections within the Department. As previously mentioned, the TBO's actual approved collection for the reviewed period amounted to approximately US\$1.50 million, with US\$1.2 million being collected directly by the TBO. Upon reflection, this indicates that the TBO fell short of its approved projection by approximately US\$285 thousand, equivalent to roughly 19 percent of its approved budget for the period. However, it is worth noting that the collection efforts for the TBO shifted the narrative as mentioned.

Table 31: TBO Collection for CY 2023

TBO FISCAL YEAR 2023 OUTTURN							
MAJOR TAX KIND	FISCAL YEAR 2023 TARGET	ACTUAL COLLECTIONS US\$	ACTUAL COLLECTIONS LRD	MTD CONS.	VARIANCE	% TOTAL	
Income & Profit	1,073	454,495	82,550,946	912	-161	85%	
Goods & Services	432	75,933	36,451,906	279	-153	65%	
Penalties and Interest	-	5,501	4,105,622	29	29	-	
	1,505	535,928	123,108,475	1,219	-285	81%	
TBO Efforts	-	176,629	38,944,310	393	393	-	
Transited/Mobile Money	-	401,993	-	402	401.99	-	
Total	1,505	1,114,551	162,052,784	2,014	510	134%	

Source: TAS

Table 32: TBO Collection for CY 2023

Eastern Region TBOs Collection				Western Region TBOs Collection			
TBOs	PROJ	Actual	Variance	TBOs	PROJ	ACTUAL	VARIANCE
Buchanan	173,877	320,339	146,462	Marshall	169,621	272,283	102,662
Harper	161,698	168,802	7,104	Bomi	32,281	35,547	3,266
Zwedru	101,811	95,084	-6,727	Cape Mount	35,384	40,099	4,715
Webbo	20,465	17,189	-3,276	Kakata	175,041	347,848	172,807
Greenville	33,044	29,800	-3,244	Kolahun/Foya	29,273	28,327	-946
Tappita	18,933	15,575	-3,358	Bopolu/Gbarma	24,637	18,366	-6,271
Grand Kru	24,716	24,483	-233	Voinjama/Zorzor	33,778	44,100	10,322
Ganta	167,090	187,391	20,301				
Sanniouelle	106,357	118,764	12,407				
Gbarnga	162,825	233,202	70,377				
Rivercess	22,164	16,934	-5,230				
Total	992,980	1,227,563	234,583	TOTAL	500,015	786,570	286,555

Source: TAS

GOVERNMENT NOT-FOR-PROFIT

The Government & Not-For-Profit- Division, formerly Sector Ministry Section, is one of the four Divisions within the Domestic Tax Department and is charged with the responsibility to fairly administer and enforce the Liberia Revenue Code and all other tax regulations promulgated which support the fiscal and economic priorities of the Government of Liberia. This is attained through the operations of the Division and by ensuring 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

The fiscal period ended with a total of 13,716 taxpayers within the four (4) major sectors and other sectors across other divisions. There were a total of 1,464 new registrants, 4 taxpayers re-segmented from other divisions to GNFPD.

Table 33: Tax Roll Management

TAX ROLL MANAGEMENT FOR THE QUARTER-Reflecting Growth Rate					
Beginning of Quarter	New Registrants	Transf. from other Divisions to GNFPD	Transf. from GNFPD to Other Divisions	Growth	Bal at end of Qrt.
Human Health	6853	471			7324
Education	2814	134			2948
Other Service Activities	2226	100			2326
Public Administration	158	2			160
LITAS		400			400
Other Non-GNFPD Sc	201	357			558
Total	12,252	1,464			13,716

Source: GNFP

During the Fiscal Period 2023, the Government & Not-For-Profit-Division (GNFPD) had a total projection of US\$84.4 million. However, the division through engagement with Ministries, Agencies of Government, three major joint enforcements with Ministry of Transport, Ministry of Education and WAEC, Ministry of Labor and Liberia Immigration Services, other compliance initiatives such as taking compliance to the school project, Individual compliance meetings with NGOs, generated a total of US\$117.5 million or 39 percent positive variance of US\$33.0 million above the projections.

Table 34: Projection against Actual

Description	Projection	Actual	Var +/-
	USD	Cons USD	
GoL / CSA	41,924	44,713	2,789
Goods & Services	9,366	27,488	18,122
Ministries & Agencies	21,673	20,193	(1,480)
NGO's & Schools	11,532	23,265	11,733
Other Taxes	2	1,873	1,871
Total	84,497	117,532	33,035

Table 35: Reflects Outstanding Debt Details

Quarters	Tax Kind	# of Bills	US\$	US\$	US\$	Total Tax Due
			Principal	Penalty	Interest	US\$
BBF	AUDIT	4	2,086,656.94	516,163.41	332,626.17	2,935,446.52
BBF	DESK AUDIT	149	173,580.13	113,580.13	87,663.13	375,077.60
BBF	AAA	346	245,928.80	78,319.16	38,312.07	362,560.03
ADD	CURRENT DESK AUDITS	159	21,123.66	13,722.84	9,797.69	44,644.19
ADD	CURRENT AUDIT	1	83,769.97	30,971.91	23,455.22	138,197.10
ADD	CURRENT AAA BILLS	1499	1,002,978.61	212,228.36	313,947.57	1,229,154.54
TOTAL		2,158	3,614,292.32	964,985.81	805,801.85	5,385,079.98
P & I Waived-CBL & NASCCORP						-848,789.58
Collection						-922,892.86
Total Balance For The Period			Outstanding Includes Principals + Penalties			3,613,397.54
LESS P & Inclusive			13 % of Total Tax Due & Payable			-375,789.60
Net Realizable Principal Tax			87% Of Total Tax Due & Payable			3,237,607.94

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.

Revenue Generation

The total revenue collected from immovable properties for Calendar Year 2023 amounted to \$4.8 million, while penalties and interests amounted to \$61 thousand totalling collection to \$4.8 million against a revenue projection of \$5.2 million indicating that revenue under performed by 7 percent.

Table 36: Revenue collection for the fiscal year

Real Estate Tax Division (RETD) FISCAL YEAR 2023 OUTTURN						
MAJOR TAX KIND	FISCAL YEAR 2023 TARGET	ACTUAL COLLECTIONS US\$	ACTUAL COLLECTIONS LRD	MTD CONS.	VARIANCE	% TOTAL
Property Taxes	5,169	3,401,448	230,383,462	4,784	-384	93%
Business or commercial use	3,862	2,208,040	186,401,462	3,328	-535	86%
Industrial use	186	272,212	15,195,740	363	177	195%
Residential use	366	364,407	9,320,427	418	53	114%
Other	755	556,788	19,465,832	676	-79	90%
Penalties and Interest	34	57,518	621,717	61	28	183%
Admin. Penalties on Property taxes	34	27,137	255,824	29	-5	86%
Admin. Interest on Property taxes	0	30,382	365,892	33	33	-
TOTAL	5,202	3,458,966	231,005,178	4,846	-357	93%

Sources: TAS

For the past nine years (2014-2015-CY-2023), immovable properties have contributed approximately US\$46.29 million to the revenue envelop. With

massive taxpayers awareness and education focus on optimal customer services to taxpayers, strong enforcement against tax evaders, increase capacity building and support; and the strengthening of the linkage between taxation and public expenditure (public service,) we can increase our collection rate substantially over the next five years, and at the same time combat the wave of delinquencies.

REGISTRATION AND RETURN PROCESSING

During the period under review, the Registration and Returns Processing Section attained 92 percent of the total planned activities. The Registration Unit successfully registered 16,814 individuals, thus, exceeding its target.

A total of 10,453 transfers were facilitated through various commercial banks, amounting to L\$4.5 billion and USD162.6 million. Within this total, 1,549 transactions were processed in the SIGTAS system, accounting for L\$294.5 million and US\$72.8 million. Additionally, 3,893 transactions were conducted through the LITAS system, totaling L\$3.9 billion and US\$47.9 million.

A total of 9,279 transactions were received and processed in the SIGTAS system. Among these transactions, 6,724 were successfully completed payments. Furthermore, 40,801 transactions were conducted in the TAS system, with an overall reversal count of 1,600.

A total of 44,303 transactions originating from 21 Tax Business Offices (TBOs) located in rural areas were received, processed, and fully paid. This resulted in a combined value of L\$940.6 million and US\$1,1 million. Additionally, 11 out of 12 Community Business Offices (CBOs) submitted reports, comprising a total of 11,211 transactions. These transactions were processed and fully paid, amounting to L\$28.8 million and US\$4.1 million.

There were no instances of manual Annual Tax Returns being received. Regarding e-Filing activities in 2023, no returns were received through the electronic filing platform.

INTERNATIONAL TAX

The International Tax Section (ITS) as a specialized tax section within the Domestic Tax Department has existed for two Fiscal years beginning 2021. Its responsibility remains the

same which is the administering of International tax issues obtaining within Liberia and the world at large. Liberia being a part of the global community is affected by the occurrences of these issues. With the coming in of Multinationals in Liberia, issues arising in international taxation are key to Liberia.

- During the period under review, the section endeavor in determining solutions to challenges faced by taxpayers in filing their Transfer Pricing returns due to the system transition from SIGTAS to LITAS.
- Collaborative efforts were made to amend existing Transfer Pricing Regulations aimed at resolving this issue were initiated but not concluded in Fiscal Year 2023. It is anticipated that this amendment will be finalized in Fiscal Year 2024; mandating initial filers to submit zero returns even in the absence of TP transactions for a given period, facilitating more effective monitoring of filers.
- Continued engagements with the National Legislature and relevant stakeholders ensure passage of the domestic laws for implementation of the Automatic exchange of information (AEOI).
- Received and responded to three (3) information requests. Two (2) of these requests originated from the Netherlands, while the remaining request came from Greece. Liberia did not initiate any information requests during this period. Going forward, the EOI Unit aims to collaborate with various audit sections to utilize this avenue for validating taxpayers' information, thereby enhancing compliance and revenue generation.
- Building on the Global Forum's review of Liberia in fiscal year 2021, the EOI team actively worked with relevant stakeholders to address recommendations stemming from the review. The objective is to ensure compliance with these recommendations and prepare the LRA for the next review scheduled for 2024.
- Continued their participation in the peer review work with the OECD in March 2023. The unit engaged in activities related to the establishment of the Beneficial Ownership (BO) Registry and Software, including collaboration with the vendor for software development.
- Actively participated in the ECOWAS meeting concerning adoption of directives on mutual administration assistance on tax matters within member states, beneficial ownership and transfer pricing rules within ECOWAS.

BUSINESS POLICY UNIT

The Business Policy & Research Section (BPRS) operates as a distinct component within the Domestic Tax Department (DTD), with a primary focus on tax Operational policy. Its responsibilities encompass the formulation of key policy Frameworks.

- Drafted one MoU, facilitating collaboration between the Liberia Revenue Authority (LRA), the National Public Health Institute of Liberia (NPHIL), and the Ministry of Health and Social Welfare (MHSW). The primary objective of the MoU is the transfer of COVID-19 fund balances to the Government of Liberia's Consolidated Account through the LRA.
- Produced and issued 83 GST Certificates to eligible taxpayers. These certificates serve as official approval from the LRA, allowing legal or natural persons to collect GST on the sales of goods and services in compliance with relevant laws.

CUSTOMS OVERVIEW

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

REVENUE PERFORMANCE

The total revenue collected by the Department of Customs during the Fiscal Year was US\$189.0 million against a revised budget of US\$233.0 million; thereby resulting to an underperformance of US\$44.0 million or 23 percent. The underperformance was underpinned by a number of factors including but not limited to decrease in taxable imports, increase in non-taxable imports, continuous surge in exemptions and growing import substitution. The table below shows the revenue as at December 31, 2023, illustrating the budget versus actual, while following compares projections versus actuals for the comparative fiscal years of 2022 and 2023.

Table 37: Revenue Contribution by Major Tax kind (Thousands of US Dollars)

DESCRIPTION	AS AT DEC 31 st 2023			
	BUD	ACT	VAR.+/-	Ach% (+/-)
Total Customs	233,016	189,017	(44,004)	81%
International Trade	231,530	187,968	(43,562)	81%
Import Duties	109,600	98,603	(10,997)	42%
O/W: Imp. On Goods Other Than Rice and Petro	68,282	57,253	(11,029)	25%
Import Duties on Petroleum Products	23,971	20,878	(3,094)	9%
Other Import Duties	11,073	13,312	2,240	6%
Charges on Imports	96,829	77,372	(19,457)	33%
O/W: GST on Imported Goods (Exc. Petro)	72,094	55,297	(16,809)	24%
GST on Imported Petroleum	17,194	8,555	(8,638)	4%
Excise	24,723	11,610	(13,113)	5%
O/W: Excise Tax on Other Imported Goods n.e.c.	145	178	33	0%
Excise Tax on Alcoholic Beverages (Imp.)	173	215	42	0%
Excise Tax on Tobacco and Tobacco Products	34	6	(28)	0%
Excise Tax on Non-Alcoholic Beverages	6,428	5,048	(1,380)	2%
Fees on Exports	377	343	(34)	0%
O/W: Other Exports	212	332	120	0%
Cocoa And Coffee	147	10	(138)	0%
Other Non- Tax Revenue	1,486	618	(868)	0%
Log and wood product export fee	1,438	959	(479)	0%
Bonded Warehouses	48	89	41	0%

Source: Tax Administration System

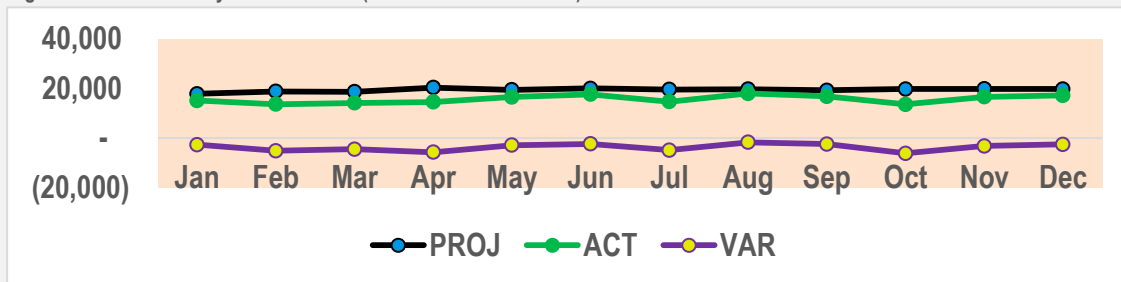
Table 38: Comparative Revenue Contribution by Major Tax kind (Thousands of US Dollars)

DESCRIPTION	AS AT DEC 31 st 2023				Revenue As Dec. 31 st 2022			
	BUD	ACT	VAR.+/-	Ach	Bud	Act	Var. +/-	Ach%
Total Customs	233,016	189,016	(44,004)	81%	229,961	204,679	(25,281)	89%
International Trade	231,530	187,968	(43,562)	81%	227,093	202,939	(24,154)	89%
Import Duties	109,600	98,603	(10,997)	42%	106,318	98,694	(7,623)	93%
O/W: Imp. On Goods Other Than Rice and Petro	68,282	57,253	(11,029)	25%	67,300	63,122	(4,179)	94%
Import Duties on Petroleum Products	23,971	20,878	(3,094)	9%	19,000	20,386	1,386	107%
Other Import Duties	11,073	13,312	2,240	6%	14,082	9,179	(4,903)	65%
Charges on Imports	96,829	77,372	(19,457)	33%	96,611	89,232	(7,380)	92%
O/W: GST on Imported Goods (Exc. Petro)	72,094	55,297	(16,809)	24%	66,542	61,500	(5,042)	92%
GST on Imported Petroleum	17,194	8,555	(8,638)	4%	18,515	13,797	(4,718)	75%
Excise	24,723	11,610	(13,113)	5%	23,656	14,717	(8,939)	62%
O/W: Excise Tax on Other Imported Goods n.e.c.	145	178	33	0%	240	201	(39)	84%
Excise Tax on Alcoholic Beverages (Imp.)	173	215	42	0%	690	158	(532)	23%
Excise Tax on Tobacco and Tobacco Products	34	6	(28)	0%	3,345	6,320	2,975	189%
Excise Tax on Non-Alcoholic Beverages	6,428	5,048	(1,380)	2%	125	193	68	154%
Fees on Exports	377	343	(34)	0%	507	296	(212)	58%
O/W: Other Exports	212	332	120	0%	53	96	44	182%
Cocoa And Coffee	147	10	(138)	0%	431	184	(247)	43%
Other Non- Tax Revenue	1,486	618	(868)	0%	2,868	1,741	(1,127)	61%
Log and wood product export fee	1,438	959	(479)	0%	2,827	1,704	(1,123)	60%
Bonded Warehouses	48	89	41	0%	41	37	(4)	89%

Source: Tax Administration System

The figure below shows the monthly comparative trends of projected and actual revenue for the Fiscal Year in review. Monthly projected revenue show a near straight-line trend, but actual collection proved to be somewhat volatile. That the variance remain below the negative quadrant of the chart throughout the year is a validation why actual revenue trend remains below projection all through the year. As depicted in the chart, February recorded the lowest revenue collection, US\$13.6 million, while August recorded the highest, US\$17.9 million.

Figure 2: FY 2022 Monthly Revenue Trend (Thousands of US Dollars)



Source: ASYCUDA

TRADE

Imports

The information in this section comprises data captured in the Automated System for Customs Data (ASYCUDA) and is detailed according to the Customs procedure codes. Total imports, including bonded drawdown¹ for the fiscal year were valued at US\$2.296 billion. Direct imports constituted 93 percent of the total imports, while imports under the suspense regime accounted for 7 percent. About 68 percent of the total imports from outside of the Community for the Fiscal Year was processed and inspected under the Destination regime, while 22 percent of the imports from within the community were processed and inspected under the destination regime respectively. It is important to indicate that imports through Customs ports that are yet to be automated are not captured in this report. The table below summarizes these details.

Table 39: Total Imports According to Customs Procedure Codes (Thousands of US Dollars)

Import Types/Inspection Mode	2022	2023	%	FY 2023 Share
Normal Import	1,771,762	2,131,517	20%	93%
Destination Inspection outside of ECOWAS (IM)	1,257,441	1,570,778	25%	68%
Imports for Direct Home Consumption	1,199,009	1,466,474	22%	64%
Imports for Bonded Warehouse	41,451	83,719	102%	4%
Transit & Trans-shipment	16,321	17,381	6%	1%
Temporary Imports	660	2,331	253%	0%
Re-Importation	-	873	0%	0%
Destination Inspection within ECOWAS (COM)	444,129	503,402	13%	22%
Imports for Bonded Warehouse	441,920	501,010	13%	22%
Imports for Direct Home Consumption	2,207	2,391	8%	0%
Re-Importation	2	-	-100%	0%
Special Release Outside of ECOWAS (SRI)	65,550	48,864	-25%	2%
Imports for Direct Home Consumption	65,550	48,864	-25%	2%
Special Release for Goods from ECOWAS (SRI)	4,438	8,075	82%	0%
Imports for Direct Home Consumption	4,438	8,075	82%	0%
Simplified Declaration Within the ECOWAS (SDC)	133	270	103%	0%
Imports for Direct Home Consumption	133	270	103%	0%
Simplified Declaration Outside the ECOWAS (SDI)	71	128	82%	0%
Imports for Direct Home Consumption	71	128	82%	0%
Draw Down	148,891	164,976	11%	7%
Destination Inspection within ECOWAS (COM)	122,402	97,416	-20%	4%
Imports for Direct Home Consumption	122,402	97,416	-20%	4%
Destination Inspection outside of ECOWAS (IM)	26,488	67,560	155%	3%
Imports for Direct Home Consumption	26,488	67,560	155%	3%
Grand Total	1,920,653	2,296,493	20%	100%

Source: ASYCUDA

The table below disaggregates imports into commercial and non-commercial under both normal and suspense regimes for the comparative periods of FY-2022 and FY-2023. Normal commercial imports experienced a 0.5 percent fall from US\$493.00 million in FY-2022 to US\$490.61 million in FY-2023, while non-commercial imports in the same category increased by 28 percent from US\$1.278 billion in FY-2022 to US\$2.131 in FY-2023.

Table 40: Total Imports into Permanent and Bonded Regimes (Thousands of US Dollars)

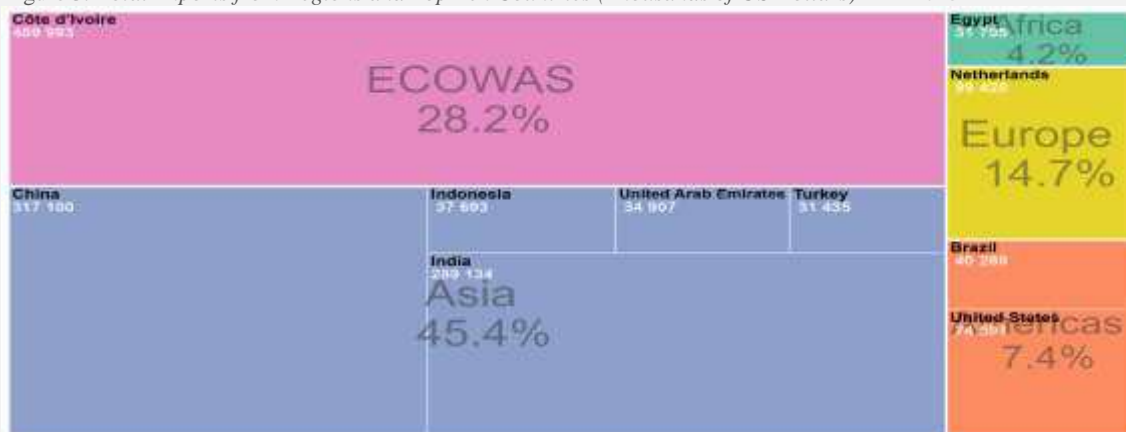
Description	FY-2022	FY-2022 Share	FY-2023	FY-2023 Share	Diff in share (↓↑)
Normal Import	1,771,762	92%	2,131,517	93%	20%
Non-Commercial	1,278,760	67%	1,640,905	72%	28%
Commercial	493,002	26%	490,613	21%	-0.5%
Draw Down	148,891	8%	164,976	7%	11%
Commercial	130,921	7%	118,208	5%	-1%
Non-Commercial	17,969	1%	46,768	2%	160%
Total	1,920,653	100%	2,296,493	100%	20%

Source: ASYCUDA

Principal Imports According to Destinations

The figure below summarizes the total imports for the fiscal year according to regions of importation. Over 45 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 from the ECOWAS region, accounted for over 28 percent of the total imports. Imports from Cote d'Ivoire, predominantly petroleum products, led the imports originating from Africa. Europe, which was led by the Netherlands and France, accounted for over 14 percent, while the Americas led by the United States, accounted for more than 7 percent of the total imports.

Figure 3: Total Imports from Regions and Top Ten Countries (Thousands of US Dollars)—FY 2023



Source: ASYCUDA

Principal Imports According to HS Commodity Groupings

This section summarizes the principal imports for the fiscal year according to commodity sections and chapters (HS descriptions). Total taxable imports decreased by 0.5 percent from US\$493.00 million in FY-2022 to US\$490.61 million in FY-2023. The 19 percent increase in the importation of commodities (oil & air filters and spare parts) falling under Section XVI was not enough to offset the decreases in the commodities imported under the rest of the other commodities sections, especially livestock and used clothes of sections I and XI as seen in the table below. Prepared Foodstuffs constituted 59 percent of the total commercial imports, while the rest of the commodity groups constituted 41 percent.

Non-commercial import on the other hand experienced 28 percent growth from US\$1.2 billion in FY-2022 to US\$1.64 billion in FY-2023. Mineral Products, mainly petroleum products and lubricants, and the importation of vehicles were chiefly responsible for the increase in Non-commercial imports. The below tables summarize these details.

Table 41: Commercial Imports

Section	HS Commodity Description	FY-2022	FY-2023	Change	2023 Share
IV (16-24)	Prepared Foodstuffs; Beverage & Tobacco	83,375	82,239	-1%	13%
I (1-5)	Live Animals; Animal Products	82,095	70,036	-15%	13%
XVI (84-85)	Machinery, Mechanical Appliances & Parts	73,733	88,061	19%	12%
XVII (86-89)	Vehicles, Aircraft, Vessels & Associated transport Equip	68,336	62,673	-8%	11%
VI (28-38)	Products Of the Chemical or Allied Industries	31,846	31,662	-1%	5%
XI (50-63)	Textiles And Textile Articles	28,404	25,981	-9%	5%
Major Com Import		367,789	360,652	-2%	59%
Other Com		125,213	129,961	4%	41%
Total Com Import		493,002	490,613	-0.5%	100%

Source: ASYCUDA

Table 42: Non-Commercial Imports

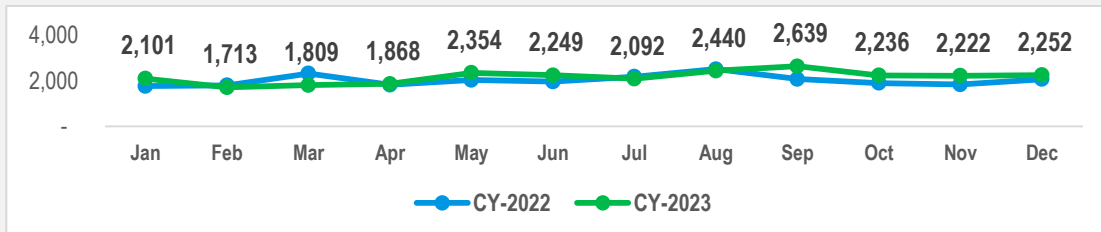
Section	HS Commodity Description	FY 2022	FY 2023	Change	2023 Share
V (25-27)	Mineral Products	515,877	744,545	44%	40%
II (6-14)	Vegetable Products	228,732	239,403	5%	18%
XVI (84-85)	Machinery, Mechanical Appliances & Parts	124,350	179,280	44%	10%
XVII (86-89)	Vehicles, Aircraft, Vessels & Associated transport Equip	83,968	134,762	60%	6%
XV (72-83)	Base Metals and Articles of Base Metal	76,428	84,221	10%	6%
VII (39-40)	Plastics and Articles thereof; Rubber and Articles thereof	72,311	68,094	-6%	6%
Major Com Import		1,101,665	1,450,304	32%	85%
Other Non-Com		177,095	190,600	8%	15%
Total Non-Com Import		1,278,760	1,640,905	28%	100%

Source: ASYCUDA

Number of imports declarations

The figure below shows the trends of Customs declarations recorded in ASYCUDA for the comparative fiscal periods of 2022 and 2023. February recorded the lowest declaration lodged while September recorded the highest. The monthly average declaration was 2,165; representing a 7 percent increase from last year.

Figure 4: Number of Declarations by Month



Source: ASYCUDA

Exports

As disaggregated in the table below, total exports² for the Fiscal Year were valued at US\$152.0 million, of which permanent exports accounted for US\$135.01 million, or 89 percent, while temporary and re-exports jointly accounted for 11 percent. On the overall, total exports declined by 25 percent from US\$202.8 million in FY-2022 to US\$152.0 million in FY2023. The 32 percent decline in permanent exports was more than enough to offset the huge increases in Temporary and Re-exports. The moratorium imposed through Executive Order 124 on the exportation of unprocessed natural rubber was to a large extent responsible for the 32 percent decline in permanent exports.

Table 43: Exports into Permanent and Re-exportation (Thousands of US Dollars)

Procedure Desc.	FY-2022	FY-2023	% change (↓↑)	2023 Share
Permanent Export	\$ 198,612	\$ 135,010	-32%	89%
Temporary Export	\$ 475	\$ 2,876	506%	2%
Re-Export	\$ 3,802	\$ 14,207	274%	9%
Total	\$ 202,889	\$ 152,093	-25%	100%

Source: ASYCUDA

Exports According to Principal HS Commodities

This section summarizes the FOB values of principal exports for the reporting period according to the HS sections and chapters. Like gold, diamond and iron ore which are not recorded in ASYCUDA at the moment, rubber is Liberia's major source of export earnings. As was indicated earlier, total exports declined by 25 percent as a result of Executive Order No. 124 which prevented the exportation of unprocessed rubber. Consequently, Section VII, comprising predominantly of unprocessed natural rubber declined by 24 percent from the previous year. The table below is a summary of this detail.

Table 44: Exports into Principal Commodities by HS Sections & Chapter (Thousands of US Dollars)

Section	HS Commodity Description	CY-2022	CY-2023	% Change	FY-2023 Share
VII (39-40)	Plastics/Rubbers	\$112,683	\$ 85,427	-24%	56%
III (15)	Animal or Vegetable Fats and Oils	\$ 10,980	\$ 32,174	193%	21%
XI (50-63)	Textiles And Textile Articles	\$ 159	\$ 9,431	5816%	6%
IV (16-24)	Cocoa and Cocoa Preparation	\$ 1,265	\$ 2,820	123%	2%
XVI (84-85)	Machinery, Mechanical Appliances & Parts	\$ -	\$ 2,784	-	2%
VI (28-38)	Products of Chemical or Allied Industries	\$ 2,449	\$ 2,646	8%	2%
Major Exports		\$127,537	\$135,282	6%	89%
Other Exports		\$ 75,352	\$ 16,811	-78%	11%
Total Exports		\$202,889	\$152,093	-25%	100%

Source: ASYCUDA

Exports According to major destinations

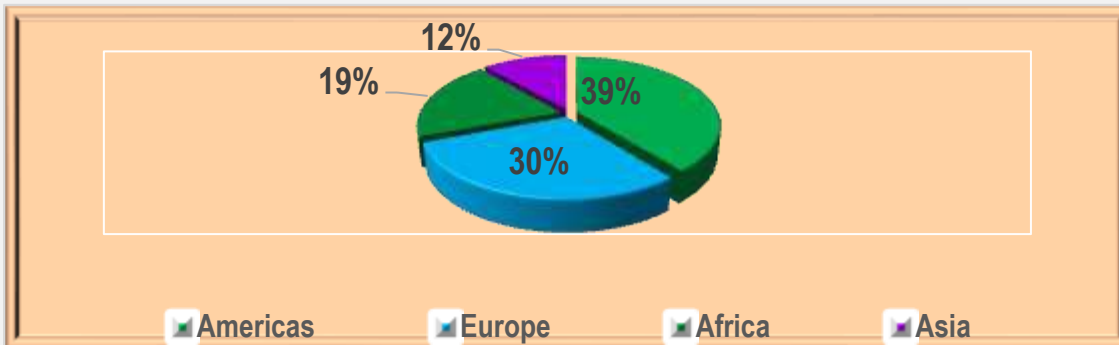
The tables below summarize Liberia's principal export destinations for the fiscal year according to regions and top countries. The Americas received about 39 percent of the exports with majority landing in the United States. Europe was the next highest export destination for Liberian goods; accounting for 30 percent. Belgium received bulk of the Liberian exports to Europe. Africa received 19 percent of the exports, with Cameroon and Ghana as major destinations in Africa. Unlike imports, Asia received just 12 percent of Liberia's exports. Singapore was the main destination of Liberia's export to Asia. The figure below is a graphic reinforcement of this narrative.

Table 45: Exports According to Regions (Thousands of US Dollars)

Region	FOB	Share
Americas	\$ 59,647	39%
Europe	\$ 45,668	30%
Africa	\$ 29,353	19%
Asia	\$ 17,425	11%
Total	\$152,093	100%

Source: ASYCUDA

Figure 5: Exports According to Regions (Thousands of US Dollars)



Source: ASYCUDA

Table 46: Top Five Export Partners (Thousands of US Dollars)

Country	FOB	Share
United States	\$ 57,228	38%
Belgium	\$ 30,537	20%
Cameroon	\$ 12,793	8%
Ghana	\$ 7,550	5%
Singapore	\$ 6,933	5%
Major Exports	\$115,041	
Other Export	\$ 37,052	
Total Export	\$152,093	100%

Source: ASYCUDA

DIVISIONAL ACTIVITIES

The Department of Customs comprises three Divisions including Technical Operations, Compliance and Enforcement and Ports Operations. These divisions are headed by Assistant Commissioners. This section of the report details the activities of each of the divisions and their core sections and or core units for the fiscal period under review.

Technical Operations Division

Duty Free

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

companies; educational, medical, and other institutions; non-governmental organizations (NGOs), Government Projects and ministries, agencies and commissions (MACs); and organizations as well as individuals with diplomatic privileges. Exemptions are also granted through Executive Orders and concession agreements. The ECOWAS Trade Liberalization Scheme (ETLS) is another layer of tax expenditure under the framework of the ECOWAS Free Trade Area (FTA).

The total tax waived on imports increased by 20 percent from US\$182.62 million in FY2022 to US\$217.14 million in FY2023. Exemptions on account of General Goods for FY2023 accounted for 96 percent, while waivers on petroleum products and goods originating from the Community jointed accounted for 4 percent. See table below for details.

Table 47: Summary of Duty Waived (In Thousands of US Dollars)

Description	Waived 2022	Waived 2023	Change	Share
General Goods	172,763	207,501.00	20%	96%
Petroleum	7,931	7,327.39	-8%	3%
ETLS Waivers	1,939	2,309.17	19%	1%
Total	182,624	217,137.56	19%	100%

Source: Duty Free Section

General Goods

Investment Incentives and Executive Orders jointly accounted for 51 percent of the total tax expenditure accruing to general goods. GoL Projects and Concessions were next in line with 20 and 18 percent respectively, while the rest of the categories jointly accounted for 11 percent. The table below summarizes the tax expenditure on general goods by broad categories.

Table 48: General Goods Waiver by Recipient Category (Thousands of US Dollars)

Description	FY-2022	FY-2023	Change (↑)	FY-2023 Share
Total Waived	173,948.34	209,268.30	20%	100%
Total Excl. Tax Refund	172,762.58	207,501.00	20%	99%
Investment Incentives	66,307.44	53,996.06	-19%	26%
Executive orders	32,392.28	51,520.18	59%	25%
GoL Project	6,127.51	40,832.69	566%	20%
Concessions	51,680.20	37,628.73	-27%	18%
MACs	7,779.10	13,537.64	74%	6.5%
Diplomatic Mission	3,277.39	3,984.23	22%	1.9%
INGOs	3,211.14	3,220.08	0%	1.5%
Tax Refund	1,185.76	1,767.30	49%	0.8%
Member of the National Legislature	1,194.91	945.42	-21%	0.5%
Special Exemption	124.39	690.61	455%	0.3%
Religious Institutions	251.96	351.12	39%	0.2%
LNGOs	160.76	309.70	93%	0.1%
Liberian Returnees	123.58	193.39	56%	0.1%
Medical Institutions	53.05	112.70	112%	0.1%
Educational Institutions	57.51	99.45	73%	0.0%
Duty-Free Stores	7.26	77.11	962%	0.0%
Member of Supreme Court Bench	14.10	1.87	-87%	0.0%

Source: Duty Free Section

ETLS Waivers

ETLS is a trade instrument aimed at encouraging free trade among ECOWAS Member States. Duty exemption as a result of the ETLS grew by 19 percent from US\$1.939 million in FY 2022 to US\$2.309 million in the reporting year. This growth is attributable to upgrade of the ECOWAS ETLS Portal whereby all the processes relative to originating commodities have been automated. With respect to intra-regional trade, Ghana and Cote d'Ivoire were the highest beneficiaries of exemption, jointly receiving 78 percent of the total ETL waivers during the year in review. The table below presents the details.

Table 49: Summary of Waiver from ETL Scheme (In US\$'000')

Description	FY-2022	FY-2023	Change	FY-2023 Share
Ghana	630.80	1,156.40	83%	50%
Cote D'ivoire	534.33	647.80	21%	28%
Sierra Leone	92.63	186.54	101%	8%
Nigeria	130.17	130.34	0%	6%
Guinea	91.65	96.85	6%	4%
Senegal	82.44	68.11	-17%	3%
Guinea Bissau	377.47	23.13	-94%	1%
Total	1,939.49	2,309.17	19%	100%

Source: Trade & Tariff

Exemption on Petroleum Products

In the petroleum category, the quantities of diesel and gasoline experienced significant declines, resulting to an 8 percent fall in total duty lost from US\$7.9 million in FY 2022 to US\$7.3 million in FY 2023. Though exemptions owing to GoL Projects and the National Legislature recorded huge increases, declines on account of concessions, Diplomatic Missions, and Executive Orders were more than enough to produce, on the aggregate, 8 percent decline.

Table 50: Petroleum Duty Waiver by Recipient Category (Thousands of US Gallons & Dollars)

Row	FY-2022			FY-2023			%	FY-2023
Description	Qty of AGO	Qty of PMS	Duty Lost	Qty of AGO	Qty of PMS	Duty Lost	Change	Share
Concession	21,859.32	-	4,500.96	18,535.75	1.75	3,918.14	-13%	53%
Investment Incentives	2,706.00	-	1,056.80	2,782.00	-	1,069.70	1%	15%
GoL Projects	2,068.50	-	827.40	3,065.00	-	1,226.00	48%	17%
Legislature	216.00	1,077.50	571.28	353.45	1,593.00	858.23	50%	12%
Diplomatic Missions	955.40	6.50	385.09	559.90	9.70	228.33	-41%	3%
Executive Order	1,390.00	-	556.00	1.00	-	0.40	-100%	0%
INGOs	83.00	-	33.20	66.50	-	26.60	-20%	0%
Total	29,278.22	1,084.00	7,930.72	25,363.60	1,604.45	7,327.39	-8%	100%

Source: Duty Free Section

Trade Facilitation & Tariff Management

TFTMU is responsible to implement the simplification of international trade procedures by investigating appeal cases for valuation, classification, rules of origin, etc. for concerned parties. The Unit analyzed twenty (20) appeal cases over the period (1st – 31st Jan 2023). All of the twenty (20) appeal cases were with regards to Customs valuation.

Trade Facilitation and Tariff Management Section received 247 appeal cases for the Fiscal Year 2023. This number is 38 percent growth in appeal cases when compared to last year. Valuation disputes grew by 43 percent, while refund claims declined by 55 percent as stated in the table below.

Table 51: Appeal Cases Comparative Analysis

Description	FY-2022	FY-2023	% Change	FY-2023 Share
Total	179	247	38%	100%
Classification	0	2	-	1%
Valuation	168	240	43%	97%
Tax Refund/Others	11	5	-55%	2%

Source: Tariff & Tariff Desk

Bonded & Transshipment

Total revenue generated from bonded and transshipment transactions in FY2023 was approximately US\$3 million. This amount represents 88 percent jump from last year's collection. Penalties on luxury vehicles and transshipment fees recorded the biggest increases. Conversely, total duties lost on account of bonded goods saw an 18 percent decline from US\$5.54 million in FY2022 to US\$4.54 million in the reporting year. The table below is a comparative breakdown of the revenue generated from Bonded & Transshipment activities, while the following table gives a picture of the kinds of goods bonded over the comparative years.

Table 52: Bonded and Trans-shipment Comparative Analysis (In US\$ '000')

Description	FY-2022	FY-2023	% Change
Duty Paid	1,553.27	2,897.49	87%
2.5% Transshipment fees Paid	2.32	16.95	630%
Quarterly Bonded Warehouse fees paid	41.25	81.50	98%
Others/Luxury Tax/Misc. bills/fine & penalty	4.07	14.04	245%
Total Collection	1,600.91	3,009.98	88%
Total Duty Waived	5,542.88	4,541.63	-18%

Source: Bonded & Transshipment Unit

Table 53: Goods Bonded

Description	FY-2022	FY-2023	% Change
Number of Vehicles (unit)	960.00	1,625.00	69%
Value of Vehicles (CIF)	21,470,804.69	36,996,664.95	72%
Number of Motorcycles (unit)	510.00	750.00	47%
Value of Motorcycles (CIF)	1,076,088.41	1,031,086.11	-4%
Number of Yellow Equipment / Tractor (unit)	34.00	50.00	47%
Value of Yellow Equipment / Tractor (CIF)	1,463,167.98	2,168,236.83	48%
Petroleum Bitumen 50/70 (Mtn)	9,238.00	176,802.94	1814%
Petroleum Bitumen 50/70 (CIF)	6,501,949.03	3,152,962.00	-52%
Whisky Liquid (bottle)	7,200.00	-	-100%
Whisky Liquid (CIF)	26,080.00	-	-100%

Source: Bonded & Transshipment Unit

Centralized Assessment Unit

Customs runs a self-declaration regime. This means consignees or their agents are free to assess their own goods and declare to Customs. The CAU is the Customs core unit in charge of validating those self-declarations lodged in ASYCUDA for the sole purpose of ascertaining whether those declarations meet set criteria. The total number of declarations lodged in FY 2023 was 27,936. This number is 2 percent more than total declarations recorded last year; however, issues arising from assessment declined by 14 percent. Freeport alone accounted for 89 percent of all declaration in FY2023, while RIA accounted for just 11 percent. The table below summarizes this detail.

Table 54: Summary of CAU Activities

Description	FY-2022	FY-2023	% Change
Lodged Goods Declarations	27,309	27,936	2%
Freeport Declarations	23,816	24,713	4%
RIA Declarations	3,493	3,223	-8%
Issues identified in assessment	3,758	3,241	-14%
Queried Declarations	2,478	2,255	-9%
Miscellaneous Bills Raised	523	350	-33%
Amendment	296	189	-36%
Cancellation	221	149	-33%
Use of Photocopy Documents	6	12	100%
Processed Infractions	117	143	22%
Excess	25	79	216%
Undeclared	5	31	520%
Excess & Undeclared	20	12	-40%
Excess, Undeclared & Undervaluation	61	0	-100%
False Declaration	2	15	650%
Undervaluation	3	5	67%
Wrong Classification	1	1	0%

Source: ASYCUDA/CAU

Compliance and Enforcement

The Compliance and Enforcement Division has four core units, including Post Clearance Audit, Risk Management & Intelligence, Collection & Enforcement and Anti-Smuggling units. Following are activities undertaken by the Division for the reporting period.

Post Clearance Audit

The PCA Unit is responsible for the following in line with its Standard Operating Procedure:

- Conduct post clearance audit for blue lane entities in line with the ASYCUDA selectivity criteria;
- Conduct comprehensive on-site audits on high-risk entities;
- Conduct system/desk review and where applicable, raise bill on infractions noted;
- Conduct analyses on excesses and undeclared goods and raise bill where applicable for the action of the commissioner of Customs;
- Conduct auction activities; and
- Conduct Issue-based or Special Investigative audits stemming from intel or as may be commissioned by the Commissioner General or the Commissioner of Customs.

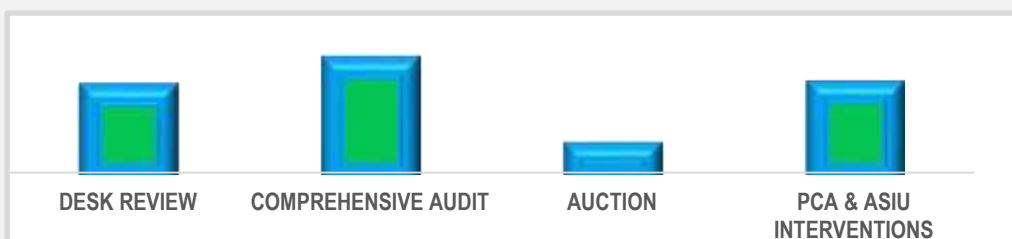
During the reporting period, the unit undertook 203 activities, including comprehensive audits, desk reviews, Auctions, and anti-Smuggling interventions; recovering a total of US\$2.1 million. This amount is an accumulation of Customs duties, other taxes, penalties, and fines. The table and figure below summarize the additional revenue recovered and the different activity types.

Table 55: PCA Core Activities 2023 (In Millions)

Activity Type	S/N		Audit Yield (US\$'000')		Penalty (LR\$'000')		Penalty (US\$'000')		% Change
	FY-2022	FY-2023	FY-2022	FY-2023	FY-2022	FY-2023	FY-2022	FY2023	
Desk Rev. Audit (PCA)	18	6	128.63	472.86	-	-	72.22	155.12	268%
Comprehensive Audit	68	55	871.56	718.62	2,000.00	200.00	-	-	-18%
Issue Rev. (AD, RMU, OTH)	3	-	651.96	-	-	-	21.83	-	-100%
Auction	4	83	63.47	71.12	8.45	-	-	-	12%
PCA & ASIU Int.	75	59	598.93	341.11	-	-	535.72	331.73	-43%
Total	168	203	2,314.54	1,603.72	2,008.45	-	629.77	486.85	-31%

Source: PCA Bill Tracker

Figure 6: Graphical Outlook of Core Activity Types



Total Audit yield from PCA’s core activities (excluding penalties & fines) fell from US\$1.8 million in FY 2022 to US\$1.7 million in FY2023, representing 6.7 percent yield from US\$598.9 thousand in FY-2022 to US\$341.1 thousand in FY 2023 is to some extent an indication of increase in voluntary compliance.

Audit yield has technically been on the rise since FY18/19 until FY 2023 where it experienced a marginal dip. It is important to indicate that the Special Budget Year 2021 was an abridged budget year (Jul—Dec) which ushered in the Jan—Dec fiscal year that is currently in use. The figure and table below summarize this detail.

Figure 7: Audit Bills Historical Trend

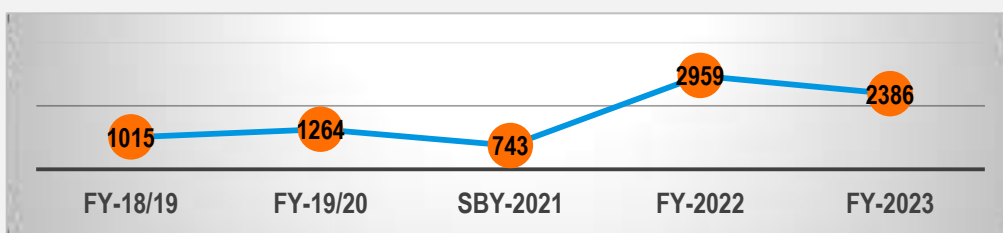


Table 56: PCA Fiscal Years’ Performance

Fiscal Performance	Audit Yield (US\$'000')
FY18/19	1,014.97
FY19/20	1,264.30
SBY-2021	743.46
FY-2022	2,959.19
FY-2023	2,386.0
Total	8,367.96

Source: PCA Bill Tracker

Collection and Enforcement Unit

This is an overview of the Customs Collection and Enforcement Unit’s Activities regarding the collection of Customs’ receivables and new bills raised during FY-2023. This was in fulfillment of the Unit’s business plan which is an extract from the overall strategic plan of the Department of Customs.

The total debt collected as a result of the Unit’s enforcement activities amounted to US\$673.9 thousand for the fiscal period against a total debt stock of US\$1.83 million. US\$606.7 thousand was protested out of the total bill raised. Since protested bills are legally unenforceable, the amount of enforceable bills stood at US\$1.2 million.

Therefore, the debt turnover ratio (DTR) for the fiscal period stood at 55 percent. It was computed by dividing the total bill paid by the total bill raised less protested bills. Again, the rationale is that protested bills are still undergoing legal considerations with the Protest and Appeals Team in an effort to determine their enforceability. See table below for a summary of this detail.

Table 57: Collection and Enforcement Summary Activities

Description	Amount (USD)	Share (%)
Bill Paid	673.97	37%
Outstanding Part Payment	176.48	10%
No Payment	368.40	20%
Protested Bills	606.72	33%
Total	1,825.57	100%
DTR		55%

Source: Collection and Enforce Bill Tracker

The table below is a breakdown of infractions according to types. Audit yield from the abuse of Duty Free accounted for 34 percent of the total audit yield for FY 2023. Valuation fraud was not just second to undeclared/Excess goods as the most occurring infraction, but also the infraction from which the second highest revenue, 31 percent, was recovered. Classification infractions yielded the least revenue, 1 percent for the period.

Table 58: Infraction Summary

Description	Unit	Amount (US\$)	Share (%)
Abuse of Duty Free	18	617.45	34%
Classification	7	13.25	1%
Excess	43	156.41	9%
False Declaration	5	296.25	16%
Smuggling	12	66.21	4%
Undeclared	19	117.66	6%
Valuation	25	558.35	31%
Total	129	1,825.57	100%

Source: CCEU

The table below draws a comparative analysis between FY 2022 and FY 2023. Total debt stock, excluding protested bills declined by 9 percent from US\$1.34 Million in FY-2022 to US\$1.2 million in FY-2023. US\$673.9 million Was recovered in FY 2023. This amount represents 2 percent more than what was collected last year. The DTR experienced marginal improvement from 49 percent in FY 2022 to 55 percent in FY 2023.

Table 59: Enforcement FY-2023 Comparative Trend

Description	Amount (USD)		% Change
	FY-2022	FY-2023	
Receivable Excl Protested Bills	1,342.67	1,218.85	-9%
Bill Paid	657.74	673.97	2%
Outstanding	684.93	544.88	-20%
DTR	49%	55%	6%

Source: CCEU

Anti-Smuggling and Investigation Unit (ASIU)

The ASIU has a statutory responsibility in the following areas, in accordance with the Liberia Revenue Code as Amended 2011, with specific provisions: Section 1608 through Section 1614.

- Investigate tax evasion and other fraud-related cases
- Respond to emergency smuggling cases
- Seal warehouses and or stores of businesses involved with tax evasion
- Reconstruct crime scenes
- Initiate prosecution of cases
- Enforcement of mechanisms that support the facilitation of trade and commerce
- Carry out specialized investigations directed by Senior Management to ensure compliance

The following is an account of activities undertaken by the Unit in accordance with its work plan, which was drawn from the Compliance and Enforcement Division FY 2023 annual work plan.

The table below is a succinct comparison of revenues recovered from ASIU interventions between fiscal years 2022 and 2023. The combined revenue recovered in USD from direct and indirect interventions accounted for a 12 percent increase from US\$1.281 million in FY-2022 to US\$1.443 million in FY-2023. This percentage increase could be even higher if the LRD component of the revenue recovered is imputed into the equation, as there was no Liberian Dollar recovered in FY 2022. The increase in revenue recovered can be attributed to robust inspections, deployment of officers at strategic border points across the country, notably Salala, and desk intel and investigations.

Table 60: Summary of ASIU Intervention (In \$'0000')

Row Description	FY-2022			FY-2023			% Change
	Direct	Indirect	Total	Direct	Indirect	Total	
USD	1,124.38	157.18	1,281.57	1,139,003.16	304,475.01	1,443,478.17	12%
LRD	-	-	-	42,954.49	-	42,954.49	-

Source: ASIU

On the other hand, the table below summarizes ASIU's interventions. A summary of ASIU's indirect intervention received from PCA and CRMIU is contained in the table below. The ASIU recorded 154 alerts from the CRMIU, with 25 hits representing 16 percent and yielding a total of US\$127.22 thousand. A monstrous 129 alerts, constituting 84 percent of the total alerts recorded zero hits; needless to say, yielding zero dollars in revenue. Similarly, 24 alerts received from PCA recorded only one hit or 4 percent, while 96 percent recorded zero hits. A total of US\$8.2 thousand was realized from the PCA's alerts. On the other hand, the below table summarizes ASIU's interventions on consignments that were inspected

under different incoterms and/or arrangements at different locations. Though the second least occurring intervention, shipments inspected under Destination Premises (DP) recorded US\$472.2 thousand. The most occurring interventions were at the Port's Facility (PF). Out of 1,200 interventions, only 8 percent or 100 hits were recorded, yielding US\$323.7 thousand. Transferred shipments (TF) accounted for US\$26.6 thousand, while shipments inspected at Rural Ports (RP) recorded 38 hits or 12 percent; and US\$89.7 thousand was recovered in revenue.

Some of the alerts were generated due to low occupancies or first-time importers as evidenced by the hit rates during FY-2023. As these hit rates do not match up with the man hours, a call for revisiting our risk alert criteria is eminent.

Table 61: Indirect Intervention—PCA & CRMU (In \$'000')

		PCA	CRMU
1	Alerts Received	24	154
2	Alerts Disseminated	24	154
3	Number of Hits	1	25
4	Number of Non-Hits	23	129
5	Revenue Recovered	8.282	127.223

Source: ASIU

Table 62: Indirect Intervention—ASIU (In \$'000')

S/ N	Description	Types of Intervention				
		DP Shipment	PF Shipment	TF Shipment	RP Shipment	Total
1	Shipment Attended	100	1200	86	241	1627
2	No. of Hits	25	100	9	29	163
3	No. of Non-Hits	75	1100	77	212	1464
4	Revenue Recovered	472.269	323.758	26.688	89.709	912.424

Source: ASIU

Investigation

The team recorded 52 cases ranging from illegal importation of contraband and prohibited goods/items, the massive abuse of duty-free privileges, under-declaration, undervaluation, understatement of invoices and CRFs, smuggling, and falsifying of customs clearing documents. Thirty-nine (39) cases, constituting 75 percent were thoroughly investigated, completed, and reports submitted to the AC for Compliance & Enforcement, while thirteen (13) are pending completion. Total revenue recovered from the completed investigations amounted to US\$138.68 thousand. See table below for details.

Table 63: Summary of Cases (In \$'000')

S/N	Description	No. of Cases & Rev Recovered
1	Cases Recorded	52
2	Cases fully investigated	39
3	Outstanding/Rolled over	13
4	Revenue Recovered in USD	138.68
5	Revenue Recovered in LRD	42.96

Source: ASIU

Seizures

Customs, as a leading border agency and member of the Joint Security, normally collaborates with other border agencies and, in some cases, works on their behalf where and when necessary. During the period under review, the ASIU made 18 seizures, including firearms and ammunition, precursor chemicals, counterfeit currency, illicit drugs, and prohibited cigarettes, as summarized in the table below. These seizures were appropriately turned to the relevant national agencies with the statutory responsibility to coordinate the inter-agency investigation and disposal. Since the cigarettes were prohibited from being sold in Liberia, the consignments were treated in keeping with section 1214 of the adopted modernized Customs Code of 2018. In addition, Customs turned over to our counterpart, Guinea Customs, in the framework of the Customs Convention on mutual assistance and cooperation for the prevention, investigation, and repression of Customs offenses.

Table 64: Summary of Seizures (In \$'000')

S/N	Description	No. of Turnover	Receiving Party
1	Firearms	3	MOJ, LNP, NSA, AFL & LIS
2	Counterfeit currency	1	CBL
3	Illicit drugs	6	LDEA
4	Precursor chemicals	6	EPA
5	Prohibited cigarettes	2	Guinean Customs

Source: ASIU

Reforms and Other Initiatives

National

The unit graduated 58 Customs officers in Basic Police Science from the Liberia National Police Training Academy and School (LNPTAS) under the framework of the Liberia Customs Security Program (CSP). This number brings to 210 the total number of trained Customs officers and officials in 4 batches. It is expected that Batch 5 will go through the process in early 2024. Other local training opportunities benefiting Customs officers during the reporting period included IMF Data Mining Workshop, EPA's Workshop on Inspecting Ozone Depleting Substances, In-service ASYCUDA Training, LNAC IEDs Preparedness and Response Capability Assessment Workshop, LACC & Interpol Anti-Corruption Workshop and WCO Counter illicit Financial Flow.

Looking into the action plan of the National Integrated Border Management Strategy (NIBMS), the following were achieved:

- Conducted fast responses to emergency cases affecting rural CBOs
- Submitted funding proposal for regular roaming patrols at rural CBOs
- Held border management meetings with members of the Joint Security
- Conducted three training sessions for members of the Joint Security in rural border areas

International

During the year in review. The Unit secured the World Customs Organization (WCO) National Customs Enforcement Network (nCEN), currently installed at the LRA and will be operationalized in 2024. The nCEN is a system developed by the WCO to assist its member's Customs administrations with collecting and storing law-enforcement information at the national level, with additional capability to exchange information at regional and international levels. Through the adoption of the nCEN, Customs is able to manage information on all aspects of their law-enforcement functions, including seizures, offenses, and suspected persons or business entities. Though poor responses from member Customs administrations of Guinea, Sierra Leone, and Ivory Coast remain a challenge, transit coordination efforts within the MRU are well alive.

The Unit serves as a national focal point to the WCO Regional Intelligence Liaison Offices (RILOs) for the West and Central Africa Region. During the period under review, the Unit participated in the following regional and international Customs joint enforcement operations. These include, WCO Global Operation STOP II, WCO Regional Operation Alamba 3-ALAFI, WCO Regional Operation Cripfarm 8 and WCO Regional Operation STOP III

Operations Stop II & III and Cripfarm 8 dismantled the production, trafficking, and illicit trade in counterfeit pharmaceutical products and related offenses. At the same time, Alamba 3-ALAFI disrupted the illicit trade of precursor chemicals, explosives, and related offenses. Seizures made by Customs and other national agencies during the above-mentioned operations were submitted through the WCO secure enforcement communication channels, Customs Enforcement Network (CEN), and CENcom platforms. The Unit represented the Liberia Customs Administration at the Organizing Coordination Unit (OCU) in Bamako, Mali, and Kinshasa, DRC, during Alamba 3-ALAFI and Cripfarm 8.

Customs Risk Management and Intelligence Unit

The Customs Risk Management and Intelligence Unit is one of four Units in

The Division of Compliance within the Department of Customs. During the Year under review, the Risk Management and Intelligence Unit conducted:

- Comprehensive system’s reviews of inspection acts by examiners to obtain inspection reports
- Revision of Post Clearance Audit reports to obtain insights of additional assessments from Customs Offenses/infractions;
- ASIU reports
- Revision of indicators for outcome of examinations discrepancies

Freeport CBO Selectivity Analysis

The below table compares the selection of declarations at the Freeport CBO for various customs regimes and procedures for two fiscal periods. Import for home consumption (IM4, PSI4, SC4 & SR4) accounted for 96 percent of all declarations for. Declarations made for imports from the Community increased by 25 percent from 64 declarations valued at US\$2.0 million in 2022 to 80 declarations valued at US\$2.4 million in 2023.

Table 65: Freeport Selectivity Analysis

Type	FY-2022						FY-2023					
	No. of Decl.	Red	Yellow	Blue	Values	Fees	No of Decl.	Red	Yellow	Blue	Values	Fees
COM1	0	0	0	0	-	-	1	0	0	1	26	-
COM2	1		1		475.00	-	0	0	0	0	-	-
COM3	0	0	0	0	-	-	1	0	0	1	3	-
COM 4	64	2	60	2	2,022.58	222.97	80	2	68	10	2,471	373
COM6	1		1		2.37	-	0	0	0	0	-	-
COM7	1		1		51.97	-	0	0	0	0	-	-
EX 1	434		301	127	191,600.25	248.29	372	0	215	157	164,021	1,292
EX2	0	0	0	0	-	-	5	0	1	4	2,876	-
EX 3	70		50	20	3,013.88	2.40	84	0	44	40	14,518	2
IM 4	21,133	1,420	14,492	5,221	1,090,011.56	140,482.96	22,279	1,107	15,878	5,341	1,454,276	134,290
IM 5	50		45	5	612.75	-	59	0	53	6	2,319	-
IM6	0	0	0	0	-	-	2	0	0	2	873	-
IM7	187	2	156	29	27,193.08	-	211	3	193	15	40,229	-
IM 8	229		188	41	15,440.13	1.54	241	0	230	11	17,014	16
PSI 4	1,340	564	510	266	58,788.37	8,877.05	435	32	321	84	13,891	3,005
PSI7	17	14	3		1,635.06	-	3	0	3	0	151	-
SRC4	43	1	4	38	5,783.25	41.90	563	2	12	549	112,868	711
SRI 4	506	6	11	489	151,506.92	1,161.05	373	5	32	336	95,309	475
Total	24,079	2,023	15,822	6,238	1,548,137.07	151,038.15	24,760	1,151	17,050	6,559	1,920,845	140,164

Source: Risk Management

The below table shows the distribution of declarations according to various lanes. The total number of declarations fell from 24 thousand in FY 2022 to 22 thousand in FY 2023. Consequently, declarations selected red declined by 3 percentage points, whereas, the share of yellow lane declarations increased by 3 percentage point from FY 2022 to FY 2023. In percentage terms, blue lane declarations remain unchanged.

Table 66: Lane Distribution

Description	FY-2022	FY-2023
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	Red	Yellow	Blue	Total	Red	Yellow	Blue	Total
No. of Decl./Lane	2,023	15,822	6,238	24,083	1,039	15,511	5,953	22,503
Percentage	8%	66%	26%	100%	5%	69%	26%	100%

Source: Risk Management

Alerts & Lookouts

A total of 159 alerts were sent out during the year under review, 2 percent more than the previous year. However, the hit rate declined by 3 percentage points from 20 percent in FY 2022 to 17 percent in FY 2023. Correspondingly, revenue recovered declined by 23 percent. This again indicates that the selectivity criteria need to be revisited or examiners need to undergo additional training. See table below for details.

Table 67: Summary of Alerts (Additional Assessment in US\$'000')

Description	FY-2022	FY-2023	% Change
Total Alerts	156	159	2%
Hits	27	27	0%
Hit Rate (%)	20	17	-15%
Add Assessments & Penalties	128.23695	99.12013	-23%
Alerts Pending	23	55	139%

Source: Risk Management

Port Operations

The Division of Port Operations supervises Customs Business Offices (CBOs) responsible for collecting border taxes. The division primary focus is revenue collection, which encompasses the uniform application of Customs procedures and relevant laws. These laws 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\$189.0 million against a revised budget of US\$233.02 million, resulting in US\$44.0 million, or 23 percent, underperformance.

The Urban CBOs contributed about 97 percent to the total revenue collected during the period with Freeport accounting for 71 percent. LPRC was the second largest contributor, accounting for 23 percent of the total collection. The Rural CBOs, 11 of them combined, contributed just 3 percent of the total revenue collected for the Fiscal Year.

Bad road networks continue to impede intra-regional and cross-border trade, while the absence of automation increases the potential for fraud at

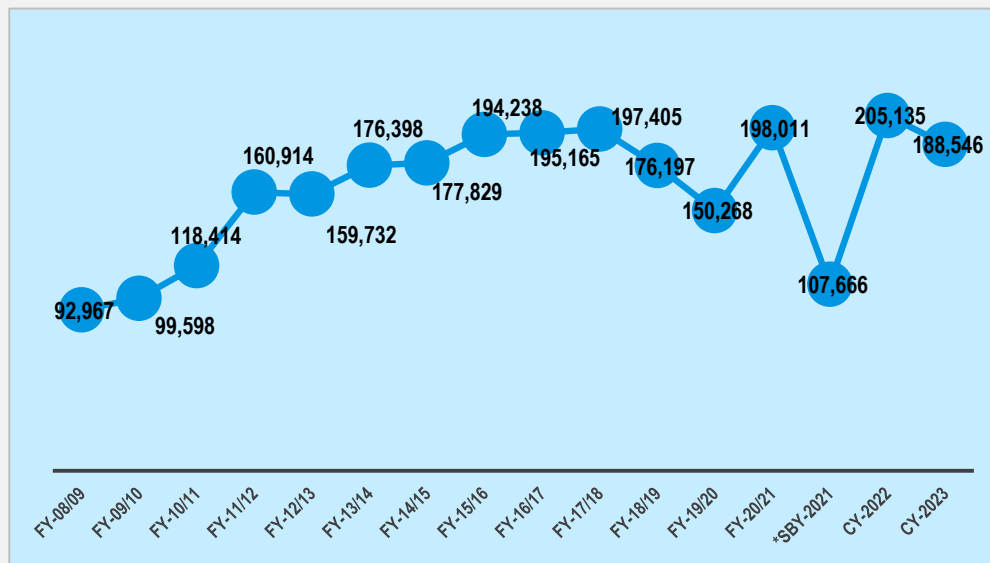
land borders. The below table disaggregates total revenue collected according to CBOs. The below figure shows the historical trend of Custom's actual revenue since 2008.

Table 68: Revenue by Customs Business Offices

Descriptions	PROJ	ACT	VAR	ACH (%)
Total Customs	233,075	188,546	(44,529)	81%
International Trade	231,589	187,929	(43,660)	81%
Urban Ports	224,986	182,242	(42,744)	81%
Freeport	165,486	134,700	(30,786)	81%
RIA	2,450	2,523	73	103%
Parcel Post	21	5	(16)	22%
LPRC	57,029	45,014	(12,015)	79%
Rural Ports	6,603	5,687	(917)	86%
Loguatu	753	845	92	112%
Ganta	2,248	653	(1,595)	29%
Yekepa	99	145	46	147%
Buchanan	1,588	2,912	1,324	183%
Greenville	14	54	40	382%
Toe Town	46	29	(17)	63%
Harper	560	282	(277)	50%
Yeala	72	10	(62)	15%
Jorwah	31	18	(13)	57%
Butuo	4	6	2	155%
Mendicorma	25	126	101	504%
Bo Waterside	1,163	606	(558)	52%
Non-Tax Revenue	1,486	618	(868)	42%
Forestry (FMCs)	1,438	529	(909)	37%
Bonded Warehouses	48	89	41	184%

Source: Tax Administration System

Figure 8: Historical Revenue Trend—2008-2023



Source: TAS

Key Challenges

Some key challenges include:

- Untimely 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
- LRA lacks criminal tax investigations powers. Thus, LRA investigation is limited to administrative tax inquiries which undermines serious tax recovery against would-be offenders.
- 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
- Inadequate logistics remains a key impediment to effective implementation of planned activities including hindering of effective enforcement efforts.
- Unconducive environment (dilapidated offices) continues to weaken effective rural revenue administration
- Audit processes 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) for some offices

Financial Statements

REPORT AND FINANCIAL STATEMENTS FOR THE FISCAL YEAR (January 1 – December 31, 2023)

General Information – Reporting Entity

The financial statements are for Liberia Revenue Authority, a public sector entity of the Government of Liberia. The financial statements encompass the reporting entity as specified in the relevant legislation (Amendment and Restatement of the Public Financial Management (PFM) Act of 2009). The Liberia Revenue Authority (LRA) is a semi-autonomous agency of government established by an Act of Legislature in December 2013 and became effective July 1, 2014. The primary objective of the LRA is to administer and enforce the Revenue Code of Liberia for the purpose of assessing, collecting, auditing and accounting for all national revenues and to facilitate legitimate international trade and customs. Achieving the LRA objective requires significant engagement, interaction and follow-ups with taxpayers, revenue generating ministries and agencies, and other key stakeholders.

The Financial Statements presented above reflect the Cash Receipts and Payments of the Liberia Revenue Authority (LRA) for the financial year ended 31st December 2023 on the basis of moneys received by, held in or paid out by the Liberia Revenue Authority during the year under review. The Entity controls its own bank accounts. Appropriations and other cash receipts are deposited into its bank accounts, from which cash expenditures are administered upon presentation of appropriate documentation and authorisation.

Information to be provided on Donor Funded Projects are included in the Financial Statements.

The principal address of the reporting entity is NASSCORP House, ELWA Junction, Paynesville, Monrovia, Liberia.

Accounting Policies

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

(a) Basis of preparation

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

(b) Reporting currency and translation of foreign currencies

(i) Functional and presentation (or reporting) currency

The Republic of Liberia operates a dual currency regime comprising the Liberian Dollar (LD) and the United States of America Dollar (US \$) both of which are legal tenders. The attendant Financial Regulations to the PFM Act of 2009 states that:

“The monetary unit of Liberia for all government agency accounting and financial reporting shall be the Liberian Dollar. The United States Dollars may also be used for financial reporting purposes, but the Liberian Dollar is the base currency.”

Hence, for the purpose of the Financial Statements being submitted, the United States Dollar is used as the reporting currency, which is permitted under the attendant Financial Regulations to the PFM Act of 2009 and adopted by the Government of Liberia as its reporting currency.

(ii) Translation of transactions in foreign currency

Foreign currency transactions and transactions in Liberian Dollar and other foreign currencies are translated into United States Dollar using the exchange rates prevailing at the dates of the transactions. Closing monetary balances are translated into the reporting currency using the closing rates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of financial performance.

The year-end (31st December 2023) exchange rate for the Liberian Dollar was 187.17 Liberian Dollars per United States Dollars.

(c) Reporting Period

The reporting period for these financial statements is the financial year of the Government, which runs from 1st January 2023 to the 31st December 2023.

(d) Payments by Third Parties

Liberia Revenue Authority also benefits from goods and services purchased on its behalf as a result of cash payments made by third parties during the period by way of loans and contributions. The payments made by Other Government Units (Government Projects) and the Third Parties do not constitute cash receipts or payments by Liberia Revenue Authority but do benefit it.

(e) Receipts

Receipts represent cash received by Liberia Revenue Authority during the financial year, comprising authorized allocations/appropriations, Grants and other receipts. Receipts are recognized as follows:

(i) Authorized Allocations/Appropriations

Authorized Allocations are recognized when they are received and under the control of the Liberia Revenue Authority.

(ii) Grants

Grants are recognized when received. Similarly, grants/transfers to other entities of Government are recognized when disbursement is made.

(iii) Other Receipts

Other Receipts are fees/charges collected and proceeds from sales of designated services by the Liberia Revenue Authority. Sales of services are recognized in the period in which the payment for the service is received and not necessarily when the service is rendered. Other Receipts, whether directly collected by the Liberia Revenue Authority or collected by another entity on its behalf is recognized when received and under its control.

(f) Expenses

In general, all expenses are recognized in the statement of Cash Receipts and Payments when paid for.

(g) Property, Plant and Equipment (physical assets or fixed assets)

Property, plant and equipment principally comprises land, buildings, plant, vehicles, equipment, and any other capital assets controlled by the Liberia Revenue Authority.

Under the Government's cash basis of accounting, purchases of property, plant and equipment are expensed fully in the year of purchase. However, a memorandum record is maintained in the Fixed Assets Register at historical cost for all non-current assets of the Liberia Revenue Authority. Unrealized gains or losses arising from changes in the values of property, plant and equipment are not recognized in the financial statements. Proceeds from disposal of property, plant and equipment are recognized as other receipt in the period in which it is received.

(h) Inventories

Consumable supplies are expensed in the period in which they are paid for.

(i) Employee benefits

Employee benefits include salaries, wages, allowances, pensions and other related-employment costs. Employee benefits are recognized when they are paid. No provision is made for accrued leave or reimbursable duty allowances.

(j) Contingencies

Such liabilities are recorded in the Statement of Contingent Liabilities (on memorandum basis) when the contingency becomes evident and under the cash accounting method they are recognized only when the contingent event occurs and payment is made. Contingent assets are neither recognized but disclosed where probable.

(k) Commitments and Guarantees

Long term Commitments, including operating and capital commitments arising from non- cancellable contractual or statutory obligations as well as Guarantees made, will be reported as Notes to the Financial Statements.

Cash and Cash Equivalents

Cash and Cash Equivalents comprise Cash on hand, demand deposits and cash equivalents. Demand deposits and cash equivalents comprise balances with banks and investments in short-term money market instruments. Ending cash balance included in the statements of cash receipts and payments and cash position comprise the following amounts: Ecobank LRD Account US\$ 49,830 equivalent; Ecobank USD Account US\$ 518,031; Customs User Fees USD\$ 32,479 equivalent; Overtime Fund US\$ 46,819; and Petty Cash balance US\$ 3,046 equivalent. This brings our total cash balance at December 31, 2023 to US\$ 650,205.

Authorization Date

The financial statements were authorized for issue on 15th February 2023 by Hon. Gabriel Y. Montgomery, Deputy Commissioner General Technical Affairs and Acting Commissioner General of the Liberia Revenue Authority.

Authorised Allocations/Appropriation

The total amount of Authorised Allocations received for the year was US \$ 16,044,393 and exceeded the projected final budget of US\$ 15,922,830 for the year by US\$ 121,563 or 0.8 percent mainly due to additional budgetary support and exchange rate issues. The comparative analysis of Estimated and Actual Receipts for the financial year ended December 31, 2023 is presented below:

Table 69: Authorized appropriation

Description	Actual	Final Budget	Original Budget	Difference: Final Budget and Actual	Percentage Variance
	FY 2023	FY 2023	FY 2023	FY 2023	FY 2023
	US \$	US \$	US \$	US \$	
Employee Compensation	11,798,644	11,709,250	11,709,250	89,394	0.8%
Goods and Services	4,048,444	4,017,770	4,017,770	30,674	0.8%
Capital Expenditure	197,305	195,810	195,810	1,495	0.8%
TOTAL RECEIPTS	16,044,393	15,922,830	15,922,830	121,563	0.8%

Other Receipts

Cash receipts from sources other than the government of Liberia amounted to US\$ 1,105,940 during the 2023 fiscal year as detailed below:

Table 70: Other receipts

Description	Actual	Final Budget	Original Budget	Variance (Actual vs. Final Budget)
	FY 2023	FY 2023	FY 2023	FY 2023
	US \$	US \$	US \$	US \$
Excise Stamp	84,386.00	-	-	84,386.00
PFMRISP/GOL	5,000.00	-	-	5,000.00
ECOWAS Fund	99,963.00	-	-	99,963.00
UNDP	99,988.00	-	-	99,988.00
CUF Fund	646,706.22	-	-	646,706.22
Overtime Fund	161,996.31	-	-	161,996.31
Miscellaneous Receipts	7,900.00	-	-	7,900.00
TOTAL OTHER RECEIPTS	1,105,940	-	-	1,105,940

Payments – Operations (Wages, Salaries and other Employee Benefits)

The total amount of Cash Payments made for Compensations of Employee during the 2023 fiscal year was US \$ 11,577,249 and are reclassified in the same form as the National Budget. Total payments for Employee Compensation exceeded the yearly budget of US\$ 11,709,250 by US\$ 132,001 mainly due to unbudgeted CUF and Overtime fund related payments for professional services. The Comparative Analysis of Estimated and Actual payments made for FY2023 is presented below by *Economic Classifications*:

Table 71: Operational payments

Account Title	Actual	Final Budget	Original Budget	Variance (Actual vs. Revised Estimates)	% Variance
	FY 2023	FY 2023	FY 2023	FY 2023	FY 2023
	US \$	US \$	US \$	US \$	
<i>Comparative Analysis by Economic Classification</i>					
Wages, Salaries and other Employee Benefits					
Wages and Salaries	11,577,249	11,709,250	11,709,250	132,001	1%
Social Contributions	-	-	-	-	-
Other Employee Costs	-	-	-	-	-
GRAND TOTAL	11,577,249	11,709,250	11,709,250	132,001	1%

Payments – Operations (Supplies and Consumables)

The total amount of Cash Payments made for Goods and Services during the year was US \$5,047,507 and are classified in the same form as the National Budget. Total payments for Goods and Services exceeded the final budget by US\$ 1,029,737 or 26% due to payments for important goods and services from the CUF and Overtime Funds during the year.

2 Grant/Transfer payments

There was no outward grant/transfer payment during the 2023 fiscal year.

3 Purchase of Capital Items

Capital Expenditure of US \$ 603,563 was made during the year out of the necessity of continual revenue collection. Payments in this category exceeded budget by US\$ 407,753 or 208% mainly due to payments for capital items made from the CUF and Overtime Funds during the year.

Table 72: Capital items purchases

Description/Account Title	Actual	Final Budget	Original Budget	Variance (Actual vs. Revised Estimates)	% Variance
	FY 2023	FY 2023	FY 2023	FY 2023	FY 2023
	US \$	US \$	US \$	US \$	
Comparative Analysis by Economic Classification					
CAPITAL EXPENDITURES:					
Transport Equipment	9,300	10,075	10,075	775	8%
Machinery and Other Equipment	12,477	13,517	13,517	1,040	8%
Furniture and Fixtures	17,304	18,746	18,746	1,442	8%
ICT Infrastructure	141,667	153,472	153,472	11,805	8%
Software and Licenses		-	-	-	0%
Other Fixed Assets	422,815	-	-	(422,815)	0%
GRAND TOTAL	603,563	195,810	195,810	(407,753)	-208%

Original and Final Approved Budget and Comparison of Actual and Budget Amounts

The approved budget is developed on the same accounting basis (cash basis), same classification basis, and for the same period (from 1st January 2023 to 31st December 2023) as for the financial statements – as explained in the Notes above. The original budget was approved by the National Legislature. There was no supplemental appropriation in the financial year ended 31st December 2023. The original budget objectives and policies, and subsequent revisions are explained more fully in the Report of the Comptroller issued in conjunction with the financial statements. The annual budget for the 2023 fiscal year is US\$ 15,922,830 against which the amount of US\$ 16,044,393 was received leaving a variance of US\$ 121,563 in receipt in the year mainly due to exchange rate issues.

External Assistance and Other Assistance

Payment by Other Government Units and Third Parties

Government Ministries & Agencies benefits from payments made by third parties to purchase goods and services on their behalf during the period. These payments do not constitute cash receipts and payments by the government. They include payments for

goods and made by multilateral and bilateral aid agencies and non-governmental organizations. They form part of the support for government programs provided by way of external assistance and other assistance. There was no during the 2032 fiscal year.

Assistance received in the form of cash transfers and deposits to current and term deposit accounts and trusts fund accounts controlled by the government. It also encompasses amount drawn by the government from accounts of donors consistent with external assistance and other assistance agreements and other authorizations. No assistance was also received in the form of third-party payments (in cash) during year three. External assistance comprises loans and grants from multilateral and bilateral; donor agencies under agreements specifying the purposes for which the assistance will be utilized. Also, during year three, no other assistance was provided for specified purposes by NGOs, Private corporations and other donors.

SUPPLEMENTARY DISCLOSURES

Table 73: CUF supplementary payments

2023 CUF Payments	
Category	Total Payment USD
Capital Expenditure	236,006
Compensation	4,000
Goods and Services	702,629
Total	942,634

Table 74: Overtime payments

2023 Overtime Payments	
Category	Total Payment in USD
Compensation	75,150
Goods and Services	21,926
Capital Expenditure	186,809
Total	283,885

APPENDIX

Table A: TAXES ON INCOME AND PROFIT

Tax Kind	Approved Budget	Revised Budget	Actual	Var.+/-	% Var.+/-
TAXES ON INCOME & PROFITS	241,978	241,978	220,350	(21,628)	-9%
PERSONAL INCOME TAX (PIT)	133,965	133,965	125,680	(8,284)	-6%
Taxes on Residents	225,807	225,807	206,167	(19,641)	-9%
PIT Section 200A (Residents)	209	209	307	98	47%
Withholding Taxes (Residents)	164,025	164,025	151,779	(12,246)	-7%
Taxes on Non-Residents	16,171	16,171	14,183	(1,988)	-12%
CORPORATE INCOME TAX (CIT)	59,683	59,683	52,190	(7,493)	-13%
OTHER INCOME TAXES	48,330	48,330	42,479	(5,851)	-12%
Presumptive Section 200c (Small Tax)	1,891	1,891	1,311	(580)	-31%
GSM Annual Gross Margin Tax	-	-	-	-	0%

Table B: TAXES ON GOODS AND SERVICE

Tax Kind	Approved Budget	Revised Budget	Actual	Var.+/-	% Var.+/-
Total Goods & Service Tax	64,402	64,402	86,331	21,929	34%
GST Excluding Motor Vehicle	34,112	34,112	60,732	26,620	78%
Domestic Excise	6,512	6,512	4,991	(1,521)	-23%
Motor Vehicle Taxes	8,247	8,247	6,506	(1,741)	-21%
Use of Goods & Permission to use Goods	3,528	3,528	4,350	822	23%
Maritime	12,000	12,000	9,750	(2,250)	-19%
Other Taxes on Goods & Services	3	3	2	(2)	-50%

Table C: TAXES ON INTERNATIONAL TRADE

Tax Kind	Approved Budget	Revised Budget	Actual	Var.+/-	% Var.+/-
Customs Department	237,450	233,016	189,017	(43,999)	-19%
Customs & Other Import Duties	235,586	231,530	187,625	(43,905)	-19%
<i>ECOWAS Trade Levy</i>	6,269	6,269	7,170	901	14%
Fees & Other Levies on Exports	377	377	343	(34)	-9%
Log and Wood Products Export Fees	1,438	1,060	959	(101)	-10%
Rental Of Bonded Warehouses	48	48	89	41	84%

Table D: PROPERTY INCOME

Tax Kind	Approved Budget	Revised Budget	Actual	Var.+/-	% Var.+/-
PROPERTY INCOME (EXCL.ROAD MAINTENANCE FUND)	69,522	69,522	45,634	(23,887)	-34%
Interest Income	-	-	-		0%
Dividend	10,048	10,048	1,762	(8,286)	-82%
Forestry	4,803	4,803	3,210	(1,594)	-33%
Agriculture	356	356	451	96	27%
Mineral Mining	43,539	43,539	36,843	(6,697)	-15%
Petroleum Mining	-	-	21	21	0%
Intangible Non-Produced Assets	10,396	10,396	2,951	(7,444)	-72%
Rent & Rate- Other Non-					
Produced Assets	117	117	76	(41)	-35%
Other	263	263	321	58	22%

Table E: ADMINISTRATIVE FEES

Tax Kind	Approved Budget	Revised Budget	Actual	Var.+/-	% Var.+/-
SECTOR MINISTRIES & AGENCY FEES	21,637	21,637	20,199	(1,438)	-7%
AGRICULTURE MINISTRY	125	125	24	(101)	-81%
CENTER FOR NATIONAL DOCUMENTS AND RECORDS	321	321	148	(174)	-54%
COMMERCE AND INDUSTRY MINISTRY	23	23	0	(23)	-98%
EDUCATION MINISTRY	226	226	196	(30)	-13%
ENVIRONMENTAL PROTECTION AGENCY	86	86	16	(70)	-81%
FOREIGN AFFAIRS MINISTRY	4,791	4,791	4,644	(147)	-3%
FORESTRY DEVELOPMENT AUTHORITY	-	-	-		#DIV/0!
GENDER, SOCIAL & CHILDREN PROTECTION MINISTR'	120	120	68	(52)	-43%
HEALTH AND SOCIAL WELFARE MINISTRY	166	166	7	(159)	-96%
INDUSTRIAL PROPERTY OFFICE	22	22	41	19	0%
INFORMATION MINISTRY	76	76	32	(44)	-58%
INTERNAL AFFAIRS MINISTRY	157	157	98	(59)	-37%
JUSTICE MINISTRY	28	28	53	25	89%
LABOR MINISTRY	6,282	6,282	6,832	550	9%
LANDS, MINES AND ENERGY MINISTRY	99	99	363	264	267%
LIBERIA COPYRIGHT OFFICE	-	-	0	0	0%
LIBERIA ELECTIRCITY CORPORATION	-	-	-		0%
LIBERIA IMMIGRATION SERVICE	4,817	4,817	4,691	(126)	-3%
LIBERIA LAND AUTHORITY	251	251	92	(158)	-63%
LIBERIA NATIONAL POLICE (LNP)	43	43	7	(36)	-84%
LIBERIAN BUSINESS REGISTRY	2,340	2,340	1,548	(792)	-34%
NATIONAL COMMISSION ON HIGHER EDUCATION (C	-	-	-		#DIV/0!
NATIONAL FIRE SERVICE (NFS)	47	47	76	28	60%
NATIONAL PUBLIC HEALTH INSTITUTE OF LIBERIA	1,000	1,000	-	(1,000)	-100%
NATIONAL IDENTIFICATION REGISTRY	0	0	-	(0)	-100%
OTHER MINISTRIES AND AGENCIES (OMA)	30	30	7	(23)	-78%
POST AND TELECOMMUNICATIONS MINISTRY	29	29	19	(10)	-34%
PUBLIC WORKS MINISTRY	234	234	354	120	51%
TEMPLE OF JUSTICE	21	21	3	(19)	-88%
TRANSPORT MINISTRY	282	282	875	593	210%
YOUTH AND SPORTS MINISTRY	21	21	6	(16)	-73%