LRA
LIBERIA REVENUE AUTHORITY

Taxes and Fees at a Glance

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Tax Types, and how they affect you

Welcome To The

LRA

LIBERIA REVENUE AUTHORITY

This booklet covers the various categories of taxes, when they are due, and when the deadlines kick in.

Make sure you pay before then, as Penalties and Interest kick in after the deadlines.

Monthly Taxes

Taxes that are payable on a monthly basis

Tax Type	Tax Rate	Due Dates
Withholding		
1. Personal Income Tax (PIT) Wages/Salary	See PIT Table (on next page)	Due by 10th day of suceeding month.
2. Rent	Resident 10% Non-Resident 15%	
3. Interests and Dividends	15%	
4. Board & Management Fees	Resident 10% Non-Resident 15%	
5. Payment for Services (Resident & Non-Resident)	6%	
6. Contracts on Services Rendered	10%	
7. Gambling	20%	
8. Excise Tax	(See Excise Table)	Due by 21st day after month ends.
9. Goods & Services Tax	(see GST Table)	
Royalties (Resident & Non-Resident)		
1. Iron Ore	4.5%	Due dates per Mineral Development Agreement or Contract.
2. Gold	3%	
3. Commercial Diamonds	5%	

Withholding Taxes

1. Personal Income Tax (PIT) - 5% - 25%

A personal income tax is amount paid by an individual on a periodic basis from his/ her personal income. In Liberia, it is calculated by first converting your annual income to Liberian Dollars (if it already isn't), finding which bracket you fall into on the PIT Table (shown below), and then applying the calculation for that tax bracket to your Annual Income and dividing it by 12 to find your monthly Personal Income Tax (PIT). It is withheld by the Employer, except in the case of a Sole Proprietorship, in which case the proprietor withholds on their own behalf.

PIT Table				
Band	**From**	**To**	**Tax Rate**	
1	-	70,000	0%	of Gross Taxable Income
2	70,001	200,000	5%	of Excess over 70,000
3	200,001	800,000	6,500 + 15%	of Excess over 200,000
4	800,001	Above	96,500 + 25%	of Excess over 800,000

2. Rent

Withholding on Rent is done by the tenant, who withholds 10% for Residents (or 15% for Non-Residents) of the Rent, pays on behalf of the Landlord, and presents the landlord with the receipt.

3. Interests and Dividends

In the investment scene, 15% of Interest and Dividends accrued are to be withheld on a monthly basis. This amount applies to both Residents and Non-Residents. This does not apply to the initial capital investment.

Withholding Taxes

4. Board & Management Fees

A mandatory fee is withheld on Behalf of Board Members and Management Staff for Board meetings and the like in the amounts of 10% for Residents, and 15% for Non-Residents. This tax is paid to the government on behalf of the Board Members.

5. Payment for Services

This kind of withholding is done by the employer. The employer withholds 6% of the total amount of the money paid for Services, on behalf of the Employee.

6. Contracts

This kind of withholding is done by the person who gives out the contract. 10% of the total Contract Fee is withheld and paid on behalf of the person contracted.

7. Gambling

This kind of withholding is done by the Gambling Institution (Casino, Sports Betting, etc.). The institution withholds 20% of all winnings and pays to the LRA on behalf of the winner.

8. Excise Tax

Excise Tax is a commodity based tax that is levied on excisable goods and services. It is levied on the production, importation of excisable goods and the provision of excisable services. ***(See next page for full excise tax table)***
All excise taxes are calculated on the Cost + Insurance + Freight (CIF) of imported goods except for alcoholic beverages and tobacco product, and ex-factory price for local manufactured goods.

For alcoholic and non-alcoholic imported and locally manufactured beverages and tobacco product:

Excise Tax = The product of total sum of cost + Insurance + Freight (CIF), Import Duty, and ECOWAS Trade Levy (ETL – where applicable).

Withholding Taxes

9. Goods & Services Tax

The goods and services tax (GST) is a value-added tax levied on most goods and services sold for domestic consumption. The GST is paid by consumers, but it is remitted to the government by the businesses selling the goods and services. In effect, GST provides revenue for the government.

The GST rates for Liberia are 10% for all goods, and 10% for all Services, with the exception of Telecommunications Services, which have a GST Rate of 15%.

TYPE OF GST	Tax Rate
GST Domestic Goods	10%
GST on Electricity Services	10%
GST on Telecommunication Services	15%
GST on Provision of Water for Fee	10%
GST on Hotel Services	10%
GST on Restaurant Services	10%
GST on Gambling Services	10%
GST on Sale of Tickets by International Transport Services (air, sea, and land)	7%
GST on Services of a Travel Agency or Travel Arranger, including the issuing of tickets	7%
GST on Sporting or Game Arranger Services, including the issuing of tickets	10%
GST on other services	10%

Excise Type	Tax Rate	
	Local	**Import**
Earth and Stone; Asbestos	35%	35%
Scrap Metal Exported from Liberia	5%	5%
Alcoholic Beverages		
Beer made from Malt	US$ 0.35/liter	US$ 1.00/liter
Wine of fresh grapes, including fortified wines; grape must other than that of heading of heading 20.09	US$ 0.35/liter	US$ 1.00/liter
Vermouth and other wine of fresh grapes flavored with plants or aromatic substances	US$ 0.35/liter	US$ 1.00/liter
Other fermented beverages (eg. Cider, Perry, Mead, Sake); mixtures of fermented beverages and mixtures of fermented beverages and non-alcoholic beverages, not elsewhere specified or included.	US$ 0.35/liter	US$ 1.00/liter
Undenatured ethyl alcohol of alcoholic strength by volume of less than 80% vol.; spirits, liqueurs and other.	US$ 2.00/liter	US$ 3.00/liter
Tobacco and Tobacco Products imported to or manufactured in Liberia		
Unmanufactured tobacco, tobacco refuse; Cigars, cheroots, cigarillos and cigarettes of tobacco or tobacco substitutes (with or without filter); others	USD $0.40 per pack of 20 sticks	80%
Other manufactured tobacco and manufactured tobacco substitutes; homogenized or reconstituted tobacco; tobacco extracts and essences, e-cigarettes, and others.	50%	80%
Non-Alcoholic Beverages Produced in Liberia		
(20.09) Fruit Juices (including Grape Must) and vegetable juices, unfermented and not containing added spirit, whether or not containing added sugar or other sweetening matter.	US$ 0.05/liter	US$ 0.45/liter
Cosmetics and cosmetic aids including perfumes, hair products and nail products **(soap, toothpaste, toilet tissues and disinfectants are not cosmetics or cosmetic aids).**	20%	10%
Gambling Equipment including Video game consoles and machines for fun fairs, table or parlor games, including pin tables, billiards, special tables for casino games and automatic bowling alley equipment.	30%	30%
Sugar in crystal or granule form *(Tariff No. 1701.99.10 and 1701.99.90)*	5%	5%
Monosodium Glutamate or products containing more than 80% monosodium glutamate	30%	30%

Excise Type	Tax Rate	
	Local	Import
Luxury Goods		
Luxury Vehicles (including boats, yachts and other vessels for sports and pleasure) "Luxury Vehicle" refers to any automobile that is in the class of private passenger automobile that has a minimum CIF Value of US$ 60,000.00 for a new vehicle or US$ 30,000.00 for a used vehicle.	10%	10%
Jewelry, goldsmiths' and silversmiths' wares and other articles	20%	10%
Water imported into Liberia		
Waters, including natural or artificial mineral waters and aerated waters, not containing added sugar or other sweetening matter or flavor; ice and snow.	NIL	US$ 0.45/liter
Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavor; and other non-alcoholic beverages, not including fruit or vegetable juices of heading 20.09	US$ 0.02/liter	US$ 0.30/liter

Quarterly Taxes

Taxes that are payable every fiscal quarter (3 Months)

Tax Type	Tax Rate	Due Dates
Presumptive Tax (Small Tax Division) (Advance Payment)	**4%**	**Due within 15 calendar days following the end of each quarter.**
Advance Tax (Minimum Tax) (Medium and Large Tax Divisions)	**2%**	

For our quarterly payments in Liberia, the LRA uses the Presumptive Taxation Scheme for Businesses.

Presumptive taxation scheme (PTS) allows you to calculate your tax on an estimated income or profit.

The scheme can be used by all businesses in Liberia. The Quarterly Rate of 4% is applied to Small Tax Division, which are businesses having a total annual turnover of less than L$3,000,000 (three million Liberian Dollars) and the Quarterly Rate of 2% is applied to Medium & Large Tax Divisions, which are businesses having a total annual turnover of more than L$3,000,000 (three million Liberian Dollars) and more than L$30,000,000 (Thirty Million Liberian Dollars), respectively.

Annual Taxes

Taxes that are payable once every fiscal year

Tax Type	Tax Rate	Due Dates
Real Property Tax	(See Real Property Table)	January 1 to June 30
Personal Income Tax	(see PIT Table)	Three months after end of calendar or fiscal year.
Corporate Income Tax (Regular)	25%	
Mining	30%	
Petroleum Project	30%	
Rice Production	15%	

Rates On Developed Land	Rates On Undeveloped Land
1. Commercial Building 1.5% 2. Industrial Building 1.5% 3. Residential Building 0.25% 4. Farm in Urban Areas 0.33% 5. Farm outside Urban Areas 0.25% 6. Building/Improvement on Public Land a. Commercial Building 1% b. Residential Building 0.14%	1. Unit within city or town limits: a. City or town lots 3.5% b. Farmland 4% c. Acre or above (vacant land) 4.5% 2. Unit outside city or town limits: a. All land (without building) L5.00 per acre

Annual Taxes

Taxes that are payable once every fiscal year

1. **Real Property Tax**
   Property tax is a kind of tax calculated by the local government, which is paid by the owner of the property. The tax is usually based on the value of the owned property, including land. The Real Property Rates used in Liberia are shown on the table on the previous page. Simply take the Value of the property and apply the corresponding tax rate to it.

2. **Personal Income Tax**
   Though this was also covered under Monthly taxes, an individual may choose to file their taxes annually, using the same PIT Table to do the yearly calculation.

3. **Partnership Income Tax**
   The partnership as an entity is not subject to tax, but the income of the individual partners is taxed in relation to the Personal Income Tax rules of **Section 200, Liberia Revenue Code**. Partnership income tax is to be filled at the end of every fiscal year.

4. **Corporate Income Tax**
   Businesses that fall into the Medium and Large Tax Divisions have to file for Corporate Income Tax annually. Their Quarterly Presumptive records are taken into account and subtracted from the amount needed to be paid, and the difference is then due. If the difference in the negative (which means the presumptive taxes have exceeded 25% of the annual profit of the company), the difference is credited into the company's Tax Account and applied to the next fiscal year's taxes, according to the LRA's Tax Return program.

5. Mining Project

Mining Projects are to file annually as a corporation and withhold 30% of their profits as taxes to the LRA.

6. Petroleum Project

Petroleum Projects are to file annually as a corporation and withhold 30% of their profits as taxes to the LRA.

7. Rice Production

Farmers involved in the production and exporting of rice are to file annually and withhold 15% of their profits as taxes to the LRA.

A Production of the

Liberia Revenue Authority

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Visit us at **www.lra.gov.lr** or contact us at **info@lra.gov.lr** for all your tax-related inquiries

Building Mama Liberia together with our Taxes