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"AN ACT TO AMEND THE LIBERIA REVENUE CODE OF 2011 AND TO REPEAL THE ECONOMIC STIMULUS TAX AMENDMENTS ACT OF 2016 TO PROVIDE FOR THE ECONOMIC EMPOWERMENT TAX AMENDMENTS ACT OF 2016"

APPROVED: DECEMBER 20, 2016

PUBLISHED BY AUTHORITY  
MINISTRY OF FOREIGN AFFAIRS  
REPUBLIC OF LIBERIA

PUBLISHED: DECEMBER 22, 2016

**AN ACT**  
**TO AMEND THE LIBERIA REVENUE CODE OF 2011 AND TO**  
**REPEAL THE ECONOMIC STIMULUS TAX AMENDMENTS ACT OF**  
**2016**  
**TO PROVIDE FOR THE ECONOMIC EMPOWERMENT TAX**  
**AMENDMENTS ACT OF 2016.**





**Liberia Tax Amendments Act of 2016**  
**Amending the Liberia Revenue Code**

WHEREAS, the economic and market conditions are changing and require adjustments to tax rates and incentives in key areas;

WHEREAS, the accession to the World Trade Organization and migration to the ECOWAS Harmonized System require conforming changes in the Liberia Revenue Code;

WHEREAS, experience with the LRC since its last amendment in 2011 has identified areas where technical corrections are needed;

NOW, THEREFORE,

**IT IS ENACTED BY THE SENATE AND HOUSE OF REPRESENTATIVES  
OF THE REPUBLIC OF LIBERIA, IN LEGISLATIVE ASSEMBLED:**

**PRELIMINARY SECTION 1. Name and Effect.**

- (A) This legislation, which shall be referred to as the Liberia Tax Amendments Act of 2016, amends the Liberia Revenue Code of 2000 as previously amended (most recently in 2011).
- (B) After enactment, these amendments are to be incorporated into the Liberia Revenue Code and published subject to approval by the Minister of Finance and Development Planning. The amended Liberia Revenue Code is to be given the name "Liberia Revenue Code as Amended" followed by the year of enactment.
- (C) The Preliminary Matter of this legislation is to be included as an appendix to the Liberia Revenue Code as Amended. The appendices currently contained in the Liberia Revenue Code as Amended 2011 are to be retained in the new publication.
- (D) In publishing the Liberia Revenue Code as Amended following the enactment of this Act, the Minister of Finance and Development Planning has the authority to change the term "Deputy Minister" to "Commissioner-General" in to conform to the changes in responsibility and authority made by the Liberia Revenue Authority Act; to correct errors in formatting, heading styles and numbering; and to correct errors in typographical, spelling, and cross-references.

## **PRELIMINARY SECTION 2. Priority Amendments.**

This legislation contains priority amendments identified at the time of submission. Additional amendments, including technical corrections, will be submitted to the Legislature at a later date.

## **PRELIMINARY SECTION 3. Method of Amendment.**

This legislation sets out the amended version of each affected section of the Liberia Revenue Code, using an ellipsis (\*\*\*) to indicate omitted text that is neither repealed nor revised by this legislation.

## **PRELIMINARY SECTION 4. Effective Date of Amendments.**

Unless provided to the contrary in the Transitional Rules, the amendments included in this legislation take effect on the date of enactment.

## **PRELIMINARY SECTION 5. Transitional Rules.**

Schedule 1, Customs Tariff, described in Section 1700(a), as it existed prior to the enactment of this Act, is hereby repealed and replaced with a new Schedule 1, which is attached to this Act. This Schedule provides for the phase-in of rates for specified goods.

## **PART I. PRIORITY AMENDMENTS**

1. Goods and Services Tax: Amendments to Section 1000(b), Section 1021(b), and Section 1022.
2. Excise on Tobacco: Amendments to Section 1121, Tobacco and Tobacco Products.
3. Excise Taxes on Alcoholic Beverages, Water, and Soft Drinks: Amendments to Section 1120 and Section 1140.
4. Excise Tax on Mobile Telephone Usage: New Section 1165.
5. Minimum Tax: Amendments to Section 200(b)(2)(C), Tax Imposed; Section 904(a) and (b), Advance Payment of Income Tax; Section 72(a)(2), Refund of Excess Tax Paid.
6. Investment Incentives, Section 16: Amendments to Section 16 and related amendments to Section 204(d).



## **1. Goods and Services Tax: Amendments to Section 1000(b) and Section 1021(b) (Tax Rate) and 1022 (Definitions).**

### ***Amendments to Section 1000(b), Goods Tax Imposed—Rate of Tax***

#### **Section 1000. Goods Tax Imposed**

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##### **(b) *Rate of Tax.***

(1) The rate of goods tax payable on a taxable supply of goods is the percentage specified in paragraph (3) of the taxable amount of the supply.

(2) The rate of goods tax payable on a taxable supply of goods imported or exported is the percentage specified in paragraph (3) of the taxable amount of the import or export.

(3) The rate of goods tax is 10 percent of the Section 1004 taxable amount, except that if the supply is an export of goods, the rate of tax is zero (0) percent.

(4) For the rate of tax on services, see Section 1021(b).

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### ***Amendments to Section 1021, Services Tax Imposed, Subsection (b), Rate of Tax***

#### **Section 1021. Services Tax Imposed**

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##### **(b) *Rate of Tax.***

(1) *General Rule.* The rate of services tax is 10 percent of the taxable amount described in Section 1025.

(2) *Exception.* An additional 5 percent surtax applies to telecommunications services specified in Section 1022(a)(2).

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#### **Section 1022. Taxable Services.**

(a) **General Rule.** The term “taxable services” means any supply (other than an exempt supply) in connection with the carrying on of a business by a person of—

(1) electricity services;

(2) telecommunications services;

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(c) **Definitions.**

(a) The term “gambling services” means the supply of chips in a casino, the sale of lottery tickets and the acceptance of a bet at a track or off-track betting establishment, or other game of chance offered to the public.

(b) Subject to the Minister’s authority to provide specificity by regulation, and only for the purpose of the imposition of Services Tax on mobile communications services (without reference to or limitation upon any definition that may apply under the Liberia Telecommunications Authority Act), the term “telecommunications services” means:

(1) The provision of services allowing access to voice and data transmission over a telecommunications network (cellular or other technology) (including activation charges; subscription charges; usage charges; the sale of codes allowing usage (including scratch cards and alternative methods of purchasing codes); charges for voice and short messages service (SMS) messages and similar messages; charges for multimedia message service (MMS) messages and similar messages; and charges for data transmission, but excluding the supply of equipment and accessories taxable under Subchapter A of this Chapter.

(2) The provision of interconnection services that make the telecommunications facilities or services of one service provider available to another so that users of one service provider can communicate with users of the same or another service provider, whether the interconnection is domestic or international.

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## **2. Excise on Tobacco: Amendments to Section 1121, Tobacco and Tobacco Products**

### ***Amendments to Section 1121, Tobacco and Tobacco Products***



## **Section 1121. Tobacco and Tobacco Products**

- (a) ***Tax Imposed.*** Excise tax is imposed at the rate stated in this Section on the “tax base” (determined under Section 1160) of goods specified in this Section.
- (b) ***Tax Rate.*** Excise tax at the rate of [80] percent of the amount determined under subsection (a) shall be levied on tobacco and on any product containing tobacco, including cigarettes, cigars, snuff, chewing tobacco, and similar products, whether imported to or manufactured in Liberia.

## **3. Excise Taxes on Alcoholic Beverages, Water, and Soft Drinks: Amendments to Section 1120 and Section 1140.**

### ***Amendments to Section 1120, Alcoholic Beverages***

#### **Section 1120. Alcoholic Beverages**

- (a) ***Tax Imposed.*** Excise tax is imposed at the rate stated in this Section on the “tax base” (determined under Section 1160) of goods specified in this Section.
- (b) ***Tax Rate.*** Excise tax at a rate of 45 percent shall be levied on all beverages with an alcohol content in excess of one percent, including beer, wine, stout, ale, gin, whisky, bourbon, and other products intended for consumption by mouth that have the requisite alcohol content imported in Liberia, and 25 percent on all beverages with an alcohol content produced locally but not including pharmaceutical products or medicinal preparations (for example, cough suppressants or similar products) if certified by the Pharmacy Board.

### ***Amendments to Section 1140, Cosmetics, Non-Alcoholic Beverages, and Water***

#### **Section 1140. Cosmetics, Non-Alcoholic Beverages, and Water**

- (a) ***Tax Imposed.*** Excise tax is imposed at the rate stated in this Section on the “tax base” (determined under Section 1160) of goods specified in this Section.
- (b) ***Tax Rate for Cosmetics.*** Excise tax at the rate of 10 percent shall be levied on any cosmetics or any cosmetic aids, whether imported to or produced in Liberia, including perfumes, toilet preparations, hair products, and nail care products. Soap, toothpaste, toilet tissue, and disinfectants are not cosmetics or cosmetic aids.
- (c) ***Tax Rate for Non-Alcoholic Beverages and Water***



- (1) Excise tax, at the rate of 35 percent, shall be levied on water imported into Liberia.
- (2) Excise tax, at the rate of 20 percent, shall be levied on non-alcoholic beverages (other than water) imported into Liberia that fall into Harmonized System HS code 22.02 (water with added sweeteners and flavors) and HS code 20.09 (fruit and vegetable juices).
- (3) Excise tax, at the rate of 2 percent, shall be levied on non-alcoholic beverages manufactured in Liberia by a local registered manufacturer.

#### **4. Excise Tax on Mobile Telephone Usage: New Section 1165.**

##### **Section 1165. Mobile Telephone Usage**

- (a) ***Tax Imposed.*** Excise tax is imposed mobile telephone usage at the rate stated in this Section. The “tax base” (determined under Section 1160) does not apply. Instead, the rate is applied to a tax base of per-minute voice usage.
- (b) ***Rate.*** Excise tax is imposed on each minute of mobile telephone voice calls at the rate of US\$0.01 per minute.

##### **Sections 1166-1199, Reserved.**

#### **5. Minimum Tax: Amendments to Section 200(b)(2)(C), Tax Imposed; Section 904(a) and (b), Advance Payment of Income Tax; Section 72(a)(2), Refund of Excess Tax Paid.**

##### ***Amendment to Section 200(b):***

##### **Section 200. Tax Imposed**

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##### **(b) *Resident Legal Persons.***

- (1) An annual income tax is hereby imposed on the annual taxable income of every legal person resident in Liberia.
- (2) Tax is imposed on taxable income at the following rates:
  - (A) For income from activities described in Chapters 6 or 7, as provided in those Chapters;



- (B) For income of legal persons that derive more than 30 percent of their business from life insurance, a 4% presumptive income tax on gross income in lieu of the income tax;
- (C) For income of other legal persons, a regular tax of 25% or a minimum tax of 2% of gross income, whichever is greater.
- (i) If the minimum tax applies, the excess of the minimum tax over regular tax is creditable against regular tax due for the next succeeding tax year.
  - (ii) If not fully absorbed in that year, the remaining credit is carried forward to succeeding tax years, but not to years after the fifth succeeding tax year.
  - (iii) A credit carried to a succeeding tax year is not allowed to reduce regular tax for that year below the amount of minimum tax due for that year.
  - (iv) The minimum tax applies for tax years beginning on or after January 1, 2016.
  - (v) After consultation with other Ministries, the Minister may make a determination, published in a regulation, specifying a sector-specific minimum tax rate of 0.5 to 1.5 percent applicable to a specified business sector for which there is demonstrated evidence that the 2 percent rate is inappropriate. The determination is valid for no more than a year, but (subject to the requirements of this paragraph) the Minister may make a new determination for the sector.
- (3) Tax is collected during the tax year in accordance with the withholding rules of Section 905 and the advance payment rules of Section 904.

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*Amendments to Section 903, Section 904(a), and Section 904(b):*

**Section 903. Due Date for Filing Presumptive Tax Return**

A taxpayer's presumptive tax return is to accompany the last quarterly advance payment for the taxpayer's tax year, and is to be made at the place and time designated for making advance payments under Section 904.

**Section 904. Advance Payments of Income Tax**



(a) ***Advance Payment Requirement for Income Tax Filers.*** All persons who are required to file an income tax return for a tax period are required to make advance payments of the income tax liability for the period.

(1) Advance payments are due quarterly in an amount equal to 2 percent of gross income for the quarter, and are creditable against the total income tax liability for the tax period.

(2) Income tax withheld on the payee's behalf on a payment or payments made by a person who has a tax withholding obligation under Section 905 is creditable against the payee's advance payment obligation, provided that the payee supplies the payer with a Tax Identification Number, as defined in Section 53, at the time of or before the payment subject to withholding.

(3) If minimum tax liability for a prior tax period produced a carryforward amount under Section 200(b)(2)(c) that is creditable against regular tax liability for the current year, the carryforward is not creditable against advance payments for the current year.

(4) With the following exceptions, if the sum of advance payments made for a tax period plus withheld tax under paragraph (2) exceeds the income tax liability shown or required to be shown on an income tax return filed by the person for that tax period, excess tax paid is subject to the refund provisions under Section 72 and interest on overpayments under Section 14(b).

(A) For a tax year that includes the period October 15, 2013 through December 31, 2015, if a person made advance payments of income tax in excess of income tax liability, the excess is creditable but not refundable under Section 72(a)(2). The excess tax paid is carried forward and is available as a credit against regular income tax liability in succeeding tax years without limitation, but is not permitted to reduce income tax due below the minimum tax due for the succeeding tax year.

(B) If subparagraph (A) applies to an overpayment, Section 14(b) interest is not payable with respect to the overpayment.

(5) In this Section, the term "tax liability" refers to income tax liability for a tax period taking into account all Section 74(a) assessments with respect to the tax period and not only the tax liability derived from the taxpayer's self-assessment.

(b) ***Advance Payment Requirement for Presumptive Tax Filers.*** A person who is required to pay presumptive income tax of 4 percent is required to make



quarterly advance payments equal to 4 percent of the gross income received during the quarter.

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### ***Amendments to Section 72(a)(2):***

#### **Section 72. Refund of Excess Tax Paid**

(a) ***Overpayment.*** Except as provided in Section 904(a)(4), if the amount of tax paid by or on behalf of a taxpayer for a particular tax period exceeds the amount of tax assessed for such tax period, then:

- (1) The tax authorities shall apply the excess (or so much thereof as necessary) against the taxpayer's outstanding tax liability, if any, for other taxes then due and payable; and
- (2) Any remaining balance over the amount applied under paragraph (1) shall, at the written election of the taxpayer, be:
  - (A) Applied against the taxpayer's liabilities with respect to future payments;  
or
  - (B) Refunded to the taxpayer within 90 days of the taxpayer's filing of a refund claim.

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## **6. Investment Incentives, Section 16: Amendments to Section 16 and related amendments to Section 204(d)**

### ***Amendments to Section 16***

#### **Section 16. Special Investment Incentives**

(a) ***Incentives for New Investment.*** In the case of a new investment activity qualifying under both paragraphs (1) and (2) below, the qualifying activity is entitled to the special tax incentives specified in paragraph (3) below upon certification by the Minister.

##### ***(1) Procedure.***

- (A) To be eligible for special investment incentives allowable under this Section, the investor must be certified as described in this paragraph and the investment must be in a sector that qualifies under paragraph (2).



(B) To request certification, an investor makes application to the National Investment Commission ("NIC").

(i) The NIC is required to conduct an economic evaluation of the business plan and make a decision whether to approve the applicant's request for certification.

(ii) The NIC is required to determine the recommended exemptions of GST under Part III of this Code and import duty under Part V, including types of goods and quantities proposed for exemption and the investor's proposed importation schedule.

(iii) In consultation with the Ministry and the LRA, the NIC is required to estimate the fiscal costs of the incentives (as developed in consultation with the Ministry and LRA).

(iv) If the NIC approves a request for certification under this Section, it must then forward to the Minister for review the applicant's approved request; the recommended exemptions described in subparagraph (ii); and the estimated fiscal costs described in subparagraph (iii).

(C) The Minister has 15 working days after NIC approval to review the certification, list of exempted goods, and fiscal cost. Before the expiration of the 15-day period, the Minister is required either to issue certification or to give the NIC a written statement of the grounds for denial of certification (or the rejection of specific exemptions). If the Minister denies certification or rejects exemptions, the Minister and the NIC have 60 days to resolve any differences. If they are unable to reach agreement, the investor may seek review by the Board of Tax Appeals as if the denial of certification or rejection of specific exemptions were a determination by the Minister resulting in a dispute over tax liability, with the investor treated as a taxpayer for the purposes of this Section.

(D) The NIC's rejection of an application for certification does not give rise to a right of review by the Board of Tax Appeals.

## *(2) Requirements.*

(A) To qualify for Section 16 incentives, the investment activity must be set out in a list of qualifying sectors in a regulation issued subject to the conditions in subparagraph (B). Sectors listed in former Section 16 as it existed prior to its expiration on June 30, 2015, and as further defined and limited in a regulation issued prior to that date, are qualifying sectors



until June 30, 2017, at which time they are no longer qualifying sectors unless the Minister has made a new determination in accordance with subparagraph (C) and published in a regulation listing them as qualifying sectors.

(B) Capital invested must be at least US \$[500,000] If the investment is to establish a hospital or health clinic, the minimum capital invested must be at least US\$50,000.

(C) The Minister's determination of qualifying sectors is subject to the following restrictions:

(1) Before issuing the regulation, the Minister must engage in a deliberative process in consultation with the Commissioners of the National Investment Commission (NIC) and the Commissioner-General of the Liberia Revenue Authority (LRA).

(2) The deliberative process must include consideration of a revenue impact study showing the likely revenue cost of the incentives for each sector and an economic impact study showing a likely net benefit of the incentives for a listed sector;

(3) Agreement by a majority of the NIC Commissioners plus the Minister that Section 16 tax incentives for the proposed listed sectors support the economic growth policy of the Government, thereby enhancing and improving the economic development of the Country;

(4) Prior publication of and the opportunity for public comment on a draft proposed regulation listing qualifying sectors, followed by consultation between the Minister and the Commissioners of the NIC as to whether to make revisions to the draft proposed regulation in light of the comments;

(5) Approval by a majority of the NIC Commissioners plus the Minister on the text of the final version of the proposed regulation; and

(6) The Minister's issuance and publication of the regulation under the Minister's signature and including the Minister's certification that the deliberative process has met the requirements of Section 16(a)(2)(B).

(3) *Duration of Certification.* A certified investment as determined under both paragraphs (1) and (2) is entitled to the special tax incentives of this paragraph for a period of up to five (5) years, subject to continuing oversight



by the NIC and the LRA. Failure to meet the requirements of the approved business plan may result in early termination of certification under subsection (d).

(4) *Definition of New Investment.* An investment activity that qualified previously for Section 16 incentives is not eligible for additional Section 16 incentives. The term “new investment” means an investment that not only meets the threshold amount of subsection (a)(2)(B) but that also is—

(A) More than a mere continuation of the investor’s (or predecessor investor’s) ongoing business activity;

(B) Demonstrably an activity for which incentives are necessary to reduce the economic entry barrier;

(C) An activity that involves a significant degree of risk as determined by the NIC’s evaluation of the business plan.

(5) *Definition of Manufacturing.* If relevant to any application of Section 16, including the determination of sectors qualifying for Section 16 incentives, the term “manufacturing” or the term “manufacture” has the same meaning as in Section 204(g).

(b) *Incentives Allowed.* The incentives allowed, subject the restrictions of subsection (a), are exemption from GST under Part III and import duty under Part V of:

(1) Medical and educational equipment and supplies purchased for use directly in or in connection with the investment activity and intended to be placed in service within one year of purchase.

(2) Equipment and machinery; specialized vehicles; capital spare parts, and other specialized capital goods that are purchased for use directly in the activity and intended to be placed in service immediately upon purchase, as specified in a regulation setting out the Harmonized System Code for each item permitted under this provision.

(3) Automobiles, small trucks, and fuel are prohibited from exemption under this provision.

(c) *Investment Agreements under Prior Law.*

(1) An investment agreement allowing tax concessions and entered into under the Liberia Revenue Code prior to its amendment by the Consolidated Tax



Amendments of 2011 shall be given effect if approved according to the terms allowed by the Code at the time of approval; provided, however, that the holder of such an agreement—

(i) Shall be allowed the incentive deduction under Section 204(d) but, taking into account other accelerated cost recovery allowable under the investment agreement with respect to an asset, not more than the Section 204(d) amount;

(ii) Shall file a copy of the investment agreement with the Ministry;

(iii) Shall file an annual income tax return for information purposes, regardless of whether filing is required by the agreement.

(2) Investment agreements described in this subsection are nontransferable and become invalid if the conditions for application of Section 405 apply.

(d) ***Consequences of Noncompliance.*** A holder of a Section 16 investment agreement or the holder of an investment agreement allowing tax concessions and entered into prior to January 1, 2011 who does not materially comply with the requirements of the agreement or this Code as it relates to the agreement is subject to the consequences described in this subsection, unless the agreement expressly provides an alternative process.

(1) If the Minister, in consultation with NIC and LRA, determines that noncompliance has occurred, and that the failure to comply is not knowing and willful misconduct, the Minister must serve the holder with a notice of determination of noncompliance allowing the holder ninety (90) days to correct the noncompliance. If the noncompliance is not corrected within 90 days—

(A) The Minister is authorized to suspend or terminate any tax benefit allowed under the agreement; and

(B) If the Minister elects to terminate a tax benefit, the holder's right to future claims or allowances of the terminated tax benefit is forfeit, and with respect to that benefit the investment activity is returned to taxation under the standard rules of this Code.

(2) If the Minister determines that noncompliance has occurred, and that the failure to comply is knowing and willful misconduct, the Minister must serve the holder with a notice of determination of noncompliance specifying—



- (A) Immediate suspension or termination of any tax benefit allowed under the agreement;
  - (B) If the Minister elects to terminate a tax benefit, the holder's right to future claims or allowances of the terminated tax benefit is forfeit, and with respect to that benefit the investment activity is returned to taxation under the standard rules of this Code;
  - (C) With respect to a terminated tax benefit, the holder must repay any benefits previously allowed with respect to the two tax periods preceding the first determined act of noncompliance; and
  - (D) The holder must pay a forfeiture penalty in an amount equal to three times the repayment amount under subparagraph (C).
- (3) A determination under this subsection is a Section 70 determination subject to the taxpayer's right of protest and appeal within 30 days of the notice date, except that an alternative method of resolving disputes specified in an investment agreement is substituted if the method is expressly applicable to the asserted noncompliance.
- (e) ***Investments Exceeding US \$10 Million.*** For investments exceeding US \$10 million, and subject to approval by the President and the Legislature, the tax incentives permitted by this section may be allowed for a period of up to 15 years. No tax incentive under this subsection shall be valid or enforceable without legislative approval. Investment evaluation procedures applicable to investments under this subsection shall be transparently defined in regulations to be published jointly by the National Investment Commission and the Ministry of Finance (subject to the Public Procurement and Concessions Act 2005 or successor legislation, if otherwise applicable to the investment). Only those sectors qualifying under Section 16 may be granted additional tax incentives. No tax incentives additional to those provided in subsection (b) are permitted.
- (f) ***Exclusion of Investments Subject to Part II Chapter 6 or 7.*** The tax incentives allowed by this section, including the special investments qualifying under subsection (e), are not allowed to an investment covered by Chapter 6 or Chapter 7 of Part II.
- (g) ***Sunset Rule.*** This section expires [June 30, 2021]. Investments that qualify for Section 16 incentives prior to that date are entitled to the full term of benefits



allowed under this section, even if the term of benefits extends beyond the expiration date.

### ***Amendments to Section 204(d)***

### **Section 204. Depreciation and Amortization**

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#### **(d) *Incentive Deduction.***

- (1) *Deduction.* Manufacturing and service businesses, and businesses in sectors eligible for Section 16 investment incentives, are entitled to deduct an aggregate of up to 30 percent of the purchase price of a qualifying asset specified in paragraph (2).
  - (A) An incentive deduction with respect to an asset is permitted only for the tax period in which the asset is placed in service.
  - (B) The allowances provided in paragraph (2) may be combined with respect to an asset to reach the limit of 30 percent.
  - (C) The amount allowable as an incentive deduction reduces the asset's tax cost to arrive at the asset's adjusted tax cost, which is added to the appropriate depreciation pool for the tax period in which the asset is placed in service.

#### **(2) *Allowances.***

- (A) *Manufacturing and service businesses.* 20 percent of the purchase price of equipment and machinery.
- (B) *Manufacturing, agriculture processing, and service businesses (other than tourist facilities) located outside of Montserrado County, outside any Government-owned Industrial Free Zone, and outside any Industrial Park.* 10 percent of the purchase price of equipment and machinery.
- (C) *A business providing tourist facilities, or a transnational corporation that uses Liberia as its regional headquarters.* 10 percent of the purchase price of equipment and machinery.
- (D) *A business in a sector qualifying for Section 16 investment incentives.* 10 percent of the purchase price of equipment and machinery; specialized vehicles; capital spare parts, and other specialized capital goods, as specified by Harmonized System codes in a regulation issued under Section 16, regardless of whether the business is conducting an investment activity that qualifies under Section 16.

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## **6. Real Property Tax: Amendments to Section 2000**

### **Section 2000. Real Property Tax**

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(b) **Rates on Unimproved Land.** The following rates, varying according to its description and geographical location, are hereby imposed on unimproved land:

(1) Unimproved land contained in the following described units of land located within the corporate limits of city, town, municipal or commonwealth district is subject to an annual tax as herein indicated:

(A) The rate of tax payable on a city or town lot as defined herein shall be three and one-half percent (3.5%) of the assessed value thereof.

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(B) The rate of tax payable on a parcel of land as defined herein which has not been divided into city or town lots and is being used for any purpose other than farmland shall be four and one-half percent (4.5%) on each acre or fraction thereof.

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(C) **Rates on improved Land.** The following percentage rates, varying according to the use classification, hereinafter designated, of its buildings and other improvements, are hereby imposed on the assessed value of each parcel of improved land, no matter where situated.

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(3) Residential use. When such buildings and other improvements are being used exclusively for residential purpose, a tax of one fourth of one percent (0.25%) of assessed value.

## **7. Exemption from Import Duties. Amendment to Section 1708**

### **Amendments to Section 1708 (e)**

### **Section 1708. Exemption from Import Duties**



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(e) **Special Rule for Legislators and Justices of the Supreme Court.** A member of the legislature or Justice of the Supreme Court is allow an exemption from import duties and fees (but not the ECOWAS Trade Levy) on two vehicles (in the class of passenger automobiles or up-to 2 ton pickup truck or SUV) per calendar year. The forgoing exemption shall extend to cover the personal effects of a Legislator or Justice of the Supreme Court. The exemption shall also cover fuel and lubricants procured for legislators or Justices of the Supreme Court for use in the discharge of their duties.

## **SECTION 2. New Provision to the LRC: Excise Tax on Mobile Telephone Voice Usage.**

Upon passage in this Act, a new Section 1165 entitled: Excise Tax on Mobile Telephone Voice Usage is hereby added to the Liberia Revenue Code to read as follows:

### **Section 1165. Mobile Telephone Voice Usage**

- (a) **Tax Imposed.** Excise tax is imposed mobile telephone voice usage at the rate stated in this Section. The “tax base” (determined under Section 1160) does not apply. Instead, the rate is applied to a tax base of per-minute voice usage.
- (b) **Rate.** Excise tax is imposed on each minute of mobile telephone voice usage at the rate of US\$0.01 per minute.

**Sections 1166-1199, Reserved.**

## **SECTION 3. EFFECTIVE DATE**

This Act shall take effect immediately upon publication into handbill.

**ANY LAW TO THE CONTRARY NOTWITHSTANDING**

2016

FIFTH SESSION OF THE FIFTY-THIRD  
LEGISLATURE OF THE REPUBLIC OF LIBERIA.

HOUSE'S ENGROSSED BILL NO. 58 ENTITLED

"AN ACT TO AMEND THE LIBERIA REVENUE CODE OF 2011  
AND TO REPEAL THE ECONOMIC STIMULUS TAX  
AMENDMENT ACT OF 2016 TO PROVIDE FOR THE ECONOMIC  
EMPOWERMENT TAX AMENDMENT ACT OF 2016"

On Motion, Bill read. On Motion, the Bill was adopted on its  
first reading, and sent to Committee Room on Wednesday,  
November 30, 2016 at the hour of 14:00 G.M.T.

On Motion, Bill taken from the Committee Room for its  
second reading. On Motion, under the suspension of the rule,  
the second reading of the Bill constituted its third and final  
reading and the Bill was adopted, passed into the full force of  
the law and ordered engrossed today, Tuesday, December 6,  
2016 at 14:56 G.M.T.

  
CHIEF CLERK, HOUSE OF REPRESENTATIVES

2016

FIFTH SESSION OF THE FIFTY-THIRD  
LEGISLATURE OF THE REPUBLIC OF LIBERIA.

SENATE'S ENDORSEMENT TO HOUSE'S ENGROSSED  
BILL NO. 58 ENTITLED:

"AN ACT TO AMEND THE LIBERIA REVENUE CODE OF 2011  
AND TO REPEAL THE ECONOMIC STIMULUS TAX  
AMENDMENT ACT OF 2016 TO PROVIDE FOR THE ECONOMIC  
EMPOWERMENT TAX AMENDMENT ACT OF 2016"

In Motion, Bill read. On Motion, the Bill was adopted on its  
first reading, and sent to Committee Room on Wednesday,  
December 7, 2016 at the hour of 13:38 G.M.T.

On Motion, Bill taken from the Committee Room for its  
second reading. On Motion, under the suspension of the rule,  
the second reading of the Bill constituted its third and final  
reading and the Bill was adopted, passed into the full force of  
the law and ordered engrossed today, Thursday, December 8,  
2016 at 14:42 G.M.T.

  
SECRETARY, LIBERIAN SENATE, R.L.



2016

ATTESTATION

“AN ACT TO AMEND THE LIBERIA REVENUE CODE OF 2011 AND TO REPEAL  
THE ECONOMIC STIMULUS TAX AMENDMENT ACT OF 2016 TO PROVIDE FOR  
THE ECONOMIC EMPOWERMENT TAX AMENDMENT ACT OF 2016”

VICE PRESIDENT OF THE REPUBLIC OF LIBERIA/PRESIDENT OF THE SENATE

THE SECRETARY, LIBERIAN SENATE

THE SPEAKER, HOUSE OF REPRESENTATIVES

THE CHIEF CLERK, HOUSE OF REPRESENTATIVES



# THE HONORABLE HOUSE OF REPRESENTATIVES

Capitol Building  
P.O. Box 9005  
Monrovia, Liberia  
Website [www.legislature.gov.lr](http://www.legislature.gov.lr)



Office of the Chief Clerk

2016

## FIFTH SESSION OF THE FIFTY-THIRD LEGISLATURE OF THE REPUBLIC OF LIBERIA.

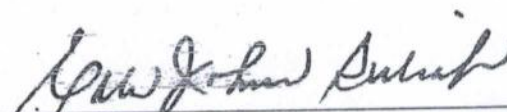
HOUSE'S ENROLLED BILL NO. 61 ENTITLED:

**“AN ACT TO AMEND THE LIBERIA REVENUE CODE OF 2011 AND TO  
REPEAL THE ECONOMIC STIMULUS TAX AMENDMENTS ACT OF  
2016 TO PROVIDE FOR THE ECONOMIC EMPOWERMENT TAX  
AMENDMENTS ACT OF 2016”**

PRESENTED TO THE PRESIDENT OF THE REPUBLIC OF LIBERIA FOR  
EXECUTIVE APPROVAL

APPROVED THIS 20<sup>th</sup> DAY OF DECEMBER A.D. 2016

AT THE HOUR OF 5:30 P.M.

  
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THE PRESIDENT OF THE REPUBLIC OF LIBERIA