



REPUBLIC OF LIBERIA
MINISTRY OF FINANCE
BUREAU OF INTERNAL REVENUE

QUARTERLY BUSINESS GROSS INCOME DECLARATION FORM

1. REPORTING QUARTER YEAR

2. NAME OF TAXPAYER

3. TAXPAYER IDENTIFICATION NUMBER (TIN)

4. BUSINESS ACTIVITY

5. TAXPAYER ADDRESS

6. COUNTY 8. TEL No. 9. E-MAIL

MAIN CONTACT PERSON TEL No.

10. TYPE OF TAXPAYER:

CORPORATION () PARTNERSHIP () SOLE PROPRIETORSHIP () OTHER LEGAL ENTITY ()
RTC 1112-01 RTC 1112-02 RTC 1111-02 RTC 1112-05

11. SOURCES AND AMOUNTS OF INCOME FOR THE QUARTER:

Table with 3 columns: DESCRIPTION, LD, USD. Rows include GROSS INCOME FROM SALES AND SERVICES, RENTAL INCOME, GAIN ON SALE OF PROPERTY, OTHERS, TOTAL GROSS INCOME, TAX ON GROSS INCOME, GOL, OTHERS DEDUCTION FROM PREVIOUS PAYMENT(S), GROSS INCOME LESS CERTIFIED DEDUCTION(S).

ALL DEDUCTIONS MUST BE CERTIFIED BY THE MINISTRY OF FINANCE

12. TOTAL TAX DUE: Table with 2 main columns for 2% and 4% rates, each with sub-columns for USD and LD.

13. RATE OF EXCHANGE USED FOR CALCULATIONS BETWEEN LD AND USD

IMPORTANT! SECTION 1900 (Tax Evasion) "Any person who willfully evades or defeats any tax imposed under any of the provisions of the Tax Code or under any of the provisions, or the payment thereof shall be guilty of a Felony and upon conviction, in addition to any other sanctions provided by law, shall be fined not more than L\$200,000 or imprisoned not more than five (5) years or both."

14. TAXPAYER'S AUTHORIZED OFFICER PRINT NAME SIGNATURE

15. DATE 20

OFFICE USE ONLY

Table with 3 columns: PENALTY AND INTEREST CHARGES, LD, USD. Rows include Penalty for late filing, Penalty for late payment, Interest for late payment, TOTAL TAX, PENALTY AND INTEREST.

BANK PAYMENT SLIP NUMBER
AMOUNT PAID
FLAG RECEIPT NUMBER

NAME SUPERVISOR / LTD / MTD / STD

DISTRIBUTION: TAXPAYER / LTD / MTD / STD

TAX AWARENESS

Quarterly Business Gross Income Tax is due on or before the 10th day of the following quarter.

Revenue Code of Liberia act of 2000

Section 200

(c) **Turnover Tax As Presumptive Income Tax.**

- (1) Subject to the rules provided in Chapter 9, persons operating a trade or business *who have* gross income of less than \$5,000,000 for a **tax** year shall *pay a* 4 percent turnover tax as a presumptive tax in lieu of the income tax, and are not required to file an income tax return. A special presumptive tax schedule, set out *in* subsection (d), applies to persons qualifying as petty traders under that subsection.
- (2) Subject to the rules provided in Chapter 9, persons *operating* a trade or business *who have* gross income of \$5,000,000 *or more* for a tax year are required to file an income tax return and to pay a flat income tax of 35% *on* taxable income or a minimum tax *equal to* 2 percent of turnover, whichever is higher. The 2 percent presumptive turnover tax is creditable against income tax due in that year.
- (3) Life insurance companies or mixed-type insurance companies with 30 percent or more of their business from life insurance are *subject to* a presumptive tax on gross income at the rate of 4 percent on annual gross income in lieu of the income tax.

(d) **Petty Trader Tax In Lieu Of Income Or Turnover Tax.** A natural person with gross income of less than \$200,000 for a tax year does not have an obligation to pay income tax or turnover tax, but in lieu of income or turnover tax¹ is subject to the petty trader tax at the following rates:

- (1) \$400 for traders who use a portable business structure (including *a* basket, bag, or crate) or fixed open structure without a roof;
- (2) \$1,000 for traders who use a fixed open structure with a roof; or
- (3) \$2,000 for traders who use a fixed structure with roof and walls (including an office or workstation located within a personal residence).
- (4) \$200 for traders in paragraphs (1) - (3) who reside and do business exclusively outside of Montserrado County.

(e) **Advance Payment Of income And Turnover Tax.** The income tax and the turnover tax are collected through advance payments (as provided in Section 904) and through income tax withholding (as provided in Section 905).

(f) **Nonresidents.** Nonresident natural and legal persons are taxable on their Liberia-source income as provided in Chapter 8, Income Taxation of Nonresidents.

(g) **Tax-Exempt Persons.** No tax shall be imposed under this Part on the Government, a Government agency designated as an approved recipient of charitable donations, or a private charitable or not for profit organization that qualifies as a registered charity. Foreign governments, foreign diplomatic representative, foreign consular officials, international organizations and officials of international organizations that are exempt from taxation under international agreements are exempt from taxation under this Part to the extent provided in the applicable international agreement.

(1) A private charitable *or* not for *profit* organization will qualify for registration as *a* registered charity if it is a noncommercial organization that is established for the purposes of carrying out charitable or not for profit activity. An organization does not qualify as a registered charity, or if registered is subject to loss of its approved and registered status, if it:

- (A) pursues political goals or performs political activities, including direct or indirect participation in the election campaign of any political party, public organization or movement, or person; or
- (B) the revenues or property of the organization benefit or may benefit any person, except as a result of the conduct of its charitable activity or as reasonable payment for property or services.

(2) If a registered charity engages in a business activity or other activity inconsistent with its charitable purposes, it is subject to tax with respect to those activities and, under regulations to be provided by the Minister, may lose its approved and registered status;

(h) **Regulations.** The Minister is to issue regulations specifying the procedures to be followed for collection of income tax imposed under this section and under the withholding provisions of Section 905, including regulations that for administrative feasibility reasons (including a judgment that costs of collection would be in excess of amounts collected) except from collection any tax otherwise payable by natural persons *with* income not in excess of the Step 1 amount, but only if the Minister first determines that such persons do in fact pay Liberian tax directly or indirectly through the Petty Trader Tax in lieu of the income tax as provided in subsections (c) and (d) or the Goods and Services Tax of Chapter 10

Section 202. Exclusions

- (a) **Sickness, Disability, Or Death Benefits.** Payments received on account of illness, injury, **or** death of a natural person are excluded from income of the recipient, if the recipient is ill, injured, disabled or deceased, or related to that person within the meaning of Section 208(h)(1). Payments qualifying for this exclusion include amounts paid as proceeds of health insurance or disability insurance or benefits; as damages for or in settlement of a claim of damages for injury to a natural person; or as proceeds of a life insurance policy or as a death benefit. This exclusion applies regardless of whether the payments are made in a lump sum or as a series of annuity payments. Amounts used to purchase medical insurance for a person or to pay medical expenses of a person are not excludible under this Subsection, but instead are subject to Section 219.
- (b) **Gifts And Transfers By Death.** Property received in a donative transfer or transfer by death is excluded from the income of the recipient.
- (c) **Noncash Benefits Provided By An Employer.** Noncash benefits provided by an employer to an employee (other than those benefits excluded elsewhere in this Section or benefits subject to Section 219) are valued at 100 percent of fair market value and are excludible *from the income of* the employee, except for the value that, in the aggregate, is in excess \$100,000 per tax year.
- (d) **Tax-Exempt Government Obligations.** Interest on an obligation issued by the Republic of Liberia and declared by the government to be a tax-exempt obligation is excluded from the income of the holder of the obligation.
- (e) **Personal-Use Property.** Gains on the sale of personal-use property are excludible *from* income *unless* the amount derived from the sale is equal to \$1,600,000 or more.
- (f) **Exclusion Of Interest For Small Savers.** Interest of less than \$200 per year is excluded from income and is not subject to tax withholding under Section 905.

NOTE: Failure to pay by the due date will result to imposition of late payment penalty, late filing pursuant to Sections 51 & 52 as applicable.