

- (d) by the substitution for the word “Schedule” wherever it occurs in the Act, of the words “First Schedule”

Passed in Parliament this *15th* day of *July*, in the year of our Lord two thousand and seven.

A. A. KEMOKAI,
Clerk of Parliament.

THIS PRINTED IMPRESSION has been carefully compared by me with the Bill which has passed Parliament and found by me to be a true and correct printed copy of the said Bill.

A. A. KEMOKAI,
Clerk of Parliament.

SIGNED this *23rd* day of *July*, 2007

ALHAJI AHMAD TEJAN KABBAH,
President.



No. 9



Sierra Leone

2007

The Finance Act, 2007

Short title.

Being an Act to provide for the imposition and alteration of taxes and for other related matters.

[

] Date of commencement.

ENACTED by the President and Members of Parliament in this present Parliament assembled.

PART I—PRELIMINARY

Amendment
of Act No. 8
of 2000.

1. The Income Tax Act, 2000 is amended-

- (a) in subsection (1) of section 46 thereof, by the substitution for the words “3 1st March” appearing therein, of the words “31st December”;
- (b) in section 69–
 - (i) by the substitution for the word “fifteen” appearing in paragraph (b) of subsection (1) thereof; of the word “twenty” and
 - (ii) by the substitution for the word “ten” appearing in paragraph (b) of subsection (2) thereof, of the word “fifteen”;
- (c) by the repeal and replacement of subsections (1), (2) and (3) of section 113 thereof, by the following:–

“Instalments
of income
tax.

113 (1) A taxpayer who derives or expects to derive business income in a year of assessment shall make an estimate of chargeable business income and turnover-

- (a) for the year of assessment on or before 31st January, of the year of assessment or for a taxpayer using a substituted year of assess-

Non-Citizen (Registration, Immigration and Expulsion) Act, 1965 (Act No. 14 of 1965)

Civil Aviation Act, 1966 (Act No. 33 of 1966)

Building Fees Act, 1973 (Act No. 23 of 1973)

Factories Act, 1974 (Act No. 3 of 1974)

National Registration Act, 1974 (Act No. 20 of 1974)

Births and Deaths Registration Act, 1983 (Act No. 11. of 1983)

Forestry Act, 1988 (Act No.7 of 1988)

Constitution of Sierra Leone, 1991 (Act No. 6 of 1991)

Fisheries (Management and Development) Act, 1994 (Act No. 19 of 1994)

Mines and Minerals Act, 1994 (Act No. 5 of 1994)

Standards Act, 1996 (Act No. 2 of 1996)

Sierra Leone Maritime Administration Act, 2000 (Act No. 11 of 2000)

Pharmacy and Drugs Act, 2001 (Act No. 12 of 2001)

National Commission for Privatisation Act, 2002 (Act No. 12 of 2002)

Merchant Shipping Act, 2003 (Act No. 3 of 2003)

- (a) for a taxpayer not using a substituted year of assessment, on 15th March, 15th June, 15th September, and 15th December; and
- (b) for a taxpayer using a substituted year of assessment on the 15th day of the third, sixth, ninth and twelfth months of the substituted year of assessment”.
- (d) by the insertion immediately after section 123 of the following section:–

“Purchase of real property.

123A. The purchaser of real property shall withhold tax at the rate specified in Part IV of the First Schedule which is hereby amended by the insertion of the following at the end thereof:–

- (i) under “Type of payment”, insert “real property ” and
- (ii) under “Rate” insert “10%”;
- (e) in section 128, by the insertion immediately after subsection (3) thereof of the following subsections:–

“(4) Without prejudice to section 129, where a withholding agent–

- (a) fails to withhold tax under subsection (1) of that section; or

(2) Notwithstanding any enactment to the contrary, the Commissioner-General or the employee of the Authority referred to in subsection (1) shall have free access, at all reasonable times, to all files, documents and other records relating to the assessment and collection of any revenue or other moneys referred to in paragraph (aa) of subsection (2) of section 12, and shall be entitled to require and receive from the staff of the department referred to in subsection (1), such information, reports and explanation as he may think necessary for the proper performance of his functions.

15B. The Authority is hereby substituted for any Ministry, department or other governmental agency specified in any enactment set out in the Second Schedule as the recipient of any revenue or other monies payable thereunder.

Substitution of Authority for Ministry, department, etc.

15C. (1) Notwithstanding anything to the contrary contained in any enactment or other laws under which a public body exists, the Authority shall collect as revenue, any money administered by or in the hands of that body which the Minister, after consultation with the appropriate Minister or the National Commission for Privatisation, as the case may be, may specify by statutory instrument as being in excess of the amount required for the purposes of that body.

Collection of payment by public bodies to Government.

(2) In this section, “public body” includes a public enterprise and a body established by or under an Act of Parliament or in which the Government holds the majority interest”.

- (c) by renumbering the existing Schedule as the First Schedule and inserting immediately thereafter the following as the Second Schedule–

“Application for licence.

3. (1) Any person desiring to obtain a licence to clear and forward air or sea freight cargo in any port shall apply in writing to the Minister for the grant of a licence for that purpose and shall submit therewith a fee of Le5,000,000 and such other particulars as may be prescribed by statutory instrument”.

Amendment of Act No. 6 of 1989.

3. The Restaurant Food Tax Act, 1989 is amended by the repeal and replacement of section 3 by the following section—

“Imposition of tax on food and drink.

3. There shall be charged on any food or drink consumed or supplied in any restaurant, a tax of ten percent of the amount charged by the restaurant for the food or drink”.

Amendment of Act No. 2 of 1995.

4. The External Telecommunications Act, 1995 is amended by the repeal and replacement of the definition of “message” appearing in section 1 thereof in by the following:—

“message” means communication from Sierra Leone to a place outside it by means of telephone, telegraph, telex, facsimile and the internet, and include any visual communication to subscribers of a company within Sierra Leone.”

Amendment of Act No. 5 of 1995.

5. The Sales Tax Act, 1995 is amended—

(a) in section 4—

(i) by the insertion at the end of subsection (1) thereof, of the following:—

“(e) hotel and guest house accommodation”.

(ii) by the insertion immediately after paragraph (b) of subsection (2) thereof, of the following paragraph—

“(c) ten percent of the cost of hotel and guest house accommodation”.

6. (1) The Finance Act, 2006 is amended in section 3, by the repeal and replacement of subsection (2) thereof by the following:— Amendment of Act No. 7 of 2006.

“(2) The National Revenue Authority shall charge a non-refundable administrative fee of Le500,000 for each consignment of goods in respect of which duty waiver is granted, to cover the administrative cost of processing the duty-waiver application”.

7. Where in any enactment it is provided that revenues or other monies received by a department of Government is to be retained by the department for the purpose of defraying the expenses of that department, the revenues or other monies shall, notwithstanding that provision, be collected by the National Revenue Authority and paid into the Consolidated Fund; and to give effect to this subsection, that provision is hereby repealed. Monies to be paid into consolidated fund.

8. The National Revenue Authority Act, 2002 is amended— Amendment of Act No. 11 of 2002.

(a) in section 12—

(i) by the insertion immediately after paragraph (a) of subsection (2) thereof, of the following:—

“(aa) to take over -

- (i) the assessment and collection of the revenues or other moneys, not derived from taxation, raised or received for the purpose of, or on behalf of, the Government and required by subsection (1) of section 111 of the Constitution to be paid into the Consolidated Fund, including, but not limited to fees, fines and royalties payable under the enactments set out in the Second Schedule;
 - (ii) the printing of all licences, certificates and permits to be issued by departments of Government and other public bodies;
 - (iii) the printing of all licences, certificates and permits in respect of the revenues or other moneys referred to in subparagraph (i)''
 - (ii) by the repeal and replacement of subsection (3) thereof, by the following:—
- “(3) The Minister may, after consultation with the Authority, amend the First and Second Schedules by statutory instrument”.
- (b) by the insertion immediately after section 15 thereof, of the following:—

15A (1) The Commissioner-General may station in any Government department any person employed by the Authority to enable the Authority to more effectively carry out its functions under this Act or any other enactment and such department shall provide the necessary office accommodation for any person so stationed.

“Power to station staff of Authority in Government offices.

- (b) fails to pay to the Commissioner-General any tax that has been withheld; or
- (c) fails to file to the Commissioner-General the statement required by subsection (2); and
- (d) has filed the statement required by subsection (2) but the Commissioner-General is of the opinion that the information provided in that statement does not correctly disclose the amount of tax that should have been withheld, the Commissioner-General may, according to the best of his judgment, determine the amount of the tax payable and may then make an assessment accordingly;
- (5) The provisions of Part XVII relating to objections and appeals shall apply to any determination or assessment made under subsection (4)”.
- (f) by the repeal and replacement of the words “PART VI” appearing immediately after section 132 by the words “PART XVI”;
- (g) by the repeal and replacement of the words “THE INCOME TAX ACT, 1999” appearing in the Tenth Schedule by the words “THE INCOME TAX ACT, 2000”.

2. The Cargo (Clearing and Forwarding) Act, 1974 is amended by the repeal and replacement of subsection (1) of section 3 thereof, by the following:—

Amendment of Act No.5 of 1994.

“SECOND SCHEDULE

**ENACTMENTS IN RELATION TO WHICH AUTHORITY IS TO TAKE
OVER ASSESSMENT AND COLLECTION OF NON-TAX REVENUE**

Christian Marriage Act, Cap 95

Mohammedan Marriage Act, Cap 96

Civil Marriage Act, Cap 97

Agricultural Act, cap 185

Liquor Licensing Act, Cap 238

Trade Marks Act, Cap 244

Patents Act, Cap 247

Companies Act, Cap 249

General Registration Act, Cap 255

Registration of Instruments Act, Cap 256

Passports Act, 1964 (Act No. 49 of 1964)

Consular Fees Act, 1964 (Act No. 48 of 1966)

ment on or before the end of the first month of the substituted year of assessment;

- (b) for the year of assessment on or before 31st July or for a taxpayer using a substituted year of assessment on or before the seventh month of the substituted year of assessment; and
- (c) for the following year of assessment on or before 15th September of the year of assessment.

(2) A taxpayer who derives business income in a year of assessment may review his estimates of chargeable business income and turnover for the year of assessment—

- (a) on or before 30th April of the year of assessment or, for a taxpayer using a substituted year of assessment, on or before the end of the fourth month of the substituted year of assessment; and
- (b) on or before 30th October of the year of assessment or, for a taxpayer using a substituted year of assessment, on or before the tenth month of the substituted year of assessment.

(3) A taxpayer required to make an estimate of chargeable business income under subsection (1) is liable to pay instalments of tax on account—