

MEMORANDUM OF OBJECT AND REASONS

The object of the Bill is to provide for the imposition and alteration of taxation and for other related matters for the financial year 2020.

MADE this 4th day of November, 2019.

JACOB JUSU SAFFA,
Minister of Finance.

FREETOWN,
SIERRA LEONE.
NOVEMBER, 2019.

BILL

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No.



Sierra Leone

2020

A BILL ENTITLED**THE FINANCE ACT, 2020**

Short title.

Being an Act to provide for the imposition and alteration of taxes, to give effect to the financial proposals of the Government and to provide for other related matters for the financial year 2020.

[] Date of commencement.

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

Commence-
ment.

1. Unless otherwise provide, this Act shall be deemed to come into operation on the 1st day of January, 2020.

THE CUSTOMS TARIFF ACT, 1978

Amendment
of Section 2
of Act No. 16
of 1978.

2. The Customs Tariff Act 1978 is amended in section 2–

(a) by repealing and replacing the definition of “raw materials” with the following new definition

“raw materials” for the purpose of manufacturing mean basic materials which are needed for the manufacture of goods not for resale and are still in a raw, natural, unrefined or unmanufactured state;

(b) by inserting the following new definitions

(i) “input” for manufacturing other than raw materials means semi-finished and finished products with labelling including packing materials not for direct resale and for which Customs develops procedures that ensures inward and outward movement of these products within the operator’s warehouse”

(ii) “packaging products” mean finished product with labelling for use by packaging industries;

(c) by inserting the following immediately after section 2

Labelling for
manufac-
turing.

2A “Labelling” for the purposes of inputs for manufacturing and packaging products for packing industries shall be a requirement to conseal and label with the name of the importing local manufacturing company, all materials imported as inputs for manufacturing.

3. The Schedule to the Customs Tariff Act 1978 is amended in Part II by inserting the following after item (w)

Amendment
of Part II of
Act No. 16
of 1978.

w(i) for raw materials (for any manufacture each under their substantive H. S. Codes, the duty is 5%.

w(ii) for semi-finished and finished products, including packing materials intended for use as inputs for manufacturing each under their substantive H. S. Codes, the duty is 5%

w(iii) for packing products for packaging industries each under their substantive H. S. Codes, the duty is 10%;

EXCISE ACT, 1982

4. The First Schedule to the Excise Act 1982 is amended by inserting the following immediately after tariff item No. 22

Amendment
of First
Schedule to
Act No. 6 of
1982.

Tariff item no.	Description	Rate
	Imported fruit juice and vegetable juice	20%

INCOME TAX ACT, 2000

5. Section 2 of the Income Tax Act 2000 is amended by deleting the definition of the following words–

Amendment
of Section 2
of Act No. 8
2000.

- large taxpayer;
- medium taxpayer;
- micro taxpayer; and
- small taxpayer

and substituting with the following new definitions–

- (a) “large taxpayer” means a taxpayer with an annual turnover of above Le6,000,000,000.00 or other additional requirements as may be prescribed by the Commissioner-General.
- (b) “medium taxpayer” means a taxpayer with a turnover of an amount above Le350,000,000 and up to Le6,000,000,000.00
- (c) “micro taxpayer” means a taxpayer with a turnover less than Le10,000,000 ;
- (d) “small taxpayer” means a taxpayer with a turnover above Le10,000,000 and an amount up to Le350,000,000

Amendment of Section 9 of Act No. 8 2000.

6. Section 9 of the Income Tax Act 2000 is amended in paragraph (b) by inserting the following new sub-paragraph immediately after sub-paragraph (vi)-
“(vii) a micro taxpayer business or organization”

Amendment of Section 57 of Act No. 8 2000.

7. Section 57 of the Income Tax Act 2000 is amended by–

- (a) inserting the following new subsections immediately after subsection (1)-

“(1A) Persons taxable under the laws of Sierra Leone relating to depositing chargeable assets shall be liable to withhold and pay to the National Revenue Authority capital gains tax on the chargeable assets disposed.”

(1B) Where the person disposing the chargeable assets is non-resident, the buyer shall be liable to withhold and pay capital gains tax on the chargeable assets disposed to the National Revenue Authority within 30 days after the disposal”

(1C) A person who fails to withhold capital gains tax as required under subsections (1A) and (1B) shall be liable to pay the tax together with interest and any other penalty as provided for under this Act”

- (b) inserting the following new sub-paragraph in subsection (2) immediately after subparagraph (v)-

(vi) “real property means chargeable asset as defined in subparagraph (iii) and includes but not limited to agricultural land and whatever lies on and beneath the surface of the land and sea, petroleum products, ore, precious gems, metals and other minerals.”

8. Section 61(A) of the Income Tax Act, 2000 is amended in subsection (2) by inserting the following new paragraph immediately after paragraph (b)-

Amendment of Section 61(A) of Act No. 8 of 2000.

“(c) a valid capital gains tax clearance certificate issued by the National Revenue Authority as evidence of compliance with the transaction by a resident party.”

9. Section 95 of the Income Tax Act, 2000 is amended by repealing and replacing subsection (3) with the following new subsection–

Amendment of Section 95 of Act No. 8 of 2000.

“(3) The Minister responsible for finance may by statutory instrument make transfer pricing regulations to be administered by the Commissioner-General for the purpose of dealing with related party and other transactions.”

Amendment
of Section 97
of Act No. 8
of 2000.

10. Section 97 of the Income Tax Act, 2000 is amended—
- (a) in subsection (3) by deleting the amount of Le10,000,000.00 and substituting it with the new amount of Le 6,000,000.00
 - (b) by inserting the following new subsections immediately after subsection (7)

“(8) A PAYE taxpayer may file a return of income tax 120 days after the end of a previous year of assessment and pay any taxes underpaid during the year of assessment or similarly claim refund or rebate of excess income tax paid as provided for under section 115.”

“(9) A PAYE taxpayer may file a return of income tax for the previous year and make payment for any taxes underpaid or similarly claim refund or rebate of excess income tax paid during the year of assessment 120 days after the end of that year of assessment as provided for under subsection (6) of section 115.”

Amendment
of Section
105 of Act
No. 8 of
2000.

11. Section 105 of the Income Tax Act, 2000 is amended—
- (a) in subsection (1) by deleting the words “twenty days” and substituting with the words “fourteen days”
 - (b) by inserting the following new subsection immediately after subsection (1)-

“(1A) Subject to subsection (1) and sections 147 and 149, payments due on income tax shall be made in the following order –

 - (a) interest;
 - (b) penalty; and
 - (c) principal amount of tax

- (c) by repealing subsection 6;
- (d) in subsection (7) by deleting the words “one hundred and forty days” and substituting with the following words wherever they occur

“one hundred and twenty days”
wherever the words occur.”
- (e) by renumbering the following –
 - (i) subsection (7) as subsection (6);
 - (ii) subsection (8) as subsection (7);
and
 - (iii) subsection (9) as subsection (8)

12. Section 109 of the Income Tax Act, 2000 is amended—
- Amendment
of Section
109 of Act
No. 8 of
2000.
- (a) in subsection (5) by deleting the words “up to 30 days and substituting with the following new words—

“30 days or such time as may be required by the Commissioner-General”

- (b) in subsection (6) by deleting the words “up to 30 days” and substituting with the following new words—

“30 days or such time as may be required by the Commissioner-General”

- (c) in subsection (8) by deleting the words “up to 30 days” and substituting with the following new words—

“30 days or such time as may be required by the Commissioner-General”

Insertion of
new section in
Act No. 8
2000.

13. The Income Tax Act,2000 is amended by inserting the the following new section immediately after section 116.

“Payment by
professional
service.

116A. (1) The income of a professional service provider whether resident or not but with a source of income in Sierra Leone shall be subject to a withholding tax per transaction at the rate of 10% on turnover.

(2) Professional service providers shall upon submitting documents for registration to the Office of Administrator and Registrar-General or seeking to obtain a licence, permit, clearance or other authorization for an activity, produce evidence of having paid the withholding tax per transaction to the National Revenue Authority.

(3) A resident professional service provider shall be obliged to file annual income tax returns as provided for in section 97 and claim credit for all taxes paid from various sources in accordance with Part 1 of the First Schedule or claim refund or rebate in accordance with section 115.

(4) Subject to subsections (1) and (3) a person authorized to issue a licence , permit ,registration certificate ,clearance certificates and other similar authorization shall not issue the authorization unless evidence of payment of the appropriate tax is produced

(5) Failure to produce evidence of payment of the appropriate tax under subsection (4) shall be considered as impeding tax administration and the person shall be subject to the appropriate penal provisions of this Act and other revenue legislation.

(6) For the purposes of this Act a professional service provider shall include accountants, economists, lawyers, doctors engineers , management and tax consultants and other consultants in similar fields of practice that provide expertise and other technical services for the payment of a fee.”

14. Section 115 of the Income Tax Act ,2000 is amended–

Amendment
of section
115 of Act
No. 8 of
2000.

(a) in subsection (1) by repealing and replacing paragraph (a) with the following new paragraph–

“(a) to pay the taxpayer’s liability for other taxes collected under this Act if any”;

(b) by inserting the following new subsections immediately after subsection (3)-

“(4) A member of a group of companies shall upon application to the Commissioner-General be allowed to offset excess income tax payment under this Act with similar income tax liability of a member of the same group provided both companies are resident in Sierra Leone and one has at least 25% ownership of interest in the other.”

“(5) Upon filing of a complete annual income tax returns, the individual taxpayer shall within 120 days after the end of the fiscal year, be entitled to a tax refund or rebate for excess tax paid during the preceding year of assessment.”

“(6) The refund referred to in subsection (5) shall be for advance taxes that include but not limited to the following–

- (a) 5% income tax paid on goods imported for personal use;
- (b) withholding tax from source that is not a final tax;
- (c) other taxes administered under this Act for which upon written request by the taxpayer approved by the Commissioner-General.”

“(7) An individual taxpayer may opt to utilize established tax refunds or rebates to offset the same income taxes in the current year of assessment by submitting a written application to the Commissioner-General and the application is approved by the Commissioner - General.”

Amendment
of Section
120 of Act
No. 8.

15. Section 120 of the Income Tax Act ,2000 is amended in sub-section (3) by–

- (a) repealing and replacing subparagraphs (i) and (ii) of paragraph (a) with the following new sub-paragraphs –

“(i) a non-taxable threshold of Le 6,000,000.00 per each transaction or in the aggregate of several transactions payable in a current year of assessment, irrespective of whether such payment relates to the current year, past or future rental or lease payments“

(ii) a tax deductible allowance for wear and tear of 10% of the gross rental income in excess of the non-taxable threshold of Le 6,000,000.00 provided evidence that repairs and maintenance were carried out is presented by the landlord and such provision is included in the rental agreement.”

(b) by repealing paragraph (b);

(c) by repealing and replacing paragraph (c) with the following new paragraph-

“(c)individual tenants shall withhold tax on rent payable to both resident and non-resident landlords that exceeds the non-taxable threshold specified in subparagraphs (ii) of paragraph (a).

16. Section 137 of the Income Tax Act ,2000 is amended–

(a) by repealing and replacing subsection (1) with the following new subsection-

“(1) A taxpayer who is dissatisfied with an assessment to any tax and other revenues administered by the National Revenue Authority may upon full payment of the undisputed tax or other revenues and file an objection for the assessment of the Commissioner-General within 30 days of service of the notice of assessment”

Amendment
of Section
137 of Act
No. 8 of
2000.

- (b) by inserting the following new subsection immediately after subsection (2)-

“(2A) Where a taxpayer who is dissatisfied with an assessment has raised an objection to the assessment to the Commissioner-General, the taxpayer shall pay 30% of the disputed tax amount”

- (c) by inserting the following new subsections immediately after subsection (6A)-

“(6B) The Commissioner-General may by notice in writing clearly state reasons to the taxpayer and extend the objection period beyond 90 days to such reasonable time not exceeding 180 days from the date of the filing of the objection by the taxpayer as the circumstance may dictate.

“(6C) Interest and penalty computations shall be suspended on the disputed tax until an objection decision is made by the Commissioner-General consistent with subsection (1).

Amendment of Section 147 of Act No. 8 of 2000.

17. Section 147 of the Income Tax Act, 2002 is amended in sub-section (7) by deleting the words “compounded on a 6 monthly basis” and substituting with the following words.

“compounded annually as provided for under section 83 in the Revenue Administration Act 2017”

Amendment of Section 148 of Act No. 8 of 2000.

18. Section 148 of the Income Tax Act, 2000 is amended by repealing and replacing subsection (1) with the following new subsection-

“(1) Where in consequences of an objection, appeal or application a taxpayer is entitled to a refund of tax or a refund of penalty, the taxpayer shall be entitled to interest at the specified rate on the amount of refund on the expiration of 60 days after the annual filing date of a previous year of assessment”

19. Section 149 of the Income Tax Act, 2000 is amended in subsection (3) by deleting the words “on a 6 months basis” and substituting with the following new word-

“annually”

Amendment of Section 149 of Act No. 8 of 2000.

20. Section 170 of the Income Tax Act, 2000 is amended by inserting the following new subsection immediately after subsection (2)-

Amendment of Section 170 of Act No. 8 of 2000.

(3) In accordance with subsection (1) a taxpayer shall affix a personal digital signature recognised and verified by the Commissioner-General to be authentic and acceptable on such documents so prescribed.

(4) A person who knowingly or recklessly signs an electronic record on documents prescribed under subsection (1) which is false or misleading in a material particular commits an offence and shall be liable on conviction to a fine not exceeding the amount specified in paragraph 12 of the Ninth Schedule or to a term of imprisonment not exceeding twelve months, or both and, in addition to any penalty otherwise provided,

21. Section 173 of the Income Tax Act, 2000 is amended by

Amendment of Section 173 of Act No. 8 of 2000.

- (a) repealing and replacing subsection (1) with the following new subsection-

“(1) The Commissioner-General or his designated officer shall prepare or cause to be prepared a register (hereinafter referred to as the “tax register”) of all persons assessable or liable to be assessed for tax payments and assign a unique automated system generated Tax Identification Number (or TIN in

shorten form), and such register shall contain such particulars and information as the Commissioner-General or his designated officer may deem necessary”.

- (b) deleting the words “taxpayer file number” and substituting with the following new words wherever they appear-

“Tax Identification Number (TIN)

Amendment of First Schedule to Act No. 8 of 2000 22. The First Schedule to the Income Tax Act, 2000 is amended in Part (III) by deleting the figures 30 and substituting with the following new figure—
“25”

THE NATIONAL COMMISSION FOR PRIVATISATION ACT 2002

Amendment of schedule to Act No 12 of 2002. 23. The First Schedule to the National Commission for Privatisation Act 2002 is amended by deleting items 16 and 19 respectively.

FINANCE ACT, 2006

Amendment of section 3 to Act No. 7 of 2006. 24. Section 3 of the Finance Act 2006 is amended by inserting the following new subsections immediately after subsection (4)-

“(5) Where the minister responsible for finance knows that information furnished in the application form for the granting of duty free concession is false, or an item on which duty free concession was granted is not being used for the intended purposes, the minister may revoke the grant of duty free concessions on the grounds of false declaration in the application and associated documents.”

“(6) Where a grant of duty free concession is revoked under subsection (5) a notice shall be served on the recipient of the grant and the individual, enterprise or institution so served shall be liable to refund, with interest, fines and charges applicable by law thereof, the full amount of the concession to the National Revenue Authority or the item(s) shall be seized.”

(7) Recipients of the duty free concessions shall sign a declaration recognizing the legal obligation to refund, with interest, fines and charges or seizure and auction off duty free items in the event that the recipient is in violation of the conditions for the grant of duty free concessions.

THE CUSTOMS ACT, 2011

25. Section 1 of the Customs Act 2011 is amended by deleting the definition of the word “Regulations” and substituting with the following new definition—

Amendment of section 1 to Act No. 9 of 2011.

“Regulations “ means regulations made by the Minister

26. Section 5 of the Customs Act 2011 is amended by inserting the following new subsection immediately after subsection (2).

Amendment of section 5 to Act No. 9 of 2011.

“(2A) For the purpose of information exchange and mutual co-operation the customs system may interface or use common information, communication and technology (ICT) Platforms with other stakeholders.”

27. Section 10 of the Customs Act 2011 is amended by repealing and replacing that section with the following new section—

Amendment of section 10 to Act No 9 of 2011.

“10 (1) Imported goods may be transferred directly in bond under customs control from a customs office, transit warehouse or container depot to –

- (a) another customs office;
- (b) another transit warehouse or container depot for transshipment
- (c) customs bonded warehouse
- (d) duty free shop

or such goods may be re-exported from temporary storage.

(2) The value of the bond imposed on the customer for use of the bonded warehouse shall be 20% of the customs value of the goods declared.

(3) The amount and value of any processed product released to the local market shall attract duty and taxes at the same rate of the customs value applicable to the imported goods and materials at the time of acceptance at their customs declaration; failing which the duty and import goods and services tax shall be calculated according to the rate of customs value at the time they are released to the local market

(4) The Commissioner General shall submit a quarterly report of all inward processing transactions on a product by product and company by company basis to the minister responsible for finance not later than thirty days following the end of the quarter to which it relates.

Amendment of section 11 to Act No. 9 of 2011.

28. Section 11 of the Customs Act 2011 is amended by—

- (a) repealing and replacing subsection (2) with the following new subsection—

“11 (2) The goods declaration provided for in subsection (1) shall be sent, given or transmitted electronically to the

designated customs office in the English language and in the form and manner prescribed by a statutory instrument.”

- (b) inserting the following new subsection immediately after subsection (2)

“(2A) Where the goods declarations referred to in subsection (2) and other mandatory documents are sent, given or transmitted electronically a declarant are required to insert electronically signatories that could be subject to authentication and make electronic forgery punishable by customs.”

29. Section 27 of the Customs Act 2011 is amended in subsection (1) by deleting the word “regulations” and substituting with the following new words—

“rules, practice procedures and manuals”

Amendment of section 27 to Act No. 9 of 2011.

30. Section 41 of the Customs Act 2011 is amended by repealing and replacing subsection (1) with the following new subsection—

Transfer of goods in bond.

“41 (1) Except for the operations of facilities under paragraphs (c) and (d) which shall be granted by the Minister, the Commissioner- General may, where necessary issue to any person qualified under such regulations, a licence for the operation of any of the following—

Amendment of section 41 to Act No. 9 of 2011.

- (a) transit warehouse or container depot for temporary storage and examination of imported goods that have not been released;
- (b) customs bonded warehouse for the storage of imported goods that have not been released or destined for exportation, or for goods manufactured

in Sierra Leone pending the payment of duties and taxes due thereon, and compliance with the provision of any law;

- (c) duty free shops at an international airport or at a border crossing point or in a city for the sale of approved goods and consumables to departing passengers or persons leaving Sierra Leone (“outward duty free shops”), arriving passengers or to persons entering Sierra Leone (“inward duty free shops”) or ‘ diplomats (“in-city duty free shops”), free of duties and taxes levied on goods under the Customs Tariff Act, or the Goods and Services Tax Act 2009, or any other prescribed law,
- (d) public auction sales of uncleared and abandoned goods exceeding a period of ninety (90) days in the Ports/State Warehouse”.

Amendment of section 44 to Act No. 9 of 2011.

31. Section 44 of the Customs Act 2011 is amended in subsection(1) by deleting the word “regulations “ and substituting with the following new words–
“rules, practice, procedures and manuals”

Amendment of section 47 to Act No. 9 of 2011.

32. Section 47 of the Customs Act 2011 is amended by deleting the word “regulations “ and substituting with the following new words–
“rules, practice procedures and manuals”

Amendment of section 80 of Act No. 9 of 2009.

33. Section 80 of the Customs Act, 2011 is amended in subsection (4) by inserting the following new paragraph.

- (c) “Local manufacturing or packaging industries for which materials or goods have been imported as raw materials, inputs or packaging materials and concealed and labeled in their name shall take responsibility to prevent resale of these materials.

GOODS AND SERVICES TAX ACT, 2009

34. Section 19 of the Goods and Services Tax Act 2009 is amended by inserting the following new subsections immediately after subsection (8)-
Amendment of section 19 to Act No. 6 of 2009.

“(9) There shall be issued by the supplier a GST relief purchase order (GRPO), provided by the National Revenue Authority, to be used to administer exempt supplies under the Schedules to this Act.”

“(10) Rules, procedures and manuals for the issuance and administration of a GST relief purchase order (GRPO) shall be specified by the Commissioner-General from time to time.”

“(11) Persons and organisations covered under the Schedules to this Act shall –

- (i) pay GST on goods and services and request for refunds to be paid 90 days after submission of claims; and
- (ii) provide evidence of payment of GST on the particular goods and services upon filing of their requests for refunds.

“(12) Refund of claims shall not be filed after the expiration of 6 months from the date of purchase of the goods and services”

35. Section 31 of the Goods and Services Tax Act 2009 is amended by repealing and replacing that section with the following new section–
Amendment of section 31 to Act No. 6 of 2009.

GST
invoices
and Sales
Receipt

(1) Every registered GST business shall in the ordinary course of business, maintain an electronic cash register as may be specified by Commissioner-General for the purpose of invoicing and recording all transactions.

(2) A GST registered supplier who makes taxable supplies shall be required, at the time of the supply, to issue the recipient with an original GST invoice, whether from printed booklet or an electronic cash register, for the supply;

(3) Where the GST registered supplier who makes taxable supplies fails, at the time of the supply during purchase, to issue the recipient with an original GST invoice for the supply, the customer shall be required to request a GST invoice or electronic cash register system generated sales receipt specified under subsection (5);

(4) A GST invoice and a sales receipt shall contain information prescribed by the Commissioner General;

(5) During the first 12 months of the GST becoming chargeable under this Act, the GST invoice issued by the registered person shall be the invoice printed by the National Revenue Authority under the authority and direction of the Minister responsible for finance, for the use of the registered person or the electronic cash register system generated sales receipt;

(6) A person who is issued or authorized to use an electronic cash register, shall not use GST invoice booklet printed and issued by the National Revenue Authority for issuance of sales receipt, but shall use an electronically generated invoice from the cash register.”

(7) A GST registered supplier who makes taxable supplies and fails, at the time of the supply during purchase, to issue the recipient with an original GST invoice for the supply, commits an offence and is liable to pay an administrative fine of Le5,000,000.00 or on conviction, to a fine of Le20,000,000.00 or to imprisonment for a term of not less than twelve months or to both such fine and imprisonment”

36. Section 37 of the Goods and Services Tax Act 2009 is amended

Amendment of section 37 to Act No. 6 of 2009.

- (a) in subsection (1) by repealing and replacing that subsection with the following new subsection—

“(1) A taxpayer shall, not later than the end of the month following the tax period, lodge a GST return together with a schedule detailing claims for both inputs and output GST for each tax period”.

- (b) by inserting the following new subsection immediately after subsection (1)

(1A) “The schedule referred to in subsection (1) shall contain the following information –

- (a) name of person from which the input tax is acquired from,
- (b) TIN,
- (c) name and address of the supplier,
- (d) description of goods and services or input,
- (e) total value of Goods and services or input acquired,
- (f) value of GST on inputs
- (g) the aggregate of total input acquired from each supplier; and

- (h) any other information deemed necessary by the Commissioner-General:
- (c) in subsection (2) by inserting the following paragraph immediately after paragraph (c)–
- “(d) be accompanied by a schedule of all deductions”
- (d) by repealing and replacing subsection (4) with the following new subsection–
- “(4) Registered GST trader shall input daily sales data in the electronics cash register and file their GST returns and make payment of GST liabilities through the Integrated Tax Administration System (ITAS) administered by the National Revenue Authority”.

Amendment of section 62 of Act No. 6 of 2009.

37. Section 62 of the Goods and Services Tax Act 2009 is amended by inserting the following new subsection immediately after subsection(2)

“(3) A customer who fails to request for a receipt after making a purchase from a GST registered business commits an offence and is liable to pay an administrative fine of Le1,000,000.00 or on conviction, to a fine of Le5,000,000.00 or to imprisonment for a term of not less than a month or to both such fine and imprisonment”

Amendment of schedule to Act No 6 of 2009.

38. The Second Schedule to the Goods and Services Tax Act 2009 is amended by–

- (a) repealing and replacing item 10 with the following new item
- “(10) **Supply:** Financial services
Description: Financial services, except where consideration payable is by way of an expressed fee or commission on a transaction. For the purposes of item 10 Financial Services mean operations of financial institutions licensed, regulated and supervised under the Bank of Sierra Leone Act, 2019 or any other similar enactment and include but not limited to Commercial Banks, Financial Associations, micro-finance institutions, Apex Bank and Cooperatives, Capital markets, Discount Houses, Home Mortgage Finance, Leasing Companies and Foreign Exchange Bureaux.
- (b) inserting the following new items immediately after item 21.
- “(22) **Supply:** telecommunications services without consideration
Description: Free and promotional calls and free data use to the extent that the value of such supply does not exceed 10 percent of the total billable and unbillable calls and data use in that period.”
- “(23) **Supply:** services in the aviation industry within Sierra Leone
Description: Services within the international airport zone, including handling, profiling, airline catering, airline fuel, lounge, cargo, screening”
- “(24) **Supply:** buses imported exclusively for commercial public transportation
Description: A one-time import of least 10 buses with sitting capacity of not less than 18-seats imported for commercial use for transporting passengers

THE PUBLIC PROCUREMENT ACT 2016

Amendment
of section 36
to Act No. 1
of 2016.

39. Section 36 of the Public Procurement Act 2016 is amended

(a) in subsection (1) by deleting the word “may”
and substituting with the word “shall”

(b) by inserting the following new subsections
immediately after subsection (3)-

“(4) Subject to subsection (1), all
contracts to be awarded by or through
central government or local government
for all goods, works or services that can
be produced or obtained locally, shall
for the benefit of the local community,
be awarded in favour of bidders who
are current permanent residents in the
locality or district.

Provided that an individual to whom a
permanent resident status under this
provision is being considered shall
reside continuously in the locality of
interest to the bidding process for 183
days in any calendar year.

(5) Subject to subsection (1), the
threshold for the application of a margin
of preference in the award of a contract
for works, shall apply to contracts below
Le 500,000,000.00”

Amendment
of section 46
to Act No. 1.
of 2016.

40. Section 46 of the Public Procurement Act 2016 is amended
by inserting the following new subsection immediately after
subsection (2)-

“(3) Notwithstanding subsections (1) and (2) the
President may grant approval for the use of sole
source, in respect of the procurement of sensitive
security-related goods, works and services for use
by the President and Vice President , on a case by
case basis.”

41. The First Schedule to the Public Procurement Act 2016 is
amended by repealing and replacing paragraphs (2), (3),(4) and (5)
with the following new paragraphs-

Amendment
of first
schedule to
Act No. 1 of
2016.

“2. Request for Quotation shall be used when the
estimated value of the procurement is below:

(a) Le 100.00 million in the case of contracts for
the procurement of goods,

(b) Le 200.00 million in the case of contracts for
the procurement of works,

(c) Le 100.00 million in the case of contracts for
the procurement of services.

3. National Competitive Bidding (N.C.B.) shall be used
when the estimated value of the procurement is
above:

(a) Le 100.00 million in the case of contracts for
the procurement of goods,

(b) Le 200.00 million in the case of contracts for
the procurement of works,

(c) Le 100.00 million in the case of contracts for
the procurement of services,

4. International Competitive Bidding (I.C.B.) shall be
used when the estimated value of the procurement
is above:

- (a) Le 5.00 billion in the case of contracts for the procurement of goods,
- (b) Le 8.00 billion in the case of contracts for the procurement of works,
- (c) Le 5.00 billion in the case of contracts for the procurement of services,

THE PUBLIC FINANCIAL MANAGEMENT ACT 2016

Amendment of section 65 of Act No. 13 of 2016.

42. Section 65 of the Public Financial Management Act 2016 is amended by inserting the following new subsections immediately after subsection (4)

- (5) Notwithstanding any provision to the contrary contained in this Act or any other legislation there shall be a non-accountable imprest to provide for daily international travel expenses excluding purchase of ticket incurred by the President and the Vice President.
- (6) Approval for the authorization of use of the non-accountable imprest referred to in subsection (5) shall be granted solely by the President.

THE FISCAL MANAGEMENT AND CONTROL ACT, 2017

Amendment of schedule of Act No. 9 of 2017.

43. The Second Schedule to the Fiscal Management and Control Act 2017 is amended by inserting the following authority –

NO.	AGENCY
12.	National Revenue Authority

EXTRACTIVE INDUSTRIES REVENUE ACT, 2018

44. Section 43 of the Extractive Industries Revenue Act 2018 is amended by repealing and replacing subsection (1) with the following new section–

Amendment of section 43 of Act No 11 of 2018.

“(1) A person who is liable to pay royalties under–

- (a) subsection (3) of section 3;
- (b) subsection 3 of section 21; or
- (c) subsections (3) of section 3 and subsections (3) of section 21

shall file with the Commissioner-General a return of royalties and make payment at the time the royalties should be paid.”

45. Section 50 of the Extractive Industries Revenue Act 2018 is amended by repealing and replacing subsection (8) with the following new subsection–

Amendment of section 50 of Act No 11 of 2018.

“(8) In this section, “relevant licence holder” means the holder of–

- (a) mining licence and exploration licence, where the Minister responsible for finance has notified the holder in writing that this section applies;
- (b) large-scale mining and exploration licences; or
- (c) petroleum licence.

Amendment of schedule to Act No. 11 of 2018. 46. The First Schedule to the Extractive Industries Revenue Act 2018 is amended in Part III by repealing and replacing subparagraph (1) of paragraph 7 with the following new paragraph-

7 (1) The rate of mineral resource rent tax for a year of assessment is calculated by using the following formula-

$$\frac{40 \text{ percent minus Income Tax Rate}}{100 \text{ percent minus Income Tax Rate}}$$

Amendment of schedule to Act No. 11 of 2018. 47. The Second Schedule to the Extractive Industries Revenue Act 2018 is amended in Part III by repealing and replacing subparagraph (1) of paragraph 6 with the following new paragraph -

6 (1) The rate of petroleum resources rent tax for a year of assessment is calculated by using the following formula-

$$\frac{58 \text{ percent minus Income Tax Rate}}{100 \text{ percent minus Income Tax Rate}}$$

FINANCE ACT 2019

Amendment of section 15 of Act No. 1 of 2019. 48. Section 15 of the Finance Act 2019 is amended by deleting the first sentence and substituting in with the following new sentence-

“Section 26A of the Telecommunications Act 2006 is amended by”

GENERAL PROVISIONS

National Tariff Committee. 49. (1) There shall be established a committee to be known as the National Tariff Committee within the ministry responsible for finance.

(2) The National Tariff Committee shall be responsible for the following –

(a) advising the Government on tariff measures to-

(i) provide protection to the local industries;

(ii) improve the competitiveness of local industries;

(iii) promote exports from Sierra Leone;

(iv) counter dumping and unfair trade practices adopted in respect of imports to Sierra Leone

(b) liaising with the ECOWAS Commission on CET Rates amendments;

(c) any other matter relating to especially tariff measure.

(3) The National Tariff Committee shall consist of the following members –

(a) the Ministry responsible for finance which shall chair the Committee;

(b) the Ministry responsible for trade;

(c) the Ministry responsible for agriculture;

- (d) the National Revenue Authority;
- (e) 2 representatives from the private sector appointed by the Minister responsible for finance
- (f) any other relevant institution deemed to be necessary by the Minister responsible for finance

Fees, rates and charges Committee. 50. The fees, rates and charges for outlined services relating to the operations of-

- (a) the ministry responsible for fisheries and marine resources;
- (b) the ministry responsible for tourism; and
- (c) the National Civil Registration Authority shall be as set out in the Shedule.

Issuance of visa on arrival. 51. (1) Visa for arriving passengers or persons of countries approved by the authorities, entering Sierra Leone, shall be issued on arrival.

(2) For the purposes of subsection (1), “visa on arrival” means to obtain a visa on arrival at an international airport or a border crossing points in order to enter Sierra Leone.

SCHEDULE

1. MINISTRY OF FISHERIES AND MARINE RESOURCES

INDUSTRIAL FISHING LICENCES

CATEGORY A1- SHRIMP TRAWLERS AND A2 CEPHALOPOD TRAWLERS

PERIOD	FEEs	ROYALTIES
3 months	US\$ 150 per GRT	12,000 per vessel
6 months	US\$ 250 per GRT	17,250 per vessel
12 months	US\$ 380 per GRT	30,250 per vessel

CATEGORY A3- DEMERSAL AND A4 PELAGIC TRAWLER/MIDWATER TRAWLERS

PERIOD	FEEs	ROYALTIES
3 months	US\$ 120 per GRT	10,000 per vessel
6 months	US\$200 per GRT	17,250 per vessel
12 months	US\$ 300 per GRT	25,050 per vessel
12 months	US\$ 200 per GRT ^a	30,000 per vessel ^a

(Vessels under categories A1 – A4 are to pay an additional fee for Fisheries Protection, Statistics and Research and Fisheries Observer)

^a Specifically for trawlers of 1000 GRT and above.

CATEGORY A5- TUNA PURSE SEINERS

PERIOD	FEES	ROYALTIES
6 months	US\$ 35,000 per vessel	Nil
12 months	US\$ 60,000 per vessel	Nil

CATEGORY A6- TUNALONG LINER

PERIOD	FEES	ROYALTIES
6 months	US\$ 28,000 per vessel	Nil
12 months	US\$45,000 per vessel	Nil

CATEGORY A7- PURSE SEINERS FOR SMALL PELAGICS

PERIOD	FEES	ROYALTIES
6 months	US\$ 35,500 per vessel	Nil
12 months	US\$ 42,000 per vessel	Nil

(Vessels under categories A5 – A7 are to pay an additional fee for Fisheries Protection and Statistics and Research)

SEMI-INDUSTRIAL FISHING VESSEL DECKED**CATEGORY C1- DECKED SEMI- INDUSTRIAL FISHIPPING VESSELS**

PERIOD	FEES	ROYALTIES
6 months	US\$ 10,000 per vessel	US\$ 5,000 per vessel
12 months	US\$ 20,000 per vessel	US\$ 7,500 per vessel

(Vessels under categories C1 are to pay an additional fee for Fisheries Protection and Statistics and Research)

1. SEMI-INDUSTRIAL FISHING VESSELS UNDECKED**CATEGORY C2 –STD 5-10 CANOE**

PERIOD	FEES	ROYALTIES
12 months	Le 1,000,000.00 ^a	Nil
12 months	Le 1,500,000.00 ^b	Nil

^a includes snapper, capital morel mackerel canoes/boats

^b Cuta canoes/boats

CATEGORY-C3: GHANATYPE CANOE

PERIOD	FEES	ROYALTIES
12 months	Le 1,500,000.00 ^a	Nil

^a includes herring canoes/boats

CATEGORY-C4: LOBSTER FISHING CANOE

PERIOD	FEES	ROYALTIES
12 months	Le 3,000,000.00	Nil

CATEGORY-C4: "UMBRELLA FISH", "SHOVEL NOSE" AND SHARK CANOES

PERIOD	FEES	ROYALTIES
12 months	Le 3,000,000.00	Nil

CATEGORY-C4: FOREIGN CANOE

PERIOD	FEES	ROYALTIES
12 months	US\$ 4,000	Nil

TRANSHIPMENT**CATEGORY-B4 TRANSHIPMENT VESSEL (CARRIER)^a**

PERIOD	FEES	ROYALTIES
6 months	US\$ 24,375 per vessel	Nil
12 months	US\$ 35,000 per vessel	Nil

^a Vessels under this category are subjected to pay export fees of \$ 0.5 per 20 kg carton of fish

CATEGORY-B5: PER TRANSHIPMENT VESSEL (CARRIER)^a

PERIOD	FEES	ROYALTIES
One Transshipment	US\$ 7,500 per vessel	Nil

^a Vessels under this category are subjected to pay export fees of \$ 0.5 per 20 kg carton of fish

**TRANSSHIPPING FISHING VESSELS
CATEGORY-B6: SIERRA LEONE FISHING LICENCE**

PERIOD	FEES	ROYALTIES
One Transshipment	US\$ 700 per vessel per transshipment	Nil

CATEGORY-B7: FOREIGN FISHING LICENCE

PERIOD	FEES	ROYALTIES
One Transshipment	US\$ 2,000 per vessel per transshipment	Nil

CATEGORY B8 - SUPPLY VESSEL LOCAL CARRIERS

PERIOD	FEES	ROYALTIES
12 months	US\$ 7,500 per vessel	Nil

**FISHERY SUPPORT AND PROCESSING LICENCES
CATEGORY-B1- PROCESSING PLANT AND ESTABLISHMENT**

PERIOD	FEES	ROYALTIES
6 months	US\$ 25,000 ^a	Nil
12 months	US\$ 42,250 ^a	Nil
12 months	US\$ 15,000 ^b	Nil
12 months	US\$ 5,000 ^c	Nil
12 months	US\$ 1,500 ^d	Nil
12 months	US\$ 2,000 ^e	Nil
12 months	US\$ 1,000 ^f	Nil

^aFish Processing Plant with blast freezers, ice making machine, or cold room for processing fresh and frozen fish for export

^bFish Processing Establishment with cold rooms (40 ft container size) and smoke ovens

^c Fish Processing Establishment with cold rooms (20 ft container size) and smoke ovens/ "banda"

^dFish Processing Establishment with smoke ovens/ "banda"

^e Fish Processing facility processing fish bladder for export

^f Fish Processing facility salting and sun drying fish for export

COLD ROOM

PERIOD	FEES	ROYALTIES
6 months	US\$ 1,500 ^a	Nil
12 months*	US\$ 3,000 ^a	Nil
6 months**	US\$ 2,000 ^b	Nil
12 months**	US\$ 4,000 ^b	Nil

^a Size in volume as a 20 ft container

^b Size in volume as a 40 ft container

CATEGORY-B2: MOTHERSHIP FOR PROCESSING

PERIOD	FEES	ROYALTIES
12 months	US\$ 45,000 per processing vessel	Nil

(Operators B1 and B 2 are to pay an additional fee for Fisheries Protection and Statistics and Research)

1. AQUACULTURE

CATEGORY -D1: SEMI COMMERCIAL AQUACULTURE

PERIOD	FEES	ROYALTIES
12 months	US\$ 100 per company	Nil

CATEGORY -D2: COMMERCIAL AQUACULTURE

PERIOD	FEES	ROYALTIES
12 months	US\$ 1,500 per company	Nil

2. RECREATIONAL/SPORT FISHING

PERIOD	CATEGORY	FEES	ROYALTIES
12 months	Sport fishing establishment with more than one (1) vessels or boats	US\$ 1,000	Nil
12 months	Individual Sport Fishing vessel with length up to 15 m (LOA)	US\$ 300	Nil
12 months	Individual Sport Fishing canoes (ie STD 5-10 and Ghana planked canoes	US\$ 250	Nil
12 months	Individual Sport Fishermen with rods	US\$ 100	Nil
12 months	Divers for fish and fishery products	US\$ 100	Nil

SUPPLEMENTARY FEES SCHEDULE

DETAILS	UNITS	AMOUNT
Import Fee	20 kg/ctn	Le 500
Local Discharge	20 kg/ ctn	Le 300
Export levy: Fishing companies with fishing vessels that repatriate sales proceeds	Per 20kg. ctn	US \$ 1.5
Export levy: Fishing companies with fishing vessels but does not repatriate sales proceeds	Per 20kg. ctn	US \$ 3.0
Export levy: Fish Processing plants with local partnership agreement and majority shares	Per 20kg. ctn	US \$ 2.0
Export fee for Fish Processing plants with local partnership agreement without majority shares	Per 20kg. ctn	US \$ 3.0 (croakers-gwangwa, lady etc.)
		US \$ 2.0 (Fin fish species only, crustaceans and cephalopod not included)
Export fee for Fish Processing Plants without local partnership exporting croakers (gwangwa, lady)	Per 20kg. ctn	US \$ 3.0

SUPPLEMENTARY FEES SCHEDULE

DETAILS	UNITS	AMOUNT
Export fee for smoked Fish by companies operating fishing vessel	Per 20kg. ctn	US \$ 3.0
Export fee for smoked Fish by other businesses or individuals	Per 20kg. ctn	US \$ 5.0
Export Fees for crustaceans (shrimps, lobsters, crabs etc.) caught by vessels other than Shrimp Trawlers	Per 20kg. ctn	US \$ 5.0
Export fees for cephalopods (squids, octopus etc.) caught by vessels other than Cephalopod Trawlers	Per 20kg. ctn	US \$ 5.0
Export fee for Fish bladder	Per kg.	US \$ 2.0
Export fee for sea cucumber	Per kg. ctn	US \$ 3.0
Entry clearance permit for fishing vessels	Per vessel	US \$ 1,000
Letter of intent for newly established fishing company	Per request	US\$ 5,000
Fish Bladder Processing facility	Per facility/ year	US\$ 2,000
Fisheries Protection	Per vessel/year	US \$ 1,000
Fisheries Statistics & Research	Per vessel/year	US \$ 500
Fisheries Observer Fee	Per vessel per month	US \$ 500

2. NATIONAL CIVIL REGISTRATION SECRETARIAT

Category	Service	Subscription/ Charge	Fee (Le)
Electronic Know Your Customer Service (eKYC)	Bank	Monthly	25,000,000
	Micro Finance	Monthly	5,000,000
	Credit Reference	Per Individual Transaction	10,000
	Passport	Per Individual Transaction	25,000
	Driver License	Per Individual Transaction	15,000
	NRA/Tax	Monthly	20,000,000
	NaSSIT	Monthly	20,000,000
	Council (Property etc)	Per Individual Transaction	5,000
	Min Lands (Land Reg)	Per Individual Transaction	25,000
	WAEC	Per Individual Transaction	5,000
	University	Per Individual Transaction	10,000
	Mobile Company	Monthly	25,000,000
	Third Party	By Negotiation	

Category	Service	Subscription/ Charge	Fee (Le)
ID Card	National National ID Card	Per Card	50,000
	ECOWAS ID Card	Per Card	100,000
	Cooperate ID Card	Per Card	50,000
Certificate	Delayed & Late Certificate	Per Certificate	30,000
	Certificed True Copy	Per Certificate	50,000
	Marriage Certificate	Per Certificate	100,000
	Adoption Certificate	Per Certificate	50,000
	Divorce Certificate	Per Certificate	50,000

3. MINISTRY OF TOURISM AND CULTURE

RECOMMENDED LICENSE FEES-2020

PROPRIETORS FEES	MANAGER'S FEES	TOTAL FEES
1,496,000.00	504,000.00	2,000,000.00
1,122,000.00	378,000.00	1,500,000.00
748,000.00	252,000.00	1,000,000.00
673,200.00	226,000.00	899,200.00
347,000.00	126,000.00	473,000.00

SNACKS BAR

RECOMMENDED LICENSE FEES-2020

PROPRIETORS FEES	MANAGER'S FEES	TOTAL FEES
		500,000.00

CASINOS

RECOMMENDED LICENSE FEES-2020

PROPRIETORS FEES	MANAGER'S FEES	TOTAL FEES
13,140,000.00	4,860,200.00	18,000,200.00
13,464,000.00	4,536,000.00	18,000,000.00
11,220,000.00	3,780,000.00	15,000,000.00

TRAVEL AGENCIES/TOURISM HANDLING AGENCIES

RECOMMENDED LICENSE FEES-2020

PROPRIETORS FEES	MANAGER'S FEES	TOTAL FEES
1,870,000.00	630,000.00	2,500,000.00
1,346,400.00	453,600.00	1,800,000.00
935,000.00	315,000.00	1,250,000.00