

PARLIAMENTARY DEBATES

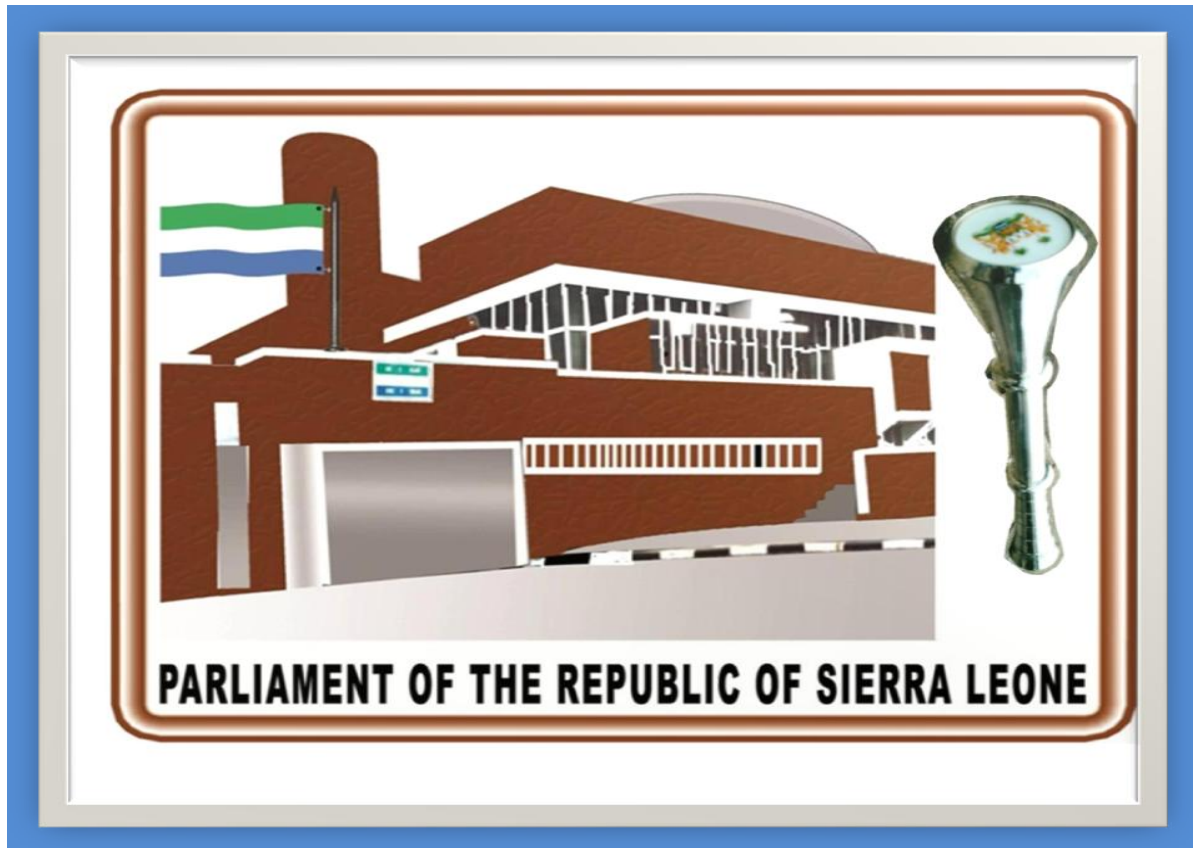
[HANSARD]

OFFICIAL HANSARD REPORT

FIRST SESSION –FIRST MEETING

THURSDAY, 14TH NOVEMBER, 2024

SESSION – 2024/2025



OAU DRIVE, TOWER HILL, FREETOWN

PARLIAMENTARY DEBATES

[HANSARD]

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First Meeting of the First Session of the Sixth Parliament
of the Second Republic of Sierra Leone.

Proceedings of the Sitting of the House
Held Thursday, 14th November, 2024.

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THE MINISTER OF FINANCE



THE CHAMBER OF PARLIAMENT OF THE REPUBLIC OF SIERRA LEONE

Official Hansard Report of the Proceedings of the House

FIRST SESSION – FIRST MEETING OF THE SIXTH PARLIAMENT OF THE SECOND REPUBLIC

Thursday, 14th November, 2024.

I. PRAYERS

[The Table Clerk, Alimamy Bangura, Read the Prayers]

[The House met at 11:05 a.m. in Parliament Building, Tower Hill, Freetown]

[The Speaker, Hon. Segepoh S. Thomas in the Chair]

The House was called to Order

Suspension of S.O 5[2]

HON. MATHEW S. NYUMA: Mr Speaker, after consultation with the esteemed Chairman of the Committee on Tertiary Education, I beg to amend the Order Paper by expunging item IV. I so move, Mr Speaker.

THE SPEAKER: Any seconder?

HON. BASHIRU SILIKE: I so second, Mr Speaker.

Question Proposed, Put and Agreed to]

[The Motion to amend the Order Paper has been carried]

II. CORRECTION OF VOTES AND PROCEEDINGS FOR THE PARLIAMENTARY SITTING, HELD ON FRIDAY, 8TH NOVEMBER, 2024

THE SPEAKER: Honourable Members, we go through the record of Votes and Proceedings for the parliamentary sitting held on Friday, 8th November, 2024. As usual, we shall skip Pages 1 to 4 and start with Page 5? Page 6? Page 7? Page 8? Page 9? Page 10? If there is no correction or comment can someone move for the adoption of the record of Votes and Proceedings for the parliamentary sitting held on Friday, 8th November, 2024 as presented?

HON. FRANCIS A. KAISAMBA: I so move, Mr Speaker.

THE SPEAKER: Any seconder

HON. VERONICA K. SESAY: I so second, Mr Speaker.

[Question Proposed, Put and Agreed to]

[The record of Votes and Proceedings for the parliamentary sitting held on Friday, 8th November, 2024 has been adopted as presented]

III. ANNOUNCEMENTS BY MR SPEAKER

THE SPEAKER: Honourable Members, I would like to meet with the entire leadership of the Government Bench and the leadership of the Opposition, including the Chairman of the Legislative Committee in my Chambers.

[The House stood down at 10:28 a.m. and resumed at 11:15 a.m.]

IV. BILL:

THE FINANCE ACT, 2025

INTRODUCTION AND FIRST READING

THE MINISTER OF FINANCE

THE MINISTER OF FINANCE: Mr Speaker, Honourable Members, I move that the Bill entitled, The Finance Act, 2025 be read the first time

[Question Proposed, Put and Agreed to]

[The Bill entitled, The Finance Act, 2025 has been read the first time]

[SECOND READING]

THE MINISTER OF FINANCE: Mr Speaker, Honourable Members, I move that the Bill entitled, the Finance Act, 2025 be read the second time. Mr Speaker, the purpose of the Finance Act, 2025 is to support and strengthen both the efficiency and effectiveness in tax administration, not by imposing new taxes or increasing rates, but by reviewing certain large administrative and compliance improvement measures containing final provisions to improve compliance and other provisions geared towards reducing compliance costs with better services to taxpayers. In essence, they are projected to significantly enhance domestic revenue mobilisation from efficiency, compliance improvement and other gains.

Mr Speaker, Honorable Members, the recent nationwide anti-tax demonstration in some countries in Africa, especially in the East or even West Africa highlights structural challenges that many of our economies face. These are initially considered to have been triggered by new taxes imposed on some basic commodities and sensitive items. In some instances, basic commodities or basic essential items, like diapers, tampons were included in their own Finance Bills of 2024. It became clear that it was as a result of other growing inequalities within their societies. This was manifested in the continuation of protests, despite initial rejections by some of the leaders in signing the Bill, coupled with other eminent actions. His Excellency the President of the Republic of Sierra Leone,

through Cabinet indicated that he did not want that instance to happen in this country and therefore Cabinet approved that we should not impose new taxes for 2025.

Mr Speaker, Honorable Members, as I stated earlier, cases in some of these countries are indications that of the challenges each and every country faces with balancing budgets, addressing deeper public problems, growing inequality and demands of our society are things that we must be very conscious of in proposing policies that will affect them and trigger some social actions that create disruptions. While we have a cardinal responsibility to raise revenue to meet our development challenges, it means we ought to consider the current realities and fundamental issues pertaining to our own societies. In summary, those developments are real testaments that tax issues are not just about raising revenue, but can also be used to address social issues or social concerns. They are also about efficiency and effectively communicate government policy objectives to the general public. Mr Speaker, for these obvious reasons, we have deliberated and set ourselves not to introduce any new tax proposals in this Finance Bill for the consideration of this Honourable House. As I stated earlier, we have instead considered certain large administrative measures, compliance measures, as outlined in the medium term revenue strategy for 2023 to 2027. This is basically to allow our businesses and our people to be able to predict the policy intentions of the government as far as staff measures are concerned.

Mr Speaker, Honourable Members, the Bill seeks to accomplish the following:

- ❖ introduce new penalties for some taxes and review existing penalties for others;
- ❖ update the HS code of certain products in line with recent ECOWAS applications;
- ❖ characterise the taxpayers segments to reflect current realities on the economic changes;
- ❖ revise royalty fees on dimension stones and marbles and other stones which have been exported out of this country as samples and have not been bring any revenue to the government.
- ❖ prohibit the grant of exemptions on corporate income tax and payment of withholding taxes on contractors;

- ❖ broadening the scope of the minimum alternate taxes, ensuring clarity in vehicle exemption provisions for INGOs and NGOs; and
- ❖ strengthening the NRA administrative capacity to be able to provide systems support, tax administration and better services to taxpayers.

Mr Speaker, Honourable Members, I move that the Bill entitled the Finance Act, 2025 being an Act to provide for the imposition and alteration of taxes in support of government fiscal policies for the year 2025 be read the second time.

THE SPEAKER: Honourable Members, before I put the question, I would like to recognise the presence of a friend of the Sierra Leone Parliament, Bishop Jones. He is the founder and CEO of Enduring Faith Assembly. He is highly motivated or ordained and licensed Reverend Bishop from Maryland, a critical thinker with excellent reasoning and decision making. I wish to recognise his presence and he is here with Pastor Raymond Manley. Pastor Raymond Manley is the pastor for the International House of Prayer Ministry, sent by President Joe Biden from Maryland, USA. I thank you very much.

[Question Proposed]

HON. FRANCIS A. KAISAMBA: Thank you very much, Mr Speaker. Mr Speaker, Honorable Members, I wish to take this opportunity to thank the Minister of Finance and his team for putting together this Finance Bill. All of us know that it is this Parliament that has the authority to impose or alter tax. However, the responsibility of putting those proposals rests with the Minister of Finance and probably the NRA. So, there are a couple of proposals presented by the Minister for the attention of this House and we will definitely look at them critically. Like the Minister rightly said, there are no new taxes being imposed in this Bill for 2025, but basically compliance issues for taxpayers are included. These laws have been there before this time, but penalties were absent there. Some were very weak and that is why we need to strengthen them. I think there are no controversial issues contained in this Bill. I hope that Members of Parliament will go through this Bill as quickly as possible.

Mr Speaker, Honourable Members, tobacco is mentioned on Page 5 of this Bill. Tobacco is an essential commodity for Sierra Leoneans. Even though there are laws against tobacco in this country, people are still consuming tobacco in public places. We are not implementing the laws properly and in the process, some of us become second hand smokers and it is not good at all. So, if you can afford to buy cigarette, that is fine, but we need some clarity on taxes being imposed on certain goods.

Mr Speaker, Honourable Members, I want to talk about vehicle exemptions the Minister mentioned regarding INGOs and NGOs, especially those he referred to as philanthropists. Some of us would not want this facility being misused. We want proper definition of the philanthropists he was referring to. For example, we want to know if the exemption for 10 vehicles is within five years. I do not want to make comparison, but as lawmakers, we are entitled to one within the period of five years. I think we are better philanthropists as Members of Parliament, especially in our areas or constituencies. So, we need clarifications, Mr Speaker. Of course, we are concerned about the petroleum regulatory agencies and that is why the Minister should explain to us whether that will not affect the pump price of fuel. This is because the pump price of fuel will automatically relate to many things. We have seen a couple of them and once we have the same explanation with the Minister of Finance that they will not affect the pump price and the economy, we are okay or I will have a rethink. However, we have those concerns and we need some clarity.

So, like I mentioned earlier, this proposal is very simple and concise. I think there are no controversial issues in this Bill, except certain clarifications are to be made. I thank the Minister and Ministry of Finance for this presentation. Thank you so much.

HON. AARON A. KOROMA: Thank you very much, Mr Speaker. Mr Speaker, Honourable Members. I want to re-echo the submission of the Chairman of the Finance Committee when he said that the Bill before us proposed little or nothing on new taxation. Indeed, unlike other Finance Bills or Finance Acts we have enacted in this Well, the Bill before us seems to be relatively people centered. Mr Speaker, unlike the previous Bills, this one did not actually introduce new taxes, but it rather enforces

existing laws, thereby increasing compliance. This will result in increase in revenue generation. I think as Members of the Opposition, we share that view because we believe that it is only when government has the required resources it will be in a better position to cater for the wellbeing of our citizens.

Mr Speaker, Honourable Members, I tried to look at the entire Bill and there are a few concerns we need to bring to the attention of this House. One of them is in Clause 7, where the Ministry of Finance reclassified the classes of taxpayers. One of the factors that normally give rise to reclassification is inflation or time value of money. This is because the value of **NLe5bIn** five years ago was not the same value in 2015. So, the reclassification of taxpayers is normal and it is international, but my concern is the threshold for the lower taxpayers. When you look at the amount they proposed, it is almost the same. The minimum amount stays as it is, which was **NLe10mIn**, but it was increased. It proposed an increase of **NLe500mIn**, which means it is going to target even the 'Alpha Bah Shop' that sells bread. I think we have to create some guidelines. I am sure the precedent for the reclassification of taxes was largely because of inflation, or maybe time value of money. I want to consider that to raise this minimum amount for the medium tax taxpayers from **NLe10,000** to something beyond is going to be burdensome for our people. Our people are poor and we have to find ways of excluding them; they are mere business people. I am sure those are the businesses Members of Parliament represent in this Well.

Mr Speaker, Honourable Members, the Honorable Chairman of the Finance Committee spoke about petroleum products. Well, if you look at the schedule, we should be worried economically or financially. There is no way you would tell me that the increase will not affect my selling price. There is no way, Mr Speaker because if I am a businessman and I have spent more to produce a particular commodity, I would have to increase the price because my aim is to make profit. I will always take that into consideration in terms of determining my selling price. However, if you go to schedule 1, there is something regarding import and refinery offshore. It was **NLe50,000** and there is a proposal for you to increase from **NLe50** to **NLe150**. We also have the price

for a regulatory fee, which was 0.25 that is 25 cents before now, but the new proposal is 0.4 cent, which is equivalent to **NLe400**, resulting in **60%** increase.

Mr Speaker, Honourable Members, if you go to Page 15, it also increased in the Western Area. It was **NLe 10,000** in the 2024 Finance Act, but it has been increased to **NLe 25,000**, resulting in increase of **450%**. The Minister will share that view because inasmuch as the PRA determines the selling price of fuel, in some instances government finds it very difficult to negotiate with the oil marketing companies. This is because they always consider lots of factors. However, if their cost of production or the cost of goods is high, it will be difficult for government to negotiate with them to have a fair price that will benefit our people. So, except we have reasonable assurance that indeed there will not be any increase in the price of fuel and that will satisfy me. I however think that these are triggers for increase in the price of fuel. I want to refer this House to a very nice statement made by His Excellency the President. I want to refer you to Paragraph 24 and I will only read an excerpt of it. It says, "Without the ability to feed our people, we risk sitting at the top of a volatile recipe quest for unrest and turmoil. The adage, a hungry man is an angry man, holds profound truth, highlighting the direct link between food scarcity and national security. The President was very sincere.

Mr Speaker, Honourable Members, in 2024 the Ministry of Finance wanted to reintroduce excess tax on rice and that could have been counterproductive. The reason they advanced was because when the tax was zero, there was no impact in the price. I think that is something we should hold NRA to account because we have passed the laws. If government creates incentives, it is for the NRA, the Ministry of Trade and other players. So, you have to ensure that whatever government offers as incentive is reflective on the prices of goods and services. That is why government gives tax breaks. If government is proposing tax break or tax holiday on the importation of rice from 2008 until last year, when it was introduced, I think we have some questions to ask the officials of the Ministry of Trade and even NRA. It was proposed to be increased to **5%** as at last year and another **5%** increase to commence in the following year. What I

would have loved to see was for the Minister of Finance to have brought a position paper as to how the **5%** we have sanctioned has performed. So, they would have told us how much revenue we have generated with the implementation of the **5%** that is already in force.

Mr Speaker, Honourable Members, let me just reveal some statistics before the introduction of the **5%** increase in 2024. There is a report that the World Food Programme normally issues on Sierra Leone. They call it the Food Security Monitoring System Report for 2020. The report revealed that **78%** of our population is food insecure. Mr Speaker, upon the introduction of just the first phase of the **5%** of the excise tax, or precision tax on rice, the 2024 report revealed that that food insecurity rating has increased from **78%** in 2023 to **83%** in 2024. This is alarming, Mr Speaker.,

THE SPEAKER: What? Are you saying that **82%** of our population is food insecure? I do not agree with that statement.

HON. AARON A. KOROMA: I can give you the reference. I am sure WFP is a global organisation.

THE SPEAKER: I do not know how they conducted their research.

HON. AARON A. KOROMA: Mr Speaker, what is clear here is the fact that issues around rice are things that bind all of us. There is also another report called the Global Malnutrition Rate of Sierra Leone. It also indicates that in 2023, our malnutrition rate was **3.1%** and it has increased to **5%**, which is indicative of the fact that something has happened in terms of affordability of basic goods and services, specifically rice. We all know what the situation is in Sierra Leone. For example, salaries have remained stagnant in terms of value and the minimum wage cannot buy a bag of rice. This has widened the gap, which I considered to be in contravention of what the President said in Paragraph 137. He said empathy and compassion in governance are not merely about ticking boxes; it is about genuine inclusion and transforming the lives of the most vulnerable. Mr Speaker, rice is a necessity and rice impact the vulnerable people we represent here. It is not the first time this House has stood the test of time to represent

the interests of the people. I remembered that the Government, through the Ministry of Works, proposed for an increase in tollgate charges, but through your wisdom and Leader of Government Business, you intervened and the people were relieved.

Mr Speaker, Honourable Members, all of us know that the cost of rice has increased significantly to a point that it has affected the consumption pattern of our constituents. We also know that if the price continues to increase, it has a security threat. In this regard, it is my suggestion that the Honorable Member of the Government Bench propose for an amendment of Section 3 of the Finance Act, 2024 to put on hold the implementation of another **5%** of rice importation. We must make this as a parliamentary position, not a position of just the APC or SLPP, but a position that should reflect the views and aspirations of our people. I want to inform the Leader of Government Business that whoever takes the Floor to debate after me should toe the line in order to alleviate the sufferings of our people. I am saying this because if they add another **5%** increase, it is likely that a bag of rice will be sold above **NLe1,200**. I do not know how business people misuse some of these taxes because if **5%** is added, they will add **10%**. They will make profit out of the misery of our people. I think we should come together and expunge that particular clause from the 2024 Finance Act. We should not allow another **5%** increase on rice importation. I want the government to create this avenue for this issue to be resolved. We know that when the government expunges that clause, it is going to be a burden on government because it will lead to revenue loss. We also want government to generate more revenue.

Mr Speaker, Honourable Members, in 2017, there was an imposition of tax on the importation of rice and beverages. I am sure it was 4.5 dollars per liter and approximately 0.5 per cubic liter. However, when this government came and because they realised that there was capacity issue in terms of producing for local markets due to the non-availability of large production of sorghum, it was reduced through a supplementary Finance Act that was brought to this House in 2018 from **\$4** per liter to **\$1.6**. Mr Speaker, when it was introduced, it was noted that government was also losing more revenue. Therefore, in the Finance Act, 2022, it was increased from the

\$1.6 in the supplementary Finance Act, 2018 to **\$4** per liter. So, in the last Finance Act, because the government realised that we were experiencing shortages in terms of local production, it was reduced from **\$4** to **\$1.5** per liter. However, instead of quoting the amount in dollars, it was mistakenly quoted in Leones. So instead of **\$1.5**, it was quoted **NLe15** per liter and the government lost a lot of revenue. Therefore, we are proposing that because alcohol and other beverages are not essential goods, but are luxury commodities, we are okay with whatever the prices. This is because if I drink alcohol, I can always buy it. Mr Speaker, taxes on tobacco has risen beyond expectations, but people continue to smoke because it is not an essential good. Therefore, we are proposing that the House considers reinstating either the 2022 or 2018 rate regarding the importation of beverages to be increased to **\$1.5**, instead of **NLe15**, which is below **\$1**.

Mr Speaker, Honourable Members, I know we can do it because we have always stood for our people. This is not the first time the President has shown good faith and magnanimity. I remembered when the issue of unaccountable Imprest was brought to this House, even when we enacted it, he sent it back to Parliament. He did that in good faith. Again, when tollgate was about to be increased, all of us held the view that if the tollgate charges increased, they will increase the sufferings of our people. We made adjustments and in that same faith and in line with certain provisions which the President has turned our attention to, I call on this Honourable House to remove the **5%** increase on the importation of rice to relieve the burden of our people. Thank you very much and God bless us all.

HON. ABDUL K. KAMARA: Mr Speaker, Honourable Members, I am sure this is not one of the Finance Acts we should politicize. We should not do anything to gain political favour or votes, but rather to appeal to the Ministry of Finance on behalf of our people. This is going to be a win for all us if we achieve same. I refer you to Paragraph 197 of the Presidential Speech. The President said that true power is owned by the people. We represent them and therefore we should represent their hopes, dreams and aspirations.

Mr Speaker, Honourable Members, during the Presidential Speech debate, I mentioned the issue of agriculture. I said that food security is not just the availability of food in the market, but it has to do with the earning power. The people must benefit from their resources to enable them get their needs. As the Honourable Member from Tonkolili stated, if we increase tax on alcohol and other beverages, it will be an equaliser to the lost we will experience in decrease in the cost of rice importation. I am sure the Minister should do a proper calculation and tell us if the increase in the importation of alcohol and other beverages will generate more revenue than the increase in rice importation. It also behooves us as a Parliament to understand that in 2018 and 2016, the issue of Brewery came up and you would agree with me that Brewery was suffering at that time because they never had the right equipment. The Chairman of the Committee on Trade can attest that the current Brewery has the capacity to meet the market demands. Besides, people think we are only trying to promote local beverages for Brewery, but Brewery is also an importer. This means they are paying the same tax. It is just a way of empowering our local industries because they also employ Sierra Leoneans in the local production. They buy the raw materials.

Mr Speaker, Honourable Members, I am a sorghum farmer and Brewery is not just buying from us, they give us seeds, fertilizers and money. This means they are also promoting us. It is a double promotion from the angle of the food security. Today, they have over 25,000 farmers and their families. These are the people benefiting and if you multiply 25,000 by 4, it is a huge job creation. Job creation is not just employment, but empowering families. I want to inform the Minister of Finance that if Brewery is producing beer, it is beneficial to the people of Sierra Leone. I am benefiting from this, but government cannot provide 500,000 jobs. I am sure Brewery alone can provide approximately 100,000 jobs. Mr Speaker, we are targeting **50%** to **60%** locally produced beer with local content. Mr Minister, I want to appeal on behalf of my farmers for you to bring that to **30%** or **35%**. I do not drink beer, but those who drink it have specific taste for such products and it will take time for the company to change the taste. So, they are starting with **30%** and if they are not empowered to capture the

30%, they will reduce their purchase of sorghum. Again, because they also import, it means they are using Forex to do that. If they are empowering the local farmers, they do not need Forex at all. Therefore, it is another advantage for the Ministry of Finance and the Bank of Sierra Leone.

Mr Speaker, Honourable Members, I want to appeal to the Minister to consider these concerns. This is not a Finance Act where we play politics, but a Finance Act where we can better the lives of our people. The Ministry of Finance should understand the current situation. As I speak, out of those 25,000 farmers, we have almost 5,000 in Kambia District. So, empowering Brewery in this aspect means empowering the people of Masogbala and the people of Samu. This is because with Sorghum, you can do mixed farming. I do not want this issue politicised. I trust in the judgment of this the Leader of Government Business. I always say he is a political scientist. He has the ability to search the market or do research and bring out correct information. This one will affect our people, Mr Speaker. I want the Honorable Member from Bombali to know that the last Finance Act stated that the cost of a bag of rice in Kambia is cheaper considering the good road factor than Mattru Jong. So, we are only appealing these concerns are taken into consideration.

Mr Speaker, Honourable Members, the Honorable Member from Kenema mentioned that in the fuel recalculation, we have to ensure that we are given confidence that whatever we are including in this Bill will not affect the price of fuel because it will also affect our people. On that note, let me end by appealing to the Minister to understand the plights of us the farmers. We are only appealing for you to understand that the actual owners of power are the people we are representing and they are the people we are talking for this morning. I thank you very much.

HON. DANIEL B. KOROMA: Thank you very much, Mr Speaker. I always tell Members of this House that your office as Speaker, you are bound to succeed because of your leadership style. Today, the double edged swords that would have been displayed in this Well have all been withdrawn. They have been withdrawn for the good of this country; they have been withdrawn for the image of this Parliament. I am sure under

your leadership, this Parliament will continue to act as one and put Sierra Leone first. Mr Speaker, the few concerns we are raising here are for clarification by the Honorable Minister and his team. As the previous speaker said, we are appealing to you on behalf of the people we represent.

Mr Speaker, Honourable Members, when we go through the calculation on Page 2, Clause 2 regarding the status of foreign workers and the nature of calculation of their PAYE tax you will notice something. Having been in Parliament for some years now, sometimes during our oversight engagements, we go through the lists of employees and their salaries. We ask for those lists, especially from foreign companies who have expatriates and those expatriate staff are being paid from their foreign countries, but the activities they perform are done in this country. The mining activities and other investment activities are performed in Sierra Leone and they also reside here. This is why their salaries are not subject to corporate tax. In my opinion, this is unacceptable, Mr Minister. So, I commend you for inserting this provision in this Bill. We need further clarification because I am not finance expert, but I believe that if you are working in Sierra Leone and you are paid for the work you are doing here, your salary should not be paid outside this country; and even if it is paid outside Sierra Leone, corporate taxes should be paid to Sierra Leone government.

Mr Speaker, Honourable Members, yesterday I made mention of one of our packages we have now, which is the MCC. I asked you a question. I said who is the employer for MCC activity. Is it United States government or Sierra Leone Government for MCC activities in Sierra Leone? Some experts said that it is a joint venture; i.e., partly the employer is United States Government and partly the employer is the Sierra Leone Government. My question now goes to the employees of United State Government that if the United State Government is partly an employer of their own employees to implement MCC agreement in Sierra Leone, what will be the status of their tax obligation in terms of their salaries or entitlements. I am talking about their PAYE tax. Mr Minister, what are your plans? Can those taxes be paid at home while the activities

are being done here? Is that fair or is that correct? We need clarifications on that based on this particular provision.

Mr Speaker, Honourable Members, I also raised another point regarding fines for late filing by taxpayers or big taxpayers. They are supposed to file returns of their profit margin, whether monthly or half yearly. In other words, they are supposed to file at a due date, but when filing is done within 30 days after the due date, there is a fine to be imposed. Again, filing 30 days after the due date attracts fine, but the figures stated are not much. They are not good enough to serve as deterrent. If you file on time, then there will be no fine for you, but if you fail to file on time, then you have to impose a fine. In my opinion, the figures are too minimal. For instance, for a big taxpayer to be fined **Le25,000**, which is less than **\$1,500** is too minute. Some big taxpayers make **\$500mln** as their annual returns profit, but they still fail to file on time. If you fine that person less than **\$1,500** is not enough. You need to advise us because we will propose an increase to serve as deterrent. As an expert, maybe you need to justify whether the figures should remain as they are.

[Suspension of S.O 5[2] being 12:00 noon]

HON. DANIEL B. KOROMA: Mr Speaker, based on the Minister's presentation and from what I have read, there is no provision for new taxation. In good faith you thought that is the best for us, but there are more provisions for enforcement of existing tax laws. If this is fine by you, we are equally fine with it, but as the previous speakers mentioned, we are appealing for the insertion of a new tax provision by amending the Finance Act, 2024. It is for the interest of our people. In fact, I believe that even His Excellency the President will be in full support of this proposed amendment. The President will support this proposed amendment because it is for the interest of the people we represent. If you look at our Human Development Index, we are 181 out of 191, better than only 10 countries. Sierra Leone has been classified as one of the 10 hungriest countries in the world. You can just go to Sierra Leone Hunger Index by district. If you follow me, you will see that the hungriest district is Bonthe District.

THE SPEAKER: Honorable Daniel B. Koroma, that is not correct.

HON. DANIEL B. KOROMA: It is the hungriest district and even if you did not pass BECE, you will know that Bonthe District is disadvantaged by waterlogged because it an island. You would agree with me that goods and services to leave the ports in the Western Area to be distributed nationwide is a great challenge for Bonthe because of the separation by water. I am saying this based on the surveys being done and responses got by the people of Bonthe. You would agree with me that Bonthe is disadvantaged and this argument is not political, but for our people. In fact, from the research I conducted, I discovered that the five hungriest districts in Sierra Leone are Pujehun, Moyamba, Bonthe, Koinadugu and Falaba. Three of them are from South. Again, seven of the twelve hungriest districts are from South-East. What we are saying here is that we are representing the entire nation. We are appealing that the existing **5%** increase on rice importation remains as it is. Let rice be a no go area for the people of Moyamba, Pujehun and the rest.

Mr Speaker, Honourable Members, I want the Minister to know that we are being nationalistic and not political. I do not want to waste more time based on your leadership style. I was impressed this morning and that is I see no reason to bring out the other issues because there is a common understanding and with that common understanding, we can forge ahead. This is one Parliament and on that note, I ask my colleagues to support the Honorable Minister to generate more revenue for this country. I am sure alternative provisions have been proposed and we are ready to support you in order to ensure that you implement those proposals. You can increase where increment is necessary, especially for luxury goods. This will enable you generate almost the same revenue you earlier proposed. You will not lose at all and that will make our people happy. I do not want to go to Sierra Leone's World Happy Index. In fact, I know that index will change this time. I am sure with the dynamic leadership of Mr Speaker, the happy index of Sierra Leone will change. The figures will change in the next three months. I thank you very much and God bless

HON. IBRAHIM T. CONTEH: Mr Speaker, Honourable Members, these are important times in the calendar of Parliament. Last week we were debating the Presidential Address in your absence and it went well. For me, it is a demonstration of the fact that you are not only leading, but you are creating a path to new leadership that in your absence, we could handle the debates in this House. The debate was well managed, and the House was operated in a decorous manner. Others are calling for the report of what transpired in your absence, but I know that I have briefed my boss. However, it is also important that the public understand exactly how influential and how important Mr Speaker has been since his election. I think it is a surprise to most pundits that the House of Parliament is conducting itself in the ways prescribed in Section 97 of the Constitution. I say kudos to you, Mr Speaker.

Mr Speaker, Honourable Members, the Finance Bill before us and the issues raised are not new. They are almost identical to those raised during the debates. Firstly, the issue of the minimum wage and the price of a bag of rice were raised. Usually, when we debate these issues, we equate ourselves to Guinea, but during this debate, nobody has heard of Guinea. This is because even though the minimum wage in Guinea is slightly higher than in Sierra Leone, but the price of a bag of rice in Guinea is higher than the price of a bag of rice in Sierra Leone. However, the minimum wage cannot buy a bag of rice in Guinea. That is clearly established. So, it shows exactly that the World is a global village. If you are in the village, whatever happens in the center affects everybody. When we were in school, they will tell you that when America sneezes, the world catches cold and America is standing against declaring failed markets or austerity in the economy. We all know that inflation is high in America; we all know that commodity prices are high; the Consumer Index is high. I was listening to the news this morning that the new Chancellor of the Exchequer in the UK is worried that Donald Trump is about to impose **20%** on excise tariff, which would mean that the UK will be looking for additional **£22bln** to finance their economy. These are facts that are playing out there, but they would affect countries like us that depend purely on importing produce.

Mr Speaker, Honorable Members, just last year, the government of India imposed a ban on the export of non-basmati rice to other countries. Sierra Leone is one of those countries that import non-basmati rice in large quantity. What does that mean? It is saying that if rice producing country like India is imposing a ban on the export of their non-basmati rice to take care of their population means two things: first, every country must increase their efforts to manage and handle their population, which is more or less speaking to what America voted for. He said, as from now, it is America first. That is, whatever you have is American, which speaks to the fact that the feed Sierra Leone agenda is an agenda we should embrace holistically; it is an agenda that will not succeed in one year. This is because President Momoh of blessed memory declared the Green Revolution; and in the Green Revolution, his intentions were exhibited in the printing of the currency. The currency was a pictorial explanation of what his intentions were. At the back of the ten Leones, there was the cow and the cow was grazing in a very big green field. What happened? We translated it and **S02 usai den tie cow na dae e for eat**. That is the beginning of corruption in Sierra Leone; that is where corruption started and everybody believes that if you are in office, that is your place of survival. Yes, but you should not survive beyond your limits. We did not succeed at that time. Fast forward, we had the NPRC revolution and civilian government was reinstated in 1996. In 2007, President Amed Tejan Kabba said by the end of his term, no Sierra Leone will go to bed hungry. I am sure he tried, but he could not achieve his objectives because there are people in the Ministry of Agriculture whose work is to ensure that every President that tried to feed this country failed.

Mr Speaker, Honourable Members, if we are talking about progress in agriculture, I think the focus should be on what has gone wrong in that Ministry. In the Agenda for Prosperity, President Ernest Bai Koroma espoused his agricultural intention and he wanted to ensure food self-sufficiency, reduction in price and improve storage facilities. These were the core of his agenda on agriculture. Truth be told, Mr Speaker, the former President Ernest Bai Koroma invested so much in Agriculture. In fact, I could recall that he brought over 400 tractors, thrashers, millers and stoners. Where are

they? Mr Speaker, where are they? These are the questions we should ask ourselves. The same people that are in the Ministry of Agriculture were the same people during previous regimes. Some of them were there when Joseph Saidu Momoh was President. Some of them are still there. They have been there when President Koroma was there. We now have President Julius Maada Bio and these same are still there. In his first term, agriculture was not his prime priority. However, even though agriculture was not his flagship project, the President gave **Le60bln** to support 12,000 farmers with farm tools. The money was deposited by the Ministry of Finance at Rokel Commercial Bank. How was it spent? Today, there is no record to show how it was spent.

Mr Speaker, Honourable Members, even though agriculture was not his flagship project, the President bought 410 tractors and they were given to Machine Ring Operators. Let me shock you, the operators have refused to pay to Government. The liability has accumulated to **Le19bln** and there are agencies of government whom these operators are providing services for. They are paying the operators, but Machine Ring Operators do not want to pay the government. There are Regional Rice Value Chain Projects [RRVCP] we are fighting with. We debited their account for moneys they are supposed to pay to a Machine Ring Operators and credited the agricultural mechanisation account. They were crying that I have taken the money credited to PAC as if PAC has an account. PAC does not have an account and I am not a signatory to any PAC account. This is how deliberate people are working against government intentions to support agriculture and for us to feed ourselves.

Mr Speaker, Honourable Members, I was saying that countries that we depended on yesterday are either in war or busy reducing the threshold because of economic malaise and economic challenges. Two years ago, Ukraine was producing 7.4 billion per unit of eggs; but today, Ukraine is at war, so we have to feed ourselves. If we want to do it, we have to work collectively. For me, I see this particular Finance Act speaking to a number of issues, but I think the emphasis is on hunger or food. We should focus on those who are putting us in these abysmal positions. We should not be there at all, Mr Speaker. We have enough arable lands and the Government has been very supportive.

We should not be number 10 at all. Why is it that those above us are able to take care of themselves? It is because the people in their ministries and agencies focus on the objective of their governments, but objective of those in the Ministry of Agriculture is that if the fertilizer is not bought and brought to country, it must arrive late. That is the truth, Mr Speaker; that is the fact. If seedlings are to be brought, they must make sure that they get the wrong seedlings; if the government is going to invest in tractors, they are going to be part of the Machine Ring Operators to ensure that they provide the necessary skills to cheat government, so that at the end of the day, the government will just take off the debt. That is what they have been doing. I am dwelling more on agriculture because during the Presidential Address debates, I did not have time due to the fact that I was conducting the proceedings of the House. I was not comfortable sitting there, but I had to do due diligence in your absence. I had to deputise you, but I wanted to be here to say these things, so that the people and the media understand that agricultural success cannot be measured in one year. It is a continuous process over time, with the right and sincere people, so that our people can benefit through feeding ourselves and even export.

Mr Speaker, Honourable Members, Section 4 of the Finance Act, 2022, the schedule states that the tax on alcohol or beer was \$4, but we reduced it. In 2024, we reduced it further from dollar to Leone. My point is that are we reducing it because it is showing an increment in revenue or are we reducing it to align with the local content? This is because one of the problems we have in this House, I must say it as chairman of the Public Accounts Committee, is that there are lots of lacunas in the laws that we pass here. Our laws overlap each other. We still have the Local Content Act, 2016, which provides that we must protect local content at all costs by reducing the tax on alcohol. Is it to protect local content or to protect importation? If we are encouraging importation, are we upholding the dictates and values of the Local Content Act, 2016 or are we advocating for them? These are the things we must look at.

Mr Speaker, Honourable Members, we have also agreed in this House that the Finance Bill should focus purely on raising revenue for the government or harmonising tax

angles. I do not see in this Act where we are harmonising taxes or giving revenue to the government. I have looked at the list from the Ministry of Economic Development for NGOs that benefited from concession they should not have benefited from. The total on the list is 75 NGOs. I know that they are more than that number. So, if we have 75 local NGOs, what is the total number of international NGOs we have? Let us say we have 40 INGOs, but if we give 10 to each of these 40, they will bring 48 vehicles into this country and this is a loss to the government. We must not agree with that because it is not financially prudent. I would encourage the House because if you go to Section 6 of the Tax and Duty Exemption Act, you will find out that it is an amendment to the Constitution. If I could use the words of the late Corporal Tamba Gborie, he said that they 'are disbanding our army by 'sabis.' This is amending the Constitution by 'sabis.' Mr Speaker, this provision is saying that when they have discussed exemption or when the Minister has proposed an exemption and taken to Cabinet, it should only come to Parliament for our notification. Section 110 says it is us Parliament that grants waivers and exemptions. We cannot be notified. That is what the extant law is saying. The duty waivers and exemptions Act, 2023 is faulty. The provision is faulty, which means we should delete the entire provision. This is because what it is referring to is faulty.

Mr Speaker, Honourable Members, if you go to Section 13, which has to do with the vehicles, you would want to know what it is trying to amend. There is no number mentioned. If you go to the Vienna Convention, which permits exemptions for diplomatic missions, there is no part in the Vienna Convention that says you should give this threshold. It states clearly what should be exempted and what should not be exempted. Clause 34 mentions sorghum and the percentage in the 2022 Finance Act. We wanted to encourage local production. We did not expect those who drink beer to change their taste by **50%** overnight. Normally, when I go to the office of the Leader of Government Business, it is fully stocked with drinks. Sometimes I will take one drink to know exactly the original taste. So, if we want to encourage the local content, I see no reason why we should not revisit that provision and change the percentage from

50% to 30%. In Krio, S.O[2] 'before you gee pikin bita meressin, you gee am money fos.' I think we must consider a repeal of that particular provision.

Mr Speaker, Honourable Members, I also want to admonish the fact that revenue is important. When we pass finance laws, we most times give leverage to the Ministry of Finance and NRA to collect revenue, but what we fail to do as a Parliament is to take stock of how the revenue is detailed. I will give you two examples before I take my seat. If you go to Regulation 70 of the Public Financial Management Regulation, 2018, it says the Commissioner General and Vote Controllers collecting non-tax and other taxes should produce a reconciliation of their tax statements every month. Mr Speaker, if you ask them today, they do not have it. They do not even have the annual reconciliation statement. So, what happens is that they are unable to tell us what we have received, what we have expended, what account was it paid to, and where the money is. If you go to the Regulation 65, of the same Public Financial Management Regulation of 2018, it says that the Commissioner General should publish the list of arrears in the National Gazette and in a widely circulated newspaper by April of the following year of all those that owe government tax or tax liabilities. Mr Speaker, if you asked for the tax arrears for 2023 that should have been published in April, it is not available. So, what are we doing here as Parliament?

Mr Speaker, Honourable Members, we are giving blank Cheque to the Ministry of Finance, NRA and all those who are collecting revenue, the law stipulates that nobody should collect non-tax revenue. The FS is here and uses it. I use it to offset other liabilities of the Ministry, but they are doing this every day. This means they are cheating the government every day. These are the issues that the audit reports capture every year. So, the Ministry of Finance should work with Parliament and Parliament must have a say in whatever that is happening, which has to do with tax exemptions, tax waivers and tax collections, so that the people we represent here know that we are representing them well.

Finally, Mr Speaker, Honourable Members, I subscribe fully to the submission made by the Deputy Leader II of the Opposition that we should do equilibrium assessment; i.e.,

reduce the **5%** for 2025, increase from 15 Leones in beer importation and restore **\$4** which will give us more revenue than what we can get from rice importation. This is because we do not have any statistical data that will tell us what we have gained from the imposition of the **5%** on rice importation. I thank you and I rest my case.

HON. ABDUL KARGBO: Mr Speaker, Honourable Members, on behalf of the Opposition, I want to express our profound appreciation to the approach taken by your office this morning. The consultation we had this morning will go a long way in uniting the House. I want to believe that as a Parliament, these are important steps we should be taking to ensure that we have sittings that are not rancorous, but sittings that unite us. One thing I would say here today is the fact that Parliament demonstrated that we have people at the center of our hearts that empathise with the people of this country. Mr Speaker, like what other debaters have said, the amendment of Section 3 of the 2024 Finance Act is not in front of us, but due to our consultations we have decided to invoke the amendment of Section 3 of 2024 Finance Act. The 2024 Finance Act clearly states that there should be **5%** increase in the import duty of rice for 2024 and another **5%** for 2025, making it **10%** increase. So after consultations, we have unanimously agreed that the **5%**, which is to be added in 2025 should be deleted or amended for the sake of the ordinary Sierra Leoneans who are buying rice very expensive. All of us know that we are not here by ourselves; we were voted for to represent the suffering masses; we were voted to represent the people. So, when Parliament says this is too much for the people, let us ensure that we use our good offices to protect the interest of the people. Therefore, I want to commend the Speaker and the Leaders of Government Business and the Opposition for this move. This is apolitical; it does not have any string of politics. We did it because we are Sierra Leoneans and we are representing people from our districts.

Mr Speaker, Honourable Members, most times people only look at the Finance Bill from a monofocal angle. Monofocal in the sense that people are of the opinion that the Finance Bill is only here to generate revenue for government. I am sure that is not the only reason. One of importance of the Finance Bill is to ensure that we prevent or

minimise importation of goods that cause damage to our nation. Recently, there were a lots of houses that collapsed; and after investigation, you realised that the quality of iron rod that were used for the construction of those buildings were too substandard. Some were made out of cast iron and they are still importing substandard things to this country. So, the Finance Bill makes provision for tax increase on those materials we think will create problem for our people. Let us discourage their importation to our country. So, when I saw the amendment of Part 2 of Schedule A, of the first schedule of the Customs Tariff Act, 1978 that imposes **10%** rate on beer, iron rod, I want to suggest that we impose more tax on less quality products, so that we discourage their importation to save the lives of our people.

Mr Speaker, Honourable Members, the appeal made by Honorable Members from both sides of the aisle is very clear. We all know what we are going through tough times as a nation; we all know the burden on our people. So, the amendment of Section 3 of the 2024 Finance Act is a clarion call and I am happy that Parliament agreed to ensure that we amend it. We are also talking about the importation of rice. I have come to realisation that there are people who smuggled rice out of Sierra Leone. This means we have to put modalities in place to ensure that what is produced here is not smuggled out of this country. If other nations that are producing rice are now preventing the exportation of their rice because they want to satisfy their people, we should also do the same thing. I am sure Sierra Leone should be at the forefront. Let our own locally produced rice begin to flood the market; let us begin to see what we produce. As you all know, this would have been one of the most contentious sittings had it not been the consultation we had earlier with the Speaker. From the consultation we had, I can assure the House that there is unanimity in what we are doing here today. So for that reason, I'm not sure that this debates will be as long as the other debate we used to have. I want to state that our consultations are always productive. When you have effective consultations, there is no need for rancorous sittings. I want to seize this opportunity to thank you and thank the House for the various amendments we have agreed on, especially the refusal of the additional **5%** tax on rice importation. I want to

crave your indulgence to allow some of us at the leadership on this other side to pay our last respect to the former Member of Parliament and May his soul rest in peace. I thank you, Mr Speaker.

HON. MATHEW S. NYUMA: Thank you, Honourable Members Mr Minister for a job well done. You have done your presentation to us and we are trying to see whether we have to impose more taxes or make some alterations on the existing ones. However, you have said it loud and clear that it is not the intention of the government to impose more taxes that would have devastating effects on the lives of our people. I have listened to all the arguments advanced by colleagues; they brought out clearly the pros and cons, highlighting certain areas we have gone wrong and how we can do some amendments to address those areas. I want to mention here that there is no perfect legislation and nobody wants to be taxed. That is obvious everywhere in this world and that is why severe penalties are levied on tax defaulters. For the edification of the public, the Finance Bill is not mandatory. We have Section 110[1&2] of the 1991 Constitution. It does not mean the Minister would have to come every year to present the Finance Bill if there is nothing to change.

Mr Speaker, Honourable Members, I would like to draw your attention to the Memorandum of Object and Reasons. The object of this Bill is mainly to provide for the imposition and protraction of taxation in support of government's fiscal policies for the year 2025. We are aware of the things we want to do. Policies can be in the form of how we can change the lives of our people. How do we involve infrastructure? How do we increase the minimum wage of our citizens? Sometimes the Minister finds himself in a very difficult situation in terms of trying to navigate between meeting those policies that geared towards generating domestic revenue and also trying to show to the international partners that we can do it. This is because we have our own commitments to meet and if he fails to meet those commitments at a particular point, it is going to be a challenge for him. So, he is charged with the responsibility to review and impose taxes. We are also faced with similar situation in this House. The Minister said he would not want to impose taxes that would devastate the lives of our people.

Mr Speaker, Honourable Members, people are appealing because Section 3 of the Finance Act, 2024 clearly states that on the 21st January, the tax on rice importation will increase to **10%**. I am sure we can handle it because we have heard them. Mr Speaker, we are going to have discussions on this issue. We are going to negotiate with the Minister to arrive at a consensus on the issues raised. This is for the good of the House and for the people of this country. We want to make roads; we want to increase the minimum wage; we want to do so many things.

Mr Speaker, Honourable Members, I want to commend the Minister and former Ministers of Finance for their great work. This is in line with the ECOWAS Protocol with regard zero taxation on rice. We are however saying that we should go back to the genesis because we failed to do our assignments. I am certain that from 2018 to 2023, it was zero taxation on rice importation. We were clapping and jubilating, but we forgot something regarding the parameters we need to look at carefully. Mr Speaker, while we were jubilating, the Minister was trying to do his best for the interest of our people. He was trying to remove the people from their deployable conditions to more comfortable ones. This is because during the debates, I did say that from 2011 to 2018, there was some statistical analysis because poverty was on the increase. The data analysis is in the 2019 Budget. When we came, the people were so impoverished and we needed to do something. So, the government started looking at how they could ensure that the staple food is taken care of. We were jubilating when we said zero taxation on the importation of rice. However, as we were jubilating, others were making profit. The businessmen were making profit; i.e., the business community that is in charge of rice importation and rice retailing was making profit. They are just adding the price of rice arbitrarily, **NLe5000** or **NLe10,000**. We went against the very Protocol that should be respected by all member states of ECOWAS. The Protocol was ratified in this House.

Mr Speaker, Honourable Members, in the 2024 Budget, the government decided to impose tax on rice importation because we wanted to take care of other issues. When the pronouncement was made, the business community did not wait at all; they increase the price of rice immediately. They started giving all kinds of explanations to

the public, in order to make the government unpopular. The question one may want to ask is that who is insensitive to the plights of our people? That should be the question we should ask ourselves. This is because those who import rice are the same people involved in retailing rice. They are doing it covertly. So, who is insensitive? They started lambasting us when it comes to the 2025 Finance Act. They are all over the media, lambasting Members of Parliament. I refused to take interview because sometimes you do not need to respond. All of us know that Jesus Christ was betrayed by his own disciples. Those who should continue to give tax concession for the good of our people betrayed us. While we are making money, our people are getting perished and cannot feed themselves. S.O.2 God dae, Mr Speaker.

Mr Speaker, Honourable Members, I just wanted to throw light on the transition, but as the Deputy Leader of the Opposition said, we have to look at this very critically. They are pleading for us to look at it, especially Clause 1 which says that unless otherwise provided in his Act, but it shall come into operations on the 1ST of January 2025. So, when we shall engage in consultations, we are going to decide what to do or the language that should be inserted for the edification of our people. We are trying to live by the policies, but we should not do so at the detriments of our people. Mr Speaker, I see a new phenomenon. I said crime punishment should not look lucrative. You are talking about the payroll, tax returns, fines, etc. Are those in charge imposed the wrong taxation or giving the actual returns? I am sure there are penalties against defaulters. We are going to the Committee Stage, but depending on the memorandum of objects and reasons, you want to generate more domestic revenue. However, during the Presidential Speech debates, I said we have never known NRA's revenue targets or the formula they used to set target for the 1st or the 2nd quarter. They always talk about achieving revenue targets for particular periods, but if you put that into context, why are we not able to pay our domestic and foreign debts. I can target NLe 3 trillion in two months, but if I collect that amount in one month, is that realistic? Where is the rest going to? So, we do not know the revenue target formula. They always meet targets.

Mr Speaker, Honourable Members, the Minister mentioned difficulties or factors affecting countries, be it Europe or Africa. All of us are suffering because the post pandemic is still affecting us. Mr Speaker, the Russia/Ukraine war is affecting us either directly or indirectly because we belong to the global community. So, in setting our revenue targets, we need to look at other parameters. You are achieving targets, yet there are challenges regarding payment of salaries and offsetting our domestic and foreign debts. We should review our revenue targets formula, Mr Minister. The Minister said he met the inflation rate in October, 2023 around **55%**, but because of fiscal discipline or certain measures they put in place, that has plummeted considerably. They put those measures in place in order to ensure economic stability. Nobody is going to blame you for that at all. He said in June, 2023, inflation plummeted and the Financial Secretary said yesterday that inflation is now around 20%. I think they are very honest. There is inflation even in developed countries.

Mr Speaker, Honourable Members, we want to see our inflation rate to single digit, between 1 and 2, depending on the calculation and what they are looking for. He is trying to bring down inflation to a single digit before 2026. What the Minister and the bank Governor have done was to maintain fiscal stability, especially the foreign exchange. These are things you can feel because four years down the line, the dollar was going up while the Leone was depreciating and that was why we had some problems with the exchange rate. In fact, for you to get foreign currency was a problem. This is a reality and that was why you said we can do alterations, but those alterations cannot take the sufferings of our people because there are other parameters affecting us. You said so much about your supports for external mobilisation. How do you support government? Are you going to do that by introducing strong fiscal policies? I am saying this because you are not inhuman and you are not insensitive to the sufferings of our people. Some of the things you bring to us are dependent on donor recommendations and you have to look at them squarely or look at them in a global lens or perspective.

Mr Speaker, Honourable Members, in a globalised community, you have to bend backwards to accommodate what you look for because you cannot do it alone. All of us know that our budget is fairly supported by donors and they are doing very well. I saw on television a grant of **\$105mln** meant for agriculture, specifically livestock. We have seen how you are supporting local and other counterparts. For instance, you supported the University of Kono with funds. We however need to generate more revenue to meet certain expenditures. It is also good for you to look at tax defaulters. Why people default in the first place? Those who default enrich themselves, while the masses continue to suffer. Do we need to impose more penalties against defaulters and make them more punishable than making them lucrative? This is because if you steal **NLe1bln**, but you are fined **NLe200nln**, that is nothing but pittance. You are encouraging the individual to undertake more criminal activities.

Mr Speaker, Honourable Members, like the Honourable Daniel B. Koroma said, Members of Parliament are professionals. If you bring certain things to us that are not in place, we commit them to the Legislative Committee for proper scrutiny. So, if you miss a nomenclature for the HS code, definitely the business community will be happy. Well, the business community can be politicians. There is no limit in business because everybody is trying to be a business person. I can be a businessman. The Minister should do the ammonisation because NRA will say it is a global trend in terms of the bullying. If we keep doing these mistakes, it will cost us dearly. I spoke to one of your professionals that for the cylinders and the cooking gas, you have different HS code for them. So, we need to look at the 2024 Finance Act, in order to correct any mistake in that Act. They are saying that the HS code for cooking gas and cylinder are different. Well, I take note of that, but as I said, we are giving discretionary responsibilities. Of course, I do not want to bore you with the threshold for tax payers.

Mr Speaker, Honourable Members, we do not want to belabored the point because you tried to have an understanding of the actual income tax bracket as amended. However, I am a bit worried. If we have given **0%** tax on rice importation, and now you are trying to levy on same, I do not know the implication. All of us are in the game

together. We have beautiful laws in this country, but the enforcements or implementations of those laws have always been the problem. People do not want to pay tax. You have to look at ways of enforcing our tax laws. People are going to make money, but they keep saying that the economy is bad. We can only succeed if you are ready to mobilise the needed resources.

Mr Speaker, Honourable Members, I asked a question yesterday and I know we are servicing the ASYCUDA and ITAS. In this Bill, you said you want to service the ITAS and the ASYCUDA. That is fine, but what is the enforcement level of the laws regarding revenue mobilisation. In Paragraphs 105 and 106, we are talking about inflation. I know this budget is going to tell us where we have gone wrong or right in terms of domestic revenue mobilisation. I know you already have benchmarks. I am sure at Water Quay, we have the Ministry of Transport and the NRA Section, but the bottom line here is that we are looking for revenue; we are looking for areas to raise revenue. If NRA and the Ministry of Transport that is scanning the goods, such as containers and other commodities are not fully automated, then there is a problem. They need to sit and advise themselves appropriately. They should have a system that has minor problems and user friendly. Your Deputy Minister explained to us yesterday and I drew his attention to the fact we need an automated system. She explained to us, maybe you have more to tell us about this. I am drawing your attention to some of these things that are discretionary responsibilities given to the NRA. There are decisions the Commissioner General [CG] should take and that is the role given to that office by an Act of Parliament. You cannot take that from the CG, but we need to pay attention to the discretionary responsibilities; we need to monitor them regarding the enforcement of tax laws. The present revenue targets are not good enough to offset our domestic debts. We have to increase the targets, but what are the parameters? You have to look at how to impose more penalties against defaulters.

Mr Speaker, Honourable Members, I spoke about royalties yesterday relating to our precious stones, such as gold, diamond, etc. We want clear explanation on this, Mr Minister. In 2024, we are still talking about tax on our precious stones. We are also

talking about 20 feet container in Clause 11 and at the same time referring to the Finance Act, 2008. Mr Minister, these are the areas we raise more revenue. So, I just wanted you to genuinely look at them and explain to us. If you read the side note, you will see royalty on dimension stones, marbles and granites. You have to look at it carefully. You are talking about dimension stones and marbles, 25 per cubic metric tons, etc. Members have just entreated reminded me about Clause 12.

Mr Speaker, Honourable Members, the Minister said persons and organisations outlined under the Third Schedule are not required to pay GST on goods and services. They are not in Section 9 and perhaps we are missing something somewhere. However, if the Minister cannot answer it when we meet at negotiation table, we would want to see how best he can explain to us and give us some reasons. I know they always refer to the Vienna Convention on Diplomatic Relations, but we should not misuse it. It is very clear that there are exemptions. If you look at Article 34 of the Vienna Convention, there are indeed certain facilities in terms of tax waivers that are not in the Vienna Convention, but there are leverages you can give through Parliament. We can give waivers based on Section 110 of the 1991 Constitution. However, the Vienna Convention is very clear and we need to take it into serious consideration.

Mr Speaker, Honourable Members, we are talking about the upset philanthropists, but we are going to discuss that issue. We want to know what you were getting before and what you want to give them now. We also want to know what we are adding or reducing? Why are we giving them more than one or more than what they have been getting? We need to look at it carefully, including the category schedule. As my colleague on other side said, let us do something that will trigger increase. In fact, let me commend you again about the pump price of petroleum products. The price was just skyrocketing, but we have seen a downward trend from **NLe30** to **NLe27.3** per a liter of petrol and **NLe 27.2** per a litre of diesel. This is great and I must commend you. I am sure if you have maintained that trajectory, you do not trigger something that will cause those in the petroleum industry to increase the pump price again. This is because you went back for the formula, so that you can effectively change the pump price that

we have today. Thank you very much for what you have done. We have had instances in this country wherein when the pump price increased, it never came down, but you have done an extraordinary job in two successive instances within 22 months and you must be commended. That is why we said you are not insensitive to the suffering masses because you have supportive policies.

Mr Speaker, Honourable Members, with the wisdom of the Speaker, we had an engagement this morning, which the Honorable Daniel B. Koroma alluded to. I am sure based on that engagement, there will be no rancor in this Well. We want to maximise our domestic revenue through policies that will benefit everybody. It is not about scoring political gains or throwing mud at each other. No! We want to help you achieve because you have also done something for the people of this country. If you give something, you should get something in return. You have given the business community a lot through and that is why we have to work together in order to mobilise more revenue we can be proud of. The Minister has done well, but we cannot grant tax waivers to those who are pulling you down; we are not going to encourage that at all. We need to sit down and iron out some of these things.

Mr Speaker, Honourable Members, we are not going to allow people to pursue us from the reality. We have to take care of our domestic and foreign debts; we have to undertake in infrastructure developments, but we cannot do that without funds. The only way we can raise revenue is through taxation based on existing laws. Therefore, we thank the Minister for bringing this Bill to Parliament. We want to find ways of resolving some of these thorny issues. I want the public to understand that when we raise some of these issues, it does not mean we are not fighting each other. You might have done the proposal based on the benchmarks you have identified and followed. You are not a wicked man; you are a very generous man. You have done something to change the situation and that is why we are referencing these Conventions and Protocols we have signed to also ratified here. However, there is no perfect law and that is why we are encouraging you to tidy up this document, so that we will have something that will benefit everybody. We do not want to have a Kenya scenario and

other places. We have seen situations where we accommodated civil society to even criticise us, but we accommodated and encouraged them come to Parliament to educate them. Thank you very much, Mr Speaker for your numerous contributions.

THE MINISTER OF FINANCE: Mr Speaker, Honourable members, I want to appreciate the House for a very thorough debate and I am sure the engagement provided some insights into the motivations for the proposals that were placed before the House. However, let me start by contextualising, as the Leader of Government Business espoused. I should start off by giving context because the proposal before the House is to support our efforts regarding revenue mobilisation. What we have right now is a bigger economy. Yes, our GDP indicated to us that it has doubled. We were a **\$4bln** average economy, but that has gone up to **\$8bln** average economy. Our per capita income has doubled from around 450 close to 890 and that has actually affected our revenue efforts. It shows that we still have more room to collect revenue because the revenue we collect from the bigger economy is not enough to honour all our obligations.

Mr Speaker, Honourable Members, one of the major challenges we have is debt servicing. Mr Speaker, even when our debt levels, in terms of GDP, are now within international threshold, but servicing debts is a challenge for the country. We mobilise revenue to run the government. We have never failed to pay salaries, which are non-discretionary. We have always tried to ensure that we honour our debt service obligation. We want to do more, but to effectively meet the aspirations of this government under the big five game changers, we need to mobilise more revenue and that is the effort we are putting. This is one of the major premises; and in the last two years, this Honourable House passed the fiscal provision tax measures to ensure that we are in a better position. We wanted to actualise robust revenue mobilisation. We have been implementing those measures and I think by the end of this year or early next year, most of them would have been implemented and we will start seeing the impact of those measures on our revenue efforts. We expect the proposals we have passed to give us **1%** increase in revenue efforts; i.e., from **8.9%** to around **9.8%**.

There is about **9.9%** to **10%** and that is the effort we are looking at for 2025. We believe that effort can be met by introducing efficiency and effectiveness in the implementation of those measures we have passed.

Mr Speaker, Honourable Members, we want to introduce robust enforcement measures and that is what we are trying to propose here. With regard the targets we set, they are well articulated based on multiple assumptions of how businesses and other sectors evolve over time and how we project them into the future. There are several things we have to look at, such as the business environment, the efforts we have put in terms of technology and the like. Those are some of the things that guide the targets we set. They are reasonable, but practical targets that we believe when proper enforcement is put in place, NRA should be able to collect and support the fiscal framework, which is basically the revenue we collect to support your expenditures. We also ensure that we fill any gap that remains with other measures we can use as fiscal agents to mobilise revenue to cover the expenditures of government. So, that is the context.

Mr Speaker, Honourable Members, you did ask for enforcements. There are many measures towards that and the first one, as I mentioned earlier, is technology. You have to ensure that, especially at the level of customs, an integrated effort in making sure that human hands are off our moneys; human hands are off the People's moneys. We have been thinking of having an integrated system and a one stop shop from a taxpayer to the bank and limiting the number of processes you go through in collecting, especially revenue from customs. I think this House has actually approved other measures as well; for example, telecoms, knowing the data on telecoms turnover to support tax collection; knowing the data of excise imports and excisable goods production; and knowing the data that can allow NRA to collect taxes. It is the same thing we have for ASYCUDA and for importation of goods into the country. It is also the same for ITAS in terms of filing other domestic taxes in the country, especially when it has to do with corporation tax. So, we can support those systems to minimise any leakage, but as well bring some elements of effectiveness and efficiency into the way we collect taxes.

Mr Speaker, Honourable Members, regarding this debate, I catalogued all the issues; i.e., I took note of the main issues this Honorable House has raised. I want to state here that what we have proposed is reasonable, practicable, easy to implement and will allow us to mobilise projected revenue we have factored into our fiscal framework. So, one clarification I would want to make is on rice. I first of all want to tackle this issue because both sides of the aisles are aligned on ensuring that the provisions that were passed in the 2024 Act are provisions you want me to explain why I think they must be maintained. We proposed to maintain and apply the **10%** after adding the remaining **5%** on the imposition of import duty on rice. The reason is because the feed Salone Programme is a flagship programme of the government that has to be funded from this budget. The agriculture sector is a business sector. I believe we have to be able to generate revenue, so that we can provide seedlings, fertilizers, tractors, power tillers, insecticides and extension services to support our farmers. This will decrease the importation of rice into the country and encourage ourselves to feed on our own products we believe to be more nutritious than the ones we import.

Mr Speaker, Honourable Members, I must say that as a Ministry, we have been putting resources aside. I am sure between April and October, we have mobilised about **NLe2bln** and that money is directly targeted at investing in our farmers to support the feed Salone Programme. In 2024, we have seen reduction in the importation of rice. I think this is directly linked to the production of local rice in Sierra Leone. This is a positive trend. The argument had been that when you impose tax on rice, it would affect the prices. Well, the importation of rice is done by the private sector and this government has not involved itself like it does with petroleum products. It has not involved itself in regulating the price of rice; it is actually adjusted and traded in the market. There is no effective formula that has been implemented to give the price of rice. The government left that market to be running freely. Meanwhile, we know that rice is a very sensitive staple food and we must have control over it. This is why we have to incentivise our own farmers to increase the production of our local rice. Sierra Leone does not have any business to import rice, giving the ecological factors we have

in Sierra Leone. This is why we are very deliberate about our approach to the agricultural sector, especially rice production. So, this zero duty, in my view, has supports from international farmers by encouraging them to flood their own farmers into our country. That is what it is, Mr Speaker.

Mr Speaker, Honourable Members, you would agree with me that the rice we produce in Sierra Leone is far expensive than the rice we import from other countries. However, the rice we produce here is more nutritious and fresh; it is good for our health and that is why we must encourage our people to eat it. It is also going to be used for the school feeding programme. Government is investing a lot in the importation of rice to supply certain key institutions of state. So, what we are doing with taxation is to be able to invest in the sector. We are going to get resources from other sectors by imposing appropriate and reasonable taxes. Besides, what we are doing is to implement that provision because it is not a new tax. This was a relief that was given within a period of time, when there was an international crisis. I believe we have to have a way to support the Feed Salone through this means. Now, what the government is doing is to mobilise revenue.

Mr Speaker, Honourable Members, we are securing international trade financing facilities that will allow the government of Sierra Leone to ensure that the private sector imports rice buffer or rice reserves that can allow the government to effectively regulates the price of rice in the market. This is because we will not be able to supply the entire market. Do we want to discourage the business community who are into the rice business for the entire population? We want to ensure that there is rice reserve within Sierra Leone, where we can monitor the availability of rice supplies and be able to manage the prices appropriately. So, I am appealing to this Honorable House to implement what was passed here. I think it is still reasonable and valid, and it is supporting the government's flagship programme. What we should refuse to do is to politicise the debate. I am sure rice is a political commodity; and when we politicise the debate around rice, it may be very difficult to manage. I am sure that is not the intent; the intent is to support the flagship programme of the government of the President.

Mr Speaker, Honourable Members, we want to ensure that our farmers, whom we have trained and provided with subsidies, seedlings and other things to be supported. They have the capacity to deliver at any time we need them. They are going to do that at the growing season and I think we will be able to get the total harvest we have set as target for the year and target we have set to reduce the importation of rice into the country. So, I really want to inform this Honorable House that we are reasonable because when you compare the cost of rice with other countries in the sub-region, we are far better. I am not very convinced that the market price of rice right now is a true market price. If I am to actually implement a robust formula, as I did for petroleum products, you will notice what we are talking about. That will transition me to the question around the PRA fees on petroleum products. What we are doing basically is to ensure that we limit or discourage the proliferation of gas stations in the country. That is really the main reason. In fact, we want to ensure that even these fees we are charging will be used to monitor the sector very effectively and to also ensure that we protect our oil marketing companies. We have to make sure of the quality of petroleum products that come into the country. We have to ensure that the products are good for our vehicles and other machines that even facilitate the movement of goods and services within the country. That is the rationale of PRA for making those proposals.

Mr Speaker, Honourable Members, the Honourable Member wanted reasonable assurance that this will not result in price increase. The price of petroleum products is much gauged; and we are managing the foreign exchange very well. However, I cannot make a prediction on that, but these are charges meant to incentivise or protect the local OMCS and discourage the proliferation of new entrants or outlets for petroleum marketers. That is really the whole idea for those fees and that is why we put them there. I think the fees are reasonable; they were done out of consultations with the PRA and the industry. I want to inform this House that these are reasonable levels of levies being proposed.

Mr Speaker, Honourable Members, let me speak to the issue around payroll. I think there is a clarification around payroll. We have payroll tax and PAYE. The payroll tax is

a tax that companies that are hiring non-citizens from outside those companies pay payroll tax for and on behalf of their employees. It is on those ones we set the threshold and penalties that if they failed to file or file wrongly or late to file, these are the penalties you pay. PAYE tax on the other hand is the person's own tax that he pays from his/her salaries or income. So, that is the classical difference between the two.

Mr Speaker, Honourable Members, on the issue of incentives for the industries that produce alcoholic drinks and the related discussions around their excise taxes, this has been a heated debate over the years. I think the rationale in all the previous Finance Bills was to protect our local industries, such as brewery and others that are producing locally made beverages. Sorghum is not new; Sorghum is a classic input to the production of beer and it is used internationally. We also use it in Sierra Leone. Our ecology allows for the cultivation of Sorghum and that is why we encourage and incentivise our local farmers. We import Sorghum from abroad and that is why we want to encourage our farmers to grow Sorghum and sell locally. We have said that if a company is using certain products that are locally produced or manufactured, we will effectively incentivise that company. That is another way of reducing on the production cost of that particular good by using local products, as opposed to importing them from outside. In 2017 and 2020, the Bill was very clear on the incentives. You would agree with me that taxes were extremely low. I have them here, Mr Speaker. We said if you are using locally manufactured alcoholic beverages using **80%** locally produced raw materials, including sorghum, cassava, maize, sugar, herbs, bitter roots, we have to incentivise those people. That is my view and I think by our understanding of the market that is a reasonable consideration.

Mr Speaker, Honourable Members, generally, the economic justification for the excise duties is to discourage the consumption of certain products in order to protect the health of our people. We want to discourage the behaviour of importing goods that are dangerous to the health of our citizens. That is why we are imposing those taxes, even on cigarettes, just to ensure that you decentivise the habit of smoking, so that our people maintain healthy and limit the cost of whether it is out of your pocket or from

government expenditure. That is the reason we maintained it last year and even this year. What we have not done is that we have not considered any tax associated with those ones because we wanted them to stabilise, especially alcohol. The only tax that we tried to make some adjustments is the excise on cigarettes. The express reason is that we studied the sub-region and we found out that we are an extreme low outlier on taxing cigarette products. We are not taxing cigarette at all and we know that cigarette is dangerous to our health. It is a very dangerous product because it kills and that is the truth. We know that bad habit is difficult to stop, but we want to make sure that the people who are involved in that business can still do the business. We are gradually adjusting that excise; we do not deem that as an essential product. That is why we have actually proposed it.

Mr Speaker, Honourable Members, the other matter that came up, which I thought is important to shed light on, is the dimension stones. Dimension stones have been exported for years out of Sierra Leone. We are seeing truckloads of dimension stones passing up and down. Sincerely, we do not even know what those stones are, but I know that they are minerals. That is what I know. I want you to know that every mountain you see around is a mineral. That is what it is all over the world. If you start cutting our stones and take them out of the country in the name of sampling, it is not fair at all. Mr Speaker, every year we see containers going out of this country, but we are getting nothing from them. While we continue to study it, Cabinet approved that henceforth, starting with this year, people would have to submit proposals for the approval of Parliament as royalty for that particular exportable item. This brings revenue into the country. People who are into that business have been getting away with it. Many countries are actually doing the same. They are exporting dimension stones, but there are charges associated with those stones, whether by the dimension of the stone or by the container that is carrying the stones. What His Excellency has said is that we undertake detailed studies about what is in those stones, so that we get the required royalties. We studied the proposals and I want to state here that these are reasonable proposals that match international benchmarks for us to start having the

true value of those exports that will generate revenue for the country. So, I think that is a genuine, positive and plausible proposal from Cabinet and His Excellency to ensure that we pay our attention to this.

Mr Speaker, Honourable Members, I want to talk about NGOs and INGOs regarding vehicles exemptions. What we noticed and the reason we proposed the provisions for the attention and approval of Parliament is that it has been subject to abuse. We do not think their operations match the number of vehicles they request exemptions for. That is the truth, Mr Speaker unless they use private individuals to bring vehicles into the country. Sometimes when you count, the number is way beyond reasonable for Vehicle exemptions. For INGOs, they are rich, including the organisations they represent. However, for some small INGOs, maybe it is just one person for few exemptions and through them they are bringing things into the country. So, we decided to get some authority to have control and to ensure that when there is control, we can monitor effectively. That is the motivation, Honourable Members.

Mr Speaker, Honourable Members, there was a broader discussion around what is reasonable. This is because we want to be very careful in limiting INGOs' activities in the country, while at the same time ensuring that we are reasonable with our own local NGOs that provide essential services within the country. So, the proposals you have here state the maximum for INGOs to 10 vehicles over a period of five years. It is for a period of five years and not one year. That is why we came here because it has not been properly regulated and the numbers are very unreasonable. We want to ensure that we have the authority to ensure that we monitor within the period of five years, which is a reasonable period. A vehicle's life span is five years, especially in environments where the roads are not in good conditions. So, we believe that within five years, the vehicles would have outlived their road worthiness. Some of these NGOs are not like the Freetown NGOs because they are working in remote areas of the country, especially hard to reach areas. So, we want to be reasonable in the provisions that we are making. This is why we limited them to that number and they may not have used more than two vehicles, like local NGOs, for example.

Mr Speaker, Honourable Members, I now go to the classification of the NGOs you were asking about. Who is a philanthropist? This will be done by the Ministry of Planning and Development, so that the classifications are properly done. We have a proper monitoring unit in collaboration with NRA, Ministry of Finance and the Ministry of Planning to ensure that we gazette who these NGOs are, their classifications. We monitor exactly their excesses or use of the privileges that are offered as by law provides. There was an issue of exemptions which has to do with the law. The Deputy Speaker spoke about intent, but I want to state that there is no intention to contest the law or the Constitution. I think what is written in the law is that every time you want to give exemptions, Cabinet should approve and then come to Parliament for authorisation as per Constitution. That is how it is written in the Constitution. There is intent because the law was passed here and I think it is consistent in that respect. I have looked at it and I just wanted to give that assurance and allow the law to prevail.

Mr Speaker, Honourable Members, I think I have spoken about issues around enforcement and automation. We are actually looking at one stop shop custom systems, where we will ensure that cargo management and payment of tax duties, fees and charges are done electronically. This is to ensure that human hands are taken off from the people's money; individual hands are off from government's money. We are working with all entities to ensure that this comes into effect. Now, there was a proposal for increase on the threshold of income tax and micro taxpayers. In my opinion, I believe there is reasonability in that proposal because the threshold is **NLe 10,000**, which is basically below **\$500** as a turnover for a company. We had a discussion around this proposal, but I have a second thought that I think there is a reasonable request by the Honorable Member for us to consider increasing the micro taxpayer income threshold. In my view, we can double the amount to **NLe20,000**, which I think is reasonable enough to remove the hassle factor.

Mr Speaker, Honourable Members, we need to generate revenue as a government and payroll tax and PAYE are the largest sources of revenue for the government. They are beyond the trade income tax and corporate tax, duties or even GST. We the people are

the ones paying more taxes and supporting government to run its affairs. This is why we wanted to make sure that we capture as much as possible those within that threshold to pay taxes and to be responsible citizens. This is why we are having that consideration. But for companies with turnover below **\$400**, I think that could be reconsidered. With that being said, I move that the Finance Act, 2025, be read the second.

[Question Proposed, Put and Agreed to]

[The Bill entitled, 'The Finance Act, 2025 being an Act to provide for the Imposition and Addition of taxes, to give effect to the Financial Proposals of the Government, and to provide for other related Matters, beginning in the Financial Year, 2025 has been read the second time].

THE SPEAKER: At this stage, Honorable Members, I am standing the House down for 15 minutes to have a meeting with the Minister and his team, and the Leaders on both political parties, including the Chairman of Legislative Committee. This is because I do not want us to waste time. I want us to agree before we come to the Well and conclude within 30 minutes.

[The House stood down at 1:50 p.m. and resumed at 3:45 p.m.]

THE HOUSE RESUMES

COMMITTEE STAGE

The House resolves into Committee of the Whole.

Clauses 1 to 17 and the schedule stand part of the Bill.

Suspension of S.O. 5[2]

MINISTER OF FINANCE: Mr Speaker, Honorable Members, I move that Clauses 1 to 17 and the Schedule stand part of the Bill.

[Question Proposed]

THE CHAIRMAN: Honorable Members, Page 1 is the long and short title. We still have 2024 Act along well. Can a Member move, please?

HON. DANIEL B. KOROMA: I so move 2024 to be changed to 2025

THE CHAIRMAN: Page 2?

HON. DANIEL B. KOROMA: Page 2, Clause 2, Paragraph 10[a], the second to the last line. I am a bit confused to how it should read.

THE CHAIRMAN: It says 'time of making.'

HON. DANIEL B. KOROMA: 'Time of making' is not what I have here. In fact, it makes no sense. I have making here.

THE CHAIRMAN: It should be making payment. That is for Page 2&3.

HON. MATHEW S. NYUMA: The Finance Bill contains more than 1,000 pages. Where are the others? These are figures, but Honourable Daniel Koroma is making correction for every word. There is an interpretation for those words to enable us do the amendment. I want to plead with you that we add another clerk. There is only one Table Clerk at the moment. I said for every interpretation; whether you have to insert figures or words, those words have meanings to give effect to the figures. So, that is the reason I asked for another clerk to be added on the Table.

HON. ABDUL S. MARRAY-CONTEH: Mr Speaker, Page 3. We have the Custom Tariffs Act, 1978 and it gives the HS code, description and columns. A new insertion under HS code, states 1006, under description and then under **10%** effective 1st January 2025. Well, for the purpose of clarity, let me read again. We can correct it later. Just do the changes, but it should be 2025 to 2026. It is for the purpose of consistency.

THE CHAIRMAN: Clerks, please take note.

HON. ABDUL S. MARRAY-CONTEH: Mr Chairman, we have just changed 2025 to 2026.

THE CHAIRMAN: Page 4? Page 5?

HON. ABDUL S. MARRAY-CONTEH: Page 5, Mr Chairman. This one has to do with the locally manufactured beer, which is more than **50%**. The **50%** is going to be **30%**. I will communicate the changes to the Clerks.

THE CHAIRMAN: Page 6? Page 7? Page 8? Page 9? Page 10? Page 11?

HON. ABDUL S. MARRAY-CONTEH: Mr Chairman, Page 11, the second line. We should delete 'a philanthropist' and also on the fourth line 'philanthropic.'

THE CHAIRMAN: Page 11? Page 12? Page 13? Honorable Deputy Leader of the Opposition, please take a look at Page 12.

HON. DANIEL B. KOROMA: The Schedule of the Finance Act, 2024 is amended by repealing item 2 of HS code 10063 as follows: Rice is **10%** effective 1st January, 2026

HON. IBRAHIM T. CONTEH: I go back to the Schedule that the Chairman was amending, so that we capture it under the heading of Customs and Excise.

HON. DANIEL B. KOROMA: Honorable Member, we have discussed that earlier. The reason we put it under was to create a new section in the Finance Act because the Finance Act has been amended severally. Clause 17 of the 2025 Bill has attempted to amend a provision in the 2024 Finance Act, which forms Clause 17. So, as long as Clause 17 is amending the 2024 Finance Act, then it follows that a new section cannot be created under the same provision to amend the same 2024 Finance Act or to amend another provision of the same Finance Act. Therefore, rather than amending the 2024 Finance Act on Page 1, Page 10 and Page 7, we have to do that somewhere else. Usually, if there are three or four Clauses to be amended, all of them should be stated in that order in the 2024 Finance Act, and then you move to the next Finance Act. If there are more provisions to be amended, you have to state all of them and then proceed to the next Finance Act. To amend the same Finance Act on Page 1 and on Page 6 and Page 10, I do not think that is the procedure. Clause 17 of the 2024 Finance Act has been amended. So, it follows that if you have another Clause to amend in same Act, it should follow that order under the same 2024.

HON. IBRAHIM TAWA CONTEH: Honourable Member, it will mean you would have to repeat the heading of the Custom Tariff Act, 1978 because the amendment you want to make or the amendment we intend to make is under the Custom Tariff Act, 1978. So, we have to effect that amendment under the Schedule of the Custom Tariff Act, 1978 because it is the HS code, so that you have the exact brackets. You should not miss the bracket because you are amending 2024 or you are introducing an amendment to the 2024 Finance Act. You then amend the custom Tariff Act and repeat the heading in the same Finance Act. That is what I am trying to say here. We can still do the amendment on Page 2, but under the specific subject matter, the Custom Tariff Act, 1978 because it is a custom tariff item.

HON. MATHEW S. NYUMA: Before the Minister responds, we are trying to see how best we can do it. Mr Speaker, we still need to have the Custom Tariff Act. If you look at the HS code for 2024 for iron ore and others, it was 7214 and we are correcting it for 2025. For 2025, it is 7215. This does not mean we are making direct reference to the provision we enacted in 2024. We are saying we are doing amendment because there was a mistake in HS code. It is as if we have not agreed because rice was not in front of us, but the MPs demanded for an amendment of the HHS code, the description gives us 2025 to be changed to 2026. We just need to insert that provision under the Custom Tariffs Act. If you go back, it is as if you are also going to amend the HS code. Therefore, we only need the one we are enacting now because it supersedes the 2024 enactment. We need not to take that on a specific Schedule. For this one, we are not changing the HS code; we are going for the description. The rate we said is going for 2026 and we only need to put them in that chronological order with their codes and we enact it into law. This one supersedes the previous one, Mr Chairman.

HON. DANIEL B. KOROMA: No, chairman, the issue is 2024. The first item under Section 3 is dealing with **5%** as at 1st January, 2024. The second item is dealing with 1st January, 2025. Now, if the amendment says nothing about this second item, the one the Chairman proposed is talking about 2026. In other words, 2024 has been affected, which would soon expire based on 2025, while 2025 would remain untouched. If 2025

still remains untouched, then you cannot say it supersedes because the new proposal is talking about 2026, while trying to amend 2025. If 2025 remains, then it becomes valid technically.

HON. MATHEW S. NYUMA: We are not amending 2025; we are amending 2024, but let me go back to the side note.

HON. DANIEL B. KOROMA: When I said 2025, I was talking about the second item of Section 3 of 2024, which is talking about imposition of tax for 2025. If the **10%** for 2025 remains untouched, and then we make another **10%** for 2026, then that **10%** for 2025 will remain **10%** for 2025 and another provision for **10%** for 2026. We need to address the **10%** for 2025.

HON. MATHEW S. NYUMA: Let us go to the side note for both of the Act and the Bill. The Side note for 2024, under the Custom Tariffs Act, 1978, amendment of Schedule A of number 16 of 1978.

HON. DANIEL B. KOROMA: That was what I said.

HON. MATHEW S. NYUMA: Mr Chairman, because the side note is giving an amendment, you should not say again amendment 2024, when you are referred to 1978. We made reference to the 1978 Customs and Tariffs Act. Owing to the fact that we are referencing the same 1978 Customs and Tariffs Act, we said **10%** for 2025, but is has now been proposed for 2026. You have to follow the amendment patterns from 1978 to date.

HON. DANIEL B. KOROMA: Mr Chairman, I can see some sense in that amendment of act number 8, but what we are amending is 2024, amended act number 12. I am sure as long as the act numbers are distinct, I think that makes sense. For 2024, it is for the amendment of Schedule A of act number 16 that was amended by amendment of the Schedule. In fact, the schedule is not even mentioned. We need to amend that one also in this 2025 Act. I do not know if we have the same copies.

THE CHAIRMAN: Please note that we have different copies.

HON. DANIEL B. KOROMA: Indeed, Mr Chairman. The Schedule is not mentioned. My point has been corrected.

THE CHAIRMAN: There is a copy that has 2024 and there is another one with 2025.

HON. DANIEL B. KOROMA: Mr Chairman, my point has been corroborated by the Honorable Member from Bo. Our copies do not have the name of the Schedule and that is another issue. However, I agree that there are different Schedule numbers and that makes sense, but this one does not even have a name. I cannot go over what you have read, I only agree with the Leader regarding reference to the Schedules. The Schedule in the 2025 Bill is not named; it has no name.

HON. MATHEW S. NYUMA: It is 2025.

HON. DANIEL B. KOROMA: No, please read the side note because you only read the side note which makes sense to me. I agree with you, but it has no name.

HON. MATHEW S. NYUMA: I have 2024 you do have the same text at the side note.

HON. DANIEL B. KOROMA: It is not 2024.

HON. MATHEW S. NYUMA: You have amendment of Schedule 'A.' It is the same Schedule, act number 6 of 1978. So, they said Part 2 of Schedule A. If you take 2024, it is same Part 2 of Schedule A.

HON. DANIEL B. KOROMA: It is not the same; the Schedules are not the same.

HON. MATHEW S. NYUMA: We are now on Page 12 and we need to change the numbering. We have act number 1 of 2024, Page 12. It is the Finance Act, 2024 act number 1. We are making reference to the previous Act. So, it should be number 1 of 2024; it should not be number 8 of 2024.

HON. DANIEL B. KOROMA: That is another issue. There are two issues.

HON. MATHEW S. NYUMA: The Schedule of Finance Act, 2024, is amended by repealing and replacing item 1, relating to fees for the Petroleum Regulatory Agency [PRA], with the following new item. You now go to 1, which is making reference to Page 13, PRA.

HON. DANIEL B. KOROMA: The opening statement relates to petroleum products, while the next statement deals with rice. Well, that is also another issue. All of us know that every Finance Act is number 1, but if there is another Finance Act in the same year, it becomes number 2. Schedules have names for reference purpose, such as Schedule A, Schedule B, Schedule C, etc. In this case, the side note does not make reference to any Schedule.

HON. MATHEW S. NYUMA: Yes, they did not make reference to any Schedule. We are still on the same page. They only spoke about petroleum products. They said they have amended number 1 of the 2024 Finance Act; how it came under the Petroleum Regulatory Agency. Perhaps, you want us to put Schedule A or B. This is a new item they have inserted.

HON. DANIEL B. KOROMA: So, the new item is being inserted under the petroleum products provisions, but rice is not a petroleum product.

HON. MATHEW S. NYUMA: No, rice is not here.

HON. DANIEL B. KOROMA: No, that is the amendment proposed by the Chairman.

HON. MATHEW S. NYUMA: No, the amendment is on Page 3 for rice. It has to do with the cost.

HON. IBRAHIM T. CONTEH: You cannot introduce the same subject matter twice in the same Bill

HON. DANIEL B. KOROMA: That is why I was saying that the amendment of 2024 started at Clause 70 and any other amendment regarding 2024 should follow under that category.

HON. MATHEW S. NYUMA: There is an amendment under the Custom Tariff and it is clearly stated.

HON. DANIEL B. KOROMA: In the 2025 Bill?

HON. MATHEW S. NYUMA: Yes, go back to the tariff and you will what you have done for us.

HON. DANIEL B. KOROMA: Custom Tariff for rice In 2025?

HON. MATHEW S. NYUMA: We have done the amendment for 1978 on Page 3. When we went for discussions or consultations, we agreed that we should do the amendment under the same rubric of 1978. This is because even if you have to make amendments next year, they will still come from 1978 of that particular provision under the Customs and Tariffs Act. If you want to do changes like the ones we did for 2024, it is under the same rubric of 1978 as amended on Page 3. The one he did was to change 2025 to 2026. We are now amending the 2024, but we are using the present provisions. Please do not forget that we have the customs and excise we are talking about with regard the petroleum products.

HON. DANIEL B. KOROMA: I want to suggest that we stick a pin on this until we are provided with a copy of the Customs and Tariffs Act. We can proceed with the drafting, as long as we have agreed in principle on the proposed amendment.

HON. MATHEW S. NYUMA: Mr Chairman, we have the HS code and there is no way you can amend the tariff on rice if you do not refer to the HS code. It should be in tabular form, under the Customs and Tariffs Act, 1978.

THE CHAIRMAN: We have all agreed in principle.

HON. MATHEW S. NYUMA: It should be under the principle of coding.

THE CHAIRMAN: We are leaving it to the drafters, but all of us will look at it.

HON. MATHEW S. NYUMA: I do not what we are talking about.

HON. DANIEL B. KOROMA: The placement, the wording everything we're talking about,

THE CHAIRMAN: The amendment has to be drafted to our agreement.

HON. MATHEW S. NYUMA: Mr Chairman, the same provision, under the 2024 Finance Act and the HS code 1006.

THE CHAIRMAN: No, we are saying the same thing.

HON. MATHEW S. NYUMA: The only thing we agreed to change there is 2025 to 2026.

THE CHAIRMAN: Of course, we are saying the same thing. The principle is that the **5%** continues in 2025. In other words, we have all agreed that the **5%** continues in 2025 and the other **5%** is going to be added in 2026, giving a total of **10%**.

HON. MATHEW S. NYUMA: That is the principle you are talking about?

THE CHAIRMAN: That is the principle. We are now going to look at the drafting.

HON. MATHEW S. NYUMA: All right, Mr Chairman.

THE CHAIRMAN: Page 12? Page 13? Page 14? Page 15?

HON. ABDUL S. MARRAY-CONTEH: Thank you very much, Mr Chairman. We have two additional Schedules. The first one is the category regarding immigration charges. This covers passport and related documents. We have resident permits for educational institutions, telecoms, etc.

THE CHAIRMAN: Share that with the Leader of Government Business and the Leader of the Opposition.

HON. ABDUL S. MARRAY-CONTEH: The second one deals with fee levies for exports of products and freight levies. I will share the other documents.

THE CHAIRMAN: Please share it with the Leader of the Opposition and move.

HON. ABDUL S. MARRAY-CONTEH: Well, I moved that the two Schedules, the one on immigration service... - *[Interruption]*.

HON. MATHEW S. NYUMA: Mr Chairman, I want us to drop the one for the mines. Let us focus on immigration. We are doing taxation. I believe I read the combine Cabinet conclusion on the immigration aspect, but not seen for the SLM operation. We need to convince the Minister. I still ask on the able Chairman of Legislative Committee to hold on while I do more consultations with the Minister. Let us deal with the immigration aspect; I will talk to my colleagues on the other side.

HON. ABDUL S. MARRAY-CONTEH: Of the two new Schedules on immigration, the second one is revised freight levies for minerals. That is the heading and the one that has been shared intends to cover iron or ore, bauxite, lithium and others.

THE CHAIRMAN: You have to move for their insertion.

HON. ABDUL S. MARRAY-CONTEH: Yes, I moved that they are inserted.

THE CHAIRMAN: Any seconder?

HON. DANIEL B. KOROMA: I so second, Mr Chairman.

[Question Proposed, Put and Agree to]

THE MINISTER OF MINISTER: Mr Chairman, Honorable Members, I move that Clauses 1 to 17 and the Schedules stand part of the Bill as amended.

[Question Proposed, Put and agreed to]

[Clauses 1 to 17 and the Schedule form part of the Bill as amended]

[The House Resumes]

THE MINISTER: Mr Speaker, Honorable Members, I report that the Bill entitled the Finance Act, 2025 having gone through the Committee of the Whole House with amendments, I now move that the Bill be read the third time and passed into law.

[Question Proposed, Put and agreed to]

[The Bill entitled, The Finance Act, 2025 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, beginning in the Financial Year, 2025 has been read the Third Time and Passed into Law].

HON. MATHEW S. NYUMA: Mr Speaker, you realise that we did some changes on the Order Paper. There is a traditional method of consultation with my colleagues on the other side. We have deviated from the usual budgetary process reading. We have relied on Section 94, which has to do with consultations with other colleagues, especially the

Opposition. We need to introduce critical elements on the Order Paper because of the use of Le and NLe. We have written strategic documents that have to do with budget reading. Therefore, we will start to do that tomorrow when discussing the amended Banking Act. It is just one or two areas we need to amend, so that we can insert the NLe and the merit of that will be explained by the Minister. People should understand what we are doing. The sequential amendment cannot suffice for what we are doing tomorrow. So, we need to do the amendment for the sake of neatness. I want colleagues to understand that we need to come early tomorrow, so that we can start on time because we do not know when the budget process will end. Some of us have to go to the Mosque for the Friday prayers. I thank you.

HON. PC. ALHAJI KANDEH P. KAWALLEH: Mr Speaker, I have an issue with my own bridge at Makeni, Kamakwie highway. Mr Speaker, I am sure this is the only time you will help us to construct that bridge. Presently, there is no road connecting the other areas. The bypass road is also disturbing people. I would like you to plead to the government, so that they can construct this bridge for us. I thank you.

THE SPEAKER: Please take this up with the Chairman of the Works Committee.

ANNOUNCEMENT

Members are kindly requested to collect the following document at the Dispatch Section for tomorrow sitting:

1. Redenomination of the Leone's Regulation, 2024;
2. the Bank of Sierra Leone Act, Act number 5 of 2019;
3. Statutory Instrument number 4 of 2024.
4. two Fiscal Strategy Statement [FSS], FY 2025 to 2027 in fulfillment of Sections 21 and 23 of the Public Financial Management Act, 2016;
5. Bill, the Bank of Sierra Leone Amendment Act, 2024; and
6. The Appropriation Act, 2025.

ADJOURNMENT

*[The House rose at 5:10 p.m., and was adjourned to Friday, 15th January, 2025
at 10:00 a.m.]*