



**REPUBLIC OF LIBERIA**  
**MINISTRY OF FINANCE AND DEVELOPMENT PLANNING**  
**MONROVIA, Liberia**



**ADMINISTRATIVE REGULATION**  
**NO. 1.16-1/MFDP/FAD/RTPD/06/07/2017**

**TO** : THE GENERAL PUBLIC

**SUBJECT:** QUALIFYING SECTORS FOR SECTION 16 TAX INCENTIVES

**DATE** : JULY 7, 2017

**1. General Rule**

The Ministry of Finance & Development Planning (MFDP) is responsible for the formulation of fiscal policies to enhance economic growth and stability, and to govern taxation pursuant to the Revenue Code of Liberia.

In keeping with section 14247 of the Revenue Code, the Minister has the power to issue regulations as necessary from time to time to give effect to the Code and to further the purpose of carrying into effect any of its provision, including strengthening tax administration.

**2. Legal Basis**

Section 16(a)(2)(A) of the Revenue Code of Liberia 2016 mandates the Minister to issue regulation, following a deliberative and consultative process involving the National Investment Commission and Liberia Revenue Authority, identifying qualifying sectors for Section 16 tax incentives.

Furthermore, Section 21.5(c) of the Act creating the Ministry of Finance and Development Planning charged the Minister with the duty to formulate, institutionalise and administer economic, development planning and fiscal and tax policies.

**3. Purpose**

The purpose of this Regulation is to identify the sectors qualified for Section 16 tax incentives. Accordingly, Section 16 was reintroduced, following its expiration in on the 30<sup>th</sup> of June 2015, during the 2016 tax amendment but with a clause that says the qualifying sectors as they existed prior to the amendments expires on the 30<sup>th</sup> of June 2017. However, the provisions of the Code also authorised the Minister to issue regulation identifying and/or listing the new sectors.

**4. Procedure Notice**

By this Regulation, the Government of Liberia establishes and approves the following sector as qualifying sectors for Section 16 tax incentives. Consequently, all business entities or individuals making application to the National Investment Commission or wanting to benefit from the special tax incentives provided under Section 16 of the Code

are to ensure their investing activities are in one of the qualifying sectors listed below. Investment activities not in any of the listed sectors will not be considered.

No	SECTOR	Examples of imports
1	Tourism	Equipment and machinery (including specialized furniture); specialized vehicles; capital spare parts and other specialized capital goods.
2	Manufacturing	Equipment and machinery; raw materials; specialized vehicles; capital spare parts and other specialized capital goods.
3	Energy	Equipment and machinery; raw materials; specialized vehicles; capital spare parts and other specialized capital goods.
4	Health Services	Equipment and machinery; specialized vehicles; capital spare parts and other specialized capital goods.
5	Real Estate	Equipment and machinery; specialized vehicles; capital spare parts and other specialized capital goods construction materials specified in regulations.
6	Transport	Equipment and machinery; specialized vehicles; capital spare parts and other specialized capital goods.
7	Technology	Equipment and machinery; specialized vehicles; capital spare parts and other specialized capital goods.
8	Agriculture	Equipment and machinery; specialized vehicles; capital spare parts and other specialized capital goods.
9	Poultry	Equipment and machinery; specialized vehicles; capital spare parts and other specialized capital goods.
10	Horticulture	Equipment and machinery; specialized vehicles; capital spare parts and other specialized capital goods.
11	Exportation of Sea Products	Equipment and machinery; specialized vehicles; capital spare parts and other specialized capital goods.
12	Agricultural Food-crop Cultivation	Equipment and machinery; specialized vehicles; capital spare parts and other specialized capital goods.
13	Rubber and Oil Palm Cultivation, Processing	Equipment and machinery; specialized vehicles; capital spare parts and other specialized capital goods.
14	Manufacturing or Assembling for Export	Equipment and machinery; specialized vehicles; capital spare parts and other specialized capital goods.
15	Waste Management	Equipment and machinery; specialized vehicles; capital spare parts and other specialized capital goods.

#### 5. Implementation Notice

Businesses operating in the above listed sectors are hereby encouraged to submit their application for tax incentives to the National Investment Commission. In addition to

meeting the requirements set out in Section 16, the following documents shall constitute the application package.

- Letter to the Chairman of the National Investment Commission requesting the tax incentives.
- Business plan or proposal setting out the investment plan.
- Detailed financials and/or pro-forma financial statements, including income statement, balance sheet, cash flow, depreciation schedule (if applicable), loan amortization schedule (if applicable).
- Tax clearance certificate.
- Business registration certificate.
- Import schedule or listing with HS code and description

**6. Effective Date and Termination**

This Regulation shall take immediate effect upon publication.

Signed: Adolphus D. Forkpa  
Hon. Adolphus D. Forkpa  
**DEPUTY MINISTER FOR FISCAL  
AFFAIRS**

Signed: Boima S. Kamara  
Hon. Boima S. Kamara  
**MINISTER OF FINANCE**

Date: 07/14/17

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