

ACTS

Supplement to the Sierra Leone Gazette Vol. CXXXVIII, No. 49
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SIGNED this 23rd day of July, 2007

ALHAJI AHMAD TEJAN KABBAH,
President.

LS

No. 22



Sierra Leone

2007

The Finance Act, 2007

Short title.

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

[] Date of com-
mencement.

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

PART I—PRELIMINARY

Amendment
of Act No. 8
of 2000.

1. The Income Tax Act, 2000 is amended-

(a) in subsection (1) of section 46 thereof, by the substitution for the words "3 1st March" appearing therein, of the words "31st December";

(b) in section 69-

(i) by the substitution for the word "fifteen" appearing in paragraph (b) of subsection (1) thereof; of the word "twenty" and

(ii) by the substitution for the word "ten" appearing in paragraph (b) of subsection (2) thereof, of the word "fifteen";

(c) by the repeal and replacement of subsections (1), (2) and (3) of section 113 thereof, by the following:-

"Instalments
of income
tax.

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

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

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

(b) for the year of assessment on or before 31st July or for a taxpayer using a substituted year of assessment on or before the seventh month of the substituted year of assessment; and

(c) for the following year of assessment on or before 15th September of the year of assessment.

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

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

(b) on or before 30th October of the year of assessment or, for a taxpayer using a substituted year of assessment, on or before the tenth month of the substituted year of assessment.

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

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

(b) for the year of assessment on or before 31st July or for a taxpayer using a substituted year of assessment on or before the seventh month of the substituted year of assessment; and

(c) for the following year of assessment on or before 15th September of the year of assessment.

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

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

(b) on or before 30th October of the year of assessment or, for a taxpayer using a substituted year of assessment, on or before the tenth month of the substituted year of assessment.

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

(a) for a taxpayer not using a substituted year of assessment, on 15th March, 15th June, 15th September, and 15th December; and

(b) for a taxpayer using a substituted year of assessment on the 15th day of the third, sixth, ninth and twelfth months of the substituted year of assessment”.

(d) by the insertion immediately after section 123 of the following section:-

“Purchase of
real property.

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

(i) under “Type of payment”, insert “real property” and

(ii) under “Rate” insert “10%”;

(e) in section 128, by the insertion immediately after subsection (3) thereof of the following subsections:-

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

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

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

2. The Restaurant Food Tax Act, 1989 is amended by the Act No. 6 of 1989. repeal and replacement of section 3 by the following section:—

“Imposition
of tax on
food and
drink.

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

Amendment
of Act No. 2
of 1995.

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

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

Amendment
of Act No. 5
of 1995.

4. The Sales Tax Act, 1995 is amended—

in section 4—

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

“(e) hotel and guest house accommodation”.

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

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

Amendment
of Act No. 7
of 2006.

5. The Finance Act, 2006 is amended in section 3, by the repeal and replacement of subsection (2) thereof by the following:—

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

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

Monies to be paid into Consolidated Fund.

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

A. KEMOKAI
Clerk of Parliament

Note: (This Act No. 22 of 2007 supersedes Act No. 9 of 2007 of the same title published in Government Notice No. 133 as a supplement to the Sierra Leone Extraordinary Gazette with effect from Wednesday, 21 September 2007)

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

A. A. KEMOKAI,
Clerk of Parliament.

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

A. A. KEMOKAI,
Clerk of Parliament.

Note: (This Act No. 22 of 2007 supersedes Act No. 9 of 2007 by the same title published in Government Notice No. 133 as supplement to the Sierra Leone Extraordinary Gazette No. 44 dated Wednesday, 5th September, 2007).