PUBLIC NOTICE No. 6 OF 1987

Published 12th March, 1987

THE INCOME TAX ACT
(Cap. 273)

THE INCOME TAX (P.A.Y.E.) RULES, 1987

Short title.

In exercise of the powers conferred upon him by sections 5 and 5(A) of the Income Tax Act (Cap. 273) the President acting in accordance with the advice of the Cabinet hereby makes the following Rules:—

Commencement and application.

1. These Rules shall be deemed to have come into force on 1st April, 1987 and shall apply to income tax chargeable for the year of assessment 1987/88 and each succeeding year of assessment thereafter.

Employer to make monthly deduction of tax.

2. Every person including any manager or proprietor of any trade, business, profession or vocation or any person performing the functions of such manager or proprietor (hereinafter referred to as the "employer") who pays or is liable to pay emoluments to any other person being an employee or pensioner in connection with the exercise of an employment or the holding of an office shall, before paying such emoluments whether weekly, monthly or at any other interval, make monthly deductions from the gross emoluments in accordance with the MONTHLY TAX DEDUCTION TABLE specified in the SCHEDULE hereto as may from time to time be amended or replaced by Order published in the *Gazette*.

Definition of emoluments.

3. For the purposes of Rule 2 the expression "emoluments" includes salary, wages, leave pay, pension (if taxable), overtime, bonuses, commissions, fees, allowances or any other form of remuneration paid or payable in money or money's worth including benefits in kind specified in the Schedule to the Income Tax (Value of certain benefits in kind) Order, 1979 (P.N. No. 21 of 1979) to or on behalf of an employee for whatever period of time and in particular:—

(*a*) any payment made by a company or a body of persons by way of remuneration or fees to a director of the company or body of persons;

(*b*) any payment made by way of an amount credited to an employee in the books of the employer in circumstances in which the employee may draw sums on account of such amount or otherwise utilize such amount credited to him in any way.

Accounting for the tax deducted.

4. Every employer shall, not later than the 15th day of the month immediately following the month in which such emoluments as are specified under Rule 3 were paid or deemed to be paid and the tax deducted therefrom as required under Rule 2, account for the tax as deducted or deductible either to the Accountant-General on behalf of the Commissioner or direct to the Commissioner of Income Tax.

Record to be kept.

5. (*a*) Every employer shall maintain such records, books or any other documents as the Commissioner considers to be adequate for the purpose of these Rules and as he may from time to time by notice in writing direct.

(*b*) Every employer shall in particular maintain and submit to the Commissioner on a prescribed form not later than 21st day of April, or on such other date as he may by notice in writing direct, a detailed record of all employees chargeable with tax in respect of whom he is required under Rule 2 to make monthly tax deductions from emoluments.

(*c*) Every such record (to be referred to as the 'Employer's P2 Card') shall contain such particulars as the Commissioner considers necessary and in particular contain the full names of the employees, the gross amounts of emoluments for the month, the amounts of tax deducted and the total for the twelve months period to 31st March, in each case.

Certificate of payment of P.A.Y.E. tax deductions.

6. Every employer shall furnish the Commissioner regularly each month at the same time as the tax deducted from emoluments of employees is accounted for to the Accountant-General as aforesaid, with a copy of his letter to the Accountant-General in compliance with Rule 4 together with a written statement in duplicate duly signed by him certifying that:—

(*a*) the tax for the relevant month has been deducted from emoluments of all employees chargeable with tax as required under the Income Tax (PAYE) Rules in force;

(*b*) the total tax so deducted (amount to be stated) as required under Rule 4 (giving full particulars of the method of payment) has been paid to the Accountant-General;

(*c*) the record referred to under Rule 5 (*c*) has been duly completed and accordingly brought up-to-date.

Returns of benefits and payments from which tax has been deducted.

7. Every employer shall bring to the notice of the Commissioner, not later than the 21st day of April of any year of assessment, all benefits or payments conferred upon or made to persons employed by him from which deductions have not been made under Rule 2 no matter for what purpose the payments were made or benefits conferred.

Penalty for non-payment.

8. If an employer fails to comply with the required payments under Rule 2 and 4, an additional sum of an amount equal to twenty *per centum* of the tax deducted or deductible shall be added thereto by way of penalty for non-payment and the amount so added shall be deemed to have been incurred by such an employer and recoverable from him in accordance with the provisions under Part XIII of the Act without prejudice to any liability or to any other penalty otherwise incurred by him by reason of his failure to comply with the provisions of the Act or the requirements prescribed in these Rules.

Tax recovered from the employer.

9. Where Rule 8 is invoked, the tax together with any penalty added thereto shall be recoverable from the employer as a debt due to the Government of Sierra Leone in the manner provided by section 72 of the Act.

Verification and examination of records.

10. The Commissioner or his representative may verify the accuracy with which the MONTHLY TAX DEDUCTION TABLE in the SCHEDULE to these Rules is being applied or the accuracy of any particulars or information furnished by the employer to the Commissioner or Accountant-General with a view to carrying out any examination of any records required to be kept or otherwise as the Commissioner may consider necessary.

Returns under the Act.

11. Nothing in these Rules shall be deemed to restrict the power of the Commissioner to call for returns from either the employer or employee under Part X of the Act.

Calculation of liability where employee has various sources of income.

12. Where an employee is in receipt of income from any source, other than employment from more than one employment or is not resident in Sierra Leone the Commissioner shall, after the end of each year of assessment:—

(*a*) ascertain that employee's chargeable income for that year from all sources including employment;

(*b*) calculate that employee's total tax liability for that year; and

(*c*) if he considers it necessary make an assessment on that person.

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13. Nothing in these Rules shall be deemed to exempt any person from the payment of any tax due from him by virtue of the fact that his total tax liability for any year of assessment exceeds the amount of tax actually deducted in that year under Rule 2.

fence d nalties.

14. Any employer who fails to comply with any provision of these Rules shall, without prejudice to any liability or penalty otherwise incurred by him for that failure under the Act, be guilty of an offence and on summary conviction be liable to a fine not exceeding two hundred leones or to imprisonment not exceeding six months or to both such fine and imprisonment and shall himself be held responsible for payment of any tax so lost to revenue

vocation P.N. 18 1981.

15. The Income Tax (PAYE) Rules (P.N. No. 18 of 1981) are hereby revoked.

MONTHLY TAX DEDUCTION SCHEDULE

Chargeable Income	*Rate of Tax Percent*
The first Le300 of the monthly income	Nil
The next Le117 of the monthly income	10
The next Le417 of the monthly income	20
The next Le833 of the monthly income	30
The next Le5,833 of the monthly income	40
The next Le5,000 of the monthly income	45
Any excess over Le12,500 of the monthly income ...	48

In addition to the income tax resulting from the above rate, Surtax shou alculated on the income tax due in accordance with the rates given belo rive at the total tax chargeable:—

SURTAX RATES

(*a*) 10 *per centum* of the total income tax due when the employment income is more than three hundred leones per month but not more than six hundred leones a month.

(*b*) 12½% *per centum* of the total income tax due when the employment income is more than six hundred leones but not more than one thousand two hundred and fifty leones per month.

(*c*) 15 *per centum* of the total income tax due when the employment income is more than one thousand two hundred and fifty leones per month.

MADE this *9th* day of *March, 1987*.

S. H. KANU,
Minister of Finance

(*ii*) calculate that person's total tax liability for year by reference to his total chargeable inco from all sources; and

(*iii*) if he considers it necessary make an assessm accordingly for that year on that person.

(*b*) an assessment has not in fact been made the amo of the tax fixed by the Standard Assessment ur the provisions of paragraph (b) of subsection (1 section 58A of the Income Tax Act shall be dee to be the tax resulting from an assessment mac accordance with the provisions of section 58 of said Act.

Date of payment of tax.

3. Except as provided in the Income Tax (Standard As ment) (Amendment) Order, 1987 the tax fixed by the Stan Assessment for the first year of assessment under paragraph 2 o Order shall be due and payable on or before the 21st day of A 1987 and for each subsequent year of assessment within twenty days of the commencement of each year of assessment:

Provided that on the written request of any person belo to a class or description of persons specified in the Schedule t Order the Commissioner may approve the payment of the tax Standard Assessment in regular appropriate intervals as he determine.

Tax payable to Accountant-General.

4. Payment of the tax under this Order shall be made Accountant-General on behalf of the Commissioner of Incom or to such other person as may from time to time be duly auth on the said Commissioner's behalf to the credit of the gene venue of Sierra Leone.

Revocation of P.N. 14 of 1973.

5. The Standard Assessment (No. 2) Order, 1973 (P.N. of 1973) is hereby revoked.

SCHEDULE

Item	Class or Description of Persons	Minimum Tax Payable by the Standard Assessment for each year of Assessment in the Western Area	Minim Tax P able by Standar Assessm for ea year Assessn in the Provinc
		Tax	Ta
1.	Goldsmith	600	1(
2.	Goldsmiths in Makeni, Makalie, Masingbi and Kono		6(
3.	Blacksmiths and Tinsmiths and persons in allied trades	270	6
4.	Money Lenders	1,050	18
5.	Auctioners	1,875	2
6.	Wine and Beer Sellers	270	
7.	Surveys (Self employed)	1,155	2
8.	Druggists and Midwives (self employed)	1,155	2
9.	Owners of Furniture and upholstory workshop	1,875	2
10.	Motor Mechanics and Fitters	1,875	2
11.	Tailors	600	1
12.	Seamstresses	270	
13.	Shoemakers and repairs	270	
14.	Hair dressers	600	1
15.	Barber	270	
16.	Butchers	600	1
17.	Cattle Dealers	1,050	1
18.	Electrician (self employed)	600	1
19.	Radio Mechanics (self employed)	270	
20.	Booksellers	600	1
21.	Watch Repairs	270	
22.	Hawkers in general	108	
23.	Second Hand Clothes Dealers	1,050	
24.	Second Hand Parts Dealers	600	
25.	Cafe/Cookery Shops	270	
26.	Petrol filling station operation	1,875	
27.	Mill Operators	270	

Item	Class or Description of persons	Minimum Tax payable by the Standard Assessment for each year of Assessment in the Western Area	Minimum tax payable by the Standard Assessment for each year of Assessment in the Provinces
		Tax	Tax
28.	Taxi Operators	1,050	180
29.	Lorry/Tipper Operators (Carrying passengers/ applying for hire/reward)	2,100	525
30.	Omnibus or Mini Bus Operators (carrying passengers and plying for hire/reward) ...	1,875	270
31.	Beer, Stout or Cigarettes Distributors ...	1,050	180
32.	Rice Dealers	1,875	270
33.	Fishing Boat Operators	600	108
34.	Diamond/Gold Miners		1,000 per licence issued

DATED this *9th* day of *March, 1987.*

S. H. KANU,
Minister of Finance.

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