

**AN ACT TO REPEAL ALL ACTS AS WELL AS  
ANY AND ALL EXECUTIVE ORDERS AMENDATORY  
THERE TO AND TO ESTABLISH THE LIBERIAN INSTITUTE OF TAX  
PRACTITIONERS ACT, ENACTED BY THE SENATE AND  
HOUSE OF REPRESENTATIVES OF THE REPUBLIC OF LIBERIA**

**PART 1 – PRELIMINARY**

**Section 1 Enactment**

All Acts as well as any and all Executive Orders Amendatory Thereto are hereby repealed as of the effective date of this Act, **The Liberian Institute of Tax Practitioners Act of 2014.**

- concurrency of the Minister of Finance, adjusting the Code and to specify the pro
- B. **“Tax”** means any tax, tariff, duty, impositi
- C. **“Institute”** means the **Liberian Institute** corporate body established by this Act.
- D. **“Minister”** means the Minister of Finance may designate to perform duties **“Tax practitioner”** means all persons under this Act.
- E. **“Tax practice”** means only activities u Tax Institute to practice the filing of tax
- F. **“Auditing standard”** means level of au by the Tax Institute as a norm to be published financial statements.
- G. **“Bylaws”** means such rules of governanc the Institute shall approve or amend at a of the members, provided that the m convened for the purpose approve the following the coming into effect of this A
- H. **“Certified”** means granted a certificate holder of the document. **Certified** has th

as an operational subunit of the Institute, provided that a minimum of fifteen (15) active members, including seven (7) or more members who are enrolled in the Institute as candidate, shall be required to establish a chapter. Subject to the preceding, a chapter may be established on a local, county or regional basis.

- J. “**Local Chapter**” means a duly established grouping of Institute members who are legal residents of the same town, district or city. A **county chapter** is a duly established grouping of Institute members all of whom are legal residents of the same County within the Republic of Liberia. A **regional chapter** is a duly established grouping of institute members all of whom are legal residents of two or more adjacent counties, two or more of which have one or more common

## **PART 3: OBJECTIVE AND FUNCTIONS**

### **Section 6 Objective**

The objective of the Institute shall be to promote and regulate the advancement of taxation and practice of taxation in Liberia.

### **Section 7 Functions**

To achieve this objective, the institute shall:

- (1) regulate the practice of taxation in Liberia,
- (2) be the sole institution for the certification of tax practitioners
- (3) facilitate the exchange of information and ideas related to the practice of taxation,
- (4) conduct and provide for the conduct of qualifying examinations for membership of the institute and prescribe and approve courses for the examinations,
- (5) evaluate and approve the curricula and certificates of other professional organizations considered by the Institute to be of equivalent status with the curriculum of the Institute,
- (6) keep, maintain, and publish a register of Licensed and/or Certified Tax Practitioners and Tax Practitioners,
- (7) determine the standard of knowledge and skills to be attained by persons seeking to practice taxation in Liberia,
- (8) strike off from the register of Licensed Tax Practitioners and Tax Practitioners, the name of a member due to state misconduct, incompetence or for justifiable reasons upon recommendation of the Disciplinary Committee,
- (9) prescribe and maintain professional standards and educate members on the methods and practices necessary to maintain professional standards and also ensure that the professional standards are maintained by members of the institute,
- (10) establish and maintain a library of books, periodicals and other publications and information storage media, on taxation and related subjects,
- (11) encourage research in the subject and practice of taxation generally to secure the well-being and advancement of the profession, encourage members to publish books on tax profession, perform any other functions that are ancillary to the objectives of the institute.

## **PART 4 – ADMINISTRATION**

### **Section 8 Governing Council of the Institute**

The Institution shall be governed by a Governing Council, which is charged with management of the Institute, and otherwise alternatively referred to throughout this Act as “**Council**”.

## **Section 9 Duties of the Council**

(1)

Without

prejudice to the generality of the provisions of Section 9 below, the specific duties and functions of the Council shall include but not be limited to the following:

- a) Manage, supervise, and/or direct the affairs of the institute to ensure that its objectives as explained in Section 5 are achieved accordingly.
- b) Adopt and promulgate policies for the enhancement of every function of the Tax Institute that will advance and promote the practice of taxation in Liberia.
- c) Appoint the Executive and other Directors for the smooth operations and implementation of all policies and functions of the institute.
- d)

- (5) Where a member of the Council is, for a sufficient reason, unable to act as a member, the Chairperson, or the person next in line of succession, shall convene a meeting of the Council to determine whether the inability would result in the declaration of a vacancy.
- (6) Where there is a vacancy under Section 10, subsections (1) to (4) above or by reason of death of a member, the Chairperson of the Council shall notify the President of the LITP of the vacancy (ies) within fifteen (15) days of the occurrence of the vacancy (ies). The President shall, consistent with the relevant constitutional provision, take steps to have such vacancy (ies) filled not later than thirty (30) days as of the date of notification.

### **Section 12 Meetings of the Council**

- (1) The Council shall meet at least once every three months for business at the time and in the place determined by the chairperson
- (2) The Chairperson shall at the request in writing of not less than two thirds of the membership of the Council convene an extraordinary meeting of the Council at the place and time determined by the Chairperson.
- (3) The quorum at a meeting of the Council is at least three (3) members for a Council of five members and at least four (4) members for a Council of seven members of the Council or a greater number determined by the Council in respect of an important matter.
- (4) The Co-Chairperson shall preside at meetings of the Governing Council in the absence of the Chairperson. In the absence of the Chairman and Co-Chairperson, a member of the Council chosen by the members present at a given meeting shall preside.
- (5) Matters before the Council shall be decided by simple majority of the members present and voting, and in the event of an equality of votes, the person presiding shall cast a deciding vote.
- (6) The Council may co-opt a person to attend a Council meeting but that person shall not vote
- (7) The proceedings of the Council shall not be invalidated by reason of a vacancy among the members or a defect in the appointment or qualification of a member, unless where the proceedings are found to be inconsistent with the provisions of this Act or the Constitution and By-Laws of the LITP.

### **Section 13 Disclosure of Interest**

- (1) A member of the Council who has an interest in a matter for consideration shall disclose the nature of the interest and the disclosure shall form part of the record for consideration of the matter; and he/she shall not participate in the deliberations of the Council in respect of that matter.
- (2)

- (a) Grievance and Ethics Committee;
- (b) Ways, Means and Finance. Committee;
- (c) Training and Technical Committee;
- (d) Outreach and Community Relations Committee.

#### **Section 15 Allowances**

Members of the Council and members of a committee of the Council shall be paid the allowances approved by the Executive Committee.

#### **Section 16 Meetings of the Council**

The meetings of the Institute shall be held in accordance with the provisions of the Second Schedule attached hereto.

#### **Section 17 Collaboration with Government of Liberia**

The Liberian Institute of Tax Practitioners may from time to time obtain information from the relevant agencies of Government about policies, or changes thereto, and comply with such policies consistent with the financial, accounting and other regulations of the Republic of Liberia, the provisions of this Act, and the Constitution and By-Laws of the LITP.

### **PART 5: QUALIFICATION AND MEMBERSHIP OF THE INSTITUTE**

#### **Section 18 Registration of Tax Practitioners**

- (1) A person or institution shall not practice as a Certified Tax Practitioner or Tax Practitioner unless that person or institution is registered or licensed as a member of the Institute.
- (2) Without prejudice to the spirit and intent of subsection 17(1), all persons and institutions presently performing the roles and functions equivalent to those of Certified Tax Practitioners and Tax Practitioners shall continue to be recognized as such for a period of three (3) years as of the date of publication of this Act, after which the provisions of subsection 17(1) shall take full effect.

#### **Section 19 Qualification**

- (1) A person is not qualified to be enrolled as an ordinary member of the institute unless that person;
  - (a) has passed the qualifying examination for membership of the Institute conducted by the Council; and
  - (b) has completed practical training for a period determined by the Council in an institution or organisation of equivalent status with the Institute, and is current with due payment.
- (2) A person shall not be eligible to practice taxation in Liberia if the following occur:
  - (a) certified by a medical practitioner and adjudged by a court of competent jurisdiction to be

**Section 20 Categories of Membership**

The membership of the Institute consists of the following categories: ordinary members,

- (3) At the beginning of each calendar year, the person responsible for the management of a firm shall submit to the Institute a list of names and particulars of each partner in that firm stating;
  - (a) the partner and membership's certificate number;
  - (b) the partner's practising certificate number; and
  - (c) the partnership firm certificate number issued by the Institute.
- (4) A member of the Institute shall notify the Executive Director of any change in information or particulars of the member within thirty days after the change has been made.

**Section 25 Prohibition of a Person Unregistered by the Institute from Practising as a Certified Tax Practitioner or Tax Practitioner**

- (1) A person shall not practice as a certified tax practitioner or profess to be a certified tax practitioner, unless that person:
  - (a) is a registered member of the Institute and has his or her name on the register of certified tax practitioner published by the Council; and
  - (b) holds a valid certificate to practice.
- (2) For the purpose of this section, "practice" means the act of:
  - (a) engaging in the practice of taxation as a certified tax practitioner, or tax adviser.

**Section 26 Use of Designations by Firms**

- (1) A firm of certified tax practitioners may use the designation "Certified Tax Consultants".
- (2)



- (3) A person whose name has been delisted from the register of the Institute may have the name restored if the member cures whatever defect caused the removal of his/her name.

### **Section 29 Suspension of Registration**

- (1) The Secretariat may suspend the registration of a member of the Institute where;
- (a) An offence in relation to the member is being investigated;
  - (b) allegations of misconduct have been made against the member;
  - (c) a false declaration was made in an application for registration as a member of the Institute; and
  - (d) the member has contravened a provision of this Act.

### **Section 30 Cancellation of Registration**

- (1) The Council shall cancel the registration of a member on the recommendation of the Grievance and Ethics Committee of the Council where the member:
- (a) is convicted of an offence under this Act or the Regulations,
  - (b) has lost the qualification on the basis of which the registration was made, or
  - (c)

(3) The Executive Director may delegate a function to any officer of the Institute but shall not be relieved from the ultimate responsibility for the performance of the delegated

- (3) The President shall, after approval by the Council, present copies of the Annual Report and Other Reports to governmental and nongovernmental bodies as may be deemed necessary by the Executive Committee.

### **Section 39 Registered Offices, Chapters and Seal of the Institute**

- (1) The registered head office of the Institute shall be situated in the Capital City of the Republic of Liberia.
- (2) Subject to the approval of the Council, the Institute may establish offices elsewhere as the Executive Committee shall deem fit. The Institute may also establish local, county and/or regional chapters elsewhere in Liberia as the Council shall deem fit; and may also have correspondents, representatives and offices, both within and outside of Liberia, as the Governing Council (Council) shall see fit.
- (3) The Institute shall have a common seal, which shall be kept in such custody as shall be determined from time to time by the President. The seal shall not be affixed to any document or instrument except upon proper authorization, as the President shall direct.

## **PART 7: MISCELLANEOUS PROVISIONS**

### **Section 40 Offences**

- (1) A member commits an offence if he or she:
  - (a) makes a false declaration in an application for registration as a certified tax practitioner or tax practitioner,
  - (b) wilfully and falsely uses a name, title or additionally, implying a qualification to practice as a certified tax practitioner or tax practitioner,
  - (c) practices or professes to practice as a certified tax practitioner or tax practitioner or
  - (d)

## **PART 8: SCHEDULES**

### **FIRST SCHEDULE**

#### **Grievance and Ethics Committee and Procedure for Proceedings**

(1) The Council shall appoint five (5) persons, of whom at least three shall be from among its members, to constitute a Grievance and Ethics Committee for the purposes of an inquiry to be held under this Act.

(a) One of the members shall be appointed by the Council to be Chairperson of the Committee.

(b) Where the person whose conduct is the subject of the investigation is a tax practitioner, membership of the Grievance and Ethics Committee shall include a member who is a tax practitioner.

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- (c) A person who gives false evidence on examination, on oath or affirmation before a Grievance and Ethics Committee wilfully commits an offence.
- (d) A person whose conduct is the subject of investigation at an inquiry or who is in anyway concerned or implicated in the inquiry may be represented by Counsel at the inquiry.
- (e) The Council may authorise any legal practitioner to assist the Grievance and Ethics Committee as to the leading and taking of evidence.
- (f) Every inquiry held by a Grievance and Ethics Committee shall be held in camera unless the Committee otherwise determines.
- (g) Any and all queries before a Grievance and Ethics Committee shall be determined by the decision of the majority of the members of that committee present and voting at the meeting.
- (h) Upon the conclusion of an investigation, the Grievance and Ethics Committee shall prepare and submit a report to the Council on their findings on the matters in respect of which the inquiry was held within ten (10) working days after the investigation.

## **SECOND SCHEDULE**

### **Meetings of the Institute Annual General Meetings**

- (1) The Council shall convene an Annual General Meeting of the Institute to
  - (a) approve the annual report of the Council, the audited accounts of the Institute and other reports
  - (b) Determine the allowances to be paid to members of the Council.
- (2) The Annual General Meeting of the Institute shall be held at anytime between the 30<sup>th</sup> of June to 30<sup>th</sup> of July of each year or on a date(s) decided by the Council. The date(s) of the Annual General Meeting shall be determined during the third quarterly meeting of the Council or the last meeting before the 1st of June, whichever comes earlier.
- (3)

**Special Meetings**

- (1) The Council may convene a special meeting of the Institute on its own or on receipt of a written request signed by not less than twenty one (21) members of the Institute.
- (2) A request for a special meeting shall state the purpose of the proposed meeting and be submitted to the Secretary of the Council.

**Notification of a Meeting**

- (1) The Secretariat shall send to each member of the Institute a notice giving the day, time, place of a meeting and the agenda for the meeting not less than fourteen days and not more than twenty-one days before an Annual General Meeting or Special Meeting of the Institute.
- (2) The Secretariat shall send each member of the Institute
  - (a)

**Resolutions**

(1) Every resolution and amendment proposed and seconded at a meeting of the Institute shall be put to the meeting by the person presiding and decided by majority of members of the Institute present and voting.

(2)

- (7) The person presiding shall send a copy of the report to each member of the Institute as soon as is practicable and where there is an equality of votes, the person presiding shall have a casting vote and declare when sending the report, the manner in which the casting vote is given and the result of the voting.
- (8) The facts contained in the report of the scrutinizers as to the result of the voting or the declaration by the person presiding, shall be conclusive.
- (9) The voting shall take effect from the date of the report of the scrutinizers except that where a meeting was adjourned to receive the report of the scrutinizers the voting shall take effect from the date when the report was presented to the adjourned meeting.
- (10) Where the person presiding is unable to exercise powers granted to that person, the power



### **THIRD SCHEDULE**

#### **Professional Misconduct**

- (1) “Professional misconduct” on the part of a member of the Institute includes, but not limited to the member;
  - (a)

**PART 9: EFFECTIVE DATE**

This Act shall take effect immediately upon publication in handbills.

ANY LAW TO THE CONTRARY NOTWITHSTANDING