



May 2017

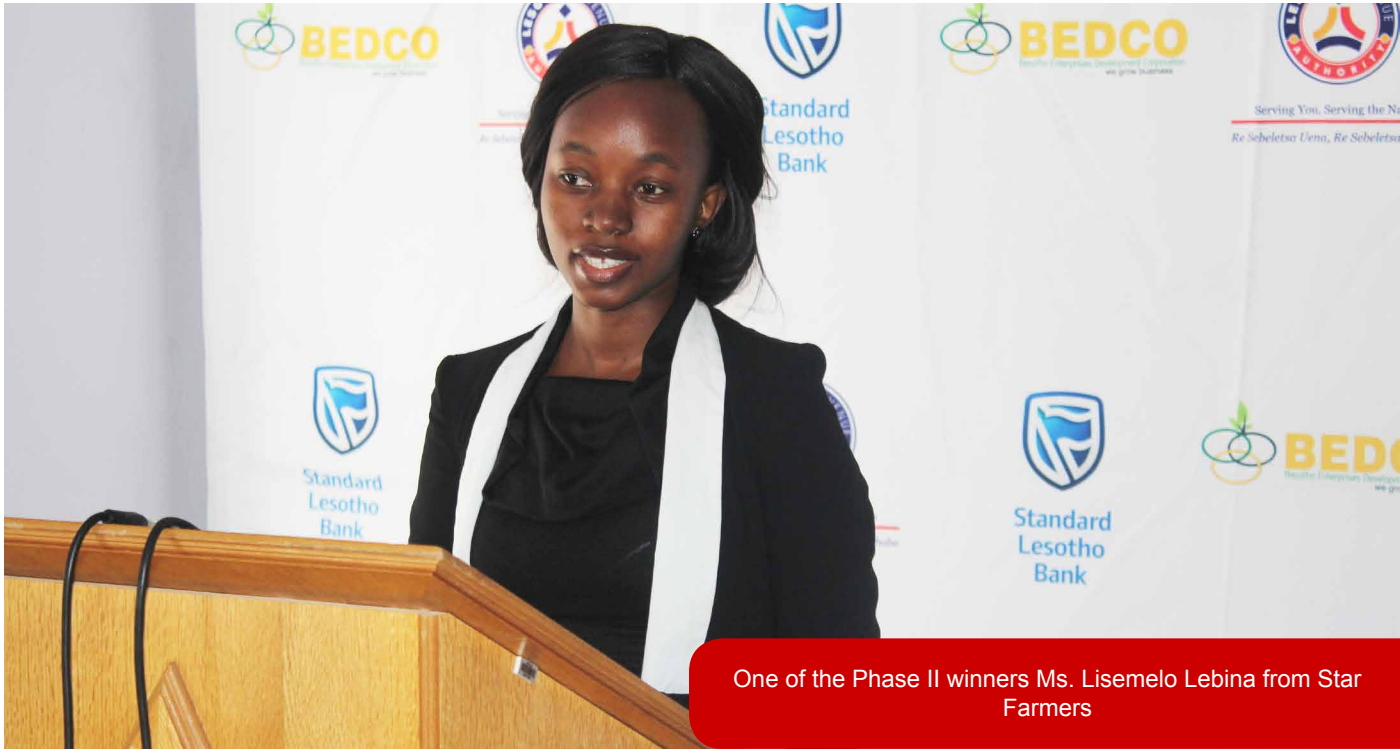


newsletter

The official Newsletter of the Lesotho Revenue Authority

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LRA, BEDCO and SLB launch BEP phase III



The Chief Executive Officer for Basotho Enterprise Development Corporation (BEDCO) Dr. ‘Makatlheho Matabooe said it is a sad reality that young people constitute a greater proportion of the unemployed society. She was speaking at the official launch of phase III of Bacha Entrepreneurship project (BEP) held at BEDCO on Tuesday.

She mentioned that some of youths have just completed their tertiary education and they are searching employment in the public sector while others are those who have been seeking jobs for too long without success and end up engaging in crimes in trying to survive.

She said the three partner institutions BEDCO, Lesotho Revenue Authority (LRA) and Standard Lesotho Bank (SLB) have defied the odds by taking a step towards poverty reduction through support of the youth’s business initiatives. *“It is therefore a great pleasure for the three partners LRA, SLB & BEDCO to continually be contributing towards achievement of improving entrepreneurship in Lesotho, particularly for our youth,”* she said.

She mentioned that BEP is looking for those individuals or groups of young people who are brave enough to break

out of the traditional mould of being job-seekers into becoming their own bosses as well as creating jobs for their communities. *“This is why these institutions pride in the fact that BEP is youth-centred and advances the economic and business aspirations of the future drivers of our economy,”* she said.

She said in the light of promoting entrepreneurship, statistics indicate that the youth are the most ravaged segment within communities who are affected by unemployment resulting in poverty for our communities. *“We bear testimony that our young graduates wait for over four years before they can be absorbed into the civil service, as a result, these young graduates end up being at the mercy of the civil service sector such that they cannot put their minds on being innovative to be the ones to create employment,”* she said.

On behalf of Phase I and Phase II winners, Ms. Lisemelo Lebina from Star Farmers said as young graduates leaving the institutions of higher learning they face the challenges of unemployment. *“Me and my partner were part of the Phase I in which were shortlisted to top 25 and went for training. Evidently we did not do well that is why we were*

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not shortlisted for interview,” she said.

She mentioned that when phase II was launched, they refined and submitted their proposal for the second time. “We were not discouraged because our passion was to be our own employers,” she added. She encouraged other

youth to take advantage of this life time opportunity as this is the way they can be entrepreneurs and also hire other youth.

BEP was officially launched in 2014 with the signing of the MOU for the three year pilot. Currently BEP boasts six businesses and 17 youths employed by different projects.



Excess Credit at the Ports of Entry

Traders and Importers are urged to take note that:

- The LRA does not allow importers to have excess credit from which they can gradually pay for declarations;
- Payments made must match the amount of the assessment notice;
- If an excess amount is paid, it can only be claimed through a normal refund process at LRA Headquarters.

LRA-BPF makes notable strides



The Chief Corporate Services Officer Mrs. 'Manneheng Mopeli with Team leader Admin and Transport attending LRA - Business Partnership Forum

The Lesotho Revenue Authority Business Partnership Forum (LRA-BPF) has made notable strides, since its establishment in 2011, a local businessman, Mr. Thabo Nkhahle has said.

Speaking on behalf of the LRA BPF during his presentation during the Lesotho National Development Corporation (LNDC) Investment Forum at Mahlakapese Guest House, Leribe on Friday, 19th May 2017, Mr. Nkhahle said the LRA-BPF continues to serve as a minimum platform through which the LRA, Government Ministries, Private Sector and the Business Community can forge strong partnerships.

He said such partnership facilitates structured dialogue between all key players in the trading chain and contributes to trade facilitation, improvements in tax laws and operations as well as higher compliance by the trading community. “We have done well so far to facilitate dialogue between the business sector and their counterparts in the public sector thereby reaching amicable solutions where both parties felt their interests were infringed,” he said.

He said the LRA-BPF also made a significant contribution in the development of the Preferred Trader Scheme under the Customs Modernisation Programme. He highlighted that the scheme aims to enhance trade facilitation and smooth cross-border trade. “Through such interactions, the Forum was able to facilitate for improved

understanding of the needs and concerns of business by the LRA and to ensure that the needs and requirements of the LRA are also appreciated by business to ensure that the two partners optimize mutual benefits,” he said. Mr. Nkhahle said the

Forum has also helped both the business community and the LRA in sharing relevant information on the new customs systems and other changes that were implemented.

“Through the Forum we participated in the roll out of the ASYCUDA World System where some of our members were incorporated in study tours to other regional countries to ensure that we understand the system before its launch,” he said. He said the Forum also seeks to create the most essential avenues for promoting intra Southern African Customs Union/Southern African Development Community trade for local businesses and to accelerate regional integration for Lesotho to benefit from the expanded markets in the sub-region.

During a similar roadshow in Mokhotlong district on Tuesday, 23rd May 2017, the Chief Corporate Service Officer, Mrs. 'Manneheng Mopeli said the LRA mandate goes beyond the collection of taxes as it also includes forming mutually beneficial relations between the Authority and the Taxpayers, hence the LRA BPF was established. She said the LRA performs secretarial role in the LRA-BPF adding that most tasks are played by the

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traders to own up the Forum.

With, the Polihali Dam construction in the Mokhotlong District in pipeline, she urged, the business sector to re-group and ensure their tax affairs are in order to ensure that they do not miss out in the opportunities. She concluded by commending the large part of business

sector for complying with their tax obligations and urged those whose were still lurking behind to do the right thing. *"Tax revenues play a pivotal role in the development of the country and I urge you to file your Income Tax Return by June 30th," she said.*

The seminar was attended by the LNDC, Banks, various parastatals and the business community.



Report fraud



How to report fraud:

Contact us on the following addresses:
LRA Internal Affairs Department
1st floor Oblate House, Right wing
Our email: internalaffairs@lra.org.ls
Toll free number: 80022008

LRA duo hone skills in taxation



It all started in Berlin, Germany in September 2015 an interesting 15 months lifetime experience there for Analysis Specialist (Customs, Tax and Risk), Mrs. Lineo Machobane and Tax Technical Trainer Ms. Nthabiseng Dlamini alongside 24 other Revenue Officials from 14 countries across the Africa Continent.

The duo attended a course commonly known as Executive Masters in Taxation (EMT) which encompassed professional aspects in addition to what was learned in the classroom, thereby successfully completing a Master of Arts in Tax Policy and Tax Administration.

This was a joint initiative between the African Tax Administration Forum (ATAF), the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), and the Berlin School of Economics and Law (BSEL) in Berlin, Germany as well as the University of the Witwatersrand in Johannesburg, South Africa (Wits School of Governance).

The programme comprised two academic semesters (Winter and Summer). *"My God.... Winter was really cold! Worse than any other that we have ever experienced. Roughly 14 months spent in Germany and a month in South Africa. Experience in both countries comprised of both the practical and academic aspects hence it was a unique opportunity designed especially for tax officials, policy-makers and tax practitioners who wish to acquire expertise in taxation and obtain an internationally*

recognized graduate degree in the field," the duo said.

Participants included officers across the spectrum of Administrations extending also to Customs and Litigation due to its broad scope which also covered some Customs related courses. Various tax workshops and study visits were undertaken as indicated below to enhance capacity not only in Taxation but also leadership, management as well as change management in order to build future experts and resource person within the African region.

- **Germany (Berlin and Munich)** – Two academic semesters on taxation, economics, governance and many other fields including the German and European tax systems as well as study visits to various Ministries of Finance both at State and Federal levels. Furthermore, guest lectures on trending taxation issues from experts across the Globe and a combined workshop for both the EMT Francophone and Anglophone to enable building of life long networks across Africa in both Tax and Customs matters.
- **Belgium (Brussels)** – Visit to the European Union; both the European Parliament and the European Commission as well as the Tax Administration Diagnostic Assessment Tool (TADAT) for broader understanding of the tax environment beyond the

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perspective of a taxman.

- **Austria (University of Vienna)** – 5 selected students were given an opportunity to attend a two day high profile meeting arranged by Commonwealth Association of Tax Administrators (CATA) and the Universitat Wien on Corporative Compliance. Mrs. Dlamini was one of the attendees.
- **South Africa (Johannesburg and Pretoria)** – Finalization of the academic leg concentrating more on the South African & African perspective with regard to taxation unlike in Germany which was mostly about The Organisation for Economic Co-operation and Development (OECD) and the European perspective. In addition, various practical visits to SARS and a workshop held at the ATAF Head Office.

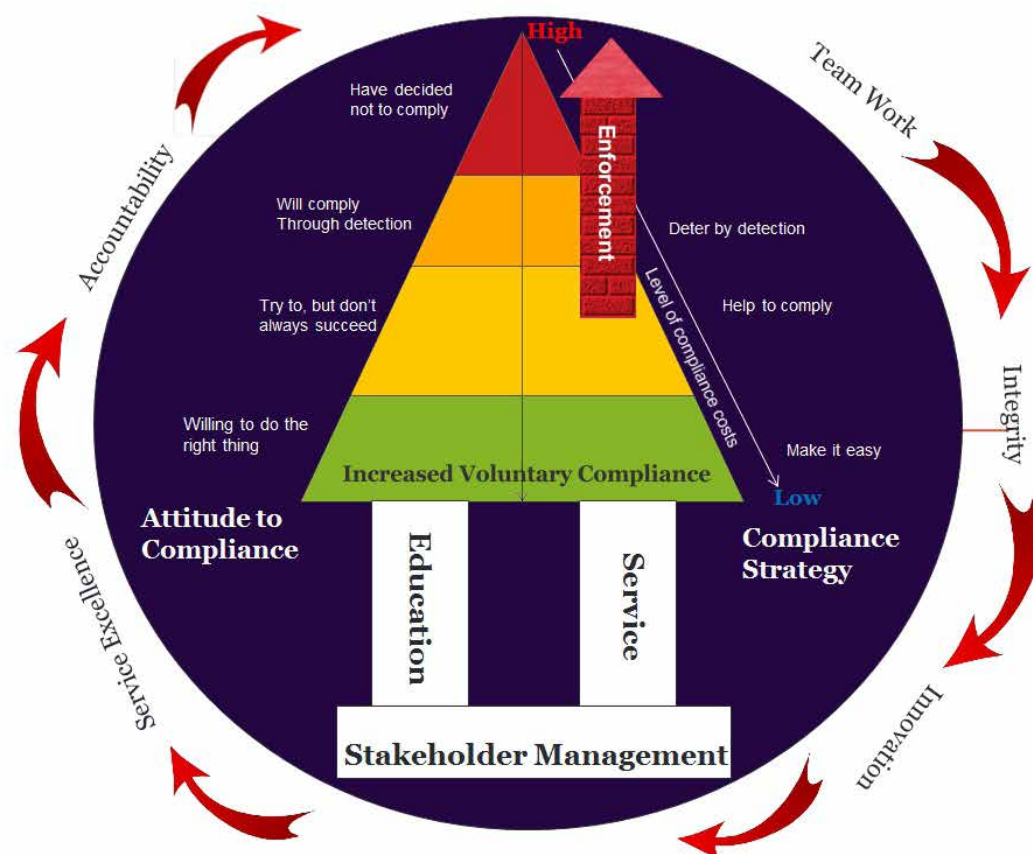
EMT was not an all work and no play experience; there were a lot of tours involved which were both educational and invigorating of which some were funded by the sponsors. To conclude, Graduations were held at the Wits School of Governance, South Africa on the 8th of April 2017 where Mrs. Machobane delivered a speech on behalf of the EMT Anglophone about their journey. In addition to that she also delivered an opening speech in October 2015

on their behalf at the GIZ offices in Berlin.

Graduations were preceded by a workshop on transfer projects which were a critical part of the programme to ensure that what was learned could benefit respective Revenue Administrations and bring about changes which are administratively beneficial to our organizations. Mrs. Machobane's project was also selected as one of the top three transfer projects from the Anglophone group and was presented on the first day of the workshop in Pretoria. Administrations are therefore expected to support implementation of these projects in order for them to reap the benefits of their participation in the EMT programme. Apart from the transfer project presentations, the workshop was also about Illicit Financial Flows.

ATAF has further provided EMT students an opportunity to take part in African Tax Research Network (ATRN) congresses by submitting their transfer projects research papers for selection and the selected papers to be presented at the applicable congress. This is an ongoing event where young African researchers in particular are expected to have an input through research.

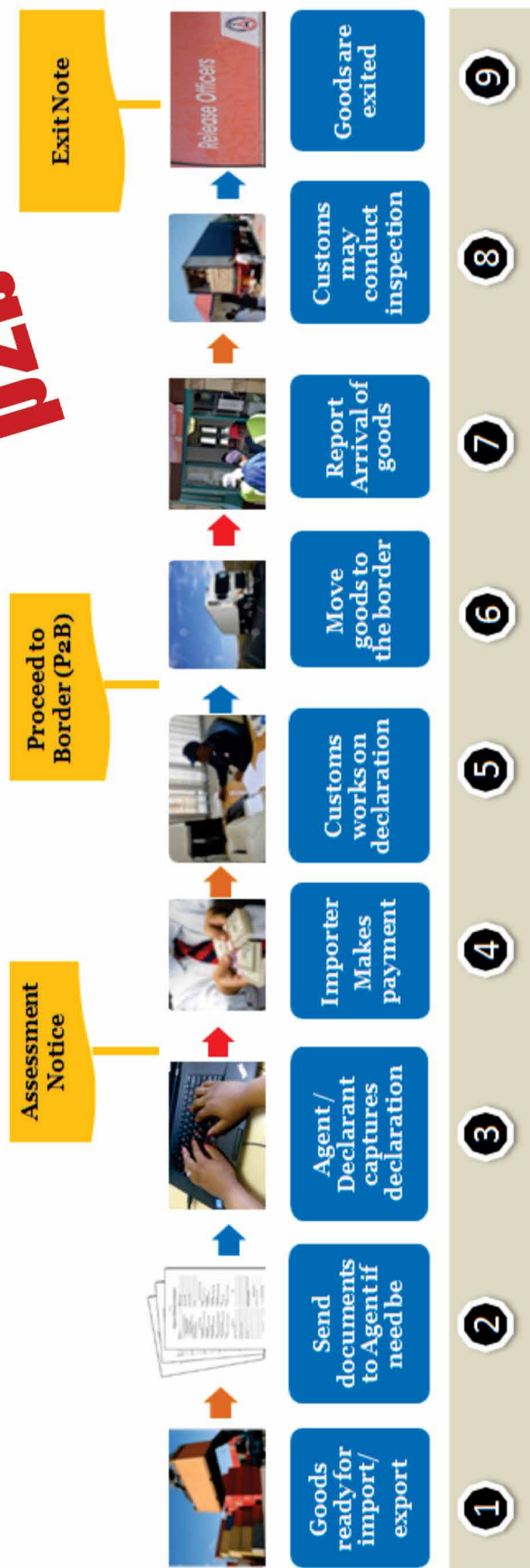
"Our sincerest gratitude is highly extended to the LRA and all EMT partners for gracing us with such a worthwhile opportunity.... High 5," the team said.



New Customs Procedure For Commercial Traders and Clearing Agents

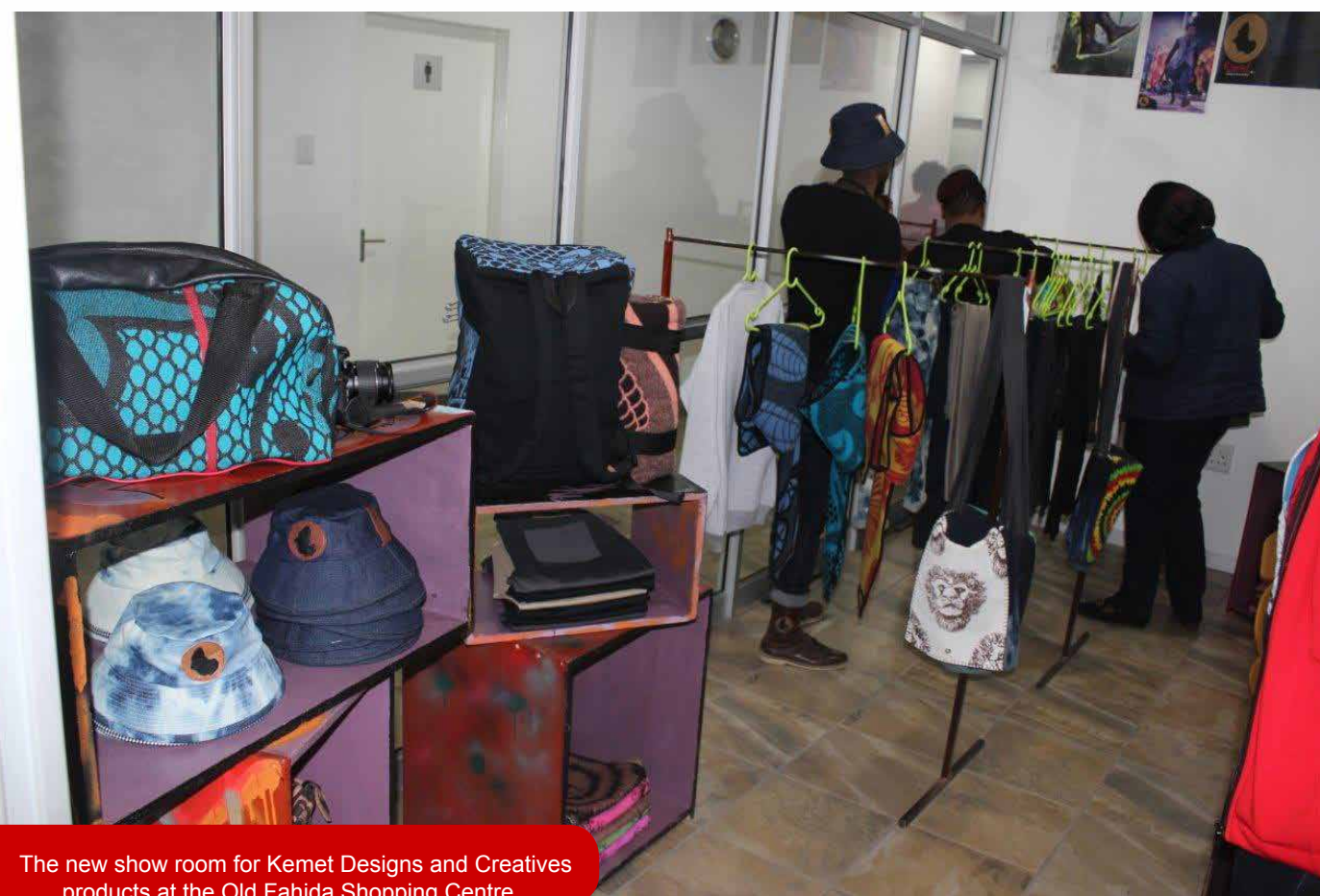
Proceed to Border

p2b



- P2B is an automated notification that allows a consignment to Proceed To Border for possible inspection & release
- Declare and pay in advance and if P2B notification is not issued within 24 hours after declaration, make an enquiry on ecustoms@lra.org.ls / 5221 5111 / 5221 5112
- No consignment should come to the border without ASYCUDAWorld P2B
- P2B is now accessible from the System anytime when it is due, just click this icon

Sky is the limit for Kemet Designs



The new show room for Kemet Designs and Creatives products at the Old Fahida Shopping Centre

One of the Bacha Entrepreneurship Project beneficiaries - Kemet Designs and Creatives continues to make notable strides in business and has live up to the programme's expectations.

The company through manufacturing African designed clothing and bags qualified for the project spearheaded by the Lesotho Revenue Authority (LRA), Standard Lesotho Bank and the Basotho Enterprise Development Company (BEDCO) during its first phase in 2014/15.

True to the objectives of the project of job creation, the company now boasts five employees, owners included. They started with two industrial machines but through the assistance of the Bacha Project they now have seven. But quite noticeable is the expansion of the business from the production house at Ha Matala, Maseru to old Fahida Shopping Centre, Kingsway where they recently opened a showroom to display products.

Other achievements include: signing a contract with Aranda Textiles for supply of raw material for bags which is exclusive to Kemet Designs and Creatives, signing contracts with two local clothing brands to manufacture products for them and clinching a contract with one African bags distributor in South Africa (FURAHA) to supply them with Kemet branded bags.

In an interview, with LRA News, Kemet Designs Owner, Mr. Teboho Moekoa said the market was growing for their products and the business was good. *"The market is really growing for our products. We started off producing for individuals but we have grown to get orders from some local corporates. Customers come to us to buy things they can never get anywhere,"* he said.

The energetic Mr. Moekoa also said they produce protective clothing which also helps to keep the business going. Through the Bacha Entrepreneurship Project, three winning aspiring youths receive a combined start-up capital of M500,000.00 to execute their proposals.

During the implementation phase of the projects, candidates are constantly mentored and provided with entrepreneurial, financial and tax compliance guidance and support in order to transform their ideas into fully-fledged businesses that are fully operational and integrated into the mainstream economy, thereby creating revenue and opportunities for employment in the wider community.

Re Sebeletsa Uena, Re Sebeletsa Sechaba



Serving You, Serving the Nation

Senior Anti-Smuggling Officer completes a course in Japan



The Senior Anti-Smuggling Officer, Mr. Molete Ramatla (middle) during his Graduation at the Aoyama Gakuin University in Tokyo, Japan

The Senior Anti-Smuggling Officer, Mr. Molete Ramatla successfully completed a Master of Arts in Business Administration Degree (MBA) in Strategic Management and Intellectual Property Rights Course at the Aoyama Gakuin University in Tokyo, Japan.

The 12-month course was sponsored by the Government of Japan through the World Customs Organization (WCO). The graduation ceremony was held on the 25th March 2017 at the Aoyama Gakuin University.

In an interview with the LRA News, Mr. Ramatla said the major objective of the programme was to provide students with conceptual understanding and technical competence for careers as future leaders in Strategic Management and Intellectual Property Rights adding that the curriculum was mainly designed for government officials worldwide currently working in customs area.

He said the Strategic Management and Intellectual Property Rights Program (SMIPRP) comprised two six months segments - an academic course common to customs, and a practicum course.

"The academic component of the SMIPRP offered lectures and individual supervision aimed at developing a broad understanding of the theoretical, empirical, and institutional aspects of customs policy implementation and administration, in the context of developing countries"

economic, social, and organizational development.

It then moved to a range of applied topics aimed at helping students understand how to design, implement, and evaluate public policies, in particular customs policy, in accordance with development strategies for organizations," he said.

He said the course covered that include competitive strategy, organizational behaviors and culture, Intellectual Property Rights (IPR), IPR border enforcement, customs law, customs reforms & modernization, WCO/World Trade Organization, finance, and multinational business management. *"A basic academic writing course was also offered, as well as individual supervision for completing the master's thesis,"* he said.

Mr. Ramatla further said the practicum segment was led by the Japanese Customs Administration (attached to the Ministry of Finance), including Japan's Customs Training Institute (CTI: WCO Regional Training Center), AGU's Graduate School of Business, and former Managing Director of CTI.

"It involved workshops and seminars, visits to regional customs bureaus, and preparations for final student papers that are presented to the Japanese Customs"

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Administration teaching staff for discussion. Topics covered by the practicum included the theory and practice of customs tariff policy and customs administration, various aspects of customs control and trade facilitation, customs reform and modernization, international treaties and agreements related to customs and the role of customs in protecting intellectual property rights," he said.

He concluded by thanking the Lesotho Revenue Authority (LRA), the Government of Japan, the World Customs Organization and Aoyama Gakuin University for that and obtained results. "Glory be to God all mighty," he said.

The course was attended by ten participants from countries that included: Bhutan, Azerbaijan, Ecuador, Papua New Guinea, Nigeria, Indonesia, Kenya, Lesotho, Vietnam and Tanzania



TAX CLEARANCE CERTIFICATE (TCC) NEW FEATURES

Tax Clearance Certificate	
Certificate ID: 170318109	Type of Business: WHOLESALE OF FOOD, BEVERAGES AND TOBACCO
TIN: 200032081	Official LRA Stamp to identify TCC Original and Copy
Legal Name: GOOD CITIZENS	
Trading Name: PHARLA BURELA ENTERPRISES	
Address: 12, LUBALE	
Address: 14, LUBALE	
Address: 15, LUBALE	
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Effective January 2017

Tax Calendar

Income Tax

31st December (3rd Installment)
31st March (Last Installment)
30th June (Return & Last Installment)

Corporate Tax

30th September (1st Installment)
31st December (2nd Installment)
31st March (3rd Installment)
30th June (Return & Last payment)

Fringe Benefits Tax

30th June (1st Quarter)
30th September (2nd Quarter)
31st December (3rd Quarter)
31st March (4th Quarter)

PAYE

15th every month
Valued Added Tax (VAT)
VAT returns for VAT vendors
20th every month (Return & Payment)

Import VAT Credit Facility

20th every month (Return & Payment)

We are here to serve you!



**Declare, pay, get notification
and proceed to border**

Lesotho Revenue Authority

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