

Step 8: Choose a place to file your tax return:

You can file your tax return at any of the commercial banks namely; Standard Lesotho Bank, NedBank Lesotho or First National Bank. Filing tax return at the bank is fairly easy; all that is required is for you to follow the process outlined below:

- Take along your correctly filled tax return to the bank,
- If there is any tax to be paid fill in the two copies of the deposit slips,
- Submit the tax return and the deposit slip together with a payment to the bank teller.
- The bank teller will stamp both the return and bank deposit slips and takes one copy of the bank deposit slip.
- Keep the second copy of the bank deposit slip as proof of payment.
- The Taxpayer will drop a return form in the return deposit box to be collected by LRA for processing.
- Even when there is no payment, submit the tax return to the teller who will stamp it and then deposit it into the LRA Tax Return Box.

If you choose to file at the Advice Centres, then you should follow this process:

- Take along your correctly filled tax return and its supporting document to the Advice Centre,
- Submit the return form to a Taxpayer Relations Officer, who will stamp it and if the payment has to be made there is the LRA Banking hall only, while at the district you will have to go to the nearest branch of either Standard Lesotho Bank, First National Bank and NedBank Lesotho.

NOTE:

The deadline for filing your Income Tax return is 30th June. You need to be an early bird and file your tax return on or before the deadline. In order to avoid long queues and wastage of your valuable time, do not wait for the last day to submit your tax return.

If you have questions about how to file your tax return or experience difficulties in filing your tax return, please contact the following offices:

Taxpayer Education Office

2nd Floor, Office # 2010/2022
Finance House, Maseru
Tel: 2231 3796 / 5221 5061 / 89

Leribe Advice Centre

Hlotse, Leribe
Tel: 2240 0800 / 2240 0810

Maseru Advice Centre

Ground Floor
Finance House, Maseru
Tel: 2231 3796

Mohale's Hoek Advice Centre

Mohale's Hoek
Tel: 2278 0864 / 2278 0862

Email us at

taxpayerseducation@lra.org.ls



*Serving You – Serving the nation
Resebeletsa Uena – Re sebeletsa Sechaba*

Ground Floor, Finance House Building
Government complex, Kingsway Road

Tel: +266 2231 3796 / +266 2232 8585
Fax: +266 2231 0357
Website: www.lra.org.ls

DISCLAIMER

This Guide is for general information only, and has no binding legal authority. For any queries, you may contact the nearest LRA Advice Centre for further assistance and guidance. Please take note that it is your obligation to verify independently any matters dealt with in this Guide from primary sources of information and by taking specific professional advice, should it be necessary. The LRA excludes any liability for any costs, losses, claims, damages, expenses or proceedings (including special, incidental or consequential loss or damage, loss of profits and wasted management time) incurred or suffered by you arising directly or indirectly in connection with this Guide.



EASY GUIDE TO FILING YOUR INCOME TAX RETURN

Overview:

Filing an Income Tax return can be a challenging task, whether it is a Company's tax return, Personal Income Tax return or any other form of Income Tax return. The secret to this is that you need to prepare yourself for this important task. The question is how do you prepare yourself such that you are able to file an accurate and complete tax return? The answer to this question is very simple, make sure that you have all the required information that will assist you in filing your return and also ensure that you have enough time to prepare and file your tax return.

This guide is intended to assist you towards successful filing of your Income Tax returns so that you can have a peace of mind knowing that you have met your tax obligations.

How to fill in your tax return form:

Steps 1 to 8 below explain the process that the Taxpayers need to follow in order to file their tax returns.

Step 1: Obtain income tax return form:

You should obtain relevant Income Tax return form. Whether you are an employee, a director of a company, a sole trader or sole proprietor, a partner in partnership business, corporate body, cooperative or trustee you have to obtain a relevant form in order to file your income tax return. Income Tax return is a document giving the Lesotho Revenue Authority (LRA) information about the Taxpayer's tax liability based on income earned in a particular year of assessment.

There are two types of return forms namely; individual return form for individuals and Corporate return form for corporate bodies, Trustees and Partnerships.

These tax return forms are obtainable at the following places:

- Maseru Advice Centre (LRA Headquarters),
- Leribe Advice Centre (Hlotse),
- Mohale's Hoek Advice Centre,

Step 2: Bring together all relevant documents and records:

You should bring together all documents and records relating to your income and expenses e.g. tax invoices, receipts, bills, credit notes, debit notes, cash book, Withholding Tax certificates, record of business income, employment income (P16's – tax certificates), property income, allowable expenses and any other income or gain derived during the year of assessment. All these documents and records will help ensure that you account for your income properly and that your declarations are correct and complete.

Step 3: Fill in relevant information from your documents:

Please note that not all of the documents mentioned in step 2 should be submitted together with your tax return, but they will give you detailed information with regard to your income and expenses for the year of assessment. You will not be required to attach supporting documents like receipts, invoices, credit and debit notes etc., when you file your return, however it is important to note that the information extracted from the primary source documents would be useful in helping you to prepare your financial statements and also to be provided as supporting documents during tax audits that maybe conducted on your business.

Step 4: Declare all sources of your income:

According to Income Tax Act (as amended), the Taxpayer's income is categorized as follows:

- Business Income
- Employment Income
- Property Income
- Any other income or gain.

Therefore all income derived or gained by you should be reported accurately and truthfully. In other words, you should declare all your sources of income. The Income Tax Act 1993 as amended makes provision for the taxation of Lesotho residents on their worldwide income. Therefore in filing the tax return, you should report all the income derived from all over the world and corresponding allowable expenses relating to income.

Step 5: Assess Your Tax Due:

You will be required to assess your tax due for the year. The Act makes provision for you to determine your tax liability through a Self-Assessment System (SAS). Under this system you are personally liable to determine how much tax you ought to pay. Therefore you are required to make accurate calculations in determining your tax liability.

Step 6: Endorse Your Tax Return:

After completing the return, you will be required to endorse or sign the tax return. Your signature on the tax return is an acknowledgement that the information provided is correct and truthful. You should note that it is an offense to make false declaration.

Step 7: Attach relevant supporting documents:

You are required to attach relevant supporting documents to the return. The supporting documents are required to substantiate some of the claims you made. Below is a list of documents that need to be attached to the income tax return:

- Financial statements,
- Schedule of withholding taxes deducted and Withholding Tax certificates if there are any,
- Tax Certificates (P16) for employees, including printouts from insurance companies,
- A letter of explanation in the case where a Taxpayer has filed a nil return.