



Commissioner General



LRA/TDN/20/0036

March 30, 2020

Hon. C. Mike Doryen
Managing Director
Forestry Development Authority
Paynesville, Liberia

Received
March - 31 - 2020
AT: 12:05 PM.

Dear Hon. Doryen:

The LRA is in receipt of a communication from Euro Logging Company in which it claimed that it is entitled to a balance Tax Credit in the amount of US\$1,098,847 (One Million Ninety-eight Thousand Eight Hundred Forty-Seven United States Dollars and Ninety Cents) in the following manner:

A. Area, Annual Contract and Administrative Fees	US\$ 640,275.00
B. Stumpage and Export Fees	<u>US\$ 458,572.50</u>
Total	<u>US\$1,098,847.90</u>

This claim is predicated upon the Memorandum of Understanding (MOU) signed between the Government of Liberia and Euro Liberia Logging on March 2017 wherein it was agreed that the Company rehabilitates 166.0 km of road linking two sections of the highway from River Gee County, through Grand Gedeh to Sinoe County.

Of the above mentioned US\$1,098,847, Euro Logging has applied for Tax Credit in the full amount of US\$1,098,847.90 (One Million Ninety-eight Thousand Eight Hundred Forty-seven United States Dollars and Ninety Cents) to be applied as follows:

A. Stumpage Invoices and Est.	US\$ 260,670.97
B. Export Invoice Fees Est.	US\$ 299,500.38
C. Area, Annual Contract and Administrative Fees	<u>US\$ 538,676.55</u>
Total	<u>US\$1,098,847.90</u>

The LRA recognizes the legitimacy of the claim for Tax Credit by Euro Logging in the above mentioned amount and following discussion with Euro Logging, the LRA has agreed to grant the company tax credit on the breakdown as above. However, prior to shipment, the company shall pay in cash the full amount US\$244,159.26 for the 13% FOB value on arears on Area Fees (US\$142,560.81) and the balance of the Area, Annual Contract and Administrative Fees Payment on Area for 2019-2020 Due (US\$101,598.45). The above payments mentioned are in addition to the 2% CIT payment and installment agreement on a prior year Area Fee currently overdue. The LRA is therefore issuing this tax credit certificate that covers a total of US\$1,098,847.90 (One Million Ninety-eight Thousand Eight Hundred Forty-seven United States Dollars and Ninety Cents) only.



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ELWA Junction
Paynesville, Liberia


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Please proceed and issue the requisite approvals to enable the company export their logs. The LRA shall duly report the respective tax credits as part of the revenue to have been collected from the sector against the indicated tax kinds in line with the FY2019/2020 national estimates.

Thanks as LRA strives to collect lawful revenue to facilitate the National Pro Poor Agenda.

Kind regards.

Very truly yours,



Thomas Doe Nah
Commissioner General

cc. Cllr. Frank Musa Dean
Minister of Justice

Hon. Samuel D. Tweah
Minister of Finance and Development Planning

Mr. Jihad Akkari

Manager

Euro Liberia Logging Company and Liberian Hardwood Corporation (LHC)

Congo Town, Old Road, Monrovia

Mr. Kiki Gyan
Forestry Project Manager
SGS Liberia
Wein Town, Paynesville, Liberia