

ENACTED by the President and Members of Parliament in this present Parliament assembled.

1. This Act shall—

   (e) by the repeal and replacement of item 2 of the Ninth Schedule by the following item—

   “2 Redundancy and termination payment
   The maximum redundancy or termination payment which is to be excluded from employment income under paragraph (h) of subsection (3) of section 23 shall be Le10,000,000.00”.

J. A. CARPENTER,
Clerk of Parliament.

This printed impression has been carefully compared by me with the Bill which has passed Parliament and found by me to be a true and correct printed copy of the said Bill.

J. A. CARPENTER,
Clerk of Parliament.

Printed and Published by the Government Printing Department, Sierra Leone.

(a) in respect of paragraphs (a) (b) (c) and (d),
be deemed to have come into force on the
7th day of December, 2001; and

(b) in respect of paragraph (e), be deemed to have
come into force on the 29th day of November,
2002.

2. The Income Tax Act, 2000 is hereby amended as follows:—

(a) by the repeal and replacement of paragraphs
(f) and (g) of section 31 by the following
paragraphs—

“(f) the income of an individual derived from
any agricultural activity involving rice
farming and tree crop farming such as
cocoa, coffee and oil-palm for a period
of ten years from the commencement of
the agricultural activity;

(g) the income of a company incorporated
in Sierra Leone derived from any
agricultural activity involving rice
farming and tree crop farming such as
cocoa, coffee and oil-palm for a period
of ten years from the commencement of
that activity and fifty percent of any
dividend paid in that period provided
the company maintains full records of
all transactions relevant to the
agricultural activity”.

(b) by the repeal and replacement of subsection
(5) of section 117 by the following subsection—

“(5) Subsection (4) does not apply to
payments made by a person to a contractor during a month
in which the person pays a total of Le500,000.00 or less to
the contractor”.

(c) by the repeal and replacement of section 120 by the
following section:—

120 (1) Subject to subsection (2) and the Sixth
Schedule, a person resident in Sierra Leone who pays
rent or royalty shall withhold tax on the gross amount
of the payment—

(a) in the case of a payment made to a person resident in
Sierra Leone, at the rate prescribed in Part IV of the
First Schedule, and the tax withheld on the rent
payment shall be a final tax;

(b) in the case of a payment made to a non-resident
person, at the rate prescribed in Part II of the Second
Schedule; and

(c) in the case of a body corporate, a trust or an individual
whose source of income is the holding and letting of
properties, the amount withheld shall not be a final
tax”.

(d) by the repeal and replacement of Part II of the Second
Schedule by the following Part—

“Part 11
(Sections 116,117,118,119,120,121,122 and 123)-
Employment income (section 116) 25%
Payment to contractors (section 117) 10%
Dividends (section 118) 10%
Interest(sections 119) 15%