



# **LESOTHO REVENUE AUTHORITY**

## SERVICE DELIVERY STANDARDS

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# 1 FOREWORD

The Lesotho Revenue Authority is a corporate body established under the Lesotho Revenue Act no.14 of 2001 to be mainly the body responsible for the assessment and collection on behalf of the Lesotho Government, of specified revenue; for the administration of laws relating to such revenue and for related matters.

We put service at the heart of everything we do. We value our Clients as our values depict; "We care"

We have heard from our Clients that, our services turnaround times are too long, Clients with similar issues are treated differently, our systems are not stable and that there are delays in responding to queries raised.

In response to these we have developed the Service Standards which are to be a guiding policy and our commitment to Clients as we continue to serve them.

We are bound by a service and client-centric culture which binds all employees of the LRA at all levels.

We intend to promote voluntary compliance through self-services provided by the Authority.

It is our commitment to modernize, digitalize and empower our Clients to enable smooth and timely interaction.

**Thabo Khasipe**

**COMMISSIONER GENERAL LESOTHO REVENUE AUTHORITY**

## 2 ABBREVIATIONS

<b>LRA</b>	Lesotho Revenue Authority
<b>TIN</b>	Taxpayer Identification Number
<b>ID</b>	Identity Document
<b>SAD</b>	Single Administration Document

## 3 DEFINITIONS

Unless otherwise specified, for purposes of this document:

<b>Days</b>	Means working days.
<b>VIP</b>	Senior Public Officials, Diplomats, Heads of International Organisations
<b>Single Administrative Document (SAD)</b>	Means the single administrative document used as a bill of entry for declaration of imported goods, exported goods and goods in transit. This includes the documents labeled as SAD 500, SAD 501 and SAD 502, etc.
<b>Client</b>	Means a partnership, a company, economic operator, trader, exporter, client, trading community, government, a political subdivision of government, public international organization, and any other person doing business with the Authority.
<b>Authority</b>	Means Lesotho Revenue Authority.
<b>Selectivity</b>	Means the determination of the declaration status should be given to such declarations.
<b>Deferment Account</b>	A credit facility agreement established for clients who meet certain compliance measures, they do not pay import VAT upfront instead it is deferred and paid on or before the 20th of the month following importation.
<b>Preferred Trader</b>	A Client that has been awarded front of line privileges or priority treatment for clearance and inspection of goods at the Borders.

# 4 GENERAL STANDARDS

**4.1 Greeting:** We will greet the Client first, and immediately express readiness to serve them. We will not use offensive body and/or verbal language when dealing with Clients.

**4.2 Readiness to help:** We will prompt the Clients by asking them how we may be of help to them. If we are unable to help, we will say who can; if we do not know, we will try to find out. We will also attend to the Client with a smile while sitting in a posture that shows our readiness to serve.

**4.3 Verbal Communication:** We will communicate in a warm, friendly and audible tone of voice.

**4.4 Self-Identification:** When physically in contact with Clients, we will introduce ourselves by name and title e.g. I am Thato, the Manager- Audit.

**4.5 Language:** We will use English or Sesotho as the official communication languages, depending on the preference of the Client.

**4.6 Eye contact:** We will maintain eye contact while attending to Clients at all times.

**4.7 Listening:** We will attentively listen to Clients. In particular, we will not attend to personal phone calls or engage in non-official communication with fellow staff in the presence of Clients. In case we have to answer an official call coming in, we will request a few seconds from the client to answer the call and apologize thereafter.

**4.8 General behaviour:** When Clients contact us, we will be welcoming, polite and helpful. We will give clear information about our services. We will minimize the use of technical terms, however, if we need to use technical terms, we will explain what they mean, and we will check whether the Client has understood the explanation.

**4.9 Thanking:** After every communication with Clients, we will express gratitude.

**4.10 Identity Cards:** we will wear identification cards (ID) at all times, and Clients have the right to request the name of the staff member serving them.

We may not wear the ID if the nature of our operation dictates so.

However, officers will produce their ID cards as a proof of their identity.

**4.11 Neatness:** We will at all times be neat, reflecting the corporate image of LRA. The offices in which we serve Clients will be neat and tidy. The floor, walls and furniture will be free of dirt, litter and dust.

**4.12 Attire:** We will at all times be tidy at work. We will dress in corporate wear from Monday to Thursday. For Fridays, the dress code will be smart casual.

However exceptions shall be made for officers depending on the nature of their operations while all officers at ports of entry/exit will wear uniform at all times while on duty.

**4.13 Acceptable behaviour:** We will, in all our interactions with Clients treat them courteously, with consideration and in a non-discriminatory manner.

We will not solicit for bribes, gifts and tokens of appreciation under any circumstances. In the case of staff members who service and/or interact with corporate clients and who may be offered gifts and promotional items, such acceptance must be guided by and adhere to the LRA Ethics Policy and the Human Resources Policy on Gifts.

We will not exhibit any verbal or non-verbal signs of arrogance and rudeness.

No eating or chewing gum will be allowed in front of Clients.

No texting and headsets are allowed during interaction with internal and external Clients.

**4.14 Telephone Etiquette:** When Clients call, we will answer all calls within three rings.

In a case where there is a Client being assisted during a call, we will not be able to pick the call within three rings but, will return to all missed calls within a day.

Upon picking up calls from Clients, we will introduce ourselves in the following order: Our Organization – Office- Name. E.g. "Lesotho Revenue Authority, Audit Section, Thato speaking, how may I help you?"

If we are transferring the call, we will tell the Client the name of the person we are transferring them to. Before transferring him/her, we will check that the person is available before putting the call through and pass on any relevant details.

All calls will be recorded for quality assurance purposes.

**4.15 Correspondence:** We will respond to all letters clearly and accurately within the set standards for each of the services required.

**4.16 Email:** All emails will be acknowledged within 24 working hours.

**4.17 Instant Chat:** We will respond to instant Chat within 3 minutes of an initiated chat.

## 5 SPECIFIC SERVICE DELIVERY STANDARDS

**5.1 Queues:** On arrival at our Service Centres /Ports of Entry, Clients will be directed to report to the Check Point/service point, where high level checking will be conducted to ensure that all documents required for the requested service are available and in order. Clients who do not have the requisite documents will be requested to avail the necessary documents and return to the service point. Clients who have the necessary documents will be issued a token to join the queue. Service will be provided on first come first served basis.

Priority treatment will be given to the elderly, disabled, expectant women, women in mourning clothes, VIP and Preferred Traders.

**5.2 Queue Duration:** The following standards will apply for serving our Clients in queues at our Service Points;

5.2.1 We will create an express lane that will be used by Clients with few documents, but in the absence of such, Clients with voluminous documents can use such a lane.

5.2.2 No client will spend more than 30 minutes in a queue without being attended while waiting for a service.

5.2.3 Preferred Traders should identify themselves for priority queue management.

**5.3 Enquiries:** We will respond to enquiries at the time they are presented to us. However, if the enquiry involves technical queries, then the Client will be requested to put the enquiry in writing, or LRA officer will take contact details and call back within two (2) days to give feedback to the Client. Enquiries made through written correspondence will be treated as per 4.15 above.

**5.4 Pre-Entry Information Applications:** In the event where an application is made for pre-entry information regarding the valuation, tariff classification and/or origin of goods for an envisaged import or export operation, the following standards will apply:

5.4.1 Brief Informal Applications – Provision of Feedback/Information

The application should be made before importation of goods. We will respond to the Client within 21 days but in a case of complex cases we will communicate with the client.

#### 5.4.2 Detailed Formal Applications – Provision of Feedback/Information

We will provide feedback for formal applications within 3 working days. In case the issue requires more detailed research, we will respond to the Clients within forty-eight (48) hours.

**5.5 Registration:** We will register all applicants by first issuing a TIN and then registering them for relevant tax types if all the necessary information is available, and unless the application is selected for further checking. We will register walk-in Clients within a day of application, while online company registration and VAT registration will be done within 48 hours.

For registration under all Customs and Excise regimes including licenses, accreditation and warehouses, requirements for registration will be available at Service Centres, Ports of entry and on the LRA website. We will respond to 100% of preliminary applications within forty-eight (48) hours. After indication by the client that requirements have been fulfilled, inspections, interviews, or pre-registration audits will be performed within three (3) days.

For all regimes except Accreditation, a final response will be provided within seven (7) days after inspections or interviews as the case may be relevant. In the case of Accreditation, a final response will be provided within three (3) days after pre-accreditation audits have been completed.

**5.6 Updating changes of Clients registration details:** The updating of records/information will be effected within a day (1) after receipt of such details to be incorporated, unless the application is selected for further checking. However, in the event of a Client submitting the request in the form of a letter, then such will be treated as per the provisions of 4.15 above.

**5.7 Deregistration:** The process of deregistration will be completed and communicated to a concerned Client within ten (10) days after receipt of application Suspension or Withdrawal: We will inform Clients within seven (7) days before a decision to suspend or withdraw their license or status enters into force. In addition, we will inform the Client of the time frame for which their license or status will be suspended as well as conditions that apply.

#### 5.8 Suggestions on service improvements

**5.8.1. Suggestions Boxes:** At each of our service points, we will place a visible box that we will use to receive suggestions from Clients on how service can be improved. We will provide quarterly feedback on the LRA website, on all suggestions received and to individuals who raised such.

**5.8.2. Service Rating tools:** We will place a rating device at every point of service including the online platforms, where a Client will be requested to give feedback on



the service and suggest on improvement,

**5.8.3 Social Media Platforms:** We will accommodate suggestions on how to improve service through Facebook, Twitter, Instagram, Instant Chat and YouTube

**5.9 Returns and Declaration Forms:** All tax return forms will be made available for Clients on the LRA website at all times.

We will avail bills of entry (SAD forms), refunds forms and refund envelopes on the LRA website. We will provide Clients with prescribed Excise Return forms electronically once at the time of registration or at any other time when so requested. Refund forms and envelopes will be provided online for clients to access them at any point in time when they want to import any goods. This could help both importers and LRA Officers in:

- Trade Facilitation of legitimate imports and exports
- Filing and completing the form in advance prior to arrival at the border
- Reduce the queues at the borders.

## **5.10 Clearance of Goods and Services at Ports of Entry:**

### **5.10.1. Extra SACU Imports:**

The clearance processing of various declarations per their purpose codes will be performed within two hours. Declarations for Preferred Traders must be uniquely identified and priority processing provided.

In cases where valuation, origin and tariff verifications are required on declarations, such declarations shall be forwarded for determination to Tariff, Classification, Valuation and OSS Function and Trade Regimes Functions prior to processing within four (4) hours.

For more complex cases, processing will be done within two (2) days provided all the information required from the client on the case is available.

### **Query processing:**

We will respond to queries raised within 3 hours and resolve such queries within 24 hours.

We will specify to each Preferred Trader the benefits accruing to them in terms of the area in which they are preferred. We will further publish the names of all Preferred Traders and the categories of their preference in order to promote transparency.

### **5.10.2. Intra SACU Imports:**

We will provide specimen for declaration forms (SADs and VAT Refund Forms).

We will undertake risk-based inspections of consignments in line with ASYCUDA.

WORLD risk engine; duration of the Inspections will be two (2) hours maximum. Where need arise for more time to perform inspection of the same consignment the client will be informed and the reasons for such need will be articulately provided to the Client.

### **5.11 Revenue Collection**

We will collect appropriate taxes on all imported taxable goods.

We will issue receipts within 10 minutes upon presentation of payment documents to the Cashier Points.

**5.12 Display of Clients' Charter:** We will display the Client Service Charter with information on their rights and obligations at all our service points. We will also provide all required information on the LRA Website.

**5.13 Publication of Information:** We will publish as soon as possible laws, regulations, judicial decisions, and administrative rulings related to Tax, Customs and Excise Administration.

These shall include:

- General Tax Information
- Acts, Regulations, Government Gazettes, Orders and the like, related to the administration of Tax, Customs and Excise operations
- Rulings and other decisions pertaining to tax, valuation, tariff classification and origin of goods
- Rates of duties and taxes and exemptions related to duties and taxes
- Other fees and charges related to importation and exportation of goods
- Restricted and prohibited goods in relation to importation and exportation
- Requirements related to importation, exportation and taxation
- Services provided by Lesotho Revenue Authority, places where such services are provided and contact details of persons responsible at such service points.

Information related to new legislation will be made available within five (5) days of the enactment of the relevant legislation or immediately upon a Taxpayer's request on the LRA Website.

**5.13 Accuracy:** All information communicated to Clients will be accurate. We will thoroughly check that our communication lacks errors prior to publication.

**5.14 Exploitation of Client Information Gaps:** We will not exploit Clients' ignorance of tax issues. On the contrary, we will provide all necessary information to educate Clients.

**5.15 Confidentiality:** We will keep all Clients' information secret and confidential in terms of the revenue laws administered by the Authority. Moreover, all employees of the Authority will comply with their undertakings under the Oath of Secrecy they signed.

**5.16 Audits & Inspections:** We will give Clients seven (7) days' notice of our intention to conduct an audit or inspection in the case of routine audits. However, we may not give prior notification in the case of spot checks and verification or surprise audits and inspections.

After audit wrap-up meeting, the Clients will be provided with a report within seven (7) days.

5.16.1 Following a wrap up meeting, the Client will be requested to comment within seven (7) days after receiving a request notice and report from us, or to contact us for clarification where they may have queries/questions. If no comment is received within seven (7) days, we will presume such as agreement of the liability raised, and full payment or arrangement will then be expected to be made within thirty (30) days after such comment or presumed confirmation of liability.

Post Entry Processing: We will conduct inspections at the Importer's/Exporter's Premises.

5.16.2. Following notification of arrival/departure of goods from Lesotho and provided that resources allow we will conduct inspections at an importer/exporter's premises within an hour and 30 minutes of such notification if the importer's premises are situated within a radius of 25 kms from ports of entry/exit. Inspections at importer's premises beyond 25 kms from the ports of entry/exit may be carried out within three (3) hours following the release of such cargo from the border post.

5.16.3 We will conduct inspections at Ports of Entry within 2 hours.

If in processing excise returns, we find it necessary to conduct a verification inspection, we will notify the Taxpayer two (2) days prior to the intended date of inspection and in such a case the total response time of the assessment back to the Taxpayer will be three (3) days.

**5.17 Investigations and Anti-Smuggling Operations:** We may not provide prior notice before we conduct an investigation or an anti-smuggling operation. However, we undertake to work within the provisions of the tax law relating to access to books, records, computers and search and detention and seizure. We further undertake to conduct all our investigations upon reasonable suspicion and to investigate any Client as many times as there exists reasonable suspicion of tax malpractices. We undertake to work within the provisions of the customs and excise law, tax law and all other relevant national laws to access declaration documents, search of premises, detentions of goods and seizure.

**5.18 Computation of duties and taxes due:** Where determinations have been made by the Authority on duties and taxes due, valuation, classification and/or origin of goods, we will provide clear rationale for such determinations.

**5.19 Estimated Assessments:** An estimated tax liability will be raised within thirty (30) days after the end of the filing period, with additional taxes for Clients who do not file returns timeously, as stipulated in the tax laws.

**5.20 Additional Taxes on Late Payments and Penalties:** When applying additional on late payments and penalties in any case as may be relevant, we will communicate to the Client the applicable tax law on how additional taxes and penalties were charged.

**5.21 Refunds:** 100 % of VAT refunds will be issued within eighteen (18) days after application unless they are selected for further checking. Refunds relating to provisional payment(s) on temporary imports and temporary exports will be made within fourteen (14) days after receiving a proof in the form of LRA endorsed SAD that goods were re-exported or re-imported. Refunds for provisional payments made for goods exported to extra SACU markets will be made within fourteen (14) days after receiving proof that goods left SACU market or SACU member states. Refunds for over paid Customs and Excise duties will be made within eighteen (18) days following acceptance of voucher of correction and application form. We will draft refund Memos for refunds of Import VAT within 48 hours of receipt of the application documents. For Preferred Clients, refunds processing shall be within 7 days.

**5.22 Diplomats Refund:** diplomats refunds will be issued within twelve (12) days.

**5.23 Employees Refunds:** We will process employees' refunds within forty (40) days of submission of individual tax returns.

**5.24 Refunds claimed upon filing:** For the Client who is filing Withholding Tax and claiming refund at the same time, the refund will be processed and completed within twenty (20) days, unless it is selected for further checking.

For year-end returns, the refund will take maximum of forty (40) days.

**5.25 Corporate and Individual Tax Clearance Certificates:** Tax Clearance Certificates shall only be done online for all Clients. All Tax Clearance Certificates will be issued within a day of application on condition that, Client's tax affairs are up to date.

**5.26 Exemptions and Rebates:** Responses on applications for exemption from payment of duties and/or taxes will be issued within five (5) days of receipt of such an application provided all necessary documentation is availed.

We will respond to applications for rebate certificates for goods imported under rebate item 412.12 within seven (7) days indicating status of the application.

**5.27 Pension Funds Approvals:** Pension funds feedback will be available within twenty-eight (28) days after submission of application.

**5.29 Deferment Account Statements and Proof of Payment:** Deferment Account statements will be available for collection within ten (10) days after month end. We will issue pay advice slips for every transaction.

We will immediately issue proof of payment every time we receive payment.

**5.30 Detention and Seizure of Goods:** We will inform the Client of the reasons for detention/seizure of goods and issue a detention/seizure form for all goods detained or seized. We will inform the Client of their rights and applicable rules and regulations in all cases where we have detained or seized goods due to suspected non-compliance with the Law.

5.30.1 We will notify the Client immediately of their goods detention, the duration of detainment and the place where such detention is, for purpose of further investigations. We will further inform the Client of the results of the investigation within three (3) days after it has been completed.

5.30.2 The length of time for detention of goods at the Ports of entry will be 21 days after which the goods in question will be transferred to the State Warehouse for storage.

**5.30.3 Disposal of detained /seized goods:** We will inform the Client of our intention to dispose off detained / seized goods twenty-one days (21) prior to the disposal.

**5.31 Disputes' settlement:** In the event of a dispute between the Authority and a Client, we will take all measures to resolve such dispute by mutual agreement with the Client, however if the Client remains unsatisfied, we will inform the Client of their right to appeal.

**5.32 Objection Decisions:** Having received bona fide and legitimate objections from Clients we will give an objection decision within 14 days.

**5.33 Appeals:** We will inform all Clients of their right to appeal our decisions on audits and administrative rulings. In addition, we will publish the appeal procedures.

**5.34 Document Review:** We understand that the information contained in the document will need to be updated overtime; such reviews will be taken periodically or at such time practicably possible. We undertake to solicit inputs from all relevant stakeholders each time a review is necessary.

## 5.40 Where to contact us:

The LRA main office (Head Quarters) is at the Finance House – Ministry of Finance and Development at the Government Complex next to Queen Elizabeth II Hospital. We have offices at the ground, first and second floors at Finance House.

We can also be found on [www.lra.org.ls](http://www.lra.org.ls) and the following other offices located in various districts frontiers and business areas:

Office/Service Point	Location	Service Provided	Telephone Number	Fax Number
LRA Board:	Switch Maseru Finance House, Ground Floor.	– General entry point for telephone communications	22313796 52215000 22235000	22312091
LRA Call Centre	Maseru Finance House, 2 <sup>nd</sup> Floor	General inquiries and complaints over the phone, emails and chat system	80022009 toll free <a href="mailto:enquiries@lra.org.ls">enquiries@lra.org.ls</a> <a href="mailto:info@lra.org.ls">info@lra.org.ls</a> <a href="http://www.lra.org.ls-(chat)">www.lra.org.ls-(chat)</a>	
Maseru Service Centre and Banking Hall	Client Centre Maseru Finance House, Ground Floor.	– General enquiries and applications Mail Management Registration Filing of tax returns Online registration and Issuance of TCC Issuance of VAT 11 for change of ownership Customs pre-entry information applications and enquiries	<a href="mailto:enquiries@lra.org.ls">enquiries@lra.org.ls</a> <a href="mailto:info@lra.org.ls">info@lra.org.ls</a>	

<p>Mohales Client Centre:</p>	<p>Hoek Service</p>	<p>Mohale's Hoek, Alliance Building Opposite Teba.</p>	<p>General enquiries and applications  Mail Management  Registration  Filing of tax returns;  Online TCC registration  Issuance of VAT 11 for change of ownership  Receipting  Customs pre-entry information applications and enquiries</p>	<p><a href="mailto:enquiries@lra.org.ls">enquiries@lra.org.ls</a>  <a href="mailto:info@lra.org.ls">info@lra.org.ls</a></p>
<p>Maseru Border Post:</p>	<p>Bridge</p>	<p>Maseru Ha Hoohlo neighboring Lady Brand</p>	<p>Clearance of Extra SACU Motor Vehicle Imports;  Clearance of all Intra SACU imports and exports;  Report of arrival of all imports and exports  Customs pre-entry information applications and enquiries</p>	<p>52215191      52215189  52215602  <a href="mailto:maserubridge@lra.org.ls">maserubridge@lra.org.ls</a></p>

Maputsoe Bridge Border Post:	Maputsoe neighbouring Ficksburg	<p>Clearance of all Intra SACU imports and exports;</p> <p>Report of arrival of all imports and exports</p> <p>Customs pre-entry information applications and enquiries</p>	<p>52215903 /5901</p> <p><a href="mailto:maputsoebridge@lra.org.ls">maputsoebridge@lra.org.ls</a></p>	52215896/5901
Caledon'spoort Border Post:	Butha-Buthe Ha Belo neighbouring Fouriesburg	<p>Clearance of all imports and exports;</p> <p>Report of arrival of all imports and exports</p> <p>Customs pre-entry information applications and enquiries</p>	<p>52215867</p> <p>52215865</p> <p><a href="mailto:caledonspoort@lra.org.ls">caledonspoort@lra.org.ls</a></p>	
Van rooyen's Gate Border Post:	Mafeteng neighbouring Wepener	<p>Clearance of all imports and exports;</p> <p>Report of arrival of all imports and exports</p> <p>Customs pre-entry information applications and enquiries</p>	<p>52215840/5841</p> <p><a href="mailto:vanroyensgate@lra.org.ls">vanroyensgate@lra.org.ls</a></p>	52215841



<p>Makhaleng Bridge:</p>	<p>Mohale's Hoek neighbouring Zastron</p>	<p>Clearance of all Intra SACU imports and exports;</p> <p>Report of arrival of all imports and exports</p> <p>Customs pre-entry information applications and enquiries</p>	<p>52215329</p>	
<p>Qacha's Nek Border Post:</p>	<p>Qacha's Nek neighbouring Matatiele</p>	<p>Clearance of all imports and exports;</p> <p>Report of arrival of all imports and exports</p> <p>Customs pre-entry information applications and enquiries</p>	<p>52215855/5854</p> <p><a href="mailto:gachasnek@lra.org.ls">gachasnek@lra.org.ls</a></p>	
<p>Ramats'eliso's Gate:</p>	<p>Qacha's Nek Ha Ramatseliso</p>	<p>Clearance of all Intra SACU imports and exports;</p> <p>Report of arrival of all imports and exports</p> <p>Customs pre-entry information applications and enquiries</p>	<p>082 34 68 945</p>	

Moshoeshoe International Airport:	1	Maseru, Mazenod	<p>Clearance of all imports arriving in Lesotho by Air.</p> <p>Clearance of accompanied passenger buggage.</p> <p>Customs pre-entry information applications and enquiries.</p>	52215836/5833 / 5834 / 5832/ 5837	52215837/32/33/34
Maseru Office:	Post	Maseru, Kingsway Street, Post Office Building	<p>Clearance of all imports of items arriving by post</p> <p>Customs pre-entry information applications and enquiries</p>	52215967/5968	
Tele Bridge		Quthing	<p>Clearance of all imports and exports;</p> <p>Report of arrival of all imports and exports</p> <p>Customs pre-entry information applications and enquiries</p>	52215984 / 5981 / 5983	

