



REPUBLIC OF SOUTH SUDAN
National Revenue Authority
Commissioner General

Circular No.: FSS/NRA/J/002/CG/GEN/VOL.1/96

Issue Date: 15th July 2022

Subject: **OPERATIONALIZATION OF THE FINANCIAL ACT 2021/2022**

This circular is issued under authority given to the National Revenue Authority by section 6(2)(b) of the National Revenue Authority which empowers NRA to administer the laws specified in Schedule I of the National Revenue Authority Act, 2016. It seeks to operationalize the Financial Act 2021/2022 which was signed into law and became effective on 9th June 2022. Instructions given in this Circular shall become effective on 18th July 2022.

1) PURPOSE OF THIS CIRCULAR

The National Revenue Authority is responsible for administering and enforcing, *inter alia*, Financial Acts. For the fiscal year 2021/2022 applicable taxes, fees and other levies due to the National Government are specified in the Financial Act, 2021/2022 which became effective on the date of its signature by the President of the Republic on 9th June 2022.

The coming into force of Financial Act 2021/2022 on 9th June 2022 automatically repealed and replaced taxes, Customs duties, fees and other levies due to the National Government that had been imposed under the previous Financial Act, which in this case is the Financial Act, 2019/2020.

This Circular serves as formal communication to the **Commissioner for Domestic Tax Revenue, Commissioner for Customs Revenue and their respective staff** that the Financial Act 2021/2022 is now in force. Consequently, they are hereby directed that **with effect from 18th July 2022, taxes, fees and other levies of the National Government throughout the Republic shall be as stipulated in the Financial Act 2021/2022** until such time that the Act is repealed and replaced by another law.



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Key changes introduced by the Financial Act 2021/2022 that should strictly be adhere to from 18th July 2022 are highlighted hereunder.

3) BUSINESS PROFIT TAX (BPT)

- a) All businesses liable for BPT shall be subjected to a flat BPT tax rate of 30% regardless of the size or type of the business.
- b) BPT advance on non-food imports has been increased to 5% (from 4% as was the case previously)

3) PERSONAL INCOME TAX (PIT) ON WAGES AND ON ENTREPRENEURIAL ACTIVITIES

The applicable rates for PIT shall be as follows:

S/N	TAXABLE INCOME IN SSP		APPLICABLE TAX RATE
	From	To	
1	-	2,000	0%
2	2,001	5,000	5%
3	5,001	10,000	10%
4	10,001	15,000	15%
5	15,001	-	20%

- a) *Take note that for PIT on entrepreneurial activities, taxable income is arrived at after standard allowable expenses of 20% of turnover as well as such expenses as town rate, ground rate etc.*
- b) *Furthermore, take note that once the taxable income has been determined to fall under a particular income bracket, then the whole of the taxable income is subjected to the tax rate applicable to that particular bracket. For example, where taxable income is SSP 6,000, the 10% tax rate should be applied to the whole amount of SSP 6,000 not only to the amount that is in excess of SSP 5,000*

4) TECHNICAL/CONSULTANCY FEES OR REMUNERATION FOR PART-TIME WORK

The applicable tax rate has been increased to 20% (from 15% as was the case previously)

5) PENSION INCOME

The applicable tax rate has been reduced to 10% (from 15% as was the case previously)



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6) EXCISE TAX

- For telecommunication services, the applicable tax rate has been increased to 20% (from 15% as was the case previously).
- For insurance services the applicable tax rate has been increased to 10% (from 7% as was the case previously).

7) CUSTOMS VALUATION

The exchange rate for conversion of merchandise values from USD to SSP has been increase to SSP 90 per USD 1 (from SSP 45 per USD 1 as was the case previously).

8) CUSTOMS DUTIES

Specific changes that have been enacted regarding Customs duties are presented below:

Chapter	Tariff Description	Tariff heading	New Rate	Old Rate
20	Preparations of vegetables, fruit, nuts or other parts of plants	20.08	10%	5%
23	Residues and waste from the food industries; prepared animal fodder Preparation of the kind used in animal feeding	23.09	0%	20%
27	Mineral fuels, mineral oils, and products of their distillation; bituminous substances; mineral waxes	27.10	10%	20%
29	Organic chemicals	29.36	0%	20%
		29.37	0%	20%
		29.41	0%	20%
30	Pharmaceutical products	30.01 - 30.06	0%	5%
31	Fertilizers	31.01 - 31.05	10%	5%
39	Plastics and articles thereof in primary form	39.01 - 39.08	0%	10%

9) GSS INSTITUTIONS FEES AND CHARGES

Chapter 10 to 34 under Part 3 of the Financial Act 2021/2022 lays down specific fees and charges under GSS institutions for which the authorized collection agency is the National Revenue Authority. The specified fees and charges are in relation to the following:

- Certification of investments - Schedule 3 (**Ministry of Investments**);
- Water resources and irrigation - Schedule 4 (**Ministry of Water Resources and Irrigation**);



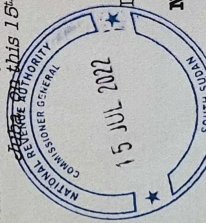
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By this Circular, the Commissioner for Domestic Tax Revenue is directed to ensure that NRA staff are posted to each of the above specified GRSS institutions for the purpose of taking over collection responsibilities as stipulated under the Financial Act 2021/2022.

10) OBLIGATION OF NRA OFFICERS AND STAFF

The Commissioner for Customs Revenue and the Commissioner for Domestic Tax Revenue are hereby directed to take all necessary measures to ensure taxes, fees and other levies due to the National Government are imposed in strict observance of the Financial Act 2021/2022 until advised otherwise in writing by the undersigned.

Issued under my hand and the Seal of the National Revenue Authority in Addis Ababa on this 15th Day of the month of July in the Year 2022.



Patrick Kennedy Mugoya
Dr. Patrick Kennedy Mugoya
**Commissioner General,
National Revenue Authority**

c. c. H. E. Prof. Dr. Gen. James Wari Igga
Vice President and Chairperson of the Economic Cluster

Hon. Agak Achuil Lual
Minister of Finance and Planning

Hon. Kuol Athian Mawien
Minister of Trade and Industries and Chairperson of the Economic Cluster Sub-Committee

Hon. Dr. Michael Millil Hussein
Chairperson of the NRA Board of Directors

Gen. Akol Koor Kuc
Director General, ISB

Gen. Simon Yien Makuach
Director General, GIB

Hon. Africano Mande Gedlima
Deputy Commissioner General, NRA

