

Profile—— The Republic of South Sudan (South Sudan for short)

I. Jurisdiction Background

The Republic of South Sudan (South Sudan for short) is a landlocked country in northeast Africa. Juba City, the capital of South Sudan, is located in Central Equatoria State as the national political, economic, cultural center and transportation hub. The official language of South Sudan is English, the common language is Arabic, and most residents also speak the local tribal languages. Its rich biodiversity includes lush savannas, swamplands, and rainforests that are home to many species of wildlife.

II. Organizational Structure

The South Sudan Revenue Authority (SSRA, Formerly National Revenue Authority) under the Ministry of Finance is the revenue service of the South Sudan Government. It is a non-oil revenue collecting body that was established in 2016 under the National Revenue Authority Act, 2016. Headed by the Commissioner General, the SSRA is comprised by divisions of Domestic Tax, Customs, Internal Affairs, Internal Audit and Corporate Services, etc. The Domestic Tax division is critical to the enforcement of tax compliance for all taxpayers. Meanwhile, the Customs division collects revenue and tariffs from the flow of goods, into and out of the country.

III. Current Tax System

The South Sudan Taxation Act 2009 with revised editions was issued in accordance with the Transitional Constitution of Southern Sudan and was enacted to define the tax system in South Sudan and to establish guidelines and regulations for the collection of taxes and other taxes. South Sudan has relatively few taxes, including major taxes such as business profit tax, personal income tax and sales tax.

IV. Overview of tax preference policies

In accordance with The Investment Promotion Act 2009, South Sudan provides tax incentives to investment in specific priority sectors, such as agriculture, physical and social infrastructures, forestry, manufacturing, transport and telecommunications, mining and tourism industries, etc. Incentives include tax exemptions and concessions

in machinery and equipment, capital and net profits for a prescribed period, agriculture imports may be exempted from any duty and taxes, etc.

V. Tax Collection and Administration

SSRA is responsible for evaluating, collecting and accounting for all revenue or tax as well as for counselling on matters relating to the administration of, and collection of revenue under the written laws or the specified provisions of the written laws of South Sudan.

SSRA aims to leverage on digital transformation and highly motivated staff to mobilise non-oil revenue for national development by promotion of voluntary compliance, adopting modern technology in revenue administration and effective border protection.

VI. Taxpayer Services

SSRA introduces the eTax portal that enable taxpayers to access SSRA services conveniently online. All taxpayers can apply for a Taxpayer Identification Number online, declare and pay taxes online and obtain Tax Clearance Certificate online. Businesses, companies, organizations and registered entities can also generate e-invoices for free through the eTax portal, which captures payable taxes directly when the invoice is created. The e-invoice is simultaneously accessible to both the selling and purchasing parties, and make it possible to verify or establish authenticity the document.

VII. Tax Legislation Process

South Sudan's tax legislation is based on the Taxation Act 2009, which has been amended several times. The latest version of the Taxation Act is the 2021 revised edition including all amendments to the Act as of 30 June 2021. The Act covers all aspects of taxation, including functions and duties of SSRA, taxpayers and withholding agents, rights and obligations of taxpayers, provisions for various taxes, as well as tax collection and administration, etc.

Meanwhile, the Financial Act is published every year, with the latest version being the Financial Act 2023-2024. Financial Act 2023-2024 amends various tax laws relating to business profit tax, personal income tax and sales tax, etc., and other fees

and charges imposed under the various Government of the Republic of South Sudan (GRSS) institutions.

VIII. Future Tax Reform Plan

With technical assistance of the International Monetary Fund (IMF), the South Sudan Revenue Authority is exploring directions and measures to support revenue administration reforms to enhance non-oil revenue collection and tax administration. Measures for consideration include broadening of the sales tax base while ensuring the protection on certain taxpayers, streamlining of non-statutory tax and customs exemptions, strengthening customs administration, enhancing human resource capacity through recruitment and training, and introducing a Value Added Tax (VAT) over the medium-term.

Recently, South Sudan Ministry of Finance unveils comprehensive economic recovery plan and announces that it is working with the SSRA to streamline the tax collection process and improve tax compliance.

IX. International tax cooperation

South Sudan actively participates in international cooperation in the field of taxation. It has established and is expanding the tax treaty network. South Sudan has signed tax treaties with Morocco and the United Arab Emirates, etc. South Sudan is a Council member of the Belt and Road Initiative Tax Administration Cooperation Mechanism (BRITACOM).

X. Others

None.