



Revenue Mobilization Talanoa for PACER Plus Parties & Signatories

Samoa

Date: 25-28 February 2025





OUTLINE.

- Revenue- Vat & Excise
- Revenue Gap
- How to increase Revenue collection in Customs & Tax
- What is the contribution of VAT, GST or Consumption Tax to Revenue
- Comments since last dialogue and way forward.





Revenue on VAT & Excise

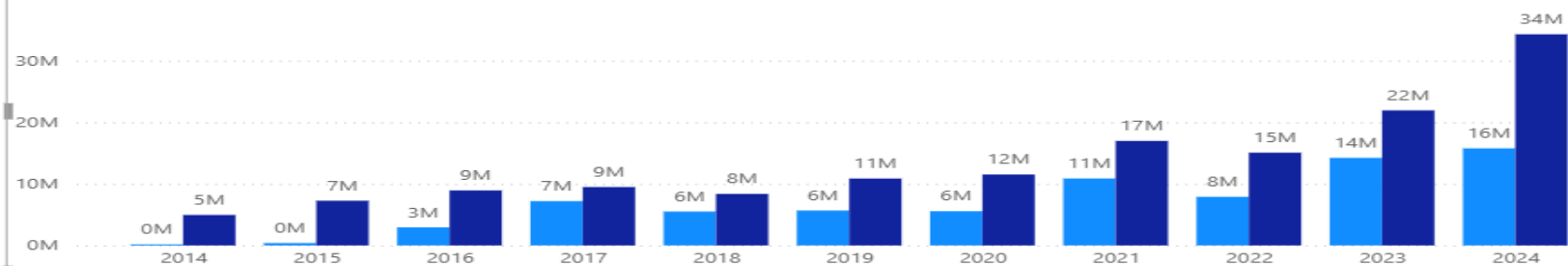
Business Category

- Business
- Non-Business

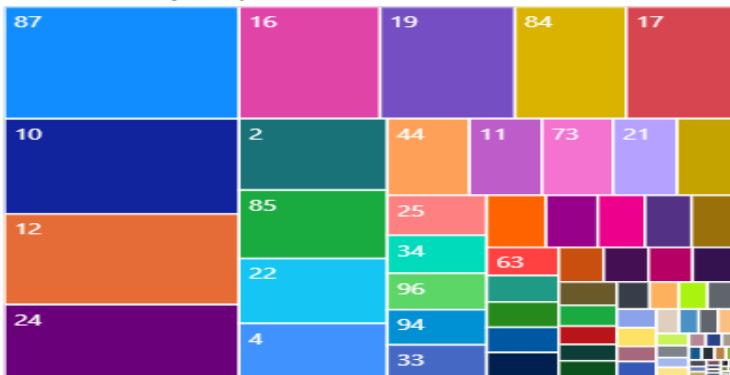
Year	Sum of VFD	Sum of Excise Tax	Sum of VAT
2014	66,926,034.94	175,243.13	4,954,257.72
2015	154,639,570.05	392,342.15	7,262,845.01
2016	101,445,980.79	2,932,621.29	8,943,006.48
2017	88,622,079.91	7,202,727.59	9,490,452.16
2018	88,076,599.84	5,508,560.56	8,369,431.24
2019	102,108,977.79	5,680,613.58	10,869,484.49
2020	107,534,755.46	5,561,914.01	11,527,616.76
2021	143,331,394.40	10,876,370.11	16,976,407.99
2022	133,231,287.09	7,899,824.44	15,075,307.85
2023	185,810,514.41	14,226,517.23	21,935,218.02
2024	198,718,772.15	15,769,477.75	34,298,759.85
Total	1,370,445,966.83	76,226,211.83	149,702,787.56

Sum of Excise Tax and Sum of VAT by Year

● Sum of Excise Tax ● Sum of VAT



Sum of VFD by Chapter





Revenue Gap

- Chapter 16 on HS code 1604.1500 with the Excise rate of 50% while the rest are 0%
- Misclassification
- Undervaluation
- Exemptions

- The services supplied by SoEs (State Owned Enterprises) are exempted supplies – Schedule 2 of VAT ACT 2013



How to increase Revenue collection in Customs & Tax

Customs

- All sub headings in 1604 to be charged 50%.
- Move from FOB to CIF – maintain 12.50%
- Excisable goods to be charged on Specific Rate instead of Ad valorem – Need technical assistance

Tax

- Amending the VAT ACT to focus on the following:
 - Removing the services supplied by SoEs from schedule 2 as exempt services
 - Updating VAT ACT to meet the international standard by moving away FoB to CIF
 - Enhancing revenue mobilisation through the extension of VAT application on remote services, (digital services) including other technical amendments



What is the contribution of VAT, GST or Consumption Tax to Revenue



Year	Normal Revenue collected on FOB		Revenue collected on CIF		Difference in %
	FOB	12.5%	CIF	12.50%	
2023	\$ 185,810,514.41	\$ 23,226,314.30	218,969,207.33	\$ 27,371,150.92	17.85%
2024	\$ 198,718,772.15	\$ 24,839,846.52	236,428,212.74	\$ 29,553,526.59	18.98%



Comments since last dialogue and way forward.

- Cabinet paper on the move to CIF is prepared to be tabled in Cabinet
 - The move to Specific Rate has to be made – Requires a Technical Assistant
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- Tax
 - VAT Amendment Bill has been approved by Cabinet recently last week
 - RMS is still in process – Can Tax Office use Asycuda World while waiting for the donor?



Kam rabwa,

